



**ACCREDITING
COMMISSION
for COMMUNITY and
JUNIOR COLLEGES**

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June 30, 2010

Mr. Elihu Harris, Chancellor
Peralta Community College District
333 East Eighth Street
Oakland, California 94606

Dear Chancellor Harris:

The Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, at its meeting June 9-11, 2010, reviewed the Peralta District Special Report Regarding Independent Audit Findings, submitted in response to the Commission's November 18, 2009 letter to Chancellor Elihu Harris, which required response to Commission concerns about the District's fiscal condition and external audit findings. The Commission also reviewed the District's May 27, 2010 addendum and response to the Team Report that was sent to the District on May 20, 2010). The Commission did not review a report submitted by the Peralta Community College District (CCD) on June 10, 2010 because it arrived after the Commission meeting started. The Commission also heard testimony provided by Peralta CCD Board Vice President Mr. William Riley, Vice Chancellor for Education Services Dr. Wise Allen, and Fiscal Advisor to the District Mr. Tom Henry.

The Commission reviewed the institutional Follow-Up Reports for Berkeley City College, the College of Alameda, Laney College, and Merritt College, and the visiting team reports for College of Alameda and Merritt College. These reports examined the colleges' and the District's responses to recommendations made by the 2009 comprehensive evaluation teams. These recommendations included three specific recommendations about District level financial management and governance.

The Commission took action to place Berkeley City College, College of Alameda, Laney College and Merritt College on **Probation** due to the Peralta Community College District's significant deficiencies in meeting Standards III.C, D and IV.A, B. The Commission also took action to require all four colleges and the Peralta Community College District to complete a Follow-Up Report by **October 15, 2010** that demonstrates progress in addressing and resolving all of the deficiencies identified by the 2009 team, the external audit findings identified in the Commission's November 18, 2009 letter to Chancellor Harris, and the deficiencies identified by the 2010 Special Visit Team. The Follow-Up Report will be followed by a visit of Commission representatives.

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The Peralta CCD and its Board of Trustees provide policy and fiscal management services that support the four colleges of the District. When the District and its Board of Trustees fail to operate in a manner that meets Accreditation Standards, the deficiencies may jeopardize the accreditation of all of the District's colleges. Responsibility for correcting the deficiencies is with both the District as well as the colleges. (Please see *Policy and Procedures for the Evaluation of Institutions in Multi-College/Multi-Unit Districts or Systems.*)

The Commission requested that I convey to you the serious nature of its concerns about the fiscal solvency and stability of the District and about the District's governance systems. The Commission accredits colleges. Therefore, Commission actions usually direct the colleges to resolve deficiencies and to meet the Standards. However, in cases where the district or system operations and leadership play an important role in assuring institutions come into compliance with Accreditation Standards, it is the Commission's practice to identify the relevant issues in writing for the District Chancellor. Standards IV.B.1-3 lists those sub-sections specific to the district and board's responsibilities with respect to financial management. Internal controls and sound fiscal management are joint responsibilities at the campus and district levels (I.B.2.d and IV.B.3.c, and d).

The Commission notes that the District undertook significant and important steps to address the serious issues associated with information systems and fiscal management breakdowns, beginning in January 2010 with the hiring of EdMAC consultants and with a change of personnel. The Commission also recognizes that the 2009 external audit report, when completed, will help the District identify and rectify additional problems that may not yet be known. While the District has made a good beginning to correct its operations, there is much yet to do before sound management is re-established.

Deficiencies Identified by the 2009 Comprehensive Evaluation Teams

The Comprehensive evaluation teams that visited all four Peralta colleges and the District office in 2009 provided three recommendations to address deficiencies in the District's operations. The District staff and the College staff should review the 2009 comprehensive team reports for the context and background to these three recommendations, which have been renumbered for consistency and are included below. *The 2010 Special Visit team found that the District has not fully addressed these recommendations nor resolved the deficiencies associated with them.* The District's report must demonstrate that these deficiencies have been fully resolved and that the colleges and the district meet all associated Accreditation Standards.

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2009 Team Recommendation 1. *Board and District Administration:* The team recommends that the District assess the overall effectiveness of its service to the colleges and provide clear delineation of functional responsibilities and develop clear processes for decision making. (Standards IV.B.1, IV.B.3, a, b, c, f and g)

2009 Team Recommendation 2. *Management Systems:* The team recommends that the District immediately resolve the functional issues associated with the implementation of the district-wide adopted software management systems for students, human resources, and financial administration. (Standards III.C.1.a, III.C.1.c, III.C.1.d, and IV.B.3.b)

2009 Team Recommendation 3. *Financial Resources and Technology:* The team recommends that the District take immediate corrective action to implement all appropriate controls and necessary MIS system modifications to achieve access to a fully integrated computer information management system, including modules for student, financial aid, human resources, and finance data, in order to assure financial integrity and accountability. All corrective action and system testing should be completed within two years and the governing board should receive regular implementation progress reports until project completion. (Standards III.D.1.a, III.D.1.b, and III.D.2.a)

Audit Findings Identified in the Commission's November 18, 2009 Letter to Chancellor Harris

The evaluation team that made a Special Visit to the Peralta Community College District on April 19, 2010, examined the District's response to several reporting requirements that were communicated in the Commission's November 18, 2009 letter to Chancellor Harris. That letter required that the District demonstrate resolution of the audit findings and compliance with Accreditation Standards. Major concerns were the District's strategy for paying post employment health benefits, and audit report findings showing very significant lack of internal controls and proper fiscal management.

The following reporting requirements have not been satisfactorily addressed; audit findings have not been resolved and the District is not in compliance with Accreditation Standards.

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Reporting Requirement 1: Other Post Employment Benefits (OPEB) Liabilities

The Commission requires the District to provide an update on the value of the Deferred Compensation Trust Fund and that the District describe its plans to pay for the growing long-term debt. The District should specifically address whether the reported unrealized losses have been reduced as a result of market improvements since December 31, 2008, or if losses on investments continue to occur and if so, how will the losses impact long-term debt of the District. (Standards III.D.2.d and IV.B.3.d)

Reporting Requirement 2: The District's Internal Control Structure

The Commission asks the District to provide an update on its actions taken to address the following findings reported in the audit report. (Standards III.D.2 and III.D.2.d)

- a. 2008-1 Oversight and Monitoring. The District is to provide the Commission with additional information about actions taken to implement the audit recommendations reported in 2007 that remained in 2008. (Standard III.D.2 and III.D.2.d)
- b. 2008-2 Financial Accounting System Procedures. The Commission requires the District and each College to provide information about the actions taken to ensure all transactions are recorded and what activities are now occurring to ensure all transactions are reported and that the financial statements provided to the Commission are accurate. (Standards III.D.2 and III.D.2.d)
- c. 2008-3 Information Systems. The Commission requires the District and each College to provide a report on action taken to determine that accounting transactions are appropriately recording financial, procurement, and payroll transactions. (Standard III.D.2.g)
- d. Bursar's Office and Trust Fund Activity Reporting Changes. The Commission requires Laney College provide an update on changes that have occurred to correct internal control weaknesses and action taken to implement appropriate separation of duties, an accounting system that correctly captures revenues and classifies them as such, and action taken to ensure there is adequate oversight of expenditure decisions and transaction processing. (Standards III.D.2.c, III.D.2.d, and III.D.2.e)

As a result of Laney College's reported weaknesses in the internal control structure related to Federal funds, the Commission requires that Laney College, in cooperation with the District, provide information about its Student Financial Aid processing and specifically whether the weaknesses reportedly occurring in the Bursar's Office also exist in the accounting and reporting of Student Financial Aid. (Standard III.D.2.d)

- e. Accounts Payable/Purchasing Functions. The Commission requires that the District describe actions implemented to establish the appropriate separation of duties in the procurement cycle to include the cited weakness in the accounts payable process.

The Commission requires the District to conduct an assessment of the internal control structure for critical non-financial transactions including grade reporting and student record data to determine if additional changes in the internal control structure may be necessary to ensure information regarding student grade reporting and student records are accurate and protected from unauthorized disclosure. (Standards II.B.3.f, III.D.1.b, III.D.2.g, IV.B.3.d, IV.B.1, IV.B.1.B, and IV.B.1.c)

2010 Special Visit Team Recommendations

The 2010 Special Visit Team made a number of recommendations that should assist the District and the Colleges in improving practices and meeting Standards. The Colleges and the District are encouraged to read the Special Visit Report for the full context and meaning of these recommendations.

(2010) Recommendation 1: In order to meet standards at all times, all personnel selection actions must adhere to the established policies and procedures. (Standard III.A.1.a)

(2010) Recommendation 2: In order to meet the Standard, the team recommends the District evaluate the reporting structure with regard to the inspector general so that the position is properly placed in the hierarchy of the District organization. (Standard IV.B.1.j)

(2010) Recommendation 3: In order to meet the Standards, the team recommends the District clarify the role of the board members with respect to the work of the District managers. This would include a review of reporting structures, methods for board inquiries, distinction between board policy setting and oversight, and management, leadership, and operational responsibilities for the District. (Standards IV.B.1.d, IV.B.1.j)

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(2010) Recommendation 4: In order to meet the Standard, the team recommends the District provide ongoing and annual training for board and management on roles and functions as it relates to District policy and operations. (Standard IV.B.1.f)

(2010) Recommendation 5: In order to meet the Standard, the team recommends the District engage in ongoing discussion about the role of the board and how it serves its trustee role for the good of the District. The role of the board should be reviewed regularly with each board member. (Standards IV.B.1, IV.B.1.j)

(2010) Recommendation 6: In order to meet the Standards, the team recommends the board consider regular review of the code of ethics to assure thorough understanding and application of its intent. (Standard IV.B.1, e, IV.B.1.h)

(2010) Recommendation 7: In order to meet the Standard, the visiting team recommends a change in the reporting relation of the Inspector General from the Board of Trustees to the Chancellor. (Standard IV.B.1.j)

(2010) Recommendation 8: In order to meet the Standard, the team recommends a regular review of board roles to assure that the board is relying on the Chancellor to carry out the policy set by the board. (Standard IV.B.1.j)

(2010) Recommendation 9: The team recommends the Board of Trustees and District adhere to their appropriate roles. The District must serve the colleges as liaison between the colleges and the Board of Trustees while assuring that the college presidents can operate their institutions effectively. Meanwhile, the Board must not interfere with the operations of the four colleges of the district and allow the Chancellor to take full responsibility and authority for the areas assigned to district oversight. (Standard IV.B.3.a-g)

The recommendations contained in the Evaluation Team Reports represent the observations of the evaluation teams at the time of the visit. The Commission reminds you that while you may concur or disagree with any part of the teams' reports, the colleges, the District and the Board are expected to use the report to improve educational programs and services of the college, district functioning and governance, and board oversight and to resolve deficiencies identified by the Commission.

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I wish to inform you that under U.S. Department of Education regulations, institutions out of compliance with Standards or on sanction are expected to correct deficiencies within a two-year period or the Commission must take action to terminate accreditation. The Peralta Community College District must correct the deficiencies noted no later than June 2011.

A final copy of the Evaluation Team Report is attached. Additional copies may now be duplicated. The Commission requires you to give the team report and this action letter dissemination to your Colleges and to those who were signatories of your report. The Commission also requires that the college reports, team reports, and the audit report be made available to students and the public. Should you want an electronic copy of the Evaluation Team Report, please contact Commission staff.

On behalf of the Commission, I wish to express continuing interest in the educational quality and success of students of the Peralta Community College District. Professional self-regulation is the most effective means of assuring integrity, effectiveness, and quality.

Sincerely,



Barbara A. Beno, Ph.D.
President

cc: Mr. Abel Guillen, Board Chair
Dr. Wise Allen, Vice Chancellor
Dr. Betty Inclan, President, Berkeley City College
Dr. George Herring, President, College of Alameda
Dr. Elnora Webb, Interim President, Laney College
Dr. Robert Adams, President, Merritt College
Ms. Linda Henderson, US Department of Education

Enclosure

SPECIAL VISIT REPORT

PERALTA COMMUNITY COLLEGE DISTRICT

**333 E. Eighth Street
Oakland, CA 94606**

**A Confidential Report Prepared for
The Accrediting Commission for Community and Junior Colleges
Western Association of Schools and Colleges**

This report represents the findings of the evaluation team that visited
Peralta Community College District on April 19, 2010

Frank Gornick, Team Chair
Chris Bonvenuto, Team Member
Susan Carleo, Team Member
Robert Isomoto, Team Member
James Williams, Team Member

Special Visit Team Report

INTRODUCTION

A special visit was conducted at the Peralta Community College District (CCD) on April 19, 2010, following a Commission letter sent to the Peralta District about significant negative audit findings in the 2006-7 and 2007-8 external audit reports. The Commission had asked that Peralta CCD submit a Special Report by March 15, 2010 on its response to the negative audit findings and issues found in the external audit issued by Vavrinek, Trine, Day & Co., LLP for the Peralta CCD dated February 27, 2009. The report was to be followed by a visit from Commission representatives. The purpose of the team visit was to verify that the Special Report prepared by the District was accurate through examination of evidence to determine if sustained, continuous, and positive improvements had been made to assure that the colleges within the District meet the Eligibility Requirements, Accreditation Standards, and Commission policies.

Each of the four colleges in the Peralta CCD (College of Alameda, Berkeley City College, Laney College, and Merritt College) completed comprehensive self study reports which were submitted to the Accrediting Commission for Community and Junior Colleges in early 2009. Accreditation site teams visited the four colleges March 9-12, 2009 for the purpose of evaluating the colleges' request for reaffirmation of accreditation.

At its June 2009 meeting, the Commission reaffirmed accreditation at Berkeley City College and Laney College and placed College of Alameda and Merritt College on Warning with the requirement that the colleges complete two Follow-Up Reports. The first report was due March 15, 2010 and was to be followed by a site visit conducted by Commission representatives. The second report is due by March 15, 2011 and will also be followed by a site visit conducted by Commission representatives. Since the June 2009 Commission meeting, separate site visits to Berkeley City College and Laney College were cancelled because the recommendations to be addressed by these colleges dealt exclusively with District issues. The scheduled visits to College of Alameda and Merritt College, which were placed on warning, were conducted prior to the Special Team visit to the District.

In general, the team found that the District had prepared well for the visit by arranging for meetings with the individuals and groups agreed upon earlier with the team chair and by assembling appropriate documents in the meeting room used by the team. Over the course of the day, the team met with the current Chancellor, incoming Interim Chancellor of the District, President of the Board of Trustees, all College Presidents, District Accreditation Liaison Officer, the District Academic Senate Past President, members of the EdMAC Recovery team and District staff.

The purpose of the Special Report and visit was to determine whether the District has resolved the deficiencies associated with the 2009 comprehensive evaluation team recommendations and to examine the District's response to the November 2009 Commission

letter regarding negative audit findings to determine whether the District and the colleges comply with ACCJC Standards of Accreditation and Eligibility Requirements.

COLLEGE/DISTRICT RESPONSES TO 2009 COMPREHENSIVE EVALUATION TEAM RECOMMENDATIONS

In spring 2009, comprehensive evaluation teams visited Berkeley City College, College of Alameda, Laney College and Merritt College. In addition to making recommendations for improvement for their respective college, each team also made findings that the Peralta CCD was out of compliance with some standards, and made recommendations for improvement in District operations and procedures. The three recommendations provided to the District were:

1. *Board and District Administration:* The team recommends that the district assess the overall effectiveness of its service to the college and provide clear delineation of functional responsibilities and develop clear processes for decision making. (Standard IV.B.1, IV.B.3.a, b, c, f, and g.)

2. *Management Systems:* The team recommends that the district immediately resolve the functional issues associated with the implementation of the district-wide adopted software management systems for student, human resources, and financial aid administration. (Standards III.C.1.a, III.C.1.c, III.C.1.d and IV.B.3.b.)

3. *Financial Resources and Technology:* The team recommends that the district take immediate corrective action to implement all appropriate controls and necessary MIS system modifications to achieve access to a fully integrated computer information management system, including modules for student, financial aid, human resources and finance data, in order to assure financial integrity and accountability. All corrective action and system testing should be completed within two years and the governing board should receive regular implementation progress reports until project completion. (Standards III.D.1.a, III.D.1.b, and III.D.2.a.)

Responses to these three recommendations were included in the college reports submitted by all four Peralta Colleges in March, 2010. The Merritt College Follow-Up Report, which is being used to exemplify the District's response, states (beginning page 73) the following:

Recommendation 1: *Board and District Administration.* After reading the four college reports from 2009, the District decided to look at more widely disseminating maps and functional maps to increase communication, addressing the awareness vacuum by continuing to improve communication, disseminating board policies 2.05 and 2.10 delineating the roles and responsibilities of the Chancellor and college presidents, and re-circulating information on the role, function, and purpose of the Strategic Management Team. The Chancellor established a chancellor's working group, held college and district meetings, and came to some agreements about how district wide committees should better support colleges and their data-driven planning activities (page 76). They held a summit and developed a planning and

budget integration model committee to better integrate college and District planning. At the time of the spring 2010 visit, there was no clarity on whether this recommendation had been fully addressed.

Recommendation 2: *Management Systems*. The District's examination of its software management system for its student, human resources, and financial aid administration continued during 2008-09. With the District's contracting with EdMAC, the functionality of the system is still being investigated and improved. This recommendation is still being addressed. Indeed, significant deficiencies are in the process of being carefully corrected one by one.

Recommendation 3: *Financial Resources and Technology*. Work done by the consultants provided by EdMAC team and district staff have found significant financial deficits that were buried in the deficient financial reporting systems. The District has identified a deficit of \$7,000,000 as of the date of the team visit. Work was still ongoing to identify the ending balance and close the books on 2008-09 so that a budget could be developed for the current (2009-10) fiscal year. The fiscal integrity of the District has been severely compromised by the failure to correctly operate its financial accounting systems, but the actual fiscal state is unknown at this time. This recommendation has not been addressed, and the deficiencies associated with it have not been resolved.

The 2010 Special Visit team concludes that the Peralta District and the Colleges have not adequately addressed the recommendations provided by the 2009 comprehensive teams, and that the District's efforts to respond to audit reports have uncovered significant problematic issues with the District's management, information systems, financial management and fiscal stability that pose serious threats to the viability of the district and its colleges.

**RESPONSES TO REPORTING REQUIREMENTS
OUTLINED IN NOVEMBER 18, 2009
LETTER TO CHANCELLOR ELIHU HARRIS**

2009 Report Requirement 1: Other Post Employment Benefits (OPEB) Liabilities

The Commission asks the District provide an update on the value of the Deferred Compensation Trust Fund and that the District describe its plans to pay for the growing long-term debt. The District should specifically address whether the reported unrealized losses have been reduced as a result of market improvements since December 31, 2008, or if losses on investments continue to occur and if so, how will the losses impact the long-term debt of the District. (Standard III.D.2.d; Standard IV.B.3.d)

2009 Report Requirement 2: The District's Internal Control Structure

The Commission asks the District to provide an update on its actions taken to address the following findings reported in the audit report. (Standard III.D.2; Standard III.D.2.d)

- 2.a 2008-1 Oversight and Monitoring. The District is to provide the Commission with additional information about actions taken to implement the audit recommendations reported in 2007 that remained in 2008. (Standard III.D.2; Standard III.D.2.d)
- 2.b 2008-2 Financial Accounting System Procedures. The Commission asks the District and each College to provide information about the actions taken to ensure all transactions are recorded and what activities are now occurring to ensure all transactions are reported and that the financial statements provided to the Commission are accurate. (Standard III.D.2; Standard III.D.2.d)
- 2.c 2008-3 Information Systems. The Commission asks the District and each College provide a report on action taken to determine that accounting transactions are appropriately recording financial, procurement and payroll transactions. (Standard III.D.2.g)
- 2.d Bursar's Office and Trust Fund Activity Reporting Changes. The Commission requests Laney College provide an update on changes that have occurred to correct internal control weaknesses and action taken to implement appropriate separation of duties, an accounting system that correctly captures revenues and classifies them as such, and action taken to ensure there is adequate oversight of expenditure decisions and transaction processing. (Standard III.D.2.c; Standard III.D.2.d; Standard III.D.2.e)
- 2.e Accounts Payable/Purchasing Functions. The Commission asks that the District describe actions implemented to establish the appropriate separation of duties in the procurement cycle to include the cited weakness in the accounts payable process.

The Commission asks the District to conduct an assessment of the internal control structure for critical non-financial transactions including grade reporting and student record data to determine if additional changes in the internal control structure may be necessary to ensure information regarding student grade reporting and student records are accurate and protected from unauthorized disclosure. (Standard II.B.3.f; Standard III.D.1.b; Standard III.D.2.g; Standard IV.B.3.d; Standard IV.B.1; Standard IV.B.1.b; Standard IV.B.1.c)

- 2.f Using Associated Student Body Fund to Account for General Fund Revenues. The Commission asks that Merritt College provide an update on action taken to strengthen internal controls over cash collections and reporting. Merritt College should specifically ensure all revenues are properly reported and managed in a way that promotes use of college resources in support of its educational programs. (Standard III.D.2.d; Standard IV.B.2.d; Standard IV.B.3.d)

District and College Responses to the Reporting Requirements

Report Requirement 1: Other Post Employment Benefits (OPEB) Liabilities

The Commission asks the District provide an update on the value of the Deferred Compensation Trust Fund and that the District describe its plans to pay for the growing long-term debt. The District should specifically address whether the reported unrealized losses have been reduced as a result of market improvements since December 31, 2008, or if losses on investments continue to occur and if so, how will the losses impact the long-term debt of the District. (Standard III.D.2.d; Standard IV.B.3.d)

Findings and Evidence

The visiting team met with the EdMAC consultant, the Associate Vice Chancellor for Student Services/Admissions & Records, Chancellor, and incoming Interim Chancellor. While the recommendation has been partially implemented, additional professional analysis of future risk of investment losses, future debt payment obligations to the OPEB and payments to the Deferred Compensation Trust Fund and the impact upon the general fund must be examined. The Peralta CCD currently has no management personnel with expertise in OPEB management. According to staff, the Standard and Poors rating agency has lowered the ranking of the OPEB bonds. As currently structured, there are sufficient risks to the long-term viability of the District that are associated with the OPEB bond structure to warrant independent expert analysis.

Conclusion

The District has not adequately resolved this deficiency. At this time, the District cannot demonstrate that it understands the long-term financial implications on the District and college budgets using this method (OPEB) to fund its Deferred Compensation Trust Fund. In addition, and without having a Board approved budget for the current and prior year (2008-2009), there is no evidence to conclude that the District meets the Standards or Eligibility Requirement 18 for purposes of Accreditation.

Report Requirement 2: The District's Internal Control Structure

The Commission asks the District to provide an update on its actions taken to address the following findings reported in the audit report. (Standard III.D.2; Standard III.D.2.d)

- 2.a 2008-1 Oversight and Monitoring. The District is to provide the Commission with additional information about actions taken to implement the audit recommendations reported in 2007 that remained in 2008. (Standard III.D.2; Standard III.D.2.d)

Findings and Evidence

Based on interviews with the EdMAC consultant, college business managers, Interim Assistant Vice Chancellor Finance, Recovery Team Members, and COA Business Manager,

and review of documentation, the visiting team was able to confirm the full implementation of the matrix tracking system for not only prior and current external auditor recommendations, but also the tracking of tasks related to closing the District's books for 2008-2009. (As of this writing the books have not been closed on 08-09).

The tracking system is functioning effectively and is used to provide status reports to the Board of Trustees. During its visit, the team confirmed the annual 311 report for 2008-2009 has not been filed with the State Chancellor's Office. The team also learned that because of the delay in closing the books for 2008-2009, the external audit report for 2008-2009 cannot be performed; however, the Recovery Team is on track to close the books in May 2010 for the 2008-2009 fiscal year. The visiting team was informed that the District can expect additional external auditor recommendations for the 2008-2009 fiscal year. Included in the additional findings and recommendations, the external auditors are aware that for the current year the District is operating using a tentative budget rather than a board approved final budget. The Board of Trustees has not approved the 2009-10 budget.

Conclusion

The process for improvement initiated by the consultant is working well. The employees at the District office, along with the college presidents, support and welcome the assistance provided by the consultant and his team. Documents now exist to describe the processes which are being implemented; however, these changes have not resulted in a 08-09 final budget. Everyone recognizes that this may be a long process. This deficiency has not been fully resolved, and the Standards are not yet met.

- 2.b 2008-2 Financial Accounting System Procedures. The Commission asks the District and each College to provide information about the actions taken to ensure all transactions are recorded and what activities are now occurring to ensure all transactions are reported and that the financial statements provided to the Commission are accurate. (Standard III.D.2; Standard III.D.2.d)

Findings and Evidence

The District has recognized how its organizational structure and staffing levels at the District level are inadequate and how they have contributed to its inability to properly set up appropriate accounting procedures and systems. To correct these issues, the District has taken action in the last several months that has had a positive effect on both the accounting system and staff morale.

The District's response to the deficiency can only be described as in-process. The visiting team concurs that the District is 60% toward fully resolving all financial accounting system procedural issues. The District conversion from the Legacy System to PeopleSoft failed primarily because of poor planning, not maintaining a dual system on conversion, poor staff training, and the decision to customize many modules of the financial system to match business practices that existed using the Legacy System.

The visiting team observed the great work being done by the Recovery Team, professionals from CIBER, and the Associate Vice Chancellor for Information Systems. The Recovery Team has developed correctional plans and is reviewing all modules for full integration, including the student system, general ledger, accounts payable, purchasing, asset management, and payroll. District accounting staff are inputting corrected data into PeopleSoft that will allow for balance sheet accounts reconciliation and ensure that all transactions that occurred during 2007-2008 are reflected in the audit report.

The action that has had the most impact was retaining an EdMAC consultant to serve as a District financial advisor with the sole purpose of correcting the accounting systems and procedures. At the consultant's request, the District has set up "Functional Teams" consisting of experts from EdMAC staff and key members of the District staff to address the issues of the accounting system one area at a time. These teams have addressed and made significant progress on the issue of having proper accounting procedures related to accounts receivable and are currently working on the coding and testing of over 2,600 line items in the accounting system to ensure proper general ledger accounting going forward. The correction of these procedures has resulted in the District's belief that the closing of the 2008-2009 financials and completion of the District's independent audit can be accomplished in the next several months; both of which are vital for the District to move forward.

Through interviews with staff at both the District and college level, it is apparent that the District is making significant progress on improving communication and cooperation between the administration and financial staff in regard to system and procedural improvements. Staff repeatedly stressed that morale is up and improved communication and cooperation has led to improvements within the accounting systems and related procedures. The District provided the visiting team with draft policies and procedures that are being developed and will be used by all groups within the District to ensure financial transactions are recorded properly. This action marks a significant improvement over previous District policies and procedures which were not standardized and was one of the causes of the breakdown in the financial system and system procedures.

The team met with District staff from the information technology and student services areas to discuss the implementation of the student system and how it interfaces with the financial system. The District implemented the student system after the financial system and has been much more successful in its implementation by addressing issues that were raised during the implementation of the financial system. The District applied better business practices in implementing the student system by initiating training, establishing procedures, and running tests prior to implementation.

Conclusion

The team finds that the District has made recent progress toward correcting the financial accounting procedures and system but still has several major issues that need to be rectified before this deficiency can be resolved and Standards can be met. The District has yet to pass an adopted budget, close the financial records, or complete an independent audit for the

2008-2009 fiscal year. Until the District is able to complete these tasks, it is difficult to measure the progress the District has made in resolving the deficiency.

- 2.c 2008-3 Information Systems. The Commission asks the District and each College provide a report on action taken to determine that accounting transactions are appropriately recording financial, procurement and payroll transactions. (Standard III.D.2.g)

Findings and Evidence

The EdMAC consultant has put together a Recovery Team which is in the process of evaluating and testing controls in the student, human resources, payroll, and finance areas. The Recovery Team includes staff from each college, the District office and software consultants. In addition to the evaluation and testing of controls, the Recovery Team will produce procedure manuals for each division. The visiting team believes the Recovery Team is 60% complete in evaluating and testing of controls; therefore, the deficiency is partially resolved.

The Recovery Team is reviewing payroll access, approval, and correction controls in PeopleSoft. The planning activities of the Recovery Team are designed to ensure that PeopleSoft is fully functioning, providing accurate information, producing variance data, and meeting the needs of end users.

The District has made significant recent progress toward correcting its information systems. The District has addressed the recommendation by implementing a series of controls and improving communication between the District administration and staff. Procedure manuals have been developed to begin documenting how the fiscal operations of the District work under the PeopleSoft system. Access to records and regular updates are now shared with the college personnel.

The District has implemented internal controls that have had a positive effect on the integrity of the financial system. One such control is the implementation of roles within the accounting system where each employee is assigned specific and proper access to the system based on his/her job description and level of responsibility. To gain access, the employee must complete a security form and the employee's manager reviews and approves the form prior to access being granted.

The District has also recently started to implement a procedure for testing the accounting system prior to implementing changes. In cooperation with members of the Recovery Team, District staff are currently preparing to test the addition of 2,600 lines of account codes to ensure that the system is running efficiently and correctly. The implementation of a procedure for testing the system prior to fully implementing changes shows progress in the way the District is addressing the deficiencies in the accounting systems.

Interviews with the college business managers verified the District's assertions that issues with the payroll processing system are being addressed through increased communication

and cooperation between the District level financial departments and the college level financial departments. The college business managers stated that there is much more communication and cooperation and that this is leading to issues being addressed in a much more efficient and positive manner.

Progress in cleaning up the fiscal disconnects under the PeopleSoft system is observable. The draft documents need to become permanent operating procedures and details need to be added to assure that all parties are clear about how to perform the fiscal functions of the District and its colleges.

Conclusion

Although the District has made significant recent progress, the District has yet to complete an independent audit for the 2008-2009 fiscal year. Until the District is able to complete this task, it is difficult to measure the progress the District has made in resolving the deficiency and meeting Standards.

- 2.d Bursar's Office and Trust Fund Activity Reporting Changes. The Commission requests Laney College provide an update on changes that have occurred to correct internal control weaknesses and action taken to implement appropriate separation of duties, an accounting system that correctly captures revenues and classifies them as such, and action taken to ensure there is adequate oversight of expenditure decisions and transaction processing. (Standard III.D.2.c; Standard III.D.2.d; Standard III.D.2.e)

Findings and Evidence

As a result of interviews with the Interim Assistant Vice Chancellor of Business and Finance, college business managers, a Recovery Team member, and a financial aid officer, the visiting team finds that the District has corrected the internal control issue regarding the separation of duties. It has achieved this through the appropriate definition of an employee's profile or role in the PeopleSoft system. Each employee is assigned a profile according to his/her level of responsibility in his/her functional area. Access is granted only after the completion and approval of a security form by their supervisor or area manager. Only then does the Instructional Technology Department process the assignment.

In terms of the accounting system capturing revenue and making the appropriate classification, the District and the Recovery Team has coded over 2,600 items and will be testing the system in the next 30 days in preparation for the closing of the 2008-2009 fiscal year.

The financial aid program at the District has recently been centralized to minimize errors in the processing and reconciliation of financial aid funds. Peralta CCD stated that the data problems with the Regent software system caused such a variety of problems that the District chose to return to its Legacy Safe system. The administration of the District has worked with

the staff of the Safe system in updating the software capabilities specifically for the needs of the District. In addition, the District has completed a draft policy and procedure manual.

The District recently discovered that it is responsible for \$654,522.59 of past financial aid transactions and penalties. Although there was no appeal, the District was allowed to perform a universal audit and lowered the amount to \$275,187.

Issues of controls at Berkeley City College have been a concern. Similarly, financial aid processing has been a concern. The college and the District have corrected the lack of controls and this recommendation is now being addressed. Handbooks and systems have been developed to ensure proper controls. They have centralized the key financial aid functions at the District office.

Conclusion

Although the District has recently made significant progress, the District still needs to adopt a budget for the current year and close the previous year's budget. In addition, the District must be timely with its quarterly reports to the State. The consolidation of financial aid functions at the District office is a positive step in establishing the controls requested by the previous team, but until the previous year's budget is closed, quarterly reports are submitted in a timely fashion, and a current budget is adopted each year, this deficiency is not resolved, and Standards are not met.

- 2.e Accounts Payable/Purchasing Functions. The Commission asks that the District describe actions implemented to establish the appropriate separation of duties in the procurement cycle to include the cited weakness in the accounts payable process.

The Commission asks the District to conduct an assessment of the internal control structure for critical non-financial transactions including grade reporting and student record data to determine if additional changes in the internal control structure may be necessary to ensure information regarding student grade reporting and student records are accurate and protected from unauthorized disclosure. (Standard II.B.3.f; Standard III.D.1.b; Standard III.D.2.g; Standard IV.B.3.d; Standard IV.B.1; Standard IV.B.1.b; Standard IV.B.1.c)

Findings and Evidence

This deficiency has been partially resolved with the security protocols of the role definitions within the PeopleSoft system which address the separation of duties in the procurement cycle. The District has updated and re-issued Standard Operating Procedure #9: Purchasing Procedures, and Standard Operating Procedure #10: The Routing of "Pay-to" Requisitions and Invoices. In addition, the supervisor for accounts payable and enrollment management annually conducts a workshop at each of the colleges to train staff on these procedures.

Changes in access by role or function have been implemented to assure proper access to records.

The Associate Vice Chancellor of Information Technology has indicated that the organization of his department will include staff members who are deemed specialists in student administration, finance, and human resources. Because of the specific complexities of each module in the PeopleSoft system, these specialists will greatly reduce the time needed to troubleshoot and fix problems that arise in any functional area.

Conclusion

In terms of the student administration system, grade information, and financial aid information, there is a sufficient internal control structure.

The Peralta CCD will not have completely resolved this deficiency and meet associated Standards until the full implementation of the PeopleSoft system has been completed and proved to be accurate.

Student records access by appropriate personnel needs to be addressed with changes in access to the system.

The new practice of student disputes seems effective; however, final approval at the District level seems rather cumbersome.

2.f Using Associated Student Body Fund to Account for General Fund Revenues.

The Commission asks that Merritt College provide an update on action taken to strengthen internal controls over cash collections and reporting. Merritt College should specifically ensure all revenues are properly reported and managed in a way that promotes use of college resources in support of its educational programs. (Standard III.D.2.d; Standard IV.B.2.d; Standard IV.B.3.d)

Findings and Evidence

The team interviewed the Interim Associate Vice Chancellor of Business and Finance and the President of Merritt College. Staff at Merritt College reviewed the guidelines related to the receipt and use of the general fund and all monies collected for events at Merritt College are forwarded to the District on a monthly basis. The Associated Student accounts were fully reconciled and all loans were paid. In addition, Merritt College had produced a Bursar's Office Policies and Procedures Manual which includes a formalized process to prevent a reoccurrence of the issue (Chapter 6, page 51, #18: Remit Monthly District Income Collected).

Conclusion

Merritt College has resolved this deficiency and the Standards are now being met.

ADDITIONAL AREAS OF CONCERN

In the course of its visit to the District office and in discussions with district leadership and EdMAC team members, the evaluation team identified several new concerns with the governance and decision-making processes of the District. Breakdowns in appropriate governance of the district contributed significantly to the fiscal and information system deficiencies identified by the Commission team and external auditors. It is imperative that the district address governance deficiencies and develop policy and procedures that will provide appropriate leadership and oversight by the Governing Board while also appropriately delegating responsibility and authority to the district and college leadership. The confusion over roles and responsibilities must be resolved if the district is going to adequately address the recommendations made below.

Standard III.A.1.a – “Criteria, qualifications, and procedures for selection of personnel are clearly and publically stated. Job descriptions are directly related to institutional mission and goals and accurately reflect position duties, responsibilities, and authority.”

Findings and Evidence

There is a general agreement among District and college officials that positions are developed and recommended according to the adopted District procedure; however, issues have been raised by several parties concerning two topics:

1. The creation of the Inspector General, which reports to the Board of Trustees, and how the position was developed, how the person was selected, how the work is assigned, and who the person reports to has caused concern and confusion.
2. The creation of the Vice Chancellor of Human Resources which will be filled in the future. Confusion about the level of the position and the manner in which input from all constituency groups was received indicate that communication was not transparent. While the concerns have now been addressed, the incident reflects a style of operation that does not promote trust and confidence within the District.

Conclusions

The personnel hiring process appears to have lost its focus and integrity because of the involvement of a few members of the Board of Trustees. The Board of Trustees committee structure contributes to this problem. Direct operational control of the district should be handled by the Chancellor rather than by members of the Board acting individually as though they speak for the entire Board.

(2010) Recommendation 1: In order to meet Standards at all times, all personnel selection actions must adhere to the established policies and procedures. (Standard III.A.1.a)

Standard IV.B.1 – “The institution has a governing board that is responsible for establishing policies to assure the quality, integrity, and effectiveness of the student learning programs and services and the financial stability of the institution. The governing board adheres to a clearly defined policy for selecting and evaluating the chief administrator for the college or the district/system.”

Findings and Evidence

The inspector general position has created confusion and mistrust on the part of many staff members. The fact that the position reports directly to the Board of Trustees does not promote effective leadership or accountability on the part of the Chancellor and his team. Specific examples shared by staff range from the use of the inspector general to carry out personal agendas of one or two board members, to the use of the position to intimidate and impede the work of District administrators. It seems clear that intervention into the daily operation of the District exceeds the level expected by even the most curious board member.

Differences of opinion exist with regard to the extent the board caters to outside influences. Some members of the board believe that this is their role, while others see such behavior as troublesome to the colleges and staff. It was clear from the interviews with various constituent groups and the President of the Board that the board needs to look at the way it is organized and place responsibility for operating the District in the hands of the Chancellor and Presidents.

A code of ethics exists, and the current Board President seems aware of it. However, there is no evidence that the board adheres to Accreditation Standards based upon recent decisions concerning direct reports to the board.

The visiting team was made aware of at least two situations wherein it is believed the Board of Trustees is not in compliance with Standard IV.B.1.j.

Inspector General (.50 FTE) and Director of Internal Audit (.5 FTE) – The job description for the Inspector General requires direct reporting to the Board of Trustees, along with the Chancellor and the General Counsel; however, the Director of Internal Audit reports to the Chancellor and is an advisor to the Board Standing Committee of Budget and Audits. In addition, the job description of the Director of Internal Audit states that the duties of the director shall be those directly related to the supervision and operation of the Internal Audit Department.

The Inspector General position has been filled while the Director of Internal Audit remains vacant. The Board of Trustees directs all internal audit assignments or projects of the Inspector General.

(2010) Recommendation 2: In order to meet the Standards, the team recommends the District evaluate the reporting structure with regard to the inspector general so that the position is properly placed in the hierarchy of the District organization. (Standard IV.B.1.j)

(2010) Recommendation 3: In order to meet the Standards, the team recommends the District clarify the role of the board members with respect to the work of the District managers. This would include a review of reporting structures, methods for board inquiries, distinction between board policy setting and oversight, and management, leadership, and operational responsibilities for the District. (Standards IV.B.1.d, IV.B.1.j)

(2010) Recommendation 4: In order to meet the Standard, the team recommends the District provide ongoing and annual training for board and management on roles and functions as it relates to District policy and operations. (Standard IV.B.1.f)

(2010) Recommendation 5: In order to meet the Standards, the team recommends the District engage in ongoing discussion about the role of the board and how it serves its trustee role for the good of the District. The role of the board should be reviewed regularly with each board member. (Standards IV.B.1, IV.B.1.j)

(2010) Recommendation 6: In order to meet the Standards, the team recommends the board consider regular review of the code of ethics to assure thorough understanding and application of its intent. (Standards IV.B.1,e, IV.B.1.h)

(2010) Recommendation 7: In order to meet the Standard, the visiting team recommends a change in the reporting relation of the Inspector General from the Board of Trustees to the Chancellor. (Standard IV.B.1.j)

Standard IV.B.1.j – “The governing board has the responsibility for selecting and evaluating the District chief administrator. The governing board delegates full responsibility and authority to him/her to implement and administer board policies without board interference and holds him/her accountable for the operation of the District/system or college, respectively.”

Standard IV.B.2 – “The president has primary responsibility for the quality of the institution he/she leads. He/she provides effective leadership in planning, organizing, budgeting, selecting and developing personnel, and assessing institutional effectiveness and decision-making leads to institutional effectiveness.”

Findings and Evidence

Concerns about board members interfering with the leadership of the Chancellor in response to specific board members raise questions about how effectively the District and its colleges can operate.

Board Committees and Campus Listening Visits – The Board of Trustees has five standing committees. Board members selected by the full board serve as chairperson for the standing committees. Campus stakeholders serve as advisors to the standing committees regarding District policy and procedural issues.

Board members also conduct campus listening visits. Campus stakeholders are invited to meet with a board member to provide insight into campus operational practices that may suggest a need to review policy and procedures.

(2010) Recommendation 8: In order to meet the Standard, the team recommends a regular review of board roles to assure that the board is relying on the chancellor to carry out the policy set by the board. (Standard IV.B.1.j)

Standard IV.B.3 – “In multi-college districts or systems, the district/system provides primary leadership in setting and communicating expectations of educational excellence and integrity throughout the district/system and assures support for the effective operation of the colleges. It establishes clearly defined roles of authority and responsibility between the colleges and the district/system and acts as the liaison between the colleges and the governing board.”

Findings and Evidence

The District leadership recognized that it needed help sorting out its fiscal issues. At the same time it did not have the staff or skill level in house to take the lead on this growing task. With the decision to hire the EdMAC consultant, the District made a commitment to clean up the significant fiscal issues. In the meantime, college presidents have been left to manage with temporary budgets and best guess estimates. At this juncture, the resourcefulness of the college staff is keeping the District productive with regard to its primary function. The District’s failure to recognize and take charge of the situation has called into question its ability to adequately support the college presidents as they attempt to run effective colleges.

Conclusion

The Board of Trustees needs to make sure it is not intervening in the operation of the District. The role and function of the Inspector General needs to be evaluated. The Chancellor, along with his senior staff and college presidents, needs to demonstrate leadership by stepping up and meeting the challenge of running the District. While pockets of this leadership exist, there is still not a wide acknowledgement that the District leadership is performing effectively across the board. As new selections occur, this issue should subside.

(2010) Recommendation 9: The team recommends the Board of Trustees and District adhere to their appropriate roles. The District must serve the colleges as liaison between the colleges and the Board of Trustees while assuring that the college presidents can operate their institutions effectively. Meanwhile, the Board must not interfere with the operations of the four colleges of the District and allow the Chancellor to take full responsibility and authority for the areas assigned to District oversight. (Standard IV.B.3.a-g)



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Associate Vice President
LILY OWYANG

June 30, 2010

Dr. Betty Inclan
President
Berkeley City College
2050 Center Street
Berkeley, CA 94704

Dear President Inclan:

The Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, at its meeting June 9-11, 2010, reviewed the Follow-Up Report submitted by Berkeley City College. The purpose of this review was to assure that the recommendations made by the 2009 comprehensive evaluation team were addressed by Berkeley City College and the Peralta Community College District. The Commission took action to accept the report.

The Commission also acted to place Berkeley City College on **Probation**, effective immediately, for significant deficiencies identified by the 2010 Special Visit Team to the Peralta Community College District.

The Peralta Community College District and its Board of Trustees provide policy, fiscal and other management and support services that support the four colleges of the District. When the District and its Board of Trustees fail to operate in a manner that meets Accreditation Standards, the deficiencies may jeopardize the accreditation of all of the District's colleges. Responsibility for correcting the deficiencies is with both the District as well as the colleges. (Please see *Policy and Procedures for the Evaluation of Institutions in Multi-College/Multi-Unit Districts or Systems.*)

Probation is issued when the Commission finds that an institution deviates significantly from the Commission's Eligibility Requirements, Accreditation Standards, or policies or fails to respond to conditions imposed upon it by the Commission. The accredited status of the institution continues during the Probation period.

Enclosed please find a copy of the Commission's letter to the Peralta Community College District and the Team Report outlining the reasons for the sanction of Probation.

I wish to inform you that under U.S. Department of Education regulations, institutions out of compliance with Standards or on sanction are expected to

Dr. Betty Inclan
Berkeley City College
June 30, 2010
Page Two


correct deficiencies within a two-year period or the Commission must take action to terminate accreditation. Berkeley City College and the Peralta Community College District should resolve the deficiencies noted by **June 2011** or the Commission will be compelled to act.

The Commission requires that you give the college report, the Commission letter to the Peralta Community College District Chancellor, and this letter to Berkeley City College appropriate dissemination to your college staff and to those who were signatories of your college report. This group should include the Chancellor, campus leadership, and the Board of Trustees. The Commission also requires that all reports be made available to students and the public. Placing copies in the college library can accomplish this. The Follow-Up Report and Commission action letters will become part of the accreditation history of the College and should be used in preparing for the next comprehensive evaluation.

Finally, ACCJC staff is available to assist the College with consultation and advice on accreditation matters. Please call the office if you have any questions or requests.

On behalf of the Commission, I wish to express my continuing interest in the institution's educational quality and students' success. Professional self-regulation is the most effective means of assuring institutional integrity, effectiveness, and quality.

Sincerely,



Barbara A. Beno, Ph.D.
President

BAB/tl

cc: Mr. Elihu Harris, Chancellor, Peralta Community College District
Dr. Wise Allen, Vice Chancellor
Ms. Krista Johns, Accreditation Liaison Officer
Board President, Peralta Community College District
Ms. Linda Henderson, U.S.D.E.

Enclosures



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Associate Vice President
LILY OWYANG

June 30, 2010

Dr. George Herring
President
College of Alameda
555 Ralph Appezato Memorial Parkway
Alameda, CA 94501

Dear President Herring:

The Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, at its meeting June 9-11, 2010, reviewed the Follow-Up Report submitted by College of Alameda and the report of the evaluation team which visited Monday, April 12, 2010. The purpose of this review was to assure that the recommendations made by the evaluation team were addressed by the institution. The Commission took action to accept the report, and require College of Alameda to submit a Follow-Up Report by **October 15, 2010**, demonstrating the college has completely addressed Recommendation 1 of the 2009 comprehensive evaluation team. The report will be followed by a visit of Commission representatives, and the college is advised to have evidence available to support its report.

Recommendation 1:

In order to meet Standards and build upon the considerable progress made in developing a systematic, integrated district-wide planning process, the team recommends that the college move forward in implementing its own comprehensive and integrated strategic planning process that is tied to the college's mission, values, goals and priorities and includes the evaluation and refinement of key processes to improve student learning and promote institutional effectiveness (Standards 1A.4, 1B.2, 1B.3, 1B.4, 1B.6, 1B.7, 2A.1.a, 2A.2.f, 2B.4, 2C.2, 3A.6, 3B.1.a, 3B.2.b, 3C.1.c, 3C.2, 3D.1, 3D.3, 4A.1, 4A.2, 4A.5, 4B.2, 4B.2.b).

The Commission also acted to place College of Alameda on **Probation**, effective immediately, for significant deficiencies identified by the 2010 Special Visit Team to the Peralta Community College District.

The Peralta Community College District and its Board of Trustees provide policy and fiscal and other management and support services that support the four colleges of the District. When the District and its Board of Trustees fail to operate in a manner that meets Accreditation Standards, the deficiencies may jeopardize the accreditation of all of the District's colleges. Responsibility for correcting the deficiencies is with both the District as well as the colleges. (Please see *Policy and Procedures for the Evaluation of Institutions in Multi-College/Multi-Unit Districts or Systems*.)

Dr. George Herring
College of Alameda
June 30, 2010
Page Two

Probation is issued when the Commission finds that an institution deviates significantly from the Commission's Eligibility Requirements, Accreditations Standards, or policies or fails to respond to conditions imposed upon it by the Commission. The accredited status of the institution continues during the Probation period.

Enclosed please find a copy of the Commission's letter to the Peralta Community College District and the Team Report outlining the reasons for the sanction of Probation.


I wish to inform you that under U.S. Department of Education regulations, institutions out of compliance with Standards or on sanction are expected to correct deficiencies within a two-year period or the Commission must take action to terminate accreditation. College of Alameda and the Peralta Community College District should resolve the deficiencies noted by **June 2011** or the Commission will be compelled to act.

The Commission requires that you give the college report, the Commission letter to the Peralta Community College District Chancellor, and this letter to College of Alameda appropriate dissemination to your college staff and to those who were signatories of your college report. This group should include the Chancellor, campus leadership, and the Board of Trustees. The Commission also requires that all reports be made available to students and the public. Placing copies in the college library can accomplish this. The Follow-Up Report and Commission action letters will become part of the accreditation history of the College and should be used in preparing for the next comprehensive evaluation.

Finally, ACCJC staff is available to assist the College with consultation and advice on accreditation matters. Please call the office if you have any questions or requests.

On behalf of the Commission, I wish to express my continuing interest in the institution's educational quality and students' success. Professional self-regulation is the most effective means of assuring institutional integrity, effectiveness, and quality.

Sincerely,



Barbara A. Beno, Ph.D.
President

BAB/tl

cc: Mr. Elihu Harris, Chancellor, Peralta Community College District
Dr. Wise Allen, Vice Chancellor
Dr. Jannett Jackson, Accreditation Liaison Officer
Board President, Peralta Community College District
Dr. Terrence J. Burgess, Team Chair
Ms. Linda Henderson, U.S.D.E.

Enclosure



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Associate Vice President
LILY OWYANG

June 30, 2010

Dr. Elnora Webb
Interim President
Laney College
900 Fallon Street
Oakland, CA 94607

Dear President Webb:

The Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, at its meeting June 9-11, 2010, reviewed the Follow-Up Report submitted by Laney College. The purpose of this review was to assure that the recommendations made by the evaluation team were addressed by the institution. The Commission took action to accept the report.

The Commission also acted to place Laney College on **Probation**, effective immediately, for significant deficiencies identified by the 2010 Special Visit Team to the Peralta Community College District.

The Peralta Community College District and its Board of Trustees provide policy and fiscal and other management and support services that support the four colleges of the District. When the District and its Board of Trustees fail to operate in a manner that meets Accreditation Standards, the deficiencies may jeopardize the accreditation of all of the District's colleges. Responsibility for correcting the deficiencies is with both the District as well as the colleges. (Please see *Policy and Procedures for the Evaluation of Institutions in Multi-College/Multi-Unit Districts or Systems*.)

Probation is issued when the Commission finds that an institution deviates significantly from the Commission's Eligibility Requirements, Accreditation Standards, or policies or fails to respond to conditions imposed upon it by the Commission. The accredited status of the institution continues during the Probation period.

Enclosed please find a copy of the Commission's letter to the Peralta Community College District and the Team Report outlining the reasons for the sanction of Probation.

I wish to inform you that under U.S. Department of Education regulations, institutions out of compliance with Standards or on sanction are expected to correct deficiencies within a two-year period or the Commission must take action to terminate accreditation. Laney College and the Peralta Community College District should resolve the deficiencies noted by **June 2011** or the Commission will be compelled to act.

Dr. Elnora Webb
Laney College
June 30, 2010
Page Two

The Commission requires that you give the college report, the Commission letter to the Peralta Community College District Chancellor, and this letter to Laney College appropriate dissemination to your college staff and to those who were signatories of your college report. This group should include the Chancellor, campus leadership, and the Board of Trustees. The Commission also requires that all reports be made available to students and the public. Placing copies in the college library can accomplish this. The Follow-Up Report and the Commission action letters will become part of the accreditation history of the college and should be used in preparing for the next comprehensive evaluation.

Finally, ACCJC staff is available to assist the College with consultation and advice on accreditation matters. Please call the office if you have any questions or requests.

On behalf of the Commission, I wish to express my continuing interest in the institution's educational quality and students' success. Professional self-regulation is the most effective means of assuring institutional integrity, effectiveness, and quality.

Sincerely,



Barbara A. Beno, Ph.D.
President

BAB/tl

cc: Mr. Elihu Harris, Chancellor, Peralta Community College District
Dr. Wise Allen, Vice Chancellor
Dr. Elieen White, Accreditation Liaison Officer
Board President, Peralta Community College District
Ms. Linda Henderson, U.S.D.E.

Enclosure



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Associate Vice President
LILY OWYANG

June 30, 2010

Dr. Robert Adams
President
Merritt College
12500 Campus Drive
Oakland, CA 94619

Dear President Adams:

The Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, at its meeting June 9-11, 2010, reviewed the Follow-Up Report submitted by Merritt College and the report of the evaluation team which visited Thursday, April 15, 2010. The purpose of this review was to assure that the recommendations made by the previous evaluation team and the Commission were addressed by the institution. The Commission took action to accept the report. The Commission also requires that Merritt College provide a Follow-Up Report by **October 15, 2010**, demonstrating that it has fully addressed Recommendation 2 of the 2009 comprehensive evaluation team and is now in compliance with associated Standards. The report will be followed by a visit of Commission representatives, and the College is advised to have evidence to support its report available to the visiting team.

Recommendation 2: Program Review

The team recommends that the college further refine its program review, planning, and resource allocation processes so that they are more clearly based on an analysis of quality, effectiveness, and student learning. Furthermore, the college must develop a systematic means to evaluate those processes and assess whether its plans actually lead to improvements in programs and services (Standards I.B.3, I.B.6, I.B.7).

The Commission also acted to place Merritt College on **Probation**, effective immediately, for significant deficiencies identified by the 2010 Special Visit Team to the Peralta Community College District.

The Peralta Community College District and its Board of Trustees provide policy, fiscal and other management and support services that support the four colleges of the District. When the District and its Board of Trustees fail to operate in a manner that meets Accreditation Standards, the deficiencies may jeopardize the accreditation of all of the District's colleges. Responsibility for correcting the deficiencies is with both the District as well as the colleges. (Please see *Policy and Procedures for the Evaluation of Institutions in Multi-College/Multi-Unit Districts or Systems.*)

Dr. Robert Adams
Merritt College
June 30, 2010
Page Two

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I wish to inform you that under U.S. Department of Education regulations, institutions out of compliance with Standards or on sanction are expected to correct deficiencies within a two-year period or the Commission must take action to terminate accreditation. Merritt College and the Peralta Community College District should resolve the deficiencies noted by **June 2011** or the Commission will be compelled to act.

The Commission requires that you give the college report, the Commission letter to the Peralta Community College District Chancellor, and this letter to Merritt College appropriate dissemination to your college staff and to those who were signatories of your college report. This group should include the Chancellor, campus leadership, and the Board of Trustees. The Commission also requires that all reports be made available to students and the public. Placing copies in the college library can accomplish this. The Follow-Up Report and the Commission action letters will become part of the accreditation history of the college and should be used in preparing for the next comprehensive evaluation.

Finally, ACCJC staff is available to assist the College with consultation and advice on accreditation matters. Please call the office if you have any questions or requests.

On behalf of the Commission, I wish to express my continuing interest in the institution's educational quality and students' success. Professional self-regulation is the most effective means of assuring institutional integrity, effectiveness, and quality.

Sincerely,



Barbara A. Beno, Ph.D.
President

BAB/tl

cc: Mr. Elihu Harris, Chancellor, Peralta Community College District
Dr. Wise Allen, Vice Chancellor
Dr. Linda Berry, Accreditation Liaison Officer
Board President, Peralta Community College District
Mr. Michael Claire, Team Chair
Ms. Linda Henderson, U.S.D.E.

Enclosure

APR 28 2010

EVALUATION REPORT

COLLEGE OF ALAMEDA

555 Ralph Appezato Memorial Parkway
Alameda, CA 94501

A confidential report prepared for the
Accrediting Commission for Community and Junior Colleges
Western Association of Schools and Colleges

This report represents the findings of the evaluation team that visited
College of Alameda on April 12, 2010

Terrence J. Burgess, Ph.D., Chair

College of Alameda
Special Evaluation Visit Team Roster

Dr. Terrence J. Burgess (**CHAIR**)
President, San Diego City College

Dr. Carolyn Inouye, Dean
Educational Services and Research
Oxnard College

SUMMARY OF EVALUATION REPORT

Institution: College of Alameda

Date of Visit: April 12, 2010

Team Chair: Terrence J. Burgess, Ph.D.
President, San Diego City College

A two-member accreditation team visited College of Alameda (COA) on April 12, 2010. The purpose of the special evaluation visit was to assess and determine the degree of progress made by the college in addressing six recommendations that were made by the comprehensive evaluation team that visited COA on March 9-12, 2009 and subsequently adopted by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges at its meeting of June 9-11, 2009.

In its action letter dated June 30, 2009, the Commission issued a **Warning** and asked COA to correct the deficiencies noted. The college was also required to complete two Follow-up Reports, the first of which was required to be submitted to the Commission by March 15, 2010 to be followed by a visit of Commission representatives.

The Follow-up Report of March 15, 2010 required the college to demonstrate the institution's resolution of the recommendations noted below:

Recommendation 1:

In order to meet standards and building upon the considerable progress made in developing a systematic, integrated district-wide planning process, the team recommends that the college move forward in implementing its own comprehensive and integrated strategic planning process that is tied to the college's mission, values, goals and priorities and includes the evaluation and refinement of key processes to improve student learning and promote institutional effectiveness (Standards 1A.4, 1B.2, 1B.3, 1B.4, 1B.6, 1B.7, 2A.1.a, 2A.2.f, 2B.4, 2C.2, 3A.6, 3B.1.a, 3B.2.b, 3C.1.c, 3C.2, 3D.1, 3D.3, 4A.1, 4A.2, 4A.5, 4B.2, 4B.2.b).

Recommendation 2:

In order to meet the standards, the team recommends that systems to support internal campus communication, as well as college-district communication, be improved to support the optimal functioning of the college in promoting student learning (Standards 1B.1, 1B.2, 1B.4, 1B.5, 1B.7, 2A.2.a, 2A.2.b, 2A.2.f, 2B.4, 2C.2, 3A.6, 3B.2.b, 3C.2, 3D.1.a, 3D.1.d, 3D.3, 4A.1, 4A.2, 4A.2.a, 4A.3, 4A.5, 4B.2, 4B.2.b, 4B.2.e, 4B.3, 4B.3.f).

Recommendation 3:

In order to meet the Commission's 2012 deadline, the college must accelerate its progress in developing and assessing course-level and program-level student learning outcomes

and using assessment data for improvement. Further, in order to meet the standards, the college must also ensure compliance with its program review and unit planning processes and accelerate its progress toward creating a data-driven environment in which continuous assessment is used as a vehicle for institutional improvement (Standards 2A.1, 2A.1.a, 2A.1.c, 2A.2.a, 2A.2.b, 2A.2.e, 2A.2.f, 2B.4).

Recommendation 4:

In order to meet the standard, and consistent with the recommendation of the 2003 visiting team, the team recommends that the college devote the time and resources needed to complete regular, systematic evaluations for classified professionals, full-time contract faculty, and part-time faculty (Standard 3A.2).

Recommendation 5:

In order to meet the standards, the team recommends that the college advance and refine the implementation of the district-wide computer information system (Standards 3C.1.a, 3C.1.c, 3C.1.d, 4B.3.6).

Recommendation 7:

The team recommends that the district take immediate corrective action to implement all necessary system modifications to achieve access to a fully integrated computer information management system, including modules for student, financial aid, human resources, and finance. All corrective action and system testing should be completed within two years and the governing board should receive regular implementation reports until project completion (Standards 3D.1.a, 3D.1.b, 3D.2.a).

As required by the Commission, COA submitted a Follow-up Report addressing the six recommendations in support of reaffirmation of accreditation to the Commission on March 15, 2010, and subsequently prepared for a special visit by representatives of the Commission.

On April 12, 2010, representatives of the Commission visited COA for the purpose of reviewing evidence of the college's progress in responding to the recommendations as asserted in the Follow-up Report, and meeting with college representatives to discuss the Follow-up Report and current status of the college's response.

The Commission's representatives reviewed extensive documentation cited in the Follow-up Report as evidence of the college's progress in addressing the Commission's recommendations and interviewed the college president, the vice president of instruction/Accreditation Liaison Officer (ALO), the vice president of student services, and the college business manager.

The following narrative summarizes the observations of the visiting team for each of the six recommendations and reports the team's findings and analysis of the current status of the college in addressing them:

Recommendation 1:

In order to meet standards and building upon the considerable progress made in developing a systematic, integrated district-wide planning process, the team recommends that the college move forward in implementing its own comprehensive and integrated strategic planning process that is tied to the college's mission, values, goals and priorities and includes the evaluation and refinement of key processes to improve student learning and promote institutional effectiveness (Standards 1A.4, 1B.2, 1B.3, 1B.4, 1B.6, 1B.7, 2A.1.a, 2A.2.f, 2B.4, 2C.2, 3A.6, 3B.1.a, 3B.2.b, 3C.1.c, 3C.2, 3D.1, 3D.3, 4A.1, 4A.2, 4A.5, 4B.2, 4B.2.b).

The visiting team read the Follow-up Report section speaking to Recommendation 1. The report narrative provides an overview and introduction, a college action plan, an analysis of results to date, two diagrams summarizing the college's strategic integrated planning and budget model, and the college planning and assessment process. The visiting team also reviewed documentary evidence cited in the Follow-up Report, including meeting minutes, the District Strategic Planning and Budget Model, the Peralta Community College District Strategic Plan, the College of Alameda Integrated Planning Handbook (Version 16), and reports of flex day activities and college committee meetings related to accreditation subsequent to the March 2009 team visit and attendant Commission action. In addition, the visiting team interviewed college administrators to develop a better understanding of the college's strategic planning and budget processes and to ascertain the degree of progress the college had made in response to Recommendation 1.

The analysis of evidentiary documents and information gathered in interviews has led the visiting team to conclude the COA fully meets and exceeds the relevant standards of accreditation. Further, the visiting team commends the college for the significant progress it has made in integrated planning since the comprehensive visit of March 2009.

Recommendation 2:

In order to meet the standards, the team recommends that systems to support internal campus communication, as well as college-district communication, be improved to support the optimal functioning of the college in promoting student learning (Standards 1B.1, 1B.2, 1B.4, 1B.5, 1B.7, 2A.2.a, 2A.2.b, 2A.2.f, 2B.4, 2C.2, 3A.6, 3B.2.b, 3C.2, 3D.1.a, 3D.1.d, 3D.3, 4A.1, 4A.2, 4A.2.a, 4A.3, 4A.5, 4B.2, 4B.2.b, 4B.2.e, 4B.3, 4B.3.f).

The visiting team read the Follow-up Report section speaking to Recommendation 2. The report narrative provides an overview, introduction addressing ongoing collegial and self-reflective dialogue about improvement of student learning and institutional processes, a discussion of communication of institutional goals and institutional effectiveness, a description of an integrated planning process that is broad-based, provides opportunities for input on resource allocation and improvement of institutional effectiveness, and a description of steps taken to formalize and improve college-district communication.

The visiting team also reviewed documentary evidence cited in the Follow-up Report, including a number of planning documents, institutional objectives and action priorities 2010-2013, agendas and minutes of committee meetings and district summits related to accreditation, planning, and resource allocation, campus newsletters, the college website, and the agendas and minutes of the COA College Council, which is the principal shared governance body of the institution.

In addition, the visiting team interviewed college administrators to develop a better understanding of the college's various vehicles for intra-campus and college-district communications and to ascertain the degree of progress the college had made in response to Recommendation 2.

The analysis of evidentiary documents and information gathered in interviews has led the visiting team to conclude the COA fully meets and exceeds the relevant standards of accreditation. Further, the visiting team commends the college for the significant progress it has made in fostering communication since the comprehensive visit of March 2009.

Recommendation 3:

In order to meet the Commission's 2012 deadline, the college must accelerate its progress in developing and assessing course-level and program-level student learning outcomes and using assessment data for improvement. Further, in order to meet the standards, the college must also ensure compliance with its program review and unit planning processes and accelerate its progress toward creating a data-driven environment in which continuous assessment is used as a vehicle for institutional improvement (Standards 2A.1, 2A.1.a, 2A.1.c, 2A.2.a, 2A.2.b, 2A.2.e, 2A.2.f, 2B.4).

The visiting team read the Follow-up Report section speaking to Recommendation 3. The report narrative provides an overview, including an introduction and conclusion, as well as a college action plan describing the college's assessment process, professional development program (training) for faculty, staff, and administrators, a communication plan for fostering institutional dialogue focused on continuous improvement of student success outcomes, a description of the annual assessment cycle, and examples of program-level and course-level measures being used for student learning outcome assessment. In addition, the visiting team examined examples of work completed on program-level and course-level student learning outcomes by a number of disciplines.

In addition, the visiting team interviewed college administrators to develop a better understanding of the college's progress toward proficiency with student learning outcomes across the institution, as well as with the program review and unit planning and unit planning processes, to ascertain the overall degree of progress the college had made in response to Recommendation 3.

The analysis of evidentiary documents and information gathered in interviews has led the visiting team to conclude the COA fully meets and exceeds the relevant standards of accreditation. Further, the visiting team commends the college for the significant

progress it has made in developing and assessing course-level and program-level student learning outcomes and using assessment data for improvement since the comprehensive visit of March 2009 and is confident that the college will be able to meet the Commission's June 2012 deadline for institution-wide proficiency in the measurement and assessment of student learning outcomes.

Recommendation 4:

In order to meet the standard, and consistent with the recommendation of the 2003 visiting team, the team recommends that the college devote the time and resources needed to complete regular, systematic evaluations for classified professionals, full-time contract faculty, and part-time faculty (Standard 3A.2).

The visiting team read the Follow-up Report section speaking to Recommendation 3. The report narrative provides an overview, including an introduction and description of the various steps the college has taken to identify employees who have delinquent evaluations and a timeline to assure that all employee evaluations are up-to-date by Fall 2010. In addition, the visiting team reviewed documentary evidence of evaluations completed to date and evaluations yet to be completed.

The visiting team interviewed college administrators to develop a better understanding of the college's progress toward the timely completion of all employee evaluations and to ascertain the overall degree of progress the college had made in response to Recommendation 4.

The analysis of evidentiary documents and information gathered in interviews has led the visiting team to conclude the COA fully meets and exceeds the relevant standards of accreditation. To date, approximately 85% of all employee evaluations have been completed, with approximately 15% (primarily adjunct faculty members) remaining to be completed. This includes the completion of all evaluations for classified professionals. The visiting team is confident that the college will meet its deadline of Fall 2010 for completing all employee evaluations and commends the college for the significant progress it has made in the employee evaluation process since the comprehensive visit of March 2009.

Recommendation 5:

In order to meet the standards, the team recommends that the college advance and refine the implementation of the district-wide computer information system (Standards 3C.1.a, 3C.1.c, 3C.1.d, 4B.3.6).

The visiting team read the Follow-up Report section speaking to Recommendation 5. The report narrative provides an overview, including an introduction and detailed description of the status of the implementation of the district-wide computer information management system to date, the steps the district and college have taken to remediate deficiencies in the information system noted in the comprehensive team visit report of March 2009, and the remaining steps that will be taken to assure that the information system is fully functional by the Commission's deadline of June 2011. Of note, the

district has employed a seasoned fiscal advisor and other specialists, including staff of the Education Management and Assistance Corporation, a FCMAT specialist, a specialist from the State Chancellor's Office for the California Community Colleges, a certified public accountant, and a number of specialists versed in the programming and operation of PeopleSoft Enterprise software which is the information system platform of the district and its colleges. This significant "recovery team" has been working diligently since December 2009 to both correct information system deficiencies as well as to reconstruct data elements necessary for the district to undergo its required external fiscal audit and to complete a number of information system and fiscal reports required by external agencies.

The visiting team read the Follow-up Report section speaking to Recommendation 5. In addition, the visiting team reviewed documentary evidence of committee minutes, readiness assessments, progress reports, production schedules, surveys, fit-gap analyses, assessments and evaluations of the success of various implementations, and the College of Alameda Technology Plan.

The visiting team interviewed college administrators to develop a better understanding of the college's progress toward the timely remediation of the college and district management information system and to ascertain the overall degree of progress the college had made in response to Recommendation 5.

Given the serious deficiencies of the current computer management information system, the Commission has assigned a special team to visit the district on April 19, 2010 with the particular charge of assessing the status and prognosis of issues addressed in Recommendation 5. Consequently, the College of Alameda's visiting team has not conducted any analysis, beyond information gleaned through the review of evidentiary documents and information provided in the Follow-up Report and subsequent interview of college administrators, and thus can render no conclusion regarding Recommendation 5.

Recommendation 7:

The team recommends that the district take immediate corrective action to implement all necessary system modifications to achieve access to a fully integrated computer information management system, including modules for student, financial aid, human resources, and finance. All corrective action and system testing should be completed within two years and the governing board should receive regular implementation reports until project completion (Standards 3D.1.a, 3D.1.b, 3D.2.a).

The visiting team read the Follow-up Report section speaking to Recommendation 7. The report narrative provides an overview, including an introduction and description of the current status of the college's and district's response to its most recent independent audit report findings which cited 30 material weaknesses or significant deficiencies in the financial record-keeping, financial processing, and financial reporting of the college and district.

In addition, the visiting team reviewed documentary evidence of the annual financial report, committee minutes, district logs documenting responses to the audit exceptions, an independent accountant's report on applying agreed-upon procedures, and a Board of Trustees update on progress of the 2008-2009 annual audit. Further, the visiting team was provided the "Special Report Regarding Independent Audit Findings" that the district provided to the Commission on April 1, 2010.

The visiting team interviewed college administrators to develop a better understanding of the college's progress toward the timely remediation of the audit exceptions and to ascertain the overall degree of progress the college had made in response to Recommendation 7.

Given the serious deficiencies of the current annual financial report (independent audit), the Commission has assigned a special team to visit the district on April 19, 2010 with the particular charge of assessing the status and prognosis of issues addressed in Recommendation 7. Consequently, the College of Alameda's visiting team has not conducted any analysis, beyond information gleaned through the review of evidentiary documents and information provided in the Follow-up Report and subsequent interview of college administrators, and thus can render no conclusion regarding Recommendation 7.

In conclusion, the visiting team is confident that the College of Alameda meets and exceeds the standards of accreditation cited in Recommendations 1, 2, 3, and 4. Regarding Recommendations 5 and 7, the team will defer to the findings of the special Commission visiting team that will visit the Peralta Community College District on April 19, 2010 for analysis and conclusions.

MAY 11 2010

Follow-up Report

Merritt College
12500 Campus Drive
Oakland, CA 94619

A Confidential Report Prepared for the Accrediting Commission
for Community and Junior Colleges
This report represents the findings of the evaluation team that visited

Merritt College

on

April 15, 2010

Mr. Michael Claire	President	College of San Mateo
Name of Team Chair	Title	Institution
Dr. Monte Perez	President	Moreno Valley College
Name of Team Member	Title	Institution
Dr. L. Troy Sheffield	Dean, Research, Planning and Development	San Bernardino College
Name of Team Member	Title	Institution

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DATE: April 28, 2010

TO: Accrediting Commission for Community and Junior Colleges

FROM: Michael Claire, Team Chair

SUBJECT: Report of Follow-Up Visit Team to Merritt College, April 16 2010

Introduction:

A comprehensive visit was conducted to Merritt College in March 2009. At its meeting June 9-11, 2009, the Commission acted to place Merritt College on Warning and to require Merritt College to submit a Follow-Up Report followed by a visit. The visiting team, Mr. Michael Claire, Dr. Monte Perez, and Dr. L. Troy Sheffield, conducted the site visit to Merritt College on April 15, 2010. The purpose of the team visit was to verify that the Follow-Up Report prepared by the college was accurate through examination of evidence, to determine if sustained, continuous, and positive improvements had been made at the institution, and that the institution has resolved the recommendations made by the comprehensive evaluation team and now meets the Eligibility Requirements, Accreditation Standards, and Commission policies. The visiting team limited its review to college recommendations 2 and 4. A separate team made a visit to the Peralta District Office on April 19, 2010 to review district recommendations 6,7, and 8.

In general, the team found that the college had prepared well for the visit by arranging for meetings with the individual and groups agreed upon earlier with the team chair and by assembling appropriate documents in the meeting room used by the team. Over the course of the day, the team met with the following individuals: the President of the college, the Accreditation Liaison Officer, the Vice President of Student Services, the Director of Business and Administrative Services, the Faculty SLO Coordinator, the Academic Senate President, the Classified Senate President, 2 deans, and various department chairs.

The Follow-Up Report and visit were expected to document resolution of the following recommendations:

Recommendation 2: Program Review

The team recommends that the college further refine its program review, planning, and resource allocation processes so that they are more clearly based on an analysis of quality, effectiveness, and student learning. Furthermore, the college must develop a systematic means to evaluate those processes and assess whether its plans actually lead to improvements in programs and services (I.B.3, I.B.6, I.B.7).

Recommendation 4: Performance Evaluations

In order to increase effectiveness, the team recommends that the college develop a plan to complete all outstanding performance evaluations expeditiously. This was also a recommendation of the 2003 visiting team (III.A.1b).

College Responses to the Team Recommendations:

Recommendation 2: The team recommends that the college further refine its program review, planning, and resource allocation processes so that they are more clearly based on an analysis of quality, effectiveness, and student learning. Furthermore, the college must develop a systematic means to evaluate those processes and assess whether its plans actually lead to improvements in programs and services (I.B.3, I.B.6, I.B.7).

Findings and Evidence:

The *Follow-Up Report* provided information to help the team understand what stage in program review development the college had attained, however much of this was further clarified at the visit. The evidence in the *Follow-Up Report* provided the templates for program review and expanded unit planning but it was unclear until the visit how the information derived from these templates were going to be used for resource allocation.

At the time of the visit, the college was undergoing its first revised program review cycle. From 2006 the college was allowed to continue with its well established unit planning efforts which supported educational master planning. During the same period, the other three colleges in the Peralta District launched their instructional program review process. The intent of the district program review process, including Merritt's unit planning process, was to integrate program review into district-wide planning processes.

The team was able to confirm activities in a productive program review process by reviewing notebooks, documents and interviewing faculty and administrators regarding program review. During the interviews, Merritt College faculty and both instructional and student services' administrators indicated positive outcomes leading to overall improvement with its programs. Some of the benefits of program review, as opposed to unit planning, involved a more collegial process among faculty, submitting reports to managers and rewriting reports to better capture information as well as a deepening dialogue on results.

The progress report over-emphasized the background with unit plans, use of TracDat for inputting unit action plans and the decision leading to their continuation with overall planning as opposed to beginning the program review process. The recommendation by ACCJC to "further refine its program review . . ." redirected Merritt College toward engagement in this process. The Committee for Strategic Educational Planning (CSEP), an outgrowth of the initial Strategic Curriculum Review committee (SCRC), is currently charged with implementing program review. The district CSEP and SCRC committees have merged to form a district Education Committee. At Merritt, the College Educational Master Planning Committee oversees educational planning and reports to College Council. The revised process is meant to "ensure that the college uses a continuous program improvement effort to support all programs."

Merritt College integrates the data from unit plans into its program review documents. The final product or forms are sent to their respective supervisor or dean and on to the appropriate vice president. The collegial process occurs at two levels—during the department/dean exchange and again at various shared governance committees along with College Council. The college had completed the program review process up to the point where the "Vice President of Instruction will compile a summary of

recommendations and priorities from all the Instructional Program Review Narrative Reports and submit the summary to the College President, the College's planning and budget committees (if applicable) and the Vice Chancellor of Educational Services."

The program review cycle had not been completed during the visit. However, a list of college priorities was compiled from Unit Plans and Program Reviews, and these priorities were approved by College Council in March 2010. The approved priorities have been forwarded to the district Technology Committee, Education Committee, and Planning and Budgeting Committee. Given that the recommendations were submitted in June of 2009 and that the process to establish the program review process, align it with unit planning, and implement the program review process in the spring of 2010, it is understandable that the full program review cycle had not been completed.

Conclusion: Master planning has been occurring at the college for a number of years. Constituents were well versed on how they integrate data from unit plans into program review. While the development of a collegial, in-depth process for program review deserves merit and has begun at the college, there needs to be greater analysis of quality, effectiveness and student learning. Since this visit coincided with the first cycle of program review, it is difficult for a team to acknowledge that a three-year, systematic and publicized cycle of review and results has occurred. In addition, the Commission recommendation demonstrates the need to also develop a means to evaluate the process for its own efficacy and how the results of the evaluation lead to changes in program review and the degree to which program review led to improvements. The College Education Master Plan Committee has been charged with evaluating the program review process. The college has made good faith efforts to engage in a process of improvement in planning, program review, and student learning outcomes.

Recommendation 4: In order to increase effectiveness, the team recommends that the college develop a plan to complete all outstanding performance evaluations expeditiously. This was also a recommendation of the 2003 visiting team (III.A.1b).

Findings and Evidence:

In fall 2009 the college developed and executed a plan to ensure that all employee evaluations were up-to-date and that a regular cycle of performance evaluation be maintained. The team reviewed a table for each employee group and was able to verify the following: all classified evaluations were current; all administrative evaluations were current, all tenured and tenure track faculty evaluations were current, substantially all adjunct faculty evaluations were current. Furthermore, there was a definitive schedule to complete all remaining adjunct faculty evaluations.

Conclusion:

Merritt College has met this recommendation in full. The college should be commended for expediting the evaluation process on all employees and for developing a clear schedule for future employee evaluations.