



# 2009-2011 PRESIDENT'S REPORT

PACIFIC UNION COLLEGE



THE NEW PUC

“Joyful is the person who finds wisdom, the one who gains understanding.”

—Proverbs 3:13

## From the President



There are moments in the life of every institution when we must by necessity profoundly renew and transform ourselves in order to prepare for a future filled with wondrous possibilities. At Pacific Union College, we stand at the crossroads of such a historical moment as the college on the hill embarks on an exciting journey from good to great. This 2011 President’s Report, *The New PUC*, charts the highlights and accomplishments of the past two years as the entire campus community dedicated ourselves to institutional renewal and to making great progress in all things academic, spiritual, financial and the like.

To illustrate, we were recently commended by the Western Association of Schools and Colleges for “a dramatic improvement” in our financial operations, from fiscal year 2008-2009 to fiscal year 2009-2010, after a number of years of previous operating deficits, and this current year’s financials trend toward a similar positive trajectory. During the past two years, PUC increased its regular undergraduate enrollment by 158 students, and we are currently experiencing a record-breaking number of applications for Fall 2011 while still enjoying the distinction of being ranked among *America’s Best Colleges* for seventeen consecutive years, as well as being ranked #3 in our institutional category as a “best value” for our constituent families. Furthermore, facilities improvements abound on campus as our students enjoy a renovated Dining Commons, Campus Center, Winning Hall Lobby, and Weight Room in addition to a number of smart classrooms installed on campus to advance technological innovation in undergraduate learning. And that isn’t all. When students return to PUC in September 2011, they will be greeted with a renovated Nelson Memorial Library, which will serve as a contemporary and



cutting-edge gateway to knowledge, facilitating the acquisition of new worlds of twenty-first century knowledge. All of these new developments would mean nothing, however, if PUC failed to remain true to its core mission as a Seventh-day Adventist institution of higher learning characterized by the intentional integration of faith and learning. So we have reaffirmed in our institutional student learning outcomes that our goal for our graduates is not simply to supply them with knowledge but, rather, to equip them with wisdom. “Joyful is the person who finds wisdom, the one who gains understanding” (Proverbs 3:13).

Additionally, all of these goals and aspirations are embodied beautifully in PUC’s roadmap for the next five years, *The PUC Advantage: Strategic Plan, 2011-2016*. As important constituents, we invite you to review our vision, goals, and action steps for success and to actively join us on our journey as we work to operationalize, realize, and fund our dreams. Most of all, you have prayed for us, partnered with us, and sacrificed for us. Please know that we appreciate all of your efforts on our behalf, and we solicit your continued support as we advance, by God’s grace, from good to great!

Warmly,

Heather J. Knight, Ph.D.  
President

## The Adventist Advantage

### One

Provides meaning and purpose in life through a personal relationship with Jesus Christ

### Two

Focuses on health, wellness and a wholesome lifestyle

### Three

Focuses on education and lifelong learning extending into eternity

### Four

Emphasizes a moral and ethical compass

### Five

Promotes a life of service and civic engagement

### Six

Models the educational and spiritual benefits of unity in diversity

### Seven

Promotes intentional stewardship of the earth





## Mission Statement:

Pacific Union College is a Seventh-day Adventist learning community offering an excellent Christ-centered education that prepares its students for productive lives of useful human service and uncompromising personal integrity.





**Students in the film & television program** have had the opportunity to intern with companies such as DreamWorks, Industrial Lights and Magic, and American Zoetrope, a film production company started by iconic director Francis Ford Coppola.

## A Tradition of Academic Excellence

For the 17th consecutive year, Pacific Union College was ranked among the region's best baccalaureate colleges by *U.S. News & World Report's* 2011 "America's Best Colleges" issue—one of the best-known and most reputable sources for college rankings. In addition to being in the top 10 for outright quality of education, we also ranked number two in the region for ethnic diversity and number three for value.

Pacific Union College is in a category for institutions that focus on undergraduate education and grants fewer than half their degrees in liberal arts disciplines. The ranking evaluates more than 1,400 American colleges and universities. Regionally, we compete among colleges in 15 western states, stretching from Hawaii to Texas.

High scores are based on such elements as academic reputation, graduation and retention rates, faculty resources,

student selectivity, financial resources, and alumni giving. Ethnic diversity is evaluated as the proportion of total students of color to the whole student body. Value is calculated as overall quality of the institution per average tuition minus average total of grants and discounts.

Our regular recognition by *U.S. News* serves as a reminder of PUC's strong heritage of academic excellence. Our seniors in many disciplines consistently score well above the national average in Major Field Achievement Tests. They have a high acceptance rate to many top-notch graduate and professional schools. We offer over 90 degrees and emphases, ranging from collegiate staples like business and the medical sciences, to unusual programs like aviation, to new and innovative programs like film and television and environmental studies.



**For nearly two decades,** PUC has landed in the top tier of *U.S. News & World Report's* "Best Colleges" rankings. PUC also has the greatest number of alumni graduating from medical and dental school at Loma Linda University over the past ten years.



## PUC Reads

Over the summer, all incoming freshmen for the fall 2010 quarter received a copy of *The Story of Stuff: How Our Obsession with Stuff Is Trashing the Planet, Our Communities, and Our Health—and a Vision for Change* by Annie Leonard. The book—along with an assignment to read it—was part of PUC Reads, a new program designed to engage the campus in a shared discussion of critical issues. “It’s a lot like a giant book club,” says Steve Waters, professor of mathematics and a member of the task force that presented the program to the college administration. “Although other colleges have implemented summer reading programs, PUC Reads pushes beyond many other school programs.” Not only does PUC Reads ask all freshmen to read the chosen book, but the program also directs them toward active engagement with the material through its inclusion in meetings of FUSION, PUC’s all-year freshman orientation program; through requirement as a textbook for at least two courses; and through the book’s integration into many other campus activities.



**Annie Leonard**, whose book was required reading for all freshmen, spoke at PUC for Green Week.

## High Impact Educational Practices

PUC’s faculty have been focusing on increasing the number of high-impact educational practices experienced by our students. These practices are defined by George D. Kuh in a 2009 monograph prepared for the Association of American Colleges and Universities and based on data from the National Survey of Student Engagement (NSSE). Since its inception in 2000, NSSE has surveyed over 2.3 million students at 1,452 colleges and universities. It now seems clear that some activities are more likely to increase student engagement and effort and to deepen their commitment to learning. These “high-impact,” active learning practices increase both retention and graduation rates: in other words, they help students succeed. While we have used most of these practices at PUC, this year we decided to commit to increasing the number of students who experience them. We focused on five practices: a summer reading program for new first year students, undergraduate research, capstone experiences for seniors in all



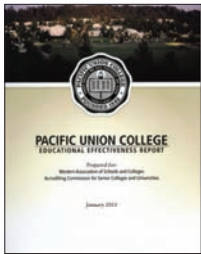
**As part of the service learning curriculum**, members of the Biology Club volunteered to help restore the wildlife habitat of local Lake Berryessa.

baccalaureate programs, collaborative learning assignments across the curriculum, and service-learning. We were especially excited to have two nationally-recognized speakers on campus in support of these initiatives. Nadinne Cruz, a national expert on service-learning, spoke to the faculty in the fall of 2010, and Annie Leonard, author of *The Story of Stuff* (our summer reading book), spoke to the entire campus about “Stewardship for the 21st Century” during 2011 Green Week in April.





## The WASC Accreditation Process: An Affirmation of Quality



Late in March 2011, a team from the Western Association of Schools and Colleges (WASC) spent three days on campus for

the final stage of the reaffirmation of accreditation process, the Educational Effectiveness Review. The visit was collegial, and the team noted PUC's considerable strengths. They commended our climate of care and enthusiasm, our dynamic leadership, our strong academic program, our meaningful culture of service, and our commitment to faith and learning. The team was also impressed by our new strategic plan and by the significant improvements in enrollment and finances since their earlier visit in October 2009 for the Capacity and Preparatory Review. Our WASC report was structured around

four themes: A Learning Community; Stewardship; a Culture of Service; and Conversations about Faith, Learning, and Adventist Identity. These themes allowed us to discuss our core mission as a Seventh-day Adventist Christian institution of higher learning, as we focused on our deep commitment to undergraduate teaching and to preparing students to serve others with integrity, in a caring but rigorous learning environment. A sub-theme of the report was the incredible diversity of our student body and the ways we are learning to use this diversity to create a learning community that prepares students for life and work in a global church and a shrinking world. We now await the team's final report and a decision by the WASC Commission in late June.

### **Institutional Student Learning Outcomes**

*PUC facilitates WISDOM by promoting and modeling:*

#### **Wholeness**

Graduates will make mature, independent choices integrating the needs of body, mind, and spirit.

#### **Integrity**

Graduates will live lives based on the highest ethical standards.

#### **Service and Stewardship**

Graduates will practice the Biblical imperatives to serve humanity, resist injustice, and care for the created world.

#### **Diversity**

Graduates will display intercultural competence and global understanding as informed members of a dynamic global church and world community.

#### **Our Adventist Heritage**

Graduates will understand and value the major tenets of Seventh-day Adventist Christian thought, including the blessing and significance of the Sabbath.

#### **Maintaining Lifelong Learning**

Graduates will continue to practice the intellectual skills and curiosity necessary to learn and grow creatively throughout life.



### Biology Professor Receives NWF Grant

In the summer of 2010, Floyd Hayes, professor of biology, received a \$50,800 grant from the National Wildlife Federation to monitor and conduct conservation efforts toward breeding grebes at Clear Lake—California’s largest freshwater lake, about two hours’ drive from PUC.

He and his collaborators conducted weekly surveys during the nesting season to locate grebes and measure their reproductive success.

A few selected PUC students, who are aspiring field biologists, had the unique opportunity to assist Hayes in his research. The team will also post buoys and barriers to break up waves in the vicinity of colonies and reach out to local stakeholders through presentations and distribution of printed materials, which will inform locals of the hazardous impact of boat wakes and recreational fishing on grebes’ floating nests.



## Faculty & Student Research

Students and faculty from several departments collaborated on research in 2009-2011.

- ▶ Social Work major Brian Rodriguez won Highest Honors at the annual conference of the 2010 Association of Baccalaureate Social Work Program Directors, in Atlanta, Georgia, for his poster, “Aggression Replacement Training for at-risk Youth: Will Gender Matching Help?”
  - ▶ Professor of social work and chair of the department of psychology and social work Dr. Monte Butler worked with social work majors Ariane Gregory, Ana Hernandez, Becky Broeckel to present a poster entitled, “Food Insecurity: A Single Question Survey in Angwin, California” at the 2010 Association of Baccalaureate Social Work Program Directors, in Atlanta, Georgia.
  - ▶ Professor of physics Dr. Vola Andrianarijaona took PUC students Jerilyn Rada, Chris Ha, and Yuri Costa to the Oak Ridge National Laboratory in Oakridge, Tennessee, to do research involving atomic and molecular collisions. As a result, Dr. Andrianarijaona and Ms. Rada presented a poster at the International Conference on Photonic, Electronic and Atomic Collisions in Kalamazoo, Michigan. Their poster was titled, “Investigation of charge transfer in low energy D<sub>2</sub><sup>+</sup> + H collisions using merged beams.”
  - ▶ Professor of psychology Dr. Charlene Bainum worked with psychology majors Priscilla Miranda, Nicholas McCluskey, Benjamin J. Silber, and Christian M. D. von Pohle to research and write, “Effect of Adult Disapproval of Cartoon Violence on Children’s Aggressive Play,” which was published in *Psi Chi Journal of Undergraduate Research*, Vol. 14, no. 2.
- Dr. Bainum also worked with two different groups of students to present posters at the April 2010 meetings of the Western Psychological Association meetings in Cancun, Mexico:



Steffanie Chaviano, Daniel H. Chang, Melinda M. Joseph, Ariel C. Reid, and Christian M. D. von Pohle co-authored “To Spank or Not to Spank: Immediacy Effects on Discipline.”

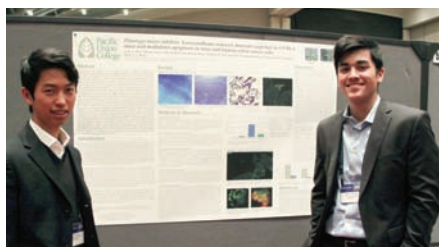
Fabienne O. Leaf, Jessica D. R. Cerda, Lyneda P. Dew, Marlin El C. Fondevilla, Allison T. Muscosvi, and Christian M. D. von Pohle co-authored “Effect of Ethnic Awareness on Job Association.”

► Professor of biology Dr. Brian Yuen Yau Wong worked with two groups of students to present research at the American Association for Cancer Research annual meetings in April 2010 in Washington, D.C.:

Christal Y. Nishikawa, Lucas Y. Kim, Brian Y. Kim, Jeeyoon Jung, Robert Frey, Peter Han, Randy P. Hausted co-authored a poster entitled “Chinese medicinal herb *Oldenlandia Diffusa* inhibits Azoxymethane-induced

aberrant crypt foci in C57BL/6 mice and modulates apoptosis in mice and in human colon cancer cells.”

Lucas Y. Kim, Brian Y. Kim, Jeeyoon Jung, Christal Y. Nishikawa, Alyssa K. Zima, Randy P. Hausted co-authored “Inhibition of Azoxymethane-induced aberrant crypt foci in C57BL/6 mice by the Chinese medicinal herb *Scutellaria Barbata*.”



**Students Peter Han (left) and Robert Frey presented new cancer research at a conference of the American Association of Cancer Research in 2010.**

### Faculty Morale Survey

Faculty morale is surveyed each year, and recently there has been a marked increase in faculty satisfaction.

#### Question:

Things are going well for the campus as a whole:

	Agree	Disagree
2007	36.73%	20.41%
2008	43.90%	26.83%
2009	25.64%	30.77%
2010	64.10%	12.82%
2011	69.23%	2.56%

# Becoming the College of Choice

## Big Numbers in 2009

In September 2009, enrollment jumped 11.1 percent from the previous year, bringing the overall head count to 1,511.

For the second consecutive year, fall quarter enrollment increased from the previous year with a total of 1,527 students enrolled in both on and off campus programs at the start of the 2010-2011 academic year. The biggest jump was in new students—which includes freshmen and transfer students—which had a 15% increase from Fall 2009, making one-third of the student population new to campus.

As enrollment grew in 2010, several departments on campus experienced increases in programs also. Nursing continues to be the largest program on campus, and the biology department came in a close second with

141 students—a 32% increase from 2009-2010. The largest increase of students in a major is in psychology, which jumped by 69% compared to last year.

Many of the biology majors enrolled are also in the pre-medical or pre-dental programs due to PUC's stellar reputation for getting students into medical and dental schools. The psychology program is also one of our strongest, with the department scoring in the 95th percentile of all college and university psychology departments administering Major Field Tests.

# Providing Hope and Opportunity

## Adventist Mission Scholarships

Pacific Union College wants to support the mission of the Seventh-day Adventist Church by offering a renewable \$3,000 grant to future teachers and pastors. To receive the award, students must major in theology or be actively pursuing a teaching credential for elementary or secondary education while enrolled at PUC.

The past two years have been a time of economic crisis for the country, and many families with college-bound children are wondering if Christian, private education has slipped beyond their reach. In response, PUC decided to make a bold change that offers students hope and opportunity.

“In this time of financial turmoil, it is imperative that our young people can continue to afford an Ivy-league quality Christian education,” says PUC president Heather Knight. “I hope that this improved scholarship program will show students and parents that Seventh-day Adventist college education is an attainable goal.”

Starting fall 2011, incoming PUC students will receive scholarships guaranteed for all four years. The Four-Year Guarantee will award an incoming student anywhere from \$1,000 to \$7,000 per year, based on cumulative high school GPA for new freshmen and college GPA for transfer students. The amount awarded upon admission is renewable for the next three years, meaning a student could receive a total award ranging from \$4,000 to \$28,000.

Furthermore, students who boast both a high GPA and outstanding ACT or SAT scores will be eligible for the premium President's and Dean's Scholarships. These scholarships award students \$32,000 to \$36,000 over the course of four years.

In addition to the Four-Year Guarantee, PUC is making significant increases to a variety of scholarships. Exceptional artists, musicians and athletes will be eligible for increased funding.

PUC will also offer the Adventist Mission Scholarship, which awards theology and education majors a special grant to support those who are planning to serve in Adventist churches and schools. Like the Four-Year Guarantee, all of these additional scholarships are renewable each year the student attends PUC.

Besides these changes, PUC continues to offer its prestigious Maxwell Scholar Program. Five incoming freshman are selected to receive \$15,000 per year, renewable annually, based on high academic achievement, student leadership, and Christian service.





“My vision is that within the next several years the entire campus will be transformed into an exciting state-of-the-art twenty-first century learning environment”

—Dr. Heather J. Knight

## A Destination Campus

After thirty years of only minor tweaks and updates, the busiest building on campus finally got a full-blown facelift. In fall 2010, the Dining Commons and Campus Center debuted a dramatic renovation to the delight of all on campus.

The new design incorporates Napa Valley style, a rustic yet contemporary aesthetic based on open spaces and natural materials like wood and stone. Basic tables and chairs of the Dining Commons seating area were replaced with unique and inviting sections, including rows of booths, raised pub-style tables, and an informal lounge furnished with sofas. The serving area was also reworked to improve students' access to the food and reduce congestion during busy meal times.

The Campus Center, which serves as the recreational heart of PUC and the home of the Student Association offices, received a new professional-grade food and drink preparation area and a small convenience store. Walls were knocked down to expand the area, and all the

furniture was replaced to give the space a fresh and modern feel. New paint and flooring was applied throughout the whole facility, matching the Dining Commons and Campus Center with a common visual theme.

This update is the first of a wave of improvements around campus as President Knight seeks to transform the college into a shining example of modern higher education.

“PUC is going to become a great college,” says Knight. “When I think about our campus going from good to great, I’m including every area of campus, including our facilities. My vision is that within the next several years the entire campus will be transformed into an exciting state-of-the-art twenty-first century learning environment.”



**Winning Hall lobby** was renovated in 2010, complete with new paint, carpet, lighting, and furniture.



### A Spiritual Revival

As is tradition, the 2011 fall quarter started with a Revival, PUC's quarterly Week of Prayer. But campus chaplain Roy Ice felt that this Revival was going to be different. "I think God really cares about PUC, and I think the ground-work that we've done over the past five years is leading to a real harvest year," said Ice. He invited Kietrich Germany, the associate pastor of Oakland-Market Street Adventist Church, to be the speaker. As Ice and Germany planned for the Revival, they came to a similar goal for what they wanted: a push for greater commitment.

For the Revival, Germany preached with his usual energy and passion, and at the end of the week, students were handed a small card with five choices, including a renewal of commitment, joining a Bible study group, and being baptized. That night, Germany made an altar call, and nearly 200 students stood shoulder to shoulder up front. In all, 240 students marked a decision on their card that night.

### Revival Responses:

- 13 Requests for baptism
- 26 Requests for Bible studies with a pastor
- 57 Commitments to join a Bible study group
- 144 Renewed commitments to Jesus



## Infusing the Campus with Spirituality and Service

Aren Rennacker is a busy man. He's a full time student majoring in public relations and journalism with a minor in theology. He's a star player on the Pioneers basketball team. He's a resident assistant in Grainger Hall. These things are all major time commitments.

You would think this 22-year-old would take advantage of his weekends for a little rest and relaxation. But on Sabbath mornings he's up at dawn—shuttling local children from families torn apart by incarceration to KidzReach, one of PUC's most powerful student ministries.

KidzReach connects children from troubled homes with volunteers who are committed to providing a positive influence. On Sabbath mornings, student volunteers from Pacific Union College fan out across Napa and Lake Counties to pick up the children at their homes and bring them to church. The children are fed breakfast, lunch



**Aren Rennacker** (center) with children he met during a Share Him mission trip to Guatemala.

and dinner. For some of them, it's the best food they get all week. But what the children enjoy the most is that they get to spend the day in the care of the volunteers—playing in the park, or just hanging out with stable, loving, Christian young adults.

This ministry is only one of many ways in which hundreds of PUC students regularly give their hearts, their money, and their scant time in order to make the world better for others. In any





given week, community-conscious students can be found making a difference in their local community at a variety of ministry and service opportunities. Recently PUC students have fed and encouraged displaced individuals in the Bay Area with Homeless Ministries at the San Francisco Philadelphian Seventh-day Adventist Church and donated and collected non-perishables for local families with the Angwin Food Bank. This year PUC students served as long- and short-term missionaries in such countries as Thailand, El Salvador, Micronesia, Costa Rica, and Korea.

Volunteering time with local kids or feeding the homeless in your own neighborhood is one thing, but often PUC students gladly serve people they will never even meet. Twice this year, students flooded the Dining Commons to give life-saving blood. Other students roamed the residence halls,

taking up collections for victims of disasters in Haiti and Japan. This spring the student organization REVO held fundraising events to build a much-needed community kitchen all the way in Argentina.

Whatever the cause, many PUC students are eager to take advantage of any opportunity to serve, give, and volunteer.

It's not always an easy decision for them. Like Aren, most PUC students face a busy schedule with a host of responsibilities vying for their time and attention. But for these students, the call to service is impossible to ignore. "It's a very difficult message to take—to put others first—and that's something I certainly struggle with," Aren says. "But this is my chance to finally listen to Christ and do something for others. That's what ministry is about."

### Student Missionaries 2009-2011

- Kara Ackerman Majuro
- Christina Akamine Thailand
- Katrina Arafiles Majuro
- Matthew Freedman Belize
- Jonathan Gienger Majuro
- Lawrence Graack  
South Korea
- Ana Hernandez Egypt
- David Hernandez Palau
- Danielle Jenson Tanzania
- Carrie Lam Thailand
- Patrick Leaf Micronesia
- Eric Logan Palau
- Tarynn Machado Honduras
- Bernardo Malqued  
Cambodia
- Shearin Matute Honduras
- Mark Miracle Micronesia
- Justin Napod Philippines
- Zack Reiber  
Task force in Sacramento
- Andrew Riffel India
- Jason Silber South Korea
- Jonathan Uniat Thailand
- Diane Whitley  
Czech Republic
- Scott Wilson Yap

## Distinguished Alumni

Loree K. Sutton, M.D., '81



United States Brigadier General and founding director of the Defense

Centers of Excellence for Psychological Health and Traumatic Brain Injury.

Calvin Kim, D.D.S., '92-'95



Dentist and founder of ARME Bible Camps, a ministry that trains

believers for extensive Bible study, prayer, and witnessing.

Ray McAllister, Ph.D., '97



First blind student to earn a doctorate from the Adventist

Theological Seminary at Andrews University.

Patricia Thio, '01



Emmy award winner, Associate Director of PR Video Production at

Loma Linda University.



## Creating a Legacy of Giving

Visit the campuses of Pacific Union College, Southwestern University, Atlantic Union College, Andrews University, Loma Linda University, La Sierra University, Walla Walla University, the University of California at Berkeley, and the University of British Columbia, and you will become familiar with one name common to all those institutions: Chan Shun. A giant in educational philanthropy, this Chinese-born manufacturing magnate gave so substantially to all the above institutions that each one has a building or endowment in his name.

Dan Ganancial knew that name. As a student leader at PUC in 2005, he had visited other colleges and noticed the name he knew from PUC's chemistry and physics department building. And Dan was inspired.

"Just like Chan Shun, I wanted to leave my legacy on PUC and hopefully the greater Adventist educational system," Dan says.

So when Dan graduated, he was on the lookout for ways to get involved—and not just to have his name on buildings, but to really make a difference. "I wanted to give back to PUC because I truly enjoyed my time there, and I wanted to give back to the student community since I got so much out of it."

Enlisting the help of his younger sister Navi—another socially-minded individual and a 2007 graduate—Dan came up with an unusual idea for a young alum. In the spring of 2010, the two became the youngest scholarship founders in PUC's history.

The Ganancial Family Scholarship goes to a student who has been at PUC at least two years, is studying in the fields of communication, public relations, journalism, business, or music, and holds a GPA of at least 3.25—following in the footsteps of Dan and Navi, who earned high honors in those fields during their undergraduate studies.



The Ganancials are both under 30 and are only a few years into their careers. Dan is an investment advisor and Navi is in political advocacy and community relations. But that didn't stop them from doing something that even most older, established alumni never accomplish.

"We wanted to set an example to the young PUC alumni, as well as current PUC students, that you don't have to wait until you are 50 years old and super wealthy to give back," says Dan. "Our world needs young, socially-minded people to step up and make things happen. Hopefully this scholarship not only helps out financially-in-need students, but it also inspires others to look past themselves and their situation and take action to support Adventist education."

"It's inspiring to see young alumni like Dan and Navi using their resources to make a difference in other young

people's lives," says Pam Sadler, vice president for advancement. "Most of us wait until a point in our lives when we're well established, but these two have made giving back a priority." In fact the PUC alumni giving rate has increased from 9% to 11.2% over the past two years.

**Divya Joseph** (center in the top right photo), was the first to receive the Ganancial Family Scholarship in 2010.



### The Power of the Volunteer

In 2006, the beloved Albion Field Station was in desperate need of attention. Built in 1947, much of the facilities needed repair, and changes in course curriculum at PUC left the station empty most of the time. What Albion needed was vision.

In stepped Gilbert Muth, retired PUC biology professor, and Larry Provonsha, PUC board member and alumnus. Combining their passion for Albion, they embarked on a mission to transform the campus. Five years later, with the help of their families and a volunteer group called "Friends of Albion," the field station is sparkling with new bathrooms in each cabin, fresh landscaping, updated classrooms, and a modern retreat center.

Volunteers have contributed more than 40,000 work hours and close to \$600,000 in gifts. As a result of this transformation, Albion is once again a popular gathering place for schools and churches.

# 2009-2010 Financial Summary

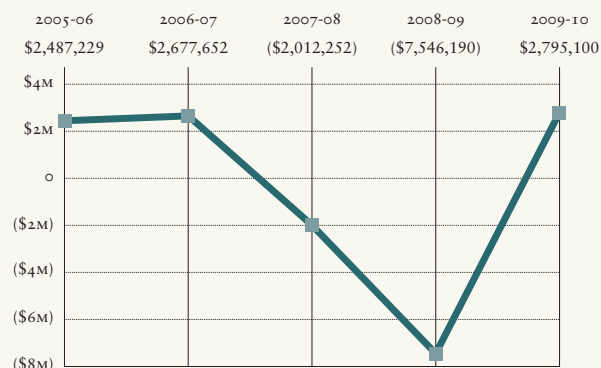
The strategic goal of Financial Administration at Pacific Union College is to “achieve and sustain financial strength and stability sufficient to support the range and quality of programs and facilities required to serve the needs of the College’s stakeholders.” Financial operations over the past two years took aim at this strategic goal and the College is now solidly on the path to financial recovery.

## RESULTS

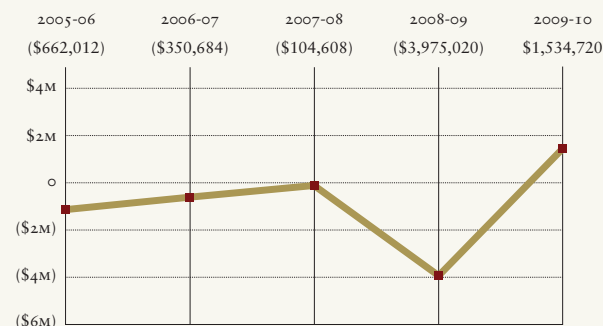
Pacific Union College concluded its 130th fiscal year (2009-2010) on a positive note. The audited financial statements evidence a gain of \$2.8 million. This is a dramatic improvement from just two years prior when the College posted significantly negative operating results. In response to a challenging economic experience, the College made the tough decisions to drastically

reduce operating expenses temporarily and to monitor spending more effectively. Those decisions, coupled with a revitalization of the investment markets resulted in a change in total net assets from a deficit of \$7.5 million to a surplus of \$2.8 million in just one year. Unrestricted net assets changed from a deficit of \$3.9 million to a surplus of \$1.5 million in the same period of time.

### Change in Total Net Assets

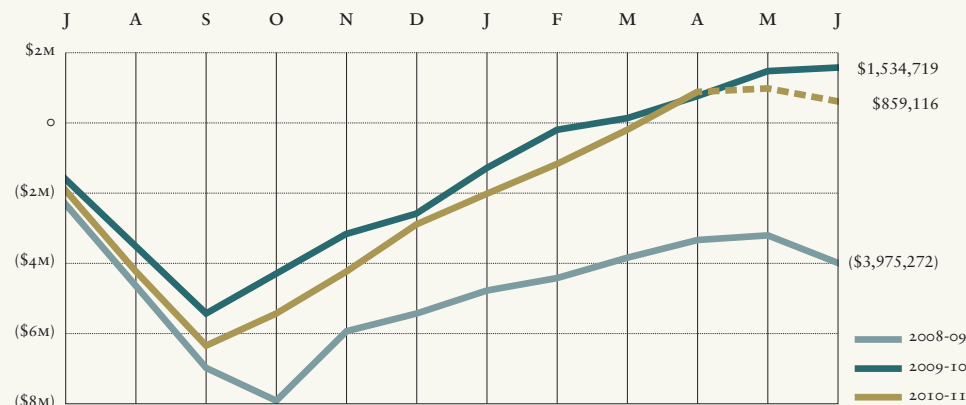


### Change in Unrestricted Net Assets (operating budget)



It is expected that the financial activities of fiscal year 2010-11 will produce operating results similar to 2009-10. The projected cumulative change in net assets for June 2011 is \$859,116.

### Cumulative Change in Unrestricted Net Assets

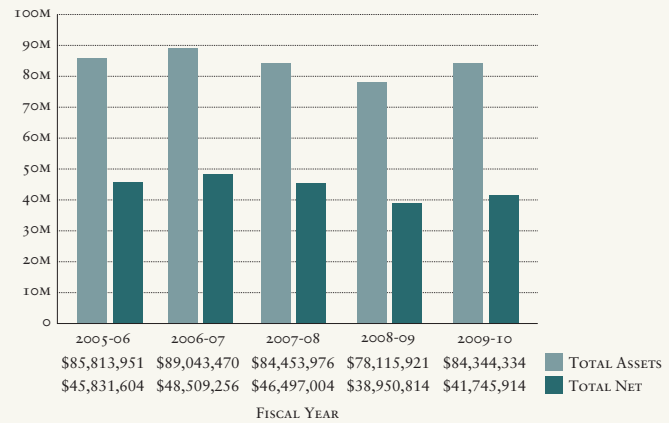


We are pleased to present the consolidated financial statements for the fiscal years ended June 30, 2010 and 2009, and to offer the following discussion points:

### TOTAL ASSETS

Total assets have remained flat over the last five years. This is very encouraging given the national and global trends during the same period. The College “weath-ered” the storm by staying close to its conservative fiscal policies, especially in the area of investments. Since the 2008-09 decline, total assets have rebounded completely, and net assets have improved by 93% or \$2.8 million. As the College becomes more operationally efficient in our core enterprise, the objective is to reduce dependency on debt and focus on funding operations with improved net assets.

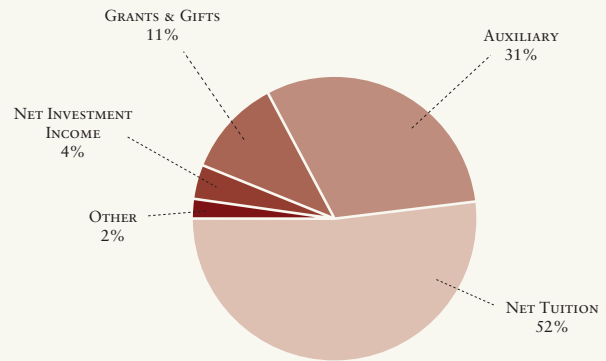
### Total Assets to Total Net Assets



### REVENUE AND GAINS

The College remains a tuition-driven institution; 52% of total revenue and gains come from tuition. Enhanced by tuition and fee increases as well as heightened enrollment trends, tuition revenue has increased 10.78% over the past five years; for the last two years, that increase was 11.9% or \$2.4 million. A major strategic objective of the current administration is to increase tuition revenue by focusing on enrollment growth, as well as diversifying revenue sources.

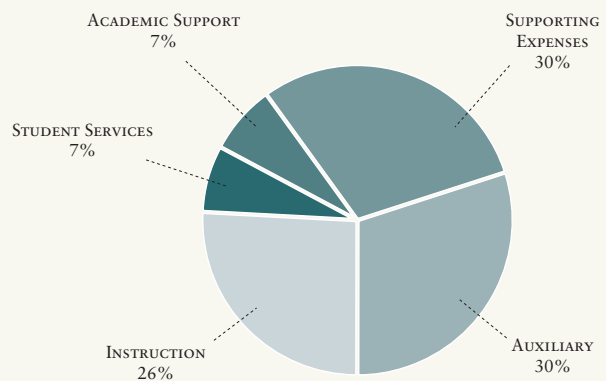
### Revenue



### EXPENSES

In response to the realities of declining revenue and support, the College engaged in cost containment measures and restraints that resulted in expenses being reduced by 6% in the last two years. The decline was mostly in the auxiliary and subsidiary functions. It is worth noting that 70% of all expenses directly benefit students or are attributable to the academic function of the College.

### Expenses by Function

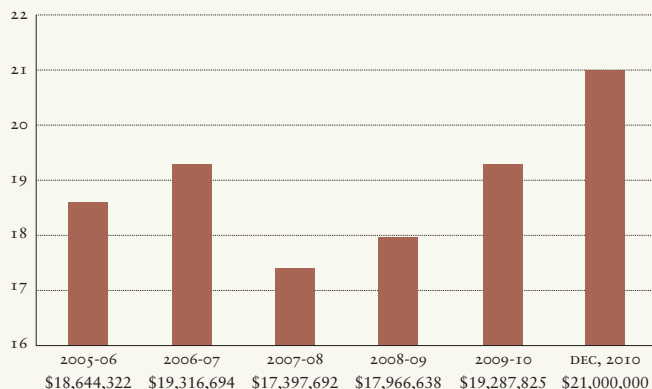


# 2009-2010 Financial Summary

## ENDOWMENT

The College's endowment totaled just over \$21 million as of December 31, 2010. In 2007-08 the endowment lost nearly 10% of its market value. The College's investment strategy, which takes a disciplined and strategic approach to investing, has proven to be prudent.

## Endowment



## SUMMARY

Fiscal year 2010-11 is on track to be a positive financial one for PUC. The College Administration has made deliberate strategic moves to ensure that the trend toward fiscal health is sustained. Numerous strategic indicators have been developed to track financial performance, and these indicators are reviewed on a regular basis. Recognizing that mere expense-reduction is not sustainable over the long run, efforts have also been directed at

bolstering additional, as well as new revenue sources, for the College.

Our keen focus on mission, strategic objectives, student success, organizational effectiveness, and prudent fiscal management will ensure that PUC's excellent reputation is preserved for many years to come.

## Asset Management: Integrating Mission & Place

### Campus Master Planning

Pacific Union College has been working with the distinguished SWA Group, a landscape architecture firm, on the campus master plan, and the plan is now nearing completion. Some possible master planning concepts include creating a grassy glade through the center of campus, renovated residence halls, and an administration building at the front of campus to house a one-stop shop for prospective and current students. A new entrance is also envisioned in order to give an improved sense of arrival and an enhanced sense of place.

### Ecovillage Project Ended

After years of study, on October 4, 2010, the PUC Board of Trustees voted to end the college's consulting contract with Triad Communities and instead pursue opportunities for PUC's property outside of an Ecovillage project.

PUC is still committed to selling land that is not currently in use by the college and that is considered non-essential to PUC's core mission. This is in accordance with a 2002 board resolution to liquidate non-essential assets to ensure that the College has resources to meet its current financial obligations, as well as to achieve its long-term financial objectives for its future growth and development. These goals include growing the college's endowment, providing more scholarships for students, increasing faculty and staff compensation, and enhancing the campus infrastructure and facilities.

## Consolidated Statements of Financial Position for the Years Ended June 30

Assets	2010	2009
Cash and cash equivalents	1,575,760	1,398,848
Short-term investments	5,556,751	4,530,371
Accounts receivable, net	3,345,031	2,696,593
Pledges receivable	32,000	37,000
Prepaid expense and deferred charges	815,967	875,234
Inventories	1,028,308	1,072,486
Notes receivable, net	12,191,966	11,232,228
Deposits with others	1,929,853	1,724,498
Investments - real estate	2,978,708	3,199,212
Annuity and trusts receivable	1,015,645	960,858
Trusted assets	6,297,912	6,122,577
Long-term investments	11,293,422	11,422,638
Land, buildings and equipment, net	30,814,340	32,843,378
Land development costs	5,468,671	
<b>Total assets</b>	<b>84,344,334</b>	<b>78,115,921</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	4,240,113	3,587,784
Lines of credit	9,200,000	10,900,000
Deposits from others	1,224,015	1,178,110
Deferred revenue		180,120
Notes payable	8,569,444	3,811,869
Bonds payable	9,616,097	9,871,251
Trust payables	3,895,878	3,764,268
Asset retirement obligation	3,084,048	3,095,371
Refundable Federal loan program advance	2,768,825	2,776,334
<b>Total liabilities</b>	<b>42,598,420</b>	<b>39,165,107</b>
<b>Net Assets:</b>		
Unrestricted	18,556,737	17,022,017
Temporarily restricted	7,841,060	6,593,277
Permanently restricted	15,348,117	15,335,520
<b>Total net assets</b>	<b>41,745,914</b>	<b>38,950,814</b>
<b>Total liabilities and net assets</b>	<b>84,344,334</b>	<b>78,115,921</b>

*“Notes to Consolidated Financial Statements” are an integral part of this statement*

# 2009-2010 Financial Summary

## Consolidated Statement of Activities for the Years Ended June 30

Revenues, Gains, and Other Support	2010	2009
Tuition and fees	31,311,688	27,650,692
Less scholarships	(9,108,738)	(7,808,680)
<hr/>		
Educational revenue, net	22,202,950	19,842,012
Contributions	982,733	952,902
Education subsidy	3,843,972	3,854,589
Federal grant income	153,356	156,668
Auxiliary enterprises revenue	7,333,631	6,717,800
Retail operations	5,825,652	5,766,888
Interest and dividend income	543,368	663,659
Net unrealized gain (loss) on investment	1,137,591	(4,384,021)
Changes in annuities and trusts	156,524	0
Other	796,433	936,263
<hr/>		
Total revenues, gains and other support	42,976,210	34,506,760
<hr/>		
<b>Expenses and Losses</b>		
Program expenses:		
Instruction	10,364,498	11,147,114
Academic support	2,719,937	2,759,642
Student services	2,782,373	2,697,561
<hr/>		
Total program expenses	15,866,808	16,604,317
Supporting expenses:		
Institutional support	6,541,947	6,377,847
Fund raising	754,457	794,854
Operation and maintenance	3,727,327	4,095,243
Depreciation	1,325,212	1,530,945
Other	253,540	315,067
<hr/>		
Total supporting expenses	12,602,483	13,113,956
Auxiliary enterprises	5,727,340	6,309,643
Retail operations	5,984,479	6,025,034
<hr/>		
Total expenses and losses	40,181,110	42,052,950
<hr/>		
Change in Net Assets	2,795,100	(7,546,190)
<hr/>		
Net Assets - Beginning of Year	38,950,814	46,497,004
<hr/>		
Net Assets - End of Year	41,745,914	38,950,814

*"Notes to Consolidated Financial Statements" are an integral part of this statement*



# College Facts & Figures

Founded in 1882, Pacific Union College is a Seventh-day Adventist Christian college with a strong liberal arts tradition. The college offers a fully-accredited four-year program and emphasizes academic excellence, authentic spiritual experience, and service to local and worldwide communities.

A destination campus in California, PUC is the Napa Valley's only four-year college. The college is located 70 miles north of San Francisco and 60 miles east of the Pacific Ocean.

## RANKINGS

- ▶ Top ten in top tier, Baccalaureate Colleges (West), *U.S. News & World Report*, 2011
- ▶ #2 Ethnic Diversity, Baccalaureate Colleges (West), *U.S. News & World Report*, 2011
- ▶ #3 Most International Students, Baccalaureate Colleges (West), *U.S. News & World Report*, 2011
- ▶ #3 Best Value, Baccalaureate Colleges (West), *U.S. News & World Report*, 2011
- ▶ #1 Ethnic Diversity, Baccalaureate Colleges (West), *U.S. News & World Report*, 2010
- ▶ #2 Most International Students, Baccalaureate Colleges (West), *U.S. News & World Report*, 2010
- ▶ Top ten, research category, Baccalaureate Colleges, *Washington Monthly*, 2010

## FRESHMEN ACADEMIC PROFILE, 2010

- ▶ 3.32 mean high school GPA
- ▶ 22 mean ACT score
- ▶ 1530 mean SAT score

## STUDENTS & FACULTY

- ▶ 1,536 total enrollment (including off-campus programs)
- ▶ 47% male, 53% female (on-campus enrollment)
- ▶ 85% Seventh-day Adventist Christians
- ▶ 80% from California
- ▶ 15:1 student to faculty ratio
- ▶ 91 full-time faculty
- ▶ 1,300 PUC student missionaries mobilized
- ▶ 25,000 alumni worldwide

## ACADEMIC PROGRAM

- ▶ 35 majors, 38 emphases—73 programs in all
- ▶ 1 master's degree in education
- ▶ 21 pre-professional programs

## STUDENT LIFE

- ▶ 24 student clubs
- ▶ 9 campus ministries
- ▶ 6 varsity sports teams

- ▶ 6 honors societies: Sigma Beta Delta, Sigma Tau Delta, Phi Alpha Theta, Pi Kappa Lambda, Psi Chi, Psi Alpha
- ▶ More than 27 Student Association weekend activities planned per academic year, not including week day functions

## ACCREDITATIONS

- ▶ Western Association of Schools and Colleges
- ▶ Adventist Accrediting Association
- ▶ National League of Nursing Accrediting Commission
- ▶ National Association of Schools of Music
- ▶ Council on Social Work Education
- ▶ California Commission on Teaching Credentialing
- ▶ International Assembly for Collegiate Business Education

# News Highlights 2009-2011



► In partnership with the college, the PUC Church launches the “40 Days of Prayer” initiative, which asks for local members and the Pacific Union Conference churches to pray for 40 specific prayer requests regarding the PUC community.

► Dr. Knight is officially introduced to the student body at Convocation, an annual ceremony marking the start of the school year. Dr. Knight speaks on the Adventist Advantage, a topic that later becomes her platform for Adventist education.

## Summer 2009

## Fall 2009

► For the 16th year running, *U.S. News & World Report* names PUC in the top tier of baccalaureate colleges (West).

► PUC, PUC Elementary, PUC Prep, and the PUC Church celebrate 100 years in Angwin.



► PUC Board of Trustees announces Dr. Heather J. Knight as the 21st president of Pacific Union College. Her appointment marks the first time in PUC’s history that a female and person of color has been named president.

► PUC’s nursing program partners with Napa’s Queen of the Valley Hospital to offer an on-site RN to BSN nursing program.

► Piano Fantasia, a concert extravaganza honoring philanthropist Margrit Mondavi, takes the Paulin Hall stage a second time.



► PUC shows an 11.1 percent increase in enrollment from Fall 2008.



► Film and TV majors Ryan Pullido and Timothy Wolfer complete a fall internship at American Zoetrope, Francis Ford Coppola's film production company.

► Education leaders from California and sister Adventist institutions gather on campus for the inauguration of Dr. Heather J. Knight.

► Student and staff volunteers join a two-week effort to clean and repair dilapidated homes of elderly and disabled citizens in Calistoga.

### Winter 2010

### Spring 2010



► The PUC community raises more than \$27,000 to help the victims of the Haiti earthquake.



► David Neff, editor in chief and vice president of editorial for the Christianity Today Media Group, speaks for the Longo Lecture Series.



► Hunter Lovins, a globally recognized leader in sustainable practices, speaks on "Sustainability in Napa County: An Environmental and Economic Imperative," at PUC for Earth Day.



► Student-led humanitarian event, REVO PUC, raises \$8,000 to aid the Tropical Health Alliance Foundation in its efforts to combat podoconiosis and KidzReach, a PUC campus ministry that supports local children.

# News Highlights 2009-2011



## Summer 2010

- ▶ Debra Winkle, director of Med Teach/LVN to RN programs for PUC, was made an Honorary Commander of the 60th Medical Group's Inpatient Operations Squadron at David Grant USAF Medical Center.

- ▶ Incoming freshmen are introduced to "PUC Reads," PUC's first book club. The inaugural book is "The Story of Stuff," by Annie Leonard.

- ▶ *U.S. News & World Report* ranks PUC in the region's top ten "Best Baccalaureate Colleges, 2011."

- ▶ The PUC Board of Trustees and President Knight confirms Dr. Dave C. Lawrence as the new vice president for financial administration.



## Fall 2010



- ▶ PUC graduates 290 students in the Class of 2010. Dr. Arthur Dugoni, president of the American Dental Association Foundation and former dean of the Arthur A. Dugoni School of Dentistry at the University of the Pacific, gives the commencement address.

- ▶ Dr. Heather Knight and Dr. Norman Knight are featured on the Hope Channel television program, "World of Hope," taped in front of a live audience at the 2010 Seventh-day Adventist General Conference World Session in Atlanta, Georgia.

- ▶ Dr. Floyd Hayes, professor of biology, is selected to oversee a \$50,800 grant project from the National Wildlife Federation to monitor and conduct conservation efforts towards breeding grebes at Clear Lake.

- ▶ PUC faculty and students participate in a ShareHim mission trip in Guatemala and baptize 36 people at the close of the evangelism series.



- ▶ Dr. Carol Geary Schneider, president of the Association of American Colleges and Universities, speaks on the importance of a liberal arts education at the annual Convocation ceremony.

# REVO

PACIFIC UNION COLLEGE • 2011 • LA MISIÓN ARGENTINA

► Four years since beginning talks of developing college property, the PUC Board of Trustees voted to end the contract with Triad and pursue opportunities for PUC's property outside of an Ecovillage project.

► Pioneers cross-country team member Sophie Grise is named an All-Conference representative of the California Pacific Conference of the National Association of the Intercollegiate Athletics.



► The Heubach Lecture invites Dr. Jacques Doukahn, professor of Hebrew and Old Testament Exegesis at Andrews University, to speak on campus.

► PUC launches its first iPhone application.

## Winter 2011

## Spring 2011

► Fall enrollment is up once more with 1,527 students enrolled in both on and off campus programs and a 15% increase in new students.

► Film and television student Timothy Wolfer's documentary, "Adopting Haiti," about the plight of orphans in the aftermath of the Haiti earthquake, premieres on Hulu.com.

► Six PUC varsity athletes – four men and two women – are chosen to represent NAIA on the Daktraonics NAIA Scholar-Athletes list for 2011.

► PUC students hold their fourth REVO fundraising event, raising \$9,500 toward a food program for an impoverished community in Argentina.

► To the thrill of all returning students, a whirlwind summer project results in a major renovation for the Dining Commons and Campus Center.



► The PUC department of psychology and social work dedicates the new Social Justice Room in Davidan Hall to former PUC faculty and staff, Gordon Madgwick and Evaline West.

► PUC becomes the first college to have students create their own art history analysis videos on Smarthistory.org, a non-profit, multimedia art history web book.



► Laffit Cortes joins the PUC family as the new campus chaplain and associate pastor of the PUC Church.

## Pacific Union College Board of Trustees

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“Greatness is not a function of circumstance. Greatness, it turns out, is largely a matter of conscious choice, and discipline.”

—Jim Collins, *Good to Great*



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