

Fiscal 2018

Annual Operating Plans

March 31, 2018

Sophia School Corporation

Introduction

In 2013, on the occasion of the centennial anniversary of Sophia University's founding, we set out the mission of "Sophia – Bringing the World Together" and formulated the "Grand Layout 2.0 (FY2014-2023) (hereinafter, "GL2.0")," a medium- to long-term vision for the future of Sophia School Corporation. Based on GL2.0, we have endeavored to improve the research and education environment at Sophia and have made much progress. As part of the university governance reform, we amended the rules for electing the President of Sophia University and elected our current President according to the new procedures. We have promoted globalization in our research and education, thereby increasing the number of partner institutes to more than 300 and boosting the number of both inbound and outbound exchange students. We are also putting much effort in developing global human resources in the secondary school division by enhancing our ties with overseas Jesuit schools. In April 2017, we opened the Jesuit Education Center, which will enable all schools established under Sophia School Corporation to collaborate in deepening Jesuit education and foster human resources with the Jesuit spirit.

Before GL2.0 enters Phase II in FY2019, we will clarify our performance to date as well as the current status of Sophia School Corporation and the challenges that we face. Based on our findings, we will revise GL2.0, for which the FY2018 Annual Operating Plans provided hereinunder will serve as the basis. In line with the educational spirit of "Men and Women for Others, with Others," Sophia School Corporation will endeavor to expand on its traditions and performance to generate further successes by advancing these Operating Plans while remaining attuned to changes in the domestic and international environment and supporting the future development of each school.

I. Annual Operating Plans

A. Plans concerning the management base of Sophia School Corporation

1. Overall plans

(1) Review decision-making processes at Sophia School Corporation as a whole, and strengthen and accelerate the planning process.

- Develop structures to support the Presidents and Principals
- Clarify the authority and responsibilities of academic executives.
- Consolidate academic decision-making processes by re-organizing committees.

(2) Establish an effective Plan-Do-Check-Act (PDCA) cycle.

- Based on the accreditation results received from the Japan University Accreditation Association, consider possibilities for a university-wide organizational internal quality assurance structure directed by the President.
- Consider the establishment of academic audit structures.
- Establish a self-study and evaluation structure focused on quality assurance.
- Continue implementing the PDCA cycle to firmly establish a university-wide risk management structure.

(3) Establish Institutional Research (IR) functions.

- Utilize the academic Data Warehouse (DWH) system and link it with administrative data.
- Integrate existing student surveys and implement thematic surveys.
- Encourage the dissemination of IR analysis results across the university and public communication via the websites of each school. (Publish multi-language and interactive Factbooks.)

(4) Strengthen ties with stakeholders.

- Develop an alumni database
- Collect contact details and other information on international students who have returned to their home countries and establish a network of former international students.
- Strengthen ties with the Sophia University Alumni Association.

2. Organization and human resource plans

(1) Restructure faculty and administrative (staff) organizations.

- Plan and propose an outline for an academic organization evaluation system.

(2) Enhance the performance of faculty members.

- Consider the employment, promotion and appropriate assignment of faculty; and consider evaluation methods for part-time lectures in terms of accomplishments and course evaluation.

(3) Introduce a faculty evaluation system and an organizational evaluation system for the academic organization.

- Consider how the academic organization should be evaluated; and consider and implement measures to improve the faculty evaluation system (for individual faculty members).

(4) Revise the faculty personnel and salary system.

- Continue conducting individual faculty evaluations and consider what improvements are required beyond the experimental period.
- Consider possibilities for special training programs for faculty members.

(5) Consider and implement initiatives to enhance staff member performance.

- Consider how staff assignment can be properly conducted based on the “same labor same wages” rule.
- Plan and implement Staff Development (SD) programs with an aim to maintain and heighten the performance and motivation of full-time staff.

(6) Reduce the personnel expenses dependency ratio.

- Promote and link measures under the FY2018 Annual Operation Plan.
- Consider labor management issues associated with faculty and staff members.

(7) Develop diverse human resources and invigorate organizations.

- Achieve the numerical targets set out in the Top Global University Project proposal and those of the General Business Owner Action Plan under the Act on Promotion of Women’s Participation and Advancement in the Workplace

- Achieve numerical targets associated with global human resources and those regarding students with special needs or disabilities.
- Establish structures to make proposals for managerial issues through projects based on faculty-staff collaboration.
- Implement “work-life balance” measures (including encouraging the taking of paid time off (PTO)).
- Enhance the mental health care system.

3. Financial plans

(1) Implement measures to strengthen the financial base.

- Engage in further discussions on “selection and concentration.”
- Revise the Plan for Transfers to Capital Fund No.2, in line with the progress made in campus infrastructure development plans.
- Determine budgetary allocations for the personnel plan and research and education plan.
- Propose measures based on the balance of payments by segment and by business objective.
- Continue to review the asset management policy.
- Transfer operations yet to be transferred to business corporations, thus saving costs and improving service and quality.
- Launch new projects under business corporations and generate profits by building on existing projects.

(2) Secure stable revenue sources.

- Secure stable asset management revenue based on high-level risk management.
- Secure sources of funding for promoting research and education by campaigning for donations, mainly through the SOPHIA Fund for the Future.

(3) Realize effective spending.

- Formulate the FY2019 budget based on revision of the business objective-oriented budget system.
- Establish a new special budget program with a view to the formulation of the FY2019 budget.
- Engage in further discussions on measures to reduce expenses for institutional administration (revision of criteria for sharing common expenses) and on reducing personnel expenses (=increasing expenses for education and research).
- Formulate a basic budgetary allocation model.

4. Building and equipment plans

(1) Effectively use each campus and draw up plans to improve buildings and equipment.

- Construct the Shinanomachi International Student Dormitory.
- Refurbish Buildings No. 2, 4, 9 and 13.
- Replace existing Japanese signposts with bilingual signposts and post notices in both Japanese and English.

- Formulate the Sanadabori Ground improvement plan (and partially commence construction work).
- Formulate a maintenance plan for the junior and senior high school campuses (and partially commence construction work).

(2) Consider possibilities for the acquisition of new campuses.

- Formulate a tentative plan for the utilization of the former Kyoei Building site. (A tentative measure to accommodate the postponement of the original construction schedule of the planned building.)

5. Information and Communication Technology (ICT) plans

(1) Use ICT to create new value in research and education, and student support.

- Install wireless LAN access points in Building No.3.
- Replace external connection lines.
- Formulate and allocate resources for plans to renew the administrative infrastructure.
- Select groupware with bulletin board functions and formulate a proposal for its introduction.
- Develop and renew administrative systems.
 - Donation system, student medical checkup system, Center for Extension Programs system, international student management system, certificate issuing system, etc.

(2) Make more effective use of ICT as a tool for management strategy development.

(3) Remodel organizational and operational structures to improve the ICT environment and establish a system audit mechanism.

- Formulate criteria for information technology security.
- Continue education in informational technology security.

B. Implementation Plans for Centers and Research Institutes Established by Sophia School Corporation

1. In accordance with the educational principles of the Catholic and the Society of Jesus, carry out distinctive academic research and human resource development and disseminate research outputs within and outside Sophia; and thus enrich Jesuit education at Sophia School Corporation.

(1) Develop the Jesuit Education Center

- Collect from domestic and overseas sources, materials and literature on and related to the foundations of Jesuit education and the spirituality of St. Ignatius that underpins it, and make them available in various media
- Formulate rules and regulations regarding faculty and staff training and develop a financial fund to support the training program.
- Establish a Jesuit Education Center website and SNS account.

(2) Promote the activities of research institutes established by Sophia School Corporation (Kirishitan Bunko Library, Sophia Asia Center for Research and Human Development).

(i) Promote research activities by the Kirishitan Bunko Library.

- Collect, catalog, and publish material that will serve the purpose of conducting research on Kirishitan history; and host research relevant workshops.
- Digitize rare materials.
- Support Kirishitan-related symposiums hosted by organizations outside the university

(ii) Promote research activities and human development at the Sophia Asia Center for Research and Human Development

- Hold symposiums and extension courses on Angkor Wat. Create a multi-language website to communicate information.
- Develop human resources in Cambodia through the Sophia Mission.
- Restore the Angkor Wat Western Causeway and promote campaigns to attract donations.

C. Implementation Plans for Sophia University

1. Academic plans

(1) Formulate and clearly present basic approaches to academic reform.

(2) Guarantee the quality of Bachelor degree (undergraduate) education.

- Number courses based on a consolidated code list.
- Organize a structure to discuss the introduction of a credit transfer system.
- Organize a structure to assess curriculums based on the “Three Policies.”
- Consider how liberal arts education should be delivered.
- With a view to the appropriate number of courses, formulate a new proposal for the reorganizing the classes offered instead of uniformly reducing the number of courses.
- Decide how to treat quarter-based courses.
- Initiate discussion on the introduction of “flipped classroom” and online classes.
- Review rules for allocating classrooms.
- Implement intra-university sharing of information on faculty development (FD) activities
- Hold FD training programs for the delivery of courses in English.

(3) Enhance graduate school education and carry out the reconfiguration of the academic organization.

- Consider the admission capacity of each graduate course in the Graduate School Committee.
- Verify coursework and research work in graduate schools and consider possibilities for collaboration between graduate schools.
- Promote partnerships with overseas higher education institutions and explore new programs.

(4) Advance globalization.

- Consider, decide on and announce model curriculums and course registration patterns in association with the combined introduction of a semester system and quarter system.
- Increase courses offered in partnership with industry, international organizations and overseas universities, and increase the number of internship hosts for Internship

Courses, based on student needs and Department curriculums.

- Increase courses taught in English and other foreign languages.
- Commence preparations for the effective functioning of current short-term programs under a combined system of semester and quarters.
- Increase inbound students by establishing knowhow for operating tailored programs designed to meet the needs of overseas universities.
- Develop internship programs that facilitate the participation of international students.
- Verify the existing Japanese curriculum for international students and consider an appropriate program that accommodates current inbound student trends.
- Consider the principles and details of the Sophia Integration Program.
- Consider the utilization of IR data regarding international students to organize student performance data covering the period from enrollment to graduation into a database and analyze changes in performance.
- Formulate a detailed plan (including concept, curriculum, personnel affairs, etc.) to open a new English course.
- Offer a “Japanese for university faculty and staff” course as an autumn semester course at the Sophia Community College.
- Advance globalization initiatives utilizing evaluations and recommendations by the Advisory Board (external evaluation committee)
- Increase student exchange partner institutions.
- Review the lineup of study abroad programs under the combined introduction of a semester system and quarter system.
- Establish a system that allows students to earn credits while studying abroad during leave of absence and commence notification across all students with a view to outbound students in AY 2019.
- Review and reinforce safety management education for outbound students.
- Initiate negotiations for the conclusion of Double Degree Agreements in order to strengthen ties with leading overseas universities.
- Promote exchange with students from Asian and African regions by accepting and sending exchange students.
- Continue the SAIMS program for which subsidies will end in fiscal 2017 and establish a method for its smooth and stable implementation.
- Consider the possibilities for early-graduation programs and enhancing the extended enrollment system in the Dean meeting and Graduate School meeting.

(5) Strengthen partnerships with educational institutions and supporters (organizations) within and outside Japan.

- Based on the overseas admissions recruiting strategy, utilize Overseas Offices to find new candidates for designated overseas high schools.
- Continue to engage in collaborative public relations efforts regarding the “three-way program” among Sophia University, Sogang University and City University of Hong Kong.

- Enhance strategic international public relations by utilizing existing Overseas Offices.
- Propose an academic plan conceptualized by Overseas Offices (including building satellite programs and internships and forging partnerships with partner institutions) and continue discussions on the role of Overseas Offices and enhancing their functions.

(6) Ensure the secure intake of high-quality students.

- Promote admission system reform with a view to the Ministry of Education, Culture, Sports, Science and Technology's reform on articulation between upper secondary education and higher education including the introduction of a common examination for university admission in fiscal 2020.
- Enhance partnership with Catholic Schools and review the schools designated under the Entrance Exams by Recommendation by Designated Schools and forge closer relations with each high school in order to secure students of excellence.
- Secure a stable number of prospective candidates by reviewing the admissions recruiting strategy.

2. Research and academic exchange plans

(1) Promote priority research that will be exposed to international assessment.

- Continue to apply for the Private University Research Branding Project and facilitate the implementation of selected projects.
- Achieve the PDCA cycle for research activities through the Research Assessment Committee.
- Verify the effectiveness of research outcomes and of the communication of research projects supported by Sophia University, including those supported by the Sophia University Special Grant for Academic Research and grants for priority research.

(2) Encourage academic exchange.

- Promote support for launching joint research projects within and outside the university.
- Enhance compliance (research ethics education, security trade management, etc.) associated with overall academic exchange and research.

(3) Establish research structures and research support structures by reorganizing research institutes and centers.

- Promote joint research among different research institutes and the co-hosting of symposiums.
- Understand and evaluate the status of research activities by research institutes established by the university (Research Institutes Division); and implement measures to activate research.

(4) Procure stable research funding.

- Boost the number of applications for external research funding and increase the number of selected projects.
- Promote university-wide notification of the KAKENHI reform; and encourage and support applications for KAKENHI.
- Utilize overhead expenses to employ human resources with expertise in research promotion.

- (5) Encourage industry-government-academia partnership.
 - Identify research seeds across all research fields and actively and effectively disclose them.
 - Visualize a role model for industry-government-academia partnership at Sophia University.
- (6) Develop structures for the management and exploitation of intellectual property.
 - With the support of the corporate patent attorney, strategically apply for patents with a view to future utilization
- (7) Strengthen capacities for the international dissemination of research outputs and advance measures to share outputs with wider society.
 - Communicate information and outcomes based on the Branding Strategy under the Private University Research Branding Project.
 - Take an organizational and planned approach to international society and industry in terms of communicating research outcomes.
 - Review and enhance intra-university grant schemes.
 - Proactively collect, accumulate and communicate research outcomes using the Sophia University Repository for Academic Resources.

3. Plans for student support for learning support and student life support

- (1) Promote learning support.
 - Implement a program that encourages student-led activities at the basement cafeteria in Building No. 9.
 - Promote campus improvements based on universal design, as a part of providing learning support for students with special needs or disabilities.
 - Test the operation of check-out services on Sunday and holidays at the Central Library.
- (2) Support student life
 - Develop student consultation structures (enhancement of staff development, creation of a global campus).
 - Fully develop a peer support structure at the Sophia Student Integration Commons (SSIC).
 - Expand scholarship programs to proactively secure excellent human resources and to further promote globalization.
 - Enhance career support before, during and after study abroad.
 - Develop and enhance internship (extracurricular) programs.
 - Enhance career-related programs, including guidance and corporate briefings.
 - Offer paid preparatory courses for prospective civil servant examinees throughout the year.
 - Provide career support for inbound students and obtain information on their career choices.
 - Enhance career support for students with special needs or disabilities.
 - Enhance volunteer development programs with a view to the 2019 Rugby World Cup and the 2020 Tokyo Olympics and Paralympics.

- Plan and implement a program to enhance the dormitory functions of the Soshigaya International House not only as a living space but to increase its value-added as an educational space.
- Formulate an operation policy for the new International House which will be opened.
- Enhance anti-smoking education.

D. Implementation Plans for Sophia University Junior College Division

1. Overall plans

(1) Formulate medium- to long-term plans for developing organizational and educational structures in the Junior College Division.

- Secure full admission capacity and improve the quality of new enrollees.
- Aim to finalize the future vision. Once finalized, produce a list of tasks for its implementation and make arrangements to realize the vision.

(2) Strengthen collaboration between the Junior College Division and Sophia University.

- Build a curriculum that accommodates the new four skills-based criteria used to measure the applicant's language proficiency level under the special transfer admission system.

2. Academic plans

(1) Further advance human education based on Sophia's founding principle and education attuned to globalization.

- Strengthen human education based on the founding spirit, educational ideals, and Christian values
- Pursue partnership agreements with overseas universities for short-term study abroad.
- Increase the number of outbound students through short-term study abroad and study tours.

(2) Improve and guarantee educational quality by establishing a Plan-Do-Check-Act cycle utilizing the Japan Association for College Accreditation evaluation standards, and continuously pursuing the cycle in accordance with the Assessment Policy.

- Clarify how feedback will be provided on in-class examinations.
- Boost the rate of annual improvement in TOEIC-IP test scores
- Visualize internal quality assurance by using IR.
- Formulate an interim report on self-study and evaluation with a view to the 2021 accreditation by the Japan Association for College Accreditation.

(3) Further advance education to strengthen English language proficiency.

- Consider a new curriculum pursuant to the finalized medium- and long-term organizational and educational development plans

3. Student support

(1) Convert the Service Learning Center into a Student Support Center, integrating learning support, student life support, and career guidance.

- Strengthen the capacities to realize students' preferred career paths
- Implement measures to reduce the number of students undecided about their career

paths and those withdrawing or taking leave of absence

- Hold career briefings for international students

(2) Endeavor to secure scholarship funds and enhance scholarship programs as a part of student support.

- Continue to provide support for natural disaster victims and students admitted from the College of Micronesia
- Take advantage of the changes made to Japan Student Services Organization scholarship programs.
- Continue to recruit donations for the Gerard Barry Award which has been established.

4. Community engagement

(1) Further enhance volunteering in Japanese language and school subject learning support and English language education through our service learning programs, and strengthen contributions to and partnerships with the local community.

- Pursue deeper learning and guarantee the quality of activities through taking advantage of classes associated with service learning, brush-up programs, and learning portfolios.

E. Implementation Plans for the Sophia School of Social Welfare

1. Overall plans

(1) Advance the future vision of Sophia School of Social Welfare.

- Propose a future vision
- Determine evaluation items for the introduction of a faculty evaluation system.

2. Academic plans

(1) Promote projects that are founded on Sophia's mission.

(2) Strengthen initiatives for the stable intake of enrollees

- Secure applicants and enhance the quality of enrollees.
- Support career advancements of both qualified and unqualified practitioners.

3. Student support

(1) Enhance the school as a designated training institution for the acquisition of official qualifications.

- Based on analysis of the results of national examinations in fiscal 2018, strengthen support structures for exam preparation and thus raise pass rates.

F. Implementation Plans for Continuing Education

- Verify the effects of re-organizing the operating organization and amending the rules and regulations.
- Review the current system and implement reform to improve the balance of payments of the Sophia Community College.
- Commence measures to streamline and commission Sophia Community College administration.
- Conduct interviews and site visits regarding courses utilizing ICT.

- Commence the system development of an online Theology course to be offered from AY 2019.
- Explore possibilities for new practical Liberal Arts courses.
- Renew the curriculum for language courses.
- Implement collaborative courses in partnership with research and education institutions and university business corporations.
- Formulate a re-organization plan in partnership with language coordinators.
- Communicate information through Sophia Community College and implement locally contributing programs.
- Formulate a proposal for the re-organization of language courses and make preparations for its implementation.
- Collect information on prospective partner organizations, conduct interviews, propose new forms of partnerships and establish good relations with candidate organizations.

G. Implementation Plans for Secondary Education

1. Common matters of the Secondary Education Division

(1) Common matters of the Secondary Education Division:

- Enhance the activities of the Jesuit Education Center including measures for high school/university collaboration and improved training structures.
- In the Committee for Secondary Education, formulate a medium- to long-term plan for the period beyond fiscal 2019.
- Consider contracts that would take advantage of the scale of the school corporation resulting from merger.
- Host the Ignatian Student Leadership Forum.

2. Educational programs

(1) Eiko Gakuen Junior and Senior High School

◆ Enhance education

- Enhance the contents of the Boston College Summer Leadership Program and provide a program to prepare students for it.
- Engage in focused discussion on the new curriculum guidelines at faculty and staff training sessions.
- In terms of public relations, continue to formulate plans for school briefings covering all areas from which students currently commute.
- Have students join students of Sophia University in international programs that high school students are eligible for.

◆ Student support

- Enhance the educational consultation system, including possibly increasing the number of school counselors.
- Establish a structure that enables teachers to provide tutorials or complementary lessons as needed, individually or as a faculty.

◆ Financial and assets division

- Consider improving the office environment including introducing IT in the faculty and

staff room.

- Consider new equipment to install in regular and specialized classrooms and implement phased installation within the scope of the budget.
- Formulate plans for required campus infrastructure improvements and consider budgetary allocations.
- Implement a medium- to long-term facility and equipment plan after completion of the new building.
- Consider the further enhancement of scholarship programs and donation recruitment.

◆Personnel division

- Continue chaplain service agreement.
- Continue the training program for newly hired teachers on “the characteristics of Jesuit education.”
- Formulate and implement a personnel plan that matches the timing of administrative personnel transfers.
- Establish rules and regulations for personnel affairs and management (detailed rules).

(2) Rokko Junior / Senior High School

◆Enhance education

- Conduct small group listening classes taught by native speakers to accommodate the new curriculum guidelines.
- Fully launch the new segment set up in fiscal 2017 to address recommendation-based admissions to prominent universities and improve class contents with a view to the new curriculum.
- Collaborate with Sophia University with regard to disaster management measures associated with the India tour and the training program in New York; and formulate a disaster management manual.

◆Student support

- Newly establish a Student Support Department to strengthen ties between the Head of Year Faculty meeting and Special Needs Education Department.
- Amend the bylaws on academic affairs to make summer tutorials mandatory for first and second-year students with poor grades.

◆Financial and assets division

- Summarize requests regarding the introduction of ICT made by faculty and staff members; and collect and share technological information. Then, formulate a medium-term ICT plan including budgetary considerations.
- Construct a Physical Education building on Field No.3.
- Refurbish the Annex building (former abbey).

◆Personnel division

- Promote class evaluation and reflection.
- Decide on a detailed plan to reduce personnel costs.

(3)Hiroshima Gakuin Junior and Senior High School

◆Enhance education

- Engage a wider range of classes in the English Faculty’s “on-line speaking training” program to prepare students for the new standardized examinations for university admissions.
- Consider the possibilities of sending more students to overseas programs for leader development.
- Secure an adequate number of examinees in order to secure a stable number of new enrollees.
- Hold open campuses and continue public relations activities that target cram schools.

◆Financial and assets division

- Consider the introduction of an academic affairs system.
- Make improvements to achieve a stable Internet environment.
- Conduct construction work to waterproof the roof of the Xavier Gymnasium and replace the air conditioning equipment in the Science building.
- Enhance scholarship programs to meet Jesuit school standards.
- Promote disaster prevention measures on campus.

(4) Sophia-Fukuoka Junior-Senior High School

◆Enhance education

- Amend rules and regulations on advancement of school years (junior high school).
- Utilize Rubrics (self-evaluation by graduating students) in the classroom and reflect them on school events.

◆Financial and assets division

- Consider the introduction of an academic affairs system.
- Update the air conditioning equipment of classrooms in the junior high school building.

II. Basic Approach of Fiscal 2018 Budget

In order to promote the critical issues set out in the Sophia School Corporation Grand Layout 2.0, we must optimally allocate the limited financial resources that we have (budgetary allocation).

We are currently faced with new financially challenging issues, including developing new research and education based on the critical issues and improving the research and education environment based on the campus improvement plan (including the secondary school division). Under these circumstances, we must optimize the budget by not only judging whether or not a new program is appropriate but also by strictly reviewing existing projects and their budgets. We must formulate and implement an appropriate, fair and minimal budget that is not regulated by vested interests, precedents and customary practices.

Furthermore, a school corporation's payments are required to be balanced. At Sophia School Corporation, we are challenged with the urgent issue of endeavoring to balance current year revenue and expenditures in pursuit of fiscal health. We share the acknowledgement that we must consider how to effectively deal with the seemingly contradictory measures of addressing critical issues and allocating budget for the enhancement of research and education.

1. Proposing and properly implementing budgets in line with the Annual Operating Plan

All faculty and staff members must deepen their understanding of Sophia School Corporation's critical issues and fiscal situation, propose an appropriate budget in line with the Operating Plan and strengthen their awareness of the importance of properly using official funds.

When executing the budget, individual transactions must be rigorously carried out from the perspective of compliance, economic efficiency and effectiveness, regardless of the amount executed.

2. Prioritizing the budget for critical issues

We will prioritize budgetary allocation for measures including research and education activities and infrastructure improvement associated with the critical issues identified in the Grand Layout 2.0 of Sophia School Corporation.

3. Achieving budgetary balance through improved revenue and expenditures

We will continue to review and further streamline operations and endeavor to further balance revenue and expenditure.

We will also consider specific measures regarding unprofitable operations based on an accurate accounting of revenue and expenditure and carry out revenue-increasing and cost-cutting measures regardless of the amounts involved

4. Deriving maximum effects from cost reduction and a minimum budget

In order to promote new efforts, we will cut costs in existing education and research operations with no special exceptions.

We will also explore creative ways to achieve larger outcomes with a smaller budget by further endeavoring to use limited funds effectively and cut recurring costs.

5. Reducing personnel cost dependency ratio

We will rationalize operations and pursue efficiency by utilizing human resources and reduce the personnel cost dependency ratio in the Sophia School Corporation Statement of Revenue and Expenditure.

6. Securing revenue from tuition

Amid stricter admission capacity control by the Ministry of Education, Culture, Sports, Science and Technology and a downward trend expected in the number of students due to a declining 18-year-old population, we will secure stable tuition revenue, which constitutes the financial foundation of the Sophia School Corporation.

7. Making active efforts to obtain outside funding

We will, in principal, procure our own funding and take the lead in securing the monies needed for activities including new initiatives. We will continue to enhance the foundations for soliciting donations as well as involve all university personnel in recruiting donations in order to enhance student support programs such as the funds and scholarships that were established as part of the centennial celebrations.

8. Evaluating research funding program performance and reviewing research funding allocation methods

We will evaluate the performance of the research funding programs (Special Grant for Academic Research and Incentive Allowance for Dissemination of Individual Research Results) in fiscal 2017, and based on evaluation results optimize programs and budgets beyond fiscal 2018. Furthermore, we will endeavor to reinvigorate research activity and promote the procurement of external research funding by considering the introduction of a budgetary allocation method based on performance, including research outcomes, for individual research allowances and various internal research-related budgets under the Research Institutes Division, etc.

9. Introducing managerial accounting methods and promoting selection and concentration

In order to facilitate advancements in the critical issues set out in “Sophia School Corporation Grand Layout 2.0,” we will allocate budget amounts by business objective and reflect this in the medium- to long-term financial plan. We will also properly track revenue and expenditure per operation and per segment (faculty, etc.), and promote “selection and concentration” through constant evaluation and review.

Cashflow Statement

Unit:1,000Yen

| Income | | | |
|---|-------------------|-------------------|------------------|
| Item | FY2018 | FY2017 | Fluctuation |
| Tuition and other student fees | 18,986,020 | 18,974,501 | 11,519 |
| Entrance examination fees and other fees | 1,193,302 | 1,188,123 | 5,179 |
| Donations | 477,380 | 518,652 | △ 41,272 |
| Grants | 3,775,254 | 3,825,919 | △ 50,665 |
| Income from the sales of assets | 2,950,000 | 2,958,000 | △ 8,000 |
| Income from business activities | 1,118,320 | 755,988 | 362,332 |
| Interest and dividend | 710,589 | 650,924 | 59,665 |
| Miscellaneous | 1,158,275 | 1,213,679 | △ 55,404 |
| Loans | 5,150,000 | 0 | 5,150,000 |
| Prepaid tuition and other deferred credits | 7,409,667 | 4,931,510 | 2,478,157 |
| Other Income | 5,993,102 | 9,126,038 | △ 3,132,936 |
| Income-flow adjustment | △ 5,777,656 | △ 5,592,001 | △ 185,655 |
| Cash and equivalents carried over from previous year | 7,244,446 | 8,493,541 | △ 1,249,095 |
| Total | 50,388,699 | 47,044,874 | 3,343,825 |
| Expenses | | | |
| Item | FY2018 | FY2017 | Fluctuation |
| Personnel expenses | 15,306,932 | 15,421,325 | △ 114,393 |
| Expenses for education and research | 6,709,442 | 6,413,605 | 295,837 |
| Expenses for institutional administration | 1,748,649 | 1,942,983 | △ 194,334 |
| Interest on loans | 142,720 | 167,347 | △ 24,627 |
| Repayment of loans | 1,114,990 | 915,530 | 199,460 |
| Payment for land, buildings, and other construction in progress | 6,465,516 | 5,259,144 | 1,206,372 |
| Payment for equipment, libraries, and other | 1,195,999 | 977,544 | 218,455 |
| Payment for asset management | 10,545,977 | 9,684,991 | 860,986 |
| Other Expenses | 1,320,225 | 780,397 | 539,828 |
| Reserve fund | 210,600 | 238,600 | △ 28,000 |
| Expenses-flow adjustment | △ 1,325,608 | △ 479,058 | △ 846,550 |
| Cash and equivalents carried over to next year | 6,953,257 | 5,722,466 | 1,230,791 |
| Total | 50,388,699 | 47,044,874 | 3,343,825 |

Statement of Revenue and Expenditure

Unit:1,000Yen

| | | | | | | |
|---|--|---|--------------|--------------|-------------|-----------|
| Educational activities | Revenue | Item | FY2018 | FY2017 | Fluctuation | |
| | | Tuition and other student fees | 18,986,020 | 18,974,501 | 11,519 | |
| | | Entrance examination fees and other fees | 1,193,302 | 1,188,123 | 5,179 | |
| | | Donations | 422,780 | 415,660 | 7,120 | |
| | | Grants | 3,738,819 | 3,536,140 | 202,679 | |
| | | Income from business activities | 768,320 | 755,988 | 12,332 | |
| | | Miscellaneous | 1,158,275 | 1,213,679 | △ 55,404 | |
| | | total | 26,267,516 | 26,084,091 | 183,425 | |
| | Expenditure | Item | FY2018 | FY2017 | Fluctuation | |
| | | Personnel expenses | 15,227,717 | 15,470,203 | △ 242,486 | |
| | | Expenses for education and research | 9,455,073 | 8,825,372 | 629,701 | |
| | | Expenses for institutional administration | 1,896,850 | 2,246,371 | △ 349,521 | |
| | | total | 26,579,640 | 26,541,946 | 37,694 | |
| | Balance of educational activities | | | △ 312,124 | △ 457,855 | 145,731 |
| Except educational activities | Revenue | Item | FY2018 | FY2017 | Fluctuation | |
| | | Interest and dividend | 710,589 | 650,924 | 59,665 | |
| | | Others | 350,000 | 0 | 350,000 | |
| | | total | 1,060,589 | 650,924 | 409,665 | |
| | Expenditure | Item | FY2018 | FY2017 | Fluctuation | |
| | | Interest on loans | 142,720 | 167,347 | △ 24,627 | |
| | | Others | 0 | 0 | 0 | |
| | | total | 142,720 | 167,347 | △ 24,627 | |
| | Balance of except educational activities | | | 917,869 | 483,577 | 434,292 |
| | Ordinary balance | | | 605,745 | 25,722 | 580,023 |
| Extraordinary revenue and expenditure | Revenue | Item | FY2018 | FY2017 | Fluctuation | |
| | | Income from the sales of assets | 0 | 4,000 | △ 4,000 | |
| | | Others | 178,857 | 518,442 | △ 339,585 | |
| | | total | 178,857 | 522,442 | △ 343,585 | |
| | Expenditure | Item | FY2018 | FY2017 | Fluctuation | |
| | | Net loss on disposition | 452,348 | 353,751 | 98,597 | |
| | | Others | 0 | 0 | 0 | |
| | | total | 452,348 | 353,751 | 98,597 | |
| | Extraordinary balance | | | △ 273,491 | 168,691 | △ 442,182 |
| | Reserve fund | | | 180,600 | 208,600 | △ 28,000 |
| Balance of current year before transfer to capital fund | | | 151,654 | △ 14,187 | 165,841 | |
| Transfer to capital fund | | | △ 2,230,940 | △ 2,280,940 | 50,000 | |
| Balance of current year | | | △ 2,079,286 | △ 2,295,127 | 215,841 | |
| Balance carried over from previous year | | | △ 15,545,883 | △ 18,415,407 | 2,869,524 | |
| Reversal of capital fund | | | 0 | 0 | 0 | |
| Balance carried forward to next year | | | △ 17,625,169 | △ 20,710,534 | 3,085,365 | |
| (Reference) | | | | | | |
| Total revenue | | | 27,506,962 | 27,257,457 | 249,505 | |
| Total expenditure | | | 27,355,308 | 27,271,644 | 83,664 | |

Conclusion

Sophia School Corporation has promoted reform based on Grand Layout 2.0. In this era of turbulent change, we will respond flexibly to transformations in the social structure such as low birthrates/ ageing and factors including the globalization of society and economy, without losing sight of our educational spirit of “Men and Women for Others, with Others.” In order to build on our traditions and achievements to date, we will remain attuned to changes in the domestic and international environment and strive to carry out Sophia’s mission through education, research, and contribution to wider society.