

Sustaining a Strong School in an Environment of Declining Student Population
Van Lunen Fellows Program
Cecil Swetland
cswetland@desertchristian.com; (661) 948-5071 ext. 219
Desert Christian Schools
July 2010

Project Focus

According to the California Department of Finance, Los Angeles County experienced a decrease of 34,033 K-12 students from October 1, 2007 to October 1, 2008. The state is forecasting a decrease of 160,206 students in our county between the 2007-08 school year and the 2012-13 school year and a decline of 221,088 students by 2017-18. In addition to this significant reduction in the number of school-aged children living in our region, unemployment in our community exceeds 17% and many families are struggling financially to keep their children enrolled at Desert Christian Schools while others have already transferred their children to government funded schools.

As a result of the declining population of children aged 5-18 a number of schools in our area of northern Los Angeles County have closed. Three local public school districts have announced the closure of four schools. Lancaster Christian School and Landmark Christian School had both served the community for more than 50 years and have both now been closed as a result of declining enrollment. While there are still several Christian schools in our city, each one is struggling with declining enrollment.

It is expected that the current poor economy will eventually improve. Although the time frame for such an improvement cannot be known, the next 2-5 years should be marked by more favorable economic conditions. While the state has projected declining student populations through the 2017-18 school year, they have also indicated that the following decade should see significant increases in the number of students living in Los Angeles County. In this way, both of the underlying factors causing our current challenge of declining enrollment are expected to improve during the next few years. The school established and implemented a plan to remain strong and improve our effectiveness during a season of enrollment decline so that we will be in a good position to benefit when the number of potential students increases in the future.

Methods Used to Address These Needs

The school has focused on four key aspects of enrollment management and the resulting financial plans to maintain a strong financial footing and enhance the program. We have developed an effective marketing campaign to allow the school to communicate our mission and programs to a broader audience in the region. The school has established strong partnerships with other community organizations in order to more fully advance the mission of each group while making better use of financial and facility resources as a whole. We have been precise in estimating future enrollment and making sure that expenses are reduced in order to address the reality of declining revenue. We have raised funds in order to award partial scholarships to our families in verifiable financial need in an attempt to keep as many current families enrolled as possible.

Project Results

We have prepared a marketing plan following many of the recommendations in *Marketing Christian Schools* which includes utilizing a marketing calendar, planning a \$56,500 annual marketing budget, and establishing a Director of Admissions to lead every aspect of a families' experience at our school from

inquiry through enrollment. The Director of Admissions follows-up on all inquiries on at least a weekly basis to be sure we have answered any questions, to ensure that each family has been invited to attend a school event, and that they have been offered the opportunity to observe in classrooms and tour the DCS campus their child would attend. The school is using typical school functions, such as Open Houses and New Student Orientations as marketing events by inviting our internal and external publics to attend. We advertise with local media and encourage existing families to serve as school ambassadors. More than 80% of our new families have been referred by a current school family. We will always keep in mind that the most important marketing advantage we can ever hold is to be an excellent Christian school that fulfills our motto, *Real Learning for Real Life*. While we will still be impacted by the declining number of K-12 students in the region, we are reaching out to a broader audience in the community and providing a highly personalized experience once parents express an interest in the school. We have enrolled several new families as a result of these changes.

We are carefully monitoring all families making inquiries and registering for classes on a daily and weekly basis to more accurately project fall enrollment. We are forecasting a 7.4% enrollment decline for the upcoming year and, as a result, have reduced our budgeted expenses by 10.25% to provide an increased financial reserve. We have sought new bids on every significant school expense including a janitorial contract, health insurance, and copier/printer contracts. We will reduce our monthly expenses by more than \$8,000 by getting updated bids and contracts for these services. The most difficult area to address has been staff expense. We have evaluated our staffing at all levels based on the projected lower enrollment and eliminated several positions. When all of the combined reductions were not adequate to balance the budget, we made the difficult decision to make across-the-board wage and salary reductions. We held a series of meetings with our staff members to explain the reasons for the reduced enrollment and the steps we were taking to address these concerns, including reducing personnel costs. The reduction in payroll expenses has been difficult to implement because it has impacted many people but a failure to respond in a timely manner to the changing financial landscape would cause more significant budget cuts in the future. In this way, we have applied the words of Proverbs 22:3, "A prudent man sees danger and takes refuge, but the simple keep going and suffer for it."

We are building and maintaining strong community partnerships with a number of local churches and non-profit organizations. We are leasing the use of our high school campus during after school hours to the local YMCA and a church. The YMCA is able to operate a very popular Junior Lakers basketball league, which involves more than 250 children at our facility. Gym space is at a premium in our region and they would not be able to offer this program to these families without our gymnasium. We have renewed an existing lease with Calvary Chapel church to use the high school facility for mid-week and Sunday worship services and small group Bible studies. We are able to provide the facilities at a competitive price to these organizations and they help support the school ministry by providing an additional \$75,000 in annual revenue. We have signed a lease with a church in a neighboring community in order to use their facility to open a fourth campus to serve as a preschool and elementary campus. We plan to open this facility later this year. The most recent community partnership involves our relationship with the United State Air Force Rocket Lab which is located at Edwards Air Force Base, approximately 30 miles from the school. The Rocket Lab employs more than 300 individuals who hold PhD's and focus on propulsion research for the U.S. government. Because of their need for employees with advanced degrees in math, science, and engineering, the Rocket Lab has partnered with us by providing us with a \$160,000 grant to provide a significant upgrade to our high school chemistry and biology labs. In their experience, they are more successful at retaining researchers from within the Antelope Valley than those who move to the area from other parts of the country. These upgrades to

our science labs will provide for more effective instruction in advanced math and science courses and enhance the appeal of our high school program to families considering many high school options in the area.

The unemployment rate in our community exceeds 17% and the “underemployment” rate (individuals who have received reductions in hourly wages or salaries or who have had their working hours reduced) is much higher. Dozens of our families have been impacted by the poor economy. After a discussion at the July 2009 Van Lunen Conference, I decided to establish a goal of raising \$50,000 to increase the amount of financial aid we could provide to our families. I determined it was in the best interest of the school and our families to keep our classrooms at capacity by offering financial aid to those who are able to pay a portion of the tuition. By June 2010 we exceeded our goal by raising \$90,000 for scholarships and an additional \$200,000 in undesignated gifts. As a result, we have enabled 120 students to remain enrolled at the school, increased our cash reserves, and have funded our financial aid funds for next year. As in the past, God has proven faithful and met our needs.

Analysis and Commentary

The project has had a very beneficial impact on Desert Christian Schools and our families. We are more effective in reaching out to the community. We have addressed the fiscal impact of declining enrollment through reducing expenses and increasing our financial reserves. We have been able to establish and maintain partnerships with local organizations that have advanced the missions and objectives of all the groups involved. God has continued to faithfully meet our needs and we have been diligent to be good stewards of His supply. It is a great joy to us that 120 students are enrolled at the school through the generous giving of members of our community.