ORU Erases $55M Debt

A $55 million debt that once threatened the survival of one of the nation's most prominent Pentecostal-charismatic universities has been eliminated.

Oral Roberts University (ORU) President Mark Rutland announced during a chapel service Wednesday that the school had wiped out its debt, thanking donors who participated in a yearlong debt-elimination campaign.

"I want to thank all of the generous donors who have brought us to where we are today," said Rutland, who will be inaugurated as ORU's third president on Friday. "I want to thank each one of them for believing in this university enough to financially support this great institution."

Rutland, former president of Southeastern University in Lakeland, Fla., began his tenure at ORU in July.

Mart Green, chair of the ORU board of trustees, said the debt was a major dragon to slay for the school's future success. "We can now move forward with confidence and continue to make this university the best it can be," he said in a statement.

The school, founded in 1963 by healing evangelist Oral Roberts, was rocked by a financial scandal in 2007 that led to the resignation of former President Richard Roberts amid a wrongful termination lawsuit that alleged he and his wife used university resources to support a lavish lifestyle.

A $70 million gift from Green, founder of the Christian supply-store chain Mardel, and members of his family, who founded the multibillion-dollar chain Hobby Lobby, helped the school remain solvent. Roughly $30 million of the Green family's gift was put toward paying down the $55 million debt.

In April, ORU trustees announced that all but $1 million of the long-term debt had been eliminated as a result of its Renewing the Vision $25 Million Matching Campaign. Launched in February 2008 by the ORU board of trustees, the campaign raised more than $22 million, not including unpaid pledges, before it ended in April. The contributions were matched with $24,280,001 from the trustees, bringing the university's debt down to $720,000.

Subsequent contributions resolved the remaining debt.

Rutland said ORU is on track to slay its remaining dragons, which include declining enrollment and deferred maintenance.

This fall new student enrollment increased by 17 percent over last year. Today the university serves more than 3,100 students from 56 nations.