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**VISITING TEAM REPORT
ON THE REORGANIZATION OF THE
UNIVERSITY OF HAWAII COMMUNITY COLLEGES**

**A Report Prepared for the
Accrediting Commission for Community and Junior Colleges
Western Association of Schools and Colleges**

November 15–18, 2004

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Introduction

In spring 2003, the Accrediting Commission for Community and Junior Colleges (ACCJC) gave conditional approval to a Substantive Change Request submitted in January 2003 by the University of Hawaii Community Colleges. The request sought approval of a plan to reorganize the Hawaii Community Colleges by eliminating the Chancellor's Office, creating a reporting structure from each of the seven colleges directly to the President of the University of Hawaii, and redefining the campus chief executive officer positions from provost to chancellor. At the time the request was made, the University had not fully identified all of the planned changes.

The ACCJC granted approval with reservations to the Community College's request, and required the University of Hawaii Community Colleges to provide reports to the Commission in November 2003 and April 2004. In June 2004, the Commission reviewed the April report. Upon review of that report, the Commission judged the progress on addressing recommendations to be incomplete, and acted to require that the U.H. Community Colleges provide a Progress Report on four recommendations from the January 2004 Commission action letter by November 1, 2004, to be followed by a visit. The UH Community Colleges submitted a progress report entitled *Report on the Substantive Change Request Related to the System Reorganization and Other Commission Recommendations* in October 2004.

The four areas of Commission concern expressed in the June 2004 action letter were:

- (1) Progress in addressing the Commission's January 2004 recommendation concerning the delegation of personnel functions to the individual campuses and continuing the role of the personnel function at the system level;
- (2) Progress in addressing the requirement that the community colleges develop and implement a regular assessment of institutional effectiveness, including program review, and
- (3) Progress in addressing the recommendation that the governing board review its role as a policy making body, refrain from making operational decisions, and delegate appropriate responsibilities to the University President.
- (4) Staffing and funding the University system structure that resulted from reorganization of the community colleges that began in May 2003, and included the elimination of the position of Chancellor for Community Colleges and the restructured reporting lines for the colleges.

A two member Team comprised of Dr. Barbara Beno, Executive Director of the ACCJC, and Dr. Marie Smith, Vice Chancellor of Instruction and Technology at the Los Rios Community College District, visited the U.H. Community Colleges on November 15 to 18 to validate the Progress Report submitted by the Community Colleges and to assess progress in addressing Commission Recommendations. In preparation for the visit, the Team read the University of Hawaii Community Colleges report and appendices as well as the Team report and Commission action letter from spring 2004.

During the visit, the Team met with the following individuals or groups: The new Interim President of the University of Hawaii, the Associate Vice President for Administration and Community College Operations and his key staff, the Associate Vice President for Academic Affairs (Community Colleges) and his academic planning, assessment and policy analysis staff, the seven Community College Chancellors, five of the seven Community College Academic Senate Presidents, the Chief of Staff to the University of Hawaii President, and six members of the Board of Regents and the Secretary to the Board during a Community Colleges Committee (a committee of the Board) meeting. The Team also attended a meeting of the Council of Chancellors and the President's Cabinet, and Dr. Beno attended a portion of the Board of Regents meeting held on September 15.

The Team received some additional documents supporting the U.H. Community Colleges Progress Report while on site, and these proved helpful to the Team's evaluation. The Team found the faculty, administrators and regents of the U.H. Community Colleges to be universally gracious, helpful and articulate in all of the meetings it conducted, as well as actively engaged in trying to determine how to address Commission recommendations. The Team would like to commend the U.H. Community Colleges and the University of Hawaii for their openness to external evaluation and their commitment to meeting accreditation standards.

In its fall 2004 *Report*, the U.H. Community Colleges and University of Hawaii System have been working to address four recommendations of previous visiting Teams. It is perhaps inevitable that the institutions' attempts to respond, and the Team visits, have uncovered additional issues to be addressed. The complexity of the University of Hawaii system, its recent rapid and significant changes in leadership, organization and culture, and the openness of the University and the Colleges to the Team evaluation has led the Team to identify some overarching issues. These issues and associated advice and recommendations are discussed at the end of this report.

General Observations

Since the last Team visit, the University of Hawaii Board of Regents evaluated the President of the University system, and he subsequently left the University. The Regents appointed the Academic Vice President, Dr. David McClain, to be Interim President for a period of two years. The new Interim President took immediate steps to improve communication with the Board of Regents and to provide to them and the Commission the clear information about the positions and costs associated with the reorganization of the University's structure that had begun in May 2003, and that had been requested by the Commission since April 2003.

The Board of Regents responded to this change in leadership by re-delegating to the President the authority necessary to make most management level hiring and salary decisions, an authority that the ACCJC's previous Team had recommended be more appropriately vested in the President.

Although the Interim President had been functioning for just a few months at the time of the Team visit, the Team perceived a noticeable easing of tensions and improvement of open communication about university-wide issues during the entire Team visit. At the same time, the University and the Colleges have begun to re-evaluate the organizational structures the previous president put in place and to make adjustments where deemed necessary. During this re-assessment, there is a significant window of opportunity for the Community Colleges to address the elements of their structure and performance that are insufficient to fully meet the new accreditation requirements. This Team report is written in the spirit of helping the U.H. Community Colleges create a system structure that supports their efforts to meet the standards.

Other changes that have occurred are noted below as related to each of the Team's findings on the U.H. Community College's progress in addressing prior recommendations. The Team Report is organized in order of the original recommendations, and some overarching Team concerns are discussed in a final section to the report.

Personnel Function

- 1. The Team recommends that the University of Hawaii Community College system and the University of Hawaii give careful thought to what would be the most effective delegation of responsibility and authority in personnel functions to the individual campuses, provide clear delineation of same, and ensure the college staffs receive appropriate training and support to conduct personnel functions in a manner that is consistent with Commission standards and which protects the overall integrity of the University of Hawaii personnel system. (Standards III.A.1 and 2)**

Findings

The U.H. Community Colleges *Report* outlines the responsibilities of the Community Colleges Human Resources Office (CCHRO) that the Associate Vice President for Administration and Community College Operations supervises. Since the reorganization, the CCHRO staff also provides Personnel Services to several other University System-wide Support offices that are not directly related to community college operations. CCHRO appears to provide the array of support and service to ensure the colleges' ability to provide effective personnel functions, including position description, advertising and recruiting, compensation, fringe benefits administration, and labor relations "advice." The CCHRO also works with the Community Colleges Budget and Planning Office (CCBPO), the other function supervised by the Vice President for Administration and Community College Operations, on staff and management reorganization plans submitted by campuses.

To the degree that colleges take the advice of the CCHRO on personnel and labor issues, this office is effective. The University's *Report* states that "while campuses have been delegated authority to approve many transactions, some campuses continue to process certain transactions through CCHRO" or request its assistance. Some of the college chancellors told the Team that they rely heavily on CCHRO because their staffs still lack the ability to do all delegated personnel functions; others told us that the CCHRO is called upon frequently to help with labor relations issues because the colleges don't have the knowledge to handle all contract issues.

However, as will be described under this Team's report, review of the college's response to Recommendation 4, the lines of authority and responsibility between the colleges, the CCHRO and the Associate Vice President, and the University of Hawaii System-wide Support are not effective. The CCHRO is a support service but its use is not mandatory for all transactions, and colleges do work directly with the University's System-wide Support staff on occasion. The Associate Vice President reports to the University's Vice President, creating a reporting structure secondary, and somewhat parallel, to the Chancellors' reporting to the President. It is unclear whether the Associate Vice President can override a college decision. The Team heard staff in the CCHRO discuss a particular personnel issue that illustrates the complexity and lack of clarity of the present organizational structure: A personnel action related to tenure/promotion was being processed by one of the colleges. The CCHRO staff advised the Chancellor that there were problems with the request, but felt they lacked the authority to impose the proper course of action. However, the details of this specific situation were not brought forward to the University Chief of Staff by either Associate Vice President for a review of the situation. The CCHRO staff expressed to the Team some concerns about whether to intervene when they discover a planned action that has not undergone review, and are unclear about whether they have the authority to require a specific course of action. Because the University reorganization did not clearly give the Associate Vice President authority over the colleges in the areas of his responsibility, his staff are concerned about whether they have the authority to do what needs to be done. The unit's claim that it "coordinates" the colleges in areas of its expertise are apparently true only when colleges agree to be "coordinated."

An Additional Issue with Human Resources

The Team and the Colleges have identified a significant problem with the colleges' ability to meet Standard III A, Human Resources. In fall 2001, the University Board of Regents adopted a revised Executive/Managerial Compensation Policy that called for salaries to be indexed to national salary benchmarks. In addition, Transition Guidelines were also presented that called for salary adjustments to be made for continuing Executive/Managerial personnel, subject to availability of funds, who were performing above the fully satisfactory level. This salary adjustment was planned to allow the University to hire and retrain administrative personnel. The reorganization plan called for salaries to be adjusted in 2003. At the time of this Team's visit, salaries were still in the process of being adjusted and the process of adjustment was not proceeding smoothly.

The University made the decision to implement the salary adjustments in a series of adjustments over time and budget cycles, with the first adjustment to get all administrators to the 20th percentile, the second adjustment to get them to the 40th percentile, and the last to get them to the

50th percentile. Acknowledging that the high cost of living in Hawaii was a detriment to attracting new staff from outside the state, the University hired new administrators from outside the system at the target 50th percentile, and then decided in fairness it should hire current employees who were going to new jobs within the system at the 50th percentile. The result is that long-term administrators within the system are paid less than individuals who might be new or less experienced administrators from outside the system or outside the college. Colleges are now losing their administrative staff to other colleges because an employee stands to gain a significant salary increase by moving within the system, even to the same job. Leeward College's fall 2004 visiting Team particularly noted the potentially devastating effects of loss of experienced administrative staff on the college. Institutional effectiveness has been hurt by loss of experienced administrators and lowered morale.

In addition, as part of the first reorganization (December 2002) there was a plan to adjust Community College Chancellors salaries in the 2003-4 fiscal year. When the Team inquired of the community college staff and the CCHRO whether the planned salary adjustments had been implemented, they were told they had not. When the Team inquired the same of the University President, he indicated he was bringing a salary adjustment for Chancellors to the Board for approval later that week. While the Associate Vice President for Academic Affairs had seen an earlier draft of the President's memo to the Board requesting the salary adjustments, the Associate Vice President who is responsible for the personnel and budget management functions of the Community Colleges had no foreknowledge of details of this plan. It is quite understandable that with the breadth of responsibilities assigned to the President, he or his staff may not have checked to see whether the news of the planned adjustments was communicated to all relevant community college administrators. The President's personal philosophy is such that he did not intend to discuss the planned salary adjustments with the Chancellors before securing Board approval. Nevertheless, this incident speaks also to what the Team perceives to be confused reporting and communication channels associated with the restructured organization. The President communicates with his immediate staff, the University System-wide Support staff; the Associate Vice Presidents for Community Colleges are one reporting level lower in the organizational structure and are not always getting or giving key personnel information.

Furthermore, the planned salary increases for Chancellors proceed unevenly so that some chancellors that are farther below the median than others will proceed in steps over the next three years to reach the median while others will proceed in two steps to reach the median in two years, and a new chancellor was just hired slightly above the median. The University has the right to set and negotiate salaries for all Executive/Managerial employees at the community colleges, but a stated plan to raise salaries that are acknowledged as too low needs to be examined so that it is more fairly implemented and information about the plan's implementation needs to be more widely available to institutional employees. Current practices appear to be in contradiction to Standard III A 3 and 4.

Conclusions

Given the lack of clarity of the communication and work flow within the new organizational structure as well as the authority and responsibility of Community College's Associate Vice President and his CCHRO and CCBPO, the Team believes the U.H. Community Colleges and

the University of Hawaii System need to reexamine their organizational structure. The Team's recommendation appears later in this report, under **Overarching Issues**.

The Team also believes that the University of Hawaii needs to address what are inequities in its salary policies, and offers the following *new* recommendation, which is numbered in sequence to the original four recommendations:

5. The Team recommends that the University of Hawaii review its salary placement policies and practices, assures that those policies are available for information and review by institutional employees, and assures that they are equitably administered to all employees, including all administrative staff. (Standards III.A.3 and 4).

Assessment of Institutional Effectiveness and Program Review

2. **The Team recommends that the U.H. Community Colleges develop policies and procedures to ensure:**
 - that the community colleges engage in regular assessment of institutional effectiveness, including program review;
 - that the community college system as well as each college set priorities for implementing plans for improvement that are based in analysis of research data;
 - that the colleges and the UHCC system incorporate these priorities into resource distribution processes and decisions;
 - that the colleges and the UHCC system develop and employ a methodology for assessing overall institutional effectiveness and progress toward meeting goals expressed through plans for improvements; and
 - that the colleges and the UHCC system report regularly to internal constituencies and the Board on this progress. (Standards I.B., II A. 1. and 2., II.B.3.a., II B. 4., II.C.1.e and II.C.2; III.A.6., III.B.2.b., III.C.1. and 2., III.D.1. a, IV.B.2.b, and the Preamble to the Standards.)

Findings

The U.H. Colleges' *Report* describes the institution's leadership structure and ongoing practices related to institutional effectiveness and program improvement. It describes lots of processing, yet fails to describe how eventually, program review actually leads to specific plans for improvement or implementation of those plans. The Team believes the U.H. Community Colleges individually and as a system lack an adequate program review, institutional assessment, and improvement process that would meet the Commission's standards, particularly Standard I B.

This is not to say the colleges are not trying to respond to accreditation requirements, because they are. The *Report* describes a number of special planning meetings that were held over the last year, the community college chancellors' charge to the Institutional Research Cadre to

develop a data portfolio for each campus assessment effort, and campus-wide workshops that were held to get college staffs engaged in program review and planning.

Colleges differ in their success in designing, implementing and using program review to make institutional improvements. Some are more advanced than others. For example, one of the colleges, in its most recent Progress Report, indicated it has developed and implemented a comprehensive program review and evaluation process for its educational programs, student services program, and administrative support services in the 2003-4 academic year and is now in its second cycle of program review. The results were used in college-level planning, budgeting and decision-making and resulted in a decision to hire a much-needed science laboratory technician and clerical support for an instructional division. However, one college has designed a program review that is extremely burdensome, one college has admitted that it has no program review, and another college has stated through its faculty leadership that it has no program review process. This team believes the entire set of program review and planning activities conducted by the University of Hawai'i Community Colleges deserve careful review by future accreditation teams that visit the Hawai'i campuses to see whether the colleges have developed a culture and practice of assessment and improvement.

The *Report* identifies the Board of Regents policies that call for development of a statewide community college plan (a system planning effort) that includes evaluation of workforce needs and individual campus development plans to respond to those needs. (The policy stresses the college's need to respond to workforce needs, but does not apparently require the colleges to examine and improve program quality as a general and ongoing practice.) The U.H. CC's budget planning system requires assessment, prioritization and a description of resource requirement. In response to the budgeting process, the seven community colleges each develop a strategic plan which feeds the community college system strategic plan.

However, most of the colleges' revenues are derived from state appropriations, and the appropriations history reflects an emphasis on funding new programs but not funding improvement to existing programs or even increased enrollments in existing programs. Thus, the Accrediting Commission's standards requiring ongoing institutional self-assessment and improvement are seen by the U.H. CC's as relatively useless for accessing new revenues.

The Council of Community College Chancellors is delegated responsibility for implementing changes that stem from institutional assessment and for developing the priorities of the biennial budget request submitted to the state. The former University of Hawai'i President indicated to previous visiting team that the Council of Chancellors would be the vehicle for decision making about the Community Colleges, replacing the Office of the Chancellor of Community Colleges. The Council tends to share information more than make decisions, and staff of the Colleges told the Team bluntly "it is not a decision-making body." The written record describing its authority, a memo from the University's Academic Vice President to the seven chancellors in October 2003, stated the council was "charged to identify issues specific to community colleges, research tentative solutions, and make policy recommendations to the Council of (all) Chancellors." The inability of either council or of a super-ordinate to decide how the colleges might collectively approach at least core elements of program review, result in each college pursuing its own local strategy or, as in some cases, not acting at all on this matter.

The Community Colleges receive annual Academic Program files, Carl Perkins Performance Indicators (for vocational programs), a Community College Fact Book, IPEDS Graduation Rate Surveys, and Program Health Indicator Reports. In addition, the Associate Vice President for Academic Affairs provides support and coordination for community college-wide projects such as the National Community College Survey of Student Engagement (CCSSE) as well as analyses of course placement and testing results. The excellent data and analyses generated by this office provide comprehensive examination of student achievement and student demographic and other characteristics, and the data is available for the last eleven years. However, the colleges do not consistently use these data for their program review process. The U.H. CC system visiting Team was preceded by progress report Teams sent to Kauai CC, Honolulu and Leeward CC's. Only one of those colleges had developed program review processes that use student achievement data in a systematic way. The Team interviewed Faculty Senate leadership from five of the seven colleges, and at least one of those indicated that there was no ongoing data-driven program review process at the college. It appears to the Team that several of the colleges have engaged the faculty in design of a program review process with hopes it would be meaningful and useful, but the resultant designs lack data and analyses. Other colleges have engaged in extensive work on student learning outcomes definition and assessment, thinking mistakenly that that process is program review.

In talking with staff, there seem to be several fundamental barriers to program review and institutional improvement efforts. These include a cultural predisposition to be anxious and avoid assessment discussion of strengths and weaknesses of the institution, a lack of institutional capacity in terms of research functions on campus or administrator and staff capacity to handle necessary research and analyses work, confusion over what program review is, a willingness to let the program review process be "designed by committee" rather than assigning a leadership Team the responsibility and authority to come up with a workable design. The Associate Vice President for Academic Affairs (Community Colleges) academic planning, assessment and policy analysis staff has a research staff member who tries to train and support college efforts, but structural impediment to that Vice President imposing a program review model or core variables on the college has prevented the expertise at the system level from being fully utilized by the colleges.

The Team discussed program review and improvement plans with the Board of Regents Committee on Community Colleges, and the Board indicated that while they do see detailed program review analyses for new programs seeking approval, they are not given either program reviews or summative material outlining the institutions' strengths or needs for improvement that result from review of existing programs.

Conclusions

Generally, the Team found the U.H. Community Colleges with some exceptions have not addressed this recommendation. The Colleges have not developed effective strategies for Program Review, and the system decision making structure has not communicated the results of program review and plans/needs for improvement through the decision making structure to the Board. While the State budget development process allows for the college system to seek

additional funds through legislative appropriations to address identified needs to improve, the colleges generally have not been successful in obtaining much additional State support for operational improvements. The Team found no evidence that the colleges have an established process for reallocating resources within the institution to fund identified improvements.

Governing Board Role and Delegation of Authority to the President

- 3. The Team recommends that the governing board review its responsibilities to serve as a policy making board and to assume its role in evaluating the University President. The Board of Regents should develop appropriate policies to guide the administrative hiring process and then allow the University President to implement and administer policies. The Board should refrain from making operational decisions more appropriately delegated to the system chief administrator, the University President. (Standards IV.B.1.a)**

Findings

The Board of Regents has made significant progress in addressing this recommendation. In June, the Board completed its evaluation of the University President and provided evaluative information that made clear the Board's expectations and requirements of a president as well as their assessment of the incumbent's strengths and weaknesses. Following the appointment of a new Interim President, the Board and the Interim President began to immediately develop a communication structure that would assure the Board of sufficient and timely information from the President as well as the opportunity to direct and provide feedback to the President on his management of University operations. The Team observed a far improved relationship between the governing board and the president and a resultant renewed trust in the Office of the President. The Team's observation of a portion of a meeting of the Board of Regents found a vastly improved process (experimental at this time) in which the Board no longer considers items in both committee and "as a whole" but conducts a single review of each agenda item and reaches a decision on it. This process is far less time consuming, and for the half day that the Team observed the meeting, the Board's business was proceeding at a far more effective pace.

The Board has re-delegated to the University President authority to approve personnel actions related to the managerial (M) positions and incumbents in accordance with established Board policy" except for appointments above the salary target identified for that position. This reassignment of responsibility to the President effectively moves the Board out of the personnel actions with which the Commission was most concerned, and realigns the Board with ACCJC standards on the appropriate role of the Board.

Finally, the Board of Regents hired a consultant from the Association of Governing Boards of Colleges and Universities (AGB) and received training at a retreat in October. The retreat and other consultant services have helped the Board of Regents better understand its role as a policy making body. The Team found them to be actively engaged in continuing discussion of

the appropriate level of detail and supervision, and open to additional learning through experience.

Other issues related to Board Governance

During the Team visit, the Board of Regents was reexamining its committee structure and board meeting process. The Board is considering how to best eliminate or consolidate its committees while retaining essential in-depth review activities that the committee structure allowed. In discussion with the Team, the Board raised the issue of whether it should continue to keep the Community College Committee. The Team's view is that as a state system-wide board, the Board of Regents needs to be prepared to devote sufficient time and attention to the issues of community colleges' educational quality and program improvement. Without retaining some ability to function specifically as a community college governing board during its meetings as a state higher education system board, the Community Colleges will have difficulty meeting Standard IV B 1. The Team urges the Board of Regents, the University of Hawaii President, and the Community College Chancellors, to explore how the Board of Regents can be organized to fulfill its responsibilities to the specific community college mission. Retaining the Community College Committee may be one avenue, but there may also be others for ensuring that the "governing board is responsible for establishing policies to ensure the quality, integrity and effectiveness of student learning programs and services and the financial stability of the institution" (Standard IV B.1) and for ensuring the "financial resources of the institution are used to provide a sound educational program" (ER 3).

University System and Community College System Structure

- 4. The Team Report of April 2003 required the University of Hawaii Community Colleges to submit a report on how the University of Hawaii system structure has been finally staffed and funded.**

Findings

The U.H. Community College's Progress Report of April 2003 had indicated the University would be finally able to fully know the exact structure and its associated costs of the proposed reorganization by fall 2004. The restructuring not only eliminated the Chancellor of Community Colleges position, but also separated the University of Hawaii System-wide Support from the University of Hawaii at Manoa operations and moved the university wide research function to the System-wide Support budget.

The U.H. Community College's *Report on the Substantive Change Request* submitted in October 2004 describes in candid detail the organizational structure, number of employees, and reporting structure for the University, and *summative level* associated costs before and after the May 2003 reorganization.

The number of positions allocated to the University on July 1, 2002, was 359 employees. With the reorganization, the number of positions allocated to the University on July 1, 2004 was 445.5

positions. The Substantive Change Report also reported the complete costs of the administrative support system for the University as a whole and for the community colleges for the 2001–02 and 2002–03 fiscal years (before and after the reorganization). The fiscal data on state appropriations to the University of Hawaii System-wide Support and Community Colleges System-wide Support indicate that the reorganization resulted in an increase in planned expenditures for the University’s System-wide Support of about \$2 million in state appropriation, and a decrease in planned expenditures for the Community College System-wide Support of approximately \$1.4 million between the 2001-02 and 2002-03 fiscal years. These numbers reflect all of the complex shifts of functions described in the paragraph above this. Total system-wide support funding fell by \$850 thousand in these same years. These changes resulted in twenty direct reports, including the seven community college chancellors, to the University of Hawaii President.

The Interim President has determined that the University system’s level of funding cannot support the former President’s administrative structure, and has proposed a second reorganization to bring the system-wide support structure into line with the fiscal resources available to the University and to rationalize and consolidate some of the authority and reporting structure that developed under the previous president. The *Report on the Substantive Change Request* details the additional planned changes in administrative structure that will rationalize the leadership for financial management functions and administrative functions and make changes to accommodate a reduction in positions and expenses. The reorganization will reduce the number of direct reports to the President from 20 to 15 and eliminate some positions. The Team also learned that the President has eliminated the words “Council of Chancellors” from the organizational chart in the effort to clarify that the President heads the organization and that all Chancellors report to him; the Council is not vested with authority or responsibility for the Community Colleges or the University. This change cements the Chancellors’ assessment that the Council has not functioned effectively as a decision-making structure, but rather has been a venue for sharing and joint strategic thinking.

Conclusions

To the degree that the administrative structure of the University of Hawaii System-wide Support and Community Colleges System-wide Support is now broadly known, and the University has now planned to address the need to fund this structure, the U.H. Community Colleges have partially responded to the Commission’s concerns.

Overarching Issues

The Commission’s original concern in granting approval of the Substantive Change Request was that the Community College System-wide Support services be identified and maintained at a level sufficient to support the Community Colleges. The Team believes it is clear that the reorganization (first or second) has not established a clear organizational structure with clearly defined roles or authority and responsibility between the colleges and the system that effectively supports the colleges in their mission and function. (Standard IV.3.) Some of these have been previously described in this report and others are described below.

In many formal ways, the community colleges remain a system, but the system's strength or advantage appears to be significantly confused by the quasi-merger with University System-wide Support.

The Community Colleges are established by Hawaii State law as a community college *system*. The Legislature appropriates a budget for the community colleges and for the Community College System-Wide Support separately from its appropriations for other portions of the University, and the colleges do their budget planning and negotiation for appropriations as a system (albeit a subsystem of the University of Hawaii). The Community Colleges have agreed to respond to the Commission's requirement for an annual institutional independent audit as a *system*. The former structure, with a Chancellor for Community Colleges and system support offices, implemented system-wide coordination and decision making. The new structure, in which all seven Chancellors report to the University of Hawai'i President and the community college support systems are partially subsumed into University System-wide Support, has contributed to confusion about what remains the roles and authority of the remaining community college system-wide offices.

The U.H. Community Colleges originally stated that while the Chancellor's position was being eliminated, the two key vice chancellors for community college system operations would remain, re-titled Associate Vice President. The Associate Vice President of Academic Affairs (Community Colleges) position is assigned to the University Vice President of Academic Affairs. The Associate Vice President for Administration and Community College Operations will be assigned to the proposed Vice President of Finance if the second reorganization plan is implemented. The Associate Vice President of Administration and Community College Operations and his staff play a significant role in the development and oversight of the community college budget, which is appropriated separately to the community colleges by the state legislature. But they also provide administrative support in the area of capital planning, facilities maintenance, personnel functions, grants management, and other general administrative activities. The Associate Vice President of Academic Affairs (Community Colleges) plays a significant role in the academic planning, assessment, policy analysis and academic support research and planning efforts of the community college system.

While the community college administrative support structures remain in place, with the two Associate Vice Presidents serving community college academic, fiscal and administrative needs, there is a definite lack of clarity about the role the two positions play in the work flow and the reporting structure. The U.H. Community College's report to the Commission details very clearly the many functions that the Community Colleges Human Resource Office (CCHRO) and the Community Colleges Budget and Planning Office (CCBPO) perform. Ironically, the Associate Vice Presidents report that they do not have direct line authority over the college Chancellors, but are advisory and supportive. This places them in a somewhat peripheral role on some functions unless the colleges decide to "use" them. During meetings with the Team, the Chancellors expressed confusion over whether workflow that originates at the college flows through the Associate Vice Presidents or directly to the University System-wide staff, and some of the Chancellors reported different practices.

In an interview with the Team, the President of the University stated that his current Chief of Staff reviews all community college recommendations for Board action, and the two Associate Vice Presidents noted that as a result, sometimes they do not see the recommendations that concern the Community College system, including recommendations that may need adjustment or that pertain, ultimately, to community college funding. When the President expressed the belief that the two Associate Vice Presidents act on behalf of him through their system-wide offices, they replied that the authority vested in the offices has not been clarified since the December 2002 reorganization and expressed the need to have their roles and authority clarified for both their work with the colleges and with the University system.

Of particular concern to the Team is the recent decision to separate administrative and financial management functions in the offices of two University Vice Presidents – one for Budget and Finance and one for Administrative Affairs – because the associated Associate Vice President position for community colleges still unites administrative and fiscal management. Without a clear definition of the community college system-wide support office's roles and authority, the non-financial support this office currently provides to the community colleges (and, as of recently, to several other offices of the University System-wide Support functions) may be lost as the office and its staff concentrates on fiscal matters identified by the University Vice President of Budget and Finance.

Approximately two years after the initial request for approval of substantive change, the Commission's reservations expressed in its initial approval of the request have not been adequately addressed. The current organization is not working well. Portions of this report that deal with the role and authority of the two Associate Vice Presidents, the parallel reporting structures for the Chancellors and the Associate Vice Presidents, the inability to come to some mutually beneficial collective decision on at least core program review components, the remaining confusion over job titles, position descriptions and salaries all suggest that the University system and the Community Colleges need to review and adjust the present organizational structure to ensure it works effectively.

The U.H. Community Colleges are beginning to prepare Self Study Reports in preparation for reaffirmation of accreditation in fall 2006. The Commission's new Policy on the Evaluation of Colleges in Multi-College Districts/Systems requires such colleges to prepare an organizational "map" of the roles, responsibilities and authority assigned to system offices and colleges. This Team believes the exercise of preparing such an analysis might be useful in identifying all of the areas where the present structure is inadequate.

Conclusion

In identifying the positions and associated costs for the reorganized University of Hawaii System-wide Support and Community Colleges System-wide Support, the U.H. Community Colleges have partially addressed the Commission's concern. However, implementation of the new structure has failed to provide the clarity of roles, responsibilities and authority that an institution meeting accreditation standards should have. By implementing "change as you go", the U.H. Community Colleges and the University of Hawaii have created some chaos and dysfunctions at the same time that they created important and positive opportunities for

coordination and articulation of higher education efforts in the state. It is time now to address the problems associated with the changed structure.

The Team believes that the State will find it very challenging to continue to operate the Community College system without identifying a clear “head” of that system. The previous University President appeared to believe the Council of Community College Chancellors would be the decision making entity, and tended to defer his own authority to that body. The new Interim President and the College Chancellors have recognized that the Council has not been an effective decision making entity. The University President is the head of the U.H. Community Colleges, yet that office has a breadth of responsibilities that may make it difficult to address the details of the community college system. The remaining community college system “expertise” imbedded in the offices of the two Associate Vice Presidents is in danger of being lost as those two units take on University-wide responsibilities and are isolated by reporting structure from sufficient authority to govern the community colleges.

The University’s original Request for Substantive Change indicated that while the University had not fully planned all the stages of the reorganization or exactly how things would work, it intended to learn and adapt to what it learned along the way. The Team believes that the period of review and re-assessment that the Interim President has announced is an appropriate time for the Community College Structure to examine what it has learned and make some adjustments.

Recommendations:

6. The U.H. Community Colleges and the University of Hawaii System should identify more clearly the community college system functions and authority assigned to the two Associate Vice President offices and staff, and communicate those to the colleges and the University System-wide Support. Both organizations must then design workflow and decision-making processes that allow the Community College System-wide Support staff to provide support and delegated authority in areas of academic planning, administrative (including personnel) and fiscal operations. (Standard IV A.5, Standard III A.3, Standard I B.)

7. The U.H. Community Colleges should identify and implement the means to ensure that the Community College governance system at the system head and board levels meets accreditation standards by developing and implementing policies and processes that ensure the quality, integrity, and effectiveness of the student learning programs and services. (Standard IV B, all).

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