# TABLE OF CONTENTS

The Academy of Art University Educates Students for the 21st-Century Innovation Economy .................................................. 02

The Academy of Art University Model .......................................................................................................................... 03

Accountability: Market-Quality Work Supported by Tools for Professional Success ............................................................ 04

Adweek Campaign of the Decade .................................................................................................................................. 06

The Academy of Art University Has Had Success in Preparing Students for Well Paying Jobs .......................................... 07

Access: Inclusive Admissions and High Affordability Levels ............................................................................................. 08

The Academy of Art University is Setting the Standard for Innovation in Online Higher Education .................................. 10

Professional Preparation: Market Based Curriculum and State-of-the-Art Technology .......................................................... 11

The Redesign of the Francisco Reservoir ......................................................................................................................... 11

Academy Students Design a User Interface for NASA Space Mission .................................................................................. 12

The Academy Teamed With Pantone and Graphic Design For "Color In Action" ................................................................ 15

Alumni are Successfully Prepared for the Workforce ....................................................................................................... 16

Industry Professionals Teaching in Classrooms: Real World Pedagogy .................................................................................. 17

Interaction With Industry Professionals: Opportunities to Showcase Work and Network ....................................................... 18

Healthy Competition: Educational Program Augmented Through Athletic Programs .......................................................... 19

Academy Student Drafted by the Los Angeles Dodgers ..................................................................................................... 19

Success at Olympic Trials .................................................................................................................................................. 21

Economic Engine: The Academy Provides an Economic and Fiscal Boost to the Local and Regional Economy .................. 22

Students .................................................................................................................................................................................. 23

Employees ............................................................................................................................................................................ 24

Economic Impacts: Student Expenditures ........................................................................................................................ 25

Economic Impacts: School Operations ........................................................................................................................... 26

Fiscal Impacts: The Academy of Art University as a Taxpaying Entity ............................................................................. 27

The Academy of Art University Effectively Educates Students for the 21st-Century ............................................................ 28
The Academy of Art University Educates Students for the 21\textsuperscript{st}-Century Innovation Economy

The Academy of Art University is at the heart of the 21\textsuperscript{st}-Century Innovation Economy, and San Francisco is emerging as the Innovation Capital of the World.

More than ever, success in the Innovation Economy requires advanced skills and the ability to apply them to opportunities and challenges in creative ways. As the 21\textsuperscript{st}-Century Economy evolves, design, art, technology, and creativity will play an increasingly vital role. Highly skilled professionals will be the drivers of economic success, and top quality higher education will deliver these professionals.

A highly educated workforce has historically been the foundation of a competitive American economy, with numerous studies outlining the many individual and societal benefits linked to quality higher education. A more innovative and productive people and culture leads to greater output and a higher standard of living.
The Academy of Art University Model

The Academy’s mission is to offer hands-on, professional training for aspiring artists and designers. Graduates leave the Academy with an industry-ready portfolio of work and are prepared to make an immediate contribution to their chosen field. The Academy of Art University model is built on:

Access
- Provides an inclusive admissions to all students with a high school diploma
- Comprehensive online program with cutting edge art and design programs providing freedom from geographic or scheduling limitations
- Lower tuition, by 44%, and lower overall cost of attendance, by 28%, than other comparable art schools
- Availability of scholarships
- Hosting art and design industry events, bringing students and professionals together on campus
- Sharing resources with community organizations, impacting the broader community

Accountability
- The Academy of Art University produces highly skilled professionals with significant achievement in their careers
- Students engage in active, hands-on learning, working with artists and designers that are building the Innovation Economy
- Curriculum requires students to produce market-quality work prior to graduation
- In 2010 – 2011, approximately 80% of Academy graduates were successful in securing professional jobs in their field of study

Real-World Pedagogy
- Education provided by a faculty of working professionals
- Output based model preparing graduates for the Innovation Economy, with a focus on industry standards and technology to prepare graduates to make immediate impact in their industry
- Faculty imparts to students current, day to day market realities, emerging trends and requirements for success in the marketplace
- Meeting real-world challenges, such as working with NASA on controlling pilot rovers, and redesigning the Francisco Reservoir

“What I love about the Academy is that they have provided SFUSD with 100 scholarships to students who have the talent, but perhaps not the formal training, to pursue a career in an arts-related field. They are not your likely candidates, but the Academy believes in their potential.”

—Hydra Mendoza, San Francisco Unified School Board President
Accountability: Market-Quality Work
Supported by Tools for Professional Success

Accountability is central to the Academy of Art University’s output based model. For students, an inclusive admission means that they are measured by what they accomplish at the Academy. They must produce market-quality work in order to graduate. With a market based curriculum, graduates are immediately able to produce at a high level in the workforce and fuel the Innovation Economy.

The Academy’s students are primarily taught by industry professionals currently working in the marketplace. They develop an understanding of the requirements for success in their work and in business, crucial knowledge imparted from successful leaders in the field. This is critical to prospering in a competitive field and a challenging economy. A student’s portfolio provides them with a proven skill set that is valued in the marketplace.

The Academy teaches students how to take their art and design skills and apply them to real-world challenges. Academy of Art University graduates have earned a reputation in the art and design industries for immediate productivity. Their Academy experience has them prepared to make a successful transition into their profession and to contribute in a meaningful way from the start. As a result they are successfully competing for coveted jobs in the creative industries.

The Academy’s online program utilizes state-of-the-art technology to further expand the tools available for professional success. The Academy’s academic programs both enrich and draw from the cultural and professional wealth of the community. They thrive together, as San Francisco’s creative industries and cultural resources provide top instructional talent to high-quality educational programs. The school in turn enriches the talent pool for the Innovation Economy, often providing the next generation of teaching talent as well.

Businesses locate based on the availability of skilled talent, and the Academy has created a strong pipeline to seed economic growth in the Bay Area, producing nearly 1,500 graduates annually in 21 departments with over 20 areas of emphasis. Its curriculum is unmatched for breadth and depth. Firms hiring alumni range from Apple to the National Football League, and Rolling Stone to LucasFilm.

High-caliber universities catalyze high-performing economic sectors, both through business formation and by providing the human capital necessary to grow and maintain successful innovation companies. Industries develop and locate based on the brainpower produced by a cluster of educational institutions, and

“Not only does the university teach its students how to practice a craft, they will learn to do it in today’s thriving technological environment. It’s a symbiotic relationship with those tech companies that are looking for ready talent.”

— Mike Montgomery, Executive Director of CALinnovates
the Academy continues to provide the higher education infrastructure for the Bay Area art and design industry. Graduates excel in many fields, from fine art to graphic arts, architecture to animation, fashion to game design, illustration to web design, with companies from Electronic Arts to Gucci to BMW Designworks looking to the Academy for talented professionals.

The Academy, students and alumni, the Bay Area community, and the art and design industries stand together in a symbiotic relationship. The Academy of Art University is setting the standard, using 21st-Century curriculum delivery both on site and online to educate the students that fuel the 21st-Century Innovation Economy.

**AAU Graduates Are Employed by Industry Leaders**

![Logos of industry leaders](image)

**COMPANIES SEEK NEW EMPLOYEES WITH:**

A survey conducted by EMC Research shows that the Academy curriculum directly addresses those skills and abilities that companies find most valuable.

- Creativity
- Leadership
- Experience with cutting-edge technologies
- Graphic design skills
- Strong collaborative team experience
- Computer skills
- Interactive media experience

*EMC Research, May 2012*
ADWEEK CAMPAIGN OF THE DECADE

Academy of Art University Graduate and Former Faculty Member’s Success Demonstrates How the Academy is Fueling the Innovation Economy

Academy students and faculty win hundreds of awards annually, including the Pulitzer Prize, the Fulbright Scholarship, and Emmy, Clio and ADDY Awards.

Among the accolades, Apple’s “Get a Mac” campaign became a cultural icon, and now the campaign and Jason Sperling’s team have been named Campaign of the Decade by Adweek. Academy of Art University alumnus Jason Sperling (Advertising MFA 1998 and faculty member for five years) led the team from TBWA/Media Arts Lab that created the ad series.

Launched in 2006 and appearing in a variety of media, the Get a Mac campaign used sharp writing and unforgettable casting to deliver stunning sales success. In the process they won nearly every award in the advertising industry, including a Cannes Gold Lion and a One Show Gold Pencil. The latest recognition by Adweek acknowledges that the campaign revolutionized technology advertising and marketing in much the same way Apple changed the computer industry.

According to Adweek, the spots “offer transparent understanding of the aspirations of its audience and how people identify – and connect emotionally – with technology… For Apple, the campaign managed the neat trick of making the brand look laid back and cool while it mercilessly skewered its rival.”

From Apple’s Get a Mac ad campaign
- John Hodgman, Jason Sperling, Justin Long
THE ACADEMY OF ART UNIVERSITY HAS HAD SUCCESS IN PREPARING STUDENTS FOR WELL PAYING JOBS

Success in Repayment of Student Loans Demonstrates an Efficient Investment in Education

Another measure of the Academy’s accountability to its alumni can be found in the cohort default rate. Cohort default rate measures success in preparing students for well-paying jobs, and the ability of graduates to repay loans indicates efficient investment in education.

Challenging conditions brought on by the economic downturn have reduced loan performance across the board, but the relative performance of the Academy of Art University graduates has strengthened.

As shown in the chart, Academy’s 2009 cohort default rate outperformed the rate for all schools by a wide margin. Further, the Academy outperformed all proprietary schools, with a default rate of well below half of the overall rate. The 2009 cohort includes those students entering repayment in federal fiscal year 2008-2009 and measures performance over a three year period.

As a taxpayer investment in the potential of the American workforce, the federal Student Loan program has been met with success mixed with some criticism. Loans of federal funds improve access to higher education. They are backed by the student’s promise to repay the funds, with interest, from increased future earnings augmented by the value of their education.

A highly educated workforce has historically been the foundation of a competitive American economy. As technological development accelerates, education will be more crucial than ever in the 21st-Century Economy.
Access: Inclusive Admissions and High Affordability Levels

The Academy sets the standard for open access to quality higher education. The Academy of Art University provides an inclusive admissions to all students with a high school diploma or GED, and offers a curriculum that prepares students for success in their desired profession. The Academy’s approach is to give every student an opportunity to pursue their dream of a career in a creative field, but requires that they excel in order to graduate.

Further, the Academy of Art University’s online program offers cutting edge art and design programs through the Academy’s state-of-the-art proprietary software. The development of the comprehensive online program positions the Academy of Art University well ahead of other institutions in providing unlimited access and worldwide reach. The Academy has been developing and deploying online resources for over a decade, placing the online experience far ahead of any other online education options.

Tuition and overall costs for students at the Academy are well below the level of comparable private art institutions, with tuition 44% below the cost of other institutions and overall costs 28% lower.

The Cost of Higher Education is a Major Factor Affecting Access and Determining Return on Investment

National Center for Education Statistics
California’s state universities were originally created to provide access to higher education to all qualified students. Due to budget shortfalls and other constraints, those public university systems are no longer able to fill that role. However, the Academy does provide higher education to many at a time when these constraints would otherwise deny capable students.

The Academy’s full time freshman cohort average graduation rate is 34% (6 year rate) and 40% (8 year rate). This is comparable to or outperforms other similar private art schools that have non-selective, all inclusive admissions policies, 4-year degree programs and offer online degrees.

The Academy has a long standing and comprehensive scholarship program for high school students called the Pre College Art Experience, available on campus in San Francisco and online. This program is tuition free, and has helped thousands of high school students from across the country develop their portfolios, earn college credit, and pursue a degree in art and design fields.

The Academy has worked with both San Francisco Unified School District and West Contra Costa Unified School District to provide scholarships to at-risk populations. These scholarships have provided opportunities for high school students to earn both high school and college credit while assisting San Francisco Unified School District by providing resources for art education to counter challenges created by ongoing budget issues. Additionally, four year, full-time Presidential Scholarships, each valued at more than $70,000, are awarded directly by the Academy President.

Lower costs, unlimited reach of the online program, and inclusive admissions are keys to access in the output based model, complementing the goal of the federal student loan program to improve access to higher education. Lower costs also decrease the debt burden on graduates, improving their ability to repay their loans and their quality of life. Lower costs and lower per-student borrowing allow more students access to higher education with the same level of taxpayer investment.

“When the Academy approached me about offering summer scholarships to our students, I was thrilled to hear they wanted to focus on providing the scholarships for students who have not had the opportunities to fully explore their artistic interests. Their only pre-requisite was an interest in the arts. This let us enroll students from all of our schools…”

— Janet Shulze, Assistant Superintendent of San Francisco Unified School District
The Academy of Art University is Setting the Standard for Innovation in Online Higher Education

The Academy of Art University’s unparalleled online undergraduate and graduate degree programs in art and design provide the same educational opportunities as onsite education, but with greater flexibility. Access is an integral part of the 21st-Century educational model, and the Academy’s online program offers cutting edge art and design programs through the Academy’s state-of-the-art proprietary platform. The development of the comprehensive online program positions Academy well ahead of other institutions in providing unlimited access.

In concert with inclusive admissions, the online program gives the Academy worldwide reach, provides freedom from geographic or scheduling limitations, and brings diverse cultural perspectives to the Academy’s programs.

The Academy provides the rare opportunity to access their full curriculum and earn an undergraduate or graduate degree completely online, learning the same curriculum as onsite students. The online program makes all of the Academy’s resources available anywhere in the world. Operating since 2002, the program has continued to develop into a dynamic experience providing unmatched flexibility.
Professional Preparation: Market Based Curriculum and State-of-the-Art Technology

The Academy is a leader among regional institutions in responding quickly to emerging trends and evolving technologies, which is a necessity in art and design industries like computer animation, visual effects, and interactive design. This educational approach has consistently led to strong employment statistics for Academy of Art University graduates.

Academy of Art University alumni have earned a reputation for immediate productivity. The Academy experience prepares them to make a successful transition into their profession and to contribute from the start. With highly developed technical skills and the ability to put them to work, they are prepared to do market-ready work before they reach the job market. As a direct result of the commitment to real-world pedagogy, alumni are successfully competing for the jobs of the 21st-Century.

THE REDESIGN OF THE FRANCISCO RESERVOIR

A Real-World Educational and Community Service Opportunity

Landscape Architecture students in the MFA program were asked by four neighborhood groups to create design concepts for the Francisco Reservoir. The Francisco Reservoir is located in the heart of the Russian Hill neighborhood in San Francisco, with sweeping views of the Golden Gate Bridge. This represented a real-world challenge, providing an opportunity to make connections, make public presentations of actual projects and get feedback from community stakeholders.

This project gave students the opportunity to positively impact their community, provided the community an opportunity for insights from landscape architects, and provided all participants with the chance to develop a more complete understanding of the process of guiding a professional project through a complex process.

Such real-world pedagogy provides students with the required art and design skills, and the perspective that engenders the ability to apply these skills in their careers. They personally experience the requirements for success in their work, guided by successful leaders in the field. This knowledge and experience gained through real-world learning prepares them to prosper in competitive industries.
To ensure that graduates are prepared to make immediate, meaningful contributions, consistent with the output based model, the Academy makes a major commitment to staying at the leading edge of technology and trends of the Innovation Economy. With input from faculty and industry professionals, each department constantly adjusts and upgrades their curriculum and the technology available to students in response to new developments in their field. Students routinely work with resources that are rarely available in traditional academic settings. When students reach the workforce, they have experience using the top of the line equipment that will be employed at top firms.

ACADEMY STUDENTS DESIGN A USER INTERFACE FOR NASA SPACE MISSION

Hands-On Experience for Real-World Careers

Mark Bolick, Director of the Graduate School of Industrial Design, and a team of eight students designed a user interface to help astronauts remotely operate robots from space. NASA will use the students’ work when astronauts on the International Space Station operate a robot on Earth in a test next year.

Bolick noted that this type of hands-on experience prepares students for real-world careers in the Innovation Economy, adding “we are trying to run this project exactly like a consultancy. I’d like to think that by the time this is over, we have two very happy camps and some solid deliverables to hand over and that these students are ready for an actual job, not just with NASA but anyone.”
The Academy brings together the stakeholders in the creative industries, including students, alumni, faculty, professionals and firms. Those influencing hiring decisions have worked with students in the academic setting, while graduates are exposed to professional performance standards. This provides tremendous opportunity for the institutional transfer of knowledge, and produces professionals who contribute from the start.

Elite firms hire top performers and require immediate contributions. In a difficult economy they must limit the cost of training and transitioning graduates. Academy of Art University graduates have the ability to successfully make the jump from the Academy to the professional world, and this has paved the way for current and future students into the creative industries. As a result, Academy alumni are prominent working artists and designers.

Although the recent economic environment has been challenging, and opportunities have been more difficult to find, Academy graduates have continued to successfully compete for jobs. Preliminary, unofficial research conducted by the Academy shows that approximately 80% of Academy graduates gained employment in their field of study. Based on recent surveys, the hiring outlook is promising, though competition for the best opportunities will remain intense.

Preliminary Academy Job Placement Rate: 2010 – 2011 Academic Year
“Businesses are ready to hire, and that is promising news for the class of 2012. Today’s job market is extremely competitive, as companies have many great candidates to choose from and are looking for graduates with hands-on experience and the skills to come in and contribute on day one. That is the heart of the Academy of Art’s curriculum, and we are very excited about the opportunities that are available for the class of 2012.”

— Elisa Stephens, Academy of Art University President

Companies are optimistic about economic conditions, as 91% of companies expect conditions to be stable or better in six months, according to a national survey of employers conducted by EMC Research. Many companies are planning to hire new graduates in the coming year.

The survey found that creativity, leadership and experience using the latest technologies are the most valued qualities in potential employers.

In the Bay Area, 64% of the technology companies surveyed reported that economic conditions in their industry are better than they were six months ago.
THE ACADEMY OF ART UNIVERSITY TEAMED WITH PANTONE FOR A COURSE IN GRAPHIC DESIGN CALLED “COLOR IN ACTION”

How Color Can Speak for Social Action and the Positive Influence of Color on Social Change

Pantone, the global authority on color and provider of professional color standards for the design industries, partnered with the Academy’s School of Graphic Design in support of “Color in Action,” a unique project designed to explore the positive influence of color on social change.

Eight teams of Academy students, led by Academy instructors Tom Sieu and John Barretto, were formed to explore pressing social issues including education, tolerance and the environment. Pantone donated its worldwide color standard PANTONE PLUS SERIES and PANTONE FASHION + HOME guides to be used for the project and awarded the winning team a $10,000 scholarship to help students pay for tuition.

Student Elizabeth West, a member of “Team Bullying,” says, “Color in Action allowed us to apply our skills toward something bigger than ourselves. I think each team’s work proves that graphic designers are more than capable of helping solve for social change, and that color can be a powerful tool. We are grateful to have been part of this, and hope that other young designers can be given similar opportunities.”
ALUMNI ARE SUCCESSFULLY PREPARED FOR THE WORKFORCE

Industrial Design School Alumnus Tom Luedecke Designs for Top Athletes at Nike’s ‘Innovation Kitchen’

Alum Tom Luedecke, with Nike since 2003, works as a designer for Kobe Bryant’s line, among other high-profile projects. People at Nike call Tom’s department “Innovation Kitchen”: the name comes from the legend of Nike’s co-founder, Bill Bowerman, who used his wife’s waffle iron to make the world’s first waffle shoes. As the name suggests, it is a place reserved for the development of Nike’s newest, most cutting-edge performance innovations.

Tom has worked on a number of notable projects, including custom designs for Lance Armstrong and Carlos Santana. He played a crucial role in Nike’s designs for the 2008 Olympics, working on designs for every water sport event and on Hyperdunk shoes worn by almost every basketball player at the Olympic games, then becoming one of the most popular shoes in the NCAA.

Tom is deeply involved with the Kobe Bryant line. “Every few months we meet with Kobe. He challenges us, tells us what he likes, and what he doesn’t like. His products are extremely innovative.” Tom’s team sees the line through from design to production. His focus is on the Kobe Bryant shoe design, the heart of the product line. Tom and his team develop ideas for branding, and then help bring the collection together, all the way to production.

As Tom puts it, “Continued education is definitely a part of every designer’s job - you want to learn as much about tendons as you do about injection plastics. The more you know about the products you work on, the better you’ll be. And there’s always more to learn.”
Industry Professionals Teaching in Classrooms: Real-World Pedagogy

The Academy of Art University provides an education by artists, for artists. The Academy’s employs a faculty of 231 full-time and 1,137 part-time instructors. The focus on part-time faculty reflects the central role of real-world pedagogy in the output based model.

Students learn from professional artists currently working in the marketplace, with the faculty continually in touch with current industry standards, trends, and technologies. The faculty’s first-hand industry knowledge informs the curriculum, ensuring the Academy curriculum continually evolves and remains current. Students graduate with experience working with current industry standards, including cutting edge technology, and ready to make immediate professional contributions. A student’s portfolio demonstrates proven skills that are valued in the marketplace.

Students have their faculty, including their department directors, close at hand for advice and counseling. Further, the opportunity for collaboration is a critical element of the curriculum. Students Ivanka Georgieva and Emily Melville, MFA Fashion, note that “the advice and guidance of industry professionals is just part of what makes this a great school. The most rewarding experience we’ve had as students here was the time we spent collaborating with other students. The fashion industry is all about collaboration, and developing the skills to work with other designers is going to help us throughout our careers.”

This pedagogical model is the foundation for the institutional transfer of knowledge, with the goal of producing professionals who contribute from the start. Vying for jobs with experienced workers, particularly in competitive industries and challenging economic times, students must understand from the outset the requirements for success in 21st-Century Economy.

“The type of work we’re doing is very much what I teach in the classroom. The learning curve at the studio has to be shorter.”

— Michael Osborne, President and Creative Director at Michael Osborne Design and Academy Instructor
Interaction with Industry Professionals: Opportunities to Showcase Work and Network

“The amount and diversity of talent at the Academy is very impressive. It was great to see fine art—painting, sculpture, etc. along with industrial design, graphic design, architecture, etc. I thought there was a broad range of skill and readiness within the Industrial Design students.”

–Robert Mattei, Mattel, at the Spring Show

The Academy of Art University stages numerous events to showcase student work, provide opportunities for student networking, and maintain ties with community and industry.

Various events are hosted and attended by Academy faculty, students, and industry professionals to showcase the creative talent of students and demonstrate their understanding of the 21st-Century Innovation Economy.

An event that is specifically designed to support the placement of students in high quality jobs is the Spring Show. The event highlights the actual work product of hundreds of undergraduate and graduate students to executives from some of the most innovative companies in the world, including Nike, Zynga, Cartoon Network, Pixar, Apple, Lucasfilm, DreamWorks, and Electronic Arts.

Students are also given opportunities throughout the year to show their creations at various industry events. For example, students from the Academy’s School of Fashion show off their creations as Mercedes-Benz Fashion Week in New York City.

The online program also offers enhanced opportunities for students to interact with each other, faculty and professional artists and to display their work within the Academy and globally.
Healthy Competition: Educational Program Augmented Through Athletic Programs

Athletic programs are vital to the college experience for athletes and for the Academy community. Beyond building a sense of community and identity for the Academy, the athletic program fosters collaborative skills and encourages the development of a competitive nature. Therein lies a relationship between art and athletics. Collaboration and competition are central to both professional art and design careers and athletics.

The athletic program was built by former Athletic Director Dr. Jamie Williams, who embodies this ideal. As an artist, college All-American, professional athlete, and doctorate, he offers a unique perspective to an athletic program for artists.

BE ARTIST. BE ATHLETE.

In building the Athletic Department over six years, Dr. Williams gave life to the mantra ‘Be Artist. Be Athlete.’ The program was built on the three A’s:

- **Academics**—the feeder of intellect and wisdom
- **Arts**—the emancipator of spirit and expression
- **Athletics**—the builder of physicality and courage.

Encouraging student-athletes to succeed in the classroom, pursue their artistic dreams, and vanquish the stereotype that artists are not athletes, the program promotes the distinct concept of Urban Knights as “warrior-poets.”

ACADEMY STUDENT DRAFTED BY THE LOS ANGELES DODGERS

The Academy of Art University celebrated another milestone in June when senior Zach Babitt became the first Urban Knight to be drafted when selected by the Los Angeles Dodgers after two seasons at the Academy.
The Academy hired Kevin Price to take over the reins as Athletic Director in 2012. The Bay Area native was most recently Senior Associate Athletic Director for UC Riverside, and prior to that worked for major athletic programs at Baylor, Oregon State, Santa Clara University, Texas Christian, University of Texas, and UC Berkeley, including managing Heisman Trophy campaigns for Steven Jackson, LaDainian Tomlinson and Ricky Williams.

**SUCCESS AT OLYMPIC TRIALS**

Academy of Art University women’s track and field star Vashti Thomas made her presence known at the U.S. Olympic Trials in 2012, achieving the seventh farthest distance in the world in the long jump.

“*Honestly, I'm really excited, but the most exciting part is that I am representing an art school. It just adds so much more to it,*” said Thomas.

“What Vashti did today was incredible,” head coach Charles Ryan said after the Olympic Trials. “To come in as the 23rd ranked jumper out of 24 women and to put up that kind of performance, I don’t have any words that can do that justice. I am as proud of her as I could possibly be. It was an incredible moment.”
Economic Engine: The Academy Provides an Economic and Fiscal Boost to the Local and Regional Economy

As the largest accredited private art school in the United States with over 18,000 students, the Academy brings many benefits to the region. The Academy provides professional infrastructure to the region’s creative industries, attracts students and visitors, employs faculty and staff, supports businesses, restores buildings and improves neighborhoods, performs community service, and pays sales, property, business, and payroll taxes. The effects of these activities multiply as they permeate the local and regional economy.

Students

In 2011, total enrollment was approximately 18,200, with 11,600 onsite and 6,600 online. According to 2012 Book of Lists published by the San Francisco Business Times, the Academy is the fourth largest university in the Bay Area. The steady growth trend in onsite and online enrollment is expected to continue into the future.

The Academy of Art University attracts a large, diverse student population, with onsite students from throughout the U.S. and over 100 countries throughout the world. The region is an international center for higher education, attracting one of the largest pools of international students. The Academy, UC Berkeley and Stanford University each host over 3,500 international students.

Overall Student Enrollment Has Almost Tripled Over the Past 9 Years, One Third of Which Can Be Attributed to the Success of the Online Program, Which Has More Than Doubled Since 2007
The world of art and design, like modern commerce in general, is truly global. As shown by the Academy’s worldwide reach, the Academy is achieving its mission to provide unparalleled access to higher education. This is in sync with the continuing trend toward a more integrated worldwide economy.

**The Academy Educates Students from All 50 States and Throughout the World**

Students live throughout the nine-county Bay Area, with 5 percent commuting from outside of the region. Approximately 60 percent live in the city, while 35 percent live in other parts of the Bay Area. Student and Academy activity provides positive economic impact dispersed throughout the region.

The median age of San Francisco residents is approximately 39. The Academy brings over 11,000 students below the median age to the City. These students bring a younger demographic to San Francisco, with higher earning power and higher consumer spending than the overall population.

In addition, online students live all over the world, enriching cultural perspectives in their fields of study while contributing to the economic strength of the local economy with no additional demands on local infrastructure. The online program provides so many resources with such flexibility that many local students access resources fully or partially online, further reducing their impact on campus and neighborhood resources.
Employees

The strong growth in student enrollment corresponds to a rapid growth in Academy employment. The Academy of Art University added 294 positions from 2007 to 2011, an increase of 14.2%, during a time when employment in the Bay Area increased by 0.4%.

This is a vital boost to the local economy in light of the overall flat job market in the City of San Francisco over the same time period.
Economic Impacts: Student Expenditures

The economic impact of student spending was analyzed based on enrollment data, and the costs of attendance, housing, supplies, and living expenses, according to NCES and the Association of International Educators, and on student’s place of residence. The Academy of Art University’s 11,600 onsite students in 2011 spent an estimated $110 million in the City and $175 million in the greater nine-county Bay Area. Businesses in campus neighborhoods thrive due to the student and Academy presence.

Students live throughout the Bay Area. Based on data from the Academy, approximately 60% of students attending onsite classes live in the City, 35% in the Bay Area, and 5% outside of the Bay Area.

Including multiplier effects, student spending generates an impact on the San Francisco economy of approximately $170 million, and $316 million on the regional economy.

Jobs generated from student spending equate to approximately 1,001 in the City and approximately 1,439 in the nine-county Bay Area.

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An estimated 40% of spending on books, supplies, and other expenses by non-resident students living in the Bay Area takes place in San Francisco, based on BLS data. The remaining 60% is assumed to be spent in the Bay Area economy. For students residing outside of the Bay Area, an estimated 40% of such spending takes place in the City, with the remaining 60% outside of the Bay Area.

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</thead>
<tbody>
<tr>
<td>Direct</td>
<td>660</td>
<td>1,005</td>
</tr>
<tr>
<td>Indirect</td>
<td>198</td>
<td>207</td>
</tr>
<tr>
<td>Induced</td>
<td>143</td>
<td>227</td>
</tr>
<tr>
<td>Total</td>
<td>1,001</td>
<td>1,439</td>
</tr>
</tbody>
</table>

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a Reflects spending in the specified area, based on NCES data and student residence data from AAU

b Based on economic impact analysis of UCSF conducted by Bay Area Economics

c Based on 5.7 jobs supported per $1 million of student spending in the City of San Francisco, derived from BAE UCSF study

d Based on 6 jobs supported per $1 million of student spending in the City of San Francisco, derived from BAE UCSF study

e Based on 5.7 jobs supported per $1 million of student spending in the Bay Area, derived from BAE UCSF study
Economic Impacts: School Operations

While the economy and the regional job market have struggled, the Academy’s economic impact shows continued growth. The Academy operations are increasing, including vendor purchases, total payroll, tax payments, and through the activity of over 11,000 onsite students. The Academy of Art University’s operations, employees and students support local businesses, whose activity further impacts the local economy. Through this process, the Academy’s impact exceeds its own activity.

The Academy made operational expenditures of approximately $114 million in the City and $136 million in the nine-county Bay Area. As this spending circulates through the economy, it generates $40 million in additional indirect spending in the City and $45 million in additional induced spending in the City for a total of $199 million in the local economy. Furthermore, the $136 million in regional Bay Area spending results in a total of $263 million in economic impacts on the nine-county Bay Area.

The economic impact of the Academy’s operations was based on Academy expenditure records. Using economic multipliers from Bay Area Economics’ UCSF study, for every $1 million of output by a private university in San Francisco, approximately 18 jobs are created. The results from this calculation are summarized for San Francisco and for the nine-county Bay Area.

The Academy of Art University boosts the local and regional economy through direct spending. Its presence in San Francisco also leads to student and visitor spending which supports further indirect and induced spending and job creation.

The Academy’s Knight Kash debit card program is one small example of the over $110 million spent regionally by students on living expenses. In 2011-2012, the program generated $478,000 of revenue at small businesses and franchises on and adjacent to campus, excluding cash expenditures.
Fiscal Impacts: Academy of Art University as a Taxpaying Entity

The Academy of Art University maintains numerous facilities to meet the specialized needs of the diverse Academy curriculum, making a significant contribution to neighborhood revitalization of communities throughout San Francisco through reuse of previously underutilized sites.

No building utilized by the Academy has ever been torn down or sold. These buildings, all existing structures, have been preserved or restored to maintain aesthetic integrity. This benefits all neighborhood stakeholders, as underused or abandoned buildings are transformed into hubs of local activity. Increased students and employee retail activity around campus also generates sales tax revenue for the City.

Further, the Academy of Art University does not benefit from the tax-advantaged status of non-profit universities, and as a result the Academy pays over $5 million in property taxes and fees to City and County of San Francisco. These funds support schools and other local agencies. Surrounding property values increase as neighborhoods improve, which generates additional property tax revenues for the local taxing entities.

Academy of Art University
School of Fine Art—Sculpture
students created public
sculptures for the San Francisco Zoo.
The Academy of Art University Model...

Accountability
- Students measured by what they accomplish at the Academy
- The Academy is judged by what graduates accomplish in their careers
- Students develop an understanding of the requirements for success
- Graduates are immediately productive in the art and design industries
- Symbiotic relationship with the cultural and professional resources of the San Francisco community

Access
- Open access and inclusive admissions to top quality higher education
- Online program providing cutting edge art and design programs
- Availability of scholarships to at-risk students
- Lower tuition cost than at comparable institutions

Professional Preparation
- The Academy responds quickly to emerging trends and evolving technologies
- Students learn from professional artists currently working in the marketplace
- Students are prepared to do market-ready work
- The school brings together the stakeholders in the creative industries

Interaction with Industry Professionals
- The Academy stages numerous public events to showcase student work and provide networking
- Students are given opportunities to display their work at industry events

Healthy Competition
- Athletic program fosters collaborative skills and encourages the development of a competitive nature

Economic Engine
- The Academy attracts a diverse student population from around the globe
- Growth in enrollment means increase in employment opportunities
- Both student spending and school operations generate significant economic impacts for the region
- As a local taxpayer, the Academy provides direct fiscal benefits to the San Francisco community