

The Trustees of the General Theological Seminary

I am pleased to report on behalf of the Board of Trustees of the General Theological Seminary that the Seminary is strong and looking to the future with cautious optimism. The past three years have been marked by increased enrollment, the beginnings of a long range strategy to improve our financial situation, the selection of a new Dean, and meaningful work by Board, faculty and students in strengthening our educational curriculum.

Like all of the seminaries of our Church, we have been struggling to bring our budget into line in the face of rapidly escalating costs. Total giving from alumni, parishes and friends has increased from \$156,000 in 1976-77 to \$165,000 in 1978-79, but expenses have continued to rise. Following an eight-year period of consecutive operating deficits, that consumed roughly \$2.6 million of endowment, the Seminary completed the 1976-1977 fiscal year in the black. The excess of revenues for that period — \$144,000 — was sufficient to fund 1976-1977 capital plant improvements. Last year (1977-1978) current funds' operations again showed a small excess of revenues over expenditures, but it was necessary to withdraw \$250,000 from endowment to fund capital plant improvements. This year (1978-1979) there is a \$100,000 budgeted deficit coupled with roughly \$200,000 in unfunded capital plant costs, which will require a \$300,000 endowment withdrawal.

Although the Seminary has a strong financial base, there is a growing problem related to a widening gap between tuition and operating costs, mounting inflation, and a significant deferred maintenance backlog. At its next meeting, the Board will be considering alternative strategies for dealing with these problems, the first step being the raising of tuition from \$1,800 to \$2,200 — effective this current academic year.

With the sale of the Gutenberg Bible in 1977, we have added substantially to our library endowment, insuring its continued place as one of the premier libraries of the Episcopal Church.

Student enrollments have remained steady over the past three years, marking a decided increase over the very low enrollment in the previous triennium. In 1976 we had 119 full-time students; in 1977, 113; and in 1978, 108. With 48 students in our entering class this year, we will have 126 full-time students in residence during the 1979-80 term. Approximately one third of our students are women, and half are married. In most cases, students come to the Seminary already quite mature in their faith and aware of the difficulties in placement they will be facing in the years ahead. Their coming reflects the strength of the Church as a whole, reaffirming for me an old conviction that conflict in the Church has a way of providing a particular kind of vitality and depth. By the grace of God, this seems to be happening.

In January 1978, Dr. Roland Foster resigned as Dean to return to full-time teaching. In May 1978, I was called as the tenth Dean of the Seminary, beginning in September 1979, joining a full-time faculty of fifteen.

Dr. Philip Turner of the Episcopal Seminary of the Southwest will be joining the faculty in January 1980, as Professor of Christian Ethics; and, hopefully, before the year is out, we will have found a faculty person in the area of Education and Homiletics.

Despite our financial struggles, the state of the Seminary is good. During the past year, work on the curriculum has been going on which will lead to greater integration between the classical disciplines and the actual practice of ministry. Building on

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a strong Foundations Curriculum established four years ago, there will be greater opportunity for students to major in areas of special interest. We are particularly concerned with strengthening our emphasis on urban ministry in ways that relate us more creatively to the great city of which we are a part.

Respectfully submitted,
James C. Fenhagen, *Dean*