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## How many colleges and universities have closed since 2016?

By Hallie Busta

The last few years have been tumultuous ones for the U.S. higher education industry.

Increased regulation and falling enrollment were among several factors contributing to the closure or consolidation of hundreds of colleges and campuses around the country.

That consolidation also had an impact on the priorities of ones that remained open. Institutions are adding degree programs in emerging tech fields such as artificial intelligence, dropping low-enrollment programs including some in the liberal arts, and looking online where they can reach a bigger audience with niche subject matter.

That activity is ongoing and <u>analysts forecast more ahead</u> for 2019, which is why we've started publishing a list of closures and M&A activity from 2016 to the present. We're pairing it with analysis of the major trends the data reveal. We'll update the list and our analysis as we hear about closures, M&A and other consolidation. We're also keeping track of major news around departments and programs added, dropped or otherwise changed each quarter.

If you see something we missed, let us know by using this form. You can see the full list here.

Below, we explore some of the biggest trends in higher ed consolidation.

# The future of for-profits

Education Dive's list includes more than 50 for-profit colleges that closed, were acquired or consolidated since 2016. Among them are chains such as Brown Mackie College and ITT Technical Institute, which together operated more than 100 campuses across the country, meaning the count of affected locations is much higher.

The for-profit sector has been in a downward spiral since 2016, when the Obama administration increased its oversight and stripped federal recognition of the accreditor responsible for two large chains — <u>ITT</u> and <u>Corinthian Colleges</u> — whose high-profile collapses drew attention to issues of misrepresentation and poor

student outcomes within the sector. That accreditor, ACICS, oversaw about 250 colleges in 2016, a figure that has since shrunk by roughly two-thirds with 61 closing and more than 100 finding new accreditors, according to <u>a July 2018 report</u> by the Center for American Progress.

More than 100 for-profit and career colleges closed between the 2016-17 and 2017-18 academic years alone, while 20 nonprofit colleges shuttered during that period, according to <u>data from the National Center for Education Statistics</u>. And although the number of credentials issued increased 1.2% from 2012-13 to 2016-17, for-profits offered nearly 30% fewer than nonprofits.



ITT closed more than 100 campuses in September 2016.

#### Credit: Dwight Burdette via Creative Commons

Efforts by the U.S. Department of Education under Betsy DeVos to remove some of that oversight are underway, most recently with its <u>move to permanently reinstate</u> federal recognition of ACICS after DeVos <u>temporarily restored</u> it earlier this year. That could <u>breathe new life</u> into several ACICS institutions that were unable to find new accreditors. However, shortly after it regained recognition, one of the biggest remaining for-profit college operators, Education Corporation of America, <u>shut its doors abruptly</u> when ACICS suspended accreditation for some of its locations. DeVos's Ed Department has also pledged to overhaul two key Obamaera regulations concerning for-profit colleges — borrower defense to repayment and gainful employment — though it missed a key deadline for doing so.

For-profit colleges have been taking advantage of lax oversight from the Ed Department to shed the sector's tainted reputation and targeted regulation.

The biggest move yet involved the for-profit Kaplan University, whose acquisition by Purdue University was finalized in 2018 to form the framework of the nonprofit's online education platform. And Grand Canyon University recently won approval to change status from a for-profit to a nonprofit institution, though it will operate under a for-profit parent that handles support services such as technology, marketing and financial aid. Critics say such moves allow for-profits to operate as nonprofits.

Several House Democrats, who won a majority in the 2018 midterm elections, have <u>pledged to step up oversight</u> of the Ed Department's de-regulatory efforts. Industry observers expect more movement among for-profits through 2020, including nonprofit conversions and acquisitions.

Major for-profit college closures and consolidation, 2016-present

Institution	Region	Year	Туре	Deal	Dive Insight
Allied American University	National	2016	Private	Closed	
Altierus Career Colleges*	National	2017	Private	Closed	
American School of Technology	Midwest	2016	Private	Closed	
Ashford University	National	2018	Private	Merged (University of the Rockies)	
Atonelli Medical and Professional Institute	Northeast	2017	Private	Closed	
Briarcliffe College	Northeast	2018	Private	Closed	
Brooks Institute	West	2016	Private	Closed	
Brown Mackie College*	National	2016	Private	Closed	
Cambria-Rowe Business College	Northeast	2016	Private	Closed	
Cameron College	South	2018	Private	Closed	
Capella Education Company	National	2018	Private	Merged (Strayer Education)	<u>Dive</u> <u>Insight</u>
Career Point College	South	2016	Private	Closed	
Carousel Beauty College & The Spa Institute	Midwest	2016	Private	Closed	
Charlotte School of Law	South	2017	Private	Closed	

Institution	Region	Year	Туре	Deal	Dive Insight
Daniel Webster College (ITT-owned)	Northeast	2017	Private	Closed	
Digital Media Arts College	South	2017	Private	Acquired (Lynn University)	
DuBois Business College	Northeast	2016	Private	Closed	
Duluth Business University	Midwest	2018	Private	Closed	
Ferrara's Beauty School	Northeast	2018	Private	Closed	
Fremont College* (Los Angeles campus)	West	2017	Private	Closed	
Gallipolis Career College	Midwest	2017	Private	Closed	
Globe Institute of Technology	Northeast	2016	Private	Closed	
Globe University/Minnesota School of Business	Midwest	2016	Private	Closed	
Golden State College of Court Reporting and Captioning	West	2018	Private	Closed	
Graham Webb International Academy of Hair	South	2018	Private	Closed	
Harrison College	Midwest, South	2018	Private	Closed	
Heritage College	National	2016	Private	Closed	
Hickey College	Midwest	2018	Private	Closed	<u>Dive</u> <u>Insight</u>
International Career Development Center (ICDC) College	West	2016	Private	Closed	
ITT Technical College	National	2016	Private	Closed	<u>Dive</u> <u>Insight</u>
John Marshall Law School* Savannah Law School	South	2018	Private	Closed	
Kaplan University	National	2018	Private	Acquired (Purdue University)	<u>Dive</u> <u>Insight</u>

Institution	Region	Year	Туре	Deal	Dive Insight
Kendall College	Midwest	2018	Private	Acquired (National Louis University, nonprofit)	
Keystone Technical Institute	Northeast	2017	Private	Closed	
King's College	South	2018	Private	Closed	
Le Cordon Bleu Colleges of Culinary Art	National	2017	Private	Closed	
Marinello Schools of Beauty	National	2016	Private	Closed	
Mattia College	South	2016	Private	Closed	
McCann School of Business & Technology*	Northeast, South	2018	Private	Closed	
McNally Smith College of Music	Midwest	2017	Private	Closed	
Medtech Colleges/Institutes*	South	2016	Private	Closed	
Miller-Motte Technical College*	South	2017, 2018	Private	Closed	
Missouri College	Midwest	2016	Private	Closed	
Mr. Bela's School of Cosmetology	Midwest	2018	Private	Closed	
New England Institute of Art	Northeast	2017	Private	Closed	
Northcentral University	National	2019	Private	Acquired (National University System)	<u>Dive</u> <u>Insight</u>
Parker West Barber School	South	2016	Private	Closed	
Radians College*	Midwest	2016	Private	Closed	
Regency Beauty Institute	National	2016	Private	Closed	
Ridley-Lowell Business and Technical Institute	Northeast	2018	Private	Closed	
Sage College	West	2016	Private	Closed	
Star Career Academy	Northeast	2016	Private	Closed	

Institution	Region	Year	Туре	Deal	Dive Insight
Strayer Education	National	2018	Private	Merged (Capella Education Company)	<u>Dive</u> <u>Insight</u>
Trumbull Business College	Midwest	2017	Private	Closed	
Tuscon College	West	2017	Private	Closed	
University of the Rockies	West	2018	Private	Merged (Ashford University)	
Utica School of Commerce	Northeast	2016	Private	Closed	
Vantage College	South	2017	Private	Closed	
Vatterott College	Midwest, South	2018	Private	Closed	<u>Dive</u> <u>Insight</u>
West Virginia Business College	South	2017	Private	Closed	
Westech College	West	2017	Private	Closed	
Westwood College	National	2016	Private	Closed	
Wood Tobe-Coburn School	Northeast	2017	Private	Closed	
WyoTech	National	2017	Private	Closed	
Fountainhead College of Technology	South	2017	Private	Closed	
American College of Commerice and Technology	South	2017	Private	Closed	
YTI Career Institute*	Northeast	2018	Private	Closed	
Bradford School	Northeast	2018	Private	Closed	
Santa Fe University of Art and Design	West	2018	Private	Closed	
Virginia College	South	2018	Private	For-profit	<u>Dive</u> Insight
Brightwood College	National	2018	Private	For-profit	<u>Dive</u> <u>Insight</u>
Brightwood Career Institute	National	2018	Private	For-profit	<u>Dive</u> <u>Insight</u>

Institution	Region	Year	Type Deal	Dive Insight
Golf Academy of America	South, West	2018	Private For-profit	<u>Dive</u> <u>Insight</u>
Ecotech Institute	West	2018	Private For-profit	<u>Dive</u> <u>Insight</u>

<sup>\*</sup>Campus(es) or college program.

Institutions included on this list had one or more location close during the period. We did not consider satellite campuses.

Sources: Click here

### Small liberal arts colleges fight to stay open

A different set of headwinds is contributing to a spate of closures among small liberal arts colleges, many of which have a religious affiliation.

Most significantly, undergraduate enrollment is on the decline, reducing the tuition revenue that many small colleges rely on for lack of a sizable endowment. Experts say the drop off is due in part to a strong economy and low unemployment rate, and to projections of a cyclical decline among the college-age demographic. To help attract more students, the rate of tuition discounts is going up.

A <u>2016 report</u> from Ernst & Young affiliate the Parthenon Group found 800 colleges vulnerable to "critical strategic challenges" due to their small size, compared to a much smaller share of colleges with enrollments over 1,000. The report lists several risk-factors for small colleges amid the current environment of consolidation in higher education. Those include: enrolling fewer than 1,000 students; the absence of online education programs; tuition increases greater than 8% and discounts higher than 35%; and depending on tuition for more than 85% of revenue.

In a review of more than 75 New England colleges enrolling more than 100 students and that had annual expenses of less than \$100 million in 2012 and 2016, the Boston Globe found tuition accounted for 70% or more of revenue at 63 institutions. Harvard University, by comparison, got 21% of its revenue from tuition in 2017. Small liberal arts colleges have played an important role in the region's economy and history, the Globe notes, which is partly why their closures tend to make headlines.

The closure earlier this year of Mount Ida College, which is located near Boston, <u>made headlines again</u> in November after former students sued the school, alleging officials knew the college was facing financial trouble and didn't inform

students of the situation until it abruptly shuttered in May following a failed merger attempt. The suit also claims the college gave sensitive student information to the University of Massachusetts System as part of the sale of its campus.

As the Mount Ida deal indicates, what happens to a campus after a college closes is also becoming a bigger question. Hobby Lobby, for example, in October <u>agreed to pay \$8 millionin</u> a bankruptcy sale for the 73-acre campus of Saint Gregory's University, a Catholic college in Shawnee, Oklahoma, that closed in late 2017. Court documents state Hobby Lobby will keep the campus a college.

Institution	Region	Year	Туре	Status	Deal	Dive Insight
American Jewish University (undergraduate program)	South	2018	Private	Nonprofit	Closed	
Burlington College	Northeast	2016	Private	Nonprofit	Closed	
Concordia College Alabama (HBCU)	South	2018	Private	Nonprofit	Closed	
Crossroads College	Midwest	2016	Private	Nonprofit	Closed	
Dowling College	Northeast	2016	Private	Nonprofit	Closed	
Grace University	Midwest	2018	Private	Nonprofit	Closed	
John Wesley College	South	2018	Private	Nonprofit	Merged (Piedmont International University)	
Johnson State College	Northeast	2018	Public	Nonprofit	Merged (Lyndon State College)	
Lydonville State College	Northeast	2018	Public	Nonprofit	Merged (Johnson State College)	
Marygrove College (undergraduate program)*	Midwest	2018	Private	Nonprofit	Closed	
Marylhurst University	West	2018	Private	Nonprofit	Closed	

Institution	Region	Year	Туре	Status	Deal	Dive Insight
Morthland College	Midwest	2018	Private	Nonprofit	Closed	
Mt. Ida College	Northeast	2018	Private	Nonprofit	Closed (University of Massachusetts Amherst acquired physical assets)	
New Hampshire Institute of Art	Northeast	2019	Private	Nonprofit	Merged (New England College)	
Saint Joseph's College	Midwest	2017	Private	Nonprofit	Closed	
Shimer College	Midwest	2017	Private	Nonprofit	Acquired (North Central College)	
St. Catharine College	South	2016	Private	Nonprofit	Closed	
St. Gregory's University	South	2017	Private	Nonprofit	Closed	
Trinity Lutheran College	West	2016	Private	Nonprofit	Closed	
Newbury College	Northeast	2019- expected	Private	Nonprofit	Closed	<u>Dive</u> <u>Insight</u>
Green Mountain College	Northeast	2019- expected	Private	Nonprofit	Closed	<u>Dive</u> <u>Insight</u>
Southern Vermont College	Northeast	2019- expected	Private	Nonprofit	Closed	
College of St. Joseph	Northeast	2019- expected	Private	Nonprofit	Closed	
Hiwassee College	South	2019- expected	Private	Nonprofit	Closed	

Not all colleges faced with the likelihood of closing end up doing so, however. Similar to the alumni-led fundraising campaign that saved Sweet Briar College after it announced in 2015 plans to close, Iowa Wesleyan University raised enough

<u>money</u> from alumni and the community to keep it open for the spring 2019 semester just a few weeks after officials announced the college might close due to financial difficulties amid longer-term enrollment declines.

Major liberal arts college closures and consolidation, 2016-present

\*Campus(es) or college program.

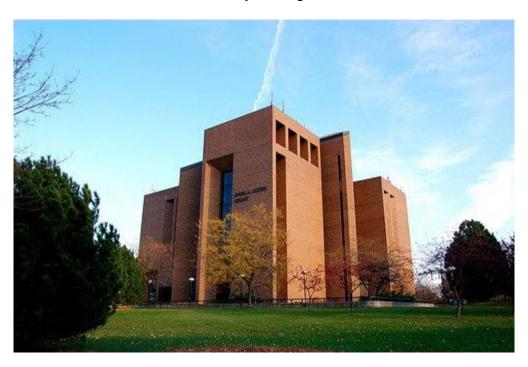
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Sources: Click here

### Big systems consolidate, too

Just as small colleges are undergoing major consolidation, so too are some larger university systems. Among the most high profile is the set of mergers underway within the University of Wisconsin System, which will consolidate 13 two-year colleges into seven four-year colleges. It's the system's biggest change since it formed in 1971, according to the Wisconsin State-Journal.

The University of Georgia System <u>has been consolidating campuses</u> for several years in a move to reduce operating costs and improve student outcomes. A trio of community colleges in Alabama, too, is <u>consolidating into a single institution</u> with a new name: Coastal Alabama Community College.



The four-year University of Wisconsin-Green Bay will absorb a trio of two-year colleges: UW-Manitowoc, UW-Marinette and UW-Sheboygan.

Credit: <u>UWGB Cofrin Library</u>

Slightly less than half of college mergers between 2010 and 2017 — roughly 40 across nine or more states — <u>involved at least one public college</u>, according to The Pew Charitable Trusts' Stateline publication. Colleges face several challenges to successful mergers, however, including the potential for cultural mismatches, higher tuition from reduced local competition and challenges reconciling salaries of two-year college employees with the often-higher rates commanded by those at four-year institutions, Stateline reported.

Consolidation between individual colleges or entire systems is most successful when it's part of a strategic plan and not a last-ditch effort to save an institution, according to a 2017 reportfrom the research arm of the Teachers Insurance and Annuity Association of America. The report notes potential short-term costs include updating campus buildings, marketing the change and lost efficiencies despite the move to scale, and that gains pay out over the long term.

Major public college closures and consolidation, 2016-present

Institution	Region	Year	Туре	Status	Deal	Dive Insight
Abraham Baldwin Agricultural College	South	2017	Public	Nonprofit	Merged (Bainbridge State College)	
Alabama Southern Community College	South	2016	Public	Nonprofit	Merged (Faulkner State CC and Jefferson Davis CC)	
Armstrong State University	South	2017	Public	Nonprofit	Merged (Georgia Southern University)	
Bainbridge State College	South	2017	Public	Nonprofit	Merged (Abraham Baldwin Agricultural College)	
Cumberland County College	Northeast	TBD	Public	Nonprofit	Merged (Rowan College)	
Faulkner State Community College	South	2017	Public	Nonprofit	Merged (Alabama Southern CC and Jefferson Davis Cc)	
Georgia Perimeter College	South	2016	Public	Nonprofit	Merged (Georgia State University)	

Institution	Region	Year	Туре	Status	Deal	Dive Insight
Georgia Southern University	South	2017	Public	Nonprofit	Merged (Armstrong State University)	
Georgia State University	South	2016	Public	Nonprofit	Merged (Georgia Perimeter College)	
Jefferson Davis Community College	South	2016	Public	Nonprofit	Merged (Faulkner State CC and Alabama Southern CC)	
Johnson State College	Northeast	2018	Public	Nonprofit	Merged (Lyndon State College)	
Lydonville State College	Northeast	2018	Public	Nonprofit	Merged (Johnson State College)	
Rowan College at Gloucester County	Northeast	TBD	Public	Nonprofit	Merged (Cumberland County College)	/
University of Wisconsin Baraboo/Sauk County	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Platteville)	
University of Wisconsin- Barron County	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Eau Claire)	
University of Wisconsin- Fond du Lac	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Oshkosh)	
University of Wisconsin- Fox Valley	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Oshkosh)	
University of Wisconsin- Marathon County	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Steves Point)	
University of Wisconsin- Marshfield	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Steves Point)	
University of Wisconsin- Richland	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Platteville)	
University of Wisconsin- Rock County	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Whitewater)	
University of Wisconsin- Washington County	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Milwaukee)	

Institution	Region	Year	Туре	Status	Deal	Dive Insight
University of Wisconsin- Waukesha	Midwest	TBD	Public	Nonprofit	Consolidated (University of Wisconsin Milwaukee)	
Wichita Area Technical College	Midwest	2018	Public	Nonprofit	Affiliated (Wichita State University)	
Asnuntuck Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Capital Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Gateway Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Housatonic Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Manchester Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Middlesex Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Naugatuck Valley Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Northwestern CT Community College	СТ	2023 - expected		Nonprofit	location)	<u>Dive</u> <u>Insight</u>
Norwalk Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Quinebaug Valley Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Three Rivers Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>
Tunxis Community College	СТ	2023 - expected	Public	Nonprofit	Consolidated (single location)	<u>Dive</u> <u>Insight</u>

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 $\underline{\text{https://www.educationdive.com/news/how-many-colleges-and-universities-have-closed-since-2016/539379/}$