



Beware of Broke 4-Year Colleges

News

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The article, “Beware of Broke 4-Year Colleges,” featured in *Campus News*, discusses the importance of asking questions and finding out about the business end of a college before committing.

Scott Schneider offered up three questions students should ask with regards to the viability of a school.

“About the viability of a school, I’d ask three questions: 1. what is your current enrollment and projected enrollment; 2. what is your discounted tuition rate; and 3. how big is your endowment and what percentage of the endowment is unrestricted funds? Those three items will tell you pretty much everything you need to know about the fiscal shape of a school and its long-term viability.

“There are short term and long term negative effects. Over the short term, the negative effects are pretty obvious: faculty and staff lose their jobs and there is considerable student disruption as students need to transition to other schools. One of the key long-term issues that the administration of a closing school should be concerned about is setting up some clearinghouse so that graduates can obtain necessary records. For example, it’s hardly unusual for prospective employers or graduate schools to request transcripts or verification of graduation. Schools that shut down can make life very complicated in these areas for graduates. Similarly, closing schools should work hard to ensure that current students can transfer as many credits as possible to their new institutions.”

To read the full article, please visit the [Campus News](#).

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