Palo Verde College

OFFICE OF THE INTERIM SUPERINTENDENT/PRESIDENT

Press Release

TO: ***Palo Verde Valley Times***
Needles Desert Star
The Desert Independent

DATE: February 7, 2012

FROM: Denise Whittaker, Interim Superintendent/President

SUBJECT: Accreditation Status of Palo Verde College

PALO VERDE COLLEGE MAINTAINS ACCREDITATION WHILE TAKING
TAKES AGGRESSIVE STEPS TO REMEDY ADVERSE FINDINGS

Interim President Denise Whittaker announced today that Palo Verde College is determined to overcome the financial crisis it finds itself in, and to address "with integrity, and in a meager few weeks" an adverse accreditation finding by the Accrediting Commission for Community and Junior Colleges (ACCJC).

Her announcement comes one day after learning that the ACCJC placed the college on "probation" status.

The action came as a result of a formal review last month of a college financial report submitted at the request of the ACCJC.

The report disclosed an array of fiscal problems brought to light last summer by C.M. Brahmbhatt, a consultant hired to assist in budget planning and transition after the retirement of business director Geri Butler.

It was through Brahmbhatt's consulting work that the budget problems surfaced.

The ACCJC's finding, presented to the college in a February 3 letter, stated the college is on probation effective immediately, but assured students and the community that the college's "accredited status continues during the probation."

Among the problems facing the college are decreasing state revenues and increasing operating costs; insufficient funds to operate two newly completed campus buildings; decreasing student enrollments; long-term bond obligations and long-term obligations for early retirement programs.

Whittaker, who became interim president January 9 following the retirement of James Hottois, describes the situation as a "perfect storm," whereby several unfavorable events and conditions converged at once, placing the college's financial stability at risk.

Whittaker said the college "will surmount this crisis." She has assembled key leaders and organizations consisting of faculty, staff, managers and trustees to design aggressive plans to identify funding values, cost savings, potential cuts, and new sources of revenue.

"The goal is to present to the ACCJC a dynamic stability plan that includes a 5-year budget scenario, taking into consideration projected state reductions and demonstrating due diligence in developing a budget that does not exceed anticipated revenues," Whittaker said.

The ACCJC is requiring Palo Verde College to submit a report of its status by April 1. An on-site visit by a team of ACCJC representatives will take place some time later that month.

The February 3 letter from ACCJC states that the college must "correct deficiencies within a two-year period" or face possible loss of accreditation. The two-year period expires January 2014.

Whittaker said she is confident the college has the ability to effectively address the ACCJC's concerns in the next few weeks.

She said the college's faculty and staff "realize this effort will take tremendous cooperation, diligence, careful thought, and teamwork, but they will do everything possible to ensure financial stability so that students of this community continue to receive quality higher education instruction."

The letter from the ACCJC and the college's response to the accrediting agency's request for additional budget information is posted on the College's web page at http://www.paloverde.edu/visitors/accreditation.html.