

PRESS RELEASE
New England Commission of Higher Education

The New England Commission of Higher Education (NECHE) will pilot an enhanced process to monitor the financial condition of independent and for-profit colleges and universities in Massachusetts. The process will incorporate financial and enrollment data for a dashboard with threshold values that trigger a more intensive review potentially leading to adverse action if warranted. NECHE is the regional accreditor for 224 institutions of higher education in the six New England states.

Since Mount Ida College announced in April 2018 it would close at the end of that semester, NECHE has worked to strengthen its review of financially fragile institutions and ensure that all governing boards understand their responsibilities with respect to monitoring the institution's finances. NECHE has partnered in that effort with the Boston Consortium for Higher Education, a group of chief financial officers from 17 greater Boston colleges and universities. Assisted by Roger Goodman of the Yuba Group, the Boston Consortium's recommendations include an enhanced methodology for financial monitoring and screening of institutions of higher education.

At its retreat meeting on May 31, NECHE voted to pilot this methodology, starting with independent and for-profit institutions of higher education in Massachusetts. If the pilot is successful, the Commission will consider how to expand reviews beyond this pilot group.

Also, the Boston Consortium, assisted by Anne Ogilby of Ropes & Gray in Boston, has developed recommendations related to the fiduciary responsibility of governing boards with respect to financial viability. NECHE will use the information to develop a policy to be considered in September, which would be then circulated to the membership before adoption.

For over 25 years, NECHE has reviewed financially fragile institutions through its Annual Report on Finance and Enrollment Committee. The above pilot will strengthen that process.

"The Boston Consortium for Higher Education has been pleased to collaborate with the New England Commission of Higher Education in the development of a package of comprehensive and robust recommendations to improve financial governance and oversight of independent higher education institutions," noted Richard Hisey, Chair of the Board of the Boston Consortium and Chief Financial Officer at Berklee College of Music. "We believe these measures will ultimately lead to better outcomes for students."

"With a combination of financial training for college trustees and an expanded reporting and review process, the proposal from the Boston Consortium positions NECHE to ensure stronger safeguards for students along with support for institutions to identify, monitor, and strategically manage their resources," said Mary-Beth Cooper, Board Chair of the Association of Independent Colleges and Universities in Massachusetts and President of Springfield College.

Further information may be found at:

New England Commission of Higher Education: <https://www.neche.org>

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