July 5, 2011

Heather J. Knight
President
Pacific Union College
One Angwin Avenue
Angwin, CA 94508-9797

Dear President Knight:

At its meeting June 22-24, 2011, the Commission considered the report of the Educational Effectiveness Review (EER) team that conducted the visit to Pacific Union College (PUC) March 29-31, 2011. The Commission also had access to the Educational Effectiveness Review report prepared by PUC prior to the visit and the documents relating to the Capacity and Preparatory Review (CPR) visit conducted in the fall of 2009. The Commission appreciated the opportunity to discuss the review with you and Academic Dean and ALO Nancy Lecourt. Your comments were helpful.

The Institutional Proposal for Pacific Union College outlined four themes for the comprehensive review: A Learning Community; Stewardship (addressed only during the CPR); A Culture of Service; and Conversations about Faith, Learning, and Adventist Identity. The topic of diversity was also addressed in a separate section of PUC’s EER report. The Commission is pleased to learn of the College’s “effective and committed engagement with issues of continuous improvement.”

In addition, the Commission’s action letter of March 2010 highlighted six major issues for special attention during the interval between the CPR and EER visits: (1) financial sustainability, (2) enrollment management, (3) professional assistance concerning potential land transfers, (4) strategic planning, (5) processes for administrative accountability, and (6) data collection systems and institutional research. The Commission was pleased to learn from the EER visiting team report that PUC had made some progress on each issue. The financial picture now reflects a stable endowment, deferral of the planned eco-village project, the reversal of a pattern of operating deficits, and implementation of nearly all auditor recommendations from the most recent management letter. Likewise, progress has been achieved both in building enrollment and developing a more comprehensive and strategic approach to managing it. In addition, the College has been responsive to the issues of strategic planning, administrative accountability, and data collection by implementing and refining a strategic planning process; installing senior administration performance evaluation procedures; and establishing a new, full-time position in institutional research, assessment, and planning. Many of these capacity-related issues were addressed at length in the EER visiting team report and are discussed below.

Pacific Union College is to be commended for a high level of responsiveness during the comprehensive review. Of particular note is “the consistent leadership by the faculty” in sustaining a deliberate and systematic self-review. The Commission particularly noted PUC’s “commitment to a culture of evidence” and appreciates that it has acted on “what it has learned in order to improve its quality and effectiveness.”
The Commission endorses the five recommendations of the EER team and encourages the College to give further attention and development to the following areas:

**Strategic Planning.** The College has long needed a viable strategic plan, as noted in the CPR team report. Consequently, the Commission was pleased to learn from the EER team report that “the College has made significant progress in developing an effective framework for comprehensive strategic planning.” The Commission notes that work remains to fully develop and implement the plan. For example, care should be taken that budgetary projections and allocations for all institutional goals are clarified, that benchmarks and key performance indicators are included for all planning goals, and that the plan is seen as a dynamic instrument informed by evidence and promoting institutional effectiveness and the fulfillment of PUC’s mission and vision for the future. (CFRs 1.1, 1.2, 4.1-4.3)

**Financial Sustainability.** Pacific Union College has reversed a negative pattern following three years of deficits, in part by taking difficult and decisive steps. The Commission supports these actions and also asks PUC to look ahead both to new initiatives and to the restoration of essential commitments to quality. The Commission urges the College to address all the components of building financial sustainability addressed in the team report, including developing sound budget and financial projections, increasing returns from fundraising, holding down expenses, developing cash-flow management plans, aligning enrollment management and financial aid plans, and converting non-essential assets where prudent. Attention is now needed to retaining sufficient qualified faculty and staff and to adjusting compensation and benefit levels after this period of freezes and reductions. Despite these challenges, the Commission appreciates the degree to which PUC has answered the challenges of financial pressures. (CFRs 3.1, 3.5, 4.1-4.3)

**Enrollment Management, and Retention and Graduation Rates.** While noting “updated marketing and enrollment plans and efforts to continually improve these plans,” the Commission agrees with the team that there is value in strengthening new initiatives such as more systematic marketing; enhanced communication with prospective students and feeder institutions, including off-campus and degree completion program; and integrating financial aid with enrollment management plans. Given PUC’s goal of a 53 percent six-year graduation rate (currently the three-year average is 46 percent), the Commission urges Pacific Union College to monitor carefully retention and graduation rates as part of its enrollment plan, especially focusing on the recruitment, retention, persistence and completion of various subpopulations, including underrepresented minority students, first-generation students and non-Adventist students who all experience much lower rates of completion. The Commission urges attention to the adoption of high-impact practices and other strategies that will improve these rates. Further, PUC may also consider data on these indicators of student achievement from both comparable and aspirational institutions as it sets its goals for improvement. (CFRs 1.5, 2.6, 2.10, 2.12-2.14, 4.4)

**Assessment of Student Learning Outcomes and Co-Curricular Units.** The Commission learned from the team report that PUC is “in the early stages of collecting and analyzing data” about how well students are meeting learning outcomes and, in particular, outcomes at the institutional level. The sufficiency and validity of measures of effectiveness are vital to the institution's reflection on what improvements are needed in both academic and co-curricular programs. As the team noted, the institution “will want to strive for the same level of success in the co-curricular areas” as it is beginning to achieve in general education and in major programs. Further work in refining assessment practices and integrating program review with planning and budgeting is needed. The Commission encourages attention to the team’s recommendation that PUC “more fully develop the Institutional Student Learning Outcomes ... to ensure that ... appropriate and sufficient data are collected via relevant and valid measures in order to identify areas of strength and those in need of further improvement.” (CFRs 1.2, 2.3-2.7, 2.11, 4.4)
Institutional Research. The Commission learned from the team’s report that PUC has provided resources to create an institutional research function. However, the Commission was concerned to learn that there were unexplained discrepancies between local data and IPEDS reports, and that currently the institutional function is hampered to the extent that the College is unlikely to “reap the potential benefits” of data collection and interpretation. As noted in the report, capacity in this area “is gradually emerging” at the College. Because the gathering, analysis and interpretation, and accessibility of data are fundamental to building a culture of evidence, the Commission urges PUC to strengthen and professionalize the institutional research function. In addition to the general responsibilities of external reporting to governmental agencies and the sponsoring denomination, a well-informed and funded research function can make vital contributions to strategic planning; evidence-based decision making; tracking retention, persistence and graduation; documenting student and faculty research; and providing data to support the assessment of academic and co-curricular programs. The Commission urges the College to make the strengthening of this nascent function a high priority. (CFRs 4.3, 4.5)

Governance and Leadership. In its March 3, 2010 CPR action letter to PUC, the Commission stated its concern relative to the “potential for conflict of interest in having the chair of the board serve in that capacity on both the PUC and La Sierra University boards.” The Commission continues to be concerned that the EER visiting team found efforts to address this issue appeared “more cosmetic than real.” Further, the team learned that three other board officers also serve both institutions. The Commission agrees with the visiting team that the potential for conflicts of interest places “individual Board members in a difficult...position.” Consequently, the Commission asks once again that PUC consider carefully whether and how the current structure and composition of its governing board meets WASC Standards for “an independent governing board” and for an institution that operates as an autonomous educational entity. (CFRs 1.3, 1.6, 3.9 and the Policy on Related Entities)

Given the above, the Commission acted to:

1. Receive the Educational Effectiveness Review report and reaffirm the accreditation of Pacific Union College.

2. Schedule PUC’s next comprehensive review visit for spring 2018. As you know, the Commission is in the process of considering major revisions to the current three-stage institutional review process. It expects these revisions to be adopted by June 2012 and implemented during the following two years. Once the revised process is adopted, WASC staff will communicate with you and your ALO to explain the impact of any changes on your next comprehensive review and on the interactions you may have with WASC before that review.

3. Request an Interim Report to be submitted on March 1, 2014, addressing progress in: (1) financial sustainability and related plans; (2) evaluation of further refinements in the assessment of student learning outcomes in academic and co-curricular units; (3) alignment of the Strategic Plan with the budget and further development and achievement of the goals and milestones set in the plan; (4) further development and professionalization of the institutional research function and the development and accessibility of accurate and comprehensive data; (5) enrollment and the implementation of the enrollment management plan, including updated data on overall and disaggregated retention and completion and programs to support improvements in these rates; and (6) governance and leadership, including explanation of the multiple roles of the board chair and other officers, clarification of the governance relationship of the sponsoring denomination to the College, and elucidation of the roles of the board, president, and faculty in administering the affairs of the College. Progress should be demonstrated in each of these areas, as defined in the body of this letter.
In taking this action to reaffirm accreditation, the Commission confirms that Pacific Union College has satisfactorily addressed the Core Commitments to Institutional Capacity and Educational Effectiveness, and has successfully completed the three-stage review conducted under the Standards of Accreditation. Between this action and the time of the next review, the institution is expected to continue its progress, particularly with respect to educational effectiveness and student learning.

In accordance with Commission policy, a copy of this letter will be sent to the chair of the College’s 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 the College undertook in preparing for and supporting this accreditation review. WASC 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 feel free to contact me if you have any questions about this letter or the action of the Commission.

Sincerely,

Ralph A. Wolff
President

RW/aa/kb

cc: Linda Johnsrud, Commission Chair
    Nancy Lecourt, ALO
    Ricardo Graham, Board Chair
    Members of the EER Team
    Diane Harvey/Keith Bell, WASC Liaisons