

Serving
Christ

Outside
the Lines

2005
Annual
Report





From the President

Dear Friends and Colleagues,

Annual reports, replete with facts, figures, and measurable data, risk overlooking the heart and core of the institution. While statistics provide a clear picture of the bottom line, they can easily miss what occurs outside the lines. My hope is that as you read through Azusa Pacific University's 2005 Annual Report, you gain not only a sense of the university's fiscal health, but also glimpse the unmistakable passion and purpose, the innovation and creativity, which drive those numbers and perpetuate the growing, thriving nature of this university.

The solid foundation of four Cornerstones — Lordship of Christ, Transformational Scholarship, Life-giving Community, and Sacrificial Service — gives APU the freedom to mirror God's creativity in every program and endeavor. The stories that follow illustrate, in part, how each of these cornerstones express themselves through students, staff, faculty, and friends beyond the traditional and expected.

These stories portray both imagination and resourcefulness in the pursuit of our 106-year-old mission. A campus pastor trades his office chair for a river raft to connect with students. Groups of students opt to study in the High Sierra for a deeper understanding of great scholarly works, live in inner-city Los Angeles for a full immersion in the community they serve, and travel to foreign countries to internalize the value of an international community. Athletes promote character development and integrity by modeling those virtues for local youth. APU donors transcend expectations by thinking beyond their checkbooks, offering their expertise and vision as well. And woven throughout the fabric of this campus, and at the heart of countless other stories of transformation that space alone limits us from sharing, are the remarkable contributions of our faculty and staff, for which we are deeply thankful.

As you read these accounts, I invite you to take a look at the facts and figures as well. The increase in our endowment, assets, and total giving directly correlates to the contagious enthusiasm of the exemplary scholar-disciples behind them. I consider it a privilege and blessing to lead this Christian university. ✪

Regards,

Jon R. Wallace, DBA
President



Christ: Campus Pastors

Nothing drives home the value of teamwork as effectively as hurtling down a raging river, tossed about at the rapids' whim, relying on others to stay afloat. Knowing this, Woody Morwood, Azusa Pacific University's campus pastor, took a small group of APU students on a whitewater rafting expedition to cement this life lesson. You can talk about love, acceptance, and compassion all you want, he said, but it means nothing unless you live it out.

With more than 4,400 undergraduate students on campus, one-on-one relationships with every student prove tricky, but Morwood's primary challenge and greatest joy involves inventing new and creative ways to connect with as many students as possible. He speaks frequently and attends at least four to five of the campus' seven weekly chapels. At the end of the service, he races to a different exit to meet new people. That initial contact opens the door to later conversations and eventual relationships.

I seek opportunities to spend time with students in unique settings, said Morwood, who recently traveled on the bus with APU's nationally ranked football team. On that six-hour trip, I listened to their dilemmas and the difficult issues they face everyday. We talked about careers, falling in love, and anything else on their minds. Morwood meets students where they are — both physically and spiritually, believing this is where life journeys begin.

The addition of new Associate Campus Pastor Jamie Noling in August 2005 doubled the capacity to reach students. With a master's degree in theology and a Doctor of Ministry in the works, Noling comes prepared to guide the spiritual formation of seeking collegians. As a woman, she complements Morwood's gifts with her specialty in ministering to females. The response has been great, said Noling. Female students approach me in the parking lot, at the grocery store, wherever they see me and say We're so glad you're here. We have lots to talk about. But my position involves much more than tackling gender issues. Woody and I form a team that ministers to the entire community.

As the team sees it, the blessing comes not from the hire of a female pastor, but in the addition of another pastor. It is the beginning of a dream, said Morwood. Today, we have two pastors caring for the incredibly diverse student body instead of just one. Some day, I hope to see an entire staff of pastors.

Meanwhile, the duo works side by side, putting into action their guiding Scripture, Ephesians 4:1-5, which calls believers to unity in the body of Christ. This student body represents a broad mosaic of faith, but many individual students know only one way to worship and meet God, said Morwood. The temptation is to stick with those who look and sound alike. So, I regularly introduce groups of students from different backgrounds and cultures, and start a dialogue. When they begin to see what God calls them to, something clicks, and the most amazing things start happening. Through their unity, students work together in the body of Christ to serve the Kingdom of God. ✿



“Woody and I form a team that ministers to the entire community.”

-Jamie Noling



Scholarship: Study Abroad



“Study abroad experiences frequently have a life-long effect on students.”

-Diane Guido

Each year, brave and curious scholars push past the traditional college setting in search of a different type of learning. APU's innovative scholarship opportunities take students beyond the boundaries of convention and immerse them in life-changing experiences. The Office of Study Abroad sponsors more than 30 programs that cultivate global awareness, overcome parochialism and prejudice, and enrich liberal arts education.

When students immerse themselves into another culture for a time of study, it opens doors to a world of possibilities they have not yet envisioned, said Dan Waite, director of the Office of Study Abroad. Students gain cultural capital that lasts a lifetime and enriches different parts of their lives while experiencing the richness of living in cross-cultural communities. These experiences permeate the student's studies, relationships, ministry, and career plans.

With the help of the Office of Study Abroad, students can either choose to study on the continent of their choice, experiencing foreign cultures, or take the freeway to locales that seem a world away.

APU's Los Angeles Term involves a residential study and service semester in the heart of Los Angeles, which equips undergraduate students to live out their faith and values in postmodern urban culture. Dependent on public transportation during the semester, students live with families in L.A., intern at a local community or government organization, and take classes at APU's L.A. Regional Center in Koreatown.

Being in L.A. and seeing the issues and struggles that impact the city forced me to look at where Christianity, God, and the Church intersect in addressing social and political problems. I now look deeply into the reasons I believe what I believe and have found it's okay not knowing answers as long as I continue to seek them, said Heidi Scharfenberg '04.

The High Sierra Great Works Program, a semester course of study, fulfills a substantial portion of general studies requirements through an integrated study of great works of the human intellect and imagination. Students study literature, art, music, philosophy, and theology simultaneously, integrated amidst the High Sierra Mountains near Bass Lake, California. The natural setting provides concentrated, undistracted study, reflection, writing, conversation, and prayer.

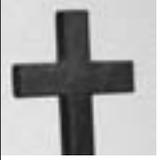
Many APU students choose the Oxford Summer Programme (OSP) at England's Wycliffe Hall, Oxford University. The program enlightens students seeking a more comprehensive understanding of the relationship between Christianity and the development of the West as they participate in specialized work under expert Oxford academicians in the areas of history, religious studies, English, and history of science. The curriculum includes a lecture series, integrative and thematic seminars, and field trips.

"We are seeing an increased demand for study abroad programs at the undergraduate level," said Diane Guido, Ph.D., associate provost for undergraduate programs. "These experiences frequently have a life-long effect on students whose views of the world expand and change based upon these academic and cultural interactions."

Perhaps the most important thing one can take away from studying abroad is an attitude of humility, said Waite. As students grapple with the limitations their own culture has imposed on their thinking, they are not only more willing and ready to learn from other cultures, but also more open to letting God surprise them by allowing Him to work beyond their own culturally shaped imaginations. ✦



Community: Sports Camps



“It is important to sacrifice some of our baseball time to give back to the community.”

-Paul Svagdis

Some of the area's most talented and powerful athletes call themselves Cougars. Azusa Pacific University claims 11 Olympic athletes and 25 NAIA Championships, 82 GSAC Championships, and the 2004-05 NAIA Directors Cup, but no accolade compares to the selfless service of these men and women.

During the summer, often at the height of their intense training, APU athletes turn their attention to the children in their local communities. While the average summer sports camps may not warrant headlines, these rise above the status quo. Student athletes invite neighborhood children to their fields and courts to strengthen skills — then go a step beyond to tackle character development.

A charter member of the NAIA's Champions of Character initiative, Azusa Pacific's baseball program holds numerous youth clinics in the San Gabriel Valley. While the Cougars demonstrate the proper mechanics of throwing and hitting, they also talk about the values of respect, responsibility, integrity, servant leadership, and sportsmanship. As they model the rare balance between discipline, competition, and character, the college students also bolster those same values within themselves. These clinics are great for the kids that we are reaching out to, said Azusa Pacific head baseball coach Paul Svagdis. But, they are also great for our players to see that they have something of value that they can pass onto others. It is important to sacrifice some of our baseball time to give back to the community.

Inside the Richard and Vivian Felix Event Center, other Cougar squads carry on the tradition of integrating character development with sports. Both the men's and women's basketball teams host Northwest Basketball Camps (NBC), inspiring young athletes to lead lives of physical, mental, relational, and spiritual excellence. Believing that all people are created in the image of God and are most fulfilled when in a relationship with their Creator, the Cougars encourage campers to seek that relationship by demonstrating how Jesus Christ changes lives through love. This core message permeates every activity as the college students, their coaches, and professional instructors teach skill mastery along with understanding and confidence. By providing an environment of enthusiasm, hard work, and intensity, kids simultaneously reach toward their athletic and life potential.

On the gridiron, APU's nationally ranked football players host the annual Camp of Champs, which draws young players from throughout the San Gabriel Valley. In a sports-oriented society where camp opportunities abound, APU's Camp of Champs pulls in a significant number of the area's youths, and the popularity owes itself to the unique dimension of the camp's philosophy. We believe that quality, character, and sportsmanship for those who play football are just as important as physical ability to play the game, said camp director and Azusa Pacific head coach Victor Santa Cruz. ✦



Service: Supporting Cast

When people think of giving, they automatically think about dollars and cents, said Jeff Hilliard. But the possibilities are so much greater than money. If people would simply take stock of the gifts God has given them, they would discover the riches they have in their own backyards. Talent, mentoring, expertise, equipment, time, and friendship are all ways to give and support.

Through his Web development company, Hilliard procures large quantities of audio and video equipment (mostly excesses and previous year's models) from major manufacturers and donates many of them to various ministries. Hilliard and his wife, Patti, provided Compassion International with 60,000 calculators that ended up in several schools in Africa, and 40 high-end video projectors that resulted in 85,000 children in 22 countries viewing the *Jesus* film.

From thriving international mission organizations to fledgling congregations, the Hilliards serve wherever and however they can, donating generously to several start-up churches in the Sacramento area. We work in the little corners of God's Kingdom, said Patti. He brings us the people and the opportunities, and we simply obey.

In addition to churches, another outreach finds much-needed support in the Hilliards' offerings. Christian concert productions throughout California benefit from their equipment *and* their expertise. The Hilliards assist in the complex logistics of producing tours such as Spirit West Coast and Joshua Fest. The couple also mentors future production artists to go out on their own and continue the effort. Those speaking and performing are the backbone of the ministry, Patti said. We are like the backbone's backbone.

When APU launched the Cinema and Broadcast Arts undergraduate major last year, the Hilliards donated video equipment that instantaneously established the new program as a state-of-the-art training facility, and elevated the effectiveness of ministries and events such as Night of Champions and Dinner Rally. The Hilliards added to the cache with the delivery of a full video switching system, equal to those found in network television studios. Next in store for APU: security scanners and cameras, and six to eight recording systems.

If you want to be a receiver in life, first you have to give, said Jeff. Our resources from the Lord are so plentiful that our goal is to out-give God. I know I'll never be able to do it, but trying puts us on the right track.

By finding ways to serve the world outside the lines with items in their own storehouse, the Hilliards support those who support, and ultimately bless countless people. Every business has something — product, talent, tools — that can be used for the Kingdom, said Jeff. It's just a matter of asking God how to turn the resource into a ministry. ✪



“We work in the little corners of God's Kingdom. He brings us the people and the opportunities, and we simply obey.”

-Patti Hilliard

Mission Statement

Azusa Pacific University is an evangelical Christian community of disciples and scholars who seek to advance the work of God in the world through academic excellence in liberal arts and professional programs of higher education that encourage students to develop a Christian perspective of truth and life.

Four Cornerstones

Christ - *Colossians 1:15-18*

Belief in Christ is central to all that we think and do, and who we are. It is this understanding of God's love that informs all our pursuits: academic, service, and community.

"I am understanding more and more, little by little, what fully living for the Lord means: through my studies, through my interactions with professors, through the example of those around me, and through what God is doing in my own heart." Senior, Music Major

Scholarship - *Proverbs 4:5-9*

We are called to scholarship permeated by our Christian faith. We are committed to teaching excellence. The liberal arts is central in the curriculum, for we are dedicated to the education of the whole person. At the same time, we value the role of professional offerings that prepare students for specific careers.

"The APU faculty and staff have served to challenge me as I have worked to better understand the application of faith and the world around me. APU's academic standards have increased my hunger to learn and perfect my abilities to administer the gifts I have been given." Graduate, Theology Major

Community - *Romans 15:5-7*

We believe in community. We are a richly diverse people who value the worth of each individual. Our mission is to encourage, equip, and enable each student to fulfill his or her great potential, and in turn, encourage, equip, and enable others.

"I truly have seen the importance of reaching out into the community that surrounds APU. Service learning and ministry opportunities were one of the main reasons why I chose APU in the first place: I value a school that understands faith in action." Graduate, Liberal Studies Major

Service - *Romans 12:9-13*

Service is at the heart of our local and international outreach, missions, and service-learning endeavors. Our students often find these experiences to be among the greatest of their lives.

"Getting involved lets me receive from others as well as give away myself, and by doing so, I'm presented with opportunities to improve in many aspects of my life such as accountability, scholarship, and leadership." Junior, Biblical Studies Major





History

Azusa Pacific University began in 1899 as the Training School for Christian Workers when a handful of spiritual leaders envisioned the first Bible college on the West Coast geared toward training students for ministry and service. After four moves and mergers, present-day APU continues the tradition from Azusa, California, its home since 1947. Adding a level to their predecessors' legacy, today's students maintain the 106-year-old mission to serve Christ, but redefine the ways and means of that service. Thinking about and responding to the world's needs outside the lines changes the way these 21st century students learn, serve, and lead.

Rapid growth in the past 20 years has established the university while maintaining the vision of the past. APU achieved university status in the 1980s and subsequent developments included off-site regional centers, allowing students to receive a degree without actually attending classes in Azusa, and the addition of master's and doctoral degree programs.

Under the presidency of Richard E. Felix, Ph.D., the university cornerstones were reframed as Christ, Scholarship, Community, and Service. Felix's developments included a doubling of student enrollment, the construction of seven new buildings, and the quadrupling of graduate programs.

Currently, under the leadership of President Jon R. Wallace, DBA, APU maintains the mission of service, now with an emphasis on the campus, surrounding community, and world. Study abroad programs and Operation Impact provide students with the opportunity to attend schools in many different countries. Multiple missionary sites throughout the world are also readily available for student involvement. Spurred by a vision to be known first as a Christ-centered institution, Azusa Pacific seeks to offer transformational scholarship opportunities within the context of life-giving community, dedicated to the practice of selfless service. This understanding of the four Cornerstones guides the university in all its programs and actions.

More than a century after its founding, Azusa Pacific University serves as a comprehensive Christian, evangelical university, dedicated to the motto *God First*, and to excellence in higher education. The institution offers more than 50 areas of undergraduate study, 22 master's degree programs, and 6 doctorates to a total enrollment of more than 8,100 students. APU continues to break boundaries, offering innovative and relevant preparation for disciples and scholars advancing the work of God in the world. ✪



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(As of November 2005)

Students

Total men	2,863
Total women	5,317
Undergraduate	4,441
Graduate	3,721
American Language and Culture Institute	18
Total student enrollment	8,180
Number of states represented	48
Number of countries represented	62
Ethnic minority citizens	19%
Center for Adult and Professional Studies	571

Faculty

Total faculty	911
Part time	30
Full time	355
Adjunct	526
Percentage with doctorate, first professional, or other terminal degree	73%
Student-to-faculty ratio	15:1

Comparison of APU 2003-04 and 2004-05

Comparison	2003-04	2004-05
Total enrollment	8,218	8,180
Endowment	\$24,791,254	\$26,792,720
Total giving	\$7,516,996	\$9,497,190
Total assets	\$199,132,346	\$201,978,210
Incoming freshmen average SAT	1,116	1,110
Incoming freshmen average GPA	3.6	3.7
Tuition	\$19,244	\$20,666
Faculty with terminal degrees	73%	73%
Freshman retention percentage	83%	82%
Institutional budget	\$131,209,898	\$149,615,864

(Based on the 2004-05 Key Performance Indicators, CCCU survey results, and IPEDS)

Financial Aid 2003-04

Federal scholarships/grants	\$3,046,535
State scholarships/grants	\$8,038,308
Other external scholarships/grants administered by APU	\$1,597,417
Institutional scholarships/grants	\$9,975,078
Student loans	\$13,746,507
Parent loans	\$7,403,893
Tuition waivers	\$1,536,510
Athletic awards	\$1,591,005
Percentage of undergraduate students receiving any form of institutional, need-based, and financial aid (2004-05)	95%

Nontuition Revenue Breakdown

\$40,343,897

Auxiliary Services

56% • \$22,586,122

Private Gifts and Grants

19% • \$7,684,993

Investment Income and Gains

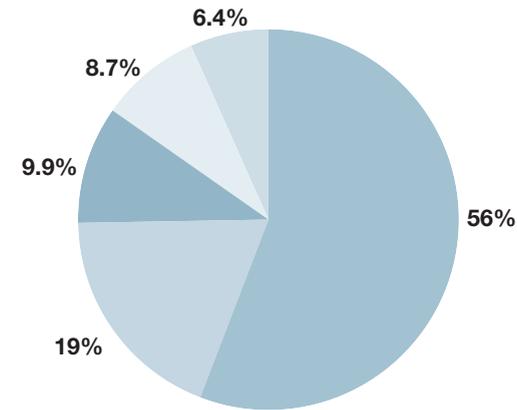
9.9% • \$4,000,402

Other

8.7% • \$3,509,597

Federal and State Grants

6.4% • \$2,562,783



Expenditure Breakdown

\$152,968,301

Instruction and Academic Support

41% • \$62,739,166

Institutional Support

27.7% • \$42,358,694

Student Services

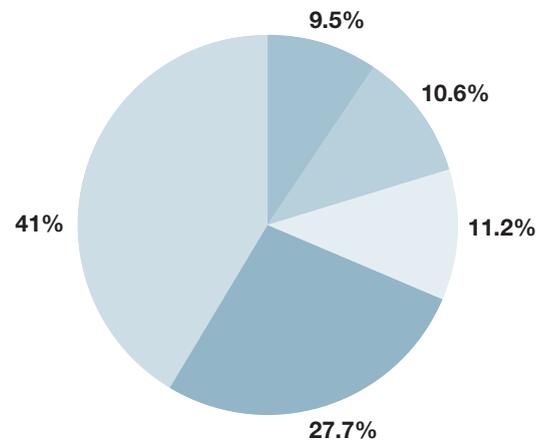
11.2% • \$17,062,027

Scholarships/Financial Aid

10.6% • \$16,234,738

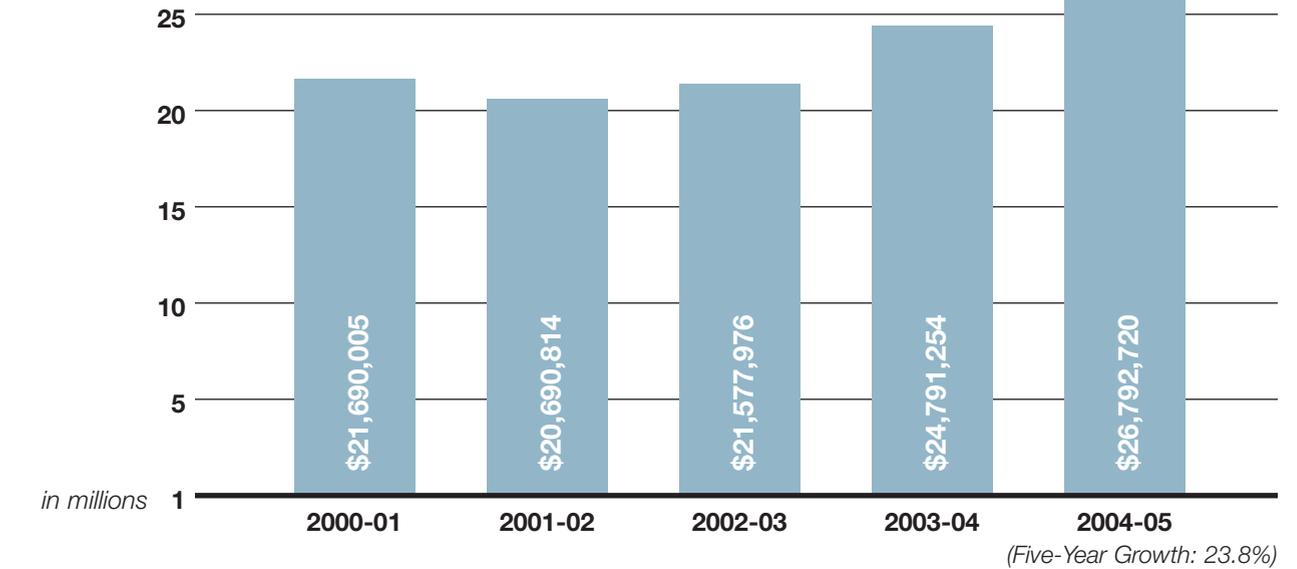
Auxiliary Services

9.5% • \$14,573,676

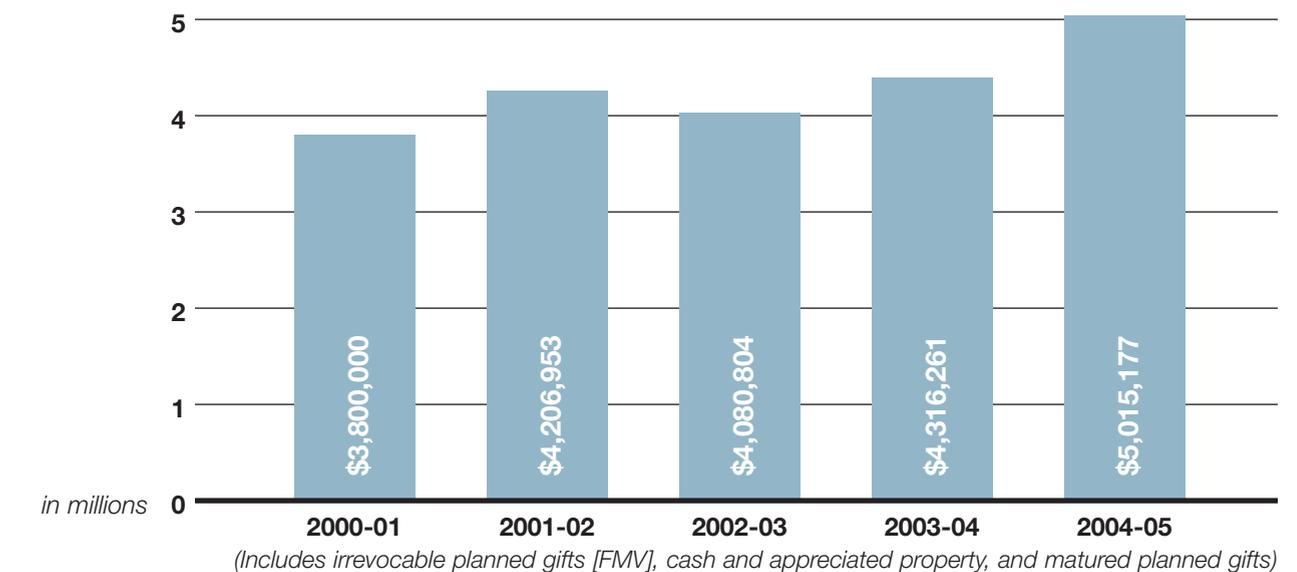


Total assets		\$202,438,639
Institutional budget		\$149,615,864
Debt to asset ratio	$\frac{\$30,890,678}{\$202,438,639}$	15.3%

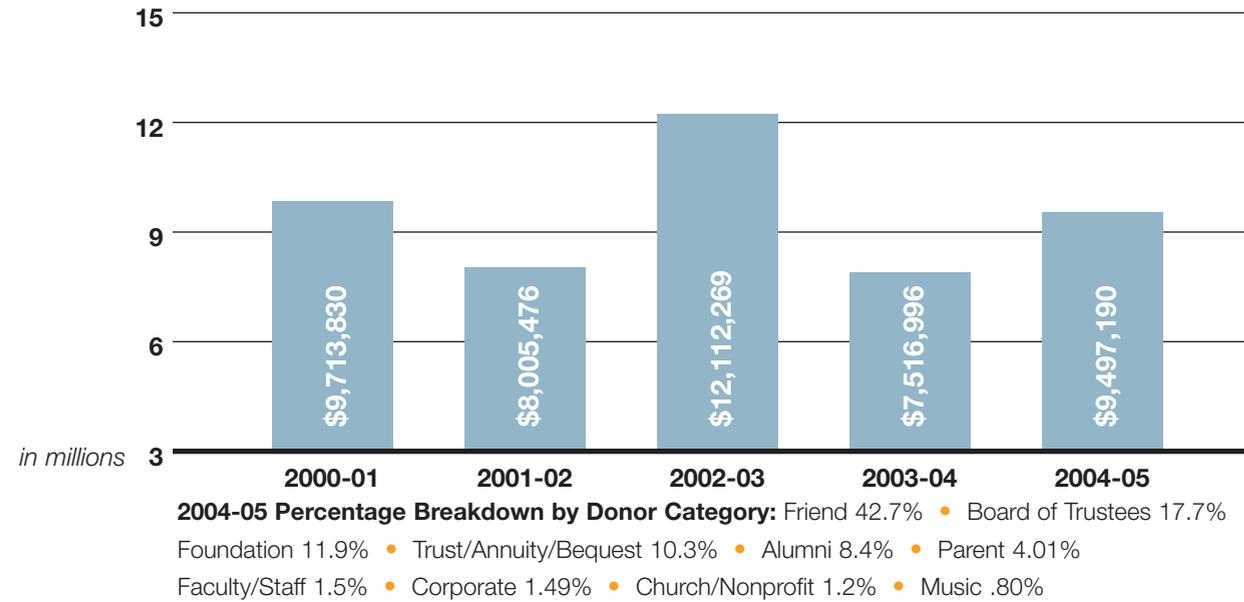
Endowment



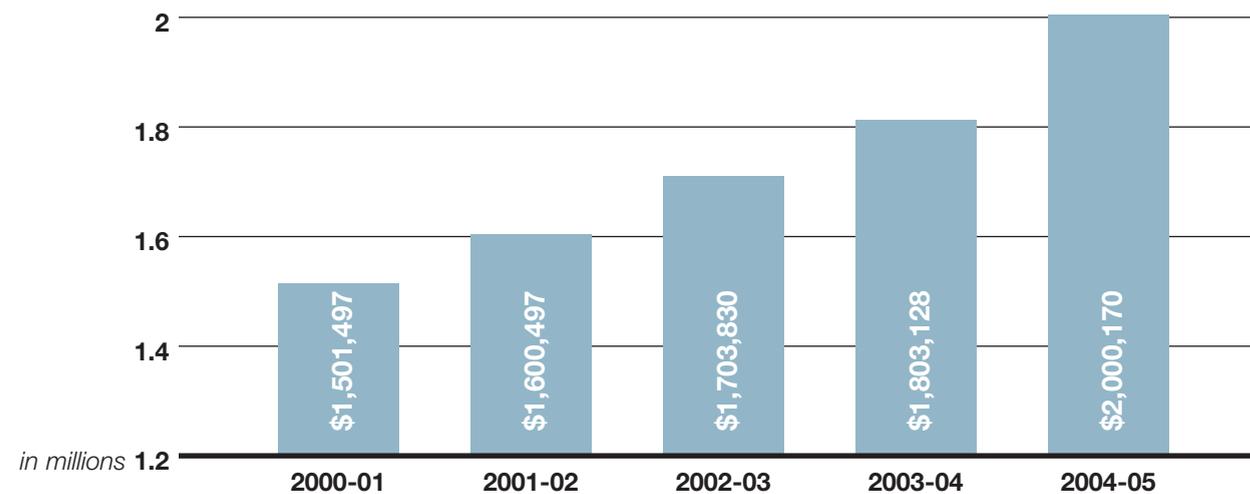
Planned Giving



Total Giving



University Scholarship Fund



Foundation and Corporate Grants

Project/restricted	\$389,720
University Fund scholarships	\$285,279
Capital	\$585,000
Endowment	\$1,900
Total	\$1,261,897

Academic Project/Restricted Grants

Campus Compact
 Capital Group Company Charitable Foundation
 Council for Christian Colleges and Universities
 Greater Kansas City Community Foundation
 Hinz Family Charitable Foundation
 Kaiser Permanente Foundation
 M Family Foundation
 New Life Christian Foundation
 New Life Mission Foundation
 SAJE Foundation
 The Kern Family Foundation
 Stephen Philibosian Foundation
 Stewardship Foundation
 Wells Fargo Foundation
 Windgate Charitable Foundation
 Vulcan Materials Company

Scholarship Grants

The Ahmanson Foundation
 Victress Bower Fund at the Community Foundation
 Serving Riverside and San Bernardino Counties
 Chinese American and Christian Educational
 Foundation
 Fuller Foundation
 George H. Mayr Foundation
 LINC TELACU Education Foundation

Moody Family Foundation
 Mustard Seed Foundation
 The Ann Peppers Foundation
 The Bargaehr Family Foundation
 The San Diego Community Foundation
 Samuelson Founders
 TELACU Education Foundation
 James K. Wilden Fund at the Community Foundation
 Serving Riverside and San Bernardino Counties
 Anonymous

Capital Grants

Henry L. Guenther Foundation
 Foundation for Christian Stewardship

Multiple Grants

The Esther Foundation — Restricted and Capital
 The Hugh and Hazel Darling Foundation — Scholarships
 and Capital
 The James L. Stamps Foundation, Inc. — Scholarships,
 Restricted, and Capital

Fifty-three individuals multiplied their personal donations to APU by participating in their employer's matching gift program, resulting in \$37,315 in corporate matching funds from 38 different companies.

Intrigued by what you have read?

Please visit www.apu.edu to find out more about the faces and places of Azusa Pacific University. Discover more stories of lives changed, learn about the unique programs APU offers, view an updated calendar of events, and even watch a live chapel service online! Also, look for the online version of the 2005 Annual Report to appear in January 2006 at www.apu.edu/annualreport/.

For more information about how you can help serve Christ outside the lines, contact the Office of University Advancement at (626) 815-5333.

Each one should use whatever gift he has received to serve others, faithfully administering God's grace in its various forms. If anyone speaks, he should do it as one speaking the very words of God. If anyone serves, he should do it with the strength God provides, so that in all things God may be praised through Jesus Christ. To him be the glory and the power for ever and ever. Amen.

1 Peter 4:10-11 (New International Version)





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