

A Dream Derailed? Investigating the Causal Effects of College Closures

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About SHEEO

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





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.



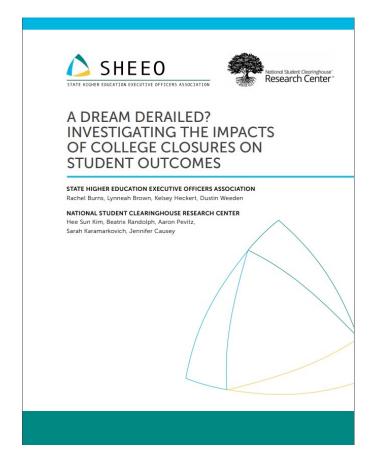
Agenda

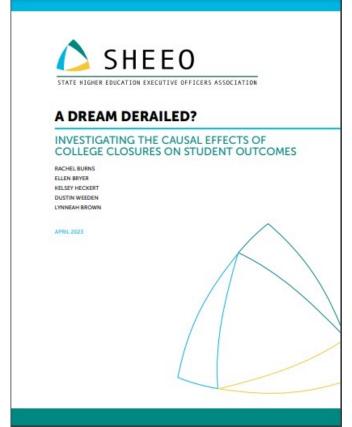
 Highlights from multi-year research project on outcomes for students experiencing an institutional closure

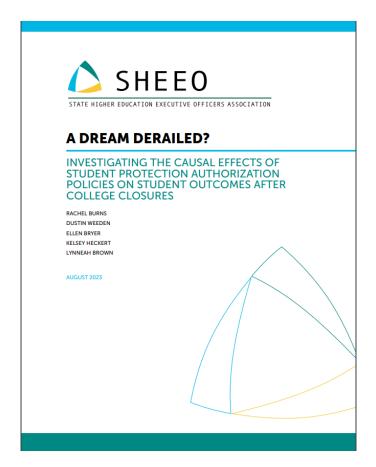
Policy recommendations



SHEEO College Closure Research Reports







Project Page https://sheeo.org/project/college-closures/

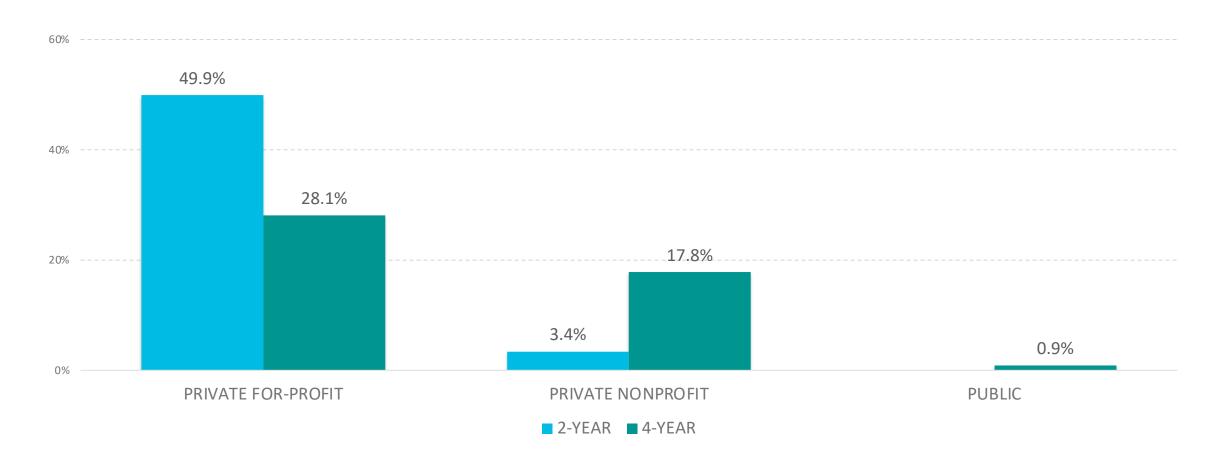


College Closure Research Project Summary

- 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.



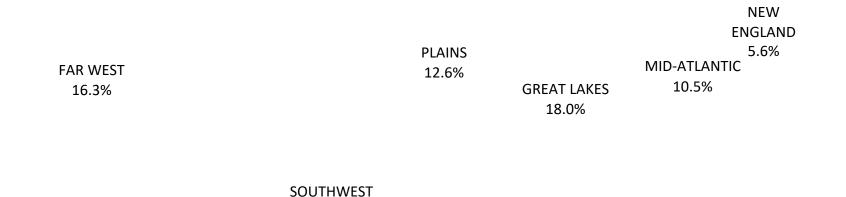
Institutional Characteristics for Our Sample of 467 Institutions





Geographic Region of Closed Institutions in Our Sample

8.8%

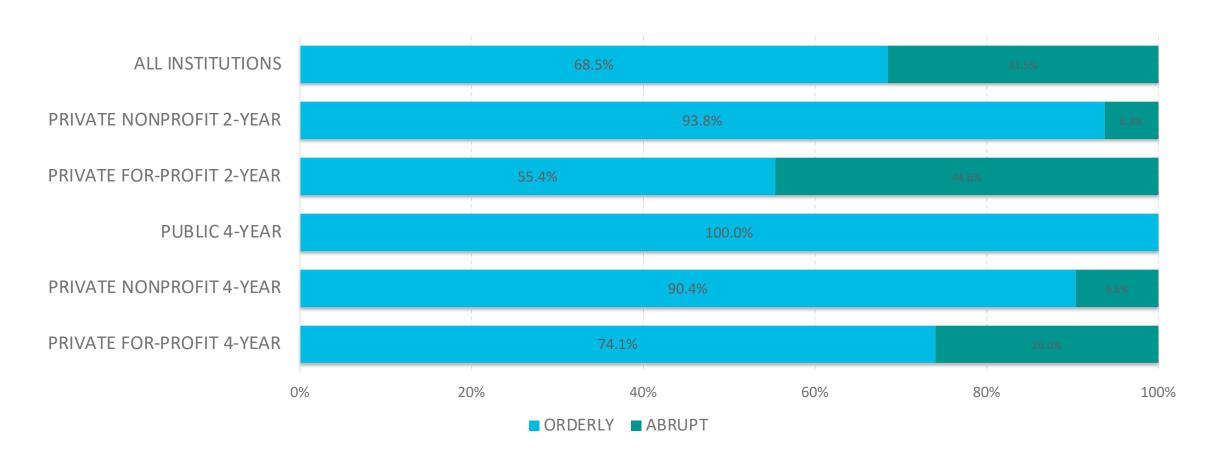


SOUTHEAST

24.6%

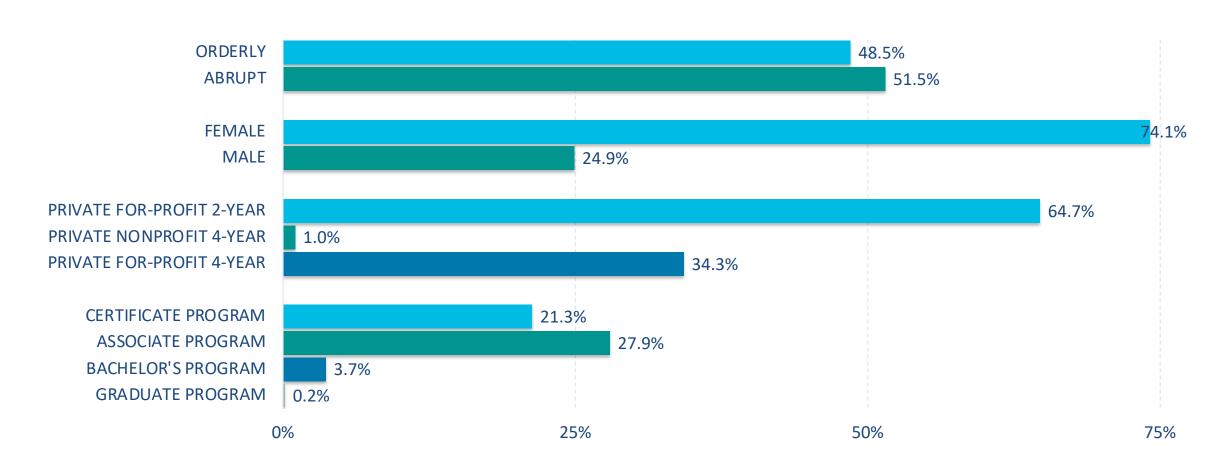


Orderly and Abrupt Closures by Sector



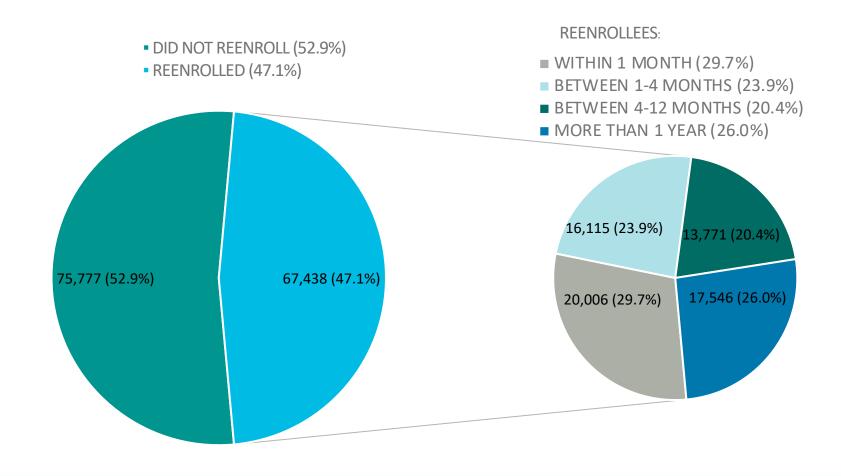


Characteristics of Students Who Experienced More Than One Closure



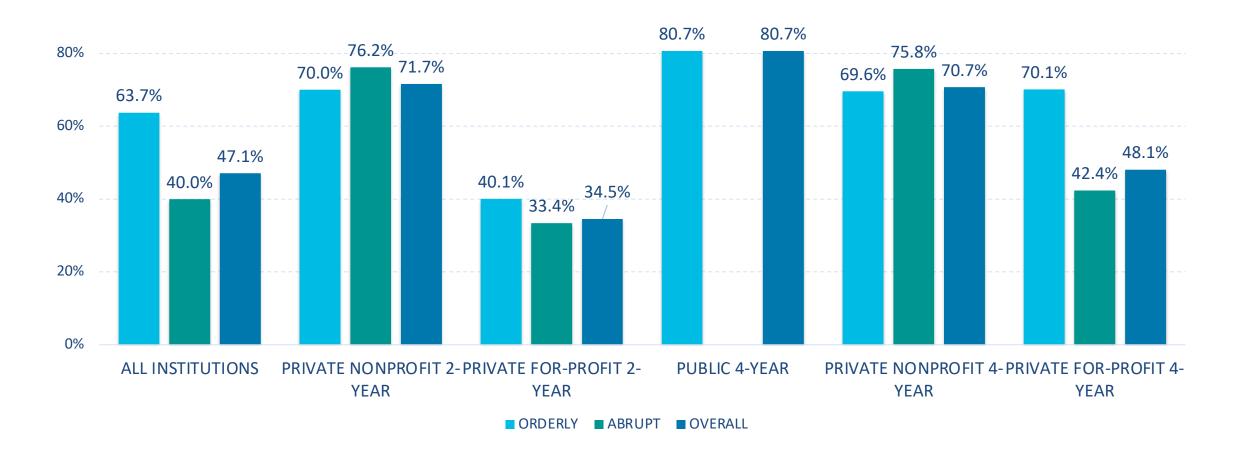


Elapsed Time to Reenrollment After Closure





Reenrollment Rates by Abrupt and Orderly Closure and Institutional Sector



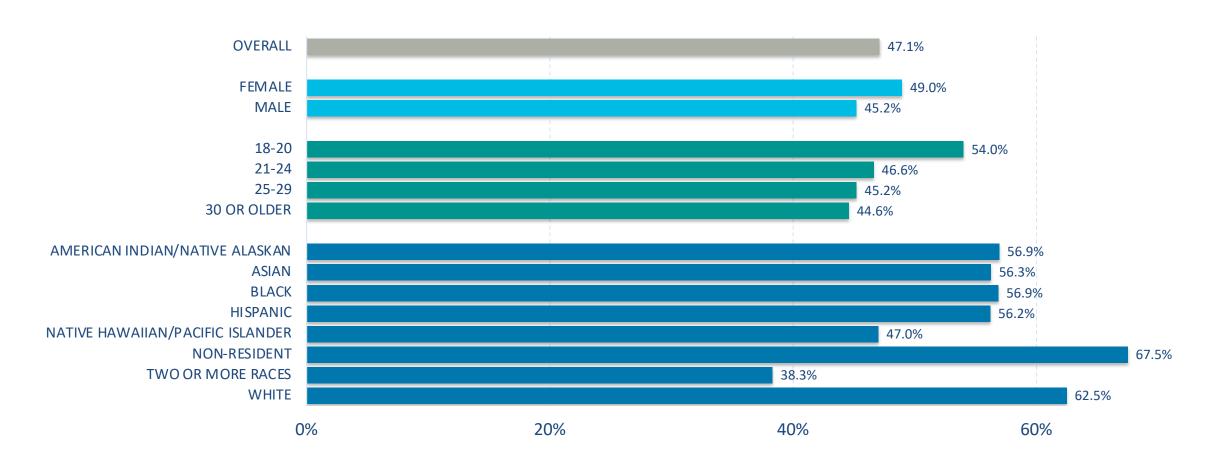


Elapsed Time to Reenrollment by Reenrollment in Same or Different Sector



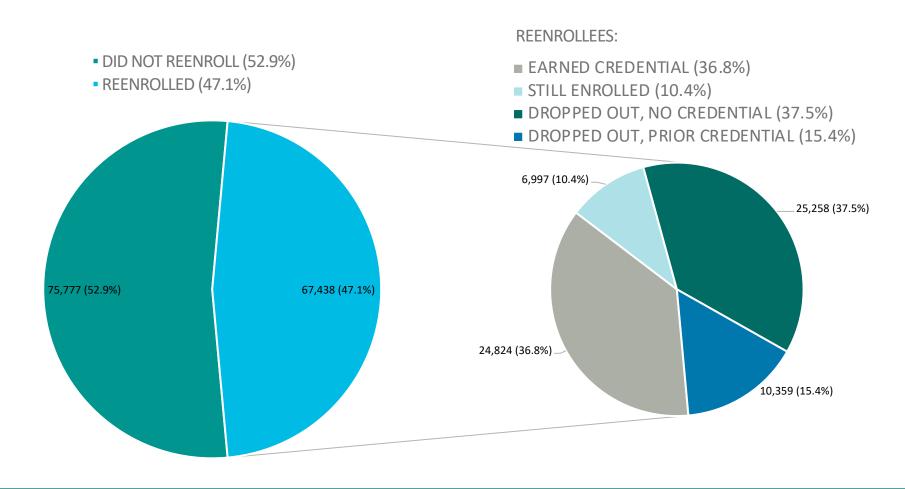


Reenrollment Rates by Student Demographics



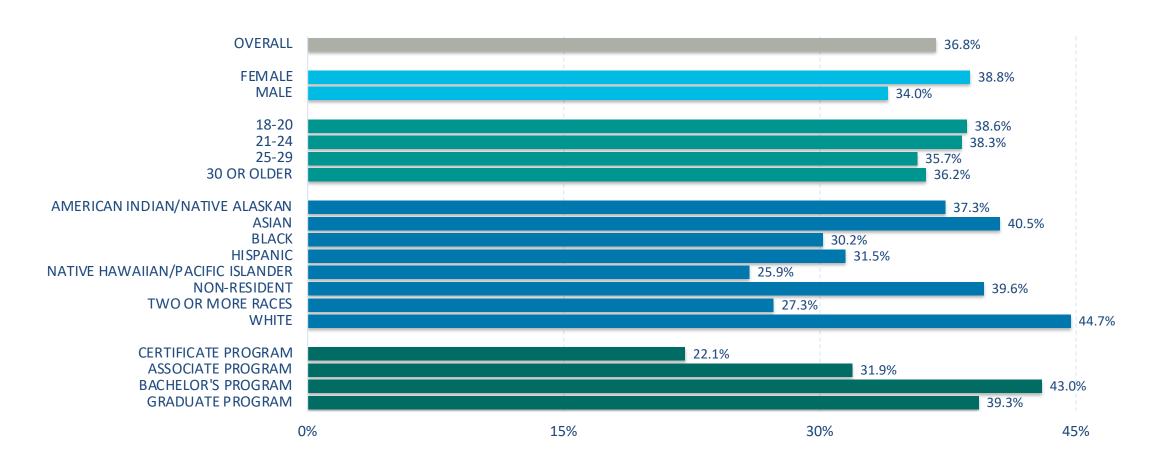


Completion Rates Among Reenrollees



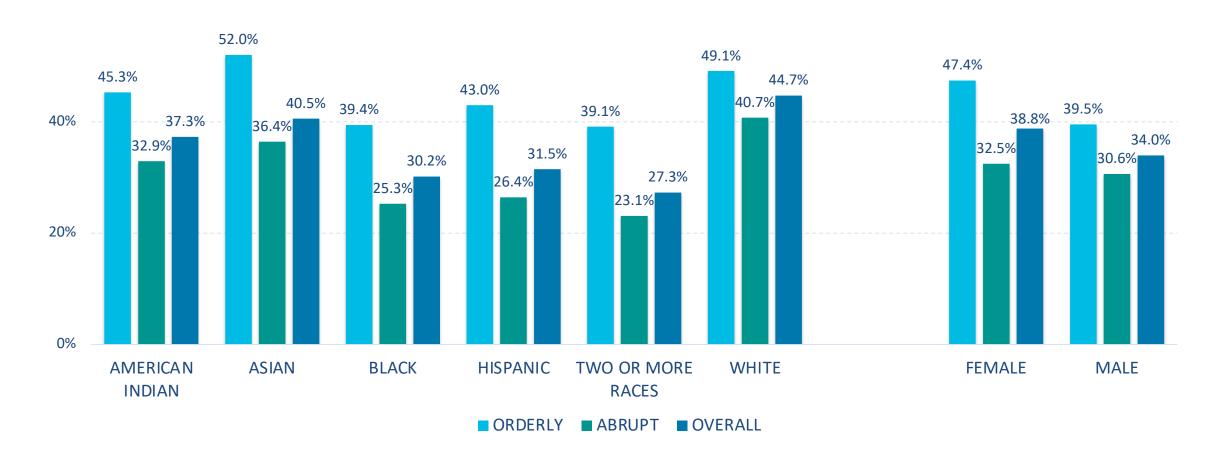


Completion Rates by Student Demographics and Credential Program at Closure



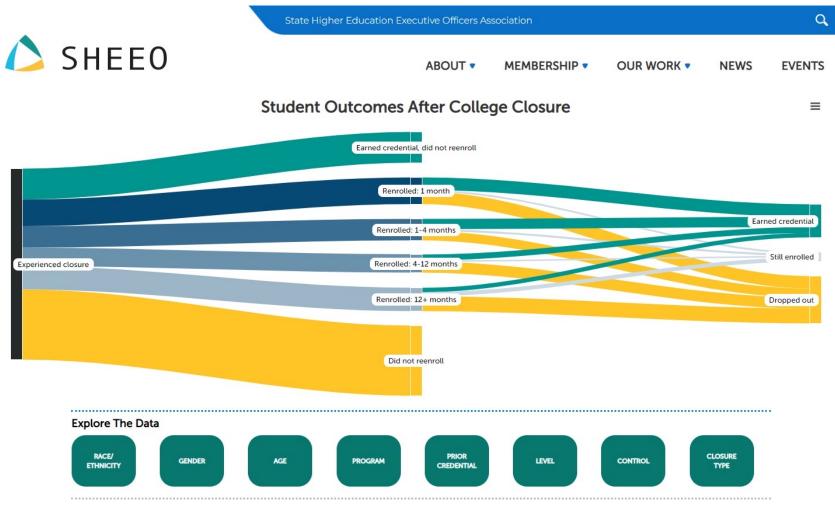


Completion Rates by Abrupt and Orderly Closure and Student Demographics





Interactive Website on Student Outcomes After Closure



https://sheeo.org/college-closures-sankey/



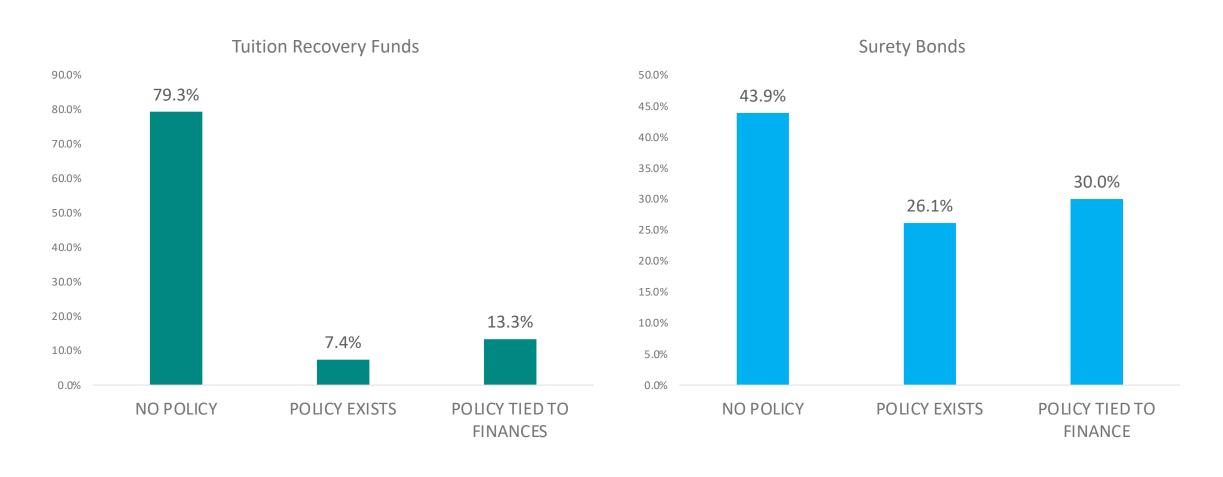
Follow-up Study on Impact of State Consumer Protection Policies

- 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

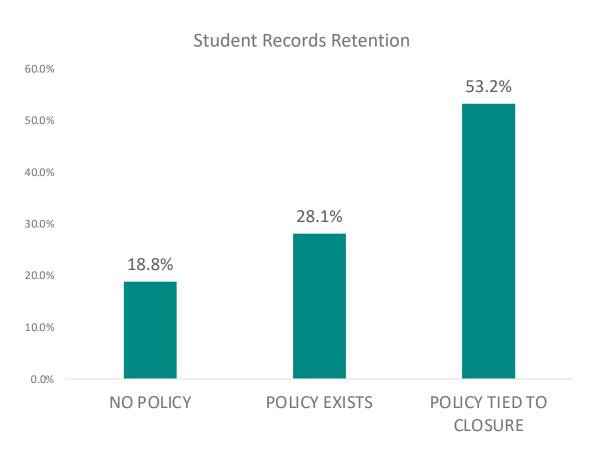


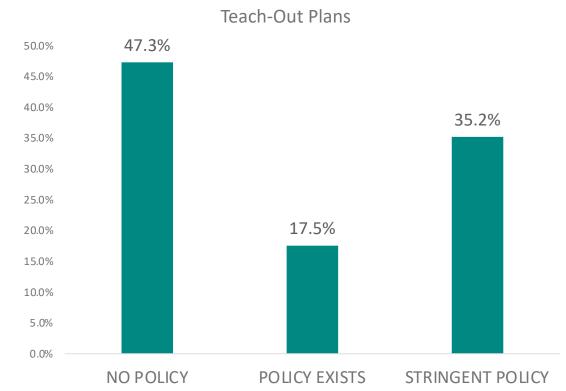
Consumer Protection Policies for Degree-Granting Institutions by State, 2004-2020





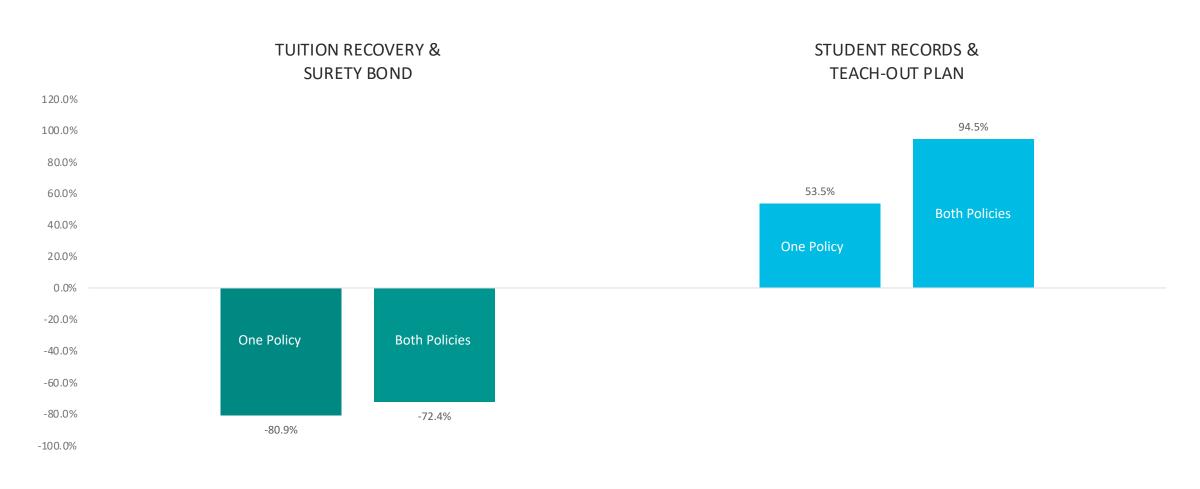
Consumer Protection Policies by State, 2004-2020





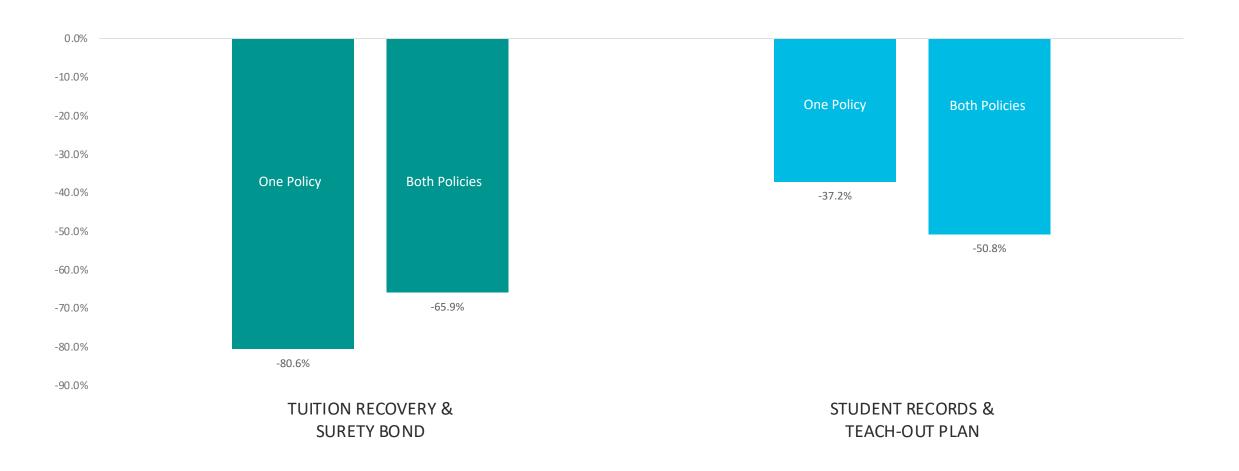


Likelihood Ratios for Students Reenrolling within Four Months of Experiencing a Closure





Likelihood Ratios for Post Closure Credential Completion





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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