REPORT OF THE WSCUC TEAM

SPECIAL VISIT

to

Claremont School of Theology

March 10-11, 2016

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The team evaluated the institution under the 2013 Standards of Accreditation and prepared this report containing its collective evaluation for consideration and action by the institution and by the WASC Senior College and University Commission (WSCUC). The formal action concerning the institution’s status is taken by the Commission and is described in a letter from the Commission to the institution. This report and the Commission letter are made available to the public by publication on the WSCUC website.
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Section I
Overview and Context

A. Description of Institution and Visit

Claremont School of Theology (CST) is a free-standing seminary, affiliated with the United Methodist Church (UMC), that describes itself as "ecumenical and interreligious in spirit" with close relationships with other denominations, including the Disciples of Christ, United Church of Christ, Episcopal Church, and the Evangelical Lutheran Church of America.

CST evolved from Maclay College of Theology, founded in 1885 and located in San Fernando, California. In 1894 Maclay moved to the campus of the University of Southern California (USC), then affiliated with the UMC. When USC severed its ties to the Methodist Church in 1956, CST became an independent corporation related to the UMC and relocated in 1957 to its present site in Claremont, California where it enjoys a close relationship with Claremont Graduate University (CGU). As of February 15, 2016 CST enrolled 353 students in Master of Arts (MA), Master of Divinity (MDiv), Doctor of Ministry (DMin), and Doctor of Philosophy (PhD) programs.

CST was first accredited by the WASC Senior College and University Commission (WSCUC) in 1971. Since then CST has had an uneven accreditation history, resulting in various sanctions including warnings, probation, show cause, and termination and restoration of accreditation. A common theme throughout CST's accreditation history has been its fragile financial condition. In an effort to address this problem, CST—in 2008—established a consortium with Jewish and Muslim partners, called the University Project, which created Claremont Lincoln University.
(CLU) in 2011. CST was the consortium's Christian partner and the incubator for CLU. The objectives were to enhance CST's ecumenical mission and to improve its financial situation through increased enrollment and revenue from CLU for use of CST's faculty, staff, and facilities. Not only were the desired outcomes not realized, numerous problems were created and, in 2013, CST began the process of separating from CLU. In that context a WSCUC accreditation site visit occurred in September 2013 and reported concerns not only about finances but, also, about such matters as governance, institutional integrity, faculty morale, and more. Nine months after the visit the separation was finalized. As a result, Commission review of the 2013 visit was deferred from February 2014 to February 2015 and a Special Visit was scheduled for the fall 2014 and occurred December 7-9.

At its February 18-20, 2015 meeting the Commission considered the reports of the September 25-27, 2013 Accreditation Visit and the December 7-9, 2014 Special Visit. While acknowledging efforts by CST to restore financial sustainability, the Commission found CST in non-compliance with Standard 3, specifically CFR 3.4,¹ and also stated the need "to complete and implement a coordinated planning effort." The Commission issued a Warning and scheduled a Special Visit for spring 2016 to address concerns about financial sustainability and planning.

¹ The 2014 visit was under the 2008 Handbook on Accreditation and the CFR was 3.5. Under the 2013 Handbook it is 3.4.
B. The Institution's Special Visit Report

The various sections of CST's Special Visit Institutional Report (Report) were drafted by members of the Executive Team, compiled and edited by the Accreditation Liaison Officer (ALO), and reviewed by the Executive Team, leaders of the Board of Trustees, and the elected Faculty Policy Committee.

The report reveals an institution with a clear sense of identity that understands the challenges and issues that confront it and is moving aggressively in a systematic manner to address them. The report, which is energetic and confident in tone, is organized around the themes of fiscal sustainability and planning, identified as the focus of this Special Visit by the Commission Action Letter of March 4, 2015. It is a straight-forward account of what the institution has done to address these issues since the last site visit and includes thoughtful analysis—which is stronger in some areas than others--of the success of those efforts and a frank assessment of challenges that remain.

Generally, the report is well-supported by data and documented evidence. Documentation requested, beyond that initially provided, was quickly provided.

C. Description of the Team's Review Process

After individual review of the Report and supporting documentation the team met via conference call on February 11 to evaluate the Report; to identify areas for further inquiry during the visit, lines of questioning, and further documentation desired; and to finalize the visit schedule and team assignments. The visit was conducted March 10-11, 2016, beginning with a team meeting
the afternoon and evening of March 9. All team members were present throughout the visit and
the WSCUC vice president who staffed the team was present during the March 9 team meeting
and throughout the first day of the visit on the CST campus.

After an initial meeting with the CST president, the team, or individual members of the team,
met with chair of the Board of Trustees Finance Committee; 11 of 30 trustees on campus and 7
electronically; vice presidents of advancement, business affairs, and academic affairs; senior
director of admissions and enrollment services; associate director of enrollment services; director
of financial aid; admission office coordinator; 16 of 19 faculty members; consultants retained by
CST to assist with campus planning; bishops from the Desert Southwest and California-Pacific
conferences of the UMC and CST's external auditor. All individuals with whom the team met
during the visit were gracious, forthcoming, and highly enthusiastic and positive about CST.
Section II
Evaluation of Issues under the Standards

A. Financial Sustainability

As noted in Section I of this report, in February 2015 CST was found to be in non-compliance with Standard 3, specifically 3.4 which requires that, among other things, an institution is financially stable, has sufficient resources to ensure long-term viability, and a plan to eliminate any accumulated deficit. CST has faced ongoing challenges in meeting Standard 3, since 2004 at least, and the central focus of severalWSCUC visits and Commission actions over the last ten years have concerned whether CST is meeting this Standard; most especially the question of “sufficient resources to ensure long-term viability.”

In his transmittal letter of the institution's report the CST president wrote:

The materials in this Special Report document CST’s major progress toward compliance with CFR 3.5. Our efforts have focused on reducing expense, generating revenue, and expanding program. Enrollment and contributions are up, expenses are down, new programs are in place, and the school is positioned to generate additional revenue by reducing the size of its campus.

The Report concluded by noting that:

Immediate priorities include implementation of the strategic plan, especially of revenue from excess property and enrollment growth; development of a capital campaign; and ongoing alignment of resources with educational purposes and objectives.

These statements represent a recognition of the complex set of problems involved as well as an overall strategy to address the financial sustainability problem. The WSCUC team took on the task of reviewing CST’s financial position in light of the information and data from campus materials and documents.
The elements of financial non-sustainability in this case are threefold:

1) inadequate revenues to sustain the institution as manifest in repeated unbalanced budgets;
2) aggravated cash flow problems; and
3) an endowment which is seriously underwater.

CST has seen dramatic fluctuations in revenues and continuing shortfalls in revenues to cover expenses over the last several years. There have been continuing challenges to cover expenses with available revenues, resulting in unbalanced budgets and budget deficits. According to the Audited Financial Statement of Activities, in 2015 the net revenues of the campus were $7,177,761, while expenses were $11,084,841, producing a deficit (or net loss) of ($3,907,080). The net revenues of the campus in 2015 were about $100,000 less than 2014. In recent prior years, including 2014, 2013, and 2012, there was a similar picture with respect to revenues, expenditures, and deficits.

As a result of the serious cash flow problems, CST has had to repeatedly draw significant funds from its endowment to meet those needs. This has resulted in a seriously underwater endowment by some $17 million. According to the 2015 Audited Financial Report, CST’s policy was to draw 6.5% annually from the endowment. This policy was noted in the WSCUC 2013 Special Visit Report as being uncommonly high and one that had put the integrity of the endowment in considerable danger. The endowment has also been a resource for borrowing funds to make up shortfall in revenues. Over the past 5 years endowment borrowing has ranged between $742,221 and $3,950,000. As a result, the available endowment balance for future draws or borrowing is $6,125,339. Should borrowing and the draw rate continue as in the past, the endowment will be entirely exhausted within the next three to four years. It should be noted that CST has decided
not to "budget" endowment funds this year, but the same statement held out the possibility of utilizing endowment funds should that become necessary. And, there is little doubt that additional borrowing will be necessary in the current fiscal year.

The question of repaying the principal of the endowment remains. CST noted that repaying the endowment would require an increased budget with an adequate surplus of revenue above expenditures. While CST is looking to enrollment growth, financial contributions, and the sale of part of the campus to achieve a surplus at some time in the future, that point appears to be several years away. For now, the challenge of obtaining a balanced budget--a paramount requirement--must take precedence over endowment repayment, even though repayment is seen by the president and at least some of the board members as an important long-term goal.

The budget imbalance is attributable to multiple factors, including a lack of sufficient enrollment needed to generate adequate tuition and fee income; a high tuition and fees discounting rate that has lowered net revenue; insufficient private donations and gifts; and expenses that are higher than the total available revenues. To address these issues the CST community engaged in a strategic planning process that resulted in the overall strategy now being implemented. The major elements of the CST strategy are:

--dramatically increase enrollments and thereby generate additional tuition and fee revenues;

--generate other sources of revenue from gifts/contributions and the sale of excess property; and

--reduce campus expenses, while recognizing the “stewardship” role for campus physical assets.
Enrollment and Tuition

In the past couple of decades, enrollments in institutions associated with traditional churches have seen steep declines. CST is no exception to this trend. However, though enrollment at CST declined during this period, it has been rebounding since 2011. CST points out that many of its peer schools are experiencing continued decline, while it is experiencing enrollment growth. CST's data show, roughly, a 25% growth in headcount between 2011 and 2015. From 245 students in fall 2011 the enrollment grew to 335 by fall 2015 and to 350 by spring 2016. The percentage of growth was vigorous between 2011 and 2014, a range of 9% to 12% annually. While growth in fall 2015 was only 2%, spring 2016 appears to be a healthy 14%. CST is projecting a 7% increase for fall 2016 and 8% for fall 2017. This growth in headcount appears to be related to new online and hybrid academic programs, while most of the traditional master's programs were still in decline. The launching of the new hybrid MDiv resulted in significant growth and was followed in spring 2016 with introduction of a similar program at the doctoral level.

CST's enrollment growth may also be attributed to other factors and initiatives. First, a vigorous, analytically-inclined enrollment team has developed and is implementing a thorough, detailed, and evidence-based and feedback-based recruitment plan with specific goals, market analysis, strategies, and tactics. That plan is supported by a detailed marketing plan that includes a schedule, type of communication, programs to be marketed, message, target audience, and budget. Additionally, the team found evidence that staff is engaged in retention efforts with the same level of individual attention to students that characterizes recruitment activities.
CST also attributes much of the new growth to a renewed relationship with the UMC and to partnerships with other denominations. For example, the number of UMC students increased 64% over the last five years; the number of students from the Christian Church (Disciples of Christ) grew from 16 to 33 in one year as a result of a tuition-funding arrangement with the Disciples Seminary Foundation. For reasons having to do with CST’s origins and early history, it has a formal relationship with two conferences of the UMC—the California-Pacific and the Desert Southwest. A conversation with the bishops from these conferences revealed renewed support for CST, particularly in the California-Pacific conference. This support seems largely attributable to the efforts of the president to assure a CST presence. For example, in the California-Pacific conference there is a designated "CST Sunday" during which CST enjoys increased visibility and benefits from the money collected during church offerings. In some cases a local church sponsors a scholarship. It is a judgment call as to how much more enrollment growth might be possible given the renewed relationship with the UMC and other religious organizations but, since so much depends on the rapid and continuing growth of enrollment, maintaining excellent relations with the UMC is clearly an important strategy.

CST is working toward a goal of 400 students by fall 2020 and is nearing that mark. With the vigorous enrollment team in place the goal the campus has set appears to be achievable. As a part of the of the overall strategy relating to enrollment growth the board of trustees recently decided to raise the tuition rate by 13.6% for each of the next two years as the CST tuition appears to be lower than peer institutions. Currently, CST tuition is $16,400. The increases are intended to assist with net tuition revenue. Clearly, CST needs to monitor carefully the impact of these tuition/fee increases on enrollment and retention.
Enrollment is obviously a critical part of the picture for an institution like CST since tuition and fees are the major revenue source. However, should the current policy of high tuition discounts remain, the actual growth in net tuition and fees will be negligible. The goal is to eradicate deficits. Yet, there was a deficit as of 2015 of nearly $3.9 million. Judging by the projected deficit for 2016 of $656,110, CST has high hopes of solving the deficit problem soon. Part of the solution was to earn approximately $500,000 in tuition and fees in 2016. Yet, YTD data (as of November 2015) showed an overall budget deficit of $2,523,665 and earnings from tuition and fees of $1,685,843. This tuition level seems low given that fall term has been accounted for, although the vigorous growth in spring enrollment may significantly ameliorate the low November revenue number. To assist with decision-making with regard to a number of issues that impact the financial health of CST--such as enrollment and retention goals, tuition/fee rates, and the use of funds from the sale of excess property--it is recommended that CST develop and use a comprehensive approach to modeling the financial future of the institution.

In the longer term, since well over half of tuition and fee revenue is discounted, a large increase in enrollment will be needed to solve the deficit and budget balancing problem. The vice president for business affairs and the chair of the Board's Finance Committee agree that a goal of 600 students--along with other strategies outlined in the Report--would be required to reach that balance. Understanding where CST is intending to take the discounting policy will be critical to this discussion. The Report indicated that the discounting policy is on the agenda of the executive team and those in enrollment management for review this spring. However, during the visit it became apparent that there is no agreement with regard to modifying the 50% rate of discounting at this time. The team believes that an effort to modify the discount rate will be an
important element of the future financial viability of CST and recommends the development of an agreed upon strategy for tuition discounting. Again, framing the discounting rate as one of the factors in a comprehensive financial analytical model would greatly facilitate executive and board decision-making.

CST, however, is not relying solely on net tuition and fee increases to resolve its deficit. Additional elements of the current institutional strategy include a significant increase in non-tuition revenue through fund-raising, expenditure reductions, and "right-sizing" the campus through the sale of excess property.

**Fundraising**

Recognizing that net tuition and fees alone will not solve the deficit problem, CST has established some ambitious goals for fundraising in the next five years. Funds raised in the last two fiscal years have amounted to approximately $2.3 million each year. However, CST's Advancement Plan has a goal for 2016 of between $3.3 million and $4.8 million, depending on whether a major gift, referred to as a "windfall gift," materializes.

During the visit CST reported raising $4 million in giving year to date (February), including one gift of $2 million for an endowed scholarship for students. In the five subsequent years the Advancement Plan projects percentage increases in a broad range between -16% (with the ending of a planned gift sequence) and +72%. The Plan contains some very specific categories and identifies different types and amounts of contributions and gifts. For example, gifts obtained through assistance of the CST Board of Trustee represents a prominent new element and one which the president refers to as a major change. Also, projected increases in contributions from
the UMC conferences are based on continued and expanded improvements in that key relationship. These items demonstrate a planned approach. However, the overall Advancement Plan is still very ambitious and success will require a high level of presidential and trustee involvement (discussed in Section III of this report) in fundraising.

At its February 2016 meeting the Board of Trustees authorized the administration to contract with a fundraising firm to conduct a readiness assessment and a feasibility study for a capital campaign to support the campus master plan discussed immediately below. Tentatively, a goal of $10 million has been established but could be increased depending on the results of the feasibility study.

Sale of Excess Property

As part of its strategic planning effort this year, CST established a Campus Master Planning Committee and retained a consulting group to assist in the preparation of a Campus Master Plan. The effort resulted in a comprehensive examination of all properties and the condition of buildings in relation to CST's future program needs. This comprehensive capital planning is a good example of evidence-based planning, and it produced a strategy which the institution is now pursuing.

An important outcome of the process was a series of recommendations concerning the sale of some of the campus properties and the retention of others to maintain a core campus for the future of CST. Subsequently, the CST Board of Trustees authorized the consulting group to enter into discussions with potential buyers. Representatives of the consulting group briefed the
team on the feasibility and timing of various options under consideration. Discussions are underway with an interested prospective buyer--whose mission is very compatible with that of CST--and appear to be proceeding in a positive manner from the perspective of both parties. The number of acres and the dollar value of the land and the buildings are yet to be determined. In addition to providing new revenue, an important outcome of any future sales will be a significant reduction of excessive facility and ground costs.

The use of the proceeds from a sale is under discussion, but there seems to be no consensus as yet on how they might be applied. They might be used for capital deferred maintenance or upgrades, creating a cash reserve, or providing a stream of investment income to help balance the budget. CST will need to be careful that the proceeds are not just used to balance the budget or these funds could be gone quickly, with CST back in a similar situation as during prior years of financial challenge. Here, again, a comprehensive financial model would be a useful tool in factoring various scenarios about the level and use of these funds.

Even assuming that negotiations result in a sale, there is an awareness among CST leadership that revenue from such a transaction would likely be several months into the future. To compensate for this likelihood the president has secured a commitment from the United Methodist Church Development Fund for a $5 million "bridge" loan at favorable rates. The use of these funds is yet to be determined but possibilities include getting a start on deferred maintenance, jump-starting a capital campaign, and providing a cash reserve.
Budget Expenditure Reductions and Cost Sharing

Beyond efforts to reduce the size of the campus, CST has been engaged in other "right-sizing" activities in order to reduce expenditures. Both physical capacity and staffing are much larger than the current size of CST justifies. Expenses have been cut by 15% over the last two years, including the use of some retirement incentives to reduce staff, modifications in health retirement benefits, and elimination of positions, including two vice presidencies. The projection is that these changes will result in a savings of almost $1 million during FY2016. As to the future, it is CST's intent to hold expenses flat except for cost of living and benefit increases for staff. The extent of these exceptions was not detailed, but they could be significant since personnel costs are typically the largest element of an educational institution's budget. Clearly, the process of cost reductions needs to continue or donations, net tuition/fees, and other revenue sources must be increased. One strategy under consideration, which seems to make a great deal of sense, is to partner with the Claremont University Consortium in sharing certain services and costs. This would be a valuable element of further cost containment.

Financial Sustainability: Conclusion

There is no doubt that CST continues to struggle to meet the requirements of Standard 3. Ongoing budget deficits and the underwater endowment are severe. Significant enrollment growth and continued cost containment, as well as unusual strategies such as divesting the institution of excess acreage and forging a realistic capital campaign, are parts of the solution. There is also no doubt that the institution’s leadership has made a concerted effort to address all aspects of the financial sustainability problem. The question is whether, even with all these
efforts, CST can produce a balanced budget any time soon and whether restoration of the CST
endowment can be achieved as well.

B. Planning
The 2014 Special Visit team found a Strategic Planning process that, after ten months, was still
in its early stages. Following the visit, the Commission required CST to commit additional
energies and resources to planning across the board. Planning should be evidence based, aligned
with financial resources, and accomplished quickly, it said. In particular, comprehensive plans
for marketing and fundraising were targeted.

WSCUC Standard 4, *Creating an Organization Committed to Quality Assurance, Institutional
Learning, and Improvement*, calls for the results of institutional inquiry--research and data
collection--to be used to establish priorities, to plan, and to improve quality and effectiveness.

Since the last visit CST has taken a number of important steps in this direction. Chief among
them is the new Strategic Plan, approved May, 2015, which involved an impressive array of
stakeholders in research and evaluation, and which included a market analysis of degree
programs. Graduates who become agents of transformation, the establishment of global and
local partnerships, and effective stewardship of resources are the goals of the new plan. Three or
four action steps are associated with each goal. An initial tactical plan, which aligns plans with
costs, was produced and the Executive Team accepted responsibility for overseeing
implementation.
In addition, CST has produced an impressive fundraising plan (described in the previous section) and begun work on a Campus Master Plan. As noted previously, in June 2015 a consulting firm was hired to develop a plan addressing deferred maintenance and generating funds through the sale of property. A feasibility study has been commissioned (due to be completed this spring, it has been extended through the summer), and new partners are in the process of being identified, clearing the way for campus revitalization. Two $50,000 grants and two smaller grants have been received; others are being sought.

Implementation is a key question. Apart from enrollment and fundraising goals, few of the Strategic Plan’s action steps have goals. “Gather partners,” “explore internships,” and “raise consciousness” are adequate expressions for the earliest phases of planning, but CST will need to move quickly to set more specific and concrete goals. Similarly, “encourage faculty to present teaching and developing scholarship in global locales” is a long way off from action that will produce measurable results. Future reports will need to rely less on phrases such as “strengthening relationships,” “providing support,” and “exploring possibilities” and include more benchmarks, targets, and data-driven goals.

The team found institutional morale and energy for planning to be high (4.3, 4.4, 4.5), an exceptional situation given CST’s recent history of repeated cycles of composing, discarding, and re-making plans for the institution’s advancement. It is apparent that, both in terms of personnel and enthusiasm, the school has the resources it needs to commit to comprehensive, continuous planning.
Of the several areas where institutional planning must continue and deepen, two struck the team as critical:

1) As described in the previous section, the team found no clear agreement between members of the administration, staff, and writers of the Report and the Strategic Plan on the use of the bridge loan. Planning processes in the financial area will need further development. Processes, stakeholders, and goals must be identified. In particular, the team reiterates its belief that the use of financial modeling would be helpful to CST as a way to organize these complex decisions.

2) The Report makes only a brief note of what the team found to be a significant issue: planning regarding the number and size of academic programs, particularly the PhD programs (the issue is also noted as a sub-point in Strategic Plan goal #1). Though the faculty and dean have a clear structure of committees in place and the faculty is experienced with curriculum review processes, it was not immediately clear to the team whether (or when) these processes would be deployed in rightsizing the PhD programs. Nor was it clear whether the final decision would lie with the faculty or the administration (4.1). Review of curricula with a particular eye to aligning the PhD programs’ scope and size to resources will be important as CST continues to expand and build on the planning processes it has put in place.

Overall, CST has accomplished a good deal in preparation for this Special Visit. It has put in place detailed Strategic, Marketing, Retention, and Recruitment Plans (4.6). In addition, a Campus Master Plan and a fund-raising assessment plan are in the works. A major strength of
CST planning processes is their typical inclusiveness, widely involving stakeholders (4.5) as well as the entire CST community. The team observed the use of evidence and clear-set goals for enrollment and fundraising (4.3, 4.5). In addition, CST shows particular sensitivity to the changes in its educational environment, thoughtful analysis of the conditions it finds there, and an impressive creative energy for meeting its challenges (4.7).

The institution also has continuing work to do in several areas related to planning:

--While data and evidence are used in some planning processes a commitment to data driven planning is not consistent across the board. When it comes to planning CST needs to make the same commitment to the culture of evidence that it has in regard to Educational Effectiveness (4.3).

--Although parts of the various plans have been set in motion, much remains to be done, particularly in the area of academic programs, fund-raising, and master campus planning.

--Institutional research capacity needs to be monitored and continuously supported (4.2).

--Planning needs to occur to ensure that the number of PhD programs is carefully reviewed (4.1, 4.2).
Section III

Other Topics: Board of Trustees

The 2014 WSCUC Special Visit team found that many of the concerns about the effectiveness and independence of the Board of Trustees and the integrity of the institution, noted by the 2013 Accreditation Visit team, had been addressed during the interim between the two visits. The team report noted that "opportunities for conflict of interest have been remedied and the CST board is fully independent" and, further, there existed a greater sense of "engagement, enthusiasm and responsibility for CST." Neither the team recommendations nor the Action Letter identified governance or the Board of Trustees as ongoing concerns.

However, this team decided to include, as an additional topic, a brief, narrowly focused section on the role of trustees in addressing CST's financial problem. The Report notes that the "Board has stepped up to its fiduciary responsibility," has "taken on a greater sense of urgency in raising funds," and has engaged in workshops on development and cultivating major gifts. Additionally, a Board of Trustees Development Committee has been formed and "has become a fully functioning and engaged committee" that meets with the advancement team three to four times each year.

A meeting with the Board of Trustees and a review of Board and Board Committee minutes confirmed these assertions. The Board has added new members, and plans to add more; Board processes have been regularized and term limits have been adopted; and there is an obvious engagement with the issues and a sense of enthusiasm and optimism, owing, primarily to the president's successful efforts to involve and inform the trustees (CFR 3.9).
The CST Advancement Income Plan for the next five years envisions significant involvement of the trustees. For example, trustee assisted fundraising is projected to yield $1.2 million in the current fiscal year and $500,000 each year for the next four years. Trustee annual giving is projected to increase from $150,000 in 2015-2016 to $175,000 in 2016-2017 and to $275,000 in 2019-2020. The plan also calls for the trustees to assist the president and vice president for advancement in identifying 85 to 100 qualified major gift prospects, scheduling 6 to 8 face-to-face visits per month, making at least 12 asks per year, and organizing gatherings to introduce prospective donors to CST. Additionally, the plan envisions the recruitment of a Trustee Giving Chair (or co-chairs) whose responsibility it will be to speak with trustees individually about their giving.

Beginning steps to implement this plan are occurring: 100% of the trustees are participating in the annual giving campaign; there is an expectation that each member will commit to $10,000 annually, either in personal contribution or some combination of personal and solicited funds; and there have been some six to ten events that have occurred as a result of initiatives of individual trustees. However, much remains to be done. For example, at the time of the site visit less than $5,000 had been raised as a result of trustee initiated events. If the Advancement Plan is to be successful the active involvement of the trustees will be critical in terms of both significantly increased giving and support of the president and vice president for advancement in identifying prospective donors and securing contributions.
Section IV

Findings, Commendations, and Recommendations

The team found evidence of an institution comprised of committed individuals who care deeply about CST and who have come together to systematically meet the challenges with which the institution is faced, as highlighted in the Commission's Action Letter of March 4, 2015. There is also strong evidence of committed, open presidential leadership that is supported by the Board of Trustees and the institution’s constituencies.

While much remains to be done, particularly to assure financial sustainability, CST has accomplished much in the relatively short period of time between the Commission's Action Letter and this visit, less than a year later, and is to be commended for:

--the overall progress made since the WSCUC team visits in 2013 and 2014;

--an understanding of the complexity of its financial situation and the development of a comprehensive, integrated strategy to address it;

--a number of important steps toward developing a comprehensive planning process that includes a Strategic Plan, developed with the involvement of an impressive array of stakeholders, and complementary, data-based recruitment, marketing, and advancement plans, along with a campus master plan and a fund-raising assessment plan developed by external consultants;

--strong and transparent presidential leadership;

--a highly effective and committed staff that is communicating across departmental lines;

--the manner in which it is meeting ambitious enrollment and fund-raising goals; and

--the emerging engagement of the Board of Trustees.

It is in this context that we offer the following recommendations for ongoing improvement:

1. With the transparency achieved in the last few years concerning financial data, the campus is now in the position to develop and implement a comprehensive financial model that can be used by the Board and CST leadership as a tool for making decisions such as major revenue and expenditure goals, enrollment
and tuition strategy, discounting rates, and the use of resources from any sale of property (CFRs 3.4, 4.6).

2. As is widely recognized by the entire CST community, it is imperative that the effort to sell excess property is completed as soon as possible in order to reduce expenditures and increase revenues (CFR 3.4).

3. To achieve financial sustainability the recent success of the enrollment management and advancement efforts will need to be continued and increased and, with regard to student recruitment, must include the development of an agreed upon strategy for tuition discounting (CFR 3.4).

4. While the recent recognition by the Board of Trustees of its fundraising responsibilities is encouraging, much more will be required by way of individual giving and assistance to the president and vice president for advancement in identifying prospective donors, making contact with those donors, and convincing them to financially support CST (CFRs 3.4, 3.7, 3.9).