



The text of the first progress report is in black. Updates are indicated below in red. 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.

**Update:** The FY25 operating budget, exclusive of non-cash expenses like depreciation and write-off of bad debt, is projected to have a **surplus** of about \$2 million. Kudos to Acting Chief Operating Officer Keith Millner '82, the Finance team, and every member of the Guilford community who worked to produce a positive budget in less than five months – It is quite an accomplishment!

However, SACSCOC requires us to have balance (or a surplus) also in the **accrual** budget. The \$2 million surplus helps, but depreciation of \$5.6 million puts the accrual budget back in the red. This is on paper only – it is not cash spent. To address that, if needed, the current plan is for the Board of Trustees to permit some money in the endowment to be redesignated so the depreciation is covered. In future years, we must have enough income from operating revenue to cover not only cash expenses, but non-cash expenses like depreciation and bad debt as well.

## 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 \$376,000 in salary and benefits cost savings for FY25 and a projected \$1.8 million in salary and benefits cost savings for FY26.
- Reduced general operating expenses, other than personnel, by more than \$1.1 million in FY25.
- Reduced accounts payable outstanding by \$1.8 million.

### **Update:**

- Ended costly contracts for products and services that aren't needed. Negotiations are underway on two more contracts.

- In May, restructured bank debt by paying off a \$3.3 million term loan, lowering the interest rate and renewing the line of credit for 12 months, resulting in a \$1.3 million reduction in debt service in FY26.

**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.

**Update:** \$800,000 more has been collected, bringing the total to \$1.9 million. The remaining unpaid student bills for FY25 total about \$500,000. Again, congratulations to faculty, staff, coaches and others who worked with students and their parents to get the bills paid.

**Update:** Fees for taking more than 18 credit hours and for parking were re-instituted.

- 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.

**Update:** Donations of unrestricted cash received so far total \$3.5 million, with more that has been promised by June 30. We have one month to cross the finish line! Please invest in Guilford now!

- 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.

**Update:** 1,523 people identified as alumni have donated this fiscal year, an increase of 69% over last year, and 85% of our goal.

- 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.

**Update:** Real estate remains an asset that can be monetized, but current bond covenants encumber sales, though not other uses such as conservation easements. The bondholders could agree to release restrictions on a portion of our property, but we won't know that for some months.

**Endowment:** 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.

**Update:** A working group identified and the College has submitted to the N.C. Attorney General a request to remove restrictions from small endowment funds that have no living donor, according to provisions of state law. A decision is expected from the state this summer. Meanwhile, some living donors have agreed to have the revenue from their endowment funds used for unrestricted purposes as well.

**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:

- This new grouping of disciplines is expected to enhance communication and interdisciplinary opportunities,

open more options for students, streamline administration, reduce non-teaching tasks for faculty, and produce a modest reduction in expenses. The Academic Centers are designed to be permeable to encourage collaboration across and within the Centers as well as flexible so that the structure can adapt to evolving needs of faculty and students.

- Implementation of the new organization will be finalized over the summer to take effect for the fall semester 2025. Congratulations to the faculty for their work to re-imagine Guilford's academic structure and functioning!
- 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 low-enrolled courses and/or turned them into independent studies.
- Launched an evaluation of the two-semester mandatory foreign language requirement, its impact on learning outcomes, student graduation rates, staffing and administration.  
**Update:** The faculty voted to require only one semester of a foreign language for all students.
- Introduced three new revenue-generating professional development certificate programs for adult students to begin in summer 2025.  
**Update:** Launch in Fall 2025.

**Update:** In May, adoption of a faculty-led proposal to create four new "Academic Centers" to house the College's 36 academic departments fulfilled a change envisioned in the 2024 Academic Strategic Plan. They are:

- **Understanding the Human and Natural World** (Health Sciences, Education Studies, Exercise and Sport Science, Sustainable Food Systems, Biology, Chemistry, Environmental Studies, Physics, and Geology)
- **Human Studies & Cultural Understanding** (African-American Studies, Art, English & Creative Writing, Experience Design, Music, Philosophy, Psychology, Religious Studies, and Theatre Studies)
- **Management & Systems** (Computing Technology & Information Systems, Cyber & Network Security, Economics, Analytics, Mathematics, Business Administration, Sport Management, and Accounting)
- **Justice, Society & Global Engagement** (History, International Studies, Criminal Justice, Community & Justice Studies, Modern Languages, Peace & Conflict Studies, Political Science, Sociology/Anthropology, Public Health, and Women's Gender & Sexuality Studies)

**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.

**Update:** The acting president and other faculty and staff speak to community groups regularly, including the Acting President's address to the Greensboro Rotary Club in March.

## 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.  
**Update:** Efforts to raise the visibility and appeal of special programs such as Ethical Leadership, Quaker Leader Scholars, Multicultural Leaders and Bonner attracted more students. Honors Program applications increased notably, and for 2025-26 we have 25 first year honors students committed, which exceeds our goal.
- **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.

**Update:** A key to the "Guilford of the Future" is maintaining accreditation. A projected decline in student enrollment and revenues in FY26 (partly caused by parents' and students' concern about accreditation) means we will have to make further expense cuts to meet the SACSCOC requirements for a balanced cash budget and accrual budget. Determined to do this, the senior leadership has notified employees that "all options are under consideration" as the community works together to find solutions and move forward.

The goal of our "transition to transformation" is to preserve Guilford for future generations of students and sustain its unique character and mission. With a commitment to financial integrity and stewardship, we are repositioning Guilford as a college grounded in Quaker values that is ever evolving to be a brighter beacon of light in each student's life and in the world.

Please join us on this journey!

*Acting President Jean Bordewich, Acting Chief Operating Officer Keith Millner '82, and the Board of Trustees welcome your suggestions, comments, criticisms and support, and can be reached at [president@guilford.edu](mailto:president@guilford.edu).*

You may make a donation to Guilford on our website at [giving.guilford.edu](https://giving.guilford.edu).

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