

ACCJC Follow-up Report

Los Angeles Valley College

5800 Fulton Avenue

Valley Glen, CA 91401

A Confidential Report Prepared for the Accrediting Commission for Community and Junior Colleges

This report represents the findings of the evaluation team that visited

Los Angeles Valley College on April 1, 2015

Team Members

Karen Cant, Vice President of Administrative Services, Cypress College

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(chair)

Introduction and Overview

At its June 4-6, 2014, meeting, the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges reviewed the Follow-Up Report submitted by Los Angeles Valley College and the report of the evaluation team that visited the college on Monday, April 28, 2014. The Commission took action to continue warning and required the college to submit another follow up report by March 15, 2015, demonstrating full resolution of the following recommendation:

Recommendation 8:

To fully meet the standards, the College should establish appropriate management and control mechanisms needed for sound financial decision-making. The institution should ensure that it has sufficient cash flow and reserves to maintain stability with realistic plans to meet financial emergencies and unforeseen occurrences and to ensure long-term financial stability. The team recommends that the President effectively control budget and expenditures (Standards III. D, III D. 2.c, IV B.2.a, IV B.2.d).

On April 1, 2015, a peer review team of two representatives, Ms. Karen Cant, Vice President, Administrative Services, Cypress College, and Dr. Lynn Neault, Vice Chancellor, Student Services, San Diego Community College District, conducted a follow-up visit to Los Angeles Valley College for reaffirmation of accreditation. The team was charged with reviewing the college's progress on Recommendation 8 from the 2013 Accreditation Team.

Los Angeles Valley College is one of nine colleges in the Los Angeles Community College District. The college was established in 1949 and is located on 105 acres in the San Fernando Valley. The college serves more than 19,000 credit and non-credit students each semester and offers about 150 degree and certificate programs.

The team found that the college had made remarkable progress in order to bring its expenditures in line with its budget allocation to address this recommendation since the last visit and to fully meet the standard.

The college has a new permanent President that has been in place since August 2014, Dr. Erika Endrijonas. She brings an expertise in enrollment management which was noted by all of the individuals that were interviewed. Under Dr. Endrijonas' leadership, the college has established an enrollment management planning process that is data-driven and intended to maximize efficiency, while meeting student needs and demand. In addition, the college has hired a permanent Vice President of Administrative Services that has been in place since September 2014, Mr. Mike Lee. He brings an expertise in fiscal controls and budgeting. It was noted during the visit that since the Vice President of Administrative Services began his employment, he has spent a great deal of time with the district fiscal officers to understand the district allocation formula and calculation of fiscal indicators.

The team noted that both of these new leaders have brought renewed energy to the college and a deep commitment to a balanced budget. During the visit, the team interviewed five individuals at the college and the district as follows: Dr. Erika Endrijonas, President; Ms. Karen Daar, Vice President of Academic

Affairs; Mr. Mike Lee, Vice President of Administrative Services, Ms. Jeanette Gordon, district Chief Business Officer, and Mr. Vinh Nguyen, Director of Budget and Management Analysis.

The team also reviewed a number of documents including:

- March 15, 2015 Follow-Up Report submitted to AACJC;
- LAVC response to the ECDBC dated December 16, 2014, including recommendations for enrollment management, balanced budget and a multi-year debt reduction plan;
- 2012-2013, and 2013-2014 Apportionment Attendance Reports;
- LACCD District Projection of Budget and Expenditures as of September 30, 2014;
- LACCD 2014-2015 Second Quarter Report Status , Budget Expenditures Projection by College;
- LAVC Response to the ECDBC Follow up Information: Enrollment Management and Balanced Budget and Debt Reduction Plan;
- March 10, 2015, 2015-2016 Draft Enrollment Plan;
- Summary Enrollment Plan to Meet the 2014-2015 FTES Targets summary;
- March 16, 2015, Follow-up report on enrollment management, balanced budget and debt reduction plan; and
- Various memos, budget reports and other college communication.

The team found that projections show that the college is on track to end the 2014-2015 year with a balanced budget. This is due to the college's enrollment management plan and budget reductions over the last two years. In addition, the college has a three-year plan to sustain their budget reductions, grow enrollment and balance the budget through 2016-2017. Both the district and college fiscal leadership believe that the three-year plan is realistic and attainable. The plan is based upon maintaining current enrollment efficiencies while growing 2% each year over the next four years. This 2% funded growth target is based upon historical growth funding for LACCD over the past several years. In addition, the college continues to examine expenditures in other areas including reassigned time and athletic programs, for possible additional savings.

The team concludes that the college has explored every option within its control to resolve the budget deficit and attain fiscal stability and meets the standard. The college has been forced to make deep cuts in the operating budget to balance the overall budget, and it has done so.

One of the challenges noted previously remains as a systemic issue. The district requires the college, through its CEO, to ensure that all retired or vacant faculty positions are replaced without the district backfilling the college budget allocation to cover the full cost of the positions. This is also the case for growth positions that are approved.

Moreover, the team continues to observe a lack of congruity between the district allocation model, and the needs of the college. For example, it was noted that the district continues to increase its reserve well above required levels, while the college struggles with competing requirements of balancing its budget and filling all faculty vacancies.

Los Angeles Valley College is to be commended for its tireless commitment to resolving this recommendation. It is clear that the new leadership has established a renewed spirit and commitment to fiscal stability and that there is a realistic and attainable plan in place to ensure the college no longer operates in a deficit.

Conclusion

The college meets the standard.