

F. M. KIRBY FOUNDATION SOLICITATION EVALUATION FORM

DATE: April 7, 2024
Program Area: Education
Grant Type: Board Grant

REQUEST DATE: March 8, 2024

APPLICANT:
Drew University
36 Madison Avenue
Madison, NJ 07940

CONTACT: Hilary Link, President

AMOUNT REQUESTED: \$125,000
BUDGETED AMOUNT: \$125,000

NATURE OF REQUEST: Support of the Launch Program

GRANT HISTORY

SUPPORT: 1970-2023

OF APPROVED GRANTS: 45

TOTAL DOLLARS: \$3,051,800

LAST GRANT DATE: 05/01/2023

LAST GRANT AMOUNT: \$125,000

FYE DATE: 06/30

AFS DATE: 10/30/2023

Year Approved	Approved Amount	Approval Date	Grant Purpose
2023	\$125,000	05/01/2023	Support of the Launch Program
2022	\$125,000	05/02/2022	Support of the Launch Program
2021	\$125,000	05/03/2021	Support of the Launch Program
2020	\$125,000	06/30/2020	Support of the Launch Program
2018	\$150,000	12/10/2018	Toward the comprehensive campus signage plan-\$75,000 in 2018 and 2019

LAST SITE VISIT DATE: N/A

ENDORSEE: Leigh Kirby Klein and S. Dillard Kirby

FINANCIAL ANALYSIS COMMENTS: The FY24 expense budget for Drew University (Drew) projects a 2% increase over the prior year actuals. The FY24 revenue budget projects a

APPLICANT: Drew University

\$9.2M deficit – as compared to a \$12.7M deficit in FY23 – and a 2% increase over the prior year actuals. Net tuition and fees account for approximately 45% of total operating revenues. The FY24 expense budget for the Launch program projects a 2% increase over the prior year actuals. The largest single increase is attributable to software licenses & subscriptions. The FY23 audit shows the University has **negative** unrestricted net assets of \$46.6M, and a cash position of \$1.062M – a cash decrease of \$6.5M from FY22. Total net assets declined by \$10.3M. Investments are valued at \$103.3M – a \$3M decrease from FY22. Total endowment value is \$128.6M – a 2% decrease from FY22. In FY23, \$2.5M was withdrawn from the endowment as a special distribution that will be reflected on the consolidated statement of activities and released from restrictions in FY24. Approximately \$50.3M of the endowment represents a loan for operations and facility investments. The University carries an advance/loan from the endowment to operations related to the operating deficit and an advance on the next FY spending rate distribution totaling \$44.5M as of June 30, 2023. The remaining \$5.8M at June 30, 2023 relates to internal loans from the endowment to operations for the acquisition or financing of four real estate properties. Financial assets available for general expenditures within 12 months are \$9.8M. In FY21, the University’s Department of Education Financial Responsibility Score dropped below 1.0 out of a possible 3.0, in response to which the University will conform to a Provisional Certification Alternative that includes the posting of a cash deposit with the Department. This places the University under a Heightened Cash Monitoring Payment Method. As of FY23, the Department of Education has not yet changed the status of the Score. In response to the operating results in recent years, the University has initiated changes to drive enrollment, manage expense growth, and monetize its non-operating real estate assets. As of June 30, 2023, Drew had long-term debt in the form of loans and bonds payable totaling \$69.5M. Commitments outstanding on capital projects as of June 30, 2023, amounted to approximately \$1.7M. Drew’s financial situation continues to remain bleak, but we will monitor it carefully. FMKF last approved a grant to Drew in FY23. The amount accounted for 8.24% of the Launch program budget.

ORGANIZATION DESCRIPTION: Drew University is a private university located in Madison, NJ. Nicknamed the “University in the Forest” due to its heavily wooded campus, the school serves more than 2,200 students through its three schools – The College of Liberal Arts, The Theological School, and the Caspersen School of Graduate Studies – and has 136 full-time faculty members. The Theological and Caspersen schools offer master’s and doctoral degrees, and the College confers BA and BS degrees in 40 disciplines, with 59 minors, and offers 18 preprofessional and 19 dual-degree programs. At the end of the February 1, 2024 application deadline, Drew had received more than 5K applications for the undergraduate class of 2028, the most in the last decade. This number is expected to grow as students continue to apply after the initial admissions deadline.

Drew provides its students with a challenging and individualized liberal arts education shaped by experiential learning, close student-faculty relationships, and a commitment to connecting the campus to the real world. In addition, Drew is committed to helping students afford their college educations and graduate with the lowest possible debt loads. For the 2024-25 academic year, Drew will offer more than \$35M in grants and scholarships. Approximately 94% of Drew students receive financial aid and 33% are Pell eligible. The current first-year class of 2027 is the largest undergraduate class at Drew in years, with more than 400 students, and includes 40% Pell eligible students and 40% underrepresented ethnic minorities.

APPLICANT: Drew University

In addition to its three schools, Drew's campus is also host to FMKF grantee Shakespeare Theatre of New Jersey, the Florence and Robert Zuck Arboretum, and the United Methodist Archives and History Center. In February of 2023, Drew announced the appointment of Hilary Link, PhD as its fifteenth president. She began her term on July 1, 2023. Link brings a distinguished track record of leadership at prominent higher education institutions in the U.S. and abroad, including Allegheny College, where she served as president from 2019 to 2022. Notable faculty and graduates include Former NJ Governor Tom Kean, Nobel Peace Prize winner William Campbell, and FMKF's own Alice Kirby Horton!

EMILY PRINCE COMMENTS: In FY24, Drew seeks a \$125K grant in support of its Launch program. If approved, this would be FMKF's 5th grant in support of the program, for a total investment of \$625K.

Launch is Drew's comprehensive, institution-wide approach to preparing their undergraduate students to enter meaningful and productive careers. The program's goal is to ensure that every student graduates with a defined purpose, sought-after transferable skills, a network of mentors, and an experience-based résumé. Launch brings together the work of the Center for Career Development, the Center for Civic Engagement, the Center for Global Education, and the Center for Mentoring and Professional Networks. Now in its 5th year, Launch has four key components that support Drew's mission and serve as the program's structuring principles: Rigorous Academics; Networked Mentorships; Purposeful Experiences; and a Powerful Community that is supportive of the other three components.

Over four years, students work with a team of mentors to design a course of study that explores their areas of academic interest, while being encouraged to make connections between courses and post-college goals. On a practical level, Launch provides training around preparing a resume, drafting a professional email, applying for a job, and navigating life transitions. Launch shows students how to tap into the Drew network of faculty, staff, alumni, and peers and utilize those connections to their benefit. Launch also requires all undergraduates to complete at least two immersive experiences (internships, high-level research, volunteer opportunities, etc.) which connect their learning to the real world.

In the past year, Drew has continued to refine and provide consistent messaging across the University about the program, including initiating two new events: "Launch Your Major," where students symbolically marked the declaration of their major, a key milestone of their Launch plan, and "Discover Your Major," sessions hosted for 16 academic departments and programs where students learned more about course requirements, met faculty, and discovered immersive experiences within the major. In the coming year, they will be offering two new career-focused opportunities: "30 Seconds to Launch" and "Putting Launch to Work: Career Week." 30 Seconds to Launch is a mentorship program designed to empower undergraduate students by pairing them with accomplished alumni from various career fields. The program's primary goal is to assist students in developing a compelling 30-second elevator pitch that effectively communicates their undergraduate major, their career field of interest, and the type of job opportunities they are seeking. Putting Launch to Work: Career Week is a week-long series of workshops, panels, and employer engagement to support students in their career exploration and planning. In conjunction with the office of admissions, Launch has developed more robust print and online materials aimed at prospective students to highlight key elements of the program and the ways in which students

APPLICANT: Drew University

progress through its intentional scaffolding during their four years at Drew – I am wondering what all these efforts to pull students in earlier will mean for the Drew 110: Launch Workshop, which students are usually not enrolled in until their second or third semester. The program team is also being more intentional about building stronger connections between Launch and academic affairs and campus life and student affairs, to assess ways in which career development can be integrated into curriculum.

Launch is one of those sticky programs that doesn't have clear success markers – by this I mean that Drew can't necessarily say with certainty that Launch is the key factor in its graduate's success. Over the past year, they have been increasing their monitoring and assessment of student engagement, which has provided more insights into where there are gaps in offerings and utilization, particularly around immersive experiences. For example, they now know students of color are not participating in independent research at a rate proportional to the student population as a whole – they did not note how they plan to address this inequity. That said, there does seem to be some correlation between the program and the upward trajectory of post-graduate employment rates, survey rankings, and incoming student applications, so I do believe credit is due for at least some of the following.

- 94% of recent graduates were employed or in graduate school within six months of graduation. This is on par with other small liberal arts colleges like Smith (96%) and Amherst (90%).
- First-year and transfer applications are up an average of 30%.
- Drew has received high scores in the National Survey of Student Engagement (NSSE) for 2023 – to illustrate, by spring of their senior year, 69% of students had participated in some form of internship, co-op, field experience, student teaching, or clinical placement – and has made the 2023 Institute of International Education's (IIE) Top 40 Leading Baccalaureate Colleges list for undergraduate participation in study abroad.

As my financial analysis indicates, Drew is still in a rather bleak operating position. SDK has become fairly immersed in their efforts to correct course, because of the Save the Drew Forest initiative, noting that he has been impressed with Dr. Link at the helm during her first eight months. I tend to agree with him that the operating losses, debt default, and DOE performance rating are very concerning, but our continued commitment to Launch will be beneficial to the current student body, which should be our primary concern in making this grant. Hopefully we can address these weighty financial issues via a separate commitment to the Save the Drew Forest initiative, but for now, I recommend staying the course with support of Launch. Therefore, in FY24, I recommend a grant of \$125K in support of the Launch Program.

RECOMMENDATION: In FY24, I recommend a \$125K grant in support of the Launch Program.

JUSTIN J. KICZEK COMMENTS: I felt SDK put it well in describing Launch as a “bright spot” in what has been otherwise some bleak years for Drew. Beyond the grave financial challenges, I suspect the Save the Drew Forest movement has not helped the University's public perception, at least among their municipal neighbors. Let us hope that a protected and conserved Drew Forest will be a win-win-win for the ecosystem itself, for the public, and for the University.

APPLICANT: Drew University

It is great to hear that Drew has received more applications for 2024-2025 than they have in five years. As we know, liberal arts higher education faces so many headwinds ahead, one of them being a perception that the Ivory Tower of the liberal arts does not include a very perceptible career ladder. Launch, as an answer to this challenge, aims to connect students to immersive experiences and a clear notion of how their major and other course of studies prepares them for specific professional roles. Student job and graduate school placement – on par if not exceeding other liberal arts colleges like Smith and Amherst – appears to support the effect of a program like Launch.

I take it from the proposal that Launch, as a program, has still not found a permanent “home” on campus, which is concerning. I do believe that, without a visible and locatable home, the program will continue to be more of an abstraction (which is how our 2022 intern Gabriella Ramirez described it). Instead, Launch is currently an effort that brings together four other centers, mentioned above by ECP.

I am pleased to see Drew, through the Launch program, continue to impart upon students the purpose and power of networks and “social capital.” Launch has the potential to be a great program for alumni engagement, so I wonder why the alumni office is not listed as a partner.

With this being our fifth year of supporting this program, I do think it high time to consider whether we should continue to do so. A site visit to Drew (last done in 2019) could be the right time to explore this and discuss with the team there. I know neither ECP nor myself have met the new President nor Launch’s Executive Director, Stacy Fischer.

RECOMMENDATION: I recommend \$125,000 in support of the Launch program.

APPLICANT: Drew University

DISPOSITION:

- Declination
- Hold for review on/about:
- Approval for: **\$125,000**
- Recommended Grant Payment(s):
2024:
2025:
2026:
- Hold for Board Review: **April 26, 2024**
- Payee Other Than Addressee:
- Insert Information: **Support of the Launch Program**
- Other:
Include for Launch Program on check memo.

Initials: JK

Date: 04/10/2024

Check # _____

Date: _____