

January 25, 2019

Dr. Marie-Elaine Burns
President
Merritt College
12599 Campus Drive
Oakland, CA 94619

Dear President Burns:

During its January 9 - 11, 2019, session the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges (ACCJC) considered the financial report submitted by Merritt College. On November 20, 2018, the college received notice from Commission staff that it had been placed on enhanced fiscal monitoring and required the college to share with the Commission its plan to address the financial conditions identified in the Commission letter. The Commission reviewed the College's response to this notice submitted on December 14, 2018, in which it was noted that "the gravity of the College and District's financial challenges" provided the basis for beginning to prepare such a plan.

After deliberation, and in keeping with the Commission's "Policy on Monitoring Institutional Performance," the Commission acted to request the college, in collaboration with the PCCD, to prepare and submit a special report addressing each of the areas of fiscal concerns delineated in the November 20, 2018, letter from Vice President Droker and referenced in your December 14, 2018, responses to ACCJC.

The required report should take the form of a Five-Year Integrated Financial Plan. As proposed in your response to the Commission, the Plan should include:

- Establishing FTES Targets and Enrollment Management Plans
- Establishing a Student Success Infrastructure Plan to comply with the Student-Centered Funding Formula as announced by the California Community College Chancellor's Office.
- Establishing guidelines to reduce operational overspending and eliminate the structural deficit
- Adopting a Board policy to adopt sustainable fund balances and reserves
- Adopting a restructuring plan to improve efficiencies and accountability at the District Office and the Colleges
- Addressing all audit findings
- Establishing strategies to improve the management of the OPEB debt
- Providing an executive-level staff turnover analysis and recommendations to retain these staff at the district

The resulting plan should include timelines and milestones capable of being addressed in subsequent reports as may be required by the Commission. An update on progress on the

Merritt College, page 2

preparation of this report is due to the Commission on March 1, 2019. The final report must be submitted by May 1, 2019, in order for it to be provided to the Commissioners in sufficient time to support their review during their June 5 and 6, 2019, Commission meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard Winn". The signature is fluid and cursive, with a large initial "R" and a long horizontal stroke at the end.

Richard Winn, Ed.D.
President

RW/tl

cc: Dr. Jowel C. Laguerre, Chancellor, Peralta Community College District