

Focused Visit Report

After the team reaches a consensus, the team chair completes this form to summarize and document the team's view. Notes and evidence should be essential and concise. **Note:** If the visit involved more than five areas of focus, please contact evaluations@hlcommission.org for an expanded version of this form.

Submit the completed draft report to the institution's HLC staff liaison. When the report is final, submit it as a single PDF file at hlcommission.org/upload. Select "Final Reports" from the list of submission options to ensure the report is sent to the correct HLC staff member.

Institution: Lake Superior State University

City, State: Sault Sainte Marie, Michigan

Visit Date: October 23-24, 2023

Names of Peer Reviewers (List the names, titles and affiliations of each peer reviewer. The team chair should note that designation in parenthesis.)

Dr. David Pecha (Chair), Executive Vice President, Northwestern Oklahoma State University and Dr. Robin Lightner, Dean, University of Cincinnati Blue Ash College.

Part A: Context and Nature of Visit

1. Purpose of the Visit (Provide the visit description from the Institution Event Summary.)

Below is the interim report directive outlined by the 2021 four-year mid-cycle review team for Lake Superior State University (LSSU):

The comprehensive site visit team in 2016 asked the 2021 team to provide an interim monitoring report on finances, budgeting, and enrollment. With special attention given to those areas, the 2021 team finds the institution has not made sufficient progress in these areas. In fact, LSSU has regressed further in the areas of financial position, budget planning and transparency, and enrollment recovery. Of notable concern in arriving at this conclusion is the fact that: The university's HLC composite financial index has slipped from 2.85 in 2017 to -0.08 in 2020. These two data points are the bookends of a four-year consistent decline in CFI scores for Lake State; LSSU has no clear multi-year budget plans nor projections for either the institution as a whole nor for its new academic programs; Lake State has no clear plans for increasing enrollment beyond starting three new academic programs and hoping for increased headcount. In addition, there is a lack of clarity about what enrollment increase is desirable or realistic. For example, the strategic plan calls for an annual increase of 5%+ in enrollment (from 1,900 students to 2,600 students) while internal projections show a Fall 2022 decrease in enrollment of 1% and

modest 1-2% increases the following three years. Rather than increasing engagement with faculty and staff during this financial challenge, the university has instead limited information available to internal parties and decreased their role in making budget decisions. Based on these facts, the Year Four site visit team finds that not only have the concerns expressed by the Comprehensive Year Ten site visit team not been remediated, but also, as of April 2021, core components 5B and 5C are "met with concern."

LSSU prepared an "Institutional Focused Visit Report" that was submitted to the 2023 Visiting Team on August 28, 2023. An on-campus visit occurred on October 23 and 24, 2023.

2. Accreditation Status

- Accredited
- Accredited—On Notice
- Accredited—On Probation

3. Organizational Context

Lake Superior State University is located at the nexus of three Great Lakes in Michigan's Upper Peninsula, a primarily remote-rural region of the state. LSSU is a publicly funded, autonomous state university operated under the control of an eight-member board of trustees, who are appointed to eight-year terms by the governor. The University is situated on 115 acres within the small city of Sault Sainte Marie, which is the second-oldest city in the continental United States, founded in 1668. The city has a population just over 13,000, is the largest city in Michigan's Eastern Upper Peninsula, and shares its international border with its sister city of Sault Sainte Marie, Ontario. A majority of LSSU students come from the surrounding remote-rural Eastern Upper Peninsula region spanning 6,711 square miles with a total population across three counties currently estimated at 52,564. Since 1946, the campus has occupied the site of the historic former U.S. Army base of Fort Brady, and fourteen of LSSU's buildings are listed on historic registers. Primarily attended by World War II veterans in those early years, it served first as an extension of Michigan's Mining and Technology College, and later for Michigan Technological University. The college became a separate entity in 1970 and was granted university status in 1987. The culture of LSSU is highly focused on meeting the unique needs of our students, with approximately three-fourths of those students being first-generation, more than half are low-income, and more than half require developmental math before they can fulfill the college level mathematics requirements in their academic programs. The student-to-faculty ratio is 16:1, and both faculty and staff are dedicated to providing personalized support and services to fit students' individual needs. The distinctive location and historic buildings of LSSU's campus overlook the St. Marys River and the Soo Locks, offering students a tranquil, relaxed atmosphere on a small-town campus that comfortably supports a sense of belonging and academic achievement.

LSSU was first accredited by the Higher Learning Commission in 1968. Its most recent reaffirmation of accreditation was in 2017. A Year 4 Comprehensive Evaluation was conducted in March of 2021, with embedded interim reports on program review (Criteria 4.A.1), assessment processes (Criteria 4.B.1 and 4.B.2), and financial planning (Criteria 5.C.4). The Year 4 Comprehensive Evaluation findings indicated that LSSU has achieved robust program review and assessment processes that fully meet all Core Components under Criteria 4. The evaluation identified four Core Components with areas of concern under Criteria 5, and over the past two years LSSU has worked diligently to improve in each of these areas and to establish planning processes that will sustain and extend those improvements.

4. Unique Aspects of Visit

At the time of the team visit, the top three key leadership positions are all being filled with “interim” personnel. The three positions and date of appointment by the Board of Trustees (BOT) are as follows:

President: April 3, 2023

Provost: April 3, 2023

Chief Financial Officer (CFO): April 15, 2023

The current provost at LSSU was appointed as interim president, an academic dean was appointed as interim provost, and the prior CFO was asked to return to campus following his retirement from LSSU to fill that vacant position.

The Board of Trustees is expected to name a permanent President in February of 2024.

5. Interactions With Institutional Constituencies and Materials Reviewed. List the titles or positions, but not names, of individuals with whom the team interacted during the review and the principal documents, materials and web pages reviewed.

Below are individuals identified by position that were part of meetings and discussions during the campus visit:

President (Interim)

Vice President of Finance and Operations (Interim)

Provost and Vice President for Academic Affairs (Interim)

Vice President for Advancement

Dean of Student Affairs

Dean of Enrollment Management and Communications

Director of Human Resources, Safety & Risk and Title IX Coordinator

Director of Government Relations

Deputy Athletic Director (Interim)

Board of Trustees (6 members via Zoom)

Deans/Department Heads and Chairs (12 attendees)

Staff Forum (18 attendees)

Faculty Forum (12 attendees)

Drop-in Open Forum (15 attendees)

Resources utilized before and during the Focused Visit:

LSSU Institutional Focused Visit Report submitted October 23, 2023

LSSU Website

LSSU Strategic Plan 2020-2025

2023-2025 Enrollment Management Plan

Enrollment Data as of October 6, 2023

LSSU Debt Service Schedule

Board of Trustee Posting of September 15, 2023, Board Meeting Materials:

Agenda

Enrollment Report

Finance Report

Enrolment Management Report

Fundraising Report

6. **Areas of Focus.** Complete the following A and B sections for each area of focus identified in the visit description on the Institution Event Summary. Note that each area of focus should correspond with only one Core Component or other HLC requirement.

Area of Focus 1

A1. Statement of Focus:

The prior visiting team had four specific observations they asked LSSU to address during the Focused Visit. Below are those areas of concern:

5.B.2: Lack of Any Detailed Plans for Increasing Enrollment. Lake Superior State University's current headcount enrollment is approximately 1,900 students. The University's strategic plan includes the goal of raising student enrollment to 2,400 students by 2025. During the site visit, members of the senior management team indicated that an enrollment of 2,400 – 2,600 students would be necessary to achieve financial stability. While broad targets for enrollment growth were provided, they 4 lacked underlying data and specific strategies that would demonstrate the likelihood that they can be achieved. Disaggregated projections by program, remote location, and demographic groups were also not provided, but should be readily available from any institution serious about achieving 5%+ annual enrollment growth over the next five years.

5.B.2: Lack of Any Detailed Plans for Successful New Academic Programs. While new academic programs, such as cannabis and robotics engineering, are grounded in economic growth areas for the State of Michigan and the region surrounding Lake State, the documentation provided to the site visit team by LSSU lack specificity and depth. Upon request and in follow-up materials, the site visit team received a budget analysis of the cannabis chemistry, robotics engineering, and Center for Freshwater Research and Education (CFRE). Each document provided a look back at revenue and operating expenses in prior fiscal years, but no forward-looking information such as recruitment and enrollment targets, expense projections, staffing needs, capital costs, etc., were included. Also, the Center for Freshwater Research and Education has its own strategic plan. The plan's first goal is to "contribute to LSSU's financial stability." However, when the HLC site visit team asked for the supporting documentation, the response was comprised of four sentences that indicated the CFRE had received

over \$3.5 million in external and block grants since 2018. This is not a plan of sufficient depth and detail with which the institution can hope to achieve any sort of programmatic or financial success.

5.B.3: A Declining Composite Financial Index Score. The University's HLC total composite financial indicator (CFI) score has dropped from 2.85 in 2017 to -0.08 in 2020. In addition to the overall CFI, the institution's score in each of HLC's four primary ratios also weakening from 2017 to 2020. Although COVID-19 and a corresponding delay in state funding might have accounted for a one-year drop in FY 2020, it would not have explained the persistent decline over the last four years. The site visit team believes the four-year decline in CFI scores corresponds to LSSU having increased its debt service by over 100% in the last few years. Not only could the institution not provide information about how they planned to increase the strength of their financial position as evidenced by the HLC CFI, they seemed rather cavalier about the multi-year decline. In fact, members of the Board of Trustees gave the site visit team a clear, "We've got it under control" message that was not supported by detailed plans, budgets, or strategies crafted by the senior leadership team in collaboration with campus governance and approved by the governing board.

5.B.3: A Budget Process that Lacks Collaboration and Transparency. The assurance argument makes no mention of budget forecasting. It can therefore only be assumed by the site visit team that the campus budgets only one year to the next with no forward-looking perspective. Faculty, administrators, and staff on the campus seem to be aware of the University's financial challenges and have responded positively when asked to make cuts and find efficiencies. However, the decrease in the deficit and the reconciliation of revenue and expenditures appears to be the result of administrative action rather than a budget process consistent with other aspects of shared governance. When asked about their role in the budget process, members of the Faculty Association recounted a far more active role with greater transparency in years past. They indicated in Fiscal Year 2021, there was little, if any, information forthcoming from the administration to governance groups that would indicate an interest in the Board of Trustees or senior leadership team in a collaborative, transparent budget process.

Relevant Core Component or other HLC requirement:

The summary below speaks to 5.B.2 and to 5.B.3.

B1. Statements of Evidence (check one below):

- Evidence demonstrates adequate progress in the area of focus.
- Evidence demonstrates that further organizational attention, rather than monitoring, is required in the area of focus.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

The team will also note its determination as to each applicable Core Component or HLC requirement in Part B.

Evidence:

5.B.2: All constituents recognize that enrollment is a concern for LSSU. This message was repeated in meetings with senior leadership, faculty, staff, and the BOT. Since the last HLC visit, the strategic plan

was updated (original goal 3.2.1 stated “Expand overall university enrollment with a goal of 2,400 by 2025”) to show a more realistic enrollment goal of 1,925 students by 2025.

LSSU recognizes several challenges facing the institution concerning enrollment. One example references a dwindling pool of traditional college-age students in the service area. Michigan’s enrollment declines were among the highest in the nation at 5.8% overall in 2022, and the greatest share of that number occurring across regional public universities and community colleges. Fall enrollment numbers for LSSU are as follows:

Fall 2023: 1,667

Fall 2022: 1,651

Fall 2021: 1,806

Fall 2020: 1,902

LSSU has an updated Enrollment Management Plan (2023-2025) that lists 4 goals followed by a number of specific strategies related to each goal. Several examples embedded in this plan include increased high school, middle school, and charter school visits and outreach programming, development and implementation of a strong Canadian recruitment plan, and strengthening LSSU’s branding and marketing efforts. As details of this plan are fleshed out, careful attention should be given to the amount of scholarships awarded by LSSU. In the last two years, spending on scholarships drastically exceeded the amount budgeted. In addition, spending on athletics far exceeded the amounts budgeted. It will be important to include these areas as part of a comprehensive enrollment management plan and monitor spending closely to balance investment in enrollment growth and fiscal responsibility.

During the on-campus visit, areas discussed included the pending application with HLC for a Masters of Business Administration (MBA) program, focusing on stop-outs, recruiting to club sports, reintroducing Greek life, Canadian marketing/recruiting, prison partnership, increased high school outreach, and focus around the Native American Center.

LSSU has taken several steps to improve the planning of academic programs since 2021. While it is too early to know if the enrollment growth from the academic programs and new initiatives will be enough to offset the overall declining enrollment trends, important progress has been made in outlining specific plans with enrollment estimates. The Board of Trustees revised its enrollment goal to a more realistic 1,925 students by 2025.

Starting in August 2022, a new program approval process was developed that includes information about the rationale, fit with mission of the university, workforce demand, projected enrollments, learning outcomes, faculty qualifications, competitors, financial planning document, and more. To approve new programs or revise programs, this information is considered by the Curriculum Committee before being approved by the Provost, President, and then Board of Trustees. Since 2021, around 20 programs have been proposed or revised using this process.

For its September 2023 meeting, the BOT received detailed Enrollment Management Plans 2025-2028 and Disaggregated Program Projections 2024-2027. Additionally, the Focused Visit Report provided estimates for enrollment growth for a number of the new enrollment initiatives: REUP participation, dual enrollment, expanding marketing, prison education program, Michigan Achievement Scholarship, increased club sports, and more. The Enrollment Management Report included information about enrollment across all college programs. The report was available online, allowing the board and campus community to check in on the progress of emerging programs.

Sharing the enrollment information community-wide will be useful in important ways. It will allow the community to have important conversations about how they will continuously evaluate low-enrollment

programs. Faculty, staff, and the BOT will see how the new programs are performing, and whether their enrollments are contributing to a positive change in the enrollment trend. Furthermore, these data will be used in decision making about budgets. By publicly sharing the data, the conversations about resources will be more transparent to all constituents.

The previous team pointed to the investment in the Center for Freshwater Research and Education (CFRE) as having insufficient specifics. Subsequently, the BOT initiated the creation of the College of the Great Lakes, Ecology, and Education to house the center and reorganize programs connected to it. There are now detailed reports and plans for investment in the programs attached to this Center and the College as well as enrollment and revenue projections for the center activity. LSSU is projecting significant enrollment growth. There are several donations and grants connected to the Center that has contributed to the decision that it be prioritized over other college investments. Some faculty had concerns that positions started with donations (one-time funding) would not be sustained by enrollments in programs of the new College. Faculty and staff also expressed concerns about the lack of faculty input in the re-organization of this unit as well as limited communication about the status of certain programs and staff. Part of this skepticism stems from the fact that listening sessions and estimates for revenue were provided *after* the decision had been made by the BOT and leadership team and were not part of the decision-making process. Transparency and regular checks on the Center/new College's revenue and programs will be important to evaluating this investment.

Marketing is a part of the enrollment strategy of LSSU, and the leadership team was able to give examples of how they are using more sophisticated marketing strategies to recruit Canadian students. However, some faculty and staff expressed concerns about the lack of marketing for new programs, and whether there is sufficient marketing to reach the enrollment goals in these programs. Ideally, this would be part of the budget in a new program proposal and worked into plans. Discussions occurred during the visit about staff assignments for marketing of new and existing programs.

Amid several new programs and initiatives, the current enrollment necessitates further cuts to achieve a balanced budget without depleting the institution's reserves. The next phase of cuts will be revealed after the board meeting in November. Ideally, the planning process would include an analysis of quality amid cuts. It is unclear how the cuts are currently impacting the quality of the current programs and services. In the faculty forum and drop-in session, faculty raised concerns about the level of overload they were required to teach as well as with course sizes. Staff brought up reductions in student-facing positions that provide support services. The hiring freeze is not a systematic approach to staffing related to the growth potential of programs. There seems to be universal concern about the condition of the dorms and the status of deferred maintenance across campus, such as roofs on academic buildings and sidewalks. It will be important to examine closely yearly program assessment reports as well as student satisfaction by program to keep an eye on the impact of cuts and to inform whether a different approach to working within the institution's budget is warranted.

In sum, there are a lot of irons in the fire. The interim leadership is trying to implement a variety of programs and initiatives to grow enrollment in the face of demographic challenges, while controlling costs, implementing budget cuts, and prioritizing spending. There is concern among faculty and staff that these efforts will not be enough to limit the use of reserves to operate before they are depleted. One faculty member said, "I don't know when I'll show up and the doors will be locked because we are closed for business." Given the enrollment trends, this is a valid concern. Some of the projections of various initiatives seem optimistic, and there are unknowns that will affect enrollment even as soon as next year, for example the state funding model for the prison program is not yet clear. Even by Fall of 2024, the leadership team and BOT should know if some of these new initiatives are starting to work. The initial results of the new initiatives, enrollments in new programs, along with the appointment of a President and new CFO, would allow for a more systematic approach to cuts and balancing the budget. The next report will have two years' worth of data to evaluate the enrollment in new academic programs and to

show the impact of other enrollment initiatives, and/or to allow the institution to show a plan for right-sizing the campus to the reality of a new level of lower enrollment.

5.B.3: The Higher Learning Commission tracks financial health of an institution by using a Composite Financial Index (CFI) calculation based on current financial audited information. For public institutions, this matrix ranges from a low of -4.0 to a high of 10.0. A score of 1.1 to 10 is considered “Above the Zone”; 0 to 1.0 is determined to be “In the Zone”; while a score of -4.0 to -0.1 is flagged as “Below the Zone”. LSSU’s CFI scores for the last two years were 4.68 for FY21 and 2.29 for FY22. Both of these scores are “Above the Zone” per the Commission’s definition. Part of the increase in FY21 and FY22 CFI scores can be attributed to Federal COVID-19 relief dollars collected on behalf of LSSU reflecting lost revenue available following the pandemic. These funds were used to offset operating expenses for LSSU following their receipt.

At the time of this Focused Visit, the FY23 audit was still in process therefore CFI scores could not be calculated. In visiting with LSSU administration, the projected CFI score for FY23 will be impacted on the revenue side of the calculation by the reduction in tuition and fee revenue, a late FY23 appropriation deposit from the state of Michigan, and increases in several expense categories.

The last HLC team questioned the amount of debt LSSU reflected on their financial statements. Even though deferred maintenance and an aging dormitory inventory were discussed with both the BOT and LSSU administration, there are no immediate plans to take on any new debt. All parties are aware of the amount of debt currently held by the institution. An increase in future debt would also impact the CFI calculations.

The Higher Learning Commission already has in place yearly reporting tools (financial indicators) that will flag any future downward spikes in LSSU’s CFI scores should financials variables change. The visiting HLC Team encourages the institution to keep a close eye on reserves as the FY23 close-out and the FY24 anticipated budget involve transferring funds from reserves to achieve a balanced budget.

Area of Focus 2

A2. Statement of Focus:

The prior visiting team had two specific observations they asked LSSU to address during the Focused Visit. Below are those areas of concern:

5.C.2: Lack of a clear financial plan that aligns with the institution's strategic goals. Lake Superior State should identify a coherent financial plan to achieve the goals outlined in LSSU's strategic plan. For example, the strategic plan calls for enrollment growth of more than 25% (from the current 1,900 students to 2,400 by 2025). In contrast, the high-level budget materials provided by the institution's chief financial officer project an enrollment decline of 1% for FY22, followed by modest enrollment growth of 1-2% in each of the following three years. These two plans are not in alignment and give the HLC site visit team a sense that there is a lack of clear financial planning to achieve strategic goals.

5.C.3: Greater transparency and engagement with faculty and staff in the budget process. While conversations with faculty and staff indicated such transparency and engagement had been the norm in prior years, it was not the case in the development of the most recent budget. The institution should return to the norms established in prior years and involve academic and administrative leadership (deans, department chairs, directors, etc.) as well as faculty and staff governance groups in the budget process.

Relevant Core Component or other HLC requirement:

The summary below speaks to 5.C.2 and to 5.C.3.

B2. Statements of Evidence (check one below):

- Evidence demonstrates adequate progress in the area of focus.
- Evidence demonstrates that further organizational attention, rather than monitoring, is required in the area of focus.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

The team will also note its determination as to each applicable Core Component or HLC requirement in Part B.

Evidence:

5.C.2: The visiting HLC team was provided with evidence that the current strategic plan and enrollment management plan had been updated to reflect a more realistic enrollment projection. These revised numbers will help drive budgeting decision for the institution. Conversations with university leadership as well as the BOT, both realize that expenses need to be adjusted to match revenue outcomes. With salaries and fringe benefits being a significant part of the overall budget, input will be needed from all constituents moving forward as LSSU downsizes.

5.C.3: Some decisions were made to make the status of LSSU's budget situation more transparent since the Interim President and Interim CFO were appointed by the Board of Trustees in April of 2023. A provisional budget for FY24 was passed by the BOT. Now that the enrollment numbers for fall 2023 are in, further adjustments will be made and presented to the BOT at the November meeting for approval, and then rolled out to the university community.

Detailed reports about finances, budget, and enrollments were posted to the BOT website prior to the September board meeting. Faculty and staff both told the visiting team they had read these reports with great interest. They also expressed appreciation for the new practice of having "Coffee with the President" sessions in which frank discussions about the state of the institution and questions and answer sessions were possible. The Interim President intends to continue these meetings monthly as a follow-up to the Board meetings.

The budgeting process seemed to be well-known by all constituents. There was a provisional budget announced and given enrollment numbers, an understanding that a formal budget will be finalized on November 1. Some forum participants expect the BOT will have to make further cuts. The specifics will be rolled out to Deans and department heads after finalized at the BOT meeting.

The leadership team described a "clean up" that needed to happen following the departure of the previous President and CFO, as well as a number of business office and human resources staff. Several accounting errors had to be rectified or reclassified. Hiring of new personnel, training of the new personnel, the accounting transaction in question and the late appropriation of state money resulted in some delays of the FY23 audit. Several faculty and staff indicated that they have confidence in the interim CFO to "right the ship", but others expressed concerns about the financial decisions that had

been made over the last several years, particularly including debt for two large contracts, the investment in CFRE, spending on athletics, and other hiring decisions.

Due to the soft hiring freeze, senior administrators make the decisions about hiring. The Vacancy Management Committee (Interim Provost, Human Resources Director, and Interim CFO) receives a one page hiring request form from managers/department chairs when a vacancy occurs. The committee requests information about the need to refill the position and consult the strategic plan as they make recommendations about hires/replacement decisions to the President for the final decision.

Faculty and Staff are glad to be informed about conversations about the budget and the state of the institution. These groups would like even more information about enrollment initiatives and a larger role in setting priorities. They describe that while they are getting more information now than in the past, in this critical time for the institution's future, they want more and regular communication and clarity about their voice in decision making. For example, they expressed that they are unsure of how the Vacancy Management Committee makes recommendations, or what the Campus Improvement Committee does.

Another place where faculty and staff desire more communication and clarity is with the course and program fees. Several faculty expressed a concern that these fees were not being allocated to the expenses connected with the courses and programs. Senior administration described this concern as having been already addressed in the last contract negotiation in 2018 which requires administration to give a report on fee usage. Nonetheless, some faculty do not believe that the report accurately depicts use of the funds to support the specific courses and programs that are being charged, and this could be an opportunity for conversations to clarify how this funding is budgeted and spent.

The Board of Trustees were glad that the agenda and all related reports were made public so they were on the same page with the campus community. However, the faculty and staff expressed concerns about the Board's oversight, given the financial status of the institution. They want a forum for the BOT to hear their concerns and to get reassurance about the fiscal management of the institution.

One example of potential miscommunication is the way that the BOT talks about the budget. During the HLC team visit with the BOT, they shared that they "have an expectation of a balanced budget." However, for FY24, the projected budget will be taking around \$1 million from reserves in order to cover operating expenses. Some discussion about using reserves to achieve a balanced budget, and clarity of reserve use could be improved. Some noted that the previous president had described the budget as "balanced" only to find out that the budget was 'balanced' by using funding from reserves. The use of reserves and the ideal amount to have in reserves is a topic worthy of conversation within the campus community.

Concern was expressed both in the Focused Visit Report as well as in various conversations on campus about the confusion and errors in the BANNER system. This is the software package that handles all campus fiscal activities like budgets, expenses, and payroll. There was a period of time that expenses paid/budget balances were not correctly reflected in the system. This allowed budget administrators to spend more money than had originally been planned. These errors were not caught in a timely manner, further stressing the financial situation of LSSU. Corrections have taken place and once the final FY24 budget has been approved by the BOT, revised budget data can be uploaded into BANNER for use by the campus community.

Another area of potential miscommunication is about the enrollment trends. The board described a "reversal in enrollment" when in fact, degree-seeking enrollment is still on a decline. By using consistent language about headcount versus full-time enrollment (FTE) with details about type of student (first-year freshman, transfer, dual enrollment) all constituents will be working from the same set of assumptions. This is also important because the type of student has revenue implications.

Because of the limited communication from the previous leadership, faculty and staff are eager to hear from their leaders about the financial state of LSSU. They want reassurance that LSSU will continue to

operate. They want to be involved in conversations about enrollment initiatives and priorities, and the cuts that will likely need to happen. They are engaged and interested in the board's oversight and decision making and have a deep concern about financial well-being of the institution and the future of LSSU.

A report in two years can illustrate ways that some of the efforts to improve transparency are being continued, and that all constituents are contributing to informed conversations about the future of LSSU, particularly if difficult decisions about cuts and right-sizing are warranted. This is especially important with the transition of new leadership in spring of 2024.

Area of Focus 3

A3. Statement of Focus:

Relevant Core Component or other HLC requirement:

B3. Statements of Evidence (check one below):

- Evidence demonstrates adequate progress in the area of focus.
- Evidence demonstrates that further organizational attention, rather than monitoring, is required in the area of focus.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

The team will also note its determination as to each applicable Core Component or HLC requirement in Part B.

Evidence:

Area of Focus 4

A4. Statement of Focus:

Relevant Core Component or other HLC requirement:

B4. Statements of Evidence (check one below):

- Evidence demonstrates adequate progress in the area of focus.

- Evidence demonstrates that further organizational attention, rather than monitoring, is required in the area of focus.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

The team will also note its determination as to each applicable Core Component or HLC requirement in Part B.

Evidence:

Area of Focus 5

A5. Statement of Focus:

Relevant Core Component or other HLC requirement:

The summary below speaks to 5.C.2.

B5. Statements of Evidence (check one below):

- Evidence demonstrates adequate progress in the area of focus.
- Evidence demonstrates that further organizational attention, rather than monitoring, is required in the area of focus.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

The team will also note its determination as to each applicable Core Component or HLC requirement in Part B.

Evidence:

7. **Other Accreditation Issues.** If applicable, list evidence of other accreditation issues, identify the related Core Components or other HLC requirements and note the team's determination as to each applicable Core Component or other HLC requirement in Part B.

N/A

Part B: Recommendation and Rationale

Recommendation:

- Evidence demonstrates that no monitoring is required.
- Evidence demonstrates that monitoring is required.
- Evidence demonstrates that HLC sanction is warranted.

Rationale for the Team's Recommendation

LSSU has a campus of dedicated faculty and staff that care greatly about its future. The campus community has faced several struggles over the past two years including a decline in enrollment, a series of "interim" senior leadership positions, and uncertainty about budget transparency. The visiting HLC Team feels that many decisions have been made to help lead LSSU down the right path financially, but the road will not be easy. Rightsizing the budget to match enrollment numbers will be one critical step. The Board of Trustees judgment in hiring a permanent President to lead the campus and in turn name a Provost and Chief Financial Officer will follow. Given these steps will not happen immediately, the recommendation is that a follow-up report be submitted to the Commission in two years. Details of what the report should highlight is described below under in the Monitoring section.

Stipulations or Limitations on Future Accreditation Relationships

If recommending a change in the institution's stipulations, state both the old and new stipulation and provide a brief rationale for the recommended change. Check the Institutional Status and Requirement (ISR) Report for the current wording. (Note: After the focused visit, the institution's stipulations should be reviewed in consultation with the institution's HLC staff liaison.)

N/A

Monitoring

The team may call for a follow-up interim report. If the team concurs that a report is necessary, indicate the topic (including the relevant Core Components or other HLC requirements), timeline and expectations for that report. (Note: the team should consider embedding such a report as an emphasis in an upcoming comprehensive evaluation in consultation with the institution's HLC staff liaison.)

A follow up report is due in two years (December 10, 2025) that covers the following topics of concern:

- Provide updated enrollment numbers and contrast these numbers back to the campus Strategic Plan and Enrollment Management Plan. Note any updates to the plans based on changes to the enrollment projections. Describe the budget impact that enrollment had over the two-year period.
- Provide updated enrollment and financial information on new or expanded academic programs. With several relatively new or expanded programs being discussed during the 2023 Focused Visit, analyze the impact of these changes on both overall enrollment and the university budget.
- Provide examples of effective engagement in the budgeting and planning with the campus community, as well as clear communication about the status of the budget, reserves, and future financial plans.

The team may call for a follow-up focused visit. If the team concurs that a visit is necessary, indicate the topic (including the relevant Core Components or other HLC requirements), timeline and expectations for that visit. (Note: The team should consider embedding such a visit as an emphasis in an upcoming comprehensive evaluation in consultation with the institution's staff liaison.)

N/A

Core Component Determinations

Indicate the team's determination(s) (met, met with concerns, not met) for the applicable Core Components related to the areas of focus or other accreditation issues identified by the team in Part A. If a Core Component was not included in an area of focus, it should be marked as not evaluated.

Number	Title	Met	Met With Concerns	Not Met	Not Evaluated
1.A	Core Component 1.A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1.B	Core Component 1.B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1.C	Core Component 1.C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.A	Core Component 2.A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.B	Core Component 2.B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.C	Core Component 2.C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.D	Core Component 2.D	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.E	Core Component 2.E	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.A	Core Component 3.A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.B	Core Component 3.B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.C	Core Component 3.C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.D	Core Component 3.D	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.A	Core Component 4.A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.B	Core Component 4.B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Number	Title	Met	Met With Concerns	Not Met	Not Evaluated
4.C	Core Component 4.C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.A	Core Component 5.A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.B	Core Component 5.B	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.C	Core Component 5.C	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other HLC Requirement Determinations

Indicate the team’s determination(s) (met or not met) for the HLC requirements related to the areas of focus or other accreditation issues identified by the team in Part A.

N/A

INTERNAL



Institutional Status and Requirements (ISR) Worksheet

Review Details

Institution: Lake Superior State University, Michigan

Type of Review: Monitoring - Focused Visit

Description: A Focused Visit on finances, budget planning and enrollment.

Review Dates: 10/23/2023 - 10/24/2023

No Change in Institutional Status and Requirements

Accreditation Status

Status: Accredited

No Change

Recommended Change:

Degrees Awarded: Associates, Bachelors

No Change

Recommended Change:

Reaffirmation of Accreditation:

Year of Last Reaffirmation of Accreditation: 2016 - 2017

Year of Next Reaffirmation of Accreditation: 2026 - 2027

No Change

Recommended Change:

Accreditation Stipulations

General:

The institution is approved at the following program level(s): Associate's, Bachelor's

The institution is not approved at the following program level(s): Master's, Specialist, Doctoral

- No Change
- Recommended Change:

Additional Locations:

Prior HLC approval required.

- No Change
- Recommended Change:

Distance and Correspondence Courses and Programs:

Approved for distance education courses and programs. The institution has not been approved for correspondence education.

- No Change
- Recommended Change:

Competency-Based Education:

- No Change
- Recommended Change:

Pell-Eligible Prison Education Program:

- No Change
- Recommended Change:

Accreditation Events

Pathway for Reaffirmation of Accreditation: Standard Pathway

- No Change
- Recommended Change:

Upcoming Reviews:

Comprehensive Evaluation Visit - 2026 - 2027

Federal Compliance Review - 2026 - 2027

- No Change
- Recommended Change:

Upcoming Branch Campus or Additional Location Reviews:

No Upcoming Reviews

- No Change
- Recommended Change:

Monitoring

Upcoming Monitoring Reviews:

No Upcoming Reviews

- No Change
- Recommended Change: Interim monitoring report on Enrollment, Financial and Budget Planning (5B and 5C) due 12/10/2025.

Institutional Data

Academic Programs Offered:

Undergraduate Programs		
Associate Degrees:	26	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:
Baccalaureate Degrees:	52	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:
Graduate Programs		
Master's Degrees:	0	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:
Specialist Degrees:	0	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:

Doctoral Degrees:	0	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:
Certificate Programs		
Certificates:	11	<input checked="" type="checkbox"/> No Change <input type="checkbox"/> Recommended Change:

Contractual Arrangements:

No Contractual Arrangements

- No Change
- Recommended Change:

Off-Campus Activities

Branch Campuses:

No Branch Campuses

- No Change
- Recommended Change:

Additional Locations:

Escanaba Regional Center, 2001 N. Lincoln, Escanaba, Michigan 49829 UNITED STATES

Bay de Noc Community College, 2801 N US2, Iron Mountain, Michigan 49801 UNITED STATES

Kinross Correctional Facility, 4533 Industrial Park Drive, Kincheloe, Michigan 49788 UNITED STATES

Chippewa Correctional Facility, 4269 W. M-80, Kincheloe, Michigan 49784 UNITED STATES

Petoskey Regional Center, 1515 Howard St., Petosky, Michigan 49770 UNITED STATES

- No Change
- Recommended Change: