

CONFIDENTIAL



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Barbara Beno, President
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Dear Dr. Beno:

Upon receipt of your July letter of termination of accreditation to Compton Community College, the administration at the College has been working with Dr. Lily Owyang, Vice President of the Commission on the development of a closure plan. Enclosed please find the College's Closure Plan. This plan is submitted to the Accrediting Commission for Community and Junior Colleges (ACCJC) to ensure the Commission is informed and approves the proposed closure plan and subsequent activities for Compton Community College.

JAMILLAH MOORE, Ed.D.
Interim Superintendent/President

Dr. Jamillah Moore, Interim Superintendent/President and Dr. Sally Chou, Associate Special Trustee consulted with Dr. Lily Owyang during the preparation of this plan for guidance and direction. This closure plan has been reviewed by the College staff for preparation of closure of the College and for the partnership with El Camino Community College District.

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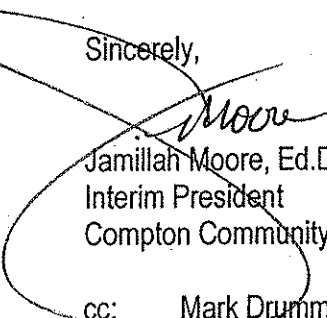
THOMAS E. HENRY
Special Trustee

CHIUNG-SALLY CHOU, Ph.D.
Associate Special Trustee

On June 30th, 2006, Assembly Bill 318 (Chapter 50 of 2006) was signed into law by the Governor to ensure that our students will be able to continue taking accredited academic and vocational programs on the Compton campus. Under the provisions of this vital legislation, the Compton Community College District will enter into a contractual agreement with El Camino Community College District to ensure that our campus remains open and available to serve our students. The memorandum of understanding is to be reviewed and voted by its Board of Trustees on August 21, 2006. Subsequently, the Compton Community College District Special Trustee will affirm the relationship with El Camino Community College District on August 22, 2006. AB 318 will provide at least five years of needed stability as the El Camino Community College offers accredited courses. This legislation also sets a definitive goal of a recovery process whereby Compton Community College will be able to reapply for accreditation and regain its autonomy as an independent college once the College meets the standards as set forth by ACCJC.

We look forward to continue to work with the Commission on any questions relating to the submittal of this plan. Please feel free to call me at (310) 900-1600, Extension 2000 or Dr. Sally Chou at (310) 900-1600, Extension 2005.

Sincerely,


Jamillah Moore, Ed.D.
Interim President
Compton Community College

cc: Mark Drummond, Chancellor of California Community Colleges
Dr. Doris Givens, Provost/CEO Compton Community Education Center
Thomas Henry, Special Trustee

Compton Community College Closure Plan as Required by ACCJC as of August 22, 2006

Background

In May 7, 2004, the California Community Colleges' Chancellor's Office and Los Angeles County Office of Education (LACOE) retained the Fiscal Crisis and Management Assistance Team (FCMAT) to conduct a fiscal health analysis. On May 21, 2004, an executive order of the Chancellor was issued for an appointed Special Trustee to restore fiscal stability of the Compton Community College District. In August, 2004, the Chancellor issued another executive order to the appointed Special Trustee to manage the college and to suspend for up to one year the powers of the governing board of the College. The Special Trustee was granted the authority to implement AB 61 (July 14, 2004).

In January 2005, the Western Association of Schools and Colleges (WASC) via the Accrediting Commission for Community and Junior Colleges (ACCJC) placed Compton Community College on the tenuous status of *Show Cause*. According to the ACCJC Constitution, under this status, the College must continuously demonstrate to the Commission that it is moving to correct deficiencies in the college's adherence to the four accreditation standards. WASC directed the Compton Community College District (CCCD) and State Chancellor's Office to develop an action plan to respond to the possible removal of the college from its accredited status.

In review of the law, the General Counsel for the State Chancellor of the California Community Colleges has noted that withdrawal of the WASC accreditation would result in an immediate loss of all state and federal funds, including all general fund and categorical apportionment revenues, financial aid, and maintenance funds. The magnitude of this in effect would cause all functions of the college to cease. Although technically, the district could remain as a legal entity, removal of funding could have the same effect as moving the institution into bankruptcy. In June and November of 2005, the College was informed of ACCJC's decisions to terminate Compton Community College's accreditation. Therefore, the College is now in the position to follow ACCJC's by-law and procedure to develop a closure plan to ensure students' interests are protected. Therefore, the challenge is to develop a closure plan that would provide services to students and the community with the least disruption.

The ACCJC Policy on Closing an Institution stipulates that "Before closing, the governing board should consider carefully such alternatives as merging with another institution, forming a consortium, or participating in extensive institutional sharing and cooperation." As a result, the appointed Special Trustee and the appointed Interim Superintendent/President have worked diligently with Assemblyman Mervyn Dymally who authored AB 318 to ensure that the interests of the students are being protected. The legislation was voted and passed on

June 29, 2006 and signed by the Governor on June 30, 2006. This legislation permits the Compton Community College District to enter into a partnership with another community college district to ensure that the services continue to be provided to students residing within the service areas of the College. A Request for Proposal (RFP) was posted on the College's website as well as sent to all seventy one (71) districts in the state by mail in May 2006. The College District received one response from El Camino College District and the Special Trustee granted the partnership to El Camino College District. An initial Memorandum of Understanding (MOU) is being crafted for both districts to ensure that the educational opportunities continue to be provided to the students in a timely manner. Following the approval of the MOU, a formal contract will be approved by the Board of Trustees of the El Camino College District and the Special Trustee of the Compton Community College District.

In the event the Closure Plan could be activated by the beginning of summer session in June 2006, the College established an Instructional Services Agreement (ISA) with an accredited college to offer contracted instructional services.¹ Santa Monica College District agreed to provide such services during both summer sessions. A substantive change proposal from Santa Monica College was submitted to and approved by the Commission to operate summer instructional services on the Compton Community College District campus.

In adherence to the ACCJC's "Policy on Closing an Institution" requirements, the following is a list of the activities that the College needs to or has already begun to embark to ensure that transition for students is smooth. ACCJC has made the effective date of closure as August 22, 2006 in its letter dated July 21, 2006.

As required by the ACCJC's Policy on Closing an Institution, the College is required to make arrangements for the following:

A. Student Completion:

- Students who have completed 75% of an academic degree and educational program (with at least 12 semester units completed at the College) with the Compton Community College and chooses to continue at another institution or El Camino College/Compton Community Educational Center to complete the requirements for a degree and educational program, but to receive the degree and educational program certificate from another accredited college or the partner college, El Camino College.
- Students wishing to participate in the degree and certificate program offered at El Camino College/Compton Community Educational Center shall meet the requirements of those degrees and certifications of El Camino College and receive degree/certificate under El Camino College.

¹ Instructional Services Agreement with Santa Monica Community College District to provide services during the summer sessions

- A list of students who have completed 75% of an academic degree/educational program/certificate program by the end of spring 2006 semester was generated.² Those students meeting the graduation and/or certification requirements were graduated in June, 2006. Transcripts have been issued after the grades were posted in early July 2006 for those students who have graduated. Upon the College's closure, as students return to obtain their diplomas, final transcripts will be issued to graduates. Included with the final transcript, there will be a letter addressing the College's accreditation status and the student's eligibility for transfer.³ The University of California and the California State University campuses as well other institutions have been receiving correspondence from the Interim Superintendent/President on the College's accreditation status.
- The Division of Student Affairs will continue to work on notifying current students who have completed 75% of an academic degree/educational program or certification program of their potential graduation/completion status.⁴ These separate lists were generated in late June 2006. The college counselors have been reviewing their transcripts to ensure that the students will continue to meet their requirements for completion. Students will be informed of their status for degree/certificate and their option to receive degree/certificate under El Camino College if they are to complete the respective curriculum or another accredited institution meeting its requirements.
- Since Compton Community College is a public institution, credits earned from the College will be accepted by other colleges and universities. The College will issue a letter for each student indicating the closure of the College and to ensure the acceptance of the credits by other accredited institutions.⁵ The interim President of the Compton Community College and/or the Provost of the El Camino College/Compton Community Educational Center will send college closure notifications to the neighboring colleges for them to accept the students and their credits before the termination date of August 22, 2006.⁶
- The College will provide each student with the most up-to-date transcript at the time of request. The College will also provide information to the students by mail and telephone hotlines, and posting on the College's website to inform students where they can retrieve a copy of their transcripts. Communication will also be made available in Spanish.⁷
- Students will have the same opportunity to apply for financial aid at other accredited colleges and universities. Students will be notified of their financial aid status given the college's closure.⁸ Students who hold

² List of students who have completed 75% of an academic degree/educational program/certificate program

³ Letter from the President regarding the College's accreditation status and credit acceptance

⁴ Notification letter of graduation status

⁵ Letter notification of college closure and issuance of transcript

⁶ Letter of Agreements with neighboring colleges

⁷ Notification letter of college closure and issuance of transcript

⁸ Notification letter to students regarding their financial aid status in light of college's closure

institutional grants and scholarships will be able to use these funds to support students while completing degrees and educational programs at other institutions. The Compton Community College District Foundation will continue to ensure that the students receive the eligible funds to support them in other institutions as well as the College District's partner district, El Camino College District. The College District will be working with El Camino College District to ensure uninterrupted financial assistance to the students who have attended El Camino College/Compton Community College and are still eligible for these scholarship and grant awards:

- All scholarships have been granted by June 30, 2006 for the fall 2006 awards. Additional scholarships are being managed by the Compton Community College District Foundation which is a separate entity from the College with a 501c(3) status. Donors and grantors will be notified of the College's accreditation status and will be encouraged to continue to support the students' financial needs.⁹

B. Disposition of Academic Records and Financial-Aid Transcripts

- The College District has already undertaken the process to digitize and microfilm student files. All student files up to 2004 academic year have been digitized. A vendor will be secured to digitize financial aid records, human resources records, and business office records as well in the continuation of digitizing the remainder and ongoing student records in the Admissions and Records Office. Financial aid records will be boxed by school year and stored in the newly designated Compton Community Educational Center Financial Aid Office where they can be easily accessible. The financial aid records are also stored electronically and can be accessed through the NSLDS system by the college or university of the student's choice.¹⁰
- The College will notify ACCJC and students of the location of stored records and accessibility once the process has been completed. The student records will continue to be stored at the Admissions and Records Office of the newly designated El Camino College/Compton Community Educational Center. The College will also work with the State Chancellor's Office to contract with an entity to electronically store all transcripts and provide the students with the process to order them.
- The College District will announce the process and procedure on how students can obtain their transcripts through the news media in both English and Spanish and arrange for Admissions and Records Office to be open for pick ups as campus closure is in effect. The College District is setting up a "hotline" and on the existing College District website, which will be continuously maintained, giving students instructions on how and where they can order transcripts.¹¹

⁹ Letter from the CCCD Foundation to notify grantors and donors scholarships

¹⁰ Letter to students regarding the retrieval of their records

¹¹ Copy of Website notification regarding ordering of student transcripts

C. Provisions for Faculty and Staff

- All certificated employees received their March 15 notices. The administrative law judge reaffirmed the College District's Special Trustee's decision. At the June 15, 2006 Special Board of Trustees meeting, the Special Trustee accepted the administrative law judge's decision. However, on June 29, 2006, at another special board meeting, the Special Trustee "reestablished educational services, programs and classes to be offered by the District (i.e. particular kinds of services) and to offer reappointment to terminated regular and contract employees in the order of initial employment." Up to date, eleven (11) certificated (including one certificated administrator) and fifteen (15) classified (including 2 classified administrators) members retired; and twenty-one (21) of them qualify for the District's "Golden Handshake" incentive. Ten educational administrators were released and with the new organization, six administrators (certificated and classified), including the newly established Provost position, will be hired in partnership with El Camino College District.¹²
- At the Board Meeting on May 30, all classified employees received the 45-day lay-off notices. On June 29, 2006, at a special board meeting, the Special Trustee reinstated certain classified positions and to withdraw notices of lay-offs sent to reinstated classified employees. A total of thirty nine (39) classified employees were laid off.¹³
- The College District will contact neighboring districts and colleges for available employment and notify the faculty and staff on the openings.¹⁴
- The College will continue to accept resignation or early retirement – due date is September 4, 2006 for classified staff members. The College District continues to facilitate the completion of these processes. Retirement benefits will be disbursed with financial assets from the College.¹⁵
- The College District administration is available, upon request, to write references for faculty and staff. In addition, the College District is disseminating information regarding other job opportunities to faculty and staff. Through lay-off notices, the College has informed all faculty and staff of the possibility of closure. The Human Resources Department is actively listing job opportunities and work with faculty and staff in alternative placement. The College offered an early retirement incentive – "golden handshake" for faculty and staff. In the event we lose faculty mid-term, the College is working with neighboring institutions to provide students the opportunity to complete courses.
- Currently, the College District faculty is working with El Camino College administrators to realigned course offerings to ensure accredited courses

¹² Board Resolutions from the Special Board Meeting on June 29, 2006

¹³ Board Resolutions from the Special Board Meeting on June 29, 2006

¹⁴ Human Resources Department draft letter to neighboring districts/colleges

¹⁵ Board Resolution on Golden Handshake and letter regarding policies and procedures

are offered. All long-term off-site (credit/non-credit instruction) existing contracts/MOU's or Lease Agreement have been terminated as of June 30, 2006 with month-to-month in some locations based on summer course offerings. All lease agreements will be reviewed and established in collaboration with El Camino College upon notification of closure.¹⁶

- The College District has entered into an Institutional Services Agreement with Santa Monica College District to offer summer courses to the College's students. Subsequently, those faculty members who are teaching these courses have been hired by Santa Monica College District as temporary hourly faculty for the duration of both summer sessions.
- AB 318 has made provisions for faculty and staff in terms of their re-hiring status based on the passage of the bill and at the Special Board meeting on June 29, 2006, the Special Trustee took actions in this matter.
- The College has offered its employees a Golden Handshake retirement incentive to be processed between May 31, 2006 and August 4, 2006 for certificated and September 4, 2006 for classified employees.

D. Disposition of Assets

- The College District will remain as the legal entity to monitor the disposition of its assets if necessary.
- The College District has inventories of all financial resources and assets.¹⁷ The College District will determine what resources and assets are to remain after the basic needs of students, faculty, and staff are provided and assets to remain with the College District.
- The College District will notify the US Department of Education upon closure and submit to the Department financial reports and performance reports within 45 days.¹⁸ The College District will notify the US Department of Education how records will be retained and stored and the new relationship with El Camino College.
- The College District will develop procedures for collecting any outstanding student loans; reconcile any over-awards, overpayments and/or withdrawal calculations.¹⁹
- The College District will return all unexpended funds of all categorical programs to the respective agencies if these agencies require such action.
- The College District will work with the Compton Community College District Foundation to ensure that the assets would honor the intentions of the original providers including endowments and donors, and grantors. All donors and grantors will be notified of the College's disposition of endowments and donations.²⁰

¹⁶ Copy of letter to notify all vendors and contracts regarding termination of contracts and MOU

¹⁷ College inventory of assets

¹⁸ Letter to the US Department of Education notifying them of College's loss of accreditation and new partnership

¹⁹ Letter regarding financial aid and process for collecting outstanding loans and reconciliation of over-awards, overpayment and/or withdrawal calculations

²⁰ Letters to donors and grantors from the CCC Foundation

- The College District will follow the state or federal laws regarding the disposition of funds and institutional assets if necessary. The College District will determine the value of real and personal properties. The College District does not anticipate the need to dispose assets to satisfy employee long-term retiree benefits, vacation and compensation time. The college district will satisfy vendor obligations as required by federal and state regulations.
- The College District will also explore with legal counsel on the sales of physical plant, equipment, library, special collections, art, or other funds if necessary.
- In the event the College does not have sufficient finance resources to honor commitments, the Special Trustee will determine the necessary steps to proceed with possibility declaration of bankruptcy. At which time, the bankruptcy court judge will determine the dispositions of assets.

E. Obligations to Creditors

- The College District will identify all outstanding creditor obligations for all funds, including the CC Measure Bond Fund creditors if the College District deems this necessary.
- The College District will process properly all claims and interests with creditors and other agencies if the College District deems this necessary.
- The College District will apprise all agencies of the institutions arrangements in order not to be subject to later legal proceedings if the College District deems this necessary.
- The College District will follow the state or federal laws regarding payments of creditors.
- The College District will develop publicly defensible policies for dividing the resources equitably among those with claims against the institution by involving potential claimants if the College District deems this necessary.
- In the event, the College District does not have sufficient finance resources to honor obligations to creditors, the Special Trustee will determine the necessary steps to proceed with possibility declaration of bankruptcy. At which time, the bankruptcy court judge will determine the dispositions of assets.

F. Coordination with the ACCJC

- The Special Trustee of the College District and the President of the College have been consulting with and keeping apprised ACCJC of developments as the plan to close an institution progresses.²¹
- The College District will complete arrangement with ACCJC before the closure is in place in order to assure that students have transferred to legally authorized and accredited institutions including the partnership institution of El Camino College that award degrees and certificates.

²¹ Communication and correspondence with ACCJC, Dr. Lily Owyang

- The College District will submit final closure report to ACCJC and its partnership agreement.

G. Key Governing Board Obligations

- The Special Trustee will take a formal vote to terminate the institution on a August 22, 2006 as determined by ACCJC's termination-of-accreditation decision and report on the progress of the closure activities.²²
- The Special Trustee will ensure that the current 75% completion students will be able to be graduated from El Camino College or another accredited institution.
- The Special Trustee will determine the date to file for bankruptcy if necessary and whether or not all obligations to students have been satisfactorily discharged.

Finally,

The College will provide the students with services during the final term in the academics, business office, financial aid office, registrar's office, counseling, and other essential support services. The College District has notified management, faculty and classified staff which personnel are to be retained. The College District will make every effort to honor long-term financial obligations (loans, debentures, etc.) even though the parties holding such claims may choose not to press them. The College District will complete the final arrangements with El Camino College District in the establishment of the El Camino College/Compton Community Educational Center. The College District will continue to operate in its legal capacity regarding relevant personnel services, fiscal services, facilities services, and other related student services.

²² Board Resolution for College Closure

Attachments:

- Instructional Services Agreement with Santa Monica Community College District to provide services during the summer sessions
- List of students who have completed 75% of an academic degree/educational program/certificate program
- Letter from the President regarding the College's accreditation status and credit acceptance
- Notification letter of graduation status
- Letter notification of college closure and issuance of transcript
- Letter of Agreements with neighboring colleges
- Notification letter of college closure and issuance of transcript
- Notification letter to students regarding their financial aid status in light of college's closure
- Letter from the CCCD Foundation to notify grantors and donors scholarships
- Letter to students regarding the retrieval of their records
- Copy of Website notification regarding ordering of student transcripts
- Board Resolutions from the Special Board Meeting on June 29, 2006
- Human Resources Department draft letter to neighboring districts/colleges
- Board Resolution on Golden Handshake and letter regarding policies and procedures
- Copy of letter to notify all vendors and contracts regarding termination of contracts and MOU
- College inventory of assets
- Letter to the US Department of Education notifying them of College's loss of accreditation and new partnership
- Letter regarding financial aid and process for collecting outstanding loans and reconciliation of over-awards, overpayment and/or withdrawal calculations
- Letters to donors and grantors from the CCC Foundation
- Communication and correspondence with ACCJC, Dr. Lily Owyang
- Board Resolution for College Closure