Standard VI: Planning, Resources, and Institutional Improvement

Moore College of Art & Design has historically been a heavily tuition dependent institution and has made significant progress at reducing reliance on this revenue stream to fund operating and capital expenses. Since the last self-study in 2012, the College has focused on reversing a decline in BFA enrollment, increasing revenue from room and board, and completing a capital campaign aimed at growing the endowment to increase the level of annual operating support and the funding of major capital improvements.

Since the 2012 self-study, Moore has also made significant improvements in planning and resource allocation processes, largely through a committed and rigorous strategic planning process. These improvements have helped to reverse the enrollment decline, improve the academic profile of the student body, strengthen faculty participation across committees, increase resources for scholarship, increase the level of investment in equipment and facilities and improve fundraising capacity. Going forward, the business operations of the college is focused on preparing for emerging risks and long-term demographic challenges.

Reversing the Enrollment Decline and Increasing Room and Board Revenue
Tuition, Room and Board Revenue
The annual operating and capital budget process includes conservative projections for student enrollment, which drive tuition and room and board revenue equal to approximately 85% of total operating revenue (net of student financial aid). After experiencing a significant drop in new student enrollment in fall 2016, the College hired a new Dean of Admissions and charged him with developing a detailed enrollment plan. The annual enrollment plan details all recruitment efforts and financial aid leveraging strategies used to build the enrollment funnel and to measure progress toward goals. The most recent iterations of the plan have helped the College to achieve key objectives outlined in the strategic plan to increase BFA enrollment, improve the academic profile of the incoming class and to increase regional and economic diversity.

The development of the Visionary Woman Honors academic and leadership programs proved be most effective at attracting highly talented students to the College. The programs were designed in partnership with the Dean of Admission, Dean of Students, Academic Dean and key liberal arts faculty. Recipients receive an annual $22,000 Visionary Woman merit scholarship with additional need-based housing grants of up to $10,000, so all highly talented students, regardless of need, can afford a Moore education. Housing grants have helped fill the College's residence halls, generating additional revenue and increasing retention rates. The strategy of using housing grants was informed by research completed by the College's ad-hoc Retention Committee that showed a 10% increase in graduation rates for students living in residence halls (appendix: Retention Committee composition, tenure and report). As a result of the success of the housing grants, the College has invested approximately $1 million dollars to convert a former storage area on the mezzanine level of the Sartain Hall residence into housing for 18 additional students. The College now has the largest number of students living on campus in its history.

Fundraising

Since the last self-study in 2012, Moore College of Art & Design has raised $26,920,517 (through June 30, 2020), easily exceeding the original $15 million goal. The majority of this ($24,897,362 through June 11, 2021) was raised by Moore's *ImagineMoore* Campaign on July 1, 2014.

After exceeding the original *ImagineMoore* Campaign goal of $15 million (nearly 1 ½ years early) Moore comprehensively raised nearly $25 million to strengthen the College's position as one of the country's best art and design schools. Specifically:

- **$11,883,090** in major gifts for scholarships, to guarantee Moore can admit and graduate the most talented art and design students, regardless of any family's ability to pay tuition (13% over the original goal of $10,500,000).
- **$4,611,250** in major gifts for resources and capacity to create and renovate campus spaces that foster a stronger sense of community among incoming and current students, faculty, staff, alumni and campus visitors (31% over the original goal of $3,500,000).
- **$1,070,024** in major gifts for other priorities, such as faculty hiring and retention, career services, and ambitious internship opportunities for students (7% over the original goal of $1,000,000).

The *ImagineMoore* Campaign has allowed the College to realize the following:

- Transformation of Moore's Campus Commons, including the dining hall, the newly refurbished Fox Commons and the cozy gathering space know as Jane's Corner (for alumna and donor Jane Walentas '66), into a welcoming, vibrant hub for all members of the Moore community.
- Metamorphosis of the Connelly Library into a 21st-century art and design learning center, including the new Margaret Minik Writers Studio.
- Creation of the Walentas Visionary Woman Scholarships with the College's largest-ever individual gift of $5 million, which provides life-changing financial support for 10 non-Pennsylvania residents accepted into Moore's Visionary Woman Honors Program each year.
- Full rennovation of all bathrooms and plumbing in Stahl Hall, the College's largest residence hall.

The Campaign garnered robust support from Moore alumni, who contributed nearly $10 million in major gift investments of $25,000 or more. Members of Moore's Board of Trustees and Board of Managers provided $15 million in gifts. (to add: board participation rate)

Since 2012, Moore has made great strides in professionalizing the College's development office and building a more robust culture of philanthropy at Moore. This initially necessitated an in-depth assessment and restructuring of the College's internal development systems, structures, and processes. Additionally, the College's President, Senior Vice President of Administration, and VP for Advancement worked with the College's Boards, Finance Committee, and

Advancement Committee to establish comprehensive gift acceptance, gift counting, and gift recognition policies. We established additional policies for awarding donor-named scholarships, fellowships, awards, and prizes. The College has also implemented annual, personalized reporting to donors and/or stewardship contacts for named funds (professorships, fellowships, scholarships, awards, and prizes) at Moore. All of these initiatives have resulted in increased donor confidence in Moore as a deserving investment.

Moore's previous campaign (1998-2008) raised $27.1 million; with 36% (nearly $10 million) coming from government sources. The six-year *ImagineMoore* Campaign received no government support. And notably, many of the major individual donors who contributed to the prior campaign increased their gifts significantly. Overall, since the last campaign, Moore successfully expanded the College's total donor base by 25%.

Resource Allocation Processes and Committees
Operating and Capital Budget Processes
The College uses a zero-based budgeting process to compile the annual operating budget. Academic and administrative departments utilize enrollment projections, feedback from Academic/Administrative Program Reviews (see section on assessment) and objectives in the strategic plan to develop their annual budget requests. All academic department heads meet with the Academic Dean, Controller and Senior Vice President for Finance and Administration to review operating and capital budget requests. Throughout the year Department Chairs gather feedback from faculty and students on needs in their areas, and channel requests to the Technology Committee, Director of Facilities or the Academic Dean to address needs as they arise and to prepare for each annual budget process. All administrative department heads meet with the President, Controller and Senior Vice President for Finance and Administration.

College Planning Committee
The College has had an active and engaged College Planning Committee (CPC) since 1998. The CPC meets twice each year to review progress made on strategic plan objectives, add new objectives and assess the overall effectiveness of the plan. The process of planning flows from the staff through the Senior Management team to the CPC and then back through the staff. Stakeholders across the college are convened by the managers (usually in retreats) to gather information, ideas and accomplishments that suggest new initiatives or report progress on existing parts of their plan areas. The goals and objectives of the plan often identify where departments and staff work together across departmental boundaries to actuate on a goal (appendix: Strategic Plan). Each identified strategy is the assigned a timeline and budget impact. The CPC meets to review and discuss the overall plan itself and what progress made in completion, extension or revision of a goal or strategy. This ensures the plan is a living document, fully integrated into the programmatic and operation work of the College.

 The CPC is a standing Committee of the Board of Managers, composed of the Chair of the Board of Trustees, Chair of the Board of Managers, Chair of the Faculty Forum, Chair of the Staff Council, President of the Student Government Association, Senior Vice President for Finance and Administration, Academic Dean, Dean of Students, and additional Board, faculty, staff and

students appointed to the Committee. The President of the College is the key staff liaison. With the formation of the Faculty Forum, the collective voice of the faculty is now a regular feature of the strategic planning process. For more details, see Standard VII.

Finance Committee
The College's Finance Committee, made up of board members with an expertise in this area, and staffed by the Senior Vice President for Finance and Administration, is charged with reviewing and approving an annual operating, budget, capital budget and ten-year budget projections for approval by the Boards of Trustees and Managers (see Finance Committee charter). The Finance Committee ensures annual and long-range operating budgets cover the full cost of annual investments in facilities, equipment, financial aid and staffing, fundamentally enabling the College to continuously achieve it mission. (Since the 2012 self-study, the College has earned annual surpluses from operations, in excess of depreciation, which have allowed the College to increase the Board-Designated Fund used to support increasing levels of student financial aid.

In 2019 the Finance Committee charged the College with increasing the time horizon of its annual projections to include the expected demographic drop anticipated nationally resulting from the decline in birth rates associated with the Great Recession of 2008. The College worked with its enrollment consultant to model the expected drop in Moore's specific recruitment areas, and to develop expected impact projections on new student enrollment. To further prepare for the College for potentially difficult times, the Finance Committee asked the administration to model the impact of a 20% drop in endowment market value to see how well the College was prepared to survive under these dual circumstances. As a result of this work, the College recognized the need to further build both its endowment and base enrollment over the next several years to be in a position to withstand enrollment and financial market declines. As a result of this work, the college prioritized a strategic plan objective to increase BFA enrollment, and made a major investment in a new branding and marketing campaign. (refer to standard II)

Technology Committee
The College has an active Technology Committee that meets approximately 4 times per year to assess equipment, software and infrastructure needs. The Faculty Forum has helped to improve faculty representation and communication, leading to better informed decisions and resolutions to issues as they arise. One notable, recent accomplishment of the Committee was implementation of a new information services ticketing system, Zendesk, which helped to ensure better communication and follow up for facilities, computer services, and shop technician and students, faculty and staff. After implementing the new system a follow-up survey was sent to gather feedback and make modifications to the system. Those modifications are ongoing.

When the pandemic hit in March 2020, the College's Technology Committee, supported by strong input from the Academic Dean and the Faculty Forum, played a key role to quickly implement new software, hardware and training. Since the pandemic arrived just before the

College's spring break, the College was able to hold several days of faculty in-service training which allowed for a remarkably smooth transition to remote learning when the student returned virtually to classes one week later. The Committee surveyed students, faculty and staff to gather data and deploy hardware, software and support to ensure all members of the Moore community could be successful in a remote environment.

During the summer of 2020, the College was able to acquire additional software and hardware to allow dedicated (courageous...may sound like hyperbole, but it's the truth) faculty to teach both in-person and remote students simultaneously in any classroom. The Technology Committee continued to play a key role throughout the pandemic, working with sound engineers and video consultants to respond to faculty and student feedback on audio/video needs to ensure a high-quality learning experience.

Building and Grounds Committee
The College's Building and Grounds Committee has made great strides in addressing deferred maintenance, funding academic projects and competing a comprehensive master facilities plan. Since the 2012 self-study, the College has invested xM in facilities capital projects, including a xM library renovation, xM to expand residence hall capacity, $xM to replace bathroom and plumbing in Stahl Hall.

In 2020, the College began work on a comprehensive master facilities plan. This plan included an engineering study to identify the cost of long-term capital maintenance needs. It also included a space utilization study to target major new capital projects to support the new Film program listed in the strategic plan and grow programs, and investments in classrooms and public spaces throughout the College. The plan includes projects in three phases, years 1 to 5, 6 to 10 and 11 to 15. The College has begun work and expects to complete phase 1 prior to the fall 2022 semester. Projects in phase 1 include installing exterior signage and internal wayfinding, renovations to create a Film studio in Graham Auditorium, renovations to build a creative commons to support the new Film program and the growing Animation and Game Arts program, modernization of Fine Arts spaces, renovation of a large Liberal Arts classroom, and the creation of an Interdisciplinary Center. The College has obtained a $10m bank loan in July, 2021 to fund Phase 1 projects and to reimburse the College for recently completed projects. Prior to this loan, the College had retired its long term debt. The costs associated with items identified in the engineering study will be funded by operating revenues and have been added to operating budget projects.

The contributions of the Faculty Forum have been impressive. In addition to major contributions to the master facilities plan, the Faculty Forum representative helped the Committee recognize the importance of investing in new Foundation classroom furniture to address accessibility issues raised in a recently completed academic program review.

Audit Committee
The College has an active Audit Committee (composition) that meets at least twice per year to receive the annual financial statement audit, financial aid audit and retirement plan audit. The

Committee receives benchmarking and industry trend information along with information on emerging trends, risk and best practices. The Committee frequently asks management to research subjects discussed at meetings and bring recommendations to the Committee. Two examples are the growing concerns about cyber security risk, and a best practice suggestion to develop an Emergency Risk Management Plan. Management took significant steps to address the cyber security risk and presented the plan at the October 25, 2017 meeting, and completed the College's first Enterprise Risk Plan at the February 26, 2019 Board of Trustees and Managers meeting, work which is evolving and ever changing. (appendix: Feb 2019 Board minutes).

Resources
Financial Resources
Strong financial results since the last self-study have allowed the College to fund all academic and technology requests for the past several years. As a result of consistently positive budget surpluses and new fundraising, the College has been able to, on average, invest $1,600,000 in capital equipment and projects since 2012 (this is through 2020…see Annual Capital Expenditures exhibit). Total net assets over this eight-year time period have grown from $40,985,194 to $71,199,643, an increase of $30,214,449 or 74%. Long-term debt, which stood at $4,600,000 on June 30, 2012, was fully retired on May 1, 2020. Since 2012 the College's total endowment has grown from $12,547,987 to $41,751,672 (as of June 11, 2021), an increase of $29,203,685 or 233%. The College's endowment per full-time equivalent student stood at $74,246 on June 2018 and is ranked 4out of 31 schools that responded to the bi-annual AICAD financial ratios report versus $25,247 in 2012, ranked at 16 out of 35 school responding to the 2012 report (appendix: AICAD financial ratios report).

Human Resources
(To add: Full-time faculty hires and in key areas…benchmarking, restructuring of some staff offices to meet needs (student services DEI, mental health counselors, new IT position, CE restructuring, Investment in Advancement Office?)

While the College has been successful at providing a high level of services to our student body, it can be challenging to ensure a consistently high service level in administrative departments with small numbers of staff when turnover inevitably occurs. The College has begun work on detailed operating manuals for all positions, cross-training and succession planning to help lessen the impact of turnover. Successfully completing this project will keep services levels high and help to ensure timely completion of strategic plan goals.

Opportunities for Innovation
Preparing for the challenges posed by the projected drop in high school graduates nationally and more severely in the northeastern United States, is the most significant issue the College faces over the next 10 years. To meet this challenge, the College has set an ambitious goal to increase enrollment now to better position the College to absorb the anticipated drop in enrollment. Fully launching the branding campaign, successfully launching the new Film major, and strengthening growing, digitally focused majors will be key to achieving enrollment goals.