



Guilford College's Transition to Transformation April 2025 Progress Report on the First 85 Days

The Trustee Transition Team began its work on Jan. 6, 2025, after the previous president stepped down. Our goal is to make Guilford's practical, transformative, values-based liberal arts education financially sustainable for the long term. Acting President Jean Parvin Bordewich has committed to **greater transparency, intensive collaboration**, and a **focus on what makes Guilford unique**.

This transition period is guided by requirements of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC): Maintain a strong student experience, balance budgets for FY25 and FY26, increase the unrestricted portion of the endowment and improve operational and financial processes. Guilford's accreditation is under review with a decision expected in December 2025. In short, Guilford offers an excellent education but it must change its finances and administration quickly. To achieve these results on the accelerated timetable, the transition team adopted a three-part strategy: Reduce operating expenses, monetize assets and increase fundraising. Considerable progress was made on all three in the first three months.

ACTIONS & PROGRESS

Expenses: We took decisive action to address operational and financial deficiencies, made changes in policies and practices that will increase accountability, and cut expenses and reduced salary and benefits costs through restructuring, attrition and voluntary early exits. Results include:

- Attrition and strategic position management, including voluntary early exits, early retirements, reduced work hours, and restructuring, are expected to generate approximately \$1.6 million in labor cost savings for FY25 and a projected \$2.6 million in labor cost for FY26.
- Reduced general operating expenses, other-than-personnel, by more than \$2 million in FY25.
- Reduced accounts payable outstanding by \$1.8 million from January through March 2025.

Revenue: We have restructured and refocused fundraising operations, ended a policy of students attending with unpaid bills and recruited and trained alumni and trustees to raise money and provide stewardship to donors and alumni. The Acting President assumed a major role in fundraising, supported by Advancement staff and volunteers. Results include:

- Collected \$1.1 million in student accounts receivable from January-March, reducing the outstanding amount from \$2.2 million to \$1.1 million. Students will have to pay balances (or establish a payment plan) before registering for the fall semester, and registration began March 28. Students will not be permitted to move in or start classes in the fall with unpaid bills to the College.
- Received more than \$1 million in unrestricted cash (not pledges) in the first month after launching on March 1 the "For the Good of Guilford" campaign. The goal is to raise \$5 million for the Loyalty Fund (unrestricted money to use where it's needed most) by June 30, 2025.
- A total of \$585,062 was contributed on Guilford Madness spring giving days, compared to \$322,000 last year. Loyalty Fund gifts to Guilford Madness were included in the \$1 million total for the month.
- 1,323 alumni have donated so far in FY25, compared to a total of only 900 in all of FY24. This is 74% of our goal for FY25 of 1,800 alumni donors, doubling last year.
- A real estate working group of the Board of Trustees worked closely with the College administration to identify real estate assets and explore ways to monetize them. The transition team also identified other assets that could be converted to revenue if necessary.

Note: The College's endowment is healthy at \$75 million, but more than 97% of it is restricted to particular uses and not available for general operations. Fundraising is focused on unrestricted gifts to the Loyalty Fund in order to balance the budget and build up the endowment's unrestricted assets.

Organizational Restructuring: The goals of these actions are to improve performance and inter-departmental communications and reduce administrative overhead. Results include:

- Eliminated two vice president positions and all VP titles and the accompanying high compensation costs.
- Filled only a very few highly-critical positions as employees departed.
- Made targeted reductions in staff including in the President's Office. Departments are now very lean.
- Brought in highly experienced volunteers to assist with specific transition tasks, such as an accelerated audit process, fundraising and alumni outreach.

Academic Affairs & Student Experience: Working closely with the Provost's Office, faculty and staff, the transition team is focused on the core educational mission of the College. Results include:

- Collaborated with faculty on curriculum decisions needed before March for fall 2025.
- Decided to experiment in 2025 with online-only summer school.
- Changed the 3-week spring 2026 term from mandatory to optional as an experiment in 2026, saving about \$800,000.
- Expanded access through technology and a college consortium to courses taught in other colleges and universities and not available at Guilford.
- Eliminated most courses with less than 10 students, especially if they require adjuncts, for the next academic year.
- Launched an evaluation of the two-semester mandatory foreign language requirement, its impact on learning outcomes, student graduation rates, staffing and administration.
- Introduced three new revenue-generating professional development certificate programs for adult students to begin in summer 2025.

Communications: Greater transparency and outreach require open and frequent communication of information to the Guilford community on-campus and off-campus, and to a larger audience of people interested in the College. Results include:

- Emailed a Presidential update on the transition every Friday to campus and to the off-campus Guilford community.
- Conducted regular open forums in person and on Zoom with the Acting President and Acting COO, including sessions hosted by the Guilford Student Body Association.
- Arranged frequent media interviews with the Acting President to keep the public informed.

WHERE WE ARE GOING

As the transition team has learned more about underlying issues that have contributed to the current financial crisis, it is charting a path to a sustainable future. While it is too early to have a full-blown plan, elements of the strategy include:

Students: The College is changing the composition of its student body and its strategies for recruitment and retention. Goals include: broader geographic representation, smaller percentage of N.C. students (currently at 78%), higher net revenue per student and higher academic standards. The emphasis is on "recruiting to graduate," not recruiting to fill a quota of first-year seats. Tactics include a financial aid strategy to incentivize academically high achieving students, base financial aid on need rather than across-the-board discounts for everyone and create visibility and competition for Guilford's unique scholarship programs.

Faculty: The faculty are key to the quality of the student experience. Goals include investing in full-time faculty and creating opportunities to hire the next generation of teachers and scholars as current faculty retire, keeping adjuncts as needed for special classes and to balance teaching loads and adding faculty in programs with high demand.

Curriculum: The liberal arts curriculum, which is grounded in community and Quaker values, will deepen its focus on ethical leadership, continue to encourage breadth and interdisciplinary studies and adapt Guilford's long-standing values and practices to an ever-changing world.

HOW WE PLAN TO GET THERE

Moving Guilford toward its sustainable future includes the following goals and actions:

- Maintain the life-changing student experience: personal relationships with faculty, academic excellence, outstanding athletics and other extracurricular opportunities, and a strong sense of community. Guilford will remain a "college that changes lives."
- Strengthen finances and financial and administrative processes to better support the mission.
- Attract students from a broad range of backgrounds who will succeed at Guilford.
- Expand offerings to non-traditional students.
- Strengthen relationships and partnerships in the Greensboro area.

Acting President Jean Bordewich, Acting Chief Operating Officer Keith Millner, and the Board of Trustees welcome your suggestions, comments, criticisms and support, and can be reached at president@guilford.edu.

You may make a donation to Guilford on our website at giving.guilford.edu.