

**REPORT OF THE WSCUC TEAM
SPECIAL VISIT**

To: Notre Dame de Namur University

April 26-28, 2023

Team Roster

Thomas Fleming, Chair
Special Finance Officer, Loyola Marymount University

Andrew Allen, Assistant Chair
Vice President for Institutional Effectiveness and Strategic Initiatives, University of San Diego

Debra Martin
Vice President for Administration and Finance, Mount Saint Mary's University

Tamela Hawley
Vice President and Staff Liaison, WASC Senior College and University Commission

The team evaluated the institution under the 2013 Standards of Accreditation and prepared this report containing its collective evaluation for consideration and action by the institution and by the WASC Senior College and University Commission (WSCUC). The formal action concerning the institution's status is taken by the Commission and is described in a letter from the Commission to the institution. This report and the Commission letter are made available to the public by publication on the WSCUC website.

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SECTION I – OVERVIEW AND CONTEXT

A. Description of Notre Dame de Namur University and Accreditation History

Background, Mission, and History: Notre Dame de Namur (NDNU) is a private non-profit Catholic university and since 1923 its main campus is located in Belmont, CA. NDNU began as the Academy of Notre Dame in 1851 in San Jose, CA when it was founded by the Sisters of Notre Dame de Namur, a religious order whose mission is to provide educational access to poor women and those on the margin of society. Chartered in 1868, NDNU was the first California institution to be authorized to award baccalaureate degrees to women. NDNU was first accredited by WSCUC in 1955, added graduate programs in 1972, and changed its name in 2001 to Notre Dame de Namur University. NDNU became an Asian American and Native American Pacific Islander-Serving Institution in 2007 and a Hispanic -Serving Institution in 2009. In January 2015, the Carnegie Foundation for the Advancement of Teaching recognized the university for its engagement in community service.

NDNU's mission underscores its commitment to higher education and states that, "Founded upon the values of the Sisters of Notre Dame de Namur and rooted in the Catholic tradition, Notre Dame de Namur University serves its students and the community by providing excellent professional and liberal arts programs in which community engagement and the values of social justice and global peace are integral to the learning experience. NDNU is a diverse and inclusive learning community that challenges each member to consciously apply values and ethics in his or her personal, professional, and public life."

At its peak in 2013, NDNU enrolled 2030 students and offered face-to-face and online degree programs and certificates to both undergraduate and graduate students. Subsequently, after years of declining enrollment, rising tuition discount rates, declining operating revenue

(becoming losses in FY 2017), elimination of academic and support programs, and faculty layoffs, NDNU's educational objectives changed significantly when the Trustees announced in January 2021 that NDNU would transition from primarily offering resident undergraduate degree programs (and athletics) to focusing on professional graduate programs as well as bachelors' completion programs.

Most recently, NDNU enrolled 197 students for 1508 credit hours (Spring 2023), which is essentially unchanged from one year earlier (202 students taking 1504 credit hours). The 197 total student enrollment is composed of 71 full-time students (767 credit hours) and 126 part-time students (741 credit hours). Students enroll in one of three schools: the School of Education where 91 students take 596 credit hours, the School of Psychology where 71 students take 642 credit hours, and the School of Business and Management where 34 students take 267 credit hours. Note that in addition one student was enrolled for 3 non-degree credit hours.

NDNU offers in-person programs at two sites, the main campus located in Belmont, CA and at an additional location, Canada College, located in nearby Redwood City, CA. On September 28, 2021 the university announced that Stanford University had agreed to buy an option to purchase the 46-acre campus in Belmont by mid-2025. The sale includes certain contingencies that need to be satisfied prior to its completion. As part of the sale the buyer has two upcoming options (June 2023 and June 2024) that need to be exercised to continue the purchase process.

The decline in enrollment and shift in educational focus away from undergraduate education has had several organizational implications. During the 2015 WSCUC reaffirmation of accreditation visit, NDNU had three schools: the College of Arts and Sciences, the School of Business and Management, and the School of Education and Leadership. Since then, and after

several reorganizations, there still are three schools but they are: the School of Business and Management, the School of Education, and the School of Psychology.

The School of Business and Management offers four graduate programs: Master of Business Administration (on-site and distance education), Master of Business Administration - Management Science (MBAstem), Master of Public Administration (on-site and distance education), and Masters in Technology Management. In addition, the School of Business and Management offers undergraduate degree completion leading to a Bachelor of Science in Business Administration. These programs are accredited by the Accreditation Council for Business Schools and Programs.

The School of Education offers four graduate programs: Master of Arts in Education, Master of Arts in School Administration, Master of Arts in Special Education, Master of Arts in Teaching English to Speaker of Other Languages. Most recently, it added a Masters of Arts in Diversity, Equity, and Inclusion Leadership. In addition, the School of Education offers Multiple Subject, Single Subject, and Education Specialist Teaching Credentials which are accredited by the California Commission on Teacher Credentialing.

The School of Psychology offers a Master of Science in Clinical Psychology with two options: Marriage and Family Therapy, or Licensed Professional Clinical Counseling. These programs are in compliance with the requirements of the Board of Behavioral Sciences for programs leading to licensure. In addition, the School of Psychology offers an undergraduate degree completion program leading to a Bachelor of Arts in Psychology in partnership with the San Mateo County Community College District.

The Board of Trustees reorganized its committee structure in December 2018 with the intent to both put greater focus on student success and to facilitate deeper conversations among

Board members. The Board combined the Academic Affairs Committee, the Student Affairs Committee, and the Mission Committee into a new Student Learning and Success Committee. At the same time, the Board combined the Finance and Investment Committee, the Development Committee, and the Infrastructure Committee into an Institutional Sustainability Committee. The Audit Committee and Trusteeship and Governance Committee continue as separate committees.

Senior leadership changes since October 2019 include: (a) three people serving as President (Greig, Carey, Martin); (b) six people serving as Chief Financial Officer (Roth, Yamada, White, Peterson, Hyatt, Renzi); (c) three people serving as Vice President for Enrollment Management (Parnia, Langlois, Cash-interim from the Registry finishes June 2023); (d) three people serving as Human Resources Director (Haesloop, Russell, White); and (e) turnover with some of the academic deans with the elimination of the College of Arts and Sciences and a new dean for the School of Business and Management (John Veitch started March 1, 2023). New hires include the Director of Admissions, Tanya Tran, who began March 7, 2023 and the Director of Financial Aid, Lynnell Hannah, who began April 3, 2023.

Another significant organizational change occurred in November 2017 when the faculty (both part-time and full-time) unionized as part of the Service Employees International Union (SEIU) after a collective bargaining agreement was signed by the university and the union. The audited financial statement (FY 2022): “During Spring 2016, the part-time faculty voted to unionize with Service Employees International Union (“SEIU”) Local 1021 (“Local 1021”); this vote was certified by the National Labor Relations Board on May 10, 2016. During Spring 2016, the full-time faculty voted to unionize with Local 1021; this vote was certified by the National Labor Relations Board on June 7, 2016. During 2018, the University signed a faculty collective bargaining agreement between the University and Local 1021 that covers both full-time and part-

time faculty. The Local 1021 agreement includes certain financial commitments. The University has two collective bargaining union agreements with the Stationary Engineers Local 39 Union (“Local 39”) and Local 1021. The agreements expire on March 31, 2025 and August 14, 2024, respectively. As of June 30, 2022, and 2021, approximately 56% and 50%, respectively, of the University employees are covered by such agreements.”

Financial Situation Overview: As a result of declining enrollment and the shift from full-time undergraduate students to part-time professional graduate students, net tuition and fee revenue decreased from \$25,263,952 in 2016-17 to \$3,006,409 in 2021-22. (source: audited financial statements)

Table 1 shows that NDNU experienced increasing unrestricted operational deficits every year for the six years beginning in 2016-17 through 2021-22. The institution experienced overall financial losses beginning in 2018-19 and accumulated \$26,275,188 in losses over the last four years. Total net assets decreased from \$55,839,328 in 2017 (end-of-year) to \$31,997,364 in 2022 (end-of-year). Federal Financial Composite Scores have fallen steadily from 3.0 in 2014 to 2.2 in 2020. (KIDD)

Table 1
Change in Net Assets

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Unrestricted Net Asset Increase (Decrease)	(\$244,961)	(\$768,525)	(\$3,124,603)	(\$4,552,503)	(\$4,805,505)	(\$4,965,971)
Restricted Net Asset Increase (Decrease)	\$2,057,224	\$3,068,507	(\$3,707,240)	(\$5,193,568)	\$3,485,722	(\$3,411,520)
Total Net Asset Increase (Decrease)	\$1,812,293	\$2,433,224	(\$6,831,843)	(\$9,746,071)	(\$1,319,783)	(\$8,377,491)

Source: Audited Financial Results

In order to help cover actual shortfalls, NDNU has obtained \$14 million in loans from the East-West Province of the Sisters of Notre Dame de Namur (SND). In order to help cover anticipated shortfalls until the sale of the campus property is realized, NDNU is seeking a

formalized Memorandum of Understanding with SND. The loans and MOU are discussed further in the section on financial sustainability.

Recent Accreditation History: NDNU has been accredited by WSCUC since 1955 with the most recent reaffirmation of accreditation visit in 2015. The July 15, 2015 Commission Action Letter noted that the visiting team report reported that “NDNU has made significant strides towards financial sustainability...with strong financial management, effective fiscal discipline, clear data-driven planning, sound enrollment forecasting models, growth in endowment, and successful attainment of grants.” The financial situation began to deteriorate shortly thereafter.

NDNU’s 2018 Interim Report discussed:

- a. Enrollment declines in fall 2015 and spring 2016
- b. Academic prioritization and ensuing program and faculty reduction
- c. Faculty unionization
- d. Strategic plan goals for enrollment and retention.

The subsequent Interim Report Action Summary asked for another Interim Report in 2019 with follow-up on:

- a. Enrollment and financial plans
- b. Faculty and staff hiring
- c. Assessment

The October 2019 Interim Report from NDNU reported that: fall 2019 enrollment was down 33% from peak in 2013; the new full-time freshmen class only had 120 students (goal 200, three-year average 169); that fundraising for unrestricted operations fell short of its goal (\$1.1 million goal FY19 actual \$0.3 million); and that housing and meal revenues fell short of their goals. The March 5, 2020 WSCUC Commission Letter issued a **Notice of Concern** and scheduled a Special Visit for fall 2020 to address:

- a. Enrollment plans
- b. Financial status

c. Leadership capacity

The fall 2020 Special Visit was postponed until fall 2021 because NDNU was considering closure. But instead NDNU decided to sell the main campus property and focus on graduate degrees and undergraduate degree completion programs for adult learners. The fall 2021 Special Visit informed the March 8, 2022 WSCUC Commission Action Letter which found that NDNU failed to meet Standards One and Three and acted to issue a **Warning** and schedule a Special Visit in spring 2023. Particular issues to be addressed are:

- a. Fiscal Sustainability (CFR 3.4)
- b. Administrative Capacity and Financial Leadership (CFR 3.8)
- c. Educational Purposes and Objectives (CFR 1.2)
- d. Operational Integrity and Shared Governance (CFR 1.7)
- e. Strategic Planning (CFR 3.7, 4.6)

Other recent actions include the approval of the Bachelor of Arts in Psychology (on-site) in February 2022 and the Master of Arts in Diversity, Equity, and Inclusion Leadership (online) degree program in spring 2023. MA Educational Therapy, submitted on April 23, 2023 (program teach-out/transfer from Holy Names University).

B. Description of the Team's Review Process

The accreditation visit was structured around the lines of inquiry which draw from the five areas of concern listed in the 2022 Commission Action Letter.

The team conducted interviews over two days, reviewed institutional reports and the confidential email account.

The team met with the President, Provost, CFO, Academic Deans and MSCP Program Chair, Finance and Administration Team, Marketing and Communications Team, Cabinet (WSCUC Steering Committee), Enrollment Team, Advancement Team, Staff Assembly Leadership (open to all staff), Diversity Council, Faculty Governance and Ad-Hoc Curriculum Committees, Sisters of Notre Dame de Namur US East-West Province Leadership Team, Academic Success/Library Team & Grant Project Director, Board of Trustees, Faculty (open meeting), Institutional Sustainability Committee (a Trustees committee), Information Technology Team, Students (open meeting), and the Institutional Research Lead.

C. Notre Dame de Namur University's Special Visit Report: Quality and Rigor of the Report and Supporting Evidence

NDNU produced a clear and responsive report. The structure of the report contained 5 sections: (a) institutional context and major changes since the last WSCUC visit, (b) statement on report preparation, (c) response to the issues identified by the Commission and visiting team, (d) identification of other changes or issues, and (e) a concluding statement. In addition, the report discussed the closure of Holy Names University, staffing, and governance and communication.

The report accurately portrayed the condition of the institution. The Provost and ALO served as the primary author. The President and members of the Cabinet reviewed and edited the document and members of the Board of Trustees also reviewed the document.

In general, NDNU fairly and accurately reported their financial condition. At times it was not clear what assumptions were being used to drive their financial projections. In all of these cases additional requests for materials by the team were quickly produced. The Memorandum of Understanding for further additional financial support from SND was not signed. The institution may be overly optimistic about its enrollment and tuition revenue projections.

SECTION II – TEAM’S EVALUATION OF ISSUES UNDER THE STANDARDS

Issue #1: Fiscal Sustainability (CFR 3.4): The Commission found that, “NDNU has experienced multiple years of financial losses and declining enrollment. The university’s enrollment team does not express confidence in the institution’s ability to meet projections for spring ’22 and a strategic enrollment plan has not been developed. Key human resource needs have not been filled and are not budgeted. Despite the recent option payments for the purchase of the campus that have increased cash flow, the institution remains financially vulnerable. In addition, revenue diversification is lacking. NDNU must develop a resource planning model that is integrated with all other institutional planning including realistic budgeting, enrollment management, and diversification of revenue sources. The university needs to establish a realistic strategic enrollment plan, achieve enrollment projections, and diversify revenue beyond tuition.”

The team found that NDNU developed a Strategic Enrollment Plan and enrollment projections through FY2025. The new CFO has recently implemented a budget modeling tool to assist with budgeting and forecasting. They are actively pursuing various alternative revenue streams of facilities rentals and have forecasted the current year to bring in 90% more facility rental revenues than the FY2022 actuals. The Institutional Advancement team was successful at working with donors to convert about \$ 9.5 million of endowment funds previously restricted for undergraduate scholarship to serve current scholarship needs. However, their current financial model remains tuition dependent and there is uncertainty about options for facilities rentals once the property purchase closes (after June 2025). Additional diversification of revenues may not be feasible or reasonable to expect in their new structure.

Strategic Enrollment Plan & Tuition Revenue. The strategic enrollment plan addresses positioning, marketing, and operational changes that NDNU believes will allow it to grow. The

FY2024 draft budget provided is based on new incoming enrollment of 220 students or 5117 credit hours. This is an increase of 100 students (83%) over the FY2023 actuals of 124, and 1546 credit hours (43%) over the FY2023 actuals of 3554. The preliminary assumptions for FY2025 assume an additional 20% increase in students and 44% increase in credit hours. The Interim VP for Enrollment Management expressed confidence in their ability to meet these goals, although they seem aggressive.

Despite these ambitious growth assumptions, NDNU is preliminarily forecasting structural deficits for FY2024 and FY2025 of about \$6.9M and \$6.5M, respectively. They expect these deficits to be offset by the remaining two Stanford option payments if they are exercised and additional commitments of bridge funding loans from the East-West Province of the Sisters.

Stanford has been open about its desire to purchase the campus, with information presented on their public website. Stanford has two additional option extension payments it can exercise in June 2023 and in June 2024. Unlike the initial option payment that will be deducted from the sale proceeds, these are considered one-time revenues to NDNU and are not part of the purchase amount. While it appears things are moving forward, there are various conditions that need to be met before the sale is finalized and thus the sale is not guaranteed.

The NDNU shared an initial unsigned draft of a Memorandum of Understanding (MOU) indicating the East-West Province's intention to support NDNU with bridge funding loans secured by the NDNU campus property through June 2025 when the Stanford deal is scheduled to close. Our understanding is that this MOU will be finalized and executed in the Summer of 2023. This will be done after the June 2023 NDNU board meeting, where it is expected the FY2024 budget and a full business plan laying out the path forward will be adopted. The adoption of those documents is needed to provide certain financial information in the MOU.

Evidence reviewed. The team reviewed many documents included as appendices or additional documents shared by NDNU in advance and during the visit. The information provided was extensive and the university staff was very responsive. The following are some of the more relevant materials utilized in addition to our discussions on site.

- Strategic Enrollment Plan
- Spring 2023 Approved Strategic Plan
- Five-year Enrollment Reports
- Enrollment Projections to Summer 2025
- Admissions Funnel Reports
- Audited Financial Statements and Single Audit report for fiscal year ended June 30, 2022
- Marketing Plan 2023-24
- FY22-FY25 Draft Budget Scenarios
- Board and Board Committee meeting minutes
- Cash Flow Projections
- Various admissions and enrollment related dashboards
- Prior WSCUC prior visits and reports

Effectiveness of institutional actions taken in response to this Commission concern.

NDNU has taken significant action on the issues to be addressed as outlined in the March 8, 2022 letter. They appear to be solidifying their strategic direction, plans for operations following the property sale, and how to manage deficits in the interim. Although there was not yet evidence of fully integrated budget planning.

Findings and conclusions about progress on this issue. Progress has been made such as hiring a full-time CFO, creating a Institutional Sustainability Committee of the Board, and other key hires in admissions, marketing, and financial aid. They have also created a strategic enrollment plan with specific growth targets. However, several critical elements are not yet finalized or able to show evidence of success. A business plan laying out the longer-term plan and interim financing is in process but not yet finalized. The Stanford transaction has various contingencies that have not been satisfied and are not expected to be satisfied until June 2025. It

appears that progress is being made to satisfy the contingencies as evidenced by the June 2022 payment and information posted on a Stanford public website. It is expected by NDNU that the June 2023 and June 2024 options will be exercised showing continued progress. However, there is no guarantee the options will be exercised. Furthermore, growth in net tuition revenue is a critical component to their long-term sustainability.

Issue #2: Administrative Capacity and Financial Leadership (CFR 3.8). The Commission found that, “*NDNU has recently hired a CFO. The institution needs to ensure that the CFO is engaged and has primary responsibility for leading the financial affairs of the institution.*”

The team learned that On February 7, 2022, George Peterson joined NDNU as its Vice President for Finance and Administration and CFO. In August 2022, Mr. Peterson informed NDNU that due to family issues, he would not be able to continue. Mr. Peterson’s last day with NDNU was August 26, 2022. NDNU immediately contacted The Registry for a full-time interim CFO and was able to engage Mr. James A. Hyatt (CFO Emeritus from UC Berkeley) for the period of August 15 to December 30, 2022, creating a two week overlap with Mr. Peterson. At the same time, NDNU reached out to another candidate from its CFO search and hired Mr. Michael Renzi to be NDNU’s Vice President for Finance and Administration/CFO. Mr. Renzi started as CFO at NDNU on December 1, 2022. NDNU extended Mr. Hyatt’s work to January 31, 2023, creating a two-month overlap during which Mr. Hyatt has served as a consultant to help Mr. Renzi and the campus community achieve a seamless transition.

Evidence reviewed. The team reviewed the respective resumes for the above-mentioned CFOs and determined they were qualified financial officers. Additionally, the team had in depth

meetings with the current CFO and his team to discuss financial matters and future plans for the financial operations of NDNU.

Effectiveness of institutional actions taken in response to this Commission concern. It appears the institutional actions are responsive to the Commission concern.

Findings and conclusions about progress on this issue. The team found that NDNU has a full-time CFO engaged in the financial affairs of the institution.

Issue #3: Educational Purpose and Objectives (CFR 1.2). The Commission found that, “*NDNU has begun the transition to online and hybrid professional graduate programs and bachelor completion programs. NDNU must align all operational, financial, and academic activities with its mission and clearly articulate its plan such that educational objectives are aligned and consistent with stated purposes.*”

The team learned that NDNU is in the process of shifting its focus from supporting a primarily undergraduate student population being taught face-to-face to an adult student population who was being taught in a hybrid and online environment. This shift required either new types of support or adjustments along a wide range of support including:

- A new Strategic Plan
- Instructional Design for 8-week hybrid courses
- Video conferencing
- Enhanced Academic Support
- Grant support (PPOHA)
- Adult Student Priorities Survey
- Endowed Scholarships

NDNU is to be commended for how quickly it repurposed endowed scholarships for undergraduates to graduates and other forms of operational support. Similarly, NDNU was able to earn grant support for its adult learners, through the 5-year \$3 million Promoting

Postsecondary Opportunities for Hispanic Americans (PPOHA) from the U.S. Department of Education. This grant provides funds for additional counseling, mentoring, career development, and financial support.

NDNU's Academic Success Center is under new leadership and increased staffing provides online tutoring support through Canvas and through TutorMe.com. Over 75% of students used these services in Fall 2022. In addition, there are two new transfer advisors and NDNU has filled three graduate admission counselor positions.

NDNU has developed two STEM-designated programs (MS in Technology Management and MBA in Management Science) to attract international students. At the time of the team visit, NDNU was waiting for over a year for approval of its I-17 designation. Until the I-17 is approved, NDNU is unable to offer I-20s to international students so that they can apply for a F-1 student visa and enroll in its programs. At the time of the team's visit, NDNU was notified that its I-17 application was under review.

With these academic and operational activities are under development, it is too early for the team to gauge their effectiveness. Most importantly, and as addressed elsewhere in this report, is the need for alignment of NDNU's financial activities and its budgeting and enrollment processes with its new educational objectives.

Evidence reviewed. The team reviewed NDNU's Special Visit Report, the Strategic Enrollment Plan, and the Academic Success Center Utilization Report. The team also met with various stakeholders engaged in operational, academic, and financial activities.

Effectiveness of institutional actions taken in response to this Commission concern. NDNU is on the initial phase of developing new activities and realigning previous ones to support its new educational focus.

Findings and conclusions about progress on this issue. The team found that the alignment of academic, financial, and operational activities to its new educational focus is under development.

Issue #4: Operational Integrity and Shared Governance (CFR 1.7). The Commission found that: “NDNU has dissolved many of its existing policies and procedures. The faculty’s role in academic leadership and shared governance are not clearly defined beyond what’s delineated in the collective bargaining agreement. The university must review, update, and create operational and academic policies to ensure integrity and transparency in its operations and governance structures.”

The team learned that NDNU has begun to review, update, and create operational and academic policies. The recently reconstituted faculty governance committee has not had time to complete the formation of academic policies and procedures. NDNU leadership must continue this effort and improve communication about its plans to stakeholder groups, in particular to its students, faculty, staff and the surrounding community.

Under the 2017-2020 Collective Bargaining Agreement, NDNU utilized 4 faculty advisory committees but later, as NDNU down-sized its faculty (eventually only having 8 full-time faculty members), it was not possible to sustain all 4 committees. In response to the Commission recommendation, NDNU created a Faculty Governance Committee that first met in February 2023. The initial charge of the committee is to first formulate a process for adoption and changes to the curriculum and second to develop a new process for academic program review (most programs are currently reviewed by their respective professional accrediting bodies).

The team reviewed current student support services ranging from support given by NDNU's faculty towards its students to formal structures like the Academic Support Center. The faculty appear to be stretched very thinly.

Other operational processes reviewed include those provided by: (a) the institutional research office, and (b) information technology. Both appeared appropriate for the small number of students and employees. NDNU was in the process of physically moving some of its technology hardware from Holy Names University to the NDNU campus at the time of the visit.

Evidence reviewed. The team reviewed NDNU's most recent Special Visit Institutional Report; the Faculty Governance Committee Charge and Responsibilities including its meeting minutes and the Staff Assembly draft constitution. The team also collected evidence from confidential open meetings with students, staff, and faculty.

Effectiveness of institutional actions taken in response to this Commission concern. NDNU is in the initial phase of rebuilding many of its academic and operational policies and support services.

Findings and conclusions about progress on this issue. The team found that the review and creation of operational and academic policies is under development.

Issue #5: Strategic Planning (CFR3.7, 4.6). The Commission found that, "NDNU has not formalized a strategic plan that is tied to a long-range budget that incorporates revenue diversification, resources for new programs, standards for educational delivery, and student success metrics. NDNU needs to collaboratively work with its stakeholders to develop a strategic plan and long-range budget to prioritize and resource future changes."

The team learned that The Strategic Plan (Plan) was adopted by the Board of Trustees at its June 14, 2022 meeting. The Plan has four goals: (a) Fiscal Sustainability; (b) Rebranding and Market Recognition; (c) Academic Sustainability; and (d) Human Capital Management. The Plan is detailed and has a number of subgoals within it. The Plan has not yet been integrated with NDNU's operating budget. It was indicated by the CFO that the integration will be done in connection with the presentation of the FY2024 budget and business plan to the Board of Trustees at its June 2023 meeting.

Evidence reviewed. The Plan was reviewed by the team and discussed with NDNU senior management. Documentation that tied the Plan to the budget was not available at the time of the visit.

Effectiveness of institutional actions taken in response to this Commission concern. NDNU needs to develop a process to implement the Plan and to evaluate its effectiveness. NDNU has not fully demonstrated integrated planning. NDNU must also implement a clear process for alignment of academic program strategy with long-term enrollment growth plans that inform multi-year budget development and scenario planning with all relevant stakeholders. Ensure marketing plans are tailored to support and align with the new vision for professional and graduate programs. NDNU has not had enough time to implement the newly adopted Plan and thus it needs additional time to implement it.

Findings and conclusions about progress on this issue. Due to the recent adoption of the Plan, the team found it is too early to reach any findings or conclusions on the effectiveness of the Plan.

SECTION III – FINDINGS, COMMENDATIONS, AND RECOMMENDATIONS

The team's commendations and recommendations follow.

Commendations:

- The energy and hard work of the staff, faculty, and administrators is evident in the actions taken recently including the newly formed academic success team; the creation of a marketing team with contemporary marketing strategies; the use of data and analysis as a part of the institutional report; and the responsiveness to additional requests for documents and data as a part of the special visit.
- The Academic Deans and the MSCP Program Chair are very engaged, passionate and committed to NDNU and its mission. They have strong programs poised for growth and a real desire to innovate and play a leadership role in the implementation of the new vision for the school.
- The university has hired a full time Chief Financial Officer.
- The Advancement team's success working with donors to repurpose \$ 9.5 million of endowment funds previously restricted for undergraduate scholarships to serve current scholarship needs is a step in the right direction of aligning financial resources with the new direction of the university.
- The Board of Trustees has consolidated its financial related Board Committees into its Institutional Sustainability Committee (ISC), with the exception of the Audit Committee. The ISC meets on a bi-weekly basis with Senior Management to discuss, evaluate and offer commentary on the financial conditions and the prospective financial plans of NDNU. The ISC updates the full board of trustees on the financial conditions of NDNU.

Recommendations:

- The university has eliminated its in-person undergraduate programs and transitioned to providing online and hybrid professional graduate and bachelor completion programs. It has also begun to develop new programs. NDNU must align all operational, financial, and academic activities to grow the enrollment in their programs consistent with its mission and educational objectives. Growth in net tuition revenue is critical to the long-term financial viability of NDNU. The budgeted increase in the fall 2023 net revenue as outlined in its draft FY2024 budget is a significant part of the financial plan. NDNU needs to validate their new budgeting and enrollment processes and the underlying assumptions for enrollment growth using its fall 2023 enrollment outcomes as its initial key datapoint. (CFR 1.2, 3.4)
- NDNU has recently formalized a strategic plan and indicates it will align the plan with its FY2024 budget and “business plan” which will be presented to the Board in June 2023 for their approval. The approved budget and business plan will provide key financial information for the formalization of a Memorandum of Understanding (MOU) with the East-West Province of the Sisters of Notre Dame de Namur (SND). NDNU has not fully demonstrated integrated planning. NDNU must implement a clear process for alignment of academic program strategy with long-term enrollment growth plans that inform multi-year budget development and scenario planning with all relevant stakeholders. Ensure marketing plans are tailored to support and align with the new vision for professional and graduate programs. (CFRs 3.4, 4.6, 4.7)
- The East-West Province of the Sisters of Notre Dame de Namur (SND) is committed to the financial sustainability of the university. The SND have indicated their intention to

provide a bridge loan through the completion of the property sale, which is anticipated in June 2025. It is critical that NDNU and the East-West Province finalize and execute a Memorandum of Understanding, which outlines the terms and conditions of the funding mechanism to bridge the finances until the completion of property sale. It is anticipated that this legal agreement will be executed during the Summer of 2023. (CFR 3.4)

- NDNU has begun to review, update, and create operational and academic policies. The recently reconstituted faculty governance committee has not had time to complete the formation of academic policies and procedures. NDNU leadership must continue this effort and improve communication about its plans to stakeholder groups, in particular to its students, faculty, staff and the surrounding community. (CFR 1.7)