January 25, 2021

California Congressional Delegation

Subject: Inclusion of Nonprofit Higher Education in New COVID-19 Relief Package

Dear Member of the California Congressional Delegation:

On behalf of the Association of Independent California Colleges and Universities (AICCU), I respectfully request that Congress ensures that independent, nonprofit higher education institutions are included in the next COVID-19 relief package. President Joe Biden Administration’s recently proposed his COVID-19 relief package, including $35 billion for higher education. We are deeply distressed and disappointed that the outline includes all public colleges and universities, but excludes the majority of the nation’s independent, nonprofit institutions. The virus does not distinguish among types of colleges nor students, and neither should our unified national fight against it.

Our 85 institutions are located throughout our great state and offer tremendous regional access to aspiring college students. The independent, nonprofit college and university sector is a critical partner to the state’s economic development and workforce pipeline. We educate over 379,000 students, including 199,000 undergraduates. The undergraduate students we educate come from many different backgrounds and experiences, including:

- 28,000+ Cal Grant recipients and 57,000+ Pell Grant recipients.
- 71% of these undergraduates are California residents.
- 5,100+ new California Community College students annually; and
- 32,000+ adult learners.

Since the onset of the COVID-19 pandemic in March, independent, nonprofit colleges and universities across the state pivoted quickly to educate our students safely, conduct critical research and healthcare services, protect our faculty and staff, and support our communities during this unprecedented public health challenge. These efforts have been repeatedly challenged by the shifting public health situation and, by a significant decline in the resources available to institutions, coupled with the massive new expenses that our campuses incurred to support the shift to digital learning, ensure retention of students through increased services, and changes to the campus infrastructures to prioritize public health.

While the support colleges and universities and our students received through the CARES Act and the Coronavirus Relief and Response Supplemental Appropriations Act (CRRSAA) was helpful and appreciated, the scope of financial duress has only grown. The American Council on Education estimated the minimum need of higher education across the country, due to the ongoing and increasing costs due to the pandemic and response to it, is $120 billion.
Enrollment
In November 2020, AICCU released a research brief outlining the impacts of COVID-19 on enrollment at independent, nonprofit colleges and universities in the state. The survey, completed by 56 institutions that collectively enroll 91% of undergraduates attending AICCU institutions, revealed significant disruptions in the enrollment of students during the COVID-19 pandemic. Additionally, 90% of institutions reported increased summer melt of new students compared to last year, with many reporting that the upticks were unprecedented.

Financial Costs
This spring, the immediate economic losses to institutions resulting from room and board refunds exceeded an estimated $180 million. Additionally, based on responses provided by institutional chief financial officers, we estimate additional losses of approximately $1 million per institution due to lost revenue from summer activities such as facility rentals, sports camps, and other summer programming.

The financial challenges have continued into the current academic year, with institutions projecting significant budget challenges. These include estimated budget shortfalls of $40 million at the University of San Diego, $15.5 million at the University of La Verne, $30 million at Occidental College, and $12.3 million at Harvey Mudd College. These shortfalls do not factor in significant costs incurred to make various health and safety upgrades, which can run in the millions of dollars. For example, Chapman University spent $8.3 million on such upgrades, including $1.65 million for testing, $350,000 for ventilation updates, and $200,000 for washable masks for students.

Our Institutions and students will face ongoing financial and related challenges for several years. Like our public higher education counterparts, small businesses, and so many industries, we need your continued support to weather this pandemic. Every dollar counts. Every dollar makes the difference whether our students persist to their degree completion and, for many, whether they will even go to college. California’s independent, nonprofit institutions are deserving of equal support. We truly serve the public good and are trusted community partners. We seek your continued support. It is together that we will combat this disease and ensure all of our treasured higher education institutions and our students are supported and equipped to meet this epic challenge.

Sincerely,

Kristen F. Soares