About SHEEO

National association serving chief executives of statewide governing, policy, and coordinating boards of postsecondary education and their staffs.

1954  
61 MEMBERS  
50 STATES  
2 TERRITORIES + D.C.
About SHEEO

• Advocate for state policy leadership.
• Act as a liaison between states and the federal government.
• Provide information and analysis on educational and public policy issues.
• Recognize that state context matters.
OUR VISION

SHEEO, together with its members, works to promote an environment that values higher education and its role in ensuring the equitable education of all Americans, regardless of race/ethnicity, gender or socioeconomic factors.
Agenda

• Highlights from multi-year research project on outcomes for students experiencing an institutional closure
• Policy recommendations
SHEEO College Closure Research Reports

Project Page https://sheeo.org/project/college-closures/
College Closure Research Project Summary

• Between 2004 and 2020, nearly 12,000 postsecondary education campuses closed.
• SHEEO and the National Student Clearinghouse Research Center constructed a dataset to examine the longitudinal impacts of closure.
• Our sample included 143,215 students enrolled at 467 institutions that closed between July 1, 2004, and June 30, 2020.
• Dataset included student-level enrollment and completion records for students before and after closure.
Institutional Characteristics for Our Sample of 467 Institutions

PRIVATE FOR-PROFIT: 49.9%Private Nonprofit: 28.1%
PRIVATE NONPROFIT: 3.4%
PUBLIC: 0.9%
Geographic Region of Closed Institutions in Our Sample

- FAR WEST: 16.3%
- ROCKY MOUNTAINS: 3.6%
- SOUTHWEST: 8.8%
- PLAINS: 12.6%
- GREAT LAKES: 18.0%
- MID-ATLANTIC: 10.5%
- NEW ENGLAND: 5.6%
- SOUTHEAST: 24.6%
Orderly and Abrupt Closures by Sector

ALL INSTITUTIONS
- ORDERLY: 68.5%
- ABRUPT: 31.5%

PRIVATE NONPROFIT 2-YEAR
- ORDERLY: 93.8%
- ABRUPT: 6.2%

PRIVATE FOR-PROFIT 2-YEAR
- ORDERLY: 55.4%
- ABRUPT: 44.6%

PUBLIC 4-YEAR
- ORDERLY: 100.0%
- ABRUPT: 0%

PRIVATE NONPROFIT 4-YEAR
- ORDERLY: 90.4%
- ABRUPT: 9.6%

PRIVATE FOR-PROFIT 4-YEAR
- ORDERLY: 74.1%
- ABRUPT: 25.9%
Characteristics of Students Who Experienced More Than One Closure

- **ORDERLY**
  - ABRUPT: 48.5%
  - PRIVATE FOR-PROFIT 2-YEAR: 1.0%
  - PRIVATE NONPROFIT 4-YEAR: 1.0%
  - PRIVATE FOR-PROFIT 4-YEAR: 34.3%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%

- **FEMALE**
  - ORDERLY: 74.1%
  - ABRUPT: 51.5%
  - PRIVATE FOR-PROFIT 2-YEAR: 64.7%
  - PRIVATE NONPROFIT 4-YEAR: 1.0%
  - PRIVATE FOR-PROFIT 4-YEAR: 34.3%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%

- **MALE**
  - ORDERLY: 24.9%
  - ABRUPT: 21.3%
  - PRIVATE FOR-PROFIT 2-YEAR: 27.9%
  - PRIVATE NONPROFIT 4-YEAR: 1.0%
  - PRIVATE FOR-PROFIT 4-YEAR: 34.3%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%

- **PRIVATE FOR-PROFIT 4-YEAR**
  - ORDERLY: 34.3%
  - ABRUPT: 34.3%
  - PRIVATE NONPROFIT 4-YEAR: 1.0%
  - PRIVATE FOR-PROFIT 2-YEAR: 64.7%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%

- **PRIVATE NONPROFIT 4-YEAR**
  - ORDERLY: 1.0%
  - ABRUPT: 1.0%
  - PRIVATE FOR-PROFIT 2-YEAR: 64.7%
  - PRIVATE NONPROFIT 4-YEAR: 1.0%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%

- **PRIVATE FOR-PROFIT 2-YEAR**
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  - PRIVATE FOR-PROFIT 4-YEAR: 34.3%
  - CERTIFICATE PROGRAM: 0.2%
  - ASSOCIATE PROGRAM: 3.7%
  - BACHELOR'S PROGRAM: 21.3%
  - GRADUATE PROGRAM: 27.9%
Elapsed Time to Reenrollment After Closure

- DID NOT REENROLL (52.9%)
- REENROLLED (47.1%)

Reenrollees:
- Within 1 month (29.7%)
- Between 1-4 months (23.9%)
- Between 4-12 months (20.4%)
- More than 1 year (26.0%)

75,777 (52.9%) and 67,438 (47.1%)
## Reenrollment Rates by Abrupt and Orderly Closure and Institutional Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Abrupt</th>
<th>Orderly</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Institutions</td>
<td>63.7%</td>
<td>71.7%</td>
<td>69.6%</td>
</tr>
<tr>
<td>Private Nonprofit 2-Year</td>
<td>40.0%</td>
<td>70.0%</td>
<td>69.1%</td>
</tr>
<tr>
<td>Private For-Profit 2-Year</td>
<td>47.1%</td>
<td>76.2%</td>
<td>70.0%</td>
</tr>
<tr>
<td>Public 4-Year</td>
<td>40.1%</td>
<td>80.7%</td>
<td>80.7%</td>
</tr>
<tr>
<td>Private Nonprofit 4-Year</td>
<td>40.0%</td>
<td>75.8%</td>
<td>75.8%</td>
</tr>
<tr>
<td>Private For-Profit 4-Year</td>
<td>48.1%</td>
<td>80.7%</td>
<td>80.7%</td>
</tr>
</tbody>
</table>

*NOTE: The chart above shows the reenrollment rates for different sectors and types of closures.*

**Legend:**
- **ORDERLY**
- **ABRUPT**
- **OVERALL**
Elapsed Time to Reenrollment by Reenrollment in Same or Different Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Within 1 Month</th>
<th>Within 1-4 Months</th>
<th>Within 4-12 Months</th>
<th>More Than 1 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same Sector</td>
<td>43.6%</td>
<td>32.5%</td>
<td>11.6%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Different Sector</td>
<td>20.4%</td>
<td>18.1%</td>
<td>26.3%</td>
<td>35.2%</td>
</tr>
</tbody>
</table>
Reenrollment Rates by Student Demographics

- **Overall**: 47.1%
- **Female**: 49.0%
- **Male**: 45.2%
- **18-20**: 54.0%
- **21-24**: 46.6%
- **25-29**: 45.2%
- **30 or older**: 44.6%
- **American Indian/Native Alaskan**: 56.9%
- **Asian**: 56.3%
- **Black**: 56.9%
- **Hispanic**: 56.2%
- **Native Hawaiian/Pacific Islander**: 47.0%
- **Non-Resident**: 67.5%
- **Two or More Races**: 38.3%
- **White**: 62.5%
Completion Rates Among Reenrollees

- **DID NOT REENROLL** (52.9%)
- **REENROLLED** (47.1%)

**REENROLLEES:**
- EARNED CREDENTIAL (36.8%)
- STILL ENROLLED (10.4%)
- DROPPED OUT, NO CREDENTIAL (37.5%)
- DROPPED OUT, PRIOR CREDENTIAL (15.4%)

- 75,777 (52.9%)
- 67,438 (47.1%)
- 24,824 (36.8%)
- 6,997 (10.4%)
- 10,359 (15.4%)
- 25,258 (37.5%)
Completion Rates by Student Demographics and Credential Program at Closure

- **Overall**
  - **Female**: 38.8%
  - **Male**: 34.0%
- **Age Groups**
  - **18-20**: 38.6%
  - **21-24**: 38.6%
  - **25-29**: 35.7%
  - **30 or older**: 36.2%
- **Ethnicity**
  - **American Indian/Native Alaskan**: 37.3%
  - **Asian**: 40.5%
  - **Black**: 30.2%
  - **Hispanic**: 25.9%
  - **Native Hawaiian/Pacific Islander**: 27.3%
  - **Non-Resident**: 39.6%
  - **Two or More Races**: 31.5%
  - **White**: 44.7%
- **Programs**
  - **Certificate Program**: 22.1%
  - **Associate Program**: 31.9%
  - **Bachelor's Program**: 39.3%
  - **Graduate Program**: 43.0%
Completion Rates by Abrupt and Orderly Closure and Student Demographics
Interactive Website on Student Outcomes After Closure

https://sheeo.org/college-closures-sankey/
Follow-up Study on Impact of State Consumer Protection Policies

- Used same sample of 143,215 students enrolled at 467 institutions that closed between July 1, 2004, and June 30, 2020.
- Created a control group of 1,295,773 students enrolled in one of 467 open institutions that were matched with the closed institutions.
- Explored student enrollment and completion outcomes.

- Four Consumer Protection Policies
  - Tuition recovery funds
  - Surety bonds
  - Student records retention procedures
  - Teach-out plans

Tuition Recovery Funds

- NO POLICY: 79.3%
- POLICY EXISTS: 7.4%
- POLICY TIED TO FINANCES: 13.3%

Surety Bonds

- NO POLICY: 43.9%
- POLICY EXISTS: 26.1%
- POLICY TIED TO FINANCE: 30.0%

Student Records Retention

- NO POLICY: 18.8%
- POLICY EXISTS: 28.1%
- POLICY TIED TO CLOSURE: 53.2%

Teach-Out Plans

- NO POLICY: 47.3%
- POLICY EXISTS: 17.5%
- STRINGENT POLICY: 35.2%
Likelihood Ratios for Students Reenrolling within Four Months of Experiencing a Closure

TUITION RECOVERY & SURETY BOND

- One Policy: -80.9%
- Both Policies: -72.4%

STUDENT RECORDS & TEACH-OUT PLAN

- One Policy: 53.5%
- Both Policies: 94.5%
Likelihood Ratios for Post Closure Credential Completion

TUITION RECOVERY & SURETY BOND

-80.6%

Both Policies

-65.9%

STUDENT RECORDS & TEACH-OUT PLAN

One Policy

-37.2%

Both Policies

-50.8%
Limitations

• Did not do a 1-to-1 match for closure and state policy application
  – Exemptions from authorization requirements
• Do not know if closing institutions followed the state-level policy
  – Precipitous closures
Why Do We Not See Better Outcomes?

• State policies force students make a difficult choice:
  – Take the teach-out option or receive a tuition recovery fund or surety bond payout

• Consumer protection verses student protection
  – Some surety bond policies only reimburse states for costs associated with closures
Policy Recommendations

• Make state policies student centered
  – Require teach-out agreements and student records retention policies.
  – Expand access to student protection funds and surety bond payouts.
  – Increase surety bond requirements and the size of tuition recovery funds.
  – Require institutions to maintain a surety bond or contribute to a student protection fund.
  – Require institutions to follow a closure plan.
  – Reexamine state authorization exemptions.
Contact Us

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