

# Criterion 5

## Institutional Effectiveness and Planning

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HIGHER LEARNING COMMISSION

RESOURCE

## PROVIDING EVIDENCE FOR THE CRITERIA FOR ACCREDITATION

Updated for Revised Criteria for Accreditation, Effective September 1, 2020

An institution has to provide a narrative and supporting evidence that demonstrate it meets HLC's Criteria for Accreditation. A team of peer reviewers evaluates the institution to validate its argument and determine if each Core Component of the Criteria is met. HLC provides suggestions to assist institutions in thinking about possible sources of evidence. This document should not be viewed by institutions or peer reviewers as an exhaustive list or be used as a checklist when preparing

## Policy on Subcomponents

- The distinctiveness of an institution's mission may condition the strategies it adopts and the evidence it provides that it meets each Core Component. The institution shall also provide evidence with regard to those sub-components of the Criteria that apply to the institution. An institution may provide evidence relevant to additional topics related to a Core Component beyond those specified in the sub-components to be evaluated in determining whether the institution meets the relevant Core Component. In its review, peer reviewers may determine that an institution meets the relevant Core Component on the basis of such evidence.

## **Criterion 5: Institutional Effectiveness, Resources and Planning**

The institution's resources, structures, processes and planning are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities.

## Core Component 5A

Through its administrative structures and collaborative processes, the institution's leadership demonstrates that it is effective and enables the institution to fulfill its mission.

## 5 A Subcomponents

- Shared governance at the institution engages its internal constituencies—including its governing board, administration, faculty, staff and students—through planning, policies and procedures.
- The institution’s administration uses data to reach informed decisions in the best interests of the institution and its constituents.
- The institution’s administration ensures that faculty and, when appropriate, staff and students are involved in setting academic requirements, policy and processes through effective collaborative structures.

## Criterion Evidence 5A

- Board committees, other committees (administrative, academic, student services, etc.)
- Board policies and procedures related to administrative structures
- Organizational overview/charts
- Board meeting minutes, especially those related to financial functions and processes
- Board minutes

## Core Component 5B

The institution's resource base supports its educational offerings and its plans for maintaining and strengthening their quality in the future.



## 5B Subcomponents

- The institution has qualified and trained operational staff and infrastructure sufficient to support its operations wherever and however programs are delivered.
- The goals incorporated into the mission and any related statements are realistic in light of the institution's organization, resources and opportunities.
- The institution has a well-developed process in place for budgeting and for monitoring its finances.
- The institution's fiscal allocations ensure that its educational purposes are achieved.

## Criterion Evidence 5B

- Independent audited financial statements and Composite Financial Index patterns for multiple years.
- Documentation of investments in facilities and technology, including deferred maintenance.
- Policy for staff credentials.
- Information about training and professional development for faculty and staff.
- Documentation of strategic plan investments.
- Budget requests and procedures delineating flow of decision-making.
- Budget process (process, involvement of campus constituencies, & decision flow)
- Budget projections
- Process for monitoring expenses
- Resource allocation and fund raising in support of the strategic plan
- Endowment returns and drawdown policy
- Enrollment planning, current and future projections (including retention)
- Compliance with any bank covenants related to long-term debt

## Core Component 5C

The institution engages in systematic and integrated planning and improvement.

## 5C Subcomponents

- The institution allocates its resources in alignment with its mission and priorities, including, as applicable, its comprehensive research enterprise, associated institutes and affiliated centers.
- The institution links its processes for assessment of student learning, evaluation of operations, planning and budgeting.
- The planning process encompasses the institution as a whole and considers the perspectives of internal and external constituent groups.

## 5C Subcomponents (continued)

- The institution plans on the basis of a sound understanding of its current capacity, including fluctuations in the institution's sources of revenue and enrollment.
- Institutional planning anticipates evolving external factors, such as technology advancements, demographic shifts, globalization, the economy and state support.
- The institution implements its plans to systematically improve its operations and student outcomes.

## Criterion Evidence 5C

- History and process of strategic plan creation and constituencies involved.
- Annual updates to strategic plan.
- Budget requests and procedure for budget planning.
- Enrollment management plan.
- Environmental scan results.
- Evidence of resources used to aid in planning activities, such as, state reports on demographics, industry/vocational employment demands, etc.
- Facilities and technology plans.
- Documentation delineating linkage between planning, budgeting and evaluation/assessment.
- Retention and completion data and reports.
- Documentation of institutional effectiveness plans and strategies, including goals and measurable outcomes for identified functional areas.
- Documentation regarding assessments of and satisfaction with facilities, libraries, technology, human resources, security, and other services (e.g., counseling, dining, residence life, student recreation, student activities, parking, etc.).
- Meeting minutes, agendas and/or task lists indicating review and analysis of data to inform improvements of operational activities (e.g., counseling, residence life, information technology, parking, student activities).

## Institutional Financial Health in the HLC Assumed Practices for Accreditation: “Facts”

### Practice **D1**.

“The institution is **able to meet** its current financial obligations.”

### Practice **D2**.

“The institution has a **prepared budget** for the current year and the capacity to compare it with budgets and actual results of previous years.”

### Practice **D3**.

“The institution has future **financial projections** addressing its long-term financial sustainability.”

### Practice **D5**.

“The institution undergoes an **external audit ...**”

## Final Takeaways

- 5B and 5C are often cited for areas requiring monitoring
- Work early on collecting evidence and updated year over year so that the institution is well prepared for submitting an assurance argument
- HLC has moved away from the self study and more toward a system of using evidence to meet the core criteria
- Use your liaison if you have questions about what is expected!



## HLC's website

- [hlcommission.org](https://hlcommission.org) → Accreditation → Criteria for Accreditation