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Downloaded on 10/19/2017

Colleges and Universities Pool Resources to Curb Costs

October 18, 2017 | :
by Timothy Pratt

ATLANTA — A business major at Clark Atlanta University, Delaina Mims said she spends at least eight hours a day at the Robert W. Woodruff Library.

“It’s a good space and it’s better than being by yourself,” said Mims, who had just met up with three of her friends near the library’s outdoor promenade, which students call “Club Woody” because at night students sometimes play music there.

Mims can mingle here with fellow students not only from Clark, but also from nearby Morehouse and Spelman colleges and the Interdenominational Theological Center. That’s because all four schools share the library.

Three of the four belong to the Atlanta University Consortium, a nearly 90-year-old alliance under which these neighboring colleges and universities plus the Morehouse School of Medicine jointly offer services and space. It’s a model other schools are increasingly considering, to help reduce the rising costs of doing business by leveraging purchasing power and collectively operating everything from shuttle buses to security and from course offerings to classroom space.

“Working together, we can raise productivity and lower out-of-pocket expenses,” said Dr. Ronald A. Johnson, Clark Atlanta’s president.

Efforts to build alliances like this are especially growing among smaller private colleges that are heavily dependent on tuition and whose revenues and enrollment have stalled.

The [Higher Education Systems and Services Consortium](#), which encourages collaboration among private colleges to reduce costs, has grown from five members to nearly 100 in the three years since its founding, said Keith Fowlkes, the consortium’s cofounder and vice president.

“Smaller, private institutions have long thought they could do things on their own,” Fowlkes said. “Now that many are seeing deep budget cuts, they’re seeing sharing resources differently.”

More than half of small, private colleges lost or failed to gain students last year, according to the National Association of College and University Business Officers. The number of private, nonprofit colleges eligible to award federal financial aid declined last year by 33, the U.S. Department of Education reports.

Doing such things as purchasing collectively can save these institutions up to 25 percent on such pricey goods as energy and software, Fowlkes said.

He said many still resist abandoning their independence. But for some, money problems have become so critical that they may no longer have the choice. Three or four have dropped out of his consortium because they couldn't even afford the \$500 membership fee, Fowlkes said.

Such financial struggle is the major reason Michael Thomas, president of the New England Board of Higher Education, said he expects to see far more schools begin exploring such collaborations.

"Nothing opens up an institution to the possibilities of change like a crisis," said Thomas, who wrote a paper on the topic for the think tank the TIAA Institute.

There are too many universities and colleges vying for a stagnant supply of students, Thomas said. Many of those should "run and not walk" to establish partnerships.

Working together can also improve services to students, according to administrators at colleges that already do it. The Atlanta schools, for instance, get a far grander library by sharing the cost than they could afford individually, said Loretta Parham, the Woodruff Library's director.

"For what they pay on an annual basis, each school could not have 200,000 square feet and a collection of 1 million items," Parham said.