



ANNUAL REPORT 2011





BUILDING COMMUNITY, SHAPING LEADERS

To support the preparation of church leaders, Luther Seminary's Olson Campus Center underwent a major reconstruction project. The renovation was made possible by generous donors dedicated to preparing students to boldly serve the church. Charles and Sharon Olson (pictured above) gave the project's lead gift.

The new Olson Campus Center will strengthen the sense of community on campus. The addition of classrooms and space dedicated to the fellowship of students, faculty, staff and friends of Luther Seminary will demonstrate a model of welcoming hospitality. The new space will transform the Luther Seminary campus and have a significant impact on students as they prepare to serve the church and world!

To learn more about the renovation project: www.luthersem.edu/construction.



PRESIDENT'S MESSAGE



Dear Friends of Luther Seminary,

As the second decade of the 21st century begins, we confess that the Holy Spirit is calling and sending the church of Jesus Christ into apostolic mission for the sake of God's world. That's the bottom line.

Our identity is tied up with leadership, and a certain kind of leadership; that is, evangelical public leadership for apostolic witness. Today we face an important fork in the road in the unfolding story of congregational ministry in North America. Different notions of how to do church are vying for the heart of congregations. Change is rocking the foundation of every ministry, including seminaries. The ministry environment today has become more difficult in significant ways. Choices abound.

During these challenging times, we thank you for your unwavering support and faithful trust. Within this context, and in response to the challenges we face, we recognize certain key emphases this school year:

Tell the truth—in HOPE. We are called to heralds of hope within a church and world whose formative assumptions are being challenged by a changing context. At times like these, we choose to speak the truth, both of our brokenness and sin, and our promise of new life in Christ.

Seek character, capacity and commitment. We are operating with a more pro-active approach about the students we engage in this community. We are recruiting students who can embrace our mission.

Verify that we are fulfilling our mission. We are embarking on a process of deep assessment, measuring how we can be accountable to the church and those invested in us.

Provide environments that enhance learning. This fall we dedicated new space committed to informal conversation and formal learning in the Olson Campus Center. We are now asking how we can enhance other spaces to fulfill our mission. Stay tuned!

The world that God so loves is changing rapidly. To navigate this change well, Luther must tend to its mission. As you review this report, you will see how we are doing. Thank you for your ongoing partnership in the gospel. The Spirit is moving. And we are—moved by the promise!

A handwritten signature in blue ink, which appears to read "Richard H. Bliese".

The Rev. Dr. Richard H. Bliese, Luther Seminary President

PREPARING LEADERS FOR A GLOBAL IMPACT

Luther Seminary has 69 international students enrolled this year, the largest international student population in Luther's history. The students have come from 26 countries and represent 14 different faith communities.

2011 GRADUATING CLASS: 148 students

2011-12 ENROLLMENT: 806 students

ENROLLMENT BY DEGREE PROGRAM

51% Master of Divinity

19% Master of Arts
(including Master of Sacred Music)

12% Ph.D. and Master of Theology

12% Doctor of Ministry

6% Certificate, non-degree or special programs

MASTER OF DIVINITY DISTRIBUTED LEARNING

77 students are enrolled in the M.Div. DL degree program

CHILDREN, YOUTH AND FAMILY MINISTRY

46 M.A. and 40 M.Div. students are enrolled in the CYF residential degree program

30 students are enrolled in the CYF DL M.A. degree program

MALE/FEMALE ENROLLMENT

54% Male

46% Female



INTERNATIONAL STUDENTS

69 from 26 countries

These students are from Argentina, Brazil, Cameroon, Canada, China, Ethiopia, Ghana, Guyana, India, Japan, Kenya, Liberia, Madagascar, Malawi, Mexico, Myanmar, Nigeria, Norway, Peru, Rwanda, South Africa, South Korea, Sweden, Turkey, Uganda and the United Kingdom



2011 graduating class



Luther Seminary prepares Christian leaders to boldly proclaim the love of God. In May, 148 students completed their studies and are now answering calls to serve the church. This year 806 students are enrolled at Luther Seminary, each faithfully preparing to share the gospel message in their future ministries. Thank you to every donor whose financial support makes it possible for these students to attend seminary! Throughout their lifetime of ministry, each will touch thousands of lives with the good news of Jesus Christ.





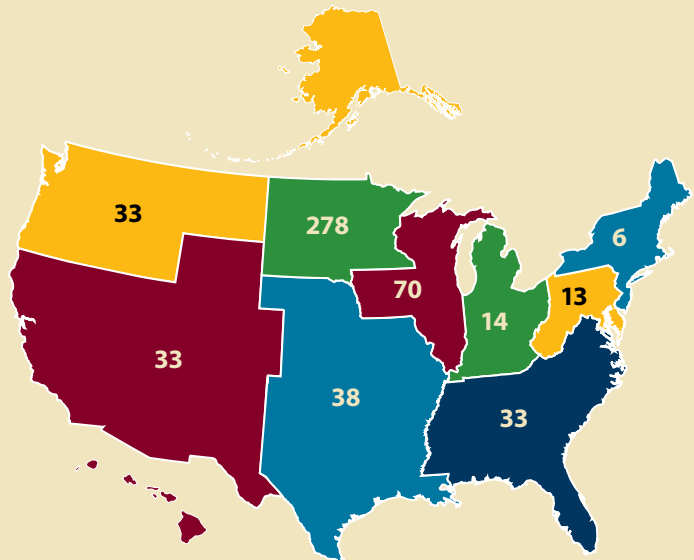
While at Luther, students prepare for diverse ministries in a multitude of contexts. As they learn together, they will strengthen relationships with each other, allowing them to build networks that will support them throughout their ministries. They will serve in ministry across many denominations and in diverse types of faith communities including parish pastors, teachers, chaplains, church musicians and much more.



PREPARING STUDENTS FOR EXPANSIVE FAITH COMMUNITIES

ELCA STUDENTS* BY REGION

76% of students have identified themselves as belonging to the ELCA



**Only reflects students who have identified as candidates for rostered ministry*

ECUMENICAL STUDENTS

24% (196 students) represent 37 denominations and faiths other than the ELCA

47	Lutheran (Non-ELCA)	7	Catholic
36	Methodist & Wesleyan	10	Evangelical
30	Presbyterian & Reformed	5	Pentecostal
22	Baptist	1	Latter-day Saints
2	Muslim	10	Episcopal
5	UCC	3	Reformed
11	Nondenominational	7	Other

DONOR DOLLARS MAKE SEMINARY POSSIBLE

Friends and alums give faithfully and generously each year to financially support Luther Seminary students who have responded to God's call into ministry.

Donor support makes up 57% of the annual budget when combining outright gifts and endowment income. These gifts cover everything from student scholarships to technology to faculty resources and much more!

FINANCIAL AID

- \$2.8 million in financial aid awarded during 2011-12
- Covers approximately 49 percent of the cost of tuition

Financial aid to students is based upon the 2011-12 fiscal year.

COST TO EDUCATE A STUDENT AFTER DONOR SUPPORT

The average student receives \$6,483 per year in scholarships and grants. As the sample student budget shows, this leaves a significant gap for students to fill.

Tuition	\$14,000
Room and Board	6,120
Books and Fees	2,000
Transportation	3,000
Misc. Personal	6,750
Total	\$31,870*

** Reflects the cost for students living on campus.*

ACCUMULATED STUDENT DEBT

32% Graduate without seminary debt

68% Graduate with seminary debt

Median indebtedness for these students is \$46,701

Financial information is current as of October 2011 and is based upon the 2011-12 fiscal year.



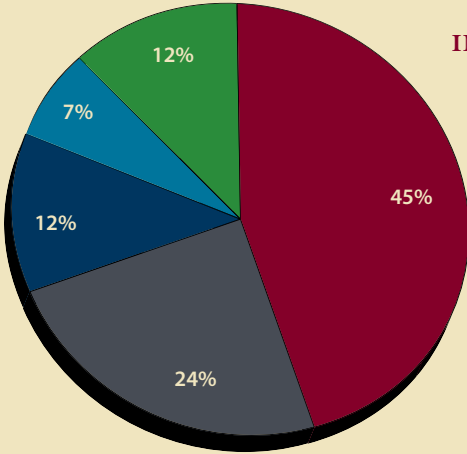
Photos: On May 5, more than 200 donors and students gathered for the Blessings event, an annual opportunity for scholarship donors of named endowed or current scholarships to meet the students they support.



Gifts of scholarship support are critical to enabling these future leaders to serve where the church needs them most when they graduate. At Luther Seminary, financial aid for students is a more important priority than ever before. Scholarship support is essential to make seminary education a reality for students.



FINANCES 2010-2011



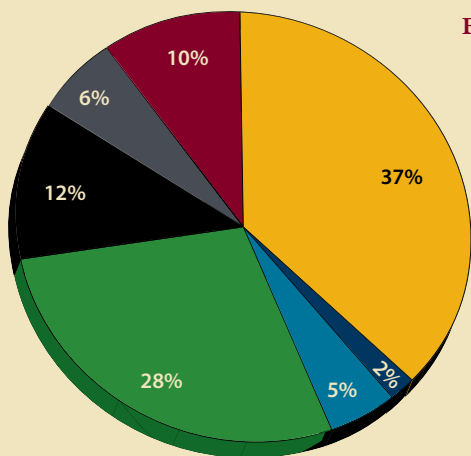
INCOME (MILLIONS):

Private Gifts, Grants and Releases	\$10.8
Tuition and Fees	5.7
Endowment	3.0
Auxiliary Enterprises	3.0
Churchwide & Synod Support	1.6
Total Income	\$24.1

ENDOWMENT:

Total Market Value (As of 6/30/11)	\$76,860,052
Investment Returns	1-year: 19.11%
	3-year: -2.17%
	5-year: -4.09%





EXPENSES (MILLIONS):

Student Instruction	\$8.8
Institutional Support	6.8
Scholarships	2.8
Auxiliary Enterprises	2.4
Physical Plant & Maintenance	1.4
Student Services	1.2
Academic Support	0.7

Total Expenses **\$24.1**

Note: Depreciation not included in expenses



GIVING BACK

Alums like Katie, '05, and Hans, '05, Dahl (pictured at left with their sons Joren and Lars) are grateful for the opportunity to serve the church thanks to generous donor support.

“In a time filled with fears and anxiety, we are thankful for the privilege of journeying with God’s people in communities where the alternative message of hope is found in the gospel,” Hans said.

In support of Luther’s work to prepare future church leaders to live out their lives in ministry, the Dahls faithfully give to the seminary.

“Donor support helped make seminary possible for us,” Katie said. “In return, we continue to support the seminary faithfully in our own giving.”

Luther is grateful for the support of donors like the Dahls. For this faithful witness and generosity, we say, “Thank you!”

ASSETS

Current Assets	06/30/2011	06/30/2010
Cash and Cash Equivalents	4,744,490	5,262,496
Student Accounts and Notes Receivable	3,389,514	3,670,997
Current Portion of Contributions Receivable	1,895	38,648
Accrued Interest and Other Receivables	71,909	120,866
Inventory	370,891	438,125
Total Current Assets	\$8,578,699	\$9,531,132
Other Assets		
Investments	82,287,080	69,913,631
Beneficial Interest in Remainder Trusts	1,303,028	1,008,526
Land, Buildings and Equipment, Net	10,048,163	9,729,036
Other Assets	2,613,842	1,100,999
Total Other Assets	\$96,252,113	\$81,750,999
TOTAL ASSETS	\$104,830,812	\$91,282,131

LIABILITIES AND NET ASSETS

Current Liabilities		
Notes Payable and Capital Leases	331,855	268,668
Accounts Payable	659,850	30,638
Line of Credit	2,711,960	1,000,000
Accrued Expenses	1,031,240	811,411
Deposits and Deferred Revenue	311,964	333,433
Current Portion of Split-Interest Agreements	616,997	597,632
Total Current Liabilities	\$5,663,866	\$3,041,782
Long-Term Liabilities		
Split-Interest Agreements	3,420,084	3,182,112
Notes Payable and Capital Leases	4,381,746	1,890,801
Asset Retirement Obligation	1,650,674	1,534,272
Advances from Government for Federal Loans	2,070,893	2,047,140
Total Long-Term Liabilities	\$11,523,397	\$8,654,325
TOTAL LIABILITIES	\$17,187,263	\$11,693,107
Net Assets		
Unrestricted	2,869,408	1,274,601
Temporarily Restricted	14,256,493	10,160,919
Permanently Restricted	70,517,648	68,150,504
Total Net Assets	\$87,643,549	\$79,586,024
TOTAL LIABILITIES AND NET ASSETS	\$104,830,812	\$91,282,131

PREPARING MISSIONAL LEADERS

Timothy Mantei, an M.Div. Senior, interned at St. Paul's Lutheran Church in Butte, N.D. and Hope Lutheran Church of Sawyer, N.D. during the 2010-11 academic year.

For 20 years, Timothy Mantei made a living painting and installing drywall. As a seminary intern in rural North Dakota, he used these skills to lay new kinds of foundations. "By working on community and relationships, people started coming to church," Mantei said of his internship focus.

Timothy Mantei is just one example of the impact our students have on the church, even while they complete their seminary degree. Each year, hundreds of students touch thousands of lives as they prepare to serve God's church.



72 STUDENTS participated in a
Cross-Cultural Mission Experience

Luther Seminary has **69**
INTERNATIONAL
STUDENTS enrolled this year—
the largest number in Luther's history

6,478
DONORS

From October 2010 to October
2011, WorkingPreacher.org
had more than

1 MILLION site visitors
from **212** countries and
more than **3 MILLION**
PAGEVIEWS

gave generously
to Luther in
2010-2011

FAITHFUL

ENGAGING

INNOVATION

With the renovation, the
Olson Campus Center
is now positioned to
apply for **LEED
CERTIFICATION**

*(an internationally recognized green building
certification system)*

Nearly **1,600**
donors gave
to current
scholarships
in 2010-II

Luther Seminary has
more than **14,000**
God Pause subscribers

2,345 PEOPLE
participated in lifelong
learning classes and events
in 2010-II

MISSIONAL

EXPANSIVE





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St. Paul, MN 55108



OUR MISSION:

Luther Seminary educates leaders
for Christian communities

- + called and sent by the
Holy Spirit
- + to witness to salvation through
Jesus Christ
- + and to serve in God's world

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