



# Mergers and Partnerships Best Practices

(Open only to currently serving college  
and university presidents)



The Council of  
Independent Colleges

ENGAGING  
COMMUNITIES

2025 Presidents Institute

January 4-7, 2025 ● JW Marriott San Antonio Hill Resort & Spa ● San Antonio, Texas



# Thank you to our sponsor





# Presenters

**Sandra J. Doran**, President, Bay Path University (MA)

**Katherine Fell**, President, University of Findlay (OH)

**Neil Lefkowitz**, Partner, Loeb & Loeb LLP

**Krista L. Newkirk**, President, University of Redlands (CA)

**Jane M. Wood**, President, Bluffton University (OH)



University of Findlay®  
Bluffton University®

Strong Roots. Brighter Future.

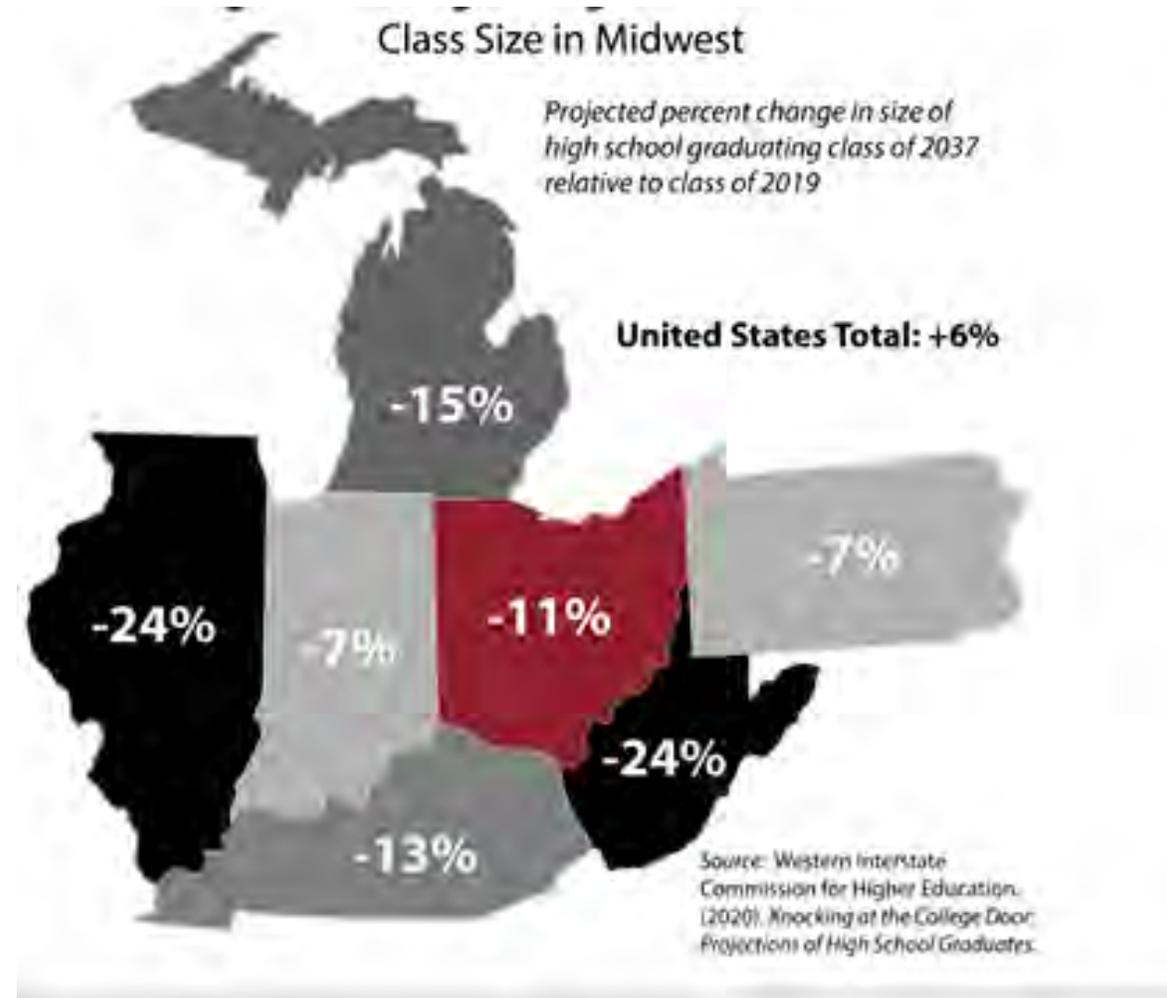
# Council of Independent Colleges

January 2025

# Higher Ed Landscape

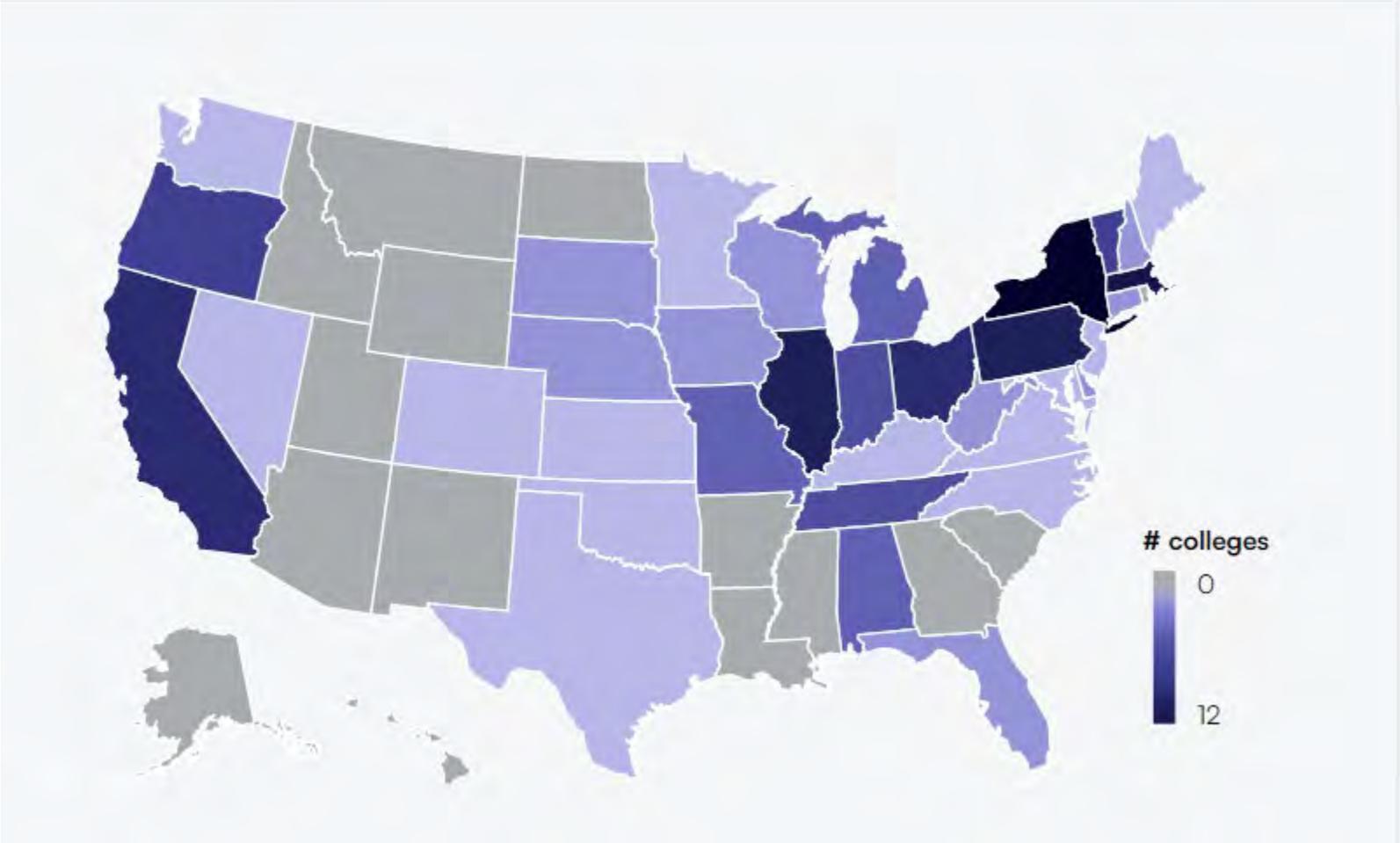


# Enrollment Cliff



**Strong Roots. Brighter Future.**

# College Closings and Mergers by State



# Reasons for Institutions to Merge

- Income (a new cash flow stream)
- Asset leveraging (generate cash and operate more efficiently)
- Access to programs or capabilities that would be difficult to acquire without a merger
- Access to geography (establish a new location, e.g. enter a rural or urban area)
- Reputation or brand enhancement

# Bluffton University



# University of Findlay



# Academic Offerings

## University of Findlay

- Animal Science
- Pharmacy
- Physician Assistant
- Physical Therapy
- Occupational Therapy

## Bluffton University

- Nutrition and Dietetics
- Master's in Nutrition and Dietetics
- Master's in Social Work
- Speech-language pathology, and audiology
- Pre-physical therapy

**Strong Roots. Brighter Future.**



# Collaboration, not Competition



**Strong Roots. Brighter Future.**



# Vision Statement

Produce a successful merger outcome that honors heritage, optimizes efficiencies, elevates innovation, and above all, enhances the lives of students.



University of Findlay<sup>®</sup>  
Bluffton University<sup>®</sup>

Strong Roots. Brighter Future.

# Timeline: Phase One



**Interim Period:** Waiting for Federal Approval

**December 2025:** Change of Control

**November 2025:** Application reviewed by HLC

**May 2025:** Application filed to HLC

**March 20, 2024:** Public announcement is made.

**March 19, 2024:** Memorandum of understanding is signed.

**February 2024:**  
Boards of Trustees at both institutions vote unanimously in favor of pursuing a merger.

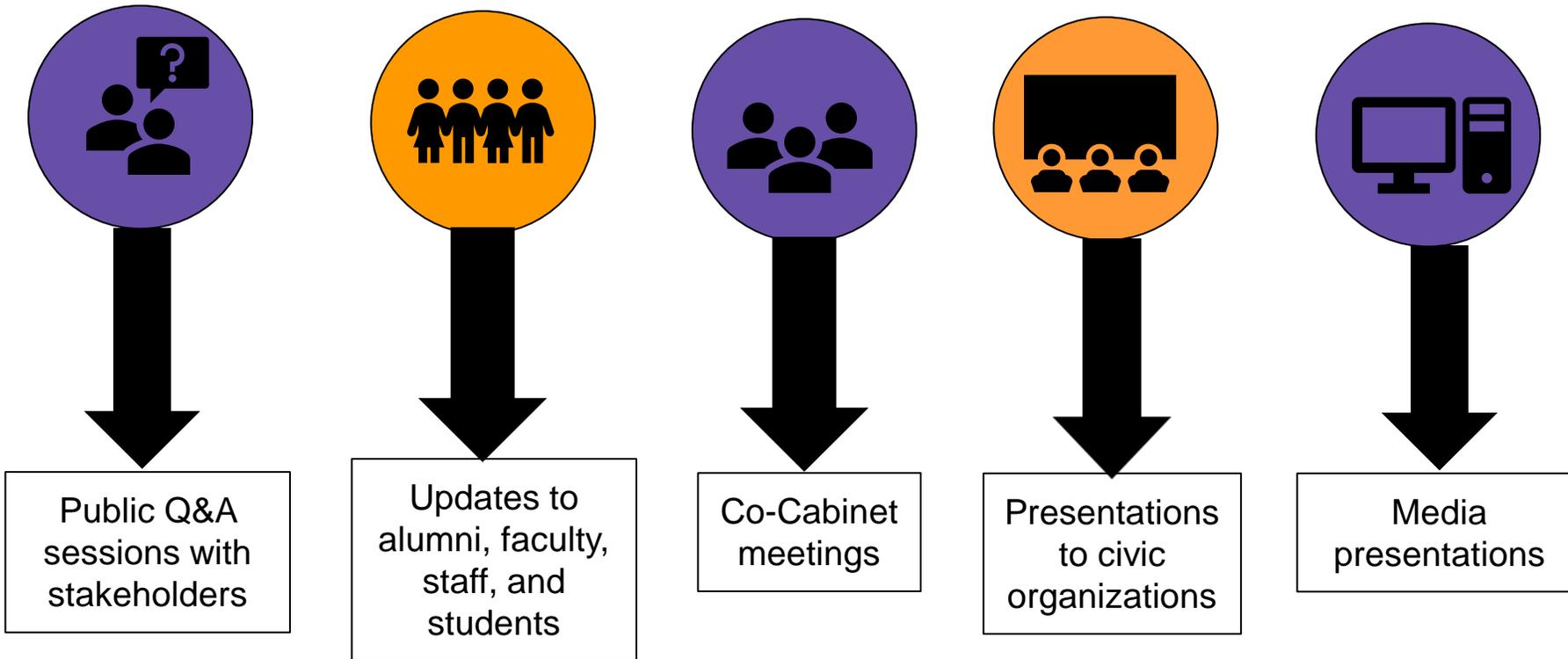
**Fall 2023:**  
Grant-funded, third-party review supports moving forward with merger.

# Examples of Merger Costs

- ❖ Due Diligence (3<sup>rd</sup> Party)
- ❖ Legal Fees
  - ◆ MOU
  - ◆ Definitive Agreement
- ❖ HLC Costs
- ❖ Financial Proforma Fee



# Ongoing Communication



 bi-weekly merger updates

# Transition Team Executive Summary

## **Meet regularly**

Academic Affairs  
Faith and Culture  
HR Faculty  
HR Staff  
Regulatory Compliance  
DEI  
Student Services  
Policy & Shared Governance

## **Meet as needed**

Advancement  
Athletics  
Enrollment Mgmt.  
ITS  
Institutional Branding  
Facilities Services  
Financial & Legal  
IR & Program  
Accreditation

# Building cross-campus culture





University of Findlay®  
Bluffton University®

Strong Roots. Brighter Future.

**For more information:  
[www.findlayblufftonfuture.com](http://www.findlayblufftonfuture.com)**

# CIC 2025

## Mergers and Partnerships



Before you begin to seriously consider a strategic partnership, including, but not limited to a merger or acquisition...

- Do you have a strategic plan in place and a vision that supports your aspiration for a strategic partnership?
- Is your Board of Trustees thinking with you and aligned with you and your institutional priorities?
  - If not, what steps will you need to take to educate your board on the context for your institution?
  - If yes, there will still be important preparatory work for you and your board.
  - What is your time horizon for decision making?

# RECENT MERGERS

- San Francisco Theological Seminary in 2019
  - Marin County
  - 13-acres
  - 1871
- Presidio Graduate School –  
Change in Control in June  
2023



UNIVERSITY OF REDLANDS



## Woodbury University – Change in control in June 2024

- Burbank/Los Angeles  
– 22 acres
- 1884
- 850 students
- Architecture; Interior,  
Fashion, Graphic,  
Game Design;  
Filmmaking; Business



UNIVERSITY OF REDLANDS



# CHANGE MANAGEMENT

# DATA-DRIVEN DECISION

## • **Conservative Calculations:**

- Transition and integration costs – add >10% to estimate
- Long-term joint operating costs
- Consider debt impacts
- Wall-off risk with corporate structures
- Consider separate and joint Financial Responsibility Composite Score
- Long-term financial positioning
- Worst-case scenario development and mitigation

## **Strong pro-forma:**

- Make it conservative and plan for retention and recruitment challenges at first
- Revise during due diligence – let it guide choice

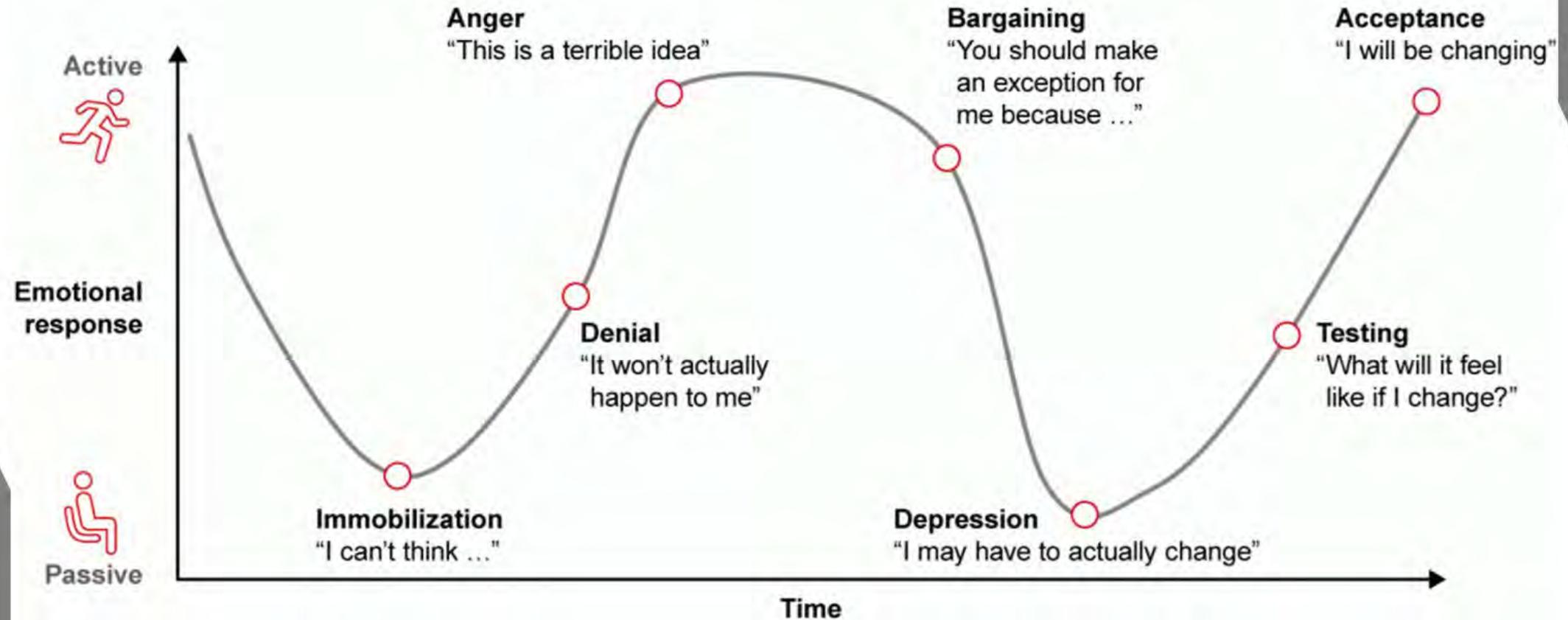
## **Collaborate with Accreditor & ED:**

- Con: two-step process challenges efficiencies, effectiveness, and messaging
- Pro: creates time for integration and change management

# THE CHANGE MANAGEMENT ROLLER-COASTER



## Stages of resistance from negatively perceived change



Source: Kübler-Ross Grief Curve



## COMMUNICATION

- Regular Interactive Forums, Open Office, and Updates:
  - Students
  - Faculty
  - Staff
  - Alumni
- Prospective Students & Families



## TEAM BUILDING

- Events to bring people together
- Presentations – students and faculty
- Develop new Direct Reports/Cabinets
- Faculty Engagement
- Staff Interactions
- Understanding and sharing culture
- Scrum teams



## ORGANIZATION INTEGRATION

- Naming
- Board restructuring
- Leadership
- Reporting Lines
- Technology
- Sharing Services
- Onboarding employees
- Shared Governance:
  - Faculty Governance
  - Staff Associations
  - Collective Bargaining
  - Student Orgs

# BUILDING A NEW UNIVERSITY

- Shared values guide decisions are agreed upon at the beginning
- Avoid winner-loser and acquirer-acquired approach
- Balanced approach and facts drive decisions
  - Be careful of biases, fear-driven decisions, and sunk cost fallacy
- Change includes grieving and dreaming – leaders must empathize and create a vision
- Use Board and alumni when and where appropriate – subject matter experts, advisory panels, champions, fundraisers
- Learn from each other and find the best pathway



# Mergers and Partnerships Best Practices



The Council of  
Independent Colleges

ENGAGING  
COMMUNITIES

2025 Presidents Institute

January 4–7, 2025 ● JW Marriott San Antonio Hill Resort & Spa ● San Antonio, Texas



# Two-Step Merger Process

- What is the two-step merger requirement?
- Why does the two-step process exist?
- How long does it take to complete each step?
- What is the preferable first step?
- What happens between the first and second steps?
- How have institutional accreditors revised their substantive change, change of control review processes?
  - Planning tips for federal and state grants



# Legal Agreements

- Confidentiality Agreement
- Letter of Intent or Memorandum of Understanding
- Retention Agreement
- Definitive Agreement: Merger or Asset Purchase Agreement
- Employment Agreement



# Legal Agreements (continued)

- Shared Services Agreement
- Amended and Restated Bylaws
- Requirements under tax-exempt bond indentures
- Real property transfers



# Alternatives to Merger or Asset Acquisition

- Course Share Agreement
- Shared Services Agreement
- Consortium Arrangement
- Affiliation Agreement
  - With or without member addition or substitution
- Teach-Out



# Due Diligence

- Important to receive specific due diligence requests early
  - Significant workstream to collect, digitize and organize information
- Electronic Data Room
  - Importance of secure site
  - Care in what materials are uploaded
- Project management tools for data room contents
- Periodic calls to monitor due diligence progress

## Project Management

- Multiple work streams with points of intersection
- Prescriptive deadlines for regulators and accrediting bodies
- Time and Responsibility Schedule is critical
  - Desirable to detail actions on a weekly basis and allocate responsibility
  - Schedule will be revised from time to time
- Regular, periodic meetings to facilitate communication and problem solving

# The Council of Independent Colleges

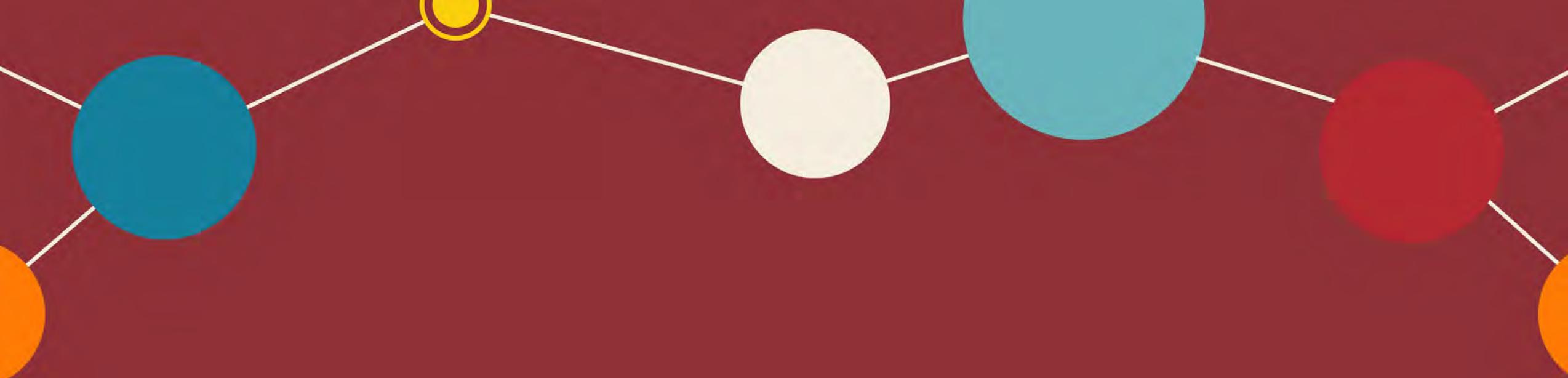


## CIC's 2025 Presidents Institute

### Mergers and Partnerships Best Practices

#### Resources

- Ricardo Azziz, *et al.*, *Strategic Mergers in Higher Education* (Johns Hopkins University Press, 2019).
- Mark La Brouche, *Inside College Mergers* (Johns Hopkins University Press, 2024).
- Ricardo Azziz, *et al.*, *Leading Existential Change in Higher Education: Mergers, Closings and other Major Institutional Restructurings* (Johns Hopkins University Press, 2025)
- United States Department of Education, Electronic Account ID: General 22-70, *Updated Guidance and Procedures for Changes in Ownership*, September 15, 2022.
- AJ Prager and Neil Lefkowitz, *Higher Education and the Two Step Process*, Higher Education Partnership Journal, December, 2024.
- Imed Bouchrika, *Trends in College and University Consolidation: Closures, Mergers & Takeovers in 2024*, [research.com/universities-colleges-trends-in-college](https://research.com/universities-colleges-trends-in-college) and [university-consolidation](https://research.com/university-consolidation).
- The Change Leader, Inc., *Mergers and Acquisitions in Higher Education*, [changeinhighered.com/mergers-and-acquisitions-in-higher-ed](https://changeinhighered.com/mergers-and-acquisitions-in-higher-ed).
- Huron Consulting Group, *The Paradox of Higher Ed Mergers and Acquisitions*, [huronconsultinggroup.com/insights/paradox-for-higher-ed-mergers](https://huronconsultinggroup.com/insights/paradox-for-higher-ed-mergers).



# Q&A



The Council of  
Independent Colleges

**ENGAGING  
COMMUNITIES**

**2025 Presidents Institute**

January 4–7, 2025 ● JW Marriott San Antonio Hill Resort & Spa ● San Antonio, Texas



**Thank you for participating  
in this session!**

