TOUGH TIMES FOR NEW ENGLAND HIGHER EDUCATION

As anyone associated with higher education in New England knows, the last 12 to 18 months have been rough for higher education in this region. While many colleges and universities are thriving and feel robust about their futures, a growing number of institutions, most smaller in size, face uncertain futures, or no future at all.

We have assembled here a representative sample of articles in the press about this on-going crisis in New England higher education. This is by no means a definitive collection of the myriad of pieces about this issue, but we hope this representative sample gives anyone who delves into them a greater sense of perspective of how things are unfolding.

Terry Ward
Chair, NEACAC Current Trends Committee

April, 2019

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Hampshire College says remaining independent still an option, but affirms need for cutbacks on eve of first layoffs

Updated Feb 18, 3:36 PM; Posted Feb 18, 3:36 PM

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By [Jim Kinney | jkinney@repub.com]

AMHERST — Hampshire College's president reiterated Monday the need for what she called "significant restructuring" of the school, including layoffs of staff and faculty.

But, President Miriam E. Nelson wrote in a letter to the campus community Monday, Hampshire may be able to remain independent "by means of transformative financial support from our community of alums and other long-engaged donors."

The letter followed a weekend meeting with the Board of Trustees that saw Nelson present several "strategic approaches" for the school's future. "The Board has authorized me to move forward with investigating these options," Nelson wrote.

The college's Board of Trustees issued a statement in support of President Miriam Nelson following the weekend meetings.

The letter came as layoffs are expected to begin Tuesday, Feb. 19. College officials have said the first round will include staff cuts, with faculty layoffs to follow.

Hampshire employs approximately 250 staff members and 150 faculty, so some 400 employees total. It hasn't released numbers on the layoffs, but faculty have estimated the cuts to all employees could run 30 percent to 50 percent.

The suggestion that donations could help Hampshire survive and remain independent is apparent bow to mounting pressure from students, alumni and parents who've said Nelson's plan for a smaller Hampshire College that is partnered with another institution go too far and are an overreaction.

Hampshire has seen its enrollment fall from 1,300 in 2014 to 1,120 in 2019. There was a budget gap of $2.3 million in 2018 and a gap of $5.9 million for the current fiscal year.

In January, Nelson said she was pursuing a strategic partner for Hampshire. That option remained on the table following the latest meetings. "The approaches we are considering include different kinds of engagement and governance structures with an outside strategic partner," she wrote Monday.

Three weeks ago, the trustees voted to admit only 77 first-year students in fall 2019, down from a class that totals 300 or more in most years. Those 77 students have either signed early admission contracts or deferred their admission last year to take a gap year.

Nelson said she fears if the college admits a full first-year class, it won’t be able to guarantee that they can finish their four-year degrees at Hampshire.

The cutbacks make the potential merger inevitable, said William Goldstein, a Hampshire alum who is affiliated with an opposition group called savehampshire.com. No freshman class means no income from fees and tuition, Goldstein says, and layoffs of staff and faculty mean the college’s biggest asset — its talent — is diminished.

“She is going to leave the college no other choice,” he said in a phone interview Monday. “There won’t be any other way forward at that point.”

He called the situation a “manufactured crisis”.

The Hampshire College Board also voted not to admit any new students for the spring semester of 2020. The college has not yet made a decision on the fall 2020 class.

The ‘perfect storm’ behind the recent college closings and how it could change New England.

"The fundamentals have been challenged for many, many years now, and then you throw a demographic cliff on top of it — and that has the makings of a crisis."

By Nik DeCosta-Klipa
Boston.com

March 25, 2019

The next years could be scary for small colleges in New England — if the past few haven’t been already.

In the last several years, institutions across the college-rich region have buckled due to financial pressures. Some schools have been absorbed into larger universities, while others — from Mount Ida College to Newbury College — have abruptly announced that they will close. Hampshire College is also feeling the squeeze. In Vermont, the trend has sunk three schools in 2019 alone.

Michael Horn, an author and education consultant who focuses on the future of the industry, says they won’t be the last. Hardly.

“It’s going to get worse before it gets better,” Horn told Boston.com in a recent interview.

UMass President Marty Meehan recently spoke of the “existential threat” facing the higher education sector, especially in New England: decreasing enrollment that is set to be exacerbated within the next decade by a significant drop in the U.S. birth rate due to the 2008 economic recession.

According to Horn, the coming enrollment crisis is revealing cracks in an already-challenged business model. His colleague Clayton Christensen, a Harvard Business School professor, has somewhat famously predicted that up to 50 percent of the country’s colleges “will be bankrupt in 10 to 15 years.” Horn, who is a co-founder of the Clayton Christensen Institute for Disruptive Innovation, doesn’t know if the rate will necessarily be that high. But he does see a surge in college closures on the horizon that will change the face of higher education — and, to a certain degree, New England itself.

This interview has been edited and condensed for clarity:

Why are so many small local colleges so financially strapped?

MH: I think it's a confluence of things going on. Fundamentally, their business models are breaking.

The costs to stay competitive and sort of keep pace with their peer institutions continue to go up year over year over year. And to be able to afford those costs, you need to be able to bring in enough revenue. And the reality of the situation is that revenue is harder and harder to come by because of a variety of things.

One of them is family incomes have not soared in recent years, so it's been harder to get families to pay for those tuition increases.

Second, what colleges have done so that they can continue to fill the class is they've discounted tuition. They have pretty high sticker prices at a lot of these schools, but they're discounting tuition, on average, 50 percent across the country now. Say your sticker price is $45,000, you're actually only bringing in $22,500 against rising costs. And most of these schools that we're seeing [struggle] in New England don't have large endowments. They don't have alumni that can give a lot of discretionary gifts. So something has got to break.

The final thing you have is that we're just starting to enter the demographic cliff in New England, where there are far fewer high school graduates coming to fill these seats. And if you lose literally 10, 15 students at some of these small schools that are under 1,000 students, that can be crippling to your budget. Each dollar is very meaningful, and it's not like they have a lot of costs that they can very quickly cut.

The first two factors you mentioned seem like trends that have existed for awhile now. Is the thing that changed recently the demographic cliff you mentioned? Or what's the factor that caused the recent spate of closings?

MH: It's a great point. One thing is you can paper over some of these deficits for several years with debt or pull money down from your endowment.

At some point, 15 years ago or whatever, they were saying tuition discounting was getting too high, and I think it was around 30 percent. Now, at 50 percent, that's a big difference. So part of this is cumulative.

And then the other part of it is what is different now is the demographics are changing. So you have a lot of supply with not as much demand.

In some ways it's a perfect storm. The fundamentals have been challenged for many, many years now, and then you throw a demographic cliff on top of it — and that has the makings of a crisis.

Is this something that is national or most concentrated in New England?

MH: You'll see other spots where it hits hard, too. New England is feeling it first; there's no doubt about it. But the Midwest, where there are population declines and demographic cliffs coming on, will see it as well. There are also small, private colleges in those areas.

You're going to see it a lot less, frankly, in the Southwest, where the dynamics are different and where you also don't have the same number of small, private colleges.

Why is that?

MH: The demographic cliff is not equally distributed across the country. The Northeast and Midwest are going to get much harder hit in the years to come.

And by the way, we haven't even seen the biggest cliffs yet. The biggest cliff, according to projections, is after 2026. It's going to get worse before it gets better.

I know your colleague, Clayton Christensen, has previously made some eye-catching predictions about the percentage of colleges that will close within the next decade or so. If you were to put an estimate on what the number of closings and mergers could be in the next 5, 10, 20 years, what would that be?

MH: I think it will be at least 25 percent in the next 15-20 years.

And that's 25 percent of all colleges?

MH: Twenty-five percent of colleges, yeah, will close, merge, or declare some sort of — bankruptcy is hard to declare, but they'll reinvent themselves somehow through a bankruptcy-type event.

When Clay and I have talked about it, we agree that it will be at least 25 percent. And we agree that there's a good chance it'll be more like 30-35 percent. I think Clay himself thinks 50 percent is sort of the upper end — and he's been quoted a lot saying that — but I think that's probably a little aggressive.

If you're in Boston or the New England area, where higher education is a big part of the economy, what do you think the effect of that number of closings will be on what New England looks like?

MH: I think New England will definitely move into a place where you have fewer institutions — probably many of them public institutions serving more students. You'll have fewer of these small private schools around.

What will be really punishing is a lot of these small private schools in New England are located in rural areas, and they're sort of *the* economy of the town. There's going to be a real human cost to those schools going out of business.

And we’re not talking, say, Dartmouth here, where people will still love to go there — even though it’s outside of an urban environment and away from jobs — given the alumni and connections and reputation of a Dartmouth. They’re going to be fine. But a lot of the small private schools that don’t have that sort of brand recognition and alums, frankly, it’s going to be crippling for the small towns that they’re located in.

I’m sure you saw that UMass President Marty Meehan recently announced plans to form an online college. Is that a potential solution?

MH: They are absolutely positioning themselves to try to take a lot of these students that won’t have small private schools to go to and then, through the online school, they’re also trying to position themselves to be able to serve a lot of adult students — for a variety of reasons.

One of them is that there’s not going to be as many traditional undergrad-aged students in the years ahead, so you’ve got to get creative.

What’s interesting is that you’ve got this other trend in the economy where the jobs are changing so fast — because of technology and the need to upskill so much more often — that there is actually really big opportunities to serve adults many times in their adult lives with increasing education just to keep up with the economy.

A lot of these small schools aren’t going to be able to do that, but UMass could be very well positioned to make that work if they can do the right things.

You said you think it’s going to get worse before it gets better. Does it get better?

MH: That’s a good question. So the big cliff occurs, like I said, in 2026 with the demographics. That is at least a five-year trough through 2031. And then I’m not sure what it really looks like.

If we have a reset in the number of schools and seats available for students, then you could imagine — if you get through this sort of right-sizing of colleges in New England — that then they could be in OK shape to serve the population in a more of steady state for many years to come. But that adjustment is going to have to occur, and I think it’s going to be a scary time for many institutions.

At region's smallest colleges, poor graduation rates threaten their financial stability

By Laura Krantz GLOBE STAFF **MARCH 05, 2019**

As financial problems trigger the deaths of small private colleges across New England, the schools have been mourned as lost hallmarks of the region. But a closer look at their success in educating students creates a more complicated picture.

At Newbury College, which will close this spring, only about a third of students graduated within six years of starting their degrees. At Green Mountain College in Vermont, which will also shut its doors, the percentage is roughly the same.

At Mount Ida College, which closed last year, just 67 percent of freshmen returned as sophomores, and only 40 percent graduated within six years, according to data the federal government collected about colleges.

Many of the region's other small private colleges — even those not contemplating closure — are struggling with low graduation rates. Among the 86 smallest private, four-year colleges in New England, 42 have a six-year graduation rate under 60 percent, the national average for four-year schools.

Those success measures offer a behind-the-scenes peek at the real performance of these schools, beyond glossy brochures and leafy campuses. Low-income and first-generation students, who are increasingly turning to small private colleges, are especially vulnerable to leaving campus without a diploma but still saddled with debt.

"A lot of schools are in fear of this, that if this information were known, then things are going to go from bad to worse and perhaps rightfully so," said Richard Gaumer, a former small-college CFO who now works as a consultant.

Gaumer said parents and students are becoming more savvy consumers and have begun to ask schools for that type of information. Still, many students are won over by gleaming facilities or what can look like a large scholarship.

In theory, small private colleges offer a valuable alternative to large state schools. Small class sizes, mentoring by professors and staff, and a strong liberal arts base can help students in later life. But only if they graduate.

"Some of these small schools that aren't as financially prepared for the longer haul, they're running slower, and the wolf is going to catch them, and it's probably OK that some not make it," Gaumer said.

Increasingly, small colleges are falling victim to changing demographics. There are fewer college-going students, and the ones who are applying increasingly cannot afford expensive tuition. While many small schools have found niches or ways to stay viable, the ones with especially precarious finances are in trouble.

Desperate to fill their slots, some schools lower their admissions criteria and waive standardized testing requirements. But they often lack the resources to bring sometimes ill-prepared students up to speed.

Like many of his counterparts, Joseph Chillo, the president of Newbury College, argues that small private schools play an important role in educating an underserved population with personalized attention. Those students lack the grades to get into elite colleges but don't want to get lost at a large public university, he said. About 60 percent of students at Newbury College are very low-income, and many are the first in their family to attend college.

But the schools come at a steep price. Newbury costs $36,000 before room and board. To entice students, colleges often offer big scholarships, but students also take out loans.

In somewhat of a Catch-22, the steep prices can contribute to the fact that students do not graduate. When they don't, they are at a higher risk of defaulting on their loans. The default rate for Newbury, for example, is 14 percent, above the national average of 11 percent.

Chillo said Newbury's counselors explain the costs to students and make sure they have financial plans. But he acknowledged that some schools can harm students in the long run.

Small private colleges "serve an important part, but at the same time, if you don't do it right . . . it becomes predatory," he said.

Veronica Long, who graduated from Lowell High School, considered attending a small private college. She loved the campus, and the school awarded her some aid, but she would have graduated with debt.

Instead, she chose Worcester State University, a place that felt like home because of its diverse student body. Even better, her education there is free, thanks to grants and scholarships. She plans to graduate without debt.

"I wouldn't trade being in a private versus a public school for anything," she said.

At Worcester State, 51 percent of students graduate within six years of starting their degrees. Other public colleges in the region have similar rates.

At Worcester, low-income students graduate at roughly the same rate as the overall population of students. At many private colleges, poor students graduate at a lower rate.

Some small private colleges believe they can reinvent themselves into something that will ultimately graduate a much higher percentage of their high-risk populations. Among these is Pine Manor College in Brookline, a former finishing school that’s surrounded by mansions.

Nearly all students at Pine Manor are low-income, students of color, or the first in their family to attend college.

Right now, just one in four Pine Manor students graduates in six years. But the new president, Tom O’Reilly, said he has radically changed the education model and expects to see that number improve soon. The college was on probation until a year ago, when it satisfied accreditors with improvements in its finances and other matters.

O’Reilly said the retention rate of students from Boston Public Schools who attend Pine Manor has risen to 92 percent from 69 percent during his two years at the school.

Its academic offerings are now more limited, to cut costs and to help ensure that students graduate with marketable degrees. It also gives students life coaches and unlimited tutoring.

“Much like a charter school, we believe that we can do it differently and do it better,” he said.

Laura Krantz can be reached at laura.krantz@globe.com. Follow her on Twitter @laurakrantz.

Excerpt (section regarding Financial Health) from Inside Higher Ed ANNUAL Survey of College & University Presidents –results released March 8, 2019.

Although college mergers and closures have been rare historically, there have been an increasing number in recent years as some institutions are unable to overcome the financial difficulties their college faces. College presidents expect the trend to continue — 96 percent anticipate at least some closures this year, with 30 percent believing between one and five colleges will close, 34 percent predicting 6 to 10 shutting down, and 32 percent predicting more than 10 closing.

Some struggling colleges opt to merge with other institutions rather than closing down operations. Presidents are more likely to foresee mergers involving private colleges than public colleges but expect to see mergers this year in both sectors. Ninety-seven percent of campus chief executives expect to see additional private college mergers in 2019, with 53 percent predicting there will be between one and five mergers, 28 percent between six and 10, and 16 percent more than 10 mergers. Eighty-four percent of presidents believe some public colleges will merge this year, with 60 percent expecting there will be one to five public college mergers, 17 percent between six and 10, and 7 percent thinking there will be more than 10.

Fourteen percent of presidents say they could see their own college closing or merging in the next five years, essentially unchanged from the 13 percent who said so in 2018. Presidents at public doctoral colleges and private doctoral or master’s colleges are least likely to believe their college might have to merge or close within the next five years.

INSIDE HIGHER ED 20 2019 SURVEY OF COLLEGE AND UNIVERSITY PRESIDENTS

FINANCIAL HEALTH (cont.)

The years 2017 and 2018 saw an uptick in the number of colleges closing or merging with other colleges.

	All Institutions, by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master’s/ Bacc.	Assoc.	Doctoral/ Master’s	Bacc.
In terms of closures, in 2019 I anticipate that there will be —								
% No additional closures	3	3	3	0	2	1	0	7
% 1 to 5 closures	30	32	30	32	26	30	28	36
% 6 to 10 closures	34	36	33	50	34	38	39	31
% 11 to 20 closures	22	20	24	13	28	20	26	21
% More than 20 closures	10	9	10	5	10	10	7	5
In terms of private college mergers, in 2019 I anticipate that there will be —								
% No additional mergers	3	2	3	0	0	2	1	5
% 1 to 5 mergers	53	48	58	55	52	43	56	67

% 6 to 10 mergers	28	31	25	31	30	30	32	22
% More than 10 mergers	16	19	13	14	19	25	11	6
In terms of public college mergers, in 2019 I anticipate that there will be —								
% No additional mergers	16	14	18	16	9	13	17	23
% 1 to 5 mergers	60	63	56	65	58	62	54	58
% 6 to 10 mergers	17	17	18	19	26	18	22	14
% More than 10 mergers	7	6	8	0	7	6	7	5
I could see my college closing or merging in the next five years.								
% Yes	14	13	15	1	14	13	8	15
% No	86	87	85	99	86	87	92	85

Another Private College May Close

College of New Rochelle has been unable to recover from scandal involving false budgets and unpaid payroll taxes.

By **Scott Jaschik**, **INSIDE HIGHER ED**

February 25, 2019

The College of New Rochelle announced Friday that it will likely close by the end of the summer of 2019.

A memo to the campus from the president and board chair said, "The college continues to experience significant cash flow challenges. In multiple forums, President [William] Latimer has stated that the three courses of action facing the College of New Rochelle include closure and teaching out existing students, partnership or standing alone. At this point in time, it appears unlikely that the college will be able to continue operations beyond the end of the summer 2019 semester."
The memo goes on to say that the college is in discussions with "an educational institution that is party to a memorandum of understanding," but that the proposed MOU would not preserve the college. "That institution is not considering a merger or acquisition of the college and is not considering the assumption of any of the college's debt," said the memo. "The discussions are now focused on finalizing an arrangement with that institution that would meet the continuing educational needs of CNR's students without interruption and may necessitate the retention of a number of faculty and staff."
The College of New Rochelle has some challenges that are typical of Northeastern private colleges without much money. But with enrollment of nearly 3,000 students, the college has more of a student base than do many other private institutions.
The college's economic free fall has roots that are different from those of other institutions. In 2016, the college announced the abrupt resignation of President Judith Huntington, saying that the turnover at the top came after trustees learned of "significant unmet financial obligations" that had the institution preparing for major budget cuts and possible financial exigency. Then a few weeks later, the college

announced that it had not made payroll taxes for two years and owed about $20 million in such payments. Further, the college had additional debts of more than $11 million and said that budgets prepared for the board were inaccurate.

Since then, the college has made major cuts and has been accused of making faculty members (who have lost their jobs) pay for mistakes made by administrators. The college has also been trying to resolve issues related to the unpaid taxes and incomplete budgets. The memo issued Friday said, "The College of New Rochelle‘s audited financial statements for the fiscal year ended June 30, 2018, have not been completed due to open audit items. These include negotiations with the Internal Revenue Service to abate accrued penalties under the installment plan for the college’s outstanding federal tax liability that were stalled during the shutdown of the federal government and are ongoing. Because of this matter and the ongoing financial challenges, the college’s auditor has not yet made a final determination as to CNR’s ability to continue as a going concern."

The cuts have been controversial and contested in court. A New York State judge ruled last week that the college improperly dismissed a group of tenured professors in 2017, in violation of terms set in the faculty handbook. Additional hearings are now being held before a ruling on whether they’ll get their jobs back, possibly with back pay, but that would come as the college is now expected to close.

Two colleges -- Green Mountain College and the Oregon College of Art and Craft -- have already announced closure plans this year. Hampshire College has announced that it will not admit a full freshman class while the college explores options for mergers or partnerships.

Another Small New England College Closes

Facing a demographic spiral and a challenge to its accreditation, tiny Southern Vermont College says it will close its doors.

By **Greg Toppo, INSIDE HIGHER ED**

March 5, 2019

Southern Vermont College on Monday became the latest small New England college to announce that it is closing its doors.

President David Rees Evans said the decision came after the New England Commission of Higher Education in January caught college officials off guard with the news that it was considering withdrawing accreditation based on the college's finances. The college has spent years bouncing back from a pair of financial setbacks and has worked to trim a deficit that recently totaled $2 million.

The accreditation announcement prompted college officials to halt the search for new students "in the heart of recruitment season," Evans said. While putting the brakes on recruitment was "the right thing to do," he said, "What that did was effectively doom us."

At its Jan. 25 meeting, NECHE voted to ask Southern Vermont to show cause why it shouldn't be placed on probation or have its accreditation withdrawn. NECHE also said it would take up the matter at its Feb. 28 meeting, noting that the college risked not meeting its standard for institutional resources.

Evans said NECHE's announcement forced the college to lower enrollment projections by 90 students, from 365 to 275. Southern Vermont currently enrolls 332 students, down from a peak of about 500 in 2012.

He said trustees, faculty members and other advisers, meeting on Feb. 22, decided that without a larger freshman class, they didn't see "a financial way forward with the college," the *Bennington Banner*reported. In a letter to campus, Evans said the board on Friday voted "with sincere regret" to close the college at the end of the spring semester. On Saturday, he said, the college received word that NECHE had indeed voted to withdraw its accreditation effective Aug. 31.

In an interview, Evans said the move to halt recruiting came out of fear that if Southern Vermont closed, it risked lawsuits from stranded and prospective students, much like Mount Ida College in Massachusetts, which closed suddenly last April and is the subject of a lawsuit, filed in November, by former students who alleged that college officials misrepresented how dire the college's finances were.

While NECHE officials had visited in October, Evans said, they postponed action on accreditation. Then, in January, officials said NECHE was considering action on Southern Vermont's accreditation. "That was the first time they said anything about the possibility of withdrawing accreditation, which is to say the leadership team were pretty surprised by that, frankly," he said.

Barbara Brittingham, NECHE's president, said that while "individual actions" in the case may have caught Southern Vermont officials off guard, "the fact that the commission would be very concerned would not necessarily be a surprise."

Evans said that in the wake of the Mount Ida closure, "I do think that the standard of scrutiny is changed." Accreditors like NECHE are feeling pressure from states to raise an alarm before colleges' finances reach a critical stage. "I think NECHE is frankly squeezed between [states] and the schools that they're accrediting."

For her part, Brittingham agreed. "I think there are higher expectations than in the past, and I think the commission feels that," she said.

Susan Stitely, president of the Association of Vermont Independent Colleges, said accreditors like NECHE "do seem to be looking more closely at institutions, and it is kind of a catch-22 -- it raises alarm bells about the institution," which can hasten its demise. Accreditors "have to do their job, but it creates problems for the institutions."

She noted that another small Vermont college, the College of St. Joseph, faces a tight NECHE deadline to improve its finances or risk losing accreditation. Such arrangements may hold colleges accountable, but they can also hasten their closure.

“I understand they have to protect the students,” Stitely said of NECHE, “but it also causes some harm in advance, because people are more skeptical” of colleges once they're on call. “It’s a double-edged sword.”

‘New England Is in a Bad Way’

Evans on Monday said the feeling on the Southern Vermont campus was “a combination of anger and grief” over the closure news. “There was a lot of sorrow in the faculty and staff meeting,” he said. “Of the places where I’ve worked, this is by far the most mission-driven institution I’ve been part of.”

He said a 2012 accreditation dispute in the college’s nursing program saw enrollment decline by about 80 full-time students. Two years later, the program earned a new accreditation from the Commission on Collegiate Nursing Education, the *Banner* reported.

“I would stand by the quality of our nursing program now, which I think is exceptionally good,” Evans said. “That has all been fixed in the last six or seven years.”

But enrollment has taken longer to recover. “Because of the reputational issues, that sticks around,” he said.

Perhaps worse was the 2013 death by suicide of James Beckwith, the college's chief financial officer, who ended his life after federal authorities accused him of embezzling $850,000. He had served as interim president while then president Karen Gross was on leave. Evans has said the college ultimately lost as much as $1 million in the episode, despite an insurance settlement and restitution from Beckwith's estate.

But more broadly, the college, like most in New England, is suffering from a demographic dip that is seeing fewer students graduate from high school. “New England is in a bad way -- especially the rural parts of New England,” Evans said. Vermont’s high school population, which typically supplies about one-third of Southern Vermont's students, is “plummeting -- and we haven’t even hit the 2026 'baby bust' from the recession.”

While Southern Vermont has made efforts to broaden its recruitment area, bringing in athletes from California and Texas, for instance, "It hasn't been enough to kind of fill in the gap."

Those students are also harder to retain, for several reasons -- one of which is cold weather. "They come here and they encounter the New England winter, which lasts and lasts and lasts," he said.

In addition to Mount Ida, several other regional colleges have announced that they'll close or are facing financial crises.

Green Mountain College in nearby Poultney, Vt., announced in January that it will close at the end of the spring semester. Goddard College, also in Vermont, is in the process of shoring up its finances as part of a probation arrangement with NECHE.

Newbury College in Brookline, Mass., announced in December that it would close at the end of this academic year, after 56 years in the Boston area. Atlantic Union College, northwest of Boston, announced that it would close later this year. The college, affiliated with the Seventh-day Adventist Church, lost accreditation in 2011 and stopped operations for a time but reopened in 2015.

Hampshire College in Amherst, Mass., said last month that it won't admit a freshman class this fall -- it's looking for a strategic partner to continue operating but has also announced layoffs.

Evans said Southern Vermont will work with students who need only a few classes or other requirements to graduate. He said the college has created a teach-out agreement with the Massachusetts College of Liberal Arts and is working with other transfer partners, including Norwich University and Castleton University.

But Gross, who served as the college's president from 2006 to 2014, said flatly, "I think it's too early to have a funeral for Southern Vermont College. As Yogi Berra said, 'It ain't over till it's over.' And I think there are options and opportunities out there to save the college. And I appreciate that that sentiment may run counter to what's being shared on campus -- and in fact I do not know what's being shared on campus -- but from my perspective, it is too early to close the curtain, and I would encourage a swift effort to explore a myriad of opportunities that may exist."

Gross, now a Washington-based author and educator, said episodes like the nursing accreditation and the 2013 embezzlement took their toll but should not have brought the college down. “They have long tails, but I am surprised, stunned and saddened by the quick demise of the college,” she said.

The sudden closure, she said, “is very sad for faculty and staff -- this is very sad for alums. This is very sad for donors. But the people that I care about most are the college’s students, many of whom are first-generation, Pell-eligible students who truly found an academic home -- those are the students I care about. Those are the students we need to protect, and those are the ones that are hurt when colleges like this close.”

She urged Southern Vermont “not to give up hope.”

NECHE’s Brittingham isn’t so sure. “Is there something that could come along and keep Southern Vermont College going?” she said. “It’s hard to think that’s a realistic possibility at this point.”

Self-Proclaimed Alternative to College Closes After a Year

MissionU, whose founder promoted his startup as an alternative to "broken" traditional higher education, has closed after admitting just one 25-person class.

By **Doug Lederman, INSIDE HIGHER ED.**

May 23, 2018

Many startups in the postsecondary education space embrace the idea that traditional colleges and universities could be more effective or efficient, and that the companies and their products can help. Some go quite a bit further, portraying themselves as a cheaper, faster and/or better alternative to higher education altogether.

Few, however, took as (openly) antagonistic and aggressive a stance as Adam Braun and the company he founded, MissionU, which promised a "skills-focused education in a single year" in lieu of "four years of time and tuition to get an education based on theory." In many of his promotions for the company -- and promotion may be what he did best, on the Today Show, CNBC and many other venues -- Braun went out of his way not just to talk up his company but to talk trash about higher education.

"I fundamentally believe that the majority of young people that are going to college nowadays are making a bad decision," he said in one typical podcast last year. "The problem is they really don’t have many choices, and that’s where MissionU comes in."

Given his rhetoric, many a higher education leader probably won't shed a tear at the news that MissionU has suffered the same fate that a couple handfuls of traditional colleges do each year: it is essentially closing, and after only one year of operation.

WeWork, the fast-growing provider of communal workspaces, announced last week that it was hiring Braun as chief operating officer of WeGrow, an elementary school the company is founding in New York. WeGrow reportedly purchased MissionU in a stock-only deal that was characterized in the technology press as an "acqui-hire," meaning an acquisition primarily of a person -- Braun -- rather than the company and his assets. WeGrow did say, though, that it would use MissionU's technology platform in its education plans.

Braun has a powerful brand. He is best-known for founding Pencils of Promise, a nonprofit organization that built hundreds of schools in the developing world, and for his best-selling book about that experience, *The Promise of a Pencil: How an Ordinary Person Can Create Extraordinary Change.*

His foray into higher education was a hot commodity. It raised $3 million in an initial seed round in 2016 from some of the most visible investors in the ed tech space (and some high-profile company founders who invested invisibly), and another $8.5 million last year.

The company's model offered a compelling thesis to investors and many media types. Braun said he was inspired to start MissionU in part by the "crushing impact of massive student debt" taken on by his wife, who he said accumulated $100,000 in loans despite leaving without a degree because of financial hardship. The average student loan debt for graduates who have taken out loans is just under $30,000.

MissionU aimed to give 18- to 22-year-olds a yearlong, blended educational experience designed to prepare them for a good job. Its first cohort in data analytics and business intelligence began near San Francisco last fall, and Braun said it received 4,000 applications for its 25 slots.

Its students paid no tuition up front; using income share agreements, they would be expected to repay 15 percent of their income for three years upon completion of the program, but only if they earned a salary of at least $50,000.

EdSurge reported that a majority of MissionU's first cohort of students got jobs, but Braun did not respond to several requests from *Inside Higher Ed* to provide more details.

A source familiar with MissionU said the company appeared to close when things "got a little hard," speculating that applications for the second cohort of students were down significantly. Unlike some other college alternatives, like the Minerva Schools at KGI, MissionU focused on free publicity rather than doing traditional marketing outreach to attract potential students.

The company's failure, this source speculated, is likely to deter potential investors from backing higher education startups, especially those that "take higher education on directly" with aggressive rhetoric.

This person believes that new forms of postsecondary learning actually put helpful pressure on traditional higher education to change -- a view shared by Joshua Kim, an Inside Higher Ed blogger, in a post elsewhere on "Inside Digital Learning" today.

"The worst thing that those of us in traditional higher education can do is to gloat over the demise of MissionU," Kim wrote. "The critique of the higher ed current model that MissionU builts its business on remains valid. The hunger of many students for an alternative to the current higher ed options remains real. The fact that MissionU could not make its business work is not an indication that the existing system of higher education does not need to change. If anything, the end of MissionU shows exactly how difficult it will be to evolve our system of postsecondary education into something that makes sense in the 21st century."

Boston’s Colleges Are Going Broke—and We May All Have to Pay

What the closure of small schools like Mount Ida and Newbury College means for the city's education system.

by MICHAEL DAMIANO· 1/29/2019, 10:36 a.m. BOSTON magazine

Just after noon on April 6, the cafeteria at Mount Ida College in Newton was buzzing with hundreds of students sitting down for lunch. Suddenly, a chorus of phone pings began to sound throughout the hall. Mount Ida president Barry Brown had just sent mass emails to all students and staff. “Important Announcement,” the subject line read. As students tapped the notification on their phones, an eerie hush settled over the room while they read the message in unison. The email’s language was vague, but several lines leapt off the phone screens as if in 3-D.

“…the financial pressure on small colleges has never been greater…”

“…our limited resources obligate us…”

“…Mount Ida will end its role as an independent college…”

The college, founded more than a century earlier, was flat broke and would shut down for good after the spring semester. Every student would have to find a new academic home. Moments later, once the shocking news began to settle in, the cafeteria grew loud again, but now it was a different kind of loud. “Everyone was running around,” says Josh Barrows, a freshman at the time. “Everyone was in a panic.”

In Boston, Mount Ida’s sudden closure sparked a different kind of frenzy. Attorney General Maura Healey opened an investigation. State senators rigorously questioned the board of trustees chair. Reporters, radio heads, and bloviators of all stripes hung on to every new detail coming out of Newton. Each person had their own angle, but all shared a singular question: *How could this have happened?* It seemed incomprehensible that a 119-year-old school could terminate its staff and put approximately 1,000 students on the street with just a few weeks’ notice. The dirty little secret in higher education, though, is that what happened at Mount Ida was not an isolated event, but merely a painful example of a slow-moving emergency that is overtaking American universities—one that will only get worse in the coming years.

After decades of unfettered growth, higher education, especially in New England, is tipping into a sharp decline. Enrollment is falling, skepticism about the value of a college education is soaring, and tuitions, which have been rising steadily for decades, seem to have reached the limits of what the public can pay. Taken together, these trends have left this once-booming industry looking a lot like a bubble. Experts predict that closures like Mount Ida's will soon become commonplace—and the facts they marshal to support this prediction are chillingly convincing. Over the past four years, eastern Massachusetts alone has seen eight colleges shut down or merge with larger institutions, including Wheelock College, which became a new school within Boston University. Last December, within a matter of days, news broke that Newbury College, in Brookline, and the College of St. Joseph, in Vermont, would likely shut down after the spring 2019 semester. And, in January, Hampshire College, in Amherst, announced it would seek a merger. "You could see a situation in the not-too-distant future," says state Senator Eric Lesser, "where potentially dozens of these small private colleges end up closing."

These days, being America's college town is starting to look like one of our greatest liabilities.

Miles away, University of Massachusetts president Marty Meehan saw an opportunity. The school quickly snapped up Mount Ida's real estate, assumed its $75 million of debt, and guaranteed Mount Ida students acceptance at the UMass Dartmouth campus. Meehan viewed the deal as a "remarkable value." Yet Mount Ida's closure still left him deeply troubled. It seemed to confirm his fears about the future of higher ed. "Ultimately, we're going to have far too much capacity and not enough demand," he told me, adding that he felt as if he were standing at ground zero of a growing crisis.

Economist Nathan Grawe, who has written a book on the topic, agrees. "We've already seen an uptick from eight or so closures per year to 20" just among private, nonprofit colleges, he says. Grawe believes many colleges may be able to evolve and survive, but other experts predict even more carnage. Harvard Business School professor Clayton Christensen believes that within a decade, around 30 to 50 percent of private colleges will close or merge with another school. Higher ed consultant Michael Horn, who founded a think tank with Christensen in 2007, is slightly more optimistic—but his prognosis is still scary. "I don't think it's going to be 100 institutions disappearing in a year," he told me. "It will be 20 going under each year for 15 years, and then you look back and say, ‘Whoa, a quarter of the institutions are gone.’”

To be clear, prestigious universities such as Harvard and MIT, the ones with endowments the size of a small country’s GDP, are virtually immune to pressures of the downturn. But as you descend the higher ed food chain, things look increasingly grim. By the time you get to the smaller, lower-ranking schools—that is, the majority of higher ed institutions in New England—things really get ugly. These small colleges are the ones facing an imminent risk of collapse, and faculty and administrators around Boston are constantly whispering about which will be the next to go.

It might be tempting to think this is a crisis that affects only higher ed, but that couldn’t be farther from the truth in Boston, where it is arguably the linchpin of the entire economy. The industry accounts for more than 165,000 jobs and nearly $11 billion in revenue in metro Boston, according to data from Emsi, a labor-market data firm. But even those figures vastly understate its importance to the economy. Higher ed is the foundation that supports even bigger Boston industries, including healthcare and tech. Then there are the students: around 374,000 (as of 2017) of them pouring money into the local economy through everything from off-campus rentals to concert tickets. Once they graduate, they become even more valuable. Around half of graduates stay in the area, becoming our workforce and tax base. College is the only industry whose customers turn into residents, says Jonathan Rothwell, an economist with Gallup.

In other words, if universities can’t get their act together, one of our most important and iconic industries will be headed for a crisis that will send shockwaves throughout the entire local economy. Being America’s College Town is still Boston’s greatest laurel, but these days it’s also starting to look a lot like one of our greatest liabilities.

The end of spring semester is normally the time when college students are rushing to class, enjoying the last parties of the school year, and upping their library time to cram for finals. But last April, students at Mount Ida had their minds on far more pressing matters, like finding a new college.

On April 17, the school’s gymnasium served as an emergency shelter of sorts. Admissions officers from dozens of colleges and universities set up tables, hung posters decorated in their school colors, and laid out branded pens for the student refugees, several of them with their parents in tow. “I didn’t think this school could possibly run out of money,” says Mitchell Boudreau, a freshman at the time who had done the whole college search process just one year earlier. “That wasn’t really a thought that went through my mind.”

That wasn't the only thing that was different for him and his fellow students this time around. Coming out of high school, applicants tried to convince faceless admissions officers to choose them over their peers for a coveted acceptance letter. But now the dynamic had reversed; the colleges were courting *them.* "It was like they were competing for us," says Kelsie Rainone, a former Mount Ida freshman who attended the fair with her parents. Rainone felt swarmed by the college reps. "You walked in and you kind of felt like they were on top of you. They were like, 'What's your major? What's your major? Oh, we have that,'" Rainone recalls. "But then you find out that they really don't." Rainone felt like prey. It seemed the schools were there, she says, "kind of to take advantage that Mount Ida had closed. *Oh, they have students, let's take them.*"

Meehan was also struck by the sense of desperation. "I was amazed at the number of small private colleges offering free tuition or deep discounts to any of these students as long as they would come and take a bed," says Meehan of the schools. Bringing in students who could pay rent for dorm rooms—even if they didn't pay a nickel in tuition— would at least stem the schools' hemorrhaging losses. The whole scene reeked of infomercial pitchmen trying to unload surplus goods. *You just pay shipping!* Or housing, as it were.

It was a rare window into the desperation of the times—and certainly not what colleges want you to see. Schools prefer to cash in on the myth of scarcity—*You should be so lucky to get the chance to pay us six figures' worth of tuition to attend*— and tend to highlight carefully curated data, such as the number of applications they receive, to suggest higher ed is still a growth industry. But more applications does not mean there are more college applicants generally, just that students are applying to more schools. In fact, last semester there were 1.9 million fewer students enrolled in higher education programs than there were in the fall of 2011.

The public can be forgiven for falling for this sleight of hand because, for half a century, the story that colleges are still peddling was actually true. Higher ed's boom years began after World War II, as the G.I. Bill pumped money—and students—into the industry and the labor market demanded more college-educated workers. Between 1950 and 1990, the number of colleges and universities in the United States almost doubled, and the number of students increased from nearly 3 million to more than 13 million. The baby boom and the entrance into the workforce of large numbers of women only supercharged the growth. In 2010, the population of college students in Boston topped 150,000 for the first time.

Then the birth rate in America, which had already ebbed to below replacement level in New England, took a nosedive during the Great Recession of 2008, and it's never recovered. "The Great Recession did not simply delay births—it eliminated them," Grawe wrote in his 2017 book, *Demographics and the Demand for Higher Education.* This "birth dearth," as Grawe called it, set a time bomb with an 18-year fuse. The result is that by 2029, the number of students graduating from New England high schools who are likely to attend four-year institutions will be 24 percent lower than it was in 2012, according to Grawe's forecasts. In other words, colleges will be drawing on a much smaller pool of customers.

The new college competitors treat their students as the product (instead of as the customer) and shape them into something employers actually want to buy.

It's not just an economist on a soap box who is worried, though. A little over a year ago, the credit rating agency Moody's downgraded the higher education industry's outlook to "negative." Fitch Ratings followed suit in December. Meehan sums up the situation more colloquially: "It's a perfect storm."

Demographics aren't the only thing contributing to colleges' serious financial woes. It's also a matter of money management: Put simply, at more and more schools revenues aren't covering costs. When I tell that to parents of college-age children, they are gobsmacked. They demand to know how colleges can be cash-strapped given the soul-crushing amount of tuition they charge (nearly 57 percent of median household income at private schools, more than triple the percentage it was in 1970). Between 1985 and 2011, in fact, the price of a college education increased at more than twice the rate of inflation for consumer goods and well above inflation for healthcare, the poster child for runaway costs. "It literally costs more than the house I'm living in," one middle-class mom tells me. "If you have two or three kids, it's insane."

To be fair, colleges are giving back an inordinate amount of their tuition revenue in the form of grants and financial aid, and state appropriations for public universities were slashed by 44 percent per student between 2001 and 2013. That said, there's simply no getting around the fact that colleges and universities themselves are largely to blame for unaffordable tuition and the industry's spreading financial malaise.

When all the demographic and economic trends were in their favor, colleges happily jacked up tuition, and parents kept paying. Federal financial aid programs were supposed to make college more affordable by giving money to students, but may have had the opposite effect. Some economists, including experts at the Federal Reserve Bank of New York, have argued that when colleges noticed their students had more money to spend in the form of guaranteed loans, they simply kept raising prices.

With all that dough rolling in, colleges acquired some pretty bad habits, including what Ohio University economist Richard Vedder calls “administrative bloat.” Between 1976 and 2011, the number of students and faculty at colleges and universities roughly doubled. But during the same period, non-teaching staff almost quadrupled, according to Vedder’s forthcoming book, *Restoring the Promise*. “Administrators and universities have taken on more and more self-appointed tasks,” he says. One of his favorite examples is the University of Michigan, which employs almost 100 full-time diversity officers, at a cost of a cool $11 million a year. These new administrators “don’t teach a single student,” he says. “They don’t do a lick of research.”

Perhaps as a result of the skyrocketing costs, many would-be students are deciding against college, or having second thoughts even after they’ve begun. One of the factors that helped sink Mount Ida was that between the spring and fall of 2013, a significant portion of the freshman class decided not to return.

As if on cue, leaner postsecondary options have sprung up in the form of boot camps, certificate programs, and online four-year- degree programs, all of which are poised to break the academy’s lucrative monopoly on access to the middle class and the American Dream. Their central pitch is that they’ve turned the business model on its head. Colleges, like beach resorts, invest heavily in fancy buildings and amenities to attract customers, but these new competitors treat their students as the product (instead of as the customer) and shape them into something employers actually want to buy.

I saw this play out firsthand when a friend of mine was in his twenties. His parents spent around $200,000 on an elite college education. When he graduated (with a 3.8 GPA), he got a job working long hours for $40,000 a year at a tech startup. “I didn’t know where my career was going,” he says. Then he convinced his boss to foot the bill for a $10,000 coding boot camp. After the three-month course, he returned to the same company as a web developer, making $80,000 a year. It doesn’t take a finance degree from a fancy college to figure out which of his education investments produced a better return.

With all of their in-house brain power, it’s easy to assume that colleges are hard at work finding solutions to address the demographic and economic pressures they face. But according to David Strauss, a higher ed consultant at Art & Science Group, all too often college presidents simply are not willing—or are too constrained by their own bureaucracies—to make the substantive changes needed to adapt. Strauss received distress calls from two administrators at the same liberal arts college asking for his help. (He declined to name the school.) Strauss met the president and listened as he explained how his college was suffering from a drop in enrollment. The president told

Strauss he had hired seven firms to try to improve his school's admissions office in hopes of attracting more students. Although these previous efforts hadn't worked, the president was not interested in doing anything else and insisted Strauss examine his admissions office, too. "I said to him, 'I can't vouch for these other seven firms and the work they did for you, but I can tell you how Albert Einstein defined insanity.'"

On other end of the spectrum, some administrators are taking a scorched-earth approach. Last January, Marygrove College, a small liberal arts school in Detroit, discontinued its undergraduate program and continued offering only master's degrees. Last year the University of Wisconsin-Stevens Point proposed discontinuing majors in English, history, philosophy, and other liberal arts disciplines. Strauss believes that significant numbers of colleges may not close but "will just become unrecognizable and you'll wonder why they exist except to have survived."

Other colleges, in the face of an eroding financial position, respond by spending even more to attract new students. But their investments often only make their problems worse. *The Hechinger Report*, an education-news outlet, found that since 2012 colleges and universities have created more than 40,000 new degrees and certificates. An analysis by Eduventures, another higher ed consultancy, found more than a dozen virtually empty degree programs, racking up costs but generating little revenue. In 2016, for example, 15 schools with recently added casino management majors produced a grand total of 34 graduates.

The first economic impacts we will see from the college downturn are significant layoffs in the higher education sector.

Colleges and universities find themselves stuck in a double bind. If they invest, they drive up the costs that are sending some careening toward insolvency. But if they don't, students stop showing up. It doesn't help that their customer base is, ultimately, a bunch of fickle 18-year-olds who like shiny objects. Just take a look at the massive multimillion-dollar dorms sprouting up around town. "That's the way they're competing," Harvard Business School's Christensen says. "It's not who has the best courses but who has the best dormitories." Vedder derisively calls the university building spree the "Edifice Complex." Fancy student centers and athletic complexes only add to students' shock once they graduate to the real world, when many can't afford a membership to the YMCA.

That complex is part of the story of how Mount Ida fell apart. In 2012, Brown embarked on a modernization project to make the small school's campus more attractive to prospective students. Thirty million dollars later, Mount Ida had a gleaming new student center and a state-of-the-art media lab, but was insolvent. Fixed campus costs, says Horn, the consultant, "become a noose around you."

The president of Newton's Lasell College, Michael Alexander, has spent the past decade obsessed with the financial structure of an undergraduate education, which he considers to be the single biggest problem facing higher ed. He is a member of a small group of innovative college presidents who are cost conscious and not particularly troubled by flouting academic convention. Not surprisingly, many of them hail from the private sector.

After a career in media, entertainment, and tech, Alexander assumed the presidency of Lasell in 2007 and quickly got to work cutting costs. He sold the services of Lasell's in-house IT staff to another college to offset his technicians' salaries; shared some athletic facilities with nearby Brandeis University; and fired his health insurance carrier to pool resources with other colleges so they could insure themselves. But he was still far short of his goal of delivering an undergraduate education for 30 to 50 percent less than the typical cost. So last fall he launched a program called Lasell Works, a novel hybrid of traditional and online education, with students spending their sophomore year living off-campus, working part time, and taking all of their courses online. The savings amount to a $22,000 reduction in total tuition. Last year, Lasell gave every admitted freshman the option to enroll in Lasell Works. "We were hoping 22 would sign up," Alexander told me. Instead, nearly triple that number opted in—more than 15 percent of the fall 2018 freshman class. That level of enthusiasm has to make you wonder if more students would be eager to see a re-coding of the traditional college DNA—even if the old hands of higher ed aren't.

Another leader of Alexander's ilk is Helen Drinan, a bank executive turned president of Simmons University, in the Fenway. When she took the helm in 2008, she was astounded by the opaque accounting methods the college used. Instead of comparing revenues to expenses, the school measured financial performance in terms of the growth of all of its net assets—counting things like the endowment's investment gains. This is like consulting your brokerage account to see if your monthly budget is square. Drinan and her chief financial officer redid the books and discovered the school had been operating at a loss for three years. No one had known. (The really bad news is that this kind of accounting is an industry standard.)

Her discovery of a budget shortfall provided Drinan with a key insight: An undergraduate program on its own is a barely viable proposition. It "breaks even at best," she tells me. Graduate programs, on the other hand, have less overhead and attract working professionals who are not only more willing to pay the full sticker price for their education but don't require food and housing. The problem was that there weren't enough potential grad students in New England. So, she took the programs online. At first, she says, she got "fierce pushback" from the school community. "You're going to ruin Simmons' reputation," she remembers alumni and donors telling her. But there was no arguing with the money that the online courses were producing—$26 million in net revenue last year.

Simmons isn't the only college seeking to grow outside its local market. Some New England institutions with deeper pockets are doing it in brick-and-mortar form. Middlebury College acquired and rebranded the Monterey Institute of International Studies, which gave the school access to a new market of students and donors. Northeastern University built satellite campuses in Charlotte, a white-collar boomtown where the school sells locals career-advancing degrees, in Silicon Valley, and in Seattle. It also crossed the border, opening a campus in Toronto. According to data collected by the Cross-Border Education Research Team at the State University of New York at Albany and Penn State, 61 American colleges are tapping into foreign student markets by building campuses abroad, 17 of which are in China.

Other schools are confronting the looming crisis by implementing innovative programs to address students' fears about graduating with crushing debt or failing to land a job. In 2016, Purdue University rolled out Income Share Agreements, under which students agree to pay back a percentage of their income to the university for about 7 to 10 years after graduating, which decreases the amount of loans. The ISAs reassured students that they wouldn't be servicing mountains of debt on barista wages, and forced Purdue to take an interest in setting them up for successful careers. Meanwhile, DePauw University, in Indiana, guarantees its students that if they don't have a full-time gig six months after graduating, the school will get them a job itself. "It puts schools' incentives squarely behind the students' incentives," Horn says.

Back on Simmons' campus, Drinan's can-do attitude and sanguine view of the school's prospects made me wonder if she was ignoring the problems in the broader landscape. But when I asked her if she believed in the prediction of an imminent wave of college closures, she put my question to rest immediately.

"I absolutely believe it," she said.

"Who's going to succumb?" I asked.

"Not Simmons," she said, breaking out in laughter.

Although the coming downturn is top of mind for higher ed insiders, there has been surprisingly little discussion of it in political or economic circles. Worse yet, to date, no one—not the state, the city, or the dozens of higher ed institutions that may be affected—has conducted a rigorous study of the broader economic impact of the looming crisis. There seems little doubt, however, that in a town as dependent on higher ed as Boston, the impact will be significant.

With everyone else seemingly asleep at the wheel, I enlisted some economists to do some back-of-the-envelope estimates. What they found isn't pretty.

The first economic impacts we will see from the college downturn are significant layoffs in the higher ed sector. If Grawe's predictions hold, Rothwell, the Gallup economist, says that we could reasonably expect a 10 to 15 percent reduction in Boston's 165,000 higher ed jobs. Worse still, according to the labor-market data firm Emsi, every higher ed job in Boston creates 0.7 jobs in other economic sectors. That means we could lose a total of 28,000 jobs under the more conservative 10 percent estimate. At that same rate, Emsi also estimates a $1.7 billion loss in direct economic activity, and a loss of $112 million in tax revenue. Retail, real estate, healthcare, and various white-collar services would be hit especially hard.

Then there's the matter of the higher ed industry's most valuable product: graduates. In a 2015 study, Rothwell found that every college graduate was worth an incremental $278,000 to the economy, compared to a high school graduate, just in the form of extra spending at local businesses. For every college grad the area loses, we lose that much cash as well.

The loss of talent—the lifeblood of Boston's knowledge-based industries—is harder to quantify, but no less worrying. Fewer graduates means fewer high-value workers. That would pose a serious problem for Boston's economy, considering that our human capital is what lures big employers to set up shop here.

Of course, a reasonable person could look at Boston's economy—or even the local higher ed sector—today and push back against the doom-and-gloom predictions. After all, the number of higher ed jobs in metro Boston has actually increased every year but one since 2012. But what many experts would say to all those reasonable people is: Just wait. And also: Brace yourself.

The 18-year fuse lit by the Great Recession's "birth dearth" is still burning; the bomb goes off in 2026. That's when we go from the waning demand of today to the bottom falling out and the industry being in free fall. The closures of small institutions are a warning sign, like the tide racing out before the arrival of a tsunami. And those signs continue to appear.

As I finished work on this story in December, Brookline's Newbury College announced that the spring 2019 semester would likely be its last. A now familiar ritual began. Neighboring schools swooped in like vultures to whisk away Newbury's most valuable remaining resource: its paying students.

Since Mount Ida's closure, some of these schools seem to have refined their methods, perhaps anticipating that recruiting displaced students will soon become a permanent feature of their business model. Just before Christmas, Curry College set up a slick, purpose-built Web page and advertised it on Facebook. Click on the link and you see an enticing, panoramic drone shot of Curry's verdant Milton campus. The website's tag, at the top of the screen, reads, "Curry College Welcomes Newbury College Students." Also seeking enrollees, Fisher College sent Newbury students emails with their names in the subject line, followed with, "Your Journey Continues at Fisher College!"

That might not have been the most reassuring choice of words, considering the very real risk of closure facing the region's small colleges. What Newbury students—including one unfortunate young woman who had transferred there from Mount Ida—likely want to know is not just where their college education will continue, but where it will end.