

CUWAA FACT SHEET DECEMBER 2024

CUWAA has enacted a number of difficult decisions in the past year that have affected the lives of many. We recognize that these decisions have caused disruption and stress. This sheet is intended to highlight some of the financial realities that have informed these painful decisions.

Merger

- In 2013 CUW acquired the Ann Arbor campus to extend the ministry of that campus.
- As a result of the acquisition, Concordia Ann Arbor became a branch campus of CUW.
- Academic operations in Ann Arbor represent about 20% of the university's operations.
- Over the past ten years, CUW has invested about \$93,000,000 in Ann Arbor, both to develop the campus and to cover operational losses.

Operational changes

- CUW had an annual surplus of about \$8,000,000–\$10,000,000 at the time of the merger.
- Since 2013, the Ann Arbor campus has lost on average \$4,000,000–\$5,000,000 annually from operations.
- In recent years the operational results of the Mequon campus have declined.
- As a result of both campuses struggling financially, in FY23 CUWAA had a \$8,886,140 operational shortfall.

Financial analysis

- Enrollment growth in Ann Arbor has come through expansion of athletic programs; 70% of traditional undergraduates are student-athletes.
- Due to the expenses of athletic programs, it costs about \$7,500 more each year to serve a student-athlete than other undergraduates.
- Since the campus does not have enough dorm beds to support athletics through room and board fees, 23% of tuition revenue has been used to cover athletic expenses.
- In the short term alone, the campus needs \$3,820,000 to remedy deferred maintenance issues.

Steps taken

- In order to secure the long-term financial health of the institution, in 2024 the university eliminated about 175 positions across both campuses.
- Athletics in Ann Arbor will be discontinued following the 2024–2025 academic year.
- Many academic programs that were not financially sustainable will be discontinued following the 2024–2025 academic year.
- The university continues to draw from its endowment at an appropriate level that balances short-term operations with long-term growth.

Please pray that the Lord grant wisdom to all those to whom he has given stewardship of CUWAA, that they may make decisions that support the long-term thriving of CUWAA.