July 17, 2017

Seth Carter, President
Colby Community College
1255 S. Range
Colby, KS 67701

Dear President Carter:

This letter is formal notification of action taken by the Higher Learning Commission (“HLC” or “the Commission”) Board of Trustees (“the Board”) concerning Colby Community College (“the College” or “the institution”). At its meeting on June 29, 2017, the Board voted to remove the sanction of Probation from the College. This action is effective as of the date action was taken. The Board determined that removal of the sanction was warranted based on materials from the College’s most recent comprehensive evaluation including, but not limited to: the Assurance Filing the College submitted; the report from the comprehensive evaluation team; the report of the Institutional Actions Council (“IAC”) Hearing Committee; the institution’s responses to these reports; and other materials relevant to the evaluation.

The Board required that the College submit an Interim Report no later than August 31, 2018, providing evidence of the following:

- **Integrity (Core Component 2.A)**
  - Improvements in customer service, timeliness and responsiveness in the Financial Aid Office;
  - Upgraded operating processes to ensure that the College is in compliance with federal regulations and that students are served in a timely and efficient manner;
  - The results of a student survey that compiles quantitative and qualitative data about the quality of service provided by the Financial Aid Office;
  - Copies of audited financial statements for FY 2017 and FY 2018; and
  - All correspondence and documentation from the U.S. Department of Education regarding the College’s financial aid operations.

- **Planning (Core Component 5.C)**
  - Progress on the current strategic planning process and its integration with budgeting, including any other master planning documents, such as: the facilities master plan, an emergency plan, enrollment management plan, and assessment plan.

- **Systematic Improvement (Core Component 5.D)**
  - That monetary, physical/technological, and human resources are being allocated based on strategic planning priorities.

- The College should also include the results of the nursing program’s accreditation visit.

The Board placed the College on the Standard Pathway and required that it host its next comprehensive evaluation in 2020-21.
The Board based its action on the following findings made with regard to the College:

The College has demonstrated that it meets Criterion Two, Core Component 2.A “the institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows policies and processes for fair and ethical behavior on the part of its governing board, administration, faculty and staff,” but with concerns for the following reasons:

- The College has created a robust combination of offices and functions, as well as policies and procedures to assure that all areas of the College act ethically and with integrity;
- The College has demonstrated significant improvement in internal controls over the key operating cycle areas of cash, accounts receivable, accounts payable and encumbrances;
- The College has made available appropriate training for personnel in the Financial Aid office and has hired a new chief financial officer; and
- The Department of Education has removed the College from heightened cash monitoring status owing in part to the impact of these improvements.

However, the College must demonstrate a stronger track record in its financial aid office of serving students in a timely and responsive manner.

The College has demonstrated that it now meets Criterion Four, Core Component 4.A, “the institution demonstrates responsibility for the quality of its education programs,” for the following reasons:

- The College has a regular three-year cycle for conducting program reviews; and
- The College’s program review form is comprehensive in that it requires the reviewer to address such diverse factors as learning outcomes, assessment measures, budgetary impacts, program viability, faculty qualifications, enrollment trends and others.

The College has demonstrated that it now meets Criterion Four, Core Component 4.C, “the institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs,” for the following reasons:

- The College has defined student retention, persistence and completion goals through 2017 with the intent of increasing overall retention, persistence and completion by 1% each year;
- The College has begun tracking its historical rates of completion, retention and persistence in order to understand and analyze the College’s trends with these data;
- The College has recently hired an institutional researcher and a retention specialist to assist its efforts in this area;
- The College has implemented an Early Alert system to ensure timely intervention with students who may be academically at risk; and
- The College has recently adopted the Kansas Board of Regents’ Community College Success Index Score and IPEDS data reports to better understand its performance in retention, persistence and completion.

The College has demonstrated that it now meets Criterion Five, Core Component 5.A “the institution’s resource base supports its current educational programs and its plans for maintaining and strengthening them in the future,” for the following reasons:
The College has aggressively pursued and obtained 21 local, state, and federal grants, worth $2.2 million between July 2015 and July 2016;
• The College’s financial position has significantly improved owing to an increase in unrestrictive fund balance of less than $500,000 in FY2011 to $6.4 million in FY 2016;
• The Board of Trustees of the College established a minimum fund balance of $1 million with a goal of achieving a fund balance of $3.5 million, which the College has met and exceeded;
• The College’s Board restructured the College’s debt in a manner calculated to save approximately $109,252 annually.
• The College’s CFI score has progressed from -.05 in FY 2011 to 4.3 in FY 2015 and based on preliminary FY2016 audit findings is expected to increase further; and
• The College has made significant improvements with respect to its financial control measures.

The College has demonstrated that it now meets Criterion Five, Core Component 5.B “the institution’s governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission,” for the following reasons:
• The Board of Trustees of the College regularly reviews and evaluates monthly expenditures, requires an audit and approves the College budget annually;
• The College provided sufficient evidence that the Board of Trustees of the College fulfills its fiduciary obligations to the College and carries out those responsibilities in a consistent and planned manner; and
• In addition to formal communications through Board meetings, the president communicates with the Board of Trustees on a weekly basis, providing timely updates on enrollment and retention statistics as well as other critical issues to ensure the Board is timely and thoroughly informed on all issues related to finances;

The College has demonstrated that it now meets Criterion Five, Core Component 5.C “the institution engages in systematic and integrated planning,” but with concerns for the following reasons:
• The College hired a Director of Institutional Effectiveness who specializes in data analysis and assist in guiding strategic directions including statistical data;
• The current administration has successfully integrated the 2012-2017 strategic plan with assessment data and budgeting; however,
• While the institution has made progress in demonstrating a more integrated approach to planning and, in particular, its reliance on data in planning, it must now demonstrate the ability to sustain that integrated approach as it moves beyond the 2012-2017 strategic plan.

The College has demonstrated that it now meets Criterion Five, Core Component 5.D “the institution works systematically to improve its performance,” but with concerns because while the College’s development of institutional planning documents provide evidence that planning is used to improve the performance of the institution, there needs to be more consistent evidence that monetary, physical/technological and human resources are being allocated based on strategic planning priorities.
The College has demonstrated that it is in compliance with the Criteria for Accreditation, Assumed Practices, and Federal Compliance requirements and should therefore be removed from Probation, but the College meets some Core Components with Concern in the areas identified above.

At this time, the Commission will reassign the College from its liaison Dr. Anthea Sweeney to Dr. Barbara Johnson. Please be assured that Dr. Sweeney will work with Dr. Johnson to ensure a smooth transition.

The Board action resulted in changes to the affiliation of the College. These changes are reflected on the Institutional Status and Requirements Report. Some of the information on that document, such as the dates of the last and next comprehensive evaluation visits, will be posted to the HLC website.

Information is provided to members of the public and to other constituents in several ways. Commission policy INST.G.10.010, Management of Commission Information, anticipates that HLC will release action letters to members of the public. The Commission will do so by posting this action letter to its website. Also, the enclosed Public Disclosure Notice will be posted to HLC’s website not more than 24 hours after this letter is sent to you.

In addition, Commission policy COMM.A.10.010, Commission Public Notices and Statements, requires that HLC prepare a summary of actions to be sent to appropriate state and federal agencies and accrediting associations and published on its website. The summary will include HLC Board action regarding the College.

On behalf of the Board of Trustees, I thank you and your associates for your cooperation. Please contact Dr. Johnson if you have questions about any of the information in this letter.

Sincerely,

Barbara Gellman-Danley
President

Enclosure: Public Disclosure Notice

cc: Chair of the Board of Trustees, Colby Community College
Brad Bennett, Vice President of Academics, Colby Community College
Evaluation team chair
Institutional Actions Council Hearing Committee chair
Karla Wiscombe, Director of Academic Affairs, Kansas State Board of Regents
Barbara Johnson, Vice President for Accreditation Relations, Higher Learning Commission
Anthea Sweeney, Vice President for Accreditation Relations, Higher Learning Commission
Karen Peterson Solinski, Executive Vice President for Legal and Governmental Affairs, Higher Learning Commission