

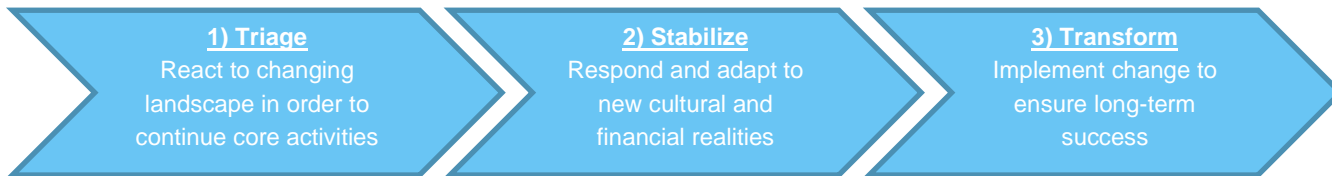
# Higher Ed COVID-19 Tracker

Findings Update – Wednesday, March 25th

Huron continues to aggregate and track the “actions” taken by 158 universities. An updated summary of data captured to date will be provided in an edition later this week. Today’s *Tracker* includes:

- Updates and New Findings
- Briefing – Education Stabilization Fund

## Updates and New Findings Align to These Stages



- A. [Defying the national trend of campus closures, Liberty University reopens to students \(USA Today\)](#)
- B. [Rapid move to online instruction poses risk of weaponizing faculty lectures \(Chronicle\)](#)
- C. [Fall enrollment impact has universities increasing acceptance rates \(WSJ\)](#)
- D. [Supply chain shocks will impact procurement operations \(Bloomberg\)](#)
- E. [Some indicators suggest coronavirus impact could be worse than Great Recession \(Chronicle\)](#)

### Triage: React to changing landscape in order to continue core activities

#### A. Defying the national trend of campus closures, Liberty University reopens to students (USA Today)

- Liberty University president Jerry Falwell Jr. has invited students to return to residence halls, even as classes move online. Gatherings in campus buildings, including a handful of classes still holding in-person meetings, are capped at 10 people in accordance with an order by Virginia Governor Ralph Northam. Dining halls are take-out only.
- Approximately 5,000 students are expected to return, and this decision has generated opposing views from faculty and staff.

#### B. Rapid move to online instruction poses risk of weaponizing faculty lectures (Chronicle)

- Some scholars are taking precautions against the risks of recorded lectures, particularly on controversial topics, by offering remote instruction alternatives.
- Risk mitigation by faculty – particularly those without tenure – comes as a number of radical political groups have asked students to report recordings of professors promoting biases in the classroom.

### Stabilize: Respond and adapt to new cultural and financial realities

#### C. Potential fall enrollment impact has universities increasing acceptance rates (WSJ)

- Students can expect less selectivity from colleges as institutions take measures to ensure they will have enough students come fall.

- With student forecast models in flux and admissions decisions looming, schools are admitting more students as a precautionary measure, and those particularly challenged are schools with sizable international student populations.

**D. Supply chain shocks will impact procurement operations (Bloomberg)**

- In the last few days, a supply chain crisis that began earlier this year with Chinese factories has spread into other industries that had weathered the impact until now. In terms of the impact on global production, the shutdown outside of China will likely become bigger than the impact from China.
- Procurement orders placed across certain sectors will take months to materialize, impacting availability of operating supplies from large to small and complex to basic.

**Transform: Implement change that will ensure long-term success**

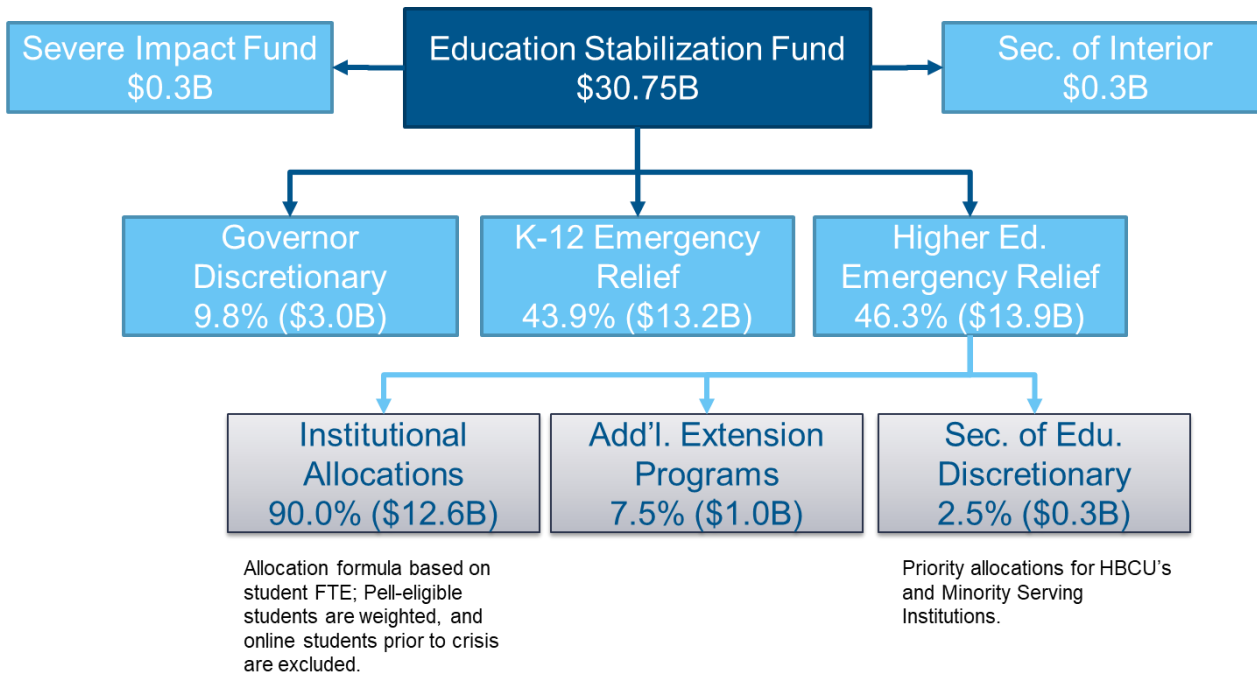
**E. Some indicators suggest coronavirus impact could be worse than Great Recession (Chronicle)**

- The primary tool for closing the revenue gap after the Great Recession was tuition price. This will be an increasingly more difficult lever to pull in the current economic, social, and political climate.
- Forgone university revenues combined with existing price sensitivity pressure could be the catalyst for drastic changes in academic and administrative cost structures across higher education.

## Education Stabilization Fund and Impact on Higher Education

Congress is set to pass an emergency appropriations bill in response to the coronavirus outbreak that provides over \$30 billion to the education sector, including almost \$14 billion in direct higher education relief.

The below graphic shows the allocation of the education stabilization fund as currently proposed:



Immediate takeaways from this proposal for higher education institutions include:

- 1) **Priority support for institutions serving Pell-eligible students and minority populations:** The plan's largest direct allocation to higher education (\$12.6B) will reach institutions through a formula allocation factoring two components.
  - 75% of the allocation is based on relative share of FTE enrollment of Federal Pell Grant recipients.
  - 25% is based on the relative share of FTE enrollment of non-Federal Pell Grant recipients.

Both allocations exclude students who were exclusively enrolled in distance education courses prior to the coronavirus emergency. Other components of the proposal (Secretary of Education discretionary portion) identify direct support for HBCU's, the Bureau of Indian Education and Minority Serving Institutions.

- 2) **Discretionary funding for state legislatures to allocate to institutions:** \$3 billion of the proposal will be allocated to state legislatures as discretionary funding for their resident education institutions. These funds will serve to support all types of education agencies, including higher educations.
- 3) **Discretionary funding for severely impacted institutions:** \$300M in education funding is earmarked for states with the "highest coronavirus burden." This is also presumably discretionary funding, and further allocation criteria is not immediately available.