

¶In the United States one with money
can own a college.

COLLEGES FOR SALE

WANT to buy a college? You can pick up one cheaply right now. Dozens are available—men's colleges, women's colleges, coeducational Schools—liberal arts, technical, professional; urban, suburban, rural; campus or non-campus; church, group, or singly controlled. Would you prefer a large or small college? One in the East, the South, Midwest, or the Pacific Coast? How much? Well, prices start at \$20,000. Most of these institutions have endowments, too, and in some cases these amount to as much as a quarter of a million dollars—all included in the original asking price.

Is there something new and significant about this? Is it the result of the depression, of the political situation, of some fundamental flaw in education? Not at all. Privily and regularly colleges have been bought and sold for many years. The traffic, however, has been so covertly conducted that the public seldom hears of it.

Have you ever seen a news release which, in theme, ran more or less like this? It often means that the college has a new owner:

"The Board of Trustees of Compson College has accepted the resignation of Mr. Trubert Adams, Treasurer of the college, and has appointed Mr. Frederic Curmer to the expanded position of Treasurer and Comptroller. President Norton announced today that the alumni endowment drive, which has been in progress for the past three years, completed and exceeded its quota a few days ago with the receipt of an anonymous gift of \$85,000. Work on the projected dormitory and science hall may begin in June."

When one investigates the business of buying and selling colleges he is struck by the splendid lack of a spirit of commercialism in the enterprise. There is no talk of money to be made or other selfish ends to be gained. The entire affair is conducted on a high plane with many a reference to "opportunities for broader service," "important contributions to the advancement of education," "improved facilities for the molding of tomorrow's citizens," and so on.

There are approximately seventeen hundred collegiate-grade schools in the United

States and its possessions today. Not more than half of them, however are listed in the standard reference books.

Of the officially-listed colleges and universities, at least 60 per cent will probably never change hands. They are nationally or state supported, or are so heavily endowed by alumni and friends that only a collapse of the country at large could bring them to the block. But among the remaining three hundred odd colleges, there are some dozens of institutions which are definitely purchasable. They are either openly for sale, quietly nosing about for a buyer or secretly—almost pathetically—hoping to be approached by some clairvoyant trader.

Forty or fifty such colleges are available annually. Most of them have a respectable patina of age. All grant state-approved degrees and are equipped with buildings, faculty, students, and, in many cases, sizable endowments. The top price for the very best (and it is an excellent one) is around a quarter of a million dollars. The lowest figure is twenty thousand and for that the buyer can pick up a thirty-year-old, degree-granting college in the East with a comfortable building, equipment, faculty, and some two hundred students. The owner is old, ill, and ready to retire.

And the college is making money!

But why are colleges for sale? Probably the first reason is lack of adequate operating capital. Yet this accounts for less than half of the currently offered institutions. There are other explanations. For example, certain church-owned colleges are privately for sale these days because the sects which have maintained them have either begun to disintegrate, have merged with other sects, or have decided to put all their effort into keeping the church itself alive. Some colleges are on the market because their owners, like that of the eastern college previously mentioned, wish to retire and cannot afford to hand over their institutions gratis to the alumni or board of trustees. Other schools can be bought because the person or persons controlling them merely wish to go into a different kind of business. A few colleges have actually come to the auction block when the process of normal sale has been complicated by mortgages, restricted endowment, and so on. Finally, certain colleges appear in the must-sell columns when the heirs of the deceased owner wish to turn his estate into cash.

How is a college sold? True, it cannot be vended as casually as the ordinary business because an educational institution is ra-

ther more complex in its set-up and operations. The average collegiate-grade school granting degrees is a state chartered institution usually incorporated not for profit. It must, therefore, be conducted by a non-salaried board of trustees, and must yearly plow back its returns. Besides this, the standard college charter is implemented with certain safeguards against commercial exploitation. Such a formidable array of apparent difficulties would make the layman sheer off from any attempt at purchase.

But these troubles are simple to surmount. The potential purchaser will be told that by "giving" a specified amount of money to the college, he will be appointed to a salaried post in the institution; he will be made chairman of the board of trustees, and guaranteed the privilege of replacing the present board with a straw one of his own choosing; finally he will be presented with a life contract which carries in it a provision that his heirs and assigns will be continued on salary while they wish to be employed in the institution for a period not to exceed twenty years.

Thus the "buyer" becomes actual if not titular owner of the college, can fix his income at any figure the traffic will bear, and can do as he pleases thereafter.

All this, of course, concerns the college incorporated not for profit. With the profit-taking school the problem is no different from that encountered in the disposition of any normal business.

How is a buyer found? There are several different methods. The seller may turn to an agency—School Promotion Associates in New England, the National Bureau of Private Schools in New York, the Slack Agency in the South, Carroll in Chicago—there are a half dozen or more across the country. He may advertise the college for sale—naturally, not by name. He may, through teachers' agencies seek out someone eager to invest. He may advertise the presidency, or he may boldly ask the alumni to form a purchasing corporation.

Who wants to buy a college? Well, college professors usually do but can seldom raise the money. Radical groups, these days, are slyly acquiring educational institutions here and there whenever they can conceal their purposes well enough. Lawyers and publishers take a fling at college ownership—lawyers especially, because they have found that such a medium, properly handled, can become valuable politically. A few physicians have bought colleges. Many retired government officials, who wish to impress their

identity upon a locality, continue to be an influence on the community, and die heavy with honors, have frequently, if quietly, purchased snug college berths for themselves.

Colleges for sale—where? Well, there are two in New England, fully-equipped, well-established, and running satisfactorily. They can be bought reasonably. In New York, Columbia University is embarrassed by two of its schools—New College, and Bard which used to be St. Stephens College at Annandale-on-Hudson. Months ago the authorities announced that Bard would not reopen last fall. It did, however, but it seems likely now

that Columbia would prefer to get rid of it. New College is \$35,000 in the red and unless its alumni, professors, or friends take it over, it will be discontinued.

A college is a good investment, according to the record of past transactions. The buyer usually gets a minimum of six per cent on his money, is assured a comfortable income which, in some cases, has amounted to fifty thousand dollars a year, and knows that his business is above reproach. For the man who wishes to combine service and commerce in a career, there's nothing quite like owning a college.—*Trentwell Mason White, condensed from the Commentator.*