

# Annual Report

JULY 2013 - JUNE 2014

DENVER SEMINARY PREPARES MEN AND WOMEN TO ENGAGE THE NEEDS OF THE WORLD WITH THE REDEMPITIVE POWER OF THE GOSPEL AND THE LIFE-CHANGING TRUTH OF SCRIPTURE.







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## A MESSAGE FROM THE PRESIDENT

“The mission of Denver Seminary is to prepare men and women to engage the needs of the world with the redemptive power of the gospel and the life-changing truth of Scripture.”

This bold statement of the Seminary’s mission places us squarely in God’s redemptive purpose in the world. Our prayer is that every graduate of Denver Seminary, regardless of the kind of ministry they will pursue after graduation, finds their sense of purpose in God’s mission. Specifically, God’s passion and desire is for every person, in every place, to worship Him alone.

In the 2013-2014 school year, we completed the most comprehensive redesign of our academic programs in our 64-year history. Recognizing that the context of ministry and the needs of students have both changed significantly, we redesigned our programs to meet those challenges. The new programs will be more accessible, more doable, and less expensive for students. We believe that these changes will help us combat the trend of

declining enrollments in seminaries nationwide.

You will see in this annual report that the Seminary continues to enjoy a wonderful season of blessing. Financially, we finished the 2013-2014 fiscal year with increased net assets and an operating surplus. Spiritually, we sense the Lord’s presence and favor in fresh ways each and every day.

Thank you for being a part of the Denver Seminary community. We need your ongoing support to help us prepare men and women to make a difference for Christ in the world and we greatly appreciate the many ways that you contribute to the Seminary.

Grateful,

President  
Denver Seminary

# SEMINARY REIMAGINED

WE'VE REIMAGINED SEMINARY EDUCATION WITH THE MOST EXTENSIVE ENHANCEMENT TO OUR MASTER OF ARTS AND MASTER OF DIVINITY PROGRAMS IN OVER 60 YEARS.

The Denver Seminary faculty, administration, and board of trustees, along with the Higher Learning Commission, have approved the most extensive revision of the MDiv and MA programs in our 64-year history. These new programs will begin during the fall semester of 2015. In addition, the development and launch of a new ThM program in the fall of 2016 has been approved.

**MDIV**  
**78**  
CREDIT  
HOURS

**MA**  
**50**  
CREDIT  
HOURS

## NEW CONTEXT, NEW PROGRAMS

In the last 50 years, the context and character of ministry have changed dramatically. Once upon a time, most students came to seminary to become pastors—and thankfully, many still do. But today's students answer God's unique call to seminary for a widening array of career choices and learning options, both in and out of traditional ministry contexts. Students come to Denver Seminary sensing God's call to

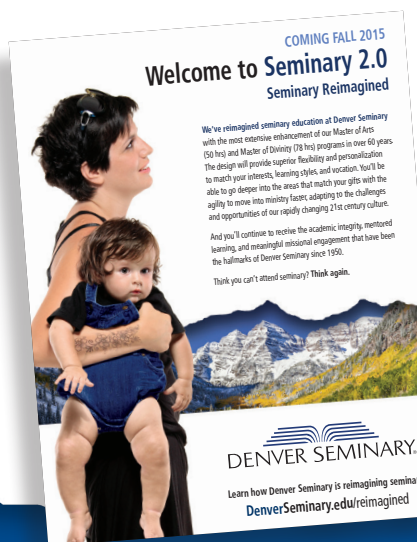
ministries in the local church, parachurch organizations, mission agencies, nonprofits, schools, and many other settings.

## STRUCTURE

The new MDiv program will require 78 credit hours and the new MA programs, 50 credit hours for completion. Both programs are built upon a required 27-credit-hour common core that is heavily oriented toward biblical and theological studies along with training and mentoring. The MDiv program requires an additional 21-credit-hour core block that provides more instruction in biblical and theological studies as well as essential ministry leadership courses.

By complementing our degree concentrations with an increased number of elective hours in the MDiv program, students will have the flexibility to go deeper in those areas of study that fit their particular gifts and callings than was possible in the previous design.

Denver Seminary's rich legacy of academic integrity, mentored learning, and meaningful gospel engagement with the needs of a broken world will remain hallmarks of our school for generations to come. Our new programs express these commitments in ways that powerfully address the ministry challenges of the 21st century.



In October, Denver Seminary launched its new "Welcome to Seminary 2.0" national brand advertising campaign. It includes the debut of the campaign tagline: *Seminary Reimagined™*. It will be the overarching theme for all recruiting and marketing communications over the next few years.

To learn more about the curriculum redesign, visit [denverseminary.edu/reimagined](http://denverseminary.edu/reimagined).





## DENVER SEMINARY HEADING TO DC AND AMARILLO

Denver Seminary is committed to making theological education available to a broader spectrum of God's people. That is why we have responded to requests to bring our programs to the nation's capital and to West Texas. The Seminary is pleased to announce that the process is underway to seek approval from the Association of Theological Schools (ATS), the Higher Learning Commission (HLC), the state of Maryland, and the state of Texas to operate extension sites in the Washington DC region and in Amarillo, Texas.

Pending these approvals, beginning in spring 2015, Denver Seminary will offer two degree programs and one graduate certificate program in the Ministry Center of First Baptist Church of Glenarden in Landover, Maryland, pastored by Reverend John K. Jenkins Sr. Additionally, beginning in fall 2015, two master of arts degrees and one graduate certificate will be offered at Hillside Christian Church in Amarillo, Texas, pastored by Reverend Tommy Politz.

The Seminary hired Dr. Doug Fombelle as the director of extension education and associate professor of leadership in June of 2014 to lead the extension campus initiatives. Fombelle has a DMin and an MDiv from Bethel Seminary, and he spent 26 years as pastor of Faith Baptist Church in Rexford, New York.



## BOARD OF TRUSTEES

**Dr. Bruce Boria**  
Brentwood, NH

**Mr. Eddie Broussard**  
Colorado Springs, CO

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Dillon, CO

## ACCREDITATION

**Association of Theological Schools**  
[www.ats.edu](http://www.ats.edu)

**The Higher Learning Commission**  
**North Central Association of Colleges and Schools**  
[www.ncacihe.org](http://www.ncacihe.org)

**Council for Accreditation of Counseling and Related Education Programs**  
[www.cacrep.org](http://www.cacrep.org)

**Association for Clinical Pastoral Education**  
[www.acpe.edu](http://www.acpe.edu)







## OUR MISSION

Denver Seminary prepares men and women to engage the needs of the world with the redemptive power of the gospel and the life-changing truth of Scripture.

Through our educational programs and mentoring process the Seminary challenges students to grow spiritually, intellectually, and professionally in order to lead God's people in the accomplishment of His mission in the world.

## OUR VISION

We commit ourselves and our resources to being a seminary that:

- Executes a spiritually transformative, intellectually challenging, and professionally focused learning experience that engages the realities of a world in need of redemption at every level.
- Involves our entire community in the ethnic, cultural, and denominational diversity of the global Church.
- Pursues measured and sustainable institutional growth through creative programming and delivery systems.
- Provides adequate financial resources for strategic growth while ensuring long-term financial health for the Seminary.
- Partners with alumni, churches, mission agencies, theological education programs, and other organizations for kingdom purposes worldwide.

For more information about Denver Seminary, visit [www.denverseminary.edu](http://www.denverseminary.edu).



# YEAR IN REVIEW

## ◦ AUGUST 2013

231 new students began their academic career at Denver Seminary.



## ◦ OCTOBER 2013

Mike Lewis of Jesus Painter Ministries performed in Common Ground Chapel.

Launch of *Engage Magazine*.



## SEPTEMBER 2013

198 students, staff, and faculty served in the 1st annual Day to Serve.

Ministry Residency Program launched, connecting students with internships in local churches.

The 11th Annual Golf Tournament was held at The Ridge at Castle Pines North raising \$51,145 for the Seminary's General Scholarship Fund.

## NOVEMBER 2013

Dr. Jud Carlberg retired from the Denver Seminary board of trustees after 23 years of service.



## DECEMBER 2013

16 students participated in the fall graduates recognition ceremony.



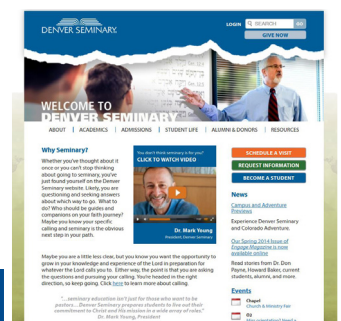
## ◉ JANUARY 2014

89 new students began their academic career at Denver Seminary.

In cooperation with the Langham Partnership, Denver Seminary hosted Adam Szumorek, a Polish national and doctoral candidate at Spurgeon's College in London.

## ◉ MAY 2014

167 students graduated from Denver Seminary bringing the total number of Denver Seminary graduates to 5,040 since 1952.



## ◉ FEBRUARY 2014

Dr. Charles Self spoke at the Vernon Grounds Institute's annual Rally for the Common Good.

## MARCH 2014

Denver Seminary launched a new website.

## ◉ APRIL 2014

Denver Seminary hosted Mano Emmanuel, doctoral candidate and professor from Colombo Theological Seminary.



## ◉ JUNE 2014

17 students and friends returned from a trip to Israel with Drs. Hélène Dallaire and David Mathewson.

President Mark Young traveled to Brazil for the Lausanne 2014 Consultation on Global Theological Education.

## GENEROUS GRANTS AWARDED & SCHOLARSHIPS CREATED IN 2013-2014 ACADEMIC YEAR

Great strides were made for the 2013-2014 academic year to bring funding through grants and scholarships to the Denver Seminary community. Of the \$874,000 requested through grant proposals, the Seminary was awarded \$847,000 from six various foundations.

### GRANTS

Among the grants that were awarded, Lilly Endowment, Inc. awarded two impactful grants. The first was given to improve financial literacy among students in an effort to reduce the student debt burden. Among other initiatives, the Ministry Residency Program was created thanks to this grant.

**\$847,000**  
WAS AWARDED  
FROM 6 VARIOUS  
FOUNDATIONS

With it, hand-selected student interns serve part-time with ministries. The interns gain practical, apprenticed learning experiences while advancing the vision and mission of those organizations. Residents may serve with an organization for 10-30 hours a week, and participating organizations support them through tuition donations and/or living stipends.

The second grant was awarded to increase the effectiveness of preaching. This grant allowed the Seminary to launch the Preaching Initiative, which trains current and future pastors, as well as lay people, to become better preachers. The Initiative includes elective courses in homiletics for students, annual preaching conferences, and preaching cluster groups where students and non-students alike can hone their preaching skills in a relational setting.

Other foundations who contributed to the Seminary's mission include: The Chatlos Foundation, who contributed to educational technology efforts; the JOY Foundation, who contributed for the John and Lorraine Bandimere Scholarship for full-time chaplaincy students; and the Kern Family Foundation, who contributed additional funds to the Vernon Grounds Institute. Additionally, the Seminary Stewardship Alliance awarded a grant to improve water conservation efforts on campus and Wabash Center contributed for advancement of the blended learning models of the Seminary.

### SCHOLARSHIPS

Many new scholarships were established in the 2013-2014 academic year to support Denver Seminary students:

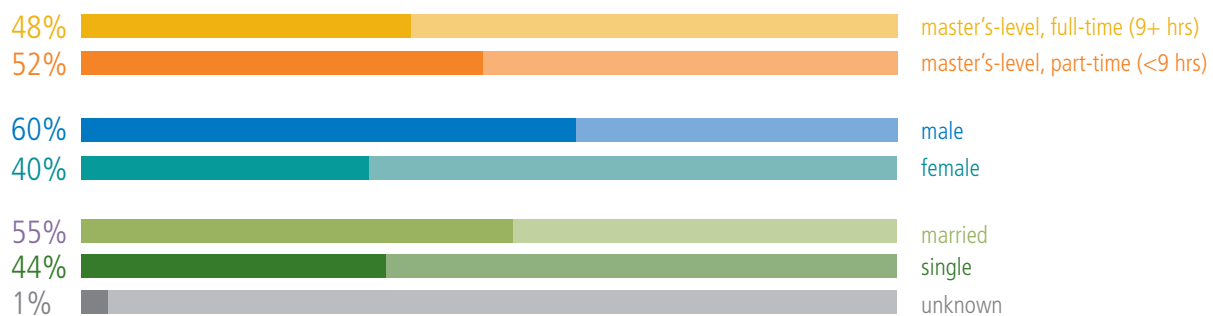
- **Barb and Jim Dixon Ministry:** For married MDiv students committed to pursuing a full-time leadership role in ministry upon graduation.
- **John and Lorraine Bandimere:** For MDiv or MA chaplaincy students.
- **Kent Mathews Justice and Mission:** For MDiv students with a concentration in justice and mission or MA justice and mission students.
- **General Counseling:** For counseling students who demonstrate financial need.
- **Shepherd's Heart Counseling:** For counseling students who are the parents of at least one child.
- **Finish Well:** For counseling students in their second year or MDiv students in their third year.

To learn more about grant and scholarship initiatives at Denver Seminary, contact [jessica.brown@denverseminary.edu](mailto:jessica.brown@denverseminary.edu).



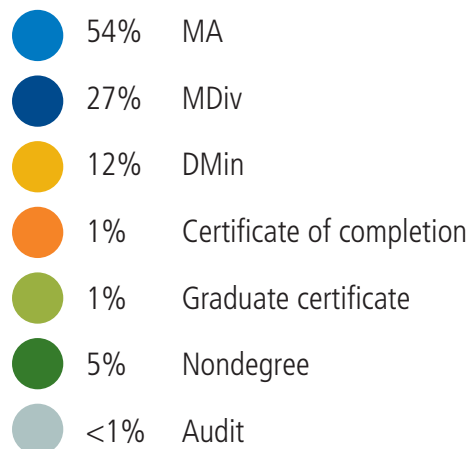
## STUDENT BODY STATS

### Spring 2014



AVERAGE AGE OF MASTER'S-LEVEL STUDENT = 32  
AVERAGE AGE OF DOCTORAL-LEVEL STUDENT = 50

## ENROLLMENT BY DEGREE



# OUR FINANCIAL RESULTS

Denver Seminary ended the year with an increase in total net assets of \$4,131,747. The majority of this increase was in temporarily restricted net assets (including term endowments) of \$3,576,571. Permanently restricted net assets increased by \$519,208 while the unrestricted net asset increase was \$35,968. However, due to the exceptional increase in temporarily restricted gifts, the Seminary's overall financial health has increased substantially.

Comparing the Composite Financial Key Ratios over the past two years shows just how significantly the overall financial position has improved.

## Key Ratios for 2014 were:

Viability: 122.4%  
Primary Reserve: 66.5%  
Return on Net Assets: 16.2%  
Net Income: 0.3%

## Key Ratios for 2013 were:

Viability: 60.0%  
Primary Reserve: 37%  
Return on Net Assets: 5.3%  
Net Income: 2.8%

	Fiscal Year Ended June 30,			
	2014	%	2013	%
<b>Condensed Balance Sheet</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,915,091	5.0%	\$ 1,023,728	3.0%
Accounts Receivable, Inventory, Other	90,725	0.2%	30,815	0.1%
Investments	14,297,888	37.5%	10,457,272	31.1%
Property, Plant & Equipment, net	21,475,046	56.4%	21,852,000	65.0%
Other Assets	299,506	0.8%	261,033	0.8%
<b>Total Assets</b>	<b>\$ 38,078,256</b>	<b>100.0%</b>	<b>\$ 33,624,848</b>	<b>100.0%</b>
<b>Liabilities and Net Assets</b>				
Accounts Payable	\$ 211,453	0.6%	\$ 198,425	0.6%
Deferred Revenue	695,114	1.8%	555,100	1.7%
Capital Lease Obligations	407,958	1.1%	-	0.0%
Gift Annuities and Life Income Payable	1,030,823	2.7%	989,624	2.9%
Bonds and Loans Payable	5,985,129	15.7%	6,442,405	19.2%
Other Liabilities	176,738	0.5%	-	0.0%
<b>Total Liabilities</b>	<b>\$ 8,507,215</b>	<b>22.3%</b>	<b>\$ 8,185,554</b>	<b>24.3%</b>
<b>Net Assets</b>				
Unrestricted	\$ 18,074,676	47.5%	\$ 18,038,708	53.6%
Temporarily Restricted	5,717,212	15.0%	2,140,641	6.4%
Permanently Restricted	5,779,153	15.2%	5,259,945	15.6%
<b>Total Net Assets</b>	<b>\$ 29,571,041</b>	<b>77.7%</b>	<b>\$ 25,439,294</b>	<b>75.7%</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 38,078,256</b>	<b>100.0%</b>	<b>\$ 33,624,848</b>	<b>100.0%</b>
<b>Condensed Statement of Activities</b>				
	2014	%	2013	%
<b>Operating Revenue</b>				
Tuition and Fees	\$ 8,497,159	64.5%	\$ 8,309,767	78.8%
Scholarships and Grants	(1,155,367)	-8.8%	(936,865)	-8.9%
Contributions	4,604,219	34.9%	1,995,829	18.9%
Auxiliary Enterprises	1,068,048	8.1%	1,027,160	9.7%
Other Income	165,897	1.3%	153,280	1.5%
<b>Total Operating Income</b>	<b>\$ 13,179,956</b>	<b>100.0%</b>	<b>\$ 10,549,171</b>	<b>100.0%</b>
<b>Operating Expenses</b>				
Instruction	\$ 4,918,723	44.6%	\$ 4,632,749	44.3%
Academic Support	1,553,919	14.1%	1,457,253	13.9%
Student Services	1,578,909	14.3%	1,549,825	14.8%
Auxiliary Enterprises	857,378	7.8%	750,053	7.2%
Public Service	337,693	3.1%	354,508	3.4%
<b>Total Program Expenses</b>	<b>\$ 9,246,622</b>	<b>83.9%</b>	<b>\$ 8,744,388</b>	<b>83.7%</b>
<b>Support Activities</b>				
General and Administrative	\$ 937,744	8.5%	\$ 986,561	9.4%
Fund Raising	837,260	7.6%	722,568	6.9%
<b>Total Support Expenses</b>	<b>\$ 1,775,004</b>	<b>16.1%</b>	<b>\$ 1,709,129</b>	<b>16.3%</b>
<b>Total Operating Expenses</b>	<b>\$ 11,021,626</b>	<b>100.0%</b>	<b>\$ 10,453,517</b>	<b>100.0%</b>
<b>Change in Net Assets from Operations</b>	<b>\$ 2,158,330</b>		<b>\$ 95,654</b>	
<b>Change in Net Assets from Market Adjustments and Other Non-Operating Items</b>	<b>\$ 1,973,417</b>		<b>\$ 1,187,484</b>	
<b>Total Change in Net Assets</b>	<b>\$ 4,131,747</b>		<b>\$ 1,283,138</b>	



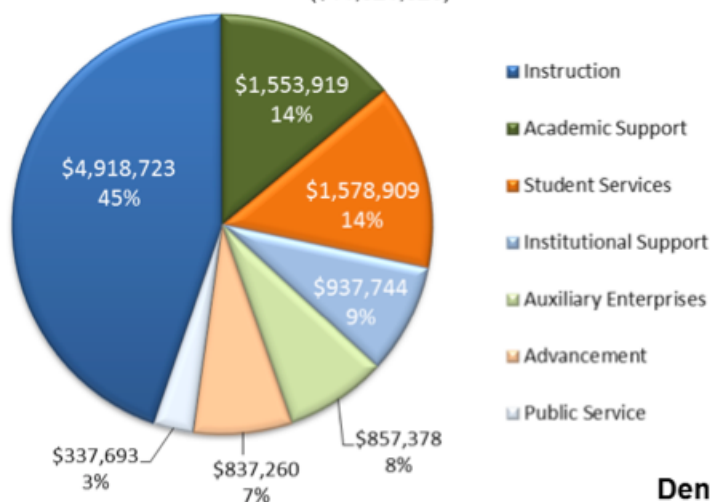
# REVENUE AND EXPENSES

Total giving increased \$2,608,390 from 2013 to 2014, generating total contributions of over \$4.6 million. This represents 34.9% of the Seminary's total annual revenue.

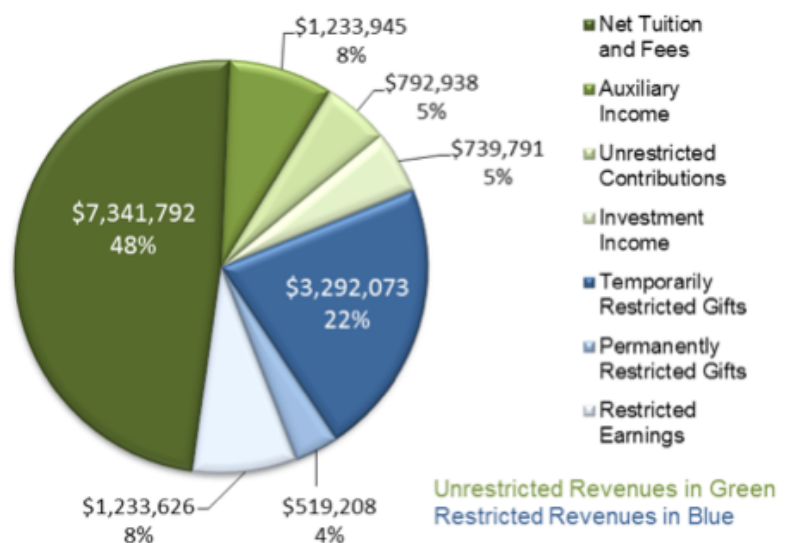
Net tuition income, Denver Seminary's primary revenue source, decreased by \$31,110 in 2014. As a percentage of total income, tuition and fees represented only 48% of total income, as compared to 63% in 2013.

The Seminary spends only 9% of its budget on general and administrative expenses and 7% on fundraising, exhibiting a high level of efficiency and commitment to educational programs (59% of spending) and student services (14%).

**Denver Seminary Functional Expenses 2013-14**  
(\$11,021,626)



**Denver Seminary Total Income 2013-14**  
(\$15,153,373)

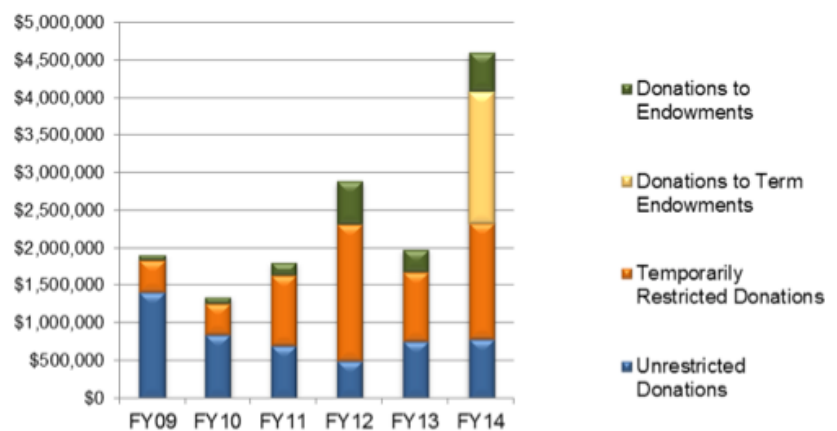


# DONOR GENEROSITY

2014 marked an extraordinary increase in donor giving. This year the Seminary received its first two term endowments. Term endowments can be a unique gift for donors. As opposed to permanent endowments where the principal is maintained inviolate and in perpetuity, term endowments allow the principal, as well as the accumulated earnings, to be spent over a period of time, usually 15 to 20 years. This gives the donors the opportunity to see their generosity working during their lifetimes to support vital programs and scholarships of the Seminary.

Additionally, Denver Seminary received over \$1 million in grants\* to support academic programs, initiatives and scholarships from Lilly Endowment, Inc., the Kern Family Foundation, the Chatlos Foundation, and the Wabash Center.

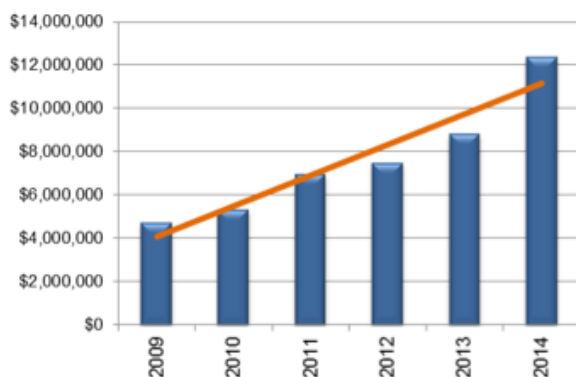
\*INCLUDES NEW GRANTS AWARDED IN 2013-2014 AS WELL AS GRANTS AWARDED IN PREVIOUS YEARS.



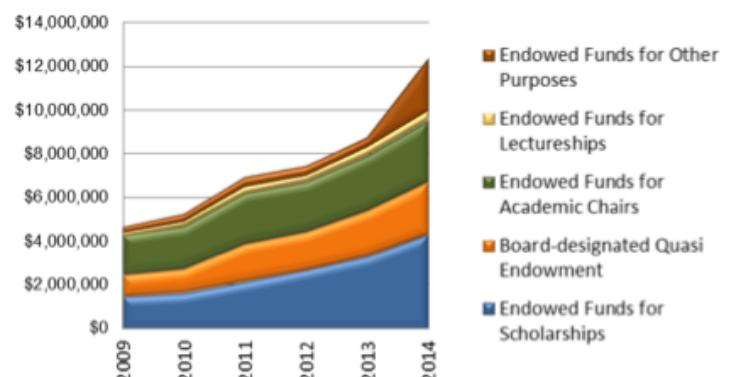
# ENDOWMENT GROWTH

Denver Seminary's Endowment has tripled in the past six years. This remarkable growth has poised the Seminary to go forward with new strategic plans on a solid financial foundation. The Seminary can now look forward to continued growth and innovation.

Denver Seminary Endowment Growth



Composition of Denver Seminary Endowment





# LOOKING TO THE FUTURE

## 2014-2015

Going into the 2015 year, Denver Seminary remains financially optimistic. The 2014-2015 budget forecasts total revenue that is 1.67% greater than the 2014 budget and is essentially the same as 2014 actual revenue.

Releases from term endowments and grants will allow the Seminary to increase budgeted expenses by approximately 5% in 2015.

	2013/2014 Budget	2013/2014 Actual	2014/2015 Budget
<b>Revenue</b>			
Tuition and Fees	\$8,761,650	\$8,497,159	\$8,888,000
Less: Financial Aid	(1,098,007)	(1,155,367)	(1,356,397)
Net Tuition and Fees	\$7,663,643	\$7,341,792	\$7,531,603
Unrestricted Contributions	\$550,000	\$785,614	\$800,000
Contributions to General Scholarships	400,000	98,732	150,000
Total Budgeted Contributions	\$950,000	\$884,346	\$950,000
Investment Income, net of fees	\$123,900	\$590,168	\$404,900
Auxiliary Income	1,048,800	1,062,594	1,065,750
Other Income	150,550	183,609	150,000
Total Auxiliary, Investment and Other Income	\$1,323,250	\$1,836,371	\$1,620,650
<b>Total Revenue</b>	<b>\$9,936,893</b>	<b>\$10,062,509</b>	<b>\$10,102,253</b>
<b>Expenses</b>			
Total Salaries and Benefits	7,783,607	7,578,984	8,121,363
Total of all other expenses	2,763,546	2,588,659	2,998,089
<b>Total Expenses</b>	<b>\$10,547,153</b>	<b>\$10,167,643</b>	<b>\$11,119,452</b>
<b>Net Operating Income/(Loss)</b>	<b>(\$610,260)</b>	<b>(\$105,134)</b>	<b>(\$1,017,199)</b>
<b>Funding from Releases from Restrictions</b>	<b>823,000</b>	<b>627,771</b>	<b>1,240,770</b>
<b>Net Income/(Loss) after Transfers</b>	<b>\$212,740</b>	<b>\$522,637</b>	<b>\$223,571</b>



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