



2023 ANNUAL REPORT

For we are what he has made us, created in Christ Jesus for good works, which God prepared beforehand so that we may walk in them.
—Ephesians 2:10

Fiscal 2022–23 was a year of transition and transformation at Luther Seminary.

Transition: Across our educational programs, we are working to create sustainable new models so that learners can afford not just theological education, but life in Christian leadership.

Transformation: We continue to witness how the Jubilee Scholarship creates a path for students from all walks of life to answer God's call to ministry. Since implementing this full-tuition scholarship model in 2018, student borrowing has dropped to its lowest level at the seminary in nearly 25 years. A remarkable 67% of our 2023 class graduated with zero student debt.

At the same time, we continue to expand the accessibility of theological education beyond our degree programs through Faith+Lead and digital media like Working Preacher, Enter the Bible, and God Pause. Combined visits to our digital properties and podcast downloads topped 5 million unique visitors in 2022–23, a 20% increase over the previous year.

Transition: With the close of the MDivX pilot program this spring, we are pivoting toward a permanent option for an accelerated M.Div. pathway.

Transformation: MDivX was a resounding success, demonstrating the effectiveness and appeal of a two-year model with simultaneous contextual learning. Retention in the pilot program was extraordinarily high, with 96% of participants graduating. Out of the 51 graduates from the first two cohorts, 47 are actively serving in ministry contexts at the time of this writing, with one in the process of becoming ordained.

The lessons from MDivX helped shape a larger curriculum refresh that reflects our students' and the church's needs. The

faculty applied insights from MDivX, deep listening to the church, and assessment data in redesigning the curriculum last year for a Fall 2023 implementation. This curricular "refresh" strengthens course sequencing to support learning outcomes, creates natural cohorts through three defined pathways (full-time, part-time, and, in the future, accelerated), and reduces requirements without sacrificing depth or rigor.

Transition: We are in the midst of two budget years designed to support investments in our strategic plan priorities and key financial goals, including increasing Faith+Lead revenue and restructuring the academic programs for efficiency. Modest operating deficits planned for these two years are supported by the seminary's strong cash position and robust \$120 million endowment valuation as of June 30, 2023.

Transformation: I'm grateful to share with you this snapshot of the "good works" for which God has equipped Luther Seminary. And yet, we know that the true outcomes of the Holy Spirit's action with and through us ripple out far beyond what can be quantified in any financial report.

Thank you for your prayerful support as we seek to faithfully steward the gifts and mission of this community for the future of Christ's church.



Peace and blessings,



Robin J. Steinke
President

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AT A GLANCE

- The seminary awarded 439 scholarships in 2022–23.
- Master of Arts students like Ryan made up 62% of enrolled students.
- As scholarship recipients, Ryan and Laura received part of the \$6.15 million awarded during the 2022–23 academic year. On average, students received \$11,033 in scholarships and grants from Luther Seminary.
- Laura was among the 28% of students who pursued a Master of Divinity degree in 2022–23.
- Financial aid covered 100% of the cost of tuition for qualified incoming M.A. and M.Div. students.

BY THE NUMBERS

- 412 students enrolled at Luther Seminary during the 2022–23 academic year.
- ELCA members accounted for 71% of the student body. 34 denominations made up the remaining 29% of students.
- Tuition, student fees, books, and on-campus living expenses cost approximately \$43,911 for full-time students.



MEET RYAN

Having been influenced by philosopher Charles Taylor, **Ryan Popineau '24 M.A.** came to Luther Seminary in order to study with Professor **Andrew Root**, who has written about the implications of Taylor's ideas on ministry. A hospice chaplain and former youth pastor, Ryan is able to apply what he is learning to his work. After graduation, he hopes to write and speak on practical steps pastors and churches can take to minister in the world. "I wanted to attend seminary for nearly 15 years," he said. "The Jubilee Scholarship made attendance an opportunity I could not pass up."

DURING THE 2022–23 FISCAL YEAR

36 international students enrolled from 23 countries.

138 students graduated May 21.

Donor sources made up 96% of Luther Seminary's operating revenue when combining individual donor support, the endowment, and church and synod appropriations.

67% of students graduated without seminary debt. For the others, median debt was \$35,000.



AND LAURA

Laura Otieno '27 M.Div. enrolled in seminary to deepen her understanding of her faith and become a more confident leader, seeking ways to engage individuals and communities with the gospel. Having pursued an undergraduate degree in social work and a master's in nonprofit management while working, she maintains a full-time job in higher education while she studies at Luther Seminary. "The Jubilee Scholarship made seminary accessible to me," she said. "The financial barrier would have kept me from future studying, but now I have the opportunity to develop as a leader."

Finances 2022–23

Luther Seminary and Foundation consolidated balance sheets
as of June 30, 2023 and June 30, 2022

ASSETS	2023	2022
Current Assets		
Cash and Cash Equivalents	\$12,999,656	\$14,973,591
Other Current Assets	355,911	635,921
Total Current Assets	\$13,355,567	\$15,609,512
Non-Current Assets		
Other Assets	\$2,007,730	\$2,439,809
Investments	123,277,429	122,347,512
Student Notes Receivable, Net	2,038,013	2,156,994
Land, Buildings, and Equipment, Net	8,019,197	8,458,045
Total Other Assets	\$135,342,369	\$135,402,360
Total Assets	\$148,697,936	\$151,011,872

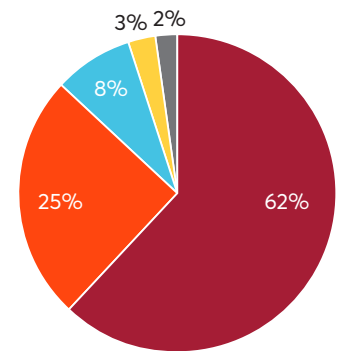
LIABILITIES AND NET ASSETS

Current Liabilities		
Other Current Liabilities	\$4,598,779	\$5,145,611
Notes Payable, Current Portion	153,473	147,465
Total Current Liabilities	\$4,752,252	\$5,293,076
Long-Term Liabilities		
Other Long-Term Liabilities	\$7,604,991	\$8,230,078
Notes Payable, Net of Current Portion	4,231,740	4,385,213
Total Long-Term Liabilities	\$11,836,731	\$12,615,291
Total Liabilities	\$16,588,983	\$17,908,367
Net Assets		
Without Donor Restrictions	\$5,354,872	\$6,937,100
With Donor Restrictions	126,754,081	126,166,405
Total Net Assets	\$132,108,953	\$133,103,505
Total Liabilities and Net Assets	\$148,697,936	\$151,011,872

ENDOWMENT

Total Market Value (as of 6/30/23)	\$120 million
Investment Returns	
1-year	0.8%
3-year	11.4%
5-year	12.1%

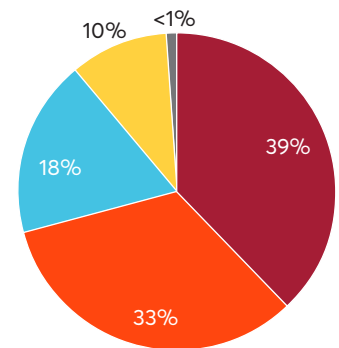
Luther Seminary's annual report numbers are also available at luthersem.edu/giving/annual-report.
Learn more about giving to support future church leaders at luthersem.edu/giving.



Unrestricted Operating Income

■ Donor Support	\$11,998,446
■ Endowment Draw	4,897,345
■ Churchwide and Synod Support	1,504,806
■ Net Tuition and Fees	437,707
■ Auxiliary Enterprises and Other Income	415,637

Total Unrestricted Operating Income **\$19,253,941**



Unrestricted Operating Expenses

■ Student Instruction and Support	\$8,081,592
■ Institutional Support	6,961,958
■ Faith+Lead	3,775,597
■ Physical Plant and Maintenance	2,216,933
■ Auxiliary Enterprises and Other Expenses	155,814

Total Expenses* **\$21,191,894**

*Includes depreciation