

A dark wood desk with a blue pen and a glass of water. The pen is in the bottom left corner, and the glass is in the top right corner. The text is centered on the desk.

# **Facing Economic Hardship & the Call to Respond**

By: Jen Meyer, Erin Lind, Heather  
Bixby and Katie Peterson

QuickTime™ and a  
decompressor  
are needed to see this picture.

# APU Quick Facts

QuickTime™ and a  
decompressor  
are needed to see this picture.

- Private Christian University
- Liberal Arts college
- Student Population: 8,084
  - Undergraduate: 4,615
  - Graduate: 3,469
- Student to Faculty Ratio: 14:1
- # of Countries represented: 82
- # of States represented: 50
- SAT: 1,071
- GPA: 3.6
- 90% UG students receive financial aid

QuickTime™ and a  
decompressor  
are needed to see this picture.

# APU Mission Statement

QuickTime™ and a  
decompressor  
are needed to see this picture.

“ Azusa Pacific University is an evangelical Christian community of disciplines and scholars who seek to **advance the work of God** in the world through **academic excellence** in **liberal arts** and professional programs of higher education that encourage students to develop a **Christian perspective of truth and life**”



QuickTime™ and a  
decompressor  
are needed to see this picture.

# Four Cornerstones

QuickTime™ and a  
decompressor  
are needed to see this picture.

## Christ

*“Belief in Christ is central all we think and do”*

## Scholarship

*“We are dedicated to the education of the whole person”*

## Community

*“We value the worth of each individual”*

## Service

*“Service is at the heart of our local and international outreach endeavors”*

# APU's Priorities

- Keeping current staff and faculty employed
  - Employees represent 50% of APU's costs
- Admissions and Retention
- Four Cornerstones
  - Christ, Community, Scholarship, Service

# Current issues APU is facing

## APU is not indicating financial crisis

- Enrollment is up: 4,201
- Applications are up for future semesters
- Retention rate: 89%
- Graduate applications up 7%

## Concerns

- Endowment is down
- Financial aid availability
- Handling racial tension on campus
  - 40% of undergraduate population are diverse students

**Question becomes how to be pro-active to prevent foreseeable problem?**

# APU's Current Strategic Plan

## Scenario 1

### Undergraduate

- Student Population: **4,050**
- New Students: **1,550**
- Retention: **89%**
- Tuition Increase: **5%**
- Operating Budget: **\$109 million**

### Graduate

- Student Population: **Up 7%**
- Operating Budget: **Up 7%**

### Human Resources

- **30** New Positions
- **4%** Pay Increase



# APU's Current Strategic Plan

## Scenario 2

### Undergraduate

- Student Population: **3,950**
- New Students: **1,450**
- Retention: **84%**
- Tuition Increase: To be decided
- Operating Budget: **\$106 million**

### Graduate

- Student Population: **Up 5%**
- Operating Budget: **Down 2%**
  - decrease of 2 million

### Human Resources

- **17** New Positions
- **2%** Pay Increase



# APU's Current Strategic Plan

## Scenario 3

### Undergraduate

- Student Population: **3,800**
- New Students: **1,450**
- Retention: **79%**
- Tuition Increase: To be decided
- Operating Budget: **\$102 million**

### Graduate

- Student Population: **Up 2%**
- Operating Budget: **Down 4%**
  - A decrease of 4 million

### Human Resources

- **10** New Positions
- **0%** Pay Increase

# The Four Frames Key

QuickTime™ and a  
decompressor  
are needed to see this picture.

Structural Framework: **S**

Political Framework: **P**

Human Resource Framework: **H**

Symbolic Framework: **Y**

QuickTime™ and a  
decompressor  
are needed to see this picture.

# Strategic Financial Plan

## Initial Response...

- Bring in outside consulting firm
  - Avoids biases
- Create task force
  - Undergraduate: Admission, Retention, V.P. student life, Provost, Registrar, Financial Aid, CFO
  - Graduate: Adults education, Graduate Center, Financial Aid



# Strategic Financial Plan

## Scenario A: Anticipating Problem

### Undergraduate Qualifying Factors

- Admissions: Drop in student enrollment by 2% or 80 students

### Graduate Qualifying Factors

- Admissions up 5%

### Operational Budget: 144 million

Undergraduate 106 million

Graduate 39 million

### Tuition

- Undergraduate: \$25,000
- Graduate: varies

# Strategic Financial Plan

## Strategic Response: Scenario A

- Cut 3% of operational budget or 3.3 million dollars. *P, H*
  - Use 1% towards emergency grant program *P, Y*
    - 40 full ride scholarship or 80 partial scholarships
- Hiring pause. *P*
  - Min. 6 months
- Tuition Guarantee. *S*
  - costs will be not increase more than 5% per academic year
- Reduce to 2% pay increase for eligible employees. *H*
- Increase endowment outreach to recent alumni. *Y*

# Strategic Financial Plan

## Strategic Response: Scenario A

- Increase academic partnerships with community colleges & high schools *P*
- Restrict optional staff and faculty travel. *H*
- Continue to transition facilities to being green powered. *P,S, Y,H*
- Slow down tuition-based construction/renovation projects *P*
- Create on-campus child care opportunities *H*



# Strategic Financial Plan

## Scenario B: Breaking Even

### Undergraduate Qualifying Factors

- Admissions: 3,800 students. Drop of 200 students
- Retention rate: 79%

### Graduate Qualifying Factors

- Admissions stay same

### Operational Budget: 139 million

Undergraduate 100 million

Graduate 39 million

### Tuition

- Undergraduate: \$26,250
- Graduate: varies

# Strategic Financial Plan

## Strategic Response: Scenario B

- Raise tuition by 5%. *P, S*
  - This the lowest since 2005
- Give current employees 0% pay increase *P*
- Stop all tuition-based construction/renovation projects. *P*
- Reduce ground keepers and non-essential campus maintenance. *P*
- Promote self supporting generation of revenue for programs *P*
  - MAS
  - OWM

# Strategic Financial Plan

## Strategic Response: Scenario B

- Voluntary pay cut for all employees by 1% *Y,H*
- Reduce Chapel Requirement *S,P,Y,H*
- Get rid of major and minors that are of low interest  
*P,S, H*
- Increase available online courses. *S*
- Consolidate campus departments *S,P,H*
  - Residence Life and Housing
  - Service Learning and MAS



# Strategic Financial Plan

## Scenario C: Critical

### Undergraduate Qualifying Factors

- Admissions: 3,200 students. Drop of 500 students

### Graduate Qualifying Factors

- Admissions down by 5%

### Operational Budget: 125 million

Undergraduate 88 million

Graduate 37 million

### Tuition

- Undergraduate: \$27,562
- Graduate: varies

# Strategic Financial Plan

## Strategic Response: Scenario C

- Raise tuition by 5%. *P,S*
- Cut 12% of Student Life budget and 8% of Academic *P,S, H, Y*
- Get approval for major purchase *P,H*
- Closing satellite campuses *S, H, P*
- Faculty and Staff must take 5 unpaid days of sabbatical *Y*
- Increase flexibility in student course schedule *S,H*

# Strategic Financial Plan

## Strategic Response: Scenario C

- Raise hourly wage of student workers.  $H, S$
- Increase number of student workers and reduce full time staff  $S, H$
- Offer faculty/staff discounted housing  $PS$
- Consider offering life time education for students to come and audit classes for free  $s, S, H$ 
  - Capping number of units can take per year
  - Required a min. fee



# Job Proposal

- **TITLE:**Task Force Advisor
- **REPORTS TO:** University President
- **STATUS:**Part-time,External,Temporary Consultant
- **RESPONSABILITIES:**
  - Advise a staff of approximately eleven members on the Task Force Committee

# Challenges of the future

## Short Term

- Assessment

## Long Term

- Collaborate
- Commit
- Consolidate

# **Quality Services**

## **For Students**

### **Living on campus**

- Semester contracts instead of by the year
- Tripling in rooms
- More flexible meal plans

### **Programming**

- Quality Low cost events that are still affective
- Co-programming for large scale events (sharing budgets and Strengths)

### **Parents Newsletter**



# **Quality Services**

## **For Student Life Staff**

**Objective: To keep moral high!**

- **Open Communication**
  - Monthly e-mail updates
  - with institutional updates
  - space for faculty staff to respond and comment,
  - student success stories
  - praise to those faculty
- **Encourage staff and/or departments to be creative to cut costs**
- **More words of encouragement from Deans and Directors**

# **Quality Services**

## **For Student Life Staff**

**Objective: To keep moral high!**

- **Higher and promote from within**
- **Encourage carpool program**
- **Trade resources with other institutions for professional development**