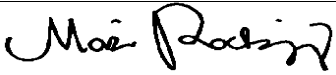





# The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS

DATE: September 19-20, 2016

|                                       |   |                              |   |
|---------------------------------------|---|------------------------------|---|
| SUBJECT: Update on the Compton Center |   | Item Number: 4.3             |   |
|                                       |   | Attachment: No               |   |
| CATEGORY:                             | Finance and Facilities  | TYPE OF BOARD CONSIDERATION: |   |
| Recommended By:                       | <br>Mario Rodriguez, Vice Chancellor | Consent/Routine              |   |
|                                       |   | First Reading                |   |
| Approved for Consideration:           | <br>Erik Skinner, Interim Chancellor | Action                       |   |
|                                       |   | Information                  | X |

**ISSUE:** This item presents an update on the Compton Center. It will include guest speakers from the Fiscal Crisis and Management Assistance Team (FCMAT), El Camino Community College District (CCD), and the Compton Center.

**BACKGROUND:** Compton College’s accreditation was terminated in 2005-06 primarily due to fiscal insolvency. As prescribed in AB 318 (Dymally), the Compton CCD Board was suspended and the Compton College became the Compton Center through a partnership with the El Camino CCD. AB 318 requires the Compton Center to meet and sustain certain operational benchmarks before the Compton CCD Board can be reinstated.

**ANALYSIS:** In 2002, the State Chancellor initially became concerned with the financial condition of Compton CCD. In January 2003, the State Chancellor initiated a special review and assigned staff to assist the Compton CCD. As a result of the State intervention and review, the Chancellor’s Office was concerned with the potential fiscal insolvency of Compton CCD. In March 2004, Compton CCD was unable to make payroll or other expenses and as a result, was facing bankruptcy. **(Analysis cont.)**

**RECOMMENDATION:** This item is presented for Board information and discussion.

***(Analysis cont.)***

In response, Compton CCD borrowed money inappropriately from their bond fund to meet payroll obligations. In the 2003-2004 fiscal year, Compton CCD's cash position was negative for 10 of the 12 months. In May 2004, the State Chancellor installed a Special Trustee to assist Compton CCD toward achieving fiscal stability and integrity. Subsequently, in August 2004, the State Chancellor authorized the continuing authority of the Special Trustee to manage the college, and to suspend, for up to one year, the powers of the governing board of the college, or of any members of that board, and to exercise any powers or responsibilities or to take any official action with respect to the management of the college. In addition, the State Chancellor requested that the FCMAT conduct a comprehensive "Fiscal Health Analysis."

In January 2005, the Accrediting Commission for Community and Junior Colleges (ACCJC) placed the Compton College on "Show Cause." In June of 2005, ACCJC terminated the accreditation of Compton College. In June 2006, Governor Schwarzenegger signed AB 318 (Dymally). This legislation provided a \$30 million line of credit, a mechanism for partnering with an accredited college, and authorized the State Chancellor to appoint a Special Trustee. Under the authority of Assembly Bill 318, Compton CCD was required to identify a partner district to provide accredited instructional programs to students residing in Compton CCD. This requirement has been met through an agreement with El Camino College. Under this partnership, El Camino CCD established an educational center on the Compton campus and, since that time, has provided instructional and student services through the El Camino College Compton Community Educational Center (Compton Center).

A Partnership Agreement outlines the agreement between the Compton CCD and the El Camino CCD. The management oversight of the Compton Center remains under the purview of the El Camino CCD Board of Trustees. The Provost leads the Compton Center, reporting to the Superintendent/President of El Camino College. The Provost is responsible for all aspects of the Compton Center including its instructional programs, student services, and other programs and services.

The Provost also serves as the Chief Executive Officer of Compton CCD, reporting to the Special Trustee established under Assembly Bill 318. In this capacity, the Chief Executive Officer is responsible for leading all Compton CCD functions. Compton CCD, under the authority of the Special Trustee, has remained a legal entity having responsibility over business and administrative activities including accounting services; budget development and administration; financial, credit and debt management; payroll services; purchasing, receiving and asset management; auxiliary services; risk management and insurance; management information services; facilities maintenance and operations; construction and other capital improvement projects; bond funds; human resources and labor relations; community and governmental relations that relate primarily to Compton CCD; and all other business, legal and administrative activities that relate primarily to the management of Compton CCD.

AB 318 Process

AB 318 also required FCMAT to conduct a comprehensive assessments and recovery plan as a measure of progress and return of local governance relative to district operations.

AB 318 provided authorization for the State Chancellor to suspend the authority of the Compton CCD Board of Trustees for a period up to five years from the effective date of AB 318, plus a period lasting until the State Chancellor, FCMAT, the Department of Finance, and the Governor's Office concur with the Special Trustee that the district has, for two consecutive academic years, met the requirements of the comprehensive assessment conducted and the recovery plan prepared.

FCMAT developed a standards-based assessment tool as part of this work, and has adapted it for use in assessing and monitoring the Compton CCD. For each ACCJC standard, appropriate FCMAT standards from the five operational areas of Community Relations/Governance, Academic Achievement, Personnel Management, Financial Management and Facilities Management have been used to measure district progress. However, the ACCJC will conduct its own independent review to determine when accreditation will be restored to the Compton Center. The ACCJC accreditation process is separate and distinct from the legislatively mandated requirements of AB 318 and assessment by FCMAT.

Each professional and legal standard has been scored, on a scale of 0 to 10, as to the Compton District implementation of the standard at this point in time. These ratings provide a basis for measuring the district's progress in subsequent reporting periods.

***Not Implemented*** (Scaled Score of 0)

There is no significant evidence that the standard is implemented.

***Partially Implemented*** (Scaled Score of 1 through 7)

A partially implemented standard lacks completeness, and it is met in a limited degree. The degree of completeness varies as defined:

1. Some design or research regarding the standard is in place that supports preliminary development.
2. Implementation of the standard is well into the development stage. Appropriate staff is engaged and there is a plan for implementation.
3. A plan to address the standard is fully developed, and the standard is in the beginning phase of implementation.
4. Staff is engaged in the implementation of most elements of the standard.
5. Staff is engaged in the implementation of the standard. All standard elements are developed and are in the implementation phase.
6. Elements of the standard are implemented, monitored and becoming systematic.
7. All elements of the standard are fully implemented, are being monitored, and appropriate adjustments are taking place.

***Fully Implemented*** (Scaled Score of 8-10)

A fully implemented standard is complete relative to the following criteria:

8. All elements of the standard are fully and substantially implemented and are sustainable.
9. All elements of the standard are fully and substantially implemented and have been sustained for a full school year.

10. All elements of the standard are fully implemented, are being sustained with high quality, are being refined, and have a process for ongoing evaluation.

The initial Compton CCD Comprehensive Review, issued in April 2007 assessed Compton CCD using 335 professional and legal standards in five areas of district operations. The standards were aligned to the four standards of the ACCJC to develop specific recommendations for operational improvements that would help prepare the district to return to fiscal solvency and local governance and enhance its readiness to re-establish accreditation. Scaled scores were assigned for each standard to provide a baseline measure of the district's implementation of the standards as of fall 2006.

To focus the district's efforts on recovery, FCMAT selected a subset of these 335 standards in consultation with the appointed special trustee. The 183 standards were selected as having the highest probability, if addressed successfully, of assisting Compton CCD with recovery. These standards are identified in bold print in the Tables of Standards in each operational area section of this report. They were the focus of this visit and assessment. An average of the scores for the subset of standards in each of the operational areas was determined and became the baseline of data against which the district's progress was measured over time, during each review and assessment.

When the average score of the subset of standards within an ACCJC standard or standard subdivision reaches a level of six, progress is considered to be substantial and sustainable, no individual standard in the subset is below a four, and the district has sustained the standards for two consecutive academic years, this particular operational area could be considered for return to the local district governing board. During the sixth and seventh review periods, the Personnel Management and Academic Achievement operational areas, respectively, reached an average rating of six with no individual standard below a four, and the district had sustained these ratings for two consecutive academic years. Therefore, these areas were not reviewed in any report since then.

During this tenth review period, the Facilities Management, Financial Management and Community Relations/Governance operational areas have reached an average rating of six with no individual standard below a four. The district has sustained these ratings for two consecutive academic years. Therefore, the district has met FCMAT's required rating standards in all five operational areas of the comprehensive assessment and recovery plan, as prescribed in AB 318 and Education Code Section 71093.

#### Accreditation Process

The FCMAT process is distinct and independent of the accreditation process for the Compton Center. Achieving the goals of the comprehensive assessment and recovery plan is one goal and the establishment of an accredited college under the oversight of Compton CCD is another goal. As outlined in AB 318, Article 5, Section 74292 (n), El Camino CCD and Compton CCD have taken steps towards seeking initial accreditation for the Compton Center.

El Camino CCD is responsible for ensuring that the Compton Center meets accreditation standards and is eligible for accreditation status. Submitting the Eligibility Application was the first step towards initial accreditation for the Compton Center. The Eligibility Application explains in detail how the institution meets each of the Eligibility Requirements. On January 25, 2015, El Camino College submitted the Eligibility Application for the Compton Center. On March 18, 2015, the President/CEO of the Accrediting Commission informed the El Camino College Superintendent/President that the Eligibility Application for the Compton Center was approved.

The next step in the process is for the El Camino College to submit the Compton Center Self-Evaluation Report and Application for Accreditation Candidacy. On June 2015, the El Camino College Superintendent/President and Compton District Special Trustee met with the President/CEO of ACCJC to discuss the timelines for submitting the Compton Center Self-Evaluation Report and Application for Accreditation Candidacy, as well as the subsequent visit by the ACCJC External Evaluation Team. The Compton Center is currently preparing the Self-Evaluation Report and Application for Accreditation Candidacy which is due to ACCJC by January 6, 2017. The Compton Center ACCJC's External Evaluation Team visit is scheduled for March 6-9, 2017.

If the ACCJC grants Candidacy to the Compton Center at its meeting in June 2017, then the next step in the process is for El Camino College to apply for initial accreditation of the Compton Center in 2019 or 2021. The initial accreditation includes submitting another Self-Evaluation Report and a visit by an ACCJC External Evaluation Team.

Once the Compton Center has achieved initial accreditation, the name would officially change to "Compton College." Then El Camino CCD and Compton CCD will submit a Substantive Change Proposal to transfer Compton College from under the authority of El Camino CCD to Compton CCD.

### Next Steps

Prior to the reinstatement of the Compton CCD Board the following items must be completed:

1. As mentioned above, the concurrence process requires the State Chancellor, FCMAT, the Department of Finance, and the Governor's Office to "concur" with the Special Trustee that the Compton District, has for two consecutive academic years, met the requirements of the comprehensive assessment conducted and recovery plan prepared. FCMAT has concurred with the Special Trustee that the Compton CCD has met the FCMAT requirements. The State Chancellor will coordinate with the Department of Finance and the Governor's Office in this process.
2. The Special Trustee will work with the State Chancellor, Superintendent/President of El Camino CCD, and the Provost/CEO of Compton CCD on revising the Partnership Agreement between the two districts.
3. Continue the appointment of the Special Trustee at Compton CCD with "Stay and Rescind" authority to assist with the continued progress of the Compton CCD and the Compton

Center. Most importantly the Special Trustee will work with the Superintendent/President of El Camino CCD and Provost/CEO of Compton CCD on the Compton Center accreditation efforts. As mentioned previously, the FCMAT process is distinct and independent of the accreditation process for the Compton Center.