CalPERS gets decision: Judge rules Stockton can sever its city pensions

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In a potentially groundbreaking decision, a federal bankruptcy judge today struck down the sanctity of <u>government pensions</u> in California, saying the city of Stockton has the right to sever its contract with CalPERS.

The verbal ruling from U.S. Bankruptcy Judge Christopher Klein, two years after Stockton filed for bankruptcy, was the decision CalPERS longed to avoid. For the first time, a judge in California has said a city or county can walk away from its CalPERS obligations, the way a bankrupt retail chain can exit a bad lease at a <u>shopping center</u>.

Whether Stockton would sever its CalPERS contract is another matter. City Manager Kurt Wilson told the Sacramento Bee that there's no change in the city's plan to keep paying CalPERS in full and retaining its full pensions. The city's attorney, Marc Levinson, spent the afternoon trying to convince Klein to approve Stockton's financial reorganization plan even with the CalPERS relationship left untouched.

CalPERS lawyer Michael Gearin downplayed the impact of Klein's ruling, saying "those were his comments about a hypothetical city" that wants to rupture its ties with CalPERS.

Much will depend on whether Klein approves Stockton's plan. A decision could come later today.

The ruling was prompted by a protest from <u>Franklin Templeton Investments</u>, which stands to get just \$4 million from a \$36 million loan it made to the city during better economic times. Most other creditors from <u>Wall Street</u> are due to receive 50 to 100 cents on the dollar.

Franklin wants Stockton to cut its CalPERS payments, currently \$29 million a year, to free up cash for the investment firm. Earlier in the day, the judge showed his leanings by pointedly asking Gearin whether the city's relationship with CalPERS isn't just another contract – a business relationship that can be severed in bankruptcy. "Impairing contractual obligations – that's what bankruptcy's all about," Klein said.

Gearin, however, said the relationship between Stockton and CalPERS is governed by state law that makes it extremely difficult to sever, even in bankruptcy.

The judge later determined that the state law takes a back seat to the federal <u>bankruptcy</u> <u>code</u> and the U.S. Constitution. James Johnston, a lawyer for Franklin, said CalPERS isn't entitled to "some exalted status under California law."

CalPERS and the city say chaos would ensue if the city doesn't pay CalPERS in full. Default would occur, and the city would either have to make a one-time payment of \$1.6

billion to keep its pensions intact or watch CalPERS slash pension benefits by 60 percent. The result would be a mass exodus of employees, the city says.

"The city cannot impair pensions and continue to function as a city," said Stockton lawyer Levinson.

Community colleges can offer bachelor's September 29, 2014 Ed Source

More than a dozen community colleges will be able to offer bachelor's degrees in the next few years under newly signed legislation that opens the door to a shift in the state's higher education landscape.

<u>Senate Bill 850</u>, signed Sunday by Gov. Jerry Brown, creates a pilot program allowing up to 15 community colleges to offer upper division degrees in specialized, vocational occupational fields.

The bill represents a significant change for California community colleges, whose mission has been to provide lower-division coursework, vocational certificates and two-year associate degrees. Four-year degrees have been the purview of the University of California and California State University under the state's <u>Master Plan for Higher Education</u>, the 54-year-old document that maps the roles of the state's postsecondary sectors.

The community college degree program could also translate to significant savings for students. Community college officials estimate base student fees could run about \$11,000 for the bachelor's degree programs, not including books or other costs. That's compared to about \$22,000 for base student fees over four years at CSU, and upward of \$48,000 at UC, not including additional costs.

"It's good for our students and secondarily good for our state," said California Community Colleges Chancellor Brice Harris, citing research suggesting the state will need to produce more than 1 million more college-educated workers by 2025 to meet workforce demands. "We're going to be part of that solution."

With the bill's passage, California becomes the 22nd state to allow community colleges to offer bachelor's degrees.

The bill, by Sen. Marty Block, D-San Diego, does not stipulate subject areas, but says the diplomas may only be offered if they do not duplicate diplomas already offered by CSU or UC campuses.

The degrees are expected to be offered in vocational fields such as automotive technology, industrial and health technology, and other fields where an associate degree is no longer considered sufficient to guarantee employment.

Only one campus in a district – up to 15 campuses statewide – may offer a bachelor's degree and the new degree programs must be in place no later than the 2017-18 academic year. The nonpartisan Legislative Analyst's Office will conduct an interim evaluation of the programs in 2018, with a final evaluation by July 2022. The pilot program would end in 2022-23, unless extended by the Legislature.

"I am absolutely so confident that we're going to be so wildly successful that actually sooner than the sunset date the people of California will be demanding more of these degrees," said Linda Thor, chancellor of the Los Altos Hills-based Foothill-DeAnza Community College District.

UC and CSU campuses don't offer bachelor's degrees in the fields that will be targeted under SB 850, Thor said. For example, Foothill College offers a popular lower-division respiratory therapy program, Thor said, but the closest campus that offers a bachelor's degree is Loma Linda University in Southern California – presenting a geographical and potential financial barrier to some students.

The bill doesn't stipulate the number of degrees that will be awarded, but Thor said most vocational occupational programs covered by the legislation enroll between 25 and 50 students. "We're not talking about thousands of students statewide," she said, "we're talking hundreds of students statewide."

The bill sets up a two-tier fee structure for students in the baccalaureate programs. Lower-division coursework will cost the standard systemwide fee of \$46 per class unit, while the upper-division coursework will cost an additional \$84 per unit; most courses are three or four units.

Base student fees for a baccalaureate program are estimated to run about \$10,560, based on a 120 credit-hour program. The estimated fee is calculated by assuming students will complete 60 units of lower-division coursework at \$46 per unit, followed by 60 units of upper division work at \$130 per unit.

Legislators, including Block, had tried several times over past years to grant community colleges the authority to offer bachelor's degrees. This attempt had broad support, Harris said, including from California State University and other groups that helped modify the legislation to address areas of concern and opposition.

"Then the other thing is, I think it's an idea whose time has come," Harris said.

Still, the legislation was opposed by the Academic Senate for California Community Colleges, which said more research is needed on potential impacts of the new degree program.

The senate, which represents faculty at the state's 112 community colleges, had too many unanswered questions about the bill. Among them are concerns over how the upper-division component of the degree programs would be handled, questions about teacher qualifications and contracts, as well as potential impacts on the colleges' mission and on other programs, said Academic Senate Chair David Morse.

"There's some real skepticism around the cost of the program," Morse said. "Can we really offer these programs at a lower rate than, say, they are being offered at a CSU? One of our concerns all the way along has been can we do this without draining resources away from the programs we already have to serve students?"

Harris acknowledged lingering questions over the baccalaureate offerings, but said he expects many of those will be addressed at the campus level, as administrators pull together their applications to be considered for the degree programs.

The new offerings will be good for students, said Omar Paz Jr., a Santa Rosa Junior College student who chairs the systemwide Student Senate for California Community Colleges.

"It's really focusing on meeting the workforce demand and need, due to the fact that the community colleges are a lot more flexible and can meet those needs at a much faster pace than CSU and UC," he said.

The Upside of Selling Your Soul

September 29, 2014

The Chronicle of Higher Education

By Lee Gardner

Hey, you, riding the subway. Old Dominion University has the perfect graduate degree for you. You there, scrolling through your Facebook feed, the TESST College of Technology wants you to get "A Fresh Start for a NEW FUTURE." And you, sunbathing on the Jersey shore, check out that banner that Kean University hired a plane to tow, making sure you know about its "World-class education."

Prospective students might be tempted by those pitches, but for many in higher education, they send a different message: Education is a product. Students are customers. Institutions are brands. Colleges are selling their souls.

But these days, maybe selling your soul is a smart thing to do.

Done right, marketing goes beyond mere sloganeering to offer colleges an exercise in clear-eyed assessment. If what a college is selling is the essence of what makes it unique, marketing can reinvigorate the campus, draw students, shore up the bottom line, and improve the institutional reputation.

Done wrong, it can waste money, time, and good will. Bad marketing, or an effort that rings inauthentic, risks foiling a college's best promotional and fund-raising tool: satisfied alumni. Major shifts in mission or programs in pursuit of quick gains in tuition revenue could dilute a college's credibility. It's possible for an institution to sell its soul and gain nothing.

Marketing in its most basic sense is nothing new at American colleges. For-profit institutions like Kaplan Inc.'s TESST College, in Maryland, have, of course, advertised heavily for years. Look under the hood of almost any enrollment office at a nonprofit college and you will find a dedicated promotional machine. In many cases, however, that machine hasn't been significantly rethought or retooled in a decade, if not longer.

As the number of high-school graduates begins to wane and the value of a bricks-and-mortar higher education comes under fire, colleges are becoming more aggressive about marketing to help them stand out in an increasingly competitive market. But rolling out a new logo and beefing up social-media budgets is not enough for most institutions to meet their challenges. Successful strategic marketing involves a series of existential questions: what an institution is, what it does, what it wants to do in the future. And success requires acting on the answers—even if they aren't those that administrators and faculty members were hoping for.

Strategic thinking happens at different levels at different types of colleges. Some selective places, like the University of Chicago and the College of William & Mary, have added a new position, in effect a chief strategic officer, who takes a long-term, holistic view of institutional needs and goals. At small and medium-sized private colleges, where tuition dollars make or break annual budgets, marketing is proliferating as a response to short-term challenges and in planning for long-term survival.

Nearly half of private four-year colleges now employ a communications-and-marketing administrator who reports directly to the president, according to a 2013 <u>survey</u> by the Council for Advancement and Support of Education. About one-quarter of public four-year institutions do. Analysts at Moody's Investors Services, a credit-rating agency, have confirmed "an uptick" in the number of colleges hiring chief marketing officers, says Edith Behr, a vice president at Moody's. And a growing number of institutions, she adds, have said they are "re-examining and restating" their missions.

An embrace of marketing can reap tangible rewards. For example, two years after the University of Maryland at College Park began its first major<u>marketing campaign</u>, in the early 2000s, the number of freshman applications had jumped by 25 percent.

Yet some colleges have been reluctant. In a world where ratings and returns on investment are taking over conversations about higher education, talk of branding and marketing can fan fears that commercialization is polluting the academic enterprise.

Some experts on the economics of higher education also warn that marketing contributes to the <u>continuing rise</u> in college costs. Possible benefits and competitive pressures aside, colleges that spend more money on marketing are "building in a layer of cost that would not otherwise be there," says Robert E. Martin, a professor of economics at Centre College, in Kentucky.

But Paul J. LeBlanc, president of Southern New Hampshire University, says that some colleges balk at marketing out of disdain. Their resistance, he says, is based less on current competitive realities than on the longtime example of elite institutions: "The 'good' schools don't have television ads, right?"

Southern New Hampshire does have television ads, and it stands as higher education's current Exhibit A for marketing success. Five years ago, it was an obscure private institution in a region with a <u>declining number</u> of high-school graduates. It had started an online-education program aimed at working adults, but in 2009 its enrollment of traditional-age students fell 5 percent below expectations, creating a \$3-million hole in that year's budget.

Mr. LeBlanc had already approved some test marketing for the online program, paying for eight weeks of television ads in places like Milwaukee. The university soon received

calls from prospective students there who wanted to know more about a New England college that they had never heard of.

The president then went to the Board of Trustees and got nearly \$2-million to roll out a television-advertising campaign for the online-education program. If the effort paid off in a flood of new online enrollments, he told the board, Southern New Hampshire might be able to close its budget gap. If it didn't, the deficit would nearly double. The board said yes.

"We laugh about it now," Mr. LeBlanc says, "but I think there was a sense of, 'If this doesn't work, what's our next job going to be?' "

<u>It worked</u>. Enrollment in the online program has grown to 44,356 in the 2014 fiscal year, from 3,131 in 2009.

There are plenty of other online-education providers, including for-profit colleges, that spend heavily on advertising. (Southern New Hampshire declines to disclose its marketing budget.) Mr. LeBlanc attributes Southern New Hampshire's recent success not only to its marketing but also to the message that it sends out. Summed up, he says, it's "We care more."

One ad has featured the college delivering diplomas to online students who lived too far away to attend graduation. It showed emotional introductions of students to professors or advisers they had worked with but never met. Southern New Hampshire hired five full-time analysts to track its marketing data and created its own internal advertising agency. It retained 16 other analysts to work with a data system that monitors student performance on a daily basis, so that academic advisers can intervene immediately and keep harried adult learners on track.

If your message is that you care more, "you've got to live up to that," Mr. LeBlanc says. "You don't survive very long in the world if people say, 'These guys are saying this but doing something quite different.'"

Of course, Southern New Hampshire's solutions won't work for every college—or maybe even any other college.

John Lawlor, principal of the Lawlor Group, a marketing firm that works with colleges, says some institutions may decide to pursue a new program on a market-driven basis solely because it's a fad. Making an aggressive push in online education or adding a graduate program in a hot field may seem like a good way to bring in students and revenue, he says, especially if other institutions have had success with it, but it may add nothing substantive or distinguishing.

Other colleges may do too little. They remain "true to their missions but they're not relevant," he says. "You need to have some overlap so you're true to who you are and yet you're also relevant to the marketplace. And it can be a dance."

Calvin College is one of the small institutions trying to figure out the steps.

Forty years ago, as much as 90 percent of Calvin's student body grew up in the Christian Reformed Church in North America, whose headquarters are not far from the campus, in Grand Rapids, Mich. No marketing was required. "We had an audience in place that we simply had to work through a process to get them admitted," says Jeanne Nienhuis, director of enrollment communications.

But demographic declines in the Upper Midwest and in the <u>church's membership</u> have led Calvin to look outside its backyard and its denomination to maintain its undergraduate enrollment of about 4,000. Only a third of last year's incoming freshmen grew up in the Christian Reformed Church; most of the rest come from evangelical Christian backgrounds.

Calvin's leaders understand that to reach new potential students in a crowded and noisy media market, the college must know exactly what to say. And what is says has to be compelling.

Over the past year, Calvin developed a <u>strategic plan</u> and rewrote its mission statement, sharpening it from three sentences to 21 carefully parsed words: "Calvin equips students to think deeply, to act justly, and to live wholeheartedly as Christ's agents of renewal in the world."

The college has started a branding process and has hired Scott D. Ochander, vice president for enrollment and marketing at Manchester University, in Indiana, as a consultant.

Mr. Ochander says his job is to help Calvin determine its "true distinctiveness." The college hopes to involve more than a third of its administrators and faculty and staff members, along with at least 10 percent of students, in formal branding exercises over the coming months.

Widespread buy-in on the campus not only makes the branding process better, Mr. Lawlor says, but also makes the message stronger and louder. "You cannot have a strong external marketing effort if you do not have a collective sense of self, internally, so that you project that sense of self externally," he says. "If we're not singing out of the same hymnal, we're not going to be heard."

Yet professors are sometimes reluctant to join in. Those at Calvin have been wary of the college's marketing efforts, Ms. Nienhuis says, probably out of concern that marketing is "flip or lacking in nuance or perhaps a little graced with overstatement."

Sometimes the language of marketing does confound people on college campuses. At the beginning of the fall semester, Tim Ellens, Calvin's director of communications and marketing, briefed about 30 faculty members on the branding process. As he described it, he referred to PowerPoint slides from Mr. Ochander and peppered his speech with terms

like "modes of attraction" and "personality archetype." The professors in the room seemed to slump in their chairs.

Marketers who work in higher education are well aware that many professors are reluctant to embrace the process, but they have found ways to help sell what they do to even the most squeamish audiences.

"We don't have to use the word 'brand,' " says Mr. Lawlor. He prefers to invoke Plato. Marketing is "about knowing thyself," he says. "Who are you?"

Sometimes he tells those he's working for that he is trying to uncover a college's "genetic code," a branding concept popularized by the marketer<u>Scott Bedbury</u>, who has worked for Nike and Starbucks. "People grab on to that, because it's language that you would use in the academy," Mr. Lawlor says.

At Manchester, Mr. Ochander has created a "brand cave," a room papered with materials from the university's own marketing process: the results of exercises from staff and faculty workshops (like identifying "tattoos," an institution's indelible qualities), drafts of branding art, market-research data, and many, many colored sticky notes. The idea is that participants—or anyone on campus who's interested—can see and understand how the process unfolds.

At Calvin, workers have already installed tackboards on the walls of a converted supply room at Calvin for its own brand cave. The basement room will provide another opportunity to collect feedback from staff and faculty members, including those who may feel protective of the colleges's values in the face of a marketing push. "Mission values will feed the branding process," Mr. Ochander says. "It's not a one-way dialogue."

The branding process is designed to help the people of Calvin, some of whom have been with the college for decades, figure out who they are, collectively, as an institution. But it also offers an opportunity to think about who they might be.

"We need to remain true to who we are, but we also need to run toward some risk at some point in order to make some gains," Ms. Nienhuis says. "There's a bit of a tension between being a traditional four-year undergraduate liberal-arts institution and looking at the marketplace and seeing that there are many different modes of delivering an education now. What's Calvin's role in that?"

Once a college has looked inward to better understand itself and its brand, it needs to turn its scrutiny to the marketplace and test that appeal, says David W. Strauss, a principal of the Art & Science Group, a higher-education consulting firm. "Looking deeply into your own navel will tell you what you love about yourself," he says, "but it won't necessarily tell you what your external constituencies will react favorably to."

Loyola University New Orleans is keeping its market in mind as it tries to rebound from a substantial shortfall in enrollment. Last fall it missed its freshman-enrollment goal by

more than 250 students. The shortfall in tuition revenue caused a \$7.5-million budget gap, resulting in dozens oflayoffs and early-retirement incentives.

Demographic challenges present "an opportunity to think about the market and being more responsive," says Marc K. Manganaro, the provost.

Loyola had already begun the process of creating a new strategic plan, aided by a brandand-identity study done by the Lawlor Group. The plan emphasizes the importance of experiential learning and of a Jesuit approach to higher education, but it also calls for building stronger connections with the city and focusing more on students' career opportunities, he says.

The university had already added a "fast track" M.B.A. program that can be completed in a year. It also created a program for foreign-language translation and interpretation, in part as a response to immigration and New Orleans's diverse population. If the Board of Trustees approves the addition, Loyola would also add two bachelor's degrees tailored to local interests: in popular and commercial music and in digital filmmaking. "Music has always been part of the heritage of New Orleans, but film is experiencing this incredible boost in New Orleans and Louisiana," thanks to tax credits the state offers to film producers, Mr. Manganaro says.

Any proposals for new programs at Loyola will have to be accompanied by "market analysis that demonstrates what kind of demand is out there and what are the numbers of prospective students," the provost says. It is "extremely important that we see new students at our door, so we're expecting data that provides that."

Perhaps the best way for a college to stand out in an increasingly<u>competitive market</u> is to, in fact, stand out—be distinctive, find something that sets it apart. After all, colleges' branding messages often sound so much alike because the institutions themselves are very much alike. It is easier to come up with a creative way to market than to come up with an innovative new form of education.

Strategic marketing may not be able to make that inventive leap for institutions, but it can kick-start the deliberations on how it could be done.

As both Mr. Lawlor and Mr. Strauss observe, American higher education has operated for decades in a way that echoes the message from the filmField of Dreams: If you build it, they will come. The importance and value of a college education had long been considered so self-evident that merely offering it would continue to attract plenty of students. But no more.

"It's not true that if you build it, people will come. You have to tell them you built it," Mr. Strauss says.

But telling alone isn't enough anymore, he adds. You have to build it better.

Trustee Group Responds Tepidly to Presidential - Hiring 'Tool Kit'

The Chronicle of Higher Education

September 29, 2014

By Katherine Mangan

Alarmed by a wave of presidential retirements that is expected to hit over the next five years, community-college advocates are rolling out new recruiting strategies that challenge assumptions about what makes an effective leader.

The latest is a "hiring tool kit" that the Aspen Institute's College Excellence Program is releasing on Monday to help trustees, search consultants, and others "identify and hire presidents who can lead an institution to dramatically improved student outcomes."

The tool kit elevates two characteristics to the top of the list of essential presidential qualities: risk taking and a passion for improving measurable student outcomes. So far though, it has gotten a lukewarm reception from the Association of Community College Trustees, a national group that conducts about 25 presidential searches a year through an in-house placement service for its members.

"While I agree that the focus on student success and completion is important, this is among a number of important criteria that boards should be looking at," J. Noah Brown, president of the association, said in an interview on Friday. The group, which provided input for the hiring guide, had also asked for a more explicit focus on the need to hire more minority candidates.

Joshua Wyner, executive director of the College Excellence Program, said that focusing on candidates with strong commitments to student access and success is likely to accomplish Mr. Brown's goal.

Asked whether the trustee board's in-house service gives it a financial stake in the status quo, Mr. Brown said his group charges members "way below market rates" and doesn't make a profit.

"The success and completion movement is real," he said. "It's catching fire around the country, and boards are focusing on it, which is appropriate." As for the Aspen project, he said, "this could be a useful tool among many, but it isn't the complete playbook."

Whichever playbook they're using, search committees are busier than ever these days. The nation's 1,100 community colleges, which enroll more than 40 percent of the nation's entering college students, have had hundreds of presidential vacancies at any given time in the recent past. The problem is likely to get worse.

At least 43 percent of community-college presidents are expected to retire in the next five years, and three-quarters within 10 years, according to 2012 data from the American

Association of Community Colleges. The average age of a two-year-college president is 60.

Finding qualified people willing to replace them isn't always easy, especially when many of the vice presidents and chief academic officers who might step into their shoes are also going gray.

Hard Times, High Expectations

Shrinking state appropriations, heightened expectations for student success, and deep public scrutiny are all adding to the pressure community-college leaders face, educators said last year at a national conference.

"The challenge for presidents is to lead colleges to deliver more degrees of a higher quality at a lower cost per student with a more diverse population," Mr. Wyner said in an interview on Friday.

The tool kit his program produced is based largely on the findings of a report released last year by the Aspen Institute and Achieving the Dream.

It offers seven detailed and highly prescriptive "tools" to help set priorities; to recruit, evaluate, and interview candidates; to check references; to create score cards; and to confirm choices.

It's full of specific language, for job advertisements and interview questions, that those in the hiring seats can use to identify candidates who are committed to student success. It also provides writing assignments in which a candidate might be asked, for instance, how he or she would react if the state legislature threatened to yank financing if the college didn't improve a completion rate that was well below the national average.

Diploma-Mill Fears

Some educators worry that the nation's intense focus on completion could turn colleges into "diploma mills" that churn out graduates with credentials by lowering standards or limiting access to students who might struggle.

Completion statistics are another source of controversy because graduation rates for community colleges often leave out students who transfer or attend part time.

Still, trustees should be paying more attention to students' success rates, Mr. Brown acknowledged.

He bristled at the suggestion that their consultants, who have conducted more than 500 searches, aren't weighing the right factors.

And he said the association, which runs its own leadership and training programs to cultivate new leaders, had no plans to use or distribute the hiring tool, as the Aspen

Institute had requested. He said it might, however, consider using small pilot applications on a few searches.

Mr. Wyner, who said he would be "disappointed" if the association snubbed his tool kit, said that completion is just one of four factors that the institute uses to define success. The others are whether graduates get well-paying jobs, whether colleges seek equitable outcomes for underserved students, and whether they set expectations for and measure how much students are learning. The checklist also includes a number of traditional factors like financial and fund-raising skills, he added.

<u>The report</u> that accompanies the tool kit, "Hiring Exceptional Community College Presidents: Tools for Hiring Leaders Who Advance Student Access and Success," is drawn from research supported by the Kresge Foundation.

The Aspen Institute, which hands out a <u>prize</u> every two years to community colleges that have strong records of helping students succeed, has studied what makes presidents of those institutions effective and then plugged those factors into its tool kit.

Boards traditionally lean toward charismatic, politically connected candidates who serve as "cheerleaders" for their institutions but who don't often take risks, Mr. Wyner said.

By contrast, he pointed to the president of Walla Walla Community College, Steven L. VanAusdle, who promoted a successful winemaking program on its rural Washington campus that trains students for jobs in an industry that has grown from a handful of wineries to more than 170.

In doing so, he overcame opposition from groups in the conservative region that felt winemaking wasn't an appropriate activity for college students, Mr. Wyner said.

Other presidents of two-year colleges have taken risks by closing gymnasiums to make room for tutoring or student-success centers, he said.

Hiring leaders "with a deep, relentless focus on student success" makes sense to Kay M. McClenney, a former director of the Center for Community College Student Engagement at the University of Texas at Austin. The center publishes <u>studies</u> that highlight strategies to help more students graduate.

"Boards tend to hire people they think are low risk for controversy," she said. "And that creates a sense that what we're looking for is status quo and equilibrium, rather than the tumult that comes with change."

About 200 two-year college presidents leave every year, which would suggest they stay in their jobs only five to six years, Mr. Wyner said.

"We need leaders who are deeply committed to student success, which can take five to 10 years to accomplish," he said. "A president with that commitment is more likely to stick around to complete the job."

A President's Essential Qualities

The 10 essential qualities hiring committees should look for in community-college presidents, according to the Aspen Institute's College Excellence Program:

- 1—Committed to Student Access and Success
- 2—Takes Strategic Risks
- 3—Builds Strong Teams
- 4—Establishes Urgency for Improvement
- 5—Plans Lasting Internal Change
- 6—Results-Oriented
- 7—Communicates Effectively
- 8—Financial and Operational Ability
- 9—Entrepreneurial Fund Raiser
- 10—Develops Effective External Partners

Seeking Help at a Campus Counseling Center? You May Have to Wait

The Chronicle of Higher Education

By Jared Misner

OCTOBER 10, 2014

Margie L. Madison likes to think of herself as one of the lucky ones. Things could have been much worse, much more destructive.

She knew what it was like to be gripped by anxiety. But she was lucky, she says, because she also knew she needed a counselor. Psychotherapy had worked before, in high school.

So Ms. Madison, then a 22-year-old accounting major at the University of Florida, went to the university's counseling center with a simple question: Will somebody please talk to me?

The university's response: Take a number.

Ms. Madison's experience of being frustrated by a campus counseling center's wait list is nothing unique. A third of colleges that responded to a <u>recent survey</u> by the Association for University and College Counseling Center Directors reported having a wait list at some point during the 2012-13 academic year.

And the lists are getting longer: The same study found that, from 2010 to 2012, the maximum number of students on counseling centers' wait lists at universities with more than 25,000 students nearly doubled, from 35 to 62. During peak times—October to November—students can wait up to four weeks at some institutions.

Many counseling centers have reported increased budgets and hiring efforts, but more students are showing up, and counseling-center officials say their staffs struggle to meet the booming demand. Some of them have also raised concerns that long wait times can only compound students' anxieties, making their troubles worse.

Ms. Madison made an initial triage appointment—a common type of visit many college counseling centers use to sort students with mental-health emergencies from those who can wait. But the university put her case in the latter category and told her, she says, to come back in two weeks.

So she waited, anxiety still roaring. She tried to eat right. She exercised. She took deep breaths.

During that waiting period, she says, "if I was somebody who was living on my own for first the time and had no idea how to handle it, that would have been a lot worse and a lot more destructive."

When Ms. Madison returned after two weeks, a counselor handed her a piece of paper with the names of several mental-health providers in the community. The center's wait list was still long, the counselor said, and she had health insurance the providers accepted. Or she could wait two more weeks for a full appointment at the college.

"I just wish that, before waiting those two weeks, they had been upfront with me," Ms. Madison says. "I could have been treated during the two weeks if I had just Googled those doctors in the beginning."

Rising Demand

Shari A. Robinson, interim director of Florida's counseling center, says the center's wait list has peaked earlier in each of the last three years. This year, Ms. Robinson says, the center had to start a wait list in late September, and it's so busy that it's "unusual" for the center to have a same-day triage appointment available.

Instead, she says, students who come to the counseling center or call for an appointment usually wait three to five days even for their initial triage appointment. The counseling center does offer two hours each day for walk-in triage appointments, but that doesn't guarantee a student will be seen that day. Then, during peak times, a student may wait for another two or three weeks for an appointment.

"Things start to feel uncomfortable for both the students and the staff when the students have to wait for more than two weeks," Ms. Robinson says.

Ben D. Locke, clinical director at Pennsylvania State University's counseling center, shares Ms. Robinson's worries. If a student waits until November to seek help, he says, continuing treatment probably isn't possible.

"The problem is that a lot of times when students seek out help in distress, they often need problem-solving help right now. And if that help isn't available right now, there could be serious consequences," Mr. Locke says. "The students I worry about with the delays in care are the ones who the day they reach out is the day they need treatment. And they need a very direct and immediate support to succeed that semester. And if they don't succeed that semester, they fail out of their major, they fail out of school. That lack of ability to intervene means they have lasting consequences."

Combating Long Waits

Many colleges have tried a variety of tactics in recent years to reduce wait times, but delays can persist.

Group-therapy sessions, for instance, allow the counseling centers to devote a block of time to multiple students rather than just one.

Florida offers a biofeedback lab, which includes six computer stations that teach students how to lessen anxiety on their own, using stress-reducing exercises.

Additionally, many counseling centers set limits on how many sessions students can book—usually seven to 10—to free up time for new patients.

And one major public university has eliminated wait lists altogether by focusing on staying flexible to meet students' needs.

"We either say, 'We can see you today, but we might have a little more time to see you tomorrow. What do you think about that?'" says Aaron D. Krasnow, Arizona State University's director of counseling services. "It's the opposite of a wait time. You tell me how much of a service you want."

If a student's counselor isn't available, Mr. Krasnow says, the student can choose to see someone different. If all of the staff members working in triage appointments are busy with patients and the counseling center needs someone else, the staff looks to see who can be made available. And, he says, perhaps there's an immediate outside referral the counseling center can offer a student.

"There's never a conversation saying, 'I want to see you, but I can't,'" Mr. Krasnow says. "We're here for them. They're not here to wait around for us."

But to many, that's easier said than done. Kirk Dougher, Florida Atlantic University's executive director of health and wellness, says he has hired staff members in 36 out of the 38 months he's been in charge. But, he says, he's "hired himself out of space," and the wait at the Boca Raton institution at peak time is still two and a half weeks.

Mr. Krasnow, for his part, recognizes the challenges of counseling centers that are understaffed, but says that hiring alone will not clear the backlog.

"Everyone is under-resourced because the need is so great. But no one is going to staff their way out of this problem. There is no staff number that will make this go away," Mr. Krasnow says. "We own that reality. It's a perspective that we're not going to put our eggs in that staff-number basket."

Mr. Krasnow still worries about how long wait times hurt students.

"You don't have to be a psychologist to know the potential impact of being told, 'We would, but we can't,'" he says. "Not only are they not getting help, but now they're losing time and they're losing momentum and all the energy they took in reaching out for help, which is not a small thing. It's a massive act."

Reprieve on Default Rates

Inside Higher Ed

September 24, 2014

By Michael Stratford

WASHINGTON -- Colleges with large populations of low-income students have for months worried that their former students' high rates of default on student loans would eliminate their access to student aid under stricter federal standards that fully take effect this year.

But the Obama administration, which is to officially announce the default rates for all colleges on Wednesday, is now giving some institutions a break.

The U.S. Department of Education said Tuesday that it would simply leave out some defaulted loans when calculating the default rate of the colleges facing a loss of federal student aid.

That "adjustment" to the default rate calculations, according to the announcement, helped an unspecified number of colleges avoid the penalties they would otherwise have faced this year for having default rates above the threshold set by Congress. Lawmakers changed the standard in 2008, but this is the first year that colleges face penalties for three-year default rates, as opposed to two-year rates.

Community colleges and some historically black colleges and universities had pressed the Education Department for relief from the new standard.

On Tuesday, Education Secretary Arne Duncan said he was pleased that no historically black colleges and universities would face penalties for their default rates this year. Fourteen historically black institutions had default rates above the 30-percent threshold last year.

Speaking to a conference of black college leaders, Duncan attributed the change to "the tremendous effort we made together." However, he added, "some institutions remain troublingly close to the line."

In calculating default rates, the Education Department typically looks at a cohort of loan borrowers at an institution, and then tallies how many of those borrowers defaulted on a loan three years after entering repayment. Colleges are allowed, on a case-by-case basis, to ask the department to remove some defaulted borrowers from the calculation for a range of reasons, including errors.

To make the "adjustment" announced Tuesday, officials said they identified which colleges were on the verge of losing their student aid, and then removed from their cohort borrowers who defaulted on one loan but had not defaulted on another loan. The non-

defaulted loan, they said, had to have been in repayment, deferment or forbearance for at least 60 days.

The adjustment was also applied retroactively to colleges' three-year default rates for the past two years. Sanctions apply only to colleges when their default rate is 30 percent or higher for three consecutive years (or, if it surges to 40 percent in any single year). (An earlier version of this paragraph incorrectly stated the threshold for when colleges face sanctions for high default rates.)

In justifying the default rate calculation changes, which are unusual, the department's announcement cited the fact that some borrowers have different slices of their federal student loan debt managed by different loan servicing companies, a problem known as "split servicing." The problem arose several years ago when the Education Department began buying some -- but not all -- loans issued through the now-defunct federal bank-based lending program.

The department has not previously adjusted loan default rates in response to the "split servicing" problem, which it has said previously that it has resolved in some cases.

It is not clear from the department's announcement whether it only removed defaulted loans affected by "split servicing" from the calculation or dropped a broader category of loans. Further, it was unclear whether the reprieve applied to any for-profit colleges, which typically have among the highest default rates.

A department spokeswoman declined to comment Tuesday on the changes the department made to the default rates.

'Free Passes'

Critics of the department's change said they were concerned that it means colleges are not going to be held accountable for the full scope of the defaults of their former students.

"It raises some serious concerns," said Debbie Cochrane, a researcher at the Institute for College Access and Success, an advocacy group that has long tracked default rates. "The adjustments that the department announced means that schools are not being held accountable for defaults just because they're presumed to have a split servicing."

"If a school isn't held accountable for a default, then the borrower shouldn't be either," she said.

It was also unclear Tuesday whether the department would exclude certain loans from the calculation of national default rates.

"We won't know how many free passes the colleges got," Cochrane said.

The department said that while officials won't count certain default loans against a college's default rate, that doesn't otherwise change students' obligations. Any defaulted

loan removed from a college's calculation still "remains in its current status for collection and other purposes," the announcement said.

The expansion from two-year default rates to three-year default rates was designed by Congress to hold colleges more accountable for defaults. A House report in 2008 said the change was aimed, in part, at making it "more difficult for institutions to avoid defaults from being counted."

Representative George Miller of California, the top Democrat on the House education committee, was one lawmaker who pushed for the expanded three-year default rates. He questioned the department's adjustment to the loan rates on Tuesday.

"Any changes in the student loan system that reduce transparency and consistency may compromise our ability to hold poor-performing colleges accountable," Miller said in a statement. "The department should be doing everything it can to ensure student borrowers who have defaulted have every opportunity for redress."

Boost for Two-Year Colleges

Advocates for community colleges, meanwhile, praised the department's adjustment of the default rates. Community colleges are among the institutions that benefited from recalculated rates.

"We believe that the department has acted responsibly by not holding financially needy students hostage to the shortcomings of servicers and other parties involved in loan administration," said David Baime, senior vice president for government relations and policy analysis at the American Association of Community Colleges.

Jee Hang Lee, vice president for public policy and external relations at the Association of Community College Trustees, said the department's default data was messy.

"Clearly the department was unable to sanction any institution based upon the data," he said.

State Center trustee to be investigated for alleged misconduct

BY CARMEN GEORGE AND BARBARA ANDERSON

The Fresno Bee

October 7, 2014

State Center Community College District's board voted Tuesday to investigate whether Trustee Eric Payne engaged in misconduct, including allegations that he interfered in employee hiring. Payne, one of two African-American trustees, angrily called the allegations a racially motivated witch hunt.

Payne read a long, heated statement during the meeting at the Madera Community College Center, attended by about 50 people, comparing the allegations against him to the assassination of the Rev. Martin Luther King, Jr.

Payne, who was elected in 2012 at age 28, noted he is a "young man of color" and that "my character is being assassinated in the public square." He called the allegations a "witch hunt" and said he is being retaliated against for exercising his free speech and asking tough questions.

Other allegations against Payne include: improperly requesting a college administrator use her official position to solicit campaign funds, unilaterally making a "misleading and baseless" report of a potential accreditation concern, authoring a "substantially" plagiarized column that was published in The Bee, and misusing a disability placard that had been reported stolen to park during a board meeting last year.

Payne was cited, booked and released by the district police department and charged with misuse of a placard by the Fresno County District Attorney, Interim Chancellor Bill Stewart said in a letter to board president Patrick Patterson. Stewart asked the board to decide whether the alleged misuse of the placard and the other allegations were serious enough to investigate further.

A Bee investigation confirmed substantial parts of the column were not the original work of the author. The column in question has been removed from The Bee's website.

District officials reported that "several potentially problematic interactions" occurred in March and came to Stewart's attention after he re-joined the district in April.

At Tuesday's meeting, five trustees voted to further investigate. Payne voted no, and Trustee John Leal abstained.

An ad hoc committee of three trustees will be appointed to investigate the claims. Patterson will make the appointment at a later date. Trustees Leal, Vice President Ronald Nishinaka, and Richard Caglia volunteered to serve on the committee.

The source of the allegations against Payne remains unclear; Caglia said the investigating body should determine that and share with anyone interested.

"I've been involved in matters like this, where people put forth anonymous notes," Caglia said.

Nishinaka said once an investigating committee is chosen, the group may appoint an external investigator. The committee would then report its findings and recommendations to the board.

Payne shared a number of different theories about why he is being investigated, including that, "I was the sole board member to cast a no vote in the hiring of an interim chancellor, citing process concerns" — referring to Stewart, who requested the investigation of Payne.

Before the vote, Payne called the allegations against him a "smear campaign" and urged his colleagues to reject this "racist, ageist and retaliatory and backwards effort to investigate me."

One of the allegations against Payne is that he inappropriately pressured the Reedley College president and dean of instruction to select a particular candidate that he preferred for a faculty coordinator position, which would be a violation of district hiring policies. The search and selection process had to be stopped, which delayed the hiring of a key position on campus, Stewart said in a report to the board.

Payne is also alleged to have made public comments claiming personal responsibility for the hiring of a Reedley College dean, suggesting without basis that he interfered in the established hiring procedures and exerted improper influence to hire the dean for reasons other than merit.

In background information provided to the board, district officials said only that the board would be able to determine "whether trustee misconduct has occurred and whether censure, some other action, or no action, is warranted. Censure is an official expression of disapproval passed by the board."

Officials failed to elaborate further about what an "official expression of disapproval" might encompass or could mean to Payne's position as a trustee.

The letter to Patterson from the district outlined the preliminary investigation and multiple interviews with district employees. The findings included that "no employee, however, has claimed that these events constituted discrimination or harassment."

The letter went on to recommend that the board, however, address "boardsmanship" with Payne including: micro-managing district employees and activities, improper interference in the hiring process, and workplace collegiality and respect for employees.

The letter also suggests the board follow options outlined in the Community College League of California's "Resources for Governing Board on Codes of Ethics."

The first suggestion: The board chair should talk to the person in question about the allegations -- which Payne said hasn't happened.