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March 11, 2022

Presiding Judge Gustavo Lavayen
312 East Cook Street
Santa Maria, California 93454

Re: *Allan Hancock Joint Community College District Response to 2021 Santa Barbara County Grand Jury Report: Aspects of Governance at Allan Hancock College*

Dear Honorable Judge Lavayen:

This letter responds to the Findings and Recommendations in the December 2021 Grand Jury Report pursuant to California Penal Code sections 993 and 993.05.

The Grand Jury “may investigate and report upon the method or system of performing the duties of” a community college district.¹ However, the Grand Jury has no authority to review the operational procedures or the methods and systems of performing district duties.² The Grand Jury typically cannot investigate or report on the merit, wisdom, or expediency of an entity’s policy determinations or on matters of personnel issues and curriculum.³ As a result, the Allan Hancock Joint Community College District’s Board of Trustees and Superintendent/President have the sole authority to make major discretionary determinations that are often political or involve personnel or budgetary matters.⁴ The Grand Jury may not substitute its judgment for that of the persons put in charge to make those decisions.

Keeping this scope in mind, Allan Hancock Joint Community College District has thoroughly reviewed the findings and recommendations, and considered the Grand Jury Report in its entirety.

¹ Pen. Code, § 933.5.

² See, e.g., *California’s Civil Grand Juries: History, Law, How They Operate*, CALIFORNIA GRAND JURORS’ ASSOCIATION, Fourth Edition, 15 (Jan. 2022), https://cgja.org/sites/default/files/californias_civil_grand_juries_edition4.pdf.

³ See, e.g., CALIFORNIA GRAND JURORS’ ASSOCIATION, *supra* note 1; See *The California Grand Jury System: Keeping an Eye on Local Government*, CALIFORNIA GRAND JURORS’ ASSOCIATION, Third Edition, 14 (April 2014), https://cgja.org/sites/default/files/the_california_grand_jury_systemedition3.pdf.

⁴ *Supra*, fn. 1.

Finding 1: The Santa Barbara County Grand Jury did not substantiate the specific allegations of financial mismanagement, as stated in the complaint.

Response: The District concurs with this finding.

Finding 2: The Santa Barbara County Grand Jury's reading of the financial audits of Allan Hancock College is that the College's financial management practices meet the standards for public education institutions and do not pose significant risks to the College's funds, but improvements could be made.

Response: The District concurs with the finding that the District's audit reports show that the District manages its finances well. The District is well aware of its obligation to manage public funds well, and is constantly striving to improve its accountability and transparency.

Recommendation 2: That the Board of Trustees of Allan Hancock College direct the administration of Allan Hancock College to upgrade its financial management software (Banner) to flag exceptions to procedures in real time to the attention of supervisors and managers, permitting greater oversight of such exceptions.

Response: The District respectfully declines to implement this recommendation.

The Grand Jury's Finding 2 does not support this recommendation. Finding 2 concluded that the District's practices meet all standards for community college districts and do not pose significant risks to the District's funding. Further, the Grand Jury found that the District acted appropriately in regard to the financial issues alleged. Implementing this recommendation would create an undue expense and hardship to the district as it would require custom programming that may not be supported by our enterprise management system and may interfere with scheduled upgrades delivered by the software provider. The college's financial management operations contain multiple layers of internal controls. Further, this recommendation would require budget expenditures, an area under the District's sole discretion. This recommendation goes beyond the scope of the Grand Jury's authority.

Finding 3: The Santa Barbara County Grand Jury did not substantiate the allegations of grade manipulation in the K-12 partnership program of Allan Hancock College, as stated in the complaint.

Response: The District concurs with this finding.

Recommendation 3: That the Board of Trustees of Allan Hancock College commission an external performance review of the K-12 partnership program over the past five years and the results of the review be made public.

Response: The District will implement a performance review of the K-12 partnership program, known as dual enrollment. As budgetary matters are within the District's discretion, the District will conduct this review using its internal resources.

Finding 4: The Santa Barbara County Grand Jury found that adequate human and electronic safeguards exist against systemic manipulation of grades at the College.

Response: The District concurs with this finding.

Recommendation 4: That the Board of Trustees of Allan Hancock College direct the Director of Admissions and Records to submit an annual report on grades – levels, rates and frequencies of grade changes, documented exceptions to procedures, patterns by academic department and discipline – to the Board of Trustees and post that report on the College website, in the interests of transparency and of maintaining public confidence.

Response: The District respectfully declines to implement this recommendation.

The Grand Jury's Finding 4 does not support this recommendation. Finding 4 concluded that the District has adequate safeguards in place to prevent the manipulation of grades. In addition, setting policy regarding grade changes is within the sole discretion of the District, not the Grand Jury. Further, the District is not aware of any community college district that publicly posts grade change reports or creates this type of report. Implementing this recommendation would require the District to divert its limited resources and time towards creating a report that is not necessary. By delving into this area, the Grand Jury acted beyond the scope of its authority.

Finding 5: The Santa Barbara County Grand Jury did not find systemic evidence of corrupt hiring, evaluation, and personnel management practices at the College, as alleged in the complaint.

Response: The District concurs with this finding.

Finding 6: The Santa Barbara County Grand Jury finds that staff opinions on the work environment are sometimes below the norms of comparable educational institutions in the areas of incentives for good performance, training, and open communications.

Response: The District disagrees with this finding.

This finding deals with a personnel matter – staff opinions regarding the work environment. As discussed above, personnel matters are outside the scope of the Grand Jury's authority. Without waiving this defect, the District will address this finding on the merits.

The Grand Jury reviewed responses to a staff survey conducting from March 26, 2018 to April 16, 2018 – nearly four years ago. These responses were below optimal in some areas related to the work environment. By their nature, survey results only reflect the opinions held by a limited number of respondents during the time the District administered the survey.

Recommendation 6a: That the Board of Trustees of Allan Hancock College direct the administration to make more effective use of peer-review evaluation practices.

Response: The District implemented an enhanced peer-evaluation process before the Grand Jury issued its report.

This recommendation is beyond the scope of the Grand Jury’s authority, as it involves personnel matters and encroaches on the District’s discretionary authority to manage its staff. As discussed above, the Grand Jury cannot substitute its judgment for that of the District’s Board of Trustees, Superintendent/President, and administrators.

Recommendation 6b: That the Board of Trustees of Allan Hancock College commission a new survey of faculty and staff engagement, to be done by an independent external firm, focusing on question of staff incentives, training, and internal communications with the results of the survey to be discussed in a public forum.

Response: The District will implement this recommendation.

The Grand Jury’s Finding 6 does not support this recommendation. The District was already planning another survey of its employees. As budgetary matters are within the District’s discretion, the District will use its participatory governance process to determine whether to use an outside consultant or use its internal resources.

Finding 7: The Santa Barbara County Grand Jury did not find systemic evidence of a difficult work environment at Allan Hancock College, as alleged in the complaint.

Response: The District concurs with this finding.

Finding 8: The Santa Barbara County Grand Jury finds that the College’s internal dispute resolution procedures meet the standards for public education institutions in California.

Response: The District concurs with this finding.

CONCLUSION

The Allan Hancock Joint Community College District is gratified with the overall tone and findings of the Grand Jury report. We are especially gratified with the Grand Jury’s conclusion that the District’s governance structures are solid, that dispute resolution mechanisms are appropriate, fair, and legally compliant. We appreciate the Grand Jury’s conclusion that the District is financially well managed.

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We thank the Grand Jury for its tireless and invaluable service to the community and to the County generally. I hope you will convey my thanks and the thanks of the District to the Grand Jurors.

Please let me know if you need further information or would like to discuss any aspect of this response.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'K. Walthers', with a long horizontal flourish extending to the right.

Kevin G. Walthers, Ph.D.
Superintendent/President