

REPORT OF THE WSCUC TEAM  
SPECIAL VIRTUAL VISIT

**Pacifica Graduate Institute**

Tuesday, December 1 – Friday, December 4, 2020

Team Roster

Mark Schulman, Chair  
Senior Consultant, Stevens Strategy

Margaret Bailey, Assistant Chair  
Executive Director, Higher Education Strategy and Board Development  
Former Vice Provost, Program Development and Accreditation, Point Loma Nazarene University

Loren M. Hill  
Clinical Psychologist & Executive Coaching, Los Angeles, CA

Elizabeth Krewson  
Professor, University of Arizona Global Campus, San Diego, CA

Melanie Sauer  
Managing Director of Finance, Lucas Museum of Narrative Art  
Former Chief Operating Officer, Pacific Oaks College & Children's School

Susan Opp  
Vice President, WSCUC Staff Liaison

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 Institution and Accreditation History**

#### *Description of Pacifica Graduate Institute*

Pacifica Graduate Institute’s mission “is to foster creative learning and research in the fields of psychology and mythological studies, framed in the traditions of depth psychology.” Pacifica Graduate Institute (PGI) offers five master’s degrees and four doctoral degrees. These programs are offered at PGI’s two campuses located south of Santa Barbara, California. The Lambert campus (1989, 12.2 acres) and the Ladera campus (2005, 35 acres) are three miles apart and approximately a 10-minute drive.

In 1971, the Regents of the University of California provided initial funding for the Isla Vista Human Relations Center, to meet the mental health needs of the small community immediately adjacent to the University of California Santa Barbara. As demand for the initial center grew a second location was added on Hollister Avenue in nearby Goleta called the Human Relations Center (HRC). The HRC’s mission expanded to serve the larger Santa Barbara area community. The HRC developed a Peer Counselor Training Program to serve the university as well as state and county government agencies. The institute’s academic programming began with a Counseling Skills Certificate which formed the foundation of the Master of Arts in Counseling Psychology (1982). In 1986, the Santa Barbara Graduate School, Inc. was formed and in 1987 the school offered its first doctoral program, in Clinical Psychology. In 1989, PGI moved to the Lambert campus. At the time of the move to the Lambert campus the school was doing business as (dba) Pacifica Graduate Institute (PGI). The Lambert campus is owned by the Temenos LLC which is owned and controlled by the founding president and his wife, Dr. Stephen Aizenstat and Dr. Maren Hansen.

In 2002, PGI became an employee-owned for-profit institution. PGI continues to operate under an Employee Stock Ownership Plan (“ESOP” or “Pacifica Employees’ Retirement Plan”) and is 97% owned by its employees through ESOP. The ESOP was appropriately funded at the end of the fiscal year.

The board of trustees established the ESOP with three specific goals: to provide for a smooth and fair transition of ownership; to protect and perpetuate the institute's mission by transferring ownership to its employees; and to provide retirement benefits to long-term employees. It should be noted that PGI also manages a 401K and employees have an option to invest in the 401K. According to the PGI self-study, no dividends are paid from PGI "profits." Instead, all net proceeds are used to fund employees' retirements under the federal statutes and regulations with compliance ensured by annual independent CPA audits and subject to supervision by the U.S. Department of Labor.

PGI's fall 2020 FTE enrollment is approximately 600 graduate students in coursework, as well as approximately 220 students in the dissertation and/or internship/practicum phase of their program. The most recent audited statement was carefully considered by the team, and the team noted the most recent U.S. Department of Education Composite Score was 2.0.

#### *Accreditation History*

The Special Visit team was comprised of the same members who conducted the PGI Reaffirmation Visit in fall 2018. The Reaffirmation Visit was originally scheduled for February 2018 but was disrupted by the historic Thomas Fire which required PGI to relocate personnel and students as well as computer technology. The campus became a staging area for emergency personnel. The Thomas Fire was shortly followed by heavy rains that created dangerous mudslides requiring the campus to close and once again relocate personnel, students, and computer technology to maintain operational continuity. WSCUC approved moving the Reaffirmation Visit from February 2018 to October 2018 allowing PGI to focus on the needs of its community. The current pandemic follows these two other significant events and has required PGI to respond to an episode of historic consequences once again.

Future PGI reviews by WSCUC include a Mid-Cycle Review (Spring 2022), Offsite Review (Spring 2024), and Accreditation Visit (Fall 2024). The past five years historic reviews are:

8/21/2019    **Staff Action:** Sub change Not Required  
                  **Review Type:** Reaffirmation

**Notes:** Psy.D. in Counseling Psychology

- 2/22/2019 **Action:** Accreditation Visit: Reaffirm Accreditation  
**Review Type:** Accreditation Visit  
**Action Decision Summary:** Reaffirm for 6 years; schedule OSR in S24 and AV in F24; schedule MCR 5/1/22; schedule SV in F20
- 7/26/2018 **Action:** Staff Action: Sub change Not Required  
**Review Type:** Reaffirmation  
**Notes:** MA/PsyD in Clinical Psychology
- 7/26/2018 **Action:** Staff Action: Sub change Not Required  
**Review Type:** Reaffirmation  
**Notes:** MA/PhD in Clinical Psychology
- 2/7/2018 **Action:** Accreditation Visit: Set a Change of Review Dates  
**Review Type:** Accreditation Visit  
**Notes:** Per staff, AV originally scheduled in S18 will take place in F18 due to mudslides.
- 1/31/2014 **Action:** Staff Action: Set/Change Review  
**Review Type:** Reaffirmation  
**Notes:** In line with new Commission requirements, a Mid-Cycle Review will take place in summer 2014.

## **B. Description of Team's Review Process**

The WSCUC Special Virtual Visit team conducted the pre-visit teleconferences on Tuesday, October 27, 2020, and a second conference call on Thursday, November 19, 2020. During the two teleconference calls, the team reviewed the members' consolidated worksheet based on the institutional report and evidence provided by PGI. The team also reviewed the Commission Action Letter (CAL) of March 4, 2019, the proposed interview schedule, and identified additional documents needed prior to the virtual visit. In addition, the team members confirmed writing assignments and key issues arising in the team's review of the documents, as well as establish a protocol for the virtual visit, and with the WSCUC staff liaison the team reviewed the Confidential Team Recommendation Form.

The scheduled visit took place during the coronavirus pandemic at a time when the state of California restricted mobility. The WSCUC staff liaison, WSCUC visiting team and PGI personnel agreed on the protocol for conducting the visit virtually. The assistant chair worked with PGI's ALO in preparation for the virtual visit and the development of the schedule. Prior to the visit, PGI provided the additional information requested in a timely manner and accommodated all requests for schedule adjustments. The WSCUC team members reviewed the institutional report submission and attachments, along with all relevant correspondence, reports, confidential emails, website, and institutional documents, in preparation for the virtual visit. The scheduled virtual visit began Wednesday, December 2, 2020, with the exit meeting on Friday, December 4, 2020. The team's planning meeting occurred on Tuesday, December 1, 2020.

The reviewers prepared for the Special Visit according to a standard virtual visit protocol. The virtual visit was hosted by PGI and was well organized and presented a full assessment of the progress made by the institute in addressing the issues identified in the Special Visit. PGI leadership, administration, and staff comprehend the importance of the WSCUC Standards, and successfully addressed the issues of the WSCUC reviewers with an in-depth and transparent analysis. The WSCUC reviewers concluded that the discussions were wide ranging, transparent, and thorough. (CFRs 1.5, 1.6, and 1.7)

### **C. Institution's Special Report: Quality and Rigor of the Report and Supporting Evidence**

Amid a global pandemic the institute continued to make substantial progress. The institution takes seriously WSCUC's standards and peer review process. PGI's institutional report was well-written and organized. The institution is commended for taking seriously the Commission Action Letter (CAL) March 4, 2019 recommendations. While the PGI steering committee was responsible for writing much of the institutional report, the committee members sought wide institutional input. It is clear, that the

institution is committing resources and working on each of the ten CAL recommendations and moving toward a continuous improvement culture.

## **SECTION II – EVALUATION OF ISSUES UNDER THE STANDARDS**

### **A. Issue 1: Presidential transition requires the board and president to define explicitly and evaluate performance of the roles of the president and the founder/chancellor. The president should have decision-making authority and oversight, particularly related to strategic, financial, operational, and external profile and partnerships. (CFRs 3.7 and 3.8)**

In 2017, Dr. Joseph Cambray was hired as the third PGI president and assumed this role from the founding president, Dr. Stephen Aizenstat. Prior to becoming president, Dr. Cambray was serving as the institute's provost. In fall 2017, Dr. Aizenstat agreed to a three-year contract as chancellor which ended August 31, 2020. As is common in situations where there has been a long-term founder at the helm of the educational institution, the shift to new leadership is often accompanied by challenges in transferring authority especially in those instances where the founder continues to have a role and financial interest.

This situation was even further exacerbated by the campus disruption of the historic Thomas Fire in fall 2017 followed by catastrophic mudslides and debris flow brought about by unusual strong rains in the region. At the time of the fires in December 2017, the campuses were closed. They briefly reopened but then the Montecito debris flow in early January 2018 closed both campuses again, requiring students faculty, classes, operations, and technology to be moved to temporary locations in Santa Barbara. The chancellor was asked by the president to assume responsibility for operations of PGI northwest of Highway 101, which had been closed due to fires and mudslides. While the Lambert campus reopened about ten days after the debris flow, the Ladera campus remained inaccessible and closed until April 1, 2018, in the interim scheduled classes were relocated to either the Lambert campus, or other facilities in Carpinteria and Santa Barbara.

The visiting team indicated in the fall 2018 visit report that issue 1, paired with issue 2 (see below) directly (and issues 3 & 4 indirectly), revealed matters of structure, decision-making, governance, and communication which were paramount concerns for the visiting team in 2018. At the time, structural and process issues were ongoing and had not at any time been fully addressed (seemingly from the beginnings of PGI). Thus, in the Special Visit 2020, these issues were the primary areas of assessment and evaluation for the Special Visit. The team met with the board of trustees, president, chancellor emeritus/ founding president, and executive leadership team to discuss the progress made since the fall 2018 visit.

The team was pleased to see the solid progress PGI has made in these areas. First and foremost, the board has removed operational responsibilities from the chancellor's portfolio, following a "two-steps forward, one-step back" interlude brought on by the natural disasters of fire and mudslide in 2017-18. According to the institution's report, when the chancellor returned to "responsibilities noted in his job description" in late 2018, he had "a much-diminished presence on the campuses," with only Alumni Relations and External Affairs reporting to him. Recently, the progress has accelerated, and the chancellor is now chancellor-emeritus, with no operational or supervisory responsibilities.

While the visiting team cannot assess the chancellor's operational involvement between the time of the fall 2018 visit and his retirement in August 2020, there were indications that he had a strong influence over some operational decisions. Effective August 31, 2020, "the Chancellor role officially end[ed], and the Founder [is] no longer ... employed by Pacifica." *Exhibit 1.1, "Chancellor Emeritus Agreement"* spells out an arrangement with the former chancellor which is intended to be "ambassadorial." This is a major positive step addressing the concerns of the visiting team alluded to in Issue 1. However, there are cautionary notes:

- The chancellor emeritus retains an ex-officio board member role with a stipend for two years ending on August 31, 2022.



- The chancellor emeritus also serves as the co-trustee on the ESOP along with a member of the board who has extensive professional experience in the banking industry. The ESOP co-trustees are the legal owners of 97% of Pacifica’s corporate shares for the benefit of the employees. The institute will be transferring the chancellor emeritus role as co-trustee once U.S. Department of Education approves the process.
- The chancellor emeritus/founder and his wife personally currently own 3% of Pacifica’s corporate shares.
- The chancellor emeritus is landlord of the PGI Lambert campus through Temenos LLC.
- The current chancellor emeritus agreement is sparse in detail, and the institution awaits “a further written agreement” by July 2022, which the visiting team assumes will be granular about the emeritus role.
- The decades of influence and power of the chancellor are embedded in the DNA of the organization and will not disappear with a change in title and a written agreement.

Making certain this arrangement works will be a priority and require board vigilance to ensure the president is not impeded in exercising his authority, internally and externally. President Cambray has impressive leadership and management capabilities. In 2018 when the president was interviewed, he had a solid grasp of both what was working and what was not working at PGI. In addition, he had a clear vision for what would be required in the future for PGI to fully live into the mission and extend its voice and presence in the depth psychology community. The team concluded that the new leadership team has solidified its leadership control and cultivate the intended effect for institutional stabilization and thriving:

- *Exhibit 1.3 “Organizational Chart”* clearly shows that President Cambray holds full “decision-making authority and oversight.”

- *Exhibit 1.4 “President/CEO’s Job Description”* reflects a “best practices” approach to the office and leaves little to the imagination regarding what the board holds the president accountable for.
- According to the institutional report and observations made by the visiting team, President Cambray has made great strides toward gaining the confidence of the community and discrete stakeholders.
- It appears that the board has in place an annual review process “based on strategic benchmarks ...” and that this did inform the evaluation in Summer 2020. After the review, the President received a three-year contract extension but it took many months for the contract to be signed. While the report states that the priorities and benchmarks for evaluation would be “identified through the strategic plan,” this is not *formally* possible as the board has never *formally* approved an institutional strategic plan.
- The visiting team met with the board and concluded that they were transparent and functioning with integrity. However, there were areas where the board requires further development in their oversight and fiduciary roles. These will be addressed in issue two below.

**B. Issue 2: The board is required to develop and implement a clear short-term plan of administrative succession to avoid confusion among administration, faculty, and staff between the role of the President and of the founder who serves as Chancellor. (CFRs 3.6, 3.7, 3.8, and 4.6)**

When the WSCUC review team arrived in fall 2018, Chancellor Aizenstat was continuing to exercise authority over many of the institute’s daily operations. It was clear to the WSCUC review team that there were both formal and informal lines of authority and considerable confusion on campus as to decision-making authority. Following the Commission recommendations, the PGI board and executive leadership have taken action to clarify roles. The chancellor has phased out his daily involvement in the operations of the institute, and the president has assumed full decision-making authority and

operational oversight. The chancellor role and contract ended August 31, 2020, when Dr. Aizenstat became chancellor emeritus. The chancellor emeritus remains peripherally involved in the institute under the direction of the board of trustees but with a significantly reduced role and presence on campus. In addition, the founder's wife, who had teaching and academic leadership roles has phased out her formal leadership roles and direct involvement in the leadership and daily operations of the institute.

The president's role has also been strengthened by hiring an experienced executive leadership team including a permanent chief financial officer, a skilled provost who has the support of the faculty, a general counsel with higher education experience, and an experienced and successful senior director of enrollment. The executive team has made progress in addressing the concerns raised in the WSCUC visiting team report of October 2018.

The provost has introduced the concept of "institutional citizenship" which means when a staff member, faculty or administrator implements a new decision they need to first investigate the impact and unintended consequences of the decision on other operational functions, particularly those impacting students. This might include campus activities, messaging to students, or decision-making options. This has been the rationale for creating teams and collaborations that work across functional areas. This approach has significantly reduced silos. In addition, more attention has been given to professional development, improved transparency, and supported better understanding the requirements of other administrative and supportive activities. The provost stated, "we are reinforcing the mutuality of our individual functions so we all must be engaged across campus. This was so key in scenario planning during COVID-19." They have also stressed the philosophy of institutional citizenship with think tanks around the issues of institutional sustainability.

This philosophy has contributed to a shift in PGI culture from a command and top-down decision-making management style to collaborative teams who work holistically across campus. In

addition, the PGI community mentioned on several occasions that they appreciate the president's frequent and timely townhall meetings and community updates for administrative leadership. While there has been significant improvement regarding issue two, the team did have concern related to the development of the board of trustees.

The board of trustees is comprised of six voting members and two ex-officio members, Chancellor Emeritus Aizenstat and President Cambray. In addition, Dr. Maren Hansen, co-founder, and the chancellor emeritus's wife, recently resigned from the board of trustees. Beginning January 2020, faculty and staff representatives have attended all regular board sessions.

When the board was asked about the work of the board committees, they were very transparent in their response. The board has identified committees and some, such as the governance and finance committees, are very active but others are marginally engaged in the oversight responsibilities. This is understandable because with a very small board each member has multiple roles, and while each member is very engaged not all oversight functions can be fully performed. The board was also asked about the board development plan. The governance committee is working on the plan and has begun that important work. For example, the board recently brought in a consultant who led them through extensive assessment and training on diversity, equity and inclusion. Other board development training is being slated for 2021.

The board was also asked about whether the board has approved a strategic plan for PGI, including a facilities master plan for the Lambert campus. They described the significant work undertaken in strategic planning, but this has not been finalized, approved, or implemented by the institute. During the visit, the team identified other actions where the board has not followed best practices. This includes such procedures as periodic review of the auditor, timely completion of the president's contract, self-evaluation, engaged committee work, etc.

While the board has begun important work, there is considerably more board development that needs to take place. The board should expand its membership, fully empower and develop the committee oversight roles, adhere to best practices in financial oversight, implement a long-term board development plan, and engage in monitoring changes in higher education.

**C. Issue 3: Board and administration must focus attention on improving communication with staff about institutional decisions in order to address morale issues which have resulted in high turnover of staff in key areas impacting campus effectiveness and basic services such as finance, student support services, admissions, and academic administration. (CFRs 3.10 and 4.5)**

During the fall 2018 WSCUC review, the team noted several areas of concern related to morale. Most pressing was the high turnover of staff in critical areas impacting campus effectiveness and essential services. Furthermore, it was determined that communication between administrators, faculty, and staff needed improvement as faculty and staff were unaware of new policies and procedures, and there was a perceived lack of transparency and budget collaboration. Following the Commission's recommendations, the PGI board and administration have taken actions to improve institutional community-wide communication. Faculty and staff also confirmed the admissions department's staffing improvements, operational stability, increased efficiency, and growth in enrollment which have also contributed to the growing confidence in the institute's sustainability.

Additionally, faculty and staff have been added to key decision-making entities within the institution, thereby increasing transparency. For example, staff and faculty are now represented as non-voting attendees to board meetings. PGI created a Morale Task Force (MTF) that reports directly to the president, to examine and improve issues of morale such as personnel policies, compensation, and diversity. PGI President's Council regularly emails staff and faculty, providing them information about the institution's administrative operations and strategic planning. In addition, community engagement also included an offsite retreat in November 2019, and a virtual retreat in November 2020 involving

both faculty and staff. PGI has also conducted periodic staff and faculty surveys to monitor satisfaction and identify arising concerns.

During COVID-19 PGI proactively engaged the community through regular virtual townhalls which have had high attendance and were frequently mentioned during the visit as excellent and appreciated. Conversations with PGI board, administration, faculty, and staff confirmed improved morale, indicating a cultural shift to “a high trust, low fear environment” in which people feel supported and valued. Faculty commented that currently “morale is quite good” and that leadership should be acknowledged for their efforts in this area. It is also noteworthy that the community conveyed improved morale across the institution and is not limited to individual departments or academic programs.

**D. Issue 4: Administration and faculty must strengthen shared governance, including consultation in the area of faculty hiring, academic budgeting, and academic strategic planning. The faculty senate needs to be more integrated into the decision-making process of the institution. (CFRs 3.1, 3.2, 3.10, and 4.5)**

During the provost’s short tenure at PGI there has already been notable progress. However, there remains more work to be done in developing the faculty, academic leadership and academic infrastructure required to maintain a robust academy. PGI has formalized faculty decision-making authority previously subsumed under executive leadership roles. The institute’s commitment to shared governance can also be seen in the increased role and voice of faculty in key decision-making bodies including the Institutional Management Council (the executive leadership team), President’s Council, academic program chairs, Senate Leadership Council (SLC), and the board of trustees. The IMC now includes the faculty influence and voice with the addition of the Academic Senate president as a voting member. In addition, both a faculty and a staff representative are invited to attend the board of trustees’ meetings as non-voting members. The Academic Senate updated their bylaws which included a restructuring of the faculty committees that were previously operating independently into the senate

realm, thereby improving the direct oversight of the faculty on issues related to curriculum, faculty roles, and academic program assessment and management.

The faculty role has also been strengthened around institutional strategic planning, goal setting and budgeting. Program chairs are now more involved with budget development and planning. The faculty were also involved in the recruitment for and interviews of the provost and senior director of enrollment management. The IMC has also provided more transparency to faculty around budgetary decisions, conditions, and processes. In the spring 2020 the provost held three think tanks around academic planning, new programming, and program sustainability. What remains to be done is to follow through with the implementation of these initiatives to close the loop on this issue.

During COVID-19 the academic program chairs have been deeply involved in decision-making. There is deeper and more consistent collaboration among the enrollment management team, admissions, and faculty in terms of institutional messaging and advertising materials. The closer cooperation and transparency of administrative staff and faculty have had the beneficial effect of improving campus morale and faculty agency.

While excellent progress has been made in all these areas, the faculty needs to be empowered to work collaboratively with the provost and chief financial officer on issues around budgets, faculty load, viability of academic programming, institutional sustainability, resourcing, and other issues that will create transparency in decision-making and provide professional development for those faculty who want to pursue academic and administrative leadership roles.

**E. Issue 5: Board and administration should develop a plan for filling the Provost position as planned which would help reduce the load of the President who currently carries both responsibilities and would be in line with WSCUC best practice of separating the presidential and academic leadership roles. (CFRs 3.6, 3.8 and 3.10)**

At the time of the 2018 team visit, Dr. Joseph Cambray was serving as both the president and provost of PGI. The institution began a national search for a new provost in early 2019. Most members of the PGI community had the opportunity to meet with and weigh-in on the selection. There was widespread participation among the staff and faculty. The final candidates were brought to the campus for one-and-a-half days to meet with the various faculty and staff constituents and to address all faculty and staff in a community-wide gathering. The president made the ultimate decision after staff and faculty made their recommendations. According to the institutional report, the president's decision "was in accord with the community's top choice."

The job description provided in the exhibits indicates that, "the provost oversees Pacifica's day-to-day administration of faculty and academic matters. Working collaboratively with the president and the CFO, as a voting member of the Institutional Management Committee (IMC), and with faculty and staff, the provost will seek to apply depth psychological principles to promote a healthy, effective, and sustainable organization consistent with PGI's core values, legacy, and future vision."

Dr. Peter M. Rojcewicz was selected and began his tenure as the new provost and Accreditation Liaison Officer (ALO), in January 2020. As provost he is also the chair of the Circle of Chairs meetings. He chairs and/or attends all relevant academic-related meetings including Academic Senate, Senate Leadership Committee, President's Council, board meetings, and Graduate Research Council. He also is a voting member of the IMC.

In addition to the Academic Affairs Office, the new provost also oversees the Registrar's Office, Library, Institutional Learning Office, dissertation office, program chairs, Student Relations Liaison, Disabilities and Title IX Office, Academic Senate/Senate Leadership Committee. Previously these were managed out of the president/provost office. The institution has made a clear separation between the office of the president and the office of the provost. The large number of functions that report to the provost is appropriate given that the institution does not have a chief operating officer, and he appears



to have the full support of his constituents. PGI's faculty expressed satisfaction with the new provost, one faculty member stating that it "feels like we have someone in our corner."

**F. Issue 6: The institution should develop and implement a diversity plan that is aligned with PacGI's core mission to serve diverse students and underscores the institution's commitment to diversity as a value. The diversity plan, under the institution's comprehensive strategic plan, should guide the institution's a) recruitment of diverse students, including those from international settings; b) prioritization of enhanced student support services to improve student success, retention, and graduation rates, particularly for underrepresented and international students; and c) recruitment and promotion of faculty, staff, and administrators with particular attention given to diversity in executive leadership. (CFRs 1.4, 2.10, and 3.1)**

During the fall 2018 WSCUC review, the team noted several areas of concern related to morale. Notably absent was a comprehensive diversity plan aligned with PGI's core mission to serve diverse students and that underscored PGI's commitment to diversity as a value. Following the Commission's recommendations, PGI developed and implemented a diversity plan outlined in its Strategic Plan (Objective 4.3). The plan provides nine items, including training, events, committee establishment, and progress tracking mechanisms. However, the plan focuses on committees and events rather than a strategic approach to inclusiveness, institutional and systemic racism, and a review of PGI policy and practices. Furthermore, notably absent from the plan are measurable indicators for tracking progress and improvement.

Faculty reported positive feedback related to recent diversity symposia but also reported having received no diversity training. Conversations with faculty, staff and students confirmed that the curriculum and institutional practices are perceived by many to privilege patriarchy and Eurocentricity and there has been little effort toward change. Specifically, racial and ethnic minority students and faculty reported being publicly discounted when attempting to address problematic encounters. It was

noted during one conversation that “the mudslides received a quick response, but diversity problems, systemic racism, and microaggressions have yet to receive any response.” Absent a clear institutional strategy, faculty and students have been left to find solutions on their own such as creating affinity groups and seeking institutional allies.

A Diversity Committee was created in 1995 and over the subsequent years has had different structure. The Diversity and Inclusion Council is the most recent structure and was created in 2012. The council is comprised of staff, faculty, students, alums, and a representative from the Institutional Management Committee (IMC). The Council has a direct link on PGI’s website and a downloadable PDF that covers the Council’s composition and responsibilities. The document is comprehensive and includes Nondiscrimination and Equal Opportunity Statement and Complaint and Grievance Policies and Procedures.

The Institution has demonstrated responsiveness to the 2020 social unrest by organizing a Diversity, Equity, and Inclusion (DEI) Task Force. The DEI Task Force is comprised of board representation, students, alumni, faculty, staff, and the president serving as ex-officio member to discuss systemic racism issues in the nation and its impact on higher education and its presence at Pacifica. They also acknowledged the need for a Chief Diversity Equity and Inclusion Officer but have not filled the position. Progress has been made in diversifying staff hires including executive management (i.e., the general counsel and senior director of enrollment management), and an increase in hiring Latino and African American employees; however, faculty diversity has not improved.

In summary there has been some progress and more activity generated around addressing issues of diversity. However, as is noted in students’ comments, there has been little progress made in shifting the culture toward inclusive excellence. When a member of the board who has professional expertise in DEI training and development was questioned about his initiation of training for the board, he noted that the trigger for him was, “not what he saw but what he did not see.” What is lacking is a

strategic commitment to examining every aspect of PGI to ensure multiple voices are represented in syllabi, courses, faculty, committees, leadership, programming, etc., and indications of where a student of color would feel valued, have their voice heard, and find champions who affirm their life perspective.

**G. Issue 7: Financial staff have made progress on internal controls, data reporting and financial transparency but will need to make further advances on staff development, technology integration, and financial best practices. (CFRs 3.3, 3.5 and 4.3)**

In the 2018 report, it was noted that high turnover and the lack of a permanent CFO was of concern and left the business operations vulnerable. Under the direction of a newly appointed CFO in 2019, PGI has made significant progress on improving internal controls and elevating the institution's fiscal management with sound business practices. The changes to policies and procedures supported by documented evidence, demonstrates a strong commitment to clarifying procedures and defining clear lines of responsibilities within the department and across the institution. The revised policies and procedures have allowed the team to work more effectively, to produce timely transactions, and to resolve conflicts in their segregation of duties.

With the addition of seasoned finance professionals and through cross-training, the staff are better equipped to perform their duties as required. During remote work due to COVID-19, the business office worked with the same level of internal controls and solid business practices. With a strong team in place and more timely transaction, a full review of accounts was conducted. The team should be commended for a clean 2019 audit with no adjustments. However, the external auditors noted internal control deficiencies. During the review team's meeting with the auditors, it was noted that there has been an improvement in 2020 with no internal control issues. Coupled with this evaluation and changes to technology and business practices, the team produces financial reports monthly which are provided regularly, leading to greater controls and a shared understanding of PGI's financial position. This

increased transparency and broader involvement by departments and academics across the institute provide additional insight into spending and increased accountability.

During the 2018 visit, the board was questioned about the last formal request for proposal (RFP) to review Nasif, Hicks, Harris & Co., LLP (“auditors”) who perform all three audits (Financial Statements, 401k and ESOP). At that time, the board responded that the last review was two years prior and they concluded that they should remain with the auditors. During the Special Visit in 2020, the review team met with the auditors and, during that meeting, the auditors confirmed that the board has not conducted a request for proposal (RFP) for many years. Best practices indicate that a formal RFP should be conducted optimally every three years and not more than five, and PGI should conduct an RFP to align with best practices.

Another area of concern was the discussion around the master facilities plan and the long-term strategy for the smaller Lambert campus. The Lambert campus is owned by Temenos LLC, which is 100% owned by the chancellor emeritus and his wife Dr. Maren Hansen. The review team considered the topic of the two facilities because of the lack of clarity of purpose and the extraordinary cost associated with the Lambert campus. The board, president, and CFO all stated this topic of a facilities plan is under consideration. However, Temenos, LLC, has a lease contract with the institute at the Lambert campus through April 30, 2027, thereby complicating facilities planning. The institute is currently in negotiation for a reduction in rent for the near term, and both the chancellor emeritus and the president agree this is in the best interest of PGI during the pandemic.

**H. Issue 8: The institution has made progress on improving liquidity but should continue to address both demands on cash as well as under-capitalization of the strategic initiatives and implementation. (CFRs 3.4 and 3.8)**

The team reviewed PGI’s (1) audited financial reports showing financial position as of August 31, 2018 and August 31, 2019, and accompanying management letters, (2) preliminary audited financial

statements for August 31, 2020, and (3) a draft of the 2020-2021 budget with year-to-date actuals. Based on the unaudited income statement for the year ending August 31, 2020, actual operating revenue exceeded operating expenses before interest, taxes, and ESOP payments. As noted in the documents, overall financial improvement has occurred.

The measure of financial adequacy used by the U.S. Department of Education is the Financial Responsibility Index. PGI has maintained a low but acceptable Department of Education Financial Responsibility Composite Score of 1.7 for several years from 2015 through 2019 and the preliminary audited financial statement indicate that the score for 2020 is 2.0.

In 2020, PGI has maintained positive net operating income by increasing new student enrollment as well as containing operating costs. It was observed that the hiring of a new Senior Director of Enrollment Management has resulted in building a more robust recruiting function that is data driven and increased enrollment. Earlier indicators of increased interest in PGI were demonstrated by greater numbers of prospective students joining virtual recruiting events. While increased enrollment and cost controls have resulted in improved liquidity, diversification of revenue and funding for capital expenditures and deferred maintenance have not materialized.

In April 2020, additional funds were received from the Paycheck Protection Program (“PPP”) loan program. The review team recognizes the challenges of 2020 and the impact it has on finances, especially the loss of revenue from residency fees and food services due to students learning remotely. PGI furloughed fifteen employees during this time. This improvement in liquidity may be temporary due to the loan and cost containment related, in part, to staffing reductions, and should be followed by a long-term financial plan that considers sustained enrollment improvements, diversification of revenue, and investments in building the infrastructure to support operations. This work should be informed by trend analysis and benchmarking that is readily available by such entities as NACUBO. It was noted by the CEO that an enrollment summit will be held to develop long-term strategies around growing

enrollment by examining new modalities of learning such as online. As a cautionary note, the change in modalities, such as moving to a hybrid program, will require additional investment in technology infrastructure and added funding needed to support plans to prepare and train faculty and staff for this type of change.

While the PGI team has worked to improve strategic planning and budgeting, it has not built the needed reserves to support the institution's priorities and deferred maintenance. The institution operates two separate campuses, an upper campus (Ladera) and a lower campus (Lambert). Ladera sits on 35 acres in the hills of Montecito, California and is owned by PGI while the Lambert campus, as noted in the audited financials for the year ending August 31, 2020, is leased from a limited liability company (the Lessor). Lambert campus is owned by Temenos LLC, which is 100% owned by the chancellor emeritus and his wife, Dr. Maren Hansen. The Lambert campus lease with Temenos LLC, expires in April 2027. While PGI has had some rent concessions and modifications due to the COVID-19 pandemic alleviating some financial pressure, the long-term need for space should be assessed. It is strongly recommended that PGI create and implement a facilities master plan that promotes long-term sustainability, including determining the necessity of the Lambert campus, considering their strategic priorities.

**I. Issue 9: Given the growth of hybrid programs, support services and learning theory need to put a focus on resourcing and instructional development to build a stronger infrastructure for hybrid pedagogy. (CFRs 2.8, 2.13 and 3.5)**

While PGI has made some efforts to address issue nine, there are still several areas that remain problematic. To address the concerns about quality control in the online portions of the hybrid offerings, a senior Core Faculty from the hybrid programs was contracted to serve as mentor to adjunct and new faculty in the hybrid Jungian and Archetypal (DJA) program. According to the institutional report, "mentorship responsibilities include support with syllabus/course design development, working

with the learning management system, monitoring faculty involvement, and ensuring hybrid course and departmental standards are being met.” A short job description was provided as evidence of this, but this is still approached on an ad hoc, program-focused basis. There is no documentation of their processes (i.e., rubrics, meeting minutes, written evaluations, etc.). They do not have a formal orientation for onboarding new faculty and indicated that they primarily used student end of course surveys to assess teaching quality. PGI tasked its ADA/Title IX coordinator to ensure adherence to ADA regulations and laws that enhance the learning of students with disabilities, but a review of the online courses did not demonstrate that there was a focus on course delivery. Simple things like closed captioning for online lectures was not observed.

PGI indicated in the report that the “hybrid programs are currently undergoing a coordinated redistribution of their faculty and staff roles to better support those personnel and the demands of hybrid learning...” However, in conversations with the faculty, there was no evidence of this. While they have talked about hiring an instructional designer specializing in online learning to replace the position that has been vacant since 2011, thus far the position has not been posted. In addition, the provost indicated that this person would also serve 25% as a core faculty and 75% as an instructional designer, but that does not seem realistic as a trained instructional designer would not likely have a doctorate in depth psychology. The only support personnel were technology focused, helping with D2L issues, etc.

As has happened at many institutions, the COVID-19 pandemic triggered a temporary move to online learning even for the non-hybrid courses. Efforts were made to train all faculty in the use of their D2L learning management system and Zoom virtual classroom. Faculty were provided with a resource document enumerating support resources, but this was mostly about how to use Zoom and a list of best practices. Much of the activity mentioned in the report appears to be a reaction to COVID-19 rather than a strategic commitment to improving their hybrid offerings.

A spring 2020 faculty survey on distance teaching was conducted to evaluate technological, pedagogical, and general support needs and effectiveness; however, the survey was incomplete with many questions indicating that there were over thirty (30) responses, but no data. All graphs had among the options one or two that said, “No Label.” It was unclear what that meant. The report mentioned a “series of best practices, frameworks, and follow-up faculty forums and trainings occurred in summer 2020,” but the review team believes the evidence of these programs was weak. In conversations with faculty, it again appeared that these were focused on technological function rather than pedagogy. Some of the student responses in the survey and the confidential email expressed dissatisfaction with the online conversion, yet faculty and staff indicated that things were going well.

PGI indicated in the report and in conversations that they are conducting a systematic evaluation of their current learning management systems. They concluded that there was not enough to be gained by moving to a new system, so they decided to stay with D2L. The institution acknowledges that there is still much work to be done to ensure a consistent, high-quality hybrid and online student learning experience. They have made this a priority in the strategic plan but have not yet allocated the resources necessary to make the needed changes. The president, provost, and the faculty all indicated that they want to move to more hybrid programs as well as complete online programs. If that is the goal, then the institution needs to provide the resources to create the strategic systems to support these efforts as this continues to be an ongoing area of concern.

**J. Issue 10: Consideration should be given to developing a student support services office that is a centralized and distinct department focusing on student success. (CFRs 2.11, 2.13, 3.1, and 3.2)**

In 2019, PGI created the Office of Academic Affairs and Student Services reporting to the provost with the intent of centralizing and aligning the disparate student service functions. PGI hired an office coordinator and assigned budget resources and authority. Over the past year the department of academic affairs and student services has built the infrastructure, formalized policies, and procedures,



and developed a student support staff. The office monitors student success (graduation and retention), in collaboration and coordination with financial aid, student accounts, registrar, tutoring center, disability services support, academic advisors, Title IX, and student affairs. Other services provided include student orientation, online course registration and online grading. This newly centralized student support function coordinates with the faculty, improves communication across curricular and co-curricular student support and streamlines the services provided to students.

This more formalized student support has greatly enhanced the educational experience of the students. For example, the three writing tutors logged 1,141 hours in 2018-19 and 1,298 hours in 2019-20. The new centralized student affairs function also coordinates with the Diversity and Inclusion Council, alumni office, and student relations liaison. The student support staff described at length the new student onboarding process that was collaboratively designed by the student services staff and academic affairs staff. In the new onboarding process, students are introduced to the wide range of services PGI offers. Another creative innovation is the alumni buddy system. New students are given an opportunity to have an alumnus who will serve as a support and mentor.

One of the immediate responsibilities of all student frontline services has been to support the mental health and individualized needs of students coping with the isolation resulting from the COVID-19 pandemic. This has included hosting student body events and connections in a virtual environment and enhancing the online support services accessed through the PGI website. The Office of Academic Affairs and Student Services has also initiated student needs and satisfaction surveys, including a survey in the spring and a more recent survey to identify issues around pandemic isolation. The next goal of the office is to enhance the career services operations to support the graduate professional degree programs offered at PGI.

While the student support services have made great progress and have been resourced by the institute, including hiring key personnel, there is still progress that is needed. When asked to “describe

the culture,” the staff stated that it is community-centric, shifting toward a more student-centric culture, but as expected this will take time. In addition, while there is better collaboration and centralization of student support there is not a clear strategic plan. For example, when asked if there was a plan for diversity, equity, and inclusion the answer was no. While there are many DEI activities there is not an overall strategic approach to support students.

In the area of student support services, the institute has made significant progress. In the team’s previous visit, the student services functions were dispersed across campus and only assigned as collateral duties. There was little resourcing for these critical functions. In the past two years there has been a commitment to hire qualified personnel and provide the budget and resources for a fully functioning student affairs and support services functions.

### **SECTION III – OTHER TOPICS, AS APPROPRIATE**

The institution has made great strides in building out a student services function, but the same attention has not been given to the academic/faculty functions. In the 2018 report, the team indicated that “there is concern over the sufficiency of core faculty to support those programs fully. The programs are designed to be labor intensive with mentoring, practica, counseling, and small classes. This design leads to many faculty teaching overloads and chairing more dissertations than is stipulated in their contracts. Faculty expressed concern that the resources to support their programs have been cut back. Faculty are not included in financial decision-making and the approach to budgeting is not collaborative and there is a lack of transparency which in turn makes it difficult for academic planning. However, the review team’s examination of the data does not indicate that PGI’s core faculty numbers are out of line with higher education standards.” It appears that the institutional leadership focused only on the last sentence of this section about the number of faculty.

Conversations with the faculty and students as well as several submissions to the confidential email account noted significant dissatisfaction with the entire dissertation process including the

Dissertation Office. One student claimed to have been charged tuition for two terms while waiting for a dissertation chair. Several faculty indicated that their requests for help were met with the directive to “figure it out.” Data provided to the team supported the faculty assertions that many were carrying large overloads in both teaching and dissertation work, but interestingly, there were also several faculty who were under workload in their dissertation work. This speaks to a lack of planning, attention and coordination. As a graduate institution, PGI is ethically obligated to facilitate the dissertation process for its students in a high quality, timely manner.

In addition, faculty indicated that there were no cost of living or merit raises in many years noting that “what you negotiated coming in was what you had to live with.” However, the administration stated there was a COLA increase January 2015 and another COLA adjustment in February 2017.

#### **SECTION IV – FINDINGS, COMMENDATIONS, AND RECOMMENDATIONS**

##### *Findings*

In response to the Commission’s action letter of March 4, 2019, as is noted in the introductory comments and as discussed in detail throughout the team report, PGI has made changes within a very short period. The institute has successfully transitioned presidential leadership, built a strong executive leadership team, addressed employee morale issues, focused upon enrollment growth, and improved financial stability. As a result, the team offers the following commendations and recommendations.

##### *Commendations*

1. PGI is commended for growing enrollment by building a successful and experienced admissions team which leveraged technology, data informed decision-making and team collaboration.
2. PGI is commended for the president’s success in building a strong leadership team, including the key executive roles of provost, chief financial officer, director of enrollment, and general counsel.

3. PGI is commended for having made significant progress regarding the issues related to employee morale including high turnover, communication, and decision-making transparency.
4. PGI is commended for its handling of the presidential transition and the transformation of the role from a founder/chancellor/president to the current strong president, with clear authority and reporting lines.
5. PGI is commended for shifting the culture and decision-making from a command-and-control management style with functional silos to a collaborative team that works holistically.
6. PGI is commended for improving financial performance around internal data control, enrollment growth, and maintaining as much as possible community sensibilities through the COVID-19 challenges.
7. PGI is commended for resourcing and developing a student services team committed to building a coordinated and holistic student support that is evidence-based.

*Recommendation*

1. It is recommended that the board formalize and implement a multi-year board development and continuous improvement plan. This will include best practices in board size and composition, annual board evaluation and regular audit of policies and practices to align with higher education standards and the board's oversight and fiduciary roles. (CFR 1.5, CFR 3.9)
2. It is recommended that PGI engage stakeholders to formalize a strategic plan that is embedded in the mission and derived from evidence-based decision-making, with clear objectives and metrics, alignment to the budget and implementation action plans. (CFR 4.6)
3. It is recommended that PGI examine faculty workload, equitable compensation, class size, and academic support structures using external benchmarking and providing the resources necessary to address found discrepancies. (CFR 3.1, CFR 3.2, CFR 3.3. and CFR 3.10)

4. It continues to be recommended that PGI specifically and intentionally begin to build the technology and support services infrastructure necessary to support the expansion of hybrid programs and the development of fully online programs, addressing faculty recruitment, training and support; online pedagogy; quality control measures; and ongoing assessment. (CFR 2.1, CFR 3.3, and CFR 3.5)
5. It is recommended that PGI create and implement a facilities master plan that promotes long-term sustainability including determining the necessity of the Lambert campus considering their strategic priorities. (CFR 3.4)
6. It is recommended that PGI create and implement a diversity, equity and inclusion action plan that includes hiring a dedicated Chief DEI executive. The diversity, equity and inclusion plan -- as an integral part of the institution's comprehensive strategic plan -- must guide the institution's a) prioritization of inclusion of diversity curricula in all programs; b) recruitment of diverse students, including those from international settings; c) recruitment and promotion of diverse faculty and senior level management; d) support for formal and informal groups for underrepresented and international groups. (CFR 1.4, CFR 1.6, CFR 2.10, and CFR 3.1)