DETROIT MERCY 2020:
ENVISIONING A BOUNDLESS FUTURE
As University of Detroit Mercy completes its five-year Strategic Plan: 2012-2017, it begins a comprehensive two-year initiative, **Detroit Mercy 2020: Envisioning a Boundless Future**. The goal is to strengthen the University even further. As a 140-year-old private Catholic university that is keenly aware of higher education’s current and major challenges, such as fewer traditional-aged students; population, parental and student concerns about the cost of attendance; and uncertainty about the value and investment of a college education, Detroit Mercy has developed this progressive program to attract and enroll more students. Simultaneously, the University is realigning its priorities and cost structure so that it will be able to invest in new academic programs and student services. With a sharp and long-term lens, this initiative will require careful and thoughtful consideration of every possible structural change necessary to graduate exceptionally prepared students for careers and employment; strengthen Detroit Mercy’s financial results and fiscal indicators; and increase available resources to continue and sustain the University’s Mission and vibrant future.

Some of the specific objectives of this effort include: the generation of a broader funding base from revenues, foundations, grants and alumni that will be used to invest in academic programs, student services and facilities; an annual expense reduction in the University budget over the next two years; an increase of the student-to-faculty ratio to 13 to 1; and a review of all academic and co-curricular programs to determine both their utility for students and whether they are achieving specific fiscal goals.

**Antoine M. Garibaldi, Ph.D.**  
President

---

**Detroit Mercy 2020 initiatives**

The Voluntary Early Separation Incentive Program (VESIP) was announced on July 14, 2017 and represents a significant component of this two-year program. Currently, personnel costs and benefits represent approximately 74% percent of the FY18 budget. If the VESIP achieves its goal, a smaller staff ratio commensurate with the University’s enrollment will favorably adjust the student-to-faculty ratio while also reducing personnel costs. Employees must declare their intention to accept the incentive program no later than December 29, 2017.

To determine if Detroit Mercy was a potential candidate to reset its tuition, a national firm with expertise in enrollment services was selected to examine Detroit Mercy’s undergraduate, graduate and professional program tuition prices. Through the collection of survey data from parents and students and the analysis of other university and available data, this study provided valuable information on the University’s market position for tuition in comparison to competitor institutions. The results indicated that the University was a candidate for a tuition reset with the expectation that additional operational revenue will be generated from a higher net tuition. The University anticipates that more students will enroll at a lower financial aid discount rate for these future students.

Under the leadership of the Provost, academic departments and majors are being reviewed based on criteria such as the number of students enrolled in a particular major; number of faculty; degrees and certificates awarded; cost study information; number of sections taught and contribution to the core curricula. Certificates and minors are being reviewed as well. Similarly, the Athletics Director is reviewing all 19 Division I athletic programs and assessing each sport’s value to the academic and student-athlete experience of more than 300 students.
The previous initiatives are only some of the programmatic efforts underway to reduce annual expenses in FY2018 and 2019. Additional cost-saving and efficiency strategies are also under consideration, including: residence hall utilization, summer term work schedules, etc.

President Antoine Garibaldi has stated that while difficult decisions will have to be made over the next two years, University of Detroit Mercy will be a stronger institution with a sustainable future. Our success and productivity will be achieved through our collaborative work, openness to change, and remaining true to the Mission of our Mercy and Jesuit founders and sponsors!

**Detroit Mercy 2020: Envisioning a Boundless Future speaking points**

Detroit Mercy is facing a pivotal time in the university’s history and has a unique opportunity to establish a strong financial foundation for the future. As the University evaluates itself and develops effective ways to increase operational efficiency, 2017-2018 is the year to re-position Detroit Mercy for a successful and sustainable future through the VESIP, tuition reset and financial aid analysis, academic and athletic reviews, hiring freeze and faculty assessments. If you receive an inquiry from a media representative or individual outside of Detroit Mercy, please contact the Marketing & Communications Office before you respond to attain information and assistance. You can call the office at 313-993-1254, or via email at marcom@udmercy.edu.

1. Enrollments in some programs have decreased and require Detroit Mercy to examine staff levels in conjunction with current need.
2. Personnel costs and benefits represent approximately 74% percent of the FY18 budget.
3. If the VESIP achieves its goal, a smaller staff ratio commensurate with the University’s enrollment will increase the student-to-faculty ratio and aid in reducing personnel costs.
4. Faculty and staff reductions will be available to be used to increase student success. Through streamlined operational costs, Detroit Mercy is better positioned to focus on the mission. Re-balancing the workforce allows the University to apply funds on programs that support efforts in developing graduates who lead and serve their communities through the application of their studies.
5. With the recent completion of the 2012-2017 strategic plan, the University is working on the next five-year strategic plan. The VESIP is one part of this strategic plan to help better align financial costs with our mission.
6. The VESIP is a generous opportunity for those who wish to pursue new careers and allows Detroit Mercy to thank them for their dedicated service.
7. As Detroit Mercy continues its dynamic involvement in Detroit’s renaissance and proactively helps in our neighborhoods/community, the VESIP may provide more flexibility to support Detroit’s resurgence.
1. Under the leadership of the Provost, academic departments and majors are being reviewed based on criteria such as the number of students enrolled in a particular major; number of faculty; degrees and certificates awarded; cost study information; number of sections taught and contribution to the core curricula.

2. The University is examining potential programs that could provide growth based on programs of study that students want to pursue and where considerable industry opportunity exists.

3. The University must create a greater value proposition for students by offering majors based on student interest and on what industries require in terms of future professional staffing needs. This helps the University better define institutional identity, focus on programmatic efforts and demonstrate its mission to provide the greatest level of opportunity for students now and in the future.

4. The director of Athletics is reviewing Detroit Mercy’s 19 Division I sports to determine the individual value to the academic and student-athlete experience for the more than 300 students who participate.

Why Did Detroit Mercy reset the undergraduate, full-time tuition rate?

1. The tuition was reset because cost is a concern cited by students who have decided not to attend Detroit Mercy.

2. Detroit Mercy conducted a scientific survey of its market position for tuition and the financial aid discount rate in comparison to its top competitors.

3. By resetting tuition, Detroit Mercy can attract more prospective undergraduate and graduate students through a stronger price/value proposition by shifting tuition and financial aid models to align more closely with our market segment while still generating growth in net revenue.

4. Through this tuition reset, the university anticipates generating additional operational revenue via a higher net tuition, more students enrolling and a lower financial aid discount rate for future students.

5. The reset increases the University’s ability to expose prospects to a unique Jesuit and Mercy values-based education that is focused on strong social responsibility and community service. Detroit Mercy’s values-based education differentiates it from other competitor institutions.

Why is Detroit Mercy conducting academic and athletic reviews and potential new majors?

1. Detroit Mercy must identify the optimal level of operation for all facilities to determine whether or not they are efficient and if they meet the current program needs.

2. This assessment may provide information about which facilities Detroit Mercy could close during certain periods of time, which would then reduce utility costs and help better balance operational costs.

3. The assessment will provide information and data on buildings that require maintenance which the university is able to defer to a later date based on use and need.

4. Detroit Mercy is examining residence hall utilization and summer term work schedules that may provide increased savings on facility use and overall utility costs.

Why is the university conducting facility assessments?

1. The tuition was reset because cost is a concern cited by students who have decided not to attend Detroit Mercy.

2. Detroit Mercy conducted a scientific survey of its market position for tuition and the financial aid discount rate in comparison to its top competitors.

3. By resetting tuition, Detroit Mercy can attract more prospective undergraduate and graduate students through a stronger price/value proposition by shifting tuition and financial aid models to align more closely with our market segment while still generating growth in net revenue.

4. Through this tuition reset, the university anticipates generating additional operational revenue via a higher net tuition, more students enrolling and a lower financial aid discount rate for future students.

5. The reset increases the University’s ability to expose prospects to a unique Jesuit and Mercy values-based education that is focused on strong social responsibility and community service. Detroit Mercy’s values-based education differentiates it from other competitor institutions.