

**NAD Education Taskforce
Final Report
October 2016**

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Introduction

A primary focus of the NAD Administrative Summit in May 2014 was to consider the future organization and governance of Adventist Education in the context of changing demographics, financial indicators, and emerging technologies (See Appendix A). The Seventh-day Adventist Church must adapt in order to fulfill its education mission effectively, efficiently and excellently.

Adventist Education requires a significant commitment of financial and human resources for the important task of bringing young people to faith in Jesus and excellence in learning. As it looked ahead to the future, the NAD Administration felt that the creation of a taskforce was necessary to adequately address all facets of this ministry.

Thus, the NAD Education Taskforce (NADET) was appointed. Elissa Kido was appointed chair of the NADET and Larry Blackmer as secretary. Other members of the NADET were nominated through union and conference recommendations (See Appendix B).

The NADET began working together in an official capacity in December 2014 and presented preliminary recommendations at the Year-end Meetings in November 2015.

This document is the result of two years of collaboration through videoconferences, meetings, and subcommittee work.

It is our hope that the final recommendations included here will be prayerfully considered as the church continues to strive towards strengthening and supporting this vital component of God's work – the Adventist educational system.

Executive Summary of Recommendations

The following is a brief summary of the recommendations that are further described in this document:

1. THE CHALLENGE: DECLINING SUPPORT FOR ADVENTIST SCHOOLS

- We recommend that there be a renewed emphasis on Adventist education at all levels of the NAD, from the Division to the local church. We recommend that there be a strong focus on (a) the value of belonging to the Church, (b) the mission and importance of Adventist education to the entire membership, (c) the stewardship responsibility of all church members to support Adventist schools, and (d) the full commitment of all teachers and administrators to Adventist education.

2. THE CHALLENGE: RELATIONSHIPS OF PASTORS AND EDUCATORS

- We recommend the adoption by each Conference of a formal, proactive initiative to bring pastors and educators together into a cohesive ministry partnership to improve the well-being of Adventist schools. Both groups should view their roles as complementary and supportive of each other, working together to strengthen a collaborative partnership. These proposals include:
 - Creating conditions that will encourage and support collaboration
 - Allocating resources for training in and development of ministry team partnerships
 - Fully supporting Andrews University Seminary in its initiative to train and educate seminarians specifically in the partnering ministry of pastors and teachers

3. THE CHALLENGE: FINANCIAL INSTABILITY AND LITTLE TRANSPARENCY

- We recommend that financial transparency, accountability and stability be improved by the following:
 - Adoption by all NAD schools of a standard financial dashboard
 - Adoption of a new financial model in which all churches and conferences would share in the support of Adventist schools

- Development of an objective strategic plan for the geographic placement and broader financial support of boarding academies, recognizing that there is insufficient demand for the boarding academy product to warrant the operation of 27 boarding academies in the NAD
- Adoption of a new standard accounting/financial reporting system by all elementary schools and standardization of the subsidy formulas for elementary and secondary schools
- Development of objective measures of sustainability and viability of schools to guide constituencies in making decisions to determine whether to close or consolidate schools in order to improve sustainability
- Adoption of a financial component in the school accreditation process

4. THE CHALLENGE: LACK OF COHESIVENESS IN THE EDUCATIONAL SYSTEM

- We recommend changes in the accreditation process that will be oriented toward more rigorous and objective criteria to ensure adherence to high quality standards and school viability. These proposals include:
 - Inviting independent experts on accreditation teams -- people who are not engaged in either Adventist education or church administration, including Adventist lay persons
 - Highlighting financial viability as a component of accreditation
 - Strengthening “systemness” in Adventist education by instituting accountability for adherence to standards across organizational boundaries within the NAD, including a restructuring of the evaluation process for elementary schools to align with the current secondary/junior academy model

5. THE CHALLENGE: SEVERE SHORTAGE OF EDUCATION LEADERS

- We recommend the development of a proactive system/process for the identification and development of educators who have leadership potential. Resources should include a Leadership Institute, active mentorship, ongoing professional development, and a compensation policy that will incentivize potential leaders to assume the greater responsibilities of leadership.

6. THE CHALLENGE: NEED FOR WORKFORCE DEVELOPMENT

- We recommend the development and implementation of proactive practices to develop future and current teachers and educators, including recruitment strategies, influencing undergraduate and graduate level curricula, professional development programs, and certification of school board members.

7. THE CHALLENGE: EXTENDING THE REACH OF ADVENTIST EDUCATION

- We recommend expanding the availability of distance learning to Adventist children by a) increasing funding and development for distance learning resources by the Adventist Learning Community, Griggs International Academy and other providers and b) encouraging collaboration among approved distance education providers.
- We recommend that the NAD appoint a separate task force to focus solely on strategies for the spiritual education of all our children, especially those not attending Adventist schools. (This initiative was voted as the number one priority by attendees at the 2015 NAD Year-end Meetings, and NADET sent a proposal to the NAD Admin in February 2016. See Appendix C.)

8. THE CHALLENGE: NEED FOR MORE EFFECTIVE MARKETING

- We recommend development of marketing capabilities by schools and conferences based on the benefits of demonstrated quality, student data bases, conference-wide capabilities, and a clear rationale about the value of Adventist education.

Context

The NADET was charged with strengthening the NAD educational system. To do its work, the NADET had to operate within the context of the following existing organizational constraints:

1. Institutional structure of the NAD
2. Rising financial costs and limited models to increase funding to the local schools or conferences
3. Changing demographic realities within the church

Given these challenges, it was difficult to develop strategic recommendations that could be implemented without major organizational, cultural and structural changes. For instance, the current constituency model makes it difficult to effect system-wide change because it requires local entities to vote themselves out of existence before the next higher organization is able to make any changes.

As the NADET met, worked and discussed the various issues concerning the NAD educational system, it also became clear that a recurring theme throughout the conversations – and, subsequently, the recommendations – was that the educational quality and sustainability of the schools would be greatly enhanced by the cooperative development of division-wide systems that would allow better alignment of process, procedures, structures, curriculum, standards, finances, governance, etc. The current structure that allows each school or conference the ability to pick and choose which policies, procedures, or curriculum that it will implement not only results in very diverse quality outcomes but also affects parental expectations from school to school.

There are excellent and necessary reasons for local school autonomy, such as differing local expectations and the wisdom, discretion and individualism of each school administrator. However, the development and implementation of certain division-wide protocols like financial statements, data aggregation, and quality standards would only serve to considerably strengthen the educational system as a whole.

The NADET recognizes that some of the recommendations may seem broad or overly complicated; others may have been attempted or even currently implemented in some areas. It was not the intent to overlook these efforts as the NADET affirms the work of all unions, conferences and schools that labor tirelessly to build excellent, high-achieving schools for our children. However, greater cohesiveness and uniformity within the NAD educational system would provide more effective outcomes.

Process

The NADET was charged with examining, addressing and prioritizing eight recommendations that were handed down from the NAD Administrative Summit in May 2014. The recommendations were as follows:

- 1) Develop innovative strategies for the delivery of Adventist education.
- 2) Develop a program tied to mission for the promotion of Adventist education for educators, pastors, and members and find ways to encourage students to engage in personal evangelism.
- 3) Develop alternative funding streams for Adventist education, including non-Adventist students already in our community.
- 4) Create a study group on the consolidation of Adventist schools across administrative regions without loss of impact.
- 5) Appoint a study group on the value of Adventist education as compared to the better public and private schools, in terms of quality of education and cost, taking into account spiritual goals.
- 6) Develop a targeted campaign to reach Adventist students attending non-Adventist schools through promotion, education, incentives, and raising awareness of spiritual impact.
- 7) Set policy and standards on enrollment/size of Adventist schools (primary, secondary, tertiary).
- 8) Develop strategies that ensure that the structure of the church continues to support all levels of Adventist education.

The NADET began by first exploring the eight recommendations. Drawing upon its own experiences and context, as well as surveying ASDASA attendees and NADET Think Tank members (a group formed to serve as consultant and sounding board for the NADET), the NADET prioritized its work accordingly and went to work, both as a whole and through subcommittees that had been formed to carefully research the various topics. Over the course of the year, the NADET met numerous times through videoconferences and face-to-face meetups to wrestle with and delve further into the issues at stake.

The NADET presented 18 preliminary recommendations at the Year-end meetings in November 2015 (See Appendix D). Following the presentation, the delegates were surveyed for their opinion of the top recommendations, in order of priority.

The following recommendations received the most votes:

- Establishing a taskforce to ensure the spiritual education of *all* children
- High prioritization for Adventist education from all church leadership – both in finances and support
- Developing a strategic plan to engage comprehensive pastoral support for Adventist education
- Using distance learning to connect all children to Adventist education
- Standardizing finances for elementary and secondary schools
- Implementing a comprehensive leadership development plan

Using those results, the NADET began the second year of its work by further focusing its attention on those particular recommendations. It created five subcommittees to address each issue:

- 1) Distance Learning
- 2) Educational Leadership
- 3) Finances
- 4) Spiritual Development of All Children
- 5) Pastoral Leadership

The sub-committee for Spiritual Development of All Children worked on a proposal that, after approval from the NADET-at-large, was sent directly to the NAD Admin. The recommendation read:

“NADET recommends to NAD that a new, distinct task force (NADACT, acronym for NAD All Children Task Force) be formed to focus solely on developing strategies for the Church to (1) provide spiritual education, guidance and support to its children and youth, (2) stimulate the development of community among Adventist children and youth, and (3) bind our children/youth to the Seventh-day Adventist Church.”

(See Appendix C for the complete proposal.)

Because of the work and focus on the remaining issues, additional individuals with those specific areas of expertise were invited to join the NADET. These included the addition of pastors, principals, and treasurers.

Additional Research

In addition to research conducted by its core members, the NADET was further informed through the work of two different resources: the *Strengthening Adventist Education* study and Geographic Information Systems (GIS) mapping.

Strengthening Adventist Education

The Strengthening Adventist Education (SAE) research project studied ways to stem the decline in enrollment and closing of Adventist K-12 schools in North America. The recommendations from this study were based on data collected in extensive interviews with 27 persons with interest in Adventist Education, 16 focus groups with 184 union/conference educational leaders and 108 union/conference officers, and online survey responses from 95 educational leaders and 52 officers.

A short version of the recommendations from the SAE project is included in Appendix E of this report. Since the recommendations from NADET and SAE are very similar, the SAE recommendations in the Appendix are arranged in order of the recommendations of the NADET report. Where appropriate, supporting evidence from the 16 focus groups and online evaluations are included for each SAE recommendation. The complete report of the project can be found with the following link: circle.adventist.org/files/download/strengthenae.pdf.

GIS Mapping

Geographic Information Systems (GIS) add spatial analysis to standard statistical analyses. The purpose of this study was to better understand important dynamics and trends within the Adventist Church and Adventist Education.

A comprehensive longitudinal data set on Adventist congregations and schools in the United States was assembled for this study. The study sought data spanning ten years. The enrollment by school data met this goal. On the other hand, only five years of usable data on congregation membership and tithe was secured. Spatial data included the location of members, students, congregations, schools, and large Adventist institutions. The Adventist demographics were correlated with national census demographics.

While there are still many additional variables available for study and further analysis, three specific summary findings were compiled for the NADET: the proximity of Adventist members to elementary schools, secondary schools and boarding academies (See Appendix F). This data set should continue to be queried and maintained for insights to assist the North American Division in making data-driven decisions.

NADET RECOMMENDATIONS FOR YEAR-END-MEETINGS 2016

Because we believe in being full partners in ministry, because we seek to continue strengthening the ways in which we serve our children, and because we are convicted of the significance of and necessity for Adventist Education, the NADET proposes the following as recommendations to improve practices for Adventist Education NAD-wide.

Recommendation #1: Importance and Mission of Adventist Education

The Seventh-day Adventist church was founded on firm Biblical principles, an unwavering belief in the Second Coming and the all-encompassing saving grace of Jesus. These tenets directed the formation of the Adventist educational system as early church members built schools that would academically educate and spiritually nurture their children. The desire for quality education met with the conviction to share Adventist beliefs and in that intersection, Adventist Education was born.

As time has passed, however, there has been a noted change among members as to the identity and perception of the Adventist church, which has led to a distinctly different perspective on the place and necessity of the Adventist educational system.

The NADET strongly believes in developing a comprehensive plan to increase denominational loyalty and stewardship, specifically as it relates to the importance and mission of Adventist Education.

The NADET recommends the following:

- 1a. Denominational loyalty and stewardship
Increase the emphasis placed on 1) denominational loyalty - the value of belonging to the Seventh-day Adventist Church – and 2) stewardship commitment of all members.
- 1b. Mission
Increase focus on the mission of Adventist Education by reaffirming the value and role of Adventist Education within the church (including both laity and pastors) and reminding all members – not just parents of school-aged children – of the importance of this mission.
- 1c. Corporate responsibility
Throughout Exodus, Leviticus, Numbers and Deuteronomy, God laid out his instructions for a new nation. The laws, festivals, structure, offerings and tithe principles – all were designed to provide a framework in which humankind looked beyond themselves – first to God and then to those in the community. Looking outward also encompassed education – an emphasis of and provision for the upbringing of a nation and its children.

Education was clearly directed as corporate responsibility that was a combination of evangelism and stewardship. God's requirement that His people make provision for the education and evangelism of the church's children and youth is stewardship in action and is as applicable today as it was yesterday. The Spirit of Prophecy gives further counsel in *Child Guidance* that ". . . where there is a church, schools should be established, if there are no more than six children to attend." This, when read and understood in tandem with the Biblical principles, makes it difficult to argue that any church or church member be exempt from participating as a partner in the operation of a church school.

1d. Personnel

When making decisions about personnel (teachers, principals, pastors, and conference officials) who will be responsible for the education of our children, determine their commitment to Adventist Education and their ability to articulate the unique mission of Adventist Education.

Recommendation #2: Collaboration between Pastors and Educators

Collaboration amongst *ministry teams* facilitates the success of mutually held ministry objectives. There are a myriad of schools, churches, conference and unions who have already made significant strides in fostering collaboration between both the evangelistic and educational ministries. The NADET recognizes and affirms these efforts that, by their very nature, require more communication and greater intentionality. However, the NAD Adventist educational system as a whole could benefit from a comprehensive, system-wide plan that specifically articulates how to foster conditions where pastors and educators are able to collaborate effectively for the spiritual nurture of children and their families connected to the church and/or school. This plan should include responsibilities for educational leaders, educational administrators, teachers, church administrators, and pastors.

The NADET recommends the following:

2a. Collaboration

- i. Create or continue developing conditions that will encourage different groups of educational leaders to strategically plan and work together with ministry leaders at each level.
- ii. Ensure that the following groups are intentionally facilitating and supporting the collaboration of the ministry team:
 - Teachers – involvement in the local church and working with the pastor as a ministry team
 - Pastors – support and involvement in their local constituent school and working with the teachers as a ministry team
 - Officers – support of Adventist Education through tangible and concrete efforts that demonstrate full backing of this collaborative ministry and periodic assessment of the effectiveness of the pastor-teacher ministry team
- iii. Eliminate barriers that may exist between educators and pastors and hinder effective collaboration. Both groups should view their roles as complementary and supportive of each other, and all efforts should be made to strengthen these collaborative partnerships.

2b. Resources

Allocate resources for training in pastor-teacher collaboration

- i. Distribute the “Effective Church-School Collaboration” video produced by ALC and the NAD. A facilitator’s guide that can be used to direct the conversation will accompany this video.
- ii. Develop and distribute division-wide “Pastor-Teacher Collaboration Guide” materials.
- iii. Develop a communication system with websites, list servers, and social media outlets to support the collaboration. The communication system would include ideas, resources, and success stories of effective and positive collaboration between schools and churches.

2c. Seminary education

- i. Fully support and encourage the Andrews University Seminary in its desire to train and educate seminarians in the partnering ministry of pastors and teachers by:
 - a. Requiring education coursework in the M.Div program
 - b. Making the local school a high priority in the work of evangelism
 - c. Requiring a field experience in a school within the M.Div program
 - d. Hiring a full-time religious educator to oversee and coordinate this program
- ii. Find resources through the local conference/union/division/GC to ensure that students, while in the seminary, have scholarships that will allow their children to attend Adventist schools.

2d. Training

Provide training for educators and non-educators to work collaboratively.

- i. Encourage and support the administrative leadership at all levels to promote collaborative work between churches and schools by:
 - a. Requesting ministerial and educational directors of each conference to structure a collaborative approach they will use within their conference
 - b. Requesting conference presidents, ministerial directors and educational directors to develop an annual pastor-teacher joint meeting or retreat
 - c. Requesting conference presidents, ministerial directors and educational directors to jointly participate in creating a spiritual master plan for their schools
 - d. Requesting ministerial directors to develop a monthly process for pastors to share their participation in the spiritual master plan and be affirmed personally and publically for all positive actions
 - e. Developing accountability standards for pastors and principals for supporting each other
- ii. Include pastor-teacher teamwork in the continued professional development of pastors and teachers.

Recommendation #3: Finances

Financing Adventist Education is the responsibility of the whole church as it is a practical expression of both stewardship and evangelism. Encouraging every church to support and partner with an Adventist school, regardless of the number of students from a specific school or church, reinforces the principle of benevolent service to others.

The NADET understands that affordability of Adventist Education has increasingly become a barrier to many families, and we have sought to address that through recommendations that will bring about long term, sustainable results.

With clear accountability, proper oversight, and corresponding benefits for schools that wish to embrace the identity of Adventist Education – both in name and ethos – the NADET expects the financial situation of schools to significantly improve.

To address key performance challenges in schools as well as endeavor to develop a more cohesive financial strategy for the NAD Adventist educational system, the NADET recommends the following:

- 3a. **Dashboard**
Adopt and implement the financial dashboard throughout NAD Unions and Conferences (See Appendix G).
- 3b. **New financial model**
Adopt a new financial model that will include all churches and conferences committing to sharing in the cost of Adventist Education. Every church should be encouraged to support a school – through financial contributions, prayers, site visits and other opportunities for campus involvement (See Appendix H for different examples).
- 3c. **Boarding school strategic plan and support**
 - i. Develop a comprehensive plan for strategic placement of boarding academies, taking into consideration factors such as specific strengths of each academy, geographic locale, changing ideology in regard to sending children away to school, and other significant factors. Because of changes in transportation, demographics, and missional alignment, the NADET does not believe there is a need for 27 boarding academies in North America.
 - ii. Explore the concept of specialized schools – each with a specific focus or area of emphasis.
 - iii. Recognize the financial burden that boarding academies place on a single conference and consider ways for all conferences to equally share the responsibility of the total cost of each boarding student.

- 3d. Standard financial reporting system
Set in place a standard financial reporting system and format for elementary schools' financial statements across the NAD.
- i. Develop and implement a new division-wide small school and elementary accounting package to replace the current Adventist School Management software (ASM).
 - ii. Standardize the subsidy formula between elementary and secondary schools, which would affect, among other things, all secondary teachers in the conference medical pool (See Appendix H for the suggested 40/60% model).
- 3e. School viability
- i. Institute an objective measure of sustainability and viability that would allow local constituencies to make informed decisions about the future of local schools.
 - ii. Examine the viability of each school. Consolidate or close elementary and secondary schools that are not meeting financial or educational standards or that are directly competing with each other in small geographic areas (See Appendix G).
 - iii. Explore the option of a district model for elementary and secondary schools where schools would cooperate and collaborate without the boundaries of conferences or current constituencies.
 - iv. Use the funds from consolidating and closing schools to strengthen existing schools so that remaining schools are viable and of high quality.
- 3f. Accountability
The North American Division Committee on Accreditation (NADCOA) will:
- i. Establish stronger methods of financial accountability in the evaluation process.
 - ii. Review the financial dashboard yearly through an approved data reporting system.
 - iii. Create a standard that requires schools to use the recommended financial reporting system.
 - iv. Create a standard that requires schools to use a division-approved data reporting system (SIS).
 - v. Create a standard that requires all board members to be ALC-certified (See recommendation 6d).

Recommendation #4: School Quality and Accountability

A high degree of transparency in successful organizations allows for all components to work together to effect/enhance coordination and functionality. These components are held accountable through an accreditation or evaluation process that is dependent upon the adoption of certain accountabilities, policies, and practices.

We affirm the various schools, conferences and unions that operate with a fully transparent system and already have in place a process of accountability and evaluation within their own constituency, but the NAD could further strengthen its schools by more intentionally ensuring and maintaining uniform transparency throughout the entire NAD educational system.

Restructuring the K-12 accreditation process would improve the overall cohesiveness within the Adventist educational system. Currently, there is a great deal of variation among our schools in quality and accountability, and better mechanisms could allow for more objective, unbiased decisions about schools.

The following characteristics are indicative of an effective educational system:

- missional alignment
- uniform quality standards
- clear processes of accountability
- standardized financial conditions and practices
- standard governance practices
- systemic development of human capital
- system-wide management, policies and practices
- use of NAD-approved School Information System (SIS)

To develop a comprehensive plan to ensure that all Adventist schools provide quality educational offerings and that rigorous accreditation standards are applied consistently, the NADET recommends the following:

4a. Evaluation

Institute an evaluation process that would more objectively determine and ensure high quality standards.

i. Enhance the accreditation processes in the NAD by:

- a. Ensuring that the Commission's membership include persons who are not involved in Adventist education, including laypersons and other impartial members committed to education.
- b. Adding financial viability as a consideration in the determination of accreditation terms.
- c. Strengthening the "systemness" of Adventist Education by creating accountability for adherence to certain standards across all organizational boundaries within the NAD.

ii. Change the evaluation protocols for elementary schools to align with the secondary/junior academy model that ensures external accountability.

Recommendation #5: Leadership Development

The Seventh-day Adventist church has a unique education philosophy and mission: to provide a redemptive education to children. "In the highest sense the work of education and the work of redemption are one, for in education, as in redemption, other foundation can no man lay than that is laid, which is Jesus Christ." (Ellen G. White, *Education*, p 30)

To accomplish this mission, Adventist Education, first and foremost requires leadership that is passionate about Jesus Christ and committed to making Him the guiding power in their lives. Such leaders can successfully lead teachers in fulfilling the primary aim of Adventist Education: Leading young people into a saving relationship with Jesus Christ. Adventist Education also requires leadership that is highly trained and competent to lead teachers in the secondary aim of in Adventist Education: the development of character and the Christian mind, leading an academic program of excellence, the development of social responsibility, the development of physical, emotional, or social health, preparation for the world of work (George R. Knight, "The Devil Takes a Look at Adventist Education," *Journal of Research on Christian Education*, Summer 2001, Vol. 10, Special Edition, pp.175-194).

Because of these two critically important aims of the Seventh-day Adventist Church, the development of Adventist school leadership must be a top priority for the Adventist Church. To facilitate the development and retention of Christ-centered, passionate, compassionate, competent and inspiring men and women to lead our schools, the NAD educational system must:

1. Attract the most talented young leaders by communicating the tremendous rewards enjoyed by transformational leaders.
2. Equip emerging talent with excellent practical training focused on development of core competencies for successful educational leadership.
3. Establish a network of collegiality and mentorship to keep leaders inspired, vital, and growing.
4. Develop compensation strategies to acknowledge the significant investments made by leaders.

The NADET recommends the following:

- 5a. Develop and implement strategies that expose aspiring leaders to future careers in school leadership
 - i. Marketing
Publish promotional materials that cast the vision/promote careers in school leadership in the Adventist system (share principal success stories) using social media.
 - ii. Talent Scouting

Prepare a toolbox of resources (such Strengths Finder, Teacher Perceiver, Gallup Recruitment, etc.) that can help leaders and aspiring principals assess leadership potential.

- iii. Provide scholarship funding, as well as mentoring, coaching, education, and professional development, to attract potential leaders.

5b. Develop a high-quality, practical, and intensive NAD system-wide Leadership Institute

- i. Participation in the Leadership Institute would provide aspiring leaders with a non-academic pathway to Administrative Certification through a robust, research-based and problem-based approach to leadership development. It would also integrate a formal mentorship component as well as opportunities to measure performance outcomes.

The Institute would require each participant to demonstrate proficiency in the following leadership competencies:

- Resilience
- Personal Behavior
- Communication
- Student Performance
- Situational Problem-Solving
- Learning, Accountability and Professional Practice
- Supervision of Instructional and Non-Instructional Staff
- Development of Climate and Culture
- Spiritual Leadership
- Time/Task Management
- Board Governance

5c. Provide ongoing professional leadership development

- i. Develop a leadership coaching and mentorship framework to reinforce leadership competencies, reduce isolation, provide accountability for performance expectations and school improvement targets, etc.
- ii. Provide an ongoing professional development framework that ensures opportunities for regeneration and inspiration.

5d. Develop an improved compensation package for school administrators

- i. Develop a compensation package to include incentives such as certification bonus, annual technology funds, annual retention funds, principal retreats, financial support for school initiatives, goal-based incentives, etc.

Recommendation #6: School Personnel Quality and Accountability

The NAD Adventist educational system is uniquely positioned to both academically educate *and* spiritually nurture the children of our church. The complexity of this task rests on the shoulders of our educators, and it is vital that they are provided with adequate training and resources to effectively bear this responsibility.

To develop a system-wide framework that supports educators, upholds high standards and strengthens schools, the NADET recommends the following:

- 6a. Tuition assistance
Recruit quality undergraduate students by providing tuition assistance in exchange for a commitment to teach in Adventist schools.
- 6b. Pre-service curriculum in Adventist universities and colleges
During pre-service training at the undergraduate and graduate level:
 - i. For multiple subject candidates, include instruction on working in small schools and managing a teaching principal position.
 - ii. Emphasize practical skills that might not be included in a typical methods class, such as recruiting students and communicating with parents.
 - iii. Train teachers and pastors in the unique mission and value of Adventist Education and how to work with each other as a ministry team (See recommendation 2c and 2d).
- 6c. Professional growth
Develop a culture that requires and supports professional development.
 - i. The NAD will continue to provide through the Adventist Learning Community (ALC) free online resources (CEU).
 - ii. Academies, conferences, and unions will continue to provide professional growth funds for each educator.
- 6d. School Board members
 - i. Ensure that all school board members are certified through the ALC board-training courses.
 - ii. Develop a business model of board membership to raise the level of expertise on the board.

Recommendation # 7: Distance Learning

Over the last 10 years, options for Distance Education have grown, but there is still need for additional development in this area. Currently, there are several division-wide approved distance education providers who offer a wide range of services to both schools and families. It is important to coordinate the development of distance education programs in order to maintain and uphold the mission of Adventist Education. There should be multiple strategies to ensure that all Adventist students, both within our schools and those that make other educational choices, have access to relevant denominational educational materials.

The NADET recommends the following:

- 7a. Increase development and funding of distance learning materials and courses through the Adventist Learning Community, Griggs International Academy, and other venues that are approved by NADOE.
- 7b. Request that the NAD provide incentives for collaboration among the Technology and Distance Education Committee-approved distance education providers in order to make best use of resources and to serve a broader swath of Adventist families.
- 7c. Request that the NAD support the collaboration of the Adventist Learning Community and Griggs International Academy in providing innovative, affordable, and flexible programs for students, teachers, and schools.
- 7d. Resources
 - i. Produce additional on-line materials and courses for elementary and secondary students.
 - ii. Produce additional on-line professional growth resources related to Adventist Education for:
 - a. Teachers and educational leaders
 - b. Pastors and church administrators
 - c. School board members
 - d. Lay members
 - e. Parents
- 7e. Coordination and Accountability
Coordinate all distance-learning offerings to ensure awareness, alignment, efficiency, effectiveness, and compliance with existing distance-learning guidelines and standards, especially when adopting new curriculum materials that include distance-learning components.

Recommendation #8: Marketing and Public Relations

More attention and support needs to be allocated to marketing and public relations for Adventist education. There needs to be a shift to include both “quality” and “purpose” in the content of marketing materials. While the *quality* of education is a significant factor in a family’s choice of a school for their child, the *purpose* and mission of a school has increasingly been given equal weight, especially amongst millennials.

The NADET recommends the following:

- 8a. Local marketing data
Have each school compile data demonstrating its quality (e.g., curriculum, outcomes, the success of its current students and its graduates) to use for marketing.
- 8b. Visibility
Have each school develop
 - i. A positive first impression plan for constituents and visitors.
 - ii. A “why” statement for younger parents, specifically designed to express the purpose of Adventist Education and its importance in these last days.
 - iii. A plan to maintain a visible and positive community presence.
- 8c. Marketing support
 - i. Provide schools with more conference help in their local marketing and public relations, including the maintenance of a conference-wide database of all children of Adventist parents.
 - ii. Encourage utilization of NADOE marketing resources, available on the NADOE website and customizable to each school’s needs.
 - iii. Encourage utilization of ALC-developed resources such as positive parent/student testimonies about Adventist Education
 - iv. Encourage collaboration with Ambassadors for Adventist Christian Education (ACE) – a volunteer-based organization that can match schools with individuals who can help with specific marketing and public relations needs.
- 8d. Expect teachers and pastors to understand and articulate the purpose of Adventist Education and be able to market the specific benefit, value and uniqueness of that purpose, particularly for their school. (See recommendation 1d)

APPENDIX A

Current Landscape

Adventist Education is arguably one of the Church's most important vehicles of ministry. With over 50,000 children in K-12 Adventist schools across the NAD, our classrooms are primed with opportunities to provide high quality education while engaging students in the mission and message of the Adventist church.

Unfortunately, because of a variety of factors including socio-economic (see Fig. 4) and population trends, enrollment in K-12 Adventist schools has experienced a downward trend during the past two decades (see Fig. 1-3).

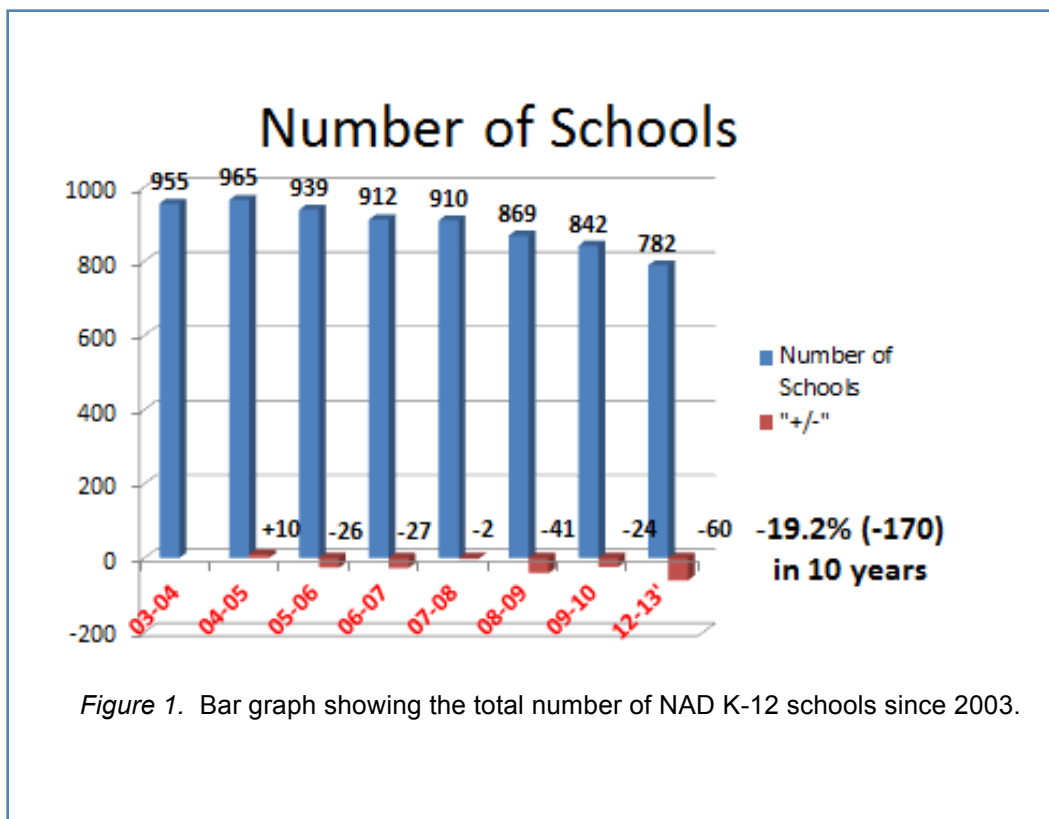


Figure 1. Bar graph showing the total number of NAD K-12 schools since 2003.

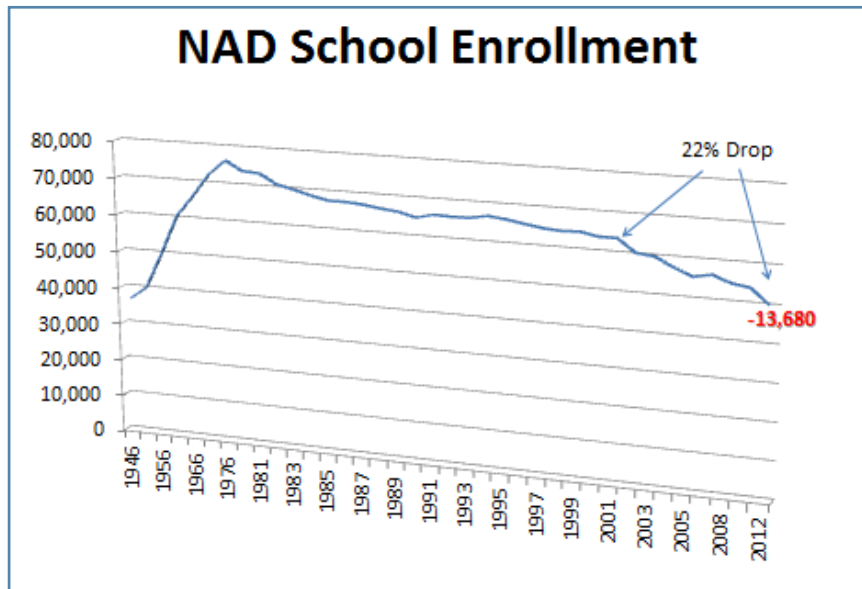


Figure 2. Line graph showing total NAD school enrollment since 1946.

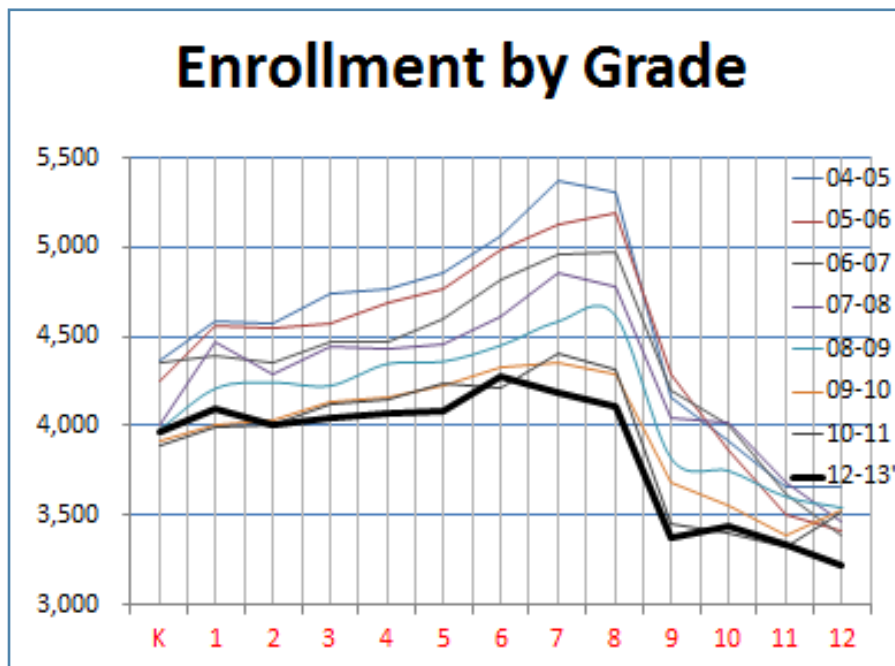


Figure 3. Line graph showing enrollment by grade since 2004.

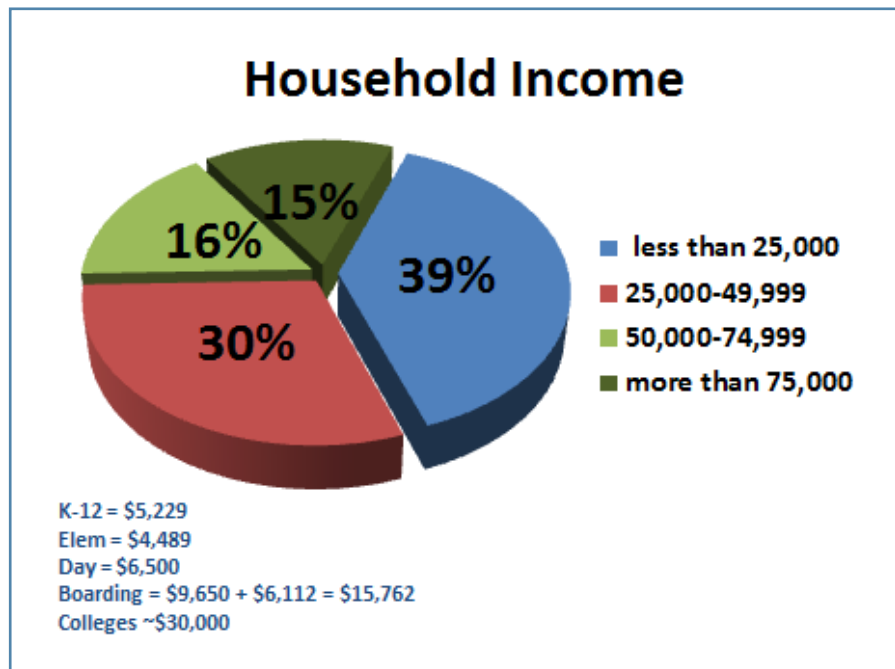


Figure 4. Pie chart showing the median household income for Adventist families in 2014.

APPENDIX B

NADET Members

Kido, Elissa (Chair)	Director Center for Research on K-12 Adventist Education
Blackmer, Larry (Secretary)	Vice President of Education North American Division
Ban, Martha	Director of Technology and Support North American Division
Chase, Jerry	GIS Specialist General Conference
Forsey, La Ronda	Principal Griggs International Academy Associate Dean for the School of Distance Education and International Partners Andrews University
Foster, Terry	Undertreasurer Southwestern Region Conference Southwestern Union Conference
Griffith, Carmen	Retired Education Specialist Director of Women's Ministries/Ministerial Spouses Southwestern Union Conference
Hartwell, Ray	President Pennsylvania Conference Columbia Union Conference
Jara, Caleb	Pastor Southeastern California Conference Pacific Union Conference
Livesay, Don	President Lake Union Conference
Marshall, Dennis	Director of Education Canadian Union Conference

Melashenko, Lara	Principal Alberta Conference Canadian Union Conference
Plubell, Dennis	Vice President of Education North Pacific Union Conference
Reifsnyder, Ed	Healthcare consultant Mid-America Union Conference
Rollins, Duane	Treasurer Florida Conference Southern Union Conference
Ryan, Roy	Retired Associate Treasurer General Conference
Wilkins, Darren	Principal Ohio Conference Columbia Union Conference
Wright, Cliff	Assistant high school principal Chesapeake Conference Columbia Union Conference
Valenzuela, Iveth	Principal Southeastern California Conference Pacific Union Conference

Contributing Members

Jason Bergman	Portfolio Manager General Conference Investments
Nury Perez	Education Specialist Southern Union Conference

APPENDIX C

Recommendation by the NADET To the North American Division of Seventh-day Adventists To Form a New Taskforce Regarding the Spiritual Education of All Adventist Children February 4, 2016

BACKGROUND

In 2014, the NAD appointed its Education Task Force (NADET) in response to concerns about Seventh-day Adventist education expressed by the assembled leadership of all the organizations of the NAD.

In the meetings of NADET, there has been serious discussion about the need for the Church to create much greater focus on all the children and youth of the Church, not just those in Adventist schools. NADET has also realized that it cannot give proper attention to new strategies for our children and youth because of the severe time demands on NADET just to address school issues. Therefore, NADET brings forward this recommendation.

RECOMMENDATION

NADET recommends to NAD that a new, distinct task force (NADACT, acronym for NAD All Children Task Force) be formed to focus solely on developing strategies for the Church to (1) provide spiritual education, guidance and support to its children and youth, (2) to stimulate the development of community among Adventist children and youth, and (3) bind our children/youth to the Seventh-day Adventist Church.

RATIONALE

Here are the reasons NADET is making this recommendation:

- At the NAD Year-End Meetings last year, NADET presented an interim report of its work to date. NADET circulated to attendees at the year-end meetings a list of 18 areas of potential focus areas for NADET as it continues its work. We asked each attendee to vote for his/her top five priorities. The highest number of votes was cast for the recommendation of “establish[ing] another task force to create an overarching strategy for the spiritual education of ALL its children, particularly those who do not attend Adventist schools.” We interpret this as a clear signal that there is broad support for initiatives to relate to all our children in new ways.
- The proportion of our children and youth who do not attend our schools (70%) is now significantly larger than those who do attend (30%). NADET strongly

believes that the Church must respond proactively to that reality. Moreover, school enrollments may continue to decline – as they have for years. If they do, it will make the need to relate to the children and youth not attending our schools increasingly urgent.

- NADET believes that the 70% majority of our children and youth need the focus of the Church just as much, if not more than, the 30% of our children and youth attending our schools. NADET also believes the Church does not now have that focus. The conferences and unions in the NAD invest over one quarter of a billion dollars each year on education and schools. By contrast, the amount invested in the majority of our children is a mere pittance.
- NADET believes that our current strategies for relating to our children and youth are inadequate. Sabbath Schools, Pathfinders, youth camps and similar programs are inconsistent and simply inadequate to pass along our beliefs and values reliably and to bind our children to the Church.
- NADET believes that significant innovation is needed to develop avenues for interaction with our children and youth. We need innovation to enable the Church to pass along to them our beliefs and our values, and to connect them in fellowship with our Church. If we don't have effective ways of interacting with and influencing this large subset of our children and youth, we run the severe risk of losing them from our fellowship in the future. Our children should be our best source of stability and growth in our fellowship. Our lack of better ways to influence them represents a strategic risk to our Church in North America.
- In the NAD, we have many small churches where there is very limited potential to create a sense of community among the few children or youth in their midst. We need to find a way to offer to them a sense of church community and linkages.
- With school-related issues, NADET already has all it can handle in addressing existing problems and opportunities. NADET has a limited life and earnestly wants to deliver analysis and recommendations to the NAD that will make a real difference in our educational establishment. Thus NADET does not have adequate time to devote to the development of new strategies for all the Church's children and youth.
- NADET's membership is composed largely of educators, and a few Church administrators, whose expertise and full focus is on school issues. The new task force needs to be composed of people with entirely different skill sets, experiences, and orientation.

NADACT WILL BE GUIDED BY THE FOLLOWING PRINCIPLES

- Mission objectives:
 - Do everything we can to lead all our children to accept Jesus as their savior and walk with Him in service.
 - Pass along to our children our beliefs and values.
 - Connect our children to the Seventh-day Adventist Church.
 - Create a sense of fellowship and community among our children and youth.
- Develop a church-based strategy, not a scholastic strategy.
- Working assumptions:
 - The local church and its parents must accept full responsibility for the spiritual development of their children, even if they have a school.
 - New methodologies and resources are needed.
 - A cultural transformation is needed, particularly at the local church level, to be successful in new strategies. NADACT will focus on encouraging a culture that creates new expectations of how a church will relate to its children and youth, and how children and youth will participate in the life of the church.
- NADACT will develop strategies with the following characteristics:
 - Scalable: Our model must be able expandable to serve large and expanding numbers of children and churches at little or no incremental cost. Barriers to usage and growth must be low.
 - Sustainable: Our model must be designed to be effective and affordable over time. It should be viable over the long haul.
 - Equitable: Our model must be designed so all children receive fair attention and access to spiritual resources, regardless of financial resources or where those children are located.
- A bifurcated approach to structure: High level resource and content development with local implementation and adaption.

- Core resources should be developed at a high level – likely the NAD - and made universally available at the local level. This approach would not preclude innovation at the local level, but would create core resources for everyone to use. To do this will require investment, and it may well be best to do so on behalf of all of the NAD. This approach will avoid duplication of effort and cost at multiple levels of the Church. Some of the most pertinent core resources will be technology based, and are best developed once for all. This approach may be centered around the work already started on the Adventist Learning Center.
- There will be a strong focus on building community.
 - Our children need ways to sense they are part of a community of fellow believers.
 - Barriers to community:
 - Smaller churches with few children/youth, particularly churches in isolated, smaller locations.
 - Dynamics in church with schools often leave non-attending children feeling they are outsiders.
 - Large urban environments with scattered memberships.
 - NADACT will seek to find approaches to create community among children/youth, including:
 - Enhance the sense of community in churches where there are sufficient numbers of children/youth
 - Create online communities for everyone, but particularly where there are small numbers of children/youth.

PROPOSED MEMBERSHIP OF NADACT

- Proposed member would include one or more of each of the following categories.
 - Innovative thinkers(s)
 - Distance learning expert(s) - ALC
 - Expert(s) on development of social media communities
 - Lay person(s)
 - Teenager(s)
 - Academic(s) with pertinent focus
 - Pastor(s), from churches without schools and with schools
 - Children/youth leader(s)
 - Conference president(s)
 - Education representative(s)
 - NADET representative(s)

PROPOSED WORK PRODUCTS:

The results of the work of NADACT will be a series of recommendations to the NAD and its constituent unions/conferences. The recommendations will be oriented to:

1. Increasing broad awareness of the strategic gaps our Church has in relating to its children and youth.
2. Defining a new set of expectations within our organizational culture about how we will relate to our children and youth and how they will relate to the Church. These new expectations will not assume the presence of schools.
3. Developing a library of methodologies other denominations use to relate to their children and youth in the absence of schools. (Many of them label their efforts “Christian education.”)
4. Proposing new approaches, methodologies, and technologies for achieving our mission objectives as outlined above.
5. Seeking the participation of a set of pilot congregations and conferences that will be enthusiastic to test concepts, methodologies and technologies. These will be prototype developers characterized by rapid sharing of results, wins, failures, and on-the-fly adaptations as we move forward. This set of pilot participants will themselves form a learning community to communicate and share their experiences and discoveries on a real time basis. This group will also become role models for other churches and conferences.
6. Specific recommendations of models and technologies for relating to our children/youth would likely include, but not be limited to, the following:
 - Formal church-based and/or online-based spiritual education modules that will transmit our beliefs and values to our children/youth.
 - Local church and regional approaches for engaging our children/youth in social and spiritual interaction with their peers.
 - Online technologies that will make spiritual education easily available to any child, anywhere, whether as individuals or groups. While face-to-face groups of children/youth are optimal for engaging in spiritual education, we need to provide resources to congregations who may not have a critical mass of children/youth.
 - Online resources for building social community among our children/youth wherever they may be located.

- Ways the Church may provide support and resources to parents who home school their children.

While some basic specific areas of work product are outlined above, we have no doubt that when good people get together to focus on the challenge of spiritual education for all our children/youth, new ideas and proposals will emerge from the process. We just need to create focus on this strategic challenge for the Church, and good things will emerge.

LOGISTICS ISSUES

- Broad input as to membership of NADACT will be needed to bring identify people who will bring new perspectives, ideas, and attitudes to the table. The life of NADACT will be an exercise in innovation and design.
- The initial life of NADACT is expected to be 18 months, with the NAD retaining the option to terminate or renew NADACT at that time. NADACT would expect to hold face-to-face meetings once per quarter, with virtual meetings in between.
- Some kind of staff support will be highly desirable to make arrangements and handle details.
- The NAD will need to provide budgetary support for NADACT.

APPENDIX D

Summary of the Eighteen Preliminary Recommendations Presented by the NADET at the 2015 Year-end Meetings November 2015

- 1) All human resource functions according to policy, including payroll expenses, benefits, and processing for all PreK-12 Adventist educators across the NAD be fully and completely a function of the employer – the sponsoring organization (local conference or union) to ensure efficiency and consistency of practice.
- 2) Regular conference subsidies for all school operations be provided in a standardized, consistent manner for both elementary and secondary schools.
Suggested models:
 - salary-based percentage framework
 - per-school, per-pupil model
- 3) A “dashboard” of school financial indicators be developed for use in all K-12 schools across the NAD for the purpose of providing decision makers the information necessary to make data-informed choices regarding each school’s fiscal sustainability.
- 4) All unions establish a taskforce to create an actionable strategic plan to achieve sustainable metrics for boarding academy programs by any and all means possible. This plan should identify enrollment goals, constituent base, and funding plans that will achieve economies of scale through school closure, merger, and/or new program delivery models that meet 21st century learning needs of students.
- 5) The NAD Office of Education develops and implements a comprehensive leadership development plan for school administrators.
- 6) The NAD clarifies, within policy, the role of the pastor as she/he relates to the governance of the school.
- 7) The NAD develops an improved compensation package for school administrators to incentivize leadership recruitment and retention.
- 8) The NAD establishes another taskforce to create an overarching strategy for the spiritual education and development of ALL its children, particularly those who do not attend Adventist schools.
- 9) The NAD coordinates Sabbath School, Pathfinders, Children’s Ministries, etc., to facilitate all children learning the value of being Adventist and Jesus’ role in their lives.

- 10) The NAD implements strategies to connect every Adventist child to some form of Adventist education and to provide all families with the opportunity to access and use content and services that will help each child grow in the values and mission of the Adventist church.
- 11) The NAD strengthens the collaborative relationships between all of our educational institutions and service providers by sharing resources and eliminating barriers.
- 12) The NAD Office of Education creates an online learning network of content providers within the church by:
 - developing a catalog of available online high school courses given by Adventist providers and making them available to all schools to personalize instruction on their campus;
 - working with our colleges and universities to provide as much dual-credit as possible to students in our academies.
- 13) The NAD Office of Education requests additional and ongoing funding for course development from both Griggs International Academy and the NAD.
- 14) The NAD Office of Education uses the Adventist Learning Community as the major instrument to provide professional growth and training for online instruction.
- 15) The NAD Office of Education meets the needs of all our children by developing and implementing community-based educational programs to engage and serve our larger communities.
- 16) The Church in North America makes Adventist education a high priority in both finances and support.
- 17) The Church develops a comprehensive strategic plan to strengthen pastoral support for the educational program and to further ensure that educational leadership receives the support of the local church. This plan should include:
 - making every church a constituent church
 - creating a committee to develop strategies to support pastors in this endeavor
 - creating a pastoral professional development module on the value of Adventist education
- 18) The NAD provides leadership and support to facilitate the collaboration of our institutions of higher learning through (suggested, yet not limited to) shared services such as IT, purchasing, collaborative distance education, payroll processes, HR services, student management services, etc.

APPENDIX E

Recommendations from the Strengthening Adventist Education Project to Support the NADET report to the NAD 2016 Year-end Meeting

Anneris Coria-Navia and Jerome Thayer
October, 2016

The Strengthening Adventist Education (SAE) research project was initiated to study the problem of declining enrollment and closing of Adventist K-12 schools in North America. Three objectives were established for the study: 1) identify promising strategies that should be considered, 2) evaluate these strategies to determine which ones were feasible and which ones had the highest priority, and 3) recommend to the appropriate group (conference, union, or division educational leaders or officers) to study these strategies and implement the most promising ones.

The study was conducted in two phases. The first phase involved interviews with a large number of individuals to compile a list of promising strategies. The second phase involved an evaluation of the strategies by educators and officers.

Phase 1 – Interviews

In Phase 1 it was desired to survey a heterogeneous group of individuals who would provide a wide range of strategies that might strengthen Adventist Education. Names were solicited from a wide variety of sources in order to get ideas from as many different types of persons as possible, including persons: a) who understood Adventist Education, both educators and non-educators, b) who would give a unique perspective, c) had a wide background in Adventist Education, d) were innovative thinkers, or e) had written about Adventist Education.

About 50 persons were identified, of which 27 were interviewed. About half of those interviewed were educators, and about half were not in education. Persons from many levels were interviewed, including general conference, division, conference, union, conference, and local levels, and college/university professors. Persons from many roles were interviewed, including presidents, treasurers, principals, educational superintendents and associates, professors, pastors, and laymen. There were 53 unique strategies suggested during the interviews. Many of these strategies were creative and innovative and many were idealistic and possibly not practical or feasible. During Phase 1, the strategies were identified but not evaluated; the evaluation was done in Phase 2 by persons other than the researchers.

Phase 2 – Focus Groups

The purpose of Phase 2 of the project was to evaluate the strategies suggested by those interviewed in Phase 1. The strategies were divided into two groups: 35 strategies to be evaluated by educational leaders and 18 strategies to be evaluated by

officers. The goal of the research was to have the strategies evaluated by all NAD conference and union educational leaders and officers.

Each union was asked to allow the researchers to meet with an educational leader group composed of all conference and union educational superintendents and associates and an officer group with all conference and union presidents, treasurers, and others in their officer group.

The researchers met with 16 focus groups: an educational leaders focus group and an officers focus group at 8 of the 9 unions in the North American Division. It was not possible to schedule meetings with one of the unions. Attendees at the focus groups included 184 educators and 108 officers.

At each focus group, the members were asked to complete an online evaluation of the strategies presented to their group. Members were asked to evaluate each strategy for feasibility (Yes, Not Sure, No), priority (High, Medium, Low), and the best group to assign responsibility for study and implementation (Conference, Union, Division, Not Sure) and to write comments for each strategy or general comments for all strategies. Responses evaluating the 53 strategies presented were received from 95 educators and 52 officers.

Recommendations

The remaining part of this document includes 8 recommendations from the Strengthening Adventist Education project with supporting evidence, with one recommendation from each of the following areas:

- Importance and Mission of Adventist Education
- Teamwork and Collaboration
- Finances
- School Quality, Viability, and Accountability
- Leadership Development
- School Personnel Quality and Accountability
- Distance Learning
- Marketing and Public Relations

The SAE recommendations below are numbered to coincide with the numbering of the NADET report.

Recommendation #1: Importance and Mission of Adventist Education

Develop a comprehensive plan to increase denominational loyalty and stewardship, specifically as it relates to the importance and mission of Adventist Education.

- 1a. Denominational loyalty and stewardship
Increase the emphasis placed on denomination loyalty – the value of belonging to the Seventh-day Adventist Church – and stewardship commitment of all members

Supporting evidence

This recommendation was based on comments made in the educational leaders and officers focus groups and in the online comments. Since it was not an education-specific issue, it was not one of the strategies mentioned in the interviews and thus not specifically addressed in the focus groups and not specifically evaluated in the online evaluations.

Relevant quote

“Without an overall change in the attitude of church members (especially young parents) none of the strategies suggested will make any difference.”

1b. Mission

Increase focus on the mission of Adventist Education by reaffirming the value and role of Adventist Education within the church (including both laity and pastors) and reminding all members – not just parents of school-aged children – of the importance of this mission.

1c. Corporate responsibility (SAE had no recommendation in this area)

1d. Personnel

When making decisions about personnel (including teachers, principals, pastors and conference officials) who will be responsible for the education of our children, determine their commitment to Adventist Education and their ability to articulate the unique mission of Adventist Education.

Supporting evidence

68% of the educational leaders gave high priority that only educators with mission orientation should be hired.

51% of the officers gave high priority that only pastors that have a commitment to support Adventist Education should be hired.

52% of officers felt that pastors should be evaluated periodically on the quality and quantity of their involvement in Adventist Education as it relates to the children and youth in their church.

Teachers should be able to articulate the mission (e.g., our school is better than any other school for Adventist children).

Recommendation #2: Teamwork and Collaboration

Develop a comprehensive plan to foster conditions so that educators and pastors will effectively work together as *ministry teams* for the children in the church. This plan will include responsibilities for educational leaders, educational administrators, teachers, church administrators, and pastors.

2a.i. Collaboration

Create conditions that will encourage different groups of educational leaders to strategically plan and work together including educational leaders at each level.

Supporting evidence

A pervasive theme evident in all of the focus groups was that there was a need for more collaboration between various groups so Adventist Education can function more as a system than as separate elements. The need was evident for collaboration between different groups working at the same level (e.g., educators and non-educators at the local, conference, union, division working together), educator groups working at the same level (e.g., conference superintendents working together), and educator groups working at different levels (e.g., conference and union superintendents working together). Increased collaboration would result in better working as ministry teams, reducing duplication of effort, and more system-wide approaches to planning and problem solving.

Comments made by educators about officers and by officers about educators in many of the focus groups indicated that a gulf exists between educators and non-educators at the local, conference, union, and division levels. In order for Adventist Education to function effectively, it is crucial that teachers and pastors function together as a ministry team with mutual appreciation and support and that educational and non-educational leaders work together with mutual appreciation and support.

Some felt that the current structure makes it difficult for union leaders to strategically plan and work together and for conference leaders to strategically plan and work together and as a result many unions and many conferences develop wonderful plans but there is much duplication of effort and lack of cohesiveness in the products generated.

It was suggested that Adventist Education needs more proactive action and planning rather than reactive action. Most educators at the local level are too busy to do much proactive planning – they are too involved in the day-to-day activities of their current responsibility. It is recommended that more strategic system-wide planning occur at the conference or higher levels. The plans developed could be provided to teachers and principals for implementation as their local situation dictates. More planning, providing of resources, and assistance could occur at the conference level with specific implementation taking place at the local level.

Even though there were no suggested strategies related to the college and university training of teachers, many education leaders in the focus groups had suggestions for what they would like to see included in the training received by their teachers from Adventist colleges and universities. They felt that it would be helpful for the college and university educators to know how their graduates were

performing after graduation. But when questioned, it was clear that there was not much communication between the educational leaders and the college and university educators. This recommendation would encourage the two groups to work together in planning the teacher education curriculum. This might involve cooperatively observing first-year teachers.

2a.ii. Job expectations

During yearly evaluations, ensure that the following groups will pro-actively support and facilitate their working together as a ministry team:

- a. Teachers – involvement in the local church and working with the pastor as a ministry team
- b. Pastors – support and involvement in Adventist Education and working with the teachers as a ministry team
- c. Officers – support Adventist Education

Supporting evidence

91% of educational leaders gave high or medium priority to requiring teachers and administrators to work with pastors as a ministry team and include assessment of this in their yearly evaluation.

77% of officers gave high or medium priority to developing appropriate expectations (job descriptions) for pastors in relation to Adventist Education.

75% of officers gave high or medium priority to requiring officers at all levels (division, union, conference) to actively support Adventist Education.

2a.iii. Barriers

Eliminate barriers that may exist between educators and pastors and serve only to hinder effective collaboration. Both groups should view their roles as complementary and supportive of each other and all efforts should be made to strengthen these collaborative partnerships.

Supporting evidence

Most people in the focus groups agreed that there were barriers that created division between the two groups. In some cases, there is an inevitable power relationship between the pastor and teacher if the pastor is chair of the school board. In some cases, there is a lack of communication between teachers and pastors as each group does not associate with the other in planning for achieving the mission of the church. It becomes a “US” versus “THEM” struggle as each group tries to have a greater part of the available financial resources.

73% of officers gave high priority to breaking down barriers between pastors and teachers to allow them to work as an evangelistic/discipleship ministry team for the children and youth in the church. Treat pastors and teachers equally wherever possible.

Ideas suggested in the focus groups were:

- The term “workers meetings” should not be used for meetings in which only pastors are included.
- Involve pastors (officers) and teachers (educational leaders) in decisions related to the other group to strengthen the idea of both groups working together as a ministry team.
- The development of each child as a whole will be strengthened if the various childrens’ ministries did not work independently.
- There should be frequent meetings in which pastors and teachers meet together and deal with common issues. These joint meetings should not consist of plenary meetings with both groups hearing a lecture and then breakout sessions where the groups meet separately.
- This might include having the pastor on the school board (but not the chair), and have the Adventist school principal on the church board. Conditions should be created that would reduce having the pastor and principal compete for a greater piece of the financial resources of the church.

Relevant quotes

“A lot of work needs to take place to repair this relationship. Humility on the part of both sides is needed as well as a shared sense of mission instead of the silo mentality that currently exists.”

“Pastors and teachers need to prayerfully work together with equal responsibility to support both church and school.”

“Need to have joint meetings and do some collaborative work.”

2b. Resources (SAE had no recommendation in this area)

2c & 2d. Training

Provide training for educators and non-educators to work collaboratively

- i. Encourage and support the administrative leadership at all levels to promote collaborative work between churches and schools by:
 - a. Asking ministerial and educational directors of each conference to structure a collaborative approach they will use within their conference
 - b. Asking conference presidents, ministerial directors and educational directors to develop an annual pastor-teacher joint meeting or retreat
 - c. Asking conference presidents, ministerial directors and educational directors to jointly participate in creating a spiritual master plan for their schools each year
 - d. Asking ministerial directors to develop a monthly process for pastors to share their participation in the spiritual master plan and be affirmed personally and publically for all positive actions

- e. Developing accountability standards for pastors and principals for supporting each other
- ii. Include pastor-teacher teamwork in the curriculum for training of pastors and teachers.

Recommendation #3: Finances

Develop a comprehensive plan to address key financial performance challenges in schools and a plan to make Adventist Education affordable for more families.

- 3a. Dashboard
Adopt and implement the financial dashboard throughout NAD Unions and Conferences.

Supporting evidence

77% of educational leaders gave high or medium priority to setting up a system of yearly assessment on how well schools meet financial/school viability, expectations/standards.

- 3b. New financial model
Adopt a new financial model that will include all churches and conferences committing to sharing in the cost of Adventist education

Supporting evidence

All churches should pay into a pool for all schools (elementary and secondary). In the same way that all churches contribute tithe dollars to pay for pastors in all churches, all churches would contribute education money to pay for teachers in all schools.

There would not be constituent churches as it relates to tuition. Schools would have constituent churches in terms of management, but not in terms of major financial support. Students would not have to pay higher tuition if they came from a “non-constituent” church.

- 3c. Boarding school strategic plan and support (see 3e)
- 3d. Improved standardization (SAE had no recommendation in this area)
- 3e. School viability
Develop a system to increase school viability.

Supporting evidence

66% of officers gave high or medium priority to develop a system-wide strategic plan to make all boarding schools viable and of high quality.

- i. Institute an objective measure of sustainability and viability that would allow local constituencies to make rational decisions about the future of local schools.

Supporting evidence

77% of educational leaders gave high or medium priority to setting up a system of yearly assessment on how well schools meet financial/school viability, expectations/standards.

- ii. Examine the viability of each school. Consolidate or close elementary and secondary schools that are not meeting financial or educational standards or that are directly competing with each other in small geographic areas.

Supporting evidence

77% of educational leaders gave high or medium priority to giving special attention to schools that do not meet the yearly assessment standards.

- iii. Explore the option of a district model for elementary and secondary schools where schools would cooperate and collaborate without the boundaries of constituencies.
- iv. Use the funds from consolidating and closing schools to strengthen existing schools so that remaining schools are viable and of good quality.

3f. Accountability (SAE had no recommendation in this area)

3x. Affordability (NADET had no recommendation in this area)
Make Adventist Education affordable for more families by exploring innovative sources of revenue.

Supporting evidence

Plans suggested included more support from the conference, more use of tithe, more use of government funds, more support from the local church (temple plan), and strong Adventist Education support from all churches (including those without a school).

74% of officers gave high priority to developing a conference-union-division plan for distributing available monies to allow low-income families to send their children to an Adventist School—so no child would be denied an Adventist Education because of finances.

Recommendation #4: School Quality and Accountability

Develop a comprehensive plan to ensure that all SDA schools provide quality educational offerings and that rigorous accreditation standards are applied consistently.

4a. Evaluation

Institute an evaluation process that would more objectively determine and ensure high quality standards.

- a. Redesign the accreditation structure to rigorously measure academic quality, financial viability, accountability and policy.
- b. Change the evaluation protocols for elementary schools to align with the secondary/junior academy model that ensures outside accountability.

Supporting evidence

68% of educational leaders gave high or medium priority to developing higher accreditation standards or have more rigorous enforcement of the existing ones.

77% of educational leaders gave high or medium priority to setting up a system of yearly assessment on how well schools meet financial/school viability, expectations/standards.

There was strong support for increasing the quality of Adventist Education, including the school, teachers, and principals. The success of Adventist Education is largely dependent on its quality.

Recommendation #5: Leadership Development

Develop a comprehensive plan to improve the training, working conditions, support, and affirmation of principals, superintendents, and other educational leaders.

Supporting evidence

Focus group members felt that strengthening leadership, especially principals, was one of the most important areas that needed to be addressed.

5a & 5c. Leadership recruitment and development

Develop a plan to expose aspiring leaders to future careers in school leadership and offer incentives to attract potential leaders. Publish materials, use social media, and prepare a toolbox of resources that can help leaders assess their leadership potential. Develop an overarching on-going professional development program for leadership coaching, mentoring, and training for the purpose of building administrative competencies, providing accountability to performance expectations and developing specific school improvement targets. Provide training for new principals and other educational leaders before they begin their new job.

Supporting evidence

The identity of potentially quality administrators occurs mostly with existing teachers. It is recommended that teachers who would be good principals should

be identified, recruited, and groomed so when vacancies arise, they are prepared to step into the new position. The grooming might include assuming some administrative duties working alongside a mentor principal. As with all mentoring arrangements, there would need to be some adjustment of workload and financial help from the conference or union.

Too many principals are just “thrown in” to their new job with no training. Mentoring should occur both prior to beginning the job and while on the job.

74% of educational leaders gave high priority to developing a system-wide strategic plan for training principals before they begin their job.

95% of educational leaders gave high or medium priority to instituting a system-wide year-long mentoring program for all new principals.

Relevant quotes

“I think the mentoring could be 2-3 years. (1st year is like drinking from a fire hose. 2nd year is the sophomore year—wisdom is needed. The 3rd year begins ownership and real growth.) This varies—if the principal is brought in from outside vs. promoted from the inside.”

“Please, please, please. It is an ethical issue. When we hire principals we throw them the keys and hope they swim. We have to provide orientations for them so they feel somewhat adequate in understanding what they will face. Granted, one can only know when they are in the position, however we are not doing enough on the front side.”

“Actually develop a system to hire quality principals. A year-long mentorship/internships program that allows potential candidates to learn and schools to have a pool from which to choose. The Bainum Family Foundation is already doing an ACE Academy for principals so reaching out to them to find out how this is working would be beneficial to your search.”

“Specific targeting and training needs to take place in order to prepare candidates.”

“There is currently no motivation for someone to be an administrator other than pure altruism. Incentives need to be developed and instituted, and support needs to be enhanced.”

5b. Leadership Institute

Establish a well-defined, high quality, educational leadership institute which offers an intensive program that includes practical training, a competency-based path to administrative certification, and a formal mentorship/coaching program.

Supporting evidence

85% of educational leaders gave high or medium priority to developing an administrative training center at an Adventist college or university.

5c. (See 5a.)

- 5d. Improved compensation package for school administrators
Develop an improved compensation package that may include incentives such as certification bonuses, annual technology funds, annual retention funds, professional retreats, financial support for school initiatives, and other goal-based incentives.

Supporting evidence

Inadequate compensation for principals was noted by educators as an important working condition that needed to be addressed.

Compensation for principals was considered by both educational leaders and officers. The educational leaders were very favorable toward the idea. Officers were mostly against it, with many comments expressed that this was a very bad idea, it would cause division between educators and pastors, and it would create inappropriate inequities across the denomination pay scale. Educators and officers need to meet together and discuss their differences on this issue. Many educators felt that a greater need was to give extra help to reduce the work load and rather than increase salary, give extra compensation in the form of a 12-month salary and non-financial perks. Comments related to this recommendation were some of the strongest of all strategies suggested.

Recommendation #6: School Personnel Quality and Accountability

Develop a comprehensive plan to ensure that all school personnel meet quality standards.

Supporting evidence

There was strong support for increased accountability as it related to employment decisions (e.g., hiring) and job descriptions. There was support for appropriate evaluation of personnel prior to and during employment to determine the suitability of the employee for initial or continual employment. There was support for job descriptions for all administrators at all levels to reduce duplication of effort and make it easier to assign accountability.

- 6a. Tuition assistance
Recruit quality undergraduate students by providing tuition assistance in exchange for a commitment to working for Adventist Education.

Supporting evidence

Most Adventist colleges and universities give scholarships to high-achieving and high-ability students to attract them to their school to have a high-quality student body. Scholarships could also be given for high quality prospective teachers.

- 6b. Pre-service curriculum in Adventist universities and colleges
During pre-service training at the undergraduate and graduate level:
- Train teachers and pastors in the unique mission and value of Adventist Education and how to work with each other as a ministry team.
 - For multiple subject candidates, include instruction on working in small schools and managing a teaching principal position.
 - Emphasize practical skills that might not be included in a typical methods class, such as recruiting students and communicating with parents

Supporting evidence

Practical skills and small school issues were frequently mentioned as areas in teacher education that could be given more emphasis to improve teacher quality and effectiveness.

Ideally this would include taking some training of prospective teachers and pastors together. A suggestion was for half of the training time a pastor would meet with prospective teachers and cover topics such as how to work with pastors and church boards, and a teacher would meet with prospective pastors and cover topics such as how to work with teachers and school boards, and for the rest of time the two groups would meet together. During the time together they would consider topics such as the uniqueness and value of Adventist Education, the necessity for the church and school to work closely together, how to recruit and market Adventist Education, and how to communicate with parents. During the meeting time together they should model the collaboration that should occur when they enter the field.

To implement this recommendation modification of both the teacher education and pastoral training curricula would be needed.

- 6c. Professional growth
Develop a culture that requires and supports professional development through a yearly plan. The NAD will continue to provide free online resources through Adventist Learning Community. Academies, conferences, and unions will continue to provide professional growth funds for each educator.

Supporting evidence

75% of educational leaders gave high or medium priority to requiring and supporting continual life-long professional growth based on a yearly professional growth plan.

- 6d. School Board members
Ensure that all school board members are certified through the Adventist Learning Community board-training courses.

Supporting evidence

60% of educational leaders gave high priority to developing online resources to train pastors and school board members.

Officers felt that training was a must for school board members.

Relevant quotes

“A must for board membership.”

“Online training modules should be created and required of all new board members so they know what their role is and what it is not.”

- 6x. Reducing educator burnout and overwork (NADET had no recommendation in this area)
Address educator burnout (especially teachers in small schools, principals at boarding academies and teaching principals)

Supporting evidence

61% of educational leaders gave high priority to reducing overload by shifting many administrative duties of the principal to the conference or by providing extra staff and/or conference support.

95% of educational leaders gave high or medium support to giving greater support for small schools.

Overwork, particularly for principals and teachers in small schools, was noted by educators as an important working condition that needed to be addressed.

- 6y. Prospective candidate pool (NADET had no recommendation in this area)
Develop a plan to identify, recruit, and groom quality persons (teachers and principals) who can be placed in a prospective candidate pool for use when vacancies arise.

Supporting evidence

Educators felt it was difficult to have high quality teachers or to hire the “best” person for the job when there was a lack of good candidates from which to choose. They felt that in order to develop a pool of good candidates there needs to be more work at the college/university level to produce more graduates who were of high quality who wanted to work in Adventist Education.

69% of educational leaders gave a high priority to developing a system-wide strategic plan to identify, attract or recruit and groom individuals to place in our candidate pool from which quality principals can be selected.

Recommendation #7: Distance Learning

Coordinate the development of distance education programs.

- 7a. (see 7d)
- 7b. Provide incentives (SAE had no recommendation in this area)
- 7c. Support collaboration (SAE had no recommendation in this area)
- 7d. Resources
 - a. Produce additional on-line materials and courses for elementary and secondary students.
 - b. Produce additional on-line professional growth resources related to Adventist Education for:
 - i. Teachers and educational leaders
 - ii. Pastors and church administrators
 - iii. School board members
 - iv. Lay members

Supporting evidence

87% of educational leaders gave high or medium priority to developing an extensive online resource bank of modules for training teachers and administrators for professional growth.

60% of educational leaders gave high priority to developing online resources to train pastors and school board members.

57% of educational leaders gave high or medium priority to developing an extensive online resource bank of modules for supplementary work for students.

Relevant quote

“This is a great idea. NAD is already doing this to some extent by recording the NAD webinars and making them available for professional development. However, currently the topics are limited. In order to make this viable, a greater variety of educational topics should be available. But I can see a lot of potential to developing a resource such as this for individual teacher professional development, OR borrowing/contracting with a professional development resource that has already developed this type of resource bank.”

- 7e. Coordination and accountability (SAE had no recommendation in this area)

Recommendation #8: Marketing and Public Relations

Give more attention and support for marketing and public relations.

8a. Local marketing data

Have each school compile data demonstrating its quality (e.g., curriculum, outcomes, the success of its current students and its graduates) to use for marketing.

Supporting evidence

81% of educational leaders gave high or medium priority to having each school compile all data demonstrating its quality (e.g., curriculum, outcomes, the success of its current students and its graduates) to use for marketing.

8b. Visibility

Have each school develop:

- a. a positive first impression plan for constituents and visitors
- b. a plan to maintain a visible and positive community presence.

Supporting evidence

90% of educational leaders gave high or medium priority to requiring schools to have a “first impression” plan in operation.

8c. Marketing support

Provide schools with more conference help in their local marketing and public relations, including the maintenance of a conference-wide database of all children of Adventist parents.

Supporting evidence

91% of educational leaders gave high or medium priority to having marketing and public relations support from the conference or division (e.g., provide methods and materials to the school and have one marketing plan for the division).

83% of educational leaders gave high or medium priority to having a database of all children in the conference (birth – age 21) managed by the conference to use for recruiting and accountability (including demographic data for each child, including where they attend school).

8d. Marketing uniqueness

Expect teachers and pastors to market the specific value and uniqueness of Adventist Education, particularly for their school.

Supporting evidence

94% of educational leaders gave high or medium priority to marketing the specific value and uniqueness of Adventist Education.

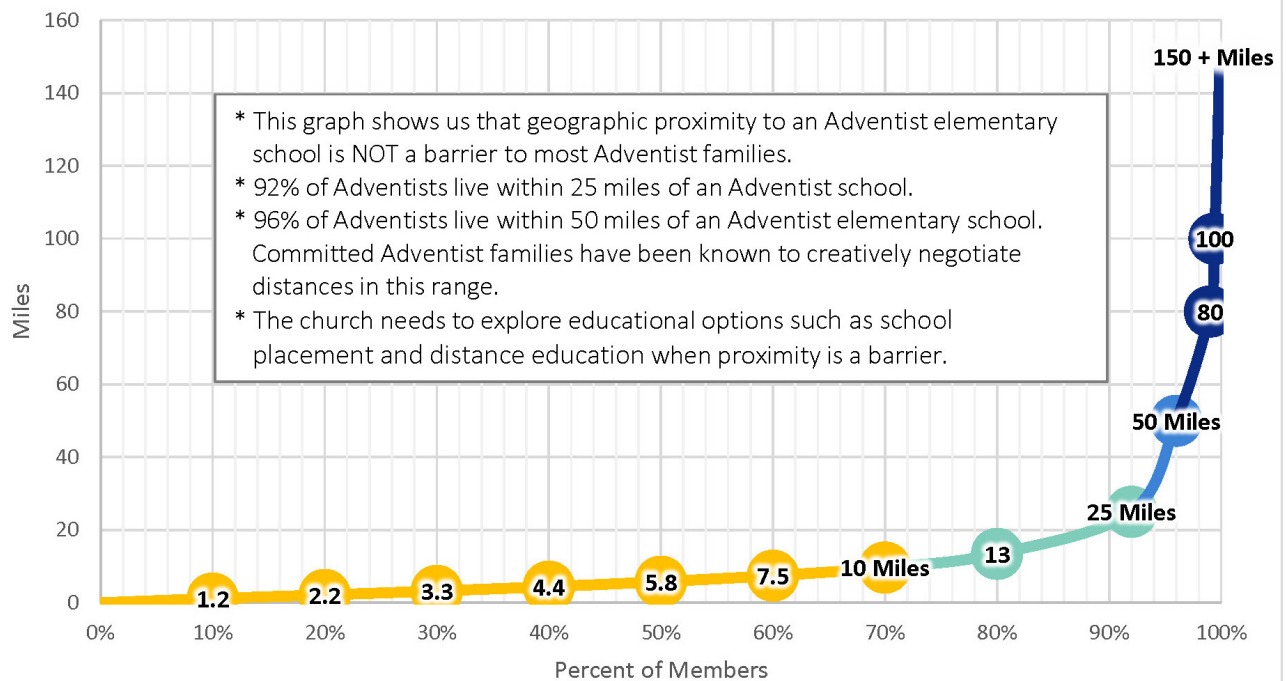
Relevant quote

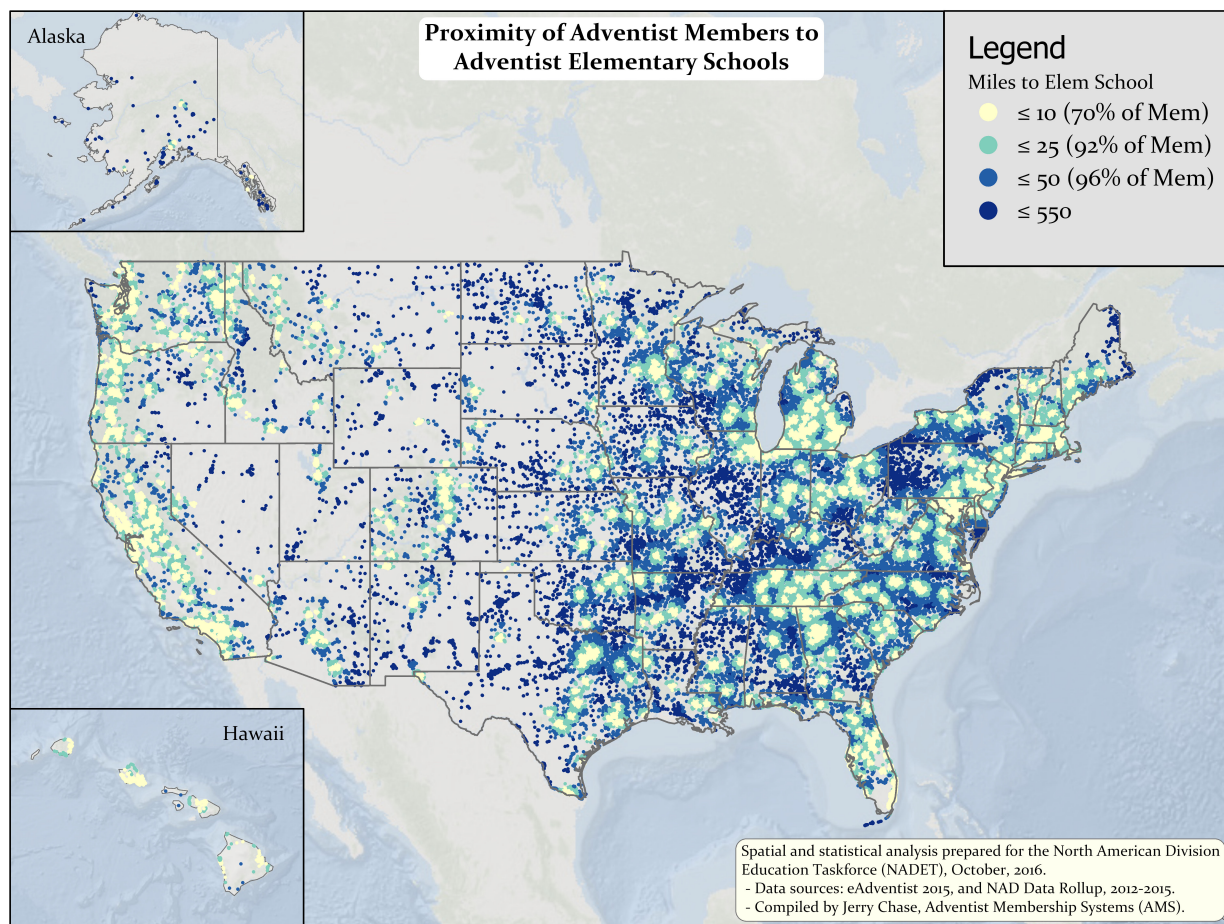
“Most parents that make decisions for SDA education do so at the local level based on individual family finances and the perceived quality of education at the local school. No amount of marketing and development of brochures or videos will weigh more heavily than these factors. Thus, focus on making ‘the product’ affordable and of high quality. That should be the focus of our ‘marketing efforts.’ Build it and ‘they will come!’”

APPENDIX F

GIS MAPPING

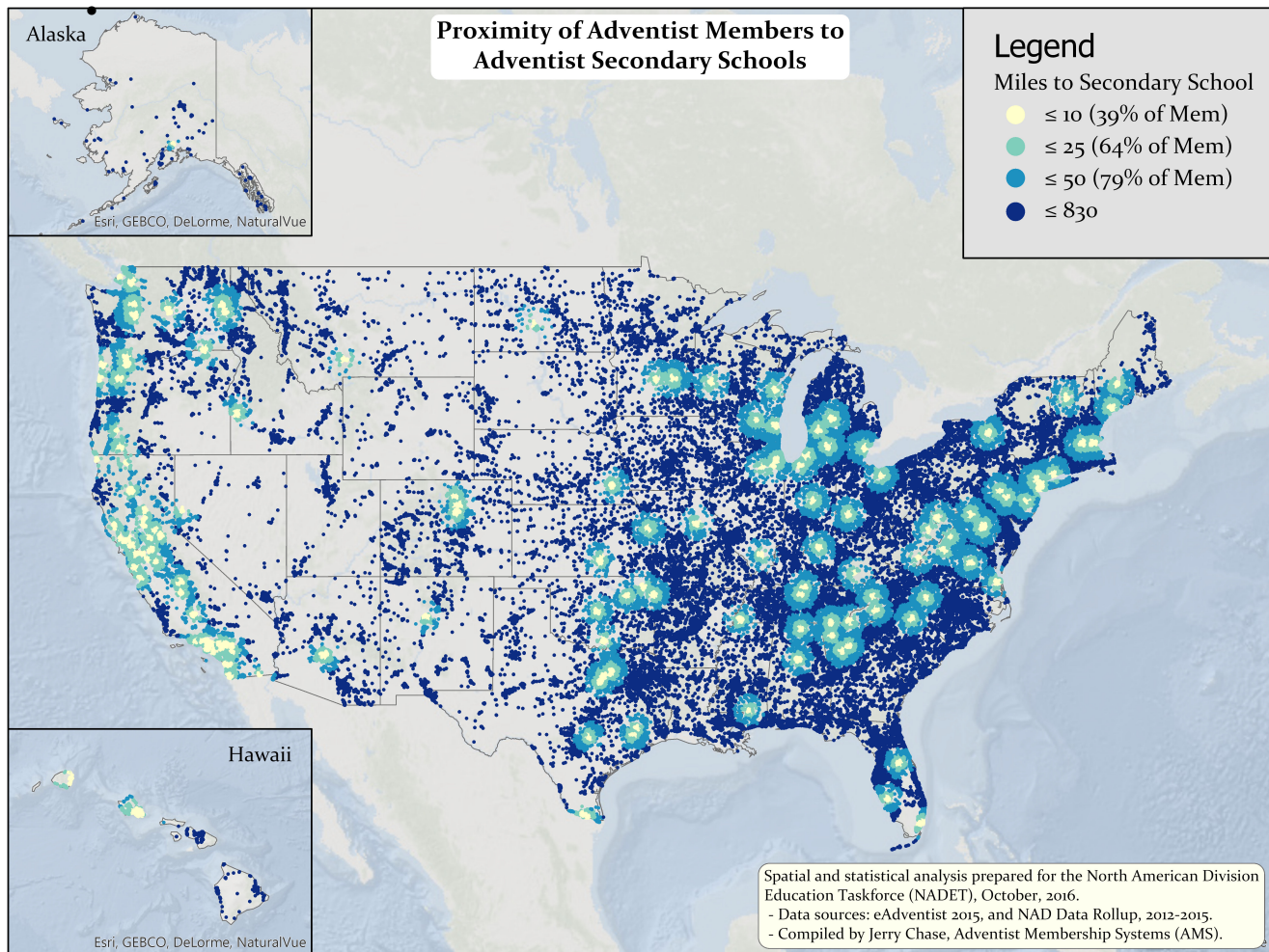
Proximity of Adventist Members to Adventist Elementary Schools





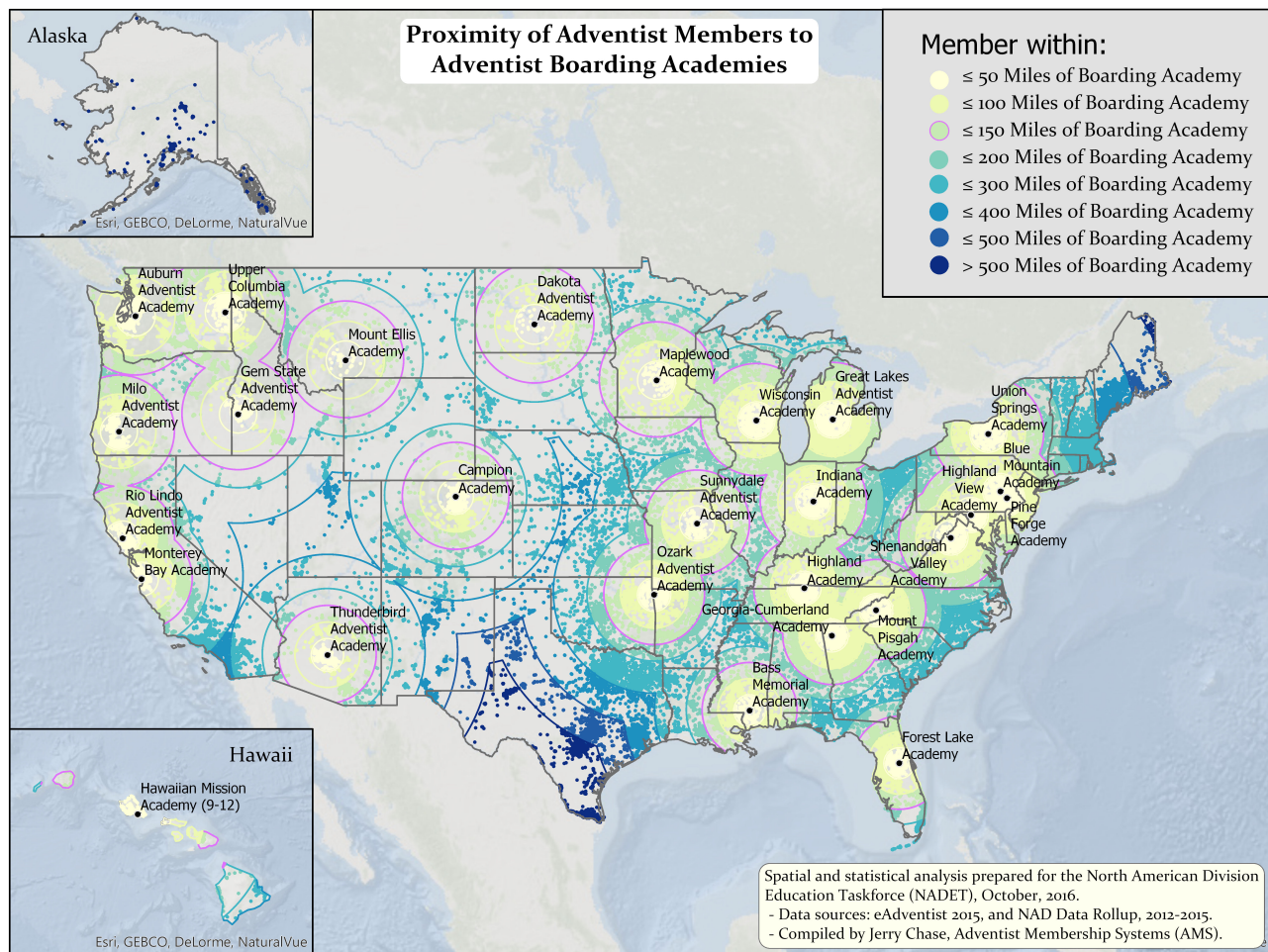
This map shows the distribution of Adventists by their proximity to Adventist elementary schools.

- Generally speaking, dots representing the distances greater than 50 miles (dark blue) are not clustered together. The light and dark blue areas represent a challenge for Adventist Education. Where members are sparsely distributed, alternatives to brick and mortar schools need to be implemented. However, areas where light and dark blue dots are clustered together (Western Pennsylvanian, corridors in the Midwest, and Western Texas, just to mention a few) should be evaluated for the possibility of additional traditional schools.
- Dots representing proximity of 10 and 25 miles (yellow and light green) are clustered tightly together. Yellow and light green areas represent 90% of Adventist members. For these families, proximity is not a barrier to Adventist Education. This suggests that there is potential for substantial growth in Adventist Education enrollment in these areas.



Proximity of secondary education becoming increasingly important as there has been a noted cultural shift in sending children away to boarding schools, especially for the first two years. There is a degree of regional variability when comparing proximity of elementary schools to secondary schools. In general, there is a significant decrease in the proximity, except for a few regions such as the West Coast, a band through the East Coast, and around the southern half of Lake Michigan.

- 64% of Adventists live within 25 miles of an Adventist secondary school.
- 79% of Adventists live within 50 miles of an Adventist secondary school. Although this distance can be a challenge, some schools and families have devised carpooling teams or used school vans to make the commute more manageable.



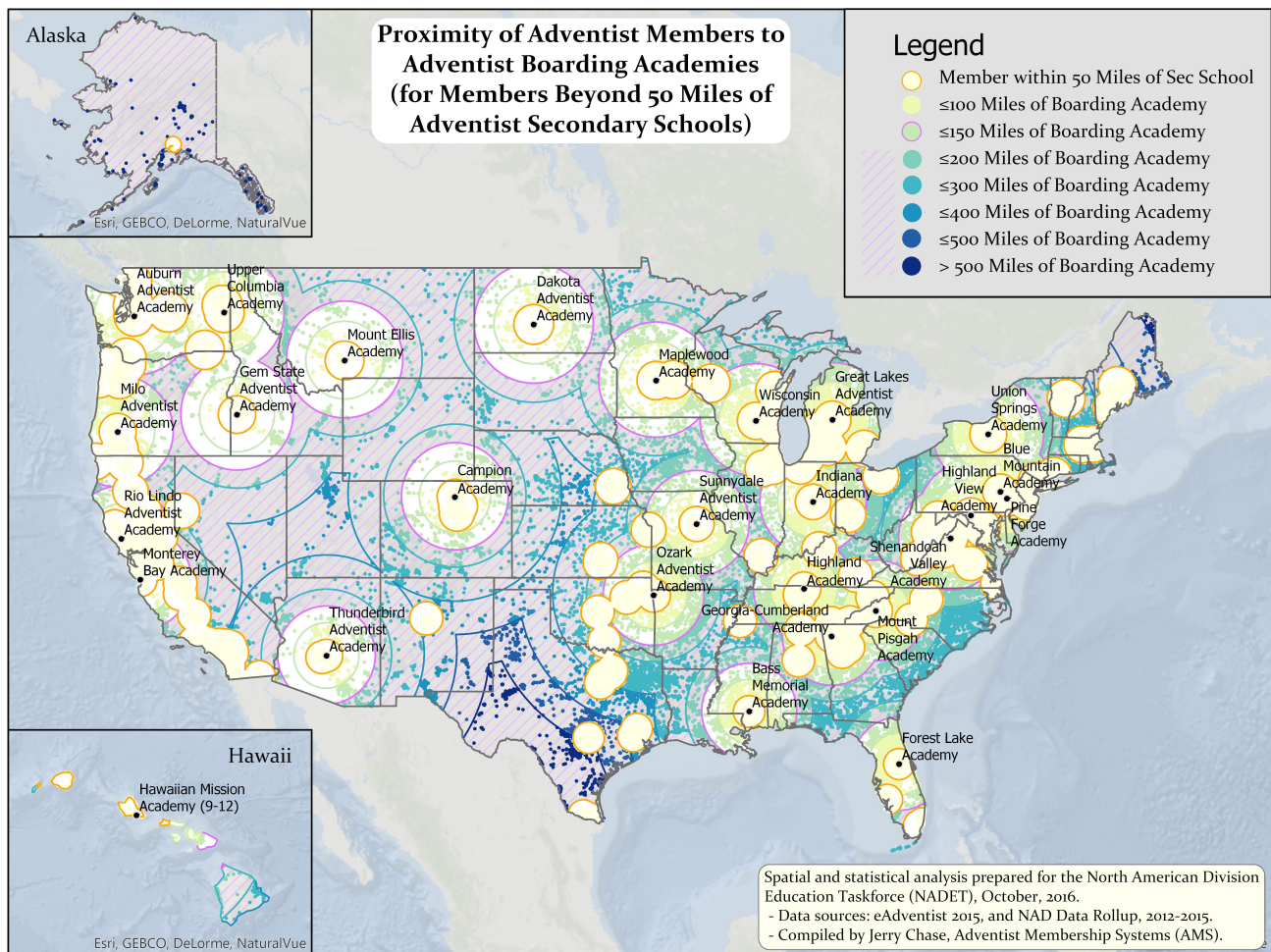
Although many parents are opting to choose local schools for their children's secondary education, some families continue to explore opportunities for their children to have a high school experience away from home. Proximity, however, is still a consideration for these parents in their school choice.

Currently, the church operates 27 boarding academies in the US. While a boarding academy doesn't have to be within commuting distance, there seems to be an increasing desire from parents for a boarding academy that is within an hour or two from home, so that they can maintain regular contact with their student and visit the campus for special events.

- The yellow areas with a gold ban represent 19% of Adventists who live within 50 miles of an Adventist boarding academy. These families often participate in some form of carpooling, which enables their children to attend the boarding academy as day students – arriving in the morning and going home in the afternoon.
- The light green areas represent 43% of Adventists who live within 100 miles of an Adventist Boarding Academy. This distance is ideal for those families who wish to

make periodic visits to the academy.

- The green area with the lilac ban represents 64% of Adventists who live within 150 miles of an Adventist boarding academy. This distance represents maximum "ideal" distance between boarding academies in densely populated areas.
- The blue/green through dark blue areas represents the other 36% of Adventist who live over 150 miles from an Adventist boarding academy. These areas may be underserved by Adventist secondary education, depending on the availability of day academies.



The purpose of this map is to quantify strategic areas that are underserved by secondary Adventist Education, both day and boarding schools, by overlaying both day and boarding academies on the same page.

It is worth noting that identifying desirable placement of boarding academies is a much more involved process. For instance, a boarding academy does not necessarily need to be located within a comfortable distance for daily commuting. In fact, being too accessible for “day students” may actually undermine the distinct nature of a boarding school, thereby threatening its success as a boarding institution.

Traditionally, Adventist boarding schools have been located in rural environments, away from large population centers with, consequently, fewer members in the area. Therefore, one important factor that significantly affects the success of a boarding school is a balance of not being too close, but yet close enough to the constituency it serves. A separation from large clusters of members has a natural consequence of helping a boarding school keep its distinct “boarding school” identity and culture.

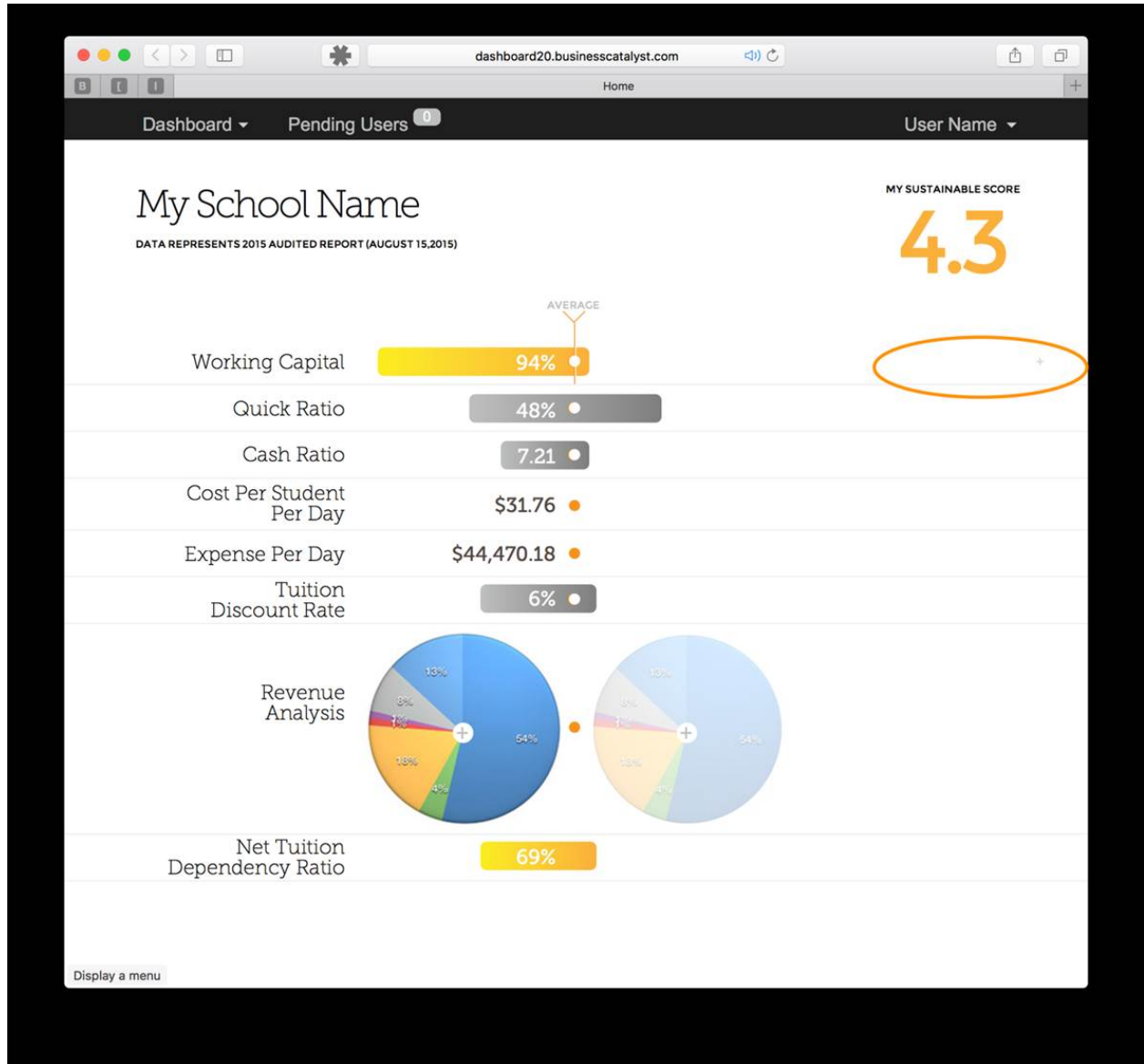
- Areas in yellow with the gold ban are within 50 miles of a secondary school. Many families in these regions may opt for “day student” academy experience, even with a boarding academy nearby. As noted earlier, a boarding academy located too close to a large cluster of members may, in the long run, be detrimental to its mission.
- As mentioned earlier in the previous map, areas in light green represent 43% of Adventists who live within 100 miles of an Adventist boarding academy. This distance is ideal for those families who wish to visit their children periodically at the boarding school.
- Areas in green with the lilac ban represents 64% of Adventists who live within 150 miles of an Adventist boarding academy. 150 miles may represent a logical maximum "ideal" distance between boarding academies in the more densely populated coastal areas and the Midwest, but that range can be more formidable to the mountain and prairie states, which have vast territories and a much lower population. This underscores the need for every school to offer an exceptionally high-quality program with perhaps an added specialty or area of emphasis in order to make the overall investment attractive.
- The blue/green through dark blue bans represents areas that are underserved by boarding academies. Families in these areas have very few options for Adventist secondary education for their children. Areas that stand out are:
 - Eastern half of Ohio and northern Kentucky, once filled by Mount Vernon Academy
 - Northeastern New York on through Vermont, New Hampshire, and Maine.
 - The Eastern coast, starting in North Carolina, South Carolina, Georgia, and the Northwestern part of Florida.
 - Another gap exists between Sunnydale Adventist Academy/Ozark Adventist Academy and Indian Academy/Highland Academy/Georgia-Cumberland Academy and Bass Memorial Academy.
 - There are also the great expanses of the mountain and prairie states. One conspicuous gap is in Texas where there are areas with great concentration of members without adequate proximity to secondary education.
- It is possible, however, for schools to be too close together. As noted earlier, for boarding academies to thrive, there is an ideal balance of proximity, scale, and cost.
 - Some regions might be better served by fewer boarding schools. One particular area in the Northeast is densely populated with five boarding academies -- Shenandoah Academy, Highland View Academy, Blue Mountain Academy, Pine Forge Academy, and Union Springs Academy.
 - Another dynamic is the proximity of large membership population to a boarding academy, especially when there are day academies nearby. In this environment, a boarding school is in danger of losing its distinctive boarding academy identity. When the percentage of day students surpasses the percentage of students that board, not only does the culture of the boarding

school change, but also the financial viability of maintaining expansive dormitory structures and staff is threatened.

There are many factors to consider when discussing how Adventist Education fulfills its mission. The proximity, or lack thereof, of Adventist Education is a critical component of our church attaining its stated goal of offering quality, accessible, holistic Adventist Education to all its members. This is merely a small portion of the analysis completed so far. There are many additional variables still available for analysis. Further studies would provide the NAD with deeper insights and clarity into the educational landscape and assist in making Spirit-guided, data-driven decisions.

APPENDIX G

Financial Dashboard



DASHBOARD DEFINITIONS

1. **WORKING CAPITAL** (also known as **CURRENT RATIO**): Most basic liquidity test, which indicates whether a school has enough short-term assets to cover its short-term debt. Anything below 1 or 100% indicates negative working capital and that the school has liquidity issues.

2. **QUICK RATIO:** This eliminates certain current assets such as inventory and prepaid expenses that may be more difficult to convert to cash. The higher the ratio, the more easily a school would be able to manage any downturn in enrollment or rising costs.
3. **CASH RATIO (also known as LIQUIDITY or PRIMARY RESERVE RATIO):** This is the most conservative liquidity ratio. This number can be used to determine the viability of the school as well as serve as an indirect measure of its liquidity. The cash ratio measures the ability of the school's cash, along with investments that are easily converted into cash, to pay its short-term obligations. Insufficient expendable capital is a clear warning sign of poor financial health. Anything above 1 or 100% indicates that the school is in better financial shape.
4. **COST PER STUDENT PER DAY:** This can be used as an indication of the efficiency of the operation of the school. This can be a trend line report that shows the line for any given school and the average trend line for benchmark schools.
5. **EXPENSE PER DAY:** This number can be used for planning and projecting budgets and cash needs into the future.
6. **TUITION DISCOUNT RATE:** This is used to measure a school's ability to remain competitive in the marketplace and maintain enrollment numbers.
7. **NET TUITION DEPENDENCY RATIO:** This number is particularly important for schools that are heavily tuition-dependent (schools that receive more than 60 percent of their revenue from tuition) and thus are particularly sensitive to changing enrollment patterns.
8. **SUSTAINABLE SCORE:** This score can provide an overview of how sustainable a school is for the future. It represents those items that are critical to a school's viability and is made up of key financial indicators, enrollment analysis and trends, and student and faculty retention rates.

APPENDIX H

Funding Models

Temple Plan/Total Local Funding

The school is funded by donations instead of tuition.

Purpose: The local church agrees that no student will be charged tuition and further agrees to pay all school expenses through fundraising and its local budget. Parents/guardians and church members are encouraged to contribute to the local church budget that funds school operations. Those with healthier resources are able to give in excess and those with humble means give as much as they are able.

Pro: Donors receive a tax benefit instead of a tuition bill.

Con: There is little accountability as donations are frequently insufficient to take care of school expenses, thus placing the financial burden on the church. Also, it is easy to fall into a position in which someone “reminds” the parent to pay into the local church budget as his/her child’s tuition is paid for by the local church through church donations. This violates IRS policy as it relates to a charitable donation without personal benefits.

40/60 Teacher Subsidy

The local conference usually subsidizes approximately 40% of the teacher costs (salary and all benefits) leaving 60% to be billed to the local school.

Purpose: To share the burden between the local conference and local church that is interested in having a school. 60% of the local financial responsibility is funded by tuition, local church subsidy/donations, direct school donations, fundraisers, and other conference and local funding. Churches notice that by providing an educational ministry, member involvement, spiritual health, and attendance growth were realized.

Pro: Both conference and church/school need to work together to achieve the greater purpose. It is easier to budget a fixed cost as opposed to paying actual expenses for medical and educational subsidies.

Con: Both conference and church/school find it difficult to support their financial operation. It is getting more challenging for conferences to balance their budgets, and the 40% target is often not being met.

Per Pupil Model

The cost of education is divided by the number of students in the local conference. To abate a portion of the school’s obligation, the conference subsidizes the school by the number of students locally enrolled. Usually the calculations are based on the previous year’s enrollment.

Purpose: To equally allocate teacher expenses to all schools across the conference. Then, small schools in most cases and all schools in some cases receive a base subsidy and then additional subsidy based on enrollment.

Pro: This model is seen by some as the fairest method to distribute funding. Schools with increasing enrollments get increasing funding. Those with declining enrollments receive less subsidy.

Con: Conferences with sliding enrollments have to charge a higher rate per student unless there is a reduction in teacher FTEs. Growing schools seem to be penalized by higher student-teacher ratio costs. Conferences with growing enrollments and fixed subsidy available must then lower the subsidy per student for everyone. This is particularly damaging if there is one school growing rapidly and all other schools are stable. This results in all stable schools receiving a decrease in per pupil funding so that the growing school gets an increase. This is also true of situations where schools are added. Another drawback is that the school subsidy is usually based on the enrollment of the previous school year. If a school has a dramatic increase in enrollment, there may not be enough subsidy to cover additional expenses.

50% plus/minus Local Funding

Churches appropriate 50% of their church budget to the school's operation. Donations given to the church that are restricted for the school would either be added to or subtracted from the churches' monthly subsidy to the school.

Purpose: The church would give a fixed amount that the school could rely on and thus help stabilize the school's finances.

Pro: School's subsidy from the church is stable.

Con: If the school only receives 50% from the church and experiences unexpected expenses, additional income would be required to balance financial operations. Additionally, this model creates a financial burden on the church, especially if combined budget donations decrease.

Non SDA/International Students/Non Constituent fees

Increase enrollment of non-Adventist students who pay a higher tuition rate.

Purpose: To provide an evangelistic center for non-SDA students and increase enrollment.

Pro: Non-constituent students/parents who do not attend the local constituent church and therefore are not supporting local church giving are charged a higher tuition rate.

Con: The conference and church are subsidizing community children and international students. If tuition were the same for constituent and non-constituent students, then the local church would not receive budget contributions from the non-constituent family and

yet still provide subsidy for the non-constituent student. Students should be charged total cost then credited subsidy as per the local policy. This ensures that students outside the local constituency are paying their “share.”