

PRESBYTERIAN MISSION AGENCY BOARD
February 5-7, 2014
Racial Ethnic & Women's Ministries/PW Ministry Area

ITEM C.106
FOR ACTION

<i>FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY</i>			
	A. Finance		E. Corporate Property, Legal, Finance
	B. Justice		F. PC(USA), A Corporation
X	C. Leadership		G. Audit
	D. Worshiping Communities		H. Executive Committee
			J. Board Nominating & Governance Subcommittee
			P. Plenary

Subject: Revisions to Institutional Standards for Participating in the Christmas Joy Offering

Recommendation:

That the Presbyterian Mission Agency Board approve the revisions to the Institutional Standards for Participating in the Christmas Joy Offering proposed by the Presidents Roundtable of the Christmas Joy Offering and the Work Group appointed by the Leadership Committee. (Strikethrough text is to be deleted, italic text in brackets is to be added.)

Background:

At the September 2013 Presbyterian Mission Agency Board meeting, the Leadership Committee appointed a small work group to bring to the PMAB meeting in February revised language in Section I. D. 1 of the Institutional Standards for Participating in the Christmas Joy Offering.

In addition, at the Fall 2013 Presidents Roundtable on October 14, 2013, the Presidents, in conjunction with Presbyterian Mission Agency staff, edited the Institutional Standards that guide the eligibility requirements for participating in the Christmas Joy Offering. Below are the suggested changes incorporating the Mission Work Plan of the Presbyterian Mission Agency, and various percentage adjustments to the performance indicators, along with the current school listing and agency name.

The Presbyterian Church (U.S.A.) and its predecessor mission agencies have a long history of support for racial ethnic education. That support continues through the distribution of funds collected annually through the Christmas Joy Offering, one-half of which is designated for support of Historically Presbyterian Racial Ethnic Institutions (HPREIs)¹ [See footnote]. In order to be a good steward of these funds and accountable to those who contribute to the offering, the church establishes the following formula for the dissemination of monies from the Christmas Joy Offering designated for racial ethnic education.

I. BASE GRANTS

One half of the funds distributed shall be earmarked for Base Grants to institutions that meet the following criteria:

¹ These institutions include Barber Scotia College, Cook School for Christian Leadership [Native American Ministries], Johnson C. Smith University, Knoxville College, Sheldon Jackson College, Stillman College, Menaul School and Presbyterian Pan American School.

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A. Mission. An institution must show evidence of commitment to the stated mission of its governing board and to the mission goals of the ~~General Assembly Council (GAC)~~ [Presbyterian Mission Agency] of the PC(USA). Those goals include:

- ~~1. Leadership and Vocation~~
- ~~2. Spirituality and Discipleship~~
- ~~3. Justice and Compassion~~
- ~~4. Evangelism and Witness~~
- [1. Transformational Leadership
2. Compassionate and Prophetic Discipleship
3. New Worshiping Communities
4. Young Adults
5. General Assembly Engagement
6. Organizational Integrity]

The evidence must demonstrate that an institution's mission is understood and supported by all of its constituent groups and must include a covenant between the institution and one or more church governing bodies and published statements in the institution's catalogue, promotional materials and other public documents.

B. Audit. By November 1 each year, an institution must provide to the church an independent audit by a Certified Public Accountant of the institution's financial condition during the previous fiscal year.

C. Strategic Plan. An institution must provide a current three- to five-year strategic plan for the institution's continued operation.

D. Accreditation.

1. ~~Degree granting institutions must be accredited by a U.S. Department of Education approved accrediting association~~[Historically Presbyterian Racial Ethnic Institutions (HPREIs) that are degree granting institutions must be accredited by a U.S. Department of Education-approved accrediting agency, which is also approved by the Presbyterian Mission Agency. The Presbyterian Mission Agency will only approve accrediting agencies that it determines are in alignment with the Historic Principles of Church Order (Book of Order – F-3.0101).] The Presbyterian Institutions that are not accredited will have a three-year period in which to achieve accreditation.
2. Non-degree granting institutions must have an alternative educational model that is consistent with their mission to educate racial ethnic students and has been approved by the ~~General Assembly Council~~ [Presbyterian Mission Agency] in lieu of accreditation.
3. Institutions must demonstrate how they provide financial support for students.

E. Racial Ethnic Student Enrollment. Enrollment of racial ethnic students must be demonstrated by an institution's mission and substantiated by the demographics of its student body.

II. PERFORMANCE INDICATORS

Of funds not earmarked for Base Grants:

A. Mission Validity

Twenty percent (20%) will be available to institutions that demonstrate mission validity by meeting the following criteria. For each criteria that is met, an institution will receive one-sixth (1/6) of the total amount for which it is eligible based on mission validity.

1. Evidence of Racial Ethnic Mission

- a. An institution must demonstrate a racial ethnic composition within its student enrollment of at least fifty percent (50%).
- b. An institution must demonstrate that at least ~~seventy-five~~ [fifty] percent (~~75%~~) [(50%)] of its students are financially disadvantaged and eligible for need-based aid.

2. Evidence of Successful Educational Program

- a. An institution must show evidence of having a qualified faculty to serve the enrolled student body.
- b. An institution must demonstrate a retention rate of ~~at least seventy percent (70%)~~ ~~its~~ students from the first to the second year for colleges or from year to year for secondary schools [*of within 10% of comparable peer institutions*].

3. Evidence of Achievement

- a. An institution must demonstrate a six-year persistence to graduation rate of ~~at least forty percent (40%)~~ [*within 10% of comparable peer institutions*].
- b. An institution must have in place a systematic outcomes assessment program.

B. Institutional Viability.

Twenty percent (20%) will be available to institutions that demonstrate institutional viability by meeting the following criteria. Accreditation without sanction by the appropriate regional accrediting association is a prerequisite to receiving institutional viability funds. For each of the other criteria met, an institution shall receive one-seventh (1/7) of the amount for which it is eligible.

1. Evidence of Financial Integrity

- a. An institution must show evidence of a balanced budget within constraints approved by its governing board.

- b. An institution must be able to produce an unqualified independent audit of financial operations for the previous fiscal year.

2. Evidence of Long-Range Strength

- a. An institution must show evidence of a systematic plan for raising funds to support the institution beyond what is received through tuition and financial aid.
- b. An institution must show a debt-to-net-worth ratio within the recommended limits of the National Association of College and University Business Officers (NACUBO).

3. Strength of Governing Board

- a. An institution's governing board must broadly represent constituencies served by the institution and the public.
- b. An institution's governing board must demonstrate through financial support an active participation in the work of the board.
- c. An institution's governing board must demonstrate its responsibility for policy determination, oversight of the institution and respect for the boundaries of its responsibility.

C. Contingency Funds

Ten percent (10%) will be available for institutions faced with emergency costs that have no other means of covering those costs.

III. SITE VISITS

In order to ensure compliance with these standards, educational institutions that receive money from the Christmas Joy Offering will be reviewed every four years by a team that includes:

- 1. The president of a comparable institution
- 2. A person knowledgeable about the higher education evaluation process
- 3. A member of the ~~General Assembly Council~~ [*Presbyterian Mission Agency*]
- 4. The [*Presbyterian Mission Agency*] ~~GAC~~ Associate for [*Educational and Financial Support*] Racial Ethnic Schools and Colleges (ex officio)