

Goddard College

Office of the **President**

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To Vermont Attorney General Charity Clark;

This Notice is provided pursuant to 11B V.S.A. §12.02(g) in connection with the closure of Goddard College (“Goddard” or the “College”) and the transfer of its campus and other assets in connection with the College’s anticipated dissolution.

Goddard was founded in 1938 as a small, rural college focused on progressive education. Over the decades of its existence Goddard has been a leader in progressive education, student and faculty activism and a hub of intellectual life in Central Vermont. The College’s financial challenges over that last decade have mirrored the experience of institutions of higher education generally due to an overall demographic decline in college-aged students in the United States and the Northeast in particular. This demographic decline was exacerbated by rising concerns about the cost of college education and mounting skepticism that liberal arts programs, like Goddard’s, would lead to gainful employment. Moreover, Goddard’s accrediting agency, the New England Commission on Higher Education, expressed concerns, both before and during this period, about whether Goddard could continue to meet accreditation criteria demonstrating sufficient enrollment or other sources of revenue to maintain the Commission’s standard related to financial sustainability.

Goddard’s enrollment for the Spring 2024 term was less than 220 students, down from 311 the previous term and from a recent high of almost 400 in the Fall 2021 term. Over the last twenty years, the College has taken many steps to attract additional students and to lower costs, including the shift to a hybrid curriculum and, most recently, fully remote programs. These efforts, and the College’s challenges are more fully described in the attached narrative. As described in the narrative, Goddard projected a Fall 2024 term with enrollment likely below 175 students, rendering it unlikely that Goddard would have enough tuition revenue and reserves to complete the term. As has been the case with many other small Vermont colleges, the Board determined that continued operation of Goddard as a small independent institution was not sustainable.

Anticipating this possibility, in late 2023 until its decision to close in April 2024, Goddard continuously sought an academic alliance to enable its students to complete their educations with an institution that would integrate Goddard's unique pedagogical approach. Although the College engaged in exploratory discussions with several institutions, it was not able to structure an affiliation or acquisition that would have realistically ensured uninterrupted education for its students.

In early April, analyzing its likely enrollment for the fall semester and available financial resources, the Goddard Board of Trustees determined that the College could not ensure the financial ability of the College to complete that semester and made the very difficult decision to make the Spring 2024 semester Goddard's last and implement a closure and teachout plan.

In 2023, Goddard had established a comprehensive teachout plan with Prescott College in Arizona. Prescott offers fully remote educational programs, allowing all Goddard students to continue their degrees uninterrupted and in the same fully remote modality in which Goddard is currently operating. This teach out plan had been reviewed and approved by both of the accrediting agencies for Goddard and Prescott.

Accordingly, Goddard students all have the opportunity to transfer to Prescott, without any loss of academic credits and at a cost that is equal to or less than their fees to Goddard. Goddard is also working with Antioch College, Naropa University, and Lesley University as alternative teach out partners.

With the conclusion of the Spring 2024 semester, Goddard has ceased normal operations and is engaged in an orderly wind down. The wind down will include paying severance to Goddard's faculty, staff and administrative employees, who will no longer be employed, the sale of the campus and the disposition of Goddard's endowment funds. After awarding its final degrees to students completing their programs this semester, the College may engage an outside firm to assist with the payment of its creditors after the sale of the campus. The sale of the campus is expected to close in July or August. Upon the closing of the campus sale, Goddard expects that it will have sufficient funds to pay all of its creditors.

With respect to its endowment funds, and any excess proceeds from the sale of its assets after paying creditors, Goddard's Board has voted to pursue the transfer of those funds to Prescott College to support Prescott's graduate and undergraduate programs in social justice, sustainable communities and sustainable food systems. The Goddard Board of Trustees believes that these programs have the potential to extend Goddard's legacy.

Goddard's legacy of Progressivism - from Dewey and Kilpatrick through Pitkin and Bates and expressed in the community of learners of the Goddard Experiment - is the pragmatic realization of an expansive democracy in which education is deeply connected to community engagement as a consistent methodology of individual and social transformation. "Learning by Doing" became manifest at Goddard as "Being, Knowing, Doing." The arc of Goddard's curricular priorities over its 86 years, and specifically emanating from the Adult Education program, consistently sought to redress some of the gaps in American Democracy that excluded and marginalized segments of our society and their impact on individual liberties with the attendant social, cultural, and economic loss.

Over the more recent years, Goddard has come to recognize the interdisciplinarity of the psychological, moral, spiritual, social, economic, and environmental as a highly interdependent set of problem-conceiving and problem-solving challenges and opportunities in order "to advance cultures of rigorous inquiry, collaboration, and lifelong learning, where individuals take imaginative and responsible action in the world."

Within Goddard's educational construct is an active and robust engagement in personal growth, community cohesion, workforce development, and an invigorating notion of sustainability, supported by rigorous, research-based, experimental solutions. Our 21st century relation to work, to family, to community, to technology and to ourselves, is constantly challenged to fulfill the emancipatory realization of personal identity, self-knowledge, and self-worth within a community of shared engagement – whether family, office, artist studio, technology laboratory, factory, farm, or community center.

Applied to the Prescott's programs in social justice, sustainable communities and sustainable food systems, the Goddard Endowment can attract and support real-world research, community cohesion, emancipatory multicultural inquiry and programming; help implement workforce development; attract financial support and grants for post-doctoral studies, focused colloquia, and short-form curricula offerings. Goddard anticipates that the management and expenditure of the funds would be guided by an advisory board that sets strategic direction, ensures financial responsibility, provides input on award criteria and assessment, and helps prioritize resource allocation around emerging trends.

Goddard is currently reaching out to its identifiable endowment donors to seek their support of this use of the funds.

With respect to the sale of the campus and its related assets, Goddard has entered into a purchase and sale agreement with a buyer at a price of \$3.4 million, reflecting Goddard's most recent appraisal of the campus, obtained in 2023. The proceeds of the sale will be used to pay off a loan in the approximate amount of \$2 million that is secured by a mortgage on the campus. The remaining proceeds will be aggregated with Goddard's other remaining unrestricted funds to pay closing costs such as employee severances, administrative costs to close out the College's federal financial aid program and associated obligations, legal, accounting and final tax return preparation fees and other closing costs.

Included with this notice is a narrative of the recent events leading to the College's closure.

Please let us know what other information the Attorney General's Office would like to review in connection with Goddard's sale of the campus and disposition of its endowment funds. We are available to answer any questions at your convenience.

Cc: Assistant AG Justin Sherman
Assistant AG Rosemary Kennedy

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