Just about now, media headlines are announcing to the United States populace that tuition in the nation’s colleges for 1986 is up again. Examples of last year’s headlines, surely to be repeated, are “Tuition Up 7 Percent Again,” “Ahead: Another Big Jump in College Tuition,” “Students’ Costs Rise Nearly Twice the Inflation Rate.” Little wonder that prospective college students and their parents, including members of the Seventh-day Adventist Church, read carefully the articles that are sure to follow.

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A recent Roper Organization poll of U.S. parents with precollege-age children found that most parents who would like to send their children to a private college or university think it beyond their financial means to do so. Escalating costs of higher education, decreasing government student aid in terms of real dollars, and the
likelihood of future cuts in the effort to balance the federal budget have discouraged many parents from even applying for the student aid needed to finance a son or daughter in a private school.

Information Campaign Needed

Because of the prevailing misconceptions about why costs are so high in Seventh-day Adventist colleges and universities and what aid is available through loans, grants, and employment, an intensive campaign must be carried on by each institution to inform every potential student, parent, and constituent that attendance at denominational schools really is affordable.

Tuition in Seventh-day Adventist colleges and universities in the United States has increased at approximately twice the rate of the Consumer Price Index since 1967. What are the reasons for this increase? It should be noted first of all that the increased tuition costs in SDA schools parallel those of most private institutions of higher learning. Much has been written about the reasons for the cost increases, but for the purpose of this article, a summary may suffice:

1. While denominational salaries have increased slightly less than the Consumer Price Index, it should be remembered that in the mid-1970s the church rescinded the policy of paying a reduced salary to women and other employees who were not "heads of household." This long-overdue change plus increases in social security taxes, fringe benefits, and escalating health-care costs have resulted in significant increases in personnel costs. Because education is so labor intensive, rising personnel costs have had a very heavy impact on the total cost of operating our schools.

2. Since 1967, the minimum wage has risen from $1.00 per hour to the current $3.35 per hour, an approximate 235 percent increase that has become a substantial outlay in institutional budgets.

3. Most buildings on college campuses erected before the late 1970s were not designed to be energy efficient. Therefore, the 306 percent increase in utilities in just the past seven years has had the effect of escalating the cost of tuition and dormitory rent.

4. Certain other purchased goods and services such as library books and periodicals, laboratory supplies, and travel costs have risen much more sharply than the inflation rate.

5. Plant maintenance expenses deferred during earlier years along with costs of new roofs and other repairs required on "new" buildings erected in the boom period of the sixties have added many dollars to operating budgets, which have had to be passed on to current students in the form of increased tuition.

6. During expansion in the 1960s and 1970s, thousands of dollars were invested in faculty members' graduate programs. Such costs were deferred for later amortization, which today's students are now having to pay as part of current tuition rates.

7. Because of the increasing gap between the cost of education and the ability of students to assemble financial resources such as grants, loans, work, and parental support, most institutions are having to increase markedly the share of their operating budget devoted to institutional financial aid programs. Such aid is now needed by a growing percentage of the student body.

8. While church subsidies have increased, in most denominational schools the increases have not kept up with inflation—let alone the Higher Education Price Index. Therefore, a larger share of the operating costs have to be borne by students. In addition, many schools continue to use a substantial amount of church appropriations to retire debts incurred during an earlier era of campus expansion. Those dollars could now well be used for increased operating subsidies.

How Can We Solve the Problem?

The above summary, while brief and incomplete, does suggest why a college education costs so much. What then must Seventh-day Adventist college and university administrators do to fulfill their commitment to offer educational opportunity to every qualified applicant from our constituencies? I believe our response must lie in the following areas:

1. Making our constituencies aware of the reasons why costs are high, but stressing that fees still lie in the low average range of all private colleges.

2. Through careful planning and management, operating our church system of higher education and our individual institutions as efficiently as possible while maintaining a quality academic program that integrates our faith with the learning experience.

3. Implementing strong programs that stress personal contact with prospective students and parents while emphasizing the value of a Christian education in a Seventh-day Adventist setting as an investment rather than an expense. Such recruitment efforts must involve a partnership between institutional representatives, pastors, academy administrators and teachers who have more frequent contacts with prospective college students and their parents.

4. Developing innovative ways to help students and parents to

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employment practices, especially as this right relates to Sabbatarians in the secular workplace, is an ongoing preoccupation with the public affairs and religious liberty personnel of our church.

- Variation from school to school in preferential or nonpreferential hiring practices. Some church-related colleges do not exercise a religious preference. Others, at the opposite extreme, do so across the board. In between are those that limit preferential hiring to specified levels, such as key administrators and professors of theology, religion, and philosophy.

- Variations in state laws as to the wording and even availability of a religious exemption from nondiscrimination requirements.

- Inconsistencies within denominations or institutions that practice exclusive hiring.

The latter point brings us back to Seattle Pacific University. Why does the Washington State Human Rights Commission challenge the state’s constitutional provision that religious organizations are not employers in the ordinary sense? The answer lies in its emphasis on Amos v. the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints. This action in a Utah district court involved several Mormons not regarded as temple-worthy who disputed their exclusion from employment in a church-owned garment factory. The court ruled that inasmuch as nonmembers were found handling temple garments overseas, nonworthy members ought to be able to handle them in the United States. In other words, exclusions from Title VII of the Civil Rights Act of 1964 do not apply where there is conspicuous inconsistency.

Given the foregoing threats, it would almost seem that we are clinging to our religious identity against frightening odds!

Cost of Education
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meet the high costs of education, which many observers predict will continue to grow at an average annual rate of 7 percent for the rest of the century.

As important as are the first three areas of response mentioned above, the matter of student financing may present the greatest challenge. For years Adventist institutions provided a much smaller percentage of their budgets for direct aid to students than did other American private colleges and universities. We are now catching up to the point where 10 percent of the educational operating budget for student aid is not unusual. Middle and upper-middle income families, who have been most affected by government aid cutbacks, are becoming increasingly dependent upon aid from the institution’s own budget. In fact, many families ‘‘shop around’’ for the best offer in this area.

Other Options

The University of Pennsylvania has developed the Penn Plan, which provides five different payment schedules. One option is pre-paying four years of tuition at the freshman rate, with an available loan program that allows payments over a 10-year period at attractive interest rates. Other private institutions such as Case Western Reserve, Washington University in St. Louis, and the University of Southern California offer flexible financing plans.

Surely our Adventist institutions need to consider various ways to ease the burden on students and parents through extended payments, especially for those families

Tuesday Review (September-October, 1983), p. 54.


- Amos vs. the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints.

- Surely our Adventist institutions need to consider various ways to ease the burden on students and parents through extended payments, especially for those families

- The growth of secularism, which casts doubt on the very merit of institutional religious entities.

- Heavy reliance by Adventists on nondiscrimination laws. As is well known, the right of individuals to protection from unfair

- Sheils, p. 60.

- Zagano, pp. 57-59.


- Burhans, pp. 639-656.

- Kearns, p. 37.


- Burhans, pp. 639-656.

- Kearns, p. 37.


- Burhans, pp. 639-656.

- Kearns, p. 37.

whose incomes make them ineligible for the Guaranteed Student Loan Program. Such government calculations do not, of course, consider the substantial amounts of money church members contribute to tithe, offerings, various church projects, and church school tuition for younger children. Rather than have members contribute less to the local and worldwide support of its work, perhaps the church could help take the burden off families by setting up aid and loan programs for students.

Helping Parents Plan Ahead

Today's parents must plan ahead to finance their children's college education. Various ways of tax saving and income-shifting can help them prepare for the upcoming costs of higher education. A booklet entitled Early Planning for College Costs is available for $2 by writing to Early Planning for College Costs, P.O. Box 467, Rockville, MD 20850. Families should also consult with tax specialists in setting up one of the various trusts that are available for educational purposes. SDA colleges would do well to contact parents of potential students while they are still in academy—or church school—to suggest ways to prepare for the costs of higher education. Some SDA colleges offer financial planning seminars at academies to help acquaint students with their options for financing a Christian college education.

Innovative Techniques for Fund Raising

An excellent example of what can be accomplished in raising money for our colleges and universities is the Business Executives' Challenge to Alumni (BECA) program. Under this plan, business executives offer to match funds contributed by alumni of SDA colleges. The dollars offered through the generosity and foresight of these interested executives have forced institutions to gear up for long-overdue fund-raising campaigns. The response from alumni has been remarkable—at the end of the first five-year phase of the program 27.3 percent of alumni were contributing unrestricted gifts to the annual fund of their alma mater. This success has resulted in raised goals for a second phase of the BECA program that will generate additional funds, substantial amounts of which will doubtless continue to be channeled into financial aid for students.

Throughout the Adventist system of education there is a growing interest in the establishment of endowment funds. In the past most donors to educational institutions have wished to see immediate results from their giving (e.g., a new sign at the entrance to the college or carpeting in the women's dorm), but in recent years more emphasis has been placed on the long-term benefits of establishing endowment programs that can generate income for financial aid to students and other areas of the operating budget. SDA colleges and universities are now giving endowment funds high priority in their fund-raising campaigns. Beginning with year six of the BECA program, executives will match gifts designated for student aid and/or endowment.

Adventist college and university presidents and academic officers will certainly need to consider many aspects of college financing as they fulfill their responsibilities. Financial officers must study a wide range of proposals to make their schools financially viable. Trustees and church officers share the responsibility for all educational matters—including finances.

The future of our higher education system in the Seventh-day Adventist Church rests on the best joint planning and efforts of all these leaders as guided and blessed by God.

FOOTNOTES

1 For the past 14 years, where state laws allow, our colleges have been permitted by the federal government to pay student employees 85 percent of the minimum wage. However, many schools pay minimum wage or more to attract students, especially where jobs in the local community offer higher hourly rates.

2 More information about the BECA program is contained in the pamphlet, "A Challenge to Grow," which is available from Philanthropic Service for Institutions, 6840 Eastern Ave. NW, Washington, D.C. 20012.

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