

INSTITUTIONAL CLOSURES, MERGERS, AND RESTRUCTURING

Carnegie ID	By the Numbers	What Happened?
Bacc. Arts & Sci. Private, Not-for-Profit*	Nearly 90% of its \$4.5M income in 2015 came from church.	Closure after subsidies from church failed.
Bacc. Div. Fields Private, Not-for-Profit	As 1 of 10 campuses in the system, it received more than 44% of total subsidies from the system's governing body.	Closure after additional subsidy from university system failed.
Bacc. Div. Fields Private, Not-for-Profit	In FY15, revenue decreased by \$2.1M from \$11.4M; in FY14, it had \$7.5M in debt before sales of campus land. Alumni aimed to open a new college in 2018.	Closure after eliminating sports teams and selling campus land for revenue.
Bacc. Assoc. Dominant Private, Not-for-Profit	In FY13, 85% of first-year students received aid, with an average grant of \$5,600 for \$16,500 annual tuition.	Closure after 4-year degree program failed to boost enrollment.
Master Lg. Pgrm. Private, Not-for-Profit	Budgeted \$1.2M revenue in FY18.	Closure when partnership with another school failed to materialize.
Spec. Focus 4y Arts Private, For-Profit	\$11M bankruptcy claims: \$242,000 unpaid taxes, \$198,000 fees, \$109,000 utilities, \$75,000 rent, and \$54,000 for housing.	Closure after cofounder's loan of \$1.33M did not resolve debt needs.
Spec. Focus 4y Arts Private, Not-for-Profit	\$7M real-estate debt from 11 buildings; current year's budget was cut \$900,000 from previous year's.	Closure by 2020 after \$2.5M campus rehab was abandoned.
Bacc. Div. Fields Private, Not-for-Profit	US Department of Agriculture denied loan application.	Closure because without a loan, sustainability was not possible.
Bacc. Div. Fields Private, Not-for-Profit	Enrollment declined by 24% from 2012 to 2016 and had a 10% budget gap.	Closure after enrollment continued to decline since 2012.
Master Sm. Pgrm. Private, Not-for-Profit	Even with a \$19.5M, 35-year loan with US Dep. of Agriculture, 50% tuition discount, \$4.8M dorm expenses, and "giving back 50 cents for every dollar it collected from . . . tuition" proved financially unsustainable.	Closure after refinancing debt, revamping "environmental liberal arts," and offering online programs to no avail.
Master Md. Pgrm. + Bacc. Div. Fields Private, Not-for-Profit (both)	One institution's endowment valued at \$15.6M; the other's is \$45M. Students from closed institution filing class-action lawsuit against school.	Failed merger after recognizing pooled finances could not support transition costs. Institution with smaller endowment closed.
Spec. Focus Inst. Arts* + Master Lg. Pgrm. Private, Not-for-Profit (both)	Spec. Focus Inst. enrolled 139 students as of fall 2017; now considering nondegree options and received \$1.1M from benefactor.	Failed merger after enrollment as a new college could not be sustained.
Master Lg. Pgrm. Public + Spec. Focus 4y Arts Private, Not-for-Profit	\$1M in fundraising annually at Spec. Focus institution was unsuccessful for merger, but new president aims to invest in new programs after merger discussions ended.	Failed merger once potential of monetary loss for Master Lg. Pgrm. institution outweighed benefits of merger.
Doc. Univ. Higher Research. Public + Spec. Focus 4y Arts. Private, Not-for-Profit.	Spec. Focus school struggled with low enrollment numbers; as of Jan. 2019 had 140 total students.	Failed merger after a second attempt once it was deemed "not financially feasible."
Spec. Focus Inst. Arts* + Doc. Univ. Highest Research Private, Not-for-Profit (both)	Doc. Univ. absorbed 550 students, yet students say tuition costs contribute to their dissatisfaction.	Merger after Spec. Focus Inst. laid off 150+ employees; failed to offset deficits.
Master Md. Pgrm. + Doc. Univ. Highest Research Private, Not-for-Profit (both)	72 staff and 39 full- and part-time faculty lost jobs.	Merger with new school of education.
Spec. Focus Inst. Arts. + Master Lg. Pgrm. Private, Not-for-Profit (both)	Spec. Focus Inst. considered merge in 2014 but, without alumni support, ended talks; now, may benefit from Master Lg. Pgrm.'s 2,800 enrollment to current 2,000 enrollment.	Merger to enhance "academic programs and administrative services" for institutions.
Bacc. Arts & Sci.** Private, Not-for-Profit	FY17: Staff earning more than \$40,000 took 10 days of unpaid leave. Revenue (\$15.9M) relied on donations.	Reopened after curriculum redesign and alumni bought college.
Spec. Focus 4y Health Profession Private, Not-for-Profit	FY17, deficit \$1.9M on \$12.7M budget. Drained endowment from \$10.4M as of June 2015 to \$5M at the end of June 2016.	Restructured by cutting degrees and housing, laying off staff, and not accepting federal funding.

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Doc. Univ. Higher Research Private, Not-for-Profit	Increased tuition and decreased financial aid and course offerings due to worsening job market.	Restructured with layoffs and ending philosophy PhD and MA programs.
Doc. Univ. Moderate Research Private, Not-for-Profit	Reductions for FY19 in administrative and support expenses to invest in growth, including a scholarship program for public school graduates.	Restructured by laying off 3.5% of 1,795 nonfaculty workers.
Bacc. Arts & Sci. Private, Not-for-Profit	Between FY13 and FY18, net cash outflow exceeded inflow by \$47M.	Restructured by offering new courses and programs; cut football program until 2020.
Bacc. Arts & Sci. Private, Not-for-Profit	Reduced salary budget by \$2M through retirements and providing voluntary separation incentives.	Restructured by eliminating 9 low-enrollment majors.
Bacc. Arts & Sci. Private, Not-for-Profit	Faculty members lost jobs, including 2 tenured, 2 tenure-track, 1 contract, and 1 visiting faculty member. Closed \$1.2M gap in \$30M budget.	Restructured after discontinuing majors that were replaced by interdisciplinary major.
Bacc. Arts & Sci. Private, Not-for-Profit	Accrediting agency urged to end borrowing. Operating budgets in FY14 and FY15 were in the red by \$139,000 and \$930,000, respectively.	Restructured by suspending programs, offering 3-year BA option, and selling campus land.
Doc. Research Univ.* Private, Not-for-Profit	From 2008 to 2013, first-year enrollment was 824. University admits 83% of applicants, 12% attend, less than half graduate.	Restructured by opening new college of veterinary medicine (despite faculty opposition).
Doc. Univ. Higher Research Private, Not-for-Profit	\$133M operating budget: eliminated 25 full-time staff and moved 5 others to part-time. Placed on probation by accreditation agency for 1 year.	Restructured after laying off 6% of full-time employees and curbing benefits.
Master Lg. Pgrm. Private, Not-for-Profit	Cut expense budget from \$25M several years ago to \$20M in 2016. Deficits persisted in FY17 with a \$4M deficit. Received \$50M gift from Kresge Foundation for new education model.	Restructured by ending undergrad programs, accepting loans, and laying off 44 full-time and 4 part-time faculty.
Bacc. Arts & Sci. Private, Not-for-Profit	Did not specify how many of 1,100 job positions were affected; recently announced new hires.	Restructured by utilizing incentive-based separation plans.
Doc. Univ. Highest Research Private, Not-for-Profit	80 administration staff laid off and office expenses reduced by 10%. Despite significant fundraising, law school recently cut positions.	Restructured by cutting administrative staff and lecture faculty and reducing nonsalary expenses.
Bacc. Arts & Sci. Private, Not-for-Profit	\$1.5M budget error led to layoffs; some donors threatened to pull support.	Restructured after laying off 13 employees.
Master Lg. Pgrm. Private, Not-for-Profit	\$2.5M in losses (FYs 14 and 15). Cash investments dropped from \$6.6M in 2012 to \$5M in 2015; recently settled \$1.3M fraud lawsuit.	Restructured by leasing campus land, offering new online and graduate programs, and transitioning to a 2-year model.
Bacc. Arts & Sci. Private, Not-for-Profit	Cut approximately half of majors (33 to 17). 10 tenured or tenure-track faculty were affected. Earned accreditor's "warning status." Recently announced \$260M in new investments.	Restructured after curriculum redesign and laying off 10% of faculty.
Doc. Univ. Highest Research Public	The 2018 freshman class of 4,696 students represented an increase of 13.1% from 2017; saw 87.3% return.	Restructured after eliminating 185 jobs from payroll and not filling vacancies.
Doc. Univ. Highest Research Public	Lost \$36M per year and spent almost \$70M annually on debt service; recently announced \$2.12B budget with operating loss of \$14.5M for 1 campus.	Restructured by laying off 6 administrators reporting to president.
Master Md. Pgrm. Private, Not-for-Profit	Balanced \$30M annual budget. In FY15, had less than \$12.1M in tax-exempt bond liabilities.	Restructured after selling campus land and promoting early retirement of 40 out of 400 employees.
Bacc. Arts & Sci. Private, Not-for-Profit	With "modest" \$52M endowment and average tuition discount of 55%, challenges continue due to reliance on tuition and dwindling enrollment.	Restructured by not admitting new students for fall 2019 and seeking merge "partner."
Bacc. Assoc. Mix. Private, Not-for-Profit	Enrolls more than 23,000 students and 100 programs but is adapting to "evolving" landscape of "brick-and-mortar campuses."	Restructured by closing one campus and moving others to new area; other mergers and acquisitions have occurred in history.
Bacc. Div. Fields. Private, Not-for-Profit	25 faculty members will be let go to balance finances after enrollment dropped from 1,600 students to 1,240; 92% of budget is dependent on tuition and fees.	Restructured by announcing plans to cut faculty.

KEY TO TABLE

** Carnegie 2005

* Carnegie 2010

All others Carnegie 2015

Bacc. Arts & Sci.—Baccalaureate Colleges: Arts & Sciences Focus

Bacc. Div. Fields—Baccalaureate Colleges: Diverse Fields Focus

Bacc. Assoc. Dominant—Baccalaureate Colleges: Associate Degree Dominant

Bacc. Assoc. Mix—Mixed Baccalaureate/Associate's

Spec. Focus 4y Arts—Special Focus Four-Year: Arts, Music & Design Schools

Spec. Focus 4y Health Profession—Special Focus Four-Year: Other Health Professions Schools

Spec. Focus Inst. Arts—Special Focus Institutions: Arts, Music & Design Schools

Master Sm. Pgrm.—Master's Colleges: Small Programs

Master Md. Pgrm.—Master's Colleges: Medium Programs

Master Lg. Pgrm.—Master's Colleges: Large Programs

Doc. Research Univ.—Doctoral Research University

Doc. Univ. Moderate Research—Doctoral Universities: Moderate Research Activity

Doc. Univ. Higher Research—Doctoral Universities: Higher Research Activity

Doc. Univ. Highest Research—Doctoral Universities: Highest Research Activity

+ In cases involving multiple institutions, Carnegie classifications are separated by the plus sign.