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# PASSHE enrollment losses and problems mount

**Overview:** As previous *Policy Briefs* have noted on several occasions, the 14 schools of the Pennsylvania State System of Higher Education (PASSHE) have had a dreadful decade of declining enrollment. It has been so bad, in fact, that mergers of six schools into two conglomerates is now underway and set to begin operations in the fall of 2022.

## Falling student counts

Recently released <u>enrollment data</u> for fall 2021 point to a worsening situation for many of the 14 campuses. The PASSHE schools collectively lost 5.4 percent of enrollee count compared to the fall of 2020. But the losses were very uneven. Six schools lost 7.5 percent or more with two losing over 12 percent. Only two schools showed gains, albeit very small. Interestingly, the drop in system enrollment for 2021 was larger than the 2019 to 2020 drop (-2.2 percent) during the worst of the pandemic. Indeed, six schools had slight upturns in enrollment in the fall of 2020.

The truly awful news is that since 2010, five schools have seen 45 percent or greater enrollment declines, led by Cheyney at 59.5 percent and Edinboro at 53.2 percent. Clarion, Mansfield and Lock Haven were in the 46 percent range. Overall, PASSHE enrollment was down 25.8 percent. And, absent the strong growth at West Chester, system enrollment would have been down 32 percent. Nationally, all student enrollment, including for-profit and two-year colleges, was down by just under 13 percent. So, for some sectors of post-secondary education the last 11 years have been tough. No doubt soaring tuition and fees along with demographics have played a role.

An important issue not addressed in the PASSHE enrollment data released in October is a breakdown of the enrollment figures by class, either for the system or for each school. It would be very useful to know the enrollment drop for incoming freshmen and how many were upperclassmen who chose not to return.

# Other factors impacting PASSHE schools

Earlier *Briefs* (*Vol. 20, No.6 and Vol. 20, No.32*) also reported on the high faculty salary and benefit costs at many of the schools. Per-student faculty expenditures at several schools were higher than at the state-related universities of Penn State and Temple and the University of Pittsburgh.

Another *Policy Brief* (*Vol.18*, *No.5*) pointed out the managerial problems created by excessive faculty controls in the labor contracts. All of which hamper efforts to improve education quality, efficiency and cost effectiveness. Unfortunately, Pitt's faculty just voted to approve collective bargaining, a decision that over the long run will not redound well to the university's stature.

## Poor school rankings

Only West Chester (the highest-ranked PASSHE school—50<sup>th</sup> of 175 regional universities in the North ranked by <u>US News</u> for 2021) saw a significant enrollment gain since 2010, rising 22.5 percent.

The latest ranking of 175 north region universities from US News shows Slippery Rock (78<sup>th</sup>) along with West Chester as the highest ranked PASSHE universities. Shippensburg (94<sup>th</sup>) and Millersville (97<sup>th</sup>) were the only other schools to rank in the top 55 percent of schools. The system's poor rankings overall likely do little to boost the number of applicants of qualified students.

National enrollment slipped in 2020 and 2021

It must also be pointed out that college enrollment also fell nationally in 2021 according to the *National Center for Education Statistics*. Undergraduate enrollment fell 3.4 percent after dipping 3.2 percent in 2020. Freshmen enrollment was down 3.1 percent.

But there are very important differences in undergraduate enrollment losses by type of school and enrollment selectiveness. The biggest declines occurred in the for-profit schools as undergraduate enrollment plunged 12.7 percent from 2020. Public two-year schools (community and junior colleges) saw enrollment fall 5.6 percent. Meanwhile, public four-year colleges posted a more modest 2.3 percent loss while private four-year schools were down only 0.7 percent.

Note that nationally graduate enrollment rose 2.1 percent in 2021 with a gain of 4.3 percent at public four-year schools. At the same time, there was a huge 16.6 percent decline at the for-profit four-year schools.

### Enrollment and college selectivity

Meanwhile, the highly selective schools were able to post undergraduate gains of 1.0 percent for public and 4.3 percent at private schools. These are schools that admit only 20-30 percent of applicants and their applying students rank very in their high school class and have top quintile entrance exam scores. Then too, some of the very elite schools accept fewer than 10 percent of applicants and undoubtedly the preponderance of applications is from very good students. Meanwhile, very competitive colleges saw declines, 0.8 percent public and 2.5 percent private. These schools accept roughly half and applicants score in the top third on the SAT exam.

Less selective schools, on average, take 85 percent or more of applicants. Some states—Pennsylvania not included—require state-supported schools to accept all in-state applicants. In 2021 enrollment at less selective public four-year schools fell 5.2 percent and 2.1 percent at the less selective private colleges.

In light of the low-quality ranking of the majority of PASSHE schools (in the US News ranking) it is reasonable to conclude that most of the schools are in the less selective category. That conclusion is confirmed by the fact that as of 2018, 86.8 percent of applicants to PASSHE

schools were accepted. The acceptance rate ranged from 96.9 percent at California to 73.2 percent at Slippery Rock. West Chester at 74.4 percent, Bloomsburg 76.8 percent and Millersville at 78 percent were the only schools below an 80 percent acceptance rate. Several schools were in the 90s along with California.

In a stunning setback, eight PASSHE schools had larger declines in enrollment than the national average drop of 5.2 percent at the less selective schools, and six of those were substantially bigger losses led by 12 plus percent declines at Clarion and East Stroudsburg and a 8.2 percent drop at Bloomsburg. These drops were much larger than the declines at competitive universities elsewhere. Six schools had losses that were about the same or lower than the national average drop with heavy enrollment losers in prior years Cheyney and Mansfield up slightly and Millersville down only 3.8 percent while West Chester slid marginally by 0.4 percent.

### Conclusion

In short, several of the same PASSHE schools that have suffered massive enrollment losses over the last decade are continuing their rapid decline. Inevitably, these schools will face more faculty and administrative and operation personnel cutbacks. Right-sizing to lower cost is a must. Resistance to mergers is understandable but not in the long-term best interests of the schools or their students.

Right-sizing to take into account enrollment losses will open up opportunities for better resources at the merged schools by reducing overhead and employee costs. PASSHE needs to work on better labor contracts that return more managerial decision making on to the presidents and deans—especially in the hiring, pay and promotion of faculty members. The system needs to organize the schools so as to eliminate duplication and have each school offer a couple of very strong attractive majors they become known for that will attract students.

The time has come to take bold actions in addition to the mergers that are underway.

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