



Luna Community College

HLC Accreditation Work Session
Board of Trustees (2020)



BOARD

BOARD CONCERNS

LCC's July work session on "open meetings" was an important first step. Although there was no indication of **how the board will be held accountable to the expectations outlined in the new policies.**

Continuous training would allow such board members to acquire the necessary knowledge to be an effective board member. This is especially critical as all seven board seats are up for election in November 2019.

Board intrusions have not been eliminated.

Anticipate full implementation of **board policy 1520 and 1600** with to **support assertions that morale had improved.**

Risk to freedom of expression.

The **IAC Hearing Committee** would anticipate further formalization of **board training to improve its governance function and ongoing attention to board accountability.**

At the hearing, the IAC Hearing committee was assured that the board underwent an **annual self-evaluation** process and has increasing awareness of its role at the college and they were **working on issues of shared governance.**

THE INSTITUTION DOES NOT MEET CRITERION TWO, CORE COMPONENT 2.A, "THE INSTITUTION OPERATES WITH INTEGRITY IN ITS FINANCIAL, ACADEMIC, PERSONNEL, AND AUXILIARY FUNCTIONS; IT ESTABLISHES AND FOLLOWS POLICIES AND PROCESSES FOR FAIR AND ETHICAL BEHAVIOR ON THE PART OF ITS GOVERNING BOARD, ADMINISTRATION, FACULTY, AND STAFF," FOR THE FOLLOWING REASONS:


- The Institution has developed a shared governance policy, which was officially approved by the Board at its December 12, 2017 meeting.
- Additional Board policies have been established to improve integrity and to prevent nepotism, but not all of these policies have been implemented. Policies 1520 and 1600 need approval.
- Significant questions about the Board's adherence to policies and processes for fair and ethical behavior continue to be raised despite a number of training sessions having been conducted.
- The Board remains unclear about its role, and there is no evidence to support improved employee morale.
- While the Institution has developed a shared governance policy and a Shared Governance Council, conflicting reports concerning the level of Board support for a shared governance system at the Institution persist.

THE INSTITUTION NOW MEETS, BUT WITH CONCERNS, CRITERION TWO, CORE COMPONENT 2.C, "THE GOVERNING BOARD OF THE INSTITUTION IS SUFFICIENTLY AUTONOMOUS TO MAKE DECISIONS IN THE BEST INTEREST OF THE INSTITUTION AND TO ASSURE ITS INTEGRITY," FOR THE FOLLOWING REASONS:

- The conduct of the Board is still a concern, with some board members regularly directing the activities of staff even though a policy was adopted to ensure the *Board does not encroach on the day-to-day operations of the Institution.*
- All Board members have signed their annual acknowledgements of Ethics and Conflict of Interest policies.

THE INSTITUTION CONTINUES TO MEET, BUT WITH CONCERNS, CRITERION TWO, CORE COMPONENT 2.D, "THE INSTITUTION IS COMMITTED TO FREEDOM OF EXPRESSION AND THE PURSUIT OF TRUTH IN TEACHING AND LEARNING," FOR THE FOLLOWING REASON:

The Institution has the framework to support freedom of expression for faculty and staff outside the classroom; however, it is still unclear whether the implementation of this framework is feasible based on the *complaints related to Board conduct investigated by the visiting team.*



THE INSTITUTION CONTINUES NOT TO MEET CRITERION FIVE, CORE COMPONENT 5.B, “THE INSTITUTION’S GOVERNANCE AND ADMINISTRATIVE STRUCTURES PROMOTE EFFECTIVE LEADERSHIP AND SUPPORT COLLABORATIVE PROCESSES THAT ENABLE THE INSTITUTION TO FULFILL ITS MISSION,” FOR THE FOLLOWING REASONS:

- The Institution continues to experience a lack of cohesion in leadership, as the Board continues to be in flux with the recent resignation of two Board members.
- Faculty and staff continue to express concerns about *the lack of transparency*, as evidenced in the recent presidential search process.



INSTITUTION

FACILITIES PLAN

A critical component of ensuring the institution has the resources to support the educational mission is a facilities master plan.

The team report stated the institution intended to create a master plan but had been relying on annual capital requests from the state legislature.

Several of those requests have been denied, and the institutional representatives revealed that the most recent request had also been denied.

The legislature is now requesting long-range master plans, which should add more incentive to get this task accomplished in the near future.

FINANCIAL PLAN

The visiting team noted that LCC had developed a strategic plan for 2019 - 2021; however, there was no evidence of a financial plan to support the strategic plan.

During the hearing, institutional representatives discussed their financial planning strategy, which revolves around raising revenue through tuition and grants while reducing expenses.

Deficit spending over the last several years has been funded through reductions in fund balance, and although the representatives agreed this was not a sustainable strategy, they have not developed a concrete financial plan.

FOUNDATION

The 2017-18 financial audit removed the adverse opinion regarding the finances and operation of the foundation; however, the visiting team found that no progress had been made in re-creating the organizational structure or developing the necessary legal documents to define its relationship to the college.

The Institutional Response described the progress LCC has made to stabilize the foundation so that it can start distributing scholarships. This progress includes appointing directors to serve on the Foundation Board, hiring an executive director, drafting by-laws, and creating a memorandum of understanding (MOU) to define the relationship between the college and the foundation.

According to the representatives at the hearing, the directors have been appointed and have had their first meeting, the by-laws have been drafted, but the Executive Director has not yet been hired, and the MOU has not been executed.

THE INSTITUTION CONTINUES NOT TO MEET CRITERION FIVE, CORE COMPONENT 5.A, “THE INSTITUTION’S RESOURCE BASE SUPPORTS ITS CURRENT EDUCATIONAL PROGRAMS AND ITS PLANS FOR MAINTAINING AND STRENGTHENING THEIR QUALITY IN THE FUTURE,” FOR THE FOLLOWING REASONS:

- There is *no facilities master plan to support the strategic plan.*
- There is *no financial plan to support the strategic plan.*
- The Institution continues to operate with financial deficits with no concrete alternative financial plan.
- *Enrollment projections do not appear feasible based on declining enrollment trends and regional demographic patterns.*
- Although the 2017-2018 financial audit removed the adverse opinion regarding the finances and operation of the Institution’s Foundation, *no progress has been made on reorganizing and defining the legal relationship between the Institution and the Foundation.*
- For both FY2017 AND FY2018, the Institution reported declines in net position of approximately \$400,000 each year in its statements of revenues, expenses and changes in net position.
- Despite the institution's Composite Financial Index score appearing to be above the zone, other factors indicate a worsening financial status both in terms of operating performance and overall performance.

THE INSTITUTION REMAINS OUT OF CONFORMITY WITH ASSUMED PRACTICE D.3, "THE INSTITUTION HAS FUTURE FINANCIAL PROJECTIONS ADDRESSING ITS LONG-TERM FINANCIAL SUSTAINABILITY," FOR REASONS CITED ABOVE UNDER CRITERION FIVE, CORE COMPONENT 5.A.

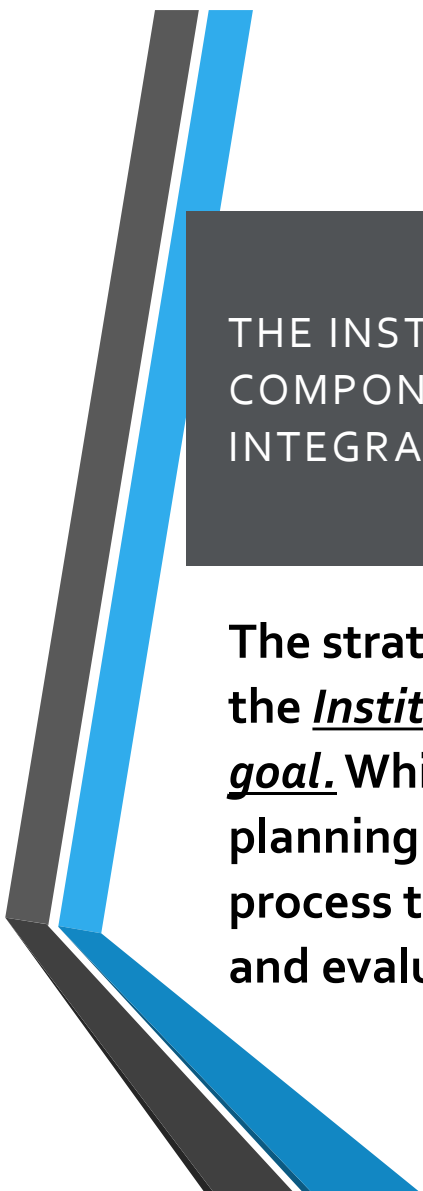
STRATEGIC PLAN

The visiting team report stated numerous steps have been taken to improve the college's planning processes and resource allocation strategies.

It was too early in the process, however, to determine if the stated plans will be fully developed, implemented, and evaluated.

During the hearing, the institutional representatives indicated that they will have results to report in fall 2019. As noted above under Core Component 5A, the institution has made substantial progress in strategic planning and is now in the process of linking its financial, facility, and enrollment plans to the strategic plan.

The team report also notes the absence of an environment scan in the strategic planning process. The institutional response stated the Strategic Planning and Institutional Analysis (SPIA) committee convened a mid-year review of the institution's strategic plan in June of 2019. At the hearing, the representatives indicated environmental scans will be used as they update the plan in the future.



THE INSTITUTION NOW MEETS, BUT WITH CONCERNS, CRITERION FIVE, CORE COMPONENT 5.C, “THE INSTITUTION ENGAGES IN SYSTEMATIC AND INTEGRATED PLANNING,” FOR THE FOLLOWING REASONS:

The strategic plan goals are articulated in largely measurable terms. However, the *Institution does not specify strategies that will be utilized to achieve each goal.* While numerous steps have been taken to improve the Institution’s, planning processes and resource allocation strategies, it is too early in the process to determine if the stated plans will be fully developed, implemented and evaluated.

Strategic Goals

- **Goal 1:** Grow institutional enrollment through a multifaceted recruitment campaign that includes partnerships with regional industry, government and K-12 districts.
- **Goal 2:** Increase the percentage of first-time freshmen students completing degrees and certificates by 150 percent of their program duration. Target = 35 percent by 2020.
- **Goal 3:** Ensure academic quality through the ongoing evaluation of teaching and learning.
- **Goal 4:** Facilitate student success and retention through comprehensive support services and interventions.
- **Goal 5:** Increase the percentage of students enrolled as degree-seeking, or who wish to transfer to a four-year institution. Target = 70 percent by 2021.
- **Goal 6:** Increase the College's annual sponsored project funding aimed at postsecondary preparation, retention, completion and career placement.
- **Goal 7:** Maximize student access through expansive and quality online course and credential offerings.
- **Goal 8:** Provide in-demand and quality programs designed for increased transferability and/or employability.
- **Goal 9:** Ensure the College conducts itself in a manner that provides for financial solvency and institutional growth and sustainability.

HLC CONCERNS

At the hearing, one representative indicated that morale had improved without clear evidence to support this assertion.

The president reported the college website has a link for filing formal complaints and these eventually come to the president for resolution.

The institutional response recognized the budget planning process is still in its infancy and will require continued training and assessments as to its effectiveness.



FEDERAL COMPLIANCE

THE INSTITUTION DOES NOT MEET THE FEDERAL COMPLIANCE REQUIREMENT RELATED TO REVIEW OF STUDENT OUTCOME DATA FOR THE FOLLOWING REASONS:

- The Institution maintains a Fact Book that includes student enrollment, retention and completion data for each department and program.
- Relevant data is being used in the academic program review process and for making decisions on eliminating programs with low enrollments.
- Data is being collected and student learning outcomes are being assessed at the course, program and general education levels.
- However, the Institution's lack of participation in the College Scorecard resulted in federal metrics on student retention rate, graduation rate, and placement rate not being provided with its HLC federal compliance filings.




INSTITUTIONAL RESEARCH

DIRECTOR OF INSTITUTIONAL RESEARCH

A replacement of a Director of Institutional Research should allow the institution to move forward with policies and processes.

Processes and methods for the collection of data are limited. Without an institutional research professional, underlying processes to support a systematic data approach are in jeopardy.

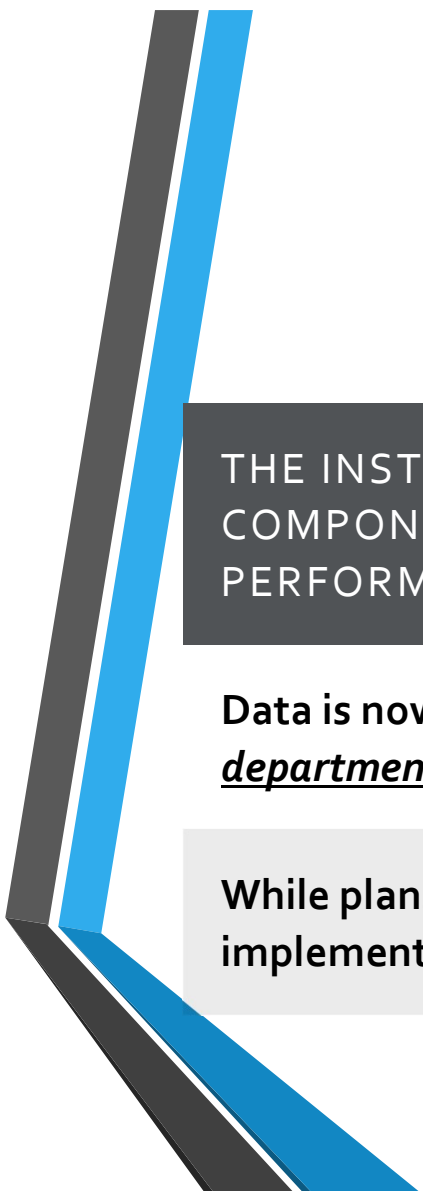
The IAC Hearing Committee would anticipate replacement of the institutional research director and implementation of plans to systematically aggregate and analyze collected data to understand more systemic patterns and trends that would permit additional emphasis on improvement priorities.



THE INSTITUTION NOW MEETS CRITERION FOUR, CORE COMPONENT 4.C, "THE INSTITUTION DEMONSTRATES A COMMITMENT TO EDUCATIONAL IMPROVEMENT THROUGH ONGOING ATTENTION TO RETENTION, PERSISTENCE, AND COMPLETION RATES IN ITS DEGREE AND CERTIFICATE PROGRAMS," FOR THE FOLLOWING REASONS:

The Institution has demonstrated that student retention, persistence and completion are moving toward the goals set and data is being better utilized to support these efforts. A detailed three-year student retention and completion action plan has been developed and implemented.

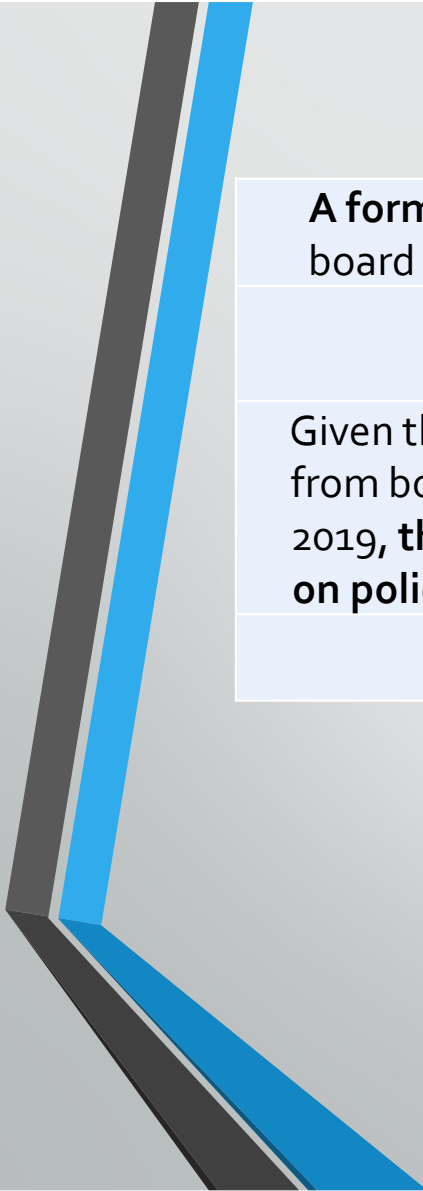
The newly appointed Institutional Research Director is compiling data to present accurate reports and usable data sets to academic departments, the Retention and Completion Committee, the Assessment Committee, shared governance committees and the administration.



THE INSTITUTION NOW MEETS, BUT WITH CONCERNS, CRITERION FIVE, CORE COMPONENT 5.D, “THE INSTITUTION WORKS SYSTEMATICALLY TO IMPROVE ITS PERFORMANCE,” FOR THE FOLLOWING REASONS:

Data is now being utilized more effectively with the *establishment of an institutional research department.*

While plans are in place to improve performance, the Institution is only just beginning to implement them with the support of data.



A formal onboarding process for new board members, which would allow each newly elected board member to know his or her role.

Given that the board is publicly elected, there is little influence on the expertise brought forth from board members and since all seven board members are up for re-election in November 2019, **the on-boarding process suggested above could be helpful to educate board members on policy governance.**



THANK YOU!

Luna Community College Board of Trustees

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