

February 8, 2005

Dear Constituents of CBC:

In June 2003, the Executive Presbytery of the Assemblies of God authorized a Commission to Study the General Council Schools. The purpose of this committee was to revisit the 1989 report to unify the four Springfield A/G schools: AGTS, CBC, Evangel, and Global Universities. Shortly after the commission's work began it was determined that Global University did not fit the criteria for an effective amalgamation with the other three schools and was dropped from the study.

During these months, the presidents of each of the three institutions have been engaged in a dialogue with Dr. Robert Cooley, chairman of the commission, cooperating with each request submitted. A great deal of time and attention has been required to gather financial and enrollment data, to meet with various committees or consultants assigned by the commission, or to respond to reports generated by the various entities of the commission. Furthermore, each president was requested to maintain confidentiality regarding certain aspects of the commission's work.

The commission completed its initial report and presented it to the presidents and the Executive Presbytery on January 18, 2005. Our Board of Directors received a copy of this report on January 26 and called for a special meeting on Monday, Feb. 7, 2005, for dialogue and initial response to Dr. Cooley and to provide a pathway of corporate response from our various constituencies.

It is now time for your response to these recommendations. I encourage you to read the following preliminary report of the Commission's recommendations to the Executive Presbytery. Please read this report with the understanding that our corporate response and/or suggested changes will be submitted to Brother Trask, our General Superintendent, and to Dr. Cooley, prior to the final decision of the Executive Presbytery in March, 2005. Dr. Cooley has indicated that the name of the university and campus locations are still under consideration by the commission. In addition, he has indicated that further work regarding the enhancement of ministry education is also under consideration.

Once the final report has been approved by the Executive Presbytery it will be presented in August to the General Presbytery for approval, then to the General Council in session.

Please prayerfully consider the importance of the commission's proposals regarding the future of CBC and our sister institutions. You have been provided a survey prepared by our Board of Administration. If you haven't already done so, please complete this survey and turn it in to Dr. Estridge's office. Equally important, however, will be your input (written or verbal) to a representative writer, who will prepare a written response considering your input and using the results of the surveys.

I'm asking that you not copy or distribute this preliminary report. When the final report is completed in March, with its recommendations, there will be additional opportunity for campus forum.

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February 8, 2005
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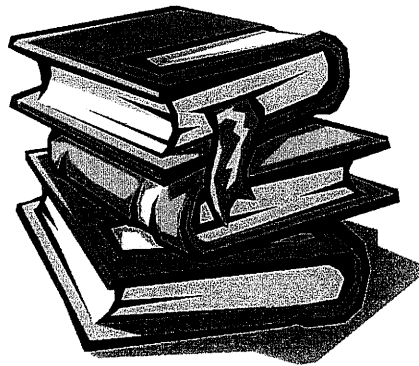
Let's make this a matter of prayer and coordinated response rather than of endless discussion and debate. And please be guarded in your characterization of our friends and colleagues at these sister institutions. We have a great appreciation for their partnership with us in the Assemblies of God.

Together in Vision,

M. Wayne Benson
President

**REPORT
TO THE
EXECUTIVE PRESBYTERY
FROM THE
COMMISSION TO STUDY
GENERAL COUNCIL SCHOOLS**

JANUARY 18, 2005



**Robert Cooley, chairman
Debra Gill
Charles McKinney
Don Meyer
Jesse Miranda
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H. Robert Rhoden
Dayton Kingsriter, resource**

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**REPORT
TO THE
EXECUTIVE PRESBYTERY
FROM
THE COMMISSION TO STUDY GENERAL COUNCIL SCHOOLS**

January 18, 2005

**A NEW OPPORTUNITY: Education on the Transformation Threshold
A Case Statement Toward Unifying The General Council Schools**

EXECUTIVE SUMMARY

The Executive Presbytery, during the summer of 2003, appointed the Commission to Study General Council Schools. The Commission was requested to serve through the biennium and to provide a design plan to the Executive Presbytery to unify the General Council Schools in keeping with the recommendations of the 1989 Committee Report on the Division of Higher Education.

The Commission fulfilled its assignment through five working sessions, four work groups, consultations with the presidents of the schools and with other leaders, and benefited from the contributions of two professional consultants. The significance of the study is underscored by the strong winds of change blowing across the world and the higher education landscape. The winds of *globalization, demographic shift, explosion of knowledge and technology, reshaping of economics, urbanization, and secularization* were examined. It is the Commission's conviction that these change factors warrant unifying the General Council Schools for the following six reasons:

1. The Assemblies of God Fellowship has matured and is now embracing deep change; therefore, the General Council schools have a new opportunity to become an active partner in the Vision for Transformation.
2. Now is the time to consolidate autonomous institutional resources into a unified educational system that will more effectively serve the church and ministry.
3. The very nature of ministry is changing in the post-modern era and the unifying of the General Council schools will harmonize the response to the changing patterns in ministry and will minimize competing ideologies.
4. Unifying the General Council schools is an opportunity to achieve academic and spiritual excellence through mutual-growth, mission-complementary principles.

5. Consolidating the schools will encourage mutual growth in academic quality, Pentecostal spirituality, and numbers of students served.
6. Finally, unifying the schools will strengthen the economic vitality of the schools through integrated services and programs.

The grand tradition of Central Bible College, Evangel University, and the Assemblies of God Theological Seminary provides a strong foundation to build a unified education superstructure to benefit the Fellowship and Christ and His Kingdom, therefore, the Commission recommends to the Executive Presbytery that the General Council schools be unified into a single institution in accordance with the essential features of the *Conglomerate Model* for the purpose of forming one truly Pentecostal University. In support of this general proposal, the Commission recommends specific actions and an implementation plan, as follows:

1. That the Executive Presbytery utilizes Evangel University as the existing framework to unify the General Council schools.
2. That the Executive Presbytery name the new institution, giving consideration to the preference of *Central University of the Assemblies of God*.
3. That the Executive Presbytery mass six elements into a university conglomerate—College of Arts and Sciences, Conservatory of Music, College of Continuing and Distance Education, Central Bible College, Assemblies of God Theological Seminary, and School of Graduate Studies.
4. That the Executive Presbytery establishes the academic year of 2008-2009 as the official merger year in accordance with the proposed implementation plan.
5. That the Executive Presbytery in due time initiate a Fellowship-wide fund raising program to resource the new university.

In Conclusion, the Commission to Study General Council Schools believes that the conditions and setting are right for a bold move to impact the Fellowship and God's Kingdom through a unified institution of higher learning. Our challenge is "to forget the former things; and do not dwell on the past," and to look up from our traditional routines and bifurcated activities, and see the new thing God is doing in our world and Fellowship. The question before us all is, **"Do we not perceive it?"**

**REPORT
TO THE EXECUTIVE PRESBYTERY
FROM
THE COMMISSION TO STUDY GENERAL COUNCIL SCHOOLS**

January 18, 2005

**A NEW OPPORTUNITY: Education on the Transformation Threshold
A Case Statement Toward Unifying The General Council Schools**

The Information Age has thrust higher education onto the center of a major transformation threshold as we enter the 21st century. The Age of Agricultural Technology, with its egalitarianism and food-production activities, has faded from memory. The functionalism and specialized labor of the Age of Industrial Technology are losing their grip on organizational structures and bureaucracies, and American society is now in the throes of crossing the threshold into the Age of Information Technology with its strong demand for knowledge asset management. Crossing this threshold represents an "in between the times" stage when new and creative opportunities abound to confront change (See Appendix A for a detailed presentation on the trends in American society.). The Church, ministry, and higher education, all have new opportunities to increase their effectiveness in Kingdom service in this Information Age.

The General Council Schools--- Central Bible College, Evangel University, Assemblies of God Theological Seminary, and Global University (hereafter noted as CBC, EU, AGTS, and GU)---are not exempt from this massive movement in social and cultural paradigmatic change. The Executive Presbytery, sensing this new opportunity and in the spirit of the Vision for Transformation, has established a Commission for the purpose of studying the unifying of the General Council Schools. This study call is based upon the 1989 Committee Report on the Division of Higher Education and its recommendations, but with the recognition that it must be updated in keeping with the fast changing scene in higher education. How will we respond? Before answering that question, let us consider the strong winds of change blowing across the landscape of the four General Council Schools.

1. **GLOBALIZATION:** The rapid increase in the world's population, the clash in political alignments, the increase in famine and poverty, and the emergence of world-wide terrorism, have caused many persons to migrate or to become refugees. The Western nations will bear the brunt of this population upheaval. Already, the USA is seeing the rapid increase in Hispanic and Asian populations. New forces calling for pluralism, tolerance and diversity in our social institutions are testing the concept of a melting pot. These new immigrants will impact our cities, educational centers, churches, and ministries. Name changes of Assemblies of God churches reflect this diversity in an effort to attract minorities. "All Nations" now appears in more than 70 Assemblies of God churches. Minority congregations are also recasting themselves as multicultural. The multiethnic and multicultural

phenomena are now appearing in the student profiles of our General Council Schools (See Resource A). Since the fall of Communism and the introduction of the World Wide Web in 1991, globalization has dominated social and political concourse, including the work of the church. If we are to be faithful to the mission Jesus gave His disciples—to proclaim His message and make disciples in the entire world—we must be World Christians and reflect this commitment in our approach and designs for higher education.

2. **DEMOGRAPHIC SHIFT:** The traditional family has disintegrated. Divorce rates are reaching upward at an astounding pace. Single-parent families have emerged in significant numbers. We have longer life expectancy, meaning more elderly people in our communities and churches. Younger adulthood---ages from 20 to 40---make up nearly one-half of the USA population. Studies of younger adults show that they are delaying marriage, child rearing, and having fewer children. They have uncertainties in work and financial independence, creating pressure, stress, and indebtedness. Their social relationships are changing. They have fewer friends in their congregations and they hate to sit alone. Consequently, they church hop and eventually church stop. Art and music have become extremely important as a means to spirituality. They manifest the highest levels of Internet skills. This demographic flux is impacting student populations and raising serious issues of readiness for ministry. A broader education and worldview are essential for ministry that would be characterized as transformational and biblical.
3. **KNOWLEDGE AND TECHNOLOGY EXPLOSION:** Advances in information technology have provided us with the capacity for “instant knowledge.” Communication networks connect people without the usual opportunities to develop personal relationships. Technology has raised the spectrum of new ethical issues in bio-ethics, genetics, and bionics. The expansion of knowledge has been phenomenal. And, this expansion in information and technological capacity has impacted higher education in critical ways in terms of curriculum, learning systems and resources. Distance education is now a standard service in most institutions of higher learning.
4. **ECONOMIC REDESIGN:** The world of finance and economic resource has not escaped these forces of change. Work has been altered in terms of hours, place, and pay. We are faced with global competition, unemployment, new specialties, and increasing expenditures. Educational institutions have not been immune to these financial stress factors. Collaboration and networking have been a common response in an effort to increase revenue streams.

5. **URBANIZATION:** The growth of mega-cities is well documented. These have become centers of residence for professional and national immigrants. Some 98% of Americans are non-rural. These areas of dense population have created crises of homelessness, poverty, identity, congestion and pollution. The triumph of urban culture calls for new designs and increased efforts in urban ministry.
6. **SECULARIZATION:** We are entering an era when the material is overtaking the spiritual. America has lost its "sacred soul." Separation of church and state is being tested. The Christian Faith is marginalized and our Christian traditions have been deconstructed. Paganism is rampant. However, the recent presidential elections demonstrate that persons with moral values and religious commitments can make a difference. And, recent studies in higher education show that universities and colleges can attain a reputation for educational excellence if they maintain their religious identity. The keys to such identity are a clear statement of mission linked to the church or religious heritage, with the articulation of explicit religious goals, and the core curriculum reflecting and supporting the institution's religious identity and heritage. The safeguarding of these priorities is the first and foremost responsibility of the Board of Trustees. In this world of rapid change, we are called to give bold witness to Biblical Truth.

The issue is **TRUTH!**

To proclaim Biblical Truth—**Knowing.**
 To integrate vocation and Truth—**Being.**
 To live in Biblical holiness and Truth—**Doing.**

The General Council Schools exist in this context of changing winds and shifting education landscape. So, how do we respond? We have options! Will our response be...

Denial? The changes are just typical examples of civilization proceeding along lines of traditional social advance.

Skepticism? Yes, there are changes, but they do not call for a major response nor shift from what we have always done.

Adventuresome? We are not quite sure of the path of change, but we have creative energy to seek a new vision in transformation.

Committed? We are convinced that God is doing a NEW THING. Isaiah, the prophetic leader in Ancient Judah, declared: **"Forget the former things; do not dwell on the past. See, I am doing a new thing! Now it springs up; do you not perceive it?"** (Isaiah 43:18-19).

We have a brief time to perceive our new opportunity and to reshape our General Council schools into a powerful force for leadership and ministry in advancing Christ and His Kingdom. *Do you not perceive it?*

Unifying the General Council Schools to achieve Academic Excellence And Economic Vitality

The General Council schools have strong traditions of institutional autonomy. However, as we have noted in the introduction to this report, powerful global forces have altered the place and function of institutional autonomy and have created a new opportunity to blend clearly limited resources with unlimited opportunities for educational excellence and growth. The Commission believes there are six strategic reasons to unify the General Council schools to benefit the entire Fellowship and provide effective service to the Kingdom of God.

1. To embrace deep change and become an active partner in the Vision for Transformation (VFT) of the Assemblies of God. The question behind the Vision for Transformation was well stated by General Superintendent Thomas E. Trask. His challenge to the Executive Presbytery was, "Let's take an honest look at ourselves, put everything except our doctrine on the table and ask, 'Are there ways we can be more effective in reaching our rapidly changing culture?'" VFT is a comprehensive examination of the Fellowship's structure, operation and outreach, and aims to realize three objectives. (1) To create church planting, church affiliation, church revitalization and networking strategies that recognize diverse opportunities while removing obstacles, and releasing those called to ministry while leveraging local, district, and national resources. (2) To develop strategies to identify, train, equip, and mentor ministers (both credentialed and lay). Align and release our credentialing process to give emphasis and priority to the call of God and effective ministry. Establish and promote dynamic ministries to reach all segments and cultures of our society. (3) To align governance and organizational structures at every level (local churches, districts, supporting ministries, and the General Council) to facilitate accomplishing the mission of the Assemblies of God. The General Council schools are integral to this Vision for Transformation and must join the elected leaders in moving away from a "church headquarters" model to a "resource ministry" model that serves the increased membership of the Fellowship.

Such a vision reflects an advanced level of maturity on the part of the Assemblies of God Fellowship. In the early days (1914-1943), the Fellowship drew upon the resources in that social environment, reflecting the concerns and practices of that

environment, and was influenced by that environment at the very time it was trying to influence the greater society. The Commission gave considerable time to the study of this process and the maturation of the Fellowship to the present day. The maturity process may be seen as growing through three periods of growth, from Pentecostal Fundamentalism to Pentecostal Evangelicalism to Pentecostal Globalism (See Appendix B). The Fellowship has not only expanded its organizational structure during this maturation process, but has increased programs and services, broadened its understanding of ministry opportunities, increased its resources and numbers of skilled persons, and has become a leading force in the worldwide Assemblies of God and the broader Pentecostal movement. What is true at the national level also is true at the local level. Congregations have moved from storefront buildings to suburban campuses, complete with special function buildings, massive parking lots, elaborate technology systems, with an increasing membership of professional, business, and highly educated persons.

The education response mirrors this evolution. Institutional types grew from church-based Bible institutes, to freestanding Bible institutes, to Bible colleges, to regionally accredited Bible colleges, to colleges of arts and sciences, to a graduate school of theology, to a seminary, and finally to comprehensive universities. A complimentary study by Professor Jeff Hittenberger of Vanguard University reinforces this understanding of institutional history (See Resource B). Even during the course of the Commission's study, Central Bible College was moving toward regionally accredited status, reflecting the process of maturation that other institutions have engaged.

The leaders of the Fellowship have wisely discerned the new realities confronting the General Council schools and have envisioned the need to unify the resources, the programs, and the mission of the schools toward greater and effective educational service in the 21st century. The Commission believes that the Vision for Transformation provides a compelling case to unify the schools. We join with George O. Wood, general secretary, in his recent clarion call, "As Pentecostals, let us remember that the word *Spirit* also means "wind." Wind is not static. It's on the move. As 21st-century Pentecostals, let's hoist our sails and catch the wind of the Spirit in reaching our communities and transforming our churches so that God may be glorified, the lost may be found, believers may be built up, and human needs met. That's the kind of change we're looking for—love-based and Spirit-directed (AG Ministers Letter, July, 2004)."

2. To consolidate autonomous institutional resources into a unified educational system that will more effectively serve the church and ministry. Unifying the General Council schools is in fact a way to recognize what the schools already have become. A formal bringing together will underscore recognized synergism and allow greater planning, collaboration, and servicing of all institutional operations and programs from the standpoint of a unified governance structure

and faculty. The result of this synergism will be increased possibilities to better provide needed educational programs and global opportunities for learning. The students of CBC need the broader academic and worldview development of an EU; and, students of EU need the in depth study opportunities of CBC's Bible, theology, and practical ministry expertise along with its commitment to the spiritual disciplines. AGTS needs students prepared in a common undergraduate preparation format to take better advantage of the advanced programs offered in theological education. And, EU's master degree programs along with new advanced studies will provide for an expanded School of Graduate Studies. The richness of increased academic programs will benefit more students and avoid expensive duplication.

3. To harmonize the response to changing patterns in ministry and to minimize competing ideologies. The very nature of ministry is changing in the post-modern era. Readiness for ministry is a critical issue. Better-educated persons of greater spiritual maturity and increased skill levels are required to be an approved minister. Congregations expect these qualities in their pastors, teachers, evangelists and specialized ministers. As society struggles for Truth, prophetic preaching is needed to carefully and systematically present the Word of Truth. This requires a better understanding of the world, evil, culture, and the biblical text. Unifying the Bible, theology, and preaching programs of CBC, EU, and AGTS will refocus the preaching programs and their expectations to a more effective level. It is vital to the Fellowship that a new generation of ministers fills our pulpits who are excellent in character, training, and competence. A unified ministerial education program would provide students, called to serve, with a rigorous formation program of spiritual, intellectual, physical, social, and leadership development.

At the same time, a unified institution can better serve all students who will minister in the marketplace. An integrated curriculum will incarnate biblical, Christian and Pentecostal truths in the professions—in business, medicine, law, the arts, government, and public education. The arbitrary wall of separation between clergy and laity will have been shattered and we will move from a clergy paradigm to that of a “people of God” paradigm.

4. To achieve academic and spiritual excellence through mutual-growth, mission-complementary principles. It can be demonstrated in higher education that unifying institutions can achieve academic excellence through the articulation of a broader institutional vision. Such action solidifies the quality position of the combined institution locally, nationally, and globally. Claremont University, Bethel University, Case Western University, DePaul University, and Biola University are cases in point. The mission statements of the General Council schools are nearly identical, suggesting that these schools can be classified as mission-complementary institutions. Therefore, in response to our changing

world and the new opportunities of the 21st century, the unification of the schools in line with mutual-growth principles is a creative opportunity to combine significant and powerful educational resources and cultures as well as libraries, laboratories, services, and leadership.

5. To encourage mutual growth in academic quality, Pentecostal spirituality, and numbers of students served. The unifying of the unique elements of all three institutional cultures will upgrade the educational experience even though each school relinquishes its autonomy. This growth in quality will be evident in the strengthened overall academic offerings, a revised and combined curriculum, an unprecedented opportunity to blend the strongest aspects of degree programs from all campuses (Bible, Theology, and the practice of ministry), the formation of new groups of master programs and advanced studies, the elimination of curricular redundancies, deepened faculty resources and the preservation of faculty personnel, the stabilizing of student enrollment, the strengthening of student market share, the realization of administrative and leadership efficiencies, the achievement of economies of scale in academic, student, and financial services, the creation of a more positive interest among stakeholders-potential students, congregations, districts, and pastors, and, the expansion of the alumni base of the schools. The new institutional synergy will create an aura of new purpose and commitment to a Pentecostal-centered higher education to more effectively serve the churches and God's Kingdom.
6. To strengthen the economic vitality of the General Council schools through consolidated services and programs. The unifying of the schools will produce a financial and economic structure notably different from that now in operation at each school. Union will result in a more powerful economic entity with enhanced energies to generate improved revenue streams. There is power in alignment. The outcome will be far greater than the parts and the mutual-growth approach will support the projected upgrade in educational quality.

The Commission noted in the course of its study that the General Council schools are not in financial stress. The combined current assets are double the combined liabilities recorded in the financial records. At the same time, it was noted that each school has financial challenges. CBC has financial issues of accumulated debt and deferred maintenance; EU has long-term capital debt and a weak annual fund; and, AGTS will always need financial investment to maintain a balanced financial experience. In spite of these challenges, the schools have significant prospects for increasing their economic energy, pending unification. It is clear that each school has become more tuition driven and student dependent, however they are approaching similar tuition rate structures and are in a better position to integrate today than six years ago. We believe that central to any plan to unify the schools must be financial stability and this stability can be enhanced through

careful fiscal planning of mutual-growth programs and services. Such an approach will result in increased economic vitality and a strengthened institution.

For these reasons, and other lesser ones, the Commission is convinced that unifying the General Council schools into a single institution will provide a center that will give leadership to the extraordinary worldwide Pentecostal movement. This leadership will be characterized by Pentecostal spirituality and scholarship, producing the best possible trained minds and hearts, textbooks and resources for Pentecostal ministries, advanced degree programs in a variety of disciplines, through residential and non-traditional delivery systems, along with study abroad programs. This education will be more intentional in the integration of Pentecostal spirituality and academic learning toward preparing students with a global perspective. We are convinced that such a mutual-growth, mission-complementary institution will have a growing and dynamic student body and be attractive to more and more young people in the Assemblies of God and beyond. Finally, there will be value in this unified institution to also be an initial step to coordinate the educational initiatives of all of the Assemblies of God institutions in the USA and beyond. Such a bold step at the outset of the 21st century would have implications for a Fellowship-wide effort in fund raising for education and to reach the next generation of leaders.

The General Council Schools have a Grand Tradition

CBC was founded in 1922; EU in 1955; and, AGTS in 1972. The intervening periods of time have enabled each institution to build its autonomy and grand tradition. These traditions are very strong and provide a massive foundation for the General Council to confront a major change. It should be noted . . .

1. Past General Council studies that include sections relative to the schools in Springfield (1977, 1983, 1986, 1989, 1991, 1999, 2002) have resulted in a passive response. A few advances, such as establishing the Seminary on the Evangel University campus, have been realized, but much remains on the list of recommendations, including the unification of the General Council schools.
2. A collective history of the schools indicates they have evolved from a church-based institute, to a freestanding Bible institute, to a Bible College and Seminary, to a Senior College of Arts and Sciences, to a Graduate School of Theology, to a freestanding Seminary, to a Global University for Distance Education.
3. The General Council leaders have sought to meet the educational needs of the Fellowship through a plethora of institutional types and programs. Each of the parts in the education schema has been effective but they have existed in a

context of “competition by policy.” That is, certain schools were prohibited in curricular offerings and field operations in comparison to other of the schools through executive policies or procedures. Merged as mission-complementary institutions, their outcome will be greater and more effective. Unification will eliminate competition.

4. The schools have a strong record of preparing men and women for ministry around the world. A good record is emerging of educating persons for broader service and global vocations. CBC classifies 27,330 people as alumni. Some 86% of their alumni are in occupations directly related to their undergraduate major. EU has now graduated more than 10,000 students with about one-seventh of the graduates in career ministry. AGTS has about 2000 in its Alumni Association. Distance education is now being incorporated into this universe of educational service to the Fellowship.
5. CBC offers 21 majors including a pre-seminary program on a campus of c. 120 acres. EU offers 80 programs in 10 departments on a campus of 80 acres. AGTS offers 10 programs in 3 degrees on a campus adjacent to EU.

On this substantial foundation and grand tradition, the General Council has a new opportunity to build an education superstructure for all of the members of the Fellowship and those who share our commitment to the Kingdom call for greater effort in world evangelization and the nurturing of all believers.

The Commission's Study Methodology and Learning

The call of the Executive Presbytery to establish a Commission to Study General Council Schools was acted upon at its June, 2003 meeting. General Superintendent Thomas E. Trask, in a letter of June 11, 2003, to Robert E. Cooley, invited him to chair the Commission and to serve as special assistant to the Executive Presbytery as Director of University Planning and Development. The 1989 special study report on General Council Schools was included and referenced as the basis for a new study with the purpose of studying the unification of the General Council schools (See Resource C for the 1989 Study Report). On July 24, 2003, following Cooley's acceptance of the invitation to lead the Commission, General Superintendent Trask invited seven persons to serve as members of the Commission. They are: Mark Perry, Deborah M. Gill, Donald Meyer, Charles McKinney, Jesse Miranda, H. Robert Rhoden and Dayton Kingsriter. Full information on each member is located in Resource D.

Robert Cooley conferred with Thomas Trask on July 15, 2003 for the purpose of reviewing the membership of the Commission and for the confirmation of protocols to guide the work of the Commission. The protocol was authorized on September 24, 2003,

and served as the overall guideline for the Commission's work. The protocol is located in Resource E. In part, it states, "The Commission will serve through the biennium and provide a design plan to the Executive Presbytery for a national university that will have as its purpose the providing of leaders for the global mission and work of the Assemblies of God; and, to provide educational opportunities for its members. This single institution would have as its overarching purpose the development of the ministry of all believers by faithfully integrating scholarship and service to biblical truth."

Subsequent to the formation of the Commission and the establishing of its protocol, notice of two additional actions by the Executive Presbytery was received. First, the Commission was requested to study the feasibility of authorizing Evangel University to offer courses in practices for ministerial majors; and, second, the Commission was requested to draft a statement clarifying the scope of the work of the commission as assigned by the Executive Presbytery. The Commission's recommendation on the first request is encapsulated in its overall implementation plan for the university; and, the statement clarifying its scope of work is in Resource F. The central concern needing clarification in the scope of work was to insure that the Commission's work would not compromise the unique mission of each institution, and that the boards of directors would have opportunity to express themselves regarding their institutional response to the Commission's recommendation. The Commission believes that it has fulfilled this scope of work, including the two central concerns. The mission statements of each institution are similar and complementary, and a unified institution will permit the continuance of these institutional purposes. During the course of the study, the Commission's Chair was available to meet with the individual boards of directors, as requested. The sessions were used to inform the boards of the study, its purposes and anticipated outcome. And, the review and hearing process of the Commission's final report between January 18, 2005 and March 15, 2005, will allow each board opportunity to be informed and to respond in support of the proposals before the Executive Presbytery.

Preliminary Work: Early work of the Commission found focus in four areas: document and literature search, past studies of higher education and the General Council, consultations with the four General Council School's presidents, and a consultation with the General Secretary regarding the most recent five-year statistical report on ministerial credentials in the Assemblies of God.

1. Document and Literature Search: Numerous books and journal articles were searched for relevant information and guidelines. The bibliography is included at the end of this report. The most helpful was a fascinating publication, Merging Colleges for Mutual Growth: A New Strategy for Academic Managers, by James Martin, James E. Samels & Associates. This work is clear in its guidelines and realistic in understanding the context of mergers. The Internet was searched for examples of merged institutions that would serve as excellent case studies. Nearly 200 such institutions were discovered. The information from The Claremont University, DePaul

University, Case Western Reserve University, Biola University, Gordon College (Barrington), Gordon-Conwell Theological Seminary, Ashland University, Vanderbilt University (Peabody), Barat College, Five Colleges, Inc., and the Tri-College University was most helpful. The study of these merged institutions demonstrate that a successful merger can be realized if careful strategies are designed and implementations planned and well managed. Each of these institutions is stronger today, 10 or more years after unification, than they were prior to their coming together. Consolidation and collaboration has enhanced the mission of each with increased quantity and quality.

2. Past and Current General Council Studies of Higher Education: Seven past studies of higher education were studied, providing ample information to the Commission as to prior issues and concerns that might relate to the General Council schools. These studies were done during the past 25 years (See Resource G for a study synopsis of reports for 1977, 1983, 1986, 1989, 1991, 1999, and 2002). The 1977, 1989, and 1991 reports were especially helpful in noting the long-standing recommendation to unify the General Council schools. Further, it was noted that even though recommendations were made, these studies were received or referred, but with little official response or action.

Two studies relating to the General Council schools were carefully studied for insights relating to the broader Pentecostal context of the schools. Dr. Jeff Hittenberger, professor of Education at Vanguard University, conducted these studies with special focus to the development of institutions of higher education in the Assemblies of God and the patterns reflected in the educational experiences of other Pentecostal denominations. His taxonomy of the evolution of institutions is especially informative toward understanding the maturation of a school from a Bible college to a liberal arts college to a university. Hittenberger is optimistic in his vision and assessment of future challenges; he says, "Drawing on the power of the Holy Spirit and the lessons of history, Pentecostals have the potential to develop their IHE (institutions of higher education) over the next 25 years into creative and transformative centers of learning if they are able to avoid the traps of secularization and entrenchment while continuing to grow in Christ-centeredness, Spirit-empowerment, educational effectiveness and institutional capacity, 'indigenizing' themselves within their academic, cultural, and geographic contexts." (Hittenberger, Jeff. (forthcoming 2006). The Future of Pentecostal Higher Education in the United States: The Ring, the Shire, or the Redemption of Middle Earth? In Eric Patterson and Edmund Rybarczyk (Eds.). *The Future of North American Pentecostalism*. And, Hittenberger, Jeff. (forthcoming 2005). Education. In *The Encyclopedia of Pentecostal and Charismatic Christianity*. Great Barrington, MA: Berkshire Publishing

Group.) These two studies are being included in the Appendix since their publication is scheduled at a future date. The Commission wishes to express appreciation to Professor Hittenberger for its early use of the relevant information.

3. Early consultations with the four institutional presidents: The Commission recognized early on that the General Council schools are strong traditions with a great sense of institutional autonomy and particularity. It was agreed that to be successful in a study that would support unification, it was essential to have confidential and early conversations with each president. The chair of the Commission accomplished these consultations during the fall of 2003. Each president had been informed of the study and provided valuable insights, information, and suggestions. Assurance was given as to the effort of the Commission to hold confidential information in trust, and to keep the presidents fully informed throughout the course of the study. The personal commitment of each president to the study was a key to the successful completion of the assignment.
4. Five-year report on Ministerial Credentials: Education for ministry is the essential component of the life of the General Council schools. Therefore, the Commission desired an early consultation with the General Secretary regarding the interface between credentialed ministers and higher education. A consultation was held with Dr. George Wood resulting in significant statistical information toward understanding the training source of each minister credentialed. This information will be presented later on in this report.

Fourfold Study Approach: The Commission conducted the study along four main tracks of activity: five Commission meetings with four work groups; consultations with the presidents and their administrative staffs; reports to the Executive Presbytery along with time for questions and answers; and, two professional consultants. In addition, significant work was done by Dayton Kingsriter, serving as a key resource on matters pertaining to Assemblies of God higher education. The chair provided meeting arrangements and plans, communications, individual research and follow-up assignments.

1. The Meetings of the Commission: Five meetings of the Commission were held—December 18-19, 2003; March 15, 2004; May 26, 2004; August 12, 2004; and, November 14-16, 2004. The group was organized into four work groups: Context and governance; Mission and Educational Systems; Enrollment Management; and, Resource Development and Economic Vitality. Two members served on each work group. These groups researched and studied assigned topics, reporting to the Commission during the course of the meetings. Discoveries made during the course of group studies will be

reported in a later section of this final report. Presentations and discussions framed the essential work of the Commission's meetings.

2. Consultations with the presidents and their administrative staffs: Four major consultations were scheduled in conjunction with the meetings of the Commission. The themes were: March-15-Strategic Issues Identified; May 26-Realizing Economic Vitality (with professional consultants); August 12-Working Together: Educating Pentecostal Leaders; and, November 15-What does the economic vitality analysis reveal concerning the fiscal health of the General Council schools. These consultations provided the presidents and their personnel with opportunities to raise questions, present information, and engage the work of the Commission. It was the intention of the Commission that these sessions would add value to the work of school leaders far beyond value to the work of the Commission. One president stated, "The Economic Vitality report was like having a financial consultant at no cost to us. The recommendations are already part of the 05-06 budget process we are deeply involved with." In addition to the formal consultations, the chair had numerous opportunities to engage the presidents in discussions on pertinent themes, and numerous written messages continued to energize the conversations. Invitations were extended to the presidents to utilize the chair through reports to the boards of directors. Robert Cooley met with the AGTS board for a full review of the Commission's work; Robert Rhoden and Robert Cooley had a lengthy session with the CBC president and his board chair; and an invitation to speak to the EU board was extended but on a date when a conflict existed for the Commission's chair. A future meeting is anticipated.
3. Progress reports to the Executive Presbytery: Two verbal reports of work progress were given (June and September, 2004) to regular sessions of the Executive Presbytery. These presentations provided opportunities for questions and answers. Subsequent feedback from these sessions was helpful in guiding the direction of the on-going work.
4. Professional Consultants: The Executive Presbytery granted the Commission's request for the use of professional consultants. It was the opinion of the members that the Commission had sufficient expertise within its membership to address most issues of context, governance, education, and student life. It was deemed advisable to secure professional help in the evaluation of finances and resource development. The Commission was fortunate to secure the services of Dr. Rebekah Bassinger as consultant in resource development; and, Mr. Robert Landrebe as consultant in economic vitality. Their resumes are included in Resource H and reveal their distinguished appointments and careers. The consultants' reports are included in the course of this report and as special documents in Appendix C. In addition to the professional consultants, other professionals were consulted

with particular inquiries. The Commission wishes to acknowledge the contributions of the following persons: Dr. Russell P. Spittler, Dr. Gary B. McGee, Dr. Donald Argue, Dr. D.V. Hurst, and the In Trust Governance Mentors group.

A Special Note on Global University: It was the original intention of the Executive Presbytery to include Global University in the study of General Council schools. The early study efforts included President Ron Iwasko and his staff. As a consequence of this early involvement, it became apparent to all that GU was far too complex and posed issues of such intricate design as to warrant continuation in the Commission's work. The interface between GU, Assemblies of God World Missions, and the Commission on Higher Education was beyond the immediate scope of the Commission's capacity to provide the kind of study needed. It was then decided that GU should drop out of the current study, but be available through its president to counsel the Commission on matters of distance education, the strength of the GU program. It is anticipated that should the study recommendations toward unifying the General Council schools prevail and plans be implemented, the matter of distance education would be a strategic theme. It is recommended at that point that GU personnel be further consulted and incorporated into all future planning for the formation of a distance education program through shared services and resources. Whether GU should be a member of the unified school is matter for further study.

What did the Commission learn? It would require a report of major proportions to report out all of the insights, learning, and ideas discovered during the course of the study. Major records, research reports, meeting minutes, and significant documents have all been gathered and placed in permanent files in the office of the Commission on Higher Education. These are available to those who wish to pursue the work of the Commission in depth. It will be the purpose of this report to state briefly this learning and focus attention on the major and influential discoveries. This information will be presented by work group categories.

The Context and Governance:

1. The General Council Fellowship has grown and matured during its ninety years of history. This is especially true in the area of higher education and the contextualization of the education debate. The debate can best be understood in the context of the conversations and controversies going on in the larger world of religious concourse. The evolution of the discussion moves from a struggle for biblical authority, to the struggle for the integration of faith and learning, to the present struggle for truth. This three-fold evolutionary taxonomy establishes the background for understanding higher education's response through institutional types. We have moved from Bible training institutes, to accredited liberal arts colleges, and currently, to comprehensive universities (See Appendix B). The struggle for TRUTH requires the breadth

and scope of educational pursuit normally recognized as the realm of a university. This observation takes us back to medieval Europe and the founding of universities for the pursuit of truth in medicine, in law, and in logic. These were realms of learning far beyond the cathedral schools. The times are right for the establishment of a Pentecostal University in terms of the greater environment and the current maturity of the Fellowship.

2. A study of Pentecostal schools in the USA reveals trends toward greater emphasis upon foundational and general studies prior to entering into studies for professions, including the ministry. Professor Hittenberger's study suggests these trends (See Resource B).
 - a. Church-based Bible Institutes: There are hundreds at the local church level.
 - b. 8 Bible colleges (ABHE): Two are AG (CBC & ZBC)
 - c. 6 regionally accredited colleges: Four are AG (AIC, BC, TBC, VFCC)
 - d. 5 Seminaries (ATS): One is AG (AGTS)
 - e. 11 regionally accredited universities (CCCU): Six are AG (EU, NCU, NU, SAGU, SU, VU)

3. The contextual challenge: The soul of Assemblies of God education has been battered by the historic debates and pragmatism. The strategic issue is, "what will be the nature of higher education within the Fellowship and how will this relate to the ministerial and professional needs of the Fellowship?" A search for identity will take place within the pursuit of this issue. "What does it mean to be Pentecostal and Assemblies of God in a globalized 21st century?" The following changes have been noted:
 - a. Changes in the broader religious environment have expanded the potential student pool. AG institutions are evolving toward multi-denominational schools with loss of AG student identity. Some 68% of students enrolled are Assemblies of God. (See Resource I, Percent of AG Students Enrolled).
 - b. There is broader educational programming and opportunities with a declining percentage of graduation of ministry students. The decline is from 49% in 1990 to 37% in 2003 (See Resource J, Summary of Ministry Graduates).
 - c. Ministerial education is central to the educational process in the General Council schools. The age of ministers is slowly edging upwards. Some 40% to 50% of credential applicants come via the Berean program at GU (See Resource K, Education for New

Ministers). Most graduates head directly into a staff ministry position; few enter senior pastorates, few pioneer church plants. General Council and district leaders are calling for increased quality and preparation of ministers at all levels of service. There are increasing roles for all (clergy and laity) to minister through diverse vocations and on a global basis. There are new demands for new initiatives in professional education to serve the Kingdom---missions, churches, professions, humanitarian ministries, evangelism, communications, legal, etc.

- d. There is a growth in the numbers of persons in education for ministry through distance education vs. education through residential programming. Also, there is an increasing number of female ministers; and, an increase in median ages (See Resource L, AG Ministers Report, 2002).
 - e. The global context is a unique window of opportunity today. Society is in the process of globalization, knowledge is expanding, communications technology is changing teaching and learning, and the Fellowship is in an era of transformational change. These factors project a more effective and inspiring future for the General Council schools. Progressive churches and districts (e.g. The Northwest Ministry Network) are ahead of the schools while the schools are stymied by past policies, fragmentation, competition, and a lack of cohesive partnership with the Fellowship.
4. A review of governance and leadership matters contribute to a better understanding of the General Council schools. The General Council of the Assemblies of God is the owner of all three schools and provides control through the Executive Presbytery, the General Presbytery, and authorized boards of director. Final authority resides with the Executive Presbytery, the General Presbytery, and the General Council. Functional authority resides with the boards of directors. The three bylaws are essentially identical and no prohibitions were discovered that would inhibit unifying the schools.
 5. Permission to conduct a legal audit of the three institutions was presented to the Executive Presbytery. This was granted and initial concerns were identified. In the course of the start up, the Commission was informed that a broader and far-reaching audit of General Council agencies would be implemented. Issues exist that will universally effect all integrated auxiliaries of the General Council, along with particular issues for each auxiliary, and it was deemed important to delay the audit of the schools for a brief period. Once the legal audit reaches the point where the schools can be included, the following questions need attention:

- a. What is the nature of the legal health of Evangel University, Central Bible College, and the Assemblies of God Theological Seminary?
 - b. Are their critical issues in the institutional mandates that need special attention, such as, constitution and bylaws, state charters, licensure to do business, and civic restrictions?
 - c. Are there any limitations or restrictions in campus covenants, contracts, vendor agreements, and employee regulations that would inhibit plans of unification?
 - d. Are there any pending judicial matters that would need to be adjudicated before unification could be implemented? Are there any legal cases or suits outstanding?
 - e. Do any limitations exist that would prevent the merging or transfer of assets, land, buildings, endowments, trusts, gifts, grants, and other tangible and intangible property such as intellectual property rights, copyrights, trademarks, patents, and royalties?
 - f. In the case of unifying educational institutions, what can be expected in regard to financial aid audits by the U. S. Department of Education, Missouri scholarship agencies, and guaranteed loan corporations?
 - g. What legal issues are involved in unifying student records and what would be required for the establishment, maintenance, and disclosure of student records systems?
 - h. What legal issues have been overlooked by the Commission that should be known as an early warning system to be incorporated into the final study report?
 - i. Since the three institutions are owned and operated by the General Council of the Assemblies of God, are there any legal issues that would interfere with any type of plan to unify the schools?
6. All three schools are accredited. The NorthCentral Association of Colleges and Schools recognizes EU and AGTS; and, the Association of Theological Schools in North America recognizes AGTS. In addition, EU has recognized status in professional associations such as CSWE, NASM, and NCATE. The Association of Biblical Higher Education recognizes CBC. During the course of the Commission's study, CBC was engaged in the self-study process and site visit procedures to be accredited by the NCACS. The response of the visiting group was positive and it is anticipated that official recognition will

be granted in May 2005. This significant achievement enables a level field on which the plans and work of institutional unification may be realized. The Commission extends its congratulations to President Benson and his entire staff for this notable recognition. Officials of the NCACS were kept informed on the progress of the Commission's study.

7. Administrative leadership of each school was reviewed as to positions, functions, and longevity. President Robert Spence of EU has served the school for 30 years and with distinction. His soon retirement may be anticipated. President Byron Klaus is entering his mature years and has provided AGTS with 5 years of effective leadership. A long-term presidency is anticipated. President Wayne Benson, long time pastor, district and General Council leader, has completed the first three years of his presidency at CBC. He has undertaken significant financial and enrollment challenges with the vigor of a more youthful person. The members of the Commission wish to salute these three persons for their major leadership contributions to the General Council schools.

Each school has an administrative team of varying numbers, positions, and functions. It is noted that the EU team has served for long terms and are senior in age. The CBC team has recently been appointed and represents middle-aged persons. The team at AGTS could be classified as younger in terms of age and experience. Each school duplicates administrative functions, however, unique administrative functions do exist.

8. A study was made of each institution's strategic plans (See Resource M for a complete picture of strategic plans). Plans range from non-existent to mediocre with no evidence of long-term strategic plans to guide comprehensive campus planning, institutional fund raising, or educational/enrollment management growth or expansion.
9. One of the first study activities of the Commission was to seek an understanding of the strategic issues that would influence issues to be studied. The presidents were invited to participate in this process of definition. This process of discovery resulted in 38 issues being defined (See Resource N). Most of these issues have been addressed throughout the course of the study and in this report. The few remaining ones are of the type that will be addressed should an implementation process be authorized.

Statement of Mission and Educational System:

1. The statements of mission and purpose of the three schools are complementary (See Resource O). Each one brings focus to serving the

church (the Assemblies of God) and society (the world). Also, they speak directly to spiritual and character development. The undergraduate schools speak of Christian liberal arts or of a substantial core of general studies. Vocational focus is on service to God and fellow man or on a variety of church-oriented ministry vocations or professions. EU specifically mentions that its educational program is in a Pentecostal environment. CBC obliquely refers to a Pentecostal spirituality when it says, "to serve as an instrument to perpetuate and strengthen the distinctive testimony and ministry of the Assemblies of God." AGTS, likewise, emphasizes its Pentecostal commitment in its statement, "to revitalize the church and evangelize the world in the power of the Spirit." Ministry is central to all three statements. EU uses the phrase "to serve God and fellow man"; CBC identifies ministry as "church-oriented ministry vocations or professions;" and, AGTS speaks of ministry in terms of "shaping servant leaders." In general, the Commission believes that these statements of mission are evidence that all three schools exist for complementary purposes and that their missions would be enhanced through unification of programs and resources. The Commission prepared a statement of mission for a unified school, incorporating the core values of all three existing statements of mission (See Appendix D).

2. Education for ministry was a special focus of study. It is noted that EU delivers its program as pre-seminary. The EU Department of Theology has an identical mission as CBC. "(EU) To prepare Christian leaders such as pastors, youth ministers, missionaries, Christian educators, or nontraditional ministries." "(CBC) The training of ministers and missionaries." CBC, in the main, delivers its programs as terminal and professional, although it too, offers two pre-seminary programs. The objectives for these two programs clearly state that they are offered to prepare students for graduate study and are not viewed as terminal. AGTS delivers its program at the graduate level of study offering Masters and Doctorate degrees. The similarities and compatibility of all of these programs give further justification to the thrust toward unification. The missions are complementary.
3. A comparison of program details indicates that academic programs are duplicated (See Resource P, 6 year comparison of CBC and EU, Degrees by major). It will be noted that five programs are duplicated: Biblical Studies/Literature; Communications; Missions; Music/General; and, Psychology. Consequently, a large number of individual courses are duplicated. During the six-year study period, CBC graduated 992 ministry degrees; EU graduated 189 ministry degrees, or 20% of the CBC total.
4. EU offers six graduate degree programs. One program, the MS degree in Guidance and Counseling is duplicated in the AGTS graduate programs; the MA degree in Counseling being a similar program.

5. The highest earned degrees of full-time faculty, as an indicator of quality, indicates that of the combined faculties, 39.1% (68) hold a research doctorate and 6.3% (11) hold a professional ministry doctorate (See Resource Q, Highest Earned Degree). These figures do include qualified administrators. A comparison with peer schools suggests that this quality indicator leaves significant room for improvement. Some 60-80% of the faculty should hold professional doctorates, if not higher.
6. Another quality indicator of any school will be the achievements of its alumni and their sense of satisfaction with their educational experience. The Commission, with the assistance of the General Superintendent's resources, surveyed 150 graduates, 50 from each school. The school's president personally selected graduates who they considered to be outstanding alumni. 108 responses were received for a return per centage of 72%, an exceptionally good response. General Superintendent Trask sent a complimentary copy of Dr. Gary McGee's book, *People of the Spirit* to all those who responded. In general, the responses were quite positive (See Appendix E for an executive summary, Resource R for the complete survey data, Alumni Survey). The survey sampled satisfaction over five decades of graduates.

It is clear from this sampling of satisfaction, that graduates are happy in their present work or calling (98.1%) and are satisfied with the school attended (93.5%). These indicators provide a very positive image for the schools. Other positive results include, my education was relevant to my calling or vocation (91.6%), my education developed my ability to express myself (90.6%), and, my educational experience enriched my spiritual formation (93.4%).

Dissatisfaction could be indicated in the lower scores for the categories of "breadth of knowledge", "understanding other people", and, "implementing my goals and values." Areas for institutional work and improvement would include efforts to assist students in developing their ability to think critically, how to relate to other people, and the importance of establishing goals and values. A careful study of the graphs provided in Resource R would result in a school-by-school comparison of the survey results.

A more precise indicator of graduate satisfaction may be seen through the additional comments each respondent provided. The analysis of these comments is included in the Appendix E. It should be noted that one graduate stated, "Collaborative efforts between schools in Springfield appear to be overdue and a decision that will only strengthen all institutions involved."

7. No formal survey was conducted of ministry or service departments at the headquarters of the General Council of the Assemblies of God pertaining to

needs that may exist for professional skills and persons with advanced training. However, through informal conversations and a few written communications, the areas of suggested graduate studies were social work, business administration/management, communications, law, and, leadership studies in not-for-profit management. The Commission believes that these represent viable graduate programs and should be considered as additions to the current six Masters programs offered at EU. Together, they would form a viable nucleus for a School of Graduate Studies, along with doctoral programs in religion, missions, education, and theology.

Enrollment Management:

1. Student enrollment by headcount was studied for the most recent six years. EU and AGTS has experienced significant growth, however, it was more informative for the Commission to compare student FTE (fulltime equivalent) rather than student headcount. As a composite group, the student FTE enrollment grew by 13% during the six years---from 2,650 student FTE to 3,005 student FTE. During the six years of the study, the greatest increase in Student FTE occurred at AGTS with a 38% growth---from 243 student FTE to 335 student FTE, an increase of 92 student FTE. EU with the largest enrollment added 381 student FTE during the six-year study---a 25% increase from 1,516 student FTE to 1,897 student FTE. CBC saw a decline in student FTE enrollment from 891 student FTE to 773 student FTE---a 13% decline resulting in 118 less student FTE.
2. There has been a reshaping of congregational demographics in the General Council of the Assemblies of God. (See Resource S, "The Preferred Future, Parts I & II"). The multi-ethnic membership in the Fellowship is 40-45% in its overall membership and this number is growing. The number of ethnic churches is 30% of the total churches in the Fellowship, with a contribution to the overall budget approximating 15%. The Vision for Transformation is providing leadership toward understanding the impact of ethnic diversity upon the ministry and services of the General Council. The General Council schools, likewise, must face this challenge of effectively recruiting, properly supporting and educating students from vastly different backgrounds. It will be important to adapt to this demographic shift and provide for diverse student populations, secure minority faculty and staff hires, diversify board membership and encourage ethnic churches in the recruitment of students.
3. There has been a steady growth in multi-ethnic registrations at the General Council schools (See Resource A, "Enrollment by Ethnic Status, 1988-2002, and, General Council schools enrollment by ethnic status, 1994-2003"). During the study period, EU's ethnic enrollment as ranged from 10.3% to 6.4%. CBC's ethnic enrollment has grown from 5.7% to 9.2%. The ethnic

enrollment at AGTS has grown from 11.5% to 15.5%, with a high of 20.8% in 1997.

Economic Vitality and Resource Development:

1. The Commission, early in its deliberations, believed it wise to secure outside professional consultation regarding the evaluation of the financial capacity of each institution. Our interest was not so much in the accuracy of fiscal reports; rather our focus was on the existing capacity of each school to generate economic energy and what resources existed to increase current and new streams of revenue. At the same time, we were interested in determining existing redundancies in operational costs and the impact of competing fund raising programs and efforts to recruit students. The use of professional consultants enabled the Commission to address these concerns.
2. By April 30, 2004, the three schools had combined assets of \$64.4 million with combined liabilities of \$23.4 million, leaving a combined net equity of more than \$43 million. This is an adequate base on which to establish a unified institution, and a base that can be leveraged to increase economic energies.
3. The assessments of financial vitality results are reported in a detailed statement in this report (See Appendix C, also see Resource T for complete data). Industry standards were used as the basis for the assessments of each school's financial vitality. Nineteen key financial indicators were measured for each school. The chief financial officers of each school assisted the consultant in the completion of these assessments. The key findings are:
 - a. Hidden liabilities pose a significant challenge. Many of the buildings and houses on the CBC campus have deteriorated and the current administration has inherited a significant challenge to overcome. It is estimated that deferred maintenance is in the \$10 million range before replacement and/or renewal of existing buildings is considered. There are also some "hidden" expenses due to several years of salary freezes for certain staff and faculty groups. These reduced salaries and benefits contributed to the improved equity position of the composite General Council schools.
 - b. The current economic model is "tuition driven." The combined operating budgets of the schools approximated \$37 million for the year ending April 30, 2004. \$32 million in funds were collected through student tuition and related auxiliary income. That is, 86% of the costs were funded through student sources with only 11% supported by

contributions and 3% invested as a gift from the General Council. Two observations are important at this point---(1) Institutions with realized economic vitality usually seek in their economic model 80% from tuition and fees, and 20% from gifts and outside sources; and, (2) More attention needs to be given to the “net tuition per student FTE per year.” Net tuition is understood as tuition less financial aid and scholarships. In 1999, the gap between the lowest to highest among the three schools was significant (CBC at \$4,225 per year to EU at \$7,134 per year). That gap closed significantly during the six years of the study period (CBC at \$7,066 per year to EU at \$8,249).

- c. Given the significant economic importance of “net tuition”, it is useful to observe the ratio relationship of student FTE to headcount for each school. EU’s ratio amounted to 96%; the AGTS ratio improved from 37% to 49% during the six years studied (This relatively low ratio of FTE to headcount is found in many seminaries, but it does provide future opportunities for improvement through pricing models that might be considered.); and, CBC’s ratio declined from 95% in 1999 to 91% in 2004.
 - d. The highest cost per student FTE is at AGTS with costs for FY2004 of \$13,456. Next comes EU at \$9,511, followed closely by CBC at \$9,385, representing a 50% increase over the six years from \$6,251 to the current \$9,385 cost. The consultant’s opinion states that this information provides an indication that, due to the advantage of larger student FTE numbers, EU is able to cover the largest portion of its total expenses through net tuition revenues. Further, the information also demonstrates that the fixed costs of EU are more easily distributed across a larger base of students. By contrast, both CBC and AGTS have more difficulty covering their fixed costs due to smaller student FTE numbers. EU had a consistent operating surplus during the study period, whereas, CBC and AGTS do not in terms of the annual budget. It is the opinion of the Commission that this information supports its contention that through unifying the institutions and increasing the student enrollment and reducing the redundancies, significant increased economic energy is generated.
 - e. The combined endowment funds of the schools are valued at \$8,675,372.
4. The Commission’s interest in economic vitality included an interest in the present state of resource development (fund raising) and what potential existed for increased revenue through this means of institutional advancement. We were fortunate to secure the services of one of the outstanding fund

raising consultants in the Evangelical community to provide us with insights and guidance for future planning. Her initial report is included in Appendix C, however the final report will be completed with the assistance of the presidents and chief development officers before the final submission of this report. The key observations may be reported at this time.

- a. The current development teams have managed to raise the dollars needed and recruit the number of students necessary to meet the goals presented to them. This has been achieved in spite of the fact that budgets and staffing levels for fund raising are below the mean by sector or peer institutions. This current success may not continue into the future as changes in higher education will bring on new pressures and demands. Therefore, major investments must be made in resource development operations within the near future.
- b. None of the General Council schools has a well-developed annual fund, and as a result, gifts from individuals play an almost insignificant part (2% or less) in the operating budgets of all three schools. This is a noticeable contrast with peer institutions that derive about 7% of operating revenues in gifts from individuals. For seminaries, the average is around 26%. Similarly, the percentage of alumni participation at CBC (2%) and EU (3%) is very low compared to that of their peer institutions (17%). In contrast, giving by AGTS alumni is right at the 10% average among ATS schools.
- c. The professional staffing for resource development is limited and in some respects, inexperienced. There are plans to add positions at CBC and AGTS.
- d. Budget for resource development is limited. A modest 6.7% of the FY04 operating budgets is to be spent on advancement activities. This amount breaks down to 50.3% for student admissions and recruitment; 31.1% for fund raising; and, 18.4% for public relations. Another way to consider this budget allocation is to observe that \$433 is spent per matriculated student in admissions activities; and, \$269 per matriculated student on fund raising. These figures underscore the student dependency of each school for revenue.
- e. The role of board members in fund raising is ambiguous. They are not adequately trained in fundraising nor has fundraising been an expectation for members. In part, this may be explained in that the schools' boards are clergy dominated. Comparison with peer institutions reveals that 17% of their board members are capable of

giving six figure gifts, demonstrating the importance of board members who are either in business or one of the professions.

- f. The presidents devote major time to advancement activities, mainly in public relationships and recruitment, rather than in direct fund raising. They are involved in cultivation and solicitation activities, and particularly in campaign planning and major donor work.
- g. Three major challenges exist to a unified resource development approach. (1.) It will be a challenge to reconcile and balance the competing views of education that have given life to the three schools. The differing approaches to educating the church's youth and future leaders are the basis for each school's case for support and to move toward a unified approach in resource generation will demand a new mindset, a new vocabulary, and a whole new set of stories. (2.) Matters of donor confidentiality, safeguarding sensitive information and alumni loyalty could block working together, however, these are more a matter of record keeping and public relations than genuine roadblocks. (3.) The Development staffs in the three schools have not yet established the kind of communication patterns that would foster trust and easy collaboration. They do not meet to share ideas, test strategies, or learn from each other. The development programs function as though the schools relate to entirely separate constituencies, even though the schools are almost certainly fishing in the same donor pond.
- h. By working together in a unified institution, each school can maximize its investment in advancement activities. It is even possible to bring greater efficiency and effectiveness in a unified program and to do so without expending much more than what is currently being budgeted by all three institutions. It is the judgment of the Commission that given the changes and shifts within society and the Fellowship, we do not have the financial capacity to continue to grow three autonomous institutions. It is our opinion, that if we unify around a collaborative approach to education, we have more than enough capacity to support and resource a unified school and educational system. If our Assemblies of God local congregations and districts can provide millions, upon millions, of dollars for global missions (they do support education overseas!); and, if our Assemblies of God people can concentrate millions, upon millions, of dollars at Assemblies of God Financial Services Group; then, our local congregations, districts, and people have the capacity to resource the ministry of educational evangelism. We need the Executive and General Presbyteries, joined

by district leaders, to provide visionary and courageous leadership. A substantial Futures Fund can be realized!

The Commission learned significant information, insights, observations, and possibilities toward unifying the General Council schools. This report enumeration highlights the key discoveries. It is supposed that volumes could be written that would chronicle the total realm of discovery and learning. The on-going discussions and conversations will provide ample opportunity to disclose these unrecorded thoughts. It is the judgment of the Commission that the combined weight of the above information is sufficient to warrant a thoughtful plan toward unifying the General Council schools.

Models Toward Unity

Unifying the General Council schools provides a creative opportunity to combine significant and powerful educational resources and academic cultures for mutual growth. Since the schools have complementary statements of mission, unity can be realized based upon these mission formulations and the integration and articulation of the visions that they foster. The long-term outcomes of unification will benefit the General Council of the Assemblies of God for generations to come through increased educational excellence with economic vitality, increased educational opportunity to greater numbers of youth, and increased service to the Fellowship and to Christ and His Kingdom.

Earlier in this report, it was noted that an extensive literature search was conducted. This search revealed both principles to guide mergers and case studies of approximately 200 institutions in higher education that have merged successfully, achieving significant success and growth as a result. There are several different forms of merger illustrated in these cases, however, five merger types seem to be the most numerous and best documented. They are *affiliation, transfer of fixed assets, consortium, consolidation, and pure merger*. Members of the Commission evaluated these models, prepared statements of features, long-term benefits, short-term challenges, and future needs for strategic planning (See Appendix F, Models Toward Unity). Finally, three of these models--- *consortium, consolidation, and pure merger*---were believed to offer the most helpful models toward unity. These models were presented to the presidents and administrative leaders of the schools for their reflections and suggestions. Likewise, members of the Executive Presbytery were given opportunity to express their opinions. As a result of this three-pronged study, the Commission was informed sufficiently to take the strongest aspects of each model and combine them together into a fourth model that was named--- *the Conglomerate Model*.

These models may be defined as follows:

CONSORTIUM: A cluster of schools establishing collegial collaboration for resource sharing under a single system of governance and

centralized leadership. This model allows each school to retain its identity and educational programming, but calls for a centralized approach to operations.

CONSOLIDATION: Two or more institutions collapsed into one new institution, usually with a different name, enhanced mission, and a more efficient scale of operation. This model has a more complex form of governance calling for a board to govern the new institution, but an institution that consists of multiple free-standing institutions with their own boards and leadership.

PURE MERGER: One or more institutions are merged into a single existing institution with that institution serving as the exclusive legal successor. This model concentrates resources and interests on one campus and in one institution, simplifying operations and leadership, but intensifying economic energy.

CONGLOMERATE: This is a hybrid model, combining the strongest elements of the above three model types. Two or more elements (colleges, departments, etc.) gathered together in a single mass (institution), and bonded through a centralized system of governance and leadership (board, administration, and faculty) for the purposes of mutual growth, intensified economic energy, and complementary mission outcomes. Traditional identities and campuses of the *Consortium Model* are retained. The collapsing of two or more institutions into one new institution retains the strength of the *Consolidation Model*. And, the use of an existing institution's structure and context for the purpose of creating a new institution takes advantage of the *Pure Merger Model*.

A Proposal and Recommendations to the Executive Presbytery

Therefore, The Commission to Study General Council Schools proposes to the Executive Presbytery of the General Council of the Assemblies of God that Central Bible College, Evangel University and the Assemblies of God Theological Seminary be unified on or before the academic year 2008-2009 into a single institution in accordance with the essential features of the *Conglomerate Model* for the purpose of forming one truly Pentecostal University that will consolidate the schools' resources, programs, and personnel, providing for a greater service to the Kingdom of God through increased quality and quantity in programs, through the development of a world-class faculty and increased scholarship, through greater focus on spiritual formation and holy living, and

through greater stewardship of the Fellowship's resources and energies. Central to the university will be the full partnership with the Fellowship's commitment to church planting, to increased emphasis and priority to the call of God, Pentecostal spirituality and effective ministry, and to serve the mission and ministry of the General Council of the Assemblies of God.

Further, in support of this general proposal, The Commission recommends the following actions be integral to the proposal and its implementation:

1. That the Executive Presbytery selects Evangel University as the existing framework to unify the General Council schools. The high quality of its campus and physical plant, its extensive academic offerings, its reputation and wide interaction in the world of higher education, and its location on a main city artery, make it a viable and strong context in which to establish the university.
2. That the Executive Presbytery name the new institution, giving consideration to the following suggestions:

Central University of the Assemblies of God (CUAG)
 Assemblies of God University (AGU)
 University of Springfield (US)
 University of Pentecost (UP)
 Evangel University (EU)

It is the preference of the Commission (perfect world scenario) that the new university be named the ***Central University of the Assemblies of God***. Such a name identifies it as a school central to the interest and work of the Fellowship, identifies its central geographical reality, and highlights its central role within a network of Assemblies of God institutions that bear regional names of identification---Southeast, Southwest, Northcentral, and Northwest Universities. Most important, a new name would emphasize the new university with its broader statement of mission, strengthened academic programs, and the Fellowship's action of responding to the "new opportunity in a rapidly changing world." If this preference is not deemed wise, then the Commission recommends the retention of the name of Evangel University.

3. That the Executive Presbytery mass the following elements into a university conglomerate (See Two Diagrams, Appendix G):

College of Arts and Sciences
 Conservatory of Music
 College of Continuing and Distance Education
 Central Bible College
 Assemblies of God Theological Seminary
 School of Graduate Studies

4. That the Executive Presbytery establish the academic year of 2008-2009 as the official merger year with plans for celebrations; and, that the implementation of the new institution be in accordance with the proposed design for university planning and development for the period of 2005-2012 (See Implementation Plans).
5. Lastly, that the Executive Presbytery in due time initiate a Fellowship-wide fund raising program for the soliciting of adequate funds to establish the new university with significance. Plans for a Futures Fund of \$100 million are included in the plans for implementation.

Proposed University Implementation Plan

It is assumed that immediately after the successful completion of the judicatory process, the implementation of the university planning and development process could begin. The Commission recommends the following implementation plan. The plan includes both the essential elements needed for the university start-up and a timeline to guide the process of development (See Appendix H).

START-UP PHASE, 2005-2006:

1. Appoint a special assistant to the Executive Presbytery whose title shall be "Director of University Planning and Development." The role will include:
 - a. Report to and advise the Executive Presbytery on all phases of university planning and development.
 - b. Chair the University Coordinating Council until the University's board of trustees and the Executive Presbytery elect a University president. Once the president has been elected and is on campus, leadership of the UCC should transfer to the office of president. The Director may be retained as an adviser to the president, for a brief period, to enable the transfer of information on university planning. Once the transfer has been completed, and in a reasonable time, the position of the Director should be eliminated.

- c. Design and manage the planning and reporting functions of the Council to all stakeholders.
 - d. Consult with the Executive Presbytery on the formation of the university's board of trustees, their roles and responsibilities.
 - e. Consult with the chair of the board of trustees on the board's organization and structure, and its priorities of institutional mission, election of president, and the provision of human, fiscal and physical resources.
 - f. Consult with the current presidents on overall planning to assure integration of joint-efforts and a smooth transition to university governance designs.
 - g. Report to COCHE regarding the development of the university and coordinate with the Director of Christian Higher Education regarding university planning and its integration with the expectations for Assemblies of God higher education.
2. Establish a board of trustees for the new university that shall have oversight of the university's planning and development in accordance with the best practices currently operative in higher educational governance, and subject to the supervisory authorities of the Executive and General Presbyteries.

(Special Note): The Commission recommends that the three current boards of directors be blended into this one board of trustees thereby constituting the membership of the new university's board of trustees. There are 62 persons serving on the three boards. Five persons (Trask, Bridges, Wood, Bueno, and Spence) hold two board memberships, and one person (Trask) holds three board memberships. These multiple memberships reduce the composite number from 62 to 56 persons. A university board of this number and persons allows for the retaining of several values:

- a. Current board member service would not be interrupted. Those members who did not wish to continue their service could resign from their board appointment in the normal pattern.
- b. Would allow for the retention of board knowledge of present institutional matters and assist in bridging to the new institution.
- c. Would mirror the blending of the three existing institutions into a single institution. The symbolism would be powerful.
- d. Would broaden the effort in the Fellowship for the advocacy of the university plan.

Such a plan would allow for normal attrition to take place and with the completion of term appointments, a three-year period would be needed to reduce the size of the board and the securing of new board members in keeping with new board designs and qualifications. By the year 2008, the new University board would be in place for long-term leadership and governance.

3. Appoint a University Coordinating Council that will direct and coordinate the joint planning phase for the new University. The Director of University Planning and Development will chair the UCC until such a time as a University president is elected and in office. At that time, leadership of the UCC will transition to the president.

(Special Note: The Commission recommends that the UCC be a joint-effort involving members from the three schools and that it have a membership of 25 persons, including the Director of University Planning. It is envisioned that six work groups would be needed to carry out the assignments of evaluation, planning, integrating, and implementing of recommendations. A member from each school would serve on one work group that would be led by an appointed chair. The activities and recommendations of these work groups would be directed to the UCC for evaluation and recommendation to the University's board of directors. The board would authorize actions. In addition to these 18 members, six members would be added from the board of trustees (chair), the Executive Presbytery (General Superintendent), the Office of Christian Higher Education (Director), and three alumni members (Alumni Association presidents).)

- a. The Council would serve a two-year academic term, 2006-2008.
- b. The Council would supervise six work groups with joint institutional membership. These groups will represent the central locus of planning where detailed issues and plans are worked through and designed. Since these groups are joint membership, the ownership of planning is assumed to take place through the process of research, planning, and final decision-making. It is assumed that during the course of the group's deliberations, normal institutional governance processes will be utilized to gain broad input and approval. These groups are:

Governance and Leadership
 Academic Programs and Curriculum
 Student Enrollment and Life
 Operations and Finance
 Resource Development and Public Relations
 Campus and Buildings

- c. The Council would appoint an Inauguration Council for a two-fold purpose. (1.) The informing of all constituents—students, parents, employees, donors, churches, Districts, publics, etc.—as to what is taking place, why it is taking place, and when expectations will be realized. This is a public relations function. (2.) The planning and coordinating of the merger year's activities that celebrate both memory and imagination. The history and life of each school should be featured, and a look forward as to the new opportunities to realize the school's historic mission in the context of the university.

JOINT PLANNING PHASE, 2006-2008:

1. The work of this planning phase will be under the direction of the University Coordinating Council. Regular and timely meetings of the Council will need to be scheduled and assignments coordinated so that the board of trustees can process recommendations on the normal schedule.
2. Initial activities of the Work Groups will include the following items, however, as the work proceeds, it is understood that new and emerging ideas and studies will be processed.
 - a. Governance and Leadership: The focus of this group will be on the formation of an institutional governance system that will guide the board, the administration and the faculty in the course of their work. The formation of an administration plan will be essential, along with the definition of positions and the securing of personnel. In addition, this group must give attention to the completion of a legal audit.
 - b. Academic Programs and Curriculum: The focus of this group will be on the educational design, curriculum plans, and the integration of a unified faculty. Special attention needs to be given to faculty personnel policies and plans. The educational design should give attention to the unifying of similar programs and courses, and efforts that will maximize economic and educational efficiencies. The following deserve special attention:

Ministry Education—CBC, AGTS, and the EU Dept. of Theology must give careful and thoughtful attention to an upgraded and joint program of ministerial education. The Commission recommends that this joint effort address the special request of the Executive Presbytery to study the feasibility of offering practical theology courses at EU. Further, it is the recommendation of the Commission that the programs and courses of the EU Dept. of Theology be blended with the programs and courses of CBC to provide for an upgraded University program in undergraduate ministerial education, both in pre-seminary and terminal tracks. Finally, it is the recommendation of the Commission that CBC and EU work with AGTS in providing for a quality undergraduate ministerial education program that would be foundational to the programs at the graduate level in theological education. This is an opportunity to design a 6-year track, avoiding unnecessary duplications in a students educational program.

Arts and Sciences---Special attention needs to be given to the elimination of redundancies in curriculum and possible ways of blending philosophical and methodological approaches in the curricula of the arts and sciences. Foremost attention should be given to the areas of Communications, Media, English, History, Modern Languages, Math, Philosophy, Physical Education and Sports, Psychology, Physical Sciences, and the Social Sciences.

The formation of a Conservatory of Music---The unifying of the General Council Schools provides a marvelous and timely opportunity to blend all of the music programs, courses, and performance groups into a single center of education. Such a center can be established as a Conservatory of Music and would elevate music to a greater visibility at a time when music and art are the fundamental ways of youth in the post-modern era. In fact, current studies indicate that spirituality through music and art is critical to the nurturing and formational processes for persons in youth and young adult categories. CBC and EU have rich curricula for such a center, and AGTS could be challenged to consider offering an advanced degree in sacred music or music and theology.

The formation of a College of Continuing and Distance Education--Such a program could assist adults in completing college degrees and providing study opportunities for enrichment and leisure time learning. CBC's Center for Lifelong Learning and the degree completion program at EU would bring a rich resource to such a

College. Distributed learning opportunities could be enhanced through a major commitment to distance education. All three schools have such capacity and these should be blended into a cohesive program and service. In doing so, the resources of Global University should be evaluated and utilized.

School of Graduate Studies---The EU graduate degree programs, along with the AGTS program in Counseling should be viewed as a first blending of programs toward the formation of a School of Graduate Studies. Studies of need for advanced and graduate programs should be conducted in terms of Fellowship services and programs. The early indications are that programs in social work, law, business, and religion would be fruitful areas of program formation and delivery. There is a burgeoning demand for advanced degrees taught and applied within a framework of Christian values.

- c. Student Enrollment & Life---The focus of this group would be on student recruitment issues in the context of university program designs. Special attention must be given to the programs in Pentecostal spirituality formation and daily worship opportunities. Off-campus ministry programs, campus organizations and clubs, events and artist series, and intramural programs must all be considered as vehicles to blend student bodies into a cohesive community. Finally, special attention must be given to multi-ethnic factors in recruitment and campus service.
- d. Operations and Finance---The focus of this group would be on a unified system of operations for the university. The range of concerns would go from the purchasing program, auxiliary services, insurance, information technology, to such matters as staff personnel, equipment, and inventory programs. Studies in finance should be guided by the study topics recommended in the consultant's report on economic vitality. Pricing studies should be given central importance for all programs and services.
- e. Resource Development and Public Relations---The focus of this group would be on an integrated fund raising and student recruitment program. Consideration needs to be given to professional personnel, database management and donor tracking, integrated development planning, division of labor for annual fund, major donors, capital campaign, planned giving, and receipting. Marketing and information services complete with new university slogans, themes, and logo need to be planned.

- f. Campus and buildings---The focus of this group would be on the present adequacy of the three campuses/buildings to serve the university in the long term. The guess of the Commission is that the split campus for the undergraduate programs would become an obstacle to the student/faculty community, in addition to the higher operational expense this would require. Also, the current condition of the buildings needs to go through a maintenance assessment study. The deferred maintenance issue at CBC has major financial implications and this would need to be evaluated in terms of a cost analysis and impact upon the fledgling universities fiscal capacity. The Commission gave preliminary study to possible alternatives and recommends the following scenarios for consideration:

Option #1: Geographic proximity would be achieved by establishing CBC on the property immediately west of the AGTS campus and adjacent to the north of Evangel University. A campus and new high-rise buildings for CBC on this property would join with the Seminary in forming a strong physical basis for enhanced programs in Bible, Theology, and Ministerial Studies for the Fellowship. Some 2000 students could be housed on this property. Since EU utilizes the designated property for athletic fields, alternate property would need to be located in compensation. In addition, a new library and communications center could be built on joining property that would serve all three schools and the total university community. This could be the central location for a new program in distance education. An Oxford-type campus design is envisioned that will cluster the schools around a centralized library and communications center. In this option, the CBC property is viewed as being surplus to long-term university planning and would be available to the Fellowship for other purposes.

Option #2: This alternative is similar to Option #1 except that the CBC property should be retained for university use. The AGTS could move to that property and be the anchor school for the emerging School of Graduate Studies. The old CBC campus would then be the center of graduate education and advanced studies. With the removal of AGTS, CBC could utilize the current seminary building in addition to the adjoining property for the development of its campus, adjacent to EU.

Either option would allow the schools to mature and expand over time into an integrated university community. The maintaining of the two

campuses for the undergraduate programs will tend to work toward fragmentation, inconvenience and community bifurcation.

3. The Inauguration Council, under the direction of the UCC, would start a global information program on the new university plans, dreams, and actions. This should be a regular stream of information that will keep the entire Fellowship informed on progress and events. University celebrations should start in the spring of 2007 with the inauguration of the new university president. These celebrations would be the responsibility of the Inauguration Council. Finally, the official merger year, 2008-2009, should be a year of planned events that bring focus to the first entering class of the university; a series of special occasions celebrating the people, history, activities, etc.; and, culminating in the first joint graduating class (2012), all schools and colleges being represented in the class and commencement program.
4. The UCC, in consultation with the accrediting agencies, will determine when the self-study/accreditation process must begin and be completed. A committee will need to be appointed to manage this process.
5. The Commission recommends that a major Capital Campaign should begin with the 2005-2006 academic year and be a vehicle to further the image and information on the formation of the University. The campaign design should focus on something like a University Futures Fund, the purpose being to establish an endowment that will continue to provide earnings to the programs and operations. This campaign should be Fellowship-wide and follow good practices for such major fund endeavors. A goal of \$100,000,000 is feasible over an eight-year campaign. A Campaign coordinating group would be needed to guide the fund raising. This can be another opportunity for joint effort and ownership on the part of the schools.

OFFICIAL MERGER YEAR, 2008-2009:

1. Celebration will be the key to a smooth ownership and acceptance of the new school. A new identity is being forged. The Inauguration Council should be in charge of this process and be in joint leadership with the University president, board and faculty.
2. The University Coordinating Council should continue this year in an oversight capacity to maintain a smooth operation and coordination of merged elements. Their role would be one of adjustment—confronting the issues and seeking resolution through university governance structures.

3. The Commission recommends very little continued planning should go on this year. Rather, take a breath, and implement what has been planned and evaluate efficiencies and effectiveness.
4. The new class of students entering this year will be historic. They will become the first class to graduate solely as students of the University and its colleges and schools, the Class of 2012.

EVALUATION PHASE, 2009-2012:

1. The university's board of trustees and leadership for the purpose of evaluating the merger should appoint a University Review Council. It should have representation of all colleges and schools and be responsible for merger-related institutional research and audit. Are the goals and purposes of the University being realized, and is economic vitality being manifested?
2. Adjustments, wherever needed, should be referred by the URC to the University Leadership Team and normal governance processes should be utilized in resolving the matters or issues. The URC role should be one of evaluation and communication.
3. The URC, by the end of the academic year 2012, should be in a position to notify the University Leadership Team that the merger phase has been completed and that standard operations and procedures should now be in place. From this point on, standard governance processes will dictate policy formation and strategic planning needs and outcomes.
4. The celebration of a successful merger process should be in the form of a concluding event to the University Futures Fund Campaign. A successful campaign will mean the raising of significant dollars and the meeting of the goal amount. Also, it will mean creating a very large donor partner community, a brand image, and an expanded contribution of educated persons for effective ministry in the churches of the Fellowship and in the marketplaces of the world. We can make a difference!

CONCLUSION:

God's strong restorative grace was offered to Ancient Judah and the people were admonished to look forward to and expect "a new thing." God was offering a "new opportunity." The conditions and setting are right for a bold move to impact the Fellowship, Christ, and His Kingdom through a unified institution of higher learning. Our challenge is "to forget the former things; and do not dwell on the past," and to look up from our traditional routines and bifurcated activities, and see the new thing God is doing in our world. The question before us all is, **"Do we not perceive it?"**

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APPENDIX A

RETHINKING GOVERNANCE: Culture, Context and Change

Cultural History, Macro Change, and Governance

1600	1800	1990	—?
Agricultural Technology	Industrial Technology	Information Technology	
Village – Kinship relationships (family)	Urbanization – social stratification and open society	Globalization	
Food Production	Manufacturing, specialized labor	Knowledge asset management	
Colonial Culture – church and school central, cottage industries, ship-building, mining, mills, fishing and fur trade	Professional	Networks	
Frontierism			
Community of Faith	Organizational Hierarchy	Horizontal Organization along with empowerment	
VILLAGE-FARMING COMMUNITY	CORPORATE BUREAUCRACY	TEAM SYSTEMS	
RELATIONSHIP	FUNCTION	SYSTEM	

APPENDIX B

ASSEMBLIES OF GOD HIGHER EDUCATION: THE CONTEXTUAL DIMENSION

1914	1943	1991	????
PENTECOSTAL FUNDAMENTALISM	PENTECOSTAL EVANGELICALISM	PENTECOSTAL GLOBALISM	
Internal Issues: Fellowship Formation and Pentecostal Spirituality <ol style="list-style-type: none"> 1. Baptism in the Holy Spirit 2. Imminent Return of Jesus 3. Personal Holiness 4. Supernatural/Miracles 5. Pacifism 	Growth, Consolidation, and Institutionalization <ol style="list-style-type: none"> 1. Sunday School and Youth Emphasis 2. Chaplains 3. Mission, Purpose, and Organization of AG 4. Education and Home Missions Department 5. Just War positions 	Globalization, Change and Identity <ol style="list-style-type: none"> 1. International AG/World Missions 2. Worldwide training schools, colleges, seminaries 3. Compassion Ministries 4. Ethnic Groups and Pluralism 5. Transformation-resaping culture and polity 6. Post-Modern culture 	
External Issues: Struggle for Biblical Authority <ol style="list-style-type: none"> 1. Higher Criticism and rejection of the Supernatural 2. Darwinian Evolution 3. Liberal/Fundamentalists Debate 4. Scofieldian Dispensationalism 	Struggle for Biblical Integration <ol style="list-style-type: none"> 1. Faith and Learning 2. Christian Church Conflicts—Catholic, Protestant, Evangelical, Pentecostal, and Charismatic 3. Para church and Support Groups 4. Civil Rights, The Pill, etc. 	Struggle for Biblical Truth <ol style="list-style-type: none"> 1. Feminism and Sexuality 2. Marriage and the Family 3. Freedom and World Religions 4. Integrity in Information 5. Religion in the Public Square 	
Education Response: Bible Training Institutes <ol style="list-style-type: none"> 1. Short and Long term programs 2. CBI, The Standard 3. District sponsored schools 4. Bible School Commission-EP 	Accredited Colleges <ol style="list-style-type: none"> 1. Am. Assoc. of Bible Instit. And Bible Schools 2. Regional Associations receive Bible Schools 3. Liberal Arts and Seminary Education 4. First full-time Education Secretary 	University and Advanced Studies <ol style="list-style-type: none"> 1. Plethora of school types-Ethnic 2. Distance Education—Global University 3. Comprehensive Universities and Graduate Programs 	
Motivation: Safeguarding the Future Church	Controlling Growth and Church Structure	Search for Identity: What does it Mean to be Pentecostal and Assemblies of God in a Globalized 21st Century?	
1914 – Founding Date: General Council of the Assemblies of God 1943 – Founding Date: National Association of Evangelicals 1991 – Fall of Communism and the Appearance of the World Wide Web			
			<div>FIRST DRAFT</div>
			Robert E. Cooley Commission to Study General Council Schools

APPENDIX C

**INITIAL THOUGHTS ON A UNIFIED APPROACH TO RESOURCE GENERATION
BY GENERAL COUNCIL SCHOOLS**

*prepared by
Rebekah Burch Basinger
August 2004*

Introductory Comments

During my brief time with the chief development officers at the Assemblies of God Theological Seminary, Central Bible College, and Evangel University and in my follow-up communication with these individuals, I was impressed by their wholehearted commitment to the specific missions of the schools they serve and their optimism about the future of those institutions. Although budgets and staffing levels in their offices are below the mean by sector, the advancement teams have managed to raise the dollars needed and recruit the number of students necessary to meet the goals presented to them. That's a record worthy to be celebrated, and Paul Martinez, Dick Hardy, Jim Williams, and their staffs are to be commended for doing a lot with very little.

Yet it is neither realistic nor healthy to assume that the current situation should (or can) continue into the future. As is true across the whole of higher education, the pressure on AGTS, CBC, and EU to reduce costs, to eliminate redundancies, to stop raising tuition is constant and urgent. If these schools are to advance as their institutional leaders hope and their constituents expect, major investments must be made in advancement operations within the near future. So this is an opportune time to consider the merits of a unified approach to resource generation by the General Council Schools.

The report that follows is organized into three parts. First, I review the current situation of the advancement programs, drawing from data provided by the CDOs via an Institutional Advancement Questionnaire. Second, I look at the benefits and challenges of a unified approach to resource generation. And third, I suggest three possible models for collaboration.

I am grateful to Paul, Dick, and Jim for their goodwill and cooperation as I have pursued this assignment, and I trust this report will be useful to them whatever the outcome of the study.

**I. The Current Shape of the Advancement Programs*
of the General Council Schools**

All three institutions are moving forward with their own plans, and when taken together, the numbers from the schools point toward a possibly strong, small university, but with much work yet to be done. In FY04, the institutional trio had a total FTE of 2,976 and a combined operating budget of \$41,075,719. Institutional endowment funds are valued at \$8,675,372.

**As used in this report, the term "institutional advancement" encompasses fundraising (general operations, capital, and planned giving), alumni, church and other constituent relations, student recruitment, and public relations.*

Interestingly, the schools each derive an identical 67 percent of their operating funds from tuition. Income from auxiliary services is the second highest source of operating funds at Evangel and CBC (18.5 % and 28% respectively). The seminary's second revenue source is congregations and judicatories, and at 27 percent of operating revenues, is considerably higher than the 12 percent average among ATS institutions.

None of the three schools has a well-developed annual fund, and as a result, gifts from individuals play an almost insignificant part (2 percent or less) in the operating budgets of all three schools. It is at this point that the three schools are most different from their higher education peers. CIC data shows that the majority of small colleges derive about 7 percent of operating revenues in gifts from individuals. For ATS schools, the average is around 26 percent. Similarly, the percentage of alumni participation at CBC and EU (2 and 3 percent, respectively) is very low compared to that of their peer institutions (17 percent). In contrast, giving by AGTS alumni is right at the 10 percent average among ATS schools.

Staffing for advancement: Paul Martinez (AGTS) and Dick Hardy (CBC) have been in their positions less than three years and both came to their roles with little or no fundraising experience. Paul reports a growing comfort in his role, and he looks forward to welcoming a new director of church relations to his team. To this point, Dick has devoted considerable time and energy in building up the admissions program, but with a strong team in place, he hopes to focus more on fundraising in the year ahead.

Jim Williams is the most senior member of the group with seven years as CDO, some prior fundraising experience, and a 24-year history with at Evangel. Most recently, he has more than earned his fundraising stripes directing the university's very successful capital campaign without the aid of outside counsel.

All three advancement programs function with limited staffing, although there are plans to add positions at CBC and AGTS.

Budgeting for advancement: Together, AGTS, CBC, and EU expended \$2,560,914 on advancement activities – a very modest 6.7 percent of their combined FY04 operating budgets. The breakdown of expenditures by activity category is as follows:

- admissions and recruitment were at \$1,288,628 (50.3 percent)
- fundraising (including alumni and church relations) at \$801,864 (31.3 percent)
- public relations at \$470,652 (18.4 percent)

Looking at the numbers another way, the schools expended about \$433 per matriculated student in admissions activities, but just \$269 per matriculated student on fundraising. It is not surprising then that all three schools are very dependent on student fees (tuition, room and board, and fees) to meet operational costs.

The boards and advancement: All three CDOs answered “no” when asked if board members are adequately trained in fundraising, but then added that involvement with the fundraising program has not been an expectation for their board. Perhaps because the CBC and EU boards are clergy-heavy compared to peer institutions, a low number of board members are believed to be capable of making a cash gift or pledge of more than \$100,000 (CBC:5.5%; EU:10%). This compares to CIC data showing 17 percent of small college trustees as capable of giving at the \$100,000 plus level.

Interestingly, although the clergy count on the AGTS board is similar to that of the two undergraduate institutions, Paul estimates that 22 percent of seminary board members are capable of making a cash gift or pledge of more than \$100,000. It seems the seminary has been more successful in attracting wealthier laypersons to its board than have been CBC or EU.

The presidents and advancement: According to their CDOs, the presidents of the three schools devote considerable time to advancement activities, albeit with the bulk of their attention directed to public relations, admissions and church relations rather than direct fundraising. Nonetheless, the presidents do appear to be involved in cultivation and solicitation activities, and particularly in campaign planning and major donor work.

II. Challenges to a Unified Approach

As was noted in my introductory comments, the CDOs are very much committed to the specific mission and purpose of the individual schools they serve. Each man is a true believer in the particular educational approach of *his* schools, and all three are convinced that donors to the school are similarly single-minded in their attachment to the institution. It will be difficult for persons within the institutions, and most especially within the advancement programs, to reconcile and balance the competing views of education that have given life to the three institutions. The differing approaches to educating the church's youth and future leaders are the basis for each school's case for support and to move toward a unified approach in resource generation will demand a new mindset, a new vocabulary, and a whole new set of stories. This then is the first and most daunting challenge to collaboration among the three development offices.

Other probable challenges (e.g. donor confidentiality, difficulty of safeguarding sensitive information, and alumni loyalty) will be easier to handle and are, in fact, more a matter of recordkeeping and public relations than genuine roadblocks to working together. It is easy enough to build firewalls and other safeguards into databases and to set up "need to know" policies with regard to donor information and solicitation plans. If the benefits of collaboration are perceived to be great enough for each institution, staff can learn to work together. In short, where there is a will to collaborate and where there is sufficient trust, almost any difficulty can be overcome.

Unfortunately, the CDOs in the three schools haven't yet established the kind of communication patterns that would foster trust and easy collaboration. Although they are acquainted with each other and despite their close proximity, they do not meet (at all, as I can tell) to share ideas, test strategies, or learn from each other. The development programs function as though the schools relate to entirely separate constituencies, even though AGTS, CBC, and EU are almost certainly fishing in the same donor pond.

III. Benefits of a Unified Approach

If, however, institutional leaders – presidents, boards, and development staff – are able to look beyond the differences that have historically divided the schools and focus instead on a core educational philosophy that is both authentically Christian and Pentecostal, a unified approach to resource generation is possible. The benefits of such collaboration will be felt by staff, the schools, and donors alike. In short, a unified approach holds the promise of being a win-win-win situation.

To make collaboration work, the schools will need to divide up responsibility for different types of donors (for example, alumni, parents, foundations), draw up guidelines for the transfer or

sharing of information and resources, create procedures to resolve conflicts, and institutionalize opportunities to share lessons and practices between and among staff and boards. Most important, everyone involved must keep their eyes and their hearts firmly focused on the end goal of the three-school partnership in resource generation – to raise up abundant funds to equip Pentecostal Christians for Kingdom work worldwide and to do so in ways that encourage donors in their walk with Christ.

By working together, each school can maximize its investment in advancement activities. From things as simple as joint staff training and board education, to more complex issues such as shared donor software or a three-school marketing strategy, it is possible to bring greater efficiency and effectiveness to all three programs and to do so without expending much more than what is currently being budgeted by AGTS, CBC, and EU.

IV. Three Possible Models for Collaboration in Resource Generation

A. Centralized advancement program

1. Administrative structure
 - A chief development officer and support staff for the system who reports to the system head
 - A director of development and support staff at each of the schools
2. Database management and donor tracking
 - One database with firewalls between the various schools' donor records
 - One IT staff
3. Planning
 - One work plan for the system, with specific goals and activities for each school
 - CDO monitors plan and negotiates conflicts and changes as needed
4. Division of labor
 - Some fundraising for the system – for example for the proposed capital projects suggested by all the models
 - Institution-specific alumni programs (For alumni, the change should be almost invisible, except for the enhanced campus.)
 - Gift receipting by each school for gifts from institution-specific donors (alumni, parents, estate gifts)
 - Gift receipting by system CDO for support of system-wide initiative
 - System office coordinates staff education and training
5. Marketing
 - Communication staff housed in system office with a client relationship with the three schools
 - Joint ads for the General Council Schools
 - A family-look in all publications, with distinctive characteristics for the three schools.
 - A single marketing campaign with an overarching tag line for the system, with sub-themes for each school, but all supporting the same "promise."

B. Advancement Council

1. Administrative structure
 - The four CDOs (three schools and the system) meet monthly to share development work plans, but not donor info
2. Database management and donor tracking
 - Separate donor databases, but all using the same software and IT staff.
3. Planning
 - Each school, as well as the system, develops its own work plan
 - Coordinate timing of campaigns so as not to overtax the constituency
4. Division of labor
 - Each school develops and oversees production and distribution of publications and mailings
 - Each school maintains its own mailing lists, tracks own donors and student prospects, receipts gifts, etc.
 - System-initiated fundraising only at the consent of all schools
 - Joint staff development
 - Joint board education
 - Could share fundraising counsel. For example, if all wanted to work on alumni relations, bring in someone with that particular expertise.
5. Marketing
 - The system would do its own marketing, developing a message for the General Council Schools as a whole
 - Each school would do its own marketing, with encouragement to link to the system message
 - Coordinated church relations program

C. Loose Confederation

1. Administrative structure
 - The three CDOs meet quarterly to share very broad plans, to encourage one another and to pray together
2. Database management and donor tracking
 - Same as present
 - IT and support staffs meet occasionally to share advice and information
3. Planning
 - Same as present
4. Division of labor
 - Same as present
5. Marketing
 - Same as present

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

Assessment of Financial Vitality – General Council Schools Including Recommendations for Consideration

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Prepared by: Robert S. Landrebe
Consultant for: Commission to Study General Council Schools
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CONFIDENTIAL

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

Assessment of Financial Vitality -- General Council Schools Including Recommendations for Consideration

Defining "Financial Vitality": Dr. Richard M. Cyert, Professor of Economics and Management at Carnegie Mellon University, provides a helpful set of criteria to consider when assessing a school's financial vitality. This study will use the following framework, which has been adapted from Dr. Cyert's work, in evaluating the financial vitality of each of the General Council Schools:

1. Operational Standard – The school (a) has needed operating budget resources to continually fulfill its mission with excellence and (b) consistently operates with a surplus.
2. Endowment Standard – The school has an adequate endowment that (a) provides a reliable revenue stream for operations while (b) maintaining the purchasing power of its endowment funds.
3. Facilities Standard – The school fulfills its mission by (a) building needed facilities and (b) maintaining them in first-rate condition.

Note that each standard has two parts resulting in six unique criteria by which the General Council Schools might be assessed. The following table can be useful in this assessment:

Standards	Evangel University	Central Bible College	AG Theological Seminary
1. Operational – (a) fulfill mission	Yes or No	Yes or No	Yes or No
1. Operational – (b) annual surplus	Yes or No	Yes or No	Yes or No
2. Endowment – (a) reliable revenue	Yes or No	Yes or No	Yes or No
2. Endowment – (b) steady growth	Yes or No	Yes or No	Yes or No
3. Facilities – (a) built, as needed	Yes or No	Yes or No	Yes or No
3. Facilities – (b) maintained first-rate	Yes or No	Yes or No	Yes or No

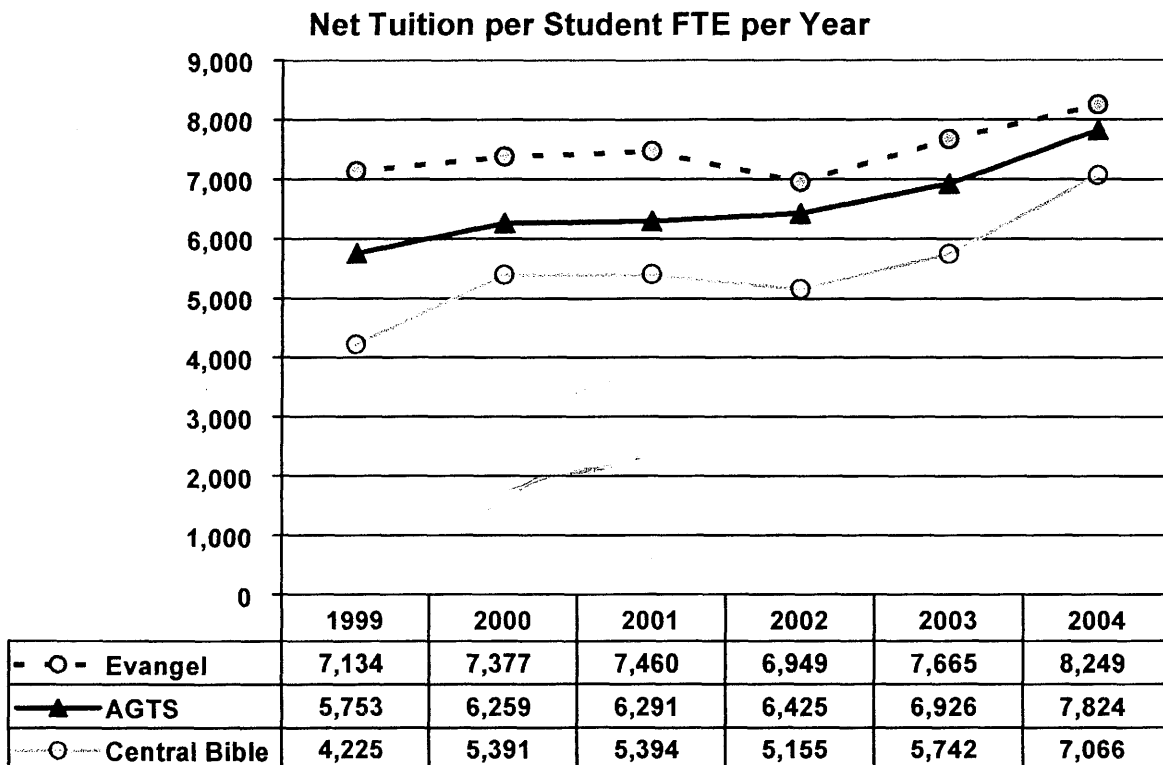
The financial vitality assessment was based primarily, but not exclusively, on the audited financial statements published by each of the schools. Initially, this study included the five fiscal years ending April 30, 1999 through 2003. This report has now been updated to add a sixth year to the study because the audited financial statements for the year ending April 30, 2004 are now available for all schools. Each school's financial vitality was generally assessed using standard criteria developed in advance of any interviews with school officials to better ensure objectivity in reporting. Nineteen key financial indicators were measured for each school and recorded from the audited financial statements for each of the six years under study. These worksheets were completed under the direction of the chief financial officers of each school. Results from these key financial indicators can be used to help each school

complete its own self-assessment of their financial vitality trends using the three key standards listed above.

General Assessment and Key Findings: By April 30, 2004, the three General Council Schools had combined assets valued at \$66.4 million with combined liabilities of \$23.4 million, leaving a combined net equity of more than \$43.0 million. During the six years included in the study, the assets of the combined schools increased from \$47.5 million in 1999 to \$66.4 million in 2004 with related net assets (equity) improving by \$14.3 million from \$28.7 million to \$43.0 million, respectively. An estimated \$7 million (or 16%) of the \$43.0 million in combined equity is a direct result of six years in gifts invested by the General Council to Central Bible College (for one year during the study) and the Assemblies of God Theological Seminary (for all six years in the study). Some key findings from the study include:

Finding #1: Hidden Liabilities Pose Significant Challenge - Although more difficult to assess, there are additional "hidden" liabilities associated with deferred maintenance. The deferred maintenance is not included in the audited financial statement as "liabilities" but does represent a significant figure. Many of the buildings and houses on the Central Bible College campus have deteriorated and the current administration has inherited a significant challenge to overcome. Although no formal appraisal has been undertaken, it is estimated that deferred maintenance is in the \$10 million range before replacement and/or renewal of existing buildings is considered. There are also some "hidden" expenses due to several years of salary freezes for certain staff and faculty groups. These reduced salaries and benefits contributed to the improved equity position of the composite General Council Schools.

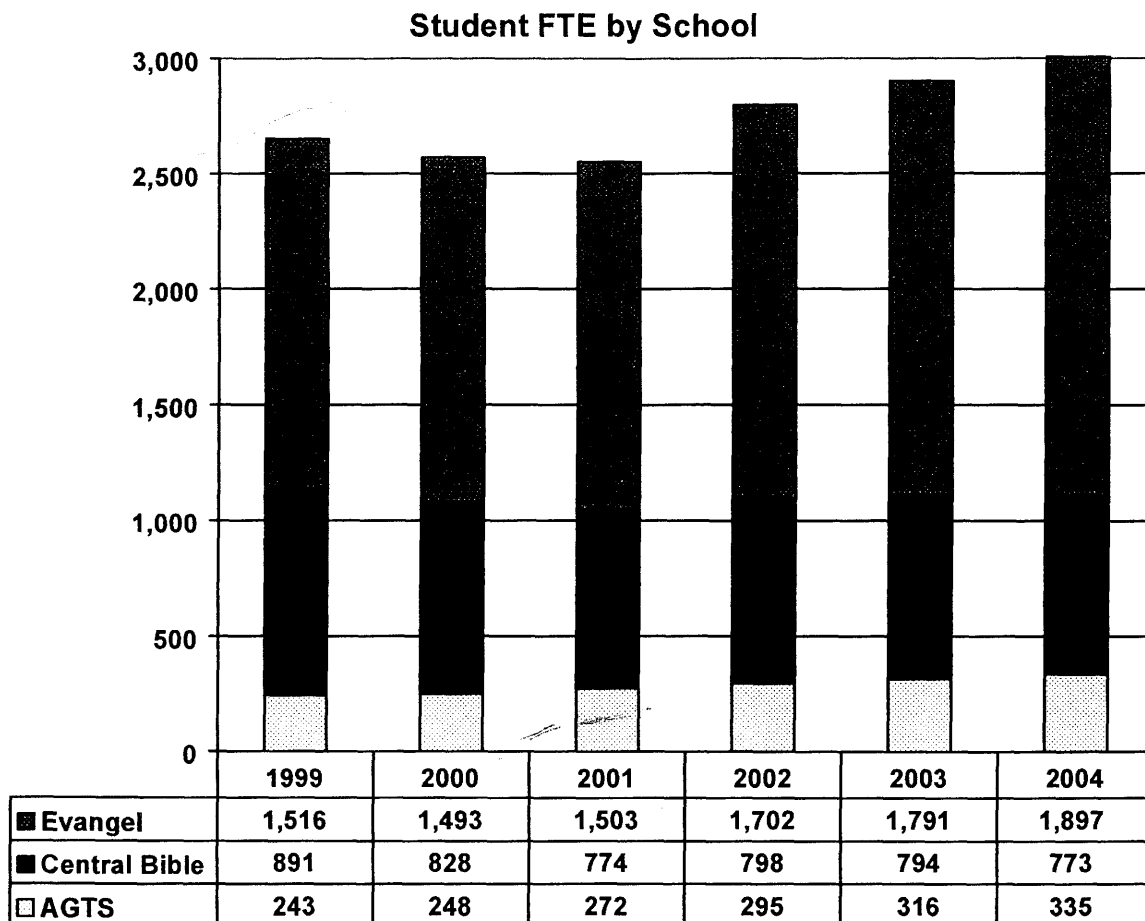
Finding #2: A "Tuition Driven" Economic Model - For the year ending April 30, 2004, the combined operating budgets of the schools approximated \$37 million. These operating costs were primarily resourced through \$32 million in funds collected through student tuition and related auxiliary income (such as room and board charges). That is, 86% of the



costs were funded through student sources with only 11% of the operating budget supported by contributions and 3% (\$1 million) invested as a gift from the General Council.

One of the key financial statistics that is important to the financial vitality of "tuition driven" schools is the statistic that shows how much "net tuition" (tuition less financial aid and scholarships) is provided by each full-time equivalent student per year. In 1999, the gap between the lowest to highest among the three schools was significant (Central Bible College at \$4,225 per year to Evangel University at \$7,134 per year). That gap closed significantly during the six years of the study period as can be seen in the graph below. The "across the board" improvement in "net tuition per student FTE per year" was important to the financial vitality of each school.

Finding #3: Student Enrollment Changes - The most significant changes in enrollment can be seen when comparing student FTE rather than student headcount. As a result, the graph highlights the changes in student FTE. During the six years of the study, the greatest increase in student FTE occurred at the Assemblies of God Theological Seminary with a 38% growth – from 243 student FTE to 335 student FTE, an increase of 92 student FTE. Evangel University with the largest enrollment added 381 student FTE during the six year study - a 25% increase from 1,516 student FTE to 1,897 student FTE. Central Bible College saw a decline in student FTE enrollment from 891 student FTE to 773 student FTE – a 13%



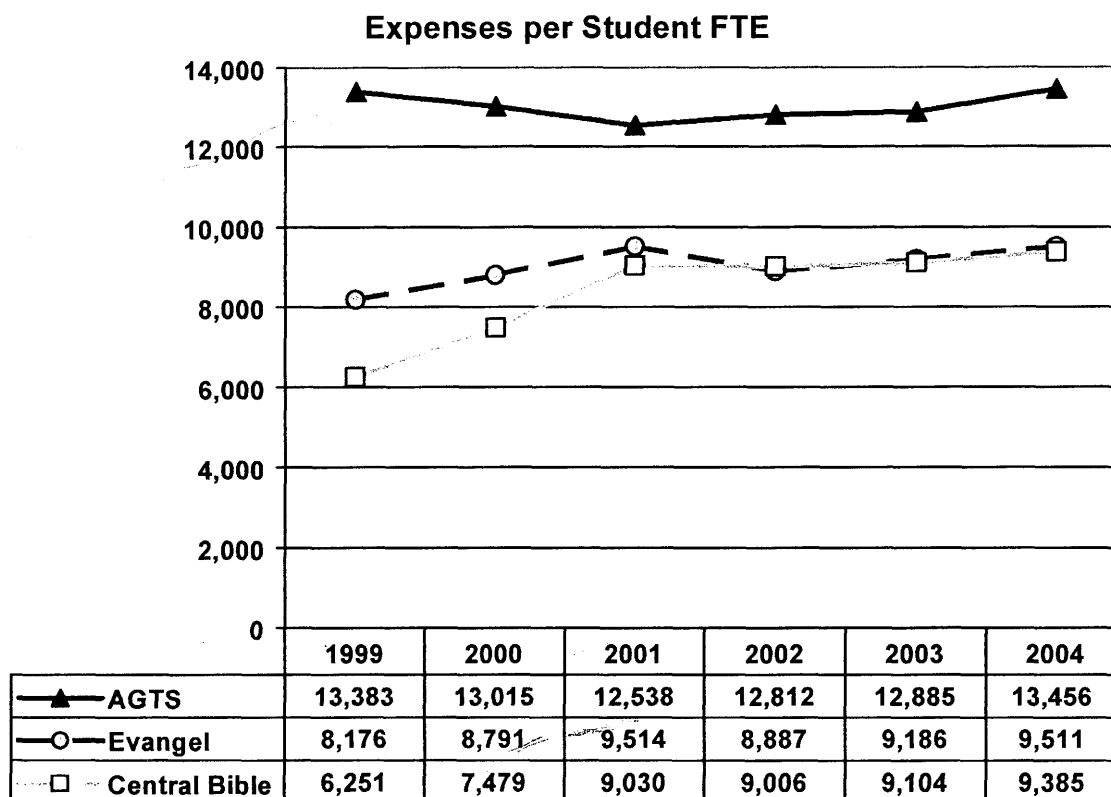
decline resulting in 118 less student FTE. As a composite group, the student FTE enrollment grew by 13% during the six years – from 2,650 student FTE to 3,005 student FTE.

During this same time period, it is useful to assess the ratio relationship of student FTE to student headcount for each school. Evangel's ratio of student FTE to student headcount remained strong from an economic perspective – with student FTE amounting to 96% of student headcount throughout.

The Assemblies of God Theological Seminaries average student FTE to student headcount ratio improved from 37% at 1999 to 49% by 2004. This relatively low ratio of FTE to headcount is found in many seminaries, but it does provide future opportunities for improvement through pricing models that might be considered.

Central Bible College's ratio of student FTE to student headcount declined from 95% at 1999 to 91% at 2004.

Finding #4: Expenses per Student FTE - In evaluating the cost to educate students, it is most useful to consider all expenses excluding auxiliary enterprise costs. The costs for auxiliary enterprises are typically covered by charged for such things as bookstore sales, housing charges and food service "board plans". As a result, the following analysis excludes the cost related to auxiliary enterprise activities.



During the six year study period, the following trends have emerged:

- The highest cost per student FTE is at the Assemblies of God Theological Seminary with costs for FY04 of \$13,456. Next comes Evangel at \$9,511 for FY04 followed closely by Central Bible College at \$9,385.

- The greatest percent increase was with Central Bible College, with a 50% increase over the six years from \$6,251 per student FTE to \$9,385. This six year change is due to an increasing operating budget spread over a smaller student FTE.
- Due to "economies of scale", Evangel is able to cover the largest percentage of its costs per student FTE through its average net tuition per student FTE – a ratio of 87%.

This last point has significant implications in assessing the advantages of cooperative services among the schools and the covering of fixed costs. The graph on page four provides a comparison of the expenses per student FTE, excluding the costs of auxiliary enterprises. Note that expense per student FTE for the Assemblies of God Theological Seminary has been held constant due to improved student FTE (up 38% over six years) with modest cost increases. In contrast, the expenses per student FTE has increased most significantly in the case of Central Bible College which was caused, in part, by the 13% reduction in student FTE.

When combining the factors of improved net tuition per student FTE per year, the changing enrollment patterns and the expenses per student FTE, the following key statistic is useful: "Net Tuition per Student per Year".

Each school's "Net tuition per student FTE per Year" as a % of "Expenses per Student FTE" is as follows:

- Evangel University – 87%
- Central Bible College – 75%
- Assemblies of God Theological Seminary – 58%

This statistic provides an indication that, due to the advantage of larger student FTE numbers, Evangel University is able to cover the largest portion of its total expenses through net tuition revenues. This statistic also demonstrates that the fixed costs of Evangel University are more easily distributed across a larger base of students. By contrast, both Central Bible College and the Seminary have more difficulty covering their fixed costs due to smaller student FTE numbers.

Financial Vitality Indicators: As explained in the introductory paragraphs, the findings from this study are taken from summary level information and provide only general indicators of financial vitality. However, at the "30,000 foot level" it is also easier to make broader assessments so that each school can better prioritize efforts to (1) "shore-up" areas of economic weakness and (2) take advantage of opportunities that God may provide to increase needed resources.

Each school can use the following table as a means to complete its own self-assessment using the table format shown on page 1. In general, this study indicates that Evangel University is meeting or exceeding the standards related to operational and facilities. The Assemblies of God Theological Seminary, with the strong and consistent investment from the General Council, appears to meet the standard related to facilities. The Central Bible College does not appear to meet any of the three key financial vitality standards, although good progress is being made in approaching various components of the operational standard and debt has been reduced.

All three schools could benefit from a growing endowment fund, if that approach is desirable from those in governance authority.

TABLE OF TRENDS
For the six years ending April 30, 2004

Financial Vitality Indicators from Audits and Statistics	Evangel University	Central Bible College	AG Theological Seminary
1. Operational Indicators			
a. Student FTE (6 year trend)	Increased 25%	Decreased 13%	Increased 38%
b. Faculty FTE (6 year trend)	Increased	Decreased	Increased
c. Net tuition/student/year at 2004	\$8,249/yr	\$7,066/yr	\$7,824/yr
d. Net tuition less Instruction costs	48% margin	51% margin	38% margin
e. Consistent operating surplus	Yes	No	No
f. Change in net assets	+ 94%	+ 16%	- 8%
g. Change in net assets, adjusted	+ 94%	+ 5%	- 119%
2. Endowment Indicators			
a. Revenue stream	< 1% of revenue	Negligible	Negligible
b. Growth in size	Modest	Negligible	Negligible
3. Facilities Indicators			
a. Increase in needed facilities	+\$22.9 million	+\$2.9 million	< \$1 million
b. Deferred maintenance issues	Not significant	\$10 million, plus campus renewal	Not significant

Explanation of Certain "Financial Vitality" Terms:

Operational Indicator 1-c: Net tuition per student per year – this indicator provides the reader with an understanding of how much additional tuition, net of financial aid and scholarships, is earned (on average) from each student added to the school's enrollment.

Operational Indicator 1-d: Net tuition less Instruction costs – this indicator is expressed as a percentage margin of "net tuition less instruction costs" divided by "net tuition". As a result, this statistic shows the marginal percent that each new student's "net tuition per year" contributes to the institutional overhead of each school. For example, if AGTS were to increase its enrollment by 10 FTE, the marginal benefit that those 10 students might contribute to support the institutional overhead of the Seminary could be calculated as follows: \$7,824/student multiplied by 10 students multiplied by a margin of 38% or \$29,731. As net tuition becomes a greater percentage

of the school's overall expenses, it becomes more important for this margin to pay for other operating costs of the school beyond the direct instructional costs.

Operational Indicator 1-g: Change in net assets, adjusted – in order to make comparisons among schools, the annual investments made by the General Council to each school are excluded from the change in net assets.

Recommendations for Consideration To Improve Financial Vitality: The following recommendations are made based (1) on this summary review and (2) the purpose of the "Commission to the Study General Council Schools" to study opportunities that might improve the financial vitality of these schools:

1. Self Assessment by Schools – Have each school's board of trustees and administrators use the information from this study to assess their school's financial vitality using the table shown on page 1. From this study, evaluate and prioritize those initiatives that would provide the greatest improvements to the school's financial vitality.
2. Evaluate the Merits of "Strategically Designed" Tuition Pricing – Given the significant importance of net tuition for each school, the schools might benefit by moving from "traditional tuition pricing" to "strategically designed pricing" that includes financial aid incentives for full-time students (especially useful for AGTS and CBC). Also, the schools might realize new revenue streams by developing a pricing model that provides improved economic opportunities for new students to begin studies by distance before matriculating on-campus. Finally, it would be useful to study tuition the "cost benefits" of using of tuition pricing and curriculum modifications to increase the use by on-campus students of distance-learning classes.
3. Evaluate the Merits of Shared Services – Various models of cooperation, from an organized consortium through school mergers, could provide improved services to students at less cost per student. Some examples include shared library services and related educational technologies, a single enterprise database system, student billing and collection services, shared human resource services, shared development costs to produce distance learning courses, and shared accounting services such as payroll and accounts payable.
4. Evaluate the Merits of Coordinated Curriculum and Teaching – Various models of formalized cooperation could reduce overall operating costs for the schools. These savings might be realized through improved curriculum offerings for students of the three schools, reduced costs for similar course offerings, improved opportunities for professors to serve as "adjunct" faculty among the schools, and improved student retention due to more seamless transfers by students from one school to another. More intentional coordination can improve the "marketability" of each school to prospective students as they see how their education could more easily migrate from one area of emphasis and training to another.
5. Evaluate the Merits of Shared Campus Space and Improved Facilities – A bolder action of acquiring more space near the Evangel and AGTS campus and consolidating CBC on that expanded campus area could further the successes of cooperation and further strengthen the financial vitality of all schools. This action would provide a practical solution to the significant deferred maintenance of the current Central Bible College campus. Through economies gained through the consolidation of greater numbers of students sharing common areas, as appropriate, the schools could move to "a best in class" library and technology center, athletic complex, and food service facility. Combined chapel space could also be considered. Further shared services in the areas of physical plant and grounds, food service administration and library administration could be phased-in at this point.

6. Evaluate the Merits of Shared Administrative Leadership – From a long-term standpoint, the three schools may want to consider a form of consolidation or merger that would enable the schools to be more centrally administered. These steps could be taken more quickly or more gradually depending on the speed with which the governing authorities wish to realize formalized cooperation and even greater cost savings.
7. Evaluate the Merits of a Comprehensive Campaign – The three schools could greatly benefit through a comprehensive fundraising campaign that would provide (a) capital funds to consolidate certain operations, renew and replace buildings, and eliminate deferred maintenance, (b) endowment funds to support operations and underwrite scholarships and (c) provide a reliable annual fund revenue stream that would increase overall giving and eliminate the annual General Council investment needed by the Seminary.

Additional Research Needed Prior to Decision Making: If the General Council is considering any form of merger or consolidation model, the following additional research will be useful as final decisions are made:

1. Analyze Specific Cost Savings Opportunities. Analyze at a detailed level, each school's underlying organizational structures, related staffing budgets by work group teams, departmental budgets, and operating patterns. Based on the various levels of cooperation desired and integration of work among the schools, identify specific cost savings opportunities.
2. Develop Phased Plans to Realize Savings. Using the above research, identify and present a phased, five-year plan to realize specific, cost savings based on (a) shared services, (b) shared campus space, as applicable, and (c) shared administrative leadership.
3. Analyze Gains through Curriculum Coordination. Analyze and identify at a detailed level (e.g. by course) the cost savings, if any, of integrating curriculum across the three schools and the expected recruitment gains (and resulting net tuition revenue gains) through improved curriculum coordination.
4. Evaluate and Assess Tuition Rates and Scholarship Changes. Evaluate the economic impact of integrating tuition rates among the three schools and the resulting scholarships needed, by degree program, to attract and retain quality students. Determine incremental impact on scholarship funds needed and the degree to which those scholarships could be funded through an increased endowment fund.
5. Analyze and Develop Campus Renewal Needs. Specifically identify and prioritize renovation and construction work needed to (a) eliminate deferred maintenance and (b) construct new facilities (and renew certain, existing facilities) needed to achieve educational mission of each school. As needed, undertake professional feasibility study to develop reliable estimates. Develop ten-year master plan.
6. Make Feasibility Study on Capital Campaign Goals. Identify the key funding needs (e.g. endowment for scholarships, capital funds for construction projects, etc) that should be included in a major capital campaign. Analyze the likelihood of achieving the donation goals required of a major capital campaign for a "combined school model" versus the likelihood of each of the individual schools launching and achieving similar major campaigns that achieve or exceed the aggregate of the consolidated capital campaign. Is a potential "case statement" for a "combined school model" inherently more compelling than the "case statements" that could be designed for each of the three schools individually?
7. Evaluate Impact on Tax-Exempt Bond Financing. Evaluate the legal structures needed to ensure that the favorable tax treatment that Evangel University enjoys through tax-exempt bond issues is not lost through any of the models that might be implemented. If tax-exempt bond financing is lost, determine that the overall favorable results of a merger or consolidation significantly offset the cost of higher interest rates.
8. Develop Economic Models and Practices that Allow for Across-the Board Growth. Under a merger or consolidation model, the underlying economics would naturally favor long-term growth in the undergraduate programs with potential declines in bible college and seminary students. A specific plan is needed that enables growth among all

APPENDIX D

MISSION STATEMENT OF THE _____ UNIVERSITY

PROLOGUE

The _____ University of the Assemblies of God is a Pentecostal educational institution fully committed to shaping Spirit empowered transformational leaders for the church and the global marketplace.

ARTICLES

The University is organized under the leadership of a Board of Trustees and faculty offering exemplary education in the ministries, arts, sciences, and other professions. As an accredited, private, multi-cultural, co-educational institution, the University integrates faith, learning, and living into a holistic educational experience of undergraduate, graduate, and continuing education with the following priorities.

1. **Biblical Authority.**

- We believe the Bible is the Word of God and the only authoritative basis for faith and conduct.
- We affirm, also, the Sixteen Fundamental Truths of the Assemblies of God.

2. **Pentecostal Spirituality.**

- We believe in God manifested in three persons: God, the Father Almighty; God, the Son, Savior; God, the Holy Spirit, Paraclete.
- We believe that the Holy Spirit is actively at work today, guiding into truth, glorifying Christ, and empowering the believer for the works and witness of Christ.
- We believe the work of the Holy Spirit brings the believer into a personal encounter with God. Pentecostal spirituality is experiential.

3. **Educational Outcomes.**

- We shape transformational leaders encompassing the three-fold life-long development of:
 - a. Being, i.e., developing leaders of character;
 - b. Knowing, i.e., developing leaders of competence; and
 - c. Doing, i.e., developing leaders of effectiveness.

4. **Ecclesial and World Impact.**

- We see the University as the church's partner, believing that the church (the Body of Christ, made up of all its members) is God's agent in the world today.
- The University recognizes its role to prepare clergy for credentialed ministry.
- The University is also convinced of its responsibility to prepare its students for exemplary lives of service in a variety of vocations.

5. **Collaboration.**

- We create and build educational partnerships within the Assemblies of God in the United States and around the world.

COMMENTARY

1. ***Biblical Authority.***

- *We believe the Bible is the Word of God and the only authoritative basis for faith and conduct.*

The University affirms that there is absolute Truth. Jesus came to live that Truth among us as the Word incarnate. Scripture (both Old and the New Testaments) reveals the heart of God towards all people. The Bible, the Word of God written, is the authority on which the University is grounded.

- *We affirm, also, the Sixteen Fundamental Truths of the Assemblies of God.*¹

1. The Scriptures Inspired
2. The One True God
3. The Deity of the Lord Jesus Christ
4. The Fall into Sin
5. Salvation
6. The Ordinances of the Church (Baptism in Water and Holy Communion)
7. The Baptism of the Holy Spirit
8. The Initial Physical Evidence of the Baptism of the Holy Spirit
9. Sanctification
10. The Church and Its Mission (Evangelism, Worship, and Discipleship)
11. The Ministry
12. Divine Healing
13. The Blessed Hope
14. The Millennial Reign of Christ
15. The Final Judgment
16. The New Heavens and the New Earth

The University permits academic freedom to pursue truth and ideas within the perimeter of these statements. Consistent with the Bylaws of the General Council of the Assemblies of God (Article IX, B. Section 3, e) faculty of the University advocate only the doctrinal positions of the General Council.

¹ These are abbreviated from the Bylaws of the Assemblies of God and may be accessed on line at http://AG.org/top/beliefs/truths_condensed.cfm. It might be desirable to quote them in their entirety here.

2. *Pentecostal Spirituality.*

- *We believe in God manifested in three persons: God, the Father Almighty; God, the Son, Savior; God, the Holy Spirit, Paraclete.*

The _____ University is unapologetically Trinitarian, founded on a biblical understanding of one God in three persons.

- *We believe that the Holy Spirit is actively at work today, guiding into truth, glorifying Christ, and empowering the believer for the works and witness of Christ.*

The fruit of the Spirit is to be inherent in the life of every member of this University's community. The infilling of the Spirit is to be sought and celebrated by all. The gifts of the Spirit are to be pursued and practiced in the life of the University. Everything (e.g., curriculum, services, activities, and formation) is oriented to the directives of the Word of Truth and is driven by the Spirit of Truth. Christ is the deliberate focus of all areas, and to be his representatives is the central motivation common to all its members.

- *The work of the Holy Spirit brings the believer into a personal encounter with God. Pentecostal spirituality is experiential.*

The University lays special emphasis on the pursuit of knowing God with personal relationships, the pleasing of God with faithful stewardship, and the reverencing God with all of our being. It is the Holy Spirit that makes God's presence known to the individual. He heightens the worship of God; makes more intimate a relationship with God; and makes more authentic and powerful the believer's witness and work for Christ in the world.

3. *Educational Outcomes.*

- *We shape transformational leaders encompassing the three-fold life-long development of:*
 - a. *Being, i.e., developing leaders of character;*
 - b. *Knowing, i.e., developing leaders of competence; and*
 - c. *Doing, i.e., developing leaders of effectiveness.*

Transformational leaders are the kind needed for this twenty-first century and beyond. As they draw on their experience of personal and perpetual transformation, they influence unending transformation of their environments. They never stop growing, but remain constantly flexible so that they, and those they lead, sensitive to the guidance of the Holy Spirit, may rightly respond to whatever situations may arise.

As life-long learners they are passionate about personal growth. They are on a constant quest for knowledge and are skilled to find it—especially through their personal discovery. They know how to research and what are for the best sources for both their spiritual and academic disciplines. They are skilled to critically evaluate information and possess the logic to draw warranted conclusions. They integrate faith and learning and make the fruit of their discovery serviceable to society. They depend on the Holy Spirit as their constant companion in life-long learning. He prompts their queries, guides their quest, and anoints their application.

The University's first and foremost concern is the spiritual formation of all its members, nurturing Christ-like character through a journey of life transformation from self-focus to Christ-like servant-leadership. Discipleship is the first outcome of the holistic education of this University. It includes purposeful shaping of perspectives and attitudes from the "old-nature" of greed, foolishness, and pride toward a "new-nature" of generosity, wisdom, and courage. The University places great attention on who its students are becoming through intentional teachings and practices that promote the life-long lifestyle of becoming ever more like Jesus and reproducing that life in others.

The University is next committed to intellectual formation. Its curriculum is designed not only to inform its students in their respective vocations, but also to teach them how to think in a way that is Christian, Pentecostal, and integrated with their disciplines. The University intentionally engenders intellectual curiosity that its students, long after graduation, engaged and interested in issues and developments in their disciplines and in the world. Thus, the University grows leaders who are competent and continue to be.

The University shapes leaders who are fully equipped, and ready for action. They are ably trained in their discipline to serve with distinction in their fields. They possess the knowledge, character, and skills to make a contribution. Both spiritually and professionally they are fully formed to better this world on behalf of Christ. Not only are they adequately prepared to earn a living for themselves, but also in obedience to the Holy Spirit's urgings, they own the responsibility to steward their education for the benefit of others.

4. *Ecclesial and/World Impact.*

- *We see the University as the church's partner, believing that the church (the Body of Christ, made up of all its members) is God's agent in the world today.*
- *The University recognizes its role to prepare clergy for credentialed ministry.*
- *The University is also convinced of its responsibility to prepare its students for exemplary lives of service in a variety of vocations.*

The University intentionally focuses all of its students on fulfilling the church's mission through their personal evangelism, worship, and discipleship. It challenges all of its students to obey Christ's greatest commandments, loving God and loving all people (inclusive of all cultures) through compassion and social involvement. It encourages Christian community, as the University intentionally serves as a model of the family of God.

The University celebrates the New Testament priesthood of *all* believers acknowledging that every member is a minister. "Laity" is not a disparaging term (not second-class Christians compared to credentialed clergy). But based on the New Testament Greek, the laity (from *laos*) are as *God's own* people, a holy nation, a kingdom of priests, and the ones God has called to be ministers of reconciliation in this world.

The University instills a love for Christ's church by encouraging involvement of all its members in a local congregation. Recognizing the indispensable contribution of every member of Christ's body, the University prepares all of its students to invest their personal ministries to the church life-long.

Convinced that all of these roles of the church are dependent upon the supernatural work of the Spirit, the University seeks to influence all of its students to become intimately involved with the Holy Spirit.

All Christians are called to serve Christ in some form of ministry. But some have witnessed an inner calling to serve in vocational ministry. The University takes very seriously its part in the significant work of preparing such ministers. While the University does not grant ministerial credentials, it works closely with its own denomination (and others whose students attend the University) to develop the vocational competencies required by respective ecclesial bodies. Subsequent to the University's education of candidates, comes credentialing, the legitimizing process (or professional certification) based on standards or levels determined by the church body. Finally, for the call to be fully realized, the minister must be connected to the receiving element, the congregation.

The diversity of ministries and ministry settings in which our students will serve, requires that the University offer multiple ministry majors and multiple configurations of vocational ministry preparation. Among these are: terminal undergraduate professional ministry preparation; pre-seminary academic ministry preparation; seminary professional tracks; and post-graduate academic research tracks. These educational programs are offered in a variety of delivery systems and venues.

The University impacts the world in a positive way by preparing graduates of the highest caliber to serve in the arts, sciences, and professions. These people play a most strategic role in the marketplace, at the main intersections of society, and in positions of global influence. They fulfill their vocations with excellence. As leaders in the arts, sciences, and professions, they contribute to their disciplines and advancing the borders, always doing their work to the best of their ability, "heartily as unto the Lord."

They live as salt and light—in the world but not of it. As moral examples, they restrain the tendency toward corruption, curbing its effects. In ways contextually appropriate, they open doors for Christ's presence and its accompanying blessings. Sensitive to the Spirit's guidance, their competent knowing and effective doing coupled with the character of Christ they portray equip them to be Christ's representatives, bringing his presence and proclaiming his truth outside the walls of the church.

5. Collaboration.

- *We create and build educational partnerships within the Assemblies of God and with like-minded churches and institutions in the United States and around the world.*

The University creates and participates in educational initiatives within the Assemblies of God, both domestically and internationally. Knowing we cannot accomplish our mission alone, the University, positions itself as a partner to collaborate and assist all of the Fellowship's institutions of higher education (including church-based Bible institutes, Masters Commissions, and endorsed institutions of the Commission on Christian Higher Education, both the regional schools and ethnic institutions), as well as its sister schools around the world.

In addition, the University offers its resources towards continuing education for clergy. It offers a forum for academic dialogue and applications of the contributions of higher education to practical needs. And it also engages the world of higher education among evangelicals and beyond.

APPENDIX E

Alumni Survey 2004

1. Please respond to the following questions in regard to your attendance at _____.
Your year of graduation or last year of attendance at this school: _____
3. Please indicate which school(s) you attended (*check all that apply*): A) ___ AGTS B) ___ CBC C) ___ EU
4. How well does each of the following statements describe your education?

	<i>Very Well</i>	<i>Quite Well</i>	<i>Some- What</i>	<i>Slightly</i>	<i>Not At All</i>	
A. My education was relevant to my calling or vocation.....	1	2	3	4	5	
B. I am satisfied with the school I attended.....	1	2	3	4	5	
C. My education developed my ability to think critically	1	2	3	4	5	
D. My education developed my ability to express myself	1	2	3	4	5	
E. My education gave me breadth of knowledge about.....	1	2	3	4	5	
various fields of study.						
F. My education helped me in understanding other people...	1	2	3	4	5	
G. My education helped me in relating to other people.....	1	2	3	4	5	
H. My education helped me to establish my goals and values	1	2	3	4	5	
I. My education helped me to implement my goals and	1	2	3	4	5	
values.....	1	2	3	4	5	
J. My educational experience enriched my spiritual formation	1	2	3	4	5	
K. The quality of my educational experience was excellent. ...	1	2	3	4	5	
L. I am happy in my present work.	1	2	3	4	5	

5. Demographics

- A. Age 1) ___ 18 – 24 2) ___ 25 – 34 3) ___ 35 – 49 4) ___ 50 – 64 5) ___ 65+
- B. 1) ___ Male 2) ___ Female
- C. Highest level of education: (*please check only one*)
 - 1) ___ High school diploma or less
 - 2) ___ Some college or technical
 - 3) ___ College Bachelor's Degree
 - 4) ___ Master's Degree
 - 5) ___ Doctoral Degree
- D. Race/ethnicity: (*please check only one*)

1) ___ American Indian/Alaska Native	4) ___ Hispanic or Latino
2) ___ Asian	5) ___ Native Hawaiian/Other Pacific Islander
3) ___ Black or African American	6) ___ White
	7) ___ Other _____

6. Please make any other comments you wish to make about your educational experience at this school.

Please mail your completed anonymous survey in the postage-paid envelope postmarked by September 15, 2004 (to Christian Higher Education, Assemblies of God, 1445 N. Boonville Ave., Springfield MO 65803). Mail your postage-paid response card separately to receive your book.

Questions? Contact Dayton Kingsriter at DKingsriter@ag.org; or 417-862-2781, ext. 3313.

Thank you so much for participating in this important survey!

Commission to Study General Council Schools

Executive Summary

Alumni Survey

Questions 4 and 6

Analysis of Question 4

Overall observation: There was an excellent 72% return of all surveys that were sent out (108 out of 150). Generally, the responses were quite positive.

Q. 4. How well does each of the following statements describe your education? (*Statements A through L followed on the survey and are noted below.*)

Observation 1. Combining the responses of "Very Well" and "Quite Well" together gave the following combined responses to each sub-point for all three schools:

A. My education was relevant to my calling or vocation	91.6%
B. I am satisfied with school I attended	93.5%
C. My education developed my ability to think critically	85.0%
D. My education developed my ability to express myself	90.6%
E. My education gave me breadth of knowledge about various fields study	71.0%
F. My education helped me in understanding other people	79.5%
G. My education helped me in relating to other people	85.1%
H. My education helped me to establish my goals and values	86.0%
I. My education helped me to implement my goals and values	79.5%
J. My educational experience enriched my spiritual formation	93.4%
K. The quality of my education experience was excellent	87.9%
L. I am happy in my present work	98.1%

Observation 2. In looking at the separate responses for each school when combining "Very Well" and "Quite Well," the responses for each school in each sub-point were all over 75% except for CBC in the following sub-points:

C. think critically	71.0%
E. knowledge	57.9%
F. understanding other people	68.4%
H. establish goals	73.7%
I. implement goals	63.2%

Observation 3. Combining the "Very Well" and "Quite Well" responses, CBC responses were the lowest of the three schools in every sub-point except letter J (enriched spiritually) where it was second of the three (75.7% to 80.6%), and letter L (happy in work) where it was second of the three (97.4% to 100.0%)

Observation 4. Combining "Very Well" and "Quite Well" the CBC responses were 18% or more lower than the next highest percentage for the following four sub-points:

--letter C (think critically), 20.7% lower	71.0% to 91.7%
--letter E (knowledge), 19.9% lower	57.9% to 77.8%
--letter H (establish goals), 18% lower	73.7% to 91.7%
--letter I (implement goals), 24.7% lower	63.2% to 87.9%

Analysis of Question 6

Q. 6 Please make any other comments you wish to make about your educational experience at this school. (Note: after reading all the responses, responses were combined into one of the following 11 categories.)

<i>Categories</i>	<i>AGTS</i>	<i>CBC</i>	<i>EU</i>
Outstanding experience/excellent school	9	6	6
Helped affirm Pentecostal theology	3		2
Personal and spiritual formation	2	7	3
High quality of education (toward further graduate work)	2		3
Experienced faculty/administrators	3	5	2
Weaker than other schools (not as strong as I would have liked)	3	2	
Miscellaneous	2	1	1
Prepared for ministry		1	
Mixed— positive and negative (generally good spiritual foundation but academics lacking)		5	1
Integration/critical thinking			4
Comment about the merger idea			3

APPENDIX F

CONFIDENTIAL

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

MODELS TOWARD UNITY

Overview

Unifying the General Council Schools provides a creative opportunity to combine significant and powerful educational resources and academic cultures for mutual growth. Since the schools have complementary statements of mission, unity can be realized based upon these mission formulations and the integration and articulation of the visions that they foster. The long-term outcomes of unification will benefit the General Council of the Assemblies of God for generations to come through increased educational excellence and economic vitality. The anticipated outcomes for each model are:

CONSORTIUM: (The Assemblies of God University Consortium)

This model allows each school to retain their traditional identities and ethos, but unites them for enhanced educational programming and economic efficiencies thereby creating increased economic energy that can be cycled back into the institutional programs of study.

CONSOLIDATION: (The University of Pentecost)

This model makes possible a clear distinction between undergraduate and graduate studies, offering the opportunity to begin the long process of providing advanced higher education; and, offers the opportunity for the Fellowship to design and implement an upgraded system of ministerial and theological education.

PURE OR FULL MERGER (Immanuel University)

This model concentrates the Fellowship's resources and educational interests on just one campus and one institution, simplifying operations and leadership, intensifying economic energy, and most important, allows for educational wholeness—integrating of message and method in one system of teaching and learning, with the opportunity for diverse degree outcomes.

In this document, each is presented in terms of a one phase for implementation. On the other hand, each is well suited and would benefit from two or more phases so that creative collaborations in areas of academic programming, administrative efficiency, and complementary growth may be experienced. These would include mutual faculty

exchange opportunities, joint enrollments, transfer articulations, shared library and technology resources, and other related advantages. Such forms of affiliation have the least intrusive impact on the institutions by providing a period of collegial confidence and trust building in anticipation of potentially more permanent educational mergers. Such an affiliation should not be used to delay the inevitable, but only to accommodate the merging process.

The General Council Schools consist of four institutions: Central Bible College, Evangel University, Assemblies of God Theological Seminary, and Global University. This study proposes merger models only for the first three; Global University was withdrawn from the study due to its complex governance and organization, being an institution that involves the Assemblies of God World Missions, as well as the General Council's Berean program. This complexity impacted the similarities of the other three institutions and confused the complementary nature of their mission. Global University's primary mode of education is distance education, and in this realm will have certain value to the overall study. No consideration for Global University's involvement in any model was given at this time; nevertheless, the input of that institution's leader was sought. At some point in the future consideration could be given to some kind of collaboration for the purpose of comprehensive, kingdom-class, distance education.

Finally, the Commission anticipates that once a model is selected and an implementation plan agreed upon and authorized, an energized fund raising program will be needed in the Fellowship to fund the costs of unifying the schools and securing their future. A University Futures Fund will be an integral part of the proposal and recommendation. The goal will be established once a model is selected so that compatibility with the merger needs can be recognized.

CONFIDENTIAL

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

MODEL: The Assemblies of God University Consortium—A Collaboration of Schools Serving Assemblies of God Global Ministries First Draft

THE STUDY:

The purpose of the study is to design a collaborative program for the General Council Schools that will enhance educational quality for all members of the Fellowship and to strengthen economic viability for long-term sustainability of the three institutions.

After considering a variety of “collegial models” and institutional examples in the process of the Commission’s study, the consortium model is emerging as a viable plan for the General Council Schools. This model is defined as **a cluster of schools establishing collegial collaboration for resource sharing under a single system of governance and centralized leadership**. This form of collegial collaboration has common resource-sharing objectives for the mutual growth of member institutions. This model is strengthened when the design captures the advantages of geographic proximity, similar institutional missions, and common governance structures. There are approximately 200 consortia in the USA. For example, The Claremont University Consortium (Claremont Graduate University, Pomona College, Pitzer College, Scripps College, Harvey Mudd College, Claremont McKenna College, and, Keck Graduate Institute of Applied Life Sciences). Additional examples may be found listed with The Association for Consortium Leadership. The Commission believes that an **Assemblies of God University Consortium** serving as a central coordinating and support organization to the General Council Schools will inaugurate a new era of enhanced educational excellence for the Fellowship, even amid a great number of ambiguities.

CONSORTIUM FEATURES:

1. The Consortium would be governed by a board of trustees being responsible for all joint programs and services agreed upon by member institutions. The formation of the board would be an opportunity for broad Fellowship representation of business and professional persons, lay leaders, mega-donors, and clergy.
2. The Chief Executive Officer would be the Chancellor, who would be assisted by a leadership team of the presidents and Consortium administrators.

3. Joint operations may include elements of business/financial services, maintenance services, resource development, information services, etc.
4. The Consortium would be the lead agency in providing distance education, information and learning technologies, and library resources.
5. Each institution would retain its name, mission statement, executive, academic and student services, and be autonomous in its institutional governance of educational programs and services, and be responsible for its accreditation and financial health. Students graduate from each independent institution.
6. Geographic proximity would be achieved by establishing Central Bible College on the property immediately west of the Assemblies of God Theological Seminary and adjacent to the north of Evangel University. A campus and new buildings on this property would join with the Seminary in forming a strong physical basis for enhanced programs in Bible, Theology, and Ministerial Studies for the Fellowship. A new chapel can be built on the corner property, Glenstone and Division, owned by the General Council, for the benefit of CBC and AGTS. Since Evangel University utilizes the designated property for athletic fields, alternate property would need to be located in compensation. Geographic proximity for the Consortium would be possible through this design. In addition, a new library and communications center could be built on joining property that would serve all three members of the Consortium. This would be the central location for the new distance education programs. An Oxford-type consortium is envisioned that will cluster member schools around a centralized library and communications center.

LONG TERM BENEFITS:

1. Preserves respective institutional identities and mission.
2. Enhanced educational quality through expanded assets, shared academic services, and increased curricular offerings providing mutual growth for each institution.
3. Establishes an integrated and seamless educational program in ministerial education for the improved ministerial quality for the Fellowship.
4. Avoids duplicate course offerings in selected fields of study thereby reducing redundancies.
5. Provides increased access to learning resources, library, media, and other technologies.
6. Shared use of facilities (housing, food services, classrooms) thereby increasing educational capacity of each consortium member.
7. Coordinates computerized databases and applied technologies.

8. Centralizes cooperative procurements.
9. Unified basis for faculty development, professional prerogatives, and teaching/campus assignments thereby deepening faculty resources.
10. Advocates a common educational position on matters of biblical and theological interpretation, Pentecostal doctrine and practice, and ecclesiastical polity and purpose.
11. Centralized governance, unified operations, and resource development.
12. Facilitates joint and shared student, cultural, and spiritual events.
13. Facilitates joint-enrollment and transfer agreements.
14. Provides for collegial confidence and trust building after years of competition designed by policy.
15. Modular nature of consortium allows for additional institutions to participate (other A/G schools).
16. Unifies and enhances a distant education program and the development of a learning communications resource Center.
17. The national and ethnic demographic shift is better served through collaborated programs in anticipation of bi-vocational service.
18. Establishes a wholesome education philosophy symbolizing the integration of all Truth and the blending of liberal arts and professional studies.
19. The combination of long range benefits will accelerate economic energy, supporting enhanced educational quality and institutional sustainability, developing a sounder financial base for the General Council Schools.
20. Provides Central Bible College with a new, enhanced campus free from deferred maintenance.
21. Increased size enriches the quantity, quality, diversity, and specialization of educational offerings benefiting the students and developing the faculty.
22. Promotes cross-pollination of mindset of student preparing for vocation ministry and students preparing for marketplace ministry in the arts, sciences, and professions.

SHORT TERM CHALLENGES:

1. Geographical unification may impact negatively the Evangel University image and institutional infrastructure.
2. Central Bible College will have initial negative impact on identity.
3. Reduction in campus size will have psychological impact and will influence strategic plans for Central Bible College.
4. Proximity will establish contrasts in institutional cultures, especially chapel.
5. The general neighborhood condition at Glenstone and Division may not be considered desirable for major capital investment.
6. Geographical unification will impact AGTS long term planning and calls for readjustments and the consideration of new planning dimensions.
7. The potential for reduction in student registrations and donor support during the first three years. (This will only be a temporary impact.) Enhanced public relations would be needed for all communities toward understanding the benefits that would accrue through the Consortium.

STRATEGIC PLANNING:

If the Assemblies of God University Consortium is a viable idea, then a planning process would need to be implemented that would address significant issues beyond these early designations of features, benefits, and challenges. Some of these issues are:

1. Fund raising—for the Consortium or for each individual school?
2. Distance Education—should the Consortium provide its own capacity or should it establish a vendor relationship with Global University?
3. Would more than one food service be required?
4. Can a newly built athletic facility (fields, arena, courts, etc.) service all three schools?
5. What roles in governance would be served through the centralized Consortium and what governance roles would be the responsibility of each institution?

These are only samples of issues needing joint discussion and clarification in the context of a Consortium model.

CONFIDENTIAL

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

MODEL: The University of Pentecost—A Consolidation Of Schools Serving Assemblies of God Global Ministries First Draft

THE STUDY:

The purpose of the study is to design a collaborative program for the General Council Schools that will enhance educational quality for all members of the Fellowship and to strengthen economic viability for long-term sustainability of the three institutions. This document sets forth the framework for the Consolidation Model and its identity is The University of Pentecost. (Or, The University of Springfield)

The Consolidation Model is defined as **two or more institutions collapsed into one new institution, usually with a different name, enhanced mission, and a more efficient scale of operation.** The consolidation affects a new identity and the result is an institution housing multiple schools or colleges offering diverse educational opportunities and a greater range of degree programs at both the undergraduate and the graduate levels.

CONSOLIDATION FEATURES:

1. The new institution (The University of Pentecost) would consist of three freestanding institutions that have separate legal identities but become a single or newly consolidated operating unit. The three freestanding institutions would be Evangel College of Arts and Sciences; Central Bible College and Seminary; and a new school of graduate studies known as the Riggs School of Graduate Studies.
2. The consolidation model to unite the General Council Schools would reconfigure the existing institutions by separating the graduate programs from the undergraduate programs at Evangel University. Evangel's focus would be on enhanced undergraduate programs in arts and sciences. The graduate programs would become the program basis for an enlarged School of Graduate Studies, with its own full time faculty, named in honor of Ralph M. Riggs and located on the current campus of CBC. Graduate degrees would include programs in education, counseling, psychology, business, communications, social work, religious studies, and law. Duplicate graduate programs (basically in the psychology/counseling areas) would move from EU and AGTS to the School of Graduate Studies. The Assemblies of God Theological Seminary could merge (not necessary to the Consolidation Model) with Central Bible College resulting in Central Bible College and

Seminary. CBC would relocate to the property immediately west of the AGTS and be in proximity to the Seminary, facilitating the merged programs. This merger would represent an increased commitment to ministerial education and a single focus on a seamless educational opportunity possibly culminating in the Th. M and the Th.D. degrees, along with the current M.Div. and D. Min. degrees.

3. A board of trustees would govern the University of Pentecost with a Chancellor serving as the chief executive officer. A board of directors would guide the academic and student service programs of each school with a president serving as the chief academic officer. The presidents along with the chair of the boards of directors would be members of the University's board of trustees. The board of trustees would be responsible for all joint operations including business/financial services, maintenance and campus services, resource development, information services, student enrollment services, information and learning technologies and library resources; and, overseeing the sustaining of the highest quality academic and student programs possible. The boards of directors would be responsible for the building of a world-class faculty, the curriculum and degree programs, and all student life programs. The University's board of trustees would be responsible for establishing the most advanced Communications Center possible for teaching and learning resources, and for distance education.
4. EC, CBC&S, and RSGS would be responsible for its statement of mission, its academic and student administration, and the development of its own spiritual and intellectual climate. As a prerequisite to receive federal student financial aid, the schools would need to agree that students enrolled at one institution may register for courses at any of the other institutions and receive academic credit for those courses. Each school grants degrees.

LONG TERM BENEFITS: (Many of the Long Term Benefits of the Consortium Model, plus the following. Benefits.)

1. Retains significant elements of institutional identities and mission, and returns the Seminary to its original association with CBC.
2. Enables the Fellowship to commit leadership and resources to an enhanced graduate program, preparing students in advanced studies for service throughout the global ministries of the church. One such enhancement is a commitment to preparing professors for the schools and colleges of the Fellowship.
3. Integrates ministerial education into a seamless program providing for both undergraduate and graduate degree programs with a central focus on exegetical and biblical theology.

4. Reduces redundancies and makes cross-registrations practical at the undergraduate level.
5. Allows for joint use of an advanced Communications and Information Center to enhance teaching, learning, and research.
6. Shares use of facilities, such as housing, food services, and classrooms; and, coordinates computerized databases and applied technologies.
7. Centralizes governance, unified operations, cooperative procurements, unifies resource development, and concentrates on matters of enrollment management.
8. Unifies a program for faculty development, professional prerogatives, and teaching/campus assignments thereby deepening faculty resources.
9. Provides a concentrated effort on the part of boards of directors and presidents to lead the educational programs to higher levels of quality and greater diversity in programs.
10. Unifies and enhances a distant education program.
11. Accelerates economic energy through the combination of long range benefits, supporting enhanced educational quality and institutional sustainability, developing a sounder financial base for the General Council Schools.
12. Facilitates the accreditation of a terminal degree in religious studies by moving it from the seminary to a graduate school."
13. Solves Central Bible College's deferred maintenance problem through demolition, providing the graduate school a campus of its own with the newer and well-maintained buildings that would remain.

SHORT TERM CHALLENGES:

1. Adjustment to campus environment, modified institutional identities, and program redesigns may experience some confusion and stress in the initial time period.
2. AGTS merger with CBC may cause concern and initial negative impact. Likewise, the separation of graduate programs from undergraduate departments at Evangel may cause stress and readjustments; as well as a return to the use of "college" in the name.

3. Adjustment to a new system of governance will require flexibilities and tolerance until the system is adjusted and made effective.
4. The general neighborhood condition at Glenstone and Division may not be considered desirable for major capital investment.
5. To develop the capacity to offer advanced professional programs leading to the Ph.D. and the Th. D. degrees.
6. Redesigning the current CBC campus to be suitable for graduate professional education.
7. The dislocation of selected personnel and their reincorporating into different or new positions.
8. The potential for reduction in student registrations and donor support during the first three years. This will only be a temporary impact.

STRATEGIC PLANNING:

If the University of Pentecost is a viable idea, then a planning process would need to be implemented that would address significant issues beyond these early designations of features, benefits, and challenges. Some of these issues are:

1. Determine an alternative consolidation: Evangel's campus to be strictly undergraduate students, with AGTS moving to the current CBC campus to join other graduate programs as a division in the newly formed School of Graduate Studies.
2. Designing a governance system that allows a board of trustees to be responsible for the operating system of the University, but at the same time having boards of directors being responsible for the academic and student service programs of each school. What are the accreditation issues in such a design?
3. Designing a centralized fund raising system and an enrollment management program that will serve three institutions.
4. How to design a centralized Communications Center/Library that would serve three separate academic programs.
5. Planning the campus layouts for a consolidated EC/CBC&S and a School of Graduate Studies, utilizing two existing campuses.

6. Establishing a School of Graduate Studies utilizing existing graduate programs as a foundation. Finding a qualified and experienced president for the Graduate School. Determining the nature of learning and research resources needed to support advanced studies and doctoral programs. Are there available candidates for a full time graduate faculty?

These are only samples of issues needing joint discussion and clarification in the context of a Consolidation Model.

CONFIDENTIAL

COMMISSION TO STUDY THE GENERAL COUNCIL SCHOOLS

MODEL: IMMANUEL UNIVERSITY—A MERGED INSTITUTION SERVING ASSEMBLIES OF GOD GLOBAL MINISTRIES

First Draft

WHY MERGER?

“Merger”, for many, is a negative term; a concept to be resisted. In fact; there are those on record as insisting that they will oppose the idea of merging the General Council Schools. Then why should the Commission to Study General Council Schools give any energy to an evaluation of merger possibilities? Why should the Commission study a concept of “pure merger” or “full merger” in contrast to other forms of merger, such as consortium or consolidation?

First, it needs to be noted, that the reason we have four autonomous educational institutions in Springfield known as General Council Schools is that we, as a Fellowship, have been unable to reconcile and to balance the competing views of education. As a consequence, it has been easier to design and construct separate schools, creating an ethos of “competition by policy.” These schools now involved in the study value the autonomy they have had. This political response has bifurcated our worldview and outside associations, educators, donors, and persons in the marketplace think it odd and impractical to sustain four separate realms of educational mission and economics.

Even worse, by sustaining these four schools as separate institutions, we say to our Fellowship that our approach to education is diverse and competitive; that there is a distinction between educating clergy and laity; and, that there are diverse kinds of Pentecostal ethos in which to form and experience spiritual development and character formation. In fostering this fragmented approach to education, we have created an unhealthy environment for training and have established a continuing debate as to the most effective way to prepare men and women for ministry and life; and, have finally recognized that we have created an unreal world of financial demand and resource expectation. Practically, we have established competing approaches to student recruitment rather than a unified message to enroll in a dedicated Pentecostal institution where the spiritual formation and devotion of a Bible College, the concern for biblical preaching and ministry of a theological seminary, and the academic rigor and offerings of a world-class university are integrated and established.

The current debt load of our General Council Schools (it could be said of all of our Assemblies of God schools) is a blot on our life and witness. This is not Biblical Stewardship! Such prudent stewardship demands not only mission realized, but also economic vitality. It is the judgment of The Commission that given the changes and shifts within our Fellowship, we do not have the financial capacity to continue to grow

such a fragmented educational stance. It is our opinion, that if we unify around a holistic approach to education, we have more than enough capacity to support and resource a unified school and educational system. If our Assemblies of God local congregations and districts can provide millions, upon millions, of dollars for global missions; and, if our Assemblies of God people can concentrate millions, upon millions, of dollars at Assemblies of God Financial Services Group; then, our local congregations, districts, and people have the capacity to resource the ministry of educational evangelism. All they need to do this is provide visionary and courageous leadership. The Commission is committed to a vision for transformation.

Furthermore, these schools now must exist and attempt success in a context of rapid global change. The world is no longer the world of 1922, 1955, or 1972. Those "worlds" existed at times when "function" was the primary social dynamic. It was easy to construct an educational institution around a single educational concept or function. We did this as a Fellowship and thereby polarized our views of education. Since 1991, our world has been moving at the speed of light toward a new world and a new dynamic of relationships and design build upon systems. This is the reason that we are experiencing so many mergers in the corporate, industrial, and business worlds. The issue today, and in the future, is not competition, but collaboration. There are diverse forms of collaboration, and "pure merger", along with consortia and consolidation, represents one of the means to achieve unification in education. Mergers, in all of their diversity, represent current practice and are the wave of the future in higher education. Many successful institutional mergers have already succeeded and these institutions now experience mutual growth and increased educational quality and effectiveness. Carnegie Mellon University and Case Western Reserve University are two prominent mergers in our modern era. Others can be cited and more are in progress. Why are we lagging behind?

The risks are real! There are high costs of failing to unify the schools. As already mentioned, the high costs of operating four (three) separate schools are huge. Should the schools continue to operate on separate budgets, it can be anticipated that the combined financial need and demand will only continue to expand and accelerate until the point is reached that we as a Fellowship no longer have the capacity to sustain separate institutions. This is a real risk.

But the cost of failing to merge is far higher than the millions of duplicated dollars. It will take a vast toll on the theological and philosophical future of our Fellowship. What will happen is the perpetuation and subtle evolution of split worldviews, as has already been described. To fully understand this risk, all we have to do is to look at some of the historic Protestant denominations whose origins are similar to ours—heartwarming, experience oriented, Jesus-focused revivalists—and observe that today they are centers of theological liberalism and shrinking congregations. Their demise has come about from an ungaurded laissez faire ethos where, so long as one pronounces the prevailing lingo, orthodoxy is presumed. This is a fatal assumption and we dare not run this risk.

Immanuel University, with its intentional Pentecostal ethos and academics, could go a long way toward blending delicately the subcultures of vocationally competitive schools into a discernible, articulated core educational philosophy that is at once both authentically Christian and Pentecostal. Not to do so risks the rise, eventually, of a rampant liberalism and “spiritually dead” Fellowship. The Arts and Sciences truly do need the pietistic impulses of Ministerial Education; and, Ministerial Education would profit from the curricular breadth of the Arts and Sciences. There are some risks that we must take as we seek to find the most effective way to unify the General Council Schools.

Finally, we as a Commission recognize that this study exists on a transformation threshold. The General Council Schools stand on this threshold. They are neither “out” of their old worlds of operation and concept, nor are they “in” the new world of systems, networks, and knowledge asset management. We have grappled with the challenge to reconcile the demands of growth and increased education quality and service, and the real difficulties of meeting rising costs and becoming economically viable. How can we as a Fellowship achieve a Pentecostal formation ethos and increased academic excellence in the context of limited financial and resource demands? It is our task to point the way in this paradigm shift through study and recommendations. It is for this reason that we have included “pure or full merger” as one alternative to unifying the General Council Schools. We believe that the time has arrived and represents a creative opportunity to combine significant and powerful educational resources and academic cultures into a new institutional identity—The Immanuel University.

THE STUDY:

The purpose of the study is to design a collaborative program for the General Council Schools that will enhance educational quality for all members of the Fellowship and to strengthen economic viability for long-term sustainability of the three institutions. This document sets forth the framework for the Pure or Full Merger Model and its identity is The Immanuel University. (Or, The University of Pentecost.)

The Pure or Full Merger Model is defined as one or more institutions are merged into a single existing institution with the emerging institution serving as the exclusive legal successor. The merging affects a new identity for the emerging institution (with the opportunity for a new name) and enhances its institutional capacity, and an altered identity for the institutions merged (with the possibility that historic names are retained within the segments of the emerging institution) that significantly elevates academic reputation, faculty credentials, and student preparedness. The emerging institution inherits the intellectual and real property assets of the merged institutions along with the liabilities and claims. Finally, the emerging institution agrees to continue the merged institutions’ programs according to agreed upon parameters. This model for unifying the General Council Schools is more complete, full and final as compared to either the Consortium Model or the Consolidation Model.

MERGER FEATURES:

1. The Merger Model as envisioned by the Commission, begins by merging the Division of Theology at Evangel University into Central Bible College. The mission of each entity is identical...the "training of ministers and missionaries" (CBC), and "to prepare Christian leaders such as pastors, youth ministers, missionaries, Christian educators, or nontraditional ministries" (EU). Since these are complementary-missions, the merging process would provide opportunity to integrate and to articulate a common goal and vision. Together, they would be stronger to train lay folk, for life-long use of the bible, bolstered by a competent awareness of church history and of Christian thought. The next phase of the merging process would entail the merging of Central Bible College into the operations of Evangel University and in so doing; become the academic unit that provides education in Bible, Theology, Philosophy, and Ministry Studies for undergraduates. The merging process now continues with the Assemblies of God Theological Seminary merging its governance and operations into Evangel University, and at this time, the new identity is renamed Immanuel University. This new identity retains the option to have the University designed around schools. The School of Arts and Sciences would be known as Evangel College of Arts and Sciences; The School of Biblical and Theological Studies would be known as Central Bible College; and, the Seminary as the Assemblies of God Theological Seminary.
2. In reality, Central Bible College would relocate to the campus of Evangel University to enhance the merger and its envisioned efficiencies and the building of a common future and mutual growth. The University's graduate programs would be relocated to the former CBC campus, and enhanced through program and degree additions under the direction of a full time graduate faculty. This graduate center would be under the Immanuel University name, but could, like its undergraduate counterparts, have its own name, such as, The Riggs School of Graduate Studies. Also, a School of Distance Education could be established on this campus and have its own name and dean.
3. A single board of trustees would govern Immanuel University with a President serving as chief executive officer and a Provost serving as the chief academic officer. A Dean would administer each of the University's schools. (It is a common practice within the Association of Theological Schools to have a seminary led by a president/dean, a joint title held by one person.) The board of trustees can be organized so that committees/advisory boards for each school can be incorporated within the board membership and organization design.

4. All degrees would be presented by Immanuel University, but, in addition, the degree could carry the name of the school in which the major study was completed, thus reflecting the historic identity of the original institutions."

LONG TERM BENEFITS: (Many of the Long Term Benefits of the Consortium and Consolidation models, plus the following benefits.)

1. The most obvious long-term benefit would be a single school, conserving financial resources through efficient operations and operating in a context of economic vitality would be stronger than competing for resources in a limited universe.
2. The most important long-term benefit would be enhanced educational quality through expanded assets, academic programs, and increased faculty effectiveness and scholarship. A merging institution enjoys an infrastructure of focused governance and channeled financial resources creating strength in operations and an increased learning resource base. This institutional dynamic provides for the mutual growth outcome for all merging/merged institutions.
3. The most significant long-term benefit would be the actuality of an integrated world-view philosophy controlling the curriculum and academic practice, along with the ethos of Pentecostal formation. Establishes a wholesome education philosophy symbolizing the integration of all Truth and the blending of liberal arts and professional studies.
4. The *mission* of all of the participating institutions is not only preserved, but they are enhanced to a degree impossible for two or three freestanding institutions.
5. The merger provides an unprecedented opportunity to cluster the strongest existing aspects of academic programs into groups of master programs for graduate studies.
6. Working together allows for the elimination of redundancies that have been built into the curriculum over several years.
7. Mergers tend to deepen faculty resources and the preservation of faculty positions through the mutual growth outcome.
8. Effective mergers tend to generate financial returns thereby strengthening the economic base of the institution. Equilibrium is brought to the fiscal management of the institution.

9. Long-term gains in enrollment management, stabilized enrollment, and in student market share are realized. Eliminates competing student recruitment programs and messages.
10. Over time, mergers result in difficult but desirable administrative reductions, as well as the reduction in duplicate orders, services, and resourcing.
11. Mergers create new public relations opportunities, promoting the mission and views of the new institution thereby creating more positive interest among student prospects, donors, and the general public.
12. The merger process provides an opportunity for expanding the alumni base, and engaging the alumni in new and creative activities in support of the merging institution.
13. Mergers result in institutional redefinition, and as a result, even with ambiguities, new institutional synergy is created that draws increased commitment and passion from leaders and faculty. Institutional synergy is undeniable.

SHORT TERM CHALLENGES:

1. Achieving a measure of favor to achieve a rational environment for serious considerations from board members, presidents, faculty, and alumni for the concept of merger as a basis for mutual growth.
2. The early public relations challenge to enlist the institutional communities and their publics to an informed position on the merger rationale.
3. The readjustment of institutional vision for the future from one that is current to one that is built upon mutual growth and a complementary mission.
4. The capacity to readjust strategic planning to fit a new vision that will be required for the merging institution.
5. The dislocation of geographical sensitivity as to campus and environmental settings.

6. The general neighborhood condition at Glenstone , Division, and Pythian Sts. may not be considered desirable for major university development and capital investment.
7. The potential for reduction in student registrations and donor support during the first three years. (This will only be a temporary impact.)
8. The intellectual and spiritual capacity to redefine an educational philosophy that under girds a holistic approach to Truth may be limited.

STRATEGIC PLANNING:

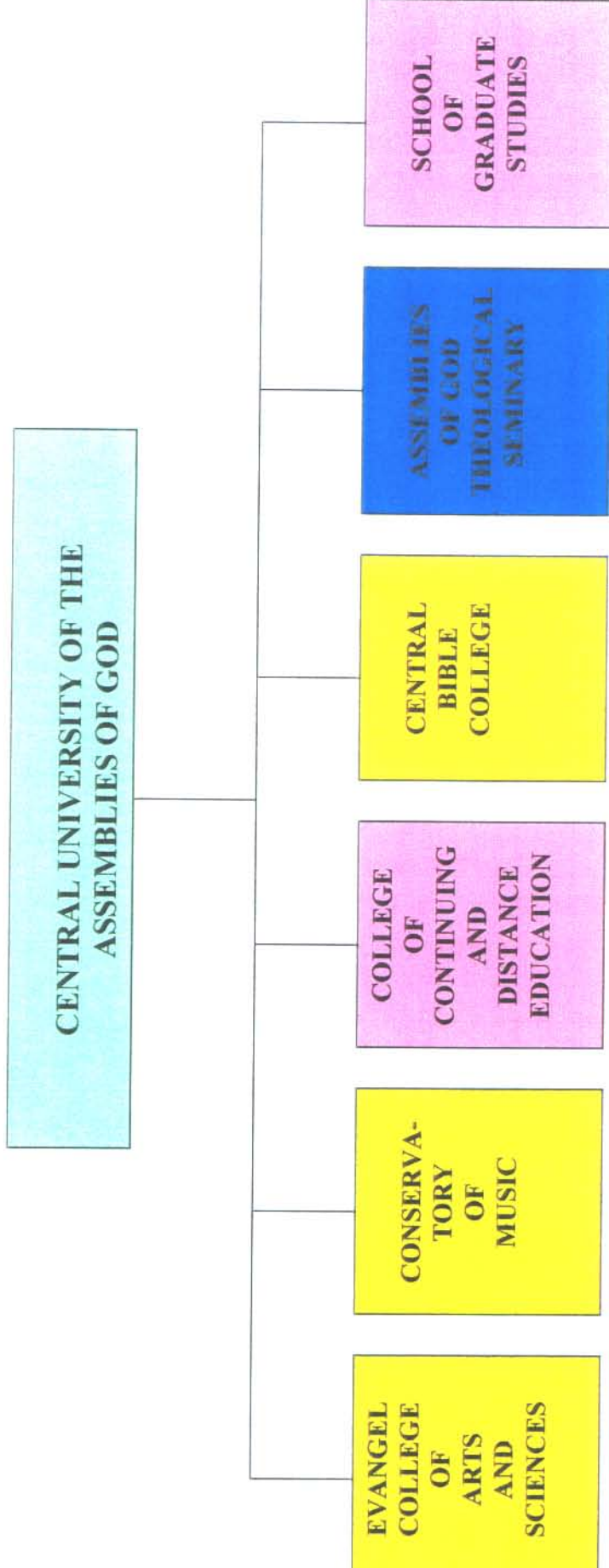
If the Immanuel University is a viable idea, then a planning process would need to be implemented that would address significant issues beyond these early designations of features, benefits, and challenges. Some of these issues are:

1. How to establish an effective public relations program that will inform the constituency and the public as to the purposes and motivation for the merging institution?
2. How to engage board members, administrators, faculty members, and alumni all in planning and implementation of the merging institution?
3. What is the most effective configuration of campus design and designation for a merging institution?
4. How would the regional and professional accreditation associations respond to the merger model and what would they require for the merging institution to be accredited?
5. How can the reduction in board members and administrators be planned so as to take advantage of final terms of service, retirements, and vacancies?
6. How to effectively integrate two undergraduate curricula, reducing redundancies and enhancing educational program excellence?

These are only samples of issues needing joint discussion and clarification in the context of a Merger Model.

APPENDIX G

Conglomerate Model



**CENTRAL UNIVERSITY
OF THE
ASSEMBLIES OF GOD**

CUAG

**Evangel College
Of
Arts and sciences**

CUAG

**CONSERVATORY
OF
MUSIC**

CUAG

**COLLEGE
OF
CONTINUING
And
DISTANCE
EDUCATION**

CUAG

**CENTRAL
BIBLE
COLLEGE**

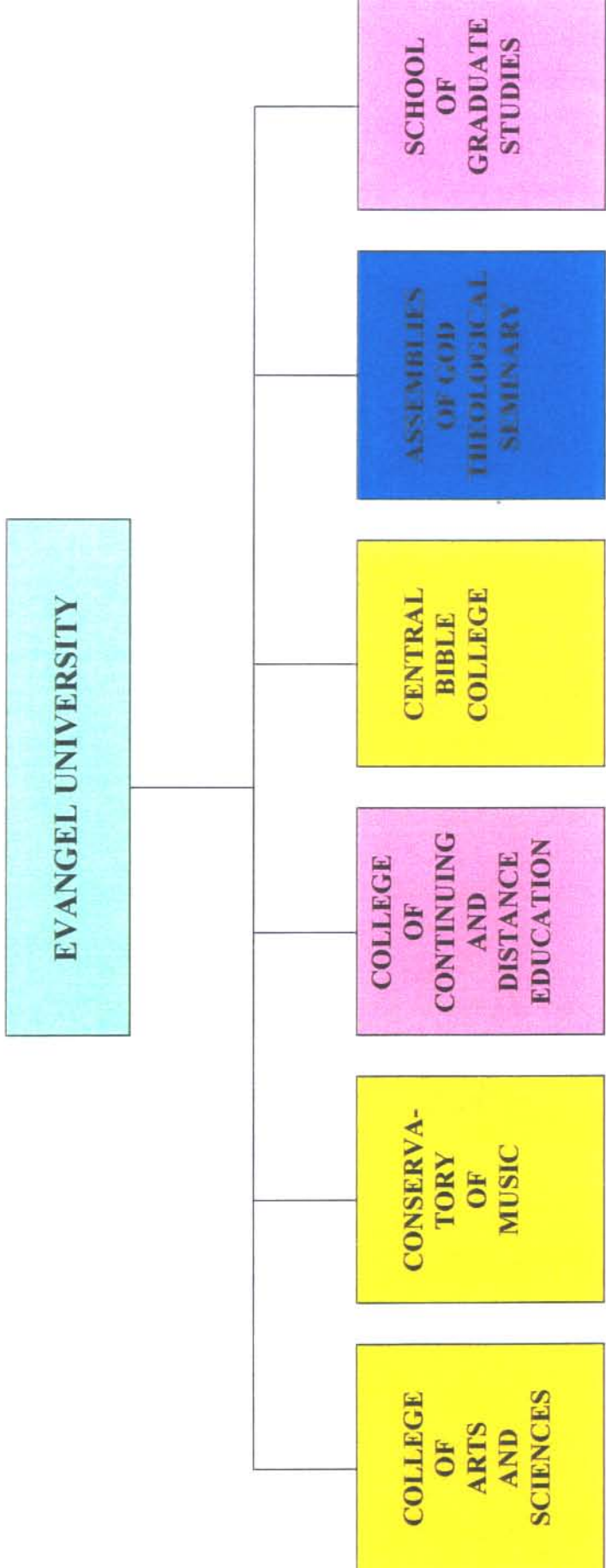
CUAG

**SCHOOL
OF
GRADUATE
STUDIES**

CUAG

**ASSEMBLIES
OF GOD
THEOLOGICAL
SEMINARY**

Conglomerate Model



**EVANGEL
UNIVERSITY**

**EVANGEL
UNIVERSITY**

**COLLEGE OF
ARTS and
SCIENCES**

**EVANGEL
UNIVERSITY**

**CONSERVATORY
OF
MUSIC**

**EVANGEL
UNIVERSITY**

**COLLEGE
OF
CONTINUING
And
DISTANCE
EDUCATION**

**EVANGEL
UNIVERSITY**

**CENTRAL
BIBLE
COLLEGE**

**EVANGEL
UNIVERSITY**

**ASSEMBLIES
OF GOD
THEOLOGICAL
SEMINARY**

**EVANGEL
UNIVERSITY**

**SCHOOL OF
GRADUATE
STUDIES**

APPENDIX H

IMPLEMENTATION PLAN

TIMELINE: From Study to University

