

CARL SANDBURG COLLEGE
Board of Trustees Meeting
Regular Meeting – February 28, 2008

Item 11 Financial Recovery Plan – FRP

Focal Points and Goals

B-4, E-2

Background

As a result of its most recent strategic planning process (2/07), the Board of Trustees formally approved new **Belief** and **Strategy** Statements. Among these are:

“We believe in financial stability and responsibility.”

and

“We will ensure long-term financial stability and accountability.”

In its correspondence with the College dated November 13, 2007, the Higher Learning Commission of the North Central Association of Colleges and Schools (NCA), requested that the College:

1. Identify the ratios (financial) contributing to the low composite scores and provide specific strategies with a timeline to raise them without adversely affecting programs designed to facilitate student learning.
2. Address those revenue and expense components that have the greatest impact on the institutions’ financial health.
3. Submit a Financial Recovery Plan (FRP) to the Commission over the signatures of the President and the Board Chairperson no later than February 15, 2008.

Note: The Commission subsequently approved the Administrations’ recommendation to present the FRP to the full Board of Trustees (and college community) at its regular meeting scheduled for February 28, 2008.

Various versions of the quote, **“The plan is nothing, Planning is everything”** has been attributed to many historical leaders.

While our **planning** for financial recovery should be viewed as a foundation upon which the College may be operated, our FRP (**plan**) should be used to provide context for future recommendations and decisions, as well as a baseline against which to measure our performance (**Ed Gaeta-University of California Extension, the Art of Project Management**).

The **RATIOS** called for by the NCA shall be defined as those addressed in the College's **FINANCIAL PROFILE** report prepared for the annual retreat of the Board of Trustees.

The **TIMELINE** called for by the NCA shall be defined as that previously articulated in the **PHENIX Program** first presented in September 2003 (now FY-2009 to 2014).

The **REVENUE & EXPENSE** components that the NCA calls upon the College to address/improve shall be defined as those identified in our **Program Watch List** (Revenue/Cost Reports) initiative.

As Carl Sandburg College simultaneously prepares for our upcoming NCA re-accreditation process and to fully implement our efforts to reshape ourselves, this **Financial Recovery Plan (FRP)** will serve as the sextant to navigate through an uncertain future.

The **"State of the College Address"** (March 2, 2007) should serve as our radar screen and provide further context for future decision making.

Recommended Action

The Administration recommends that the Board of Trustees:

1. Approve the attached Financial Recovery Plan, with specific attention drawn to items #5.1.C –
 6. Tuition Rate Guarantee Program (TRG).
 7. Late Registration Fee (LRF).
 8. Program Acceptance Fee (PAF).
2. Approve submission of this FRP, as well as the State of the College Address (3/07) in response to the Commissions' Correspondence dated November 13, 2007.