

PRESIDENT'S ANNUAL REPORT  
CLU 2011-2012

## Reaffirming Our Purpose

One of the highlights of the 2011–2012 fiscal year was the approval of a new strategic plan.

While reaffirming Cal Lutheran's commitments to excellence and service, the 2012–2017 Strategic Plan declares our intention to provide more opportunities for real-world, experiential learning to all students.

The University continued to make great strides in attracting top-quality students and reaching out to diverse populations, both pillars of the new strategic plan. The average GPA and SAT scores of the 2011 freshman class were the highest in CLU's history. Twenty percent of entering freshmen ranked in the top 10 percent of their graduating classes, and 28 percent were the first members of their families to attend college.

A record 502 freshmen and 244 new transfers came to CLU from all over the world. We welcomed more international students than ever, while more students from the U.S. chose to make study abroad part of their CLU experience.

We continued to move forward on our commitment to provide outstanding facilities for students. We dedicated the \$8.9 million William Rolland Stadium and Gallery of Fine Art. The crowd on hand for dedication ceremonies, which overflowed the stands, was treated to a miraculous comeback win by the Kingsmen.

Meanwhile, we expanded opportunities for students beyond the main Thousand Oaks campus. Our Woodland Hills Center moved to a larger facility in a more convenient and visible location for adults pursuing bachelor's and master's degrees. And with the opening of our Central Coast Learning Center in Santa Maria, educators farther to the north began enrolling in CLU's master's degree program in educational leadership.

Demolition of the Student Union Building heralded another major transition on the main campus. The Ullman Dining Commons, targeted for completion in spring 2014, is being built on the site across from Kingsmen Park. A generous \$2 million gift from the Ullman Foundation restored key design features to the \$15 million construction plan, which is expected to meet requirements for Leadership in



Energy and Environmental Design (LEED) Silver status.

CLU's care for the environment goes beyond the design and maintenance of our buildings. Blending stewardship and experiential learning, the SEEd (Sustainable Edible Education) Project offered students the chance to engage in sustainability efforts and support the nationwide movement to purchase local produce. SEEd established a garden in 2010 and dedicated the Fry Family Outdoor Classroom on the same site in April.

Another example of experiential learning "went live" at the KCLU

Broadcast Center with the launch of the Web-based radio station iCLU. The student-run station features a mix of music, live shows and pre-recorded content 24/7. Our forward-looking Regents had chosen to include an educational suite with student production studios in the broadcast center at a time when other universities were closing student stations for financial reasons.

The U.S. Department of Education awarded CLU two significant five-year grants, both of which will benefit students in our public schools. The Graduate School of Education received \$1.2 million to prepare new credentialed teachers to work with deaf and hard-of-hearing students, and the TRIO Traditional Upward Bound program received \$3 million to expand its services to underrepresented high school students.

By cultivating these kinds of educational opportunities, Cal Lutheran will continue to guide both undergraduate and graduate students to discover and live their purpose. Our achievement is manifested in each student who leaves strong in character and judgment, confident in their identity and vocation, and committed to service and justice.

Sincerely,

Chris Kimball  
President

## CLU's Five Strategic Goals

**Guide students to discover and live their purpose** with real-world learning experiences, excellent academic and career mentoring and a campus environment that promotes inclusion.

**Continue to set high institutional academic standards** with distinguished faculty who embody and embrace diversity and with widely respected academic programs.

**Support student achievement across all programs** with equitable treatment for all students, by enhancing student services and by utilizing the most pedagogically appropriate delivery methods for student learning.

**Build and modernize sustainable facilities** for an environment that sustains social, cultural, and intellectual activity while respecting and protecting the planet.

**Attract students of high ideals and promise** by enhancing regional and national awareness of CLU's mission, by raising the profiles of students who are drawn to our mission, and by offering new programs and scholarships to attract these students.

California Lutheran University did well financially during the fiscal year ending May 31, 2012. Total institutional assets increased to \$246.2 million, up from \$240.3 million in the previous year (Chart 1). Net assets (total assets less liabilities) increased to \$154.0 million, up from \$146.7 million, due to operating gains.

## Revenues and Expenses

Due to exceptional operating performance, revenue exceeded expenses by \$7.2 million. Total revenues and gains are \$95.1 million, down from \$98.7 million in the previous fiscal year. Operating revenue increased to \$94.0 million from \$88.3 million in the prior year, while non-operating revenue was down to \$1.1 million from \$10.3 million in the prior year primarily due to the fluctuations in the value of the endowment.

Tuition revenues in 2011-2012 increased to \$68.3 million, up from \$62.3 million in the previous year. (All of the revenue figures above are net calculations. They do not count tuition covered by institutional scholarships and grants: \$31.3 million in 2011-2012 and \$28.8 million in 2010-2011.)

Expenses increased to \$87.9 million for the fiscal year, up from \$81.9 million.

## Balance Sheet

Total assets increased by \$5.9 million, liabilities decreased by \$1.3 million, and net assets increased by \$7.2 million. Cash increased to \$18.6 million, from \$12.2 million.

Contributions receivable decreased to \$4.1 million, from \$5.8 million. During the year, the value of the University's endowment decreased by \$1.0 million to \$55.6 million largely due to market changes on endowment assets (Chart 2).

The endowment fund helps to ensure the University's long-term financial health and stability and to provide an affordable education, including scholarships and grants, for current and future generations of students. Donors' gifts are invested in perpetuity with a portion of the income available for University needs and the remainder reinvested to maintain future buying power.

The University's Property, Plant and Equipment increased to \$126.2 million, from \$120.1 million in the previous year, primarily due to the addition of the new football stadium.

## Donor Contributions

Donor contributions are a significant factor in the continued financial strengthening of the University. Charitable giving during the period consisted of 19,519 gifts and pledges from 9,202 donors, including alumni, parents of students and alumni, friends, churches, corporations, foundations and other organizations. A breakdown of gifts and pledges as recorded in the audited 2011-2012 fiscal report includes:

### Unrestricted Gifts

CLU Annual Fund	\$745,000
Church	55,000
KCLU Radio	899,000

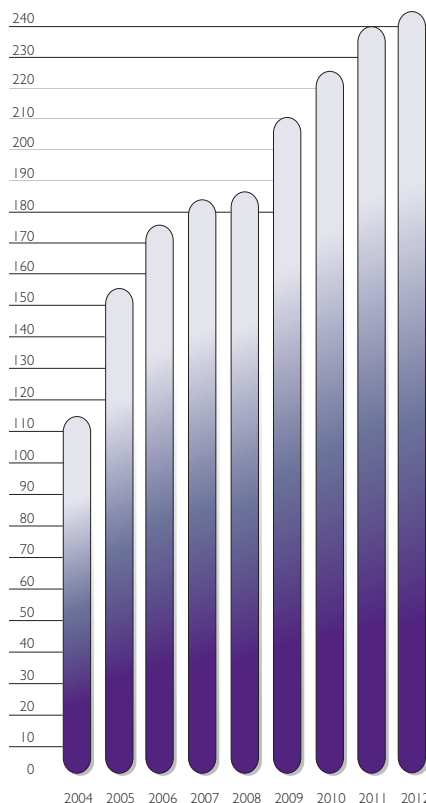
### Restricted Gifts

(capital, endowment, scholarship, etc.)	\$5,640,000
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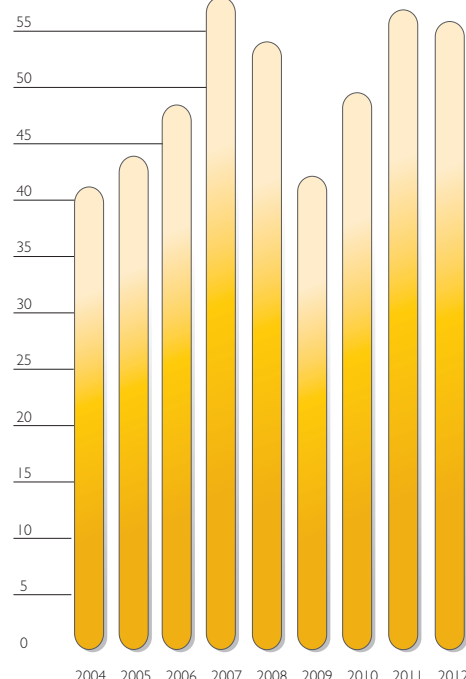
### GRAND TOTAL

**\$7,339,000**

The University is grateful to all of our 2011-2012 donors for sharing in California Lutheran University's mission and success. For additional information about the University's audited financial statements, please visit [callutheran.edu/president/financial\\_statements.php](http://callutheran.edu/president/financial_statements.php).



**Chart 1**  
Total Assets



**Chart 2**  
Endowment Assets