

# A Mystery: What caused the collapse of the Sedona Film School?

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# An Odd Odyssey

## Background



The collapse of the Sedona Film School over a nine month period from 2012 to 2013 and the decision by the Community College to possibly close and sell the Sedona Center for Arts and Technology remains a mystery. How in so short time could a Film School go from what was described as one with an “enhanced program” that had just doubled its enrollment to one that was 44% down in enrollment and closing? What explains the sudden change? Were the 2012 press releases about marketing and increased enrollment incorrect? Was there marketing mismanagement in 2013? Or, were there other reasons behind the decision to close the Film School, stripping the Sedona facility of all credit classes, and threatening to sell the campus to the highest bidder?

To begin with, the latest Community College explanation for closing the Film School came from Executive Dean James Perey at a public meeting on October 1, 2014 in Sedona. At that meeting he stated that because the Film School had only “13 students” and was heavily subsidized, it was his decision to close it. Little additional explanation was forthcoming from the Executive Dean at the meeting.

Some of those listening to Executive Dean Perey’s explanation surmised the sudden closing of the Film School had more to do with poor management, inadequate marketing and/or incompetent oversight by the College than anything else. Others speculated that closing the program was essential to prepare the Sedona campus for sale. They suspected that the proceeds from the sale of the property would most likely be used to help pay for constructing a new 80 acre Allied Health campus in Prescott Valley—a feature of the College’s \$119 million dollar ten year development plan with 97% of developing taking place on the West side of the County. Folks in this camp stressed that by the fall of 2013 the College had already stripped the Sedona campus of all credit courses except the

Film School. Others just didn't feel comfortable with Perey's statement without further explanation and support.

**Enrollment** While enrollment data regarding the Sedona campus is challenging to find, we know from reading the minutes of the April, 2007 Governing Board meeting that the College believed it was "serving approximately 500 students of all ages" at that facility. Assuming the College was relying upon students taking credit courses, this figure would plummet from 500 to 13 by the fall of 2013. (For those familiar with the Fulltime Student Equivalent standard by campus (FTSE) number, County data shows a FTSE of 135 on the Sedona campus in 2006/07 with a drop to 42 by 2012/13. FTSE is generally defined as the total semester credit hours divided by 12, which is considered to be a full-time course load.)

With this background, let's go to the summer of 2011.

### The summer of 2011—Key faculty leave

The summer of 2011 was disastrous. Two of the key members of the Film School faculty announced they were leaving. Their departure created a personnel crisis for the College.

Stephan Schultze, the founding director of the Zaki Gordon Institute of Independent Filmmaking, the predecessor to the Sedona Film School, accepted a position at Liberty University in Lynchburg, Virginia. He said he intended to build a film school modeled after the one he created in Sedona. Schultze had run the Film School on the Sedona campus for 11 years and was its first instructor.

Lori Schultze also announced she was leaving Sedona for Lynchburg to be with her husband Stephan. She had been the public relations and marketing manager for the Institute. In hindsight, many believe that the loss of these two key people and an inability of the College to quickly replace them may have provided the major



*Stephan Schultze*

impetus leading to the demise of the film making school on the Sedona campus.

With both its leader and marketing director having moved on, many worried about the future of the Film School. By August 22, 2011, when Film School classes

began, according to press reports, the College had yet to name a replacement for either Schulze or his spouse. The College has not explained the reason for the delay in filling these positions although finding someone possessing talent similar to that possessed by Mr. Schultze and his spouse was without question challenging.

## The summer of 2012—Zaki Gordon Institute leaves Sedona

The Film School suffered another blow to its reputation and operation a little less than a year after the Schulzes' had departed Sedona. This setback occurred in the summer of 2012 when the College and the main supporter of the Zaki Gordon Institute for Film Making got into a “dust up.” (I have not been able to find records of how much financial support Mr. Gordon was providing annually to the Film Institute.) The president of the Institute, Dan Gordon, charged in a newspaper editorial that:

“The current director of the school and the President of Yavapai College violated their contract with the Institute by unilaterally changing course content. As president of the Institute, I cancelled their right to use our name or our copyright-protected methodology and I ceased providing my services, which were offered gratis for twelve years, as lead instructor.”

Many months later, during a radio interview, Dr. Penlope Wills provided the College's side of the dispute with Dan Gordon. She said “he wanted to go ahead and evaluate faculty and run the entire program. It was not a partnership. . . . the advisory committee was very upset with what he was dictating and he wasn't working as a peer with that advisory (committee).”

## July, 2012—Dean Perey arrives in the Verde Valley



With the Film School staggering under the loss of two key employees and the College having become embroiled with a major supporter who abandoned it, in July the College moved James Perey into the position of Dean for the Verde and Sedona facilities.

Perey is a likable man who had been an Associate Dean and managed the Chino Valley site on the West side of the County for the Community College. Rather than move his family to the Verde Valley, Dean Perey decided to commute from 80 to 100 miles a day roundtrip from his home in Chino Valley to the Verde and Sedona facilities.

As Dean Perey settled into his new job, he was aware of the storm clouds hovering over the Sedona Film School. Sedona and Verde Valley residents were also aware of the problems created by the loss of experienced faculty and the abandonment of the School by a major supporter.

### **August, 2012—College assures citizens Film School will continue**

In an effort to assuage concern over the future of the Film School, the College with the apparent approval of Dean Perey (it is never clear how much Prescott based administrators informed Perey about these matters) issued a strong reassuring statement. On August 9 the *Sedona RedRock* newspaper quoted the Community College official press spokesperson who stated:

**“The Yavapai College film program is continuing and is being enhanced. It is not being dissolved. The college and Dan Gordon have agreed to part ways.”**

### **December, 2012—College says enrollment up; classes enhanced, future bright**

Whether the August statement by the College placated those residents who were hearing rumors that the Prescott administrators actually wanted to close the program is not clear. Anyway, the College must have perceived the uneasiness that had spread throughout the community because it took upon itself to issue another strong reassuring statement in support of the Film School in a December 11, 2012 press release.

In the press release, the College noted there was now an “enhanced film school curriculum” in place. It also noted that it was “expanding [its] relationship with the renowned Sedona International Film Festival (SIFF) and . . . planning for a special series of technical workshops during the 2013 Festival.”

Finally, quoting various people close to the Film School, the College news release added that:

“The Sedona Film School launched a significant recruiting campaign and doubled its enrollment this year! In these tough economic times, that is a significant achievement. . . . The community truly banded together this past year to show support for the film school and make a unanimous statement that 'We love our film school' and want to keep it in Sedona." (Emphasis added.)

Wow! Doubling enrollment! Expanding relationships! An enhanced curriculum. To the readers of the December 2012 College press release, all seemed on track and the future bright for the newly named Sedona Film School. But little did the citizens anticipate the College would reverse direction only a few months later.

### **October, 2013—College springs an “October surprise”**

At a public meeting held during October 2013 on the Verde campus in Clarkdale, the College abandoned what most had viewed as specific promises to continue to operate and enhance the Film School. At the October meeting the College announced it was closing the Film School by the end of the 2013-14 academic year.

Adding salt to the injury, it said that it was contemplating selling the Sedona campus, which by now with the Film School gone had no for-credit courses on it. The College promised to seek other facilities for the OLLI program.

As word spread of the College’s sudden decision, Sedona and Verde Valley residents were alarmed, surprised, confused and angry.

### **October, 2013—Mayor Adams blindsided**

Sedona Mayor Rob Adams was particularly piqued. After all, for at least two years the Mayor and Community College President Penelope Wills had been discussing future development of the Sedona campus. Never once during those discussions, according to the Mayor, did the President inform him of the intention to close the Sedona facility at the end of the 2013-14 academic year.

When interviewed shortly after the College's announcement, Mayor Adams said he knew there were problems with enrollment, but he was still surprised to learn about the college's decision during the master plan public meeting. Politely, the Mayor commented: "I was kind of disappointed that I was not aware."

### October, 2013—Perey gives reasons for closing

On October 15, 2013 Ms. Yvonne Gonzalez, a reporter for the *Verde Independent*, interviewed Dean Perey about the decision to close the Film School. He told Ms. Gonzalez that the Film School was not "taking on any new students." He also said enrollment had dropped "44 percent in the last year." He added that the "film program has several flaws impacting enrollment that need to be fixed, like only allowing full-time students to take classes." Perey also said that "Yavapai College cannot allocate several thousand dollars for one program to market itself, and won't invest more money in a program with a curriculum that doesn't allow Mingus Union High School students to earn dual credits or create a pathway from secondary education to college."

### March, 2014—Sedona City Council session

At a Council session held March 6, 2014 in Sedona Mayor Rob Adams addressed President Penelope Wills and her staff. He said:

"The last thing that I thought for the last two years was that we would be sitting here having this conversation about the closure of the Sedona campus. Our conversations started when you (President Wills) was hired about expanding the presence of the Sedona campus; that has always been the basis for our conversations. We were talking about, I suggested a culinary institute, you were investing resources into looking at that; all of a sudden we are looking at closing the Sedona campus. That discussion did not happen between you and I. . . . That was very distressing to me, to say the least, and I think I made that pretty clear when the ten year plan was rolled out."

Some cynics have suggested that the College intentionally withheld this information from the Mayor because it anticipated little or no resistance to its



plan. They cite as evidence the fact that the Community College quietly and without any public dissent withdrew from its Camp Verde facility in 2010.

### Trying to reconcile the College's decisions

People in Sedona and the Verde Valley were scratching their heads, trying to reconcile the positive, enthusiastic statements made by the College in 2012 press releases and the sudden decision to close the program and possibly sell off the campus. The decisions were completely contrary to what the College had led the community and the Sedona Mayor to believe only a few months earlier. How could a program double enrollment one year and less than nine months later suffer a 44% decline in enrollment? Was it lack of management? Marketing? Bad luck? Incompetence? Desire to close and sell the Sedona campus? Or what?

### May, 2014—Citizens prevent sale of Sedona Campus

Eventually, an outraged citizenry supported by a well-informed Sedona Mayor and City Council beat back the effort to sell the Sedona campus. Within 30 days of the March meeting described above with the Sedona City Council, the College Governing Board indicated it had settled a 12-year-old issue with an adjacent land owner about access to the Sedona Campus. However, the citizens, Mayor and Sedona City Council failed to save the Film School. It was closed.

### Fall, 2014—Can the amount of the subsidy be supported?

At a public gathering in Sedona on October 1, 2014 to discuss the future of the Sedona campus, Dean Perey told the audience that the reason for closing the film school had to do with the College's subsidy of it. He stated that the subsidy was \$300,000 annually. This statement caught the attention of the local press and was reproduced under his photo by the *Verde Independent* on the front page of its October 3 issue.

In an effort to obtain specific information about this subsidy, a written request was made to the Community College for information about it. Specially, how was so much money being annually used to subsidize the Film School? Faculty? Marketing? And what was meant by the use of the word "subsidize?"

The College responded to the written request with a somewhat obscure explanation, which is set out in full below. It wrote:

“The college evaluated the variable revenues (Tuition, Fees, State Appropriation) compared to the variable instructional costs (labor and benefits). Using this methodology, a discipline would be either financially self-sustaining or subsidized. Due to the structure of the program and declining enrollments, the Yavapai College Film Program was significantly subsidized. As you know, we are evaluating whether we can re-structure the program in such a way that we offer a quality program at a lower subsidy.”

A second request to the Community College to provide greater detail with dollar and cents annual figures attached to the explanation was made after the above response was received. As of the date this essay is written, the Community College has yet to respond.

## Conclusion

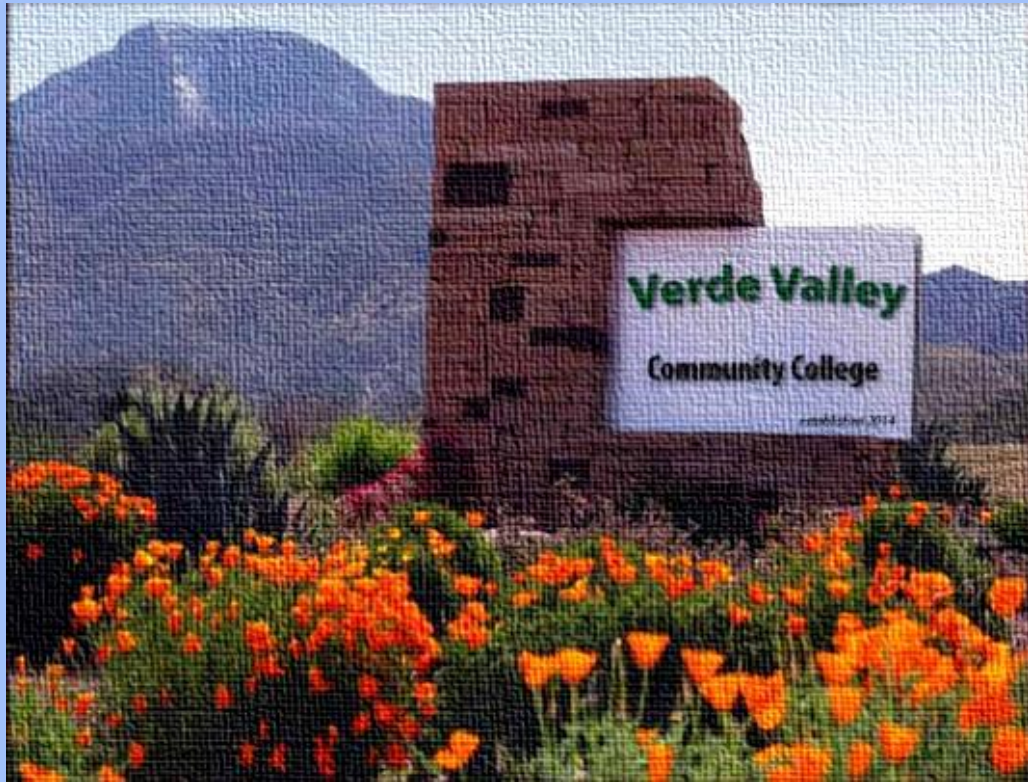
The College says it is reviewing the costs and operation of the Film School. While only time will tell whether the Film school returns to the Sedona campus, the mystery of why the sudden change of heart remains.

Was closing the program driven by a perceived need to close and sell the Sedona facility to finance the construction of the new 80 acre Prescott Valley campus, which was part of the \$119 ten-year development plan created primarily for the Prescott side of the County? Was a lack of knowledge about how to run a Film School the basic reason? Was the Film School inadequately marketed after the Schultze's left? Was there poor management? An unexplained drop in enrollment? Too great a subsidy? A new Dean? Or something else?

To solve a mystery a detective usually looks for means, motive and opportunity. As a literary detective, after having read this short essay, do you believe that you have solved the mystery of what caused the collapse of the Sedona Film School program? Or, is there really no mystery to solve?

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*A dream after 45 years*

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