

2014–2015

ANNUAL REPORT

FROM THE PRESIDENT

Readers of past reports may recall that Western has sought in recent years to address long-standing infrastructure needs by expanding our budget in a sustainable manner. To remind you of the context, we are the 17th largest of the 273 ATS-accredited North American seminaries in terms of student head count. But both our budget and endowment are much smaller than schools of similar size.

Why? For a variety of reasons: (1) Our campuses are located in comparatively expensive regions; (2) We are committed to keeping seminary as affordable as possible for students; (3) We are a stand-alone school that is not part of a university where economy of scale savings can be realized; and (4) We have historically been dependent on only two revenue streams (tuition and gifts) whereas many schools have a third (e.g., student housing, large endowment, etc.).

We have had to be unusually resourceful and, by God's grace, we continue to make an impressive number of high quality bricks with comparatively little straw (cf. Ex. 5:6-18). In this report you will find some information about the breadth of Western's impact along with a representative profile of a student whose personal transformation enhanced her ability to be an agent of transformational grace in the lives of others as well.

One of my commitments as president is to take better care of the men and women who have devoted their lives to equipping the next generation of ministry leaders. To give you a sense of how modestly compensated they are, our goal is to get salaries to 75 percent of those paid by similar Christian schools. Yet we have an incredibly loyal team with very little turnover. So as I see my colleagues continue to make significant sacrifices to serve here for the long haul, I am burdened to "loosen the muzzle on the threshing ox" (cf. I Cor. 9:9-14). To that end we need to expand our budget, and for the prior two years we made remarkable progress (increasing our budget by \$750K in both 2012-13 and 2013-14 while also balancing it each year).

This past year, however, we tried to maintain that same growth rate but hit a significant speed bump. Although revenue again increased, that growth fell significantly short of our target and resulted in a loss of over \$500K. While the school remains debt free, that loss essentially consumed the discretionary spending fund we established to help prepare Western for the future (e.g., the recent hiring of some younger faculty, relocating our Sacramento campus, etc.).

The shortfall would have been even greater were it not for an incredibly generous response to our fiscal year end appeal. I also received many notes expressing appreciation for the "no gimmicks, no intrusiveness" approach to donor communications that we believe best fits our school's commitment to gospel-centeredness, even if it runs counter to some conventional advancement "best practices." These financial and written expressions of support have been of great encouragement, filling us with gratitude for your kingdom-oriented stewardship.

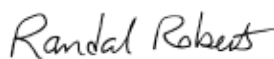
So here is the key issue facing us: how do we care for our remaining infrastructure needs without increasing the financial burden placed upon students, and while maintaining the high quality training for which we are already known?

While our tuition rate is still around the median nationally, we are concerned about both the raw cost of seminary and the increasing percentage of educational costs being paid by students (Western students paid about 50 percent of those costs back in the 1980s; now that figure is around 80 percent). We do not want seminary to be accessible only to the financially well-off, nor do we want students encumbered by excessive debt when they graduate.

So we also want to increase financial aid while holding tuition rates reasonably steady, while diversifying revenue streams by offering new forms of theological education to new audiences. While we are already doing the latter through programs like the Center for Leadership Development, investments from people like you help us with the former.

This will be a very important year in determining Western's future. Thank you for prayerfully considering how the Lord might use you to bless our students, knowing that they in turn will be used by the Lord to bless countless others for His glory.

Your co-laborer in Christ,



Randal Roberts
President



BEKAH STRANGARITY

Master of Arts in Ministry and Leadership

According to Bekah, “I really should never have been here [at Western] at all...but God had other plans and I am very grateful for what He has done in the process.”

At a young age, Bekah was diagnosed with dyslexia so severe that her doctors said she most likely would not finish high school. She did however, and following her high school graduation, Bekah made her first (of what would be many) moves overseas. That year, she spent six months in West Africa and six months in various countries in Latin America. After her year abroad, Bekah returned home and attended Lancaster Bible College, studying Bible and Teaching English to Speakers of other Languages. Following her time in college, Bekah found herself in an abusive relationship. This relationship left her with deep emotional and spiritual scars and was eventually one of the motivating factors in her taking classes at Western. While trying to recover from this, Bekah went abroad again, this time to South Africa to start a school in a rural area of the Limpopo province for young students through the third grade. That school is still in operation today.

From South Africa, Bekah moved to Portland, Oregon and enrolled in Western Seminary with the intention of taking

two classes: *Women in Pain*, taught by Dr. Bev Hislop and *Theology 1*, taught by Dr. Gerry Breshears. Her hope was to learn a doctrine of God, of abuse, and of trauma to help her sort through the events of her own life, as well as the suffering she had seen abroad. After taking these two classes, Bekah was hooked and decided to complete the Master of Arts in Ministry and Leadership degree.

During her time at Western, Bekah spent another three months abroad, joining several other Western grads in Tel Aviv, Israel, volunteering at a shelter for prostitutes. Operated by a Christian counselor, the shelter serves as a safe place for prostitutes to transition out of that lifestyle. Upon her graduation from Western in the spring of 2015, Bekah returned to Israel to work in the shelter. Her time at Western helped her heal from the pain in her past and learn how to minister to others through that pain. Bekah says “I’m here today, fully transformed, fully loved, fully redeemed and fully excited for what He has in store for me because now I have the training that you have given me to go forward....Because you modeled Christ for me, I can now model Christ for these women.”

AT A GLANCE

2014-2015 IN SUMMARY

NEW DEGREE PROGRAM ANNOUNCED

To better serve students who will be ministering in communities outside of a North American context, Western Seminary has announced its newest graduate level program, the Master of Arts in Global Leadership. Available in the Fall Semester of 2015, this program will be directed by Dr. Evan Burns, who has worked in a wide variety of countries and networks. From his home in Thailand, Dr. Burns will guide the program as it develops, mentor students, recruit faculty, and build partnerships with other organizations and schools.

ROLES EXPAND FOR TWO LONGTIME FACULTY MEMBERS



Dr. Bev Wiens, adjunct faculty member at Western's Sacramento and San Jose Campuses, has taken over as Program Director for the M.A. in Marital and Family Therapy program at the Sacramento Campus. Dr. Wiens will also continue to teach at the San Jose Campus.



Dr. Ken Logan has served Western Seminary since 2002. Previously filling in as the Interim Director of the M.A. in Marital and Family Therapy program in San Jose, Dr. Logan has relocated to the Pacific Northwest and is now Professor of Counseling and has taken on direction of A New Day Counseling Center.

NEXTGEN PARTNERSHIP

Western's partnership with NextGen Churches (an association of churches that provide training and resources for churches in the Northern California/Nevada region) has begun to see results with 24 students graduating with a Ministry Leadership Certificate. This partnership was created to provide additional opportunities for continuing education in the local church.

COUNSELING PROGRAM CACREP-ACCREDITED

The Council for Accreditation of Counseling and Related Educational Programs (CACREP) accredited Western Seminary's M.A. in Counseling degree in Clinical Mental Health Counseling as of January 26, 2015. Among other benefits, this level of accreditation makes national certification as a counselor available and creates greater ease for licensure in many other states.



REGENERATION FORUM

Around 400 were in attendance for the February 2015 ReGeneration Forum, featuring Author/Theologian Scot McKnight and a panel of contributors for breakout sessions. The forum addressed a biblical response to the controversial and difficult questions that today's generation is asking.



ONLINE CAMPUS EXPANDS

Western's M.A. in Ministry and Leadership and Master of Divinity degrees are now available through the Online Campus as fully accredited programs. The Online Campus allows students to remain in their current ministry context, while avoiding the disruption and added costs that come from relocating to a seminary campus.

ENROLLMENT

CREDIT STUDENTS

921

BY PROGRAM

Master of Divinity	184
M.A. in Counseling/Marital and Family Therapy	198
M.A. (Biblical and Theological Studies)	197
M.A. in Ministry and Leadership	94
Master of Theology	35
Doctoral Programs	72
Certificates, Diplomas, Non-Degree	141

BY CAMPUS LOCATION

Portland	461
San Jose	214
Sacramento	136
Online	102

CREDIT ENROLLMENT

CREDIT HOURS

2012-2013	10,673
2013-2014	11,509
2014-2015	11,064

HEAD COUNT

2012-2013	958
2013-2014	973
2014-2015	921

INDIVIDUALS SERVED

4,355

Credit, Audit and Enrichment students (1,162), Center for Leadership Development (721), The Spurgeon Fellowship (722), Women's Center for Ministry (603), ReGeneration Forum (400), Stewardship and Alumni (138), A New Day Counseling Center (375), Continuing Education Units (200), Sacramento Center for Women (34)

FINANCIALS

STATEMENT OF FINANCIAL POSITION (ALL FUNDS) FOR THE YEAR ENDED JUNE 30, 2015

ASSETS

Cash and Cash Equivalents	\$543,883
Accounts Receivable, Other	625,532
Investments	3,608,722
Property, Plant & Equipment, Net	831,709
<i>Total Assets</i>	<i>\$5,609,846</i>

LIABILITIES AND NET ASSETS

Accounts Payable & Other	\$758,581
Deferred Revenue	90,784
Gift Annuities & Life Income Payable	189,101
<i>Total Liabilities</i>	<i>\$1,038,466</i>

NET ASSETS

Unrestricted	\$2,516,321
Temporarily Restricted	920,705
Permanently Restricted	1,134,354
<i>Total Net Assets</i>	<i>\$4,571,380</i>

Total Liabilities and Net Assets *\$5,609,846*

STATEMENT OF ACTIVITIES (UNRESTRICTED FUND) FOR THE YEAR ENDED JUNE 30, 2015

SUPPORT, REVENUE AND OTHER GAINS

Tuition and Fees, Net of Scholarships	\$5,526,839
Contributions	797,614
Earnings on Investments	44,192
Other Revenue	820,604

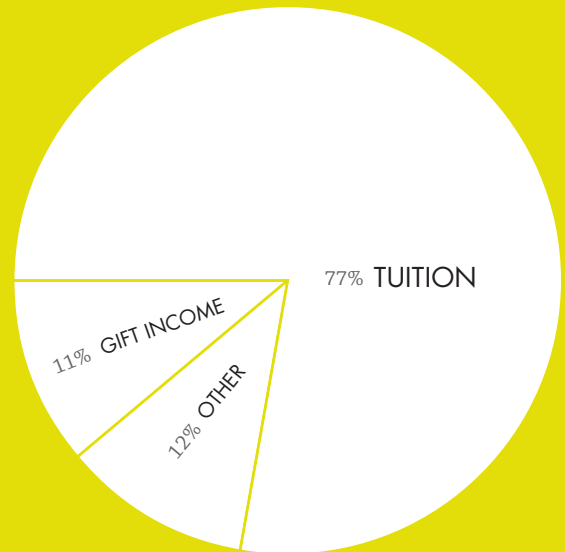
Total Support, Revenue & Other Gains *\$7,189,249*

EXPENSES

Personnel	\$5,805,890
Other	1,904,272
<i>Total Expenses</i>	<i>\$7,710,162</i>

One Year Change in Unrestricted Net Assets *\$(520,913)*

OPERATING REVENUE



OPERATING EXPENSES

