Reviewing Standard 10: institutional resources

By Stephen R. Graham



Standard 10 (opening paragraph)
Institutional Resources: *Theological schools are communities of faith and learning reliant upon* ***sufficient and stable resources to achieve their missions.*** *These resources include* ***human, financial, physical, technological, and shared resources*** *that require faithful and effective* ***stewardship****. Schools acquire and use these resources in trust for the fulfillment of their missions in ways that are realistic, holistic, and sustainable. Schools give particular attention to* ***their greatest resource, people,*** *by building communities where all persons are valued, respected, and enabled to use their gifts in ways that serve well the mission.*

Like the other standards that comprise the ATS Standards of Accreditation, Standard 10 reflects the accumulated wisdom of The Association of Theological Schools over time. In this case, that wisdom is reflected in fundamental principles that ensure wise stewardship of resources.

One of my first tasks at ATS was to work on a project designed to help schools understand and deal with the consequences of the 2008–09 economic downturn. This worldwide event affected the financial stability of every ATS member school. Many saw their endowments shrink by one-third or more within just a few months. An overall enrollment decline across ATS member schools from roughly 2004 to 2014 added to the pressure, and many students become mired in excessive educational debt as costs expanded and institutional resources shrank.

Lilly Endowment Inc. fast-tracked funding for a two-phased ATS project (2009–2014) designed to assist financially stressed schools. An initial survey of chief financial officers revealed that schools cut budgets, eliminated staff positions (although rarely were faculty positions cut), implemented hiring and salary freezes, limited travel, deferred maintenance, and cut library budgets.

Revision of the ATS Strategic Information Report made it more immediately relevant and user friendly. The project recruited consultants and coaches who worked with a total of 27 schools and presented their findings.

The project obviously did not solve the financial stresses of theological schools, nor, of course, could it have been expected to do so. It did contribute to the accumulated wisdom of ATS member schools.

Standard 10

As is the case with the other 2020 standards, Standard 10 is considerably shorter (10 statements compared to the previous version's 46) and focused on the resources necessary to fulfill the school's mission.

Standard 10 draws more bright lines than other standards, but it also provides the flexibility needed for schools to steward resources in the ways most appropriate to their particular contexts and in fulfillment of their distinctive missions.

Human Resources

The opening paragraph of Standard 10 calls for schools to give "particular attention to their greatest resource, people." They are to do this by "building communities where all persons are valued, respected, and enabled to use their gifts in ways that serve well the mission." Standards 10.1 and 10.2 describe the qualities expected of employees and the school's responsibilities for support and compensation, along with appropriate personnel policies and procedures. The ultimate goal is to enable all employees to contribute their abilities to fulfill the school's mission.

Financial Resources

Standard 10.3 is likely the most difficult standard for many schools to meet. The standard calls for the school to have "sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability."

Multi-year budget projections "support the school's mission" and "reflect its planning and evaluation efforts," (see also Standard 2). To help schools understand and demonstrate fulfillment of the standard, the ATS Board of Commissioners has approved *Guidelines for Understanding Standard 10.3 on Finances*. The guidelines also refer to two sources of financial data reported to and configured by ATS: the Annual Data Tables and the Strategic Information Report. Schools are expected to develop "realistic, holistic, and sustainable" budgeted and actual revenues and expenditures that produce "a pattern of surpluses over time." Schools obviously differ greatly in the scope and size of their operations and financial resources. They also differ in the balance among streams of revenue, including tuition, endowment, and fund development as reflected in Standards 10.4, 10.5, and 10.6.

The standard related to financial resources (10.7) speaks of the need for appropriately trained personnel to manage financial affairs, ensure the integrity of financial records, implement internal control mechanisms, and provide timely reports for those authorized to make financial decisions. It may be that the importance and expectations of this standard are overlooked in the context of attention to physical and financial resources. It is difficult to over-emphasize, though, the importance of qualified staff with the expertise needed to oversee the complexities of finances in most theological schools. Without that expertise and attention to regular reports that draw on that expertise, a school might find itself in serious financial jeopardy.

Physical Resources

In a time when many schools are downsizing their physical plants or selling portions of or entire campuses, the standard on physical resources reflects the new reality that many schools no longer own or never owned physical facilities. The standard requires that the school "has or has access to" the physical resources needed to achieve its mission. The extent of the physical resources is expected to be "appropriate to [the school's] size and the nature of its educational offerings."

Technological Resources

The prior standards qualified this area "to the extent that a theological school uses technology to deliver its educational programs" and identified those "institutions using instructional technology." Given the ubiquity of educational technology today, the 2020 standard combines these multiple uses into one standard and assumes that all or nearly all schools utilize such technologies. The current standard also notes the importance of qualified persons in sufficient number to provide technical support and the necessity of appropriate training for users of these resources.

Shared Resources

The final standard (10.10) describes a variety of ways that schools take advantage of shared resources, including embedded schools using resources of the related entity. Given the increasing number of embedded or affiliated schools and their wide variety of structures and arrangements, this standard has an important role to play—at once providing clear expectations while also having sufficient flexibility to encompass those differences. Once again, the standard stresses that if the school utilizes such resources, "it does so in ways that help achieve its mission."

While financial and other resource challenges remain in many theological schools, there are numerous resources from ATS and partner organizations to help schools face ever-changing realities. The following resource list was compiled by Chris Meinzer, ATS senior director and COO:

Recommended resources

- *The ATS Commission Standards of Accreditation with Self-Study Ideas*, including how schools might demonstrate fulfillment of the standard.
- *Guidelines for Understanding Standard 10.3* on Finances to help you demonstrate and evaluate your school's financial equilibrium through the self-study process.
- *Mission, Models, and Money,* introducing the important concept of the interrelationship between mission and the models and resources that serve the institutional purposes. Developed by ATS Senior Director and COO Chris Meinzer, the learning module also offers several frameworks and questions that can guide institutional conversations.
- Meinzer's and ATS Director of Research and Faculty Development Deborah H. C. Gin's "Mission, Models, and Money: An Empirical Analysis of Graduate Theological Education" in *Christian Higher Education* (2025), Volume 24, Issue 2, pp. 106–125, explores the state of graduate theological education using three key measures: accessibility, affordability, and financial sustainability. The analysis shares where theological schools are successfully expanding access and pushing for affordability. It also identifies areas requiring significant work to achieve affordability and financial sustainability. The article includes a thorough history of use and exploration of data within ATS and recommended actions for schools to take to address the implications of these key metrics.
- *A Five-Phase Approach to Discovery* is a data-centered framework designed to complement a school's strategic planning and/or self-study process by providing an external perspective on a particular school's place within the broader landscape of North American theological education. Each phase provides a perspective to support administrative, faculty, staff, and board education to ensure a shared institutional perspective on mission, models, and money.
- ATS Annual Data Tables provides compiled public data on the state of graduate theological education in North America.
- ATS Strategic Information Report (SIR) provides ATS member schools with a variety of strategic indicators and general industry benchmarks to help assess their overall financial strength and performance.
- Institutional Peer Profile Report (IPPR) provides a school's annual data compared to between five and 15 ATS peer schools selected by the school.
- Stephen R. Graham's, "Economic Equilibrium and Theological Schools: A Project Report" appeared in Theological Education (2015), volume 50, Number 1 (2015), pp. 1–12, and details how the project was designed to gather wisdom, explore options for sustainable financial models, and encourage long-range adaptive changes.
- "20 Tips for achieving economic equilibrium," *Colloquy Online* (November 2013), pp, 1–2. Prepared by coaches who served within the *Economic Equilibrium and Theological Schools Project*.



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