

New Fund Encourages Institutions of Higher Education to Pursue Partnerships and Collaboration

Transformational Partnerships Fund Aims to Help Colleges and Universities Hardest Hit by Economy and COVID, Prioritizing Institutions Serving Students of Color and Other Underserved Populations

March 17, 2021 (New York, NY) – As institutions of higher education adapt to the pressures brought on by a slow economic recovery, COVID-19, demographic and technological changes, and other factors affecting revenues and enrollment, a new fund launching today aims to help them better serve students through the exploration of partnerships and collaborations.

The [Transformational Partnerships Fund](#) (TPF) will provide colleges and universities support to explore student-centric partnerships and collaborations that could meaningfully transform how they operate and enhance their ability to provide reliable, high-quality educational opportunities for students. TPF will consider partnerships in all forms, ranging from mergers to shared administrative services and consolidated academic offerings.

The new fund was established by [ECMC Foundation](#) and [SeaChange Capital Partners](#), with additional founding support from [Ascendium Education Group](#) and [The Kresge Foundation](#). It is also supported by [a group of advisors](#) with deep, relevant experience in higher education.

“Institutions of higher education face a complex set of financial, technological, political, social and demographic challenges that have intensified significantly over the last decade,” said Lynn Alvarez, ECMC Foundation’s vice president of programs and strategy. “Focusing on revenue and enrollment fails to address the fundamental changes required to transform educational business models in ways that will sustainably drive student success and social mobility. One way to achieve greater organizational effectiveness without losing sight of student needs is to enter into transformational partnerships with other institutions.”

To qualify for support from TPF, one or more of the participating institutions must serve a student population that is at least 25 percent persons of color and/or where 40 percent meet the financial criteria for Pell eligibility. The partnership should also be expected to produce materially better academic outcomes for students attending one or more of the institutions.

“The Transformational Partnerships Fund supports institutions interested in exploring creative solutions that could fundamentally transform how they operate, for the benefit of students and schools alike,” said Nadya Shmavonian, a partner at SeaChange, the New York-based nonprofit that will manage TPF. “When eligible academic institutions want assistance navigating these unique times, we can help identify third-party experts equipped to assess their needs and guide them toward collaborative partnerships that deliver long-term stability.”

Colleges and universities collectively [enrolled about 560,000 fewer undergraduates](#) in the fall of 2020, a 3.6 percent decrease from 2019, according to December 2020 data from the National Student Clearinghouse Research Center. Losses were steepest at community colleges and among first-time students, including many students of color. Nineteen percent of all Black students currently enrolled in college or university are attending an institution that is at risk of failure, according to [The College Stress Test](#) (Johns Hopkins University Press, 2020). TPF seeks to help those schools thrive through partnership.

"Our institutions are increasingly intrigued by the potential of partnerships, but taking the first step is hard," explained Belle S. Wheelan, president and CEO of the [Southern Association of Colleges and Schools Commission on Colleges](#). "It is wonderful that philanthropic funders recognize the importance of helping them and have established the Transformational Partnerships Fund to do it."

"We believe partnerships and collaboration can provide important relief for institutions to ensure students continue receiving high-quality education and support services in the face of fundamental change," said Amy Kerwin, vice president of education philanthropy for Ascendium. "No college administrator wants to cut academic offerings or reduce student services. TPF allows for the exploration of alternatives, steering schools toward options that will improve the way they operate, for the benefit of students and institutions alike."

"Many institutions, especially those serving high numbers of students of color or Pell grant recipients, faced stiff financial challenges before COVID, which has only exacerbated these issues," said Bill Moses, Kresge's managing director, Education Program. "We hope TPF will allow colleges to find new ways to navigate these difficult times to ensure their long-term sustainability and missions on behalf of students."

According to TPF's organizers, higher education institutions are increasingly open to this approach. Options include full or partial mergers; sharing of facilities and infrastructure, co-curricular offerings and student services; or business/administrative consolidations. Many institutions have limited experience building such alliances, however. Partnership explorations in academia can be complicated by the competitive market, the role of alumni, the centrality of location and facilities, and a complex regulatory framework.

To meet this need, the Transformational Partnerships Fund offers a safe, confidential space for leaders of eligible institutions to consider strategic partnerships, and seed grants to support those explorations. Experts will advise them on the continuum of potential options and help them identify the third-party resources best suited to their unique needs.

Catalytic grants (up to \$100,000 per exploration) will be available to help the schools engage technical assistance providers knowledgeable in law, finance, governance, fundraising, human resources, or other related fields. TPF will also provide free access to relevant resources collected from its advisors, its network, and other third-parties. Institutions seeking assistance can approach the fund with the assurance that all discussions will remain confidential.

With an initial budget of \$2.5 million, the Transformational Partnerships Fund envisions serving as many as 20 pairs of institutions over its first three years, according to SeaChange. TPF has the capacity to expand the offering if the need arises during this period. TPF welcomes all inquiries from institutions of higher education, and more information is available at www.higheredpartnerships.org

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