
Financing Church Colleges

By Marvin Anderson

Priate “higher education is in the pits” is the cry of professional education associations, which say that it is impossible for them to compete with government-subsidized colleges and universities. In addition, local and national accrediting associations are making standardization mandatory. Involvement in management by accrediting agencies, government, teacher-rights organizations, and constituencies limit many options for a college’s administration to be creative. Each of these obstacles can largely be overcome with money. The obvious conclusion, then, is that if private higher education is to prosper and be creative, it can do so only if the institutions are financially strong.

Adventist higher education is no exception. In addition to the traditional controls of outside agencies, the church has an uncompromising policy of financial standardization. Wages, benefits, subsidies, personnel policies, and—to some degree—curriculum tend to be the same in all Adventist colleges. For this reason each college seems to be a “clone” of the other schools.

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The general education requirements of most SDA colleges are alike. Committees get copies of one another’s bulletins and plagiarize them. The fifteenth-century heritage of higher education dictates these requirements. Because of this tradition a significant amount of meaningful education takes place outside college campuses. A quick scan of the tele-

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phone directory of any major city reveals numerous specialty schools that train for specific twentieth-century needs. Many corporations are setting up their own schools in order to train up-to-date leaders.

Unfortunately, colleges have refused to face up to the reality of the job-market changes and are still largely protecting tradition for its own sake. This is not to say that tradition should be abolished. Quite possibly, however, students should be given a few choices based on their own interests and

needs, rather than the need of certain departments to generate credits.

Decentralization

The current trend in business is to decentralize. Even large corporations have discovered that separate decentralized units tend to perform better when each is allowed to seek its own identity. Adventist higher education should do likewise.

In the future each college should not try to offer every major, but should offer a few programs that can be considered truly outstanding. Union territorial boundaries make it mandatory that colleges serve all of the students in their area, but with much travel now taking place by air, distance is no longer a major factor. How close the college is located to a major airport where airlines give “bar-gain fares” may be more important. In some cases, it is cheaper to go 1500 miles by air than 250 miles by car or bus.

Each college should be flexible enough to adapt to the changing demand for certain types of majors. What was in high demand in the 1970s may not serve student needs in the 1980s. Consequently, some staff members may need

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retraining from time to time. While such a recommendation may seem threatening to some teachers, others would enjoy learning a new area if given a chance.

Funding Higher Education

The funding of higher education should be different and unique for each institution. There are two primary ways to achieve financial solvency: Either raise more money or spend less.

The first option of raising more money can be categorized as follows:

1. *Higher subsidies from the church.*

This is not a likely solution to the problem because the church is committed to other projects. Furthermore, all subsidies bring with them many controls and may be cut at any time.

2. *Higher tuition.*

Adventist universities and colleges have already raised their tuition as high as they can. Boosting it further will simply force Adventist youth to forgo participation in Adventist education.

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3. *Government subsidies.*

Although this represents a short-term possibility, too often the only funds available are for projects that are not needed, and which, furthermore, require the college to fund a major portion of the program.

4. *Philanthropy.*

An excellent possibility, but in order to attract more than nickels

and dimes, the institution must be willing to allow the donors a degree of control. SDA higher education, through developing its unique qualities, should be able to catch the attention of philanthropists. Their donations, however, are usually made to specific projects rather than supplying unrestricted operating income.

5. *Industry profits.*

This alternative not only provides operating capital, but also jobs for students. Unfortunately, the usual structure of college and church organizations rarely allows for success in this area. The church advocates the committee form of management, but business needs an executive with power to make daily decisions. Since the establishment makes no provision for incentive-based pay, both industry managers and workers make about the same wages. Therefore, in many cases, the successful leave, and the incompetent stay.

An incentive pay system should not be looked upon as a call for higher wages; in some cases it may also mean lower wages. In other words, people should be paid according to their contribution, not according to personal need. Some wages may be lowered to encourage people to find work elsewhere or aspire to a more productive position. Wages for managers should be high only if the industry shows a profit. A low base salary plus a percentage of the profits will give the manager an incentive to make the industry successful.

Before the industry can become profitable, however, the board must choose to make profit its goal. Too often industries' real goals are to (1) hire surplus employees from other institutions, (2) provide student labor in relation to the needs of the school, rather than the industry itself, and/or (3) pro-

vide a convenient service for the academic community.

A conscious decision to make the industry profitable is a bold step. This requires that the goals of all employees must be unified. To help accomplish this, employees should be thoroughly briefed in advance about the new management policies. Too often people get sentimental over the status quo and are reluctant to make progressive decisions to increase efficiency.

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Cut Expenditures

The second option to financial solvency is to spend less money. The following are important considerations:

1. Since most SDA colleges are alike, they tend to offer the same majors. However, all colleges cannot afford to offer all majors. Some are by nature very expensive to offer. Colleges should be careful to blend a few of these with many less-expensive degree programs.

Define Teacher Work Loads

2. Teacher work loads have never been successfully defined. One professor teaching four hours may work harder than another teaching 15 hours. The only way to determine the real work load of teachers in some departments is to have an observer actually spend a week with the teacher. At one college a faculty committee on work loads sent individual faculty members one-on-one with some of the nursing teachers. The result? It was determined that the credit hours generated did not reflect actual time spent on the job.

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ever, let the inevitable failures and sense of helplessness turn them into cynical or indifferent spectators of the socio-political scene. Neither can they allow themselves to fall into the quixotic pitfall of expecting an evolutionary utopia, imagining that mere human efforts will provide definitive panaceas.

The Christian teacher will seek to preserve society, but he or she will also shed light into the darker corners of community life that need to be dealt with and even changed. The Christian teacher will try to inspire his or her students to act likewise and light candles of social involvement, rather than simply denouncing the darkness of the world. The Adventist teacher is buoyed up by eschatological optimism. He has social concern. This is why he prays: "Come Lord Jesus" (Rev. 22:20). □

FOOTNOTES

- ¹ Shailer Mathews, *Jesus on Social Institutions* (New York: The Macmillan Company, 1928), p. 49.
- ² Ellen G. White, *Education* (Mountain View, Calif.: Pacific Press Publishing Assn., 1903), p. 78.
- ³ The text credited to Phillips is from *The New Testament in Modern English* © J. B. Phillips. Used by permission of The Macmillan Company.
- ⁴ Ellen G. White, *The Ministry of Healing* (Mountain View, Calif.: Pacific Press Publishing Assn., 1909), pp. 172, 331, 338, 339.
- ⁵ _____, *Testimonies to Ministers* (Mountain View, Calif.: Pacific Press Publishing Assn., 1944), p. 372; _____, *Testimonies for the Church* (Mountain View, Calif.: Pacific Press Publishing Assn., 1948), vol. 3, p. 246.
- ⁶ _____, *Evangelism* (Washington, D.C.: Review and Herald Publishing Assn., 1946), p. 544.
- ⁷ _____, *Testimonies*, vol. 3, p. 184; _____, *Medical Ministry* (Mountain View, Calif.: Pacific Press Publishing Assn., 1932), p. 232.
- ⁸ _____, *Testimonies*, vol. 4, p. 620; vol. 2, p. 570; vol. 1, p. 481.
- ⁹ _____, *Ibid.*, vol. 3, pp. 517, 518; _____, *Welfare Ministry* (Washington, D.C.: Review and Herald Publishing Assn., 1952), p. 242.
- ¹⁰ _____, *Testimonies*, vol. 3, p. 367.
- ¹¹ _____, *Messages to Young People* (Nashville, Tenn.: Southern Publishing Assn., 1930), p. 233.
- ¹² _____, *Testimonies*, vol. 1, p. 421.
- ¹³ _____, *Patriarchs and Prophets* (Mountain View, Calif.: Pacific Press Publishing Assn., 1913), pp. 46, 59.
- ¹⁴ _____, *Christ's Object Lessons* (Washington, D.C.: Review and Herald Publishing Assn., 1941), p. 254.
- ¹⁵ J. Ellul, "Social Change," *Baker's Dictionary of Christian Ethics* (Grand Rapids, Mich.: Baker Book House, 1973), p. 631.

¹⁶ Mathews, *Jesus on Social Institutions*, p. 60.
¹⁷ John R. Stott, *Christian Mission in the Modern World* (Downers Grove: Illinois Intersarsity Press, 1975), pp. 26, 27.

¹⁸ From *The New English Bible*. © The Delegates of the Oxford University Press and the Syndics of the Cambridge University Press 1970. Reprinted by permission.

¹⁹ Ellen G. White, *Fundamentals of Christian Education* (Nashville, Tenn.: Southern Publishing Assn., 1923), pp. 475, 477.

²⁰ *Ibid.*, pp. 475-484.

To Educate the Imagination

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A belief in the "uselessness" of the arts, therefore, may indicate a need for the education of the imagination, a need that the very requirements being protested against are designed to address. In my opinion, the primary value of the arts to our technical majors is that their power helps foster change and growth, thus furthering the primary goal of Adventist education. So long as our colleges retain character development as the first priority in education, we shall need to enlist the aid of these powerful educational tools. □

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Some teachers may feel insecure about having their work examined in this way, but in the long run such evaluations will help to give teachers credit for the hard work they are performing. It should be noted that, generally speaking, most employees feel they are working harder than anyone else. Some academic departments also feel that they are carrying a disproportionate share of the teaching loads. Actual observation of activities and hours worked may help settle the issue of work loads.

Administrators should allow each teacher to reach his or her own potential. Possibly a "management by objectives" approach

—such as rewards for publications, teaching excellence, research, or counseling—could allow each teacher to pursue his or her own area of excellence.

Most teachers do want to teach, and administrators should allow them full loads, along with the proper recognition and rewards for hard work. A good rule for administrators to use in their dealings with teachers is to have as few teachers as possible, work them hard, and treat them lavishly.

Reconsider Expensive Programs

3. In making spending decisions colleges shouldn't commit large amounts of money to a few people.

SDA colleges should not allow themselves to become—or remain—generic institutions.

One of the trends carried forward from the 1960s, when increasing enrollments allowed for expansion of programs, was to offer programs that served only a few students. Now that enrollments are decreasing, schools must reconsider and perhaps eliminate some of these programs.

Adjust Wage Scales

4. Allow the wage scales to more nearly reflect the market rate of pay. About one-third of the workers in our schools are paid more than the market rate; about one-third receive just about the right amount; and one-third are underpaid. It takes no genius to discover that the "overpaid" stay and the "underpaid" leave. The college may thus perpetuate incompetence while losing its most creative and productive employees.

5. Periodically visit other institutions and survey their programs.

It is no secret that SDA colleges have above-average physical plants. This is because the constituencies are generous in donating to buildings rather than other projects. Donors should be re-educated to give to faculty-enrichment programs, which cost much less and will, in the long run, be more beneficial to both faculty and students.

Develop a Unique Program

In order to survive, each college must take advantage of its own unique position. Programs and projects that are natural for one college may not suit another school at all. SDA colleges should not allow themselves to become—or remain—generic institutions.

The best approach would be for each college to consider its unique opportunities and blend together a program that enhances its position. Each institution should strive to solve its own financial and curriculum problems based on its own conditions and the needs of its constituency. □

The Future of SDA Higher Education

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pastors and health and medical personnel is higher than for them, that sacrifice means more in some areas and less in others. They also find that floor nurses receive higher salaries than those who taught and prepared them; that administrators of health institutions receive salaries that often are more than double those paid in our educational institutions. Is it unnatural, then, for these educators, often better trained and educated than workers in these other areas, to wonder about what is happening to them?

At present, college teachers are on the same salary scale, regardless

of their teaching area. Of late, however, we have seen growing pressure to give larger salaries in certain disciplines, such as nursing and business, because of the greater financial rewards that such persons could obtain outside the classroom. Years ago the church took the first step in this direction when it began to pay physicians a higher wage scale because of their potential for greater remuneration outside church employ. However, this practice opened a Pandora's box for the future.

Traditionally, the ordained minister has been paid at or above the community rate. Health personnel are now at the community rate. Logically, educators should be reimbursed similarly, but whether institutional budgets, pressed as they are today, could stand such an increase is open to debate.

It must be recognized, however, that health institutions, because of the greater financial rewards they can offer, are attracting and hiring faculty and administrators away from our educational institutions, with little or no compensation for the educational investments in such persons. This is truly a brain drain!

Supplementing Salaries With Private Funds

Many state educational institutions have the source of private funds that is used to supplement the salaries of their administrators. In the case of nursing educators, why cannot the health institutions, who are the beneficiaries of their graduates, supply special funds to this group? For business teachers, businesses and corporations could be encouraged to contribute similarly. Some such plan could no doubt also be devised for liberal-arts teachers! Although these suggestions may sound somewhat revolutionary, they could provide

a starting point in addressing this area of need.

Another approach that would improve the financial picture for higher education would be for institutions to establish scholarship endowment programs. Our schools have been slow to move in this direction, but some colleges, as well as secondary schools, are now giving serious thought to this approach.

Responsibilities of Institutional Boards

Institutional boards must become more aggressive in their management and leadership. Their concerns for accountability, greater efficiency of operation, and relevance within the total structure must be more forceful and pronounced. Educational time is too expensive to waste, and boards must not be timid about expressing their feelings about the directions taken by the administration. In all aspects of their work, however, the board's primary task must be to ensure that the mission of the church and its beliefs are the chief ingredients in any existing or proposed program.

Most SDA boards are too large. Study needs to be given to delegating authority to smaller, more efficient bodies, which could devote additional time to the challenges facing their institution.

Whatever changes are proposed in the organization or governing procedures, the goals and aims of a church educational institution must always remain in focus and should constantly be brought before its board, faculty, and student body, as well as its constituency. At no time should accreditation bodies, federal grant requirements, or state regulations be permitted to interfere with the church's mission for its colleges and universities. □