
FOR THE EXCLUSIVE USE OF HDENHAM@BIZJOURNALS.COM

From the Washington Business Journal:
<https://www.bizjournals.com/washington/news/2022/02/11/college-university-enrollment-fall-2021.html>

Cover Story

Class half empty? Fall enrollment held both ups and downs for local universities

Feb 11, 2022, 5:00am EST

Sanjay Rai has endured nearly 17 years of change at Montgomery College. But he's not seen nearly as much financial pain as the Covid pandemic delivered in its punch to his institution's fall enrollment.

Montgomery College's enrollment slid nearly 14% from 2020 to 2021, down to 17,285 students by its own count this past fall. It was a deeper decrease than the college had expected, said Rai, its senior vice president for academic affairs.



EMAN MOHAMMED / WBJ

A biology class at the Montgomery College campus in Rockville on Feb. 2.

But it's an outcome he shares with many of his collegiate compatriots.

Among Greater Washington's major colleges and universities, from George Mason to Georgetown, Maryland to Marymount, there were plenty of winners tallying more new and returning students than the previous year's start, according to the universities and, for some, their official annual enrollment submissions to the Department of Education. And that means more money in the bank.

But other institutions had a tougher go of it, whether they saw declines in just undergraduate or graduate rolls, or across the board. And the region's community colleges — whose student bodies include a greater representation of nonwhite students than the national average in higher education — struggled the most, leading to a slimming revenue stream.

"Community college enrollment is basically a barometer of social and economic conditions of a community," Rai said. "What is happening in our community regionally and nationally and also globally — the impact of the pandemic and economic uncertainties — they definitely have impacted our enrollment. The pandemic has impacted underserved students, undocumented residents, people of color. And it's no different for Montgomery County."

Financial ripple effects

For Montgomery College, this past fall is the first time its enrollment dipped below 20,000 in the past decade, capping a 18.7% slide from its most recent pre-pandemic total.

While annual fall enrollment is typically more drastic than spring-to-spring comparisons, there's a key reason for Montgomery College's more recent declines — more than half of its students have reported job loss or reduced employment through the pandemic, Rai said.

The college has ramped up its services in response. Across its Rockville, Germantown and Takoma Park campuses, it has expanded its offerings to include in-person, hybrid, distance learning and synchronous virtual classes, at various lengths, ranging between seven weeks and 15 weeks.

"We are trying to provide maximum flexibilities and options for our students," Rai said. "In uncertainties, students need maximum flexibility."

And students during the pandemic have needed more advising and counseling while navigating mental health struggles, all of which costs the college more as well, creating some financial friction, Rai said.

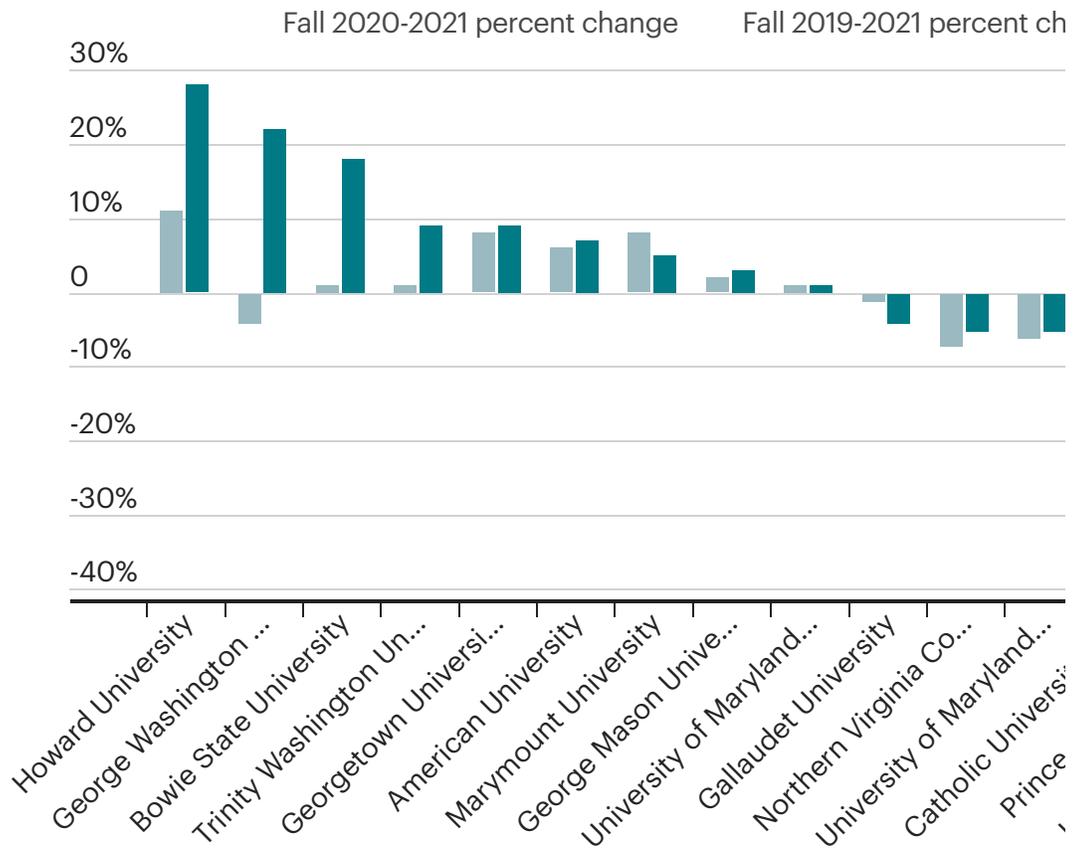
"Operational costs are not lowered just because of a decline in enrollment. We have to have the same level of services and more support for our students based on the impact of the pandemic on our students," he said. "We are trying to manage. We are trying to do more with less. All of our faculty, staff — everybody is stretched. They're doing more hours of work."

Student tuition and fees made up 26% of Montgomery College's revenue sources for the current fiscal year, starting July 2021 - a 3% decline from the previous two fiscal years, according to the college's board of trustees presentation from Oct. 18. In a Nov. 11 memo on Montgomery College's proposed budget for the fiscal year starting in July 2022, Chief Business/Financial Strategy Officer Liz Greaney wrote that enrollment declines were due to the pandemic, health issues, demographic changes, school competition and the labor market.

ENROLLMENT HIGHS AND LOWS

While many four-year institutions saw a boost in enrollment during the pandemic, colleges fared the worst year-over-year, and overall since 2019. Prince George's College saw the biggest year-over-year drop in 2021, but Montgomery College saw the biggest year-over-year drop since 2019.

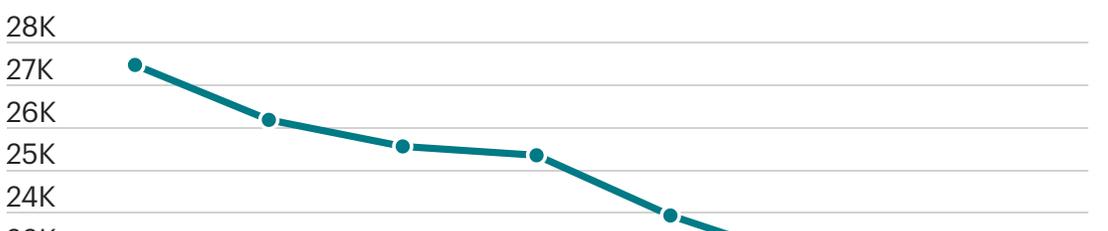
NOTE: Virginia Tech innovation Campus enrollment is not included in this chart below, as enrollment at the campus saw an 80% enrollment increase between fall 2020 and fall 2021.



SOURCE: National Center for Education Statistics

MONTGOMERY COLLEGE ENROLLMENT

For the first time in recent years, Montgomery College's fall enrollment dropped to 17,285 in 2021. It's been on a downward slide from before Covid, but the pandemic exacerbated things.





“The impact of enrollment decline is important to the projection of our student tuition and fee revenue, a critical budget resource,” Greaney wrote. “As of Sept. 30, 2021, the impact is an unplanned reduction in tuition and fee revenue of approximately \$7 million as compared to this same time last year. Our actions — how we recruit, admit and retain students — and our offerings will drive our enrollment in [fiscal 2023] and future budgets.”

As for operational costs at Montgomery College, utilities expenses are down, but the costs to convert to remote operations, as well as to provide support for students and staff, are up. And despite receiving federal aid through emergency relief grants for higher education, most of the funding expires before the end of June, ahead of the next fiscal year, Greaney wrote.

“It will not be possible for the college’s operating budgets to absorb the same level of spending as these grants have afforded us,” she wrote.

These issues are not exclusive to Montgomery College. Credit enrollment for Prince George’s Community College experienced the steepest decline from 2020 to 2021 compared with other D.C.-area colleges and universities — down a whopping 37% to 10,607 students this past fall, said spokeswoman Sonji Joyner.

“Similar to other colleges at this time, we’ve experienced a drop in enrollment,” Joyner said. “We are committed to providing the critical resources to support our students as we know these are challenging times. Currently, we are offering a \$250 incentive to students that are enrolled by Feb. 18, and we are currently looking at additional ways to support enrollment for summer and fall 2022.”

At Prince George’s Community College, student tuition and fees made up roughly 32% of the college’s budget in the current fiscal year and 34% in the last fiscal year, according to an April 11 county budget report. What’s proposed for the next fiscal year, which starts in July, is even lower, at roughly 30%, which the report, written by county budget analyst Arian Albear, links to the decline in enrollment.

The University of the District of Columbia’s fall enrollment dipped 12% from 2020 to 3,465 in 2021, part of an overall 17.5% drop-off since the fall of 2019. But even pre-pandemic, tuition and fees revenue for 2018 and 2019 had remained flat, accounting for nearly 18% of UDC’s operating budget, due to declining enrollment, per

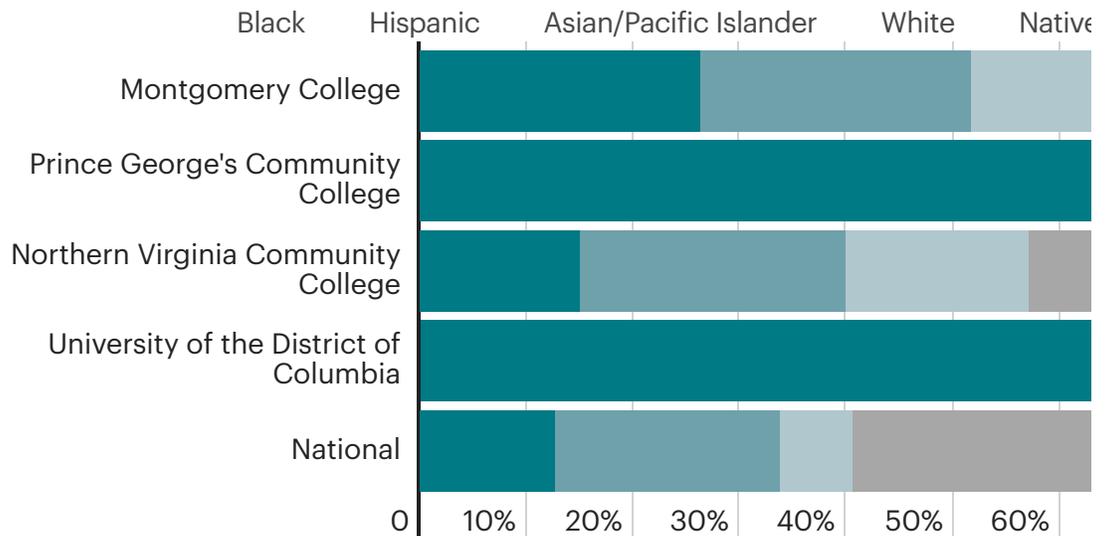
the school's most recently available budget proposal from late 2019.

Northern Virginia Community College's enrollment dip this fall is less drastic. It fell nearly 7% to 49,363 credited students from fall 2020, which was the school's highest enrollment since 2008, according to spokeswoman Hoang Nguyen.

But that doesn't include the institution's 12,697 dual-enrollment students, 1,219 students enrolled in noncredit or workforce courses, and 1,560 students who took placement tests, health care orientations and information sessions. The differentiation signals NOVA's growth in its offerings and options, such as part-time, hybrid and remote courses, for working students who need the flexibility, Nguyen said.

DEMOGRAPHIC BREAKDOWN

The region's community colleges, for the most part, enroll more student national average, making their student headcount all the more significant. Their enrollment fallout reflects the pandemic's disproportionate pain for communities of color.



SOURCE: Individual colleges, National

Pockets of growth

For the most part, however, fall 2021 represented a rebound for most of the region's four-year institutions.

Nine of the region's 17 major colleges and universities saw pandemic-era enrollment growth, driven in many cases by spikes in graduate enrollment — common in times of economic decline, as recent college grads and working adults face a shifting job market and opt instead to go back to school.

Bowie State and Howard universities, in particular, saw dramatic enrollment growth since 2019, fueled in part by a brightened national spotlight on issues of racial equity and advancement. Their hikes, coinciding with a rise in philanthropy, reflect a nationwide surge in enrollments for many historically Black colleges and universities.

Some nontraditional options, such as the University of Maryland Global Campus, found themselves in a unique position this year. The online school normally serves a strong cohort of students in the military, said spokesman Bob Ludwig. But he said the July launch of the U.S. Army's new tuition assistance portal was delayed for months due to technical glitches, resulting in fewer new and returning students registering this past fall.

UMGC reported a 4% dip in undergraduate enrollment to 45,100 students and a nearly 11% dip in graduate enrollment to 10,223 students, Ludwig said. That followed a slight uptick in enrollment the prior year.

"We saw an increase in students in fall 2020 as our online offering was positively impacted by the pandemic and students searching for online options," Ludwig said. "Fall 2021 enrollments softened as traditional colleges reopened."

The starkest growth last fall, by far, is that of Virginia Tech's innovation campus, though that's largely attributable to its low numbers to start as it ramps up operations — it reported 189 students this fall, up 80% from fall 2020, said spokesman Michael Stowe. Its graduate classes are temporarily operating out of a Falls Church site while its \$1 billion planned graduate campus is under construction in Potomac Yard, with an opening for its first academic building slated for spring 2024.

In all, the Blacksburg-based university saw a slight dip in its overall undergrad count, offset by an 8% uptick in its total graduate enrollment, Stowe said.

For many, the growth in graduate enrollment was a welcome boost. Trinity Washington University's fall enrollment had dipped just shy of 1% from 2020 to 2021's 1,439 undergraduate students but its graduate enrollment had increased 5% to 423 students, said spokeswoman Ann Pauley. Some of that was spurred, she said, by Trinity tapping federal funds to forgive student debts and offer student financial relief.

"We credit this to a return to in-person classes" for many of its academic schools, Pauley said. "Clearing student balances also made a positive difference, as did the distribution of emergency grants."

The national view

Nationwide, U.S. college and university enrollments have showed few signs of recovering from pandemic-related drops, according to a report last fall from the National Student Clearinghouse Research Center.

About 51% of institutions, representing 8.4 million students, reported that fall undergraduate enrollment declined 3.2% since fall 2020, echoing the previous fall's drop of 3.4%, according to the Clearinghouse.

That's led the overall number of undergrad students to drop 6.5% from two years ago in fall 2019. Graduate student enrollment, on the other hand, grew 2.1% from 2020, for a total increase of 5.3% over two years. Overall postsecondary enrollment declined 2.3% this past fall.

"Far from filling the hole of last year's enrollment declines, we are still digging it deeper," said Doug Shapiro, executive director of the National Student Clearinghouse Research Center. "A year and a half into the Covid-19 pandemic, we continue to see significant nationwide declines in undergraduate students, and community colleges remain the most adversely affected sector, experiencing a 14.1% total enrollment decline since fall 2019."

Indeed, nationally, community colleges continued to lose students at pace, falling 5.6% in fall 2021 from the prior year. In the fall of 2020, community colleges lost 9% of students. Public four-year colleges have so far reported greater enrollment declines than they did a year ago with losses of 2.3%.

One takeaway from the report that underscores the growing wealth gap within higher education: The most selective nonprofit public and private institutions are growing their student populations while less selective peers post declines. The most selective private institutions grew 4.3% to return to pre-pandemic levels while all other selectivity categories experienced further declines of 1.8% to 2.5% from 2020 to 2021, per the report.

Even primarily online institutions, which have reported some of the largest enrollment growth in recent years, reported year-over-year undergraduate and graduate enrollment declines of 5.4% and 13.6%, respectively, in fall 2021.

As for why this matters? Enrollment declines result in revenue losses for schools. Repeated years of enrollment declines can be existential for a tuition-dependent college with a modest endowment.

— Hilary Burns

Hannah Denham
Staff Reporter
Washington Business Journal

