

How College Leaders Are Planning for the Fall

Their pivot online salvaged the spring semester. Now they must ready for a near future defined by unknowns.

By Lee Gardner | April 17, 2020

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Illustration by The Chronicle

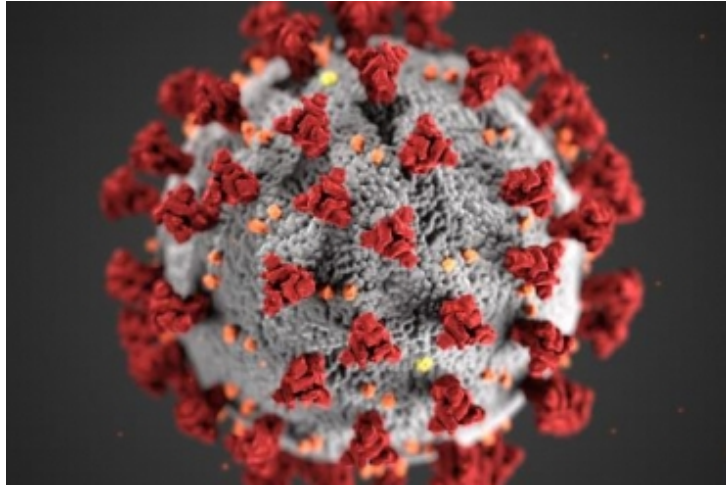
In January, when Larry Sampler called a meeting of area college leaders to discuss coronavirus-outbreak contingency plans for Metropolitan State University of Denver and other colleges, people thought he was overreacting. At the time, the virus was mushrooming across China, but only a handful of cases had turned up in the United States.

Sampler had made a career of being hyperprepared. Before joining Metropolitan State as vice president for administration and finance, he spent years in the military, as a Green Beret, and later as a U.S.-government official in Afghanistan and Pakistan.

Coronavirus Hits Campus

As colleges and universities have struggled to devise policies to respond to the quickly evolving situation, here are links to *The Chronicle's* key coverage of how this worldwide health crisis is affecting campuses.

- Under Covid-19, University Budgets Like We've Never Seen Before ✓ PREMIUM
- Should You Keep Working on That Book Manuscript?
- How to Salvage a Disastrous Day in Your Covid-19 House Arrest



That first hourlong tabletop exercise explored scenarios that seemed unlikely then. For example, what impact would it have on operations if you couldn't come to your office for 30 days? But it established the basis of a plan, a series of decision points and options that allowed Metropolitan State to adapt quickly when the virus edged closer to campus.

Even with all that planning, the coronavirus nearly caught the leaders of Metropolitan State off guard. In midmorning on March 17, they got word that a member of the administration had tested positive for the virus. "We vacated the campus by 2 o'clock," Sampler says. "We left, literally, with cups of coffee warm on the desks."

The Covid-19 pandemic overwhelmed American higher education as easily as it did the public-health system. Colleges belied their reputation as glacial plodders by moving instruction online within weeks, even days, salvaging the semester. But the virus shows few signs of abating. Summer looms. And beyond it, fall, a season with deep ritual significance and critical financial ramifications for academe.

An almost instinctive pivot saved the spring. Now college leaders face making plans for a near future defined by unknowns.

How do you decide if it will be safe to bring students back to campus for the fall when there's no reliable prediction of what course the disease will take? Wait too long for clarity to emerge, and you're scrambling. Act too soon, and you might miss the chance — albeit perhaps a slim one — for an ordinary move-in day. What happens if the virus is contained this summer, then roars back in the fall?

And here, in the midst of budget season, how do you plan for next year with no reliable predictor of how many students will show up, on campus or online? After years of declining enrollments and ebbing tuition revenues, colleges face levels of financial unpredictability not seen since the Great Recession.

The stability, or continued existence, of some institutions may hang in the balance.

Many college leaders are trying to focus on the future while already reeling from heavy financial tolls. The University of Wisconsin system, for example, has estimated it will lose \$170 million in the spring semester alone from refunding room, dining, and parking fees to students, and other unexpected expenses. Plunging financial markets cast a pall on the longer-term financial outlook for other institutions as well. Bucknell University's endowment, worth \$867 million in 2019, lost about \$150 million of its value, or 17 percent.

The approaches colleges are taking to plan ahead vary as widely as the institutions themselves. Some are already working toward online learning for the fall semester, or an altered schedule, or some combination of the two. Some have already run financial projections that account for drops in enrollment or state support, and their accompanying levels of budget cuts. Some are prepared to go online for the entire 2020-21 academic year, if need be.

Others are still playing it by ear, inching toward decisions as days tick by. Meanwhile, the stakes continue to rise.

The possibility of a “normal” fall will hinge on the virus’s being controlled in a way that seems impossible to forecast right now. Even if the virus does appear to be contained enough for a regular move-in day in August, a new outbreak in October or November could dictate a repeat of the scrambles of March.

Leaders can’t predict the course of the virus, but they can plan their own responses. Since early February, soon after Covid-19 cases started popping up in the United States, leaders at Northeastern University have directed the institution’s response by “planning for the worst case, and having scenarios backed out from that worst case,” says Kenneth W. Henderson, the chancellor. Now that the spring semester is online and plans are underway to teach summer courses remotely, he and his colleagues are pondering options for the fall and beyond.

“We’re looking at fully online, and then we’re looking at hybrids of that,” Henderson says, and that means improving the university’s remote teaching. Forty faculty members are working to design a new freshman curriculum that can be delivered online, and Northeastern is trying to improve its existing remote-education experience.

Face-to-face instruction in classrooms starting in August does not sound like a very likely scenario at Northeastern. When asked about it, Henderson demurs. If reliable testing for the virus can increase over the summer, “the world could look very different,” he says. But whether there will be a normally functioning society by then, he adds, seems “debatable at the moment.”

Kent Devereaux, president of Goucher College, a private institution in suburban Baltimore, hates to make a hasty call. “A good mentor of mine always instilled in me: Don’t make any decision until you have to,” he says. The longer you wait, the better your information will be. But when you make your decision, he adds, “be decisive and be clear, and make sure you’ve got your plans.”

With his cabinet and the Board of Trustees, Devereaux is considering several possible plans for college operations for the fall. In one scenario, Goucher might start its fall semester later than the typical late-August date. Or it might start the semester online, then bring students and classes back to campus later in the term. In another scenario, the college would operate online for the rest of the calendar year. In what Devereaux calls the “black swan” scenario, the college would do so through the 2020-21 academic year.

Public-health decrees about lockdowns and social distancing aren’t the only factors that influence which plan wins out. Goucher’s leaders have to evaluate how each scenario would affect employees, student-athletes, the college’s community-based learning programs, internship programs, and many other factors, Devereaux says.

He can put off deciding among the plans for only so long. Goucher moved its housing-deposit date from May 1 to June 1, giving students and their families extra time to decide in an uncertain time. But Devereaux plans to announce in mid-May how Goucher will operate in the fall, so that students know what the college is going to do before they make their deposits. If you’ve already done the planning work and things change between mid-May and mid-August, Devereaux says, “you have a Plan B in your back pocket.”

That kind of scenario planning is something academe needs to get better at, says Rick Staisloff, founder of the Rpk Group, an education consulting company. Academe, like many sectors, is adept at preparing for expected hurdles. But if an organization can face unexpected challenges, and if it considers possible scenarios that might address them, and thinks about the ripple effects as events unfold, “you’re ready to deal with the surprises that come,” he says.

Say, for example, a college opens for the fall but projects a 20-percent drop in enrollment, Staisloff says. What does that mean in terms of financial impact? In terms of how many courses — and sections of those courses — it offers? Might it need more counseling services or fewer? What if there’s a 20-percent drop and campus is still closed? How does the financial impact change? How would counseling services need to adapt?

It's complicated work, but, Staisloff says, "those are muscles that are going to have to get built in higher ed," even though it can seem like wasted energy during an emergency to play out different possible scenarios, most of which won't come to pass. The pandemic has put unprecedented stress on colleges and their leaders. For weeks, everybody was just "responding to the immediate," he says.

Some colleges still are. Hartwick College, a private institution in New York State, still has summer weddings and swim camps booked. "We're going to have to start making some decisions ahead of really knowing what's going to happen next," says Margaret L. Drugovich, the president. Current plans call for postponing spring commencement until September, "and I hope that we can do it at all."

She is meeting with her cabinet and with the Board of Trustees, and starting to look toward what fall will look like at Hartwick, but "there is no timetable," she says. "I'm trying to stay just one step ahead."

Even if the virus disappears by July, will students show up in August? No one can say. A survey found as many as one in six college-bound high-school seniors are rethinking whether they will attend college this fall.

Students might stay away for myriad reasons, says Brian C. Mitchell, a former president of Bucknell University and president of Academic Innovators, a company that consults with colleges. A family on the West Coast might hesitate to put its daughter on a plane to an East Coast institution, and vice versa. A first-choice college located in a small town, many miles from the nearest large hospital, may suddenly seem less appealing. New York City and Baltimore both have elite colleges and excellent health care, but they're also dense urban centers, which might worry those concerned about another outbreak. International students may be even more wary of returning.

If colleges are online-only again this fall, students and their parents may balk at being asked to pay full tuition. They were willing to live with online instruction this spring because they understood that it was an emergency, says Robert Shireman, a former Education Department official and a senior fellow at the Century Foundation, a

nonprofit organization that advocates for equity in education. Being asked to pay tens of thousands of dollars in tuition to sit on their couches for an entire semester is another matter. “If you’re going to be studying online, why not enroll someplace that’s cheaper and transfer?” he asks.

Students were already asking this spring whether remote learning was worth the price, says Sarah R. Bolton, president of the College of Wooster, a private institution in northeastern Ohio. She has answered that their tuition pays for the high-quality faculty members, the small classes, and plenty of individual attention — even remotely. “It looks as much as it can like a small-college education,” she says, “rendered in a way that serves students who are across the country and around the world while they’re doing it.”

But is charging the on-campus price for remote learning sustainable past a semester or two? “That’s a super-challenging question,” she says. “Because it certainly doesn’t become less expensive on our end to do it right. You still need just as many faculty members.”

What students want to do may be moot. Between soaring unemployment and general financial uncertainty about a prolonged societal shutdown, a significant number of families “just might not be able to write the check right now,” says Staisloff. Between medical and economic worries among students and their families, most college leaders would “be foolish not to consider among all your scenarios a significant, significant drop in enrollment for the fall semester.”

Steep enrollment drops mean big revenue drops. Many colleges can cover short-term budget gaps with reserve funds or lines of credit, but the longer-term picture is often less clear. Drawing funds from already-embattled endowments is a desperate move. It amounts, Mitchell says, to “eating your seed corn” — a fix for short-term financial problems that endangers your long-term financial health. Raising tuition is not an option.

So the only move many colleges have left is to cut expenditures.

ublic institutions face budget peril on two fronts: their enrollment and their state

P support. Administrators at Purdue University began working on financial models for the fall “as soon as we saw that this was not going to be a phenomenon measured in days or weeks,” says Mitch Daniels, the president.

Purdue has received a record number of applications, and more housing deposits than at the same time last year. But Daniels, a former Indiana governor, still expects a significant impact on the university’s enrollment and finances “if society isn’t liberated sometime fairly soon.”

Purdue also expects to feel the impact of the pandemic shutdown on the state budget. Even though Indiana has strong financial reserves, the state “is almost certain to reduce its payments to us,” Daniels says.

Daniels recently shared with Purdue’s Board of Trustees a proposed version of “the actions, the triggers, we would pull to maintain some sort of fiscally sound position in five different scenarios,” which he didn’t disclose and which are based on different levels of fall enrollment and state support. “Obviously,” he says, “those triggers, or those actions, become progressively more severe and unpleasant, depending.”

At Evergreen State College, a public liberal-arts institution in Olympia, Wash., the enrollment picture may be more nuanced. Its average student is in her mid-20s, and about half are transfers — often the type of learners who turn to college when the economy tanks. One encouraging sign: Enrollment for the spring quarter, which just began online, was only slightly below last year’s level. While most colleges must plan for an enrollment drop, says George S. Bridges, the president, administrators at Evergreen have to prepare for either a drop or an increase, “with an emphasis on drop.”

But state support presents a less-hopeful picture. Washington has no state income tax and depends heavily on a regressive sales tax. The prospect of state-budget shortfalls cascading into steep cuts for public higher education is “a dark cloud that looms,” Bridges says. “I’m getting emails from legislative leaders saying, ‘anticipate cuts.’” Leaders at Evergreen are working on financial projections for the fall to be ready next month, although he adds that there isn’t much inessential left at the college to cut.

At Metropolitan State, Janine A. Davidson, the president, has been working with administrators to run financial projections for the fall based on possible drops in enrollment, and has talked to the campus community about the possibility that budget cuts may result. But she's also waiting to see if savings from current austerity measures, or any bailout money from the federal Coronavirus Aid, Relief, and Economic Security Act, can be carried over from the current fiscal year to help offset any shortfall in the next. She's also waiting to see how the state legislature, which reconvenes next month, will handle the state budget, which its budget committee says could fall \$3 billion short.

Even if enrollment is down in the fall, even if Metropolitan State has to make cuts, it has to be careful not to cut too deeply, Davidson says. If the pandemic hurts the economy the way the recession did, enrollment might dip this fall, but students might flock back to colleges in 2021 to learn new skills, to try to re-enter the job market. Metropolitan State, and other colleges across the country, have to be there, ready to help.

"This is where higher ed, I believe, becomes the engine room for this recovery," she says. "But what is the new normal in terms of state support, and where do we go? How are we going to adjust not just our budget but our very business model?"

Public-college presidents face serious challenges, but they are also worried about their private-college peers. Small private colleges with high tuition-discount rates and modest endowments that already struggle to bring in revenue from a shrinking pool of potential students "are the 80-year-old asthmatics of this situation," says Daniels. "They were already vulnerable, and now comes a threat that could prove particularly dangerous for them, or lethal."

About 20 percent of the College of Wooster's enrollment comes from overseas, which put the coronavirus on its radar early on, says Bolton, the president. It switched from recruiting international students in person to doing so virtually, which also gave it a small head start in recruiting domestic students that way. The college is 40 deposits ahead of where it was last year, including students from more than two dozen countries, she says.

But fall enrollment will not be merely a matter of ticking boxes and counting heads this year at Wooster. Students may need more time, and more financial aid, and the college is trying to help them, because “the students whose families had difficult financial circumstances before the pandemic are likely to be the ones who’ve been hit even harder by the pandemic.”

Wooster has suspended the practice of preventing current students who have yet to pay outstanding bills for this year from registering for fall. The financial-aid office is also working on how it might recalculate more aid packages over the summer. Financial aid is calculated with prior-year tax forms, a formula that is “almost irrelevant for where people are now,” Bolton says. “We really want to be thoughtful about that.”

At Hartwick College, Drugovich, the president, is working on a fall budget, or rather budgets, since she’s not sure yet how much savings from this fiscal year will help, or how much tuition from enrollment for the summer session will come through. “At this point, we’re evaluating everything,” she says. “You’d have a hard time pointing to anything that was really stable.”

Still, not every small private college is in the same boat. At Goucher, Devereaux has been working on financial projections for the various scenarios that he and the board will consider for the fall. The college has adequate cash reserves to operate for a year, at a deficit if need be, and should not have to dip into its endowment, although the “black swan” scenario of teaching online through next spring would force “some hard, hard choices,” he says. “Does it threaten the survival of the institution? No. And I think that’s the important thing.”

Some colleges may not be able to weather this set of stresses. Years of warnings about waves of college closures, often seen as Chicken Little alarmism, may finally be ready to come true.

Institutions that are vulnerable should do the right thing and start pursuing a merger, a sale, or a shutdown now, says Shireman, of the Century Foundation. “Any institution that has been in that barely-scraping-by category for the last few years, in the next

month or so needs to take a very serious look at what is coming,” he says.

Even if shelter-in-place orders are lifted this summer, fall enrollments could be suppressed by double-digit percentages. If a college would have trouble surviving that, Shireman says, it should consider winding down operations now rather than “not being able to cover the bills and being forced to shut down and causing a lot more disruption for the students who are involved.”

The single biggest mistake that colleges seeking a merger or a sale make, says Staisloff, the consultant, is waiting too long to put the question on the table. Distressed institutions “wait beyond the point where they have some resources to utilize, some assets to make them attractive, and time, quite frankly, to use to identify a good partner,” he says.

The colleges left standing may find themselves in a very different landscape. Even as they try to plan for the fall, some leaders are looking beyond it. “For most of higher ed, it is an inflection point,” says Daniels, of Purdue, a time that will probably lead to “ongoing, permanent changes in the way we do things.”

At Purdue, Northeastern, and Metropolitan State, leaders have asked committees to look not only at tactics the institutions need to adopt for remote learning, or possible plans for an uncertain fall, but at what their institutions should consider as permanent adaptations to the 21st century, such as more and better online content. “Please show us those steps, or think about steps, that are reversible if it may not be necessary once we’re past it,” Daniels sums up. “And those that we probably want to do anyway in light of what I believe will be a permanently altered reality.”

Devereaux, of Goucher, is confident that, even in the brave new world of 2021, whatever shape it takes, students will still want the traditional college-campus experience if it’s available to them. “What we’ve heard loud and clear from our students is they selected a residential college for a reason,” he says. “They could have gone to Arizona State University online” or Southern New Hampshire University online. “They chose not to.”

When it's safe to get off the couch and get back to campus, many students will make that trip. Whenever that is.

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