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PRESIDENT
Mary Ellen Petrisko

March 7, 2014

Dr. Ezat Parnia
President
Pacific Oaks College
55 Eureka Street
Pasadena, CA 91103

Dear President Parnia:

At its meeting February 21, 2014, the WASC Senior College and University Commission (WSCUC) considered the report of the Special Visit team that conducted a site review of Pacific Oaks College (POC) October 8-10, 2013. The Commission also reviewed the Special Visit report submitted by the college prior to the visit and the institution's December 19, 2013, response to the visiting team report. The Commission appreciated the opportunity to discuss the visit with you, Provost Patricia Breen, ALO Ellie Kaucher, and faculty member Cheryl Greer-Jarman. Your observations were very helpful in informing the Commission's deliberations.

As you know, following consideration of the February 24, 2012, Special Visit team report, the Commission called in its letter dated March 8, 2012, for another Special Visit, scheduled for fall 2013. The 2013 visit was required to focus on the following issues: 1) a review of progress on organizational structure; 2) communication challenges within the college; 3) the relationship with The Chicago School Education System (TCSES); and 4) financial sustainability, management, resource alignment, and planning. The 2013 visiting team found that Pacific Oaks had addressed each of the issues. Moreover, the Commission was pleased with the quality of the institutional report and the "thorough and conscientious preparations" for the visit, as stated in the team's report.

The Commission wishes to commend POC on significant areas of progress since its last interaction with the institution. In particular, the Commission commends POC on developments in the partnership with TCSES; work on communication within the college; key appointments to staff, faculty, and administration; growth in establishing and sustaining the "culture of strategic planning;" and recent signs of greater financial sustainability. The Commission specifically commends POC as follows:

Key Indicators of Institutional Health

Over the past several years, WSCUC has noted challenges to POC that threatened the institution's continued existence. In its 2013 institutional report, the college demonstrated significant improvements in key indicators of institutional health.

The relationship with TCSES has provided human, operational, and financial resources that have allowed POC to focus not merely on survival but on institutional strengthening what had been until recently a fragile institution. The Commission noted the restoration of strong leadership and hiring of key personnel at all levels, including senior administration, staff, and faculty. Relative to issues of sustainability, verified fiscal efficiencies have been introduced and finances stabilized, thanks in large part to “a substantial increase in student enrollment over the past three years” and recent increases in total net assets along with a decrease in total liabilities.

Resolutions in Core Institutional Dynamics. The inevitable consequences of a state of exigency in recent years have been resolved in some of the core dynamics of the institution. These include a reaffirmed commitment (2011) to “the distinctive mission of the institution;” verified efforts to increase support of academic programs, as seen in a budgeted plan for faculty hiring; initiatives in support of improved internal communication; and the beginnings of more effective efforts in institutional planning.

While the Commission enthusiastically endorsed these positive developments at the college, some issues remain that have been cited in previous action letters. These include the resolution of remaining challenges relative to the partnership with TCSES, progress in further developing faculty governance; and further maturation of institutional planning. The concerns are developed as follows:

Viable Solutions for the Future. As highlighted in the team report, questions persist relative to fundamental issues that will affect POC’s future. These include the integration of a historic, yet evolving, institution with a new partner; the need to establish best practices in faculty governance; and refinements in planning processes.

While the Commission does not question the integrity of the POC-TCSES partnership, there are gray areas in the “non-managerial role of TCSES... [that require clarification] to ensure that the boundaries between the provision of services and the management of the college are maintained.” This situation is complicated by challenges in communicating the new organizational model to all stakeholders during a time of perceived “sea changes,” especially among faculty with significant tenure.

Likewise, POC must demonstrate that its chief academic officer has assisted faculty in assuming its responsibilities related to faculty governance, such as setting standards of academic excellence. In addition, planning processes can be enhanced by the broad inclusion of stakeholders. (CFRs 1.5 and 3.10; *WASC Policy on Related Entities*)

Academic Program and Financial Sustainability. Fiscal and programmatic viability are complementary and mutually reinforcing. Not only must the institution fulfill its mission through the programs offered, it must be financially capable of supporting

program needs, including development and staffing. High-quality programs, in turn, attract students, donations, and revenues.

POC is clearly in a position to move ahead in terms of demonstrating what the team report described as “appropriate maintenance of the institution’s educational purposes and character.” The Commission understood that a new provost has been hired and that additional full-time faculty positions have been budgeted and partially filled. The task now is to complete the searches and to hire the additional faculty that the College critically needs. Monitoring and sustaining POC’s recent positive financial position, in addition to careful allocation of any budget surpluses will contribute strongly to sustainability. (CFRs 2.1, 3.4, and 3.6)

The Commission urges Pacific Oaks College to demonstrate evidence of having effectively addressed these concerns, as well as to demonstrate full compliance with the Standards as set forth in the *2013 Handbook of Accreditation*, by the time of the next accreditation review.

The Commission acted to:

1. Receive the Special Visit report.
2. Remove the Notice of Concern.
3. Continue with the scheduled Offsite Review in spring 2015.
4. Request a progress report to the WSCUC staff liaison by June 1, 2014, relative to the progress made in filling the budgeted full-time faculty positions.

In accordance with Commission policy, a copy of this letter will be sent to the chair of the Pacific Oaks College governing board in one week. The Commission expects that the team report and this action letter will be widely disseminated throughout the institution to promote further engagement and improvement, and to support the institution's response to the specific issues identified in them.

Finally, the Commission wishes to express its appreciation for the extensive work that Pacific Oaks College undertook in preparing for and supporting this accreditation review. WSCUC is committed to an accreditation process that adds value to institutions while assuring public accountability, and we are grateful for your continued support of our process.

Please contact me if you have any questions about this letter or the action of the Commission.

Sincerely,



Mary Ellen Petrisko
President and Executive Director

MEP/gc

Cc: Harold Hewitt, WSCUC Chair
Ellie Kaucher, ALO
Doherty Farris, Board Chair
Michael Horowitz, TCSES
Members of the Special Visit team
Dick Osborn, WSCUC Staff Liaison
Keith Bell, WSCUC Special Visit liaison