FOR PROFIT HIGHER EDUCATION:
The Failure to Safeguard the Federal
Investment and Ensure Student Success

PREPARED BY THE
COMMITTEE ON HEALTH, EDUCATION,
LABOR, AND PENSIONS
UNITED STATES SENATE

Volume 4 of 4
JULY 30, 2012

Available via the World Wide Web: http://www.gpo.gov/fdsys/
Printed for the use of the
Committee on Health, Education, Labor, and Pensions
VOLUME 4 OF 4
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112th Congress
2d Session
COMMITTEE PRINT

S. Prt.
112–37

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 2012

74–953
FOR PROFIT HIGHER EDUCATION: The Failure to Safeguard the Federal Investment and Ensure Student Success

MAJORITY COMMITTEE STAFF REPORT AND ACCOMPANYING MINORITY COMMITTEE STAFF VIEWS

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS
UNITED STATES SENATE

JULY 30, 2012
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In accordance with Rule XXV of the Standing Rules of the Senate, the U.S. Senate Committee on Health, Education, Labor, and Pensions (the committee) holds legislative jurisdiction over all proposed legislation, messages, petitions, memorials, and other matters relating to education and student loans and grants. Proprietary schools and institutions of higher education, henceforth referred to as for-profit colleges, fall under this jurisdiction both as academic institutions and as eligible recipients of Federal loans and grants provided through Title IV of the Higher Education Act. Senate rules also provide that the committee shall study and review, on a comprehensive basis, matters relating to education. In April 2010, under the leadership of Chairman Tom Harkin, the committee initiated an oversight into the proprietary sector of higher education. The majority staff offers this report to the committee with accompanying minority staff views.
Appendix 25: Documents Produced to the Committee

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Excerpts, selected by the HELP Committee, from a larger document produced by the company
Default Management
Proposed New Org Structure

August 21, 2009
Long Term Strategy - People

- Imbed a dedicated default management person in each school with regional and group management structure reporting to Fin. Ee (approx. $1 million or 0.6% of 2009 KHEC forecasted revenue)
- Goal is 2 cures per day per person or 36K cures in 2010
  - Including and Home Office personnel total cures estimated at 46K. KHEC 2009 cohort is estimated at 32K students
  - Starting in October 1, 2010, we will start working 3 cohort years simultaneously
  - 70 staff members ($80K avg. plus benefits) with regionals also covering a school plus 3 group leaders
On the mean vs median, my prior thought was that we may have a high count of "low dollar" defaulters...and if so what can we legally do eliminating the low dollar defaulters before they make it into the stats....
From: Penny Hartwell <p.hartwell@khec.com>
Sent: Monday, February 1, 2010 8:49 PM (GMT)
To: [Redacted by HELP Committee]
CC: [Redacted by HELP Committee]
Subject: RE: Default Reduction

The start policy is an internal policy of how we count our starts. We have drawn a line in the sand to be able to clearly call a start and move on. In the case Dominick is stating, the campus can make the decision to NOT bill them to be in the best interest of the student however, the student remains a start in our system. We have had this situation occur for the past few years and campuses have made the decision as to whether they would bill the student or not.

Penny Hartwell
Vice President, Admissions

[Redacted by HELP Committee]

This email may contain personal or confidential information and is for the sole use of the intended recipient(s). If you received this intended recipient(s) and distribute, do so at the expense of the recipient(s) and are unlawful. If you have received this intended recipient(s) in error, please reply immediately to this email that you have received this message in error and delete it. Thank you.

From: [Redacted by HELP Committee]
Sent: Monday, February 1, 2010 8:49 PM
To: [Redacted by HELP Committee]
CC: [Redacted by HELP Committee]
Subject: RE: Default Reduction

If they drop out in first 30-30 days (range as a final), reverse them as a start, and thus reverse all of their FA. This would cut our bad debt and reduce our default exposure. This is radical but so are the consequences of missing 90/30, default, and outcomes.

Kaplan Higher Education Corporation

Competition—Significance—Command—Self Assurance—Arranger

Have a compliance question?  
Need compliance assistance?  
Email: compliancehelp@kaplan.edu  
Or call 770.776.5049

Kaplan Higher Education Corporation
Document 47, Page 1
I recently pulled data to show the number of students who have dropped within the first 7 days of attendance. They were counted as a start according to our current attendance policy. However, they incurred significant charges per our catalog tuition earning methodology. In January 2010 alone, Group had 38 students that fell in this category. As you would imagine, these students are then defaulting on loans at a significant rate. I know a lot of work went into to the current start policy, but I recommend we do analysis to determine the impact on attrition and default if we lengthen the start meeting timeframe and number of days required to attend to become a start. Thoughts?
This is very helpful.

Redacted
President, School of Nursing
311 S. Wacker
Suite 3000
Chicago, IL 60606
Tel: 312-361-5935
Fax: 312-361-5980

Building Futures

From: John Dunbar
Sent: Thursday, April 23, 2009 5:49 AM
To: Nursing Employees
Cc: John Dunbar, Nursing Employee
Subject: Pricing Comparisons

I took a look at the San Diego and San Antonio markets to see how our program pricing stacks up. Unfortunately (or fortunately) we don’t have a for-profit competitor in either location so there may be some room to increase pricing. For the model, I suggest we leave the price of the current plan and take a modest increase each year.

Here are some notes on the 2 markets:

San Diego and Vista
- There are 10 competing schools in the San Diego metropolitan area in addition to the two Kaplan programs (6 private, 4 public).
- None of the 4 other private programs in the area offer an LPN or ADN program.
- The public competitors have price that’s way lower (for instance, Santa Ana charges $700/year for the LPN program, but they are not comparable overall, since these other public programs have strong nursing affiliations, while our program lacks the ability to leverage a presence in this market.

San Antonio
- There are 6 competitive schools in the San Antonio metropolitan market in addition to our current plans (2 private, 4 public).
- Kaplan is the only private competitor that offers an RN and ADN program. I found their tuition in KY to be $3,800, but they don’t publish the tuition in TX. I will have to give them a call tomorrow, but they typically don’t share this info over the phone.
- The public competitors are similar to Kaplan in that they are much lower but not comparable.

Redacted
From: Redacted by HELP Committee
Sent: Thursday, September 25, 2014, 2:26 PM (EDT)
To: Redacted by HELP Committee
Cc: Redacted by HELP Committee
Subject: Redacted by HELP Committee
Attach: Campus Rate Price Increase

I received a request from the [Redacted by HELP Committee] to increase the tuition from $26,147 to $29,150, a 10% increase.

Redacted by HELP Committee

In light of the new pricing, we can hire more students and still make the same profit.

Attached is the fall analysis, based on these facts. I think we should approve the price increase. Please email your approval.

Thanks.

[Signature]

[Redacted by HELP Committee]

[Title]

Director of Finance, School of Nursing

www.kaplan.edu

Building Futures
From: VP - Business and Technology
To: VP - Health Sciences, John Danaher
Subject: RE: Significant concerns about 591 tuition increase

Hi John,

I'd like to weigh in here as well. I tried to get a lot across the board change in tuition. I've asked to have the 591 tuition raise to be in line with the 592/593/594/596, and was told no. I don't know exactly how these decisions are made, but would love to have some input.

Best,

Redacted

From: John Danaher
To: VP - Business and Technology
Subject: RE: Significant concerns about 591 tuition increase

Thanks John — I find it interesting that they're doing this in February and doing this across the board. We've certainly raised this issue regarding being competitive in the graduate degree market, especially since I'm not sure how the decision is made. I know we're doing this to help with 592/593/596, but that's about that.

From: John Danaher
To: VP - Business and Technology
Subject: RE: Significant concerns about 591 tuition increase

FYI:

From: John Danaher
To: Gregory Mencer, Susan Vose, John Daniel, Wade Duyk
Cc: Valerie Hackett, VP - Marketing, Lawrence, Michael Thompson
Subject: Significant concerns about 591 tuition increase

I am concerned that the proposed raises the board's tuition increases will be impactful to our 591 revenue.

- Paycheck cards: "Paycheck cards" will be piloted this summer. The main campus' textbook credit balance is $448, UMP (fourth largest department) is $400, Wabash is $391, and central campus is $177.
- The overall price of the major departments (excluding Kaplan) is $127 per credit hour.
- Kaplan does not have a PC10 program.
It has been reported that typically a 5% tuition increase results in a 1% fall in enrollment.
A. The number of students who apply or enroll but don't enroll is difficult, given the number of withdrawals is unknown.
Even if an enrollment dip is later in 2010, the tuition rate increase could significantly hurt our business.

President
265 S. Wacker
Suite 2800
Chicago, IL 60606-3608

Tel: Redacted
Fax: www.kaplan.edu

Building Futures
Persons covering the Top 6:

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The PIs are still working the top 16.

GRC is still working the top 16 but they will be refocused this week. We did our data transfer last week, so they are working on updating the data from us, NSIDS, and the guarantors.

---

Thanks. Tommy, if you agree with the 7 weeks approach, again, recommends, let's go with that. Who do we have covering these 6 OPIDS? Please list each of the individual schools that make up this list and the non-Home Office people that are working on DM. Thanks...are the PIs focused on just these top 6 OPIDS...what about GRC?

---

The Home Office Default Mgt team and Default Mgt team were notified of the switch in focus to the Top 6. We will provide them with the updated delinquency lists today.
Fyi below. I think [redacted] is doing a good job framing expectations here....

All – I know you are waiting for information regarding military pricing. As it stands right now, the needle, in terms of what the VA will reimburse under the yellow ribbon program, is still moving. I have spoken today with the KU online military\n\nvertical and confirmed this is the case. For the yellow ribbon program, the military will reimburse the soldier up to the highest public tuition rate in the state. There are published rates. However, in speaking with KU, these rates are not yet\n\nsettled. So the reimbursement is a moving target and therefore the price is a moving target.

KU online, as you know, has set their prices. But in my conversations, in a perfect world they would have waited until this level of reimbursement became settled. They will probably be under priced compared to the reimbursement the soldiers can obtain. We don’t want to go down that path. But online’s overhead is low and their spans is not finite, so they have the\n\nluxury to move forward without harming their financials. This would not necessarily be the same with the ground campuses should this program become a major source of enrollments.

Therefore, we will certainly have something in place before the yellow ribbon program kicks in. We will need to continue to monitor the reimbursement levels until they are final. Given our immaterial levels of soldiers to active population, and the fact that we want to increase this pool, it makes sense to do this so we can obtain the proper pricing, provide the right benefit to the soldiers, and not harm your campus.

More to come.

Thanks.

<< image002.jpg@01C9B15F_B629F180 >>
Dear [Name],

I know you had sent some things to me earlier this month about the Wounded Warrior Muster. I stopped by and was waiting for [Name] when she was on the phone so I started talking with him and he was telling me that he was just wanting to talk to someone about this and get an RSVP for the event. So I told him most definitely and he also said that [Name] from the Army Ed Center at the Island sent out an email today about the event. I was wondering if you could forward that on to me and if I could get some information from that. Since he used [Name]’s number and [Name] picked up she was pretty interested in this and was wanting to talk to you about it. Obviously she didn’t know that you and I had already talked about it, I was wondering if she could go with and help me out. This way we can tag team this event and hopefully get some good soldiers out of this deal. The email you sent me said it was set up for April 20th from 6-8. That is her night to work, but could she still go with me as long as someone else was here. Let me know what you can do for me on this deal, I really want to nail this. Also he told me that they were going to try and do this once a month starting in April and ending in October. So we definitely need to take advantage of this.

Best,

[Name]
Hello, I'm the admissions employee.

Kaplan University
Director of Admissions
Davenport Campus
1805 E Kimmerly Rd
Davenport, IA 52807
Tel: Redacted
Fax: www.kaplan.edu

Building Futures

From: VP - Admissions
Sent: Tuesday, June 01, 2010 11:20 AM
To: KHER Regional OAs; KHER Doc; KHER Presidents - Al; Beth Hollenberg
Cc: KHER Regional OAs; KHER Doc; Al Presidents - Al

The Ultimate Juggler Phone-A-Thon June 16th, 2010

June 16th, 2010
4:00PM-7:00PM your time

Life in admissions can be a juggling act. Students, tours, appointments, phone calls, paperwork and so much more. It's easy to get the balls in the air, but it's another thing to keep them in steady motion. In celebration of National Juggling Day, we want to see your best juggling act. While many of your successful jugglers are away at Admissions Council, we need to make sure that we don't drop any balls and that we stay in constant
Each campus will report activity hourly. Please populate the attached spreadsheet and email to [Redacted] every hour on the hour. If you will be at Admissions Council, make sure to assign this responsibility to someone else on your team.

The final data will be pulled directly from CampusVue and compared to your spreadsheets. Campuses will need to enter all appointments (Interviews) set no later than 7:00pm (your time) to ensure that all of your appointments set during the Phone-A-Thon count. Only data for the hours of 4:00PM through 7:00pm (your time) will count. It is crucial that all representatives are using their Contact Manager properly to receive credit for the calls made during the Phone-A-Thon.

Please send photos or videos of your Ultimate Juggler Phone-a-Thon to [Redacted]. You may end up on the Admissions website or featured in the next Admissions newsletter!

Ready, Set, Juggle!
From: Paul Killer
Sent: Saturday, November 28, 2009 3:13 PM (GMT)
To: Lionel Loy
Cc: Redacted by HELP Committee
Subject: RE: KU CDR Original Loan Amount and Default Rate

Lionel,

This does provide us with insight. The key elements are:
1. 97% of KU defaulter “drop” rather than graduate
2. GEED students have a 78% default rate
3. 55% of KU defaulter have a EFC of zero
4. Term 1 Drops default at 27%
5. Term 1 Drops students default at 33% for IT, 31% for HS, and 28% for IC
6. A student's geographical location (zip code) does correlate with defaults (Area 1 students default at 13% while Area 4 students default at 20%)

Summary

Dropped students are not successful.
- They did not accomplish their academic goals
- They are in debt to KU
- They almost always have debt resulting from financial aid
- The value proposition does not exist for a Dropped Student. The value they gave (cost of studying to KU and financial aid lenders) is greater that the value received (an incomplete education). So they default

In the short run, KU must either:
- Prevent students with a high probability of dropping from attending, or
- Must modify the value proposition so that Dropped Students do not cause such extensive harm to themselves and KU

In the end, KU must admit students with a high probability of completing their academic goals and paying their bills so that their value proposition remains intact and they pay their obligations.

Recommendation

- Short term:
  - KU should consider modifying how it charges new students tuition for their first term with Kaplan.
  - Consider the following:
    - Having KU raise first term tuition to the point that it requires students to incur out of pocket costs to pay for tuition. (KU can accomplish this through increased first term fees and assessments.)
Establish student payment plans that require all students to pay in full by the end of the semester for which they are enrolling.

- Block (force into a drop status) any student falling behind in their first semester payment plan with Kaplan.
- Prepare FA packages for funding in accordance with the goals established by the Financial Aid Project team.
- Submit FA packages for funding only upon both: (1) The student completing their first semester; and, (2) The student satisfying their financial obligations to KU.
- KU could market this as a "Try Kaplan on Us". All students can attend their first semester to try out Kaplan with the ability to "break the contract" during the first semester and owe no tuition expense. If they complete the semester then they have earned the 10 credit hours and owe the tuition. (The tuition being "out of pocket" costs incurred and "financial aid" indebtedness incurred). The value proposition remains intact. If a student drops during the first semester then KU "forgives" the student's tuition, the student owes KU nothing, and the KU does not submit the FA package for funding. Again, the value proposition remains intact.

**Impact**

- **Positive**
  - Zero EFC Students would self-identify by not being able to make the out of pocket costs and would exclude themselves from the student population by not enrolling.
  - (They make up 50% of KU’s CDR defaulting students.)
  - Students who fail to make all payments to KU in accordance with the First semester payment schedule would again self-identify. KU would (drop these students) and not submit the FA package to the DoE. This would further eliminate students who have self-identified to having a high probability of defaulting on student loans.
  - This approach would eliminate stipends for first term students because there would be no excess federal funding to use as living expenses
  - Eliminate the possibility of KU running afoul of CDR requirements
  - Eliminate the possibility of KU running afoul of the 90 / 10 requirements
  - KU’s bad debt expense would shrink exponentially

- **Negative**
  - KU’s student population would shrink considerably because so many of our students have 0 EFC
  - KU’s revenue would shrink considerably
  - This would result in a one-time, one semester deferral of cash flows from the DoE to KU
  - KU would have a “Double Hit” to 2010 Operating Income (DI). The first “hit” is the continuing write-off of 2009 revenue that is recognized as bad debt. The second “hit” to DI is the elimination of revenue through this New Student first term program outlined above.
  - This would increase the complexity of KU’s revenue accounting

**Long Term**

- Augment the "Try Kaplan on Us" program with a student risk score based program. This will allow Kaplan to admit 0 EFC Students with sufficiently high risk scores

**Impact**

- **Positive**
  - Student population will recover to a degree because KU will admit zero EFC Students with significantly favorable risk scores.
3944

- Students who fail to make all payments to KU in accordance with the First semester payment schedule would continue to self-identify. KU would drop these students and not submit the FA packages to the DoE.
- This approach would continue the elimination of stipends for first term students because there would be no excess federal funding to use as living expenses.
- Continue to eliminate the possibility of KU running afoul of CDR requirements.
- Continue to eliminate the possibility of KU running afoul of the 90/10 requirements.
- KU's bad debt expense would remain much lower relative to prior years.
- **Negative**
  - Although KU’s student population would grow relative to the “try Kaplan on Us” program identified as a probable short-term solution, it will still shrink considerably relative to 2009 levels because so many of our students have 0 EFC.
  - Although KU’s revenue would grow relative to the “try Kaplan on Us” program, it will shrink considerably relative to 2009 levels because so many of our students have 0 EFC.
  - KU would continue to have a “double hit” to 2010 Operating Income (OI). The first “hit” is the continuing write-off of 2009 revenue that is recognized as bad debt. The second “hit” to OI is the elimination of revenue through this New Student First term program outlined above.

**Redacted by HELP Committee**

**NOTES**

**Item 1 – Drop Students:**
We do not know if dropping causes defaulting or if dropping merely correlates with defaulting. (I suspect that dropping correlates with rather than causes defaults.)

This provides two potential courses of action with Term 1 students. They are:

- Prevent “highly probable” Term 1 dropers from attending
- Prevent “highly probable” Term 1 dropers from incurring a federal loan or debts payable to KU if they do attend

**Item 2 – GED Students:**
This insight brings to the forefront a policy questions.

- Does KU stop admitting GED students (28% default rate and 9% of KU student repayment volume.) This would improve KU’s CDR by about 1%. However, this, in itself, is not enough to resolve KU’s CDR issue.
- This approach would decrease KU’s revenue and student population

**Item 3 – 0 EFC Students:**
Since 55% of KU defaulters have 0 EFC, KU has two options. They are:

- Increase Term 1 fees and charges so that 0 EFC student self-identify by not paying the increased fees and, therefore, do not attend. This will eliminate them from both the numerator and denominator when computing the CDR. (This option would only work if KU could prevent students from obtaining student loans to pay these increased fees.)
- Charge no tuition for Term 1 students. This solution would only work if students were not able to acquire federal loans to cover “living expenses” while attending KU. The Term 1 students would still drop. However, these dropping students would be included in the CDR numerator and denominator.

These two approaches have significant issues, including:

- Decreasing student population
Decreasing revenue

**Items 4 and 5 - Term 1 Drop Students:**
Because Term 1 drop student default at 27% (with even higher rates for IT, HS, and GI Term 1 students) we are again facing the Term 1 student drop issue discussed in Item 3 above. The potential solution is once again:
- Charge no tuition for Term 1 students. This solution would only work if students were not able to acquire federal loans to cover living expenses while attending KU. The Term 1 students would still drop. However, the DII would not include these students from the CDR numerator and denominator.

This approach, once again, has significant issues, including:
- Decreasing student population
- Decreasing revenue

**Items 6 - Zip Codes:**
Zip codes are really a surrogate for a student’s propensity to pay their obligations.
- The long-term solution outlined above using credit bureau data will augment, if not replace, the current 4 area approach.

---

**Email:**
**From:** Lionel Lenz  
**Sent:** Wednesday, November 25, 2009 11:52 AM  
**To:** [Redacted]  
**CC:** [Redacted]  
**Subject:** [Redacted] Original Loan Amount and Default Rate

I am not sure where this leads us in modifying our admissions and targeting strategy. What are your recommendations, and why? Should we stop certain degrees or programs?

What else can you tell us that would allow for a better screening of leads?

I am not sure how to interpret the data.……. most of the CDRs relate to first term defaults, but most of the CDRs also have default balances between 2,500 and 4,000. Does this mean first term defaulters rack up student loans of 4,000?

Do we have any additional, demographic or behavioral cues that would allow for better screening. Do we have certain zip codes we want to block? How about FICO or bankruptcy scores? How about test scores? GED or high school GPA?

By type of class taken in the first term. (Shoe size) (I am kidding on the shoe size but the point is we need more insights)

We need better analysis and interpretation.

---

Lionel Lenz  
Chief Financial Officer

Confidential

Kaplan Higher Education Corporation
Document 55, Page 4
From: Lionel Lenz
Sent: Thursday, July 1, 2010 8:51 PM (GMT)
To: Kevin Conerly
Cc: Redacted by HELP Committee; Carole Valentine; Redacted by HELP Committee; Matt Seeley
Redacted by HELP Committee
Subject: Re: Private Lender Loan Performance Reports Default Update

I would like to stay where we are.

Lionel Lenz
Chief Financial Officer
Kaplan Higher Education
311 S. Wacker Drive
Chicago, Illinois 60606

On Jul 1, 2010, at 3:44 PM, "Kevin Conerly" <Redacted by HELP Committee> wrote:

Hi everyone, I recommend we go with 85% since the KHEC number is at 84.4% and climbing slightly.

Lionel, please let us know what you want us to do.

Sent: Thursday, July 01, 2010 4:42 PM
To: Kevin Conerly; Carole Valentine; Matt Seeley; Lionel Lenz
Subject: RE: Private Lender Loan Performance Reports: Default Update

Based on the May balances (June is not yet available) an additional reserve of $750K ($700K KHEC, $50K WL) would need to be recorded to increase the reserve to 85%.
Hi Carole, I know it's very early in the experience but can you plot the Kaplan Choice loan default rate on the same curve?

Can you let us know if we increased KHEC's KC loan reserve from 80% to 85% what the catch up FCL impact would be.

Matt and Lionel,

I have attached Private Lender Loan Performance Reports (March, 2010 and November, 2009) for your review and comparison. KHEC's Universal Loans (2007 cohort) are defaulting at 84.4% (81.4% in 11/2009), and 2007 cohort is defaulting at 84.4% (80.9% in 11/2009). Overall Private Lender defaults for 2007 are defaulting at 74.5%.
### KU and KHEC Defaults

The charts below summarize the gross cumulative default data on the attached reports for KU and KHEC.

#### KHEC/KU Defaults

<table>
<thead>
<tr>
<th>Repay Yr</th>
<th>KHEC</th>
<th>KHEC</th>
<th>KU</th>
<th>KU</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CumGCL%</td>
<td>CumGCL%</td>
<td>CumGCL%</td>
<td>CumGCL%</td>
</tr>
<tr>
<td>2006</td>
<td>84.3%</td>
<td>Waiting for Private Lender</td>
<td>65.6%</td>
<td>Waiting for Private Lender</td>
</tr>
<tr>
<td>2007</td>
<td>81.4%</td>
<td>84.4%</td>
<td>60.8%</td>
<td>64.4%</td>
</tr>
<tr>
<td>2008</td>
<td>64.7%</td>
<td>73.8%</td>
<td>47.8%</td>
<td>55.6%</td>
</tr>
<tr>
<td>2009</td>
<td>N/A</td>
<td>44.0%</td>
<td>N/A</td>
<td>36.7%</td>
</tr>
</tbody>
</table>

#### KHEC and KU Defaults Combined

<table>
<thead>
<tr>
<th>Repay Year</th>
<th>CumGCL%</th>
<th>CumGCL%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>72.5%</td>
<td>Waiting for Private Lender</td>
</tr>
<tr>
<td>2007</td>
<td>71.2%</td>
<td>76.3%</td>
</tr>
<tr>
<td>2008</td>
<td>58.9%</td>
<td>67.6%</td>
</tr>
<tr>
<td>2009</td>
<td>N/A</td>
<td>40.8%</td>
</tr>
</tbody>
</table>

### Additional Information on Citibank Performance Reports

Redacted by HELP Committee
Carole A. Valentine
Vice President, Student Finance
Kaplan Higher Education
6301 Kaplan University Avenue
Fort Lauderdale, FL 33309

www.kaplan.edu
From: James Blackburn
Sent: Monday, December 28, 2009 7:19 AM
To: Kevin Consor; Matt Sawlye; John Staten; Lionel Lenz
Subject: RE: Matt/Kevin/James - 90:10

All is well on the 90:10 front.

For KU, we have $5.2M in house to process this week. When the funds pay, the rate will rise from 88.2 to 88.3. The KU Group 90:10 will rise from 87.3 to 87.4.

For Bauder, we have $560K in house to process this week. When the funds pay, the rate will rise from 87.2 to 87.5.
When: Occurs every Monday effective 11/30/2009 until 12/28/2009 from 3:00 PM to 3:30 PM (GMT-05:00) Eastern Time (U.S. & Canada).
Where: Conf Call: Redacted

Note: The GMT offset above does not reflect daylight saving time adjustments.

Weekly meetings to go over the at-risk 80:10 CPEISDs – Bauder 88.1, Panorama City 87.4, Brookside 87.2 and KU 86.8.

James, please bring details of cash held, grant funds due, etc. as we have done in the past.

<<
Picture (Device Independent Bitmap)  (34.1KB)
>>(34.1KB)
They weren't specifically recruiting at homeless shelters. But a rep did stop by an office for section 8 housing to drop off business cards. The rep is still at Portsmouth but the DOA that gave her permission to do this is no longer with us.

Below a recap of the situation from Campus E eee, which was sent to Adm. E eee and others:

From: Campus Employee
Sent: Wednesday, January 13, 2010 2:22 PM
To: Adm. Employee, Campus Employee, VP-Operations
CC: Adm. Employee
Subject: PRIVILEGED AND CONFIDENTIAL -- DS2 Hesser Portsmouth

I understand that a complaint regarding recruiting practices at the Portsmouth campus will be forthcoming from NEASC. The following information may be relevant to the situation.

Redacted, Admissions Representative--states that he has enrolled and started a student, Redacted, who was living at a Portsmouth, NH transitional living facility for a period of time. The student is listed in our system as a PELL; however, Redacted states that the student was a walk-in and was not in residence at the facility upon the time of enrollment. He states that this student (after enrollment) encountered some personal difficulty and moved to the facility for a period of time, then later moved out to a more permanent housing situation. Redacted states that he supplied this student with business cards and asked for referrals, in the same manner that he does with all of his enrolling students. This student subsequently referred two other people from the transitional facility who enrolled and started, and a third person who enrolled but did not enroll since the person did not have a GED or high school diploma. Redacted states he did not visit the shelter, and has not had contact with the shelter.

The information is:

Redacted

Redacted, Admissions Representative--states that she has been in contact with and visited Portsmouth Housing Authority. She contacted Redacted, Section 8 Program Manager, in September 2009 and set up a meeting to drop off business cards and asked her to pass on her card to anyone who might want to re-enter the workforce. She states she learned from a prior association (prior to Adm. E ee joining on board with us), and that she was very positive about the contact. Redacted initiated regarding educational opportunities. Redacted stated that she brought Portsmouth Housing Authority additional business cards in mid December 2009 and left them with Redacted then Redacted states that she had no referrals, contacts, or enrollments from this contact.
Redacted, Admissions Representative—states that he periodically hands out his business cards and chats with people in his apartment complex, a portion of which consists of Section 8 housing. Redacted has met with and enrolled several people from this contact.

Redacted
Vice President, Admissions
311 South Wacker Drive, Suite 3300
Chicago, IL 60606

Tel: Redacted
Fax: www.kaplan.edu

Building Futures
KAPLAN HIGHER EDUCATION

This email may contain privileged or confidential information and is for the exclusive use of the intended recipient(s). If you are not the intended recipient, any disclosure, copying, distribution, or use of the contents or the information is prohibited and may be unlawful. If you have received this electronic communication in error, please notify the sender and destroy this message. Thank you.
Matt,

This has been an area of intense focus over the last 30 days. In mid-October we [Redacted by HELP] projected our 90:10 at year end based on current run rates to be 89.5%. We shared our analysis and actions plans with Rod, Lionel and Greg and the decision was made to switch SIS from an automatic submission process to a manual process. We needed the ability to throttle our submissions based on our cash intake. [Redacted by HELP]

[Redacted by HELP]

Although we have implemented a number of initial steps that will help us increase our cash intake in the future, we have a larger list of additional initiatives that we are continuing to move forward and I could walk you through those at your convenience.

In response to your suggestions we have added comments below:

**Accelerate military billings / collection at KU.**

We have streamlined our internal process on timely billings for our military students. The population of military folks that are awaiting TA vouchers is approximately $400,000. Although our records indicate that we are current, we are currently reconciling the entire military group to see if we have any legacy items that were not billed correctly. [Redacted by HELP]

**Consider whether payment plans at KU and KU campuses can be treated as institutional loans at factored in**
at 50% NPV.

We agree we have engaged Carole on this topic. We have preliminary legal advice and have asked for clarification. We are currently working on an operating model to execute this strategy. Our plans are to execute this model within 30 days.

Redacted by HELP

Or package the out-of-school receivables into Choice loans and take the 50% NPV.

Once we receive clarification from legal, we will add this option to our settlement activities for the SA team. We estimate a rollout within 30 days.

Check the new regs on CE courses that can now be counted in the "10K". Some of RT's programs may qualify. If USMLE or other Kaplan programs qualify then we may need to make some legal entity changes for next year.

The new regulations allow us to include revenue generated from short term programs that result in a recognize credential. We will review existing programs for KU and other Kaplan offerings and make recommendation at that time.

Redacted by HELP

In closing, we plan on updating Jeff, Greg and Lionel next week on the 90:10 status and initiatives with more detail. You are more than welcome to attend and share your insight.

Let me know,

John

From: Matt Sealy
Sent: Wednesday, November 11, 2009 12:07 PM
To: James Blackburn; Lionel Lenz
Cc: Kevin Conner; Gregory Manoo; John Staten; Jeff Conlon; Lionel Lenz
Subject: KU 90/10 Issue
Importance: High

Hi Lionel/James,

Redacted by HELP

Other areas to look at quickly/aggressively before year-end:

1. Accelerate military billings / collection at KU. Go to D.C. and pick up the check if you have to.

Redacted by HELP
5. Consider whether payment plans at KU and KU campuses can be treated as institutional loans at factored in at 50% NPV. 

6. Or package the out-of-school receivables into Choice loans and take the 50% NPV.

7. Check the new regs on CE courses that can now be counted in the "10". Some of IT's programs may qualify. If UX/MIE or other Kaplan programs qualify then we may need to make some legal entity changes for next year.

Redacted by HELP

Matt
I gave you a phone call until today to get 3 PCGs as we were facing many challenges to get them. She just showed this PO to me and based on that this student will be charged. The other 2 will be reversed immediately.

Redacted

Executive Director
Texas School of Business - Houston East Campus
12030 East Freeway
Houston, Texas 77029

Tel: Redacted
Fax: Redacted
Mobile: Redacted
www.tsb.edu

Kaplan Higher Education Corporation
Document 60, Page 1
P. Please consider the environment before printing e-mails or attachments. Thanks!

This transmittal is a confidential communication or may otherwise be privileged. If it is not clear that you are the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you suspect that you have received this communication in error, please notify the sender and immediately delete this message and all its attachments.

From: Campus Employee  
Sent: Friday, January 29, 2010 10:55 AM  
To: Campus Employee  
Subject: RE: Revenue Review

Team, 

According to the Admissions policy, page 6, 7a, it states "If the student has not submitted all required entrance requirements within 30 calendar days of the Official Start Date, the student must be placed in Reverse status." Our information in CampusVue shows that the student started on 12/09/09 and exceeded the time allotted to provide her POG to the school. This student was not only past 10 consecutive days absent in the system, she should have been a reverse start since 01/09/10. Therefore, the student should not be a drop, but instead a reverse start in the system.
Redacted

Director of Education

Texas School of Business – East Campus
12030 East Freeway
Houston, TX 77029

Tel: Redacted
Blackberry: Redacted
Fax: Redacted
www.khec.com

Building Futures

From: Campus Employee
Sent: Friday, January 29, 2010 10:15 AM
To: Campus Employees
Cc: Campus Employee
Subject: RE: Revenue Review
Importance: High

She met all the admissions requirements and was locked in during the start meeting. Every student that signs the enrollment agreement understands what the ramifications are if they choose to drop out of school. The student fell themselves...
That's all good, but if we put "student first", these students will owe balance to school now if we are going to drop them, both of these students have stop attending school and we should have reverse them earlier so there charges will be wiped out but now they will owe huge balance to school and morally this is not right and we have failed student because now they not going to pay school and their account going to be sent to collection and ruin their credit as well.

Thanks in advance,

Redacted

Redacted

Director of Finance
Texas School Of Business - East Campus (OBB)

Cell: Redacted
Phone: Redacted
Email: Redacted

From: Campus Employee
Sent: Friday, January 29, 2010 10:02 AM
To: Campus Employees; Campus President
We received a copy of the POG today from North Forest ISD. I should have confirmation at [Redacted] this afternoon.

Thank you for your patience.

[Redacted]

From: [Redacted]
Sent: Thursday, January 28, 2010 7:17 PM
To: [Redacted] [Redacted] [Redacted]
Cc: [Redacted]
Subject: FW: Revenue Review
Importance: High

[Redacted] has been removed from [Redacted] records. The ED or DOA has to submit the Request for Reverse Status Form for [Redacted] whose time has laps for POGs.

Attendance has been posted for [Redacted]. [Redacted] will resolve the drop calculation issue for [Redacted].

The following students have been reversed.

[Redacted]
Redacted
Registrar
Texas School of Business East Campus
12030 East Freeway
Houston, Texas 77029

Direct: [Redacted]
Fac: [Redacted]

From: [Campuse Employee]
Sent: Thursday, January 28, 2010 12:47 PM
To: Campuse Employee
Cc: Campuse Employee
Subject: FW: Revenue Review
Importance: High

Redacted

The following students have been reversed.

Kaplan Higher Education Corporation
Document 60, Page 6
Hello Campus Employee:

Please see attached reports and resolve any issues on the 1st tab. We need to resolve this by COB today because we have month end close tomorrow.
Thanks in advance,

Redacted

Redacted

Director of Finance
Texas School Of Business - East Campus (O93)
Cell: Redacted
Phone: Redacted
Email: Redacted

From: Finance Employee
Sent: Thursday, January 28, 2010 12:08 PM
To: Campus Employees
Subject: Revenue Review
Importance: High

Hey Campus Employees

I have attached the revenue review for your campus. There are issues on both of the named tabs,

Let me know if you have any questions

Thanks,
3967

Redacted
Staff Accountant

1015 Windward Ridge Parkway
Alpharetta, GA 30005

Tel: Redacted
eFax: Redacted
www.kaplan.edu

Redacted

Building Futures
Executive Director

Campus Name

Building Futures

Kaplan Higher Education Corporation
Document 61, Page 1
Thanks in advance.

Director of Finance
At the weekly meeting, we talked about 90/10 and potential implications. Given the way 90/10 is calculated (formulas, phased received), it's something that needs to be looked at the student level.

However, I’ve been at the Executive Council, and I was able to track down a report from the 90/10 group that looked at all 90/10 for all HHE enrollments for 2029.

We are looking at the data, but the data is very complex, so I can’t give you all the details (or if you want) when you are back in the office, the data does not contain 90/10.

You discussed looking at faculty and classroom occupancy. Are those questions you are looking for? If so, I hope to provide recommendations to improve 90/10 in the near future.

What I mean is that 90/10 is important, but it’s also important to look at other factors in January. Everyone talks about it, but we are looking at the numbers. So, I think we should come up with some recommendations to improve 90/10. If you want us to analyze the impact of potential solutions, that’s where leadership is.

I think there is a level of seriousness because we are close to 90/10, given that the economy has impacted our ability to meet our core goals. We have limited control over enrollment (are we going to deny limit high risk 90/10?)... we can easily skew past 90/10 in a short order.

If you look at 2009, to improve 90/10 from 80.2% to 81.6%, near term, we added $145,000 in non-tuition revenue. For all look, near-term, for undergraduate CSUs, that works out to about $16.3M annually. (Making everything else constant)

As for potential solutions, there are the usual suspects:

- SAD 60/40
- International Students
- Non-degree programs, single courses
- Students with credit... cash pay
- Program mix: Launch programs with better 90/10

More immediate options:

- Degree/credit earned. Payment in the first instance: $50 or simply getting students to pay cash for some of their programs (assuming no loss in enrollment) would generate about $1M for CSUs, assuming that 100% increase to $150 or $200, we could hit our target ($1.9M)
  - May not have to be up front, though that’s probably the most effective. The ground rules do not

Confidential
KHC 2/10/26

Kaplan Higher Education Corporation
Document 62, Page 1
amount of communication about the benefits of making nominal payments while in school reducing debt etc.

3971

- Military: Active Duty - Military and Veterans are the key drivers of Non-Titel money. So regardless, it seems like this will be a big focus and since CI is the most popular military program any university wide effort to boost military will flow to our vertical. Here's a visual chart of underlying CI and military

  - Overall 9/0/10 +9.03%
  - Non Military 9/0/10 +9.33%
  - Military (Active + Veterans) 9/0/10 +9.42%, active military in CI have a 99/50 or 99%
  - Active + Veterans equal 95% of the students but 86% of the Title IV Revenue for CI
  - Opportunity to improve Active Duty Military Retention... 87% of the Military Revenue for CI is the Keep category so if we retain those students we could expect 99/50
  - Military section of some block of students should be part of a military preposition (could look at their

  - Long term: If there is a way to limit access from vendors that deliver low quality leads (9/12/20) this should be explored. Though, have concerns on how this would work and the overall effectiveness.

Redacted
Redacted

Let me know how you want to proceed.

Redacted

Executive Director, Kaplan Legal Education (KLE)

To: Redacted

Cc: Redacted

Kaplan Higher Education Corporation
Document 62, Page 3
Adm. Else brought it upon himself...you and I can't be wrapped up in being presumed to give someone a new job because his wife says so.

for his job responsibilities are going to be not as tough as a [REDACTED]

Redacted

Kaplan Higher Education Corporation
2121 Executive Park Drive 200
San Diego, California 92121

Redacted

Compliance-Signature-Command-Sale-Assurance-Acrease

---------------------------------------------
Have a compliance question?
Need compliance assistance?
Email Redacted
On Call Redacted

From: Campus Employee
Sent: Thursday, September 17, 2009 6:56 PM
To: VP - Operations
Subject: RE: Ft Worth Verification Post Due

He will leave us there. His wife has threatened to leave him if he doesn't change positions. He understands that it would have high expectations too, but she is convinced that admissions is ruining their marriage.

Personal side of his life aside, he is turned out on admissions. He is close to [REDACTED] and we discussed him in San Diego.

Adm. Else is dueing.

From: VP - Operations
Sent: Thursday, September 17, 2009 8:34 PM
To: Campus Employee
Subject: RE: Ft Worth Verification Post Due

I'm not moving the DOA anywhere. Sales drives the business.
From: Campus Employee  
Sent: Thursday, September 17, 2009 6:10 PM  
To: VP - Operations  
Subject: Ref. Ft Worth Verification Final Due

He had a compliance audit last spring, did the DOE and ADEA, elaborated, and budget and enrollment. AASCIC annual report, and all the back of the AASCIC Audit. He's completely overwhelmed. He came to see whether he could help. We need to ensure the DOA to DOE for two reasons, 1. The chain and the DOE needs the DOA role.

From: VP - Operations  
To: Campus Employee  
Cc: Campus Employee  
Sent: Thu Sep 17 21:00:54 2009  
Subject: RE: Ft Worth Verification Task Doc  

Always copy the VP/COO on any operational stress concern issues. Also -- -- if we gave him this last two weeks ago, and he just now forwarded the person. He must not think this is too important.

Redacted  
Kaplan Higher Education Corporation  
VP President of Operations West Group  
10035 W. Serramonte Blvd. #205  
San Diego, California 92177  

Redacted  
Kaplan Higher Education Corporation  
Document 63, Page 2
From: Campus Employee
Sent: Thursday, September 17, 2009 8:22 AM
To: VP - Operations; Finance Employee
Cc: Campus Employee
Subject: Ft. Worth Verification Post Due

I sent a D&O candidate [REDACTED] a couple of weeks ago who interviewed with Ann. Fee yesterday for a possible hybrid DCO/DOS combination role. I am awaiting her response at this point. I will connect with her as soon as possible and follow up on finding additional candidate with cash management/accounting experience if necessary.

Warm regards,

[REDACTED]

Kaplan Higher Education Corporation
Campus Recruiter, West Group
10935 W. Bernardo Drive #760
San Diego, California 92127

[REDACTED]

From: VP - Operations
Sent: Thursday, September 17, 2009 8:20 AM
To: Finance Employee
Cc: Campus Employee
Subject: Ft. Worth Verification Post Due

We need to expedite a D&O with some cash management/accounting background. Where do we stand on finding a replacement?
From: James Blackburn
Sent: Wednesday, September 16, 2009 3:00 PM
To: Gene Spencer; Susan Reiner; Fin Aid Employee; Adm. Employee
Cc: Jim Frazar; VP. Operations; Loan. Team
Subject: Mid-Winter Verification Past Due

Fin Aid Employee,

The campus has made substantial improvement in the past due over the previous weeks. Your plan below is solid and should continue to gain positive results. After reviewing the data and the current past due, I believe it is best we remain within current Kaplan policy and hold any disbursement of funds until the verification is complete. The SSN is USUN PLUS is a very small component of the past due.

I do recommend -- speak with each of the students who have not completed verification and encourage them to quickly complete the process.

Take care,

James Blackburn
Vice President of Financial Aid

1122 Winmore Ridge Parkway
Alpharetta, Georgia 30005

Tel: Cell: Redacted
Fax: www.merc.com

Building Futures

From: Fin Aid Employee
Sent: Saturday, September 19, 2009 3:15 PM
To: Gene Spencer; James Blackburn; Fin Aid Employee
Cc: VP. Operations
Subject: RE: Fin Aid Verification

There is a total of 56 students pending verification which accounts for 174% in past due funds.

FA: It seems we had 42 students pending verification this past week and we have re-submitted more due dates this week, but I am going to send you the list I have so we can confirm. This PLUS & Loans hold up for verification in not a large number but I could be in reducing student balances in the next few days and which could reduce the usual hold due.

All students have been notified, either by phone or email, on how to sell them from this list and if they do not hear from the student due the next day, they will be sent a memo to notify the business. As we agreed, the deadlines have been extended on a case-by-case basis to address the documents. The goal is clear; a minimum of 25% at this point and weekly.

Kaplan Higher Education Corporation
Document 63, Page 4
issues creating back log:

1. Not reviewing documents while the student is present.
   a. The staff has been trained on verification & the need for reviewing documents while the student is present.
   b. They can determine at that time if signatures are missing or conflicting information exists & this can be addressed immediately vs. having the pull the student to discuss at a future date.
   c. In the past they have simply collected the documents & sent the student back to class without reviewing the documents & subsequently found discrepancies when completing verification. I attribute some of this to the newness of the staff, however, they now know to review everything while the student is present.

2. Lack of consistent follow up.
   a. Students are contacted in class & via phone regarding the verification documents needed, but the staff needs to be more diligent in their follow up to pull the next day’s file. If the student does not bring the requested docs.
   b. The staff is working with the staff to improve follow up skills by having them prepare a daily pull list so the can member who needs to be pulled & follow up with the staff during the day to make sure it was completed.

3. Verification inputs.
   a. The campus is now utilizing the HO verification checklist & a second person is reviewing the documents prior to submission to HO so this should improve.
   b. They still struggle in determining when an asset statement is required so they are asking questions more frequently to ensure they have what they need as this is improving.

4. Slow packaging.
   a. The campus has struggled with packaging and had poor “Complete - RTPY” packaging values on last day.
   b. I have seen improvements in the past date RTPY, (July 26%, August 36%, Sept 45% so far 63%) but they are still below min.
   c. They have regular accountability meetings to discuss the status of the students & administrators & FA need to improve systems & stress the sense of urgency with students.

From: Campus Employee
Sent: Friday, September 11, 2009 3:55 PM
To: John W. Blackman; Fin. Aid Employees
Cc: VP - Operations
Subject: Re: FAF verifcation

And it would be helpful to know whether the campus has fallen down on anything. I know the team is new, but could they have fixed this sooner? How much longer will this drag on?

Thanks for your help. FA Employee

From: James Blackman
Sent: Friday, September 11, 2009 6:34 PM
To: Campus Employee, Financial Aid Employees
Cc: Fin. Aid Employees
Subject: Re: FAF Verification

Fin. Aid Employee:

Please provide a plan with details (benchmarks and timelines) for the outlook. It should include number of students affected and the $ per day due and the amount of un-benj.

I will look at it.

James Blackman

Confidential
From: Campus Employee
To: [Name and Email Hidden]
Subject: FLW/FW1 Verification

Hi James, TJ.

I heard there is a list of funds past due because of pending verification. The campus is working on collecting the funds but I wanted to see if we can release the funds under control. I've looked at the funds and many of them have been in school >30 days & I'm concerned we will have no funding in the event the students stop coming to class which will impact the fund status for the campus.

Can we make an exception until we get things under control?

Redacted

Sr. Regional Director of Financial Aid

711 E. Airport Dr.
Huntsville, TX 77325

Tel: [Number Hidden]
Fax: [Number Hidden]
Cell: [Number Hidden]
Web: www.kutlen.edu

Building Futures

<<

Kaplan Higher Education Corporation
Document 63, Page 6

3978
Subject: RE: Week 1 In The Books

Situation just turned a corner... #1 on the board....

Subject: RE: Week 1 In The Books

The Beaumont Junkies have 2 in this morning!! Gonna keep our winning streak going!!!
Redacted

Director of Admissions
Kaplan College - Benenvent Campus
Office: Redacted

From: Admissions Employee
Sent: Monday, June 28, 2010 11:03 AM
To: Admissions Employees
Cc: Admissions Employees

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Admissions Employees

Subject: Week 1 In The Books
Importance: High

Week 1 of the Texas Cup X is in the books and here are the standings:

1st - Entitlement Junkies
2nd - Stallions
3rd - Beltway Bandits
4th - Untouchables

We have 2 more weeks left...... What's going to take home a victory and what's going to take home...... We'll stay tuned for what the bottom has to take home...........

Today's Matchups:

Game 1:
Stallions vs. Untouchables

Game 2:
Entitlement Junkies vs. Beltway Bandits

TIME TO TURN UP THE HEAT IN TEXAS EASTER!!!!

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From: Admissions Employee
Sent: Friday, June 25, 2010 4:10 PM
To: Admissions Employees
Cc: Admissions Employees

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Admissions Employees

Subject: RE: THIS JUST IN

Fort Worth has ONE more, that's 10! UNTOUCHABLES!!!

Redacted

Kaplan College
Fort Worth Campus
2001 Beach Street Suite 201
Fort Worth, Texas 76101

Redacted

From: Admissions Employee
Sent: Friday, June 25, 2010 2:48 PM
To: Admissions Employees
Cc: Admissions Employees

Nice work Ad! We're going to give her a run for her money??? Let's go Team Fast!

Thanks,

KAPLAN
Regional Vice President of Admissions & Marketing
2001 Beach Street, Suite 201
Fort Worth, Texas 76101

Tel: Redacted
Fax: www.khec.com

Building Futures

From: Admissions Employee
Sent: Friday, June 25, 2010 2:22 PM
To: Admissions Employees
Cc: Admissions Employees

Kaplan Higher Education Corporation
Document 64, Page 3
Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:24 PM
To: Admissions Employees
Cc:

Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:25 PM
To: Admissions Employees
Cc:

Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:25 PM
To: Admissions Employees
Cc:

Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:25 PM
To: Admissions Employees
Cc:

Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:25 PM
To: Admissions Employees
Cc:

Admissions Employees

Subject: RE: THIS JUST IN

From: Admissions Employee
Sent: Friday, June 25, 2010 1:25 PM
To: Admissions Employees
Cc:

Kaplan Higher Education Corporation
Document 64, Page 4
I'm helping [redacted] put her second one in for the day – that makes 3 for the Bandits.

UNTUCHABLES are on the ROAD with 2!
Admissions Employees

Subject: RE: THIS JUST IN...

BANDITS strike with their first for the day! Scores going DOWN!!!! Can you say Barbara J?

Admissions Employees

Subject: THIS JUST IN...

We have reports that the Enrollment Office is taking some kind of PERFORMANCE ENHANCERS. Commissioner of the league is currently investigating this claim.

Our response: "YES, WE ARE TAKING PERFORMANCE ENHANCERS... IT'S CALLED A.T.T.I.T.U.D.E AND WE WILL DEFINITELY TEST POSITIVE FOR THIS!!!!!!!

ENOUGH SAID! JUNKIES WIN AGAIN!!!!!!

In Game 3 The Untouchables were not to settle a score with the Belboy Blues. Unfortunately it looks like the Rangers STOLE THE SHOW and moved to another victory. The construction crew is starting to work on the gym and it looks like the R is working towards some expansion.
TODAY'S MATCHUP

GAME 1:
Trimbank vs The Untouchables

GAME 2:
Stallions vs Beltway Bandits

PREDICTIONS

GAME 1: There are 2 things... I believe that you can't train... ATTITUDE & WORK ETHIC. The Junkies seem to have an animal out of this and they show no sign of quitting.

Junkies - 200       The Untouchable - 105

GAME 2: Some of the best places to learn praise lessons are on a lonely highway...

Stallions – 125    Beltway Bandits - 100
From: Admissions Employee
Sent: Monday, June 28, 2010 7:13 PM
To: Admissions Employees
Cc: Admissions Employees

Subject: RE: Week 1 In The Books.............
Attachments: image005.jpg; image008.jpg; image007.jpg; image008.jpg

Bandits are at 6 and, as Captain Preston put it so well, still open for business!

From: Admissions Employee
Sent: Monday, June 28, 2010 6:31 PM
To: / 
Cc: / 

Subject: RE: Week 1 In The Books.............

Woo Hoo!!! That makes 8 for the Junkies!! Good job Dallas....keep em' coming!

KAPLAN

Redacted

Director of Admissions
Inception College - Beaumont Corpus
office - Redacted

Confidential

KHE 2.6.10
Admissions Employees

Subject: RE: Week 1 In The Books

Beaumont is at #6...Dallas where are you?? The Junkies need some help here!!!
Redacted

Admissions Employees

Subject: RE: Week 1 in The Books

Bellevue Bandits have 5 in for the day!

Admissions Employees

Subject: RE: Week 1 in The Books

The Beaumont Junkies have 2 in this morning!! Gonna keep our winning streak going!!!
Redacted

Admissions Employees

Subject: Week 1 in The Books
Importance: High

Week 1 of the Texas Caps is in the books and here are the standings:

1st - Excellent Junkers
2nd - Stallions
3rd - Beltway Bandits
4th - Unattainable

We have 2 more weeks left ------ What's going to take home a victory and who's going to take home ... Well, stay tuned for what the bottom has to take home.

Today's Matches:
Game 1:
Stallions vs. Unattainable

Game 2:
Enrollment Junkies vs. Beltway Bandits

TIME TO TURN UP THE HEAT IN TEXAS EEEEHHHHHHHHHHHHHHH

From: Admissions Employees
To:

Admissions Employees

Subject: RE: THIS JUST IN
Fort Worth has ONE more, that's 3! So UTOUCHABLES!!!

Redacted
Assistant Director of Admissions
Kaplan College
Fort Worth Campus
2001 Beach Street Suite 201
Fort Worth, Texas 76103

Redacted

From: [Redacted]
Sent: Friday, June 25, 2010 2:48 PM
To: [Redacted]
CC: [Redacted]

Admissions Employees

Subject: RE: THIS JUST IN..........................

Nice work Adm. Ets anyone going to give her a run for her money???? Let's go Texas Tech.

Thanks,

KAPLAN
HIGH EDUCATION

Redacted
Regional Vice President of Admissions & Marketing
5600 Beach Street, Suite 102
Fort Worth, Texas 76103

Tel: [Redacted]
Fax: www.khec.com

Building Futures

From: [Redacted]
Sent: Friday, June 25, 2010 2:37 PM
To: [Redacted]
CC: [Redacted]

Admissions Employees

Subject: RE: THIS JUST IN..........................

Kaplan Higher Education Corporation
Document 65, Page 5
Subject: RE: THIS JUST IN...

North just added 3...yea, 3, so that gives the bandits 6!!! Guess the posies are too busy grazing on their own pasture branches!

SHAKE AND BAKE!!!

Subject: RE: THIS JUST IN...

Admissions Employee always says "by faith", as an Admissions Council Rep, she shows you can have HOPE AND RESULTS. :) 

Subject: RE: THIS JUST IN...

KAPLAN HIGHER EDUCATION

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:

Admissions Employees

From: Admissions Employee
Sent: Friday, June 25, 2010 12:51 PM
To: Admissions Employees
Cc:
Admissions Employees

Subject: RE: THIS JUST IN

I'm helping the put the second one in for the day – that makes 3 for the Bandits!

Admissions Employees

UNTACTABLES are on the BOARD with 2!

Redacted

Assistant Director of Admissions

Kaplan College

Fort Worth Campus

2003 Beach Street Suite 201

Fort Worth, Texas 76102

Redacted

Fax Redacted
From: Admissions Employee
Sent: Friday, June 25, 2010 11:23 AM
To: Admissions Employees
Cc: Admissions Employees

Subject: RE: THIS JUST IN...

HANGS's strike with their first for the day! Bosses are going DOWN!!! Can you say Rehabs??

From: Admissions Employee
Sent: Friday, June 25, 2010 10:26 AM
To: Admissions Employees
Cc: Admissions Employees


Importance: High

We have reports that the enrollment junkies are taking some kind of PERFORMANCE ENHANCERS... Commissioner of the league, Adm. E'ee is currently investigating this claim...

Adm. E'ee was recently interviewed by the Kaplan Sound. He said, 'Under OAEN, the muffin with questions such as...

HOW CAN YOUR TEAM REALLY BE PERFORMING LIKE THEY ARE DAY AFTER DAY, WEEK AFTER WEEK AT THIS HIGH OF A CAPACITY WITHOUT TAKING SOME SORT OF PERFORMANCE ENHANCERS?

He responded: 'YES, WE ARE TAKING PERFORMANCE ENHANCERS... IT'S CALLED A.T.I.T.U.D.E AND WE WILL DEFINITELY TEST POSITIVE FOR THIS!!!!!!!

ENOUGH SAID! JUNKIES WIN AGAIN!!!!!!

In Game 2 the Untrustables were out to settle a score with the Bellway Bandits. Unfortunately, it seems like the Bandits STOLE THE SHOW and moved to another victory... the construction crew is starting to work some UI and it looks like the $6 is driving towards some expansion...
TODAY’S MATCHUP

GAME 1:

Junkies VS The Untouchables

GAME 2:

Stallions VS Beltway Bandits

Admissions Employee: PREDICTIONS

GAME 1: There are 3 things that you can't train: ATTITUDE & WORK ETHIC. The Junkies seem to have an attitude problem and they show no sign of quitting.

Junkies - 200 The Untouchable - 105

GAME 2: Some of the best places to raise prairie chickens are on a lonely highway.

Stallions - 125 Beltway Bandits - 100
From: Kevin Coven
Sent: Monday, July 11, 2000  3:32 PM (GMT)
To: James Blackiston
Subject: Re: Debit/Refund Analysis

Dear James,

I received a call from the Refund Services Department regarding the refund information for our program. In the long term, we need to ensure that students are not getting cheated. It's our duty to guarantee that students receive refunds promptly and accurately. I have spoken with them about this issue.

With the knowledge of refunding the students, we want to make sure that students are not getting any delays. In the meantime, we will ensure that students are paid promptly.

How do you want to handle this communication?

Best,

Kevin

From: Kevin Coven
Sent: Monday, July 11, 2000  9:03 AM
To: James Blackiston
Subject: Re: Debit/Refund Analysis

James,

We have received a call from the Refund Services Department regarding the refund information for our program. They confirmed that refunds will be processed quickly and accurately.

Best,

Kevin
Fin: E'te

I am writing to reconfirm our recent discussion on the next steps for our project. Please review the attached slide deck for a detailed analysis of our plan.

What are the project's deliverables? How many weeks until completion?

What engagement criteria are included in the plan?

What project tasks were pre-deemed as non-deferred?

James Blackmon
Vice President of Business & Academic Affairs
Kaplan Higher Education

Redacted
I have some basic talking points about reaching out to ESO's and veterans. I had two training pieces and have combined them for ease of use. The UPD and MyPath needs to be spelled out more in this training as well as some ESO scripts need to be included, as Brian had mentioned, but this gives a basic overview.

I ask that you do not send this to the field until we determine what areas need more attention.

Please give me a call when you get a chance so I can get an idea of what direction you want me to go with this.
Military Training

So you have a basic understanding of military enrollment. The next step is to find opportunities to reach out to the service members. If they all walked around in their uniforms this would be an easy task, but what about the veterans who wear the uniform just once a month? What about the former service members that no longer wear the uniform but have prior service and are eligible for a substantially reduced rate of tuition? Finding these service members is actually easier than you think; you just need to know where to look. To start your search, you may want to look in the obvious locations where service members would be easy to identify such as recruiting stations, veteran hospitals, and Veteran Service Organizations (VSO). These locations are plentiful and easier to specifically target service members by the sheer nature of their mission.

Recruiting Stations

An additional lead producing opportunity can be found at the various military recruiting stations throughout your state. The opportunities at the military recruiting stations are twofold:

1. An opportunity to get leads from the recruiters themselves, as well as hometown recruiters.
2. An opportunity to reach out to potential students involved in the Delayed Entry Program (DEP).

The recruiters are usually very interested in having Schools come in and talk with the other recruiters, try to speak with the station commander or the highest ranking enlisted member at the station to set up these events. There is typically more than one branch of armed forces in each station so see if you can combine forces for a single lunch and learn meeting. If you can not, refer to the previous meeting that had with other branches to warm the handle in setting up events with the other branches.

Hometown recruiters are those that are on a temporary assignment at the recruiting station nearest their home. These are special case recruiters, but are still an excellent opportunity to include them in the Kaplan presentations.

Working with the DEP program is more of a branding and relationship building type of event. The DEP program is for civilians that have signed up but have not gone in the military yet for various reasons. Typically they do not have the benefits in place to use GI Bill and they are a first touch for you. When they do complete their training, they may be looking for a place to go to school and Kaplan may be the first that comes to their minds.

Recruiters appreciate you talking with the DEP civilians because it gets the DEP participants thinking about the GI Bill and the money they will have available for.
education once they complete their training. This helps motivate the civilians to ensure that they do go through with their enlistment and not back out.

Veterans Hospitals

Veterans' hospitals are another place that you can expect to find veterans. Veterans, when leaving active duty are provided information about registering with the Veterans Administration (VA), which provides low cost health care opportunities to former service members.

You can find a local VA health care facility by following the link provided and choosing a state in your territory. The location and telephone number of the facility is provided.

http://www2.va.gov/directory/guide/home.asp?Refnum=1

Educational Coordinators at Veterans Hospitals traditionally have at least one education fair each year, In addition many of the facilities allow schools to come on site and set up in a common area, such as a lunch room, and provide an information tables. You can expect to see not only veterans but also family members of veterans, and hospital staff that will come to your table for information.

Other options at the veterans hospitals include setting up lunch and learn or information sessions for departments within the facility itself. You can identify the decision makers who will allow you this opportunity by asking the right questions at the table of staff members that stop by for information.

Veteran Service Organizations

VSO's are organizations that were formed to provide services to prior military members, in some cases both active and veterans are specifically targeted.

A good reference for finding VSO's in your territory is found on the Veterans Administration web site.

http://www1.va.gov/VSO/

This web site lists numerous VSO's and usually provides the main web site for the organization and contact numbers. Kaplan University currently has an alliance with one of the VSO's, AMVETS, and the AMVETS organization has communicated their willingness for education liaisons to attend state and territory meetings.

A word of caution in targeting VSO's, make sure that the target audience makes sense. If you decided to reach out to the Pearl Harbor Survivors Association chances are that they
might not be the best target audience to discuss going back to school. Although you may have some trial and error associated with targeting VSO’s it may be very worth your while since their audience is traditionally former service members.

Additional Locations to Find Veterans

Recruiting stations, veterans’ hospitals and VSO’s are not the only place to find veterans that want to go back to school but they are some obvious starting points, in which, service members would be found because of the nature of their organization's offerings.

Additional locations to find veterans include: government contractors, community colleges near military installations, paramilitary employer, state employment commission offices, corporations located near military installations, credit unions located near military installations, job fairs near military installations, retail stores located near military installations, Wounded Warrior Programs located within your state, Mental and Welfare, Recruitment (MWR) events.

Military Contractors

Military contractors are good location to find veterans because veterans are often sought after because of their experience with military operations and technology. An added bonus to seeking veterans in a corporate setting like military contractors is that not only are the veterans potentially able to use their GI Bill benefits, if eligible, but they may also have additional educational dollars offered through tuition assistance from their current employer.

A listing of some of the most popular military contractors is provided in the link below:

http://www.bts.org/news/company/tog.htm

Community Colleges

When service members leave the military they often return their educational at the community college level. Some start at the community college because they have not been exposed to online learning or even know that their additional options for them. Another reason the service members often start with a community college is that the MGBP pays directly to them for education. This means that if there is a difference between the cost of the school and the MGBP payment the servicemembers get to keep the difference. Because of the low cost of many community colleges this can be most advantageous for the servicemember to enroll in a community college.

Check with your local community college and find out about transfer fairs. Most community colleges have transfer fairs one to two times a year. This is a good opportunity to showcase Kaplan University to graduating sophomores that need to find
another educational institution to pursue their Bachelor's degree, once they have receive their Associate degree.

Para-military employer

Para-military organizations such as the police, sheriffs, game wardens, TSA, FBI, and private security tend to attract and provide preferential hiring practices for service members. These employers often attend base military job fairs on a regular basis so service members are aware of these employers hiring practices and opportunities.

State Employment Commission (SEC)

State employment commissions are a great resource for finding veterans. Their main objective is to train and provide resources for individuals looking for employment. Often times the SEC has a specific department, or individuals, that focus strictly on veterans. The SEC may also hold free job fairs specifically for veterans. The veteran's job fairs are usually free to schools and are most often held around or during military holidays such as Veterans Day, Memorial Day, and Armed Forces Day.

Contact your local SEC and ask about opportunities in your area. They may allow you to provide collateral material for the job seekers in an area assigned for educational opportunities. They may also allow you to come onsite and hold information sessions. The SEC has its own marketing venues and can provide marketing support announcing your information session in various ways including emails, public access television, and the internet.

Employers near Military Installations

When a service member leaves the military they go through a transition class. This class exposes them to local employers that are looking for employees to fill vacancies. With that in mind, often service members will take positions in the local area near the military installations in which they are stationed. Another opportunity within employers near the military bases is targeting spouses of active military. Spouses of active military members often find jobs to help support their family and tend to stay close to the military bases for obvious logistical reasons.

Credit Unions near Military Installations

You will often find credit unions located near the military installations with the same name as the installation. These credit unions are specifically targeting military personnel to use their services. It is possible to create a relationship with the credit union, in which, Kaplan University may be listed on the credit union website. Kaplan inert may be put into monthly statements, or information tables may be set up outside of the credit union. Check with the branch manager to determine how they would like to proceed in creating a partnership, providing your own options as to the extent of the relationship.
Job Fairs Located near Military Installations

There are companies who have made it their business to set up job fairs and invite potential job seekers and employers. Traditionally, these events cost money so attend one as a job seeker and find out if it is worth the investment in purchasing table space. Take a look at the web-site for the job fair ahead of time and see which companies will be in attendance. If you see mostly retail, or insurance and financial planning this probably would not be the job fair to sponsor. If you see large companies and military contractors this is a good indication that the job fair might be one to attend and then sponsor. To find these job fairs just check out the internet and search for "military job fairs" or "job fairs" and the installation name that is in your territory.

Malls Located near the Military Installation

Most military facilities have a military department store on base like a PX, BX, or a Navy Exchange. These military stores usually have great prices because of the volume of merchandise purchased and the service members usually pay no tax on their purchases. That being said these stores do not specialize in any one area so most service members go to the local mall for specialty stores in which to do their targeted shopping. Malls are usually very accommodating in allowing other businesses to have space located within the mall for a couple of days. Malls are a great way to see a large group of people in a short amount of time but having space within a mall may be pricey so check with the mall management as to cost before attempting to go this route. The mall management may also require that you provide proof of insurance before renting any retail space so check with your director first before agreeing to rent the space.

Wounded Warrior Programs

The Wounded Warrior program was established to assist returning armed services members who have been severely injured while serving in a combat zone. This program provides resources and training for service members to prepare for living and working outside of the military. One of the areas that the Wounded Warrior program focuses on is educational opportunities for the injured service members. Check with your local Wounded Warrior program to find out how Kaplan University can best fit into their educational offerings.

A listing of Wounded Warrior events can be found at the link below.


Moral Welfare and Recreation (MWR) Divisions

The MWR division was created to provide social, recreational, and community programs to support the moral and welfare of service members. Many of the programs that the MWR offers are actually on base, but not all of them. Check with your local installation's
Military Training

Finding the right person to contact

Now that you have mastered the art of finding veterans it is time to look at working directly with the military education team on military installations. The first thing an EL needs to do when working on military installations is to find out who they need to speak to regarding military education at each specific military installation. The FSO or ESS is typically the one that is in charge of approving which educational institution will be allowed on the military installation.

The link below will help the EL determine who the main point of contact at each military installation.


(Screen shot)

Enter the branch of service and the state and choose "Submit".

The web-site will then list all of the military installations that are found in the state, for that particular military branch.

In many cases the phone number to the installation, the point of contact, as well as, the email address will be provided.

If the name or an email address is not listed the EL will need to contact the number provided on the website and determine who approves tuition assistance for that particular military installation.

Most military installations frown on schools just walking into the education center offices so it is important that you first make an appointment, instead of simply driving to the installation.
During the Initial Meeting

When speaking with the ESO it is important to understand that it is not like setting up a corporate event. During an initial conversation the main objective should not be to set up an event; instead it should be to get a face to face appointment with the ESO to share information about Kaplan University’s military initiative.

Once the appointment has been set make sure that you have all of the proper documentation for your vehicle before driving to the military installation. Each installation will have different security procedures but most will require that you have an current and up to date drivers license, insurance card, and registration. If any of these documents are not up to date the security team may deny you access to the installation.

While it is always important to show up to scheduled appointments on time, it is even more so when working with the military. In the military if you are early you are on time, if you are on time you are late.

ESO’s are contacted by hundreds of educational institutions that want to do business with the servicemembers on their installation. So a bad first impression may be all the ESO needs to determine that Kaplan University will not be one of their top choices for their servicemembers.

If you have any Kaplan branded giveaways make sure that you bring those to the meeting to give to the ESO. Many ESO’s are collectors and the gesture will be greatly appreciated. Not to mention, having an ESO drinking from a Kaplan coffee mug certainly can not hurt when they are talking to a servicemember about which educational institution would fill their needs.

When you first walk into the ESO’s office glance around for common interest. The main theme is to make yourself memorable. Unlike HR, or training managers, Education is all that these ESO’s concentrate on. You are one of many different representatives from an educational institution that wants the ESO’s servicemembers to enroll at Kaplan so try to stand out. Do not force the relationship, it will take time, and do not be discouraged if the ESO is very busy like, they are very busy so they may just want to know the facts. But asking the ESO how their kids play went seems like a small thing but can be a first step in solidifying your relationship.

When speaking with the ESO do not immediately talk about setting up an event. Instead share the benefit of doing business with Kaplan University. The actual type of majors that Kaplan University should not be the focal point of the conversation. Remember, the ESO’s are being contacted daily by other educational institutions that may have exact same program. Providing them a program listing and letting them know that Kaplan has different programs from certificates to Masters Degrees will be sufficient. Instead focus your time on talking about how Kaplan University stands out from other schools. Talk to the ESO’s about MY Path, UDIP, LOA policy, the flexibility of online, military pricing, and no cost for books for undergraduate programs. ESO’s also want to know that their
servicemembers are being taken care of, so make sure that you discuss the military 800 number and the dedicated military enrollment team. Talk about how the ESO also has a 800 number dedicated to them to help resolve any issues or concerns that may come up that require immediate attention.

During the conversation with the ESO they may bring up creating an MGU to share space or office hours at the installation. This should be a last resort. Sitting at a desk waiting for an opportunity to speak to a servicemember for two hours may not be the best use of your time, although, it may be the only way to begin a relationship with that institution. Use your best judgment if they ask for you to come on base a few hours a week or month.

Leaving Marketing Materials

Make sure that you bring lots of collateral material for the ESO and find out if you can pick the spot for your marketing material. Usually each education service office has racks for schools to place marketing material. Make sure that you visually identify the racks and how well maintained they are. Try to find a spot that is at the top and remember to keep these racks filled with your collateral materials. Dropping off collateral at various intervals gives you an opportunity to reconnect with the ISO and shows that you have a vested interest in doing business with that particular installation. Often schools drop off material never to be heard from again. Make sure that you identify an material that sticks out or looks good from other schools and send that to the marketing team for review. Notice how levels of collateral material from particular schools, or schools that have prime placement in the racks. This may indicate a school that has a high usage by servicemembers at that installation. Do some research on these schools and determine how Kaplan has better benefits. Use this point during your conversations with the ESO’s.

Do not bash any school but find a way to point out the differences in a positive light.

Follow Up

Once you leave the meeting with the ESO ensure that you follow up with any action items that come from the meeting such as additional marketing materials, education fair paperwork or sending emails. Ensure that you send the ESO a hand written note or email thanking them for their time and letting them know that you look forward to working with them in the near future. Take any opportunity that you can get to remind them of Kaplan University.

Once you have begun a relationship with the ESO make sure that they do not feel neglected. Attend any functions that they ask to attend, helping out whenever you can. Return any phone calls from the ESO promptly as they may view this as an indicator of the service their servicemembers receive. Call at regular intervals, but try to gauge how frequently. We do not want to seem like a hindrance, instead of a partner in education.
As the relationship begins to grow the ESO may provide more information and contacts about additional opportunities. Trust is the utmost importance so if asked to follow-up or join in an opportunity try to accommodate their request. As the relationship grows the ESO may send directly to you students that are interested in Kaplan. Ensure that you make the admission advisors know that these leads are direct referrals from an ESO. They may be sizing up Kaplan’s speed and ability in helping the servicemember get enrolled. Follow up with the ESO about the progress of these students.

Finding additional opportunities

During your conversation with the ESO find out if there are any additional opportunities to reach the servicemembers other than at the education service office. ESO's usually do not mind helping schools that they feel are good partners with identifying additional outreach opportunities. Ask about education fairs or events at the installation in which Kaplan may be represented. If there is a hospital at the installation, ask about events at the hospital such as nurse week education fairs. ESO's are usually very territorial and want all servicemembers to come to the education center and not other places for guidance, so if you can point out opportunities that you have encountered at other installations they may be open to discuss incorporating these opportunities at their installation.

While the ESO may be the starting point, it is by no means the only opportunity that you have to work with the servicemember of any installation. There are numerous opportunities but you just have to do some digging to uncover these opportunities. It is important to understand that although there are additional opportunities to reach the servicemembers the final approval will come from the ESO. Do not neglect your relationship with the ESO to build additional opportunities with other areas of outreach.

TAP

The Transition Assistance Program (TAP) is an excellent opportunity to reach servicemembers that are leaving the military either by ETS or retirement. Most of these servicemembers will have GI-Bill or Voc-rehab dollars to spend on their education.

The Transition Assistance Program was established to offer job search assistance and related services to separating service members during their period of transition into civilian life. The TAP is a partnership among the Department of Labor, Defense, Homeland Security, and Veterans Affairs to provide employment and training information to service members and their eligible spouses within one year of their separation or two years of their retirement from the military.
Workshop attendees learn about job searches, career decision-making, current occupational and labor market conditions, resume and cover letter preparation, and interviewing techniques. Participants are also provided with an evaluation of their employability relative to the job market and receive information on the most current veterans' benefits.

Components of the TAP Workshop
- Personal Appraisal
- Career Exploration
- Strategies For An Effective Job Search
- Interviews
- Reviewing Job Offers
- Support and Assistance

Service members leaving the military with a service-connected disability are offered the Disabled Transition Assistance Program (DTAP) from the Veterans Affairs representatives.

DTAP includes the normal three-day TAP workshop plus additional hours of individual instruction to help determine job readiness and address the special needs of veterans with disabilities.

The TAP program may not be offered at each military installation. Often more than one installation combine their efforts to hold TAP classes at a centrally located military installation. During the TAP classes a small number of educational institutions may be asked to speak or have tables at these events. This is an excellent opportunity to see a large number of transitioning servicemembers on a regular basis.

If you are able to gain access to a TAP class presentation you will be working with a transition services manager. Treat this person the same way you would an ESO. Gaining access to a TAP class provides an enormous advantage over other schools. Usually TAP programs only allow a handful of schools to be part of the TAP program. Most schools are not aware of this opportunity or do not have the staff to attend these classes. The opportunity to get in front of between 5-200 servicemembers once a month is an amazing opportunity that you will not want to pass up.

As your relationship grows with the transition services manager you may also be allowed to provide a small 5 minute presentation during the classes themselves. Patience is the key, do not push too hard for this opportunity and do not get discouraged if it takes a while to gain access to TAP classes. This opportunity is all about relationship building. If there is an opportunity try to hold a lunch and learn for the staff members of the TAP classes. It will provide you an opportunity to let them know how valuable Kaplan University is to the servicemembers and also to gain valuable face time with the staff.
Another opportunity to gain access to TAP classes is if you are able to represent employment opportunities. As the transitioning servicemembers are looking for employment once they leave the service, TAP staff often hold employer panels to introduce jobs and provide brief briefs about the hiring process to transitioning servicemembers. Remember that those leaving the military are not necessarily staying in the area, some may be looking for employment in Florida, Phoenix, and Illinois etc. Kaplan University often has openings available throughout the country that you can leverage to gain access to this opportunity.

**ACAP**

Once the servicemembers have gone through the TAP classes they still have additional opportunities to work on preparing for transition. In the Army there is a group that provides additional resources, pertaining to transitioning servicemembers and spouses. This group is known as ACAP (Army Career and Alumni Program). There are opportunities to reach out to servicemembers by leveraging ACAP. Speak with an ACAP representative about holding information sessions and providing collateral material for the transitioning servicemembers.

Often soldiers ask the ACAP representatives about opportunities to utilize their education benefits so they can collateral racks, just like the education service offices. Leverage your expertise in all things Kaplan to provide the ACAP staff a one-stop shop for all things that are education related.

**Recruiting Stations**

An additional lead producing opportunity can be found at the various military recruiting stations throughout your area. The opportunities at the military recruiting stations are:

1. An opportunity to get leads from the recruiters themselves, as well as hometown recruiters.
2. An opportunity to reach out to potential students involved in the Deferred Entry Program (DEP).
3. An opportunity to get leads from the recruiters themselves, as well as hometown recruiters.
4. An opportunity to reach out to potential students involved in the Deferred Entry Program (DEP).

The recruiters are usually very accepting of having Schools come in and talk with the other recruiters, try to speak with the station commander or the highest ranking enlisted member at the station to set up these events. There is typically more than one branch of armed forces in each station so see if you can combine forces for a single lunch and learn meeting. If you can not, refer to the previous meeting that had with other branches to wear the handle in setting up events with the other branches. Hometown recruiters are those that are on a temporary assignment at the recruiting station nearest their home. These are special care recruiters, but are still an excellent opportunity to include them in the Kaplan presentations.
Working with the DEP program is more of a bonding and relationship building type of event. The DEP program is for civilians that have signed up but have not been in the military yet for various reasons. Typically they do not have the benefits in place to use TA or GI Bill but they are a first touch for you. When they do complete their training they may be looking for a place to go to school and Kaplan may be the first that comes to their minds.

Recruiters appreciate you talking with the DEP civilians because it gets the DEP participants thinking about the GI Bill and the money they will have available for education once they complete their training. This helps motivate the civilians to ensure they do go through with their enlistment and not back out.

While you are speaking with the recruiters ask if you can attend the recruiting stations company meeting and hold an Information Session. Each of the members of the recruiting station is assigned to a company that meets on a regular basis for physical fitness, training and education.

ACME

ACME is the Advisory Council on Military Education. This organization has state chapters that meet to discuss trends in the military education arena. These chapters have yearly conferences, in which, ESO and ESO'S from around the state attend to listen and provide feedback about education. These conferences typically last two to three days and are an excellent opportunity to meet ESO’S in your territory. These conferences offer sponsorship opportunities at various levels for educational institutions to have information tables and provide marketing support of the conference. Educational Institutions speak with the ESO’S, which are asked to visit the tables, during breaks and lunches. During the conference it is advantageous to take advantage of the various breakout sessions that they typically plan for the conference.

Another opportunity within the ACME conferences is to volunteer to be on a committee for your territories local ACME chapter. These committees serve to reach out to ESO’S, and other military members and support teams, to gain insight as to what the educators can do to help with providing top notch support of the overall military education process. If the chapter has a membership committee you may want to start there. The membership committee is tasked with increasing membership by contacting various installations and speaking with those that are involved in the education process. This is a great way to have another reason to contact the ESO’S and build a relationship with them.

Reserve and National Guard Units

Working with the Reserve and National Guard units may require additional work in locating the units and the decision makers but is well worth the time and effort. Most Reserve and National Guard units meet one weekend a month and have a lot of training to get done in a short amount of time. Make sure that when you speak with the commander of the reserve unit that you assure them that you will be time sensitive and
work around their schedule. Working with the Reserve and National Guard units may require you to work on Saturdays and Sundays but the units typically work a normal work schedule. The bonus to working with the reserves is that most of those servicemembers also have an additional job in the civilian sector. This means that they will not only have their GI Bill, if eligible TA, but also tuition reimbursement dollars from their employers. Finding the corporate contact can also allow you to grow your corporate contacts and possibly find additional opportunities for events through the servicemembers civilian employer.

Not all Reserve and National Guard units have TA; it depends on the branch of service and the individual units themselves. It is of the utmost importance in working with the National guard that you check with the state in which the unit is located for guidelines regarding TA. Many National Guard units place restrictions as to who can receive TA dollars and often time, which schools the guardsman can attend. You can use the link below as a general guide to determine if the unit you are working with has TA.

http://education.military.com/money-for-school/tuition-assistance/reserve-tuition-assistance
4011

Excerpts, selected by the HELP Committee, from a larger document produced by the company
Kaplan Military University

CONFIDENTIAL
Agenda

- Objectives
- Our Military Value Proposition
- The Pricing Plan
- The phases of the military strategy plan
- Field team deployment
- Staffing Plan

Appendix
A. Pricing Analysis
B. Marketing Elements
C. Public Relations Marketing
D. Veto Strategy
E. American Military University
Objectives

- Grow our military enrollments to 9K per year by 2011
  - 2009 increase from 2.2K to 5K enrollments
  - 2010 8.6K enrollments
  - 2011 10.5K enrollments

- Over 3 years:
  - Bring retention on par with traditional students (28 to 34)
  - Improve 90/10 by 5%
  - Provide incremental revenue of $XYZ in year 3
Objectives

- Transition Kaplan into a "top of mind" educator within the active duty & veteran military segment, penetrating the key decision maker and influencer (education service officers)
- Evolve our product offering to attract, retain, and better educate military students
- Transition current low converting lead & poor retaining student base into highly profitable segment
- Engage DOD/ODS in custom development of Kaplan Inc. solutions
Our Military Value Proposition

- We have dedicated ourselves to serving our military students with growing at each stop who understand military challenges (Admissions/ Academic Advising/Career Counseling)
- We have designed an educational platform to help you take full advantage of your military benefits, organized and any previous college credits
- We are integrated into military education systems, making it easier for you to enroll and attend Kaplan - GI Bill, NAVY, BOC, ARMY, AFR
- We've built in the flexibility a military lifestyle demands - Military Friendly LOA and coursework extension policies
- We're committed to your success and provide innovative tools to help you succeed in your studies and career - such as Kaplan MyPath - helping you continue your education
- We value the sacrifice you have made to our country and provide all active duty and veteran tuition
  adjustments, so you can get the quality education you deserve - and benefits are included so there are no
  unknown expenses along the way
- We recognize that service is a family commitment, and also offer reduced tuition rates to military
  spouses
- We support your lifelong learning needs, including an online high school completion program,
  professional development programs, and higher degree programs
Tactics

- Drive awareness via print advertising in key military publications and targeting key military installations
- ESO Relationship Manager - ESO outreach effort leveraging phone, web, CM, and supporting key military events and periodic base events
- Target veteran and spouse community via key publications and including military elements in traditional student marketing
- Continuous development of regional strategies, providing tools for high conversion and referral rates
- Leverage MSG field teams in regional areas to drive military events
  - Community College Partners
  - Educational Leads to attend military events
  - Business Development efforts at federal and DOD level
Business Development Activities

- DoD Activities Representing All of Kaplan, Inc.
  - Meeting with high-level Pentagon Officers

- Pursue Deeper Relationships with branches
  Redacted by HELP Committee

- Military/Veteran Associations
  Redacted

- COMDOD Worldwide – Involvement
  Redacted by HELP Committee
## Growth Projections – Enrollments/Rev

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment Total</td>
<td>8,596</td>
<td>6,948</td>
<td>10,236</td>
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<tr>
<td>MSG - Fund Marketing</td>
<td>Redacted by HELP Committee</td>
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<td></td>
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<tr>
<td>Expense - Total</td>
<td>$7,267,377</td>
<td>$10,100,460</td>
<td>$11,632,829</td>
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<tr>
<td>MSG Marketing</td>
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<td></td>
</tr>
<tr>
<td>Net Revenue - Total</td>
<td>$4,277,301</td>
<td>$7,587,386</td>
<td>$11,785,536</td>
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<tr>
<td>Lead Generation</td>
<td>Redacted by HELP Committee</td>
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</table>
## Non-Aggregation Marketing

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
<th>Cost</th>
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<tr>
<td>Out of Home Marketing</td>
<td>e-Newsletter</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Report (12p)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conference &amp; Trade Shows</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Booth &amp; Services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Arch Information &amp; Landing Pages</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Development Costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Research</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pricing Analysis</td>
<td></td>
</tr>
</tbody>
</table>

*Note: Certain information has been redacted by the HELP Committee.*
Marketing Staffing Plan – Roles & Definitions

- Director of Military Marketing & Strategy
  - Oversight over all military marketing including:
    - Lead Generation
    - Web strategy
    - Email
    - Catalog
    - Campaign management
    - ROF Marketing (SO/SOC etc.)
  - Product Marketing
  - Direct Product Development
  - Feasibility on new programs
  - SSID/SG/SGD/DRD/SGD/DRD/SGD/DRD etc.
  - Develop Sales Tools
  - VA & Other Military Student Programs
  - Incentives
  - Marketing Leadership
  - Attend Diversity Meetings
  - Partner with Industry
- Coordinate Military Research
- Field Support Marketing
  - Operates on shared services and with 1 direct report - Military marketing manager
From: Admissions Employee
Sent: Wednesday, June 30, 2010 4:47 PM (GMT)
To: Campus Employee
Cc: School President
Subject: termination request

I would like you to review the documents for the termination of Adm. Eee based due to performance and failure to make progress toward and or achieve business at appropriate levels. Included in her April and May evaluation and 2010 start
contract goals(RK-E-10).

Adm. Eee’s original enrollment goal was 18 and 2010 has produced 9 original enrollments. This has been a re-occurring issue that Adm. Eee has failed to address successfully month after month.

2010 has 47 original enrollments on a goal of 75(YTD) and 37(YTD) starts on a goal of 51(YTD).

My other 6 admissions reps and the same experience have averaged 64 original enrollments(YTD) and 60 starts(YTD) in the same period.

Adm. Eee lack of production has also led to a poor attitude toward her fellow rep and the school's staff.

If you have any questions, please feel free to call me.

Thanks

KAPLAN UNIVERSITY

Redacted
Director of Admissions
Davenport Campus
1801 E. Kimberly Rd
Davenport IA 52802

Tel: Redacted
Fax: Redacted

www.kaplan.edu
Building Futures

Kaplan Higher Education Corporation
Document 69, Page 1
I send them this info yesterday along with their PGUs for a push to hit these new budgets!

From: Admissions Employees  
To: School President  
Cc: School President  
Sent: Fri Jun 29 10:55:17 2018  
Subject: Internet Leads!

Folks! Working your leads is paramount to your success!

Internet leads are crucial to close these leads as well as the follow up Internet leads have a short shelf life!

Please recall every Internet lead before booking the appointment!

Every lead is to be called a minimum of 5 times per day! Every day until contact is made!

<table>
<thead>
<tr>
<th>037 Kaplan University, Denver</th>
<th>037 Kaplan University, Denver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admissions Employees</td>
<td>Admissions Employees</td>
</tr>
<tr>
<td>1.96%</td>
<td>3.60%</td>
</tr>
<tr>
<td>13.3%</td>
<td>2.70%</td>
</tr>
<tr>
<td>3.13%</td>
<td>0.00%</td>
</tr>
<tr>
<td>14.6%</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

Redacted  
Campus President  
1801 E. Kimberly Rd. Ste 1  
Denver, CO 80207  
Tel: Redacted  
Fax: www.kaplan.edu  
Building Futures

Kaplan Higher Education Corporation  
Document 70, Page 1
Excerpts, selected by the HELP Committee, from a larger document produced by the company
Default Management Status Update and Strategy

July 28, 2009
Agenda

- Status Update
- Short Term Strategy
- Long Term Strategy
Status Update

- Focus on top ten at-risk schools ('07 CDR >25%)
- Shift coverage to 16 high risk OPEIDs – reduced to 8 highest risk OPEIDs in July
- Process Creation/Data integrity/Reporting
### Initial Primary Focus

- Top Ten At-Risk Schools (2007 CDR >25%)

<table>
<thead>
<tr>
<th>Campus Name</th>
<th>07 Draft</th>
<th>08 Current</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29.2%</td>
<td>22.5%</td>
<td>-6.7%</td>
</tr>
<tr>
<td></td>
<td>28.9%</td>
<td>24.7%</td>
<td>-4.2%</td>
</tr>
<tr>
<td></td>
<td>26.9%</td>
<td>16.4%</td>
<td>-10.5%</td>
</tr>
<tr>
<td></td>
<td>26.6%</td>
<td>19.6%</td>
<td>-7.0%</td>
</tr>
</tbody>
</table>

- Results show that, with focus, the rates can be moved
- Note: 08 Current rates are worst case net of pending cures and assume all delinquent accounts default.
## Shifted Focus

**Expanded to top 16 at risk OPEIDs (April 2009)**

<table>
<thead>
<tr>
<th>OPEID</th>
<th>Site Current</th>
<th>OPEID</th>
<th>Site Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site 1</td>
<td>26.7% Campus Name</td>
<td>Site 2</td>
<td>24.9% Campus Name</td>
</tr>
<tr>
<td>Site 3</td>
<td>27.7% Campus Name</td>
<td>Site 4</td>
<td>26.1% Campus Name</td>
</tr>
<tr>
<td>Site 5</td>
<td>26.3% Campus Name</td>
<td>Site 6</td>
<td>23.5% Campus Name</td>
</tr>
<tr>
<td>Site 7</td>
<td>26.3% Campus Name</td>
<td>Site 8</td>
<td>23.1% Campus Name</td>
</tr>
<tr>
<td>Site 9</td>
<td>25.6% Campus Name</td>
<td>Site 10</td>
<td>22.7% Campus Name</td>
</tr>
<tr>
<td>Site 11</td>
<td>25.2% Campus Name</td>
<td>Site 12</td>
<td>22.2% Campus Name</td>
</tr>
<tr>
<td>Site 13</td>
<td>35.2% Campus Name</td>
<td>Site 14</td>
<td>31.2% Campus Name</td>
</tr>
<tr>
<td>Site 15</td>
<td>24.5% Campus Name</td>
<td>Site 16</td>
<td>23.6% Campus Name</td>
</tr>
</tbody>
</table>

*Note: Figures are as of July 18th with 10 weeks to go*
# Narrowed Focus

To top 8 at risk OPEID(s) (July 2009) with 12 weeks to go

<table>
<thead>
<tr>
<th>OPEID</th>
<th>Current %</th>
<th>Current Hours</th>
<th>Current %</th>
<th>Current Hours</th>
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</thead>
<tbody>
<tr>
<td>University Name</td>
<td>20.7%</td>
<td>24</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>27.7%</td>
<td>41</td>
<td>4.1</td>
<td></td>
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<tr>
<td>University Name</td>
<td>26.7%</td>
<td>11</td>
<td>3.1</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>26.7%</td>
<td>18</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>25.4%</td>
<td>9</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>25.2%</td>
<td>8</td>
<td>0.8</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>35.7%</td>
<td>9</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>University Name</td>
<td>24.4%</td>
<td>15</td>
<td>1.5</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures are as of July 19th with 10 weeks to go
Short Term Strategy  
(through Sept. 30 on clusters >= 24%)

- Increase PL cure payment from $625 to $1,000
- Implement a field and “Home Office” bonus plan
- Daily GRC cure goals
- Overnight mail campaign
- Required overtime for field and “Home Office” personnel
- Weekly phone calls with EDI/Strategy and field default management personnel

- Data challenges (pre-challenges)
- Servicer competency challenges
- Low income CDR waiver
LONG TERM STRATEGY
Impact of the 3 year definition

- 3 year cohort definition is projected to increase cohort default rates by 108% for less than 2 year proprietary schools (Chronicle of Higher Education)
**Long Term Strategy**

- Expand "Fire Fighting" efforts
  - Pre-claim mitigation

- Improve institutional quality
  - ATB †
  - Placement †
  - Qualified Graduates †
  - Program analysis †
Long Term Strategy - People

• Imbed a dedicated default management person in each school with regional and group management structure reporting to Tommy (approx. $4.5 million or 0.6% of 2009 KHEC forecasted revenue)
  - Goal is 2 cases per day per person of 36K cases in 2010 including GRC and Home Office personnel total cases estimated at 46K. KHEC 2009 cohort is estimated at 32K students
  - Starting in October 1, 2010, we will start working 3 cohort years simultaneously
• 70 staff members ($85K avg. plus benefits) with regionals also covering a school plus 3 group leaders
Long Term Strategy – People (cont)

- Spot use of private investigators ($0.5 million YTD '09) after Sept. 30, 2009
Long Term Strategy - Process

- Convert all new loans to Direct Loans by March 31, 2010
  - FFEL program going away and Servicers and
    Lenders are in massive turmoil resulting in data and
    system challenges
- FFEL defaults at >270 days; DL defaults at >360
  days
  - ACS and the new DL servicers have their own data/system
    challenges (very big issue)
- Improve the quality of students through reduction of ATB students
- Implement a 1 hour mini-financial literacy course for all students (piloted
  internally and externally)
<table>
<thead>
<tr>
<th>Campus Name</th>
<th>Q3 (Current)</th>
<th>Q3 ATB</th>
<th>Q4</th>
<th>Q1 (ATB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus Name</td>
<td>20.7% 19% 19%</td>
<td>20.7% 19% 19%</td>
<td>20.7% 19% 19%</td>
<td>20.7% 19% 19%</td>
</tr>
<tr>
<td>Campus Name</td>
<td>26.7% 16% 16%</td>
<td>26.7% 16% 16%</td>
<td>26.7% 16% 16%</td>
<td>26.7% 16% 16%</td>
</tr>
<tr>
<td>Campus Name</td>
<td>26.7% 7% 7%</td>
<td>26.7% 7% 7%</td>
<td>26.7% 7% 7%</td>
<td>26.7% 7% 7%</td>
</tr>
<tr>
<td>Campus Name</td>
<td>25.4% 20% 20%</td>
<td>25.4% 20% 20%</td>
<td>25.4% 20% 20%</td>
<td>25.4% 20% 20%</td>
</tr>
<tr>
<td>Campus Name</td>
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<td>25.2% 15% 15%</td>
<td>25.2% 15% 15%</td>
<td>25.2% 15% 15%</td>
</tr>
<tr>
<td>Campus Name</td>
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<td>35.7% 30% 30%</td>
<td>35.7% 30% 30%</td>
<td>35.7% 30% 30%</td>
</tr>
</tbody>
</table>

Note: Figures are as of July 1998 with 10 weeks to go
Current Coverage

Redacted by HELP Committee

- GRC and Home Office staff shifted focus to the top 8 high risk OPEIDs (July '09)
- Private investigators will stay focused on top 16 high risk
**Bonus Plan**

-Bonus Plan for 3B through Sept. 30, 2009:

<table>
<thead>
<tr>
<th>Individual</th>
<th>120 days</th>
<th>160 - 299 days</th>
<th>300 - 799 days</th>
<th>800 days or more</th>
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<tbody>
<tr>
<td></td>
<td>$10 per cum</td>
<td>$20 per cum</td>
<td>$30 per cum</td>
<td>$50 per cum</td>
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</table>

*Disclaimer: The table above represents the bonus plan details for the specified period.*
## Cost per Cure

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<thead>
<tr>
<th>Event</th>
<th>Start</th>
<th>End</th>
<th>Business Days</th>
<th>Total</th>
<th>Daily</th>
<th>Annual</th>
<th>Cost</th>
<th>Cost per Cure</th>
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</thead>
<tbody>
<tr>
<td>Home Office</td>
<td>5/1/2009</td>
<td>6/1/2009</td>
<td>30</td>
<td>263</td>
<td>11.8</td>
<td>2098</td>
<td>$26,414</td>
<td>$0</td>
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<tr>
<td>CSC</td>
<td>5/1/2009</td>
<td>6/1/2009</td>
<td>33</td>
<td>341</td>
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<td>7525</td>
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<tr>
<td>PA</td>
<td>12/15/2009</td>
<td>6/15/2010</td>
<td>110</td>
<td>588</td>
<td>5.3</td>
<td>1660</td>
<td>$21,200</td>
<td>$400</td>
</tr>
</tbody>
</table>
Current State

- How much have we spent so far on GRC $1.2 million expense YTD June
- PI's $0.5 million YTD June
- 5 contract CPAs are costing $10K per week
What is the "90/10 Rule"?

- To be eligible to participate in federal grant and loan programs, a for-profit institution must derive no more than 90% of its revenues from the federal grant and loan programs (Title IV).

- Schools that fail to satisfy the 90/10 Rule automatically lose their eligibility and must immediately stop awarding Federal Student Aid (Title IV) program funds.
What Funds Cannot Exceed 90%?

Title IV sources:
- Pell Grant
- Federal Perkins Loan
- Federal Direct Stafford Loan (Direct Loan or FFEL)
- Federal Direct Unsubsidized Stafford Loan (Direct Loan or FFEL)
- Federal PLUS Loan (Direct Loan or FFEL)
- Federal Perkins Loans
- Academic Competitiveness Grant (ACG) (degree programs only)
- National Science and Mathematics Access to Research in Tribal Education (SMART) (bachelor's degree 5+4 year programs only)
What Funds Can Contribute to the 10%?

Increase focus on Non-Title IV Sources:

- Tuition Payments
- Alternative Loans
- Vocational Rehabilitation Payments
- Employer Tuition Payments
- State Grants
- Outside Agency Payments (such as TRA)
- Scholarships

Remember, these must be applied to direct costs such as tuition, not living expenses, in order to count toward the 10%.
Agency-Scholarship-Tuition Reimbursements

• What current resources are you using or have you used in the past?

• What ideas do you have for other resources to use in the future?
Community Outreach Ideas

- Develop a management committee to research outside scholarships and/or to approach community organizations which could award scholarships to the school's students.

- Continue relationship building with public funding entities (such as vocational rehabilitation) as well as with employers in the area who can benefit from their staff training at our schools.
TUITION PAYMENT BENEFITS

• In addition to assisting with 50/10, a student making cash payments...
  • Is a more committed student
  • Has reduced loan debt (borrow less, paying less interest)
  • Becomes accustomed to making monthly payments before student loans enter repayment (more likely to avoid default)
  • Is paying interest free and no fees!
Ideas to Help Students Make Tuition Payments

- Career Services can assist students with part-time jobs.
- Encourage Federal Work Study students to use their paychecks toward their tuition.
- We can partner with local businesses.
- Sponsor tables/treats for a school-wide yard sale, flea market, or food sales to help students obtain additional cash.
Do's & Don'ts

Do's
- While there is little or no gap between tuition and Title IV eligibility, all departments must focus on tuition payment commitments with the student.
- Explore other non-Title IV funding resources that the student could be eligible to receive.

Don'ts
- Any conversations about student-specific loan or grant eligibility should be referred to the Financial Aid staff.
- A school may not recommend alternative loans when the student has Title IV loans (such as Stafford) available at lower cost.
Overcoming Tuition Payment Objections

What is an objection?
- An objection is a call for help.
- An objection is a request for more information.
- This customer is really saying:
  "I need more information to make this decision.
  I haven't been given a reason to understand what's best for me."
Preparing for Objections

- To overcome an objection you must:
  - Have the answers on hand
  - Show the customer that you have their best interest in mind
  - Be receptive and understanding toward the customer
  - Listen to the customer's needs and know exactly what is the objection
Preparing for Objections-Continued

- To overcome an objection you must:
  - Rerphrase the objection before answering it
  - Make sure the customer knows either students have experienced the same concerns
  - Recognize that the objection is a request for additional information
Preparing for Objections-Continued

- To overcome an objection you must:
  - Make a list of most common objections and solutions
  - Understand the customer's needs and desires
  - Sell the benefits of your school
  - Set up a strategy to handle the objections and practice
Feet-Felt-Found
Method to Overcome Objections and Building the Benefits

- I understand how you feel
- Others have felt the same way
- They found the solution in our school
Example #1 - Role Play

- Sally has a mortgage, car loan, day care, utilities, and<br>insurance to pay every month.

- She is barely making these payments and with the<br>current lay-offs at her job, she is not sure how<br>long she can continue to make them.

- When Sally decides that making $100 per month tuition<br>payments is not a good idea, given her current situation,<br>use the free,, Joint, found method to overcome her<br>concerns.
Putting it to Use

• Sally, I understand how you feel about not wanting to make $140 per month tuition payments.

• Many of our students felt the same way when they enrolled into the program.

• What they found, Sally, is that investing in their future was well worth any sacrifices they had to make such as finding ways to reduce utility costs or determine ways to obtain additional resources.

• Do you agree that the benefits of getting an education to achieve a stable rewarding career outweigh the costs?

• At Kaplan College, we will gladly work with you to make it easier. How much do you think you could afford?
Example #2 - Role Play

• Mary is single but helps to support her elderly parents.

• She is concerned about a $75 per month bus payment because unexpected expenses arose because of her parents' health condition.

• When Mary decides that she can't make the $75 per month bus payment, she feels lost, found support to overcome her situation.
Putting It To Use

- Mary: I understand how you feel about making a $25 per month payment to contribute to your education.
- Several students in similar situations as you feel the same way; they find it unwilling to continue to school.
- After re-evaluating their budget and sacrificing a few things such as lowering food costs or asking for additional assistance from local community organizations, they found they were able to make an even bigger contribution to their education. They realized that this was not just another monthly bill but instead an investment in their future.
Example #3-Role Play

- Bill is currently receiving unemployment.

- Bill is not sure he has additional funds to cover the $50 per month tuition payments.

- When Bill decides that he can't make the $50 per month tuition payment, use the feel, feel, found method to overcome his objections.
Putting It To Use

- Bill understands how you feel about not being able to attend the required nursing paydays.
- Other students usually felt the same way.
- However, they found that they only had to sacrifice things like watching cable TV, going out to movies, eating fast foods, and buying CDs or DVDs for a few months to be able to achieve the career they always wanted.
- Bill: what can you sacrifice for a few months to have job security, improved income, and the benefits you've always wanted?
In addition to the below, John is giving me two scenarios for graduate on Monday which if realized Monday can happen for one or both tuition increase. Longer term it's broken down below. Bottom line, we will have graduate scenarios for Feb, hard code by program for Apr, and or built for go forward fix when make priority ('.5 month) project go forward.

'Vee:
VP - Student Operations

Begin forwarded message:

From: John Stetina <Redacted>
Date: December 1, 2009 4:56:07 PM EST
To: VP - Marketing, VP - Student Operations, Gregory Maltino
Cc: Sophie Kriegl
Subject: RE: Tuition Increase - What we are doing today, are building for Feb and options for pricing by program

Just so we are all clear:
1) We are doing a price increase ASAP (aka Feb)
2) We would like to see if we could adjust some of Masters courses with a different price increase (such as more, 5%, 7%, etc.). Today we have the same form of a differential pricing in place at the Master's level and we could either adjust them all by some % (which could be greater than 5%) or pick and choose for each.
3) Long term (by end of Dec - in time for the new packaging year 3/1/10) we need to be in a position to price our programs by degree and school. Therefore we need to understand what it will take to accomplish that. By having this flexibility, it is very conceivable that some programs could have actually have a price decrease.

I would suggest that 'we talk' next week.

John

From: VP - Marketing
Sent: Wednesday, December 2, 2009 7:24 PM
To: VP - Marketing, John Stetina, Gregory Maltino
Cc: Sophie Kriegl

Subject: Tuition Increase - What we do today, are building for Feb and options for pricing by program

Thank you for your feedback as well. My vote given to scenario 2, 4, 6 to 5. Scenario 4 is much better than 2, 6 which proposes a very different mix. Pricing could be far below the existing mix of 10% MUS, 90% UG, 90% MUS, 10% UG, 5% LS, and 5% LS undergrads. It is more aligned with both our budget and requirements. The reason we choose the current mix is because it is the lowest common denominator, therefore it is possible and satisfactory.

Kind regards,

VP - Marketing

From: VP - Student Operations
To: VP - Marketing
Cc: [Redacted]
Subject: Tuition Increase - What we do today, are building for Feb and options for pricing by program

I think to answer your questions we first need to clarify what we do today, what we are currently working on for the scheduled increase in Feb and then offer two different solutions for pricing by program for the go-forward.

Here the pricing is set up today:
- Undergraduate tuition is fixed across all schools and tuition amounts, because some tiers of students (based on start dates) were grandfathered in at a certain price.
- Graduate same concept.

For any tuition increase in the current state of our technology, development work is required.

For the Feb tuition increase, what has been decided for February is a blanket percentage increase of 5% for both graduate and undergraduate. The development work needed for this change is development that is routine for our pricing engine and is scheduled to be done for the February tuition increase - the give in January 2nd. So, any enrollments received prior to Jan 2nd for the February start or beyond will have the old tuition amount. Any new enrollment post Jan 2 will have the new tuition amount.

Pricing by Programs:
- The ability to have different tuition rates by program is absolutely possible, but will need development work;
- There are two ways to develop this:
  1. Continue as we do it today, just adding in the program-level, which means hard coding the tuition amounts to each program and the start the we are seeking to apply this pricing strategy. The timeline to hard code this information varies, depending on how many variations of program formats are asked for. For offering frame of reference, if there were 10 variation offered, from start to finish (requiring BA deployment) we are looking at 2 months. Is this a feasible option for the February tuition increase? We are cutting it close just to complete Summer Term (which is already on run and academic year is from the period), so this option would not be possible for implementation by early January to meet the scheduled February price increases.
4068

X. Build a UH where all of this can be done by "us" the business and we are not hard coding. Since we are looking to make this a priority strategy, this would be the route to go down. This would be a medium to high effort in development, from start to finish a 4 to 5 month project.

Does this offer the information you are seeking?

Thanks,

Redacted

---

Subject: VP, Student Operations

To: Redacted

Date: 12/12/2009 11:59 AM

The Redacted

You're making a difference in our lives. Refer a friend to make a difference in theirs:

http://www.hispanicbusinesstoday.com/apply?source=0046416013Aea=000

From: VP - Marketing

Subject: Re: Subject

From what I understand on the price increase:

- Technologically, fundamentally, only a vanilla undergraduate price increase feasible by February 3.
- Strategically, it is understood that this is suboptimal, especially since many of our competitors have differentiated pricing at the undergraduate level, and therefore, we are over/priced
- If understood well, short term concerns with 9/11 outcomes and aspiration to do one more sophisticated price increase at the end of 02/2010. So instead, we opted for a phased approach, i.e. a vanilla 5% increase early 2010 to offset the UI / cash flow loss by not having implemented a price increase in 2009, followed by a more sophisticated and differentiated price "in isolation"' later on in 2010 (requiring external research data as well as technology/IT changes).
- There is concern to implement two price increases in one year... (both strategically/marketing-wise, as well as technologically as it adds multiple layers of price levels in the system, with an exponential amount at students being grandfathereed at different layers of pricing)
- Metric "outliers" show a 5% increase in price leads to 12% decrease in volume (analysis performed by...), after last price change, but methodology wasn't sound to be predictive for future price changes, and thus, we need to be careful with.

I want to reiterate that in the ideal (price 9/11) world, purely from a marketing perspective, we would...
have been better off to do only one differentiated price increase at the end of Q2, with a solid methodology as well as by going search and yield management building, to unnaturally award the pricing power in the marketplace, our current price premium is understood, aggressive 2010 short goals and vertical differentiation result in pricing adding another layer of complexity to reaching 2010 volume goals.

Obviously, I believed at that QF/T (enemies) reports, all of the above. The question is if we have the ability to hold on to being below 90/70 thresholds until end of Q2, 2010... If we know that ability, I really think we should only do one price increase, and do it "all the way" by end of Q2.

Kind regards

VP - Marketing

From: Sophie Vissing
Sent: Wednesday, December 09, 2009 11:50 AM
To: VP - Marketing
Subjects: FYI - one subject


Sophie Vissing
Senior Vice President,
Strategic Marketing and Student Experience

601 Kaplan University Avenue
Fort Lauderdale, FL 33314

Tel: (Redacted)
Cell: (Redacted)
www.kaplan.com (http://www.kaplan.com)

Building Futures

From: Joe Stine
Sent: Wednesday, December 09, 2009 11:30 AM
To: Gregory Marino
CC: VP - Marketing
Subjects: FYI - one subject

VP - Student Ops
To be more specific, what functionality exist today (for the help price change). I understand that we don't have that ability for undergrad but we do have the ability for graduate programs.

If I am correct, can you let us know what it would take and how soon could we have that functionality for the undergrad programs. I see us implementing a differential pricing model at the undergrad level by the end of Q2.

Thanks,
John

Sent from my iPhone

On Dec 7, 2009, at 10:10 AM, "Greggory Marlow" wrote:

Redacted

Do we have the system capability to set our price by program? There is definitely room to increase certain programs more than others. We can use all the HELP in order we can take.

--- End of Forwarded Message ---
EXCITE Initiative Training
Encourage X-tra Cash Investment Towards Education

Training Agenda:

1. Introductions
   [Time Estimate: 30 Minutes]
   [Presenters: VP, Registrar/Dean of Admissions]
   - What do you want to accomplish?

2. 8/10 Overview
   [Time Estimate: 1 Hour]
   [Presenters: VP, Registrar/Dean of Admissions]
   - What is the 8/10 Retreat—FA
   - What Fund Cannot Exceed SEC/FA
   - Which Funds Can Contribute to the 10%—Group Controllers
   - Agency Scholarships (tuition reimbursement state grants description of current resources and future ideas—Shared between FA and Group Controllers)
   - Tuition Payment Benefits—Shared

3. EXCITE Presentation
   [Time Estimate: 1 1/2 Hours]
   [Presenters: VP, Registrar/Dean of Admissions]
   - Who Are Our Students?—VP of Admissions
   - What is Value?—VP of Admissions
   - Is There Value?—Shared between FA and Admissions
   - Asking for Money—It's an Investment Towards Education—FA

4. Cash Collection Presentation
   [Time Estimate: 45 Minutes]
   [Presenters: Group Controllers]
   - Please let me know how you want this section indicated on the agenda and send me your presentation information.

5. Overcoming Objections
   [Time Estimate: 2 Hours]
   [Presenters: VP, Registrar/Dean of Admissions]
   - What Is An Objection?—FA
   - How To Prepare For Objections?—VP of Admissions
   - Feel-Feel-Found-Example Role Plays—FA
   - Emotional Investment Questionnaire (EQ)—VP of Admissions—are you any ideas for tips on completing the EQ?
   - Budget Assistance Workshop—FA
   - Feedback-Bonanza (Role Playing Session)–Shared between FA and Admissions
   - Recap and Wrap Up

Kaplan Higher Education Corporation
Document 75, Page 1
From: Admissions Employee
Sent: Tuesday, October 13, 2009 4:25 PM
To: Admissions Employee
Subject: FW: Process Flow
Attachments: Admissions Process Flow.pdf, image001.jpg

See below

Redacted
Exec Director Admissions Assessment Support
311 S. Wacker, Suite 3000
Chicago, IL 60606
Tel: Redacted
www.kaplan.com

From: Admissions Employee
Sent: Tuesday, October 13, 2009 3:21 PM
To: Admissions Employee
Subject: Process Flow

I added some verbiage regarding the two paths (taken from a white paper we wrote but never put out there). While we ideally want to close an account and enroll the student before they go to FA, there is the secondary path to use if needed.

Preferred Path (ideally used in most cases)
- Used to ensure the student is committed to the school and program first, regardless of packaging
- Allows the representative to handle any credit objections versus leaving it up to FA to resolve
- Can still be for an earlier end date
- lets work load for FA = better customer service to enrolled students

Secondary Path (used in specific circumstances)
- Used rarely (e.g., student devalues that he/she is in default; never fills for Selective Service, non-Citizen, Professional Judgment, etc.) in these instances, students cannot start until they resolve these issues. This will avoid exposing a student that cannot start school.

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- Use as a last resort for students who are worried about funding or who want to find out the monthly tuition payment. Representatives should avoid putting financial aid in the position of having to handle cost objections. For more information about how to talk to students about monthly payments, please talk to your DGA about EXAM training.

- May also be used for dependent students (particularly high school) who need to have buying committee involvement before making a decision.

Redacted
Director of Admissions Training
313 S. Wacker Drive, Suite 3300
Chicago, IL 60606-6627

Office:  
Mobile:  
Fax:  
Redacted
www.kaplan.edu

Building Futures
Emerging opportunities are available for schools and colleges to the extent that the student is interested, and the school facilities, student, and faculty are prepared to take advantage of them. Schools are expected to equip their students to be prepared to take advantage of the various opportunities available to them.

Please consider the environment before printing emails or attachments.
From: Campus President  
Sent: Monday, May 24, 2010 4:16 PM  
To: Campus President  
Subject: RE: MOS and MA Graduates

Thanks.

Best regards,

Redacted

Campus Executive Director
Texas School of Business - North
711 East Alpine Drive
Houston, Texas 77033

Redacted

From: Campus President  
Sent: Monday, May 24, 2010 4:01 PM  
To: Campus President  
Subject: RE: MOS and MA Graduates

Sure, I will send to you shortly.

Redacted

Executive Director
Texas School of Business - Houston East Campus
32900 East Freeway
Honokaa, Texas 97020

Phone: Redacted
Mobile: Redacted
Website: Redacted

Building futures

This transmission is confidential communication or may otherwise be privileged. If it is not clear that you are the intended recipient, you are hereby notified that you have received this transmission in error, any review, dissemination, distribution or copying of this transmitted is strictly prohibited. If you suspect that you have received this communication in error, please notify the sender and immediately delete this message and all its attachments.

From: Campus President  
Sent: Monday, May 24, 2010 3:34 PM  
To: Campus President  
Subject: MOS and MA Graduates

From: [Name]  
Date: May 24, 2010 3:34 PM  
To: [Name]  
Subject: MOS and MA Graduates

[Body of the email was redacted]

Kaplan Higher Education Corporation
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placement numbers since they will be continuing school. We will need their name, complete address, phone number(s),
email address, program and grad date. We would like to try to get them to start for our mid-term start on June 7th.

Best Regards,

Redacted
Campus Executive Director
Texas School of Business - North
711 East Austin Drive
Houston, Texas 77073

Redacted
From: Admissions Employee
To: Admissions Employees
Cc: Campus Provost
Subject: Pick it up
Importance: High

There are 2 more days left to bring in new students for June. You have an opportunity to do one of two things, either hit your start goal or your forecast commitment. These are the only two options you have. My expectation is that each of you deliver on your forecast at a minimum. Review and I have fabricated based off what you have told us on your forecast in your word. If you are behind you need to stay on the phone to get some play appointments and shifts.

Keep:
Your Forecast:
Students on the books:
Students Needed:

Admissions Employee
7
4
5
Admissions Provost
10
10
Admissions Employee
7
<p>| | |</p>
<table>
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<td>2</td>
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</tr>
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</tr>
<tr>
<td>20</td>
<td></td>
</tr>
<tr>
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</tbody>
</table>

StudentName
ProgramDescrp
Adviser
| Redacted |
| Medical Assistant |
Admissions Employee
| Redacted |
| CST |
Admissions Employee
| Redacted |
| Medical Assistant |
Redacted

Medical Assistant
Admissions Employee

Redacted

Medical Assistant
Admissions Employee

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Medical Assistant

Redacted

Medical Assistant

Redacted

Medical Assistant
Admissions Employee

Total
5

Redacted

Director of Admissions
Texas School of Business - Houston East Campus
Please remember that there are Title IV implications here.

All programs qualify for a fair amount more in Title IV. Hence, the price has to be able to provide a gap large enough so that the corpus does not experience an immediate issue.

But it is too low. The reason that Dallas is changing so much is they do it because of this factor.

Redacted
West Group Controller
4666 East Van Buren, Suite 300
Phoenix, AZ 85008

Tel:
Fax:
Cell: Redacted

Building Return

-----Original Message-----
From: Campus President
Sent: Tuesday, October 27, 2009 4:12 PM
To: Finance Employee, Campus President
Subject: Price

I also think we should have a price on a fair return for our graduates. What kind of starting salary can they expect for the investment.
According to the Admissions policy, page 6, 7a., it states 'If the student has not submitted all required entrance requirements within 30 calendar days of the Official Start Date, the student must be placed in Revene status.' Our information in CampusVue shows that the student enrolled on 12/08/09 and exceeded the time allotted to provide her POP to the school. This student was not only past 10 consecutive days absent in the system, she should have been a reverse start since 01/08/10. Therefore, the student should not be a drop, but instead a reverse start in the system.

She met all the admissions requirements and was locked in during the start meeting. Every student that signs the enrollment agreement understands what the ramifications are if they choose to drop out of school. The student failed themselves...

That's all good, but if we put "student first", these students will owe balance to school now if we are going to drop them; both of these students have stop attending school and we should have reverse them earlier so there charges will be wiped out but now they will owe huge balance to school and morally this is not right and we have failed student because now they not going to pay school and their account going to be sent to collection and ruin their credit as well.

Thanks in advance,
Redacted by HELP Committee
From: Unspecified Sender
Sent: Friday, October 2, 2009 6:66 PM (GMT)
To: School Employee
Subject: FW: Active Military update

---

From: [Name]
Sent: Friday, October 02, 2009 2:04 PM
To: Lionel Lenz
Cc: John Stanton, VP - Financial Aid
Subject: Re: Active Military update

Lionel,

FA should focus on the 189 students 189 plus 189 by:
- Obtaining the 4 missing vouchers
- Completing research on the "open" 189

FA should also satisfy the remaining 533 students from those with the highest relative percentage of non-TA funding to those with the lowest relative percentage. FA can then use this stratification to prioritize packaging of the 533 students.

Finance Employee

---

From: Lionel Lenz
Sent: Friday, October 02, 2009 1:40 PM
To: Finance Employee
Cc: John Stanton, VP - Financial Aid; Scott A. Kalpare
Subject: Re: Active Military update

How can we get the money faster? This is important for meeting 90-10.

---

From: [Name]
Sent: Fri Oct 02 12:16:01 2009
To: Lionel Lenz
Cc: John Stanton, VP - Financial Aid; Scott A. Kalpare
Subject: Active Military update

Lionel,

The attached spreadsheet reflects the progress ISS has made to date with the original 1,500 active military students.

ISS recruited twenty-five additional students over the past week.

The following is a snapshot of where we stand:

- Project total payment: 750
- Withheld: 101
- Awaiting full payment: 352
- Needs assistance: 4
- Payment out "Active Military" 335

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<th>575</th>
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<tbody>
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<td>1,654</td>
</tr>
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</table>

I will continue to update everyone until the remaining I&I students are resolved.

Finance Employee
FYI - Just thought you might want to see this.

From: [Redacted]
Sent: Sunday, June 28, 2009 9:04 PM
To: [Redacted]
Subject: Re: Congratulations! You Have Been Recommended For Acceptance

Hi: [Redacted]

I'm informing you that I'm not going to attend classes at Kaplan.

The reasons are:

1. I have taken some of the gen eds that I already took before, Math, Comp 1, etc.
   I don't want to take these classes, I've already taken them, why do I need math & comp, and psychology to study medical transcription? It doesn't make sense, it's just a waste of time and money for me.

2. This is the MAJOR reason, the approx cost of my tuition at Kaplan would be around $11,000 or $12,000, with only $3,000 in grants, the remainder in loans. Why should I spend that much money, when I can take an online course at [Redacted] for the medical transcription program is approx $1600 and [Redacted] is approx $1800. I choose to take an online course.

Thank you for your time.

Sincerely

[Redacted]
I commend you for making the decision to take control of your future by going through the admissions process and visiting our campus. Congratulations! I am proud to have recommended you for acceptance at Kaplan University. The next step is to submit your application.

In today’s job market, one of the best ways to overcome the obstacle of securing a job you love is to obtain the skills necessary to meet employers’ needs. Kaplan is committed to training students on these skills and turning their dreams into reality.

We are currently enrolling for our next term. I look forward to having you back on campus to submit your application for acceptance. Please give me a call at Redacted or respond to this email with the date and time that you would like to come in.

Sincerely,

Admissions Employee
Davenport Campus
From: Finance Employee
Sent: Friday, July 17, 2009 3:32 PM (GMT)
To: Kevin Curran
Subject: Kaplan Choice Loan Reserve Rate

Hi Kevin,

As you are aware, the Kaplan Choice Loan has been moved at a rate of 6.9%. This 10% rate was鸭etary until we were complete with the analysis to determine the AC Loan expected default rate. During this, we conducted the analysis of factors such as missable probability trends for subprime loans, FICO score for loans issued, and the historical default rates on the Kaplan Choice Loan. Unfortunately, the news is not good. The expected 25% of the AC Loans moved to 10% per year. (However, we will work closely with Kaplan and you to increase repayment, but the expected performance of these loans will result in conservative 8% for the AC Loans).

How will this impact you?
The June 10% increase will be a one-time adjustment, not a permanent change. All loans that are in default status will be at the new 10% rate. The impact to your P&L and your bottom line will depend on the volume of KG loans you have outstanding. The June 10% adjustment will be retroactively through the June 30th, 2009, date. We will also review the impact and work with Operations executives to determine an appropriate budget adjustment for each school and certification code (by May 31).

What can you do?
As we discussed at the Management Conference, KG Loans should be used as a last option. Primary options before giving KG Loans include:
- Choose the EAFTE program — cash is king.
- Make sure all of your students who can qualify apply for state grants
- Encourage all students to apply for other alternative loans
- Get government aid
- Partner with agencies

If you have any questions, please contact your Kaplan Counselor.

Best regards,
Kevin Curran
VP and Corporate Counsel
From: [Redacted] (RVP) [Redacted]@kaplan.edu
Sent: Tuesday, December 1, 2009 7:29 PM (GMT)
To: [Redacted]
Subject: Redacted by HELP Committee

Redacted by HELP Committee

Just completed a session with [Redacted]

Redacted by HELP Committee

- The only major concerns were the 3% increase and the applicability of a price increase to nursing and all 3 thought that a 3% increase to all programs, except nursing, would not cause any significant problem.

Increases above 3%, especially in Iowa where the ITG tuition surcharge schedule and award reduction approaches are to be implemented for 2010, would cause a disruption in student packaging expectations that would lead students to reduce their class loads, or in worst case scenarios, drop from our programs to attend a cheaper program whereas they could reduce out-of-pocket tuition expenses.

Redacted by HELP Committee

Redacted by HELP Committee
From:
Sent: [Redacted by HELP Committee]
To: [Redacted by HELP Committee]
Cc: [Redacted by HELP Committee]
Subject: [Redacted by HELP Committee]

Redacted

Just wanted to say Thank You to the Career Services Department Team

You Guys ROCK!!

I have been trying to get this student to come in and sign a forbearance for the past couple of weeks and couldn’t get her to come in. She wanted Career Services to give her some leads first. I gave her the student’s information and called her right away and brought her into [Redacted by HELP Committee]. Was able to update her resume and give her some leads as well. The student is now very happy. I was able to get her to sign a forbearance and an unemployment deferment.

Woohoo! One more student off the delinquency Report... Now that’s what u call TEAM WORK!

Student Loan Counselor
Default Prevention Team

[Image]
<table>
<thead>
<tr>
<th>SCHOOL</th>
<th>DOCUMENT NUMBER</th>
<th>BATES NUMBER</th>
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Keiser University, Student Relationship Management Program

The Administration’s focus on post-secondary education, the continued growth in enrollment caused by the obvious need to serve a population that is generally under-served by traditional public and not-for-profit schools has increased Keiser University’s (“University”) role as one of the premier educational institutions in the southeastern United States.

As part of our responsibilities to ensure that students not only get a best-in-class education, the University implemented new programs such as Strategies for Success and contact via i3 group.

At the same time, the University implemented several changes to assist our students in the finance their education and to manage the consequent liabilities by implementing a program to prevent delinquency rather than assert default. The University believes that this Student Relationship Management (SRM) program implemented through internal and external resources represents the most unique program of its kind among for-profits and the University leadership is constantly promoting this approach based on just our initial results. Since implementation, the University has:

- Made 269,000 telephone calls to contact its current and former students who graduated between 2008 and April 2016;
- Contracted and assisted over 7,400 students with their Title IV loans out of a total population of 16,000 students.

Currently the University reaches students through personal on-campus visits, print and electronic media, and telephone calls. This ensures full information and understanding to the students on handling their financial aid.

The SRM program includes the following:

1. Use of an third party supplemental service provider to contact and counsel all University students from the time they enroll in the University;
2. Increasing contact from grace period to prevent delinquency instead of curing it through providing financial literacy information, counseling, and assistance;
3. Implementation of various tools such as Web Chat and Online Budgeting Tools and other print and electronic media to all students to assist them in understanding and handling their obligations;
4. Implementation of a student survey to understand their problems with understanding financial aid, researching better contact methods and media that the students relate.
5. Hiring a third party servicer to handle delinquent non-Title IV receivables and ensuring that students are encouraged to make reasonable and affordable repayment plans on these non-guaranteed obligations.

The various programs that were implemented some of which are still evolving based on student feedback provided the following results:

1. Keiser University’s draft cohort default rate (Draft CDR) for the 2009 cohort is at 10.1 percent, a 16 percent improvement from the 2008 CDR of 12.6 percent;
2. Keiser University’s 2009 two year CDR is anticipated to be less than 9 (nine) percent when it is published by the Department in October 2010, a full 25 percent less than the 2009 CDR;
3. The University was awarded the 2010 Excellence in Debt Management Award by USA Funds for its on campus and post-graduation efforts at contacting and informing students to help them reduce delinquency and avert default.

SBM PROGRAM DETAILS

The University decided to ensure that students are provided full access to not only the internal financial aid employees and student counselors, but also to have access to our supplemental third party servicer called The i3 Group. The plan was to provide a free service to students so that they can fully understand their rights and responsibilities. The students are actively contacted by the vendor who is fully trained in providing services in accordance with the University’s policies, procedures and overall philosophies. The contact occurs at various stages, as outlined below:

In-School Period – The students are introduced to the free services provided through the University by the i3 Group. The student’s current contact information is updated and the student is provided with contact information for a counselor at i3.

Grace Period – The primary purpose of these contacts is to introduce i3 to the student and inform them that our services are provided to them by Keiser University if not previously contacted. The student undergoes an information session over the phone regarding repayment and the rights and responsibilities related to the Title IV loan and how repayment impacts creditworthiness and other aspects. Information includes use of NSLDS and various other financial tools available online and via counselors at i3.

Current in Repayment - The primary purpose of these contacts is to introduce i3 to the student and inform them that our services are provided to them by Keiser University if not previously contacted. An update of all contact information for the student is completed as well as providing the student with i3 contact information. Information includes use of NSLDS and various other financial tools available online and via counselors at i3 is provided.

The Keiser School, Inc.
Document 1, Page 2
**Delinquent** – The primary purpose for these contacts is to communicate the loan status to the student. The student is provided information on rights and responsibilities, overview of servicer and guarantor agency roles and responsibilities, issues related to employment, an introduction to NSLDS and how the student can use it to track all their loans. Conference calls are made to the servicers to either reduce the delinquency with payments, or to find a temporary solution (deferment or forbearance) if the student is either unable to pay, or unable to pay the entire amount delinquent. Follow-up appointments are made to ensure that all payments and applicable paperwork is completed to bring the account current.

**Serious Delinquent (240 days delinquent or greater)** - The primary purpose for these contacts is to inform the student of the risk of default and the importance of immediate action. Payments may be required to qualify for temporary solutions to their delinquency. All options are discussed, as well as the ramifications based on their choice. A conference call is made to their loan servicer to determine final type of resolution.

**Default** – The primary purpose for these contacts is to inform the student of their current loan status. Furthermore, it is to educate the student of the actions that will possibly be taken against them based on the default. Counseling on the Loan Rehabilitation Program and reasonable and affordable payments is completed. The current guarantor is contacted to establish a repayment agreement to rehabilitate the loan. If the account is placed with a collection agency, a conference call with the collection agency is made with the 13 Counselor working with the student to establish a reasonable and affordable payment arrangement. Monthly follow-up appointments are made to confirm payment is made and that all contact information is current on file.

**TOOLS**

All University students receive various types of mailers from 13 based on their loan status and whether there has been previous contact with the student. These mailers are used to generate a call to a student services specialist or to direct them to the 13 website for additional information. The mailers are designed to define the association between the University and 13, as well as to let the students know that 13 is not a collection agency, but a free service provided to find solutions to avoid delinquency and default.

The following are the mailers sent to students:

**Postcards** - The postcards sent to the student include both the 13 logo and the institutions logo for clear identification of the source. Nothing referencing student loans appears on the postcard. Contact information for the 13 group and its website are provided.

**Brochures** - The brochures sent to the students outline their rights and responsibilities, as well as the consequences of default. The brochures include the logos of 13 and the institution to clearly identify the relationship and source of the mailer. Contact information for 13 and its website are provided.
Delinquency letters – Students not current on their loans receive a letter outlining their current status and the approximate days delinquent. Also provided are the guarantors of their loans including a definition of the relationship between IO and Keiser and the contact information for IO and its website.

Loan Rehabilitation letter – This letter is sent via Federal Express or through mail to students who have defaulted on their loans to inform them of their loan status. Additionally, the letter reassures them that there are still solutions available to them to resolve their debt. The relationship between Keiser and IO is defined and contact information provided.

WEB BASED TOOLS

The IO website is another tool to provide information to students. Included on the website are key links for student loan borrowers such as:

- NSLDS, ED.gov
- Financial planning tools and budgeting calculators;
- Defervescent forms for various servicers including Direct Loans;
- Employment search and staffing companies in the entire Southeastern United States;
- Telephone numbers to servicers and guaranty agencies;
- Web chat sessions that the student can use without having to speak with anyone in
Training Manual
Default Aversion
Default Management – Phase I
2008 Cohort
Table of contents

I. Overview
II. Talk offs
III. Disputes
IV. Forbearance and Deferments
v. Glossary
Overview

Our goal is to bring the account to a current status through collection of the full past due amount, partial payments to reduce the delinquency or a combination of payments, forbearance, or deferment time. All accounts are pre-default. Strong emphasis is placed on claims assertion. Standard procedure for the loan is to default anything over 270 days past due. Because we are working on behalf of the school, we will not be taking payments directly from the borrower. All discussion in regard to payments will lead to a conference call with the lender so the borrower can make their payments. All forbearance and deferment forms will be reviewed by the group and forwarded to the lender/servicer and Keizer University.

Goals

Our goal is to cure each loan through cash payments, deferment or forbearance. This is a "cure" program. Loans need to be cured prior to reaching 270 days delinquent. Our objective is to obtain "best in class deferral avoidance" by curing and maintaining a cohort default level of less than 1.3%.

Knowledge

1. The lender is the bank or other financial institution, where the borrower obtained the loan.
2. The servicer is an organization that processed payments, deferrals, forbearances, and other correspondence for the loan.
3. The guarantor is an organization that used federal money to reimburse lenders for defaulted loans.
Loan Types

a. Stafford Student Loan (SSL) or Guaranteed Student Loan (GSL)
   1. Have six month grace period
   2. Interest subsidy benefit. Government pays interest while in school, during grace period, and any authorized deferment period.

b. Supplemental Loan for Student (SLS)
   1. No grace period
   2. No interest subsidy benefit

c. Consolidation Loan
   1. Borrower with over $5000 in total guarantor student loan (SSL, SLS) can get loans consolidated.

The Lender Requests Assistance (LRA) is a notice that the lender files with guarantor when the loan is 120 days delinquent. Once a loan is brought correct, the lender is required to cancel the LRA.

Department Specifics
(See additional definitions in glossary section.)

- SLB are not taken on any account.
- All accounts in repayment are placed in group. Default proceedings start at 270 (9 months), accounts will stay in group until a claim is filed or when the loan reaches 360 days (12 months) delinquent.
- Borrowers are reported to the Credit Bureau 90 days from the delinquency date. (Servicer) reports the original loan amount, original disbursement date, current balance of each loan, and status of loan including delinquency and when loans are completely repaid by borrower or guarantor.
- Minimum payment plus late charges will take 30 days off delinquent days.
- Payments received are first applied to late fees, interest and then principal.
- For 10-day payoff, this amount includes all accrued interest plus 10 days of future interest.
- If borrower mailing payments to (servicer), payment needs to be sent 3-5 business days prior to due date.
- Internet payments take a minimum of 2 days for (servicer) to process.
- Payments under forbearance can be done, however the payments are applied to interest and collection fees then principal.
FAQ

What is delinquency?
Delinquency is the failure to make monthly loan payments on time as scheduled. Loans are considered to be delinquent when one payment is missed.

Why is delinquency bad?
Delinquency can be reported to all national credit bureaus and could impact financing any future purchases, such as home or automobile. All payments for student loans are listed on credit reports.
Borrowers are also charged late fees. Borrowers are subject to default if payment obligations are not met.

What is default?
Default is when a borrower is delinquent for 270 days.

Why is default so serious?
Loan default can have long-lasting or permanent consequences. If a borrower is delinquent and failing on their loans:

- Default can be reported to all national credit bureaus and could impact financing of any future purchase, such as home or automobile.
- The cost of the loan can increase with the addition of late fees and other charges.
- Borrowers can lose their entitlements to deferments or forbearance options.
- Borrowers can lose their eligibility for future student financial aid.
- Borrowers' wages can be garnished.
- Borrowers' IRS refunds can be seized by the Department of Education.
- Borrowers can be sued for the balance of their loan.
Primary Talk Off

Hello, my name is ________ I am calling regarding the student loans you received while attending Keiser University. Our records indicate that your student loan is currently over 120 days delinquent. Are you aware that once you reach 270 days delinquent your loans will fall into default? .......... PAUSE

There are a number of consequences once your loan(s) fall into default, such as ...
(Go over a few, from list below)

Consequences of default

1. Full balance of the loan due immediately.
2. You will be charged collection fees.
3. You may be eligible for administrative wage garnishment.
4. The Government will look to intercept your tax returns (tax offset).
5. Your Credit Bureau Report will reflect a defaulted student loan.
6. The balance will continue to increase as there is no statute of limitations on student loans.
7. Professional license may be denied for renewal.
8. No Title IV funding for additional schooling will be available.
9. Grades and transcripts may be withheld.
10. Immediately lose the privileges of forbearance/deferrals and minimum monthly payments.

Obviously catching up on your payments is the best option for you to bring your account current. However, this is not your only option. I am sure you’re getting numerous calls from your lender and/or collection departments regarding re-payment of your loans. Your lender’s main objective is to bring your loan current and avoid default by paying the past due amount. Because the lender is more concerned with recovering their funds, they might not have given you all of your available options. I would like to take a moment and describe the other options available to you that do not require you to make a payment.

As you were instructed in your exit interview you have many deferment and forbearance options available to you that will place your loan payment on hold until you are able to resume your monthly payments. This is your legal right when borrowing Federal Stafford loans.

Have you, in the past, put your loan into a forbearance state?

If yes, for how long was your forbearance?
If less than 12 months, same as below
If no, by simply contacting your lender/servicer you can make a request that can last up to 12 months. By doing so you would remove the current risk of default and have an opportunity to improve your financial situation so you can make your scheduled monthly payments.
Payment vs. Forbearance

If the borrower is unable to commit to any monthly payments, is eligible for forbearance and is interested in the forbearance option, first go over the benefits of payments vs. forbearance. Below is the pro's of payments and the cons of forbearance:

**Cash**
- Paying down your loan balance
- Account remains current
- Interest does not capitalize
- Credit report remains in good standing

**Forbearance**
- Increases your loan balance
- Interest is capitalized
- Extends the life of your loan
- Can have a negative effect on credit report
- Limited amount of time available

- Regular on-time payments makes you eligible for interest rate reductions
- Your loan is not assessed late charges or collection fees
Disputes

It is not uncommon for borrowers to dispute their student loans. Many times borrowers are not satisfied with their education; they did not finish their course or claim bankruptcy. Per the Master Promissory Note (MPN) the following terms apply:

Loan cancellation: I understand that the terms of a full or partial loan cancellation depends on when I request the cancellation.

- I may cancel all or part of my loan by informing my school within 14 days after my school sends me a disbursement notice or by the 15th day of the school’s payment period, whichever is later.
- Any time within 120 days of disbursement, I may pay back all or part of my loan. The loan fees will be reduced or eliminated in proportion to the amount returned.

Loan Discharge

- My loans will be discharged if documentation of my death is submitted to my lender.
- If my physician certifies that I am totally and permanently disabled, I may not receive a discharge due to total and permanent disability based on a condition that existed before I applied for that loan, unless a physician certifies that the condition substantially deteriorated after the loan was made.
- My loan will not automatically be discharged in bankruptcy. In order to discharge a loan in bankruptcy, I must prove undue hardship in an adversary proceeding before the bankruptcy court.
- The lender, guarantor, or the Department of Education vouches for the quality or suitability of the academic programs offered by participating schools. If I repay the loans even if I do not complete my education, I am unable to employ in my field of study, or I am dissatisfied with the, or do not receive, the education I paid for with the loans.

If the borrower is disputing any of the terms above, advise them of the Borrowers’ Rights and Responsibilities Statement listed in the master promissory note, and advise of the default consequences. Make the borrower aware that they should make payments while disputing to avoid default.
Bankruptcy

- If the debtor filed bankruptcy (chapter 7) before 1998, they are able to have the loan discharged. However, their account must have been in active repayment (meaning no forbearance or deferment time used at all) for seven years prior to the bankruptcy.

- Most (99.9%) of loans will not qualify for discharge under bankruptcy.

- SM puts your account in a bankruptcy claim status until your loan is discharged. Sometimes it can take years to complete. However, the account does accrue interest while in a bankruptcy status.

Deceased Information

- Servicer needs the original death certificate for the guarantor, the one with the raised seal.
- Also required is the city, state, date of death, hospital or funeral home that handled the matter and the contact person.
- This should be mailed to [insert group] and forwarded to the servicer.
About i3 Group

The i3 Group provides Supplemental Default Aversion Services on behalf of colleges and universities and supplement the services provided by the Lender or Guaranty Agency to the student borrower.

Our mission is to help students understand the consequences of default and avert it. Our Default Aversion Counselors are trained to understand each student's specific issue and to help them navigate the myriad of forms, rules, and regulations that will help keep the loans from becoming more seriously delinquent or even default.

THIS IS A SERVICE TO YOU FROM KEISER UNIVERSITY.

YOUR DEFAULT AVISION COUNSELOR CAN BE REACHED AT

CALL TODAY AND AVOID DEFAULT.

The information contained in this brochure is for informational purposes and is not a comprehensive guide. It does not replace any of the provisions of the terms of your student loan agreements. The advice provided here is intended as a service to the student and does not constitute legal opinion.

YOUR FEDERAL STUDENT LOAN IS SERIOUSLY DELINQUENT.

AVOIDING DEFAULT IS EASY!

CALL TODAY!

AVOID DEFAULT TODAY!!
FACTS ABOUT YOUR FEDERALLY GUARANTEED STUDENT LOAN
1. Your student loan is a loan, not a grant. It must be repaid.
2. Interest accrues on your student loan.
3. When the 6-month grace period ends, you MUST start repayment of your loan.
4. Default means that you have defaulted on a Federal loan. You will become liable for actions available to the federal government for collection.

YOUR RIGHTS AND RESPONSIBILITIES
1. You have the right to deferment and forbearance.
2. To qualify, you must act timely and get approval from the lender/servicer.
3. You have the right to loan consolidation & rehabilitation.

EXPLANATION OF TERMS
Deferment - Is a temporary postponement of payments for reasons such as being back in school or military service.
Forbearance - Is a temporary postponement of payments for reasons such as unemployment and other financial hardship.

SOME CONSEQUENCES OF DEFAULT
1. No more payment arrangements - Entire balance becomes due in full.
2. No more deferment & forbearance.
3. Credit Bureau Report - Default is reported to the 3 major credit bureaus (Experian, Equifax, and Trans Union).
4. No more Federal loans - You are no longer eligible for any other Federal loans or grants including VA or FHA home loans.

5. Wage Garnishment - If you are employed, up to 25 percent of your wages can be garnished without a court order.
6. Litigation - You may be sued for repayment with liens placed against your assets.
7. No Statute of Limitations.
8. Federal Treasury Offset - Your state and Federal tax refunds and other federal payments will be withheld until this loan is paid in full.
9. Fees & Costs - Up to 25 percent in collection fees can be added to the balance.
10. Account referred to collection agencies.
### 2009 Cohort Work Activity

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<th>Account Age</th>
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<th>Emails (by Days)</th>
<th>Calls (by call type)</th>
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<td>30, 90, 150</td>
<td>No Calls until IVR at 160</td>
<td>Contact student to get current contact information as well as to confirm student is in position to pay when repayment begins</td>
<td>Introduction to 13 group; reminder when repayment begins; request for current contact information via call or e-mail</td>
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<td>0-30</td>
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<td>35</td>
<td>IIVI; predictive dialer</td>
<td>Leave message to encourage student to call in to confirm current contact information as well as to ensure student understands loan is in repayment and first payment late</td>
<td>Introduction to 13 group; reminder that repayment started and payment late; request for current contact information via call or e-mail</td>
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<td>IIVI; predictive dialer</td>
<td>Leave message to encourage student to call in to confirm current contact information as well as to inform student that loan is delinquent at least one payment</td>
<td>Introduction to 13 group; reminder that repayment started and payment late; request for current contact information via call or e-mail</td>
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<td>75</td>
<td>IIVI; predictive dialer</td>
<td>Leave message to encourage student to call in to confirm current contact information as well as to inform student that loan is delinquent at least two payments</td>
<td>Introduction to 13 group; reminder that repayment started and payment late; request for current contact information via call or e-mail</td>
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<td>Dialer Campaign; Manual Skip Effort</td>
<td>Contact student to get current contact information as well as to confirm student understands loan is delinquent at least three payments/month or forbearance/deferment</td>
<td>Introduction to 13 group; reminder that repayment started and payment late; request for current contact information via call or e-mail</td>
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<td>Contact student to get current contact information as well as to confirm student understands loan is delinquent at least four payments. Initiate conference call to servicer to &quot;cure&quot; account</td>
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<td>215</td>
<td>Dialer Campaign; Skip Waterfall; Manual Skip Effort</td>
<td>Contact student to get current contact information as well as to confirm student understands loan is delinquent at least six payments. Initiate conference call to servicer to &quot;cure&quot; account</td>
<td>Introduction to 13 group; reminder that repayment started and payment late; request for current contact information via call or e-mail</td>
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<td>6/30/20</td>
<td>175</td>
<td>10</td>
<td>5.4%</td>
<td>5,355,830</td>
<td>11.3%</td>
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Note:
- *Cancelled Loan: Loans that were cancelled.
- The data shown is from 06/30/2020 and includes all loans.
- The rate % and interest are given in percentage.
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Part II.11

All schools are given an annual target for tuition increases of 3% to 4% in order to cover increases to salaries, rent and other operating costs. The executive directors then review each program and make individual adjustments to each program while keeping the goal in mind but also adjusting for market conditions or changes to program design which may result in a higher or lower increase. In some years tuition rates are decreased. As a company our annual average tuition increase has been 3.6% over the past 4 years.

For additional information on tuition increases, please see schedules provided in our response to request #10.
Excerpts, selected by the HELP Committee, from a larger document produced by the company.
COHORT DEFAULT MANAGEMENT SERVICES AGREEMENT

This Cohort Default Management Services Agreement (this "Agreement") is entered into as of the 22nd day of February, 2009, between GENERAL REVENUE CORPORATION ("GRC"), and LINCOLN EDUCATIONAL SERVICES ("LINCOLN").

WHEREAS, LINCOLN and its subsidiaries operate post-secondary educational institutions ("Schools");

WHEREAS, some of the students at the Schools who finance their education at the Schools with Federal Family Education Loan Program ("FFELP") and Federal Direct Loan Program ("FDLP") student loans;

WHEREAS, LINCOLN desires to minimize the number of student loan accounts which default in their current year federal Cohort, as defined in 34 C.F.R. 668.181, et seq., and

WHEREAS, GRC is in the business of providing Cohort Default Management Services, and desires to assist LINCOLN with managing its Cohort Default Rate.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. CONTRACTING PARTIES:

GRC is an Ohio corporation with its principal place of business at 11501 Northlake Drive, Cincinnati, Ohio 45249, and LINCOLN is a New Jersey corporation with its principal place of business at 200 Executive Drive, West Orange, NJ 07052. Each party warrants to the other party that the person executing this Agreement on its behalf is duly authorized to do so.

II. BORROWER AND ACCOUNT PLACEMENT:

From time to time during the term of this Agreement, LINCOLN shall, at its sole discretion, designate certain student loan accounts (each an "Account", and collectively "Accounts") of students at its Schools who are borrowers in its federal Cohort, as determined pursuant to 34 C.F.R. 668.183(b) (each a "Borrower", and collectively "Borrowers"). For each specific Cohort year as being serviced by GRC, LINCOLN shall provide the applicable Services (as defined below) with the goal to prevent Accounts from entering into default, and to minimize LINCOLN Cohort Default Rate, as such term is defined and calculated pursuant to 34 C.F.R. 668.181, et. seq., for that specific Cohort year.

III. STATEMENT OF SERVICES TO BE PERFORMED:

GRC shall provide LINCOLN with specialized FFELP and FDLP student loan borrower default management services, including, without limitation, monitoring of Accounts to avoid delinquency and default of Accounts, contacting and informing Borrowers via telephone and mail regarding their Account, updating Borrower demographic information, obtaining Borrower and Account information from third party lenders,
VI. FEES FOR SERVICES:

Lincoln shall pay GRC a one-time placement fee (the "Fee") per Account upon the designation of such Account in accordance with Article II of this Agreement as follows:

A. For those Accounts in Fiscal Year 2008-2009, Lincoln shall pay a one-time Placement Fee per Borrower of $38.50

B. For those Accounts in other Fiscal Year Cohorts after the Fiscal Year 2008 Cohort, Lincoln shall pay a one-time placement Fee per Borrower, per Cohort, of $38.50.

VII. REPRESENTATIONS AND WARRANTIES OF GRC:

A. GRC is duly organized, validly existing and in good standing under the laws of its state of incorporation and is duly qualified to do business, and is in good standing in every jurisdiction in which the nature of its business requires it to be so qualified. GRC has full corporate power and authority to enter into this Agreement and to carry out the provisions of this Agreement. GRC will comply with the laws of each state to the extent necessary to perform its obligations under this Agreement.

B. This Agreement and all other instruments or documents to be delivered hereunder or pursuant hereto, and the transactions contemplated hereby, have been duly authorized by all necessary corporate proceedings of GRC.

C. The execution and delivery of this Agreement by GRC hereunder and the compliance by GRC with all provisions of this Agreement do not conflict with or violate any applicable law, regulation, or order and do not conflict with or result in a breach of or default under any of the terms or provisions of any contract or agreement to which GRC is subject or by which it or its property is bound, nor does such execution, delivery, or compliance violate the by-laws or articles of incorporation or formation of GRC.

D. This Agreement constitutes a legal, valid and binding obligation of GRC enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights generally and by equitable limitations on the availability of specific remedies, regardless of whether such enforceability is considered in a proceeding in equity or at law.

E. There are no proceedings or investigations pending or, to GRC's knowledge, threatened against GRC, before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality having jurisdiction over GRC or its properties (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, (iii) seeking any determination or ruling that might materially and adversely affect the performance by GRC of its obligations under, or the validity or enforceability of, this Agreement or (iv) that could have a material adverse effect on the Loans.
ENROLLMENT AGREEMENT
Your Program Is Checked Below

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Lincoln Education Services Company
Document 3, Page 1
THIS AGREEMENT must and agreed to between LINCOLN TECHNICAL INSTITUTE, Philadelphia, Penna., hereinafter referred to as the SCHOOL, and the STUDENT, whose name appears on PAGE ONE of this AGREEMENT.

The STUDENT will perform reasonable services of one in repair of stains, any Agent of God that would necessitate a delay in rendering, serve longest a new service before the first academic day of class.

The SCHOOL agrees to provide instruction for the period of hours required by the program prescribed on PAGE ONE. At the conclusion of the program, provided all specified requirements have been met, the STUDENT will be awarded an Associate in Specialized Technology, Degree or Diploma. Graduation Requirements: Successfully complete all required courses within a maximum of two and one half (2/2) times the planned program length. Achieve an overall grade point average of 2.0 (C, GPA). In addition to the academic GPA, the total number of credit hours as stated in the School Catalog must be completed the student must be in good standing and not be on probation.

APPLICANTS with previous experience or formal training in the field for which they have elected to enroll may be granted credit toward the completion of the program based on an evaluation of their experience in the field. If credit toward the completion of the Program is granted, the option will be advanced to the student so that he or she may complete the required coursework to an academic GPA, the total number of credit hours as stated in the School Catalog must be completed the student must be in good standing and not be on probation.

The SCHOOL is afforded and informed of all duties by the STUDENT that may arise as a result of the SCHOOL'S inability to perform because as a result of the failure of God. Unless any or all of the duties being performed by the SCHOOL, the STUDENT shall be informed by the SCHOOL'S written or verbal communication.

If the STUDENT, in violation of the SCHOOL'S written or verbal communication, refuses to accept the responsibilities of the SCHOOL'S written or verbal communication.

The SCHOOL reserves the right to alter hours of attendance and curriculum content or class planning data when deemed necessary. Such changes will not alter the program goals or RETRO POLICY stated in this AGREEMENT. If changes beyond the control of the SCHOOL, require a postponement of a class starting date, or otherwise improve the student's requirements in the terms of this AGREEMENT, STUDENTS with the option to enroll in the revised course that may be enrolled under the terms of this AGREEMENT. STUDENTS with the option to enroll in the revised course that may be enrolled under the terms of this AGREEMENT.

A STUDENT will be allowed to register for the missed classes as an additional tuition charge provided the student graduates and providing the student will not be required to complete the program in the minimum time permitted by the SCHOOL'S Graduation Policy.

The STUDENT shall have the option to terminate this Agreement at any time without notice by giving written notice to the SCHOOL in writing. The SCHOOL shall not be required to accept any written notice of termination by the STUDENT. Any such notice shall be in writing and signed by the STUDENT and the School's Executive Director. The School's Executive Director shall be in the form specified by the student and may be directed requesting the student to sign the school's Graduation Policy and any agreement.
NOTICE

ANY HOLDER OF THIS CONSUMER CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES ATTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HERETOFOR.

CANCELLATION AND REFUND POLICY

1. CANCELLATION PRIOR TO STARTING CLASSES:
   a. Refunds will be allowed in full under any of the following conditions:
      a) Requested at least 10 days prior to the start date of the class.
      b) Cancellation, regardless of cause, by the school.
      c) Any cancellation, regardless of cause, by the student
      d) Refunds will be calculated based on the following:
         - 100% refund if requested within 10 days of the start date.
         - 75% refund if requested within 21 days of the start date.
         - 50% refund if requested within 30 days of the start date.
         - 25% refund if requested within 30-60 days of the start date.
   b. After the first day, no refunds will be given.

2. CANCELLATION AFTER THE ORIGIN OF THE PERIOD OR STARTING CLASSES:
   a. After the first day of class, refunds are subject to the policies outlined above.
   b. The student will be responsible for any fees incurred.

RETURN OF TITLE IN FEDERAL Aid, STUDENT AID

Federal regulations regarding repayment of Federal Financial Aid changed the basis for calculating the amount of a Federal Aid, Student Aid, or Federal Loan. If a student withdraws from a class prior to completing 25% or more of the scheduled term, they will be required to repay a portion of the aid received based on the percentage of the term completed, with a maximum repayment of 120% of the aid received.

STATE REFUND POLICY

All refunds will be made within 30 days of the request.

APPLICATION FEE, MATERIALS FEE, GENERAL FEE, & TOOL REFUND POLICY

The school does not refund any money for application fees, general fees, tool refunds, or books not considered required by the school.

Lincoln Education Services Company

Document 3, Page 3

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Please note: Students who drop out of this program in full will be entitled to receive a full refund of tuition. Partial refunds will be issued according to the following schedule:

- **First Week:** Full refund
- **First Month:** 50% refund
- **Second Month:** 25% refund
- **Third Month:** No refund

The School reserves the right to cancel any class due to insufficient enrollment. If a class is canceled, students will be notified and their tuition will be refunded in full. If a class is rescheduled, students will be notified in advance.

The School does not provide credit for courses taken at another institution. All credit transfers are subject to approval by the Academic Dean.

By signing below, I attest that I have read and understand the terms and conditions of this Agreement. I also understand that I am bound by the terms of the School's Code of Conduct.

Date: [Signature of Applicant]

Date: [Signature of School Representative]
From: Better Business Bureau, R — Redacted by HELP Committee
Sent: Friday, January 05, 2007 3:41 AM
Subject: BBB Complaint Case # 42005975, Ref # 55-6023-42005975-4-12203

Complaint Case #: 42005975

The Bureau has received a complaint from a consumer. This case is NOT being treated as a complaint,
but we wanted to inform you of this communication.

Your Better Business Bureau is a non-profit organization dedicated to helping consumers and companies
resolve disputes. We encourage you to respond to the consumer and try to resolve the issues presented
in the complaint. You can view the details of the consumer complaint by clicking here.

The Bureau is not requesting a written response from you, however, if you choose you may send a letter
addressing this complaint for our files. If you send a letter directly to your customer, please send the
Bureau a copy of the response. As stated above, the Bureau will not be pursuing this complaint with
you. You do not need to contact the Bureau regarding this complaint.

Thank you for your prompt attention to this matter.

Sincerely,
R — Redacted by HELP Committee
Customer Service Representative
BBB Complaint Department
R — Redacted by HELP Committee
To whom it may Concern:

Recently I received a comment card in the mail regarding my experience at Southwestern College (Franklin, Ohio Campus). My experience there was anything but pleasant. When I signed up I was told several things by the Dean and financial aid. These things seemed too good to be true, and it turns out they were. I was led to believe that the loan I was getting was to fund my entire tuition. This was not the truth; myself and many other students were required to take out another loan in the last quarter of our studies. Mine was an additional $400.00.

Education is extremely important to me, so I would have no problem paying for a quality education. I do not feel I was given even a mediocre one at Southwestern. I felt as if I was teaching MYSELF. Many times I was left in a classroom alone, or sent home because I did not have an instructor. Three of my instructors were terminated, and two of the three were involved in criminal activity. I feel this sets a horrible example, it reflects partly on the establishment as well as on the students. I do realize nothing is guaranteed, however I was told I was guaranteed a job after graduation. I was told I would be a certified insurance specialist while in school. I later found out the certification test is extremely expensive, and it requires that you have at least six months experience. I was told what I was paying for my tuition was competitive with other technical schools in my area. I later found out another school within ten miles of me charged half as much for the same program. They also had externship opportunities, as I did not. Also they had modern equipment. I was told the equipment at
Southwestern was the most modern available. When I listed the software I used on my resume, I was told it was “ancient”, by several doctors.

Despite all this I attended school everyday, and graduated with a 4.0 grade point average. I am unable to find a job though because I have no experience. I attribute this to the fact that as a coding and billing student, I was offered to externship opportunity. I gladly would have accepted the opportunity that people in the other programs complained about. I took it upon on myself to volunteer at the hospital, when I could, while working full time, to gain experience. I was only able to photo copy in the medical records department. Then I switched to direct patient care, which was also not my field. I contacted several companies in hopes someone would let me at least shadow someone, but I never received one phone call back.

I have done everything I can to find employment in my field, or at least close to it. I have faxed and mailed over fifty resumes. I have also filled out over twenty applications. I was offered help by career services at my school, but they told me nothing I did not already know. I was called for about five interviews, and although I received extremely positive feedback, each time I was passed over for someone with more experience.

I went to school to better my life, and when my loans become due, I will actually be in worse financial shape then I was before I attended school. I wish I would have never attended school at all, and had I known the reputation of the campus here, I would have never signed up. Also because of the geographic location many people who attended the Franklin campus were on public assistance. According
to the laws in Ohio many of these people had to either work full time, or be in school full time. These people received full grants, but many did not even finish their first quarters. It does not seem fair that someone who attended school everyday, and graduated with high honors, received no financial aid, and can not find a job. However, someone who did not even want to attend school, or were ordered to, had a full ride, and quit. So, as I write you from my job, a college graduate, making six dollars an hour, I urge you to investigate the Franklin, Ohio campus.

Sincerely,
New Jersey Office of the Attorney General  
Division of Consumer Affairs  
New Jersey Board of Nursing  
124 Halkay Street, 6th Floor, Newark NJ  
www.state.nj.us/ocac/new/bobn/bobn.htm

June 8, 2007  

LPN Nursing Program  
Lincoln Technical Institute  
2450 Clement Bridge Road  
Deptford, New Jersey 08096  

Re: Complaint

Dear [Redacted],

The administrative office of the New Jersey Board of Nursing ("Board") received a complaint from [Redacted] regarding Lincoln Technical Institute ("LTI"). In his letter he alleged the following:

- LTI does not have a full-time director  
- The A & P course had no syllabus and the test questions were outdated  
- Students were teaching themselves  
- Class schedules were altered  
- Students were tested on materials which they were not taught in class, and  
- Other concerns as per the enclosed complaint letter.

Therefore, in light that it may adequately consider the allegations of the complaint, the Board is directing that you provide written response to the above allegations within fourteen (14) days of receipt of this correspondence. Please provide eight (8) copies of your response to the Board within the requisite time period.

Your prompt attention and cooperation in this matter is appreciated. Should you have any questions, please contact me at [Redacted].

Sincerely,

[Redacted]  
LPN-Redacted by HELP Committee

Education Program Development Specialist II  

[Redacted]  
Redacted by HELP Committee  
Executive Director

New Jersey is an Equal Opportunity Employer. Printed on Recycled Paper and Recycling.

Lincoln Education Services Company  
Document 5, Page 1
May 31, 2007

R – Redacted by HELP Committee

Executive Director
New Jersey Board of Nursing
P.O. Box 45010
124 Halsey Street, 6th floor
Newark, NJ 07101

Dear Mr. R – Redacted by HELP Committee

The NJ Board of Nursing recently granted approval to a new PN program at Lincoln Technical Institute (LTI) and I feel that the board may have overlooked a few problems that NJ residents should be concerned about. In fact, I believe LTI lied to the BSN in order to gain approval for this program. Lincoln Educational Services took over the existing PN program from Harrison Career Institute and I was an instructor at LTI during a one-month transitional period. I found the following problems with the organization and the PN program:

1) Lincoln Technical Institute does not have a full-time Director of Nursing with a Master's Degree in Nursing on-site, on campus, on a daily basis. The person who was Harrison Career Institute's DON R – Redacted by has a full-time job as an advanced practice nurse at Cooper Hospital and LTI “uses his credentials” (as we were informed during a faculty meeting) to remain open. As of 5/25, they were still advertising for a Director of Nursing (Internet job boards—CareerBuilder, Monster). Because of this, LTI does not comply with your rules that an MN or MSN be present daily. The person actually running the program on a daily basis has a BSN only (R – R). The Board wouldn't grant approval to a new school with a part-time BSN director; shouldn't all schools have to follow the same rules?

2) I was hired to teach Anatomy & Physiology. There was no syllabus, no order to the course, and I was given no direction as to how to teach using the "Oklahoma Model." Test questions were outdated. I was told (by Miss R) –) to leave the students alone for hours to do case studies (I gave them 1 hour) and other instructors left them alone for up to 3 hours at a time on most days. Students even asked me if I was going to "teach"
them anything because they were left alone to teach themselves so often. I was unaware that PN students were able to teach themselves nursing!

3) Clinical experiences are supposed to be from 7AM - 3PM but I was told by other instructors that the students are to be let out by 1PM by having them work through lunch. I disagreed with this and I told them that students should get a lunch break (instructors, too) and should get as much clinical time as possible during their schooling. I was told to follow the "rules" and do what they did even though it shortened their clinical experience by 2 hours per day. Therefore, all LTI students are not completing the amount of clinical time the school says they are. Furthermore, I was told that I HAVE to give the students time to do their clinical paperwork during clinical, and so they often sat in the lounge watching TV instead of learning how to care for patients. In other schools, I always had my students do their clinical paperwork at home.

4) Students were tested on material they were never taught in class (Neurology, current group of "seniors" that will graduate in August 2007).

5) Lincoln Technical Institute took over the PN program from Harrison Career Institute after Harrison ran into financial aid trouble. I can understand the reasoning behind allowing LTI to continue to teach a group of PN students that were already in the program. We need the potential nurses to help ease the nursing shortage that exists. What I can't understand is why the Board allowed LTI to start a new class in April 2007 when the program did not comply with State Board rules and didn't yet have approval for the program? I'm also hearing that LTI will start another new class in June 2007. I don't believe this school is qualified to start another group, based on the above problems.

Because of these problems, I feel those students are not being prepared properly. If the students don't get the education required, how will they be able to care for patients even if they do somehow, pass their boards?

Thank you for the opportunity to express my feelings. I just want the students to be able to give quality care to all the patients they serve and I want all nursing schools to comply with State Board of Nursing rules.

Sincerely,

[Handwritten Signature]
New Jersey Office of the Attorney General
Division of Consumer Affairs
New Jersey Board of Nursing
124 Halley Street, 6th Floor, Newark, NJ 07102
www.bcnj.gov/njboardofnursing.htm

September 19, 2007

R – Redacted by HELP Committee
Director LPN Nursing Program
Lincoln Technical Institute
1000 Howard Boulevard Suite 200
Mt. Laurel, NJ 08054

Dear R – Redacted by HELP Committee

The Education Committee presented its review of the complaint from R – Redacted and the response from Lincoln Technical Institute to the New Jersey Board of Nursing (“Board”) during its regular meeting on September 18, 2007.

Based on its review of the documentation provided, and a favorable site visit to Lincoln Technical Institute on May 5, 2007 by representatives of the Education Committee, the Board voted to close its investigation into this complaint.

Should you have any questions, please contact me at (973) 273-8056, Monday through Friday between 9:00 a.m. to 5:00 p.m.

Sincerely,
R – Redacted by HELP Committee

Education Program Development Specialist II

C: R – Redacted by HELP Committee, Executive Director

Lincoln Education Services Company
Document 5, Page 4
December 12, 2007

VIA E-MAIL ONLY

Executive Director
Lincoln College of Technology
2359 Windy Hill Road
Marietta, GA 30067

Dear Mr. [Redacted by HELP]

Enclosed is a copy of a complaint against your institution from [Redacted by HELP]. As explained in the Procedures for Resolving Complaints, located on the ACICS Web site at www.acics.org, the Council is required to review all matters such as this.

Within 21 calendar days of the date of this letter, you must provide a documented written response to the allegations made by this individual. In particular, please focus on the areas of substitute instructors and unprofessional conduct by faculty members. This response should include copies of appropriate materials to support your statements. Please respond on or before Wednesday, January 2, 2008.

The Council strongly encourages you to communicate with the complainant to attempt to resolve this matter internally. In the event that you are unsuccessful, the Council urges you to document your attempt(s) and the result(s). Please include any such documentation in your response. The Council also suggests that, in order to foster cooperation, you should consider forwarding a copy of your response to the complainant.

Your immediate attention to this matter will be appreciated. If you have any questions, please contact the Council office.

Sincerely,

[Redacted by HELP]

Compliance Coordinator

c: [Redacted by HELP]

Enclosure
To Whom It May Concern:

I have been a student at Lincoln College of Technology @ Marietta, Ga. since 9/1/06. I am writing this letter today to withdraw from your school as per the conversation I had with Ms. R on 4/2/07. I had asked me previously to write a letter expressing my dissatisfaction with the school and why I was asking for a 100% refund from the school. I offered to refund my money for one class, but it's not one class that I have been dissatisfied with. From the very beginning, I have expressed my dissatisfaction with the school altogether. I have done this through the front office as well as on surveys (both written and computer) and things still have not changed nor have they been handled in a proper fashion.

I came to this school to get an education and instead I have wasted 7 months of my life.

In my 2nd mod, I had a teacher who would teach only if she felt like it. If she didn't feel like teaching that day, she would have us read to ourselves a little while. She used foul language and talked in a vulgar way with students (sexually).

In my 3rd mod, we had one teacher for the first week and another the next week. The new teacher had never taught at the school and had no idea how the class at the school was supposed to operate. She was just thrown into figuring everything out on her own and as a result, we never received the hands on instruction that we were supposed to get during this mod. She also would teach one thing in class, but then would test on things that were never covered or discussed. Some of the questions on her final were questions from our 2nd mod class. How do you do that????

In my 4th mod, we had three teachers in a 15-day span. We were supposed to learn the muscular and skeletal systems of the body during this mod, but neither was taught. At the end of this mod, our team lead resigned from the school because of the problems that were going on with both the administration and other teachers in the school.

Upon starting our 5th mod, letters that students had written to administration concerning a particular teacher somehow got back to the teacher, which lead to problems between that particular teacher and the students. She told the class that she needed to "go buy a gun"! We took this issue to the front office staff and were assured that this would be addressed, however, after a week nothing had been done and the teacher continued her verbal assault on the class. We were to learn CPR in this class, however the videotape was fast forwarded through all of the training. I couldn't begin to perform CPR on a human being because we skipped through the training. Although this was not a "CPR class", our final for the whole mod covered only CPR!!!

In my 6th mod, we had a teacher who we had previously had, that allowed a student to teach the class for her for the first few weeks. During one class, the teacher verbally assaulted me and a couple of other students for no reason. I, again, went to the front office and complained
but nothing was done. This teacher insisted on us writing a journal for a grade on what we were giving up for Lent. What in the world does that have to do with massage therapy?? I spoke to the front office again and informed them that I was not going to be writing a journal on what I would be giving up for Lent, because it had nothing to do with the mod and it sounded allot like forcing other peoples religious views on me. I talked with the front office to inform them of this teacher's behavior and to let them know that we had not been taught the muscular or skeletal systems and that I didn't think I would be able to pass the National Certification because of all the things we were not taught. I was assured me that I would not be required to write the journal and that she would talk to the teacher. She also informed me that they were trying to get together some classes on the weekends to study for the National Certification. Why would there be a need to study on the weekends if we were being taught everything we needed to know Monday - Thursday?? I informed her that this would be impossible for me as I am a single parent of an 8-month-old child. One night, we were taking turns reading out of our textbook, and a teacher verbally harassed one student because she could not pronounce some of the Latin terminology. The student was very upset having been called out in class like that and got up and tried to leave, but the teacher grabbed the books and the book bag out of the student's hands and tried to restrain her from leaving. The teacher grabbed the student by the arms and pushed her out of the classroom and took the student into another classroom and slammed a door behind them. Several students went to check on the situation and came running back saying that the teacher had "put her hands" on the student. They went and got another teacher from another class because there wasn't anyone from administration at the school that night, but she did not want to get involved in the situation because "she was in enough hot water as it was". Meanwhile, the class is just waiting around and at 10:30pm, everyone just leaves to go home. This situation not only affects one student, but the whole class. Students called the school the next day to complain and wrote letters, yet nothing was done right away. It was only after the student pushed the issue that the teacher was disciplined for her actions and then it was only a 2-day suspension!!! During these 2 days, our class sat in on another class and did nothing. Upon her return to teaching, the teacher that had been suspended was really mad at the students who had complained and called on her and for the next 4 or 5 days, she did not teach at all!!! She would come in the class and write what pages to read in the textbook and answer some questions at the end of the chapter. She didn't speak a word!!! She then tells everyone that they are to continue writing their journals. This issue again, I was assured was being taken care of, which obviously was not.

In our 7th mod, we were supposed to learn Trigger Point. We could not learn this, because we had not been taught the muscular or skeletal systems. The instructor, meanwhile, had gotten sick and we had a substitute instructor for a few days who taught nothing!! When our instructor came back, he wanted us to do the hands on that we had not done in mod 3. The class was supposed to start at 6:30pm, yet most nights we wouldn't start until 7:00pm and we would stretch outside for a while and then go on break at 8:00pm. We would come back at 8:30pm and wait on the instructor to get back and then go off until 9:30pm. At 9:30pm, we would get to go home!!! I scratch my head and ask myself, what did I learn?? Someone please tell me how this is teaching me Trigger Point????
I finally had enough and called corporate to address my complaints with them. I was assured that they would handle the situation. Obviously corporate had contacted the school regarding my complaint because the school contacted me then with [redacted] (the Dean) and the next class, the teacher informed us that we would be learning the muscular and skeletal systems in 2 days and that the final would be that Wednesday of that week. How can you teach the entire muscular and skeletal systems of the body in 2 days?? The next day, two other students and myself were told by [redacted] that we could stay at home until the next 2 mods started and we were assured that we did not have to take the finals and it would not affect our grades or our attendance, which up to this point I had not missed a single day. We were also told that the school was going to consider having early classes from 5-6 pm to cover the things not covered in each mod. Obviously we have not been taught what we were supposed to have been taught in each mod. This does not help me because I cannot get to school any earlier than 6:30pm.

Each student received a syllabus at the beginning of each mod on what would be covered during that mod, yet not one time was the syllabus followed. The classrooms are also to have proper equipment to be taught with on which the school has not provided (skeletons & charts in each class room). Instructors were asked by students over and over again and we were told that they had asked the proper administrative up front and were denied. I am convinced that I would never be able to pass a National Certification on what I've been taught the past 7 months. I am also convinced that I have completely wasted my time and I'm now being given the run around by the administration of the school. I have called the school and have been told that they must get with corporate. I called corporate and was told that the school was handling the problems. The problems with the school are obviously out of control cannot be fixed with a band aid here and there. I can't get the 7 months of my life back that I have wasted but I can get my money back. We as students should not have to deal with all these issues, and if so then they should have been properly addressed when we were being told that they were and not just brushed aside because it just makes things worse, as to now it is irreversible. How are we as students learning with all of this going on? I was told that I would be getting a quality education, which I never received. Your attention to this matter is greatly appreciated.

I can be reached @ any of these ways:

Lincoln Education Services Company

Document 6, Page 4
July 1, 2008

R -- Redacted by HELP Committee

Executive Director
Lincoln College of Technology
2359 Windy Hill Road
Marietta, GA 30067

Dear [Redacted by HELP Committee]

The Council has reviewed your response, dated April 23, 2008, to the complaint made by [Redacted by HELP Committee]. Based on this review, there is no substantive evidence that the institution is violating the standards set by the Accreditation Criteria. Therefore, unless additional information and documentation are received, this matter is considered closed.

Please keep in mind, however, that this matter has been made a part of the institution’s permanent file. This material and all other information accumulated through the accreditation process will be reviewed by the Council when considering a new grant of accreditation for the institution.

Sincerely,

[Redacted by HELP Committee]

[Redacted by HELP Committee]

Senior Manager, Campus Development

Lincoln Education Services Company
Document 6, Page 5
From: [Redacted]
Sent: Tuesday, January 22, 2008 9:13 AM
To: [Redacted]
Cc: [Redacted]
Subject: Fw: BBB Complaint: Case ID 27027667/Ref #77: 13002408-27027667-13-3100

Complaint Case ID: 27027667
Consumer: [Redacted]

BBB has received further correspondence from the consumer regarding the above referenced complaint.

You can view the details of this correspondence and respond at the following website address:

Generally, resolving a complaint requires both parties to move from their current position to a middle ground. In your response, please state your position and if possible indicate what steps can be taken by both parties to resolve this matter.

In the interest of time and good customer relations, please respond by January 28, 2008.

We look forward to your prompt attention to this matter.

Sincerely,

Kendra Wright
Daytime Resolution Counselor

1/22/2008
LINCO0000098
**BBB CASE#: 27027667**

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/27/2008</td>
<td>Forward Consumer</td>
<td>Refused to Business</td>
</tr>
</tbody>
</table>

(The consumer indicated here did NOT accept the response from the business. I do not find the information presented by Lincoln College as an accurate depiction of the situation. I received a call from Lincoln College on Friday, 3rd January, 2008, and I was told that I was enrolled in the course curriculum, which was not part of the history of tests taken at Lincoln. I asked for, and received a portion of a similar history of tests through the MCCER. I was told that I was not enrolled in the course curriculum, not for the full history of tests for which I paid Lincoln College. I expect to receive certificates for Core, Level 1, and Level 2. Furthermore, I have not received documentation from the MCCER which verifies that I will receive full credit for the examinations that I have taken. I was informed by Lincoln College that due to some administrative problem that I would have to take all of the tests over again. In all, there would be 22 tests to take. This would be unacceptable, since this would cause further hardship. Until I received a full return, Lincoln College has stopped advertising that they are authorized to give MCCER exams, or that I received verification from the MCCER that they have validated all of the examinations I took at Lincoln College of Technology, and that my name has been entered into the MCCER registry for all of the examinations that I have previously taken through Lincoln. I cannot accept their response as acceptable.)

https://atlanta.ohdcr.com/complaintview/27027667/6292731a3f75b81d=0443

1/22/2008
LINC0000099

Lincoln Education Services Company
Document 7, Page 2
MEMORANDUM

To: [Redacted]
From: [Redacted] Office of Proprietary Schools
Date: 3/5/08
Re: Student Complaint #022008

Enclosed is a copy of a complaint filed with our office by [Redacted]. Pursuant to 603 CMR 3.18(2) the school shall respond in writing to this office within thirty (30) days detailing the school’s response to or resolution of this complaint. Please attach any pertinent documentation supporting your position including a copy of the enrollment agreement, a copy of the transcript, a list of the instructors for each course the attended. The Department of Education anticipates you will review the complaint and resolve all outstanding issues no later than April 7, 2008. Please copy the complainant a complete copy of your response.

Also, as a reminder, all schools are required to have an established procedure for resolving student complaints, which shall be published in the school’s catalog in accordance with 603 CMR 3.18(1). Additionally, in accordance with J 18(1) the school shall keep a written record of this student’s complaint for a period of one year following the graduation or withdrawal of the student.

If you have any questions, please contact me at [Redacted].

Enc: Student Complaint

Lincoln Education Services Company
Document 8, Page 1
The Commonwealth of Massachusetts
Department of Education

Office of Proprietary Schools
Complaint Form

Mail Completed Form To:

MASSACHUSETTS DEPARTMENT OF EDUCATION, OFFICE OF PROPRIETARY SCHOOLS
350 MAIN STREET, MALDEN, MA 02148

Please use this form to record all information about your complaint. Complaints cannot be accepted or
handled by the Department as an original signature is required. The Department cannot process
incomplete or unsigned complaints. Once received, a reviewer will be assigned to examine the complaint
and will, if necessary, request you for additional information. You will be informed of any correspondence
with the school regarding this complaint and the results of the review will be communicated to you in writing.
You should be aware that in order to properly evaluate your complaint and access your records, your
name must be revealed to the school during our review.

Please print or type all information.

1. Name: 
2. Street Address: 
3. Telephone Number - Day: 
4. E-Mail Address: 
5. Social Security Number (or Student ID #): 
6. Name of Alleged Incident(s): 
7. Name of school which your complaint concerns: 
8. 1/05 - 3/06: 
9. Address and telephone number of the school: 
10. Did you attempt to resolve the incident? (circle): 
    if so, why not: 
    if not, why not: 
    Please list all correspondence, telephone, email, and any other contact you have had with
the school in an attempt to resolve this matter. Be sure to include dates of contact and with
whom you spoke at the school. 
11. How did you hear of the school? 
   - Newspaper 
   - Television/Radio 
   - Other: 
12. Check the box which describes your status with the school: 
   - Student 
   - Family Member of Student 
   - Employee of School 
   - Other: 

LINC0000131

Lincoln Education Services Company
Document 8, Page 2
If you are not the student, please enter the name of student and whether social security number or alien registration number, the reason you are filing this complaint on behalf of the student:

14. Is student? Are you still at this institution? [ ] Yes [ ] No

If so, please check box which applies: [ ] Graduated [ ] Terminated [ ] Withdraw;

15. Date of Graduation (if applicable): ___________ (date)

16. Date Raised/Discharged: ___________ (date)

17. Date of Termination (if applicable): ___________ (date)

18. Date Program Began: ___________ (date)

19. Date Program Ended: ___________ (date)

If your complaint is of a financial nature or you are seeking a refund for any part of your studies, please complete this chart of how you feel for your notice at this institution and attach all required documentation. Please use additional sheets, if necessary.

<table>
<thead>
<tr>
<th>Name(s) of Lender/Institution</th>
<th>Federal Amount/Date</th>
<th>Non-Federal Amount/Date</th>
</tr>
</thead>
</table>

Loans

(Attach copy(s) of original loan agreement)

Grants

(Attach copy(s) of original grant award letter(s))

Scholarships

(Attach copy(s) of original scholarship award letter(s))

Cash

(Attach copy(s) and attach copies of checks, and/or attach copies of cash payment receipt(s))

$ / $ / See Attached Form

Lincoln Education Services Company
Document 8, Page 3
I would like to receive my loan money back so I can attend a real school in the Fall. I am planning on going to school for P.T. assistant. The whole school was changed because of all the complaints and the low job rate after graduation.
I hereby acknowledge that, by signing this complaint form, I am giving the Commissioner of Education or his representative authority to review and secure any and all of my student records in order to appropriately review and resolve this complaint. I am also authorizing the Commissioner to request a refund on my behalf if the Department determines that a violation occurred that warrants a refund. The Department may provide information about my claim to the Massachusetts Office of the Attorney General, the United States Department of Education, or another state agency, if warranted, in order to secure resolution to my complaint.

[Signature]

[Date]
To Whom It May Concern:

I am writing this complaint for several reasons, the first of which is that I have discovered that my teachers at CETI were not certified. I completed the Massage Therapy program on March 10, 2000, and although I realized long afterward that my "educational" experience there was weak, I did not realize the full extent of its deplorability.

---

I was not certified, sleep during class frequently, gave us extra homework and long "current events" so he could rest, and dismissed class early on a regular basis.

Teachers were always on edge, expecting that they might lose their jobs, and openly discussed their personal lives in class. One teacher, --- was a common courtesy, and talked about it often in class. She did not watch the movie "Philadelphia" nor once did she—supposedly to teach us compassion. I also found out afterward that she was not certified to teach anything.

When I applied, I was told that there would be 12 hours and 2 days of hands-on classes. These were only a few hands-on classes, and not one single hands-on period during the entire program.

The first class was supposed to be hands-on Massage— but that is the class we took last. Each "class" lasted two weeks, and the majority of the class and quizzes were given to us a few days before, in the form that they appeared on the tests and quizzes.

We spent most of our class time either listening to the teachers talk about her personal problems, or watching movies. One teacher had us watch "The Rock" and "The Nutbrown," and told us that it was so that we could view inside her. Other movies that we watched in class were the 10 Year Old Virgin, Philadelphia, The Notebook, Troy, and Radio. Some of the teachers also had inappropriate conversations with us regarding sex.

I managed to get hired as a massage therapist, and the owner said she hired me in spite of the fact that she never hired CETI graduates. Yet when I started having children, I really had no idea what I was doing.

I joined the list for the National Commission exam, which was more rigorous and in-depth than anything I had ever seen at CETI. I failed the exam; the material was too far above my head that it was embarrassing.

This school should not be accredited. I paid for a massage therapy education, but what I received was not a genuine education. I am asking to be reimbursed for all that money, because the name I spent at CETI was a joke.

Sincerely,

[Signature]

Lincoln Education Services Company
Document 8, Page 6
February 20, 2000

Lincoln Technical Institute
2143 Horning Road, Bldg. A
Philadelphia, PA 19116

Dear [Name],

I regret to inform you that this office has received a written complaint against your school.

I have enclosed a copy of the complaint received. Please provide a written response to include copies of any supporting documentation (student enrollment agreement, PDC-274 forms for instructor qualifications, etc.) that will support the school's reply. Please have the school's reply to this complaint arrive to this office no later than March 23, 2000.

Your attention to this matter is appreciated.

Sincerely,

[Signature]

Division of Private Licensed Schools
Bureau of Postsecondary Services

R – Redirected by HELP Committee

Lincoln Education Services Company
Document 9, Page 1
STATE BOARD OF PRIVATE LICENSED SCHOOLS

Student Complaint Questionnaire

In order for the State Board of Private Licensed Schools to investigate a complaint, a student must first follow the school’s written policy for procedures concerning student grievances, then provide the following information: A COPY OF THIS COMPLAINT WILL BE SENT TO THE SCHOOL.

A. GENERAL INFORMATION -

1. School Name and Address - Lincoln Technical Institute
   3201 Wabash Ave
   Chicago, IL 60614

2. Your Name and Address -

3. Title of your program - Medical Billing and Coding

4. Dates of your attendance - From[ ] To [ ]

5. Your Home Telephone Number: [ ] Work [ ]
   (Check one (s) and (s) EST): [ ]

6. Your Signature: [ ] Date: [ ]
   (THIS FORM MUST BE SIGNED)

B. SCHOOL POLICIES AND PROCEDURES -

1. Does the school have an established policy and procedure for resolving student complaints? (Check one) Yes [ ] No [ ]

2. Have you followed the school’s established procedure for resolving student complaints? Yes [ ] No [ ]

- Continued On Side Two -

- Side Two -

LINC0000265
3. Since you have discussed your concerns with the school administrator who is identified in the school's procedure for resolving complaints, please provide the name and title of that school official.

Brief summary of outcome - At the end, he told me that I should stay at school and that the issue would be resolved.

C. COMPLAINT

Please begin on this form and continue on a separate sheet of paper. In your own words, printed or typed, clearly explain the condition(s) which caused you to file a written complaint. Attach documents which verify your complaint. These documents should include copies of relevant documents and correspondence with school officials. **DO NOT SEND ORIGINALS.** Please try to present the events and concerns in the order in which they occurred. Please include a final paragraph in which you identify the actions you seek to resolve your complaint. Please attach all sheets together with this form on top.

In the past, [name] had not been performing the tasks that I had assigned to them. She was not following the rules and was not consistently meeting the standards that were set. She was also not taking the necessary steps to improve her performance. I had given her multiple warnings and opportunities to improve, but she continued to fail to meet the expectations.

I found a new position and was able to give the school another chance. However, throughout the seven month duration of the program, there were times when the instructor was absent and we were left to work alone and train ourselves. Despite this, I continued to meet high standards.

The school has since taken steps to improve the conditions and the women who worked in that department have improved their performance. None of the issues that you raised have been resolved. I believe that the school is not doing enough to address the concerns that you have raised.

(Continue your written complaint on separate sheets and attach them to this form.)

Please send this completed questionnaire along with any other documentation which will verify your complaint to:

State Board of Private Licensed Schools  
Pennsylvania Department of Education  
333 Market Street, 12th Floor  
Harrisburg, PA 17128-0553  
Telephone #: (717) 787-8226

LINC0000266

Lincoln Education Services Company  
Document 9, Page 3
MERIT ASSESSMENT REVIEW

NOTICE OF FINAL AGENCY ACTION
COMPLAINT DISMISSED DUE TO:
☐ Failure to state a claim for relief
☐ Frivolous on its face
☐ Respondent is exempt
☐ No Reasonable Possibility

May 11, 2009

R – Redacted by HELP Committee
17 Moreland Avenue
Waterbury, CT, 06705

Re: Casa Name: R – Redacted by v. Lincoln Technical School
CHRO Case No.: X – Redacted by HELP
EEOC Case No.: v

Pursuant to CONN. GEN. STAT. § 46a-53(b), the Commission on Human Rights and Opportunities (CHRO) is required to conduct a Merit Assessment Review (MAR) of all complaints (except housing). The purpose of the MAR review is to determine whether the complaint should be retained for a full investigation or dismissed.

Determination of the MAR process requires that the executive director/designee review:
• The complaint
• Respondent’s answers to the complaint
• Respondent’s answers to the commission’s request for information, if any
• Complainant’s comments, if any, and
• Any additional information from either party, if any

Document 9, Page 4
March 16, 2010

R -- Redacted by HELP Committee
170 Nutmeg Lane
Stratford, CT 06614

Re: R -- Redacted by HELP Committee vs. Lincoln Technical Institute - Shelton, CT CP-087

Dear R -- Redacted by HELP Committee

This Department has reviewed your complaint regarding Lincoln Technical Institute - Shelton, CT.

Upon careful review of all pertinent documents the Department has determined that Lincoln Technical Institute has not violated any Connecticut General Statutes or Regulations of State Agencies adopted by Section 10a-22x of the statutes. A copy of the Report on the Investigation of the Complaint is enclosed.

It should be noted that, per Section 10a-22x-13(c) of the Regulations of State Agencies, if either party does not accept the conclusions and recommendations of this office with respect to a complaint, they have the right to pursue a resolution in Connecticut Superior Court or through other legal means.

Sincerely,
R -- Redacted by HELP Committee

Academic Affairs

Enclosure

Ch. R -- Campus Director
April 17, 2009

Director
Lincoln Technical Institute
2180 Horning Road, Bldg. A
Philadelphia, PA 19116

Dear [Redacted by HELP Committee]

Thank you for your school’s March 20, 2009 response to our letter regarding the complaint by [Redacted by HELP Committee].

I have enclosed a copy of my letter to Ms. [Redacted] closing this complaint. The staff investigation of this matter indicated that there were no violations of the Private Licensed Schools Act or regulations.

Please contact me if you have any questions regarding this issue.

Sincerely,

[Redacted by HELP Committee]

Sincerely,

R – Redacted by HELP Committee

Division of Private Licensed Schools
Bureau of Postsecondary Services
R – Redacted by HELP Committee

Enclosure

Document 9, Page 6
Consolidations of OPF-ID v, Main and Branch campuses

South Plainfield
Owned directly by NN Acquisition LLC
NN Acquisition LLC owned directly by Lincoln Technical Institute, Inc
Provisional OPEID # 025910-00
Possible Issues HCMI
DOE Region Region 2- New York
Stand alone ACCSCT Main Campus M001422
Licensure 90-10 ratio YTD 2009 66.9% as of 7/31
2007 Cohort Default Rate ATB 9.41%

Union, Mahwah, Queens
Owned directly by Lincoln Technical Institute, Inc
OPEID # 007350-00, 01, 02
DOE Region Region 2- New York
ACCSCT Main Campus M000196, B068561, B070963
Branches Mahwah, Queens
Licensure 90-10 ratio YTD 2009 70.48% as of 7/31
2007 Cohort Default Rate ATB 5.5%

Reason for Consolidation:

• Pro’s
  o Local Market, proximity of Campuses
  o Same State
  o Same Accrediting Agency
  o Same DOE Region
  o One less O&I to manage

• Cons / Issues
  o Need to flip ownership of ECTI to LTI, INC
  o Possible Accounting and legal issues
  o DOE Ownership Tree is different
  o Could be considered a C30.
  o Additional oversight due to Provisional PPA and HCM1 status

LINC0001399
Consolidations of OPE-ID #1, Main and Branch campuses

<table>
<thead>
<tr>
<th>Location</th>
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<td></td>
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<tr>
<td></td>
<td>DOE Region</td>
<td>Region 3 – Philadelphia</td>
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<td></td>
<td>Stand alone ACCSC1 Main Campus</td>
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<td></td>
<td>Licensure</td>
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<td></td>
<td>90-10 ratio YTD 2009</td>
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<td></td>
<td>2007 Cohort Default Rate</td>
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<td></td>
<td>ATB</td>
<td>1.4% as of 0/3</td>
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<td></td>
<td>Licensure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>90-10 ratio YTD 2009</td>
<td>78.85% as of 7/31</td>
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<tr>
<td></td>
<td>2007 Cohort Default Rate</td>
<td>19.89%</td>
</tr>
<tr>
<td></td>
<td>ATB</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

Reason for Consolidation:

- **Pro's**
  - Manage Default rate exposure (combined 2007 rate-15.28%)
  - Manage 90-10 exposure
  - Same Ownership Tree
  - Same DOE Region
  - Same State
  - Same Accrediting Agency
  - One less OI # to manage

- **Cons / Issues**
  - Possible accounting and legal issues
  - Could be considered a CIO,
## Consolidations of OPF-ID #, Main and Branch campuses

**Grand Prairie**
- Owned directly by: Lincoln Technical Institute, Inc
- Stand alone OPEID #: 00833-00
- DOE Region: Region 6 - Dallas
- Stand alone ACCSCCT Main Campus Licensure: M000261
- 90-10 ratio YTD 2009: 79.77% as of 7/31
- 2007 Cohort Default Rate: 21.97%
- ATB: 14.9% as of 9/3

**Nashville**
- Owned directly by: Nashville Acquisition LLC
- Nashville Acquisition LLC owned directly by: 1TL, Inc
- Stand alone OPEID #: 007440
- DOE Region: Region 7 - Kansas City
- Stand alone ACCSCCT Main Campus Licensure: M000221
- 90-10 ratio YTD 2009: 75.80% as of 7/31
- 2007 Cohort Default Rate: 7.16%
- ATB: -0.3%

### Reason for Consolidation:
- **Pro's**
  - Manage Default rate exposure (combined 2007 rate: 13.6%)
  - Manage 90:10 exposure
  - Same Accrediting Agency
  - One less OE # to manage

- **Cons / Issues**
  - Need to dissolve Nashville Acquisition LLC or fIIP GP under Nashville Acquisition LLC
  - Possible accounting and legal issues
  - DOE Ownership Tree is different
  - Could be considered a CIO?
  - Different State
  - Different DOE Region

---

LINEC0001401

Lincoln Education Services Company  
Document 10, Page 3
Consolidations of OPE-ID v. Main and Branch campuses

**Briarwood**
- Owned directly by: LCT Acquisition LLC
  - LCT Acquisition LLC owned directly by: LTL, Inc.
  - Provisional OPEID #: 0094107-00
  - DOE Region: Region 2 - Boston
- Stand alone NEASC Main Campus
- Licensure:
  - 90-10 ratio YTD 2009: 52.85% as of 7/10
  - 2007 Cohort Default Rate: 25.9%
  -ARB: -0.5%

**Clemens**
- Owned directly by: NN Acquisition LLC
  - NN Acquisition LLC owned directly by: LTL, Inc.
  - Provisional OPEID #: 040532-00
  - DOE Region: Region 2 - Boston
- Possible Issues:
  - HCMI
- Stand alone NEASC Main Campus
- Licensure:
  - 90-10 ratio YTD 2009: 68.5% as of 7/31
  - 2007 Cohort Default Rate: -0.5%
  -ARB: -0.5% as of 9/3

**Reason for Consolidation**
- **Pro's**
  - Local Market, proximity of Campuses
  - Same State
  - Same Accrediting Agency
  - Same DOE Region
  - One less OER to manage
- **Cons / Issues**
  - Need to flip Clemens under Briarwood, could be part of dissolving NN Acquisition LLC
  - Possible accounting and legal issues
  - DOE Ownership Tree is different
  - Could be considered a CIO
  - Additional oversight due to Provisional PPA and HCMI status
## Consolidations of OPE-ID v, Main and Branch campuses

### West Palm
- **Owned directly by:** NE Institute of Technology at Palm Beach, Inc.
- ** Provisional OPEID #:** 022860-00
- **DOE Region:** Region 4 - Atlanta
- **Licensee:** M01196
- **90-10 ratio YTD 2009 Inc. online:** 75.1% as of 7/31
- **2007 Cohort Default Rate:** 10.29%
- **ATB:** 21% as 9/3

### Southwest
- **Owned directly by:** Southwestern Acquisition LLC
- **Provisional OPEID #:** 013123-00, 01, 02, 03, 04, 25
- **DOE Region:** Region 5 - Chicago
- **Licensee:** M00453, B04434, B00435, B01125
- **Branche:** D01125, B Franklin, Tri-county, Vine St., Florence, Toledo
- **90-10 ratio YTD 2009:** 85.97% as of 7/31
- **2007 Cohort Default Rate:** 10.29%
- **ATB:** 37.0%

### Americae
- **Owned directly by:** NN Acquisition LLC
- **Provisional OPEID #:** 0031903-00, 01
- **DOE Region:** Region 4 - Atlanta
- **Licensee:** ID 1-240, 1-240-01 St. Petersburg
- **90-10 ratio YTD 2009:** 85.46% as of 7/31
- **2007 Cohort Default Rate:** 5.94%
- **ATB:** -0.5% as 9/3

---

Lincoln Education Services Company
Document 10, Page 5
Reason for Consolidation: WP, SWC, ASN

• Pro's
  o Manage 90-10 Exposure
  o Two less OEI's to manage

• Cons / Issues
  o Need to dissolve Southwestern Acquisition LLC
  o Possible accounting and legal issues
  o Different DOE Regions
  o SWC Ownership There is different, West Palm and Americare are the same
  o Could be considered a CIO,
  o Different States
  o Different Accrediting Agencies
  o Additional oversight due to Provisional PPA of West Palm and Americare
  o There is also additional oversight of Americare due to HCM1 status

This could be a two step process
• Consolidate West Palm and SWC
• Change accrediting agency for Americare from AIBHE to ACICS
Consolidations of OPEID #, Main and Branch Campuses

<table>
<thead>
<tr>
<th>New Britain</th>
<th>Hartford</th>
<th>East Windsor</th>
</tr>
</thead>
<tbody>
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<td><strong>Owned directly by</strong></td>
<td><strong>Owned directly by</strong></td>
</tr>
<tr>
<td>New England Acquisition, LLC owned directly by</td>
<td>NN Acquisition LLC owned directly by</td>
<td>NN Acquisition LLC owned directly by</td>
</tr>
<tr>
<td>OPEID #</td>
<td>Provisional OPEID #</td>
<td>Provisional OPEID #</td>
</tr>
<tr>
<td>DOH Region</td>
<td>Possible Issues</td>
<td>CDI Region</td>
</tr>
<tr>
<td>ACCSCT Main &amp; Branch Campuses</td>
<td>Branch Campus</td>
<td>Stand alone ACCSCT Main Campus</td>
</tr>
<tr>
<td>Branch Campuses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licensure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>90-10 ratio YTD 2009</td>
<td>90-10 ratio YTD 2009</td>
<td>90-10 ratio YTD 2009</td>
</tr>
<tr>
<td>71.82%</td>
<td>76.38%</td>
<td>71.98%</td>
</tr>
<tr>
<td>9.13%</td>
<td>6.55%</td>
<td>9.54%</td>
</tr>
<tr>
<td>ATB</td>
<td>ATB</td>
<td>ATB</td>
</tr>
<tr>
<td>5.5% as of 9/3</td>
<td>3.8% as of 9/3</td>
<td>5.9% as of 9/3</td>
</tr>
</tbody>
</table>
Reason for Consolidation: RIT, CCI, NETI

- Pro's
  - Local Market, proximity of Campuses
  - Same State
  - Same Accrediting Agency
  - Same DOE Region
  - Two less OEA's to manage

- Cons / Issues
  - Need to dissolve NN Acquisition LLC
  - Feasible accounting and legal issues
  - DOE Ownership Tree is different
  - Could be considered a CIO,
    - Additional oversight due to Provisional PPA and HCM1 status of both
      East Windsor and Hartford
Consolidations of OPC-1D \alpha, Main and Branch campuses

Seneca:ville
Owned directly by
OPED #  031963-00, 02
DOE Region  Region I - Boston
CTCSC Main & Branch Campuses
Branch campus  Lowell
90-10 ratio YTD 2009  85.39% as of 6/3
2007 Cohort Default Rate  12.27%
ATB  17.8 as of 6/3

Lincoln, RI
Owned directly by
OPED #  032223-00, 02, 04, 06, 07, 08
DOE Region  Region I - Boston
Stand alone ACCSCC Main Campuses
Branch Campuses  Brockton, Marietta, Green Valley, Sumter, AL
90-10 ratio YTD 2009  82.39% as of 7/31 (Euphorias offset Marietta)
2007 Cohort Default Rate  14.6% (mostly Marietta at 39.5%)
ATB  12.92%

Reason for Consolidation:
- Pros
  - Manage 90-10
  - Same Accrediting Agency
  - Same DOE Region
  - One less OPC to manage
- Cons
  - DOE Ownership Tree is different for Euphorias
  - Different states

LINC0001407

Lincoln Education Services Company
Document 10, Page 9
Consolidations of OPF-ID v, Main and Branch campuses

Euphoria (Green Valley)
Owned directly by Euphoria Acquisition LLC owned by Euphoria Acquisition J.L.C.
OPEID # Branch of Lincoln RI Lincoln Technical Institute, Inc
DOE Region 032325-07 Region 1 - Boston
License
ACICS Branch Campus
90-10 ratio YTD 2009 B01422 63.89%
ATB 4.2%

Euphoria (Sunnerfin)
Owned directly by Euphoria Acquisition LLC owned by Euphoria Acquisition J.L.C.
OPEID # Branch of Lincoln RI Lincoln Technical Institute, Inc
DOE Region 032323-06 Region 1 - Boston
License
ACICS Branch Campus
90-10 ratio YTD 2009 B01423 69.62%
ATB 4.0%

Euphoria (Xilante)
Owned directly by Euphoria Acquisition LLC owned by Euphoria Acquisition J.L.C.
OPEID # Branch of Lincoln RI Lincoln Technical Institute, Inc
DOE Region 032325-08 Region 1 - Boston
License
ACICS Branch Campus
90-10 ratio YTD 2009 B01497 78.87%
ATB 19.0%

Reason for Action
• Pro's
  o USDOE Branch Status
  o Possible Spin-off
  o Four year process

• Cons
  o DOE Ownership Tree is different
  o Could be considered a CIO.
Excerpts, selected by the HELP Committee, from a larger document produced by the company
Military Road Map

Results of Assessment Process
Veteran Focus

"The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation."

George Washington
Overview

- Purpose of Assessment
  - Why The Military
  - Military Market Overview
  - GI Bill Changes- Impact
- Assessment findings
  - Military Mindset
  - Best Practices
- Military Roadmap
  - recommendations
Purpose of Assessment

- Describe Military Market
- Provide a plan for a reliable and easy process for military personnel to access Lincoln’s training opportunities and for Lincoln to communicate efficiently with Military personnel interested in its current offerings.
- Include recommendations to implement the process, which are “best practices”
- The assessment will identify follow-on actions, set expectations and recommend where Lincoln needs resources to ensure the Military outreach process is effective and can be maintained over the long term without significant additional resources.
  - Crawl, Walk, Run
- Provide a “road-map” to develop a Military Market Strategy
Redefined focus

- HOW DOES LINCOLN BECOME MORE MILITARY FRIENDLY?
  - identify the ideal military student experience/lifecycle and related military specific student service needs
  - identify the current military educational benefits and how they align with our programs and processes
  - provide a report which gives us a road-map to working with the military and bolstering our military student experience
The Military Market is Big

- The Military Market is a large lucrative market for Lincoln
  - Large- about 3 Million
    - Over 50% in Guard and Reserves!
    - Another 28,000,000 veterans that share the affinity
    - Over 60% married
  - 225,000 transition from Active Duty annually
    - Approx. 70%, Guard and Reservists are available for civilian employment or training
  - Young, and diverse population
    - Majority have money for college or vocational training in GI Bill or branch specific educational incentives
Military Students and Veterans

- Active-duty
- National Guard and Reserves
- Veterans in the Community
- Family Members
Veteran Student Demographics

- 70% of those eligible for education benefits use some portion of them (17-18 months)
- Claimants are on average 20-34 years of age (74%)
- 30% are 25-29 years of age; 24% are 20-24 years of age; and 20% are 30-34 years of age
- Gender: 68% male; 32% female
- Marital status: 51% never married; 37% married
## Potential Military Market

<table>
<thead>
<tr>
<th></th>
<th>Active Duty</th>
<th>Nat’l Guard</th>
<th>Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>*522,000</td>
<td>360,000</td>
<td>205,000</td>
<td>1,087,000</td>
</tr>
<tr>
<td>Navy</td>
<td>335,000</td>
<td>-</td>
<td>70,500</td>
<td>405,500</td>
</tr>
<tr>
<td>Marine</td>
<td>186,000</td>
<td>-</td>
<td>35,000</td>
<td>221,000</td>
</tr>
<tr>
<td>Air Force</td>
<td>331,000</td>
<td>107,000</td>
<td>74,000</td>
<td>512,000</td>
</tr>
<tr>
<td>CG</td>
<td>40,200</td>
<td>-</td>
<td>8,000</td>
<td>48,200</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>2,273,70</td>
</tr>
</tbody>
</table>

*Note: Guard and Reserve 9/11/01 to 10/31/07: 575,000 mobilized & 455,000 deployed to Iraq or Afghanistan*547,000 by 2010
Military Officer Occupations

- Combat Spec/fy
- Engineering, Science & Technical
- Executive, Administrative and Managerial
- Health Care
- Human Resources Development
- Media & Public Affairs
- Protective Services
- Support Services
- Transportation
Military Enlisted Occupations

- Administrative
- Combat Specific
- Construction
- Electronics and Electrical Repair
- Engineering, Science & Technology
- Health Care
- Human Resources Development
- Machine Operator & Precision Work
- Media & Public Affairs
- Protective Services
- Support Services
- Transportation & Material Handling
- Vehicle Machinry Mechanic
The Military Market is a Lucrative

- For example: *More than a quarter (28%) of the military has an MOS with mechanical skills.*

- The DOL reports there is a lack of credentialing in the military. They earn the same skills but never test for civilian credentials.

- 63.2% said they would participate in a comprehensive training program if it would increase their job status and yearly salary.
- Title Four Implications - Keeps Ratio for Financial Aid lower if GI Bill is leveraged.
  - Chapter 30 - Good to Go
  - Chapter 33 - Only on Courses taught by IHL (Degrees)

  **Very Important they keep CH30 Status for Vocational Training!**
## Vehicle Machinery Mechanic Occupations

<table>
<thead>
<tr>
<th>Branch</th>
<th>Total Number</th>
<th>% of Branch</th>
<th>% of Total Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>48,043</td>
<td>11.8%</td>
<td>28.1%</td>
</tr>
<tr>
<td>Air Force</td>
<td>48,433</td>
<td>18%</td>
<td>28.3%</td>
</tr>
<tr>
<td>Coast Guard</td>
<td>5,564</td>
<td>23.7%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>18,473</td>
<td>11.5%</td>
<td>10.8%</td>
</tr>
<tr>
<td>Navy</td>
<td>50,266</td>
<td>17.2%</td>
<td>29.4%</td>
</tr>
<tr>
<td>Total All Services:</td>
<td>170,869</td>
<td>N/A</td>
<td>14.8%</td>
</tr>
</tbody>
</table>
What are Military candidates looking for?

- 81% said that employment was their biggest concern when transitioning out of the military.

- 63.2% said they would participate in a comprehensive training program if it would increase their job status and yearly salary.

- Many believed their military skills would not translate well to civilian life and therefore felt unprepared.
What are the long-term consequences of TBI?

- The Centers for Disease Control and Prevention estimates that at least 5.3 million Americans currently have a long-term or lifelong need for help to perform activities of daily living as a result of a TBI.
- According to one study, about 40% of those hospitalized with a TBI had at least one unmet need for services one year after their injury. The most frequent unmet needs were:
  - Improving memory and problem solving;
  - Managing stress and emotional upsets;
  - Controlling one's temper; and
  - Improving one's job skills.

Reference: Brain Injury Association of America
Student Veterans Wish List*

- Develop a Veterans Support Committee to improve campus climate for veterans (lessons learned from campus veterans, surveys)
- Develop Student Veterans Club on campus and/or provide meeting space
- If institution is eligible for VA Work Study, consider assigning Work Study student to help entering veterans make the transition to an education environment
- Publicize campus information on Vet-Friendly Web site (one-stop resource guide)
- Educate faculty, staff, administrators, and other students about student-veteran needs and concerns

*Campus Kit for Colleges and Universities, Student Veterans of America
Reflection

- Reflect on Lincoln’s strengths...in terms of military populations—ask current military students and veterans about your best features. What drew them to you?
  - Surveys- Publish- Leverage PR?
- What does Lincoln do to recruit, enroll, retain, and graduate military students and veterans?
- How might Leverage SOC Consortium membership to increase enrollment of military students and veterans?
- What can Lincoln do to become MORE accessible and friendly to military students, veterans, and family members
Military Road Map

1. Assign accountability (Dir Of Mil Affairs)
2. Review Policies - Make Military Friendly
3. Military Advisory Board
   - Leverage SOC Membership
   - Best Practices
4. Military Contact Team (National Resource)
   - Hearts and Minds - Emotional Connection
5. Maintain Contact Throughout Military Lifecycle
   - CRM: "Touch System"
   - Social Network - Peer Support Network
     (Extend to On Campus Club)
     • Student Veterans of America
     • Local VA Counselors relationship
     • Veteran Counseling (integrated with at risk programs)
6. Become Transition Resource
   - Create Military Transition Courses
     "Civilian World 101"
   - Partner with other colleges (UCSF)
Assign Accountability

Person Accountable

- Consider appointing ‘Director of Military Affairs’ to be accountable for the programs and resulting metrics
  - Principal metrics are pipeline metrics from first contact to graduation and job placement
Review Policies, Create Military Friendly Policies

- Policies that help servicemembers pursue education opportunities and complete degrees
- Procedural and policy accommodations as appropriate for military students who withdraw for a call to active duty
- Policies that encourage re-enrollment and aid transition back to the classroom for servicemembers and veterans returning from military service
Policy Considerations

- Training of faculty, staff, and students on veteran issues
- Transfer credit policies for ACE military credits/ MOS Credit
- Enrollment policies
- Financial policies
- Reenrollment /transition policies
- Withdrawal and drop/add policies
- Make up/ alternative assignment policies
- Grading policies
# Competitors Best Practices

<table>
<thead>
<tr>
<th>Summary</th>
<th>Major Institutions Offering Practice</th>
</tr>
</thead>
</table>
| **Free Application and Registration**                                  | • Schools offer free applications, application aid, registration counseling, and registration to enlisted service members and veterans. Fee of any change or fees.  
• Coastline Community College;  
  James International University Online                                                                                           |
| **Credit For Military Experience**                                     | • Schools offer a free evaluation to the applicant to determine the number of units the applicant will receive for military experience.  
• Many SOC Schools Fund as Military: Prior to offer this program.  
• Colorado College                                                                                                               |
| **Special Refund Policies**                                            | • Schools offer special refund policies for unlisted service members deployed or forced to relocate during education.  
• Colorado State University Online;  
  Desales University;  
  Liberty University;  
  TLU University                                                                                                                  |
| **10% Tuition Reduction Program**                                      | • Schools offer a 10-30% discount on tuition fees for enlisted service members and veterans.  
• Colorado State University Online;  
  Desales University;  
  Liberty University;  
  TLU University                                                                                                                  |
| **No Out-of-Pocket Expense Program**                                   | • Schools offer a program where tuition rates are discounted below the Tuition Assistance Cap.  
• Schools offer vouchers/credits for books and supplies.  
• Program only available to enlisted service members and veterans covered under the post-9/11 GI Bill.  
• Liberty University;  
  Robert Morris University;  
  Saint Francis University                                                                                                         |
| **Military Spouse Program**                                            | • Schools offer a program to extend all benefits to spouses of enlisted service members and veterans.  
• Coastline Community College;  
  Hawaii Pacific University;  
  James International University Online                                                                                           |
Best Practices

- Priority registration for returning military students
- Simplified/expedited application process for readmission
- Extended/flexible enrollment deadlines
- Course schedules adapted for transitioning active-duty servicemembers
- Academic and counseling services focused on military students
- Special Web pages for returning military students
- Veterans support groups
- Veteran centers and lounges
- Scholarship opportunities
- Deferred tuition payment plans (to accommodate TA and VA paperwork lags)
- Academic research addressing the needs of returning servicemembers
Best Practice Examples

Example of College Web sites focusing on military students:

- Central Texas College <http://www.ctcd.edu/student/prospective.htm>
  Prospective Student page - Military Student, Military Spouses
  Includes photos and text about military students integrated into the main college
  Web site <http://www.ctcd.edu/>

- University of Maryland University College
  Military Student Page <http://www.umuc.edu/mil/mil_home.shtml>
  Links to the SOC Website from their Academic Advising page for military
  students; includes tuition and fees and VA education benefit forms accessible from
  there <http://www.umuc.edu/mil/mil_advising.shtml>

- San Diego State University <http://newscenter.sdsu.edu/military/>
  Highlights military students and their veteran student organization on their site

- Thomas Edison State College <http://www.tesc.edu/879.php>
  Military programs Web page. Click on “Why Thomas Edison State College?” for a
  link to SOC Web site <http://www.tesc.edu/930.php>

- University of Phoenix <http://military.phoenix.edu/>
  Provides an array of financial information from their military page
  <http://military.phoenix.edu/tuition_and_financial_options/military.aspx>
Communicate Lincoln’s Military-Friendliness (SOC)

Example of catalog text insert:
Because of its efforts to serve the educational needs of servicemembers and their family members, Lincoln Tech has been designated a Servicemembers Opportunity Consortium college. As a member of the SOC Consortium, Lincoln Tech has committed itself to fully support and comply with SOC Principles and Criteria. Through this commitment Lincoln Tech ensures that:

- Servicemembers and their family members share in the postsecondary educational opportunities available to other citizens.
- Servicemembers and their family members are provided with education programs, courses, and student services from appropriately accredited institutions.
- Flexibility of programs and procedures particularly in admissions, counseling, credit transfer, course articulation, recognition of non-traditional learning experiences, scheduling, course format, and residency requirements is provided to enhance access of servicemembers and their family members to undergraduate education programs.
Leveraging Your SOC Consortium Membership

- Be a full SOC Consortium partner: market as a “military-friendly” institution
- Receive favorable publicity in SOC and other higher education publications/Web sites at no cost
- Publicize your membership to military markets—catalog, Web page, college newspapers, military newspapers, local military community, brochures, community audiences and events
- Compete in the military market in which “SOC Consortium membership” is considered for education contracts and memoranda of understanding
- Have a voice in partnerships that help set and maintain policies, principles, and criteria for institutions serving military students
- Create enrollment strategies to draw military students based on military-friendly policies and practices
- Use SOC Concurrent Admissions Program (ConAP) and SOCGuard outreach programs to build partnerships in the local military and veteran communities, publicize academic offerings, and boost enrollment
Summary SOC (From SOC)

To leverage your SOC membership:

- Partner with SOC, Military Education Offices, Military Recruiters, the National Guard, and the Reserves;
- Initiate personal contact to establish good partnerships;
- Establish goals to:
  - Support active-duty servicemembers, their families, and National Guard and Reserve members to help them achieve their education goals;
  - Boost enrollment of veterans
- Use recruiter tools (ASVAB, March2Success, ConAP, GI Bill, mentoring) available to help young people graduate from high school or earn a GED.
Military Advisory Board

- Consider getting a few well known Military leaders with academic/training background to serve on a board that meets quarterly to review policy, to guide efforts, and review progress.
Military Contact Team

Military Contact Teams

- Create Military Contact Team as a National Resource
  - Specially Trained to work with Veterans’ Military in transition
    - Internal Communications- Keep Lincoln Stakeholders informed!
    - Hearts and Minds...
      - Engage on emotional level, Empathic contact-- not closing mentality...”I understand, we are here to help, we have invested in a social network- Part of Students Veterans, we have peer support groups on campus.. WE ARE MILITARY FRIENDLY!
  - Position a Transition Class as first step for those not ready to select a career-
    Maintain Contact and help them decide on career/ training
Emotionally Connect and Differentiate Lincoln

- Emotionally Connect
  - Highlight Military Friendly aspects of Lincoln
  - Offer a "Transition Course" for college credit (Civilian World 101)
- Maintain Contact via a social network and CRM
  - Integrate current Military Students/Students Veterans of America
  - Check in Regularly
- Special Consideration during Campus visits/while on campus ("At Risk")
  - Veteran Student Tour guide?
  - Military Friendly Employer Network
  - On-Campus Veteran Clubs/tied into Social Network
  - On-Campus Buddy System/Military Mentors
Military Metrics

Report Military Metrics

- Leads
  - Transferred to Closers
- Signed into Social Network
- Assigned Mentor
- Counseling Support
- Contact History
- Visit School (Military Friendly Visit- Veteran Student introduction)
- Enrolled
  - GI Bill/Financial aid
- Placed into job
On Campus

- Train Staff about the Military Friendly Initiative
  - Military Friendly Visits- trained Staff/ Veteran Student
  - Veteran Clubs (Veteran Students of America Chapters)
- Assign Military Mentor (Buddy System)
  - Consider paying Military Mentors for their time
- Integrate with “At Risk” student support programs
- Build Strong relationship with Local VA Rep. (Job Fairs?)
- “Military Friendly Employers Network”
  - First interviews
  - Special PR support- Success stories “Johnny got a job”
    - Great content for Social network- Build Military friendly ‘experience’
Student Veterans Of America

Yesterday’s Warriors, Today’s Scholars, Tomorrow’s Leaders

- Nationally recognized non profit
- Veterans Service Organization
- Peer led network of vet clubs
- 110 member organizations
- Resources
  - Campus kit for veterans
  - Military to college guide for student veterans
  - Regional and National Conferences

www.student veterans.org
Become a Transition Resource

- Transition Program is broken-
  - A college level course covering basic life skills and addressing fears – What should I do?
- By offering a college level course Lincoln would position itself as a Military resource – a TAP partner
  - Marketing a PR win – We are Military Friendly… and prove it.
- Course is Lead Gen tool, keeps contact with potential students, and helps them decide what career they should pursue
  - Natural inflection point to choose a Lincoln course of study since Lincoln curriculum follows top career fields
- Could charge for course or offer it for free
  - I recommend a free course, because of the New GI Bill election process
What make a school military friendly?

Many college recognize that service members and veterans come to college with prior learning experiences from their time in the service.

Give Credit for Military Service

What can Lincoln Do?

Create a program that allows service members take placement exams and apply their military experiences to the civilian world. Their score will determine where in the program curriculum they start and dictate how long they are in school.
Give the Military Service value in the civilian world!

By accessing Lincoln’s Curriculum and potential job placements, HQ Group can do an in-depth analysis to the military MOS’. Working with Lincoln curriculum specialists, we can help create placement exams to create an effective individualized learning experiences that give military service value in the civilian world.
Create Specific Career Paths for Military
I'm concerned. If this is our method of conducting an investigation, we have a big liability.

Steve Buchenot
Sr. Group Vice President of Operations
Lincoln Educational Services
200 Executive Dr. Suite 300
West Orange, NJ 07052
R — Redacted by HELP Committee

From: R: Exec 1
Sent: Friday, June 04, 2010 2:47 PM
To: Stephen Buchenot
Subject: FW: Grand Prairie Investigation

Steve,

Per my vm, here are the write-ups.

Please let me know when you have availability on Monday to go over them.

Thank you,
R: Exec 1

From: R: CS Dir.
Sent: Friday, June 04, 2010 11:15 AM
To: R: Exec 1
Subject: Grand Prairie Investigation

Good morning R: Exec 1

Please find the attached write-up regarding the Grand Prairie investigation. Please let me know if there is any additional information needed on your behalf. I would like to send this information out to the Campus Executive Director, Group President and Vice President upon your review.

Thank you,
R: Redacted Signature of Career
Services Director

National Director of Career Services
Lincoln Educational Services
R — Redacted by HELP Committee

Lincoln Education Services Company
Document 12, Page 1
On Wednesday, April 21, 2010, I received a call from R: Staff 1, Career Services Director, Grand Prairie Campus, regarding a meeting she had with a graduate/employer — R: Emp1. R: Staff 1 stated that during this meeting, R: Emp1 informed him he had made arrangements with the campuses previous Career Services Director, R: Staff 2, to verify employment of graduates "placed" with his company, although the graduates were never employed by R: Emp1 or his company, in return for gas cards or cash. At that time, R: Staff 1 informed R: Emp1 that was not the way she worked and in order for them to work together, R: Emp1 would have to hire graduates and pay them.

Upon receiving this information, R: Staff 1 and I pulled the employer — R: Emp1 to access any placements associated to this employer. Upon reviewing the employer information in CampusVue for R: Emp1, it was noted that 6 2008 graduates were in fact "placed" with R: Emp1. For all 6, listed below, their job start date was: 2/16/2009 and the Date/Placed confirmed was: 2/27/2010. The graduates, all Auto/Diesel 2008 graduates, associated to this employer and placements are:

- R: Grad1
- R: Grad2
- R: Grad3
- R: Grad4
- R: Grad5
- R: Grad6

Upon confirming that graduates had been "placed" with R: Emp1, it was decided to call the graduates to confirm/verify employment with R: Emp1. I started by calling the graduates, from their numbers listed in CampusVue. Initial calls led me speaking directly with R: Grad2. Mr. Grad2 stated that he has not worked in the field since he graduated. I specifically asked him if he had ever worked for R: Emp1, and Mr. Grad2 replied, "I have never heard of R: Emp1." I told Mr. Grad2 that the Career Services has received Auto/Diesel job opportunities and would like to see him out working in the field. For the other 5 graduates, I was able to leave messages for 4. 1 graduate did not have any working number in CampusVue. From the initial calls, I received a call back from R...

R: Grad3 asked R: Grad3 the same question as R: Grad2: "Have you ever worked for R: Emp1?" R: Grad3 replied consistent with R: Grad2, "I have never worked for R: Emp1." I also performed Work Number verifications for the 6 graduates listed above. The Work Number verifications did not confirm employment with R: Emp1 for the 6 graduates. In another attempt to confirm and verify employment with Robert Burns, I requested that all 2008 graduates be run through the corporate skip trace system. The skip trace also did not confirm employment for Robert Burns. Both attempts, the Work Number and the skip trace did not include R: Emp1 as an employer.

At that point, I conducted a 2nd round of phone calls to those graduates listed above that I had not heard back from. Additionally, I requested additional numbers from their Financial Aid files from R: Staff 1. After I received the phone numbers from R: Staff 1, I performed an additional round of phone calls. From this round of phone calls, I was able to speak with R: Grad5. I asked R: Grad5 the same question I asked R: Grad2 and R: Grad3, "Have you ever worked for Robert Burns?" R: Grad5 had the same response as R: Grad2 and R: Grad3 — "I have never heard of R: Emp1."
Based off the responses from these 3 graduates, it was determined that all 6 placements associated to R: Emp1 were falsified. The decision was to then review all the placement information for these 6 graduates and determine who the Career Services Rep. The Career Services identified in CampusVue as entering this placement information was R: Staff3.

Also during this time, the entire 2008 graduate placement cohort was pulled from CampusVue and sorted by employers that hired multiple graduates and by Date/Placed confirmed. When this was completed, it was noticed on 2/27/2009, 4 Collision Repair and Refinishing graduates were all employed by the same employer on the same day. The employer in question is R: Corp1. The situation with R: Corp1 is that the supervisor listed in the placement information, R: Staff4 was an instructor at the time the placement was entered. Additionally, all 4 placements were entered by R: Staff5.

The process for this group of 4 graduates:

R: Grad7
R: Grad8
R: Grad9
R: Grad10

I placed initial call to all 4 graduates placed with Gasworks. Upon initial calls, I was not able to speak with the graduates. I then ran all 4 graduates through the Work Number for employment information and did not get any employment information pertaining to Gasworks. Also, I reviewed the skip trace information for these 4 graduates. The skip trace did not produce any employment information for Gasworks.

I again requested additional phone information from the campus. Upon receiving updated phone information, I placed a 2nd round of phone calls. During these phone calls, I spoke with R: Grad9 who stated that he has been working for R: Corp2 since the campus set him up on the interview. I asked him if he ever worked with R: Corp1 and he stated no, he actually never heard of them.

R: Staff5 reached out to all graduates in question via social media fronts - facebook and received information back from R: Grad10 that he is working for a fast food chain and not working in the field. Upon review of his work number and skip trace results, he has held this position since graduation.

During a recent visit to the campus, all Lincoln employees associated to this investigation were questioned by myself and R: Staff5. See attached notes.

For these graduates in question, they have received assistance from the Career Services Reps post-employment being entered into CampusVue – they have been contacted for job leads, their resumes have been submitted for available positions, even though they were “placed” in employment status.

At this time, based off the information obtained during this investigation – information documented in CampusVue and personal interviews, it is believed that the Career Services Representatives in question had knowledge that these placements were not true and legitimate placements. They chose to enter this information rather than perform due diligence and confirm these placements.

It is recommended that these employees face disciplinary action up to termination for their involvement in falsely graduate placement information.
Website Lead Procedures

With the ever-increasing amount of Web leads we receive, it is imperative that these leads are worked in the most effective manner. The following policy is now in effect; all representatives should be aware of these changes and trained accordingly.

The DOA may use his/her own discretion on web rotation as well as web lead protection.

The National’s recommendation is that you protect Web leads for 7 days as that process is bringing the best results in our company. We trust that you will make the best decision for your department.

The DOA is responsible for forwarding leads to the appropriate campus if they cannot be worked locally.

STEP I  Automatic response from corporate webmaster

STEP II  Web lead is forwarded to the DOA, Executive Director and Coordinator.

STEP III  The Admissions Coordinator will immediately input the web lead into the system

STEP IV  The DOA will assign the web lead to representative.

STEP V  An attempt must be made to contact the web lead by phone within 12 minutes. (Please keep in mind that this candidate is contacting an average of 3-7 other schools at the same time)

STEP VI  Immediately send a web response and put a piece in the mail if contact was not made after 12 minutes.

STEP VII  All web leads must be contacted 5 times within the first 2 days

Below, please find approved email responses:
Lead with phone number: e-mail reply upon receipt and rep to call immediately.

I received your request for information regarding careers in the ______ field. You are making an excellent choice in exploring the opportunities at (your campus). I would love the opportunity to speak with you. I will give you a call and see how I can help you.

Nelson
Admissions Representative

* Follow e-mail with a phone call and follow LES appointment setting script. Continue to work the web lead as set forth above.

Lead without phone number: Same day response.

I received your request for information regarding careers in the ______ field. You are making an excellent choice in exploring the opportunities at (name of your school). I would love the opportunity to speak with you. Please call me at (School’s 877 number).

I am looking forward to hearing from you.

Nicole
Admissions Representative

(If prospect does not contact you by phone or e-mail)

Next day response:

I have not heard from you. I am sure that I can help you in exploring career opportunities in _______. I have taken the liberty of scheduling an appointment to meet with you on ______ at ______.

I am looking forward to meeting with you.

(Send confirmation of appointment through the mail)
If student no shows appointment, send the following e-mail:

I am sorry you were unable to keep your appointment with me on __________. I have sent you a career packet and I will look forward to hearing from you to answer any of your questions. (Handout card, tri-fold, “why” fact sheet and mission statement).

Keep the info very general so the prospect still has the need to schedule an interview.

Continue to follow up via e-mail.

I sent you out some general information a week ago. Hopefully, you have had a chance to view the information and formulate some questions. Please call me so I can answer those questions and give you the exciting news about the ________ field.
BELOW YOU WILL FIND THE FY14 WEB INITIATIVE LEAD POLICY FROM THE MARKETING DEPARTMENT. It is very important that you review leads that fall into the following categories. You will be credited for these leads.

From: R – Redirected by HELP
Date: Thursday, February 05, 2015 10:34 AM
To: Ed. Director, J; Division Directors - A, B, C
Re: Group 5, 6, President; 4L, Administrators
R – Redirected by HELP Committee

There are 3 main types of leads that will come into your email:
1. Web Site leads (Contact Us, Online Application, High School, Next Time Coach, or Search Engine (JM Sponsored)
2. Web Initiative (WI) leads (Corner and Cumulative)
3. Call Center enrolled leads (i.e., Transfer and Non-Transfer) sent by USAXO

As many of you know, a valid Web Initiative (WI) lead is a lead we pay for and must meet certain criteria. The lead:
1. Must be in your territory
2. Must be validated (i.e., have real HS Diploma or GED)
3. Must not have a referral to the prior class year (i.e., prior year's HS Diploma or GED)
4. Must be a self-identified in the career education (not tracked into being a lead by a scholarship survey or ph application)
5. Must not have a duplicate lead from the past 30 days within a particular campus (note: a duplicate within OHSU or Quailcrest
   OHSU 30 - or a duplicate within OHSU and other Web Site leads). You may still see duplicates across Web Initiative
   (WI) and Web Site leads.

If any Web Initiative (WI) lead does NOT meet the above criteria, you may return them (by email) and we will not be charged
for them. Please forward them as many as you are aware of by fax or email (R – Redirected by HELP). PLEASE also
include a sentence or two stating why the lead is
do not meet the above criteria.

IMPORTANT: ONLY Web Initiative (WI) leads that do NOT meet the above criteria may be returned. This includes
Quailcrest and OHSU. This does NOT include Web Site leads. You should not return any Web Site leads.

Marketing.

Out-of-territory and under-age and other "gatekeeping" type leads may and will all come in to our Web Site. We can't filter those out. In our public facing School Web Site, that is why we created "gate" and "mail" columns on the weekly lead sheet – so you can re-sort the net with leads you get that work. CMS Web initiative (WI) leads should not be sought to fill a territory
that is not of your territory. All "out of territory" Web Site and Search Engine leads should be contacted just like any other
business lead (i.e., specifically those that are from a drop down menu that is not of your territory). We suggest you
work with the territory, with the territory of the territory that is in the area or may be contacting the school for someone else. We highly recommend that we keep
together with Corporate to prove that all schools contact these "out of territory" web site leads occasionally many times they bear fruit.

RUV7522 2:06:51

LINC0109031
How to Keep Reps Productive in Q4-2006
How to Keep Reps Productive in Q4-2006

Challenge: 4th Quarter tends to be a slower time period for inside Representatives compared to Q1-Q3

Objective: Pursue Additional/Alternative outlets to generate leads

Guerilla Marketing Plan
RECOMMENDATIONS OF PLACES TO SET-UP INFORMATION TABLES and/or GIVE PRESENTATIONS:

➢ **Hospitals** – Contact “Community Relations” person at local Hospitals to arrange for a Rep to have an INFORMATION TABLE to present current Hospital employees with opportunity to increase their skills

➢ **Nursing Homes** - Investigate who would be the contact person at local Nursing Homes to do the same as above

➢ **Health Unions** – Many Hospital Employees are part of a Union (including Gift Shop, Snack Bar, Maintenance workers, etc.). Contact Human Resources Department at local Hospitals to find out what Unions these are and attempt to then contact Union Rep to reach out to their members

➢ “**Work-First**” programs requires recipients to attend job search training. Contact these groups to deliver presentation of career-training opportunities

➢ **Job Corps** — Search for those in your territory and contact to set-up a Presentation

➢ **Agencies** — Visit nearby and partnering, TRA, DVR, Work Force Agencies, etc. to present new curriculum and dedicated programs for their clients

➢ **Support Agencies** — Find contact person to help reach out to those looking to create a means of support for themselves and their children

LINC0121065
How to Keep Reps Productive in Q4-2006

Guerilla Marketing Plan (cont.)

RECOMMENDATIONS OF PLACES TO SET-UP INFORMATION TABLES and/or GIVE PRESENTATIONS (continued)

- **GED/Adult HS Diploma Programs** – Find out who offers these in your area and arrange to speak with their students
- **Boys & Girls Clubs** – Investigate opportunities to deliver presentations to the older kids
- **Military Schools** – Investigate opportunities to deliver presentations to the students
- **Shopping Malls/Retail Stores** – Set up information tables at malls/stores
- **Career Fairs**
- **Sporting Events** – Football/Baseball
- **Walk-A-thon/Chair Massage**
- **“Take One” Blitz** – Assign each Rep to seek out businesses to place “Take One” displays. Each Rep should mark their lead card with their initials or Rep# and the inquiry will belong to them. (Suggestions: Laundromats, Take-Out Restaurants, Convenience Stores, etc....)
Generating RGR’s

➢ **DOA meets with Reps** daily to review prior day activity relating to generating RGR’s.... **FOCUS**

➢ **RGR Training** at every weekly sales meeting..... **FOCUS**

➢ **Daily Recognition for Reps** who are generating and closing the most RGR’s on a daily basis..... **FOCUS** on behavior you want repeated

➢ **Bring a Friend to School Day**

➢ **Power Hour Competitions** calling RGR Leads Only

➢ **Every Enrollment Packet** should contain a **Referral Form**

➢ **DOA asks for referral** when cementing an enrollment

➢ **DOA visits each new class** and presents the “**How Did We Do**” survey
Q4-2006 – Controlling the Controllables

Action Items to Improve Conversion:

➢ Mass Mailing to College Freshman (2006 Grads from database) – Send postcard with "IS COLLEGE EVERYTHING YOU THOUGHT IT WOULD BE?"-message to reach them at Thanksgiving Break (Postcard to be created by Corporate)

➢ RECYCLE LEADS AFTER 7 DAYS TO CREATE URGENCY ON REP’S PART TO MAKE OUTBOUND CALLS

➢ QUERY ALL LEADS FOR THE PAST 12 MONTHS

➢ SALES TRAINING MEETING TWICE A WEEK
Summary

- Schools should plan Guerilla Marketing events now for November and December.
- Plans should be specific and goals should be attached.
- Weekly training should be geared towards the attainment of RGR’s and the DOA needs to monitor daily.
- The Nationals and Vice Presidents should discuss results weekly on the Monday calls.
- The Nationals will encourage the DOA’s to communicate which reps go above and beyond to achieve their goals.
- The Nationals will recognize outstanding performance.
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Drake College of Business

Response to the Health, Education, Labor and Pensions Committee

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* In the college of business, there may be a clash in terms of credit hours. The college has an upper program cost for each academic program. There is a variation in terms of credit hours, on condition change.

Med-Corn Career Training / Drake College
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DCB-US-SEN-00000000

Med-Corn Career Training / Drake College Document 1, Page 3
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DCB-US-SEN-00000582
Excerpts, selected by the HELP Committee, from a larger document produced by the company
PROMISSORY INSTALLMENT NOTE

RECEIVABLES:
Date:
Borrower:
Borrower’s Address:
Payee:
Place for Payment:

Principal Amount: [Please note that this amount is to be disbursed to the borrower according to the Schedule attached as Exhibit A]
Term: (months)

MONTHLY PAYMENTS:

INTEREST RATE: Annual interest rate is _____% per annum, but not to exceed the maximum amount of interest permitted by the Laws of the State of New Jersey.

PAYMENT TERMS: This Note is due and payable as follows, to wit: _______________________

The final such payment is due immediately after 12 months from the separation date. Each such installment shall be due and payable on the same day of each succeeding month thereafter until the total amount of the principal plus interest is paid in full. If each payment is not paid on time, the remaining balance will be subject to interest at the rate of _____% per annum, but not to exceed the maximum amount of interest permitted by the Laws of the State of New Jersey.

BORROWER’S PRE-PAYMENT RIGHT: The Borrower reserves the right to prepay this Note in whole or in part, prior to maturity, without penalty.

PLACE FOR PAYMENT: Borrower promises to pay to the order of Payee at the place for payment and according to the terms for payment the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

DEFAULT AND ACCELERATION CLAUSE: If Borrower defaults in the payment of this Note or in the performance of any obligation, and the default continues after Payee gives Borrower notice of the default and the time within which it must be cured, as may be required by law or written agreement, then Payee may declare the unpaid principal balance and earned interest on the Note immediately due. Borrower and each surety, endorser, and guarantor waive all defenses for payment, presentation for payment, notice of dishonor, notices of acceleration of maturity, protests, and notices of protest, to the extent permitted by law.

INTEREST ON PAST DUE INSTALLMENTS AND CHARGES: If past due installments of principal and/or interest and/or all other past due charges shall bear interest after maturity at the maximum amount of interest permitted by the Laws of the State of New Jersey until paid. Failure by Borrower to remit any payment by the 15th day following the date that such payment is due entitles the Payee hereof to declare the entire principal and secured interest immediately due and payable. Payee’s forbearance in enforcing a right or remedy as set forth herein shall not be deemed a waiver of said right or remedy for a subsequent cause, breach or default of the Borrower’s obligations herein.

DCB-US-SEN-00000826

Med-Com Career Training / Drake College
Document 2, Page 1
INTEREST: Interest on this debt evidenced by this Note shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of the maximum shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this instrument (and any other instruments) concerning this debt.

FORM OF PAYMENT. Any check, draft, Money Order, or other instrument given in payment of all or any portion hereof may be accepted by the holder and held until collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of the holder hereof except to the extent that actual cash proceeds of such instrument are unconditionally received by the payee and applied to the indebtedness in the manner elsewhere herein provided.

SEVERABILITY. If any provision of this Note or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the invalidity or unenforceability of such provision nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

BINDING EFFECT. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

DESCRIPTIVE HEADINGS. The descriptive headings used herein are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations under this Note.

CONSTRUCTION. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

GOVERNING LAW. This Note shall be governed, construed and interpreted by, through and under the Laws of the State of New Jersey.

Borrower is responsible for all obligations represented by this Note.

EXECUTED the __________ day of ______________, __________

[Borrower's Signature]

[Life Insurance Company]

PROGRAM
SESSION
START DATE

DCB-US-SEN-00000027

Med-Com Career Training / Drake College
Document 2, Page 2
Drake College of Business
Line of Credit - Account Opening Form

Interest Rate and Interest Charges:

- APR For Advances: 0.00%
- Minimum Interest Charge: If you are charged interest, the charge will be no less than $0.00
- Paying Interest: You will not be charged any interest at all

Fee:

- Annual Fee: $0.00
- Penalty Fees:
  - Late Payments: $0.00
  - Over-the-Credit Limit: $0.00

How We Will Calculate Your Balance: We use a method called "average daily balance." Line of Credit Truth-in-Lending Disclosure for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise these rights is provided in your Line of Credit Truth-in-Lending Disclosure.

YOU SIGN HERE
BY SIGNING BELOW, YOU AGREE TO THIS CONTRACT AND ITS TERMS AND CONDITIONS EXPLAINED IN THE SECTION ABOVE

NAME OF THE STUDENT: 
PROGRAM: 
START DATE: 

CAMPUS & ADDRESS:

STUDENT SIGNATURE & DATE:

A copy of this Line of Credit Account Opening form was:
- Received (Student's Initial and Date)
- Mailed (Staff's Initial and Date)

DCB-US-SEN-00000835
This is Your
Line of Credit Contract
And
Truth-in-Lending Disclosure

DRAKE COLLEGE OF BUSINESS

This Line of Credit is aimed at helping students who achieve academic excellence meet expenses related to their program of study

1. How You Ask For Advances Under This Contract

   By signing this contract you are applying for a Line of Credit Loan Plan. Your application MUST be APPROVED before you can borrow money under this plan. All documents and papers requesting the advance must be filled out completely and correctly.

   Once you have been approved, you are eligible to start getting the advances bi-weekly starting the 4th week from your start date until you graduate or withdraw from your program of study. A minimum of 14 advances for the Medical Office Technology (MOT) and Microsoft Office User Specialist (MOUS) Programs and 17 advances for the Dental Assisting Program will be awarded, provided the student meets the eligibility criteria mentioned in section 2 below.

2. When Advances Are Disbursed – Eligibility Criteria

   The total amount of disbursement of advances under this contract may not exceed the amounts stated below. We also reserve the right to refuse any advance.

Drake College of Business   Page 1 of 6
Line of Credit Truth-in-Lending Disclosure

DCB-US-SEN-00000636

Med-Com Career Training / Drake College
Document 2, Page 4
Drake College of Business

- For MCT and MGUS Program – UPTO $5,600.00
- For Dental Assisting Program – UPTO $6,800.00

Any amounts paid towards the balance owed are not available for future advances.

Money can be borrowed in 14 maximum eligible advances for Medical Office Technology (MOT) or Microsoft Office User Specialist (MOUS) Programs and 17 maximum eligible advances for the Dental Assisting Program. Each advance is capped to an amount of either $350 or $400.00. With each capped advance amount having an eligibility criteria associated with it. Any ineligible advance never becomes eligible under any circumstances. All advances become eligible by meeting the eligibility criteria mentioned below:

Generally, you will be eligible to receive a line of credit advances under this contract if you meet and agree to the following criteria:

In order to receive the $5950 bi-weekly advance, the student must meet the following criteria:

- Attend classes 8 days out of the 10 available days in each payment period. There are no exceptions to this rule.

AND

- Each student must pass with a grade of “C” in EACH subject at the end of each module. Any student with a grade below “C” in ANY subject will forfeit ALL checks (a minimum of TWO checks, possibly three) for the entire following module(s). The student will not become eligible to receive new payments until he or she meets the minimum grade criteria in each subject again at the end of the subsequent module(s).

AND

- Be up to date on any payment plan arrangements you may have with Drake College of Business.

In order to receive the $6000 bi-weekly advance, the student must meet the following criteria:

- Attend classes 9 days out of the 10 available days in each payment period. There are no exceptions to this rule.

AND

- Each student must pass with a grade of “B” in EACH subject at the end of each module. Any student with a grade below “B” in ANY subject will forfeit ALL checks (a minimum of TWO checks, possibly three) for the entire following module(s). The student will not become eligible to receive new payments until he or she meets the minimum grade criteria in each subject again at the end of the subsequent module(s).

AND

- Be up to date on any payment plan arrangements you may have with Drake College of Business.

SPECIAL NOTES:

- If the module that you are attending has two separate subjects within the four week period each graders will be reviewed separately. The two grades
Drake College of Business

will not be added together and averaged. For example, if you take an EG class and a Keyboarding within one module and you get a D in EG and an A in Keyboarding you will have a D on your transcript and will not be eligible for a check for the entire following module.

- Excused absences for illness, vacation, leave, court dates, etc. WILL be counted as regular absences and will count towards the days of allowed absentees. For example, if a student is out for three days during any given payment period, two days due to illness and 1 day due to a court hearing, the student will not be eligible to receive payment for that period. The student will lose that payment forever. However, he or she will be eligible for all future payments as long as the above requirements are met.

- A student who is suspended from school will be ineligible for any disbursements during the suspension period.

Note: You may miss one or more final exams and may still qualify for the advance provided that:

1. You meet the attendance requirement

AND

2. You take the final within one week of the original final date and earn a Grade of C or above for each of the courses.

3. Promise to Pay Back

By signing this contract, you promise to pay back all advances that you borrowed under this contract from Drake College of Business over a period of 20 years, where repayment requires one year after you separate from Drake College of Business, unless you are eligible for a repayment waiver as described in Section 4.

4. Repayment Waiver

Repayment of any borrowed sum under this contract shall be forgiven if you successfully graduate on time, defined as within 15 days of your program of study's normal length as defined in the Drake College of Business Catalog, or graduate from your program of study at Drake College of Business with a 3.0 GPA or higher.
5. How You Pay Us Back

You must pay us the borrowed sum that you took under this contract unless the repayment waiver is applied.

The payment is due every month by the end of the month. You must make at least the minimum payment every month. The amount of minimum monthly payment is based on the amount of advances disbursed to you during the course of your study at Drake College of Business. The amount is calculated by dividing the total amount disbursed into 360 equal monthly payments at 0% interest, payable over 20 years as outlined in the section above. The minimum monthly payment is fixed over the duration of the 20 year repayment period, since any repayment amount is not eligible to be borrowed again on future advances.

6. How Your Payments Are Applied

Each time you make a payment under this contract, it reduces the principal balance you borrowed under this contract.

7. Paying Off Early

The payment amounts mentioned in Section 5 are minimum payments.

Of course, you are allowed to make larger payments if you choose to. And you can pay off this contract, in full or in part, at anytime.

There is no penalty or charge of any kind for paying off all or part of what you owe early.

8. What Happens in Case of Default

You are in "default" if:

A. You are not eligible for the repayment waiver as described in Section 4 and you fail to make a minimum monthly payment when due, or
B. You are not eligible for the repayment waiver as described in Section 4 and you break any other promise that you make in this contract.
Drake College of Business

When this happens, we have certain rights which are designed to help us collect what you owe us. These rights are set out in this section:

Collection Agency

When you are considered to be in “default” for a period of three months, our appointed Collection Agency will reach you to collect the borrowed sum on our behalf.

Full Payment Due Immediately

If you are in “default”, we can also demand that you immediately pay up the entire outstanding amount under this contract unless we agree to put you on a new payment plan.


A. What if we decline to Make Advances Under this Contract?

Drake College of Business reserves the right to cancel, modify or reduce this line of credit at its own discretion without prior notice to you. You may also exercise your right to stop receiving further advances under this contract if you choose to, by notifying us in writing at least one week prior to the next scheduled advance payment date. In any such event, you are liable to pay us back the borrowed sum owed to date under this contract unless your repayments are waived as per Section 4.

Phone:
Fax:
E-mail: info@drakecollege.com
http://www.drakecollege.com

B. Who Keeps the Contract?

In order to comply with certain laws, the original of this contract with your signature on it must be kept by us. However, you will be furnished with an exact signed copy of this contract to keep for your records. Please contact us if you lose your copy.

C. Can This Contract be Changed?

Yes, it can! We need this power because this contract will last for many years and economic conditions will change during that time. So we can, for example, change the eligibility criteria for the advances or change the advance cap or change the maximum limit of the Line of Credit. Any changes we make to this contract will only apply to the new advances that you may be eligible for from the date of making such changes. If the law requires an advance notice of the change, we will communicate to you all the changes made, and at that point you can exercise your rights to stop receiving advances as per Section 9(A).
**Drake College of Business**

**YOUR BILLING RIGHTS**

**KEEP THIS NOTICE FOR FUTURE USE**

This Notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

**Notifying Us in Case of Errors**

**OR Questions about your Bill**

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us at the address shown on your bill as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your right.

**YOU SIGN HERE**

By signing below, you agree to this contract and its terms and conditions explained in the section above.

**NAME OF THE STUDENT:**

**PROGRAM:**

**START DATE:**

**CAMPUS & ADDRESS:**

______________________________

**STUDENT SIGNATURE & DATE**

A copy of this contract and Truth-In-Lending Disclosure was:

Received: Student’s Initial and Date ____________________________

Mailed: Staff’s Initial and Date ____________________________

<table>
<thead>
<tr>
<th>For Drake College of Business Use Only</th>
<th>Drake College of Business - Line of Credit Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of Credit Contract:</td>
<td>APPROVED [ ] REJECTED [ ]</td>
</tr>
<tr>
<td>Approved/Rejected On:</td>
<td></td>
</tr>
<tr>
<td>Credit Limit:</td>
<td></td>
</tr>
<tr>
<td>Other Conditions (If any):</td>
<td></td>
</tr>
</tbody>
</table>

Drake College of Business Page 6 of 6

Line of Credit Truth-In-Lending Document

DCB-US-SEN-00000641

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**Med-Con Career Training / Drake College**

**Document 2, Page 9**
LINE OF CREDIT PROMISSORY NOTE

RECITATIONS:

Date:

Borrower:

Borrower’s Address:

Payee:

Place of Payment:

Line of Credit UP TO amount (Please refer to the Line of Credit – Truth-in-Lending Disclosure Document to understand how and when this amount is disbursed)

Term: 240 (months)

Monthly Payments: 59.69 (Please refer to the Line of Credit – Truth-in-Lending Disclosure Document for more information)

INTEREST RATE: Annual interest rate is 6.00% per annum, but not to exceed the maximum amount of interest permitted by the laws of the State of New Jersey.

PAYMENT TERMS: This Note is due and payable as follows: (1) 240 equal monthly payments of $59.69 (principal plus interest). The first such payment is due immediately after 12 months from the date Payee separates from Drake College of Business (Separation Date) and a like installment shall be due and payable on the same day of each succeeding month thereafter until the total amount of principal plus interest is paid in full. If each payment is not paid on time, the remaining balance will be subject to interest at 0.50% per annum, but not to exceed the maximum amount of interest permitted by the laws of the State of New Jersey.

BORROWER’S PAYMENT RIGHT: Borrower reserves the right to prepay this Note in whole or in part, prior to maturity, without penalty. Please refer to the Line of Credit – Truth-in-Lending Disclosure Document for more information.

PLACE FOR PAYMENT: Borrower promises to pay to the order of Payee at the place for payment and according to the terms for payment the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

DEFAULT AND ACCELERATION CLAUSE: If Borrower defaults in the payment of this Note or in the performance of any obligation, and the default continues after Payee gives Borrower notice of the default and the time within which it must be cured, as may be required by law or written agreement, then Payee may declare the unpaid principal balance and earned interest on the Note immediately due. Borrower and each guarantor waives all demands for payment, presentation for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest. To the extent permitted by law.

INTEREST ON PAST DUE INSTALLMENTS AND CHARGES: All past due installments of principal and/or interest and all other past due incurred charges shall bear interest after maturity at the maximum amount of interest permitted by the laws of the State of New Jersey until paid. Failure by Borrower to remit any payment by the 15th day following the date that such payment is due entitles the Payee hereof to declare the entire principal and accrued interest immediately due and payable. Payee’s
Forbearance in enforcing a right or remedy as set forth herein shall not be deemed a waiver of said right or remedy for a subsequent cause, breach or default of the Borrower's obligations hereunder. Please refer to the Loan Agreement for more information.

INTEREST. Interest on this debt evidenced by this Note shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law, any interest in excess of the maximum shall be credited to the principal of the debt, and if paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refund. This provision overrides other provisions in this instrument (and any other instruments) concerning the debt. Please refer to the Loan Agreement for more information.

FORM OF PAYMENT. Any check, draft, Money Order, or other instrument given in payment of all or any portion hereof may be accepted by the Holder and handled in collection in the customary manner, but the same shall not constitute payment hereunder or extinguish any rights of the Holder hereof except to the extent that actual cash proceeds of such instruments are unconditionally received by the payee and applied to this indebtedness in the manner elsewhere herein provided.

SEVERABILITY. If any provision of this Note or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Note nor the application of this provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

BINDING EFFECT. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

DESCRIPTIVE HEADINGS. The descriptive headings used herein are for convenience of reference only, and they are not intended to have any effect whatsoever in determining the rights or obligations under this Note.

CONSTRUCTION. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

GOVERNING LAW. This Note shall be governed, construed and interpreted by, through and under the Laws of the State of New Jersey.

Borrower is responsible for all obligations represented by this Note.

EXECUTED this NaNth day of NaN

[Borrower's Signature]

[Borrower's Printed or Typed Name]

PROGRAM

SESSION

START DATE
Financial Aid Forms Notice

The purpose of this checklist is to confirm your understanding, completion and receipt of the financial aid documents listed below. Please initial to confirm. Thank you.

Initials

Entrance Interview
Checklist
Promissory Installment Note
Promissory Installment Note - Exhibit A
Private Education Loan application Self-Certification
Private Education Loan application Form
Line of Credit - Account Opening Form
Line of Credit - Truth-in-Lending Disclosure
Line of Credit - Promissory Note

Student Signature ____________ Date ____________

Financial Aid Representative Signature ____________ Date ____________
ENROLLMENT AGREEMENT

I hereby apply for enrollment in the Medical Office Technology Program. This consists of 12 E C instruments or 768 hours of instruction.

Beginning date ____________________________ Ending date ____________________________

I understand that the training cost of the program of instruction is:

Tuition: ____________________________
Book/Supply: ____________________________
Registration Fee (Non-Refundable): $200.00
Total: $16,700.00

Tuition is due and payable upon entry. However, in the event a student is scheduled to receive Title IV funding or has a substantial hardship, a tuition payment plan can be arranged at the discretion of the director. Liability of tuition will occur within the first day of instruction.

Method of payment: _______________ Check  □ Other [ ]

HOURS OF INSTRUCTION
Classes are conducted between the hours of _______ to _______ Monday to Friday.

REFUND POLICY
A pro rata refund policy has been established for all students who attend the institution in programs of more than 300 hours in duration and who withdraw or otherwise fail to complete the period of enrollment as follows:

Within 1st week ____________________________ 90% refund
Within 2nd or 3rd week ____________________________ 89% refund
After 3rd week up to 25% of program ____________________________ 55% refund
After 25% to 50% of program ____________________________ 20% refund
After 50% of program ____________________________ 0% refund

*The "Period of Enrollment" is measured by dividing the number of weeks remaining as of the last recorded date of attendance by the total number of weeks comprising the enrollment period. I understand that in case I default on my payments owed to Drake College of Business, I will be fully responsible for all fees associated with the collection of my balance.

I acknowledge receiving a copy of this agreement, the school bulletin, and written confirmation of acceptance prior to signing this contract. This agreement is not binding until three business days after signing by both parties. The student and the school will retain a copy of this agreement. I hereby accept to pay all the additional collection fees in the event of a default of my payments.

APPROVED BY:

X ____________________________ (Student Signature) (Date)

X ____________________________ (School Official Signature) (Date)

X ____________________________ (Parent/Guardian Signature if Necessary) (Date) Owned and Operated

Med-Com Career Training / Drake College
Document 3, Page 1
ENROLLMENT AGREEMENT

I ________ hereby apply for enrollment in the Dental Assisting Program.

This consists of _______ credits or _______ hours of instruction.

Beginning date _______ / _______ / _______ Ending date _______ / _______ / _______

I understand that the training costs of the program of instruction are:

Tuition: $15,700.00
Book/Supply: $500.00
Registration Fee (Not Refundable): $300.00

Total: $16,700.00

Tuition is due and payable upon entry. However, in the event a student is scheduled to receive Title IV funding or has a substantial hardship, a tuition payment plan can be arranged at the discretion of the director. Liability of tuition will occur within the first day of instruction.

Method of payment: ( ) Full ( ) Other ( )

HOURS OF INSTRUCTION

Classes are conducted between the hours of _______ to _______. Monday to Friday.

REFUND POLICY

A pro-rata refund policy has been established for all students who attend the institution in programs of more than 300 hours in duration and who withdraw or otherwise fail to complete the period of enrollment* as follows:

Within 1st week: 90% refund
Within 2nd or 3rd week: 80% refund
After 3rd week up to 50% of program: 55% refund
After 50% of program: 30% refund
After 75% of program: 0% refund

*The “Period of Enrollment” is measured by dividing the number of weeks remaining as of the last recorded date of attendance by the total number of weeks comprising the enrollment period.

I acknowledge receiving a copy of this agreement, the school bulletin, and written confirmation of acceptance prior to signing this contract. This agreement is not binding until three business days after signing by both parties. The student and the school will retain a copy of this agreement.

I hereby accept to pay all the additional collection fees in the event of a default of my payments

APPROVED BY:

( ) Student Signature ( ) Date

( ) School Official Signature ( ) Date

( ) Parent/Guardian Signature if necessary ( ) Date

Owner and Operator

DCB-US-SEN-00002958

Med-Com Career Training / Drake College
Document 3, Page 2
DRAKE COLLEGE OF BUSINESS
327 Broad St.
Elizabeth, NJ 07207
Phone: (908) 352-5109
Fax: (908) 352-6915

ENROLLMENT AGREEMENT

I hereby apply for enrollment in the Microsoft Office User Specialist Program.
This consists of 33.06 credits or 740 hours of instruction.

Beginning date /___/___/___ Ending date /___/___/___

I understand that the training cost of the program of instruction is:

Tuition: $15,700.00
Book/Supply: $800.00
Registration Fee (Non Refundable): $200.00
Total: $16,700.00

Tuition is due and payable upon entry. However, in the event a student is scheduled to receive Title IV funding or has a substantial hardship, a tuition payment plan can be arranged at the discretion of the director. Liability of tuition will occur within the first day of instruction.
Method of payment: ( ) Check ( ) Other: ____________________________

HOURS OF INSTRUCTION
Classes are conducted between the hours of _______ to _______ Monday to Friday.

REFUND POLICY
A pro rata refund policy has been established for all students who attend the institution in programs of more than 100 hours in duration and who withdraw or otherwise fail to complete the period of enrollment as follows:

Within 1st week 90% refund
Within 2nd or 3rd week 80% refund
After 3rd week up to 25% of program 75% refund
After 25% to 50% of program 70% refund
After 50% of program 60% refund

*The “Period of Enrollment” is measured by dividing the number of weeks remaining as of the last recorded date of attendance by the total number of weeks comprising the enrollment period.

I understand that if I default on my payments owed to Drake College of Business, I will be fully responsible for all fees associated with the collection of my balance.
I acknowledge receiving a copy of this agreement, the school bulletin, and written confirmation of acceptance prior to signing this contract. This agreement is not binding until these businesses days after signing by both parties. The student and the school will retain a copy of this agreement.
I hereby accept to pay all the additional collection fees in the event of a default of my payments

APPROVED BY:

X (Student Signature) (Date)

X (Registrar Officer Signature) (Date)

X (Parent/Guardian’s Signature of Nonsignatory) (Date)

DCB-US-SEN-00002959

Med-Com Career Training / Drake College
Document 3, Page 3
Excerpts, selected by the HELP Committee, from a larger document produced by the company
August 11, 2010

Mr. Emil Fadel
Director
Drake College of Business
133 Broad Street
Elizabeth, NJ 07201

Dear Mr. Fadel:

DRAKE COLLEGE OF BUSINESS, NEWARK, NEW JERSEY

The Council has considered your institution’s application for final inclusion of the branch campus located at 800 Broad Street, Newark, New Jersey 07108, ID Code 0002432, within the scope of your institution’s current grant of accreditation. As a result of its review, the Council found the following based on the Accreditation Criteria:

- The Council is aware of the adverse information opened by ACICS on April 21, 2010 that could impact Drake College of Business. On the basis of information available, the Council is unable to determine if the institution has rectified the situation (Section 2.3-700).

Therefore, the Council acted to extend the interim inclusion of the branch campus within the scope of your institution’s current grant of accreditation through December 31, 2010 and to defer further action until its December 2010 meeting pending the following:

- Further investigation of the adverse information opened by ACICS on April 21, 2010. A special visit, consistent with Section 2.3-500 of the Accreditation Criteria, must be conducted no later than September 1, 2010. The institution will be required to pay the special visit fee of $3,000. Also, the institution will be required to pay the expenses of the evaluation team, which will potentially include a representative of the State of New Jersey. In addition to addressing the institution’s overall compliance with the Accreditation Criteria, the scope of the special visit will encompass the institution’s submissions to the Council relative to the adverse information and all of the areas and items identified by the evaluation team who conducted the institution’s branch inclusion visit during the Winter 2010 travel cycle.

Additional information regarding the special visit will be forthcoming. Refusal to respond or cooperate with this request may result in the denial of your institution’s application.

750 First Street, NE, Suite 500 • Washington, DC 20502-4223 • Redacted by HELP Committee • www.USCHC.org

DCB-US-SEN-00004161

Med-Cem Career Training / Drake College
Document 4, Page 1
Mr. Emil Fadel
August 11, 2010
Page 2

Please contact

Sincerely,
Redacted by HELP Committee

Executive Director and CEO

c: Mr. Ibrahim Mohamed, Newark branch campus

Redacted by HELP Committee
August 19, 2010

Mr. Emil Fadel
Director
Drake College of Business
123 Broad Street
Elizabeth, NJ 07201

Dear Mr. Fadel:

Drake University
Office of Education

An on-site evaluation of your institution has been scheduled for August 30 – 31, 2010.

As expressed in the Council’s letter dated August 11, 2010, in addition to addressing the institution’s overall compliance with the Accreditation Criteria, the scope of the special visit will encompass the institution’s submissions to the Council relative to the adverse information and all of the areas and items identified by the evaluation team who conducted the institution’s branch inclusion visit during the Winter 2010 travel cycle.

Details of the visit, including a list of materials that must be available for our review, will be sent under separate cover. We will need a private work area for our use during the visit. Additional materials may be requested while our team is on site.

Thank you for your cooperation. If you have any questions, please call me at

[Contact Information]

Redacted by HELP Committee

[Redacted]

Med-Corn Career Training / Drake College
Document 4, Page 3
DRAKE COLLEGE OF BUSINESS
800 Broad Street
Newark, NJ 07102

ACICS ID Code 0042432 (Branch)

FACT Visit
August 30-31, 2010

Evaluation Team
Redacted by HELP Committee
National Director of Compliance
Career Education Corporation
Tampa, Florida
Redacted by HELP Committee
Director, External Affairs
ACICS
Washington, District of Columbia
Redacted by HELP Committee
Manager, Institutional Quality Assurance
ACICS
Washington, District of Columbia

Observer
Redacted by HELP Committee
Division of One-Stop Coordination and Support
New Jersey Department of Labor and Workforce Development
Trenton, New Jersey
August 30, 2010 only

DC-B-US-SEN-00004167
INTERVIEWS WITH REPRESENTATIVES FROM DRAKE COLLEGE OF BUSINESS

On Monday, August 30, 2010, the ACICS team met with the following individuals in the order in which they are listed below:

1. Mr. Ziad Fadel, President/CEO
2. ___________________________ Director, Admissions, Career and Student Services
3. ___________________________ Compliance Director
4. ___________________________ Student Records Manager
5. ___________________________ Admissions Representative
6. ___________________________ Admissions Representative
7. ___________________________ Admissions Representative
8._____________________________ VP Operations, School Director

Each interview, summarized below, was structured as follow-up to the information presented in writing in response to the adverse information opened by ACICS on May 6, 2010.

1. Mr. Ziad Fadel – President/CEO
   According to Mr. Fadel, the Newark branch opened in September 2008 and an “expense reimbursement” program to assist students with transportation and living expenses was implemented shortly thereafter.

   In terms of recruitment, he explained that for all students, the enrollment process begins with referral to Financial Aid office for preliminary screening, which includes a criminal background check (New Jersey Department of Corrections), drug test, and inquiry regarding student lease history. These screenings are performed to ensure that students who are enrolled are eligible for placement in internships or jobs where criminal record and drug abuse history are disqualifying factors. Mr. Fadel indicated that students who fail the aforementioned screens are discouraged from completing enrollment in the Medical Office Assistant (MOA) and Dental Assistant (DA) programs at the Newark branch; however, those individuals are not denied access to programs if they insist on proceeding to complete an enrollment agreement. In reality, very few if any students who are disqualified by the criminal background or drug screening results proceed to matriculate into programs. (No numbers were offered regarding how many matriculate who have failed screens, and what their completion, placement or drop-out rates are.)

   According to Mr. Fadel, the twenty students whose names were provided in the original response to the adverse information as one-time residents of homeless shelters, were based on the address of their residence at time of enrollment. (To ascertain this information Drake conducted an internal review of enrollment records). Of the twenty, thirteen remain “active.” Four stopped attending (two are on leave of absence); three have graduated (one is working in career services awaiting placement, one is placed in field, and one was offered placement in field but turned down offer).

   Mr. Fadel indicated that some of the basis for Drake’s recruitment from the homeless population was based on invitation and consent of shelter managers; others have come through referrals from
other former students, Mr. Fadel indicated that to the best of his knowledge, the admission representatives arranged a timeslot for presentation to homeless clients, and sometimes shelter managers attended the briefings and sometimes they were not necessarily present. Mr. Fadel indicated he had no personal knowledge of practice of recruiting at homeless shelters when the allegation first arose. He offered that the admissions director responsible (Mr. July Berryhill) is no longer in that position or actively employed by Drake. He stated that only two admissions representatives — [redacted] and [redacted] — both of whom are currently employed by Drake — actively recruited at shelters. Mr. Fadel also indicated that Drake requires admissions representatives to attend workshops on appropriate practices.

When Drake became aware of controversial nature of homeless shelter enrollment, it temporarily suspended the practice and had admissions representatives sign an acknowledgment that the practice (outreach to homeless shelters) was prohibited. Subsequently, this practice was permanently banned by Drake’s administration.

Mr. Fadel described the Line of Credit program at Drake, which was initiated in May 2010. He outlined the conditions upon which the Line of Credit disbursements are made, including attendance practice (which involves “test code” scanning two times a day), grade point average, and no delinquency on payments due to students to the Financial Aid Office for tuition and fees.

There was some uncertainty about who administers the Line of Credit program and ensures that the information is fully and completely disclosed to students through their student ledger cards. Some of the uncertainty may relate to the loss of posting Line of Credit transactions to master ledger card and integration of “Diamond D” software platform into Drake enterprise operations. He indicated that posting the Line of Credit on students’ master ledger cards makes for difficult accounting problems.

Mr. Fadel explained the genesis of the Line of Credit/repayment/reimbursement program. He said Drake does a small amount of advertising in the Star Ledger, on local cable television, and via postcard/direct mail/letter material. What would be used by other schools for a more conventional advertising/marketing effort is directed by Drake into its Line of Credit program; Mr. Fadel acknowledged there is not a budgeted amount for the program; no spreadsheet (pro-forma or actual) indicating how many Line of Credit awards will be made or forgiven among the current cohort.

Mr. Fadel strongly indicated he believes the primary benefit of Line of Credit awards based on attendance and satisfactory academic progress is improved retention and placement performance. No statistics were offered; he indicated Drake would be re-evaluating the effectiveness of the Line of Credit program in this regard sometime in the future (date uncertain) as part of its Institutional Effectiveness Plan review.

Mr. Fadel also explained the $500 post-graduation cash award for students who obtain placement in field without Drake’s assistance. Conditions include no prior Drake history with the employers, and verification through pay stubs of current employment. (No detailed discussion of how the first
condition is met or failed, how that is determined, or who determines it. The team requested and 
Drake produced a list of students who have been awarded the incentive for last three years.)

2. Mr. [redacted], Admissions, Student and Career Services. (He has been in this role since 
February 2010). Mr. [redacted] confirmed the homeless shelter cohort which Drake submitted with its 
response to the Council consisted of 20 students who entered over the last 12 to 18 months. He reiterated the scenario by which prospective students are screened for drug, criminal 
record, and student loan default during the initial step conducted by Financial Aid. He also 
confirmed daily and monthly meetings with eight admissions representatives to discuss policy, 
practices, and “do’s and don’ts.” Mr. [redacted] confirmed that new admissions representatives are 
trained according to a standard training curriculum. He also confirmed the process used by 
admissions representatives making outreach to homeless shelters or other human services 
providers: 1. Make contact with shelter manager and secure agreement to come on premises; 
2. Meet at shelter and make presentation; 3. In-person contacts occur following outreach meeting; 
4. Student comes to the Drake campus for Financial Aid screening; meet with admissions 
representative; detailed Financial Aid meeting packaging meeting with Financial Aid 
representative; lastly, the prospective student is sent back to Admissions to complete an 
enrollment agreement.

Mr. [redacted] indicated that as part of admissions process, the prospective student undergoes 
extensive “personal assessment” of his or her expectations. He said the admissions philosophy is 
that “everyone deserves a chance.” He indicated that the Line of Credit disclosure occurs if 
student inquires but is not necessarily offered an incentive early in admissions interview. He 
maintained that there is no mention of availability of the Line of Credit in marketing materials. 
(Mr. [redacted] indicated the information regarding the Line of Credit is fully disclosed in catalog 
addendum.)

Subsequent to the homeless shelter prohibition, Mr. [redacted] said Drake continues to outreach to 
high schools, externship sites, and community organizations serving the Hispanic population. He 
indicated the dynamic is one that produces a great number of referrals, rather than “haste” from 
advertising, etc. and suggested that this approach may be verified by Drake’s marketing director, 
Mr. [redacted], who is situated at the Elizabeth (west) campus.

Mr. [redacted] also described process for signing-up a student for the Line of Credit, requiring the 
student signature on a form (agreement) and a discussion with a Financial Aid representative. 
According to Mr. [redacted], the availability of $500 for placement without Drake Career services 
assistance is shared verbally during the Financial Aid process.

3 Redacted by HELP Committee
8. A two-page document titled “Admissions Don’ts and Do’s”
9. Contact information for the three graduates who were recruited from homeless shelters
10. Copies of a memo dated July 27, 2010 signed and dated by each admissions representative
11. A roster of all students who received “line of credit” at last check-calling

* On July 27, 2010 a memorandum was issued to “ALL ADMISSIONS STAFF/Newark and Elizabeth Campus” from Mr. Ziad Fadil, President. The institution ceased “recruiting from such shelters on at least a temporary basis on May 4, 2010.” The final paragraph reads “Please be advised that we have now decided to prohibit recruiting at homeless shelters on a permanent basis. Failure to comply with this policy may be grounds for termination of employment. We will, however, continue to accept qualified applicants who live at a homeless shelter who are referred to Drake.”

Student Population
There were 777 total active students as of August 50 and 11, 2010.

File Review
Selecting from the aforementioned “maquet,” the team reviewed 19 student files (academic/financial and internship/placement), which included current student files, graduate files, and files of students who had withdrawn. The biggest problem with the student files was that the student ledger card failed to include any of the debts or credits for the “line of credit” transactions (Section 1.4.3.4). For example, there may have been anywhere from two to twelve “line of credit” check disbursements, in the form of checks written to the students every two weeks by ADP. Subsequently, the student may have received anywhere from $700.00 to $1,250.00 in “line of credit” check disbursements. Furthermore, in each of the ADP disbursement checks written to the student within the “line of credit” program, the checks were written to the student and the school address was used as the student’s address for each student on the ADP check disbursement. Since the institution did not include the “line of credit” check disbursements on the student ledger, the institution was not able to accurately keep track of the student’s cumulative liability based on Line of Credit disbursements. For example, one student (“______________”) had check disbursements for the “line of credit” totaling $4,000.00. However, the ADP check stub stated that the student had total $3,150.00 in “line of credit” disbursements. Another student (“______________”) had check disbursements for the “line of credit” totaling $3,500.00. However, the ADP check stub stated that the student had total $3,850.00 in “line of credit” disbursements. There clearly was a lack of consistency in the monitoring of the “line of credit” disbursements, as the institution simply did not include these transactions on the student ledger card.

The institution did not provide adequate documentation in the student files to evidence the $500.00 placement fee. When the administration was asked for this information, they were able to provide copies of the ADP checks to the graduates, but still lacked adequate documentation or any administrative sign-off to evidence that the graduate had found his/her own employment.

The student files reviewed by the team did contain an Application for Admission, an Enrollment Agreement, evidence of a high school diploma, GED, a signed attestation allowed at the sole discretion of the school President, or a letter from a high school claiming that a high school diploma had been earned...
there by the student. Tuition was charged on a consistent basis by program by start date. The team was provided with a student ledger card and an academic transcript for each of the student files reviewed. The institution is still working on its academic transcript to better integrate it with the IT software database. The student ledger card fails to include any of the “line of credit” disbursements or any of the Drake internal student loan disbursements. The $500.00 placement fee earned by a graduate is also not included on the student ledger card.

Catalog

At the time of the visit the institution is using the Drake College of Business catalog, Volume XX, effective November 2008, along with several addenda, including May 19, 2010 and February 15, 2010.

A review of the above-listed files revealed that the institution is following its published admissions policy. However, the published admissions policy stated that “At the sole discretion of the school Director, the institution may accept, in certain cases, an attenuation of graduation from a US or Foreign high school in lieu of an active High School diploma or GED equivalency”; however, the institution does not describe circumstances surrounding the actual use of this discretion.

The Line of Credit is disclosed on page one the addendum dated May 19, 2010 as follows (verbatim):

DRAKE COLLEGE OF BUSINESS INSTITUTIONAL LINE OF CREDIT

Drake College of Business offers all students the opportunity to apply for an Institutional Line of CreditLoan Plan. This Line of Credit is designed to assist students in meeting their cost of attendance to complete a program of study at Drake College of Business.

The student is eligible to receive bi-weekly advances beginning in the 4th week after the student’s start date until graduation or withdrawal from school. A maximum of 14 advances for the Medical Office Technology (MOT) and Microsoft User Specialist (MUS) Programs and 17 advances for the Dental Assisting Program will be awarded, provided the student meets the eligibility criteria as described below.

The student is eligible for either a $330 or $410 bi-weekly loan advance based on meeting all of the following applicable criteria:

Criteria

$330 bi-weekly advance:

- The student must attend classes 8 out of 10 available days in each review period. There are no exceptions to this rule. Any excused absences such as for illness, vacation, leave of absence and court appearance dates will count toward the days of attendance.
- The student must attain a grade of "C" in each subject at the end of each module. Any student with a grade below "C" in ANY subject will lose eligibility to receive further loan advances until he or she meets the minimum grade criteria in each subject.
- The student must be up-to-date on any payment plan arrangements with the school.

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DCB-US-SEN-00004174

Med-Corn Career Training / Drake College
Document 4, Page 9
$400 bi-weekly advance

- The student must attend classes 9 out of 10 available days in each period. There are no exceptions to this rule. Any excused absences such as for illness, vacation, leaves of absence and court appearance dates will count toward the days of attendance.
- The student must attain a grade of "B" in each subject at the end of each module. Any student with a "C" grade in any subject will be eligible for the $400 bi-weekly advance. Any student with a grade below "C" in ANY subject will lose eligibility to receive further loan advances until he or she meets the minimum grade criteria in each subject at the end of the subsequent module.
- The student must be up to date on any payment plan arrangements with the school.

Maximum amounts available for each program are as follows:

<table>
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<tr>
<th>Program</th>
<th>Amount</th>
<th>Length</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>Microsoft User Specialist</td>
<td>$5,600</td>
<td>36 weeks</td>
</tr>
<tr>
<td>Dental Assisting</td>
<td>$6,800</td>
<td>36 weeks</td>
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</table>

Note for both amounts

A student suspended from school will be ineligible for any loan advances during the suspension period.

Repayment

Waiver

- All loan advances in the line of credit program shall be forgiven if the student successfully graduates on time. Timely graduation is defined as graduation within 15 days of the standard program length as listed above.

OR

- The student graduates from his or her program with a COPA of 3.0 or higher.

If neither condition for the waiver is met,

The terms for repayment are:

- 0% finance charge.
- Repayment starts one year after the student’s last day of attendance which is defined as the student’s graduation/ completion date or date of withdrawal as determined by the school.
- The repayment period is 20 years.
Default

If the student is not eligible for the repayment waiver and fails to make a monthly payment, the student is considered to be in default. If the student is in default for a period of three consecutive months, the school will refer the matter to a collection agency and reserves the right to take further legal action as necessary and appropriate.

Important Information

To complete this Line of Credit, a Truth in Lending Document will need to be signed by the student. This document explains all the conditions mentioned in this catalog. Please review the Truth in Lending Document carefully and ask the Financial Aid Office for any clarification or assistance.

* * *

Redacted by HELP Committee

Redacted by HELP Committee

Redacted by HELP Committee
The Institutional Effectiveness Plan (IEP)

The team reviewed the institution's current IEP, which is dated June 2010. This document was revised for submission to the Council for its August 2010 meeting. There is no mention of the Line of Credit. However, in conversations with executive management, this Line of Credit is construed as a retention-
bolstering tactics and/or means of enhancing students' satisfactory academic progress. With respect to retention, the current IEP reads as follows:

"We believe the following will help maintain and increase our retention rate:

- academic tutoring
- increased student services support
- continued strong monitoring of attendance, which includes contacting and encouraging students who are absent
- closely monitor academic performance and improved reporting through Diamond D software,
- continued review of student surveys
- focus on active learning teaching."

Review of student records indicates that in practice the Line of Credit is widely used. The team requested a roster of all disbursements for the period August 9, 2010 to August 26, 2010, with checks distributed to students on August 27, 2010; the list that was provided indicated over half (around 330) received checks.

Although Drake College of Business in Newark has issued an official, written directive to admissions and other administrative personnel to cease all outreach activities at homeless shelters/rescue missions for purposes of recruiting students, the college will continue to consider for admission students from these human services agencies who initiate contact with Drake through referrals or other means. That is, the "do not recruit at homeless shelters" directive should not be interpreted as a self-imposed prohibition against enrolling students who may live homeless shelters as their place of residence upon seeking admission to DCB. Furthermore, Drake officials indicated that the institution will continue to reach out to other human services providers (churches, the YMCA, community agencies serving the Hispanic population) for purposes of recruiting students. In summary, it is reasonable to assume that DCB will continue to admit students who are referred or recruited from human services providers irrespective of the "do not recruit" directive. This raises some fundamental issues about the alignment of DCB business practices and its Institutional Effectiveness Plan (IEP):

1. Does the institution have a specific target or objective that defines the percentage of its enrollment to be derived from human services providers? If so, what is the target and how did the institution arrive at it?
2. Given the special considerations of students derived from the human services population related to (non-educational) employment qualifications, what capacity has the institution developed to deal with the percentage of human services clients who are unable to pass drug screens, credit background checks and loan default screens?
3. To what degree, as part of its IEP-specified outreach to this population, is DCB prepared to provide ongoing living expense disbursements (be they Line of Credit payments, reimbursements or other payments)? Is there an annual budgeted amount (maximum) for this practice, and what is the on-going funding source for this account?
4. To what degree, as part of its education programming and student assessment, is DCB prepared to inoculate students finacially in order to sustain attendance, satisfactory academic progress and placement in a job field related to the educational program? How was the amount of financial incentive decided, and how is its effectiveness being measured?
In addition to students recruited from homeless shelters (about 20 between 2009-2010), about half of the enrolment at the institution (or about 390 of 750 total students) participate in taking draw-downs from the Line of Credit program on a recurring basis. Given the high number of students who participate (most of whom are recruited from places other than homeless shelters) and the degree of their reliance on the twice monthly stipend, a number of issues merit review:

1. The sufficiency of accounting systems, tracking protocols and disclosures that support the voluntary Line of Credit program, such that students are fully aware of the size and terms of their financial obligation if they fail to graduate, fail to complete their education program within a certain timeframe, or otherwise fail to meet the threshold by which thousands of dollars in Line of Credit pay-outs are forgiven as debt.

2. The degree to which Line of Credit obligations impose additional post-graduation financial hardships on students who have federally subsidized student loan and institutional student loan debt. Are students made fully aware of these obligations and how?

3. How does the liberal application of Line of Credit payments for academic progress and attendance impact compliance performance standards, such as retention rates, completion rates, and placement rates? Are financial incentives an appropriate substitute for quality education practices, student advising services and sufficient career services resources?
From: Redacted by HELP Committee
To: Ziad Fadel
Subject: Re: OUT IN THE FIELD

OK, I understand.

Thanks.

On Thu, Mar 26, 2009 at 8:49 AM, Ziad Fadel wrote:

this is good. However, please stay away from homeless shelters. We need students interested in learning and getting a job, not just in receiving a check.

On Wed, Mar 25, 2009 at 5:38 PM, Redacted by HELP Committee wrote:

Good Evening Everyone,

I guess I'll start off. I left the building at 1 p.m. to go out in the field. First we went to the hamburger shop on Jackson Avenue where there is heavy flow of business during this hour. We spoke to the owner to get permission to speak with the gentlemen that were waiting to be serviced. We handed out flyers and explained the course that we offer along with the $350 reimbursement if you qualified, most seemed interested and some just got information for member of their family or friends that might be interested. (40 minutes)

2nd we went to the Salvation Army on East Grand Street, most people there are in a program and is shelter from becoming homeless but decent qualified individuals were targeted. I believe we will see 2 to 3 appointments from this visit. Again we explained what we offer at Drake College of Business. (30 minutes)

Last we decided to go to the DMV in Newark. Located at the border of Newark and Elizabeth were we stood outside of the Motor Vehicle Station and spoke with people coming and going out of the facility. Most was accomplished was handing out lots of flyers and business cards indicated the person to call us for more information since they were in a flow of moving about, some stop to listen others just grab the flyer and business card. We arrive at this location at about 3:30p.m. and left the area around 4:30p.m. Headed by to the office by 5:00p.m.

Through the course of the evening, we just grabbed something to eat.

Thank you.

Redacted by HELP Committee
MED-COM CAREER TRAINING, INC.
DRAKE DRINK COLLEGE OF BUSINESS

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2009
MED-COM CAREER TRAINING, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2009

REVENUES

Eduction
Less: Refunds and recoveries
Net Eduction
Interest
Miscellaneous
Total Revenue

EXPENSES

Salaries and payroll taxes
Tests & instruction expenses
Advertising
Bad debts
Occupancy
Computer expenses
Default management
Depreciation
Dues & subscriptions
Financial and services
Gifts
Insurance
Repairs & maintenance
Office
Consulting fees
Legal and other professional fees
Security
Student reimbursement expenses
Telephones & utilities
Travel & entertainment
Salary
Total Operating Expenses

Net Income

Dividends paid
Retained Earnings - Beginning
Retained Earnings - End

The accompanying notes are an integral part of this statement.
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Note: This table indicates the changes in various metrics through FY (Fiscal Year) and compared to previous years. The data includes various metrics related to financial performance. The changes are calculated and compared to the previous year's data.
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Confidential – For Purposes of S.D. Senate Investigation
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Note: The table above represents the financial changes from FY2006 to FY2007 for various items. The changes are listed in detail with dates and amounts for each item.
National American University
President’s Cabinet
Meeting Minutes – June 1, 2010

Attendees: Vernessa Goers, Dr. Sam Kerr, Dr. Ronald Shape, Lisa Knage, Michelle Holland, Scott Tootman and Dr. Jerry Gallahine (took the meeting minutes)

Dr. Ronald Shape – CEO
1. Update on the Transaction
   a. The secondary offering is complete! We closed today.
   b. Pricing was completed last week. There can be no press releases for 25 days from the day of
      pricing.
   c. We are now listed on NASDAQ as "NAUH".
   d. There will be some analyst coverage starting next week.
   e. There are 37 million shares outstanding.
   f. Also, as of 6/28/10, NAU is a debt-free company!
   g. All SEC regulatory issues are now handled by our Assistant General Counsel, Mitchell
   h. Please direct any questions from employees about purchasing stock to either

2. Strategic Plan
    a. When adding items for consideration to the Strategic Plan, please keep in mind the heavily-
       regulated environment we now find ourselves in with the DOE, HLC, and SEC.

3. FY2010 Year End
   a. Congratulations to everyone on a great year for NAU! Dr. Shape will do a video recording for
      MyNAU to extend his congratulations to all employees
   b. Any updates you would like to include
   c. In regards to the 90V90 ratio, our goal is 75/25. This will mean ramping up our military
      enrollments and company tuition assistance enrollments. We need to review the report by site, to
      monitor this ratio.

Dr. Shape needs feedback on our next Cabinet report – location, topics to be discussed, data and who
from your area (or performance) would intend to give presentations.

Confidential – For Purposes of Senate Investigation
National American University Holdings, Inc.
Document 2, Page 1
Dr. Sam Kerr – Provost / General Counsel

5. Academic Update
   a. The new online catalog continues to be worked on, specifically the navigation setup for students.
   b. They are working on faculty training modules.
   c. An academic advising manual is being created.
   d. They are creating a new database to house the faculty teaching credentials.
   e. We now have a three-year extension on our contract.
   f. They are setting up the ACCREDITED BY HLC for external assessment, which will automate this process.
   g. They are expanding some post-Master’s certificate programs.
   h. James Foxon was hired as our new Director of Instructional Effectiveness; he will start on 6/20/10.

6. HLC Accreditation & ODE Regulations (regarding new sites)
   a. The ODE is really looking at three areas – gainful employment, safe harbor rules and direct lending.
   b. Dr. Kerr’s team has recently submitted four change requests to the HLC for new sites or site moves.

Dr. Kerr will be creating a meeting calendar for the site members for the 200_.

Venessa Green – CFO

7. Monthly Financial Update
   a. Deloitte & Touche will be here auditing for three weeks starting on 6/20/10.
   b. The 10k report is due 6/30/10.
   c. A Controller has been hired.
   d. April revenue was up $1.3 million or 20% over the same month last year.
   e. April net income, prior to income taxes, was up $25.5 million or 38.3% over the same month last year.
   f. YTD revenue was up $24.5 million or 45.1% over the same month last year.
   g. YTD net income, prior to income taxes, was up $12.5 million or 152.1% over the same month last year.

8. Salaries as a Percentage of Revenue – April 35.3%, YTD 38.17% which is down from last year.

Scott Tuchman – Inst. Support & Military Services

9. Inst. Support & Military Services Update
10. Average Number of Total Leads per Admissions Representative – 4
11. Complete Financial Aid Package Turnaround (excluding packaging pending) – Redacted by HELP Committee

Dr. Bob Paxton – Distance Learning

14. Distance Learning Update
   a. Spring term – 53% is distance delivery, 47% is on-ground
15. Federal and HLC Regulation Changes
16. New Horizons – Continue to work with HELP Committee to expand this relationship.
17. International – We continue to focus on current affiliations
18. HJU – They continue to work with HELP Committee on this.
19. Commencement Webinar
20. Course Completion Online (beginning to end of quarter) – high 80%
Michael Holland – E / SE Region
21. Regional Update
   a. Their spring quarter pool is over $4 million. Their summer quarter will be Reduced
   b. 45,000 credit hours for summer.
   c. They have found someone to direct the new Reduced

Lisa Knigge – W / SW Region
22. Regional Update
   a. NM & TX regions – 9,000 credit hours.
   b. A person has been chosen so far – Reduced – they have both a military and
      medical background.
   c. Austin is 100 credit hours from goal.
      i. They are training for the new Reduced
      ii. They will go before the TX Board of Nursing at their July meeting.
   d. They are interviewing for AUB & RR campus executive officers. It was suggested they look at
      our pool of people in the LDP.
Here is the email regarding competitive analysis on tuition which I need compiled. Thanks very much.

From: Lisa Knepp
Sent: Thursday, January 10, 2008 11:33 AM
To: HELP Committee

[Message body]

Campus Director
Denver, Colorado

Office: HELP Committee
Fax: HELP Committee
Email: lknational.edu
Subject: FW: Tuition Increase Recommendations

Please see Ron's note below. Will you please have someone put this together soon, this is in order to support a zero tuition increase for Fall.

thanks,

Lita Knapp
Southwest Regional President
National American University
4775 Indian School Rd. NE
Albuquerque, NM 87110
From: Ron Shape
Sent: Thursday, January 10, 2008 9:51 AM
To: Lisa Knigge
Subject: RE: Tuition Increase Recommendations

Lisa,

I will see what I can do. However, it would be very helpful for us (as well as I believe) if we outline the competitive environment with specifics ($$)

Thanks,
Dr. Ronald Shape

Chief Operating Officer and Chief Finance Officer

National American University

5301 S. Hwy. 16, Suite 200

Rapid City, SD 57701

Phone: 

email: @national.edu

From: Lisa Krieg
Sent: Thursday, January 10, 2008 6:46 AM
To: Ron Shape
Subject: FW: Tuition Increase Recommendations

Ron,

National American University Holdings, Inc.
Document 3, Page 4
This is an email from Lisa Kristge on thoughts on a fall tuition increase.

Lisa Kristge  
Southwest Regional President  
National American University  
4775 Indian School Rd. NE  
Albuquerque, NM 87110
From:
Sent: Wednesday, January 09, 2008 5:35 PM
To: Lisa Knopp
Subject: RE: Tuition Increase Recommendations

Lisa,

Because you are tied up in a week long meeting I copied you on a couple of emails regarding the proposed additional nursing classroom construction and student concerns. Ordinarily, with the new organizational structure I would have spoken directly to you first but I thought these concerns needed to be addressed first before you were available for input. I hope that was ok?

Now, with regard to the possibility of a tuition increase, it is not my recommendation that we take a tuition increase in 2008. Although minor we are increasing tuition effective March 1st. To take a second and I believe if I am not mistaken this would be a third increase within a two year period. I could be wrong on this but I think this is what I heard when I researched the March increases. If we are able to implement the 4.5 credit hours the in fall will be an increase in tuition. So, in actuality if we implemented another increase on top of that in the fall this would be seen by the students, as three increases in a year.

If we don’t get the 4.5 credit hour increase, I still would be opposed to the tuition increase because we will be out pricing our program with our competitors. I would be recommending holding to only the March increase for this year.
From: Lisa Knippe
Sent: Wednesday, January 09, 2008 4:47 PM
To: Lisa Knippe
Subject: FW: Tuition Increase Recommendations

Please email me your thoughts, sorry for the late notice (but Ron would like these by tonight).

Thanks,
Lisa Krieger
Southwest Regional President
National American University
4775 Indian School Rd. NE Ste. 200
Albuquerque, NM 87110

@national.edu
Redacted by HELP Committee

<http://www.national.edu/> www.national.edu

From: Ron Shape
Sent: Wednesday, January 09, 2008 11:50 AM
To: Lisa Krieger; Michelle Hotaling; Phil P.

Subject: Tuition Increase Recommendations

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National American University Holdings, Inc.
Document 3, Page 8
To All,

I need your tuition increase recommendations for Fall 2008 by the end of the day. These recommendations will go to the BOS tomorrow for their consideration/approval at their next meeting (January 29th).

I would like your recommendations to reflect two scenarios. Scenario 1 - we successfully convert to the 4.5 credit hour system by Fall 2008. Scenario 2 - we do not successfully convert to the 4.5 credit hour system by Fall 2008.

If you have any questions, please let me know.

Thank you,

Dr. Ronald Shape

Chief Operating Officer and Chief Financial Officer

National American University
To All,

As all of you are aware, the university (as a system) was not successful in achieving its summer quarter profit expectations. As a result, the following mid-year changes are being proposed.

1. A change in billing methodology from "seat" campus to "home" campus effective winter quarter 2007-08. This change would include what tuition rate is billed as well as how technology fees are recognized. In essence, the tuition revenue and technology fees revenue will be recognized by the students "home campus" regardless of where "they" are taking the course (the seat campus). This change will be reflective for students taking online courses as well as for students taking courses between campuses in a region. Again, the revenue will be billed and recognized at the student's home campus.

2. A mid-year tuition increase to be effective spring quarter 2008. Attached are the recommended tuition increases.

Please review the impact of these changes as they relate to your campus and/or region, and provide me with input accordingly. I will need your feedback by Thursday evening.
Thanks,

Dr. Ronald Shape

CDO/CFO

National American University

5301 S. Hwy 18, Suite 200

Rapid City, SD 57701

Email: rshape@nau.edu
From: <nondisclosed@nondisclosed.edu>
To: <nholland@national.edu>, <mlholland@national.edu>
Subject: RE: 

Sounds good!

Subject: RE:

Campus Director

Zona Rosa Campus

—

From: <nondisclosed@nondisclosed.edu>
Sent: Wednesday, December 17, 2008 12:03 PM
To: <mlholland@national.edu>
Subject: RE:

OK
Vice President

National American University

10310 Mastin

Overland Park, KS 66212

The father of success is work—the mother of achievement is ambition.

---

From: Michelle Holland
Sent: Wednesday, December 17, 2008 12:02 PM
To: Redacted by HELP Committee
Subject: Re:

I will submit 285 and see if we get any push back!
From: [Redacted by HELP Committee] Michelle Holland
Subject: RE:

Team,

What is our consensus at this point $285 or $290? I think that the application fee should be increased from $25.00 to $50.00.

Vice President
National American University
10210 Mastin
Overland Park, KS 66212
The father of success is work, the mother of achievement is ambition.

---

From: [Redacted by HELP Committee]
To: Michaelle Holland
Sent: Wednesday, December 17, 2008 11:29 AM

Subject: RE:

My biggest concern is getting the students funding to cover the costs - if that can be done at $350 per credit - I'm game. Increasing my revenue by 40,000 a quarter would be nice as long as I don't have to turn around and write it off as bad debt later...

[Redacted by HELP Committee]

Campus Vice President

National American University
My thoughts,

I like Tanya’s point about the 4.5 credits, and PA will always be a struggle! I know Tina does a nice job of sanctioning them back asking for more to be covered, basically turns out to be negotiations for the students.

I know on average of 9 credits a student we are looking at less than $100 increase per student. If we add $100 to a student’s bottom line and multiply it by our campus population, it can add up.
I am going to be wavy/hesistant, but $285 sounds great for the way the economy has gone, but we are not immune to rising costs either, we saw that first hand with getting raises for our staffs, capital expenditure, etc.

$290 doesn't freak me out, and with rising costs all around us, I am game for whatever direction we go!

Thank you!

Campus Director

Zona Rosa Campus

From: [Name of Campus]

Sent: Wednesday, December 17, 2006 10:33 AM

To: [Name of Campus] and [Name of Campus]

Subject: RE:
My concern would be how does this affect the student with their fix packaging. We at Independence have so many issues with central refusing to package the student for all of their direct costs that I am afraid the higher we go the more of a problem this is going to become. This is really going to impact our bad debt in the upcoming months if they continue to do this so where we may get more up front - we may have to lose it on the back end as bad debt. Thoughts?

Campus Vice President

National American University

Independence Campus

Fax

Fax:

From: Wednesday, December 17, 2008 10:27 AM
To: Michelle Holland, Redirected by HELP Committee
Subject: RE:
Team,

With the recent change from 4 to 4.5 credit hours, I really believe that the $295 is a decent increase. These are just my thoughts; I will go along with the majority.

Vice President
National American University
10310 Mastin
Overland Park, KS 66212

The father of success is work—the mother of achievement is ambition.
From: Michaelle Holland
Sent: Wednesday, December 17, 2008 10:23 AM
Redacted by HELP Committee
Subject:

Good Morning,

Thanks for your recommendation on tuition for next year. Currently moving from 280 to 290 equals 1.7%. If we went to 290 it would equal 3.5%. What are your thoughts on a higher increase?

M
From: Redacted by HELP Committee
To: Ron Shape
Subject: RE: Mid Year Adjustments
Sent: Thu 4 Oct 2007 23:16:32

Ron,

Since we just had a tuition increase for the fall 2007 quarter, I expect students will not be very happy with a second increase within the same academic year. The second increase may cause us to lose some students as we are already experiencing some drops by students who perceive a lack of quality teaching faculty. I think because there has been so much change in personnel at the campus since May there is an undercurrent of concern and frustration with the changes and students might see this as just another opportunity to vent. I believe that with a majority of new staff members and a lack of staff in certain departments, some of the students are questioning the Denver campus in reality, I think we still would be competitive with other private, proprietary institutions in Denver but we are getting close to a pricing line that might take us out of the market.

Campus Director

Denver, Colorado

Confidential - For Purposes of Senate Investigation
From: Ron Shape
Sent: Wednesday, October 30, 2007 1:33 PM

To: Redacted by HELP Committee
Redacted by HELP Committee

Subject: Mid Year Adjustments

To All,

As all of you are aware, the university (as a system) was not successful in achieving its summer quarter profit expectations. As a result, the following mid year changes are being proposed.

1. A change in billing methodology from "seat" campus to "home" campus
effective winter quarter 2007-08. This change would include what tuition rate is billed as well as how technology fees are recognized. In essence, the tuition revenue and technology fee revenue will be recognized by the students “home campus” regardless of where he/she is taking the course (the seat campus). This change will be reflective for students taking online courses as well as for students taking courses between campuses within a region. Again, the revenue will be billed and recognized at the student’s home campus.

2. A mid year tuition increase to be effective spring quarter 2008. Attached are the recommended tuition increases.

Please review the impact of these changes as they relate to your campus and/or region, and provide me with input accordingly. I will need your feedback by Thursday evening.

Thanks,

Dr. Ronald Shape

COO/CFO

National American University

5301 S. Hwy 16, Suite 200

Rapid City, SD 57701

Reference: VLF Committee

Office: -
Redacted by HELP Committee

From: Ron Shape
To: Redacted by HELP Committee
Sent: Thu 4 Oct 2007 11:30:30
Subject: RE: Mid Year Adjustments

Ron, thanks for not suggesting an increase for RCC. A satisfied customer is one who perceives he/she receives value for dollars spent and our market has some issues with our rates—especially those in the IM courses. A mid-year increase for RCC would have cost us more than it would have gained.

I'll get back to you later today on the billing methodology suggestion.

Cheer,
Ron

-----

From: Ron Shape
Sent: Wednesday, October 03, 2007 1:33 PM
To: Redacted by HELP Committee

As all of you are aware, the university (as a system) was not successful in achieving its summer quarter profit expectations. As a result, the following mid-year changes are being proposed:

1. A change in billing methodology from "seat" campus to "home" campus

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National American University Holdings, Inc.
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effective winter quarter 2007-08. This change would include what tuition rate is billed as well as how technology fees are recognized. In essence, the tuition revenue and technology fee revenue will be recognized by the students’ “home campus” regardless of where he/she is taking the course (the seat campus). This change will be reflective for students taking online courses as well as for students taking courses between campuses within a region. Again, the revenue will be billed and recognized at the student’s home campus.

2. A mid year tuition increase to be effective spring quarter 2008. Attached are the recommended tuition increases.

Please review the impact of these changes as they relate to your campus and/or region, and provide me with input accordingly. I will need your feedback by Thursday evening.

Thanks,

Dr. Ronald Shape

COO/CFO

National American University

5301 S. Hwy 16, Suite 200

Rapid City, SD 57701

Office: (605) 773-2197

Fax: (605) 773-2198

Email: rshape@national.edu
Ron,

When I sent our recommended fall 2008 tuition rates to you yesterday, I failed to mention our position on the standard hours per course issue of 4 versus 4.5.

As I understand the issue, we are on a quarter credit hour system now and we will still be on a quarter credit hour system after the change. The number of quarter credit hours to graduate will remain basically the same and some majors will likely increase or decrease a few credit hours as they adjust for the change. Because the total number of credit hours to graduate will basically remain unchanged, we find no rationale to adjust the tuition rate when the standard course length moves from 4 to 4.5.

Thus, our recommendations for undergrad and grad tuition rates are good for either a 4 quarter credit hour course system or a 4.5 quarter credit hour course system.

Cheers,

National American University Holdings, Inc.
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Ron,

Here's the RCC recommendations for tuition rates effective with fall 2008:

Undergrad:

Current $240  Recommended $257
Increase of $8 or 3.2%

FYI, a price ending in 7 is a marketing savvy approach. Research says customers mentally round up prices ending in 8 or 9 dollars, but they typically don't round up prices ending in 6 or 7 dollars.

Grad:

Current $299  Recommended $299

This tuition rate is just on the edge of being $300 and that's a significant threshold in the mind of the education consumer in our market. We're recommending we leave the current grad rate alone for a year and bump it past $300 in fall 2009. Although RCC's grad program is successful, it remains a small program in this market and if we lose only one prospect/student from a price hike, the few $$$ gained from the increase wouldn't begin to cover the revenue lost.

This campus has consistently recommended modest increases, primarily cost of inflation. Given the fact that this campus' competition is strictly state institutions with significantly lower tuition rates at both the undergrad and grad levels, a more greedy approach would backfire and many prospect/students would simply choose a less expensive educational alternative.

Again, I thank you for not nudging RCC to have a mid year tuition increase. This Rapid City area market simply could not bear that mid year jump and it would have been detrimental to our ability to recruit and retain.

Cheers,
Front: Ron Shope

Sent: Wednesday, January 29, 2008 11:50 AM

Redacted by HELP Committee

Subject: Tuition Increase Recommendations

To All,

I need your tuition increase recommendations for Fall 2008 by the end of the day. These recommendations will go to the BGS tomorrow for their consideration/approval at their next meeting (January 28th).

I would like your recommendations to reflect two scenarios. Scenario 1 – we successfully convert to the 4.5 credit hour system by Fall 2008. Scenario 2 – we do not successfully convert to the 4.5 credit hour system by Fall 2008.

If you have any questions, please let me know.

Thanks,

Dr. Ronald Shope
Chief Operating Officer and Chief Finance Officer
National American University
5301 S. Hay, 18, Suite 200
Rapid City, SD 57701
Phone: 1-800-678-3797
email: rshope@national.edu

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MISSION STATEMENT
National American University is a private, regionally-accredited, multi-campus institution of higher learning committed to building a learning partnership with students locally, nationally and worldwide.

The university provides quality career and professional undergraduate and graduate programs and continuing education to students of diverse backgrounds, interests and abilities.

The institution offers educational programs which are responsive to the career interests and objectives of its students, to the needs of employers and to society in general through traditional, accelerated and distance delivery methodologies.

CORE VALUES
Offer high quality instructional programs and services.
Provide a caring and supportive educational environment.
Offer technical and professional career programs.

PURPOSES
1. Offer quality, regionally-accredited career and professional degree programs, in documentation by institutional and academic assessment processes at the associate, bachelor’s and master’s level, diplomas, certificates and adult degree completion programs to traditional, adult and international learners.

2. Provide a general education program to build awareness, abilities and interests to empower lifelong learners as knowledgeable citizens of the global community.

3. Provide a collegiate experience through instructional and support services that creates a stimulating, caring and supportive learner-centered environment in which students are encouraged to achieve the educational goals established by the university.

4. Promote a learning and working environment by providing new technologies, methodologies and practices that enhance and exceed quality programs and services.

5. Prepare students to provide leadership and services for the employment needs of business, industry and government worldwide.

6. Pursue communication, cooperation and alliances with educational institutions, organizations and associations on a local, regional, national and international basis.

7. Respond to the ever-changing societal demands for personal and professional development and continuing education through flexible scheduling and convenient access via traditional, accelerated and distance delivery methodologies.

8. Assist students in the development of ethical values and behaviors.

9. Foster an environment that encourages involvement by employees in the innovation and solution-seeking processes and provide an opportunity for personal and leadership development.

10. Provide a stable institutional environment where human, financial and physical resources are sufficient to accomplish its educational and institutional goals as a sound basis for continued growth and development.
DAILY PHONE CONTACT RECORD

Admission Coordinator: ___________________________ Date: ____________

Please record the following to the nearest .25 of an hour:

- _______ Hours Spent Recruiting
- * _______ Hours in Meetings/Training

= _______ Total Hours Worked

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Instructions:
9 Complete line 1 and turn into admission office start the end of the day.
9 Use red ink to record the dial and contacts made after 5 pm.
9 When recording not spent on recruiting do not use dates, sick leave, lunch, reorientation, making copies, etc. Only used meetings and training.
SALES STAGES

OPENING
Professional Greeting
Identifies Yourself and NAU
Confirms Convenient Time

BUILD RAPPORT
Use Prospect’s Name
Listening Actively
Empathize
Motions Prospect’s One

DISCOVERY
Probe to Identify Buying Motive
Probe to Identify Objectives
Encourage Prospect to Identify Their Needs
Acknowledges prospect need / concern
Links program details to Buying Motive
Addresses objections
Uses trial close technique (Ask for the application)

PRODUCT KNOWLEDGE
University Details
Accreditation
Program requirements
Admissions requirements
Present Solution

IDENTIFY NEXT STEPS
Specifically Discuss Next Step
Confirm Next Step and set Deadline
Accurately Describes Application Process (if appropriate)
Financial Aid Issues (if appropriate)
Describe PLE process (if appropriate)
Presents Payment Issues (if appropriate)

CLOSING
Thank Prospective Learner
Asks for referral (if appropriate)
Rapport Rule

Build rapport by asking people briefly about something in which they are interested.
Credibility statement:

1.
2. Describe results.
3. They might expect.
4. Ask questions.
Credibility Statement:

1. "We're the peacekeepers.
2. Students across America have fought that the NAU flexible schedule is just what they needed."
   "You might find that this is just what you're looking for."
   "Could I ask you some questions?"
Agenda Statement

1. What do you do?
2. Describe agenda
g3. Next
get agreement
Agenda Statement

1. Briefly review recent developments in diverse career paths and opportunities.
2. With your input, let’s narrow the agenda:
   - Your experience
   - Your goals
   - How we could help.
Sound OK to you?
Interest Rule

Generate interest by finding out what your solutions will do to benefit or service your prospects.
Questioning Process Flow

- Determines the current situation.
- Determines the desired situation.
- Identifies the obstacles preventing the should be from happening.
- Reviews the rewards our customer receives in reaching the should be.

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Capability Statement

- Use the client’s name
- Identify the product you recommend
- Reference what they want
- Appeal to why they want it
- Tell reuse
Capability Statement:

NAU: We offer the flexible schedule.

To finish your degree.

That will meet your educational dreams.
Solution Rule:
Give buyers enough information—no more about your solution and how it will benefit them—to convince them that they are justified in buying.
Motive Elements

Remind buyer of their need

Remind them your solution will satisfy that need

Paint a word picture
Commitment Rule

Secure commitments throughout the process by gaining agreements toward mutually beneficial decisions.
### "What did you say?"

**Statements to avoid and those that will help you improve your sales**

<table>
<thead>
<tr>
<th>What did you say?</th>
<th>Instead try this...</th>
</tr>
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<tbody>
<tr>
<td>“Why don’t you look over the information I sent you and give me all back if you’re interested or take your time.”</td>
<td>• Create a sense of urgency and initiate the follow-up.</td>
</tr>
<tr>
<td>“When you’re talking to other schools be sure you ask them about group projects, hidden costs, etc.”</td>
<td>• Make it positive not negative. Talk about NAU, our features and benefits, not the other school.</td>
</tr>
<tr>
<td>“We start you off with strategies, it’s what I call a fluff class, an easy A.”</td>
<td>• Don’t make it seem like they are wasting their money.</td>
</tr>
<tr>
<td>“We have an op promo going on but there’s a catch. You have to complete all your paperwork within few days.”</td>
<td>• Create some excitement with this promotion. Make it seem like it’s a big deal!</td>
</tr>
<tr>
<td>“We have an op promo and if you complete your paperwork they will waive the fee.”</td>
<td>• Take ownership of every student, it’s you or we, not them.</td>
</tr>
<tr>
<td>“Are you looking to start right away?”</td>
<td>• Turn it around, begin with our next start date and see if that might work.</td>
</tr>
<tr>
<td>“If you don’t have 8 hours/week to spend on a class, maybe you’re not ready for college.”</td>
<td>• Try a cushioning statement that emphasizes with their busy schedule.</td>
</tr>
<tr>
<td>“Are you working today?” “Yes, I told you I was in sales the last time we talked.”</td>
<td>• Paying attention to details of your conversations will build stronger relationships.</td>
</tr>
<tr>
<td>“When should I follow-up with you?”</td>
<td>• It’s fine to determine when they are available, but try to create some urgency by suggesting a time.</td>
</tr>
</tbody>
</table>

**Other things to avoid:**
- Talking about you, instead of letting the prospect talk.
- Being in "Information Channel".
- Using a negative approach to sell.
- Being too passive.
<table>
<thead>
<tr>
<th>Question</th>
<th>Why I like it</th>
</tr>
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<tbody>
<tr>
<td>&quot;What is most important to you when selecting a school or what features are you looking for in an online school?&quot;</td>
<td>By identifying what they want you can explain how NAU will meet these needs.</td>
</tr>
<tr>
<td>&quot;Does that sound like something that will work for you?&quot;</td>
<td>Trial closes will help you uncover objections and gain commitment.</td>
</tr>
<tr>
<td>&quot;What am I do to help you get started today?&quot;</td>
<td>Helps you uncover barriers and gain commitment.</td>
</tr>
<tr>
<td>&quot;These are all great questions. I can transfer you to our EC who is an expert on FA&quot;</td>
<td>It builds confidence.</td>
</tr>
<tr>
<td>&quot;I always tell my students or the students I work with...&quot;</td>
<td>Personal attention can be a very powerful and positive selling tool.</td>
</tr>
<tr>
<td>&quot;It sounds like you're ready to apply, let me help you with the process.&quot;</td>
<td>Taking them through the process is great service, and ensures the application is completed promptly.</td>
</tr>
<tr>
<td>&quot;If we can take care of your Financial Aid issues, is there anything else keeping you from getting started?&quot;</td>
<td>Hidden objections can never be addressed if we can't find a way to uncover them.</td>
</tr>
<tr>
<td>&quot;Our next start is June 5th, and there's still time to get you enrolled. Have you given some thought to getting started, right away?&quot;</td>
<td>If they haven't decided on a start date, it suggests that we need to move quickly.</td>
</tr>
<tr>
<td>&quot;When we talked last week you mentioned that getting your degree would move you into a new area. This was important to you and your family. What am I do to keep this dream alive?&quot;</td>
<td>Paying attention to details, uncovering the dominant buying motive and appealing to their motive reminds them of the value of this decision.</td>
</tr>
</tbody>
</table>
4326

403 - Sales Process
Student Recruitment Worksheet

Rej. ___________ Student ___________ Date ___________

“This is [name], I’m and Admissions Coordinator with National American University. I’m calling about your interest in our [program]. Do you have a few minutes so we can talk about your interests?”

Agenda: Discuss:
1. Experience
2. Goals
3. What we can do to help!

“In order to provide you with a great educational experience, all calls are recorded and monitored for quality control and training purposes.”

Report:
-----Interest-----Solution-----Motivation-----Commitment

Reason(s) pursuing degree:

Questions for me:

Program interest/why:

Suggested information to provide:

Current career:

History

Financial aid process

-------------------------------

Admissions requirements

Tuition costs

Payment options

Transportation:

Admissions

Financial aid

Transcript evaluation process

Application process

How online classes work

Tuition costs

Textbooks versus EIM's

Concerns:

How committed are they?

Bus in decision on:

What is keeping them from making decision today?

Previous college:

Next steps:

Buying motive:

List deadlines you set:

Objections:

Date/time follow-up call:

Irresolvable:

Date/time follow-up call:

Ask for referral: Y N

“Just Ask” You’ll never know unless you ask!!
QUESTION BASED RECRUITING

QUALIFY the PROSPECT – record answers

Are we the only school you’ve inquired with? If “no” = Which others?

What motivated you to inquire about school?

Are you interested in a particular program?

Have you previously attended any other colleges/universities?

Do you have a high school degree/GED from here?

Are you currently working? Where? What do you do for them?

How many hours/week will you be able to devote to school?

Are you married?

Do you have children?

Do you have a computer at home?

Do you have access to internet service at home?

How do you anticipate you'll pay for your degree? FAFSA/Cash?

What concerns you most about going back to school?

Do you really think you’re prepared to do what it takes to get your degree?
On a scale of 1 to 10, where do you think yourself as far as being committed to getting your degree? What do you think about keeping your ranking so high?

**GAIN COMMITMENT** — agree with prospect using answers from pg. 1

Why haven’t you done something about your education before now?

Sounds like getting your degree is very important to you. Tell me why haven’t you earned this degree already?

What “good” would come from solving <prospect’s problem>?

If you really want <prospect’s problem>, why would you invest money in that instead of agree with us?

Tell me what your life would be like if you let another 5 years go by without getting your degree?

Just out of curiosity why not just “do nothing” and hope <prospect’s problem> works itself out on its own?

**FIRST CLOSE** — try to counter at least 5 objections

“What concerns do we need to get out of the way in order for you to apply today without the need of letting go of your money?”
## 25 Most Common Sales Mistakes

1. Not Being Obsessed  
2. Not Listening to Your Prospect  
3. Not Empathizing with Your Prospect  
4. Seeing the Prospect as an Adversary  
5. Getting Distracted  
6. Not Taking Notes  
7. Failing to Follow-up  
8. Not Keeping in Contact with Current Students  
9. Not Planning Your Day Efficiently  
10. Not Looking Your Best  
11. Not Taking the Time to be Organized  
12. Not Taking the Prospect's Point of View  
13. Not Taking Pride in Your Work  
14. Trying to Convince, Rather than Convey  
15. Underestimating the Prospect's Intelligence  
16. Not Keeping Up to Date  
17. Rushing the Sale  
18. Not Using People Proof  
19. Humiliating Yourself  
20. Barking on "Sure Things"  
21. Taking Rejection Personally  
22. Not Assuming Responsibility
#23 Underestimating the Importance of Prospecting
#24 Focusing on the Negatives
#25 Not Showing Competitive Spirit
General Guidelines
9 Ask question to reframe
9 Use "what statements" to reframe
9 Ask personal questions
9 Use scripts and guidelines at note level
9 Practice delivering them sound out

Open Ended Questions
They should flow with the narrative of the interview. You should finish each section before moving on. Current — Past — Future

Current
9 Tell me about your current situation.
9 How is your job satisfaction?
9 What do you like and dislike?
9 What are your main responsibilities?
9 Tell me about your current situation.
9 What are you feeling today?
9 Why are you looking for change?

Past
9 What other types of jobs have you had?
9 Tell me what job you like the most and why.
9 Tell me about your educational background.
9 Describe the reason for taking your current job.
9 Do you feel you would have done better school why?

Future
9 What changes would you like in your current job?
9 How is your current experience going to help you?
9 Why are you reluctant to make changes for your future?
9 What is your current job plan?
9 How would your current personal life be different if you were a different degree degree?

3 Goals When Asking Open Ended Questions
1) Find a partner and go through the script
2) Commit to taking notes while you read the script
3) Look at the notes and trust
General Suggestion

- It is NEVER too early to ask about a prospective learners concerns, but do not "anticipate" objections, let the learner identify them for you.

Trial Close

- "What do you think so far?"
- "Does our program sound like what you're looking for?"
- "Does our program sound like something that would help you _________?"
- "Based on what you know, is what cost; does our program meet your needs?"

Probing for Objections

- "Based on what I've shared about our program, what are your principal concerns?"
- "It sounds like you are concerned about _________. Why is that important?"
- "You'd indicated when you made your inquiry that you were thinking about getting started in [timeframe from inquiry form]. What sorts of issues would you like to address before you come to the point of making a decision?"

Probing for Hidden Objections

- "I understand your concern about _________. In addition to _________, is there anything else that you are concerned about?"
- "It sounds like you are concerned about something else. Would you tell me what it is?"
- "We've addressed _____ and _______. Before we move on, what other issues come to mind that we might want to address?"

List of Potential Objections

<table>
<thead>
<tr>
<th>Objection</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accreditation</td>
<td>Uncertain about Accreditation</td>
</tr>
<tr>
<td>Accreditation</td>
<td>Lacks Program-Specific Accreditation</td>
</tr>
<tr>
<td>Affordability</td>
<td>General</td>
</tr>
<tr>
<td>Affordability</td>
<td>More Expensive than State Institution</td>
</tr>
<tr>
<td>Credibility</td>
<td>Institution Has Poor Reputation</td>
</tr>
<tr>
<td>Commitment</td>
<td>General</td>
</tr>
<tr>
<td>Credibility</td>
<td>Institution Not Known</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Credit Transfer Program</th>
<th>Other School(s) Awarded More Credits</th>
<th>General Anxiety about Online Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Time to Completion</td>
<td>Infrequent Start Dates</td>
</tr>
<tr>
<td></td>
<td>Infrequent Start Dates</td>
<td>Lack of Interaction with Peers in Online Program</td>
</tr>
<tr>
<td></td>
<td>Program does not meet career goals</td>
<td>Term Length Longer Than Competitor Programs</td>
</tr>
<tr>
<td></td>
<td>Uncomfortable with Technology in Online Studies</td>
<td></td>
</tr>
<tr>
<td>Time Commitment</td>
<td>General</td>
<td></td>
</tr>
<tr>
<td>Personal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time to completion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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NA00014350

National American University Holdings, Inc.
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### DL Contact Manager Strategy - Recruitment Cycle

<table>
<thead>
<tr>
<th>School Status</th>
<th>Activity</th>
<th>Reason</th>
<th>Prospecting Documentation</th>
<th>Re-Entry Leads</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Lead</td>
<td>New Lead Notification</td>
<td>Multiple attempts to reach prospect via phone or email.</td>
<td><strong>Do not use.</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Prospect      | Prospect | PROSPECT model, but too busy to be interviewed. | • All time available only.  
                |           |                     | • All "RE" at time available only:  
                |           |                     | - Prospect E.  
                |           |                     | • All "RE" at time available only:  
                |           |                     | - Re-Entry E.  
                |           |                     | • Not available | |
| Referral      | Referral | When referral list is generated, immediately email sensitivity to Referral. | • All time available only:  
                |           |                     | - Referred P.  
                |           |                     | • Not available | |
| Interviewed   | Interview-Incomplete | Interview legal but not lengthy interrupted or not completed. | • All time available only:  
                |           |                     | - Interview-Incomplete P | |
| Interviewed   | Interview-Complete | Recruitment workstream not to interview the prospect, but prospect not willing to enroll. | • All time available only:  
                |           |                     | - Interview-Complete P | 
                |           |                     | • All "RE" to beginning:  
                |           |                     | - Interview-Complete E | |
| Appointment to Enroll | Appointment to Enroll | Prospects do not enroll a few days of the interview but set an appointment to enroll. | • All Appointment to Enroll available and Outlook appointment | 
                |           |                     | - Support Special/FC | |
| Reschedule Appointment | Reschedule Appointment | Could not reach prospect a scheduled time to enroll. Rescheduling the appointment to enroll. | • All time available only:  
                |           |                     | - Reschedule Appointment P | 
                |           |                     | • All "RE" to beginning:  
                |           |                     | - Re-Schedule Appointment E | |

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National American University Holdings, Inc.  
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<table>
<thead>
<tr>
<th>School Status</th>
<th>Activity</th>
<th>Reason</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Presently Interested</td>
<td>Close Activity</td>
<td>Prospect has self VAD, they are no longer interested in enrolling.</td>
<td><em>Activity is done.</em></td>
</tr>
<tr>
<td>Do Not Consan</td>
<td>Close Activity</td>
<td>Prospect has requested no further calls or emails from NNU.</td>
<td><em>Activity is done.</em></td>
</tr>
<tr>
<td>Not Rejected</td>
<td>Close Activity</td>
<td>A new interested after 9 phone calls, sent 5 emails over 5 weeks and received a response.</td>
<td><em>Activity is done.</em></td>
</tr>
<tr>
<td>Null Lead</td>
<td>Close Activity</td>
<td>If new lead is unverifiable, follow-up for lead or patient, contact VAMC if applicable.</td>
<td><em>Activity is done.</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>School Status</th>
<th>Activity</th>
<th>Reason</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pending Application Received Application Incomplete</td>
<td>Application Incomplete</td>
<td>Prospect has filled out the application, but has outstanding items to complete before being able to enroll (e.g., missing transcripts, financial aid forms, etc.).</td>
<td><em>All time zone only. - Application Incomplete.</em></td>
</tr>
<tr>
<td>Future later Received Application Information</td>
<td>Enrollment Follow-Up Call</td>
<td>Prospect has enrolled and requires follow-up to ensure admissions items are completed before enrolling.</td>
<td><em>All time zone only. - Enrollment Follow-Up.</em></td>
</tr>
</tbody>
</table>
Leads have a 5% rehash rate on the lead type. Web-Based leads from vendors like Colyer are Quin
Street have the shonest shelf life but WestMail leads on have a shelf life of more than one year. When
501 - Not Reached Protocol:
Recruitment

Web-Based Leads

<table>
<thead>
<tr>
<th>Date</th>
<th>Phone Attempt</th>
<th>TP</th>
<th>Email Message</th>
<th>CIK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1</td>
<td>(call first assigned)</td>
<td>1st all - Voice mail</td>
<td>TP #1</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify. Minimum of 5 calls into the desk.</td>
</tr>
<tr>
<td>Day 2</td>
<td>(call second assigned)</td>
<td>Voice mail</td>
<td>TP #2</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify. Minimum of 5 calls into the desk.</td>
</tr>
<tr>
<td>Week 1</td>
<td>(call third assigned)</td>
<td>Voice mail</td>
<td>TP #3</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify.</td>
</tr>
<tr>
<td>Week 2</td>
<td>(call fourth assigned)</td>
<td>Voice mail</td>
<td>TP #4</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify.</td>
</tr>
<tr>
<td>Week 3</td>
<td>(call fifth assigned)</td>
<td>Voice mail</td>
<td>TP #5</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify.</td>
</tr>
<tr>
<td>Week 4</td>
<td>(call sixth assigned)</td>
<td>Voice mail</td>
<td>TP #6</td>
<td>*Amount of AC's present. Change AA to call verification in PDF. Because the new number is not available or it is not in the phone book, verify.</td>
</tr>
</tbody>
</table>

Note: A new lead can be reassigned if the following occurs and the original request is still available:
- Rep has never talked to the new lead and the prospect wants to talk to someone right away.
- The lead can be reassigned for the following reasons:
  - Day 1: Week 4 as long as a form has been filled in. Colyer will inform me to send emails to prospects for 2 years if the following recommendations: 600 days, 900 days, 1800 days, 2700 days, 3600 days, 5400 days.

8/9/2007

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## Non Web-Based Leads

<table>
<thead>
<tr>
<th>Date</th>
<th>Phone Attempt</th>
<th>TP</th>
<th>Email Message</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1 (first lead assigned)</td>
<td>VoiceMail</td>
<td>TP #1</td>
<td>Automatically sent by email.</td>
</tr>
<tr>
<td>Day 2 (week after lead assigned)</td>
<td>VoiceMail</td>
<td>TP #2</td>
<td>Sending for information.</td>
</tr>
<tr>
<td>Wk 1 (1 week after lead assigned)</td>
<td>VoiceMail</td>
<td>TP #3</td>
<td>Schedule AC contact by email.</td>
</tr>
<tr>
<td>Wk 2 (1 week after lead assigned)</td>
<td>VoiceMail</td>
<td>TP #4</td>
<td>Discuss customer next steps.</td>
</tr>
<tr>
<td>Wk 1 (1 week after lead assigned)</td>
<td>VoiceMail</td>
<td>TP #5</td>
<td>Request to file N/A</td>
</tr>
</tbody>
</table>

- **Over 1 Month**:
  - Continue calling once every other week.
  - Do not leave a voicemail unless you are busy.
  - Use your discretion.
  - For your information: You may want to send an email when you call the graduate.

---

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National American University Holdings, Inc.
Document 9, Page 39
Online Program Student Recruitment Talking Points
National American University Online Learning Campus Admissions

502 - Recruitment
Recruitment Talking Points

I. Establish Readiness for Call
   a. Introduce yourself.
   b. [Ask Admission Consultant National American University Distance Learning Campus Admissions] Do you have something you want to tell about your interests?

II. Objective One: Identify Interest, Criteria, and Dominant Buying Motive
   a. Ask-It Questions
      i. What is prompting you to pursue your degree?
      ii. What are your career responsibilities right now?
      iii. What is your major interest in pursuing a degree?
      iv. To what extent is important to you that you say that to be a consideration in the program?
      v. In spite of yourself, what would be involved in your decision to attend and individuals in personal life?

   b. Should-Be Questions
      i. What do you hope to accomplish by having your degree?
      ii. What would you like to accomplish in 5, 10 years?
      iii. Where do you want to work and how do you see your career?
      iv. What changes would you like to see in your career?
      v. What factors are important to your recruitment?

   c. Barrier Questions
      i. What has prevented you from pursuing your degree until this moment?
      ii. How urgent is getting your degree now?
      iii. What would happen if you did NOT pursue your degree?
      iv. In addition to NOT having a degree, what obstacles are you facing right now?
      v. What needs to happen before you begin the next step in the program?

   d. Input Questions
      i. What would be the most important in your life if you pursued your degree?
      ii. How would you feel about your career, your personal life?
      iii. What is important to you?
      iv. What would you do with the new skills/knowledge acquired in this degree?
Online Program   Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

right degree program would give you?

v. How do you see this program benefit you?

III. Objective Two: Uncover and Address Objections

a. Identify Objections

i. Irrel. Close: “What do you think about?”
ii. Question: “Why is th honest?”
iii. Addition: “In addition to ____ is there anything you’re concerned about?”

b. Address Objections

i. Cash in: “I recognize your concerns about...”
ii. Veer: “So if you’re concerned you will meet with our staff or your general concern?”
iii. Buy: “Tell us the specific issues that trouble you?”
iv. Assert: “It is important that if you’re really convinced you would let us know. If we can resolve this issue, you would consider the program worthwhile?”

c. Don’t miss hidden objections

i. Something Else: “Hmm, like you’re concerned about something else? Would you talk about it?”

IV. Objective Three: Present Solution

a. Facts

i. Talk institution messaging
ii. 100% online
iii. 100% online, if appropriate
iv. Learning by Doing
v. FlexiAlternatives
vi. No assessment
vii. videos at concentrations

b. Bridge: “…which means that...”

c. Benefits
Online Program Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

1. Identify your what is learned
2. No treedreams!
3. Begin when you want to
4. Take projects/vent each stagen take up your degree.
5. Schedule coursework around your lifestyle around your coursework.
6. Talk the work load to your home.
7. ______________________

4. Aliquots: "If your tuition you would be able to...

c. Evidence: Demonstration/Example, Fact, Analysis, Testimony, Statistics

d. Struct. Close:
   i. "Does that sound like what you're looking for?"
   ii. "Does that sound like something that would work for you?"
   iii. "How does that sound to you?"

V. Objective Four: Gain Commitment

1. Cash in your excuse: "Im not sure what you mean but..."
2. Amer. of the lost and gainment: "In previous sessions you said that you talk... and having your degree will... benefit..."
3. Amer. of the lost and gainment: "AAAA, you can earn. Degree will will..."
4. Point B: What picture: "Point yourself in years... you're now in position... You are looking..."
Online Program Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

VI. Application Received

1. Send email: “Application received - IP#1 with attachment(s)
   a. Send email: “Application received - IP#2 with attachment(s)

   i. Send attachment: information sheet on whether transferred assessment(s) available, if yes, how
      assessment(s) to complete: (1) Complete Assessment (2) Complete (3) Complete (4) Next Steps to Leg - MBA
      (5) Complete Assessment (2) Next Steps to Leg - MBA

   b. Send email: “Application received - IP#2 with attachment(s)

   i. Send attachment: information sheet on whether transferred assessment(s) available, if yes, how
      assessment(s) to complete: (1) Complete Assessment (2) Complete Assessment (3) Complete Assessment (4) Next Steps to Leg - MBA

   ii. Complete Assessment

   i. Confirm receipt of email: All prospective student information sheets - indicate which assessments will be taken and ask student to schedule assessment if they are interested.

   ii. Confirm receipt of transferred assessment

   1. If transferred assessment complete confirm receipt of email: All prospective student information sheet - indicate whether transfer assessment is available, if yes, how to complete assessment.

   2. If transferred assessment complete: Complete Information on whether transfer assessment is available, if yes, how to complete assessment.

   iii. Communicate to student that one of the most important drivers of the sales decision-making process

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National American University Holdings, Inc.
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Online Program Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

1. Complete expected time to degree term/year/number of
   total credit hours/graduation in 3 years/4 years/5 years or
   re-enroll in future terms, you will complete your degree in a
   little longer time. Students are able to proceed evergreen.

2. Indicate whether admission is based on submission that you have
   completed in 2 quarters term average of 81% liberal arts
   weak coursework or a B+ average in two courses. Note that
   all students must submit a completed application.

iv. Placement

1. If transferred assessments complete and transfer after
   gaining point in program
   2. If transferred assessments complete - indicate complete the
      most likely point in program that should be completed
      upon completion of transferred assessment, indicate that you
      have reached the provision for registration, transfer, and
      change the course/section if required on transferred assessment

v. Highschool / GPA/F-Score Certification

1. Indicate that this form will provide the prospective student's
   high school transcript, transfer to NAU in a
   signed, addressed envelope

2. Answer all questions regarding transfer request on envelope

vi. English Language

The English language assessment is mandatory if the
assessment is required. For foreign language complete if
English is required. The test is provided:

1. If required

   a. Indicate that an English test is required in the
      prospective student's test.
   b. The English language test is required for English as a
      second language proficiency level of 4 at NAU.
   c. The English test is required for all prospective students.
   d. Complete the assessment of each student's language proficiency.
Online Program Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

Select a password “success.”

2. If transcript assessment is complete:
   a. Indicate that online request should come from the prospective student as part of his/her Application.
   b. Explain that English proficiency assessment takes 4-6 weeks to provide.
   c. An assessment response can be used to help you determine if the prospective student will be placed in a particular program.

viii. Communicate process requirements

1. FAFSA: require these prospective students to complete FAFSA within the next 30 days.
2. Authorize credit verification communications for prospective students to authorize communication about their options.

viii. Communicate importance of orientation

1. This is the first time they will be in the program.
2. The orientation designed to orient the student into the important aspects of new students.
3. It is important to orient the student to the internet and how to conduct research.
4. The student will complete their orientation starting with the checklist.
5. The student will be enrolled in the orientation and must complete the checklist to be enrolled.

ix. Confirm the lead - get the student registered immediately.
Online Program Student Recruitment Talking Points
National Americal University Distance Learning Campus Admissions

For follow-up with students by telephone:

1. If transcripts are complete, the student is recommended to the assessments:
   a. If transcripts are complete, the student is recommended to the assessments:
      i. Identify transcript (if transcripts are complete, the student is recommended to the assessments)
   a. Complete transcripts or recommend AAIAP.
      "Are you available and register immediately or tomorrow or an evening you register today? You can complete these requirements today at noon and go home."
   b. Complete transcripts or recommend AAIAP.
      "Are you available and register immediately or tomorrow or an evening you register today? You can complete these requirements today at noon and go home."

3. If transcripts are complete:
   a. Identify transcript (if transcripts are complete, the student is recommended to the assessments)
   b. Complete transcripts or recommend AAIAP.
      "Are you available and register immediately or tomorrow or an evening you register today? You can complete these requirements today at noon and go home."
   c. Complete transcripts or recommend AAIAP.
      "Are you available and register immediately or tomorrow or an evening you register today? You can complete these requirements today at noon and go home."
   d. Complete transcripts or recommend AAIAP.
      "Are you available and register immediately or tomorrow or an evening you register today? You can complete these requirements today at noon and go home."

Confidential - For purposes of Senate investigation

National American University Holdings, Inc.
Document 9, Page 46
Online Program Student Recruitment Talking Points
National American University Distance Learning Campus Admissions

i. Inquire thoroughly concerning every method.

ii. Confirm based on your discussion and the admissions department, we understand thoroughly the students are aware of the cost of their study through FHA, VA, A GI Bill, and other financial aid.

iii. "Is the understanding correct? Would you like to discuss other methods for your financial aid?"

iv. Offer to transfer prospective student to the enrollment coordinator.

VII. Registration Call

a. Confirm the prospective student's name, registration, and reasons.

b. Confirm the student agrees to the following, and assess it yourself:


c. Communicate recommended coursework including coursework.

d. Confirm registration thoroughly recommended.

e. Reinforce orientation messaging:

   i. Strongly recommend attending the orientation online, and upon receipt of the

   ii. You will receive all necessary information upon receipt.

   iii. Confirm the student completes the student orientation sheet (which is enclosed in the email containing the orientation).

iv. If you have any questions regarding the orientation, feel free to call Dr. Pitta or University Services at (800)-500-3333, or email: orientation@naum.com.

v. InterEd

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National American University Holdings, Inc.
Document 9, Page 47
Online Program Student Recruitment Talking Points
National American University Online Learning Campus Admissions

f. reinforce book ordering process.
   i. If you choose to order a book(s) during the application process, you will need to complete the book order process.
   ii. If you choose to order a book(s) after applying, you will need to contact the bookstore to place your order.

g. Confirm that the student's financial arrangements are sufficient to transfer enrollment.
   i. Contact the Enrollment Coordinator to confirm.

h. Schedule follow-up with C23 and anger for early start/terminology.
Reason pursuing degree:
- What is prompting you to pursue a degree right now?
- What are you hoping to accomplish with your degree?
- How important is getting your degree at this point in your life?
- Who is helping you make this decision to return to school?
- How will a degree change your future?
- Why do you feel now is the right time to pursue a degree?
- What do you see this degree doing for you in the future?

Program of interest:
- What program interests you and why? Validate why that's your first choice.
- With a degree in [XXX], is there a specific position/company you would like to work for?
- Are you considering any other programs?
- Have you thought about a career in [XXX]?

Career goals, present, past, and future:
- Are you currently working? Tell me about your position. Describe a normal day for you.
- Tell me about your work schedule, how many hours do you work?
- What do you like/dislike about your current job?
- What type of position are you interested in? Tie degree choice to position.
- What changes would you like to see in your career?
- What is the most important thing you want from a job?
- What is driving you to achieve your career goals?

Financing options:
- How are you planning on paying for your tuition?
- Have you ever applied for Financial Aid? Get them started now.
- What type of financing have you been thinking about using to pay for college?

Factors used to make decision:
- What is the most important thing when selecting a college/online program?
- What other considerations were important?
- Are you looking at other schools? If so, who?
- What will you be doing your decision on?
- Have you been looking at other online schools, if so, what have you been finding?
- What are you looking for in an online school?
Previous college:
9 Have you attended another college?
9 How many classes have you taken?
9 Tell me about the classes you've taken in the past?
9 What did you like/dislike?
9 Is this your first online class?

Personal situation:
9 Tell me about your family, are you married/children?
9 What do you like to do when you're not working?
9 How many hours/week do you devote to school?
9 How comfortable are you with the internet?
9 Do you have a PC and what type of internet access do you have?
9 Tell me what your typical schedule during the week is like.

Concerns:
9 What concerns you the most about returning to school?
9 Tell me about any other barriers that you could face.
9 How does this sound to you?
9 Is there any reason why we can't get you started today?
Frequent FAQs

1. What is a degree? A degree is a measure of angle, representing a fraction of a circle. It is commonly used in mathematics and science to quantify angular measurements.

2. What is the difference between a Bachelor’s degree and a Master’s degree? A Bachelor’s degree is typically the first level of higher education, focusing on general knowledge and skills. A Master’s degree, on the other hand, is an advanced degree that requires a Bachelor’s degree as a prerequisite. It is designed to provide specialized knowledge and skills in a specific field.

3. What is a doctorate? A doctorate is the highest degree one can achieve in most fields of study. It requires advanced research and is typically granted after completing a significant project or dissertation.

4. What is the role of a faculty member? Faculty members are teachers and researchers who provide instruction, conduct research, and contribute to the academic and intellectual life of the university.

5. What is the importance of community service? Community service is an essential part of the educational experience. It not only helps students develop skills in teamwork and leadership but also fosters a sense of civic responsibility and empathy.

6. What is the difference between a full-time and part-time student? A full-time student is enrolled in a program that requires a minimum number of credits per semester, usually 12 credits, and commits to attending classes at least three days per week. A part-time student, on the other hand, enrolls in fewer credits and attends classes fewer days per week.

7. What is the financial aid process? The financial aid process involves determining a student's eligibility for various forms of assistance, including scholarships, grants, and loans. Students must apply and meet specific criteria to receive aid.

8. What is the application process for international students? International students must complete an application process that includes meeting visa requirements, obtaining a passport, and demonstrating proficiency in English.

9. What is the role of a student affairs officer? A student affairs officer is responsible for providing support and resources to students, including academic advising, career services, and campus activities.

10. What is the difference between a graduate and undergraduate program? Graduate programs are designed for students who have already completed a Bachelor’s degree and are looking to further their education in a specific field. Undergraduate programs, on the other hand, are for students who are just starting their higher education journey.
## TELL THE STORY!! SELL THE STORY!!

<table>
<thead>
<tr>
<th>Features</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who we are:</td>
<td></td>
</tr>
<tr>
<td>• A small university version of 1944th student population of less than 5000</td>
<td></td>
</tr>
<tr>
<td>• One of the most online universities</td>
<td></td>
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<tr>
<td>• A new college</td>
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<tr>
<td>• Online programs with virtual Learning Center</td>
<td></td>
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<tr>
<td>Accreditation:</td>
<td></td>
</tr>
<tr>
<td>• Legally accredited by the Accreditation Council of Education</td>
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</tr>
<tr>
<td>• Highest levels of accreditation to university</td>
<td></td>
</tr>
<tr>
<td>• Unanimous large public schools, we teach and educate all students, not just numbers</td>
<td></td>
</tr>
<tr>
<td>• We are real experts! Our online students receive the same high-quality education as campus-based students.</td>
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</tr>
<tr>
<td>• Our degree programs are designed to prepare you for a variety of business environments.</td>
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<tr>
<td>• Offering dynamic, interactive environments provide flexibility in both linear and non-linear settings.</td>
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<tr>
<td>• Because we have the highest level of accreditation, you can be assured of receiving high-quality education that meets accreditation standards.</td>
<td></td>
</tr>
<tr>
<td>Features</td>
<td>Benefits</td>
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<td>----------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
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<tr>
<td>Convenience:</td>
<td></td>
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<tr>
<td>• 24 hours, 7 days a week just check into your class once a week</td>
<td>• Our online classes are extremely convenient! You do not have to come to class and can check your assignments at your convenience.</td>
</tr>
<tr>
<td>• Earn your degree more quickly</td>
<td>• With our streamlined system, you can take 4 classes instead of 5 per year, allowing you to complete your degree more quickly. Even if you transferred to our school.</td>
</tr>
<tr>
<td>• Classes in both 1 and 3 week formats</td>
<td>• Having more options means you can take more courses and have more flexibility in your busy schedule.</td>
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<tr>
<td>Transfer credits:</td>
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<tr>
<td>• Liberal transfer policy</td>
<td>• We know how important it is to transfer your previous education. We will even help you earn an associate degree, so you can complete your associate or technical or vocational degree.</td>
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<tr>
<td>• Well-received by your transcripts</td>
<td>• It’s easy - 1-2-3! All you need to do is complete the transcript request form.</td>
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<td>Personalized service:</td>
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<tr>
<td>• Student advisors to help you through every step of your degree</td>
<td>• I will personally guide you through everything you need to establish a relationship, from selecting your first class to orientation to checking in with you after your first class.</td>
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<tr>
<td>• Once you begin, someone will be assigned a University Services Coordinator who will work with you until you graduate.</td>
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<td>New twist on books:</td>
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<tr>
<td>• Electronic instructor material</td>
<td>• EBC's are dynamic and can be updated with the latest information on an ongoing basis. It is immediately available (when the instructor updates them) and can be downloaded to your textbook.</td>
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<tr>
<td>Features</td>
<td>Benefits</td>
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<td>----------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Our commitment to you:</strong></td>
<td><strong>Benefits</strong></td>
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<tr>
<td>• Provide singular supportive educational</td>
<td>• All our staff are committed to helping you meet your educational</td>
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<tr>
<td>environment</td>
<td>areas. We will strive to help you every step of the way!</td>
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<tr>
<td>• Provide high-quality instructional services</td>
<td>• Our faculty is some of the best in the country. Our Academic</td>
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<td></td>
<td>Assessment Committee continually evolves our instruction materials</td>
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<td></td>
<td>to ensure the materials are relevant and prepare you for today’s</td>
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<td></td>
<td>fast-changing business and professional growth.</td>
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<td>• Offer technical and professional programs</td>
<td>• Our programs are designed to help you expand your professional</td>
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<tr>
<td></td>
<td>competencies, the ability to stand out in today’s fast-changing</td>
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<tr>
<td></td>
<td>business and professional growth.</td>
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<tr>
<td><strong>Services to help you succeed:</strong></td>
<td><strong>Services to help you succeed:</strong></td>
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<tr>
<td>• Quick response from instructors</td>
<td>• If you leave a message, you can expect to have it answered in 24 hours.</td>
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<tr>
<td>• Interact with online instructors</td>
<td>• Our interact with online instructors gives you a quick response time</td>
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<td></td>
<td>from any instructor. Services available in Accounting, Algebra,</td>
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<tr>
<td></td>
<td>Economics, and there’s also a write-up. Over 90% of our online</td>
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<td></td>
<td>instructors are advanced degrees in the field.</td>
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<tr>
<td><strong>How we measure it:</strong></td>
<td><strong>How we measure it:</strong></td>
</tr>
<tr>
<td>• Student survey: 85% of students satisfied!</td>
<td>• Based on survey results, 97% confidence you will be satisfied with</td>
</tr>
<tr>
<td></td>
<td>your educational investment at NAU.</td>
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</tbody>
</table>
Once a student has enrolled we will request transcripts on their behalf. The student will need to complete a Transcript Request Form before the transcripts can be requested.

1. If the student has a copy of their transcripts, ask them to fill out the form. This will allow the Financial Aid Office to get the needed information.
2. If the student does not have copies of their transcripts, have them complete the Transcript Request Form.
3. Once the Transcript Request Form has been received the Assistant will contact the student to arrange the first and return the form to the office.

Overview - Assistant Steps
Here's an overview of the steps the Assistant will follow when requesting transcripts.

1. Leave school and open a College Transcript Request - Official activity in C2K.
2. Print order using the quickest method.
3. All transcripts that require fee are processed through the Business Office.
4. If we must mail in the request, the fee for the transcripts will be requested.
5. If we have requested unofficial transcripts, C2K will be updated, but the activity will remain pending.
6. Once all official transcripts have been received, C2K will be updated and the activity will be closed.
7. The minimum fee will be charged depending on how the transcript is requested.
   a. 5 business days for first request.
   b. 30 days for second request.
8. Subsequent follow-ups will occur within 30 days.
9. When all transcripts have been received the College Transcript to Registrar activity will be added and the transcripts will be sent to the Registrar.

4/22/2008
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National American University Holdings, Inc.
Document 9, Page 56
506A - Recruitment
Transcript Request Exceptions

We will no longer automatically request transcripts and conduct summative evaluation for students who have not enrolled. However, if the following condition exists, and with Team Leader approval, a request can be made prior to enrollment.

- If a student insists on knowing where they stand with transfer credits, before they enroll, they will need to provide copies of their transcripts. **We will not request transcripts until the student has enrolled.**

  - The PLE Checklist must be approved by your/your Team Leader before the file is given to the Prior Learning Evaluator.

Transcript Request Form:
Instruct the student to complete the TRF as soon as possible.

- Once the TRF is received, the Assistant will give the completed form to the req.
- Attach the TRF to the application.
- Once the Team Leader approves the application, the TRF will be given to the Assistant who will request the transcripts.
- The following needs to occur before the Assistant will request transcripts:
  - The student has been enrolled (purple).
  - The Team Leader has approved the TRF prior to enrollment.

7/20/2007

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National American University Holdings, Inc.
Document 9, Page 57
507 Tentative Evaluation
Recruitment

When all transcripts have been received, a tentative evaluation will be prepared for the student. A copy of the transcripts and an evaluation checklist should be given to the Prior Learning Evaluator. An evaluation will be returned within 12 weeks. Evaluation sheets are located on the network in Student Communication – Info and Policies.

   a. If the student has not been enrolled (prior background) you will need Learner approval before the transcripts will be evaluated.
   b. If the student is entering the nursing program, a copy of the approved RN license must also be included.
2. If the student is to be evaluated in more than 1 program, all the additional programs to your notes in Campus View.
3. Add a College Transcript Evaluation – Tentative activity for each degree of interest and assign the activity to the Prior Learning Evaluator.
   a. Add the note, you initial school is not degree to be evaluated into the activity.
4. If the course description or other information is needed:
   a. Complete section 1 of the Course Description and Add a new Review Request form.
   b. Review the activity in Campus View.
5. If the initial level unit on an evaluation form is different, a new activity is needed:
   a. Complete section 1 of the Course Description and Add a new Review Request form.
   b. Bring the new file and supporting documents to the Prior Learning Evaluator.
6. If you are working with re-entry students that have been out more than 1 year, a new tentative evaluation is needed.
7. If the student has been out more than 5 years, all transcripts will need to be requested again.

Evaluation Completed
1. Upon completion of the evaluation, the Prior Learning Evaluator will update the College Transcript Evaluation – Tentative activity with the appropriate transfer credits.
2. An additional copy of the completed evaluation will be sent to the Advisor along with the transcript evaluation letter.
   a. If the student requests transfer credits for College-level credits or completion, the Prior Learning Evaluator will update Campus View.
3. Contact student to review the tentative evaluation and any placement exams that are needed.
4. After reviewing the evaluation on, forward a copy to the student.
National American University DL Campus
Prior Learning Evaluation Checklist

Enrollment Date
Yes No Approval

Proposed Student: ________________________ Admission Coordinator: ________________________

Student ID No: ________________________

Degree Program(s)/Emphasis Area for Evaluation: ________________________

Please Circle One: AAS BS MBA MM Expected Item to Store: ________________________

Minnesota Resident: YES NO Re-Entry to NAU: YES NO Year __________

Prior Learning Evaluation for Assessment:

Completed Transcripts Request Form Received (Date: __________) Number of Colleges/Universities: __________

(NOTE: COLLEGES/UNIVERSITIES FROM WHICH TRANSCRIPTS ARE ANTICIPATED BELOW)

Transcript Received From:

__ College/University 1 (Name: ________________________): OFFICIAL/INCOMPLETE

__ College/University 2 (Name: ________________________): OFFICIAL/INCOMPLETE

__ College/University 3 (Name: ________________________): OFFICIAL/INCOMPLETE

__ College/University 4 (Name: ________________________): OFFICIAL/INCOMPLETE

__ College/University 5 (Name: ________________________): OFFICIAL/INCOMPLETE

__ Military Transcripts (Type: ________________________): OFFICIAL/INCOMPLETE

__ Corporate Education (Company/Or ganization: ________________________): OFFICIAL/INCOMPLETE

Previous Degrees Earned:

Prior Learning Evaluation Notes

Name of Institution: __________ School: __________ Verbal Ability: __________ GPA: __________

Rev. 9/27/07

Confidential - For Purposes of Senate Investigation USA20014374

National American University Holdings, Inc.
Document 9, Page 59
Protocol for Requests for Referrals / References
National American University Distance Learning Campus

508 - Recruitment
Referral Requests

referral enrollment intake level to meet the success of Admission Coordinator with the enrollment effort. Referral intake is a critical component of the overall recruitment process.

The most important aspect of enrollment is the online application. All referred students who are placed with the campus are assessed by the campus assessment coordinator. This includes students who are placed with other programs provided by

The Assessment Coordinator are surprised of the omission of the referral requests.

Guidelines for Referrals:

1. Identify the student to whom the referral was made. Your referral coordinator will conduct an assessment of the student's enrollment needs and determine whether the student is suitable for the program.

2. Review the student's record. Ask if they have attended college before. Have they attended college before?

3. Ask the student, Do you have any comments or concerns about your experience? What are your concerns or suggestions?

4. Ask for feedback on the effectiveness of the referral process. What improvements would you recommend for future referrals?

5. Provide the student with a referral form and complete the form. Provide the referral form.

6. Any comments from the student about their experience should be noted.

7. Any concerns or suggestions from the student should be reviewed.

8. Any questions about the referral process should be answered.

9. Any comments from the student about their experience should be documented.

10. Any concerns or suggestions from the student should be reviewed.

11. Any questions about the referral process should be answered.

12. Any comments from the student about their experience should be documented.

13. Any concerns or suggestions from the student should be reviewed.

14. Any questions about the referral process should be answered.

15. Any comments from the student about their experience should be documented.

16. Any concerns or suggestions from the student should be reviewed.

17. Any questions about the referral process should be answered.

18. Any comments from the student about their experience should be documented.

19. Any concerns or suggestions from the student should be reviewed.

20. Any questions about the referral process should be answered.

21. Any comments from the student about their experience should be documented.

22. Any concerns or suggestions from the student should be reviewed.

23. Any questions about the referral process should be answered.

24. Any comments from the student about their experience should be documented.

25. Any concerns or suggestions from the student should be reviewed.

26. Any questions about the referral process should be answered.

27. Any comments from the student about their experience should be documented.

28. Any concerns or suggestions from the student should be reviewed.

29. Any questions about the referral process should be answered.
599 - Student Referral Definition

Recruitment

Student referrals make up a critical part of our enrollments. This procedure will provide examples of a Personally Developed Lead (PDL), Personal Referral and a Student Referral. Manipulation Units will be awarded for PDL's, Personal, Military and Student Referrals, but you will not receive referral points for a PDL, or if the referral is an employee.

Personally Developed Lead (PDL)
Leads you obtain through your own recruitment file or event.

Personal Referral
A co-worker, friend or family member. An acquaintance or someone you have met in the community or at a non-NAU event.

Military Referral
The name of an individual provided to you by an enrolled/active student or prospective student.

Student Referral
The name of an individual provided to you by an enrolled/active student or prospective student.

Not Considered a Referral
Quicklead you enter when the lead heard about NAU from a friend (reputation). Other Quicklead examples would be a parent or friend who sent us a lead inquiry for someone else (usually the original lead source).
Protocol for Requests for Referrals / References
National American University Distance Learning Campus

b. Describe the kind of challenges presented by the situation (pick 2-3):
   - Excellent team management
   - Non-tradition work schedule
   - Newly promoted with increased responsibilities and professional growth

c. Describe the reasons you got from the NAI solution (pick 4):
   - New skills
   - Self-sufficiency
   - Increased networking
   - Balanced life
   - Personal development
   - Broader perspective
   - Enhanced credibility
   - Professional prestige
   - More challenging tasks
   - Professional growth

C5 Identify personal reassessment underway.

i. Who am I to ask? [DID I ASK BEFORE? WHAT WOULD PROVIDE A NAME, SAY THANK YOU, ANYONE ELSE?]

b. Why do you think [name] would enjoy referring?

c. What are their strengths? [name]?

d. I would love [name] out of this, but what is the right [name] to [name] first?

e. When could you do this?

f. Can I ask on [name] to find out [name]'s reaction?

g. If they're willing, ask [name] to [name] activity follow-up to the student. Student referral [name] to [name], gather [name] progress report. Student information updating on - - - move to revision team with [name] data. Initial review is needed now if in C2K.

C6 Document yourself in C2K.

C7 Thank them personally for their time.
4362

National American University Online

510 ReferralScripts
Recruitment

Asking for a Referral: 101 - Scripts to help you get started!

Not Interested

"I appreciate you taking the time to consider NAU for your online studies. Even though this isn't a good fit for you right now, is there anyone you feel would benefit from learning more about our online programs?"

"It certainly has been great talking to you and getting to know you better! And even though we do not offer the type of online program that you are specifically looking for, do you know anyone who could benefit from me talking to them about what NAU offers? Because you value the importance of education, one great thing that you could do is pass this dream along to others?"

"Even though NAU is not the right school for you, do you think of anyone that might benefit from one of our online degrees?"

Hasn't Made a Decision

"One of the best things to keep you motivated when taking classes is having someone to share the experience. Can you think of a friend, co-worker, or family member that might be interested in learning more about our online programs?"

"Thanks for taking the time out of your busy schedule to discuss our online programs. I would be happy to give one of your friends, family members, or even co-workers a call to discuss any questions they may have about our online programs. Does anyone come to mind?"

"There is definitely a lot to consider when making this decision to enroll in college courses! One way to make this easier is to have someone that you know take classes with you! Studying together, sharing ideas, and keeping each other motivated is a great recipe for success. I know you want to better yourself, and you could also change someone else's life! Do you know of anyone who could enroll in this exciting journey with you? I would be happy to call them and provide them with the same assistance I have provided you!"
"I am so happy that your experience with your online classes has been a good one! You are embarking on a great adventure of learning and personal growth! Can you think of anyone like yourself that would be as eager as yourself to take on this type of challenge and better them? It would be a honor for you to have someone to study with and share your learning experiences with! Study buddies are a boost to your success! And we want to take this to the top!!!"

"I am very proud of you for beginning this journey. Have you talked to anyone about what you are accomplishing? Has anyone mentioned a similar interest? If so, I would be happy to contact them and encourage them to take the same big steps that you have taken! And it would be really neat to have someone you know to study with!!!"

"I am so glad that you are enjoying your classes! Do you know of anyone that could be your study buddy, and benefit from completing their degree entirely online just like you?"

How to begin a conversation with a referral:

"Hi! My name is _______ and I've been helping a friend of yours, ________, for quite some time now. She thought I might be able to help you in the way that I have helped her - by earning a college degree! I just wanted to introduce myself and get your email address to send you out some information I think you will find of interest. -works for voice mail or live call!!!"

What not to say: "I was given your name by ________" It sounds horrible.

Try to get the referral to laugh! Then say "I will call you back in a few days, and maybe we can talk more. Thanks for your time!"

"Hi! My name is _______ and someone you know thinks you would do quite well in an online education program! I would like to talk to you about your interests and share with you how we help busy adults like yourself increase their earning potential through an online education!"
Overnight Leads
At the beginning of each day all overnight leads will be evenly distributed among the reps that are on the schedule for that day.
1. Sort all Affiliate Military leads and distribute to the appropriate reps.
2. Determine the number of overnight leads not assigned to the reps that are scheduled.
   a. If there is an unassigned lead, assign it to the next Covered Manager and reassign the rest of the leads.
3. Inform the team on the overnight that all leads have been assigned.

New Leads
The lead sheet should be checked at a minimum every 15 minutes. The goal is for the lead to be converted by the rep within 90 minutes of the lead reaching NAU.
1. Leads should only be assigned once the rep arrives at work.
2. Do not assign leads when reps are on meeting or lunch.
3. Leads should be distributed up to 15 minutes before the end of the reps shift.
4. Each time you assign new leads, send an email to the rep.
5. Leads received between 7pm-8pm should be assigned to the last lead on any.
6. New leads that are scheduled until 1pm on Fridays should not be assigned until 1pm (Friday only).

Affiliate Leads
In addition to the Core Affiliate leads, assigned calls from these Affiliate schools to the following reps:

Ketchum
Brown Maki (see Affiliate procedure for specific school) - DaBeis, Ehlin, Dwyer, Dugahns.

Vicki St. Pierre
Brown Maki (see Affiliate procedure for specific school) - Rockl, Latm, Sausenberger, Mitchell, etc.

Tim Schaubel
Infinit Business College, Coaldale, Community College (NCC), Provo/Eagle Goe, Metropolitan Community College (MCCC).

3/20/2008
Military Leads
1. Assign the Client Military leads, and any lead with an identical e-mail address to one of our military reps.
2. If there are less than 6 military leads per rep, supplement with regular leads.

Web Portal Leads
1. Location – Daily Contact Manager WP, DL, AD, Rep WP, DL
2. Assign rotations to reps that are here.

International Leads
1. Assign these leads to the International Affiliate.
2. Open the memo pull on the Student Master to finish Affiliate and change the lead type.

3/20/2008
1401 Swapping New Leads

Leads

Admissions Coordinators are now working on Father reps Contact Manager if they receive all new leads. The following guidelines should be followed when working on other reps Contact Manager.

1. The lead must be in New Lead status, older than 3 business days, and never been contacted.
   Example – Lead Date 3/10
   Day 1 – 3/10
   Day 2 – 3/11
   Day 3 – 3/12
   Eligible to call lead on 3/13

2. If working in the Contact Manager of a military rep, do not call leads from non-military reps with military areas.

3. If working in the Contact Manager of an affiliate, do not call leads from non-affiliate lead type.

4. Do not call leads from Team Leader’s Contact Manager.

5. If you’re unable to reach the lead, all notes in Campus Vue, but do not leave a message or send an email.

6. If you reach the lead, send an email to the Assistant so they can reassign the lead.

3/18/2008

Confidential – For Purposes of Senate Investigation

National American University Holdings, Inc.
Document 9, Page 68
1404 - Leads
Managing Invalid Leads

When an Admissions Coordinator identifies that a lead is invalid for any of the reasons outlined in the “Invalid Lead Definitions,” the following must occur:

1. Document the reason why the lead was invalid in either the New Lead/Call Back activity.

2. Close the activity and update the status of the activity to “Invalid Lead.”

3. The Admissions Coordinator should then go to the website:
   http://www.nationalamerican.com/cp/leads/
   Username: nauac
   Password: badlead

4. Click on the menu item labeled “Lead Search” on the left hand side of the webpage.

5. Perform a search for the invalid lead.

6. **Enter one of the following explanations in the prompt which states “Bad lead reason” in the lead box:**
   f NAU duplicate lead
   f NAU inaccurate contact info
   f NAU unqualified lead
   f NAU fraudulent lead

7. Next, select the “Make Bad” button and click “OK” when prompted for final confirmation.

8. You may now exit the system and the lead has been officially coded as invalid and NAU will not be billed for the lead.

Revised 8/9/2006
INVALID LEAD DEFINITION

1) Duplicate Lead  
A. Any duplicate contact information sent to the CUnet created NAU system within a 60 day time period.

2) Inaccurate Contact Information  
A. If both the phone number(s) and email address are bad, the lead will be immediately returned in the CUnet NAU lead management system for credit.  
B. If the phone number(s) is bad, and an email address is questionable, admissions coordinators have until 5 business days after the end of the calendar month to work the lead before coding it invalid for this reason.  
C. The definition of a bad phone number is: an identified wrong number, fraudulent number, or inactive/disconnected.

3) Incomplete Lead  
A. Prospects must have a high school degree or GED for undergraduate inquiries.  
B. Prospects must have a bachelor’s degree from an accredited university for graduate inquiries.  
C. Prospects indicating interest in the RN to BSN completion degree must have a current RN license and an associate’s degree.  
D. Prospects must select in one of the degree programs listed on the lead form.  
E. All prospects must be US or Canada residents according to their lead inquiry form addresses.

4) Fraudulent Lead  
A. Prospect indicates they have never filled an inquiry out for an NAU online degree.  
B. Prospect falsified qualification information on the lead form.

The NAU admissions team may for any of the above reasons, or any additional mutually agreed upon reasons, return a lead deemed invalid at anytime up until 5 business days after the end of the calendar month when the lead was transmitted via the CUnet NAU lead management system.

IMPORTANT: Leads can only be refunded when invalid 5 business days after the month we received them. The DUATeam Leaders will send out reminder emails at the end of each month to prompt admissions coordinators to follow up on all leads for the month.

**Note: It is important to include the “NAU” in the lead description because CUnet also uses this lead to make leads led too. Labeling out leads “NAU XXX” helps CUnet distinguish which leads they coded invalid versus which leads we coded invalid.**

Revised 8/9/2006
National American University

New Admissions Representative

Training Manual

2008
National American University History

In 1941, the university, then known as National School of Business, opened its doors in South Dakota to students who desired specialized business training. Located on a Rapid City main street, the school offered primarily secretarial and accounting classes and programs.

Through World War II and Korean War years, the university remained in its original location. Ground was broken at 121 Kansas City Street, Rapid City, South Dakota in the latter part of 1960 for a new two-story brick building containing classrooms, a bookstore, a small library, and administrative offices. In 1969, the construction of a student residence hall, the College Inn, was completed.

Anticipating a post-war demand for business education, administrators planned a business administration curriculum with new classes in accounting, marketing, and management. When the demand came, the university was ready with programs geared toward the educational needs of returning veterans who wanted business training, and men and women who sought an expanded role in the business world.

Facially and staff increased in number and, with National American University’s growing stature in the educational community, new and transfer students from across the United States and foreign countries came to study. The university soon expanded its base of programs.

On the campus in Rapid City, several buildings were constructed, including a library, a gymnasium, and additions to the Administration Building and the College Inn in the late 1960’s and early 1970’s.

National American University campuses have been established in Denver and Colorado Springs, Colorado; Albuquerque and Rio Rancho, New Mexico; Independence and Zona Rosa Mall in northern Kansas City, Missouri; Blaumonting, Brooklyn Center and Roseville, Minnesota; Overland Park, Kansas and Simon Fais, South Dakota and education centers in Warner, South Dakota and Waukon, Iowa. The university’s newest campus will be opening in Austin, Texas during the 2007-2008 academic year. There is also an extension location at Ellsworth AFB, South Dakota. Plans exist to expand the number of branch locations.

In 1996 National American University began to develop online courses to be offered through the emerging resources of the World Wide Web. Since then, the NAU Distance Learning program has created a virtual campus offering degree programs in a number of academic areas. With the addition of online course offerings and degrees, students have access to learning 24 hours a day from anywhere that the Internet can be accessed.

The curricular offerings include degrees in accounting, the allied health areas of medical administrative assistant, medical assisting, medical staff services management, pharmacy technician, and therapeutic massage; general education studies; aviation training; applied management; and applied management with emphasis in finance management; finance finance; business administration and emphasis areas of accounting, financial management, information systems, international business, management, and pre-law; health care management; information technology with emphasis areas in Internet systems development, management information systems, network administration/Microsoft and network management/Microsoft; paralegal studies; nursing; organizational leadership; and veterinary technology.

The university also offers several diploma programs. The Rapid City campus offers a diploma in veterinary assisting, which prepares students to support veterinary technicians and veterinarians in a veterinary practice. At the Overland Park campus, students can complete a practical nurse diploma and then decide if they wish to progress on to earn an A.S.N. degree. A therapeutic massage diploma program is available at several campuses for students who wish to concentrate on massage therapy skills.
National American University

Mission Statement

National American University welcomes students of diverse interests, cultures and abilities and prepares them for careers in healthcare, business and business-related fields by providing quality higher education in a caring and supportive environment.

The University builds learning partnerships with students and other institutions locally, nationally and internationally through its private, regionally accredited system of campuses and education centers offering courses in traditional, accelerated and distance learning formats.

As a comprehensive technical and professional institution of higher learning, the University responds to the changing needs of students, employers, and their communities by providing undergraduate and graduate programs and continuing education opportunities to serve our evolving global society.

Core Values

- Offer high quality instructional programs and services.
- Provide a caring and supportive learning environment.
- Offer technical and professional career programs.

Purposes

1. Offer quality technical and professional degree programs, as documented by instructional and academic assessment processes at the associate, baccalaureate's and graduate level, diploma, certificates and adult degree completion programs to traditional, adult and international learners.

2. Provide a general education program to build awareness, abilities and interests to empower lifelong learners as knowledgeable citizens of the global community.

3. Provide a collegiate experience through instructional and support services that creates a stimulating, caring and supportive learner-centered environment in which students are encouraged to achieve the educational goals established by the University.

4. Promote a learning and working environment by providing new technologies, methodologies and practices that enhance and extend quality programs and services.

5. Prepare students to provide leadership and services for the employment needs of business, industry and government worldwide.

6. Pursue communication, cooperation and alliances with educational institutions, organizations and associations on a local, regional, national and international bases.

7. Respond to the ever-changing societal demands for personal and professional development and continuing education through flexible scheduling and convenient access via traditional, accelerated and distance delivery methodologies.

8. Assist students in the development of ethical values and behaviors.

9. Foster an environment that encourages involvement by employees in the innovation and solution-seeking processes and provide an opportunity for personal and leadership development.

10. Provide a stable institutional environment where human, financial and physical resources are sufficient to accomplish its educational and institutional goals as a sound basis for continued growth and development.

Adopted by the National American University Board of Governors, February 2007
NATIONAL AMERICAN UNIVERSITY

POSITION DESCRIPTION

I. POSITION TITLE: Admissions Representative

II. EMPLOYEE CLASSIFICATION: Classified

III. JOB CLASSIFICATION: Non-exempt

IV. ACCOUNTABLE/REPORTS TO: Campus Director of Admissions and Campus Executive Officer.

V. POSITIONS REPORTING TO THIS POSITION: None

VI. DUTY HOURS: Forty hours per week. Day, evening and weekend hours will be assigned by the campus director of admissions (or campus executive officer). Hours may be changed and overtime required from time to time. Some travel may be required.

VII. MINIMUM REQUIREMENTS:

EDUCATION: Bachelor’s degree required.

EXPERIENCE: Minimum one year sales experience required.

PHYSICAL: Reaching, bending, dialing, writing, sight, talking and hearing capability; ability to exert force to lift, move and/or carry objects up to 40 lbs.

SKILLS EXPECTATIONS: Excellent organizational, interpersonal and communication skills; goal-oriented; customer-oriented attitude; strong work ethic and willingness to learn and improve in all aspects of the position.

VIII. BASIC FUNCTION/PURPOSE OF THE POSITION: To enroll students for National American University and make other public relations contacts (in person and by telephone). To demonstrate caring attitudes toward prospective and enrolled students, and to do everything possible to assist students in attaining their education/employment goals in support of the mission of the university as defined by the university president and the board of governors.
IN DUTIES/RESPONSIBILITIES: EXPECTATIONS OF THE POSITION:

* A. Be familiar with the objectives, requirements, and content of all programs offered by the university in order to make a complete and factual presentation to prospective students and other interested parties.

* B. Keeps all required reports current and accurate.

* C. Refers all questions regarding financial aid eligibility to the financial aid office.

* D. Takes and/or returns inquiry calls from persons interested in knowing or receiving information about educational programs offered at the university.

* E. Follows up on all leads promptly (within 3 working days).

* F. Sets appointments to interview prospective students at the university (or in their homes) as appropriate.

* G. Recommends prospective students to the campus executive officer (or his/her designee) for acceptance to the university.

* H. Assures that students complete all required forms for enrollment and collects the application fee.

* I. Meets or exceeds monthly and/or quarterly admissions enrollment standards established by the campus executive officer and system vice president for enrollment management.

* J. Assists in lead development which will primarily be generated from three sources: commercially developed leads (CDL’s); personally developed leads (PDL’s); and referrals. CDL’s will include those leads provided by the university/media.

* K. Maintains a minimum overall conversion rate to enrollment for all types of leads, as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Minimum Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead to appointment</td>
<td>60% minimum</td>
</tr>
<tr>
<td>Appointment to interview</td>
<td>45% minimum</td>
</tr>
<tr>
<td>Interview to enrollment</td>
<td>45% minimum</td>
</tr>
<tr>
<td>Efficiency</td>
<td>45% minimum</td>
</tr>
<tr>
<td>Actual total number of interviews</td>
<td>60% minimum</td>
</tr>
<tr>
<td>Show rate for:</td>
<td></td>
</tr>
<tr>
<td>new students</td>
<td>60% minimum</td>
</tr>
<tr>
<td>re-entry students</td>
<td>60% minimum</td>
</tr>
<tr>
<td>Campus “team” show rate</td>
<td>60% minimum</td>
</tr>
<tr>
<td>Retention rate (based on previous two quarters)</td>
<td>60% minimum</td>
</tr>
</tbody>
</table>
* L. Representatives are expected to devote a minimum of four hours per day to telephone contact work (setting appointments, follow-up, etc.). More time devoted to telephone contact work may be required if the minimum four-appointments-per-day standard is not being accomplished.

M. Assists with retention by helping with pre-registration, attendance tracking, and orientation calls as appropriate and/or requested.

* N. Representatives will participate in a quarterly evaluation to discuss conversion rates, show rates, and interview efficiency and to establish the following quarter’s enrollment goals. The evaluations will be conducted by the campus executive officer and may include the director of admissions.

O. Understands and conforms to the university’s philosophy of truly caring about students and provides excellent service to prospective and enrolled students.

P. Other duties as assigned by the director of admissions or campus executive officer.

X. COOPERATIVE RELATIONSHIPS WITH THE FOLLOWING:

A. Financial Aid Staff  
B. Student Accounts Specialist  
C. Academic Dean  
D. Other Inside Admissions Representatives  
E. The Campus Vice President and other Management and Staff Personnel

XI. LIMITS OF AUTHORITY:

As defined by the policies, procedures, and practices of the university and/or the university president/CEO.

National American University reserves the right to alter this position’s job description/job duties to meet the needs and goals of the organization.

* Denotes essential elements of the position.
Lead Management

National American University provides leads for representatives through purchasing media and using web vendors. It is our expectation that the admissions representatives provide some leads as well. The following is what National American University expects:

<table>
<thead>
<tr>
<th>Media</th>
<th>______</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referrals</td>
<td>______</td>
</tr>
<tr>
<td>Personally</td>
<td>Developed</td>
</tr>
</tbody>
</table>

If you follow this simple recipe for contacting students daily you will be successful:

- ______ Dials
- ______ Contacts
- ______ Appointments
- ______ Interviews
- ______ Enrollments

National American University expects industry averages for converting the leads you have.

- ______ Lead to Appointment
- ______ Appointment to Interview
- ______ Interview to Enrollment
- ______ Lead to Enrollment

Use your time wisely, make all your dials, try dialing at different times of the day, follow-up, follow-through, enjoy what you are doing and you will be successful!
Characteristics of a Superior Admissions Representative

TV Shows an interest in students as people.

TV Provides direction and security without dominating students.

TV Communicates with students on their level of understanding—regardless of age differences.

TV Stimulates students to think, evaluate information, and to substantiate conclusions.

TV Works with internal and external departments, instructors, administrators and every person at the university.

TV Adds continually to his or her knowledge of subject matter and delivery techniques.

TV Exhibits a responsibility and loyalty to the university and believes in its programs.

TV Evaluates himself/herself and welcomes professional evaluation of performance.

TV Possesses good communication skills.

TV Possesses the ability to think on his/her feet in order to adapt the presentation to the needs of the moment.

TV Believes in the University and the mission.

TV Has the ability to manage daily activities and complete tasks.

TV Follows-up and follows-through with each and every inquiry.

TV Uses good sound judgment.

TV Dependable and flexible when working with students.

TV Ability to be a skilled listener to bring out the needs and concerns of the student.
Know NAU’s:

- Mission Statement and Core Values
- History
- Traditions
- Goals and Philosophy
- Marketing Features
- Student Body
- Academic Programs
- Profile of Successful Students
- Admission Policy
- Student Services
- Costs
- Financial Aid Process
- Career opportunities
### Definitions You Should Know

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inquiry</td>
<td>All interests about university enrollment from any source. It may also be referred to as a lead.</td>
</tr>
<tr>
<td>Appointment</td>
<td>Any time a prospective student agrees to a specific date and time to visit the university.</td>
</tr>
<tr>
<td>Career Planning Session</td>
<td>When an admissions representative or director of admissions meets in person with a prospective student and consults with him/her about National American University.</td>
</tr>
<tr>
<td>Personally-developed Lends (PDLs)</td>
<td>Any lend an admissions representative or director of admissions personally initiates or solicits (e.g., restaurants, stores, meetings, telemarketing, from city directories or phone books, veterans lists, senior lists, other colleges or any other form of networking, etc.)</td>
</tr>
<tr>
<td>Referrals</td>
<td>Names of prospective students obtained from other students, corporations, other colleges or universities, military personnel, and other prospective students.</td>
</tr>
<tr>
<td>New student</td>
<td>A student that has never previously attended National American University.</td>
</tr>
<tr>
<td>Re-entry student</td>
<td>A student who has previously attended National American University but has stopped attending for one or more quarters.</td>
</tr>
<tr>
<td>Re-enrollment</td>
<td>Enrollment of a prospective student who has previously applied and/or been accepted for admission but never actually attended.</td>
</tr>
<tr>
<td>Show Rate</td>
<td>For an individual representative, the number of students who actually started classes divided by the number of total student applications taken for a particular time period. This calculation is usually performed after the interim start.</td>
</tr>
<tr>
<td>Team Show Rate</td>
<td>All new student starts divided by the number of new student applications taken by all admissions representatives and the director of admissions at one NAU location.</td>
</tr>
<tr>
<td>Retention Rate</td>
<td>For each admissions representative or the director of admissions, those students continuing to attend classes from one quarter to the next. The retention rate calculation is usually performed after the interim start.</td>
</tr>
<tr>
<td>Campus Vue</td>
<td>The database management system that National American University uses to store all student data and process information.</td>
</tr>
<tr>
<td>Student Portal</td>
<td>The student's way to access the information stored in campus vue. It is updated live when campus vue is update and vice versa. Students can view their grades, financial aid information, schedule and many other things.</td>
</tr>
<tr>
<td>Measure</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Lead to Appointment</td>
<td>This is the percentage of inquiries that you have appointed compared to the total of all the inquiries that you have had for a certain period of time.</td>
</tr>
<tr>
<td>Appointment to Interview</td>
<td>This is the percentage of inquiries that you have appointed that show up for the career planning session.</td>
</tr>
<tr>
<td>Interview to Enrollment</td>
<td>This is the percentage of the inquiries that enroll following the career planning session compared to the total inquiries that come in the career planning session.</td>
</tr>
<tr>
<td>Lead to Enrollment</td>
<td>This is the percentage of total inquiries compared to those you enroll at National American University.</td>
</tr>
</tbody>
</table>
The ABC’s of Admissions Success

Attitude  it all starts and ends here. 100% add the value of the letters in the word Attitude!
Belief  without this, you will not be able to overcome the obstacles and challenges that are
        presented to you everyday.  Believe in what you are providing and in our students.
Commitment  to make the necessary sacrifices to be successful.
Desire  to truly help others, you must have it!
Enthusiasm  make it a part of you...and, share it with others!
Fun  it has to be there for meaningful results...make it fun!
Goals  your success targets...are high...and then higher!
Hope  the magic ingredient that sparks you into positive action.
Initiative  it pays off in results.  It’s determination in action.  Do it now!
Just  be honorable and fair in all your dealings and actions.
Learn  in all that you do and learn...it’s a never ending process.
Motivation  that which forces you into ACTION!
Negatives  avoid them, keep them out of your environment!
Optimism  think you can because YOU CAN DO IT!
Practice  to succeed, you must practice...practice...practice!
Q & Q  quality and quantity the twins of achievement.
Responsibility  doing the right thing because it’s the right thing to do!
Self-Esteem  a positive self-image is priceless...work on yours!
Toughness  mental and physical...unbeatable combination-GO FOR IT!
Understanding  know your strengths and weaknesses-accentuate the positive!
Virtue  moral excellence, it must be “ME” in your philosophy!
Winning  your reward for hard work and a positive attitude.
You  the most important ingredient in your success!
Zest  Zest...your go-power-TURN IT ON!

Remember:  If it is to be, it is up to me!  Make it happen in your life...it’s as easy as A, B, C!
The Inquiry Call
Why Do Prospects Call?

Understanding why prospects call our school helps to enlighten many admissions representatives to the importance of giving each caller 100%. If prospects were to call us and state what is on their mind, this is probably what you would hear, "Can you help me?" This "cry for help" is known to many as "someone requesting information" and this is where the misunderstanding starts.

Too many admissions representatives believe the definition of an inquiry call is "someone requesting information". So, that is how they justify giving information over the phone. Often times I hear admissions personnel say, "If I didn't give them information, they would get mad and hang up!" NOT TRUE, if the call was handled correctly to begin with! So, by the time a prospect is getting to this point, I would be much more concerned with what went so wrong that the caller is so irritated.

What you say and how you say it makes all the difference in the world. We must remember that if giving out the information over the phone worked, we would all just do that! Here is what we also need to be reminded of: "Information does not sell, people do AND people do not buy features, they buy benefits".

So, the first step to telephone success is to convince ourselves our prospects are calling for help and guidance, NOT information. So, let's respond to their "cry for help" by enticing them to come in and see the benefits of an education!
Setting an Appointment That Shows, Ready to Enroll, and Committed to Completing…

TV Respond to each inquiry as soon as you receive it. You may need to try several times.

TV If you do not reach them by phone, also try email or a postcard.

TV When the prospective student comes in for the career planning session, make sure you are paying full attention to their needs and desires.

TV Define his/her goal and set a direction.

TV Explain your goal during the career planning session.

TV Secure permission to make it happen.

TV Show the benefits that directly relate to their situation.

TV Give them a tour during the career planning session.

TV Use trial closes in your career planning session and on your tour.

TV Gain commitment.

TV Enroll the student.

TV Set an appointment for the new student to meet with Financial Aid within 48 hours.

TV Follow up on the phone within 48 hours and then each week until after the second week of the quarter.

TV Send a personal note reiterating the great decision they have made and thanking them for choosing NAU.

Keep This In Mind

TV A mediocre recruiter tells.

TV A good recruiter explains.

TV A superior recruiter demonstrates.

TV A great recruiter inspires prospects to see the benefits and embrace them as their own.
Why Students choose the University they attend...

- Convenience — it works with their current situation.
- Comfort — they feel at home.
- Love or Friendship
- Peace of Mind — Sense of Security
- Social Approval or Prestige
- Enhanced Quality of Life
- Financial Well-Being
- Stylishness
- YOU — they want to work with you!

Top 10 Reasons For Getting an Education!

1. To make more money
2. Security
3. Working Environment
4. Career Satisfaction
5. Improved Benefits
6. Advancement Opportunities
7. Choices
8. Self-Esteem
9. Better Hours
10. Independence

Confidential - For Purposes of Senate Investigation  NAA0014020

National American University Holdings, Inc.
Document 10, Page 16
Characteristics of Lead Sources

TV
Spontaneous
Feeling Unfulfilled
Can change mind quickly

Newspaper
Frustrated
Job Hunting
Really wants a Career

Direct Mail
Apprehensive/Unsure
Not as motivated
Skeptical

Radio
Procrastinator
Needs Strong Message
Lots of frequency

Yellow Pages
Shopper
May be New to Area
Wants General Information

Web
Serious Buyer
Knows what they Want
Needs Immediate Attention
Using the Telephone Script

Goal: Our goal on the first inquiry call is to set an appointment, that shows and is ready to enroll—Today.

Our Job: Our job on the first inquiry call is to build rapport and interest by asking open ended probing questions. Probing is the skill of asking questions to gather information and uncover the inquiries needs. By asking open ended probing questions you provide the prospective student with more chances to freely reveal their problems, needs and attitudes. This will give you the opportunity to uncover their “hot” button (the reason they are motivated to complete their degree). At the end of the phone call they should be excited and enticed enough that they are truly committed to coming to the career planning session.

The Script: The script is used to maintain control of the conversation and to keep the conversation on a professional level. The script should be followed as it is written and used at all times. When representatives get away from using the script they tend to forget some of the questions or leave out important pieces of information, therefore, they may start asking random questions or just make small talk and find themselves losing control of the conversation. Once you lose control of the conversation it gives the prospective student a chance to start yelling at you with questions—if you start answering all their questions they will not have a need to come in for a career planning session.

Eight words to Avoid on the Phone:
1. maybe 2. think 3. if 4. might 5. guess 6. possibly 7. probably 8. feel

Tips to Becoming a Better Telephone Listener

- Be Prepared
- Clear Your Mind Before You Pick up the Phone
- Focus on your Purpose
- Avoid Distractions
- Ask Yourself Questions
- Listen Between the Lines
- Visualize the Speaker
- Take Thorough Notes
- Stick to the Script

Have you heard of the 80/20 rule? A good listener will listen 80% of the time and talk only 20% of the time!
Open Ended Questions
List as many open ended questions that you can think of that would work for your script during the telephone call.

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.
11.
12.
13.
14.
15.
Telephone Questionnaire

*To provide you with a positive experience our calls are recorded for quality assurance.*

Current (Probe)

**If unemployed:**

Have you been looking for employment? Y N
What are you planning to do next? Y N

Future (Probe)

How many years of school have you completed? Y N

Setting the Appointment

Well, I just wanted to review what has been covered so far. I want to make sure that you agree with our conclusion. I believe that you are ready to make a change. Is that right? Y N

Go for the TODAY appointment!

OK, then here is what we need to do next! I need to set up a time and their name, because you are so ready to make a change. Let me check if I can see you TODAY. (Pause) I have an opening at ___________. Why don’t you grab a pen and paper and I will give you directions to the school. (Give directions and get address, work phone, and cell phone, and call back at this time.)

By the way, many of our students like bringing someone with them... who will you be bringing with you? GREAT, I really look forward to working with you and will see you at ___________.

Address: ____________________

E-mail: ____________________

Telephone: ____________________

Fax: ____________________

Cell: ____________________

Work: ____________________

Date: ____________________

Source: ____________________

Outsider: ____________________

Appointment Time and Date: ____________________

Name: ____________________

Children: ____________________

Spouse: ____________________

Days off: ____________________

Employed: Y N

How long have you been there? ____________________

Program: ____________________

What is your schedule like? ____________________

Rep Notes: ____________________

What do you currently do? ____________________

Hi, this is ____________________. How are you today? (Acknowledge their response.) I understand that you are calling to learn more about our career programs. Is this information for yourself? (Only if they asked for something to be mailed do we get the address and phone number, otherwise it is not needed.) Great, let me ask you a few brief questions so I can better help you.

Why are you looking to make a change? ____________________

So, I’m curious, their name, what’s happened that made you pick up the phone and call us TODAY? ____________________

So it sounds as though you are ready to make a change... is that right? ____________________

It sounds as though you are ready to make a change... is that right? ____________________

Y N
Overcoming Objections during the telephone conversation

“How do I get them to appoint when they say…”

“I’m too busy.”

TV I can appreciate that because I also have a busy schedule. I know your time is important. Therefore, I am suggesting that we both talk about one hour and get together for a career planning session. Would the early part or later part of the week be best for you? (Wait for an answer.) Would morning or evening be best?

“How much does it cost?”

TV Your tuition investment here at National American University is dependant on many things. For instance, if you have attended other colleges, you may have classes that would transfer to our school. The amount and type of financial aid you qualify for also affects your total investment. It is for these reasons that we suggest that you come in for a career planning session. At that time we will answer your tuition questions plus any other questions you may have. Would the morning or evening work better for you?

TV We are talking about an investment in your future, not a cost. Normally, before you invest anything you look it over, don’t you? We suggest that you come in for a career planning session so we can explain this information in person. Would you prefer to come in over your lunch hour or in the evening?

TV Until we discuss, in person, your interest in _______ career and have decided that we can be of benefit to each other, cost isn’t really a factor. Wouldn’t you agree? And before you invest in something you look it over, don’t you? Would you like to come in over your lunch hour or in the evening?

“I’m not interested.”

TV What is it you are not interested in? Is it increasing your income, financial investments, increasing your knowledge, etc? Let’s spend some time having you visit the school and determine where your interests may lie. We suggest that you come in for a career planning session. Would you like to come in over your lunch hour or in the evening?

TV I would not expect you to be interested until you have seen all the advantages of learning more about _______ career and how our University provides these advantages to you. That is why I am calling. We invite students to come in for a career planning session to find out more about the programs and what we can offer to you. Would you prefer to come in— in the morning, over your lunch hour or in the evening?

TV Find out what the prospect is interested in and see if you can adapt to their needs and continue to set a time for them to come in for a career planning session.

“I’m not interested right now.”

TV I understand you have some interest in our programs even though it is not at this time. I would like to suggest that we spend about an hour reviewing all the options that we have available to allow you the opportunity to make an informed decision when the time comes. We invite students as yourself to come in for a one on one career planning session. Would you like to come in over your lunch hour or in the evening?
“Competition”

This decision is important and you owe it to yourself to visit as many schools as possible. You have an interest in _____ and we have a great deal to offer. I would like to invite you in for a career planning session to tell you more about the _____ field and NAU as well. What time of the day works best for you?

“Send me something in the mail.”

I will be happy to send you literature about our school......

However, our brochures are very general in nature and do not cover the specifics that most people want to know. We suggest that you come in for a one on one career planning session where we can give you the information you need and cover any questions that may come up. Would you prefer to come in during the day or in the evening?

However, I must tell you in the past when I’ve sent our brochures people always call back wanting more information because our brochures provide a general overview of the program. It is to your benefit if we spend more time discussing all of the options that are available. I would really like to have you come in for a one on one career planning session. Would you prefer to come in during the day or in the evening?

By requesting this information I assume you are interested in continuing your education or possibly changing your career. Is that right? For that reason, I suggest that we get together for a one on one career planning session to be able to answer your questions and have a better idea of what is required to obtain this degree. Would you prefer to come in during the day or in the evening?

Fine. I will put that in the mail today and should receive it by the end of the week at the latest. Since I know our brochure will not answer all your questions, let’s set a tentative career planning session for Friday. Would you prefer to come in during the morning or in the afternoon?

“Tell me over the phone.”

I think you can appreciate that career planning, job placement and financial aid programs are unique for every individual. We pride ourselves in developing an individually created package for each student. I want you to have accurate information as you make future plans. We suggest that you come in for a one on one career planning session. Would you like to come in during the day or in the evening?

On-Going Training

Representatives should spend time each month discussing objections that have prevented appointment setting and then discuss methods to overcome those objections. You should also spend time reviewing common, non-obstacles to make sure you have fresh responses. In addition, review the show rate for appointments and determine the reasons why students may not show. Remember, you do not create urgency on the telephone, the student will not show for the interview.
WHAT TO SAY IF THEY ASK YOU...

SCENARIO I: THE PROSPECT ASKS THE COST AS SOON AS YOU ANSWER THE PHONE!
Reps: (Name), actually I would be happy to go over that with you, but is this information for yourself? (Proceed to script as normal. NOTE: Do not bring up the subject again unless they do.)

SCENARIO II: THE PROSPECT ASKS THE COST FOR THE FIRST TIME DURING THE SCRIPT!
Reps: (Name), that’s an excellent question, and I’ll get to that in just a moment, but first I have a couple more questions I want to ask you. (Proceed to ask a variety of open-ended questions and do not bring up the subject again unless they do.)

SCENARIO III: IF THE PROSPECT BRINGS THE COST UP AGAIN FOR THE SECOND TIME!
Reps: (Name), I apologize, I know you asked that earlier but let me ask you this: Is affordability that you’re concerned about? I can understand that so let me tell you this... First of all, we have a financial plan for everyone. When you come in for your career planning session we’re going to help you meet with our financial planning department who has helped make school affordable for hundreds of students and there’s really no reason why they won’t be able to help you out as well. So here’s what we need to do next.

SCENARIO IV: IF THE PROSPECT BRINGS THE COST UP AGAIN FOR THE THIRD TIME!
Reps: (Name), I know you asked that earlier so let’s get to that right away. The cost is approximately per credit hour and when you come in for your career planning session we’ll see how many credit hours you will need to graduate. So here’s what we need to do next...

—FOR A BROCHURE—
Reps: We stopped mailing out information a long time ago because we found that it really didn’t help our students. So now, we actually take the time to meet with every single student for a good, solid one-on-one career planning session. Let me explain the benefits to you...

Student: I was calling to find out if your school offers [program].
Option 1: Actually we offer several different programs in the ____ field... so is this information for yourself?
Option 2: Oh... so you’re interested in the medical field... so is this information for yourself?

—BOTH OPTIONS 1 & 2— PROCEED WITH SCRIPT
Close: So far, (Name), from everything you told me I know we can help you & it sounds like you are looking for a career where you (E.g. Can work with people. Can be independent. Can make a good living. Can be in a field with lots of growth opportunity, etc.) & so knowing that, even though we don’t offer that particular program we do offer several other careers that can help you achieve the same goal. So here’s what we need to do next... Proceed to scheduling appointment

HOW LONG THE APPOINTMENT WILL TAKE:
Reps: As long as it takes to give you the information you need...

WHEN DO CLASSES START:
Reps: That depends on several things... the program you end up taking, what schedule you have, and the seat availability. However, I can tell you we are now taking applications for anyone starting in the next few months.

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Answers to Commonly Asked Questions

1. Who is the priority, the inquiry call or the interview?
   Often times it is very difficult to see the "BIG PICTURE" when discussing this topic. Here are some reasons why the INQUIRY CALL should be the priority:
   1. It usually costs a university approximately $156 to generate each lead.
   2. If we let the receptionist take a message and tell the prospect someone will get back to them, the likelihood of them going on and calling another school increases greatly.
   3. Their level of interest may diminish depending on how long it takes to get back to them.
   4. There is a good chance they will not be in when we try to call and then we play the "left message" game.
   5. They decide to tell the receptionist to just mail them some information.
   6. The phone number can be taken down incorrectly.

None of the above is a good situation. It is important to remember that every business must include good customer service!

The person being interviewed benefits as well.

- If you say, "This is a busy time of year so please excuse any interruptions we may have", most people will understand.
- It also shows the person being interviewed there are many other people like themselves who want to go to this University.
- Most of the time it is the admissions representative who has a problem taking a lead call, not the person being interviewed.
- The key is to have the desire to help as many people as you possibly can!

Do not look at the phone call as an interruption, but an opportunity to set another appointment.

2. What type of information should be sent?
   The best information piece is one that gives NO detailed information and answers NO questions.

- Sending information does not work. If it did, there would not be a need for admissions representatives! Schools would just send information to all inquiries and wait for them to line up at the door.
- The goal on the phone is to set up a face-to-face interview. Sending information is a last resort.
- Answering questions such as class starts, schedule, courses, etc., gives features without benefits. Features do not create value. benefits do! PEOPLE BUY SOLUTIONS!
- Information packages are often large, lengthy AND filled with course outlines and descriptions. If there is too much to read, they won’t read it! (How many of you have read your whole catalog!?) If sending course outlines worked we wouldn’t have jobs!
Any Information sent should create more interest!

- Mail information that is exciting and talks about the benefits of having an education. Information such as job market demands, placement statistics, testimonials, and action pictures.
- The information should look good, be up-to-date, be short and easy to read.
- Remember that in order to entice the prospect with the information, we must first get them to read the information.

3. How much does it cost?
The three most common reasons a prospect asks this question are:
1) They do not know what to ask.
2) They want to know there is help available.
3) You lost control of the conversation.

Most students do not make a decision on cost alone once they have had the opportunity of a face to face career planning session. However, over the phone, without having the opportunity to see and hear all the benefits of an education at your school, giving out the cost can be deadly.

CONTROL! Start with control and maintain it throughout the conversation. The representative should be the one asking the questions. Find out the person’s present situation and their “hot button”. Then summarize their needs and let them know there is help available. Now, get the appointment.

This minimizes the opportunity to ask questions. It works. Observe how seldom money is an issue when a representative convincingly and confidently handles the phone correctly. Remember, either you are going to “sell” them on the appointment or they are going to “sell” you on giving or sending information. However, it is important to be prepared to handle the question when it does surface. What you say and how you say it will determine your level of success. Here are some guidelines:
1) Do not give out the complete program cost (when necessary, break it into a credit hour rate).
2) Do not “sell” financial aid by saying, “The cost depends upon your financial aid package...” NO it doesn’t! The cost is the same for everyone; let, what comes out of their pocket may differ. The fact is, “FA is available to those who qualify.”
   Since many schools work with cash payments, company tuition assistance, VA assistance, Military Benefits and Vocational Rehabilitation, try the statement, “We have a financial program for everyone.”
3) DO not sound like you are defending your tuition. You do not have to defend something you believe in. Remember, sales is a transference of feelings.
4) Let them know that first you need to sit down with them and discuss their goals to really determine what “program” is best. Next, you will have them meet with someone who will help them “offset the cost of their education.” Let them leave with the feeling that, “Where there is a will, there is a way!”
Telephone Tips

DO's

- Do take all inquiry calls as they come in.
- Do work inquiry calls for all programs.
- Do treat each inquiry as your only one.
- Do set “today appointments.”
- Do speak clearly and directly in the telephone.
- Do take control of the conversation.
- Do keep an even volume and rate of speech.
- Do ask open-ended questions.
- Do use the prospects name and build rapport.
- Do put smile into your voice.
- Do identify and introduce the company and yourself.
- Do uncover the “hot button.”
- Do be interested, sincere, enthusiastic, and confident.
- Do be a good listener and give good feedback.
- Do call no-shows within 15 minutes.
- Do call all applicants within 24 hours and once a week until the second week of start.
- Do be sure and give, clear directions.
- Do make your script sound conversational.
- Do know your opening statement.
- Do address any objections and overcome them during the career planning session.
- Do sound confident and caring.
- Do have the “busing committee” come in for the interview.
- Do get commitment.
- Focus on your “goal” and ...SMILE!

DO NOT'S

- Do not stray from a professional telephone dialogue.
- Do not volunteer too much information over the telephone.
- Do not ask the prospect what time would be convenient.
- Do not say appointment or interview—use career planning session.
- Do not pre-qualify over the phone.
- Do not ask yes or no questions.
- Do not tell the prospect they have to bring anything.
- Do not send unnecessary literature.
Telephone Knowledge

1. List two reasons we ask "Is this information for yourself?"
   a. __________________________
   b. __________________________

2. What percent of the time should we spend talking on the telephone? _______
   What percent of the time should the prospect spend talking? _______

3. What happens if we answer the prospect's questions? ______________________

4. If we do most of the talking, who is committed to the appointment? _______

5. What is the "hot button"? __________________________

6. List four examples of open-ended questions.
   a. __________________________
   b. __________________________
   c. __________________________
   d. __________________________

7. Why do we ask open-ended questions? __________________________

8. What is our goal on the phone? __________________________

9. Why do we ask for an appointment today? __________________________

10. List three reasons we invite a friend or relative to the career planning session:
    a. __________________________
    b. __________________________
    c. __________________________

11. Who should be in control during the inquiry call? _______

12. Where does retention start? __________________________

13. What are the three main reasons a prospect asks the cost?
    a. __________________________
    b. __________________________
    c. __________________________

14. Who is the priority the interview or the inquiry call? _______

15. What kind of information should be sent out? __________________________
Career Planning Session
Understanding Our Students

PROcrastination

One of the most common student characteristics throughout the US is procrastination. Many prospects see our TV ads, hear our radio spots, see the newspaper or yellow page ad, and “think” for years about going to school. With all the advertising and the prospects’ need for an education, one could easily think prospects will call and want to start ASAP—WRONG!

The fact is, the majority of people procrastinate. Think about some of the things you should be doing, but for some reason you keep putting them off. It could be as simple as getting your hair cut, or as serious as going back to school. How often have you asked a prospect, “How long have you been thinking about a career in the ______ field?” and they respond, “All my life” or “for years”? People usually procrastinate due to some kind of fear: fear of failure, fear of success, fear of change, or fear of the unknown. To help create the desire to change, we must be able to eliminate those fears.

The more you understand your student, the more you understand how to work with them. It all starts with probing.

The first step in this process is to find out enough about the person’s background so we can help in determining where these fears may have developed. Was it because they never did well in school before? They have two children and a full-time job? They never succeeded in accomplishing previously set goals? Once you have determined where the fear stems from, you will then know what areas need focusing, in order to help develop self-confidence in your prospect. It also helps to give them an example of when you or another student procrastinated and how good it felt after doing what obviously needed to be done.

Build self-confidence in your prospect with comparisons they can easily relate to. If they did not do well in school, you may want to say, “That is probably because you did not like the subject or because it was not something you could see the benefit in, at that time. Everything we teach you is exactly what you need to know to become a______. This will keep you so interested, that in itself will cause you to do well.” Let the prospect know you believe in their commitment and assure them they will succeed if they truly want to accomplish their goal.

By using this type of process, you can overcome any obstacles or objections before they are raised. As you become proficient with this technique, you will enroll more students. Ask enough questions, find the weaknesses, discuss it, show them the benefits, and confirm that this is the best thing for them to do.

Motivate them to action!
The Big 3

Can I do it? Can I afford it? Will I fit in?

These are the most common thoughts going through a prospect’s mind when they walk in your door. Knowing this, we must overcome them before they leave. So, in the career planning session, we need to ask questions and have discussions to address and alleviate these concerns. Remember that they cannot leave without feeling good about all three.

Now we know “the big three”, so what do we do to overcome them?

CAN I DO IT?
In order to increase the level of confidence in your prospect, you must focus on any previous successes in their life. You can always find something! Ask questions that would help you uncover them. Some questions you might want to ask are, “What type of classes did you like in school? How did you do in those classes? Why do you think you did well? What are some other accomplishments? So, basically, what you are saying is when you enjoy something or get determined, you usually succeed?” (gain their acknowledgement) Also, their entrance evaluation is another tool to boost their self-esteem...another reason when possible to give it to them on their first visit.

CAN I AFFORD IT?
Can they afford not to??? A big part of our job is to create enough value to offset the cost. But, remember, cost is not just money. Cost is time, effort, sacrifices, and money. DO THE MATH! Until the value of the education exceeds the cost, you do not have a committed student. Use visuals when discussing the benefits of an education. It helps your prospect retain the information and also makes what you say sound more believable. When you use visuals throughout your interview, it will increase the potential of a sale by as much as 28%.

WILL I FIT IN?
People want to feel comfortable in their environment. The easiest way to create that level of comfort is to make them feel other people just like them are attending your school. We should always take the opportunity to say things like, “We have many students who are your age, live in your area, etc. Our classrooms are filled with people just like you, who are here for the same reason.”

Remember that dealing with the known versus the unknown is always easier. So, make sure you know when your prospect feels comfortable with “the big three.”
Problems Faced by Students

- Defining their goals
- Assessing their own capabilities
- Finding the right fit
- Recognizing the benefit
- Breaking through the clutter
- Distinguishing among various options
- Reducing their risks in choosing their options
- Assessing cost vs. Value added
- Differentiating among Universities
National American University
New Admissions Training
Using the Career Planning Script

Our Goal: Our goal for the career planning sessions is to have an appointment that shows, and enrolls at the end of the career planning session.

Our Job: Our job in the career planning session is to uncover the prospective students "Hot Button" or their "Driving Force" that has made them decide to pursue completing a degree and to expand on those reasons. We should also be gathering information and creating the need by asking open ended questions. They should be telling us why they need NAU and not us telling them why they need NAU. It is important that we are hearing what the students are telling us and make notes on the career planning form so when we are ready to close we have all the information they have given us on reasons that they want and need to complete a degree. At the end of the career planning session we will give them the benefits that will fit with their needs, tour the campus (use trial classes while touring), make sure that we cover the per quarter costs, introduce them to financial aid, answer any questions they may have and enroll them for the next quarter start.

The Script: The script is used to maintain control throughout the entire career planning session. At the beginning of the career planning session you will direct them where to sit and you will use an opening statement that will tell the prospective student what they can expect during the career planning session, this should put the student at ease, put you in control and let them know that the goal at the career planning session is to recommend them for acceptance if you agree that it is the right fit. During the career planning session you will need to use the script and stick to it. By using the script you will uncover the "Real" reason they are looking to complete their education, any obstacles that will need to be resolved before they leave your office and get an overall feeling if they will be a good fit for NAU and the degree they are interested in.

<table>
<thead>
<tr>
<th>Listening Techniques</th>
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<tr>
<td>Everyone knows how to listen—right?? So what is the big deal? Why is listening so important and how does it help us build a rapport?</td>
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| 1. | 5. |
| 2. | 6. |
| 3. | 7. |
| 4. | 8. |

As admissions representatives we should be talking only 20% of the time and listening 80%. There is a reason we have two ears and one mouth!
Creating Value

The VALUE of education must exceed THEIR INVESTMENT (Cost)
To have an enrollment that starts, stays and graduates.

So, remember to make sure you do the following:

- Uncover the “HOT BUTTON”
- Always tie benefits with their needs
- Show it is expensive not to have an education
- Use outcome oriented information (placement)
- Use visuals to support your verbal
- Explain the difference between traditional and specialized education
- Paint their future with an education and without
The “Verses” of Selling

Cost vs. Value
Cost > Value = No Sale
Value > Cost = Sale
Benefits build Value!

Features vs. Benefits
Features do not build value. Turn a feature into a benefit by asking the prospect how it will benefit them. For example, “How do you feel you would benefit from a small classroom environment?”

Empathy vs. Sympathy
We can understand the situation, and feel for the student; but, if we sympathize with them we will begin to buy into their excuses and objections. Remember, the only solution to their problem is changing their life through education.

Hearing vs. Listening
Hearing is passive and listening is active. Hearing is merely physical, while listening is physical and mental. As a salesperson, your number one selling tool is your ears, not your mouth!

Push vs. Pull
Do not push a student into school, pull them in with benefits. Make them want it by being proud of your school. People love to buy but hate to be sold.

Emotion vs. Logic
People buy on emotion, logic and reality of the commitment set in later. That is why it is very important to do your follow-up calls!
Look At These Shocking Facts!

Out of 100 people who goal at age 25 was to have a fortunate at age 65:

1 was wealthy (they made it!)
4 had enough income to retire
3 were working because they had to
29 were deceased
63 were dependent on family, friends, or welfare

They did not plan to fail...they failed to plan!

U.S. Bureau of Labor Statistics
4404

Prospective Student Characteristics
List as many National American University prospective student characteristics as you can think of.

1. __________________________

2. __________________________

3. __________________________

4. __________________________

5. __________________________

6. __________________________

7. __________________________

8. __________________________

9. __________________________

10. __________________________

11. __________________________

12. __________________________

13. __________________________

14. __________________________

15. __________________________

16. __________________________
Features vs. Benefits

Features do not build value; however, the benefit of the feature is what builds the value for the prospective student. On the next few lines write out as many FEATURES of National American University that you can think of and then as a group we will write out the benefit of the feature.

1. ________________________________________________________________
2. ________________________________________________________________
3. ________________________________________________________________
4. ________________________________________________________________
5. ________________________________________________________________
6. ________________________________________________________________
7. ________________________________________________________________
8. ________________________________________________________________
9. ________________________________________________________________
10. ________________________________________________________________
11. ________________________________________________________________
12. ________________________________________________________________
13. ________________________________________________________________
14. ________________________________________________________________
15. ________________________________________________________________
16. ________________________________________________________________
The Career Planning Session

- Use an ice-breaker greeting.
- Use a qualifying opening statement.
- Gather the facts/create the need.
- Gain commitment.
- Use trial closes.
- Cover the 5 roadblocks
  1) Time
  2) Money
  3) Childcare
  4) Support
  5) Transportation
- Give exciting information.
- Sell the benefits.
- Tour the school.
- Gain final commitment and close.

Always ask for referrals!
Traditional VS Specialized Education

“Traditional education is like going to a community college or state school. We find that a lot of people who go there are not sure what they want to do so they start taking classes such as English, Math, Humanities, etc. and then at the end of 3 years they prepare to transfer on to a 4 year school. That entire route nowadays is taking about 6 years to complete which means that students who go there are not necessarily concerned with time.”

Then we have specialized education which is what we are. We find that students who come here know exactly what they want to do and we put them into their major. We are not designed to be transfer school, we were designed to give you exactly the skills you need so when you leave here, (you don’t have to transfer…) you are prepared to go immediately to work in your new career.

Now which type of education were you looking for, traditional or specialized?

TIP: When giving out school information, the above is an excellent trial close.
How to Approach the Career Planning Session

- Create the right environment.
- Tune the world out and your prospects in.
- Put them at ease and make them feel important.
- Get them talking about themselves, their goals and their concerns.
- Hold eye contact and listen to how they feel.

The Purpose of the Career Planning Session Questions

- To get the students to do 80% of the talking and you 20%
- To help you understand what students want from the college experience.
- To help students discover, verbalize and clarify their needs and aspirations.
- To let students know, with actions, that you want to help them define their goals and succeed in achieving them.
- To form a partnership with the student.

Remember... People are more apt to listen to you when they feel good about you—when they feel they can trust you.
Ten Steps to a Successful Closing

Step 1: Opening Statement/Probe & Gather Information
- Occupational History
- Education
- Interests/Commitment
- Personal Information

Step 2: Summarize

Step 3: School Information
- Accreditation
- Benefits of an education (not the features)
- Traditional vs. Specialized Education
- Why we are different

Step 4: Career Information (bls.gov)
- Documented placement statistics
- Employers who hire grads
- Types of entry level positions
- Class schedules, etc.

Step 5: Cost
- Go over cost sheet.
- The value of the education must exceed THEIR INVESTMENT!
- Find out sources of funding they may already have.

Step 6: Tour

Step 7: Financial Aid Briefing

Step 8: The Close
- Gain commitment from the student, complete application for admissions and recommend for program acceptance.

Step 9: Two-Part Evaluation (testing)

Step 10: Schedule Next Appointment
- Get excited, give them support and assistance and finally set up an appointment for their Financial Packaging...no later than 48 hours.
### National American University

**College Career Interview Sheet**

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>Phone</th>
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<table>
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<tr>
<th>Work Date</th>
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**Do you currently provide company benefits?**

**Days of Work:________**

**Are you a high school graduate?**

**Do you have a GED?**

**Average Grade: A B C D**

**Other college credits or certificates:**

**Have any of your friends or relatives ever attended National American University?**

**Gender:**

**Marital Status:** Single Married Separated Widowed

**Do you have children?**

**How did you first hear about National American University?**

**Sign:**

**Locate:**

**Habit:**

**Walk-in:**

**Why did you decide to continue your education and how will it benefit you in the future?**

**Do you know of anyone that could benefit from an education?**

**Comments:**

**If accepted by National American University, what would be your area of interest?**

- [ ] Business Administration
- [ ] Business Administration - Specialization
- [ ] Health Sciences
- [ ] Health Sciences - Specialization
- [ ] Legal Studies
- [ ] Legal Studies - Specialization
- [ ] Medical Assisting
- [ ] Medical Assisting - Specialization
- [ ] Paralegal
- [ ] Paralegal - Specialization
- [ ] Technical Writing
- [ ] Technical Writing - Specialization
- [ ] Other

Confidential - For Purposes of Senate Investigation  NNA0214556

National American University Holdings, Inc.
Document 10, Page 42
National American University
CAREER PLANNING SCRIPT

OPENING STATEMENT/PROBE AND GATHER INFORMATION

As we discussed on the phone, the purpose of today is to provide you with one-on-one
career planning and to determine if National American University and the
_________________________ field are for you or not. If we should determine that it is,
I will do everything in my power to help you get started as soon as I can.

In order for me to do that, I need to ask you some questions so I can really get to know
you and your needs, interests and motivation. Then I will tell you some things about the
school and the __________________ industry and then you can ask me questions.

How does that sound? At the end of this interview, my goal is to recommend you for
acceptance at National American University... so, let’s get started!

First, what’s happened that makes you want/need specialized training?

_________________________

EMPLOYED:

On the phone you indicated that you were working. I’d like to explore that a little further.

1. What are your responsibilities in your current position?

2. What’s a typical work week schedule for you?

3. How long have you worked at this company?

4. What do you like most about your job?

5. What are some of your challenges?

6. How much do you make?

7. Do you feel that you are worth more?

(To what you are saying is that you need to make more money... is that correct?)

8. Could you see yourself working there the rest of your life?

(To know for sure that you definitely need to make a change... Is that right?)

9. What’s the #1 reason you want to make a change?

_________________________
10. What other jobs have you had?

11. Would you be staying at this position while attending school?

UNEMPLOYED:
On the phone you indicated that you were unemployed. I'd like to explore that a little further.
1. How long have you been unemployed? ________________ How long? ________________
2. Have you been looking for employment? ________________
3. What are you finding out there? ________________

 Why is that?

4. (Would you agree that employers are looking for individuals with specialized skills?)

5. Will you continue to look for employment while going through school? ________________

6. What type of employment will you be looking for? ________________

7. What other jobs have you had in the past? ________________ (Likes, dislikes, income?)

8. How are you presently supporting yourself? ________________ Amount ________________

EDUCATIONAL BACKGROUND
1. Tell me about your educational background (H.S./college/additional training).

2. Why did you feel that graduating (or getting your GED) was important?

3. What courses did you enjoy? ________________

4. What courses didn't you like?

5. What were your average grades? ________________ Do you feel you could have done better? Why?

COMMITMENT/INTEREST
1. Let's talk about any concerns you may have about returning to school.

2. How did you get interested in the ___________ field?

3. What is it specifically about the ___________ field that appeals to you?
4. How long have you seriously considered this career? __________________________
   (Could you say you have been putting this off?)
5. Why is now the time to make a change?
   (Would you agree that together this time we will make it happen?)
6. Are you ready to make the necessary commitment to attain your goals? __________
   Why? ____________________________________________
7. On a scale of 1-10, how committed are you? (10 more on, 0 or less bring out concerns)
   ________________________________________________

OBSTACLES & PERSONAL INFORMATION
1. Do you usually complete things you start? __________________________
   (If yes, give me an example. If no, why would this be different? Explain our philosophy.
   We Enroll Graduates)
2. Because attendance is so important, tell me about your plans for:
   (Cover any potential obstacles the prospect may face as a student and talk about
   solutions, i.e. child care, transportation, schedule conflicts. When applicable, have them
   create 2 plans)
3. Who will you be talking your decision over with? __________________________
   Are they your support system? __________________________
4. What do you feel they will say? __________________________
5. Do they know you are here today? __________________________
6. At this point, is there anything else I should know that would prevent you from starting
   school and completing it? __________________________

SUMMARIZATION
Well, __________________ from everything we have discussed to this point I know
you would be a good fit with NAU!
Now, let me tell you a little bit about us… (You can use the power point presentation as well as
any other information you have)
- Accreditation-HLC
- Flexible Scheduling—Day, Evening and Online
- Small Class Sizes
- Free Tutoring
- Accept Transfer Credits
Career Focused Degrees

- We have an inverted curriculum so you will have more classes pertaining to your degree program and less general classes—60% vs. 40%.
- You will also be able to start with your major classes right away within the first two quarters.

--USE THE STATUS SHEET OF THE PROGRAM THEY ARE INTERESTED IN--
this will give them a better idea of what the degree entails and the classes they will be taking.

- Ability to continue on with more than just an Associate—or Bachelor’s degree.
- State-of-the-art Labs—Computer, Massage, Medical, Pharmacy—depending on campus.
- Personal Atmosphere—I will be here to help you through the process.
- Instructors with real world experience as well as degree specific education.
- Lifetime Job Assistance.

JUST A FEW THINGS TO COVER BEFORE WE GO ON THE TOUR...

Go over their Current Reality/Future Goals Worksheet.

Go over the Cost Sheet.

Now I would like to take you on a tour to see what NAU is truly about!

Show them the labs you have on campus.

Introduce them to staff, program coordinators, instructors, students that may be in their field and lastly introduce them to SA/FA and make sure they get the information they will need to fill out for their return appointment.

If SA/FA is not available it will be your responsibility to make sure they have the FA information they need to bring back on their return appointment.

Questions? Concerns?

____________________, at this point is there any I did not cover that you have questions about? __________________________ ________________

____________________ __________________________ ________________

CLOSE

"I have one very important question to ask you, and it is probably the most important question that I have asked you so far...Are you the type of person that I can recommend for acceptance at NAU? Why?______________________ _______
Well______________, after everything we have discussed and hearing your excitement and dedication to getting your education—"CONGRATULATIONS"...I am going to recommend you for acceptance at NAU.

**Here is what we need to do to get you started.....**

- Go to applicant portal www.national.edu have them fill out the application—collect the $25 application fee.
- Copy of Driver's License and Social Security Card
- Help them set up an e-mail account if they do not have one.
  - Help them sign up for a PIN number at www.fsfa.ed.gov go to PIN site.
- Set up a follow up meeting with Financial Aid within 48 hours.
- Set up a time to complete their Accuplacer and Aleks if they do not complete at this time. The first financial aid appointment is a good time to have them do the testing as well if they cannot complete it when they enroll.
- Send them a follow up thank you and call them within 24 to 48 hours. Remind them about their Financial Aid appointment.
- Ask for referrals.
# National American University

**Tuition and Fees Schedule**

**9-1-2007 thru 2008**

<table>
<thead>
<tr>
<th>Fee Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Fee (one time degree processing fee for maintaining official records)</td>
<td>$25.00</td>
</tr>
<tr>
<td>Tuition (per credit hour) most classes are 4 or 5 credits</td>
<td>$305.00</td>
</tr>
<tr>
<td>Instructional Material Fee (Per course cost for Instructional Support Materials/links for specific courses)</td>
<td>$85.00</td>
</tr>
<tr>
<td>Technology Fee (per credit hour)</td>
<td>$10.00</td>
</tr>
<tr>
<td>Books (estimate $200 to $400 per quarter)</td>
<td>$400.00</td>
</tr>
<tr>
<td>Professional Liability Fee ($15 per quarter for select programs Including Allied Health and Nursing)</td>
<td>$15.00</td>
</tr>
<tr>
<td>Specialty Course Fee ($60 per credit hour for select courses primarily nursing and science courses)</td>
<td>$60.00</td>
</tr>
<tr>
<td>Graduation Application Fee (for each degree)</td>
<td>$50.00</td>
</tr>
<tr>
<td>Student Injury and Sickness Insurance Plan (optional – contact financial service representative for details)</td>
<td></td>
</tr>
</tbody>
</table>

---

**Admission Representative**

**Date**

**Student Signature**

**Date**

---

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Create a Future

Name:

______________________________

Make it Happen
1. Write a vision or goal on the top line.
2. Next, fill in the current reality (what it looks like now) on the bottom line.
3. Then list 7 conscious-level steps that would move you from current reality to the vision or goal.

VISION
(Vision/Goal)

1. ____________________________

2. ____________________________

3. ____________________________

4. ____________________________

5. ____________________________

6. ____________________________

7. ____________________________

CR
(Current Reality)

Baby Steps-Your first goal may be as basic as to meet your daily appointments, job or class.

Giant Steps- Each goal should be bigger, eventually including major lifetime changes.

The Pacific Institute
Understanding Objections

™ Getting resistance and hearing objections are different.
™ You need to have the right attitude regarding objections.
™ You must find out the reason behind the objection.
™ Respond to the reasons with benefits to the prospect.
™ Realize you can't answer every real objection.
4419

Touring the Campus

Our Goal: Our goal for the tour is to have the prospective student visualize themselves as a student at NAU.

Our Job: Our job on the tour is to make sure at that point we have overcome all of their obstacles and we are getting them acquainted with NAU and what they can expect as a student at NAU. We want them to feel comfortable and be able to see that NAU is the right choice for them to complete their degree. When touring the campus we should show them the classrooms, any computer, medical or massage labs, the learning resource center, the bookstore and the student lounge. We should introduce them to current students, instructors, the coordinator of the program and any staff members that are available. This is the time that we need to have them see what we are truly about. The tour can sometimes make or break an enrollment. I would suggest that you follow along and practice tours with other seasoned admissions representatives to see what they point out and say on their tours.

Trial Closes

When you are giving a tour you should be using trial closes throughout the tour. Some of the trial closes that you can use are:

1. Were you looking at taking day or evening classes?
2. Do you plan on being a full-time or part-time student?
3. Our instructors have real world experience—Won’t it be great to know what is going on in your career industry before you get ready to graduate?
4. Here is where you will get your books.
5. This is the financial aid office—they have a financial plan for everyone. We will help you figure out the best plan for you—how does that sound?
6. Won’t it be great to have up-to-date technology to complete your degree? (This is great when looking at the computer, medical and massage lab or the law library.)
7. With these small class sizes it will give you an opportunity to get to know your instructor and the other students. How do you think that would benefit you?
8. We are here to help you not only start but complete your degree. Is that what you are looking for in a University?
9. National American University has an inverted curriculum—which means that you will get more classes in your selected degree program, without having to take so many general. The great part is that you are able to start on your core classes right away. I bet you can’t wait to get start on your classes in the area?

You do not have to use all of these and you may have some of your own that you prefer better. I would suggest that you practice these and make sure that if the prospective student has questions or touch on an issue that you have a trial close
Feature, Benefit and Close

Throughout our training we have talked about features, benefits and trial closes.
While on the tour you should be using several trial closes on the prospective student to get a feel for how committed they are.

Example: John at National American University you will be learning from the best in the business. National American University hires instructors with both the education they need to teach the class as well as the real world knowledge from working in the field. Won't it be great to know what is going on in today's competitive market before you start looking for a position in your new career field?

Feature—Instructors with a proper education and real world experience.
Benefit—The ability to know what is going on in the job market before you start looking for a new career.
Close—Won't it be a great advantage to know what to expect in the industry before you starting working.

In the next few lines, please list a feature, the benefit of that feature and what you would use as a trial close.

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close

Feature
Benefit
Close
TIPS FOR YOUR TOUR

Tell the prospect to the administrative staff and tell them what they can help them with. Any coordinators or teachers should be introduced and told what they teach and where they work if it pertains to the prospect’s field of interest. They should also be introduced to students that are in the same field they are interested in.

Tell the prospect that we specialize in accommodating students with our flexible scheduling, inverted curriculum, accelerated programs, etc. Make sure you turn these features into benefits by asking them how they would benefit.

Tell about the book store, graduation, the Dean’s List, used book sales and any student organizations you may have.

Use their name!

There are four questions you need to answer on the tour:

“How do you feel you would benefit from our small classroom environment?”

“Do you feel you are someone who can give 100% to your education?”

“We are looking for graduates—someone who wants to complete their education not just start.”

“Could you see yourself as a student at National American University?”

“Out of everything we saw or talked about, what two things interested you the most?”
Interview Test

1. Why do we tell the prospective student where to sit?

2. Write out our Career Planning Session opening statement.

3. Write out three trial closes.
   1) __________________________________________________________
   2) __________________________________________________________
   3) __________________________________________________________

4. What is the most important reason to tour the school?

5. What are the five basic obstacles that we need to address in the career planning session?
   1) __________________________________________________________
   2) __________________________________________________________
   3) __________________________________________________________
   4) __________________________________________________________
   5) __________________________________________________________

6. List one feature of NAU and it’s benefit.

7. What is one benefit of having a friend or relative in school with you?

8. What are we selling during the career planning session?

9. What is an inverted curriculum?

10. What do we tell the prospective student about financial aid?

11. Who discusses the cost of an education at NAU?

12. What are two of the questions that we must ask during the tour?
   1) __________________________________________________________
   2) __________________________________________________________

13. What are two benefits of an education?
   1) __________________________________________________________
   2) __________________________________________________________
14. Name two reasons we are different from other universities.
   1)  
   2)  

15. Why do we follow up with a student after they enroll?

16. When should we make our first call to a new enrollee?

17. How often should we contact them after they enroll?

18. What are the big three?
   1)  
   2)  
   3)  

19. What is the goal at the career planning session?

20. What are at least three things you must do to have an enrollment that starts, stays and graduates?
   1)  
   2)  
   3)  

21. What are the 5 “Verses” of Selling?
   1)  
   2)  
   3)  
   4)  
   5)  

22. Always ask for what?

23. The ________ of education must exceed ________ to have an enrollment that

24. What are two tips for the tour?
   1)  
   2)  

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Follow-Up Techniques
Before they leave your office make sure that you have them registered for classes, they have taken the Accuplacer and the Aleks exams, they have a financial aid PIN number and an email address set up if they do not have a current email and the financial aid paperwork that they must bring with them to the follow up appointment.

Admissions representatives must set up an appointment for their new student to meet with financial aid within 48 hours of enrolling. It is very important for the new student to complete the financial aid process in a timely fashion so they are ready to go when classes start.

Students should be called within the first 24 to 48 hours after enrolling and every week until the second week after the start of the quarter they are scheduled to attend. The first call you should remind them of their financial aid appointment and anything they will need to bring with them—driver's license, social security card, taxes and W-2's etc. The weekly follow-up calls you can use anything as an excuse to call—you saw a job opening for their field, wanted to remind them to bring missing paperwork to financial aid, etc. We want to remind them that they make the right choice and make sure that buyer's remorse does not set in.

All new students should attend orientation; students who cannot make it to orientation are not going to make it to classes. If they are unable to make it to orientation set aside an individual time they can come in and go through the process so they do not miss important information.

Students should receive an acceptance letter from the Vice President or Campus Director within the first week after enrolling. Some campuses send letters from every department. Admissions representatives should also send a personal note to the new student.

Once the students have started classes you can continue contacting them with information on their career field. Monitor attendance records and call when you see missed classes to prevent students from "disappearing".
Orientation

You’ve worked hard and this quarter start is almost a memory. There is only one
more hurdle to cover and that is ORIENTATION. Now is the time to let down
your guard, an orientation can make or break a start. A good orientation will
convey the good decision your students have made plus it will influence those
students that were a little unsure that they are doing the right thing. When deciding
on times to have orientation keep in mind that we want as many students as possible
to come so make sure the orientation is “work schedule friendly” or try having two
sessions—one mid-morning and one in the evening. We should also invite friends
and family to attend the orientation with the students as they will be their
“cheerleaders” or “supporters” while attending school, this is also other way to help
the student feel more comfortable.

By the same token, a bad orientation will undermine all the trust and enthusiasm
you have worked so hard to build. Taking the time to design a high quality student
orientation will pay off with committed and motivated students and will head off
problems in the future if the students know where to go to get solutions to problems.

Follow a few simple steps to ensure your students and staff gains everything possible
from this meeting:

**Note** All new and re-enroll or re-enrolled students should receive a formal invitation in
the mail for orientation at least one week prior to the event. Make sure
representatives call all the students that they do not get an RSVP from and get a
specific time they plan to attend orientation or set up an individual time to come
in if the times do not work for them. We want to make sure they are receiving the
same information and attention that the other students did that were able to make
it at the scheduled time.

**Note** All admissions representatives must always be on hand at least 30 minutes before
the start of orientation. (NO EXCEPTIONS) Most new students unsure of where
to go and what to do. A familiar face will go a long way towards increasing their
comfort level.

**Note** Everyone must be dressed appropriately. This is not the time for “casual” clothes.
This will probably be the first time your students have a chance to meet most
department heads and a professional appearance will be the theme for what you
expect from the students.

**Note** Have every student’s name on a welcome sign at the entrance. and a sign in sheet
with their name so they can sign next to their typed name. This will encourage a feeling of belonging, as everyone like to see their name in print.
This also allows the representatives to see who is missing so they can immediately contact them. Make sure you also have a space for current address,
phone numbers and email address to make sure we have the most current information on file.

**TV** Decorate the room with motivational signs. Consider hanging caps and gowns on the wall. Try to make it as festive as possible. The students need to be reminded that the goal is to graduate. Staff members need to have a smile on their faces and warmth in their voices. If there is a problem or issue with the student make sure that it is discussed behind closed doors and resolved if possible before bringing it to the new students attention or if the student needs to be involved make sure you are doing it in a private setting and not with other students around. Realize that orientation and the processes that they are going through may be intimidating for the new students.

**TV** Above all, the orientation must be well orchestrated. All speakers must know exactly what they are going to say and make it professional and upbeat. Do not have speakers repeat things that others are saying but give a brief description of their department. Make sure the new students know when you will be available if they need help and personally greet as many of the new students as possible.

**TV** Handouts must be relevant and up-to-date. Check copies to see if they are getting faded from too many copies. Make sure there are no misspellings. Remember this is often the time students form their impression of your school as a whole. Be sure you appear organized.

**TV** Make sure students are not left alone in the room at any time. After a representative escorts them to the orientation room, plan on having a staff member or a current student waiting. Try to choose someone that is friendly and easy to talk to. As each presenter finishes they should not leave the room until the next presenter arrives.

**TV** Schedule a ‘satisfied’ graduate to speak. They can explain how they felt when they attended orientation and what they encountered during the course of their education. Special emphasis needs to be put on their successful employment search and what they are doing now.

**TV** Certain areas should be covered in depth. These include attendance policies, what is an excused absence, policy on making up tests, location of mailboxes, designated smoking areas, dress code and any other rules and regulations. Make sure that all participants are clear on these items and invite questions. Remind them that all these policies are in place to benefit them.

**TV** Consider awarding little gifts—notebooks, pens, or other useful items that the student may be able to use. Make it fun and enjoyable.

**TV** Although this seems like a lot to cover, the orientation should not be so lengthy that it becomes boring. With proper preparation and organization the time should flow smoothly and quickly.

**TV** Last, there is nothing wrong with being proud of your school. Your pride will show and encourage the students. Blow your own horn!
4428

Rules for Admissions Success

1. Of all the reasons a person gives or has for continuing his or her education, the most often cited is motivation to prepare for a "career".

2. In all likelihood, your prospect will make a decision to apply to your school when, and only when, the value of attending has more personal worth than the money, time and energy the prospect will exchange for it.

3. Every time you sit down for an interview, your only objective is an enrollment.

4. If someone really needs to go to your school to become more successful, and you fall as an admissions representative to enroll that person, you have met the challenge of your job.

5. People do not buy education and training. They buy the benefit of the education and training. (The life after graduation.)

6. Before you "sell" anyone anything, take the time necessary to find out truly why they want to "buy" it. (Their hot button)

7. Learn the qualifying opening statement and use it at the beginning of every interview.

8. When someone tells you they want to think it over, they are, in a very real way, saying they are looking for ways not to "buy" what you are selling.

9. You cannot find out what is on a person's mind if you do all the talking. Ask lots of open-ended questions...and listen. (Remember the 80/20 rule.)

10. Along the same lines...we are given two ears and one mouth for a good reason. Listen twice as much as you talk.

11. If you are proud and believe in what you do for a living, always ask for referrals.

12. People buy things from people they like and trust. A very important aspect of enrolling interested students is based on this fact. But, generally speaking, before people like and respect you, it is vital that you like yourself.

13. An admissions myth: It is just as easy to be a success as it is to fail. Wrong...it is much easier to fail than to succeed.

14. Your results are always a direct reflection of your ability, interest and desire.

15. Your "close" is worthless if your "opening" was way off base. Learn how to conduct a caring, personal, but structured interview that leads to an enrollment.

16. Enrolling is 85% attitude and 15% product knowledge. If you do not believe this, the next time someone comes in for a career planning session, give him/her a...
catalog and any other printed material they need to read and evaluate. Then, ask
for the enrollment and application fees. (Do not really do this—it will not work.)

17. Do not waste your life on the study of why things do not work. Spend your time
on the study of why things do work...why they are right!

18. Practice never makes perfect, only permanent. If you practice the same thing
incorrectly time after time, it will only become permanently wrong. Proper
practice makes perfect. Always evaluate your results. Role play with other
representatives and critique yourself often.

19. Remember that our prospects count on you for direction and advice.

20. "Always under-promise and over-deliver."
Thirteen Steps to Increase Enrollments Today!

1. **Believe in Yourself.** Self-confidence is the result of setting and meeting realistic goals. How many phone calls can you make...TODAY!

2. **Do Your Homework.** Gather information with each contact, use your script, take notes, appoint and follow-up...TODAY!

3. **Ask Good Questions.** Open-ended questions require more than a “yes” or “no” answer. Get your prospect talking and revealing their needs. Ask good questions and get good answers...TODAY!

4. **Be Enthusiastic.** Become comfortable with the phone, project your personality and develop a calling schedule...TODAY!

5. **Know Your Prospect and Speak Their Language.** When you accurately interpret their needs, you can offer appropriate solutions...TODAY!

6. **Believe in Your School and the Benefits of Education.** If you have no doubts, neither will your students. This creates enthusiasm so you can help a student enroll...TODAY!

7. **Study Your Competition.** Never knock them, but know your strengths by comparison. Match your persistence to theirs...TODAY!

8. **Plan, Prioritize, and Delegate.** Ask for help when you need it. If you help others to succeed it will bring you success...TODAY!

9. **Work at Work.** Become your own time manager...TODAY!

10. **Learn How to Say “NO”.** Choose your commitments carefully and keep the ones you make. Be truthful and goal oriented...TODAY!

11. **Conquer Rejection.** Be prepared for, “I am not interested” and handle it properly. Rejection can build character...TODAY!

12. **Develop Strong Relationships with Your Students.** Offer to help, stay in contact, and anticipate their needs and concerns. Ask for feedback and referrals...TODAY!

13. **Tie Up Loose Ends.** Follow up and follow through...TODAY!
Conversion Rates

This shows you the areas to concentrate on when trying to improve certain conversion rates.

7M Lead to Appointment = CONTROL & DIRECTION

7M Appointment to Show = PROBING & INVOLVEMENT

7M Show to Enroll = VALUE

7M Enrollment to Start = COMMITMENT

7M Start to Graduate = OUTCOME-ORIENTED INFORMATION REGULARLY
SCRIPTS FOR CALLING OLD LEADS

Hello— , this is _________ . How are you today? I am calling today to follow up on your recent interest in National American University’s degree programs. The information I received showed that you had an interest in ___ . How long have you had an interest in the ______ field? What are the main reasons you are looking at making a change? We have some great degree programs that you will be able to complete while being able to continue your employment. I would like to have you come in for a Career Planning Session so we can explore your options—I have an opening at ______.

Hello, _________ this is _________ . How are you today? I am following up on a recent request we received from you to get information on our degree programs. I thought I would call you in person to see if I could be of assistance. Let me ask you a few brief questions. What is your current position? How long have you been in the ______ field? Are you looking to make a total career change or to enhance your current skills and education? We have some great opportunities at National American University to help you get started toward a new career or get that promotion you deserve. The best way I can help you is to have you come in for a Career Planning session—we will discuss your goals and talk more about NAU and the areas you are interested in. I have an available time at ______.

IF YOU ARE LEAVING A MESSAGE

Hello, _________ this is _________ with NAU. I am calling to talk to you about the exciting degree programs that you had requested information about. Please call me back at _________ so I can share this information with you. I look forward to hearing from you.

Hello, _________ this is _________ with NAU. It is still not too late to get enrolled for our next class start...however classes are filling fast! Give me a call today at _________ to get started on a new career.
From: Cheery Bullmer <cheery@national.edu>
To: Ron Shape <ronshape@national.edu>
CC: Jerry Gallantine <jerry@national.edu>, Sam Kerr <sam@national.edu>, Blake Feulner <blake@national.edu>
Subject: RE: Alert

Ron,

Our current default is 7.8%. if the default rate is extended to the 3 or 4 year calculation as indicated below our default rates would be around 14.9% (3 yr) and over 20% (4yr). In addition, should the default rates go over 10% we will lose some benefits such as delivering loan funds in a single disbursement and we would have to go back to a 30 day delay for first disbursements of a loan for first time, first year undergraduate borrowers. If we have three years of 25.0 or greater cohort default rate we would lose federal loans and federal Pell grant for the remainder of the fiscal year in which we are notified and for the following two fiscal years.

From past experience once the default rate goes above the 10% lenders are hesitant to work with us. If we go over 15% we would lose our alternative loan options with those lenders.

If you have any questions about the above information please give me a call.

Thanks

Cheery

Confidential – For purposes of Senate investigation  NAA0014695
From: Ron Shape
Sent: Thursday, January 17, 2008 4:12 PM
To: Cheryl Bullinger
Cc: Jerry Gallo; Sam Kerr; Blake Fauliner
Subject: PW Alert

Cheryl,

Will you check to see what impact this will have on NAU's rates?

Thanks,
Dr. Ronald Shape

COO/CFO
National American University
5301 S. Highway 16
Rapid City, SD 57701

Phone: 1-888-346-6450
Fax: 1-605-346-6455

national.edu

From: CCA Government Relations Department [mailto:legislative@career.org]
Sent: Thursday, January 17, 2008 3:10 PM
To: Ron Shape
Subject: Alert

ALER ACT NOW
4436

The Department of Education has released this week a new chart (attached) showing the impact of the Grijalva/Bishop Amendment, which was adopted by the U.S. House of Representatives Education and Labor Committee. The amendment would extend the calculation of the cohort default rate by one year. ED estimates that schools in our sector will have a 9% increase in their cohort default rate, much higher than any previous estimates. Many schools could quickly find themselves in danger of losing Title IV eligibility.

The House Education and Labor Committee majority staff have argued in defense of the amendment that no hearings were held and which was adopted in the Committee with almost no debate—that if a school has a high default rate, they will work closer with students to prevent them from defaulting (see attached report). They clearly do not take into account that the school has not had contact with the student in over three years under this new proposal, and that schools already spend a great deal of time and money counseling students.

We need as many Members of Congress to contact the House Leadership and the Chairman of the Education and Labor Committee, Rep. George Miller.

YOU MUST ACT NOW

1. Contact your Congressman now by calling and e-mailing their offices.

National American University Holdings, Inc.
Document 11, Page 4
Call your Congressman by calling the main Capitol number, 202-225-3121, and asking to speak to their office. Ask to speak with the Legislative Assistant who handles higher education affairs for the Congressman. We need for your Congressman to contact the Chairman of the Education and Labor, Rep. George Miller, and ask him to remove this provision from the bill. We have provided talking points (attached) for your use. Please contact CCA Legislative Affairs Director [redacted byHelp Committee] or [parent].org with the results of your conversation. If you do not know who your Congressman is, go to CapWiz <http://www.capwiz.com/ccaer> and it will provide the information.

E-mail your Congressman now. Go to CapWiz <http://www.capwiz.com/ccaer> and send an e-mail to their office. A draft e-mail is attached. However, it is more effective if you write your own message.

2. Attend the CCA Fly-in and meet with your Members of Congress on Tuesday, January 29th. CCA will assist you in setting up your appointments. Our hotel block at the Hyatt Regency is full. CCA can help you find hotel rooms if you have any problems.
Response to Request No. 27: Description and Explanation

I. Request

All documents concerning any analysis, review, examination or audit of any institutional lending program, whether performed by the Company or any other person or entity, including, but not limited to, any analysis, review, examination or audit of the value of such loans and forecasts of the default potential of such loans.

II. Description of Documents


Redacted by HELP Committee

The documents provided in response to this Request have been Bates numbered NAU0018354 to NAU0018356.

III. Explanation of Documents Produced

The University’s institutional loan program is very small, with only $223,497.69 of institutional loans outstanding as of September 1, 2010. During the entire period from fiscal year 2006 to fiscal year 2010, the University originated only 106 institutional loans.

Institutional loans are used by the University only in rare circumstances and are not generally available to students as a source of funding their educational expenses. The institutional loan program is internally funded and underwritten, there are no contracts with private lenders or loan services to underwrite, fund or service the institutional loans. The terms of each institutional loan vary depending upon the facts and circumstances of a student’s situation.

The University also assists students in finding private loans through the FASTChoice program, which enables students to obtain private loans from third party lenders. The University does not receive any proceeds or fees in connection with such private loans.

The above referenced documents include KettelThorson, LLP’s (the University’s independent auditor for fiscal years 2006 through 2008) analysis of the University’s institutional
loan accounts receivable balance and related allowance for doubtful institutional loan accounts at May 31, 2006, 2007 and 2008. The University’s institutional loan balances are small. There are few students with outstanding institutional loans, and the average balance of $2,600 per student remained consistent between 2006 and 2008.
Institutional Loan Rate & Fees

Your Interest Rate
Your interest rate will be fixed at either 8% or lower. Your interest rate will be determined by the availability of funds and by whether or not you meet the eligibility criteria for those funds.

Loan Fees
There are no loan processing fees associated with this loan.

Your Interest Rate during the life of the loan
Your rate is fixed. This means that the interest rate on your loan will not change.

Loan Cost Examples
The total amount you will pay for this loan will vary depending upon the length of time and the amount you choose to pay monthly. The following example is representative of typical loan payments at 8% interest.

<table>
<thead>
<tr>
<th>Amount Borrowed</th>
<th><strong>Example One</strong></th>
<th><strong>Example Two</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,000.00</td>
<td>$3,000.00</td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Loan Fees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Number of Payments</td>
<td>54</td>
<td>77</td>
</tr>
<tr>
<td>Minimum Payment amount</td>
<td>$66.61</td>
<td>$50.00</td>
</tr>
<tr>
<td>Loan Term</td>
<td>3.5 years</td>
<td>6.4 years</td>
</tr>
<tr>
<td>Cumulative Payments</td>
<td>$396.94</td>
<td>$385.00</td>
</tr>
<tr>
<td>Total Interest Paid</td>
<td>$396.94</td>
<td>$385.00</td>
</tr>
</tbody>
</table>

Your loan will automatically be set up for minimum $50.00 per month payments, for the time period necessary to pay off the loan, not to exceed 10 years. The example above reflects a minimum payment example (Example Two) as well as an example of how you can save interest and pay the loan off in less time by increasing the amount of your monthly payments (Example One). You may pay off this loan at any time without any pre-payment penalty.

Important Dates
You have thirty (30) days to accept this loan. Your loan application was received on ______, your acceptance must be received by ______.

Once National American University has received your signed loan documents, you have the right to a three (3) day (business days) rescission period from the date that you sign the promissory note in which you may decline the loan. The definition of a business day is any day that the creditor normally conducts business, with the exception of Legal Public Holidays.
FEES and TERMS

Deferral: Default is failure to repay your institutional Loan according to the terms agreed to when you sign the promissory note. Failure to make three monthly payments will constitute defaulting on your institutional Loan. If you default on the loan, National American University may declare the entire unpaid amount of the loan, including interest, immediately due and payable. A hold will remain on your academic transcript when default occurs.

Credit Reporting: National American University reports to the credit bureaus organization relevant information concerning default on any loan.

Deferral: You have the right to request deferment under the following conditions:

- Full-time re-enrollment at National American University or another Institution of higher education.
- Times of severe hardship.

It is the responsibility of the borrower to submit timely deferment forms if applicable.

Bankruptcy: If you file bankruptcy you may still be required to pay the loan back.

Address: It is your responsibility to keep your address updated. Failure to do so may result in skip tracing fees being charged to your account. Skip tracing fees will not be in excess of $3.00 per instance.

Prepayment: You may pay this loan off at any time with no pre-payment penalty.

Federal Loan Alternatives

Institutional loans are considered “loans of last resort” and are offered only to students who have exhausted their federal loan eligibility and do not have any other alternative loan options, including the Parent PLUS loan. If you have not exhausted your federal loan eligibility, you are encouraged to discuss these options with your financial service representative.
In reviewing the activity on your financial aid disbursement and consulting with the Central office, you should end up being able to keep the financial aid where you attended classes after the disbursement date. Of course, if it has to go through the processes after we receive your drop paper to make a final determination. To re-enter, you will have to complete a re-entry application and application letter. Dropping all classes will trigger an exit letter for the loans and the clock begins to tick to start the payments on school loans. There are some steps to request a deferment if you resume classes again.

Hope this helps,

Kathy
In Financial Aid is checking into it for us. She'll let us know as soon as she has the answer.

You have to be taking at least 6 credit hours in order to get Federal Financial Aid; usually, that means 2 classes.

You have 5 classes left to finish your AAS: Spreadsheets, Microeconomics, Business Law I, Princ of Marketing, and International Business. (That's based upon my tentative evaluation. The official evaluation will need to come from the Registrar's Office.) Since you're this close, I think you should fill out and submit a Graduation Application. It costs $50, but it gets you the official evaluation and your diploma, upon completion.

Do you use the Student Portal? On the Student Portal under My Documents, and then Useful Forms (I think you have to click on that twice), you'll find the Graduation Application / Undergraduate. I would recommend that you complete that and turn it in to [Redacted] (you can mail it, fax it, or bring and e-mail it).

Thank you.
From: Redacted
Sent: Tuesday, February 24, 2009 11:05 AM
To: [Redacted]
Subject: Re: Redacted

Gale,

I guess I am confused. I thought I couldn't drop the class now? If I can drop it without getting a letter grade and I can do it again later I would like to do that. I would like to take the class when I can give my all without all the problems I had this time. My grades are usually better.
Will have to pay for this or will my student loan pay for it? When I am ready to take classes again in the summer will this affect my student loans?

If I am using student loans can I take just one class in the summer or do I have to take 2 in order to get the loans?

Thanks again for putting up with me. I really wish I could be in classes instead of online but that is life. I have decided to continue my education with NAU and just stick to an Associate in Business Administration. How can I find out all the classes I still need to complete this degree? I think it is about 6 or so classes?

Thanks

Redacted

Thank for and God Bless!

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From: Redacted by HELP Committee
To: Redacted

Confidential - For Purposes of Senate Investigation

National American University Holdings, Inc.
Document 14, Page 4
Sent: Monday, February 23, 2009 3:18:26 PM
Subject: RE: Redacted

Thanks again, Redacted. We will leave you in your winter 08/09 term classes, as per your request. This means that you will receive a regular letter grade for the classes.

(The other alternative is to drop the classes if you want to avoid a grade that might be lower than you would normally like.)

Thank you.

Redacted by HELP Committee
From: Redacted
Sent: Monday, February 23, 2009 12:34 PM
To: Redacted
Subject: Re: Redacted

Thanks for your help Gale. I did not complete the classes from this term but at this point I am not upset about it. I will just have to take them over again.

Redacted

---

From: Redacted by HELP Committee
To: Redacted
Sent: Friday, February 20, 2009 5:12:34 PM
Subject: RE: Redacted

Hello

Thank you for your message. I appreciated the opportunity to talk with you via phone just a few moments ago, as well. As per your request, you will remain in your two online courses for Winter 08/09 term. You stated you wished to complete them. You also stated that you'll be taking spring 09 term off to revisit your college plans.
I hope that we will be able to serve you in the future and am sorry about the difficulties you've encountered this term.

If you have any questions or if I may be of help to you in any way, don't hesitate to contact me.

Academic Dean

National American University

Rapid City, SD

Redacted by HELP Committee
From: Redacted
Sent: Thursday, February 19, 2009 7:01 PM
To: Redacted
Subject: Re: Redacted

Thanks again for your response. I did get your message on my phone but I work Monday thru Friday 8am to 5pm and we are one hour ahead of you in time. I can never find the time to call the school during hours that everyone is there.

I actually requested from my manager to use the computer at work some during the ice storm that is why I knew I logged in. I was not able to submit anything during that time but I sent a message to both my instructors. I do not want to extend my classes at this time.

When I asked to drop my classes at the beginning I asked to drop both of them but was told it was not possible that if I did I would have to pay for both classes out of my own pocket. She then suggested at that time to write the instructor in micro to ask him for a little bit of consideration till I received my book which I ordered and had mailed to me. He didn't give any consideration to that at all.

When I wrote and asked for consideration while we waited for our elector to come back on once again I got no consideration. I really do feel Mr. Doe not care whether his students pass or fail. In my opinion he is rude in his responses to students on our discussion threads.

I have to admit he is the worst instructor I have had with NAU. I understand he has close to one hundred students in his on line class and I really think this is too much for one instructor and the class should be smaller. I do not feel he knows or understand each of his students enough to know what they need or want out of the class.

I am not taking spring classes as I am not sure what I want to do yet with classes. Thank you for your information though. I had never had anyone tell me where to look to see if a class I signed up for has a book or is e material.
When I usually write NAU I usually use my portal and hit mail my advisor so I assumed I was emailing the right person. If I understand correctly that link is not set up correctly.

When I register for a class I usually write that link mentioned above and ask what class I should register for for that term. I once again assume that person could answer my question according to my degree.

NAU there in Rapid City. My complaints have just been with the distance learning. I have to also admit I do not feel like I get out of the class what I do when I attend the class so there is another reason I am seriously considering taking classes here locally even though it is a thirty minute drive one way to the college.

Once again THANKS for your words of encouragement and understanding. As you can probably see since I started Distance learning my grade point average has just gone down hill. I do much better in class.

Have a good weekend

Redacted

From: Redacted by HELP Committee

To: Redacted
cc: Redacted by HELP Committee

Sent: Wednesday, February 18, 2009 10:37:36 AM

Subject: Redacted

Redacted

Hello

Thank you for your message. I am glad you wrote me and I am very disappointed to hear of the difficulties you are having. This is not the kind of situation we want any of our students to have. We want all of our students to have a satisfying learning experience at NAU.

I called your number today and got the answering machine, so I left a message. I would love to talk to you by phone, so please call me; however, if I miss you by phone, I do want to address your concerns.

You mentioned that you requested an incomplete in the Microeconomics class. It looks as though you logged on to both of your online classes each week in January and February. I know you had terrible storms in Kentucky. Were you able to log on to your classes during the storms and what problems did you have with completing your coursework for the Microeconomics class during that time due to the storms? In the meantime, could you please keep me advised about the status of this if you hear anything from Mr. yourself?

Students may choose to drop a class. My assumption is that you were told if you dropped one class, you might not be eligible for Financial Aid to pay for the other class. The rules for Federal Financial Aid state that students must take at least 6 credit hours per term in order to be eligible. This may have been the reason that you were told you could not drop the class.
Some online classes use "Instructional Materials" for their reading assignments which, as you know, are accessed on the course website. Other online courses use actual textbooks. Your advisor should be able to help you find out if the classes you register for use actual books or Instructional Materials. You can also check for yourself to see if an online course takes a regular textbook by going to <http://bookstore.mbsdirect.net/national.htm> or <http://www.mbsdirect.net>.

Select the term you’re registering for, click on Continue and then select the classes you’re registering for on the next screen. There you’ll see whether the class takes a regular textbook or not. If it does take a textbook, you’ll see a picture of it and get lots of other details about it. You can close out of the screen at that point and order the books from MBS by phone later using the authorization code you get from your Financial Aid Advisor.

Whichever you register for your classes using the Student Portal, you should call or e-mail your advisor just to confirm that the classes you chose are right for your degree. I know that you have called me about registration in the past because she was your Admissions Representative. I want to be sure you know that your academic advisor is the person who is the coordinator of our business programs on the Rapid City campus. In the future, please call or e-mail her for any questions you may have about academic advising. She can be reached by calling 1-600-843-8892, then ask for her. She can also be reached via e-mail at <her.email.address>. If you ever have any difficulties reaching anyone you need to speak to at NAU, you can always call me at the same number and just ask for me, or you can e-mail me at <my.email.address>.

I will mail a change of program form to you that will allow you to change from the Associate’s to the Bachelor’s program. Please sign it and return it to me.

Confidential - For Purposes of Senate Investigation

National American University Holdings, Inc.
Document 14, Page 11
I know this is a long message, but I want you to have the information you need. I also want you to know that we would like to be the university you choose for your career plans and we hope that you will continue with us. We would be happy to help you register for spring courses which start the week of March 9.

Please contact me with any other concerns or questions you may have. Let me know if I may be of help to you in any way.

Thank you.

Dean of Academic

Academic Dean

Rapid City, SD

Redacted by HELP Committee
I do think I want a bachelors instead but right now I am very frustrated with NAU on line classes. I was late getting started in my Micro class due to the fact I was not told I needed a book instead of an ebook and since I do not live close to a campus what so ever I had to have it mailed. I tried to drop classes this time before I ordered the book and was told I couldn't. Then a couple weeks ago we had a ten day power outage due to a winter ice storm so I am behind again. The professor in Micro is not understanding at all. I asked for an extension but never heard back. I worked 5 hours on Sunday trying to catch up. I plan on working all afternoon tomorrow too so hopefully I finish before the end date of Feb 22 and I doubt I pass the final.

I spoke to my husband about this since we will never live by a NAU campus again I am considering changing colleges. I started out there because all the time we lived there in Rapid City due to my husband being military but now that my husband is retired and we moved back home to Kentucky I do not feel I am getting the same treatment and consideration I get while we were there. Online classes are just not all they are cracked up to be.

I will not be taking classes this time even though I jumped ahead of myself with the paperwork for financial assistance at work. I am too frustrated with
NAU right now.

Sorry for being so negative and thanks again for your help.

Redacted

My new number Redacted thought I updated it all but maybe I didn't.
My new address Redacted

___

From: Redacted by HELP Committee
To: Redacted
Cc: Redacted by HELP Committee; Redacted by HELP Committee
Sent: Monday, February 18, 2000 4:11:17 PM
Subject: Redacted Hospital form

Hello Redacted

We received the Academic Program Evaluation form for you from Redacted Hospital. I have completed it and will return it to them. I'll also mail you a copy.
I noticed that the form indicates your Program of Study is a BS in Business Administration. I did complete the form with the requirements for a Bachelor's degree since that is what was indicated on it. Currently, however, you are registered for the AAS in Business Administration. Was this an error? If not, do you want to change from an Associate's to a Bachelor's degree program or do you want to pursue both?

I tried calling you today at the phone number we have for you, [Redacted] and the number is disconnected. Do you have a new phone number?

Thank you.

[Redacted] KLM Edwards

Academic Dean

National American University

Rapid City, SD

Redacted by HELP Committee
"A month and a half after completing my MBA, I became a business supervisor in the organization I was currently working for. It was a major advancement for me."
Holly - MBA Graduate

“I really enjoyed the online opportunities of flexible times. I was able to be in discussion groups with students from all over the world. I liked not having to travel to a classroom.”
Laura - Applied Management Graduate

“My NAU degree helped me land a brand new job. Not only did I get my dream job, I landed a $20K raise to go with it. This position would not be possible without my degree from NAU.”
Chuck - Information Technology Graduate
Hot Links

There are just certain numbers and addresses in life that seem to stay in our minds such as home phone numbers, parents' address, and oh, a birthday of that special someone...

A person encounters tens of thousands of words and numbers daily. It's too difficult to retain everything we hear and say. Therefore, we want to help you out by listing some of the most frequently used contact information at NAU to help you get started.

Your Student Portal
https://mycampus.national.edu

Free Application for Federal Student Aid
www.fafsa.ed.gov

PIN
www.pin.ed.gov

Learner Services
800-548-0602
uservices@national.edu

Financial Aid
800-508-5231
dfinancialaid@national.edu

Student Accounts
800-901-6389
dstudentsaccount@national.edu

MBS Direct (textbooks)
800-325-3252
http://bookstore.mbsdirect.net/national.edu.htm

NAU IT Support
800-548-0602
nausupport@national.edu
Learn to Succeed

Success starts at the beginning... An admissions coordinator will work with you during a one-on-one career planning session to determine the best path for you and guide you through the enrollment process.

94% of student respondents indicated they were satisfied or very satisfied that their admissions coordinator helped them to make an informed decision about enrolling. Fall 2017/Summer 2018 Fall/New Student Satisfaction Survey

It continues in the classroom... NAU faculty incorporate their real-world expertise into your learning experience to give you the skills you need to be successful in the workplace.

100% of our full-time undergraduate business faculty hold at least a master’s degree as well as five or more years of relevant work experience. 2017-2018 academic year

99% of our full-time graduate faculty hold a doctorate level degree as well as five or more years of relevant work experience. 2017-2018 academic year

Supporting your success... Your dedicated personal learner services advisor will mentor and support you from orientation to graduation... whether its academic advising, tutoring, technical support, or even just encouragement to keep you focused on your goal.

87% overall course completion rate for full-time undergraduate courses. 57% overall course completion rate for full-time graduate courses. Measured as of Fall 2017

Active learning applies to your career... Throughout your program you will be challenged to master and apply critical competencies through innovative and interactive techniques that can be readily applied in the workplace.

93% of alumni respondents indicated that their NAU major core coursework prepared them effectively for the workplace. 2018 NAU Institutional Alumni Survey

Your success is our success... We are in the people improvement business. We care about you, we educate you, and we treat you fairly. You will gain career and personal skills, learn to succeed and become a leader.

94% of our students would recommend NAU to others. Fall 2017 U.S. Student Satisfaction Survey

We are accredited by the Higher Learning Commission and a member of the North Central Association of Colleges and Schools • www.ncahlc.org.
Because You Matter

Preparation

- The Facts:
  - Admissions Coordinator: Your admissions coordinator will assist you with applying to the university, selecting an appropriate academic program, choosing your first courses, and making sure you get off to a good start.
  - Enrollment Coordinator: In coordination with your admissions coordinator, you will also have an enrollment coordinator to guide you with the enrollment process—everything from assisting with financial paperwork, ordering textbooks, and any other "before the quarter begins" items.
  - Learner Services Adviser: Once you begin your online courses, you will be assigned a dedicated learner services adviser who will be your one-on-one adviser until the day you graduate. Your learner services adviser will provide on-going academic advising and course selection, assistance with the registration process and/or changes to your course schedule, guidance through the online orientation and navigation of the online learning environment, facilitation of online tutoring and academic support resources, and support with career services.

- The Guacamole:
  - Student support services: Your success is our success and we can help you reach your goals.
  - Personalized academic advising: A degree completion portfolio developed just for you.
  - Virtual library: Everything at your fingertips for all your resource needs.
  - Free online tutoring for many courses:
    - 24/7 one-on-one online tutoring available
    - Participate in live, drop-in tutorial sessions
    - Ask written questions for personalized responses
    - Submit essays for individual critiques
    - All tutors are professionals with a master's degree or higher
    - Did I mention FREE?
  - Single sign-on: Access your student portal, online courses, and virtual library with one username and password.
  - Technical support: A team available to assist you with access, navigation, and other IT support questions.
  - Dell discount: NAU has partnered with Dell™ to offer you discounts on desktops and notebooks. www.dell.com/NAU
Preparation

Register Before registering for courses via the student portal, please visit the student portal and register for courses. Courses must be registered for in order to enroll in the college. Once you have registered for courses, you will be able to access the online course materials and participate in online discussions. You must complete all courses before registering for additional courses.

Financial Arrangements

Please contact your local campus financial aid office for information on financial assistance.

Late Registration: The online orientation is located in your student account under the Distance Education tab. This online orientation offers an introduction to the system and should be completed before beginning your first online course.

Course Materials:

Please check the course materials for your specific course for information on course materials and assignments.

Class Schedule:

The class schedule for the course is located in your student account under Distance Education tab. This schedule provides information on course materials and assignments.

Communication:

It is important to communicate with your instructor regarding your progress. You can email your instructor via the email address listed in the course materials.

Textbooks:

Textbooks are available at the campus bookstore and online through the online bookstore.

For additional academic or student support, please contact your local campus.
Tuition: $299 per credit hour*

NOTE: All tuition and fees are subject to change by notification from the university. Tuition and fees are due on the first day of each quarter unless alternate arrangements are made. Students may qualify for short-term financial assistance to complete their registration.

Fees:
Application Fee - $25**
International Application Fee - $45**
Matriculation Fee (paid once) - $50
Undergraduate Graduation Application Fee - $50
   (per undergraduate degree at time of graduation application)

A list of specialty course, program and instructional material fees is available to all students and prospective students in the financial services office.

* Quarterly tuition does not include the cost of books and supplies.
** The application fee will be refunded if the applicant withdraws within three days of making payment, provided the student has not entered classes. (Exceptions: Five days in the state of Minnesota regardless of whether the course of instruction has started. Three days in the state of Missouri (excluding Saturday, Sunday and holidays) regardless of whether the student has entered classes.)
## National American University

**Tuition and Fees**

**PER QUARTER**

(Effective September 7, 2018)

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<thead>
<tr>
<th>Fee Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
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<td>Application Fee</td>
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</tr>
<tr>
<td>Matriculation Fee (one-time charge)</td>
<td>$50.00</td>
</tr>
<tr>
<td>Tuition ($286 per credit hour)</td>
<td></td>
</tr>
<tr>
<td>Example:</td>
<td></td>
</tr>
<tr>
<td>4.5 credit hours x $286 per hour = 1 class</td>
<td>$1287.00</td>
</tr>
<tr>
<td>9 credit hours x $286 per hour = 2 classes</td>
<td>$2574.00</td>
</tr>
<tr>
<td>13.5 credit hours x $286 per hour = 3 classes</td>
<td>$3861.00</td>
</tr>
<tr>
<td>18 credit hours x $286 per hour = 4 classes</td>
<td>$5148.00</td>
</tr>
<tr>
<td>Books (estimate per term)</td>
<td>$450.00</td>
</tr>
<tr>
<td>Instructional Material Fee (per course cost for instructional support materials/links for specific courses)</td>
<td>$40.00 to $85.00</td>
</tr>
<tr>
<td>Residence Hall Deposit (one-time charge)</td>
<td>$100.00</td>
</tr>
<tr>
<td>Residence Hall Room Charge (charged quarterly)</td>
<td></td>
</tr>
<tr>
<td>Multiple Occupancy:</td>
<td></td>
</tr>
<tr>
<td>2 person room</td>
<td>$75.00</td>
</tr>
<tr>
<td>4 person room (1 or 4)</td>
<td>$75.00</td>
</tr>
<tr>
<td>Special Request</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$550.00</td>
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<tr>
<td>Food Service</td>
<td></td>
</tr>
<tr>
<td>6 meals per week</td>
<td>$462.00</td>
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<td>8 meals per week</td>
<td>$594.00</td>
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<tr>
<td>12 meals per week</td>
<td>$828.00</td>
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<tr>
<td>Special Fees (if applicable)</td>
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</tr>
<tr>
<td>Graduation Application Fee (charged for each degree for which an application is made)</td>
<td>$10.00</td>
</tr>
<tr>
<td>Technology Fee (per credit, per quarter)</td>
<td>$10.00</td>
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<tr>
<td>(charged for each degree for which an application is made)</td>
<td></td>
</tr>
<tr>
<td>Fee covers:</td>
<td></td>
</tr>
<tr>
<td>1. Lab supplies and supplies for Labs</td>
<td></td>
</tr>
<tr>
<td>2. Classroom Technology</td>
<td></td>
</tr>
<tr>
<td>3. Computer Labs</td>
<td></td>
</tr>
<tr>
<td>4. Technology Infrastructure (on-going)</td>
<td></td>
</tr>
<tr>
<td>5. Continual Upgrading of Residence Hall Technology</td>
<td></td>
</tr>
<tr>
<td>Professional Liability Fee (Please see supplement Course Fee list effective 9/1/2010)</td>
<td>$25.00</td>
</tr>
<tr>
<td>Nursing: ESN and Online RN to BSN, MS course costs (per credit hour)</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

All costs are subject to change by action of the NAU Board of Governors.

Confidential - For purposes of Senate investigation

National American University Holdings, Inc.

Document 17, Page 1
Redacted

Redacted

April 3, 2007

National American University
321 Kagajo City Street
Rapid City, SD 57701

Re: Alleged Delinquent Balance

Dear

I am writing concerning your collection efforts with regard to an alleged delinquent balance of $420.46 plus accumulated interest to date of $15.23. I have no knowledge of owing any money to National American University.

My experience with National American University (Zona Rosa Campus) has been nothing but inconsistencies, misrepresentations, disorganization, and incredibly poor management. In fact, you are now alleging that I have to pay back student loans for classes I did not take. For example, my online Strategies for Success class was held and I didn’t even get my books until the week of final exams. Despite my numerous phone calls, e-mails, and complaints during those eight weeks, they finally gave me less than one week to make up the entire class. Needless to say, there was no possible way to complete the entire eight-week class in less than one week, much less having to go out of town the following day. Again, despite my continued complaints, I was ignored. Still, you are alleging that I have to pay for the class. Another example was my financial aid paperwork. They lost it THREE times! Therefore, every time they lost the paperwork or claimed they didn’t have it, I got locked out of my online classes. On one occasion, I was in Redacted helping family and friends after the hurricane and could not submit my online homework because they had locked me out. Of course, I got a zero for the week. This pattern continued into my second semester where I finally gave up. After just a few short weeks into the semester, I called the head of the Zona Rosa campus and asked her to remove me from all of my pending classes. She apologized for all of the problems I had incurred, she in fact had heard about my situation/problems, and told me I would owe nothing. Apparently, she ignored that too, as your are now alleging I have to pay back student loans for those particular classes, in addition to the Strategies for Success class I couldn’t take, and, now, your collection efforts.

Needless to say, my experience with National American University has not been a good one. Your collection efforts are typical of my experience with NAE and I am encouraging you not to pursue this matter or affect my credit in any negative manner. If incorrect information has already been reported to the credit bureaus under my name and Social Security number, I demand that all information be corrected immediately by removing any existence of the account. Should you choose not to do so, please be advised that I will pursue every available remedy afforded to me under the

Redacted
April 3, 2007

Redacted

Kansas Unfair Trade and Consumer Protection Act, the Fair Debt Collection Practices Act, and the resources at the law firm for whom I am employed.

I hope to hear nothing further from you.

Very truly yours,

Redacted

cc: Dr. Jerry L. Gallentine
President and CEO
National American University

National Recovery, Incorporated
April 20, 2007

Redacted

Dear [Redacted]:

Dr. Galantine’s office has asked that I respond to your letter dated April 3, 2007. I regret that you feel your experiences with the Zona Rosa Campus were dissatisfactory. We strive as a system to ensure the quality of our education for all of our students.

[Redacted] does remember you, and in fact assisted you with the purchase of your online books. She did visit with you at that time. She states that you indicated that you would be able to complete your online courses for spring, and that upon receipt of a bill from the student account office, you would submit payment for that quarter.

In reviewing the blocks from class during the spring, it appears that you were blocked once, on May 10, 2006 and then given access again on May 11, 2006 (1 day), once the financial aid award letter was signed. Summer quarter you were blocked from attendance because you had failed to pay the remaining balance on your account from the spring quarter as promised. In reviewing the timelines involved in securing your financial aid, the aid was secured for both quarters in a timely manner, and disbursed according to your eligibility.

In concluding the review, we are of the opinion that the balance of $429.46 is due. In the interest of resolving this amicably, I have closed the account at the collection agency, deleted it from the credit bureau submissions and waived the interest. However, the balance must be paid within thirty days. If the balance remains unpaid after May 25, 2007, all interest will be reinstated and all collection efforts will be resumed.

Further questions or concerns can be directed to me at the toll free number listed below, extension [Redacted]. I look forward to hearing from you soon.

Sincerely,

[Redacted]

Collections Manager

[Redacted] (Redacted) (Redacted)

"This is an attempt to collect a debt and any oral information obtained will be used for those purposes."
National American University
Attention: Dr. Jerry L. Gallentine, President and CEO
5301 South Highway 16, Ste 200
Rapid City, SD 57701

Dear Dr. Gallentine:

This letter speaks from my own opinion; however, the attached petition represents some of the other students that believe as I do.

I have been a student at NAU since about 2002 seeking a degree in Organizational Leadership. I feel as though I’ve received a good education through this school, up until this term (Fall 2007). This is the first term that I have had to use electronic instruction materials (EIMs). The word around campus was that they were just awful, but that we had no choice. This term I learned for myself how really useless these materials are. Here are some of the problems with the EIMs that I, personally, experienced in the one class that I took this term — Project Management (PM):

- The instructions were extremely confusing. It took several class sessions before we felt comfortable with what we were being asked to do.
- The materials do not proceed in a logical flow according to the logical steps of the typical PM process.
- The website links that were provided in the materials were broken links. I was not the only student that had difficulties. Many of us were unsuccessful with attempts to get to more than one of the sites that were supposed to provide us with additional information, which meant that the assigned homework did not get done. Assignment materials had to be given to cover the requirement.
- The Case Studies did not provide a useful demonstration to learning.
- PM requires a useful manual to be able to refer back to at any time. These materials do not serve that purpose. Sure they were less expensive than a book would have been, but I would rather have a book that I could loop as a reference, especially for this particular class.
- Project Management was one of my most important classes. I was anxious to take it because, at this particular point in time, I could have immediately used what I learned. If it weren’t for Peter Amba, the Instructor, I would not have learned a thing. The EIMs only served to confuse and frustrate.
- We are not given a choice to purchase a book, or download the EIMs. I would have like to have that choice available to me.

Winter term 2007 is just around the corner, and I find that the two classes that I have registered for also require the use of EIMs. The only reason that I am downloading these materials is because I have no choice. Believe me, if I had a choice, I would not use these electronic instructional materials.

University of New Mexico is the only other school available to me. If I were not so close to finishing my degree, I would consider changing schools. In addition, this would require a degree change, as UNM does not offer Organizational Leadership.
Dear Mr. Shap,

I am writing you to inform your organization what I have experienced at your Denver campus. I have been held up for one year now in continuing my education due to the total unprofessional attitude portrayed by the staff. From the director (Larry Jackson), the Dean (Jeanne Lipp), two of the Admissions Deans (Jacqueline Hassock) and (Jacqueline McCracken) as well as the Admission counselor (Mary Conneras) who misled me and could never get my program registration correct.

I originally started at NAU in Redacted 11. Upon my registration, I was told that there was tutoring provided by NAU if needed, also Saturday mornings were available for any additional assistance if needed, on line classes were also available if requested. My transcripts from my last school (I graduated in Redacted 12 with an associate degree) were transferred over to the admissions counselor to review the classes I would still need to complete my B.S. in accounting. I was told at that time if I attended full-time, with the thirteen years experience of accounting that I had, I could be finished in no more than six months. From the moment I started my program, the admissions counselor could not seem to get it straight in her head that I was enrolled in the B.S. accounting program. I did get it straightened out and finished my 1st semester.

Unfortunately, I ran into the same problems on registration for my 2nd semester, as well as the fact that I was told that I was not eligible for on-line classes until the 3rd or 4th semester. I went to Jeanne Lipp to get things straightened out again, who seemed angry with me for even bothering her with this trivial matter. She told me that it was no big deal, I did want to continue, or what? I did want to continue, so I bit my lip, and went to class. I guess Mary Redacted 13 and my new admissions counselor was Jacqueline Hassock, the admissions Dean.

I finished my 2nd semester with a lot of difficulty in Algebra. (It had been 30 years since my last Algebra class). I had expressed this to my teacher, who told me that I should set up a time with one of the school’s tutors, but none was available. Somewhat I had pulled off an A, but had no idea how.

I started my 3rd semester pretty rocky. My first week I had the flu pretty bad so I missed my first class of Strategies for success. I did however, call Jacqueline Hassock so my teacher could e-mail my syllabus so I could be caught up by the next week. I called repeatedly, but received no response. When I called the front desk, Jacqueline was covering the phones that day, answered and told me the teacher (Kimberlee Laron) was no longer an employee of NAU and wasn’t sure who would be taking over, she would let me know. Well she never did, so I dropped the class because I would have been two weeks behind. My other class (Org. communications) was a bust from the start. The first class, the teacher lasted about ten minutes and stated that he wouldn’t even teach the material in this class to her high school students, and walked out. I came back the next week and the book store lady had taken over the class. There was still no syllabus, and she had no idea what books we were going to be using; she should know by the next week. I attended the 3rd class and it was a total waste of time. Not only did a bunch of adults have a reading session narrated by the book store lady, but also we had to constantly finish her sentences and sometimes bring her back to her train of thought. I went to Jacqueline Hassock and told her I am not paying this much for a class to be taught by someone as unqualified as this woman was, so I was given an exception to drop this class also.

The next class involved was College Algebra. After the 2nd class I felt myself starting to feel a little lost. After the 3rd class I talked to my teacher about getting some additional help before I really started to get behind. He told me to go to the Dean Lipp to set up tutoring. She did nothing about setting up any type of tutoring until 3 other students had also requested tutoring.

/9/09

Confidential - For Purposes of Senate Investigation

National American University Holdings, Inc.
Document 21, Page 1
She contacted a student to tutor who stood us up on the first class and showed up the next week only to confound us more as we spent 2 1/2 hours trying to figure out 3 problems, we never were able to finish any of them. The more disturbing part was that Dean Lipp was sitting in the library about 10 feet away and never once offered any type of assistance.

I told my teacher of what had happened and his suggestion was to talk to Larry Jackson about stopping where I was and taking the class over again next time it was offered. I went to Mr. Jackson's office, knocked, and entered. When I did enter, Mr. Jackson barely looked up at me from his chair, and the rest of the meeting was conducted with his back half turned to me during the whole conversation. It was concluded by—too bad, I should have studied harder, and that NAU has never committed to or was responsible for supplying any type of tutorial or any extra help by the teachers. I did try to discuss what was said to me, but Mr. Jackson said he was too busy to discuss this any further. I could not set up any time to speak with him again so I did e-mail him to set up the class again for the next semester. I have attached some of the e-mails sent back to me by him telling me not to bother him any more about registration the information is posted on the walls. He did not even realize that I stopped attending because my teacher had even said that it would be a waste of time to continue as the majority of the class was so far ahead, the students that remained in the class were just out of high-school and had had algebra, trigonometry, calculus. He had also asked how the heck did I finish my last class with an A when there was so much that was not covered in the Elementary Algebra class to prepare me for the College Algebra course. I didn't know what to say.

The worst part of this whole dilemma is that Larry Jackson would not let me attend NAU until I paid for the class and books in total. He also told me that if I wanted to take the class again, I would have to pay for it again. For the finals, I was told that if I was late in paying, he was going to make me pay for the other class that I had already been excused from. Call me crazy, but this sounded both unprofessional and unethical. It has taken me a year to pay for the class, but I did.

To summarize: I want to finish the program that I started. I wanted to avoid transferring to another school. I would like to be able to be given the College Algebra class without having to pay for it again. There definitely has to be more clarification of what is said at registration (like NAU offering tutoring and online classes) and what the school really offers. There also has to be more respect given to students that have problems or situations that need addressing. I am now a Redacted old and have been Redacted, ostracized and have been treated like a junior high student.

I hope this has not been too drawn out as I did try to shorten my story as much as possible but still getting the message across what has been happening in your Denver Campus. By the way, I have been trying all this time to find out who was above Larry Jackson to make this report. According to the Denver Campus staff and the staff that I had talked to at your main campus in South Dakota, I was told there was nobody above Larry Jackson to talk to about this type of situation, his word is final. I am glad I was able to find out the right person to contact. I am looking forward to hearing from you.

Sincerely,

Redacted
January 29, 2009

Redacted

Dear Mr. Redacted,

Per my last note, I have reviewed the circumstances surrounding the issues you outlined in your communication. In that regard and based on the information I have received, I would propose the following solution:

1. You bring your account current.

2. NAU will allow you to retake College Algebra in the spring 2009 or summer 2009 term and would write off the "tuition" charge accordingly. If there is a textbook cost, it would need to be paid by you.

3. Prior to enrolling in the College Algebra course you would need to take the University's math exam to determine if you are prepared to take this course. If the exam indicates that you are not prepared for College Algebra, you will need to take the appropriate prerequisite course(s). The prerequisite course(s) will be taken at your expense.

I would encourage you to visit with Dean Lipp and/or Jacqueline as to the timing for the math exam and registering for the upcoming term.

If you have any questions, please don't hesitate to contact us. We look forward to assisting you in getting your degree from National American University.

Sincerely,

Ronald Shapc, Ed. D
COD / CFO
National American University

cc: Linda Potter, Director of Student Accounts
    Jeannine Lipp, Denver Campus Academic Dean
    Jacqueline McClaren, Denver Campus Admissions Representative

National American University Holdings, Inc.
Document 21, Page 3
May 11, 2009

To Whom It May Concern:

I enrolled at National American University. When I first went in I spoke to
She told me that the school had an excellent medical assisting program. She enrolled me and I signed all the paperwork. I went through the first quarter and was fine. Then it was time for me to be put in classes for the next quarter and I was placed in Accounting. I couldn't understand the accounting class so did I know why I would need it. I got out the catalog and I was listed as a Healthcare management student.

When I asked about it, then I was told that they didn't "technically have approval from the board of regents to offer medical assisting in Wichita but that they would be soon. Come to find out they had not even applied for it at the time. I was in the accounting class because when the dean picked classes for me he was picking classes for someone who was in Healthcare management. Not Medical Assisting.

Read by HELP Committee

lies to me in order to get my business. All the admissions reps were doing the same thing. I was lied to from day 1. I was told to stay in the accounting class because I would be changed for it. Because I am a good student, I finished the class which I failed because I didn't understand it. (And no tutoring was offered, another lie).

Many students have had the same thing happen. This is a common practice. They do the same to students who want paralegal, they go in criminal justice. The ones who want accounting go into Business. Please stop this from happening to anyone else.

I want all the tuition and fees paid returned to me and also.

Thank You.
June 12, 2009

BBB Complaint Department
345 N. Riverview Street, Suite 720
Wichita, KS 67203

Re: Redacted

Dear:

Thank you for the opportunity to respond to the consumer complaint filed by Redacted.

On July 28, 2008, Redacted visited National American University’s Wichita campus to inquire about the university’s Medical Assisting program. She was advised that the Wichita campus did not offer the Medical Assisting program, which is available at other NAU locations including the university’s Overland Park campus. At that time, the university was awaiting approval from the Kansas Board of Regents to extend the program to the Wichita campus and, therefore, the campus could not recruit students for the program. Redacted elected to enroll in the Healthcare Management program instead. Please see the enclosed copy of the acceptance letter, dated July 31, 2008, advising Redacted that she had been accepted into the Healthcare Management program.

Redacted was informed by the campus admissions representative that she may elect to change her academic program to Medical Assisting once approval was extended to include the Wichita campus. On October 15, 2008, the Kansas Board of Regents approved the university’s request to offer Medical Assisting at its Wichita campus. Redacted subsequently requested that her program be changed to Medical Assisting. Please see the enclosed copy of the program change form submitted by Redacted.

Redacted completed four courses during her time at NAU. Three of the four courses for which Redacted registered are requirements in the Medical Assisting program. The fourth course, Accounting I, is not required in the Medical Assisting program, although it is required in the Healthcare Management program. This seems to be the basis for Redacted complaint.

I fully understand Redacted displeasure in taking a course that does not apply toward her revised degree program. The academic dean recommended the accounting course because it is required in the Healthcare Management program. It should be noted that Redacted could have declined the suggestion and selected a different...
course, especially if her ultimate goal was to change to the Medical Assisting program. The course requirements for the Medical Assisting program are clearly listed in the university’s undergraduate catalog. She could also have withdrawn from the accounting course during drop/add week and selected an alternate course without repercussion. She did neither. Redacted later asked to drop the course several weeks into the academic term. However, she elected to continue in the course after learning that she would have lost all financial aid funding for both courses in which she was then enrolled and would have been required to pay her educational expenses out of pocket.

Redacted called me several weeks ago from her cell phone in her automobile. The connection was so poor that we were unable to have a conversation. I had to ask several times just to determine who was calling Redacted and she would call back when she reached her destination. I did not know her purpose for calling and she did not call again. She has not discussed her situation with me. To the best of my knowledge, she has not discussed the matter with anyone else on campus, or leave any messages regarding her concerns.

It is commonplace for students to take courses at a school and then choose to leave before completing a degree. When students make that decision, they are taking a risk as to whether all credits will transfer into other degree programs elsewhere. However, that does not absolve them from paying for the courses taken at that particular institution. Generally, student loan repayments begin six months after leaving school. That situation at this time.

Redacted paid a total of $5,557.29 for tuition, fees, books, and instructional materials. She received considerably more financial aid than that, and received all excess money in the form of refunds. A portion of her financial aid package was also in the form of grants that she does not have to repay.

National American University strives to provide quality education to all students in a caring and supportive learning environment. If Redacted contacts me, I will work with her to find a mutually agreeable resolution to her issue regarding the accounting course.

Please contact me if you have any questions or require additional information. Thank you for your consideration.

Sincerely,

[Signature]

Associate Campus Director
National American University
Wichita Campus

Email: [email]

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National American University Holdings, Inc.
Document 23, Page 2
National American University
Admissions Code of Conduct

National American University recognizes the diverse and important role of admissions personnel in contributing to academic achievement and promoting the ideals of higher education. Their willingness to respond to students’ needs and the integrity reflected in every aspect of their duties help create an environment wherein academic study may flourish. The admissions professional serves the university community by presenting an accurate and current overview of National American University to prospective students and works to enroll a student population which is most likely to benefit from the academic programs offered by the university. The university’s admissions employees acknowledge the responsibilities of their profession and agree to execute their responsibilities in accordance with National American University’s Admissions Code of Conduct and the American Association of Collegiate Registrars and Admissions Officers (AACRAO) Code of Ethics, including the following ethical principles:

- Admissions personnel shall conduct themselves with integrity, fairness, honesty, and respect for others;
- Admissions personnel shall avoid conflicts between personal interests and professional responsibilities, and shall resolve perceived conflicts through full disclosure and independent review;
- Admissions personnel shall dispense complete, accurate, understandable, and truthful information and advice in all times.

Based on these ethical principles, the university’s admissions personnel shall adhere to the following standards of professional conduct:

- Serve and advance higher education by safeguarding the academic integrity of National American University;
- Protect the legitimate privacy interests of all individuals and maintain appropriate confidentiality of university and student education records;
- Advance university interests through the competent practice of the admissions profession;
- Act in accordance with the laws and regulations of the country, state, and local jurisdictions within which the university has a presence;
- Promote the safety and well-being of students and the university community;
- Comply with applicable laws, regulations, and standards of conduct, including the university’s Code of Conduct and the AACRAO Code of Ethics;
- Do right and do good in all matters involving the university, its students, and the community.

• Provide to prospective students and their families with accurate interpretations of university admissions criteria, transfer credit policies, costs, and educational offerings;

• Recruit distinct student populations (international students, students with learning disabilities, etc.) only when appropriate university resources and commitment to serve those populations are in place;

• Avoid practices in the recruitment and enrollment of international students that would not be utilized in the recruitment or enrollment of domestic students;

• Ensure that information management systems protect and maintain the integrity, confidentiality, and security of university and student records;

• Provide accurate interpretations of university records;

• Exercise sound management principles using university resources effectively and efficiently;

• Remain knowledgeable of current principles and practices of the admissions profession;

• Contribute to the continuing advancement of the admissions profession;

• Encourage the professional development of individuals at all levels of academic and enrollment services;

• Ensure that contractors and other third parties involved in the delivery of academic and enrollment services adhere to the principles articulated in this code of conduct;

• Adhere to the principles articulated in this code of conduct.

Any doubts as to whether a course of conduct is legally proper should be resolved by referring the matter to the appropriate admission supervisor and/or office of general counsel for guidance.

I understand and will comply with National American University’s Admissions Code of Conduct.

Employee Name (Please Print)  Employee Signature

Date

National American University Holdings, Inc.
Document 24, Page 2
NATIONAL AMERICAN UNIVERSITY

MEMORANDUM

DATE: January 14, 2009
TO: Redacted
FROM: Redacted by H.E.C. Committee
CC: Dr. Bob Paxton,

RE: Performance Improvement Plan

At the close of the Winter quarter, you had 9 student start classes which is significantly below your targeted goal of 20 starts. You are being placed on a written performance improvement plan. For the next quarter, beginning January 14th, 2009 and ending March 23rd, 2009 your work will be closely monitored. Improvements must occur immediately and must be maintained.

As your supervisor, I will work closely with you to help you achieve the following targets which would satisfy a successful completion of our plan. National American University values you as an employee, and it is the intent of our admissions management team to make you fully aware of this situation and to assist you in improving your work performance. However, it is important that you realize the responsibility to improve is yours alone.

The following is expected and will help you meet your Spring goals. You must achieve a(n):

- Minimum average 20 interviews per week (5 interviews each day)
  - Making up call center transfers
  - Working the new lead report
  - Making an average of 80 dials per day
  - Staying on task during shift (example: ceasing the use of internet for personal use, and not disturbing others in distance learning during working hours)
- Minimum average of 3 appointments or enrollments each week
  - Maintaining the expectation of 20 interviews each week
  - Will be provided a goal tracking sheet to keep you on target
  - Have a positive attitude at all times
  - Ask all interviewed and enrolled students for a referral.
- Minimum show rate of 60%
  - Meeting the expectation to your enrolled student to have all admissions items complete within 5 business days of enrolling
  - We will meet weekly to go over all of your enrolled students statuses
- Improvement in your sales skills with all prospects in the following critical areas:
  - Uncovering a primary interest, the direct buying motive, creating an emotional connection and a sense of urgency
  - Listen to a call together once a month

I, as your supervisor, will provide:
1. Weekly meetings
2. Any additional training and support needed

It is important to note that this document should not be construed as a contract of employment or confer any additional rights other than that of an at-will employee. Unsatisfactory performance after/during the improvement plan may result in additional disciplinary actions or dismissal from the university.

As always, the Open Door Policy is available for you to discuss any concerns. Your signature acknowledges that this plan has been reviewed with you. It does not indicate agreement or disagreement with this plan.
Redacted
Redacted by HELP Committee

Supervised Signature

14-09

Date

1-14-09

Date

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National American University Holdings, Inc.
Document 25, Page 2
MEMORANDUM

DATE: June 25, 2009
TO: Redacted
FROM: Redacted by HELP Committee
CC: Redacted, AC's personnel file
RE: Performance Improvement Plan

As of today, you had 9 students start summer classes, and you have begun to demonstrate performance which is significantly below target levels. You are being placed on a written performance improvement plan. For the next 30 days (beginning June 25, 2009 and ending July 25, 2009), your work will be closely monitored. Improvements must occur immediately and must be maintained.

As your supervisor, I will work closely with you to help you achieve the following targets which would satisfy a successful completion of our plan. National American University values you as an employee, and it is the intent of our admissions management team to help you fully aware of this situation and to assist you in improving your work performance. However, it is important that you realize the responsibility to improve is yours alone.

The following is expected and will help you meet your fail goals. You must achieve all:

- Your dial sheets and interview sheets will be turned in to me daily.
- Minimum average of 2 applications each week
  - Improvement in your sales skills with all prospects prompting/directing to application on every call
  - Set aside 1/2 hour each day to listen to a peer call
  - Start a Sales journal today logging each call ideas and new methods
  - Set aside one hour/day to generate referral prospects
  - Set aside 3 10 minute breaks daily to research sales information
  - Provide Sales presentation to team
  - Minimum average 25 interviews per week (5 interviews each day)
  - Picking up call center transfers
  - Working the new lead report
  - Making an average of 80 calls per day
  - Staying on task during shift (example: utilizing break time to manage personal needs, stay focused on the phone calls)

I, as your supervisor, will provide:
1. Weekly meetings
2. Any additional training needed
3. Any other support needed

It is important to note that the document should not be construed as a contract of employment or confer any additional rights other than that of an at will employee. Unsatisfactory performance after the improvement plan may result in additional disciplinary actions or dismissal from the university.

As always, the Open Door Policy is available for you to discuss any concerns. Your signature acknowledges that this plan has been reviewed with you. It does not indicate agreement or disagreement with this plan.

Redacted
Employee Signature
Redacted by HELP Committee

Supervisor Signature

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National American University Holdings, Inc.
Document 26, Page 1
NATIONAL AMERICAN UNIVERSITY

MEMORANDUM

DATE: June 29, 2009

TO: Redacted

FROM: Redacted

CC: NAU

RE: Performance Improvement Plan

At of today, you have 6 students starting for the Summer quarter which is significantly below the targeted goal of 20 starts. You are being placed on a written performance improvement plan. For the next month, beginning June 23, 2009 and ending July 21, 2009 your work will be closely monitored. Improvements must occur immediately and must be maintained.

As your supervisor, I will work closely with you to help you achieve the following targets which would satisfy a successful completion of our plan. National American University values you as an employee, and it is the intent of our admissions management team to make you fully aware of this situation and to assist you in improving your work performance. However, it is important that you realize the responsibility to improve is yours alone.

The following is expected and will help you meet your Fall goals. You must achieve all:

- Your dial sheets and interview sheets will be turned in to me daily.
- Minimum average of 2 applications each week
  - Have a positive attitude at all times
  - Set aside one hour/day to generate referral prospects
  - Minimum average 20 interviews per week (5 interviews each day)
  - Picking up call center transfers
  - Working the new lead report
  - Making an average of 83 dials per day
  - Staying on task during shift (example: utilizing break time to manage personal needs)
  - Improvement in your sales skills with all prospects in the following critical areas: uncovering a primary interest, the direct buying motive, creating an emotional connection and a sense of urgency and prompting/directing to action on every call.

I, as your supervisor, will provide:
1. Weekly meetings
2. Any additional training and support requested

It is important to note this document should not be construed as a contract of employment or confer any additional rights other than that of an at-will employee. Unsatisfactory performance after due consideration of the improvement plan may result in additional disciplinary actions or dismissal from the university.

As always, the Open Door Policy is available for you to discuss any concerns. Your signature acknowledges that this plan has been reviewed with you. It does not indicate agreement or
disagreement with the plan.

[Signature]

Date: 6-23-09

Redacted by HELP Committee

[Signature]

Date: 6-23-09

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National American University Holdings, Inc.
Document 27, Page 1
and I have discussed this and I appreciate your concerns. I think the way to stop a student from coming, attending and leaving without paying is to be sure they are complete before they start. Those who come, get their money and do not continue are not the ones who are creating the bad debt. As Lynn indicated, the cash disbursements are not mailed until we have attendance in 6 credits after the loans are paid. If they drop after that, we perform the Return to Title IV and normally they may owe $75.

The bigger concern are those who do not complete the paperwork process or those who do not stay in school long enough to have the aid pay and be validated by attendance after the payment. If you want to talk further, give me a call.

From:
Sent: Sunday, December 07, 2008 4:24 PM
To:
Subject: RE: FA Refund approvals
4487

Not what I wanted of course, but it is what I expected. Oh!!! I have a student who made me so angry on Friday I was literally ready to throw in the towel. He came in without an appointment — after I told him one was required. Then I heard him say to someone on the phone that he was enrolling in school to get some money. I just about blew my top. Hopefully we’re beginning to weed out this type of student, but our bad debt is so high I’m looking for ways to prevent it up front! He’s sure to go to collections.

Thanks for your expertise.

__________________________

From:  
Sent: Friday, December 05, 2008 4:52 PM  
To:  3101678262500747@netscape.com

Subject: RE: FA Refund approvals  
Importance: High

Hello — just returned from taking the commuter train to the airport. We got stuck in traffic due to an accident ahead of us where a tanker of round hay bails had over turned in the middle of the road. We had left in plenty of time prior to the flight departure so there were no problems keeping the schedule.
I have visited with [Name] about your request below, and I'm advised that the federal regulations require that we refund any credit amounts on the account to either the student or the parent, if the student has a Parent PLUS Loan, at the time the credit was created. We do have to wait to mail the disbursements to the student until after they have attended at least 6 credit hours of classes on or after the credit was created. We are required, then, to turn the money over, respectively to the student or the parent. I understand the dilemma, and sometimes feel like students do only enroll to get what they think is "free" money, but ultimately they will have to repay the loans...later or sooner, as the case may be.

I know this isn't the answer you were hoping for, but we do have to follow the federal regulations to remain eligible to participate in the Title IV funding programs.

Have a SWELL afternoon...

[Signature]

From: [Name] 123 University Ave  
Sent: Friday, December 05, 2008 3:03 PM

To: [Name] 123 University Ave

Subject: FA Refund approvals
There are several Wichita students I want to watch very carefully regarding attendance prior to issuing any refunds. My concern is that they're just here to get money & what usually happens is once they receive their FA refund they stop attending classes. Is it possible to hold refunds until 2 weeks prior to the end of the term to ensure we don't get left holding the bag? Our bad debt expense went up $14,000 from June/July to Sept/Oct! Much of it was for these kinds of things.

Associate Director

National American University

7309 E. 21st Street N.

Wichita, KS 67206

Received by NEP Committee

Reply at
@national.edu
"The biggest adventure you can ever take is to live the life of your dreams."
Oprah Winfrey

Education can take you there!
<table>
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<th>DOCUMENT NUMBER</th>
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Excerpts, selected by the HELP Committee, from a larger document produced by the company
CEO Report

Michael Locke
### Old World
- Limited competition
- Position against community college based on convenience
- TV and direct mail leads
- Recruitment process centered off face-to-face meeting
- Declining whether to go to school
- 25-44 year old women

### The Current and Future
- Significant competition
- Position against another for-profit college based on quality and programs
- Internet leads
- Significant amount of phone based work
- Shopping schools against each other
- High school, men and 25-44 year old women
Historical Admission Representative Model

- "Wholesome and Trustworthy" customer service profile
- Limited experience / early 20s
- Modest compensation
  - $30,000 - $35,000
  - Once a year raise
- Enormous ROI
  - Ramp in one quarter
  - Payback in quarter two
  - Bring in 100 starts a year @ $10,000 a year in tuition
- Sold institution and only needed shallow programmatic knowledge
This Rep Profile Doesn’t Work in Changing Market So Lots of Turnover

<table>
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<tr>
<th>Calendar Quarter</th>
<th>Lost &quot;Reps&quot;</th>
<th>Avg # &quot;Reps&quot;</th>
<th>Annualized Turnover</th>
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<td>Q2</td>
<td>5</td>
<td>72</td>
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<td>Q3</td>
<td>11</td>
<td>80</td>
<td>56%</td>
</tr>
<tr>
<td>Q4</td>
<td>11</td>
<td>77</td>
<td>57%</td>
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<tr>
<td>Q1-2006</td>
<td>10</td>
<td>80</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>37</strong></td>
<td><strong>77</strong></td>
<td><strong>48%</strong></td>
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</table>

"Reps" includes all recruiting personnel including managers.
The New Target Profile

- Primary breadwinner so needs the job to pay bills
- Wants a career at Rasmussen
- Over 26-27 years old
- Over $35,000
- 3-5 years of sales experience preferably with intangibles
- Competitive
- Hungry
- Mature
- Sensitive to market dynamics and competition
- More men, older women, minorities
Career College Business Update

Kristi Waite
Career College Highlights

- Continued shift to online
- Online shift pulls down retention and credit loads leading to flat revenue per pupil
- Accounting weak, Business and Allied Health strong and Technology in need of re-start
- Good progress with moving to one college
- Need improvement in execution at campuses in areas such as financial aid
Retention by Quarter Student was in (New student = Q1)

Retention Rates
Winter 2006

Rasmussen Colleges, Inc.
Document 1, Page 9
Opportunities

- Merging into one institution
- New campus locations
- The launch of the Rockford, Illinois campus
- The move of Minnetonka to Eden Prairie
- The Baccalaureate launches for Minnesota and North Dakota
- Expanded admission and marketing
- The changes to the 50% rule
- Online retention improvements
- Operating metrics
  - Retention
  - Ensuring that a summer exodus does not occur
  - Credit loads
  - Placement
- Financial aid compliance
- Accounts receivable and bad debt expense
- Maintaining a qualified and well-trained human resource
- Not just planning, but executing on plans
- Ensuring academic quality
- Making wise spending choices as we move into summer
- Managing work loads at the administrative level
Rasmussen Online Update
Strategy Behind Go-To-Market Approach

- Give students the delivery model they desire (fully online, blended, or ground)
  - Campus reps can sell all modalities so no channel conflict
  - Student chooses whether to go to campus to purchase or purchase over the phone (campus and online reps pass leads back and forth and both get credit)
  - Phoenix used to prohibit campus reps from selling online and now undertaking massive effort to integrate two divisions
- Use lower cost reps to handle students in local area where we have strong brand around campuses and deploy more expensive online reps outside the region where we are known
Rasmussen Online Challenges

- Great success with online in local market through campuses (30% of the spring start) but more difficult in national market
- Expensive student acquisition: $1,655 in marketing costs per student for Spring Quarter
  - Cost per Lead – $38 (campuses average $103)
  - Conversion Rate – 2.3% (campuses average 14-15%)
  - Marketing Cost Per Start – $1,655 (campuses average $738)
- Dependency on third party web directories for leads
- Lack of good value proposition with differentiation (covered by JML)
- "Generic" program offering

Result of these challenges is that we are now at 186 students in our 5th quarter (first start of 28 last spring)
Excerpts, selected by the HELP Committee, from a larger document produced by the company
2010 Pricing
April 9, 2009
Pricing Structure
- All campuses moved to per credit pricing structure, except MN which was already on credit structure
- Students in IL, WI, FL, and ND with start dates prior to 10/06/2008 had option to switch to per credit pricing or remain on per course structure
- New starts will follow North Dakota model where price increases occur every January

Price Increases
- Created two tuition prices – IL, WI, FL, and ND are all on same rate; MN on different rate
- In FL, IL, WI, and ND continuing students on per course pricing model had 8% tuition increase
- MN saw 7% tuition increase

- New students on the per credit pricing structure saw increases:
  - FL had 13% average increase in program price
  - IL-WI had 8% average increase in program price
  - MN had 7% average increase in program price
  - ND had 20% average increase in program price
ALL students will move to per credit pricing structure
Price increase ∼4% for each region
CC will move to flat $296 to offset new exams; ∼5% increase
Continue to offer $300 scholarship for 9-12 credits, $500 for 12+ credits
• North Dakota: current budget bill will force tuition increases of 3%-7% each year of the 2009-2011 biennium; if budget bill is altered to state university system’s wishes, tuition would be frozen at community colleges and maximum 4% tuition increase at four year institutions
• Florida: 8% tuition increase; there is current legislation that is gaining traction which will allow all state institutions to request their own annual tuition increases of up to 15%
• Illinois: ~5%
• Minnesota: 4%-5%; governor wants 10% increase
• Wisconsin: 3%-5% over next three years; families with incomes less than $60,000 are shielded from hike due to $38MM boost in state funding for financial aid

• “Nationwide, most public colleges are expected to raise tuition between 4% and 9%”
  – American Association of State Colleges and Universities
Excerpts, selected by the HELP Committee, from a larger document produced by the company
Redacted by HELP Committee
4514

Rasmussen College, Inc.
Addendum A

Basic business terms of proposal agreement:

1. General
   a. Agreement will include Rasmussen College Inc., a Delaware corporation, and all
      subsidiaries and affiliates.
   b. Provision to add additional campuses, subsidiaries, affiliates and/or business lines as needed
      during the terms of the agreement.

2. Applicability:
   The agreement will be applicable to the following schools, however, Vendor acknowledges that future
   subsidiaries, campuses or business lines of Rasmussen can be added (see above).

Redacted by HELP Committee

3. Monthly Cap
   See Inception Order

Cost-per-Lead:
   See Inception Order

4. Definition of a Lead
   “Lead” or “Leads” shall be defined as an individual or individuals for whom the Vendor has provided
   to Rasmussen College valid information in the following fields:
   
   a. First Name
   b. Last Name
   c. Complete Mailing Address
   d. Home Phone (At least 1 valid contact number)
   e. Work Phone
   f. Email Address
   g. Highest degree of education achieved or
      Year achieved the highest degree of education (2007 or greater)
Excerpts, selected by the HELP Committee, from a larger document
produced by the company
Terms Addendum
To
Agreement between
And
Redacted by HELP Committee

The following terms and conditions shall be incorporated into, and shall take precedence over, the terms and conditions of the certain Agreement between Firstname Middlename M. Lastname ("Advertiser") and Rasmussen Colleges, Inc. ("Company"), dated May 1, 2004, to which this Terms Addendum is attached. In the event of any conflict between the terms and conditions of the Agreement and this Terms Addendum, the Terms Addendum shall prevail. Furthermore, this Terms Addendum shall be controlling over the terms and conditions of any invoice, purchase order, or other document prepared by the Company.

1. Definitions
a. "Lead" shall be defined as an individual or individuals for whom the Company has provided an Advertiser valid information in the following fields:
   a. First Name
   b. Last Name
   c. Complete Mailing Address
   d. Home Phone
   e. Work Phone
   f. Cell Phone
   g. Email Address
   h. Highest degree of education achieved
   i. Year achieved the highest degree of education

Lead will be provided to Advertiser with respect to any program being offered by Advertiser, any subsidiary of Advertiser, or any of Advertiser's parent entities, as identified by Advertiser to the Company.

Redacted by HELP Committee
Sample of Service

This proposal suggests to provide lead generation services for CLIENT. When performing the service, the definition of qualified lead ("Qualified Lead") shall be as outlined below. A Qualified Lead shall be defined as an individual who meets the following criteria:

- Calls by leads to complete information (i.e., any blank fields) will be guaranteed at least 2 out of 5.
- Leads with obviously false information will be excluded from final leads.
- Qualified Leads criteria for each school to be supplied by client.

.Client will be delivered one lead per month. Leads are submitted to the provider, as per quote, at the client's request. Leads will be sent to CLIENT in an electronic format.

Adapted from the original proposal.

Redacted by HELP Committee

Rasmussen Colleges

Redacted by HELP Committee

After a customer agrees to the following lead cost:

Rasmussen College

Redacted by HELP Committee

- 100 leads per month
- 100 leads per month
- 100 leads per month
- 100 leads per month
- 100 leads per month

A lead per month shall be guaranteed:

Ground Schools: $19.95 per Qualified Lead
Online Schools: $15.00 per Qualified Lead.
**INSERTION ORDER**

Redacted by HELP Committee

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**BILLING INFORMATION**

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**DELIVERY REQUIREMENTS**

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AGREED AND ACCEPTED

Rasmussen College, Inc.

Redacted by HELP Committee

Josh [Signature]

VP Marketing
**INSERTION ORDER**

**Redacted by HELP Committee**

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**Agency Name**

Rasmussen College

**Address**

794 McCorkle Dr, Suite 105

Barr Ridge, IL 60067

**Billing Information**

Facilities will be billed to the following (address):

- **Contact Name:**
- **Phone:**
- **Fax:**
- **Email:**

**Campaign Details**

- **Campaign Number:** 5
- **Campaign Name:** Rasmussen College
- **Term:** April - December 2009
- **Price/Visit:** $30

**Program of Interested All Star Lists & Traffic Sources**

- **Budget:** 275 leads

**ADVERTISING SERVICES AGREEMENT**

This Insertion Order incorporates the Advertising Services Agreement dated December 4th, 2008 between the parties hereto.

**APPROVED AND ACCEPTED**

Redacted by HELP Committee

VP Marketing

Rasmussen Colleges, Inc.

Document 5, Page 2
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<tr>
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<td><a href="mailto:rasmussen@college.com">rasmussen@college.com</a></td>
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**Campaign Details**

- Campaign Name: Rasmussen College
- Term: April – December 2006
- Price/Subscriber: $48
- Budget: 90 leads
- All Star Sites & Traffic Sources

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**Billing Requirements**

- Terms: Net 30
- Payment Method: Check/Deposit
- Remittance Details

**Advertising Services Agreement**

This Invoices Order incorporates the Advertising Services Agreement dated December 1st, 2008 between the parties hereto.

AGREED AND ACCEPTED

Rasmussen College Inc.

Redacted by HELP Committee
INSERTION ORDER
Redacted by HELP Committee

ACCOUNT EXECUTIVE

Redacted by HELP Committee

Date

3/1/10

Other Names

Contact Name

Bill Litter

Agency

Rasmussen College Inc.

Phone

Fax

City/State/Zip

Rasmussen College Inc., Suite 105

Email


BILLING INFORMATION

(Work will be invoiced less the following address)

Company Name

Rasmussen College Inc.

Confidential

Bill Litter, IL, 60701

Attention

Phone/Fax

Redacted by HELP Committee

Address

Rasmussen College Inc., Suite 105


CAMPAIGN DETAILS

(5.0% adjustment per invoice for leads delivered by All Star)

Campaign Number

15

- Price remains fixed until 3/1/10, unless price adjustment mutually agreed upon by Agency and All Star

Campaign Name

Rasmussen College

Term

April – December 2009

Priced/Billed Lead

$46

Leads will be filtered by mutually agreed upon zip code range provided by school

Budget

300 leads

20 leads per month

Programs of Interest

- All the sites & traffic sources

Target Demographic

- Request

- Option

- Other

- Date

- Type

- Notes

- OTHER TERMS

ADVERTISING SERVICES AGREEMENT

This insertion order incorporates the Advertising Services Agreement dated December 1st, 2008 between the parties herein.

AGREED AND ACCEPTED

Rasmussen College Inc.

Redacted by HELP Committee


Rasmussen Colleges, Inc.

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Redacted by HELP Committee

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This Insertion Order incorporates the Advertising Services Agreement dated December 1st, 2008 between the parties.

AGREED AND ACCEPTED

Rasmussen College Inc.

Redacted by HELP Committee

Rasmussen Colleges, Inc.
Document 5, Page 5
Excerpts, selected by the HELP Committee, from a larger document produced by the company.
2. TERM AND TERMINATION: The Agreement shall commence on the Effective Date and continue unless and until terminated by either party in accordance with the terms herein. Notwithstanding any provisions in the Agreement to the contrary, either party reserves the right to terminate the Agreement at any time by giving the other party seventy-two (72) hours prior written notice of termination. Such termination shall be without fee or penalty, but Rasmussen College shall pay Clash for all Qualified Leads sent to Rasmussen College under the Agreement prior to the effective date of termination. Termination of any Insertion Order shall not terminate this Agreement but termination of this Agreement shall terminate all Insertion Orders. Either party shall be entitled to terminate this Agreement immediately by written notice in the event the other party breaches this Agreement or becomes insolvent or has an application or order made for the appointment of an administrator, administrative receiver or other comparable officer.

2.1 INSERTION ORDERS. From time to time, the parties may negotiate insertion orders ("Insertion Order” or “Insertion Orders”) for Clash to market Rasmussen College’s offer, as specified therein, and to collect and submit information from prospective students. Each Insertion Order will be governed by the terms of the Agreement whether or not the Agreement is referenced in the Insertion Order. Each Insertion Order shall specify for one or more advertising campaign(s): 1) The Monthly Cap and Cost-per-Lead; 2) the start and end dates of the campaign(s); 3) the billing information; and 4) such other information as agreed between the parties.

2.2 Monthly Cap: Cost-per-Lead:
   See Insertion Order See Insertion Order

2.3 DEFINITION OF A QUALIFIED LEAD. "Qualified Lead" or "Qualified Leads" are defined as an individual or individuals for whom the Clash has provided to Rasmussen College accurate information in the following fields:
4527

occurrences) to the Network in order that members of the Network may choose to place the Adverts on their own website(s) or choose to distribute those Adverts by other means; and (ii) use reasonable endeavours to use the Network in order to procure the details of Registrants (i.e. leads) for passing on to Advertiser; □(b) Co-Reg Network and Lead Generation Path Insertion Orders: use reasonable endeavours to procure Registrants’ details (i.e. leads) from its affiliates and partners for the benefit of Advertiser.

4. ADVERTISER OBLIGATIONS

Advertiser will: □(a) where appropriate, supply Adverts to Clash, which shall include all necessary copy, graphics and other elements, free of third party rights and in a condition suitable for Clash to make them available to its Network; □(b) ensure that the Website(s) is/are constantly available (subject to scheduled maintenance or updating work and to unexpected occurrences) and will give Clash reasonable notice of any scheduled work which will adversely affect the Website(s); □(c) ensure that the Website(s) and all actions it takes pursuant to this Agreement comply entirely with all applicable laws and regulations (Including without limitation those concerning intellectual property, advertising, marketing, e-commerce and electronic communication, data protection and the rights of the individual) and with all applicable internet service provider terms; □(d) make payments to Clash in accordance with Section 5 hereof and □(e) comply with all reasonable requirements of Clash relating to the inclusion of tracking mechanisms in Adverts or otherwise and not attempt to circumvent such tracking mechanisms in any way.

Redacted by HELP Committee
### Client Insertion Order

#### Advertiser
- **School Name:** Rasmussen College
- **Authorized Buyer:**
- **Title:**
- **Street Address:**
- **Suite:**
- **City/State/Zip:**
- **Phone:**
- **Fax:**
- **Email:**

#### Alternate Billing/Agency
- **Company Name:** Rasmussen College, Inc.
- **Authorized Buyer:**
- **Title:** Qualifying Center Manager
- **Address:** 7905 Golden Triangle Drive, Suite 130 Eden Prairie, MN 55344
- **Email:**

#### Total Order Amount

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<td>200</td>
<td>$45.00</td>
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#### Special Instructions

This Insertion Order is subject to the terms and conditions of the advertiser agreement between Rasmussen College and advertiser. The individual executing and/or confirming the insertion Order on behalf of a party hereby certifies that he has all due authority to bind such party to the Insertion Order.

#### Advertiser (or Agent on behalf of Advertiser)

<table>
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Rasmussen College, Inc.

Document 7, Page 1
Redacted by HELP Committee

Advertising Agreement

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| Lead Delivery Method | [Redacted by HELP Committee] |

| Effective Date | 02/07/2016 |
| Term | Month-to-Month |
| Start Date | [Redacted by HELP Committee] |
| End Date | [Redacted by HELP Committee] |
| Payment Terms | Net 30 |

Redacted by HELP Committee

Rasmussen Colleges, Inc.

Document 8, Page 1
The following information is intended to supplement terms and conditions (the "Standard Terms and Conditions") and are incorporated into the attached Advertising Agreement as though they appeared in each Agreement:

1. Terms of Payment. The "Company" will invoice Advertiser monthly for services provided. Advertiser agrees to pay Company $x dollars (or any other amount as specified in the attached advertising agreement) within 30 days of receipt of invoice. Payment must be made by Company in accordance with the terms specified in the attached advertising agreement. Failure to pay within the specified time period may result in the termination of this Agreement. Advertiser agrees to pay all costs related to the advertising campaign, including but not limited to advertising space, advertising time, and any other costs incurred by Company in connection with the advertising campaign.

2. Lead Qualification. (A) Within a reasonable time after the date of the Agreement, Advertiser will provide Company with a list of leads that Advertiser has generated for the advertising campaign. (B) The list of leads will be provided to Company in a format that is acceptable to Company. (C) Advertiser agrees to use the leads in a manner that is consistent with the terms of the Agreement. (D) Company reserves the right to reject any leads that are not consistent with the terms of the Agreement. (E) Advertiser agrees to pay Company a fee for each lead that is provided by Advertiser.

3. Lead Requirements. (A) All leads provided by Advertiser must be qualified by Advertiser. (B) Advertiser must provide Company with a list of all leads that Advertiser has generated for the advertising campaign. (C) The list of leads must be provided to Company in a format that is acceptable to Company. (D) Advertiser agrees to use the leads in a manner that is consistent with the terms of the Agreement. (E) Company reserves the right to reject any leads that are not consistent with the terms of the Agreement. (F) Advertiser agrees to pay Company a fee for each lead that is provided by Advertiser.

4. Lead Delivery. (A) Advertiser agrees to deliver all leads to Company within a specified time frame. (B) Advertiser agrees to deliver all leads to Company in a format that is acceptable to Company. (C) Advertiser agrees to pay Company a fee for each lead that is provided by Advertiser.

5. Lead Validation. (A) All leads provided by Advertiser must be validated by Advertiser. (B) Advertiser agrees to use the leads in a manner that is consistent with the terms of the Agreement. (C) Company reserves the right to reject any leads that are not consistent with the terms of the Agreement. (D) Advertiser agrees to pay Company a fee for each lead that is provided by Advertiser.

6. Company's Responsibilities and Obligations. (A) The "Company" will provide Advertiser with advertising services in accordance with the terms and conditions of this Agreement. (B) The "Company" will provide Advertiser with advertising services in accordance with the terms and conditions of this Agreement. (C) The "Company" will provide Advertiser with advertising services in accordance with the terms and conditions of this Agreement. (D) The "Company" will provide Advertiser with advertising services in accordance with the terms and conditions of this Agreement.

7. Document Access. (A) The "Company" will provide Advertiser with access to the documents that are referenced in this Agreement. (B) The "Company" will provide Advertiser with access to the documents that are referenced in this Agreement. (C) The "Company" will provide Advertiser with access to the documents that are referenced in this Agreement. (D) The "Company" will provide Advertiser with access to the documents that are referenced in this Agreement.

8. Security. (A) The "Company" will implement reasonable security measures to protect the confidentiality and integrity of the information that is provided by Advertiser. (B) The "Company" will implement reasonable security measures to protect the confidentiality and integrity of the information that is provided by Advertiser. (C) The "Company" will implement reasonable security measures to protect the confidentiality and integrity of the information that is provided by Advertiser. (D) The "Company" will implement reasonable security measures to protect the confidentiality and integrity of the information that is provided by Advertiser.
11. LIMITATION OF LIABILITY. EXCEPT WITH RESPECT TO THE PARTY MAKING OR INVOICING THE AGREEMENT AND OBLIGATIONS WITH RESPECT TO CONSUMPTION, NIKON PARTY SHALL BE LIABLE TO THE OTHER FOR ANY AND ALL SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES ARISING FROM OR RELATED TO THE AGREEMENT, INCLUDING WITHOUT LIMITATION, FOR LOSS OF USE, LOSS OF PRODUCTION, LOSS OF OR DAMAGE TO DATA OR PROGRAMMING, LOSS OF REVENUE OR PROFITS OR OTHER BENEFITS, AND CLAIMS BY ANY THIRD PARTY, EVEN IF THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR COMPANY'S LIABILITY UNDER THIS AGREEMENT IS LIMITED TO THE AMOUNT OF FEES PAID BY ADVERTISER TO COMPANY FOR SERVICES RENDERED IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRIOR TO THE DATE A CLAIM IS RAISED HEREUNDER. THE FOREGOING LIMITATIONS APPLY TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING WITHOUT LIMITATION BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS, AND OTHER CLAIMS.

12. Miscellaneous. No condition other than those set forth in this Agreement or the Standard Terms and Conditions shall be binding on Company unless expressly agreed to in writing by Company. No modifications to these Terms and Conditions shall be effective unless agreed to in writing by Company. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party. In the event of any conflict between the terms hereof and the terms contained in the Standard Terms and Conditions, the terms hereof shall control. This Agreement shall be governed by the laws of the State of New Jersey, without reference to any principles of conflicts of law. Any suit, action, or proceeding to enforce any provision of this Agreement shall be subject to the exclusive jurisdiction of the courts of the State of New Jersey. In the event of any dispute relating to this Agreement, the parties agree to submit to the jurisdiction of the courts of the State of New Jersey for the determination of such dispute.

Redacted by HELP Committee
Exhibit A

Client Delivery/Specifications

Advertiser will provide to Company within ten (10) days after the Effective Date, information regarding the products and/or services for use by Company in developing creative elements. This information may include specifications, descriptions, special promotions, logos, colors, creative materials, and any other appropriate marketing content. Company shall notify Advertiser when creative content is ready for review and launch ("Flexible State"). Advertiser agrees to promptly review, accept content and provide comments or launch authorization within five (5) days of notification by Company that creative content is ready for review.

School Information

The following 255 character fields will appear on the right hand side of your Microsite. Some of these fields are optional, and may be provided at your discretion:
- School Address
- Accrediting Body - Institutional Level Accreditation
- Total Online Enrollment
- Calendar Type
- Average Cost per Credit
- Delivery Format
- Technical Requirements
- Geographic Restrictions
- On-Campus Requirements

Degree Information

(To be provided via email format – a blank spreadsheet will be provided to you.)

- Accrediting Body: Degree Level Accreditation - Maximum of 215 Characters
- Degree Title: Maximum of 255 Characters
- Degree Description: Maximum of 1000 Characters
- Format: Maximum of 255 Characters (example: "Online," "On-Campus")
- Level: Maximum of 255 Characters (example: "Associate," "Bachelor," "Master," "Doctoral" (Continuing Education)
- Requirements: Maximum of 255 Characters (example: "Must have bachelor’s degree from accredited institution/Must have an undergraduate GPA of 2.0 or above/..."
- Residency Requirements: Maximum of 255 Characters (example: "No residency required," "One week at start of first term," etc.)

On-line

Please provide one of each of the following 12 items:
1. Express screenshot (1200x800, 3 MB max size, jpg: * +1) (no rotating images)
2. Primary Logo (1200x800, 2 MB max size, jpg: * +1) (no rotating images)
3. Secondary Logos (256x256, 1 MB max size, jpg: * +1) (no rotating images)
4. Main Advertisers banner (1000x150, 10 KB max size, jpg: * +1) (no rotating images)
5. Acceptable image formats: PNG, GIF, JPG

The following list items are optional:
1. Main Advertisers banner (1200x800, 12 KB max size, jpg: * +1) (no rotating images)
2. Acceptable image formats: PNG, GIF, JPG

Information Request Form ("Lead" only)

Information requests ("Leads") are utilized in our databases, and advertisers will design a lead submission form on our campus similar to the following fields:
- First Name, Last Name, Email address, Phone number, Mailing address, City, State, Zip Code, Country, Program of Interest (with up to 5 of your offerings), and highest degree achieved. Other fields may be added but must be identified prior to commencement of the agreement.

After Advertiser's signing, we will submit changes to form information or validation requirements must be submitted to and approved by us six weeks prior to the expected launch date.

Advertiser initials: ____________________________
Excerpts, selected by the HELP Committee, from a larger document
produced by the company
Default Prevention & Management
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Principal Responsibility

Default Aversion Management tracks expenses, updates and creates collateral, and performs due diligence activities to borrowers who are delinquent on their Federal Stafford Loan and Perkins accounts. Default Data Management is responsible for creating and updating the cohort management systems and default analysis reports.

Exit Counseling

Regulations require that schools provide exit counseling. Exit counseling is an effective way to prevent defaults and is often the last opportunity that borrowers have to work with someone at school regarding their loans. In-depth counseling that focuses on fully explaining repayment plans and choices that fit the borrowers' needs is essential. Exit counseling is the opportunity to clear up any misconceptions students may have about their loan obligations and re-emphasize the consequences of default. Schools should take full advantage of this opportunity to work with their students. A large percentage of borrowers in delinquency either did not have the benefit of receiving this information or did not receive it timely. Through exit counseling is a cornerstone of default prevention and is mandatory.

Students learn about:
- Grace Period
- Their Rights & Responsibilities
- Advantage of in-school
- Understand and limit credit card use
- Loan interest
- Options to repay back their loans
- Consequences of default

Withdrawals

Many borrowers who default on their loans are borrowers who withdraw from school prior to completing their academic programs. These borrowers, at the highest risk of default, can often be identified while still on campus. Early identification and timely intervention can improve student retention and reduce the number of defaulted loans.

In addition to fulfilling the regulatory requirement to provide exit counseling to students, schools should attempt to work with students even after they have left school by encouraging them to complete their programs of study and helping them resolve the issues that prompted their withdrawal. Consider offering job placement services for a limited timeframe to students who have withdrawn. In addition to providing a valuable service, schools can take advantage of the borrower’s return to campus to provide counseling. Note that an employed borrower, even
one earning less than if he/she had completed school, is better able to make loan payments than an unemployed borrower.

Timely and Accurate Enrollment Reporting

Timely and accurate enrollment reporting to the Secretary or the guarantor as appropriate is required by regulation and promotes school and student success. There is a direct correlation between late or in accurate enrollment reporting and loan defaults.

This school activity ensures that borrowers receive timely, accurate and complete information. Further, this activity ensures that contacts from the loan servicer such as correspondence and telephone calls are consistent with the school’s enrollment status. The servicer’s contacts are designed to increase the likelihood that borrowers will not default. Timely and accurate reporting of changes in enrollment status is required of all schools. Adhering to a monthly schedule of reporting changes in enrollment status will help with data accuracy and is recommended.

What Do You Say to a Borrower Who Just Graduates at Least Two Years Ago?

Requests for Borrower Information

- During entrance or exit counseling, obtain information from borrowers regarding references and family members beyond those requested on the loan application, and ask for cell phone numbers and email addresses for borrowers and for family members;
- During exit counseling, obtain updated information from borrowers including their addresses, cell phone numbers, email addresses, and addresses of their references and various family members.

Information about Repaying the Loan

- Estimated balance of loan(s) when the borrower completes the program;
- Interest rate on the borrower’s loan(s);
- Name, address and telephone number for the borrower’s lender;
- Estimated monthly income that the borrower can reasonably expect to receive in his or her first year of employment based on the education received at your school;
- Estimated date of the borrower’s first scheduled payment.

Reminders about Personal Financial Management and Title IV Loans

- Schools should provide financial literacy resources to borrowers at enrollment, throughout attendance, and following graduation or withdrawal;
- Students should borrow only what is needed and can cancel or return any funds in excess of what is needed.

Rasmussen Colleges, Inc.

Document 9, Page 6
Borrowers must inform their lenders immediately of any change of name, address, telephone number, or social security number.
- If a borrower is unable to make a scheduled payment, he or she should contact the lender before the payment is due to discuss a change in repayment plan or other repayment options.
- General information should be provided about:
  - Repayment options;
  - The sale of loans by lenders and the use by lenders of outside contractors to service loans.

**Due Diligence for Borrowers entering Grace Period**

ESDA begins at the time of separation or early in the grace period. ESDA is a highly focused effort by lenders, guarantors, and schools to assist particular borrowers to prepare for entry into loan repayment. ESDA activities afford lenders, guarantors, and schools an opportunity to provide focused, enhanced loan counseling, borrower education, and personal support during the grace period, and in so doing help decrease the chances of loan default.

**Due Diligence for Borrowers entering Repayment Period**

The practices and strategies mentioned previously are much easier to employ if they are able to reach and keep in contact with their former students after they have left campus. Contacting borrowers is an essential activity upon which successful default prevention and management can be built.

**Due Diligence Activities include**
- Phone calls to borrowers;
- Phone calls to references;
- Mail delinquent letters;
- Retrieve Rights & Responsibilities for references information
  - Print R&R from "O" drive
  - O-DEFAULT MANAGEMENT IM-SCANNED DOCS \ O R&R Forms
- Print Reference sheets from Saint Director

**FedEx Packages**

FedEx packages are sent to severely delinquent borrowers (or borrowers who are in a claimed-filed status). You must confirm the address as the borrower’s primary location before sending out mail.
The packet includes:
- Delinquent Letter
- Consequences of Default Brochure
- Forms
- (optional) Pre-paid business reply FedEx Envelopes, or
- Regular Business Reply envelope

References

At some point you may need to contact your borrower’s references by phone or mail. You may also need to gather more references to help locate your borrowers.
- Print R&R from O/DEFAULT MANAGEMENT/DM SCANNED DOCSCY R&R Forms
- Print Reference sheets from Sanie Director
- Phone Call Script
- Reference Letter

Signature Gathering

After exhausting every means of contact, send borrowers to Private Investigator for signature gathering services.
- Investigator Assignment Report
- Private Investigator Packet
  - Investigative Letter
  - Consequences of Default Brochure
  - Forms
- Investigative Invoice Report

Postponement Options

Deferment and Forbearance (Postponing Payments)
If a student meets certain requirements, they may receive a deferment that allows them to temporarily stop making payments on their loan. If the student cannot make the scheduled loan payments but do not qualify for a deferment, we may give them a forbearance. A forbearance allows them to temporarily stop making payments on their loan, temporarily make smaller payments, or extend the time for making payments.

Forbearance
We may give the borrower a forbearance if they are temporarily unable to make a scheduled loan payments for reasons including, but not limited to, financial hardship or illness.

Rasmussen Colleges, Inc.
Document 9, Page 8
We will give them a forbearance if:

- They are serving in a medical or dental internship or residency program, and you meet specific requirements;
- They are serving in a national service position for which you receive a national service education award under the National and Community Service Act of 1990 (AmeriCorps);
- They qualify for partial repayment of your loans under the Student Loan Repayment Program, as administered by the Department of Defense;
- They are performing service that would qualify you for loan forgiveness under the teacher loan forgiveness program that is available to certain Direct Loan and FFEL program borrowers, or
- The total amount that they owe each month for all of their federal Title IV student loans is 20 percent or more of their total monthly gross income (for a maximum of three years).

To request a forbearance, the borrower can contact you or their servicer or our website. Under certain circumstances, the servicer may also give them a forbearance without requiring them to submit a request or documentation. These circumstances include, but are not limited to, the following:

- Periods necessary for the servicer to determine their eligibility for a loan discharge;
- A period of up to 90 days in order for the servicer to collect and process documentation related to their request for a deferment, forbearance, change in repayment plan, or consolidation loan (Direct Loans does not capitalize the interest that is charged during this period); or
- Periods when the students are involved in a military mobilization, or a local or national emergency.

The borrowers are responsible for paying the interest on both Subsidized Loans and Unsubsidized Loans during a period of forbearance.

Deferral
The student may receive a deferment while you are:

- Enrolled at least half-time at an eligible school;
- In a full-time course of study in a graduate fellowship program;
- In a full-time rehabilitation program for individuals with disabilities (if we have approved the program);
- Unemployed (for a maximum of three years; the student must be conscientiously seeking, but unable to find, full-time employment); or
- Experiencing an economic hardship, as determined under the law (for a maximum of three years);
- The student may be eligible to receive additional deferments if, at the time they received their first Direct Loan, they had an outstanding balance on a loan made under the Federal Family Education Loan (FFEL) Program before July 1, 1993. If they meet this requirement, they may receive a deferment while they are
- Temporarily totally disabled, or unable to work because they are required to care for a spouse or dependent who is disabled (for a maximum of three years).
On active duty in the U.S. Armed Forces, on active duty in the National Oceanic and Atmospheric Administration (NOAA), or serving full-time as an officer in the Commissioned Corps of the Public Health Service (for a combined maximum of three years);

- Serving in the Peace Corps (for a maximum of three years);
- A full-time paid volunteer for a tax-exempt organization or an ACTION program (for a maximum of three years);
- In a medical internship or residency program (for a maximum of two years);
- Teaching in a designated teacher shortage area (for a maximum of three years);
- On parental leave (for a maximum of six months); or
- A working mother entering or re-entering the workforce (for a maximum of one year).

The student may receive a deferment based on your enrollment in school on at least a half-time basis if (1) they submit a deferment request form to the Direct Loan Servicing Center along with documentation of their eligibility for the deferment, or (2) the Direct Loan Servicing Center receives information from the school they are attending that indicates they are enrolled at least half-time. If the Direct Loan Servicing Center processes a deferment based on information received from their school, they will be notified of the deferment and will have the option of canceling the deferment and continuing to make payments on your loan.

For all other deferments, the student must submit a deferment request form to the Direct Loan Servicing Center or other servicer, along with documentation of their eligibility for the deferment. The servicer or schools specialist can provide the student with a deferment request form that explains the eligibility and documentation requirements for the type of deferment they are requesting. They may also obtain deferment request forms and information on deferment eligibility requirements from the Servicer’s web site.

If they are in default on your loan, they are not eligible for a deferment.

They are not responsible for paying the interest on a Subsidized Loan during a period of deferment. However, they are responsible for paying the interest on an Unsubsidized Loan during a period of deferment.

**Enrollment Verification Letter**

Use in substitute of the In-school Deferment form. Access CLASS to find the enroll information for the borrower who re-entered school, and fill the boxes accordingly. Treat the EXI the same way you will treat an In-school Deferment form. (See sample letter on next page)
Excerpts, selected by the HELP Committee, from a larger document produced by the company.
• Exit Counseling to Campuses
  ❖ Provide Training and Packets
  ❖ Printed out 1400 Packets – **GO GREEN**

• Bulk Mailing to delinquent students
  ❖ 1500 outgoing mailings per month
  ❖ 200 incoming mailings per month
  ❖ Takes 20 hours to stuff mailings

• Calling Campaigns to students and references
  ❖ 1200 outgoing calls per specialist
  ❖ 80 incoming calls per specialist

• E-mails
  ❖ 1000+ outbound sent
  ❖ 200 inbound received
- Default Brochures cost $500 quarterly
  - Sabrina designed the brochures
- Lexis Nexis & Experian spend $400 a month
  - Skip Tracing
- Private Investigator spend $2000 a month
  - Spend $600 in postage per month
- Return Postage costs $500 every 6 months
- Envelopes cost $700 every 3 months
- FedEx spend $150 a month
  - Average Envelope cost $10

**Total Cost for FY 2009 was $27,803.51**

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- Performs Skip Tracing on every Borrower at a rate of $25
- Attains 2 Signatures per student at a rate of $50 (within state of MN)
  - Will make 3 attempts per borrower prior to an "unable to locate" decision
  - He services other states at a rate of $75 per signature
- Faxes back to Rasmussen within 12 hours
- The original is mailed back within 3 business days back to Rasmussen
- Reimburse mileage to borrower’s residence at a rate of $0.50 per mile (150 miles maximum)
Excerpts, selected by the HELP Committee, from a larger document produced by the company.
Default Rates, A three year look
January 6, 2010

Rasmussen - Proprietary & Confidential
2005 – March 2008

- Campus Financial Aid offices were responsible for mailing letters to students for:
  - Students during grace period
  - Students in repayment
  - Students who are delinquent
- Florida campuses were using General Revenue to manage cohort default rates
March 2008 – February 2009

- Began to centralize Default Management in March 2008
  - 1 employee
  - Worked only 2 OPEIDs – Eden Prairie and Florida
  - Created and built 2007 Cohort CMS (Cohort Management System)
    - This report provided borrower specific information (social security number, name, date of birth, address, phone number, loan status, lender, etc.)
  - Created procedures for Default Management
  - Built rapport with servicer and guarantor
  - Call campaigns to delinquent students
  - Mailed letters to students in Grace, Repayment, and Delinquency
  - Sent e-mails to students
  - Created Exit Counselling – Provided training & packets

RASMUSSEN
February 2009 - Present

• Centralized Default Management
  - Added 2 additional employees (for a total of 3)
  - Worked all OPEIDS - Eagan, Eden Prairie, Florida, Mankato, North Dakota, and St. Cloud
  - Created CMS for cohort 2008 & 2009
  - Call campaign to delinquent students and references
  - Send out monthly mailings to borrowers and references
  - Send out e-mails bimonthly to delinquent borrowers
  - Perform skip tracing
  - Private investigator for signature gathering
  - Provide Training and Packets for Exit Counseling to campuses

RASMUSSEN
• E-mails
  - Send out bimonthly to borrowers

• Letters
  - Borrowers in grace
  - Delinquent borrowers
  - Borrower references

• Skip Tracing
  - Perform skip tracing on the most delinquent students for telephone number, address, or relative to contact
  - Print profile information for future reference

• Private Investigator
  - Performs skip tracing
  - Attains signatures from borrowers
  - Faxes back to Default Dept. and mails original

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Rasmussen College - Proprietary & Confidential

Rasmussen Colleges, Inc.
Document 11, Page 6
- Exit Counseling to Campuses
  - Provide training and packets to Financial Aid
  - To assist students in repayment period
- Bulk Mailing
  - Send out monthly letters, postcards, or pamphlets
- FedEx
  - Sent to most delinquent students whose address has been confirmed
- Call Campaigns
  - When getting borrower on the phone, join the servicer to the call to get account current, make a payment, or postpone
  - With references, ask if they have a number or address to reach borrower or to take our information
• Hire 2 additional Default Management Specialists (5 total employees)
• Create 2 Groups
  - Prevention - (2 employees)
    - Build 2010 & 2011 CMS
    - Update CMS monthly
    - Exit Passports for all campuses
    - Call/campaign to borrowers who are in grace and 2–60 days delinquent
    - Contact references provided by the student during Entrance Counseling
    - Send emails and mailings to borrowers who are entering repayment and 0–60 days delinquent
  - Aversion - (3 employees)
    - Counsel students on repayment options including income sensitive and consolidation
    - Counsel students on forbearance and deferment
    - Call/campaign to borrowers 60+ days delinquent and references
    - Send mailings to borrowers 60+ days delinquent and references
    - Send emails to borrowers 60+ days delinquent and references
    - Create new letters, marketing collateral and e-mails

RASMUSSEN
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<td>Defaults</td>
<td>Total Defaulted Students</td>
<td>% of Defaults for Demographics</td>
<td>CT Total Student Demographics</td>
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<th>CT Total Student Demographics</th>
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<td>defaults</td>
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<tr>
<td></td>
<td>130</td>
<td>596</td>
<td>2%</td>
<td>19%</td>
</tr>
</tbody>
</table>
• This starts the conversation, not the end of it
• Need to do more upfront education on loans and that they must be
  repaid, especially to our at risk groups. When someone drops, we
  need to be all over them
• Like other topics today, the better retention we have, the more
  graduates, the more graduates, the fewer the defaults
• All of our actions and initiatives have consequences
• Ceteris paribus, if we don’t change our default management
  practices, and pursue our goals of more men and more diversity, our
  default rates will go up
• As example if we had 30% men instead of 19%, our default would
  have gone to 18.4% or up half a percent, or if we were to go from
  27% minority to 35% our default rate would jump up 1% to 17.9%

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Excerpts, selected by the HELP Committee, from a larger document produced by the company.
RASMUSSEN COLLEGE
ENROLLMENT AGREEMENT

Name: ____________________________
Address: ____________________________
City, State, Zip: ____________________________
Phone/Number: ____________________________
Social Security Number: ____________________________

SECTION I: APPLICANT ACKNOWLEDGEMENT

Upon successful completion of all course requirements and financial obligations to Rasmussen College ("College"), I, (insert name here), hereby agree to enroll in the Accounting Associate in Accounting AAS Degree, with the following programmatic requirements, which I have reviewed. My program start date is 09/01/2017. I have been provided with all courses and programmatic requirements to the best of my knowledge.

I understand and agree to the following:

1. College Admission or Rejection of Application for Admission. The College will notify me in writing of acceptance or rejection based on fulfillment of the following requirements:
   - Completed application form
   - High school diploma or GED certificate
   - Evidence of high school graduation, except where evidence of equivalency
   - Completed Entrance Examination (ACCUPLACER)

   In addition to the enrollment requirements for the Accounting program as listed above, students in certain programs must also receive approval and obtain the certificate or graduation from the state or other public or private agency.

   Please note: The process for review and approval may take time. In order to obtain a degree or certificate, I understand that the student must complete all course requirements and pass all examinations within the time frame specified in the program requirements.

2. Financial Responsibility for Tuition. Tuition and fees are due at the time of registration. If I fail to pay tuition and fees on time, I understand that I may be denied access to the College and that I may be required to pay additional fees and expenses. I understand that I am responsible for any amount owed to the College, which may be offset against any future payments or refunds.

3. Financial Aid. I understand that I may be eligible to receive aid from the federal government, state agencies, private organizations, and other sources. I understand that I am responsible for determining my eligibility for financial aid and for completing the necessary forms and applications. I understand that I may be required to repay any aid received if I withdraw from the College or fail to meet the terms of the aid.

4. Program Completion. The College requires that all students complete all requirements for all courses in which I have enrolled. I understand that I may be required to complete any prerequisite courses before enrolling in the program.

5. Enrollment. I understand that I am required to maintain satisfactory academic progress in order to continue enrollment. If I fail to maintain satisfactory progress, I may be required to withdraw from the program.

6. Transfer Credit. The College grants credit for transfer credit only with approval from the college. I understand that I may be required to submit an official transcript from the college granting the credit.

I acknowledge that I have read and understand the above terms and conditions and agree to abide by them. I understand that I am responsible for any amounts owed to the College, which may be offset against any future payments or refunds.

Date: ____________________________
Student Signature: ____________________________

Rasmussen Colleges, Inc.
Document 12, Page 2
7. Transfer of credits to other institutions. Upon graduating from Rasmussen, I acknowledge that I may not be able to pursue an advanced degree at another academic institution. As a regionally accredited institution, I understand that Rasmussen has articulation agreements with other colleges and universities. However, regardless of written transfer agreements it is always up to the institution to which I choose to transfer to determine what, if any, coursework the institution will accept. I understand that transfer policies vary by college and major and are subject to change without notice. I also understand that Rasmussen does not guarantee transfer credits will accept the credits I have earned at Rasmussen. However, Rasmussen will assist me with the credit process by helping provide the necessary documentation and information for other college applications. Additional information regarding transfer of credits is set forth in the College Catalog. By signing this Agreement I acknowledge that the credits I earn while at Rasmussen may not be transferable.

8. Graduate employment assistance. Rasmussen has reserved the right to provide placement assistance for the programs I have selected as indicated in the Missouri Office of Higher Education. Rasmussen’s Career Services Department is available to assist me in my employment needs upon graduation. Rasmussen has been successfully helping students find jobs for over 10 years. However, due to the changing nature of the economy, business practices, and employment trends, I understand that Rasmussen cannot forecast any guarantees about my employment plans. Graduates having a strong resume, employment statistics and related information. Rasmussen will be in touch with me, but I am the one who must take a good faith effort to secure employment by seeking out job openings, social networking, preparing for interviews, and doing those things suggested by the institution’s career advisors and/or those things ordinarily done to actively seek employment.

9. Enrollment Dates. I understand that I may be terminated from the institution in accordance with the College Catalog for "cause," or without "cause." The institution determines the nature to be in the best interests of the College, its students, staff, or faculty.

10. Right to Terminate. I understand that all of my legal rights and responsibilities are contained solely in this Enrollment Agreement. I have the right to leave my Enrollment Agreement with the College, but I also have the responsibility to carefully read the entire agreement and to make sure that I understand all parts of it. No employee of other person in some form or other is required to sign an agreement, and no agreement, promises or understandings are to be held in evidence. No other written, oral or written communications, or any statements by anyone during the enrollment process or any time thereafter will change any rights of the College’s legal responsibilities and obligations to me.

SECTION III. Tuition and Fees

Tuition Structure

Tuition Rates are as follows:

<table>
<thead>
<tr>
<th>Tuition Rates 1/3-1/2-2017</th>
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<tr>
<td>All courses except those designated &quot;SN&quot; or &quot;SM&quot;&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;All other courses&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;&quot;SN&quot; or &quot;SM&quot;&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program&lt;br&gt;Others in the Program</td>
</tr>
</tbody>
</table>
| $70 per credit up to (6) credits<br>$255 per credit for (7) to (12) credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits<br>$445 per credit for (13) or more credits

A. Show the total amount that will be charged.
B. Show the total amount that is due.
C. Show the current balance.
D. Show the total amount that is still due.

1. Payment of Tuition and Fees. Tuition and other fees are charged to the account established in this contract. I understand that tuition and fees for each term are charged, due and payable at the beginning of each term that begins. Tuition is charged as a term by term basis and is calculated based upon the number of credits taken each term at the end of the previous term, which will not be charged if the student completes the program as scheduled, or as they are not continuing in another program or otherwise. Payments of tuition and fees may be deferred until receipt of Federal financial aid award.
null
SECTION V. CERTIFICATIONS AND AFFIRMATIONS OF UNDERSTANDING:

Please read and initial the following statements as true:

1. I certify that I have reviewed this Enrollment Agreement and I understand my rights and responsibilities.

2. I have or will carefully review this entire Enrollment Agreement and if I have any questions, I will ask a Campus Administrator before I sign it.

3. I understand the Enrollment Agreement is a legally binding agreement and it contains all of my understanding, including all of my rights and responsibilities and all of the College's legal obligations to me. To ensure all rights are preserved as written or oral changes, additions or deletions are prominent.

4. I certify that I have been provided with all documentation regarding placement and completion rates for the program for which I am enrolling.

5. I understand that my success will depend on my efforts. I also understand that school employees are prohibited from making any oral or written assurances, promises, or guarantees to encourage me to enroll, and I certify that none have been made. This includes written relating to my academic, financial or career success, or any other benefits I may hope to achieve from my enrollment or enrolling.

6. Remove signature as soon as possible when any dispute arises, including any dispute which results in the grievance policy being violated by any written. Any dispute arising from enrollment at Rasmussen College as set forth in the College Catalog, no matter how described, including the terms and conditions of enrollment, shall be resolved by binding arbitration under the Federal Arbitration Act in accordance with the American Arbitration Association ("AAA") in Minneapolis, Minnesota, under its Commercial Rules. All determinations as to the scope, nature, or interpretation of this Arbitration Agreement shall be determined by an Arbitrator, and not by a Court. The award rendered by the Arbitrator may be enforced in any court having jurisdiction.

7. I have reviewed a copy of this Enrollment Agreement and the College Catalog before enrolling and starting classes.

8. Please know that I may be notified of other program-specific program requirements, written and informational, in addition to signing this Enrollment Agreement and that these documents shall be attached to this Enrollment Agreement and that I shall be bound by these documents and that they shall be part of this Enrollment Agreement as though filthy in both forms.

9. I understand that I may cancel my Enrollment Agreement up to five days after the agreement has been accepted.

Signature of Student __________________________ Date __________

Signature of Admissions Representative __________________________ Date __________

Signature of Campus Director* __________________________ Date Agreement Accepted __________

*NOTE: THE APPLICANT HAS NOT BEEN ENROLLED, NOR IS THIS A LEGALLY BINDING AGREEMENT, UNTIL SIGNED BY THE CAMPUS DIRECTOR.
Maximizing Our Return on Admissions

June 11th

Michael Locke
Prospective Student Lifecycle

11% of Campus Revenue Spent on Advertising or Roughly $400,000 and Average cost per lead is $148

Our Average Lead to App Rate is 16.7% app to start of 80% leading to 15% close rate

Average Rep generates 85 starts a year And costs $45,000 with benefits

Advertising cost of $982 per start + Recruiting cost of $1100 per start = Total cost of start of $2082

Our Q1 and Q2 retention is roughly 7%, so only 59% of starts and 47% of apps make it to Q3
Our goal is more of a PIPE and less FUNNEL so more applications make it to Q3 and less drop-off. Increase in app to start and getting starts who will hold better, we can get 37% more on same number of applications (same effort by reps)

<table>
<thead>
<tr>
<th></th>
<th>Standard</th>
<th>10% App to Start</th>
<th>85% Q1 and Q2 Retention</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Starts</td>
<td>88</td>
<td>99</td>
<td>88</td>
<td>99</td>
</tr>
<tr>
<td>Q3 Students</td>
<td>55</td>
<td>59</td>
<td>64</td>
<td>37%</td>
</tr>
</tbody>
</table>

- "Midquarter" starts easier to hold and retain
- Metrics-based financial aid management
- Q1 retention owned by reps?
Prospective Student Lifecycle

Direct Response Advertising \[\rightarrow\] Lead Generated
High School \[\rightarrow\] Corporate

- CPL increasing significantly with crowded market
- All TV commercials the same
- Using people instead of ads to drive leads
- Getting institutional validation of quality
- Recruitment does not just start with lead
### Profit Dynamic of 1 Student

<table>
<thead>
<tr>
<th>Course student who drops after one quarter</th>
<th>Course student who persists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$2,010</td>
</tr>
<tr>
<td>40% Delivery Expense</td>
<td>$1,220</td>
</tr>
<tr>
<td>Admissions Expense</td>
<td>$2,062</td>
</tr>
<tr>
<td>Profit</td>
<td>$(2,044)</td>
</tr>
<tr>
<td>Cumulative Profit</td>
<td>$(2,044)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2 course student who drops after two quarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
</tr>
<tr>
<td>40% Delivery Expense</td>
</tr>
<tr>
<td>Admissions Expense</td>
</tr>
<tr>
<td>Profit</td>
</tr>
<tr>
<td>Cumulative Profit</td>
</tr>
</tbody>
</table>

- We don't make any profit until a student takes 4 courses
- More credit for selling bachelors?
- FTE goals or revenue goals?
- Graduation Incentives?
- Not all students are of equal value to us as a company. We want students who will take 3 and 4 courses and persist.
- Bachelor student more valuable as receive 4+ years of tuition for same acquisition costs
- High school student more valuable as research shows they will take heavier load of 4 courses more frequently
<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January</td>
<td>February</td>
<td>March</td>
</tr>
<tr>
<td><strong>Monthly</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of recruiters</td>
<td>45</td>
<td>48</td>
<td>54</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>32.4%</td>
<td>37.1%</td>
<td>56.8%</td>
</tr>
<tr>
<td>Avg. months of experience</td>
<td>17.3</td>
<td>18.1</td>
<td>17.0</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>8.1%</td>
<td>9.7%</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Total starts</td>
<td>355</td>
<td>269</td>
<td>441</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>79.6%</td>
<td>18.2%</td>
<td>26.6%</td>
</tr>
<tr>
<td>Avg. starts per recruiter</td>
<td>6.0</td>
<td>6.2</td>
<td>8.2</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>35.6%</td>
<td>-13.9%</td>
<td>-10.8%</td>
</tr>
<tr>
<td><strong>Quarterly</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of recruiters</td>
<td>40.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YoY Growth</td>
<td>42.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avg. months of experience</td>
<td>17.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YoY Growth</td>
<td>4.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total starts</td>
<td>1,090</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YoY Growth</td>
<td>38.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avg. starts per recruiter</td>
<td>22.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YoY Growth</td>
<td>-2.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- Start growth is directly commensurate with growth of trained admission reps.
- Direct correlation between experience of reps and productivity levels as new reps need to ramp
- Turnover thus kills you as pulls down productivity. New career path with promotions and new compensation plan designed to reduce turnover
- Always need to be watching risk of turnover and staffing above the number of productive reps needed to hit goal – something will always happen
- Associate DOA is critical hire. DOA job includes building successor.
Big Point No. 4

- Labor markets go through cycles and Allied Health will eventually slow
- Businesses with diversified curriculum are more valuable because they do not have cyclical risk
- Ideally, no program area would be over 25%
- Great job opportunities in IT and Accounting
- DOA must manage the "mix" and make sure we are aggressively selling the programs where job opportunities are robust and where there is a corporate strategy like IT
Admission Turnover & Career Path

START YOUR STORY

Rasmussen Colleges, Inc.
Document 14, Page 1
Overview

- Turnover Data Review
- Plan to Reduce Turnover Risks
- Career Path Plan

5/16/2010
Last 12-Month Turnover

- 24% Annualized Rate of Turnover
  - 7.5% higher than Fiscal 2009
  - Increased rate past three quarters
  - Stabilized in March
- Turnover Trends
  - Salary + Experience
  - Performance
  - Tenure + Experience

5/16/2010
We Can’t Afford This Rate

• March Adult Admission Reps = 282
  – Assume growth of 30% = 82 new hires to keep pace w/o turnover
  – At 30% Turnover = 192 new hires needed

• Conservative Cost of Turnover
  – 50% of annual salary for all employees
  – Plus lost productivity for Admission Reps
Turnover Demographics

68 Team Members Left Us
- 46% made less than $39,999
- 47% male
- 41% tenure of 12 – 24 months
- 40% performance related
- 20% left to work at a competitor
- 76% left voluntarily
  - 32% made a less than thoughtful decision
Turnover & Salary

- 27% of team makes less than $39,000
  - 46% of turnover is from this group
- 41% of team makes $40,000 - $44,000
  - 28% of turnover is from this group
- We Must Hire Experience That Warrants Higher Salary Levels

5/16/2010
<table>
<thead>
<tr>
<th>Tenure</th>
<th>% of Turnover</th>
<th>% of Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 6 Months</td>
<td>30%</td>
<td>27%</td>
</tr>
<tr>
<td>7 - 12 Months</td>
<td>19%</td>
<td>25%</td>
</tr>
<tr>
<td>13 - 24 Months</td>
<td>41%</td>
<td>26%</td>
</tr>
<tr>
<td>Over 24 Months</td>
<td>10%</td>
<td>23%</td>
</tr>
</tbody>
</table>

40% of All Turnover is Performance Related (CAN/PIP)
76% is Voluntary
0-6 month ramp
6-12 = 1st two starts
12+ = Performance Plans
# Stage of Career is a Factor

<table>
<thead>
<tr>
<th>Age Range</th>
<th>% of Turnover</th>
<th>% of Team</th>
<th>Last 6M Hires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 25</td>
<td>26%</td>
<td>14%</td>
<td>31%</td>
</tr>
<tr>
<td>25 – 29</td>
<td>34%</td>
<td>45%</td>
<td>47%</td>
</tr>
<tr>
<td>30 – 35</td>
<td>12%</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>Over 35</td>
<td>28%</td>
<td>16%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Avoid being the starter job out of college  
Look for consistency in field  
Hold out for mature minded career seeker
No Future With Us?

- 20% Left us to join a competitor
- 5% Left us for more $/Better Opportunity
- 19% Relocated
Three Buckets of Turns

1. Wrong Hire

2. Ineffective Training & Coaching

3. Lack of Opportunity & Career Path
Hire Better

- Raise Candidate Experience Expectations
  - Not be the starter job
  - 3-4 years professional/related experience
  - Experience warranting at least $40,000
  - Job Shadow Component
  - Hiring Profile/Persona
- Focus on right hire not “saving money”
- Standardized Interview Evaluation Form
  - DOAs to complete prior to sending forward
  - CD, Vertical, and RVP to update through process
From: [Name]
To: HELP Committee
Sent: 8/14/2008 10:36:17 PM
Subject: RE: BACH STUDENTS
Attachments: BACH T4 Loan Funds Release.xls

I have attached the spreadsheet with the students that are currently submitted that are eligible to receive excess funds. Two of the students, and also have all loans, so I wasn't sure how you wanted the numbers reported. I will be out of the office tomorrow, but please let me know if you need anything additional.

Thank you.

Financial Aid Director
Rasmussen College, Inc. - Marinette Campus

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From: [Name]
Sent: Thursday, August 14, 2008 3:40 PM
To: [Name]
Subject: Fw: BACH STUDENTS

Dear [Name],

As you may know, all Title IV loan funds are on hold for the Ouca school code due to 90/10. This is an internal procedure we follow every year and is transparent to the students. With that said, please work with your Financial Aid Directors to put together a list of BACH students who should be receiving living expense/excess funds for the term. I will then calculate the impact on 90/10 if we release the funds.

I have attached a spreadsheet for you to use so the information comes to me in a standard format. Please send me the complete list by the end of today.

Thank you.

Manager - Student Accounts
Rasmussen College, Inc. - Chicago

Senate Rule XXX - Confidential Committee Information
RAS00098219

Rasmussen Colleges, Inc.
Document 15, Page 1
From: [Redacted]
To: [Redacted]
CC: [Redacted]
Sent: 6/24/2006 6:07:03 PM
Subject: 90-10 Funds Hold for Summer Term
Attachments: 90-10 FL 2006.doc

Hello,

Please see the attached memo regarding the release of summer 2006 Title IV funds that impact 90/10. Please join me on Monday, June 26, 2006 at 10:30 am via conference call to discuss any questions you may have.

Thanks,

[Redacted]

Corporate Student Accounts Manager
Rasmussen College, Inc. - Chicago

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DATE:       June 24, 2008
TO:        Redacted by HELP Committee
CC:        George Fogel, Eric Rasmussen, Kris Waite, Redacted by HELP Committee
FROM:      Corporate Student Accounts Manager
SUBJECT:   Florida 90/10 Summer 2008 Quarter – Paying Funds

Effective July 1, 2008 the Florida school codes release of all Title IV loans will be placed on “hold”. This will mean that no Title IV loan funds can be released after July 1, 2008 without prior approval from Jonathan Edwards. This will not impact disbursing PELL and SEOG.

Please send me the total amount of PELL and SEOG funds your campus is expecting to pay for the summer 2008 term by Friday, June 27, 2008. After I receive the PELL and SEOG totals, I will analyze when and if we will release any Title IV loan funds during the summer quarter.

As you may know, non-Title IV funds give us the ability to pay additional Title IV funds, so we want to make sure that we pay any current and outstanding alternative loans as quickly as possible after the summer term begins. Another very important factor that allows us to pay additional Title IV funds is our cash collections/student payments. It is critical for the SAM to collect the student payments as soon as the term begins and invoice any third party agencies as early in the quarter as possible.

Each week, I will monitor the amount of non-Title IV funds collected from the prior week and determine if we are able to release additional Title IV loans. Each Financial Aid Director will be sent an email with the dollar amount of loans they can release. Be sure not to release funds above the limit I give you each week. Since we may have the ability to release additional Title IV loans, we should first release any student who is expecting living expense money and potential drops. It is the Financial Aid Directors responsibility to track what students should have funds released each week.

This is a very important project we are faced with and it will take a team effort to ensure we comply with the 90-10 requirement. Please be organized at all times and ensure you are working from accurate reports from Class. On October 1, 2008, we will be able to release any outstanding past due Title IV funds if the student is eligible for the funds at the time we disburse.

I will be scheduling a conference call with the Financial Aid Directors and Student Account Managers for Monday, June 30, 2008 to answer any questions you may have. If you have any questions before the call, please feel free to contact me directly.

745 McClintock Drive Suite 105 Burr Ridge IL 60527 Tel 630.386.2600 Fax 630.386.2601

Rasmussen Colleges, Inc.
Document 16, Page 2
From: Eric Rasmussen
To: George Fogle
Sent: 8/2/2008 12:36:59 AM
Subject: RE: HEA Reauthorized

Does this impact the disbursement schedule?

Eric Rasmussen / Regional Vice President
Rasmussen College

www.Rasmussen.edu

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From: George Fogle
Sent: Friday, August 01, 2008 10:12 AM
To: Leadership Team; Rasmussen Campus Directors
Subject: HEA Reauthorized!

After a few years delay, the House and Senate yesterday evening reauthorized the Higher Education Act (HEA). HEA is the set of rules and laws that regulate colleges at all levels and authorizes the financial aid programs in which our students participate. President Bush is expected to sign the bill into law soon.

Overall, the bill is very positive for us and our sector, however at over 1,100 pages, it will take some time to digest all of the changes and impact on us. Here are some key highlights that impact us:

1. **90/10 Rule relief** – the 90/10 rule dictates that we receive no more than 90% of our revenue from Title IV programs (Pell and Stafford Loans). In the past, if a school went over 90%, it was a “death penalty” where the school was no longer eligible to participate in Title IV programs. It has been changed to if a school is over 90% for two years in a row, the school will lose access. Additionally, Congress earlier this year authorized an additional $2,000 in lending for students. This would have put us at serious risk in Florida with our 90/10. But, in the new bill, that extra $2,000 will not count at Title IV dollars, but it will count as 10 money! My very, very rough calculation says Florida's 90/10 could drop from 86% to 75% based on this change in the rule. This is probably the most important change for us from an operational perspective.

2. **Year Round Pell** – One of the problems with Pell is that students are only eligible for Pell for three quarters in each year. This new provision allows students to be granted Pell Year Round. For a fully Pell eligible student that provides over $1,400 of additional funding per 12 months. Any time our students can get access to more funding is a positive! Additionally, the limits for Pell were also increased.

Senate Rule XXX - Confidential Committee Information
RA500010941

Rasmussen Colleges, Inc. Document 17, Page 1
3. Three Default Cohort - Currently, we as an institution are responsible for the performance of our student on student loans and whether or not they default on those loans for two years after they graduate. The new law changes this period of responsibility to three years. This appears to be the most negative change on us. With the economic and credit pressures our students are facing, we are seeing our default rates go up in the two year period. By looking at this over three years, we will most likely see our default rates double. We will be putting more resources on default management, but this is where retaining students and getting them to graduation becomes key. A student who graduates will pay their loans back. This will become a much higher priority focus over the next months.

Redacted by HELP Committee

This was a truly monumental piece of legislation that will have long reaching impacts on us and our students and for the most part they are very positive.

George

George E. Fegel / Vice President
Rasmussen College, Inc.
745 McCallum Drive, Suite 105
Duluth, Minnesota, 55810

www.rasmussen.edu
How did you get so smart?

R. E. King
Chairman
Salt Creek Ventures, LLC
Rasmussen College, Inc.
741 McClelland Drive, Suite 105
Buffalo, MN 55307

From: George Fogel
Sent: Sunday, January 25, 2009 9:45 AM
To: Robert King
Subject: RE: our 3 Fla. campuses?

Bob,

There are a couple of factors that make Florida's 90/10 higher.

1. MN OPEIDs - Of our six OPEIDs, four are tied to Minnesota campuses. With MN having the large state grant that it does, it dramatically reduces the 90/10 for those four OPEIDs. The North Dakota OPEID also has the Moorhead campus as well as private lending from the Bank of North Dakota which has decreased the 90/10 ratio. Florida's state grant is only a fraction of the MN grant and they have less access to private lending.

2. Pumping of money - Over the past few years, we have had to "push" some Title IV dollars from our fiscal 4th quarter into the next fiscal year in order to make sure we landed on the 90/10 ratio we desired in Florida. This year that amount was about $1.3MM. With pushing that money for 90/10 purposes, the ratio looks worse in the 1st quarter even though we have to pay catch-up on that money.

3. 90/10 ratios reported as worst case - Our 90/10 ratios are currently being reported as worse case scenario calculations. This has to do with the new rules regarding the additional $2000 in unsubsidized lending. Congress approved the middle of 2008. This additional $2000 counts as "10" money, however, we are still working through the CLASS issues as to how to report it and calculate it so that we can have accurate 90/10 number. We have the FA teams entering the data into CLASS in a way that we can report on it, but is still a heavily manual process. Our estimate is that 90/10 drops at most campuses better than five percentage points. I expect that we will push no Title IV to the next fiscal year in Florida this year.

Hope that helps. We can discuss more in Ft Myers this week if you would like.

George

From: Robert King
Sent: Sunday, January 25, 2009 7:51 AM
To: George Fogel
Subject: our 3 Fla. campuses?

Why do they run 90/10 so much higher than the mid-west campuses?

R. E. King
Chairman
RASMUSSEN

DATE: May 9, 2008

TO: Michael Locke
    Kristi Waite

FROM: George Fogel

SUBJECT: Student Financial Services Update

Since our last meeting on student financial services, much has transpired. The joy and pain of additional lending by the government has come to fruition. I have reached out to our top seven lenders to ensure their continued commitment to student lending and our space. I have also met with Associated Bank, a Green Bay based bank as well (who we just signed as a corporate education partner). I will be working with them to add them to our list. Working with “home-town” people has its advantages as we have seen with the Bank of North Dakota.
We have reinforced that the "planners" job is to plan with the student how they are
going to fund their education. This includes trying to get the student to maximize
their current cash payments and minimize their loans. We have more success with
this at some of our campuses than others as student history/experience and
community culture play in this. We can require a specific cash payment; however,
if the student takes additional loans above the cost of tuition, this cash will not help
our 90/10. Cash payment must be matched with lower loans so that the cash
"counts." This is again where the planners must plan with the student. Susan and
I are going to put together some training on how to "sell" this by the end of the
month for the planner.

90/10 Issues
With the increase in loan limits and Pell that take effect on July 1\textsuperscript{st}, our 90/10 will
be an issue in Florida. Year-to-date, we are at 87.8%. With the increase in loans
and Pell, additional national baccalaureate students, the addition of Fort Myers and
overall lower tuition in Florida, it will be more difficult to meet our 90/10 objectives.
If we did nothing, our projection for 90/10 for FY 08 would be 88.8% which would
be reported as 89% on our audit. For FY09, with no changes in price and the
increases in Pell and loans, our 90/10 would increase to 101.2%. Technically, not
possible as there would be excess funds which would not allow us to go over 100%,
but mathematically where we would end up.

We have looked at 90/10 various different calculations and options. Below are the
options we have considered:

1. Do nothing drastic. Plan to push Title IV funds to FY2009 to manage to
87.4% for FY 2009. If Congress completes the HEA reauthorization, we
would re-evaluate our options based on the impact the 90/10 language
would have on us and determine our course of action (most of which are
listed here). Our estimate is that we would have to push $2.0MM to
FY2009. We have managed 90/10 for a soft landing previously, so I am
confident we can do this easily.

2. Merge the Ocala OPEID with the St. Cloud OPEID. While this would
accomplish our goal of reducing 90/10 dramatically for Florida, we would
also lose an OPEID, which is not desirable. While not desirable, this solution
offers the best long term "fix" for 90/10 assuming nothing happens to the
Minnesota State grant. This solution would also dramatically reduce our
default rates in Florida. The final benefit of doing this would be that we would move from the Atlanta Case team. I have built a relationship with the Atlanta team, but our ties are still much closer to Chicago.

3. Move a Minnesota branch campus to be a branch off of Ocala. Selecting a campus like Lake Elmo would be least disruptive to students as it has relatively fewer students compared to Brooklyn Park. The state grant received by Lake Elmo is sufficient to offset the 90/10 issues in Florida but it might not be able to sustain the protection on 90/10 over the long term. If Lake Elmo was moved on July 1, 2008, our 90/10 would be 87.5% FY 2008 and no money would have to be pushed. However, with the new loan limits and Pell increase over the full year, we would need to raise Florida prices 10% and Minnesota prices 7% for an FY 2009 90/10 of 86.4%. Brooklyn Park would be more disruptive, but because of the greater volume of students our 90/10 would be 84.4%. Our regulatory counsel has said this can be done, but it will require coordination with two DOE case teams and most likely an explanation of why we are doing it. Not insurmountable obstacle, but would require effort.

4. Increase price to off-set the increase in loans and Pell that will happen on July 1, 2008. If this was done alone in Florida, it would require a 20% increase in price to create enough of a gap to allow us to have a 90/10 of 86.6%. We can potentially drive the 90/10 lower depending on how HEA addresses institutional grants and institutional loans. Those will also be part of the “tuition” increase strategy as well assuming they survive to the final HEA bill.

5. Pull in the Florida State Grant early to off set Title IV dollars. Keeping us again at an 87.4% 90/10 we could move an additional $1MM in FY 08 and only have to push $1MM to FY2009. The only issue with this is by accelerating this $150K into 2008, we will have off set an additional $1.2MM in Title IV next year in order to not push money to FY2010.

**Recommendation**
My recommendation is to do nothing in the short term. We can manage the 90/10 for a soft landing at 87.4%. We do not want to make unnecessary changes to our structure, like moving a campus to the Florida OPEID, unless absolutely necessary. Moving the campus will create unnecessary attention from the DOE. Move forward with a 15% tuition increase for new students, 10% for existing students.

We will need to watch carefully HEA to see how we adjust to the final legislation. If the changes to the rules that makes 90/10 an administrative capability survives as proposed, and not a “death penalty” provision, we could run our 90/10 higher than we have traditionally. With less of a penalty, we could run this closer to the edge. Unfortunately, Reba from CCA state on a conference call Thursday that HEA
reauthorization will likely stretch to the July 4th recess which lengthens the timeline for certainty on what the new rules will bring.

If there is not significant relief, i.e. the bill remains unchanged from where it is currently; we will need to make several moves in order to protect our Florida Campuses. I recommend we combine an increase in price along with moving the Lake Elmo to the Ocala OPEID. The price increase will increase the gap that will have to be funded by either direct cash payments, private or institutional loans. With the state grant that Lake Elmo receives, there will be enough $10 million to off set the Florida $90 million. Additionally, when we open additional locations in Minnesota, they should also be branches of Ocala in the future in order to secure our future as we open new campuses in Florida. Additionally, we may want to open additional campuses in Florida off of the Minnesota campuses, like Eagan for example.

Final note, 90/10 is something we will need to continue monitor on a monthly basis to make sure we are driving to where we want to land and are never surprised. To that end, it isn’t just monitoring the Florida OPEID, but others as well, especially Eden Prairie. As the population of the EP OPEID shifts to national online, there will be less state grant, the EP OPEID will be the next 90/10 issue we will have to deal with if Congress doesn’t fix it.
Overview

- Rasmussen College, Inc. Introduction
- Rasmussen College Overview
  - Redacted by HELP Committee
- Rasmussen College, Inc. Leadership Team and Board Members
- Financial Review
- Key Quality Metrics
- The Offering and Valuation Information
To be the premier provider of online educational experiences delivering Associates, Bachelors and Graduate degree programs through its network of online and local community campuses with $500mn in revenue in 2014.
Basic Investment Thesis from 2003

• Tremendous trends driving post-secondary education with arrival of services economy
• Online is changing how schools need to operate
• Opportunity to build large and valuable company taking career colleges into "new model" of operation

Redacted by HELP Committee

• Acquired highest quality century-old institutions in Rasmussen, Aakers and Webster with top talent in good markets
• Build a world-class bricks & clicks school serving over 15,000 students throughout Midwest and Southeast

RASMUSSEN
The Driving Force of Our Growth: The World is Moving Online

% of Students Online

Rasmussen - Proprietary and Confidential

Rasmussen Colleges, Inc.  
Document 20. Page 7
Majority of Students Now Fully Online and Only 17% Fully Residential

Current Quarter - Students Online Status

- Residential: 17%
- Blended: 28%
- Fully Online: 55%

Rasmussen Colleges, Inc.
Document 20, Page 8
Online Has Also Changed Marketing: Spring 2009 Starts by Lead Source

- Referral: 25%
- Community: 5%
- Corporate: 9%
- Outdoor: 7%
- Print/Radio: 1%
- Direct Mail: 3%
- High School: 1%

Rasmussen Colleges, Inc.
Document 20, Page 9
Starting From Scratch in 2000, Allied Health is Now Largest School

% of Enrollments

- Allied Health
- Business
- Education/CC
- Justice Studies
- Nursing
- Tech & Design

Rasmussen

Rasmussen Colleges, Inc.
Document 20, Page 10
Bachelor Growing Since Introduced in 2007

Rasmussen Enrollments by Credential

Rasmussen Colleges, Inc.
Document 20, Page 11
## Board of Directors and Investors

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Function</th>
</tr>
</thead>
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<tr>
<td>Henry S. Bienven</td>
<td>President, Northwestern University</td>
</tr>
<tr>
<td>John A. Canning, Jr.</td>
<td>Chairman, Madison Dearborn Partners, LLC</td>
</tr>
<tr>
<td>James E. Cowie</td>
<td>Managing Partner, Frontier Group</td>
</tr>
<tr>
<td>Therese A. Fitzpatrick</td>
<td>Executive V.P. and Healthcare Practice Leader, The Ohana Group</td>
</tr>
<tr>
<td>Steven J. Goldblatt Esq.</td>
<td>Winston &amp; Strawn LLP</td>
</tr>
<tr>
<td>Bernard Goldstein</td>
<td>Director, Broadview International</td>
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<tr>
<td>Robert S. King (Chairman)</td>
<td>Lead Investor and 16 year Deloitte Board member, College Enrollment Fund, Inc.</td>
</tr>
<tr>
<td>J. Michael Locke</td>
<td>Chief Executive Officer, Rasmussen</td>
</tr>
<tr>
<td>Thurston E. Manning</td>
<td>Former Chairman of Higher Learning Commission of North Central Association, Former Board member of Deloitte, Compensation Committee Chair</td>
</tr>
<tr>
<td>John C. Stakey</td>
<td>Former Chairman, DePaul University Board of Trustees, Audit Committee Chair</td>
</tr>
<tr>
<td>Kandi Wabe</td>
<td>President, Rasmussen College and third generation family owner, Auditing Excellence Committee Chair</td>
</tr>
</tbody>
</table>
Risks

- Differentiation with increased competition from other for-profits (including large national online) and not for profits
- Extended losses from new campuses
- Scaling human capital effectively with growth
- Increased scrutiny from Washington and DOE in light of rapid growth
- Litigious former students and employees (e.g. Green Bay)
- Preserving culture and entrepreneurial approaches with size
- Matrix management issues between programmatic and functional experts located centrally with local general managerial organization
- Technology dependence and need to upgrade key systems
- Rhythm disrupted by minority investor
Summary of Growth Drivers

- Increased Admission Capacity
- New Programs to Existing Partners and Campuses – Drive New Programs to Sustain Mature Campuses and Partners Growth
- New Channels – Expand New Channels, such as Military, Corporate and High School to Broaden Target Market

Redacted by HELP Committee

- New Geographic Locations – 2-3 New Campuses per Year FY10-FY14
- New Partners – Add 3-5 New Partners per Year - FY10 – FY14

Rasmussen

Rasmussen Colleges, Inc.
Document 20, Page 15
Model Assumptions

- **Rasmussen College**
  - **Start Growth**
    - Mature Campuses: 10% - 30% Growth (Declining in Out Years)
    - Total Campuses: 30% - 45% Growth (Declining in Out Years)
  - **Enrollment Growth**
    - Mature Campuses: 10% - 30% Growth (Declining in Out Years)
    - Total Campuses: 33% - 47% Growth (Declining in Out Years)
  - **Retention Rates**
    - Flat at 82.5% - 83.0% per Quarter
  - **Credit Loads**
    - Consistent with Current Credit Loads
  - **Price**
    - Maximum of 3% Tuition Increase
  - **2-3 New Campuses Launched Each Year FY10 – FY14**
  - **Additional Programs Launched through Existing Campuses**

---

Redacted by HELP Committee

Rasmussen, Proprietary & Confidential

Rasmussen Colleges, Inc.
Document 20, Page 16
Thanks... let me take a look

Can you give me a 90/10 table by campus and aggregate them pro forma for unslb $... fiscal 2009 tying out to the audits is fine

J. Michael Locke
Chief Executive Officer
Rasmussen

Confidentiality:
This electronic transmission is strictly confidential to the sender and intended solely for the addressee. It may contain information which is covered by legal, professional or other privilege. If you are not the intended addressee, or someone not authorized by the intended addressee to receive transmissions on behalf of the addressee, you must not retain, disclose in any form, copy or take any action in reliance on this transmission. If you have received this transmission in error, please notify the sender as soon as possible and destroy this message.

From: George Fogel
Sent: Sunday, February 07, 2010 9:53 AM
To: Michael Locke
Subject: Requested Docs

Michael,

Attached are the documents you requested. The default rates spreadsheet includes the two and three year looks as well as our estimates for the upcoming 2 year look at Cohort Year 2008. There is a second tab on that spreadsheet which includes the 2007 Cohort three year look at grads. Now, the good news is that the grad rate default rate is 8.1%, the bad news is that Florida is 22.9% which is horrible. If we drop Florida out, our grad rate is default rate is 4.9%. While the Florida grad default rate is lower than the overall Florida default rate, but not by enough

I have attached funding sources for FY 2009. We don't have the mix complete for Q1 yet as there is a problem with CLA/SF and getting the data we are working to resolve. However, I have included the 2009 by quarter with a year end total.

The next attachment is the debt to income data. This calculated off of our grads data and their debt loads.

In terms of how we address the gainful employment issue, we have several options. First, is offering a scholarship to our graduates to "buy" down their debt. This will be costly, however, as we discussed it is on the backs of our drops. My guess is this will only be a short term fix if we can do it all as the department or Congress will "fix" this and not let this kind of discounting (much in the same way as you can't pay off defaulting loans). I have attached an attempt to model this. The blue numbers are my assumptions and the black are the calculation. Feel free to play with it, comment on it or tell me I am way off base, but I think it works for illustrative purposes based on our discussions yesterday.

Obviously we can lower our tuition across the board. If we did that, it would be disastrous to revenue. We would have to drop our tuition by almost in half.

Alternatively, we can require students to take three or more classes and essentially kill the two course ticker. This will drive up FEL since they will be taking more credit, it will also get rid of a lot of excess funds that part time students can receive, plus students would get out in the work force faster.

Also, we could require students to make a large cash payment while in school, whether cash or credit card. If we...
required students to pay $1000 in cash ever quarter, we would fix 90/10 and would take the debt gap down by almost 50%.

Finally, probably the best way to avoid this regulation is to continue to have our grads pay their loans. Excluding the Florida schools, at 4.5%, it would indicate that the vast majority of our grads are able to pay their loans.

Obviously, there are many different levers we can manipulate to manage this. Some are less painful than others.

Let me know if this all makes sense and if you need anything else. I think I covered everything you requested.

Thanks,
George
Excerpts, selected by the HELP Committee, from a larger document
produced by the company
First 1,000 Student Campus
RC School of Nursing
Baccalaureate Programs Approved
Advantage Service System
First New Campus Built (Brooklyn Park)
RCL Formed
New Name — Rasmussen, Inc. and RCTI EDU Subsidiary
Merged All Colleges and Webber Accredited by INC
2007 Online Student Support Center Formed
Agreement Move to Online and Blended Modality
Acquired Webster College
Merged Colleges Online and Rasmussen College Into DCTI EDU New Stand-Alone Company
Acquired Rasmussen and Marxer College
Today

2012

- Double Tech & Design from 11% to 20%
- Keep Business at 30%
- Allied Health and Justice Studies down slightly

RASMUSSEN
• Discrete goals for career services to "upsell" current student body
• Broaden portfolio after April HLC approval with July marketing launch into Fall enrollments
• Get into the bachelor completer market
  - Refine accelerated bachelors
  - School Directors and Susan Hammerstrom have goals for signing up 2+2 with community colleges, nationally accredited schools
  - Evaluate price point
• Define other opportunities on the front-end
  - Discreet goals for admissions (different reps?)
  - Only list bachelors on certain web portals

RASMUSSEN
• Goal is to improve Q1/Q2 retention, and consequently graduation rates, by identifying students who are not committed and unlikely to succeed before they start.
• We will pilot with Rasmussen Online before rolling out college-wide.
• Concept is to create a one week web-based course which students must pass as part of enrollment process. New course starts every Monday.
• Course will "replicate" time commitment and behaviors which will be required for applicants to be successful students.
• Content of course covers many areas:
  - Required steps in enrollment process such as remedial education testing
  - Financial education which is part of keeping default rates down
  - Introduction to program of study
  - Testing technology aptitude
From: George Fogel  
To: Robert King  
Sent: 2/6/2008 7:08:26 PM  
Subject: RP: CCA Cohort Default Rate  
Attachments: img0001.gif, image002.gif

Bob,

We have outsourced our default convention for Florida to a company owned by Sallie Mae. The first year they did a poor job and thus the pop in the rate for FY2006 (such a poor job and they knew it, they cut in half their fees this service). The rate should be down slightly for FY2007 based on our preliminary numbers and we are having better FY2007 so far.

We are hiring someone to do default management centrally, and probably a second person by the end of FY08/beginning FY09. With all of the renewed emphasis on default rates, the central management of defaults will keep a continual focus these students. By pulling this function central, the campuses can focus on what they do best which is service the current students and we will have someone focused on this everyday across all campuses.

George

From: Robert King  
Sent: Friday, February 08, 2008 8:03 AM  
To: George Fogel  
Subject: RE: CCA Cohort Default Rate

What can be done about Fla. Campuses.

From: George Fogel  
Sent: Wednesday, February 06, 2008 11:39 AM  
To: Robert King  
Cc: Michael Lucke, Kristi Waite  
Subject: RE: CCA Cohort Default Rate

Bob,

Understood.

Default rates are calculated by OPE-ID. Below are the official default rates for the most recent cohorts for our OPE-IDs. Additionally, I included some comps from the publics for FY 2005.

George

<table>
<thead>
<tr>
<th>State</th>
<th>Year</th>
<th>OPE-ID</th>
<th>Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Dakota</td>
<td>2006</td>
<td>8.5%</td>
<td>8.1%</td>
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<tr>
<td>Iowa</td>
<td>2006</td>
<td>6.5%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Maine</td>
<td>2006</td>
<td>8.3%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Idaho</td>
<td>2006</td>
<td>3.7%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Ill.</td>
<td>2006</td>
<td>2.9%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Florida</td>
<td>2006</td>
<td>10.5%</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

Senate Rule XXX - Confidential Committee Information  
Rasmussen Colleges, Inc.  
Document 23, Page 1
From: Robert King
Sent: Wednesday, February 06, 2008 6:04 AM
To: George Fogel
Cc: Michael Locke
Subject: RE: CCA Cohort Default Rate

George, thanks for this. At the Board meeting in addition to the FA discussion I want you to cover the sub-prime lending issue from our standpoint and a projection of the loan amount we are proposing to employ in addressing the tuition needs of these students. Also, the potential / projected impact on our bad debt expense. Finally, please address the then current CDR legislation as it looks like it will be proposed and voted on and the impact on our business. Please send me our current default rates by campus. These must be not succinct presentations. Thanks for all this.

From: George Fogel
Sent: Tuesday, February 05, 2008 8:40 PM
To: Robert King
Subject: RE: CCA Cohort Default Rate

Bob,

This amendment would have changed how the DOE calculated the cohort default rates (CDR). Instead of looking at whether a student defaulted on their loans for two years after they enter repayment to determine a schools default rate, the DOE would use three years to see what happened to the students loans. It was projected that the average for for-profit schools default rate would jump from 8.0% (two year rate) to 16.7% (three year rate). These numbers were estimated by DOE itself.

This has a potential negative impact on the school if the schools CDR crosses one of these thresholds. If a school's rate is above 10% it must delay the drawdown funds for first time students for 30 days (currently we only have this restriction in Dallas and Philly). If a school has three consecutive cohorts above 9%, the school loses Title IV funding, not just loans, but grants as well. If a school has one cohort above 40%, the school also loses Title IV funding.

The amendment that added this to the HEA was ill conceived and the overall impact was not considered. In reality, in Minnesota, the community colleges would have probably been impacted more by this than we would have, at least in the short term as their default rates in some instances are higher than ours. Schools that serve minorities and low income areas would see bigger increases in default rates. While defaults are not something we want to see, these communities still need to be served with educational opportunities. This amendment would have driven an exit of schools that serve this market.

George

From: Robert King
Sent: Tuesday, February 05, 2008 5:51 PM
To: George Fogel
Subject: RE: CCA Cohort Default Rate

Why would 3 vs. 2 have a negative impact?

From: George Fogel
Sent: Tuesday, February 05, 2008 4:53 PM
To: Leadership Team
Subject: FW: CCA Cohort Default Rate

Rasmussen Colleges, Inc.
Document 23, Page 2
Team

Two weeks ago on the Leadership call I went over the current standing of the House bill to re-authorize the Higher Education Act. A key provision of the bill changed how the cohort default rates (CDRs) were to be calculated to use a three year look versus the current two year review. This changes would have had a negative impact on our rates across the board.

Today it was announced that additional changes are likely to be made to the bill which takes a phased in approach to moving to a three year look as well as changes some of the thresholds used to determine when a school is not performing. While these changes did not get us all the way to where we wanted to be it was a huge leap forward from where we were.

If you have questions about this, please let me know.

George

Redacted by HELP Committee
Excerpts, selected by the HELP Committee, from a larger document
produced by the company
Operating in the New World
June 2010
• Times of "crisis" or challenge create an extraordinary need for effective leadership
• During these periods, a number of constituents may need to be led:
  - Employees
  - Shareholders
  - Industry colleagues
  - Trade associations
  - Press
  - Politicians
• Unique opportunity for you to see lessons put to work
<table>
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<th>School</th>
<th>Avg. Salary</th>
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<td>School of Allied Health</td>
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<tr>
<td>School of Business</td>
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<td>School of Justice Studies</td>
<td>$27,907</td>
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<td>School of Technology and Design</td>
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<td>School of Education</td>
<td>$23,676</td>
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<td>School of Nursing</td>
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<td>Other</td>
<td>$24,960</td>
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<tr>
<td>All Programs</td>
<td>$28,131</td>
</tr>
</tbody>
</table>
- Rapid expansion of institutional research office, government relations, and public advocacy efforts. We will redeploy resources from other key areas. Nothing more important.
- Preparing letter to Rasmussen community and presentation for public consumption. Don't engage at the campus level with press but rather refer to marketing department, who will coordinate response. Assume you are being shopped by a reporter looking to play 'gotcha.'
- Ensure we are 100% compliant, code of ethics reinforcing culture, recording phone calls and doing what is right for the student like investments in placement.
- Deliver superior outcomes: graduation rate, default rate and overall ROI of debt taken on with salary earned after graduation.
- **Significantly reduce growth in expenses** to provide flexibility for more restrictive enrollment and price decreases, which will mean lower revenue line. Evaluating new campus launch plan. Delaying expansion of current facilities
• Targeted plan for First time/Full time (active and drops).
• Mandatory completion of EEC. 6% of May start. Will be denied entry in July.
• No Foundations English 2 students at ROL (30% of start historically), no FE 1 students in MN
• July introduction of questions regarding commitment into EEC
• October introduction of College Experience course.
• Opening up Appleton and Mokena/Tinley Park with qualified enrollment requirement
• Programmatic focus on Nursing, Business, Bachelors and Technology & Design
• Introduce laddering of curriculum with milestones of success at Certificate / Associate and Bachelor graduation point.
- Part of programmatic strategy
  - Highest salaries in technology & design
  - High salaries in nursing
  - High salaries for bachelor grads but need to balance with debt load by getting stronger into the bachelor completion market
- Teach out programs with lower value add like massage
- Help graduates negotiate salaries
- Use alumni program to keep track of the graduates
• Engage students in forbearance/deferment to work on payment possibilities
• Reduce bachelor and nursing prices in MN
• Eliminate excess funds
• Tap more corporate reimbursements
• Get students through quicker with bigger on-time graduation scholarships
• Use scholarships to reduce effective price, debt load and improve gainful employment ratios
• Deny admittance to prospective students bringing in large debt balances
- Position the College for another 110 years
- Must move quickly; no time for debate
- Funding institutional research and government relations means other things will not be funded
- Candid communication embracing transparency and leading the way (institutional report card)
- Time to be leaders: on message, positive, strong, action-oriented

RASMUSSEN

Rasmussen Colleges, Inc.
Document 24, Page 9
----- Original Message-----
From: [Redacted]
Sent: Tuesday, August 30, 2016 8:14 PM
To: Kristi Gate

Subject: My Opinion

Mr. Gate,

I wish to express to you my disgust and disdain for how this institution operates itself. It has been my experience that the few instructors who go above and beyond to assist choir students (Martin Ludow, Ryan Recenthal) are an anomaly. In fact, Green Bay campus director Besty believes that instructors shouldn't answer student questions such as point students in the direction of information sources. By his metric, I suppose, teachers that help students understand difficult concepts are screwy.

Rasmussen's management personnel, in my opinion, are more interested in CYA techniques than ensuring that certain instructors have an impact teaching. This school seems focused on filling employment vacancies for graduates, not disseminating information. This will be my last term, as I can no longer justify the enormous expense to teach myself from tutorials posted on YouTube. I can find such tutorials for free and cease hemorrhaging money to your mediocre school.

For shame.

Sincerely,
<table>
<thead>
<tr>
<th>SCHOOL</th>
<th>DOCUMENT NUMBER</th>
<th>BATES NUMBER</th>
<th>NUMBER OF PAGES</th>
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<td>Strayer</td>
<td>Document 1</td>
<td>SC-HELP-014911</td>
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<tr>
<td>Strayer</td>
<td>Document 2</td>
<td>SC-HELP-015266</td>
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</table>
### Cohort Default Management Solutions - Executive Dashboard

**Strayer University**

**Key Performance Indicators (KPI) Overview**

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
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<td>Student Loan Data</td>
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**SC-HELP-014911**

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**Strayer Education, Inc.**

**Document 1, Page 1**
**Default Status Summary**

<table>
<thead>
<tr>
<th>CDR data accuracy</th>
<th>Campus level NSLDS detail available for CDR analysis</th>
<th>Complete. Review revised estimates today</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch GRC borrower outreach to reduce defaults</td>
<td>Started Dec 20. All 2008, 09, &amp; 10 cohort data w/ GRC, 2008 contract ready</td>
<td>Gain CAR approval for 2008 3rd year and begin default prevention work</td>
</tr>
</tbody>
</table>
| Develop over-arching communication plan. Focus on good contact detail to “Stay In Touch” | • Verify contact details at beginning of each term  
• Capability for video/links in Regent student portal  
• Auto-generated contacts | Document checklist requirements (Feb 26); [OPEN] Resolve SAP calculation associated with program changes |
| XPlane assistance with communication plan | Design work started and high level concepts discussed | Review drafts and finalize in Q1 |
| Hire Default Manager | Job description written & posted. Interviews started. | Evaluate candidates for hire (Feb) |

**Student Financial Services**
NSLDS data is expected to more accurately reflect realistic CDR results.

REDACTED
4643

Forward Looking CDR Estimate

REDACTED
FINANCIAL AID
DEFAULT MANAGEMENT
STRAYER’S DEFAULT MANAGEMENT GOALS

Meet all regulatory requirements
• Provide entrance and exit counseling to borrowers
• Report timely and accurate enrollment information to the DOE
• Share satisfactory academic progress information across campus

Reach target CDR rates
• 2 year rate = 5%
• 3 year rate = 10%

Approach: develop comprehensive strategy to help student avoid defaulting on Title IV student loans
GOALS FOR Q1 2010

Hire full-time Default Management Manager by end of February

Implement GRC relationship

Access NSLDS borrower data

Develop strategy and project plan for end-to-end default management approach
  • Implement first phase
<table>
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<tr>
<th>Goal</th>
<th>Recent activities</th>
<th>Next steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hire Manager of Default Management</td>
<td>Job description written</td>
<td>Continue outreach to contacts</td>
</tr>
<tr>
<td></td>
<td>Position posted on....</td>
<td>Continue advertising of position</td>
</tr>
<tr>
<td></td>
<td>Informed key contact at guarantors, GRC, and Regent</td>
<td></td>
</tr>
<tr>
<td>Implement GRC relationship</td>
<td>Contract</td>
<td>Contract</td>
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<tr>
<td></td>
<td>• Paperwork initiated for request for contract authorization for 2008 borrower program</td>
<td>• Gain approval for contract authorization for 2008 borrower</td>
</tr>
<tr>
<td></td>
<td>Data</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Hand-off initial 2010 data (this week)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Hand-off 2008 data when contract finalized</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Data</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Initial hand-off for 2009 borrowers complete</td>
<td></td>
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<tr>
<td></td>
<td>Borrower outreach</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Begun for 2009</td>
<td>Transition from Fast-Track program to full program</td>
</tr>
<tr>
<td>Goal</td>
<td>Accomplishments to Date</td>
<td>Next steps</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------</td>
</tr>
<tr>
<td>Access NSLDS data</td>
<td>Registered for logins for each campus</td>
<td>Creation of detailed plan and phases</td>
</tr>
<tr>
<td></td>
<td>Downloaded full borrower files for 2008-2010 for all campuses</td>
<td>- Initiation of Phase I</td>
</tr>
<tr>
<td>Create end-to-end plan</td>
<td>Research of regulations</td>
<td>Continue to integrate default management into Regent configuration</td>
</tr>
<tr>
<td></td>
<td>Research of industry best practices</td>
<td>Writing and distribution of “short-term” talking points</td>
</tr>
<tr>
<td></td>
<td>- DOE/FSA/NASFAA research</td>
<td>XPLAIN meeting</td>
</tr>
<tr>
<td></td>
<td>- Conversations with GRC, Regent, guarantors, etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Identification of potential strategy elements and student touch-points</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outline of potential key message</td>
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</tbody>
</table>
INITIAL PLAN ELEMENTS (I)

Collect updated contact information as frequently as possible, for future outreach
- Determine all student contacts when students should be asked to review and update contact information [note: student FA record will be integrated with Strayer 360 record]
- Determine all possibilities for students to update reference information
  - At least at every re-pack
  - Add a step to confirm references? (e.g., postcards)
- Ask students for permission to contact via cell phone (Per GRC)

Identify all touch-points to deliver default management prevention messages throughout student life-cycle
- Admissions activities: talking points for Admissions, Business Office, Campus Directors (are we as clear up-front about full cost of education as we should be?)
- FA touch-points: entrance counseling, disbursement, exit counseling
- Retention touch-points: New student orientation, Student support outreach
- At-risk touch-points: Student counseling, withdrawal (do we check contact information at withdrawal), academic probation and FA probation points
- New Student Orientation
- Academic points: In Bus 100, integrate personal finance module in Introduction to Business?
- Create online personal finance module that we require, or incent, students to complete
  - E.g., if complete during before mid-term, get $XX in textbook vouchers, or entered into a drawing

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Strayer Education, Inc.
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INITIAL PLAN ELEMENTS (II)

Determine key message and “communication tool” at each touch-point

- Ensure consistent end-to-end message from admissions through GRC
- Meet all regulatory requirements
- Ensure students have all information they need to be successful
  - Balance, lender contacts, GRC contacts, Strayer contacts, rights and responsibilities, understand the role of each player, their options to avoid default, etc.

Evaluate potential vendor products to support effort, such as

- USA Funds Life Skills, USA Funds Debt counselor, Repay Ready Service, Sallie Mae Education Planner

Consider other policy changes

- FA: Consider asking each student whether he would like to package just up to direct costs or full-costs
- Transcripts: Can we hold transcripts until exit counseling complete?
POTENTIAL OVERARCHING MESSAGE

Student loans can help you meet your educational goals.

But, once you leave school (or drop below ½ time), they must be repaid.

Not repaying your loans leads to default, which has very bad consequences.
  - Default is....
  - Consequences are....

You NEVER, EVER have to default on your student loans. You have options and Strayer will help you, even after you leave us. To help us help you:
  - Contact us (GRC) if you ever get in trouble
  - Update us if you move (and here's how) and we'll find you if you get in trouble
## MUST IDENTIFY ALL OPPORTUNITIES FOR COMMUNICATING DEFAULT PREVENTION MESSAGES TO STUDENTS

<table>
<thead>
<tr>
<th>Entrance (Initial and Re-pack)</th>
<th>In-school</th>
<th>At exit</th>
<th>Post-school</th>
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</thead>
<tbody>
<tr>
<td>Contact with campus staff</td>
<td>New student orientation</td>
<td>Withdraws</td>
<td>GRC outreach</td>
</tr>
<tr>
<td>- Counsel appropriately</td>
<td>Posters on campus or iCampus</td>
<td>&quot;Next steps&quot; letter upon separation</td>
<td>At each stage</td>
</tr>
<tr>
<td>Entrance counseling (initial and re-pack)</td>
<td>Disbursement e-mails/refsunds</td>
<td>Exit counseling</td>
<td>Outreach for late stage delinquency assistance</td>
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<tr>
<td>- Deliver info</td>
<td>New financial literacy module</td>
<td>Deliver info</td>
<td>- GRC?</td>
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<tr>
<td>- Test/quiz comprehension</td>
<td>At risk contact points</td>
<td>Test/quiz comprehension</td>
<td>Communications from lenders / servicers</td>
</tr>
<tr>
<td>- Collect references</td>
<td></td>
<td>Collect references again</td>
<td></td>
</tr>
<tr>
<td>- Additional module at re-pack for those at risk?</td>
<td>Quarterly student support outreach</td>
<td>Provide financial planning tools again?</td>
<td></td>
</tr>
<tr>
<td>&quot;Take away&quot;</td>
<td>Live point of contact for questions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- One pager / XPLAIN</td>
<td>- GRC?</td>
<td>- Internal?</td>
<td></td>
</tr>
</tbody>
</table>
DEFAULTING ON STUDENT LOANS HAS MANY NEGATIVE CONSEQUENCES

Government can
- Offset your federal and/or state tax refunds
- Garnet your wages (can take 15% of your disposable income)

The whole balance becomes due immediately...
- You are no long eligible for deferments, forebearances, or attractive repayment plans (esp. ones based on your income)

You may have to pay additional collections fees

You may be sued for the balance of the loan

Credit rating will suffer, making it hard to get car loans, mortgages, etc.

You will not be eligible for student loans in the future

Generally speaking, federal student loans will not be discharged in bankruptcy
NO REASON FOR STUDENTS TO DEFAULT
Three Main Options

Deferred
- This is an entitlement — if student meets certain criteria (unemployment, back in school, active duty), they will qualify
- Loans will be put "on hold"
- For subsidized loans, interest will not accrue to the student

Forbearance
- Lender discretionary suspension of payments in 6-12 month intervals
  - Interest does not accrue
- Most lenders grant suspension of payments for 2-5 years

Income-Based Repayment Plan
- Description:
  - Very cumbersome to qualify, so GRC never recommends in alone. Will apply in conjunction with deferment or forbearance

Strayer Education, Inc.
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IDEAS FROM DOE BEST PRACTICE MODULE

Finding: “In a study of defaulters at the University of Illinois, Chicago, the most frequently cited reason for default was lack of information.”
- Page 1 of Chapter 3

SIGNS ON CAMPUS:
The Pennsylvania Higher Education Assistance Agency (PHEAA) hired an ad agency to spearhead its default aversion campaign. The campaign includes postcards, picture postcards, a website, and an 800 number. The messages include technical information, such as keeping the account current, and more general help, such as how to dress for a job interview. At registration time on campus, PHEAA distributes postcards of a belly tattooed with the word “defaulter.” The posters say “Funny how it seemed like a good idea until you realized it will be with you for ever.” Contact .

Source: Ensuring Student Loan Repayment: A National Handbook of Best Practices, Oct 2-4, 2000, by the DOE
<table>
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<th>DOCUMENT NUMBER</th>
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TUI UNIVERSITY AND ITS HISTORY

TUI University (formerly Touro University International), was established as a branch campus of Touro College, N.Y., on July 1, 1998, by its former President and CEO, Dr. Yoram Neumann. Even the outset, TUI was organized and structured to be largely autonomous from the parent institution. TUI was initially accredited as a branch campus of Touro College by the Middle States Commission on Higher Education. Touro College was subsequently re-accredited by Middle States in 2004, which included the TUI branch campus. Because of TUI's location in California, its robust growth, fiscal and operational stability, and unique online delivery model, TUI was separately accredited by WASC in February 2005. After a change in control in October 2007, TUI University is governed by a new board and its name was changed to TUI University (TUI). Under the new ownership, the TUI management team continues to lead the institution while the learning model, faculty, and staff maintain their central roles in the quality and vitality of TUI. TUI University is accredited by the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges (WASC) and offers Federal Student Aid to its students.

The College of Business Administration (CBA) admitted its first matriculating students in the fall of 1999. CBA offers the Bachelor of Science in Business Administration (BSBA), the Master of Business Administration (MBA), and the Doctor of Philosophy in Business Administration (PhD-B). The BSBA and MBA offer numerous concentrations. The founding dean was Dr. Robert Koester. The current dean is Dr. Anthony Culpepper.

In December of 2001, three new degree programs were added in the newly established College of Information Systems (CIS): the Bachelor of Science in Computer Science (BSCS), the Bachelor of Science in Information Technology Management (BSITM), and the Master of Science in Information Technology Management (MSITM). The CIS founding dean was Dr. Robert Koester. The current dean is Dr. Anthony Culpepper.

The College of Health Sciences (CHS) admitted its first matriculating students in the fall of 2000. CHS offers the Bachelor of Science in Health Sciences (BSHS), the Master of Science in Health Sciences (MSHS), and the Doctor of Philosophy in Health Sciences (PhD-HS) offering numerous concentrations. CHS founding Dean was Dr. Edith Neumann. The current dean is Dr. Mihaiela Tanasescu.

The College of Education (COE) admitted its first matriculating students in the fall of 2002. COE offers the Master of Arts in Education (MAE) and the Doctor of Philosophy in Educational Leadership (PhD-EL) with numerous concentrations. COE’s founding dean was Dr. Edith Neumann. The current dean is Dr. Mihaiela Tanasescu.

In July 2009, a new President and CEO, Mr. Kenneth J. Sabanksi was appointed and Dr. Yoram Neumann became the executive chairman of the board for TUI Learning, LLC, the parent company of TUI University. The TUI management team leads the administration of the institution while the faculty and staff retain a central role in maintaining the quality and academic vitality of TUI's learning model. In February 2010, Dr. Yoram and Edith Neumann retired their positions at TUI University.
Dear President Sobaski:

At its meeting February 17-19, 2010 the Commission reviewed the site visit report from the Capacity and Preparatory Review (CPR) that was conducted at TUI University (TUIU) on October 6-9, 2009. The Commission also had access to the report submitted by the University in preparation for the visit and your December 14, 2009 response to the team report. The Commission appreciated the opportunity to meet with you in person. The opportunity to discuss the team report and events arising subsequent to the visit was most helpful.

The TUIU Institutional Proposal outlined a plan to respond to the WASC Standards of Accreditation and undertake a set of studies. The team found the report difficult to follow and lacking in reflection and supportive evidence beyond assertions. The site visit confirmed that considerable effort had been undertaken by a large number of people in support of the University’s CPR report. The University will need to improve the quality of its Educational Effectiveness Review (EER) report to make it a more effective foundation for the Educational Effectiveness Review.

Since the team visit, a number of significant changes have occurred at TUIU. A new CFO has been hired. The founders of the University have taken new positions at another institution and will no longer serve as chair and a member of the board. Along with them, other senior level administrators will be leaving TUIU. The EER team will need to assess the impact of these changes, including the recruitment of new members of the board of trustees.

The University has transitioned effectively from being a branch of Touro College to an independent, for-profit institution. Enrollment has grown and the faculty has increased in numbers. The University operates a comprehensive learning-centered model designed to serve and support students, primarily drawn from the military. A number of the studies undertaken for the CPR indicate that there is a growing body of evidence supporting the quality of educational programs and the value of the "robust learning model" for the students the University serves.

At the same time, the evaluation team identified a number of very important areas that need to be addressed at the EER. The Commission has extended the date of...
the next site visit, as you have also requested, so that the University will have more time to implement its responses to these issues. In accepting the CPR team report, the Commission endorsed the findings, recommendations and recommendations of the evaluation team. The Commission concurs with the listing of major recommendations of the CPR team, repeated here:

1. Gather and publish disaggregated data and focus on understanding retention and graduation data. (CFR 1.2, 2.10)
2. Make significant progress in assessing student learning at the programmatic and institutional level. (CFR 2.6)
3. Make significant progress in implementing the University’s comprehensive program review process. (CFR 2.7)
4. Work in a collaborative and inclusive manner to put in place structures that result in an effective voice for both the faculty and staff. (CFR 3.11)
5. Develop a multi-year contract structure for full-time faculty that will ensure increased faculty security and continuity. (CFRs 1.4, 3.3)
6. Engage in a comprehensive and collaborative process of strategic planning that results in an articulated integrated plan for the future, aligning academic, personnel, fiscal, physical, and technological needs with the University’s strategic objectives and priorities. (CFR 4.2)

In addition, the Commission concurs with the concluding statement in the CPR report: “While the CPR report was structured around the standards, the team found insufficient reference to supporting evidence connected to each standard’s Criteria for Review. The team strongly recommends that TUIU in its EER Report clearly address the Criteria for Review with analysis of evidence rather than the conclusionary approach present in the CPR report.” WASC staff can provide you with models where institutions have done this well.

The Commission acted to:

1. Receive the report of the Capacity and Preparatory Review team and continue the accreditation of TUI University.
2. Reschedule the Educational Effectiveness Review to spring 2011.
3. Request a meeting with you and those responsible for the EER report to discuss how the University plans to improve the quality of its report.

In extending the timeframe until the Educational Effectiveness Review, the Commission hopes to provide the institution with time to build upon its progress to date, so that by the time of the Educational Effectiveness Review, TUI University will be able to demonstrate that it has effectively addressed all of the recommendations listed above.
In accordance with Commission policy, a copy of this letter will be sent to the chair of TUIU’s governing board in one week. The Commission expects that the team report and this action letter will be widely disseminated throughout the institution to promote further engagement and improvement, and to support the institution’s response to the specific issues identified in them.

Finally, the Commission wishes to express its appreciation for the extensive work that the University undertook in preparing for and supporting this accreditation review. WASC is committed to an accreditation process that adds value to institutions while assuring public accountability, and we are grateful for your continued support of our process. Please feel free to contact me if you have any questions about this letter or the action of the Commission.

R — Redacted by HELP Committee

President and Executive Director

cc: R — Redacted by HELP, Commission Chair
    R — Redacted by ALO
    R — Redacted by Board Chair
    Members of the CPR team

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TUI-SEN 00483

TUI Learning LLC
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September 14, 2006

Mr. Lewandowski
Director
UTI Illinois
A Branch Campus of UTI of Arizona, Inc.
601 Regency Drive
Glendale Heights, Illinois 60139

Dear Mr. Lewandowski:

I’m writing concerning my son, [REDACTED], who withdrew from UTI effective August 25, 2006. This letter serves as a rebuttal to the Calculation Worksheet received on September 9, 2006.

Needless to say, I am quite surprised at the total amount of payment to UTI. [REDACTED] started school on April 3, 2006 and took 5 classes, one of which was a repeat class. My calculation of money owed to UTI is $3,725.90. The Calculation Worksheet states a grand total of $7,030, almost double of what I estimated. I understand, now, that students are not charged per class but by amount of weeks at school.

Following is some background information concerning [REDACTED]'s situation. [REDACTED] is a twin that was born 10 weeks premature. As a result of the early birth his lungs were under-developed and needed 100% for 2 weeks while his lungs continued to develop. Being on 100% oxygen for that length of time for his small lungs proved to be too much and he suffered a punctured lung that in turn resulted in a cerebral hemorrhage. This hemorrhage did not cause any permanent brain damage; however, has contributed to a learning disability that [REDACTED] has had to deal with his entire academic life. Deficits are shown in abstract thinking.

This information was given to Mr. [REDACTED] and to the UTI Student Services office upon enrollment.

[REDACTED] and I met Mr. [REDACTED] during a UTI Open House in March. Mr. [REDACTED] gave us the overall introduction to UTI on that day. [REDACTED] decided he wanted to try UTI and we returned the following week to see Mr. [REDACTED] and enroll [REDACTED]. During our second visit is when I actually questioned Mr. [REDACTED] about my concerns. The first was the LD issue, the second was that [REDACTED] had no previous experience in auto mechanics, and the third was the 96 miles [REDACTED] would have to drive on a daily basis. Given all these concerns, I specifically asked Mr. [REDACTED] if we were charged on a class by class basis. He assured me that we would owe on a class by class basis only. [REDACTED] did not pass his first class. I called Mr. [REDACTED] and he told me not to worry that the retake was free. However, in actuality, we are being charged.

When you review [REDACTED]'s record you will see that he has missing time and his grades were on the borderline of pass/fail. I checked periodically with [REDACTED] and [REDACTED] to see how [REDACTED] was doing; however, ultimately it was [REDACTED]'s responsibility to get help if needed, something to this day he is still embarrassed to do. I do know that [REDACTED] told one of them, [REDACTED] or [REDACTED], that there were some family issues he was trying to deal with also. The main issue in our home is trying to get him to do things he needs to do to succeed in school. We were so
hoping that this would be his forte. The first class he passed he was so proud of himself and we were so happy for him.

Mr. [redacted], this letter is to get approval for the tuition owed to be reduced to $3725.90, the actual cost of classes. We would have not continued to try and persuade [redacted] to continue on if we new the costs would incur the way they did.

One recommendation that I have for your recruiters is to be extremely explicit about your charging policies. Another falsehood was that we were told most UTI graduates start at approximately $90K a year at dealerships; however, an instructor told a class that mechanics are the lowest paid trade and not to listen to the recruiters! (Definitely a delusion.) When I think about that statement now, I wonder where my brain was! I think to myself now, wouldn't those recruiters be working in a dealership instead of recruiting if that were true.

Mr. [redacted] is very enthusiastic about your school and he should be. I know that you ran out a lot of deserving graduates. I'm just somewhat upset right now over the charges.

I hope you will grant your approval for the reduced tuition. If you have any questions, please feel free to contact me at [redacted]. Thank you.

Sincerely,

[Signature]

SEP 25 2006

cc: [redacted] Director of Financial Aid
    [redacted] Refund Specialist
Excerpts, selected by the HELP Committee, from a larger document produced by the company
BBB of Metropolitan Houston
1333 W. Loop South, Ste. 1200
Houston, TX 77027
(713) 868-9500

09/04/2008

Universal Technical Institute/TX
721 Lockhaven Drive
Houston TX 77073

Dear [Name]

Enclosed is a copy of a complaint filed about your company. The concern was submitted on 9/2/2008 11:43:25 AM and was assigned an ID of [ID]. Your company's response, regardless of your membership status, is very important to us. Please respond with your side of the issue and how your company has/or will be addressing this issue. We strongly encourage your company to contact the complainant directly at any time during the complaint process.

- It is the responsibility of all member AND non-member companies to respond in WRITING ONLY to this complaint WITHIN 10 calendar (not business) days. Please email or fax your response. Email: info@bbbhou.org Fax: (713) 867-4947. Verbal responses are NOT accepted due to the volume of complaints we process.
- Please keep a copy of this complaint for your records. If you require additional copies at any time there will be a fee assessed.
- Lack of response to complaints will be reflected in your public company report on our website, our automated phone system, and via our operators when consumer call in. We receive over 1,000 calls a day from potential customers checking out area business records.
- If you are a member and no response is received it will jeopardize your membership. Please return this page with corrections if your company contact information has changed or email the updates to info@bbbhou.org

Please note that your response will be copied and mailed to the consumer for their review and response. We report on closed complaints only, how or if the company answered the complaint, and how or if it was resolved. To check out your current company report visit our website at www.bbbhou.org Please keep a copy of this complaint for your records. If you have any questions please feel free to contact us at 713.341.6116. ** This will be your last notification of this complaint. ** Please send your replies to the Houston address listed above and to the ATTENTION: DISPUTE RESOLUTION DEPARTMENT.

Thank you for taking time to answer this complaint. The Bureau knows that it is often inconvenient to take time out to respond. There are two sides to every issue and your input and feedback is important to both the consumer and the Bureau.

CONFIDENTIAL

Universal Technical Institute, Inc.
Document 2, Page 2
COMPLAINT INFORMATION

Customer Information:

Daytime Phone: 
E-mail: 

The details of this matter are as follows:

Complaint Involves:
Advertising Issues

Customer's Statement of the Problem:
I initally had a sales rep from uti visit me reference the uti school in houston tx and there was a orientation stating that after completing this course with uti we would be making up to 90,000 ... I have applied at bodyshops and i have yet to be called due to no experience, only a certificate. i now owe over $10k to sally mae and i do not feel i should have to pay this due to the false representation that the school allowed me to belief. please call me or my mother at [redacted] or mother whom was with me at the time of signing at [redacted]

Desired Settlement:
for uti to pay the loan to sally mae

10/3/03 1/7/05

CONFIDENTIAL

Universal Technical Institute, Inc.
Document 2, Page 3
September 23, 2008

VIA Email (info@bbbox.org)

BBB of Metropolitan Houston
1233 West Loop South, Suite 1200
Houston, Texas 77027

RE: BBB Complaint # 03082019

Dear Dispute Resolution Team:

We are in receipt of the above referenced complaint submitted to the Better Business Bureau of Metropolitan Houston ("BBB") on September 2, 2008 (the "Complaint") by Mr. [Redacted]. Mr. [Redacted] alleges that Universal Technical Institute ("UTI") misled him by stating that after completing his course of study he would be making up to $90,000 per year. Mr. [Redacted] also alleges that after graduation he applied for employment at body shops and never received a call back from prospective employers due to his lack of experience and credentials. We appreciate the opportunity to address Mr. [Redacted]'s Complaint and to more fully present the surrounding facts and circumstances. We take this and all claims of this nature very seriously and desire to resolve them as quickly and amicably as possible.

Misrepresentation of Income

The first component of Mr. [Redacted]'s Complaint alleges that UTI misled him by stating that after completing his course of study he would be making up to $90,000 per year. UTI did not state that Mr. [Redacted] could earn up to $90,000 per year and did not otherwise misrepresent Mr. [Redacted]'s income potential. UTI representatives are only allowed to furnish wage statistics that are provided by nationally recognized entities such as the Bureau of Labor Statistics and the National Automotive Dealers Association. Attached at Exhibit A are excerpts from scripts used by UTI Representatives during in-home recruiting visits with potential students showing the information that is communicated to potential students and their families. We have interviewed [Redacted] and have determined that Mr. [Redacted] followed UTI’s prescribed recruiting practices when he met with Mr. [Redacted] and that he did not at any time state that Mr. [Redacted] could earn up to $90,000 per year. Furthermore, our investigation of Mr. [Redacted]’s record as a UTI Representative showed that Mr. [Redacted] has been employed by UTI for eleven years and during that time has
enrolled over 2,000 students. Of those 2,000 students, Mr. ______ is the first and only complaint UTI has received concerning Mr. ______.

Mr. ______ stated that he was unclear as to whether he is alleging that UTI ______ stated the $90,000 income figure or whether he heard this figure at orientation. Upon receipt of the Complaint, UTI’s Regional Representative contacted Mr. ______ and his mother ______ to better understand the facts surrounding Mr. ______’s Complaint. During this conversation, Mrs. ______ stated that she heard the $90,000 annual income figure from a speaker at an optional enrollment workshop during which UTI invited guest speakers from top manufacturers in the automotive industry to address UTI students.

At these workshops UTI often has manufacturer representatives answering industry questions. The ______ stated that they believe a Mercedes Benz representative (non UTI employee) quoted an annual salary of $90,000. We assume that this was a Mercedes Benz collision representative because Mr. ______ received collision training. However, we have no way to verify that assumption. If it was a Mercedes Benz collision representative, students entering this section of the collision field upon graduation would be required to take additional Mercedes-Benz specific training to qualify for those opportunities. Mr. ______ did not elect this portion of the training while at UTI indicating his lack of preference for these opportunities.

Finally, even for the sake of argument, if UTI had made the statement that Mr. ______ could make up to $90,000 per year, this statement does not amount to a money back guarantee entitled Mr. ______ to a refund of his tuition if he does not earn $90,000 per year. UTI fulfilled its obligation to provide the training and Mr. ______ received the benefit of that training.

UTI has a strong reputation in the industry and stands ready to continue to assist Mr. ______ in obtaining employment. However, UTI cannot agree to pay off Mr. ______ debt owed to Sallie Mae.

Inability to Obtain Employment

The second component of Mr. ______'s complaint alleges that after graduation he applied for employment at body shops and never received a call back from prospective employers because he only has a certificate but no experience. This claim is clearly false. By his own admission, as documented in Student Comment dated March 26, 2007 attached hereto as Exhibit B, he had three years experience working in the collision repair industry prior to attending UTI and he worked in the collision field for one year after graduation. Mr. ______ graduated from UTI on January 7, 2005. According to the Student Comment dated May 20, 2005 in our data base, Mr. ______ was employed within four months following graduation at S&W Trailer Service. Our data base also confirms that after Mr. ______ communicated to UTI that he was employed he told UTI’s Employment Services Representative that he needed no further employment assistance. Our data base also reflects communication form Mr. ______ that he had a preference to become a collision estimator in the San Antonio area. We informed him that there were no openings in that portion of the region, but should be wish to relocate we could assist him. We had no response from him, until this complaint.
UTI offers ongoing employment services to all graduates of its programs. We maintain a dedicated Employment Services Department with a large network of contacts within the automotive and collision repair industries and have assisted thousands of graduates to find employment. UTI strongly encourages Mr. [REDACTED] to continue at any time to contact UTI's Employment Services Department for ongoing assistance in obtaining satisfactory employment.

Please do not hesitate to contact me at [REDACTED] if you need any additional information. We look forward to a prompt resolution to this Complaint.

Sincerely,

[REDACTED by TOLP Committee]
Houston Campus President
Universal Technical Institute
[REDACTED by TOLP Committee]
Slide #26 – Earning Potential

Tiles the earning opportunity at each level of education, shows what technicians can earn after 12-22 months of education. Put the ownership on the student to make a decision on which educational choice will help them get to their future independence. Shows that additional education/training after high school can satisfy the need that was established at the beginning of the presentation: increased earning potential over the course of a lifetime.

As you can see, with more education we have the opportunity for increased earnings! Here we see that an average high school graduate will make $23,428 a year. With a bachelor’s degree, you jump to $34,188. That’s a nice increase. Auto technicians, on average, earn $36,480. Diesel: $39,610, and CRRT graduates, $38,530! That’s after 12-22 months of training. These are average wages I just gave you, for people working in their field a few years. But what is impressive, is that Many Master Technicians are pulling down $51,000 – $75,000. It’s true! Many Master Technicians are now earning what only professionals with post-graduate degrees used to earn. Many UTI
graduates earn $50,000 a year or more. The best of the best are pushing a six figure income! *(You can insert your personal information regarding your territory, but make sure you are accurate with the facts, and you have done the homework personally.)* Do the math: If you averaged $50,000 a year for 45 years, you could earn $2,250,000 or more over a lifetime just by getting more education after high school.

The important thing to remember is by furthering your education beyond high school, you will be able to earn more money and be able to actually live the life you were dreaming about!

**Slide #27 – State Specific Wage Slide (optional)**

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<th>Occupation</th>
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<tr>
<td>Medical Assistant</td>
<td>$34,800</td>
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<tr>
<td>Nurse's Aide</td>
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<td>Laundry Worker</td>
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<td>Bakers</td>
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<tr>
<td>Cook</td>
<td>$21,750</td>
<td>$19,100</td>
</tr>
<tr>
<td>General Labor</td>
<td>$21,750</td>
<td>$19,100</td>
</tr>
</tbody>
</table>

Universal Technical Institute, Inc.
Document 2, Page 10
REFRESHER TRAINING AT NO COST
In the future, if you ever decide you need to update your training once you have graduated from UTI, you can return to UTI and take a refresher course, tuition free as long as the course is still offered. This will be very important, especially for those of you who own your own business.

STRATEGIC ALLIANCES
We have the connections to help our graduates succeed beyond their dreams. Audi, BMW, Ford, DuPont Performance Coatings, Harley-Davidson, International Truck, Honda, Kawasaki, Mercedes-Benz, Mercury Marine, NASCAR, Porsche, Suzuki, Toyota, Volvo, Volkswagen, Nissan, Yamaha, Hot Rod U, Super Street. We offer all of these training opportunities to our students. Where else can you go and have these connections?

Slide#33 – Invest in Your Future

Provides confidence for the student that he can afford to go to school.
I do have one more question... Is anyone interested in how much the training costs and how it can be paid for? The important thing to remember here is that you are investing in yourself and your investment will pay you back many times over. The average tuition is around $26,000, and you can train for a career in as little as 51 weeks. Financial aid is available to those that qualify. Your specific package would vary, but could include grants, student loans, parental loans, scholarship money or interest-free cash payments.

Your return-on-investment is average annual earnings of $36,480. Don’t forget, top techs with a few years of experience can earn over $57,650 per year, with Master Techs averaging $51,000 – $75,000 a year!

If you do nothing, you could lose over 13 grand a year!

Slide #34 – Next Steps

Identifies UTI/MM/NTI Students who are interested in the school. Supports teachers/guidance counselors in their efforts to get all students prepared for success.
Thursday, April 2, 2009

To whom it may concern:

I am writing to you because I feel your school representative was very misleading and misrepresented Universal Technical Institute. [redacted] told my son, [redacted] quote "With your grade point average, you’ll be our top student and Porsche will hire you just like that." We feel like [redacted] would say whatever it takes to get you to sign papers and pay the $100.00 fee. He was very misleading in telling my son everything was going to be very promising with a $180,000 a year job was sure to be his before graduation!

I feel a 17 year old is willing to listen to an adult telling him ALL wonderful information, but having a loan payment of a $25,000 loan are very large payments for an 18 year old fresh out of UTI, that possibly would have trouble even finding a job. I truly feel we have been scammed by sales people, rather than discussing an education for my son, especially when we could get the fee back if we toured the campus that he would not be attending. We didn’t accept [redacted] into our home to sign any paperwork, but to just gather information for [redacted] has decided to join the military and go to college afterwards.

We are asking you one last time to accept our request of returning our $100.00 fee to our family who needs it! I spoke with a few different people at your facility and would appreciate your understanding in this matter.

Sincerely,

[Signature]
4678

Universal Technical Institute, Inc.  
Document 3, Page 2  

“Approved & Registered to Operate by the Texas Workforce Commission, Career Schools & Colleges Section, Austin, Texas”  
Page 2 of 2  
SA-07391/07307  

CONFIDENTIAL  
UTI-C-000433
April 7, 2009

Dear [Name]

We are in receipt of your letter dated April 2, 2009 requesting a refund of the $100.00 enrollment fee.

The first component of your complaint alleges that [redacted] stated he told your son everything was going to be very promising with an $180,000 a year job was sure to be his before graduation. [Redacted] does state that he did not misrepresent your son’s income potential. UTI representatives are only allowed to furnish wage statistics that are provided by nationally recognized entities such as the Bureau of Labor Statistics and the National Automotive Dealers Association.

I understand that [Redacted] spoke with you in person and that he explained all [redacted] had to do was come over to UTI tour the school and request a refund after the tour. Arrangements were made for the [redacted] to ride over to open house but this was not acceptable to you.

I have come to the determination that in this case a refund is not warranted due to miscommunication by UTI.

If [Redacted] changes his mind again all he would have to do is contact the school and we could reinstate his enrollment and waive the re-enrollment fee.

Please do not hesitate to contact me at [Redacted]

Sincerely,

[Redacted] by HELP Committee

Houston Campus President
February 3, 2006

Mr. [Redacted]
Universal Technical Institute/TX
721 Lockhaven Drive
Houston, TX 77073

Dear [Redacted],

Enclosed is a copy of a complaint filed about your company. Your company’s response, regardless of your membership status, is very important to us. Please respond with your side of the issue and how your company has/or will be addressing this issue. We strongly encourage your company to contact the complainant directly at any time during the complaint process.

*It is the responsibility of all member AND non-member companies to respond in writing only to this complaint within 10 calendar (not business) days. Please mail, fax, or email your response. Verbal responses are NOT accepted due to the volume of complaints we process.

*Please keep a copy of this complaint for your records. If you require additional copies at any time there will be a fee assessed.

*Lack of response to complaints will be reflected in your public company report on our website, our automated phone system, and via our operators when consumer call in. We receive over 1000 calls a day from potential customers checking out area business records.

*If you are a member and no response is received it will jeopardize your membership. Please return this page with corrections if your company contact information has changed or email the updates to bbbinfo@bbbhou.org.

Please note that your response will be copied and mailed to the consumer for their review and response. We report on closed complaints only, how or if the company answered the complaint, and how or if it was resolved. To check out your current company report visit our website at www.bbbhou.org Please keep a copy of this complaint for your records. If you have any questions please feel free to contact us at 713.342.6216 **This will be your last notification of this complaint.** Please send your replies to the address listed above and to the ATTENTION: DISPUTE RESOLUTION DEPARTMENT. Please do not address your replies to individual BBB staff members.

Regards,
The Dispute Resolution Department
Greater Houston Better Business Bureau
CUSTOMER VERSION:

WHEN MY SON WAS 17 HE MET WITH A REPRESENTATIVE OF UNIVERSAL TECHNICAL INSTITUTE IN AVONDALE, AZ. MY SON AND HIS FATHER SIGNED A CONTRACT FOR ENROLLMENT UPON GRADUATION. THE PRICES WERE STATED FOR EACH PHASE. HE WANTED TO ATTEND THEIR MASTER MECHANIC PROGRAM. THERE ALSO WAS AN ADDITIONAL COURSE HE COULD ALSO TAKE A COURSE SPECIALIZING IN FORDS. MY SON WASN’T SURE HE WANTED TO ENROLL IN THE FORD PROGRAM BUT THE REPRESENTATIVE TOLD HIM IF HE DID HE COULD DROP THE COURSE AT ANY TIME WITHOUT IT AFFECTING ANYTHING AS LONG AS HE DROPPED THE COURSE PRIOR TO STARTING THE CLASS. MY SON WILL SOON COMPLETE THE MASTER MECHANIC PROGRAM BUT DOES NOT WISH TO TAKE THE FORD CLASS. MY SON WISHED TO DROP THE FORD CLASS. WE ARE BEING TOLD THAT DROPPING THIS COURSE CHANGES THE WHOLE PROGRAM NOW AND HE IS BEING CHARGED A HIGHER RATE FOR COURSES HE HAS ALREADY COMPLETED. WHEN I SPOKE TO DOUG KINNEY HE CONFIRMED WHAT MY SON AND I IMPORTANT FINANCIAL AID HAD TOLD ME. I TOLD DOUG IT DOES NOT STATE ANYWHERE IN THE CONTRACT THAT PRICES WILL NOT BE EFFECTIVE IF HE DROPS THE FORD COURSE. DOUG POINTED OUT TO ME THAT IT STATED IN THE CONTRACT & THE SCHOOL CATALOG THAT CATALOG ADDENDUMS ARE BINDING. NO CATALOG WAS READ PRIOR TO SIGNING THIS BUT EVEN SO THE CONTRACT DOES NOT REFER TO AN EXACT CATALOG OF A SPECIFIC DATE. CATALOG OR CATALOG ADDENDUMS LEAVES A OPEN CONTRACT ON THEIR SIDE. NOW IT IS BEING POINTED OUT TO US THAT IT STATES IN THE CATALOG THAT THEY CAN CHANGE THE PRICES IF YOU MAKE ANY CHANGES TO YOUR COURSES. I FEEL THIS IS VERY MISLEADING. I DO NOT UNDERSTAND WHY BECAUSE MY SON IS DROPPING A COURSE THAT HAVEN’T STARTED YET THAT HOW THEY CAN DO BACK AND INCREASE THE PRICES FOR COURSES HE HAS ALREADY COMPLETED. I FEEL THEY ARE LESS THAN UP FRONT ABOUT THIS.

SETTLEMENT: Other (requires explanation)

SETTLEMENT EXPLANATION:

THE TOTAL DURATION ON THE CONTRACT IS $10250. THE PORTION FOR THE FORD CLASS IS $4,640.00. IF YOU DECREASE $4,640.00 FROM $30,250 THAT LEAVES A TOTAL OF $25,610. UTI IS ADDING $2,200
TO THAT TOTAL, I WOULD BE HAPPY IF MY SON & I WERE CHARGED $25,610 INSTEAD OF $27810.60

PRODUCT: TUITION
February 21, 2006

Better Business Bureau of Metropolitan Houston
5382 W. Loop South
Houston, TX 77297

RE: Complaint/Universal Technical Institute

Dear Sir or Madam:

This letter is in response to a notification from the Better Business Bureau received at the Universal Technical Institute (UTI) of Texas, located in Houston. We appreciate the Bureau providing UTI an opportunity to address this consumer concern and to fully explain the situation.

The complainant, who lives in California, has filed a complaint with the Houston BBB in the name of her son, a student at the Avondale, Arizona campus of UTI. We are not sure why the complaint was routed to Houston, but since it was, the Houston campus is addressing this concern in conjunction with the Arizona campus. Below, we have addressed each of her stated concerns, in the order in which she presented them.

She was originally enrolled in the Automotive/Diesel and Industrial Technology w/Ford FACT program at the Avondale campus in July of 2004. She subsequently cancelled her enrollment. We then reenrolled with the Avondale campus, in the same program, in November of 2004. UTI has spoken to the admissions representative regarding her initial conversation with [redacted] and his family. Mr. [redacted] stated that he would not have told [redacted] or his family that [redacted] could drop the Ford program at any time without consequence. Even if there had been any confusion about UTI policy regarding program downgrades, she would have received that information in numerous contexts following that initial meeting, including in the catalog, in the Student Success Guide (distributed on the first day of class), and during a presentation given to all first term students in their first week of class.

UTI policy states that all prospective students are to receive a catalog at the time of enrollment. Although she claims that [redacted] did not receive a catalog prior to signing the enrollment agreement, the enrollment agreement clearly states that the student (or in this case, her parent) is bound to the catalog and addenda. Regardless of whether a catalog was provided at that time, a party to a contract must read and understand what he is signing. [Redacted] and his parents did not receive the catalog, they should not have signed the agreement binding themselves to its policies.

She also states that the enrollment agreement "does not refer to an exact catalog." While the agreement does not specifically state a date of publication, there is only one catalog in effect at any given time, and the date of enrollment would correspond with the effective date of the catalog. Because the prospective student receives the catalog at the time of enrollment, this is not an issue of bias. It is understood that the catalog she received is that in which she will be bound. If a school policy changes, current students are generally not held to the new policy, but rather are held to the policy in effect at the time of enrollment, as stated in the catalog in effect at that time. In the rare instance where a policy change affects all students, notifications is provided to every enrolled student to explain the reason for the change and how it will affect him/her. This policy has not changed since 2003.

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Universal Technical Institute, Inc.
Document 4, Page 4
Below is the policy as it appeared in the catalog at the time enrolled, and today (downgrade language is underlined for ease of reference):

PROGRAM CHANGES

Upgrades or downgrades to programs must be made through the Student Services department. Revisions to existing Enrollment Agreements and tuition schedules must be completed before enrollment in a program is official. A program change may affect the student's financial aid eligibility.

Students may upgrade their program at any time and be charged the price per course in effect at the time of their original enrollment for the new courses being added under the new program. Students may, before the completion of their first three courses, downgrade their program and be charged the tuition price at the time of their enrollment. After the completion of their first three courses, students who want to shorten/ downsize their program will be subject to the price-per-course in effect at the time of the program change, which includes previously completed courses. Students may upgrade their program at any time at no additional cost. A $100 administrative fee will be charged for all program downgrades requested after completion of the first three courses (Arizona, California, Florida, Pennsylvania, and Texas, community only). The administrative fee cannot be covered by financial aid and must be paid prior to processing the change.

Program changes are at the discretion of the school and can be denied due to, but not limited to, excessive absences, space availability, and any balance owed the school. The Institute cannot allow a program change into a program that is no longer offered by the school or that the school is no longer licensed and approved to offer.

There are a number of reasons for this policy. Students are charged tuition for the entire program, not on a credit hour basis. The cost of a total program varies based on a number of factors. If a student changes into a different program, he essentially must re-enroll into that new program, the tuition for which may be different from that in which he originally enrolled. By limiting the changes to the start of a program, it is easier to reasons total cost and address it, than it is after the student has completed a major part of his training.

Also, a student's financial aid is also affected by the shortening of a program. If a student is packaged for federal aid in, for example, a 32 week program, and late in that program decides to shorten to a 32 week program, the amount of aid for which that student is eligible decreases, leaving the student with a larger uncovered balance. Thus, UTI attempts to limit this consequence by having students downgrade earlier in the program, before all of their aid has been disbursed.

Also states that she feels UTI is not "up front" about its downgrade policy. This claim has no basis. Not only is this policy provided to all students in two different publications (as shown above), it is also explained, again, when the student begins their coursework.

During the first week of each student's program, a presentation is given to the group on the program change policy. This presentation refers students to this policy and explains the ramifications of upgrading and downgrading a program. This gives students the opportunity to ask questions and learn more about how to change their program. This presentation has been given in each new class for the past five years. A check of attendance records shows him in attendance on the day the presentation was given to his class.

While we deny the allegations presented by, we are still willing to work with to come to a positive conclusion. Because it is clear that did not understand the importance of changing his program during the first nine weeks of his course, the school director for the Avondale
campus will contact [redacted] and work with him to adjust the tuition to match what would have been available had he enrolled directly into the Automotive/Diesel and Industrial Technology program (without Ford FACT) in November of 2004. We believe this is a fair compromise in this situation.

If you have any questions or further information is required, don’t hesitate to contact me at

Redacted by HELP Committee

Sincerely,

Redacted by HELP Committee

School Director
Universal Technical Institute of Texas
Can someone please provide Kim with an update on this former employee's claim/situation? Thanks!

From: Kim McWaters
Sent: Wednesday, August 27, 2008 3:29 PM
To: [Redacted by PCLP Committee]
Subject: FW:

Can you follow up on this and see if it was closed out? K

From: [Redacted]
Sent: Wednesday, May 14, 2008 7:50 PM
To: Kim McWaters
Subject: 

Mrs. McWaters,

I hate to bother you with my personal troubles. But, to be honest, you have impressed me with your own personal interest in not only your company, but your employees as well. I don't really know how to begin except to cut to the chase. I am an instructor at your NTI campus, I teach course 46, 26, and 1472 in addition to being TTLI of course 6. I have been with NTI since March of 2008, and as you should be able to tell by the range of courses that I work in, have worked very hard to make my time at NTI into a career, not just a job. Perhaps that is my downfall. I take my job very seriously and as a result feel that my students deserve the very best educational experience that they can receive, considering that they are all paying over $30,000 for their education at NTI. Obviously, our country's economy is suffering right now, and with layoffs, mortgage foreclosures, and gas prices at an alarming high, the automotive industry is feeling a large part of the pressure. As a result our particular campus has directed its immediate concern towards student retention and completion rates as opposed to overall enrollment, and the value of our product which is not the student themselves, but the education that they receive when they decide to attend NTI. Every day that I come to work, I hear students tell me that they have encountered employers that point blank tell them that they do not hire NTI students because of consistent poor performance.

Or, students that are in advanced programs who never learned simple tasks such as performing wheel alignments or resurfacing rotors, much less electrical and drivability diagnostic skills that are supposed to set our schools apart from all of the other schools in this country. Meanwhile we at NTI are being told to pass students who should fail because we are "training entry level technicians who paid for their certificates like everybody else," I am sorry if this offends you, but I was under the impression that our students paid for an education, not just a piece of paper. I have been told to give students points to pass my courses when they should fail. Every phase of the attention is directed to completion rates so much that even the students have started to notice the fact that their NTI degree is losing its value every day.

As I said before, I do not mean to offend you, but I have stood in opposition to the idea of passing every student who walks into my classroom. I feel that to do this only cheapens the value of an NTI degree, and will ultimately destroy the foundation of what was once described by a student as the Harvart of automotive schools. If you were to check my performance as an instructor, you would see consistent excellence in my student evaluations. From the lives I have touched to the satisfaction that my students feel as a result of the things that they have learned in my classes. Because of this, I have stood strong against the idea of just simply giving grades away, much to the dissatisfaction of my superiors. So much so that I feel my current situation demands your attention. I am not the type to declare complete innocence on my part, because no one is truly innocent. I hope...

9/8/2009
February my wife and I had our fourth child, and there were several times that I was a little late for work during doubles or morning shifts because of difficulty with the new baby, and a lack of sleep that I explained to my E.M. at that time. The problems were corrected, and 2 months later, I finally received a pip for the concerns that had happened in Feb./early March (literally two weeks ago)!! This is where things really start to bother me, because working in management at a dealership level before coming to work for your company, I know that the professional thing to do would be to confer with the employee about any problems and try to find a solution. That has not been the case for me. Instead, my education manager completely shut down communication with me. So much so that I asked him at several occasions if anything was wrong, and the reply was always "no everything’s fine, why would you ask?". Eventually the unspoken stress became so obvious that I confronted them last week, and during a meeting on Tuesday of this week was informed that NTI had been performing an investigation and felt that I had been cheating on my time card. I was then told that the situation was under review by the corporate office and most likely I would be let go, but would not know until a later date. This seemed odd by itself because the campus should make these decisions, and although, I admit there may have been a few clerical errors on my time card, I can swear to you Mrs. Merryman, I would never intentionally cheat the school!!

Now, I sit in limbo, literally awaiting a decision that affects my wife and four children!

What am I supposed to do? I sincerely apologize for any discrepancies that may be present on my time cards. I swear they were not intentional. I have had every intention of NTI being the place I eventually retire from, but now, I know I will never have that chance. I sincerely apologize for any problems I have caused!! I hope you can look at my past performance and see that I have been a good employee. I really feel that that my opinions on the quality of education my students receive has played a factor in what is happening here. However, I am human, and we all make mistakes. I just wanted you to know my side of the story. There are so other things going on at this campus that often times it is difficult to pay attention to the minor details, and I cannot apologize enough if my timecards are a little off. I have talked to EM’s about my concerns spanning from passing students who should have failed, all the way up to other instructors who have drug problems and who have had sexual relations with students. Apparently I have simply cared too much, and this is the school’s way to get rid of me, again I apologize for any trouble I may have caused.

NASCAR TECHNICAL INSTITUTE

My cell phone # is [redacted]

9/8/2009

CONFIDENTIAL
UTI-C-000463

Universal Technical Institute, Inc.
Customer Call Sheet

OPERATIONS

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- Initial Complaint Forwarded to Campus: Date: 10/23/09
- Response Received from Campus: Date: 
- File Closed: Date: 11/5/09
To whom it may concern,

As employee of UTI, we are aware of the company's philosophies, visions (changing the world on life at a time) and mission statement (people, purpose, profit). This letter is to inform the company about several issues at the UTI Glendale Heights, Illinois campus that will call into question the leadership ability of our current campus president, Mr. [redacted].

Keeping in mind that UTI is a "for profit" educational institution, it is no way excuses the manner in which Mr. [redacted] has changed our mission statement to "profit, profit, profit" and exercises his position and will to arrive at his end game. Examples of this highly irregular behavior and shift from written company policy are evident to any employee at the campus that is directly involved with student issues ranging from education to student relations. Mr. [redacted]'s management style is reminiscent of former President Nielen in the respect that he feels "it's not illegal if you're the President!". When his rationale to a decision is questioned or a clarification to one of his demands is requested, it is met with "I don't think you heard what I just said!" and the clarification is projected back with an "It's my way or the highway" attitude.

The instability of Mr. [redacted]'s management style has been witnessed publicly by everyone on the education staff on at least three occasions. He will start by stating his intended message (i.e. I had to let 'employee name' go today) then become overly emotional and lose his composure (literally cries) and then returns to his threatening posture, finishing his message with the "And don't think I won't do it again!" statement.

I am not, as many of us are not nor should be expected to be, accustomed to being threatened with our jobs, publicly or privately, as a method of motivation. These types of displays are not viewed by the employees as compassion, but as instability and weakness on his part. As a result, he enjoys very little respect from the education staff.

Another example of Mr. [redacted]'s variance in written policy is immediately apparent when student professionalism and student disciplinary issues are addressed. Instructors and education management staff alike have been given the verbal directive to keep the student in class at any cost. This is done at the expense of the students who chose to come here for the right reasons and at the expense of the employees who (and rightfully so) expect a healthy, non-hostile work environment.

As a result, student professionalism is at an all time low. It has become common place for a student facing disciplinary action for such offenses as sexual harassment, threatening behavior and cheating, etc., to get up from his/her seat and state, "I'm going to see [redacted]" and leave the class. The end result is the student being placed back into the class to continue their unethical or unhealthy behavior. The only ramification that the "problem student" experiences, is a professionalism infraction, which means nothing to that student as it doesn't affect their GPA. Once the student reaches the 70% professionalism score limit, no additional infractions are issued as they will be removed anyway. If the student was already at the 70% limit, the student sees no ramification for their poor choices and is allowed to return and continue poisoning the rest of the class.

Universal Technical Institute, Inc.
Document 6, Page 2

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The message this sends is disheartening to the other students and the instructor. The end result is a rapid deterioration of the overall quality, dynamic and safety of the class. Although current written policy provides education staff to address such situations, Mr. [Redacted]'s personal policies (which he will not commit to paper) do not allow for this.

On occasion when a situation comes to a head, the concern is either dismissed with "There's no previous documentation," which is rarely the case or the employee is reprimanded. When the documentation is presented to Mr. [Redacted] he tends to act surprised and states that he wasn't aware of it at the time. I honestly do not believe that he would know where to find or what to do with this documentation if it were sitting in front of him on his desk.

As of late, new written policies have been initiated to assist students in becoming successful or to "level the playing field" for students who face certain barriers that could otherwise prevent them from becoming successful. These initiatives are GREAT given the policies and procedures are adhered to. These policies however, have morphed away from their original intention almost immediately after they were put into place. Examples of these are "Make-up Hours" and the "One Test Re-take" policy.

At the request or suggestion of Mr. [Redacted], we have all been witness to "Make-up Hours" and "One Test Re-takes" being administered as late as two courses after a student has failed the course. Make-up hours are repeatedly given to the same students (without verifiable documentation) course after course.

These policies are currently not being initiated in the spirit or with the intention that they were originally developed. It is difficult at best, for the students for which these policies were designed (they are held to the standards and have to jump through hoops) to take advantage of them. They are currently being used as a "tool" to keep the flow of money coming in from students with behavioral and discipline issues. These are the types of concerns that should have and would have been addressed had Mr. [Redacted] not thrown the Student Success Guide out the window in order to make the "Quick Buck".

What Mr. [Redacted] is currently doing is cooking the books! He has devalued the UTI education, reputation and brand in order to pump up student count numbers and profit. It is unfortunate that he has chosen to do so by compromising the educational experience of the student as well as the work environment of the employee in return for short term profit. It seems at the Glendale Heights campus, we no longer graduate students with a quality education and the tools needed to make them successful in the automotive field. We have been reduced to merely "selling" diplomas for $30,000.00.

This letter is not a rant but rather an attempt to allow the corporation a glimpse into a small portion of what the employees of UTI Glendale Heights face when they come to work every day. This letter is not the opinion of one employee but rather, the current reality of many of our employees. This is a situation that requires immediate attention.

If you choose to investigate these allegations, specific instances and documentation can be supplied. Although if questioned, many would chose to steer clear of these issues as a matter of self-preservation. There are however, a great many employees that if asked, will verify the aforementioned issues as well as supply supporting documentation.

Thank you for your time and attention to this matter.
From: Tom Riggs  
Sent: Friday, October 23, 2009 9:49 AM  
To: [Redacted]  
Subject: Letter on Glendale Heights  

Got a letter with some serious allegations regarding [Redacted]'s leadership at Glendale Heights. Can we discuss this letter and how we are progressing on the Norwood letter?

Tom Riggs  
Senior Vice President,  
Campus Operations  
Universal Technical Institute, Inc.
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- **Initial Complaint Forwarded to Campus**
  - Date: 10/9/09
- **Response Received from Campus**
  - Date: 10/22/09
- **File Closed**
  - Date: 11/4/09
From: Duane Kramer
Sent: Tuesday, December 08, 2009 2:16 PM
To: [Redacted by HELP Committee]
Cc: Tom Riggs
Subject: RE: Complaint Letter - Norwood

This has been resolved.

Additionally, can you do a summary of this in collaboration with [Redacted] so we can review this file and behaviors while we are there... Thanks Duane

-----Original Message-----
From: [Redacted by HELP Committee]
Sent: Tuesday, December 08, 2009 1:49 PM
To: Duane Kramer; [Redacted by HELP Committee]
Cc: Tom Riggs
Subject: RE: Complaint Letter - Norwood

Duane- will you guys be addressing this when you are out in Norwood next week?

-----Original Message-----
From: [Redacted by HELP Committee]
Sent: Friday, October 23, 2009 5:04 PM
To: [Redacted by HELP Committee]
Cc: Tom Riggs; [Redacted by HELP Committee]
Subject: Complaint Letter - Norwood

This is more of an operational issue, but we can look at this while we are at Norwood 11/2-5/09. Thanks Duane

-----Original Message-----
From: Duane Kramer
Sent: Wednesday, October 21, 2009 7:12 AM
To: Duane Kramer
Subject: 

This E-mail was sent from "EMPCOMS" (C4548).

Scan Date: 10.21.2009 10:32:11 (-0400)
Queries to [Redacted by HELP Committee]

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Universal Technical Institute, Inc.
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Dear Team,

I met with [redacted] on Wednesday, November 04, 2009, at 9:43 AM, and let him know that I would be personally following up with him when I returned from Phoenix. He was fine with this and he appreciated me reaching out to him. I also mentioned to him that I would have an EOM follow up with him while I was in Phoenix. I did not want Matthew to feel a void while I was gone. I also wanted to calibrate his story with the EOM and then with mine to make sure we did not miss any important information the student communicated.

My meeting with [redacted] went very well. We discussed the letter and all his concerns. He really appreciated Redacted EOM talking to him and felt very comfortable with him.

He voiced the same concern in his original letter to me. He told me his original intention was to share the letter first with me but was unable to do so because I was out of town. He said having no Education Director he wanted to make sure that letter went to someone that would act on it. When I asked him why he did not bring it up to Redacted EOM, he said that he respected Redacted EOM but that he felt (redacted) was the one to deal with the shift on his own. He thought it would take too long for Redacted EOM to address it. I assured him that all of our students' concerns are our number one priority and we will make the necessary time. He appreciated that.

Main Concern

The main concern was that he did not want the reputation of the school to deteriorate. He shared with me that he is paying a lot of money and wants to make sure that the reputation of the school continues to be "the best of the best" long after he graduated. He felt the quality of student being admitted has dropped in the past few months. He also stated he was concerned with the number of students using drugs in the parking lot, and the quality of our food service.

I assured [redacted] that our admission team does an outstanding job in screening our students. Not every student who applies is accepted. He agreed as he recollected his own interview process. I told him nothing has really changed since he got accepted at UTI in the admissions process. However, if anything has changed, it's that we are making more of an extra effort in ensuring UTI is a good fit for our students.

I also assured [redacted] that we are doing our best to randomly test our students for drugs and we will continue to do this for the safety of our students. We strictly follow our UTI policy.

I shared with [redacted] we are moving forward with our plans to add a cafeteria at our campus. He was very excited. He was also excited about our plans of adding a student lounge. He shared with me several ideas (15 minutes - Super Cool) or how to set up the lounge that I will bring back to the committee.

Conclusion

I believe [redacted] understands and sees the big picture. He now knows what we are doing to improve the Norwood Campus to make it a better place and maintain our competitive advantage. I mentioned to [redacted] always reach out to the instructor, EOM, the EB, or the Campus President when he has a concern. We have an open door policy at UTI and he should always feel comfortable in visiting with us any time he likes.

I invited [redacted] to a follow up meeting one month from today to see how he is doing and to share with him our progress on the many exciting initiatives we are doing at Norwood.

A good thing that came out of this meeting that I shared with [redacted] is we [Norwood] needs to do a better job in communicating to the students the many initiatives we are doing to improve our campus. He agreed and he is looking forward to our next meeting.
For additional information on the meeting with [Redacted], please see attached email.

Thanks

[Redacted]
Campus President - Norwood
1 Upland Road
Norwood MA 02062

[Redacted]
From: Duane Kramer
Sent: Tuesday, November 03, 2009 8:11 AM
To: Duane Kramer
Co: Tom Riggs
Subject: Re: Not a problem. I will recap my meeting with the student. I will have it to you by today.

Jorge,

This issue should be addressed by the CP. The response indicates that the EM conducted all the meetings. When we discussed this you stated that you also talked with the student. Please recap this from your interactions and steps taken to support the student's concerns. Please forward to this team and Kim as this is where the complaint originated.

Thanks
Duane

From: Duane Kramer
Sent: Tuesday, November 03, 2009 8:53 AM
To: Duane Kramer
Co: Tom Riggs
Subject: RE: Not a problem. I will recap my meeting with the student. I will have it to you by today.

Below is the summary of the conversation I had with the student. Craig covered all his concerns. We believe the student is fine and should graduate with full satisfaction. Please let me know if you need additional information.

The following is a summary of the conversation between [Redacted] and [Redacted]. It started at 6:45pm and lasted until 8:15pm.

Since I did not have a copy of the letter I asked Matt to summarize what he wrote for me to address his concerns.

Item 1: Snap-On Tool Voucher.

His concerns is that it was mis-loading when he enrolled in school being told that he would be provided with a $1000 voucher with a student discount, but not informed that the tools are retail priced to use the voucher, So in reality is only good for $800. I understand his point on this. I have brought this up in the past that entry Diesel technicians absorb a larger start up cost than Auto Technicians and should have a larger voucher. The other concern with this item was that the list that Snap-On utilizes is the same as the auto with only a few other pliers on the list. He wanted to know if there was a more accurate list so he can be well prepared with the basics as an entry level Diesel Tech. I told him we have instructions that can help him with this, as he desires to go into Diesel Marine applications in the field and I will provide him with those names.

Item 2: Cummins Elective representative [Redacted]

His concerns were no follow up in a timely manner and he himself had to continuously follow up with the ATP office in employment constantly for closure. He is not the only student that has brought this forward, even students enrolled in Cummins have had great difficulty in finding living arrangements when they are planning to move to AZ for school because of the slow follow. The end result was that Cummins would not benefit him for Marine Applications but the Power Generation would be a possibility but he has a family he cannot leave to live in AZ for 12 weeks. He is another example of
a student who would take Cummins if it was available here at Norwood. I suggest a petition for student interest, like we did for welding on this. He feels he was pushed off to contact [Redacted] who is a Cummins Rep here in MA to answer his questions about Cummins Marine Applications but [Redacted] is not comfortable just calling Bob out of the blue with no prior ground work in place. I told him I will call [Redacted] for him and see if I can have the two connect.

Item 2: Diesel Jobs in Employment

Auto book full of jobs. Diesel book only had 2. I told him we will follow up the employment director for verification, and if it is the case we will strengthen our Diesel relationships in the area. This was one of the primary reasons he chose Diesel was opportunity. He is currently assembling his resume so that [Redacted] employment can look for Diesel opportunities in the Cape Cod area that he suggested such as Ocean Spray. Originally he stated that he was told to call local businesses for opportunism. He also stated that he would like to know UTI’s job placement, as he felt it was important information for incoming students to know. I explained that information can not be released as it is proprietary information. I explained that our goal is to be 90% or better, and that the employment department at Norwood is in the top 5 in the country.

Item 4: Food Resources for Students

Subway vendor. Concerned it too a student to get sick before we asked him to leave. Explained that we did not want the student to go without until we had another vendor arrive and that we had to have him leave because of that incident. Also the coffee truck in the PM is disgusting and staff and students have gotten sick from it. Told him that we are getting rid of him also and that we have proposals in the works for a permanent cafeteria for the students here at Norwood like other campuses. This also included NAPA, which I told him that we are working on a replacement for them presently as well, and that you and I are waiting for a proposal from a vendor.

NAPA has not had T-shirts and he was told only new students could buy the hoodies. He was also concerned with all the vending machines and current resources we have are all sugar or caffeine. He said the only healthy item available is milk and it is short supply. Only once vending machine has it, it is sold out as soon as it is stocked and has to wait a week before it is restocked. Explained that will be part of our permanent fix.

Item 6: Information to Students

Follow through and follow up from support services. He explained this from a business stand point. Example the T-Shirt contest was cancelled due to budgetary reasons. This contest was the student with the best design that they submitted would be voted on by staff and would be sold in NAPA. He followed up after 4-5 months because no one had told the students that it was canceled. I told him this year we budgeted for more student events and that we also added more basketball nets, soccer nets and he also brought up the student lounge. He shared his thoughts on the lounge. He suggested arcade games for break, gaming games so that the school could make some profit from it and using the projector to have the news or sports being on in the lounge. I also explained that we were working on a book store modeled after a college and he like that idea. I told him I would forward the follow up and follow through concerns with the Campus President.

Item 6: Bells

No being the right time. Explained that they were just fixed today and that we were upgrading the system to have warning bells for break and lunch and they would have different tones.

Item 7: EMs

He reference to Mr. Strocky was because he knows that I can not be everywhere and that I am by myself. He explained that he noticed a difference when there was more than 1 EM on for that period and he felt Mr. Strocky did a great job for his capabilities at the time because he knows he was only filling in. I explained that we just didn’t want to put anybody in an EM position and since there is more help on the PM to service students that there would be more visibility and he understands that I have to be in my office most of the time presently and support other departments for PM students. Security, Security, and Security in the parking lot. Same with the EMs availability, no presence in parking lot. Burglaries, car vandalism, thefts etc. Explained that we are looking into this as something to get in place for student safety. Also he stated the lighting in the parking lot is the bare minimum and is a safety concern. Told him you and I would follow up with facilities on this for possible options.

Item 8: Quality of student
Admissions exam. I told him by state law we can't, but that we are discussing an assessment exam for basic skills but it could be a condition of enrollment. I explained that we have not heard anything back on it. Also the discipline of student behavior he feels that we are unable to discipline students the way we need to and he is concerned because these students will represent UTI when they graduate and feels we are just keeping them here for monetary reasons only. He does not want that reflection on his status as a graduate from UTI. I explained that we handle incidents on a case by case basis.

All in all feels much better. I told him to make sure he brings any other issues to me or his instructor directly. He agreed.

Campus President - Norwood
1 Upland Road
Norwood MA 02062

From: [Redacted]
Sent: Friday, October 23, 2009 6:27 PM
To: [Redacted]
Cc: [Redacted]
Subject: [Redacted]

Hi [Redacted]

Thank you for following up on this matter and investigating the student’s claims.

We would like to know the outcome of your meeting with the student and ask that you let us know the outcome of that conversation and the feedback from the student.

I look forward to seeing you next week at our Bus Review Meeting.

Regards,

[Redacted]

From: [Redacted]
Sent: Friday, October 23, 2009 3:11 PM
To: [Redacted]
Subject: FYI

Dear [Redacted]

We are disappointed with this letter as you can imagine. I discussed the letter with my Student Service Director, the EM, and the instructor. None of them were informed of the situation and the student’s disappointment with UTI–Norwood. We will reach out to the student and explain to him to make sure if he experiences another similar situation to bring it directly to the attention of his instructor, EM or any UTI employee. If they are not available, the student should come to the campus president. I am always happy to talk to any student about how to improve our services.

I asked [Redacted] to talk to our vendors and conduct several audits. His results were that all our vendors are in full state of compliance. The trucks were clean and in compliance. The food in our vending machines could be better. Most of the students like the current food selection we provide. Nonetheless, I have instructed [Redacted] to find out what this particular
student would like and we will determine if we can accommodate him. Further, more we are in the process of adding a
cafeteria to Norwood this FY2010. We should (God willing) have it running by mid Q2.

In regards to the drugs, I share with you that student services does the required drug testing based on UTR policy.
However, I have instructed the EAP’s to be on alert and visit the parking lot during our breaks and lunches. We are
considering hiring a security guard for the Norwood campus for the AM and PM session. We are currently working on
the business case and we should have a decision by end of Q2.

What the student meant by downtime is a result of us not allowing to bring all of our students to the lab during end of
course testing. As a result some students need to stay in class while the others are performing their hands-on testing in
the Lab. Instructors entertain the student by conducting end of phase clean-up, reviews, 1x1 tutoring, learning center,
support services, and training aid repair. We are looking at a way to improve this.

Hope this help let me know if you need more details.
Hello Kim,

Thank you for a quick and positive response to my commendation for Mr. [redacted] and acknowledgment of the unfortunate events at this school. As I am almost finished with my course at UTI, I hope that the leadership team can turn things around for the students of the future.

For the last 9 months, students have offered advice and suggestions on how the school can be better for them which go unanswered, some of which I'll note below:

**Food court:** Fast food machines with junk food and soda aren't promoting a healthy environment. Real food options could turn a better profit for the school, eliminating the need for a gut truck. Speaking of which, the afternoon food truck is a disgrace. The owner is gross, his truck is dirty and leaks propane, not to mention his food is not so good either. The morning truck is fantastic however, go figure.

There is currently 1 vending machine that offers milk and only 2 slots. Half the machine is empty. The Subway guy is over-priced for the amount and quality of food he provides.

Advanced classes for students like myself that are here to learn, excel in their work and have a purpose to attending this school. Select instructors that are highly regarded such as Mr. [redacted] Mr. [redacted] 
Mr. [redacted] etc. to teach advanced classes.

There is certainly more than can be accomplished in the 3 week phases. There is so much down time I feel like I should be paid for attending, especially on end phase Thursday and Friday.

I can go on and on as I'm always observing, but I'll wait to hear back from you as your letter dictates.

I can be reached at

[redacted]

Thank you for your time Kim.
September 30, 2009

Dear [Name]

I am writing to let you know I am in receipt of your letter dated September 23, 2009. I appreciate you taking the time to not only share your concerns, but also your special mention of Mr. Stocky. I will ensure that his leadership team is made aware of your commendation.

I am obviously disappointed by the UTI experience described in your letter... this is not what we strive to deliver nor an outcome we condone. I have asked our operations and education leadership to investigate your concerns and to report back to me with their findings and suggested corrective measures if warranted.

I will circle back with you once I have more information and hope to not only regain your trust and confidence in the UTI brand promise, but to ensure that we deliver a quality educational experience to all students, at all locations, and provide our industry partners with world-class, best-of-the-best professional technicians.

I appreciate your candor and time you took to send me your concerns in a professional and respectful manner. Please provide me the time to do as thorough of an evaluation of the current status of our Norwood training experience and respond to you when I have the information at hand.

If you wish to provide me either an e-mail or phone number at which to contact you going forward, please feel free to send your information to my e-mail address.

Thank you and I will be in touch.

[Signature]

Kim McPeters
President & CEO

cc: Tom Riggs
September 23, 2009

Kimberly J. McWaters President, Chief Executive Officer Universal Technical Institute, Inc:

This letter is in regards to Mr. [REDACTED] as a UTI EM at Norwood Campus.

I am one of if not the oldest student currently in school right now and my 15 year background as an educator presents me with this opportunity to voice my opinion.

I was fortunate to have Mr. Strocky as an instructor for Advanced Electric and I hold his professionalism and respect for the students and the school in high regard. His class presentation, evaluation, expectations and commitment to learning is bar none the best in the school.

As Mr. [REDACTED] is currently serving as a temporary EM, he is doing a fantastic job enforcing the SOP’s outlined in the student handbook.

After 12 phases here, I along with other more mature students are fed up with the current malaise in regards to the SOP’s. “pants below the butt” Non UTI apparel such as sweatpants, sneakers, other garage shirts, most notably student Al Bundy who for 4 phases now hasn’t worn UTI apparel with no infractions, and even wins an SOC award during that time. That is blatant disrespect for all students who abide by the said guidelines.

Mr. Strocky has been a huge asset for the school as a teacher and an EM for the last 1.5 weeks. It would behoove you to make him the best offer possible to hold this position.

It would be wise, dollar for dollar to regain the respect of employers in the area who cringe when they hear “UTI Student!”. That’s not an image you want or should have, especially for a privately run company.
I for one won’t be advertising UTI once I’m finished here and I don’t know too many who will for the fear of being laughed at and dismissed from an interview.

This school needs to regain it’s integrity and image for itself, it’s staff and it’s prospective students. The level of students has declined immensely in the last 12 months. It’s a disgrace to you as the CEO and President as well as the region the school is representing.

Again, this letter is to offer a level of compliment to Mr. [name] for this position, as well as voice my opinion on the lack of commitment the school is giving it’s students and it’s staff.

In the last 10 months I’ve noticed the following:

Drugs in the parking lot, Car crashes in the parking lot, pants around the butt with underwear showing, non UTI shirts, non work pants, sneakers and a blatant disregard for the guidelines set forth from day 1. Make an incentive to enforce these guidelines and you will see an increase in student performance, or continue with the status quo to see your profits rise and your respect fall with no regard to outcomes.

Regards,

________________________
Currently a UTI Student
Norwood MA.
From: [Redacted by HELP Committee]
Sent: Monday, October 26, 2009 8:37 AM
To: Duane Kramer
Subject: [Redacted by HELP Committee]

As you requested.

From: [Redacted by HELP Committee]
Sent: Friday, October 23, 2009 3:27 PM
To: Jorge Gutierrez; [Redacted by HELP Committee]
Cc: Duane Kramer; Um McWater; [Redacted by HELP Committee]; [Redacted by HELP Committee]
Subject: [Redacted by HELP Committee]

Hi [Redacted by HELP Committee]

Thank you for following up on this matter and investigating the student’s claims.

We would like to know the outcome of your meeting with the student and ask that you let us know the outcome of that conversation and the feedback from the student.

Look forward to seeing you next week at our Bus Review Meeting.

Regards,

From: [Redacted by HELP Committee]
Sent: Friday, October 23, 2009 3:11 PM
To: [Redacted by HELP Committee]
Subject: [Redacted by HELP Committee]

Dear [Redacted by HELP Committee]

We are disappointed with this letter as you can imagine. I discussed the letter with my Student Services Director, the EM, and the instructor. None of them were informed of the situation and the student’s disappointment with UTI Norwood. We will reach out to the student and explain to him to make sure if he experiences another similar situation to bring it directly to the attention of his instructor, EM or any UTI employee. If they are not available, the student should come to the campus president. I am always happy to talk to any student about how to improve our services.

I asked Chris to talk to our vendors and conduct several audits. His results were that all our vendors are in full state of compliance. The trucks were clean and in compliance. The food in our vending machines could be better. Most of the students like the current food selection we provide. Nonetheless, I have instructed Chris to find out what this particular student would like and we will determine if we can accommodate him. Further more we are in the process of adding a cafeteria to Norwood this FY2010. We should (God willing) have it running by mid Q2.

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What the student meant by downtime is a result of us not allowing to bring all of our students to the lab during end of course testing. As a result some students need to stay in class while the others are performing their hands-on testing in the Lab. Instructors entertain the student by conducting end of phase clean-up, reviews, 1x1 tutoring, learning center, support services, and training aid repair. We are looking at a way to improve this.

Hope this help let me know if you need more details.
Hi Tom:

I can certainly begin a log going forward for any complaints that come to your desk.

Just for your info, past procedure on complaints from students/parents or employees that we received would be given to Duane or Mike in their mail folder and they would review and meet with either
Duane or Mike or appropriate leader and discuss and ask them to follow-up. I was not always in the
loop on these as they might follow up with the CR(s) and then get back to me directly and then in turn would get back to Kim if it was necessary.

As you know, my current process is to put out an email for messages I receive and I print it out and attach a simple tracking form that it was sent to the campus. The follow-up email from the campus is then printed out and attached to the form also and it is filed in a campus folder. Additionally, we do not get all complaints received by everyone in the company only those that are sent to me. I don’t receive those that go to Legal or PS usually.

This process has been kept very simple - it was felt by [redacted] that we keep the process simple and manageable.

Also, my role has been to listen and document the conversation in an email which is sent to the campus or admissions or legal, etc. I do not offer advice or solutions to our students/parents – that is the campuses or leaders role.

I’d be happy to discuss how we handled this process in the past.

I will begin our log this week - I think this will be beneficial for you as we go forward.

Let me know if you would like to discuss further.

Thanks,
4707

Date letter received
Person assigned to investigate (e.g. Duane, PS, etc.)
Date we sent response
Who we sent response to (e.g. Kim McWatters, employee, student, family, ...)

Thanks,

Tom Riggs
Senior Vice President,
Campus Operations
Universal Technical Institute, Inc.

Redacted by HELP Committee
Hi Tom – any mail (except junk mail catalogs) I receive gets put into your mail folder(s) and put into your inbox. I don’t hold on to it so I am not sure what happened in this case.

Going forward, I can put all complaints/follow-ups from Kim in a red Priority folder for you on your chair or desk and following up with you for action on them. Will that work for you?

From: Tom Riggs
Sent: Thursday, October 22, 2009 11:43 AM
To: [Redacted]
Subject: FW: Response to letter received- Nonwood

When did we receive this letter? I only got it (or was only aware of it) about a week ago.

I'm not pointing any fingers, just need to understand factually where it was and where it went before me.

Thanks,

Tom Riggs
Senior Vice President,
Campus Operations
Universal Technical Institute, Inc.

From: Kim McInlourens
Sent: Thursday, October 22, 2009 10:02 AM
To: Tom Riggs
Subject: RE: Response to letter received- Nonwood

Hi Tom –

I am not certain when Duane received this... but, I am concerned that it has taken a month from Ops to respond to his initial letter of 9/23 to me. Further, I remain concerned about Nonwood management and operations in general, therefore the issues highlighted cause me even greater concern. What can we do to move this up on the priority list? Thanks. 

1
Duane is working on, will update as soon as we have resolution.

Tom Riggs
Senior Vice President,
Campus Operations

[Image: Universal Technical Institute, Inc.
Redacted by HELP Committee]

On Oct 21, 2009, at 4:20 PM, [Redacted] wrote:

Just keeping this one top-of-mind ... thanks!

From: [Redacted]
Sent: Thursday, October 15, 2009 1:52 PM
To: Tom Riggs
Cc: Kim McWaters
Subject: FW: Response to letter received- Norwood

Just checking back to see if you or any team member has an update for Kim on this e-mail and his previous letter dated 9/23/09. Thanks!

From: [Redacted]
Sent: Friday, October 9, 2009 9:36 AM
To: [Redacted]
Cc: Kim McWaters
Subject: FW: Response to letter received- Norwood

Hi, Tom. This student (below) wrote a letter to Kim on which I copied you ... can you provide Kim with an update ... and please note his new feedback provided in his e-mail below as well. Thanks.

From: Kim McWaters
Sent: Friday, October 9, 2009 7:32 AM
To: [Redacted]
Subject: FW: Response to letter received- Norwood

Please see who has followed up with this individual and what action has been taken at the campus... thanks. K
From: [Redacted]
To: Kim McWaters
Sent: Fri Oct 09 06:47:00 2009
Subject: Response to letter received- Norwood

Hello Kim,

Thank you for a quick and positive response to my commendations for Mr. [Redacted] and acknowledgment of the unfortunate events at this school. As I am almost finished with my course at UTI, I hope that the leadership team can turn things around for the students of the future.

For the last 9 months, students have offered advice and suggestions on how the school can be better for them which go unanswered, some of which I'll note below:

Food court: - Fast food machines with junk food and soda aren't promoting a healthy environment. Real food options could turn a better profit for the school, eliminating the need for a gut track. Speaking of which, the afternoon food track is a disgrace. The owner is [Redacted]; his truck is dirty and leaks propane, not to mention his food is not so good either. The morning track is fantastic however, go figure.

There is currently 1 vending machine that offers milk and only 2 slots. Half the machine is empty. The Subway guy is overpriced for the amount and quality of food he provides.

Advanced classes for students like myself that are here to learn, excel in their work and have a purpose to attending this school. Select instructors that are highly regarded such as [Redacted] Mr. [Redacted] by HELP Committee etc. to teach advanced classes.

There is certainly more than can be accomplished in the 3 week phases. There is so much down time I feel like I should be paid for attending especially on end phase Thursday and Friday.

I can go on and on as I'm always observing, but I'll wait to hear back from you as your letter dictates.

I can be reached at

Thank you for your time Kim.
From: Duane Kramer
Sent: Tuesday, December 08, 2009 1:49 PM
To: Duane Kramer
Cc: Tom Riggis
Subject: RE: Complaint Letter - Norwood

This has been resolved....

Can you do a summary of this in collaboration with Pat Koepke? We can review the file and behaviors while we are there... Thanks Duane

-----Original Message-----
From: Duane Kramer
Sent: Friday, October 23, 2009 5:04 PM
To: Duane Kramer
Cc: Tom Riggis
Subject: Complaint Letter - Norwood

Duane- will you guys be addressing this when you are out in Norwood next week?

-----Original Message-----
From: Duane Kramer
Sent: Wednesday, October 21, 2009 7:32 AM
To: Duane Kramer
Subject:

This e-mail was sent from "hpfuel998c98" (C4544).
Scan Date: 10.21.2009 10:12:11 (.04AM)
Queries to: "Debra Lipps"
Customer Call Sheet
OPERATIONS

Student: Anonymous  Date: 6/23/09
ID #: (Last Name) (First Name)

Locations:
☐ CORP  ☐ UTI-Phoenix  ☐ UTI-Houston  ☐ UTI-Glendale Heights  ☐ UTI-Ranch
☐ UTI-Exton  ☐ UTI-Sacramento  ☐ NTI-NC  ☐ UTI-Boston  ☐ MMI-Phoenix
☐ MMI-Orlando  ☐ UTI-Orlando  ☐ UTI-DFW

☐ Complaint Received by Date: / 
☐ Complaint Forwarded to Date: / 
☐ Complaint Forwarded to Date: / 
☐ Complaint Forwarded to Campus Date: / 
☐ Response Received from Date: / 
☐ File Closed Date: / 

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Universal Technical Institute, Inc.
Document 8, Page 1
From: [Redacted by HELP Committee]
Sent: Wednesday, July 01, 2009 6:58 AM
To: [Redacted by HELP Committee]
Subject: FW: What kind of School are you running?

For your records. Thanks.

From: [Redacted by HELP Committee]
Sent: Wednesday, July 01, 2009 12:44 AM
To: [Redacted by HELP Committee]
Subject: Re: What kind of School are you running?

Cool. Please copy me as she is the keeper of the records!! Thanks!

From: [Redacted by HELP Committee]
Sent: Tue Jun 30 12:36:42 2009
To: [Redacted by HELP Committee]
Subject: FW: What kind of School are you running?

All taken care of! Got you covered!!!

From: Kim McWaters
Sent: Thursday, June 25, 2009 1:09 AM
To: [Redacted by HELP Committee]
Subject: Re: What kind of School are you running?

Thank you for taking the time to investigate the merits of the expressed concerns and taking corrective action when and where appropriate.

Thanks again.

K

From: [Redacted by HELP Committee]
To: [Redacted by HELP Committee]
Cc: Kim McWaters
Subject: FW: What kind of School are you running?

In reviewing this with [Redacted by HELP Committee] we have been able to identify a student's response from the ESI's to the instructor talking about Walt Disney World. The instructor has been coached based on the ESI comment about veering off track from the curriculum. We have communicated to all instructors the importance of staying on topic during class time. In regard to [Redacted by HELP Committee] she is a new EIM and to date has displayed very high levels of integrity and fairness. [Redacted by HELP Committee] is a graduate of the Marine program and has never told any students they were not to have "fun" while in school. Raised on the opening paragraph with the reference to "bro" we believe this may be a disinterested student posing as a parent. ESI's do not indicate unrest among the students however as always we are sensitive to providing the best educational experience for all our students. If you need any additional information, please let me know. Thanks.

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Universal Technical Institute, Inc.
Document 8, Page 2
From: [Redacted by HELP Committee]
Sent: Tuesday, June 23, 2009 2:01 PM
To: [Redacted by HELP Committee]
Cc: [Redacted by HELP Committee]
Subject: What kind of School are you running?

Good Afternoon Ladies,

First of all I write this e-mail, I am not using my real name, because I don't want my son to be penalized for me writing my concerns about the UT/IMMI School in Orlando Florida. Yet still these are very real and I hope you address them as they need to be. bro

First of all, I question the education/experience of some of the instructors you have teaching. One teacher was more interested in talking about Walt Disney World, in fact so instead of teaching he brought pictures of his "Disney World" that he had built. I don't see how Disney World and fixing boat engines are related. When some students brought this to the attention to (I think they are called EM's) they were shrugged off. This same instructor sits in his seat at his desk, and if a student needs help, he tells them to look in the manual and doesn't bother even getting up. That's teaching?!

One other instructor that my son had a problem with was one who talked about the Army for the entire class, instead of lecturing or letting them work on boat engines. Again, some students when to one of the EM's (His name is Mr. [Redacted]) and they were told that it was his class and they could do nothing about it. I do nothing about it, these are supposed to be the supervisors who are in charge of the teachers, not only supervising what is going on in the class but giving the teachers info and help in operating a successful classroom. If Mr. [Redacted] is a representative of what kind of supervisor you have, you have hit it wrong. Speaking of Mr. [Redacted].

CONFIDENTIAL
my son, told me that when it comes to attendance he will give "favors" to some students who are on the verge of failing and not to others. When he gives these "favors" he tells them not to tell other students. If you have a rule, then it needs to be enforced for all, not just some, the ones you like.

Second, my son has said that by the end of each class session (3 weeks) they are allowed to write down an evaluation of the class and instructor. This was usually done at the beginning of each class, just recently they were told that they had 5 minutes at the end of class and when some students need more time to write, they were told just to mark it, it was important for their comments. What has changed? Isn't it important to have the students take part in the process to help make the school a success?

Third, The students heard that Mr. [redacted] and a Mr. [redacted] say that there no one is allowed to have any fun while in school. Why not? Get real. Isn't having fun while learning one of the best parts of going to school. Maybe Mr. [redacted] and Mr. [redacted] should not be working there and get a job that puts them all alone and not with other people. Sometimes, people take life way to serious and a few laughs makes things look brighter and it makes tough work even better. When I was in school, I learned better, when the teacher made the lesson fun and enjoyable and we had a few laughs along the way.

Fourth, there have been many instructors that have been wonderful and help the students when needed. There are a few staff members that need to either change their ways or leave the teaching and go into another field. I hope there will be changes on you run UTI/MMI. I am paying good money for my son to get a decent education that can give him a trade to make money. If my son continues to complain about his classes and management team I will let the Board of Directors know and then, if have to let the media and Better Business Bureau know what is going on in Orlando's school.

Thank you for your time.

Mrs. [redacted]
## Customer Call Sheet

**OPERATIONS**

<table>
<thead>
<tr>
<th>Student:</th>
<th>[redacted]</th>
<th>ID #: [redacted]</th>
<th>Date: 10/3/09</th>
</tr>
</thead>
</table>

### Locations:

- [ ] CORP
- [ ] UTI-Phoenix
- [ ] UTI-Houston
- [ ] UTI-Idaho Heights
- [ ] UTI-Ranch
- [ ] UTI-Houston
- [ ] UTI-Sacramento
- [ ] NTI-NC
- [ ] UTI-Boston
- [ ] MMI-Phoenix
- [ ] MMI-Orlando
- [ ] UTI-Orlando
- [ ] UTI-DFW

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- **Complaint Received by:** [redacted]
  - Date: 10/3/09
- **Complaint Forwarded to:** [redacted]
  - Date: 10/3/09
- **Complaint Forwarded to:** [redacted]
  - Date: 10/3/09
- **Response Received from:** [redacted]
  - Date: 11/4/09
  - Until 11/17/09

**File Closed**

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**CONFIDENTIAL**

**Universal Technical Institute, Inc.**

**Document 9, Page 1**

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In response to the email from student [redacted], we did an investigation of the concerns outlined in his email. I reached out to all the functional departments, reviewed SMART notes and was surprised there were no negative concerns or dealings documented for this student. Because there was nothing in SMART we went back to see if he had written any ESI comments.

Here is what we do know after researching ESI comments from [redacted] during his time at UTI. He made 5 comments during program. Listed below are highlights of the attached ESI's from [redacted]:

1. 1st comment 1/26/09 Course 2: Jones – All praise: "excellent!"
2. 2nd comment 2/16/09 Course 29: Newman – complained Cancel was not good teacher and did not want to clean:
   "excellent!"
3. 3rd comment 3/1/09 Course 3: "complained about Ortiz not being new to teaching course 1"
4. 4th comment 3/30/09 Course 2: "complained about lack of EM help"
   
5. Last comment after program change and double: "What's this?"

Multiple times now I have bad problems with SS, FA, and Acct. I am trying to double up my last two classes and spent a week of coming in every day to check in on their progress. I am in a class that is very stressful. I always see them a lot in class. I have a lot of assignments. I need to be home for, for my family in late Oct because my younger sister is graduating next year.

I cannot tell you how extremely frustrating this has been along with past problems in those departments. It seems the way they are very disorganized. Also, I had another issue with a test in Ford. I talked to Mr. [redacted] and he suggested I talk with an EM. I was told the only EM I could talk to was Mr. [redacted]. He problem was that he is currently working nights and I was at work all afternoon everyday. When I ask if I could meet someone else the only person I got was "NO." I ask if I could meet or call him or just work something out to where my problem could be helped, again "NO." But "I'll work something out" or "I'll see what I can do" just "NO."

Basically it's my problem and no one can help when that's their job. Again very frustrating and stressful since I'm trying to make it home for important events. I'm just looking for help, nothing out of the ordinary.

Thank you,

[redacted]
In regard to the FM on the motorcycle turning left from the driveway is not a violation of any policies or rules so we are not sure why you thought this.

The student did experience frustration with the program change process due to combining that with doubling. This process does involve multiple departments and in one case was confused when the payment schedule was given directly to him and then he was sent to an incorrect email for his mother who had changed email addresses and not contacted us with the change. The program change process involves multiple departments and is a “clunky” process for the student and for staff. We believe each of the challenges Jacob faced and raised were addressed at the time of his frustration and did not stem out of the norm. The Education Managers work daily to reinforce student expectations and there are students such as [Redacted] who want to get those most from their education and unfortunately there are others who are less mature. We appreciate the time [Redacted] took to write the email below and will use his feedback in our efforts to provide every student a world class experience! If you have any additional questions or comments, please let me know.

From: Duane Kramer
Sent: Monday, November 16, 2009 9:34 PM
To: Tom Riggs
Subject: We thank you for your e-mail . . .

Can you do the full review and send your response back to Kim and copy Tom, Pat and me? Thanks

Duane

From: Tom Riggs
Sent: Wednesday, October 28, 2009 11:50 AM
To: Duane Kramer
Subject: Fwd: Thank you for your e-mail . . .

Let's discuss.

Tom Riggs
Senior Vice President,
Campus Operations

Universal Technical Institute, Inc.

Begin forwarded message:

From: "Kim McWaters" [Redacted by HELP Committee]
Date: October 28, 2009 12:58:20 AM PDT
To: [Redacted by HELP Committee]
Cc: "Tom Riggs" [Redacted by HELP Committee]
Subject: Thank you for your e-mail . . .

Hello, [Redacted] I am very appreciative of the time you took and detail you provided in this e-mail. Your feedback is valued and very important to me, to our organization. I will ensure that your comments are reviewed by the leaders who can applaud the instructors and staff you mention, as well as address the concerns you list.
It is obvious from your track record during school, and the professionalism displayed in your e-mail below, that you are going to be very successful in your future career, in life. I am proud to have you as an alumni and thrilled for the industry customer who gains you as an employee.

I appreciate your concern and commitment to helping us create the best possible outcome for all of our students, current and future. A member of our education/operations team will be in touch with any questions or/and response to your concerns. We will take your feedback seriously.

Thank you . . . you are what it means to be the "Best of the Best!"

With gratitude,

Kim McWaters
President & CEO

From: [Redacted]
Sent: Wednesday, October 28, 2009 9:55 AM
To: Kim McWaters
Subject: To Whom it may concern,

My name is [Redacted]. I have just completed my last phase at UTI Orlando. I took the core and Ford FACT programs. For the most part, I have had a great experience here at your school. It is a great facility with plenty of tools and training aids at the student’s disposal. The majority of the instructors have been excellent at their job as well, and a few have gone above and beyond. I would like to personally thank Mr. [Redacted], Mr. [Redacted], Mr. [Redacted], Mr. [Redacted], Mr. [Redacted], and Mr. [Redacted].

These teachers are the ones who went the extra mile. Not only would they stay after class every day to make sure that everyone understands the classwork, they expand upon the subject they are teaching so that everyone left class with much more information than the slides and books have to offer. They also conduct their class in a way that is very relaxed and fun while maintaining control at the same time. In their classes, you can feel free to talk, joke around, and have a great time learning. Yet it’s in these classes that no one disrupts class because the teacher makes you want to learn as much as possible. They make the subject very interesting. I know that I can learn much more in a environment like this than in a class where you have a boring teacher cramming slide after slide at you not “teaching between the lines”. It was in these classes that I felt that I was part of a team, especially in Ford FACT. I honestly believe that if I went through the same program without these teachers, I would not be near as prepared for the field as I am now. When the teacher can combine fun, stories, personal experiences and the curriculum in a balanced manner, the students are going to take home much more from the class than the typical teacher can provide. After all, what good is any knowledge if you don’t know how to apply it? I say all this to make sure those teachers are recognized for the great job they are doing and that it isn’t go unnoticed by many of the students they have taught.

My most positive experience at UTI was definitely the Ford FACT program. Everything in it is top notch: Instructors, Tools, Material, Training aids and facility. I also liked the smaller classes that allowed more one on one time with the instructor. Keep up the good work! However, there were several issues at UTI that were lacking and made the experience harder for a student who is serious about their education.

Throughout my time at UTI, I maintained a 4.0 GPA, excellent attendance, multiple SOC’s and director’s list awards. I don’t say this to brag, but to let you know that I am writing this letter as feedback that will hopefully help future students at UTI. I took this program very seriously and I know others do as well. I was not a bored high school drop out that somehow got accepted to UTI so mommy and daddy would let me stay at home for another year. Students like this were one of the many problems I had at UTI. Too many people are in this school that shouldn’t be. These are the students who are just here to goof off with their friends. In 90% of my classes, I would have to deal with many students disrupting class, disrespecting teachers and other students. They were the ones holding up the entire class. In my mind, these students need to either not be accepted in the first place, or immediately be cracked down on. The majority of the time, these are the students who think they are a “gangsta”. All the baggy pants around the knees, cussing, piercings all over, stealing from our neighbors in the community is making UTI look like a bunch of morons. The EM’s are constantly emphasizing professionalism and threatening to crack down.
on the stealers. But all I have seen from them is all talk and no walk. I got very sick of seeing the same clowns every other phase. People purposely breaking school equipment, screwing around in the lab and classroom and bringing others down with them. Yet the most punishment that was given in most cases was a rephase. This just allowed for them to have a new audience to "entertain" for another three weeks. I saw and heard of students getting rephased 5 and 6 times, taking over 2 years to graduate the core program alone! Shouldn't this be considered unacceptable? It seems that as long as mommy and daddy have $1,500 for a rephase, these kids can "try" again as many times as they want. If UTI is so serious about keeping a respectable reputation in the community, why not expel these failures who are just passing time for the next year or two? These students are from all over the country making our school look like a joke. There are already companies in the Orlando area that will refuse to hire any UTI student or graduate just because of students like this. Forgive me for being concerned, but I actually care what my diploma is worth. It seems to me this school is more of a business instead of a body worried about education. These students really are lowering the bar for everyone else. I cannot stress to you enough how much this would improve the school.

This problem leads to another problem I had to deal with. I know that the EM's got tired of dealing with constant stupidity, but when a student like myself comes into their office with a real problem I need their help with. I demand the respect I deserve. Not every time, but on several occasions, I went to the EM's office for issues I had in school and left wondering why I even went to them at all. One time when I came in, 3 EM's were in the office. 2 of them were telling jokes to each other and the third one was looking at some papers. I stood in the doorway for about 30 seconds unacknowledged by any of them, so I knocked on the doorframe. The third EM looked up like I was bugging nuts and asked what I wanted. When I told him my problem, he told me the only one who could help me was the only EM that wasn't there. So I asked when I could see him and he said "I don't know, hes working nights right now." So I asked when I could see him. He said "I don't know." So I asked if we could arrange a phone call and my response was "No." So I asked him if there was anyone else I could talk to, "No." So I asked him what I could do to get my problem solved and all I got was "I don't know, that's your problem." Isn't an EM there to help students? It got really old really fast when they acted like they were too good to do their own job. At $30,000, I should be getting all the help I need, not someone who feels that I don't matter. Almost constantly, 2 of the 4 EM's at my campus acted like they owned it, too good to help anyone or anything around it. I don't need an EM like this. They are supposed to be helping us students and enforcing the rules. They should abide by the same rules they set as well. For example, we are told that if we turn left in or out of the exit facing SAM'S CLUB, we will be written up. This is because there is a double yellow line, there have been several accidents, and it is illegal to do so. Yet on the first Friday of my last phase, one of our EM's rode his motorcycle and turned left out of that exit. Who is there to write him up? Who is he held accountable to? Its very annoying that they feel and act like they are above the law sometimes.

Another problem I had was with Student services, Financial aid, Accounting, and Employment services. Every time I went into one of these departments, I only went away unhelped, mad and frustrated. Multiple months, my family and I never received a bill for my tuition for our cash payment plan. The only way I would find out was when I got a letter in the mail or a call. I had to find out I was put on hold. This happened twice. So then I would have to take time out of my class to go down there and help them figure out what was wrong only to find that they had made another mistake. Another time, I was given a notice for a $4,300 balance due to the school over a month after my tuition was paid off. So once again, I had to make another trip down to their office and take time out of class to figure out what was going on. After 45 minutes I wasn't able to be helped. So I went back again after class was over only to find that someone couldn't do simple math. Yet no one had any clue how or who made the mistake. I understand that people make mistakes, but when I have more problems than help, there is an issue in that area. With employment services, I had issues with my call list getting done. I turned mine in on my first week of Ford FACT. Yet with only 3 weeks left in my school, it still had not been started yet. I stopped in and was asked to come back in one week and that it would be done. So when I came back it still wasn't done. After 3 days of stopping in to baby sit and asking them to do their job, it finally got done. This isn't acceptable! I paid an awful lot of money to get not only a good education, but all these services as well. This is supposed to be what sets UTI apart from the rest. But in my experience here, I didn't see that.

I see a lot of good things about this school. I just think that a few things could be worked on. Holding the staff accountable, getting rid of students who don't need to be there in the first place, and having the student service departments do a better job. I want you to understand that this is not my way of lashing out or getting in the last word. I honestly think that someone hearing this will be able to make UTI a better place for future students. I felt that doing it this was the best approach for positive results. Please
4721

take this letter seriously. I did put a lot of thought and effort into it. Please feel free to contact me with any questions you have. I will help in any way I can.

Thankyou[

Home Phone: [Redacted]
Cell Phone: [Redacted]
From: Duane Kramer
Sent: Monday, November 16, 2009 7:34 PM
To: Universal Technical Institute, Inc.
Subject: fyi

Can you do the full review and send your response back to Kim and copy Tom, Pat and me? Thanks
Duane

From: Universal Technical Institute, Inc.
Sent: Wednesday, November 04, 2009 2:07 PM
To: Duane Kramer
Subject: RE: Thank you for your e-mail . . .

Interesting in speaking with functional departments and reviewing SMART notes there have been no negative dealings with this student. Whenever a student does a program change and doubles they always forget about the changes associated with that. Holl stated, "There were 2 mix ups that were found, one the payment schedule went directly to the student (given to him in class) and not sent to the Parent. And the other was his mom wasn't receiving our emails about the payments which was because she switched her email and didn't tell us. I don't see any notes that he was ever angry or upset with us." Comment from Tom much the same. "Yes, the comments in smart are all positive. It does not appear he had any concerns or frustrations with other departments' either. per SMART. This is very odd usually there is something we were aware of but not in this case."

I also just read a comment the student put on the ESI, here is a copy.

**ADTE-137-VOLKMAN AM**

1. Multiple times now I have bad problems with SS, FA, and Acc. I am trying to double up my last two classes and spent a week of coming in every day to check in on their progress. Every time I came in I always got "the runaround". SS tells me my paperwork is in Acc, Acc says she gave it back to SS. So when I go back to SS they say that now it's in FA and I will be called when it's ready. A week later when I called them I'm told my paperwork has been ready to sign for a few days now and I should come in. So I go back again to sign only to find out when I get there that it has been lost. So the next day I finally get ready to sign and my requested schedule has been made wrong. I have a few important events I need to be home for, for my family in late Oct early Nov. I also work full time. I was very detailed in my requested schedule change yet it was still not right. I cannot tell you how extremely frustrating this has been along with past problems in these departments. It seems they are very disorganized. Also, I had another issue with a test in Ford Fact. I talked to Mr. **[redacted]** and he suggested I talk to an Em. I was told the only Em I could talk to was Mr. **[redacted]**. The problem was that he is currently working nights and I work all afternoon everyday. When I ask if I could meet someone else the only answer I got was "NO". I ask if I could meet or call him or just work something out so where my problem could be helped, again "NO". Not "I'll work something out" or "I'll see what I can do" just "NO". So basically it's my problem and no one can help when that's their job. Again very frustrating and stressful since I'm trying to make it home for important events. I'm just looking for help, nothing out of the ordinary. Thank you.
I spoke with ___ about his concern regarding the Ford test and his frustrations. ___ claimed that the "only answer I got (from the EM) was "NO". My ___ were the ones who s/w and they both said that they did not refuse to help him. They related that they referred him to Mr. ___ since it was a very specific FACT issue that not even the TTL could answer. ___ expressed no concern to them (at that time) other than to meet with me. As for ___'s struggle in FACT, ___ had failed a Ford test by Ford's standards but passed by UTC's standards and wanted to talk to me about the impact that it would have on his transcript. I told ___ that ____ and ___ were correct that I was the one he needed to talk to about this. The EM's work schedule can make it more difficult to reach me sometimes, but the other EM know it is OK to give him my business card to FACT students which has my cell phone # on it. He said he was very triggered when he wrote the ESN. ___ stated that all his issues (including SS and FA) have all been resolved at this point and he is no longer upset. I feel that ___ realizes that we do care and are here to help him. - EM

If you have not met with Tom, hopefully this will give you some information. When students inquire about program change we tell them it will take a couple of weeks to get the paperwork processed and when you add another to that it can extend the time.

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From: Duane Kramer
Sent: Wednesday, November 04, 2009 12:18 PM
To: GMTKramer
Subject: FW: Thank you for your e-mail . . .

I would like for you to look into this behind the scenes for now... Tom asked for some time to discuss, but we have not yet... Please let me know if you would like to discuss. Thanks

Duane

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From: Tom Riggs
Sent: Wednesday, October 28, 2009 11:50 AM
To: Duane Kramer
Subject: Fwd: Thank you for your e-mail . . .

Let's discuss.

Tom Riggs
Senior Vice President,
Campus Operations

Universal Technical Institute, Inc.

Begin forwarded message:

From: "Kim McWaters" <kmcwaters@uti.edu>
Date: October 28, 2009 10:58:20 AM PDT
To: 
Cc: Tom Riggs<kmcwaters@uti.edu>
Subject: Thank you for your e-mail . . .
Hello, [Name],

I am very appreciative of the time you took and detail you provided in this e-mail. Your feedback is valued and very important to me, to our organization. I will ensure that your comments are received by the leaders who can applaud the instructor's and staff you mention, as well as address the concerns you list.

It is obvious from your track record during school, and the professionalism displayed in your e-mail below, that you are going to be very successful in your future career in life. I am proud to have you as an alumni and thrilled for the industry customers who gain you as an employee.

I appreciate your concern and commitment to helping us create the best possible outcome for all of our students, current and future. A member of our education/operations team will be in touch with any questions and/or response to your concerns. We will take your feedback seriously.

Thank you, [Name], you are what it means to be the "Best of the Best!"

With gratitude,

Kim McWaters
President & CEO

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From: [Name]
Sent: Wednesday, October 28, 2009 9:55 AM
To: Kim McWaters
Subject: To Whom it may concern,

I have just completed my last phase at UTI Orlando. I took the core and Ford FACT programs. For the most part, I have had a great experience here at your school. It is a great facility with plenty of tools and training aids at the student's disposal, the majority of the instructors have been excellent at their job as well and a few have gone above and beyond. I would like to personally thank [Redacted by HELP Committee].

These teachers are a difference who weren't afraid to go the extra mile. Not only would they stay after class every day to make sure that everyone understands the coursework, they expand upon the subject they are teaching so that everyone gets more information than the slides and books have to offer. They also conduct their class in a way that is very relaxed and fun while maintaining control at the same time. In their classes, you can feel free to talk, joke around, and have a great time learning. Yet it's in these classes that no one disrupts class because the teacher makes you want to learn as much as possible. They make the subject very interesting, I know that I can learn much more in an environment like this than in a class where you have a boring teacher ramming slide after slide at you not "teaching between the lines". It was in these classes that I felt that I was part of a team, especially in Ford FACT. I honestly believe that if I went through the same program without these teachers, I would not be near as prepared for the field as I am now. When the teacher can combine fun, stories, personal experiences and the curriculum in a balanced manner, the students are going to take home much more from the class than the typical teacher can provide. After all, what good is any knowledge if you don't know how to apply it? I say all this to make sure these teachers are recognized for the great job they are doing and that it isn't go unnoticed by many of the students they have taught.

My most positive experience at UTI was definitely the for FACT program. Everything in it is top-notch; instructors, tools, material, training aids and facility. I also liked the smaller classes that allow more one on one time with the instructor. Keep up the good work! However, there were several issues at UTI that were lacking and made things harder for a student who is serious about their education.

Throughout my time at UTI, I maintained a 4.0 GPA, excellent attendance, multiple SOC's and director's list awards. I don't say this to brag, but to let you know that I am writing this letter as feedback that will hopefully help future students at UTI. I took this program very seriously and I know others do also. I was not a bored high school drop out that somehow got accepted to UTI so mom and daddy would let me stay at home for another year. Students like this were one of the many problems I had at UTI. Too many people are in this school that shouldn't be. These are the students who are just here too good off with their friends. In 90% of my classes, I would have to deal with many students disrupting class,
disrespecting teachers and other students. They were the ones holding up the entire class. In my mind, these students need to either not be accepted in the first place, or immediately be cracked down on. The majority of the time, these are the students who think they are a "gangsta". All the baggy pants around the knees, cursing, perring all over, stealing from our neighbors in the community is making UTI look like a bunch of morons. The EM's are constantly emphasizing professionalism and threatening to crack down on the slackers. But all I have seen from them is all talk and no walk. I got very sick of seeing the same clowns every other phase. People purposely breaking school equipment, screwing around in the lab and classroom and bringing others down with them. Yet the most punishment that was given in most cases was a rephrase. This just allowed for them to have a new audience to "entertain" for another three weeks. I saw and heard of students getting rephased 5 and 6 times, taking over 2 years to graduate the core program alone! Shouldn't this be considered unacceptable? It seems that as long as mommy and daddy have $1,500 for a rephrase, these idiots can "try" again as many times as they want. If UTI is so serious about keeping a respectable reputation in the community, why not expel these failures who are just passing time for the next year or two? These students are from all over the country making our school look like a joke. There are already companies in the Orlando area that will refuse to hire any UTI student or graduate just because of students like this. Forgive me for being concerned, but I actually care what my diploma is worth. It seems to me like this school is more of a business instead of a body worried about education. These students really are lowering the bar for everyone else. I cannot stress to you enough how much this would improve the school.

This problem leads to another problem. I had to deal with. I know that the EM's get tired of dealing with constant stupidity, but when a student like myself comes into their office with a real problem, I need their help with, I demand the respect I deserve. Not every time, but on several occasions, I went to the EM's office for issues I had in school and left wondering why I even went to them at all. One time when I came in, 3 EM's were in the office. 2 of them were telling jokes to each other and the third one was looking at some papers. I stood in the doorway for about 30 seconds unacknowledged by any of them, so I knocked on the door frame. The third EM looked up like I was being rude and asked me what I wanted. When I told him my problem, he told me the only one who could help me was the only EM that wasn't there. So I asked when I could see him and he said "I don't know, hes working nights right now." So I asked when I could see him. He said "I don't know." So I asked if we could arrange a phone call and my response was "No." So I asked him if I was anyone else I could talk to, "No." So I asked him what I could do to get my problem solved and all I got was "I don't know, that's your problem." Isn't an EM there to help students? It got really old really fast when they acted like they were too good to do their own job. $30,000. I should be getting all the help I need, not someone who feels that I don't matter. Almost constantly, 2 of the 4 EM's at my campus acted like they owned it, too good to help anyone or anything around if I didn't have an EM like this. They are supposed to be helping us students and enforcing the rules. They should also abide by the same rules they set as well. For example, we are told that if we turn left in or out of the exit facing SAM's CLUB, we will be written up. This is because there is a double yellow line. I have been passed by a few accidents, and it is illegal to do so. Yet on the first Friday of my last week, one of our EM's rode his motorcycle and turned left out of that exit. Who is there to write him up? Who is he held accountable to? It's very annoying that they feel and act like they are above the law sometimes.

Another problem I had was with Student services. Financial aid, Accounting, and Employment services. All of these departments are very unorganized and unprofessional. Nearly every time I went into one of these departments, I only went away unhelped, mad and frustrated. Multiple months, my family and I never received a bill for my tuition for our cash payment plan. The only way I would find out was showing up to school one day to find out I was put on hold. This happened twice. Then I would have to take time out of my class to go down there and help them figure out what was wrong only to find that they had made another mistake. Another time, I was given a notice for a $4,300 balance due to the school over a month after my tuition was paid off! So once again, I had to make another trip down to their offices and take time out of class to figure out what was going on. After 45 minutes I was still being helped. So I went back again after class was over only to find that someone could do simple math. Yet no one had any clue how or who made the mistake. I understand that people make mistakes, but when I have more problems than help, there's an issue in that area. With employment services, I had issues with my call list getting done. I turned mine in on my first week of Ford FACT. Yet with only 3 weeks left in my school, I still had not been started yet. I stopped in and was asked to come back in one week and that it would be done. So when I came back it still wasn't done. After 3 days of stopping in to baby sit and asking them to do their job, it finally got done. This isn't acceptable! I paid an awful lot of money to get not only a good education, but all these services as well. This is supposed to be what sets UTI apart from the rest. But in my experience here, I didn't see that.
I see a lot of good things about this school. I just think that a few things could be worked on. Holding the staff accountable, getting rid of students who don't need to be there in the first place, and having the student service departments do a better job. I want you to understand that this is not my way of lashing out or getting in the last word. I honestly think that someone hearing this will be able to make UTI a better place for future students. I felt that doing it this was was the best approach for positive results. Please take this letter seriously. I did put a lot of thought and effort into it. Please feel free to contact me with any questions you have. I will help in any way I can.

Thank you.
Let's discuss.

Tom Riggs
Senior Vice President,
Campus Operations

Universal Technical Institute, Inc.

Begin forwarded message:

From: "Kim McWaters" [mailto:Kim_McWaters@uti.edu]
Date: Wednesday, October 28, 2009 10:58 AM
To: "Tom Riggs" [mailto:Tom_Riggs@uti.edu]
Subject: Thank you for your e-mail...

Hello, [Name], I am very appreciative of the time you took and detail you provided in this e-mail. Your feedback is valued and very important to me, to our organization. I will ensure that your comments are received by the leaders who can applaud the instructors and staff you mention, as well as address the concerns you list.

It is obvious from your track record during school, and the professionalism displayed in your e-mail below, that you are going to be very successful in your future career, in life. I am proud to have you as an alumni and thrilled for the industry customer who gains you as an employee.

I appreciate your concern and commitment to helping us create the best possible outcome for all of our students, current and future. A member of our education/operations team will be in touch with any questions and/or response to your concerns. We will take your feedback seriously.

Thank you... you are what it means to be the "Best of the Best!"

With gratitude,
Kim McWaters
President & CEO

From: [Name] [mailto:Name@uti.edu]
Date: Wednesday, October 28, 2009 5:56 AM
To: [Name] [mailto:Name@uti.edu]
Subject: To Whom it may concern.
My name is [redacted]. I have just completed my last phase at UTI Orlando. I took the core and Ford FACT programs. For the most part, I have a great experience here at your school. It is a great facility with plenty of tools and training aids at the student's disposal. The majority of the instructors have been excellent at their job as well, and a few have gone above and beyond. I would like to personally thank Mr. [redacted], Mr. [redacted], Mr. [redacted], Mr. [redacted], Mr. [redacted], Mr. [redacted], Mr. [redacted], and Mr. [redacted]. These teachers are the ones who were not afraid to go the extra mile. Not only would they stay after class every day to make sure that everyone understands the classwork, they expand upon the subject they are teaching so that everyone left class with much more information than the slides and books have to offer. They also conduct their class in a way that is very relaxed and fun while maintaining control at the same time. In their classes, you can feel free to talk, joke around, and have a great time learning. Yet in these classes that no onedisrupts, class because the teacher makes you want to learn as much as possible. They make the subject very interesting. I know that I can learn much more in an environment like this than in a class where you have a boring teacher cramming slides after slide at you not teaching between the lines. It is in these classes that I felt that I was part of a team, especially in Ford FACT. I honestly believe that if I went through the same program without these teachers, I would not be near as prepared for the field as I am now. When the teacher can combine fun, stories, personal experiences and the curriculum in a balanced manner, the students are going to take home much more from the class than the typical teacher can provide. After all, what good is any knowledge if you don't know how to apply it? I say all this to make sure these teachers are recognized for the great job they are doing and that it isn't go unnoticed by many of the students that they have taught.

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Throughout my time at UTI, I maintained a 4.0 GPA, excellent attendance, multiple SOC's and director's list awards. I don't say this to brag, but to let you know that I am writing this letter as feedback that will hopefully help future students at UTI. I took this program very seriously and I know others do as well. I was not a bored high school drop out that somehow got accepted to UTI. My mom and dad would let me into UTI for another year. Students like this were one of the many problems I had at UTI. Too many people are in this school that shouldn't be. These are the students who are just here too good off with their friends. In 80% of my classes, I would have to deal with many students disrupting class, disrespecting teachers and other students. They were the ones holding up the entire class. In my mind, these students need to either not be accepted in the first place, or immediately be cracked down on. The majority of the time, these are the students who think they are a "gangsta". All the baggy pants around the knees, cussing, [redacted] all over, stealing from our neighbors in the community is making UTI look like a bunch of morons. The EM's are constantly emphasizing professionalism and threatening to crack down on the slackers. But all I have seen from them is all talk and no walk. I got very sick of seeing the same cloths every other phase. People purposefully breaking school equipment, screeching around in the lab and classroom and bringing others down with them. Yet the most punishment that was given in most cases was a rephase. This just allowed for them to have a new audience to "entertain" for another three weeks. I saw and heard of students getting rephased 5 and 6 times, taking over 2 years to graduate the core program alone! Shouldn't this be considered unacceptable? It seems as long as mommy and daddy have $1,500 for a rephase, these kids can "cry" again as many times as they want. If UTI is so serious about keeping a respectable reputation in the community, why not expel these failures who are just passing time for the next year or two? These students are from all over the country making our school look like a joke. There are already companies in the Orlando area that will refuse to hire any UTI student or graduate just because of students like this. Forgive me for being concerned, but I actually care what my diploma is worth. It seems to me like this school is more of a business instead of a body worked about education. These students really are lowering the bar for everyone else. I cannot stress to you enough how much this would improve the school.

This problem leads to another problem I had to deal with. I know that the EM's get tired of dealing with constant stupidity, but when a student like myself comes into their office with a real problem I need their help with, I demand the respect I deserve. Not every time, but on several occasions, I went to the EM's office for issues I had in school and left wondering why I even went to them at all. One time when I came in, 3 EM's were in the office. 2 of them were telling jokes to each other and the third one was looking at some papers. I stood in the doorway for about 30 seconds unacknowledged by any of them, so I knocked on the doorframe. The third EM looked up like I was being rude and asked me what I wanted. When I told him my problem, he told me the only one who could help me was the only EM that wasn't there. So I
asked when I could see him and he said "I don't know, he's working nights right now." So I asked when I could see him. He said "I don't know." So I asked if we could arrange a phone call and my response was "No!" So I asked him if there was anyone else I could talk to. "No," So I asked him what I could do to get my problem solved and all I got was "I don't know, that's your problem." Isn't an EM there to help students? It got really old really fast when they acted like they were too good to do their own job. At $20,000, I should be getting all the help I need, not someone who feels that I don't matter. Almost constantly, 2 of the 4 EMs at my campus acted like they owned it, too good to help anyone or anything around it. I don't need an EM like this. They are supposed to be helping us students and enforcing the rules. They should also abide by the same rules they set as well. For example, we are told that if we turn left in or out of the exit facing SAM's CLUB, we will be written up. This is because there is a double yellow line, there have been several accidents, and it is illegal to do so. Yet on the first Friday of my last phase, one of our EM's rode his motorcycle and turned left out of that exit. Who is there to write him up? Who is held accountable to? Its very annoying that they feel and act like they are above the law sometimes.

Another problem I had was with Student services, Financial aid, Accounting, and Employment services. All of these departments are very unorganized and unprofessional. Nearly every time I went into one of these departments, I only went away unhelped, mad and frustrated. Multiple months, my family and I never received a bill for my tuition for our cash payment plan. The only way I would find out was showing up to school one day to find out I was put on hold. This happened twice. So then I would have to take time out of my class to go down there and help them figure out what was wrong only to find that they had made another mistake. Another time, I was given a notice for a $4,300 balance due to the school over a month after my tuition was paid off. So once again, I had to make another trip down to their office and take time out of class to figure out what was going on. After 45 minutes I wasn't able to be helped. So, I went back again after class was over to only find that someone can't do simple math. Yet no one had any clue how or who made the mistake. I understand that people make mistakes, but when I have more problems than help, there's an issue in that area. With employment services, I had issues with my call list getting done. I turned mine in on my first week of FAFSA. Yet with only 3 weeks left in my school, it still had not been started yet. I stopped in and was asked to come back in one week and that it would be done. So when I came back it still wasn't done. After 3 days of stopping in to babysit and asking them to do their job, it finally got done. This isn't acceptable! I paid an awful lot of money to get not only a good education, but all these services as well. This is supposed to be what sets UTI apart from the rest. But in my experience here, I didn't see that.

I see a lot of good things about this school. I just think that a few things could be worked on. Holding the staff accountable, getting rid of students who don't need to be there in the first place, and having the student service departments do a better job. I want you to understand that this is not my way of slashing or getting in the last word. I honestly think that someone hearing this will be able to make UTI a better place for future students. I felt that doing it this was was the best approach for positive results. Please take this letter to heart. I did put a lot of thought into it. Please feel free to contact me with any questions you have. I will help in any way I can.

Thank you,
Customer Call Sheet
OPERATIONS

<table>
<thead>
<tr>
<th>Student:</th>
<th>(Last Name)</th>
<th>(First Name)</th>
<th>ID #:</th>
<th>Date:</th>
<th>3/14/09</th>
</tr>
</thead>
</table>

Locations:  
- ☐ CORP  
- ☐ UTI-Phoenix  
- ☐ UTI-Houston  
- ☐ UTI-Glendale Heights  
- ☐ UTI-Ranch  
- ☐ UTI-Exton  
- ☐ UTI-Sacramento  
- ☐ NTI-NC  
- ☐ UTI-Boston  
- ☐ MMI-Phoenix  
- ☑ MMI-Orlando

- ☑ Initial Complaint Forwarded to Campus | Date: | 3/16/09 |
- ☑ Response Received from Campus | Date: | 3/18/09 |
- ☑ File Closed | Date: | 3/26/09 |
From: [Redacted by HELP Committee]
Sent: Wednesday, March 18, 2009 8:22 AM
To: [Redacted by HELP Committee]
Cc: Sherrell Smith, [Redacted]; Duane Kramer, John Gay, Bob Adler
Subject: RE: [Redacted]

Per [Redacted]
He has not come to us for food or community resources. I can have [Redacted] reach out to him today.

There is a disconnect between Mom's expectations and what the student communicates to us. As you see from Tom's response we will reach out to him today. Thanks.

Note: The information contained in this message may be privileged and confidential and protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Thank you.

From: [Redacted by HELP Committee]
Sent: Wednesday, March 18, 2009 10:54 AM
To: [Redacted by HELP Committee]
Cc: Sherrell Smith, [Redacted]; Duane Kramer, John Gay, Bob Adler
Subject: RE: [Redacted]

Thanks, Dianne. I did discuss the challenges with the job market at this time.

Can you let us know if he has been to Student Services for food assistance?

Thanks.

[Redacted]

From: [Redacted by HELP Committee]
Sent: Wednesday, March 18, 2009 7:22 AM
To: [Redacted by HELP Committee]
Cc: Sherrell Smith, [Redacted]; Duane Kramer, John Gay, Bob Adler
Subject: RE: [Redacted]

Please see the emails that have been communicated between [Redacted] and Employment Services. We are working closely with her and her son [Redacted] and providing the best customer service level possible. [Redacted] does not seem to understand the local job market, so we will continue to keep actual 'data' to document what has been done for her son. If you have any further questions, please let me know. Thanks.

From: [Redacted by HELP Committee]
Sent: Tuesday, March 17, 2009 9:43 PM
To: [Redacted by HELP Committee]
Subject: [Redacted]

8/29/2009

CONFIDENTIAL

Universal Technical Institute, Inc.
Document 10, Page 2
Thank you for responding. The resume that I have previously faxed and emailed to your office has the list of his references. We checked all of his references before he left PA and they were good. He had a clear motor vehicle record here in FL. I said when he had previously inquired about employment agencies, he was given a couple of names which he did contact. I also forwarded his resume to the employment agency in the area. One of the employment agencies is located near your facility and has a sign out form advertising welding jobs but again, they have not responded to calls, emails or receipt of a resume. All follow up has been done either that day or the next either by myself or . As you are aware has been into your offices there to request help on several occasions. Many of the job leads he was given were filled weeks earlier. Current job leads would be a great help. In addition, he did not have a problem traveling to a job. Since his vehicle is not working, he will have to use another mode of transportation until his vehicle is repaired. Most of these issues have previously discussed in our many conversations. If any of his employers can not be verified, I would appreciate being made aware so I can contact the employers and request return calls. The only thing I can think of is perhaps they don't want to deal with long distance phone charges. As for all the contacts you made today, thank you. It is appreciated more than you know. I will follow up on as many as I can and do my part to get whatever information is needed for these employers. I hope you understand why we are so frustrated (you seemed to when we spoke). I have a mom in CT who is panicking at the thought she may have to find another roommate for her son, not to mention have to pay the rent for the house rental in the meantime. I also get extremely concerned when is not existing, nor to mention, the regime in his vehicle needs to be replaced. We are also looking into having his motorcycle shipped to him. I am helping as much as I can but I am worried. I am happy that you have made some progress today. Hopefully he will have a decent job by the end of this month. Thank you again for all of your help. If I can be of further assistance, PLEASE do not hesitate to contact me.

Thank you for your follow up regarding Jake. I have met and discussed with regarding his phone conversation your continued concern regarding local employment job opportunities. Please see below an update of what services have been provided to assist his return in January. We would like to recommend that going forward you partner directly with Employment Services so we can close the "gap" on the job leads (computer applications and resume updates should be done in our office and are provided to students to access their e-mail.) We encourage timely follow-up for all students regarding any job leads because of the current economic conditions jobs do not stay on the lists for long periods of time.

In regards to past employment experience, we certainly agree he has areas that he can focus on for his job search (auto body, collision and welding) but these jobs are limited in the Central Florida area. These specialized jobs are few in number and are based on their needs which are during the typical daytime hours of 8-5pm. We are checking into these options specifically on behalf which you will see below. Please note in Central Florida, best chances of getting local employment will come if he is willing to go to where the job is. In order to further assist, we would like to understand all areas of experience and any previous challenges that may be hindering him.

8/29/2009

CONFIDENTIAL

Universal Technical Institute, Inc.
Document 10, Page 3
based on the applications he has already completed. For example, does have a clean motor vehicle report and clear background report? Also, we need a complete list of his references so we can have those for him for cover letters. has indicated you have all that information so if you could please forward it, it would be beneficial for his job search. This is information we use when we work closely with our students in the job search process.

We certainly empathize with the situation and truly want to partner with so he can achieve his goal to complete MMI and apologize that you have felt we have not been understanding or supportive during his job search. Please see the leads given below and the job fair flyer we will give to attached.

Previous job leads given:

Riker's Automotive: We asked to follow-up because we had sent resume on his behalf and we called again today to follow-up. (We just heard that is on his way to Urgent Care due to a cut on his leg). He needs to go to this job ASAP since it has NOT been filled and they are expecting him tomorrow. said he did go previously but they said the employer had not met with him.

MMI On-campus Student Services position-interviewed but position was placed on hold and was updated by Student Services

ASAP Towing-sent resume but past work experience could not be verified per employer so not sure if he actually had the specific 6 months experience required.

Macso-refereed to employer but they could not hire anyone right now

Looked for welding places but could not verify any leads for welding at the last meeting

Here are the other places we have contacted as of today:

The faxed copies have been called and verified receipt on 3-17-09.

8/29/2009
Airport Towing—Spoke to [redacted]. [redacted] verified wants student to call him in regards to additional information. 12:34pm

Recruited—Spoke to [redacted#:HELP Committee] Will discuss resume with Manager and call student to set up interview. 12:37pm

[redacted: RESUME]—Resume has been received and will contact student. 12:39pm

[redacted: RESUME] Will call student for follow up. 12:41pm

*Note: We found another job lead via an instructor but it is on Goldenrod and 50 and I have no idea how he would get to the location to apply and the lead for Mako we gave him was in the same area and he was concerned about that distance but it is a lead we heard of today for auto body and we gave the instructor [redacted: background].

We look forward to working together with [redacted: ] and are confident together we will be successful in securing employment for him.

Best regards,

[redacted: HELP Committee]

[redacted: HELP Committee]

Asst. Employment Services Director

MMI/UTI Orlando, FL

[redacted: HELP Committee]

Confidential

8/29/2009

Universal Technical Institute, Inc.

Document 10, Page 5
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From: [Redacted]
Sent: Monday, March 16, 2009 2:02 PM
To: [Redacted]
Cc: [Redacted]
Subject: [Redacted]

Hi,

I just spoke with a [Redacted] her son [Redacted] attends MMI in Orlando.

She was very upset about her son's experience at MMI and said that he was promised all kinds of things—financing, finding a job, etc. when he enrolled but he has had trouble with financial aid, living expense money (he was told he needed $3,400 which he had but when he got down there, there were other costs he had to pay for so the information that is being given out is not correct for these kids), and getting a job. She wants us to know what is happening so it doesn't happen to other kids. She also stated that their rep was fired and he has had 4 different "people since then".

She states that they were told that he had all his funding but then when he got to school, "they told my son that his funding wasn't fully covered and needed to get another loan." She is very frustrated because no one from the school contacted them previously to him going down to the school, she lives in PA. She has since taken care of the additional loan but doesn't appreciate the "way it was handled".

She also states that when her son went to Emp Services, he was given a list of names and told to "contact them on his own. And, when they did give him a contact to see and he went to the place they said the job was filled three weeks ago.

She also stated that Employment had her son's resume in January and they are "not helping these kids to find jobs." She states that she has called and emailed and most recently spoke with Tonya who "promised she would handle it personally and I haven't heard from her and she hasn't responded to my email".

She states that her son's car broke (needs a new engine—he is trying to ship him a motorcycle and his roommate had to leave school because of not finding a job and she just thought the school should know what is happening. She also said that she had to contact a church for her son as he had no money for food and isn't eating and is losing weight. She also said he was going to welfare.

She is very frustrated and said that if her son doesn't get a job he will have to leave school at the end of the month. "It is a shame—he loves the school and tells everyone about it."

I thanked [Redacted] for her call and assured her that I would type up a report and send it to the appropriate people for follow-up and someone would contact her no later than tomorrow.

As with all customer calls we realize that we are hearing only the customer's point of view and that there may be additional details regarding this matter.

Would you please research this matter and have someone contact Joann and let us know the outcome.

8/29/2009
Thanks.

"Our greatest glory is not in never falling, but in rising up every time we fall". - Ralph Waldo Emerson

Manager, Operations/Support Services
Universal Technical Institute, Inc.
20410 N. 15th Avenue
Phoenix, AZ 85027

Redacted by HELP Committee

8/29/2009

CONFIDENTIAL

Universal Technical Institute, Inc.
Document 10, Page 7
4737

Redacted by HELP Committee

From:  
To:  
Cc:  
Subject:  
Attachments:  

Hi Dianne:

I just spoke with a [redacted] her son, [redacted] attends MNI in Orlando.

He was very upset about her son's experience at MNI and said that he was promised all kinds of things - financing, finding a job, etc. when he enrolled but he has had trouble with financial aid, living expenses, money (he was told he needed $2400 which he paid but, when he got down there, there were other costs he had to pay for so the information that was given out is not correct for these kids), and getting a job. She wants us to know what's happening so it doesn't happen to other kids. She also stated that their son was fired and he has had 4 different people since then.

She states that they were told that he had all his funding but then when he got to school, "they told my son that his funding wasn't fully covered and needed to get another loan". She is very frustrated because no one from the school contacted them previous to him going down to the school (she lives in PA). She has since taken care of the additional loan but doesn't appreciate the "way it was handled".

She also states that when her son went to Emp Services, he was given a list of names and told to "contact them" on his own. And, when they did give him a contact to see and he went to the place they said the job was filled three weeks ago.

She also states that Employment had her son's resume in January and they "are not helping these kids to find jobs". She states that she has called and emailed and most recently spoke with Toniya who "promised she would handle it personally and I haven't heard from her and she hasn't responded to my email".

She states that her son's car broke (needs a new engine - she is trying to ship him a motorcycle) and his roommate, [redacted], had to leave school because of not finding a job and she just thought the school should know what is happening. She also stated that she had to contact a church for her son as he had no money for food and isn't eating and is losing weight. She also said he was going to welfare.

She is very frustrated and said that if her son doesn't get a job he will have to leave school at the end of the month. "It is a shame - he loves the school and tells everyone about it."

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Universal Technical Institute, Inc.
Document 10, Page 8
I thanked [redacted] for her call and assured her that I would type up a report and send it to the appropriate people for follow-up and someone would contact her no later than tomorrow.

As with all customer calls, we realize that we are hearing only the customer's point of view and that there may be additional details regarding this matter. Would you please research this matter and have someone contact [redacted] and let us know the outcome.

Thanks,

"Our greatest glory is not in never failing, but in rising up every time we fail". - Ralph Waldo Emerson

[Redacted by HELP Committee]

Manager, Operations/Support Services
Universal Technical Institute, Inc.
20410 N. 19th Avenue
Phoenix, AZ 85027

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NOTE: Student mentioned another person to talk about assistance.
Complaint

mmi student v. Motorcycle/Marine Mechanics Institute

5/7/2010
2:07:32 PM

Case # 402-F-CD2
opened 5/7/2010 Bureau contact Department of Labor

Company

Name: Motorcycle/Marine Mechanics Institute
ID: 101999
Member: yes
Address: 9751 Delegates Dr, Orlando, FL 32807, Orange County
Contact: [redacted]
Phone: [redacted]

Consumer

Name: mmi student
Email: [redacted]
Address: [redacted]
Daytime Phone: [redacted]

Complaint

Product/Service Purchased: school
Payment Made: Full

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Universal Technical Institute, Inc.
Document 11, Page 1
4741

Customer Version

I signed up with the school and they told me I would be fully certified with 5 major manufacturers and I get there and they tell me we won't. While signing up they told me it's small classes and we have 36 kids. Everything we work on is broken and they make excuses. The entire school is only there for money if you have a complaint and say something they make your life hell. I would not recommend this place for anyone it is the worst $30000 you can spend. I have talked to potential jobs and more than half have laughed at me when I said I went MMI and said they won't hire anyone from there. Take this as a current student if you don't believe me just show up and talk to any student that has been there at least 7 months and they will say the same thing it is nothing but a scam.

Customer is Seeking

Nothing - for information only

I know the BBB won't do anything all I can hope is it stops someone else from being scammed like me.

**FOA Motorcycle/Marine Mechanics Institute**

Indicate your position on this form or attach separate sheet(s) as needed. Attach copies of any documents that support your position. FAX/MAIL to the Better Business Bureau, Attn: Complaint Department.

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402F-CD2% Motorcycle/Marine Mechanics Institute mmi student
We have received correspondence from the Department of Education regarding the complaint filed by Universal Technical Institute/Marine Mechanics Institute. We appreciate the opportunity to address the student’s complaint. In response to the complaint, the school has upheld the enrollment agreement that was signed regarding the education that he would receive for his 60 week program for Marine Technician Specialist. UTI/MMI followed the guidelines in accordance with Title IV funding when completing the withdrawal calculations. It was explained to the student that if a refund was due the monies would be first returned to the Federal Title IV Funding Programs in their required order and then to other funding sources prior to the student. Student was also told on multiple occasions that he was thinking of harming himself. On 5/21/10, he came in and made it apparent that he could potentially have the means to harm himself by stating that he would “hang himself”, at that time the Sheriff’s office was called as we wanted to ensure his safety. Once the police arrived to campus, he escalated by cursing and becoming belligerent to a point where the sheriff’s office recommended that he be trespassed from the campus. If he returns to campus without being authorized by a school official, UTI/MMI may contact the Sheriff’s office to have him removed from the premises, which may result in a misdemeanor offense. He has tried to contact us on June 17, 2010 but there was no answer and I was unable to leave a message as he has a voice mailbox that has not been set up. We later called back and June 17, 2010 due to the school’s number displaying on his caller ID. We advised that he was unable to speak at that time and was unable to give a better time to talk about the situation. Below is a timeline of events in this case.

- Start date 11/2/09
- 1/29/10 Student Service received notification from an instructor that he may need assistance as he is low on money. He was called to see how we could assist. He was not looking for any specific assistance. Stated that he just wants Iowa to pay. It was explained that we are unable to make Iowa unemployment benefits and it was explained that we can look at community resources that may help him. Advised that he needed a job but not willing to use the resources in Employment Services rather than their computers and phone. He was advised that if he changes his mind or is looking for assistance to come to Student Services.
- 2/2/10 Student emailed representative stating “I cannot be a census taker. The only computers I have access to now are the ones in Employment Services. I have made them aware of my need long ago already, but I am no child who needs to report in daily. If I must approach anyone here like a common beggar I would rather hang myself. I don’t beg! I gave up a lot to be here and have lost too much being here. No one wants to hire me and I’m tired. I’m just not supposed to succeed.”
- 2/4/10 Student Services tried to reach out to him but no response.
- 2/11/10 Received a stipend check from Financial Aid (unsubsidized student loan) in the amount of $1918.25

CONFIDENTIAL  UTI-C-000847
2/24/10 met with a Student Services Advisor and he was very defensive and resistant to any
suggestions that were offered to help support him in his time of need. The advisor tried to direct
him to resources such as Employment Services, the Student Services food pantry as well as local
community food pantries, and other local community resources but he was not interested. He
was very negative and resistant on any options present to him, it was reiterated that if he needs
food we have the student food pantry and to check on the resources given to him and to let us
know how it goes. It was also made clear to him that if he did not find any assistance with those
resources to come back to Student Service and we can research other options.

2/25/10 met with an Advisor stating he needed some help for depression. Student was
offered to see one of the counselors but declined and was resistant to any help offered.

2/25/10 The counselor contacted him and was upset that he was called. She explained that we
were worried about him and wanted to check up on him. He was made aware that he can come
in to Student Services at any time.

3/10/10 received a stipend check from Financial Aid (unsubsidized student loan) in the
amount of $19,192.50

4/22/10 came in to Student Services about being interested in withdrawing. The
withdrawal policy and $100 fee was explained. He was also advised that it takes Financial Aid
about 30 days to do the withdrawal calculation. He also explained at that time he has been
without a job for a while, living in his car, that his unemployment has been cut off, and he has no job,
however he is not willing to use any of the resources available to him.

4/23/10 was given a bus pass to help him get to potential employers. He expressed his
concern that he may not be able to pay for his storage unit.

4/26/10 received $50 from the school’s student emergency fund to pay for his storage unit.
This is not a standard practice, however UTI/MMI understands that at times students may have an
unexpected emergency that could leave them short of money and to help with the unexpected
cost, money could be potentially available from the emergency fund.

4/28/10 came to Student Services advising he was concerned that he will not have any more
clean clothes. The advisor sympathized with him and explained that she would look into potential options we could provide for him and would follow up with him once a
determination was made.

4/29/10 The counselor met with him at which time he reported that he has been living in his
truck, has no money, and really hates school here; he also alluded to the possibility of harming
himself.

5/3/10 was given $20 from the school’s student emergency fund so that he could do his
laundry. This is a not a standard practice, however UTI/MMI understands that at times students
may have an unexpected emergency that could leave them short of money and to help with the
unexpected cost, money could be potentially available from the emergency fund.

5/5/10 was given a $10 gas card that was provide on behalf of the school’s student
emergency fund to help him get to and from school. This is not a standard practice, however
UTI/MMI understands that at times students may have an unexpected emergency that could leave
them short of money and to help with the unexpected cost, money could be potentially available
from the emergency fund.

5/6/10 came in to Student Service to inquire about withdrawing.

5/7/10 came in to Student Services to withdraw.

5/21/10 came in to Financial Aid asking for money from his tuition. He was advised of
what the Financial Aid withdrawal calculations were. He proceeded to tell the advisor that if he
did not get any money then he was going to hang himself. At that time the sheriff’s office was
called to evaluate his needs. He became irate, based on the recommendation of the officer was
trespassed from campus.
Universal Technical Institute/Marine Mechanics Institute has complied with all the rules and statutes in regards to this student. UTI/MMI respectfully requests that CIE close this complaint.

Sincerely,

Student Affairs Advisor / Scheduling Coordinator
Marine Mechanics Institute

---

"Tell me and I forget; show me and I remember; involve me and I understand." - Anonymous
Dear Senator

This is in regards to the school for which I have been attending and had to withdraw from. It is UTI-MMI in Orlando, FL.

I withdrew because I was not receiving the education for which I was promised. I demanded a full return so I could return to Iowa and get an real degree at Kirkwood college. I was subsequently escorted off the property and told I would be arrested for trespassing if I were to return. (there is more to this I am shortening it for this mail as I am now limited to using the employment office computer for only 1 hr.) Why are schools like this even allowed to receive money for education when they are clearly not educating anyone? These schools are cash machines and as long as they are getting your money, they are nice. When you stop giving them money, you are treated like trash.

Please tell me who is protecting me here? They should not be allowed to keep any of that money. It is theft by deceit. They are stealing education money and grants from the U.S. tax payers and laughing.

Now I have an huge debt and nothing to show for it. I am homeless, jobless and unable to receive any help. My unemployment cut off. I am hungry Senator and my sneakers are falling from my feet. I was humiliated by this school by them calling the sheriffs saying I was suicidal after I told them I would seek an attorney and contact my congressmen concerning there illicit practices of deceit. These deputies then escorted me from the property and said I would be arrested if seen on the property no matter the reason. Where are my rights and my protection from these type of professional thieves? Why are they allowed to steal my federal grants and loans and give me nothing in return for this money.

Sincerely,

[Signature]

Additional Information:

Casework Tracking Sheet
Tracking # 54908-CIR

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Packet Information:

05/25/2010 05:12:56 PM - Queued letter to Florida DOE.

Route History:
05/05/2010 - 11:54 AM - [Agency] OR - Printed Tracksheet
05/25/2010 05:12:56 PM - [Agency] OR - Status change: Closed
05/24/2010 11:33:11 AM - [Agency] OR - Promoted

Office Origin:
OR

Print History:
05/25/2010 - Correspondence - Casework-Casework Referrals-Referral (Agency-Non Federal)
Assigned To: [User]
FLORIDA DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

June 8, 2010

Universal Technical Institute ID# 1984
9151 Delugans Drive
Orlando, FL 32837

Re:

Dear Mr. [Redacted by HELP Committee]

This office has received the enclosed complaint from the above individual(s) alleging violation(s) of Chapter 65-1.003... 4.007, Florida Administrative Code (Commission Rules) and/or Chapter 1005.01... 1005.39, Florida Statutes.

When we receive a complaint, we make inquiries as to whether or not violations of these Rules and/or Statutes have occurred. The initial inquiry does not indicate prejudgment by this office as to the validity of the enclosed complaint.

We would appreciate you looking into this complaint and communicating directly with the complainant on each allegation in an effort to resolve this matter.

Whether you receive the complaint or take a contrary position, we request that you provide us with a written or emailed response, including a copy of your communications with the complainant, to Ms. [Redacted by HELP Committee] by June 28, 2010.

Sincerely,

[Signature]
Samuel Ferguson
Executive Director

Enclosure
United States Senate  
WASHINGTON, DC 20510-4037  

May 25, 2010  

Dear Mr.  

Thank you for contacting my office for assistance regarding Universal Technical Institute, Inc. While I welcome the opportunity to be of assistance, it is a long-standing tradition and courtesy to direct any matter that is not under the jurisdiction of the federal government to the appropriate agency for investigation.  

Consequently, I have forwarded your letter to the Florida Department of Education requesting that your matter be given due consideration. You may wish to contact the agency directly at: 325 West Gaines Street, Room 1544, Tallahassee, Florida 32399. The phone number is (850) 245-0407. Thank you for bringing this matter to my attention. I hope that it may be quickly resolved to your satisfaction.  

It is an honor and privilege to serve the people of the great State of Florida in the United States Senate. I take great pride in being a native Floridian, and I look forward to the tremendous opportunity to better the lives of all Floridians. I assure you I will work hard to represent our state to the best of my ability in the U.S. Senate.  

Very truly yours,  

George S. LeMieux  
United States Senator  

GL/mp  

cc: Florida Department of Education
Complaint/Incident Resolution Form

Date: 3/31/2005
Student Name: [Redacted] I.D. Number: [Redacted]
Program: Motorcycle
Complaint/Incident: See Form Attached

Resolution:
- Student was granted a temporary session change so that he would have a different instructor
- Compliant given to EM [Redacted] to research instructors actions
- Instructor is reprimanded by the company

Resolved By: [Redacted]
Date: 03/31/04
To:
From: [Redacted]
Reference: [Redacted]

On 3/29/05 the entire class with the exception of [Redacted] and myself walked out and went to the education managers office because of [Redacted]'s attitude, and the way he treats students. For instance the first day of class there were a couple of students walking in the class when the bell began to ring and he marked them late for class even though they were already in the classroom. Another incident that occurred was when we went to the restroom before break and as he was returning to walk back in the class we were all walking out so he went to break with us. After returning from lunch Justin gave me a very hard time about it and deducted points from him and even sent him home early from class.

On 03/29/05 we began working on big twin transmissions and the particular transmission I got was a 2002 model year touring transmission, and this was also confirmed by [Redacted]. According to [Redacted] what he wrote on the board this transmission requires no internal adjustments after reassembly. But someone had added a shift claw adjustor to the transmission at a later date. I disassembled the transmission according to procedure that he gave us, and got my signoffs all the way through. After getting my final signoff on disassembly, I began reassembling the transmission getting my signoffs all the way back together. Upon completing the reassembly of the transmission and receiving my last signoff from [Redacted] I asked him about the claw adjustor and he told me that it was added afterwards and not to worry about it. The only thing he ever showed us about adjusting it was he drew a picture on the board and talked about it for a minute.

On 03/30/05 we as a class began our assessments on the XL and Big Twin transmissions and he divided the class in half and my side began with the big twin, and the other side began with the XL. I then disassembled the big twin transmission getting all the necessary sigh off's from [Redacted] and then started reassembling getting my signoffs. I then got to the point where I had my drum and shift forks installed and called [Redacted] over for a signoff. He then came over to me and asked me if I had adjusted the claw adjustment and I stated to him that he told me during practice when I asked him about it not to worry about it. He then informed me that it had to be adjusted and he told him that I did not know how to adjust it. He then told me it was in the book and he had explained it. The only thing I remember him doing was drawing a picture on the board and talking about it for a minute. He then grabbed my work order and began to mark points off of me for not adjusting the claw, and I then asked him how he knew it was not in adjustment when he did not check it and he told me that it did not matter I did not adjust it. During the time we were talking he kept telling me not to raise my voice to him and advising me that it might be in my best interest to take a break talking to you as if you are inferior to him.

As to the best of my knowledge I did not raise my voice to him. This situation in the least made me very upset and unable to perform my work the rest of the night. It is almost like
it makes him happy to take points from a student are treat a student in a disrespectful manner. I then started the XL transmission and was so frustrated and upset that I could not even perform the job and probably failed the station. I lost numerous points on this station and after our disagreement it was like he thoroughly enjoyed taking points from me because every time I would look at him he would have this big smile on his face. After the job was complete I put my tools back in my box and asked [REDACTED] to go and put it up for me while I went back and talked with [REDACTED] and he said that he would. While speaking with [REDACTED] came over and told me that I needed to go and lock my box which I did. When I entered the room [REDACTED] was looking at me and laughing. I told him that it was not funny and he continued to laugh and told me that he suggested that I come in early and talk with the EM as if it was a joke to him to be reported to his superiors. He had already made this statement to me prior to this as if he was making a joke out of me going to make a complaint on him. I felt very uncomfortable because it was almost like he was trying to taunt me in to doing something which I would not do because I would lose my career of 13 years as a police officer, and further I would not stoop to his level. I also do not want to lose the opportunity to finish my education at MMII.

I would further like to know what part of accelerated learning this is because for me it is a very poor learning environment. Further a student paying 20 thousand dollars to learn should not have to be subjected to this type of environment. I understand that everyone is going to lose points at sometime in their life but an instructor should not act like it makes them happy to pull points from you, and they should not be allowed to taunt you in the way [REDACTED] did last night. I am just here to learn to be a professional motorcycle technician, and I believe my grades and attendance speak for themselves. If you have any questions about my professionalism just speak with any instructor I have had. I have lost professionalism points twice and both of them were for the two times I have been absence. I have never lost professionalism points for attitude, performance, or appearance. Attached is a copy of my transcript. I am just asking for help with this for me and other students that will have to deal with this in the future.
Complaint/Incident Resolution Form

Date: 06/3/08

Student Name: [Redacted] I.D. Number: [Redacted]

Program: Auto/Marine/Motorcycle

Complaint/Incident: See Form Attached

Resolution:

- Balance was written off

Resolved By: [Redacted]
April 23, 2008

[Redacted by HELP Committee] - UTI Director of Student Services
9751 Delegates Dr.
Orlando, FL 32827

Via Fax & Mail

RE: [Redacted] [Redacted]

Dear [Redacted] [Redacted],

This letter is to formally dispute the class tuition information / charges on account to [Redacted] [Redacted] (submitted to Sallie Mae funding stating that [Redacted] was enrolled full-time for both the first and second semesters), bearing a balance on [Redacted] UTI account.

[Redacted] had failed a class where he and the other students were very unhappy with the class structure & felt that the professor was “cramming” the curriculum of the class, resulting in 90% of the class failing and the confidence of the students being crushed. Because of that situation & the fact that [Redacted] would have been allowed to retake the class at no charge anyway, we are asking that you would issue a credit for that class.

Additionally, [Redacted] attended a class for the 2nd semester for only 1 week and then decided that he would not be able to complete the class due to the disappointment with the instruction as well as some personal responsibilities, and so filed a form with the school for a leave of absence for approximately 6 weeks at which time the class he was enrolled in for only 1 week was dropped and we are requesting a credit for that class as well.

Hoping that UTI Orlando is more interested in improving their quality of instruction rather than just collecting the financial aide monies, etc., I am therefore requesting on behalf of [Redacted] & myself, that the two classes be credited to [Redacted] account and the outstanding balance be forgiven.

Your assistance in this matter would be greatly appreciated.

Sincerely,

[Redacted]

Cc: Sallie Mae Education Loan Dept.
Complaint/Incident Resolution Form

Date: 10/19/07

Student Name: [Redacted] I.D. Number: [Redacted]

Program: Auto/Marine/Motorcycle

Complaint/Incident: See Form Attached

Resolution:
- Instructor was coached on alternative communication method and Professionalism in the class. He was placed as a second Instructor again to give him a different approach on training to the students.

Resolved By: [Redacted by HELP Committee]
Just to keep you in the loop.

I just received this.

Thanks,

Education Manager
MTP Dept.
Orlando, FL

It is my extreme displeasure to feel required to write this report, but there simply isn't enough time or space provided with the ESI's to thoroughly document my concerns. That being said I apologize for the length of this email, as it will no doubt take some time to review.

First of all let me say that I am trying to be as patient and understanding as possible concerning all of this, realizing that I am still near the beginning of my education at MMI, but as an educator myself who was raised by two teachers, I am extremely dissatisfied with quality of education presented me in the night session of course two ending 10-12-07. Secondly I want to preface this exists with no ill-will in a personal context.

Surely I will find this to be different, (I really hope so) but what I've gathered in my first course after theory is that it appears I've indebted myself $15k dollars to show up in uniform and decipher procedures from a service manual, basically teaching myself instead of receiving accurate and consistent direction from an instructor regarding practical, procedural instruction. There were very few demonstrations performed by Mr. [Redacted] and those that were, were not performed with confidence. Other vital procedures were presented in a misleading manner which then required further clarification, resulting in some incorrect misunderstandings. One example is his openly stating that he had never operated the Coats 100 pneumatic air changing machine before when performing a brief demo for us.

Universal Technical Institute, Inc.
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It's fine if he is properly trained on the machines and procedures and how to perform demos, but the fact that he was left to instruct us without having a demonstrable mastery of all the concepts and procedures covered is something I can't comprehend or ignore without critique.

I know that many instructors at the school are former technicians or were otherwise involved in shop operations at dealerships or their own private enterprises, but this type of experience alone doesn't make a good teacher. Mr. [REDACTED] was the worst teacher I have ever studied under, including my associates degree and all the various workshops, paid courses, schools and seminars I've attended throughout my life. He inspires absolutely no confidence with his delivery and constantly having to correct himself after initially providing incorrect or backwards information and bluntly showing his frustration and stress. Information in the PowerPoint wasn't presented with consistency. Had I not had a previous understanding of tire sizing for example, I could have been very confused by his incorrect instruction on the subject, to which he then had to take pause, go back and correct himself. I was biting my tongue, not wanting to cause a scene in the room by publicly questioning his information in this case, but at the same time, I knew what he was saying was incorrect, and for the sake of all the other students in the class, really felt conflicted about whether or not to challenge what he was stating. I did mull it over in my head which a few students around me might have heard, but made no Class-wide declaration that he was giving us incorrect information. As I stated, this is the kind of thing that inspires no confidence in what I'm learning from this man, and as a result I am thoroughly questioning my understanding of the processes I performed in course two.

I also want to highlight his incredible, embarrassing lapse of professionalism by betting the class and threatening to dock the entire class's professionalism points because he go so stressed out when over half of the class members had performed their assigned cleanup duties at the end of the day and were waiting and chatting by the door, and the room was not satisfactorily cleaned. (The rest of us, myself included, were still performing our assigned cleanup duties) I think he had reached his limit after what he theorized he experienced a stressful evening running around signing off our practice procedures. And I realize that there is the element of these "kids" behaving poorly, but this was very surprising and caught everyone off guard. Yes the room was still messy, but it was still in the process of being cleaned with ample time left to complete the cleaning. This was by the way the only time during the course that he spoke loud enough to be heard over the machinery of the room, but he shouted and cursed at the class and actually got so angry he referred to himself in the third person! I have NEVER witnessed this level of meltdown in a teacher before, even in my days as a substitute, and it should be absolutely intolerable by the school corporation, partners, and most importantly, the students who are paying for it. He would even refer to class breaks as "his time" while rushing to remove us from the room for lunch, etc, and was a real clock-watcher. This is insulting, especially to those students like myself who have made the commitment to a major career change or otherwise are sacrificing a great deal to get the best education possible.

Is this the caliber of instructor the manufacturers want training future technicians? I also question his qualifications, after he himself stated his near entire lack of street-bike experience. I am demanding this man's dismissal, I'm sure his off-road experience can be of use perhaps in one of the elective courses, but I don't believe I got the quality education that was intended by the curriculum of course 2 because of poor instructor performance. Even if this was his first time teaching this course, it was obvious that he wasn't ready for it. After discussing this with another student in the class who took a different session one day, he said it was a night and day difference and that Mr. [REDACTED] was providing the caliber of instruction expected.

Additionally, I suffered the worst grades I have yet to receive because my understanding of information and procedures was incorrect. This was a combination of the instructor and of the presentation in the course materials. My grades were still high, but I don't feel I have the solid grasp understanding of the
concepts in course 2, nor did I perform up to my standards as I would have with a more confident understanding of solidly-presented procedures. I made mistakes based on our practice sessions in lab that were deemed as correct and passing, then when performed in the lab finals the same way, was docked points for incorrectly performing a chain adjustment for example. Now I know, after researching the procedure on my own, (because the course text is unclear and inconsistent compared to the slideshow presentation) what I did wrong and how to do it correctly, but I should have learned that during the practice session, not the finals, and worse, this also took points away from my work partner. Other students in the class also witnessed and suffered this instruction and grading inconsistency. And while I appreciate reviewing for quizzes and tests, when the instructor gives misleading information and the tests contain questions regarding processes, tools or other topics not even mentioned in the course materials, what good are those reviews? For example our final test had a question about cartridge-style telescopic forks, but we had no real discussion of them nor any practical lab time with them, nor did we ever discuss needle-bearing removal via a slide-hammer, another test question. Some students had the benefit of not possibly making the same mistake I made with the chain adjustment due to their swingarm lab being on a drive-shaft bike. While I love that this bike is in there and we have the opportunity to work with it, we should either be required to perform it in addition to the chain adjustment, (and belts for that matter) or only do chains if the time allowed for the course doesn’t allow it. However, I would have honestly LOVED to get much farther into the concepts of this course, and was disappointed when I found out we wouldn’t cover the cartridge forks, or learning how to set the sag for a given rider, and was disappointed greatly that we weren’t really going to learn any of these types of concepts and get further in-depth with suspension concepts!

Most of the training aids were adequate, but our tires were ridiculously low quality, and I was actually told by when I brought this up to him during week two, and he stated we’d have new tires for our finals week, but never saw them save for one new dual-sport tire. Why do we learn this process by mounting worn out dual tires? I actually tried to mount the dual-sport tire and experienced it to be much more difficult (especially by hand) to remove and mount, but obviously, the bead would seat much easier. Many students were working on their tire changes for 2 days simply because they couldn’t get these absolutely destroyed tires to seat in a reasonable amount of time.

In summary, this course was very stressful and frustrating. Because of the poor instruction I received and the confusing nature of it, I don’t feel confident of the skills I was to learn here and move on. This will hopefully be the only time I experience this type of circumstance at MMI.
Default Prevention New Employee Training Plan

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- Student Status Confirmation Reporting
  - Basics
  - Timeframes & Deadlines
- Task Calendar
  - Work Assignments
    - Monthly
    - Weekly
    - Daily

Revised 8-24-10
Default Prevention Team

Our Mission

To provide expert customer service and advisement to former students who are borrowers of student loans.

- We reach out to delinquent borrowers via email, letters and phone calls to offer assistance.
- We perform a deep research for borrowers and provide detailed information to ensure they understand where their loans reside and the status of each loan.
- We facilitate connections and re-connections between borrowers and their loan servicer(s) to establish relationships.
- We explain the options students have for managing their student loans when making payments becomes difficult.
- We provide students with various forms and next steps to resolve their repayment issues.
- Our work serves the Company to drive our federal cohort default rates to the lowest levels possible, ensuring continued eligibility for our schools to participate in the Title IV programs.

Our Vision

Our vision is the achievement of best-in-class service, where each distressed borrower’s needs are fully met timely and to their best financial advantage, while maintaining the utmost integrity and fiduciary responsibility to the federal government in support of default prevention and preservation of taxpayer dollars.

Our Values

- Every interaction with a borrower is professional, helpful, friendly, respectful and non-judgmental
- We go the extra mile – every day
- We operate with integrity at all times
- We care deeply about every student, and seek appropriate solutions to difficult situations

As a team, we embody the UTI Hero Values, striving to make a positive difference in the lives of the people we touch - students, customers, employees, shareholders and the communities in which we live and work.

Our HERO Values serve as our guide. They are:

- Trust - We demonstrate integrity in all interactions while earning the trust and respect of others.
- Caring - We value open and honest communication, in an environment that unleashes the potential of the people we interact with - students, industry customers, employees and the community.
- Innovation - We are committed to continuous improvement and breakthrough achievements by collaborating with each other to create value to our business.
- Courage - We take bold, wise risks and empower others to do the same.
- Wisdom - We make decisions based on the organization’s purpose, the legitimate needs of our people, and the necessity of profit.
- Fun - We create a playful place to work that consistently demonstrates an enthusiasm for life, ideas and satisfying work.

Revised 8-24-10
How our work impacts the corporate health of UTI

Maintaining the lowest possible Federal Cohort Default Rate (CDR) is very important to the health of the company. CDRs are used by external constituents as an indicator of program and school support services quality. As it is generally understood that a withdrawn student is much more likely to default on their federal student loan than a graduate, CDRs can also be interpreted to be a gauge of student success. CDRs are published to the public by the US Dept of Education every year, and are disclosed in our annual shareholders report. When schools meet requirements for relief from delayed disbursement requires by virtue of consecutive annual CDRs below 30%, students receive their funds for tuition and the company is able to receive revenue more timely and reducing bad debt potential. Each and every student borrower we assist and prevent from defaulting on their federal student loan is impactful to our CDR.
Life Cycle of a Federal Student Loan

The life cycle of a loan is described below to help you understand the loan process. The life cycle has six phases and a number of steps in each phase—from applying for financial aid to paying off the loan.

The following describes the typical life cycle of federal student loans, including loans made by the U.S. Department of Education (ED) under the Direct Loan Program, and Federal Perkins loans, which are administered by participating schools.

Phase 1: Applying for Aid

- Student and parents complete and submit the Free Application for Federal Student Aid (FAFSA). This form is the starting point for applying to most student financial aid programs and determines eligibility.
- After application, the student is sent a report containing ED's calculation of the Expected Family Contribution (EFC). This document is called the ISIR.
- If eligible, the student is sent an award notification displaying the types of aid and amounts the school offered.
- Students and/or parents are then directed to complete a master promissory note for the eligible loan programs from which they wish to borrow and are eligible. This is generally performed electronically, although borrowers can request paper prom notes. As of 7/1/10, all federal student and parent loans must be borrowed from the Federal Direct Student Loan Program.
- Each student's academic year, the school completes and submits a loan origination to ED for each loan type, substantiating eligibility for funding and indicating anticipated disbursement dates and amounts.

Phase 2: Disbursement

- ED sends loan proceeds to school electronic funds transfer through our Treasury Department accounts.
- We apply loan proceeds to student's outstanding balance owed and turn over any remaining funds to borrower.
- For loans requiring a credit history review (Direct PLUS Loans), ED notifies credit bureaus that loan proceeds have been disbursed.

Phase 3: In School

- Student attends school. Student borrower is not required to make federal loan payments during this time.
- With Direct Subsidized Loans, accrued interest on loan during this period is paid by the federal government.
- With Direct Unsubsidized Loans, the borrower is charged the interest that accrues during this time. If the borrower does not make interest payments while in school, it is added to the principal loan balance upon entering repayment 6 months after leaving school or dropping below half-time.
- Direct Parent PLUS Loan borrowers have the ability to request deferment of payments for a period that covers the entire time a student is enrolled at least half-time, as well as for the...
six-month period after the student graduates, withdraws or drops below half-time enrollment. If a Direct Parent PLUS borrower chooses not to defer, payments will begin within 60 days after the full disbursement of the loan.

Phase 4: Grace/Separation Period

- Student graduates, enrolls for less than half time, or withdraws.
- Student borrower receives a "grace period" of 6-9 months (depending on the type of federal loan – 6 months for Direct Loans, 9 months for Perkins Loans) before repayment of any federal loan begins.
- Borrower receives a repayment disclosure statement from ED detailing the date payments must start, monthly payment amount, number of payments, and interest rate for the student loan(s).
- ED assigns loans to one of their 5 designated servicers to interact with the borrower for payments, deferments and forbearances.

Phase 5: Repayment

- Student begins repaying federal loans when the grace period ends.
- When the student enters actual repayment, his/her is counted in that federal fiscal year’s Cohort Default Rate denominator, and we begin tracking delinquency behavior.
- During repayment, a borrower may qualify for a deferment or forbearance. During periods of deferment, the borrower’s interest on Subsidized Loan portions is temporarily stopped, although interest continues to accrue on Unsubsidized Loans. A borrower can pay the accruing interest on a quarterly basis or have the interest accrued be capitalized at the re-commencement of repayment.
- For most federal loans, a borrower may request to switch from one repayment plan to another. Those plans include Level, Graduated, Income Contingent Repayment and Income-Based Repayment.

Phase 6: Paid in Full

- Borrower makes final loan payment.
- Notice is sent to borrower by the servicer confirming loan is paid in full.
- Credit bureaus are notified that borrower has fully repaid the loan.
Default Ramifications – For borrowers

The definition of default is not making payments on your student loans after 270 days and not making arrangements for deferment or forbearance.

You have accumulated a lot of student and loan debt and have yet to get that “million dollar” job. As a student, you are responsible for repaying your student loans even if you move, ignore your monthly repayment bill, did not graduate, or have trouble finding a job after graduation. Also, student loans are NOT discharged through bankruptcy.

After a few weeks, you may receive creditor phone calls and notices. Your lender will make at least four phone calls and send four notices before sending a final demand letter (usually sent after five months of non-payment). The fifth letter will emphatically tell you that you pay immediately, and then a default claim will be filed on your loan.

Once a default claim is filed, your case will be turned over to a guaranty agency. You most likely will receive an unpleasant call and if you do not negotiate some kind of repayment deal within 60 days, you will be reported to the national credit bureau. Because you originally did not make an effort to repay your loan or apply for a deferment you have now established for yourself bad credit. Once you have bad credit, you are ineligible to receive a credit card, mortgage, apartment or car loan.

The Ramifications of Defaulting on Student Loans

1. Your tax refunds may be withheld and used for payment.

2. Part of your salary may be withheld if you work for the federal government.

3. You may be sued and taken to court for the entire loan amount.

4. You may be required to repay your debt under an income contingent repayment plan and thus repay more than the original principal and interest on your loan.

5. You will not be able to obtain additional state or federal student aid until you make satisfactory arrangements to repay.

6. You will be ineligible for deferments.

7. You may not be able to renew a professional license.
Consequences of Default (http://www.finaid.org/loans/default.htm)

If you default on your student loan:

- Your loans may be turned over to a collection agency.
- You'll be liable for the costs associated with collecting your loan, including court costs and attorney fees.
- You can be sued for the entire amount of your loan.
- Your wages may be garnished. (Federal law limits the amount that may be garnished to 15% of the borrower's take-home or 'disposable' pay. This is the amount of income left after deducting any amounts required by law to be deducted. The wage garnishment amount is also subject to a ceiling that requires the borrower to be left with weekly earnings after the garnishment of at least 30 times the Federal minimum wage, per 34 CFR 682.410(b)(9), 34 CFR 34.19(b) and 15 USC 1675(a)(2).)
- Your federal and state income tax refunds may be intercepted.
- The federal government may withhold part of your Social Security benefit payments. (The US Supreme Court upheld the government’s ability to collect defaulted student loans in this manner without a statute of limitations in Lockhart v US (04-881, December 2005).)
- Your defaulted loans will appear on your credit history for up to 7 years after the default claim is paid, making it difficult for you to obtain an auto loan, mortgage, or even credit cards. A bad credit record can also harm your ability to find a job. The US Department of Education reports defaulted loans to TransUnion, Equifax and Experian.
- You won't receive any more federal financial aid until you repay the loan in full or make arrangements to repay what you already owe and make at least six consecutive, on-time, monthly payments. (You will also be ineligible for assistance under most federal benefit programs.)
- You'll be ineligible for deferments.
- Subsidized interest benefits will be denied.
- You may not be able to renew a professional license you hold.
- You may be prohibited from enlisting in the Armed Forces.

And of course, you will still owe the full amount of your loan.
## Default Ramifications – For the Company

There are sanctions for schools with high rates and benefits for schools with low rates. Sanctions can include loss of eligibility in FFEL, Direct Loan, and/or Pell programs. A high cohort default rate can also limit a school to provisional certification.

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<th>School</th>
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<td>A school’s three most recent official cohort default rates are 25.0 percent or greater.</td>
<td>Except in the event of a successful adjustment or appeal, such a school will lose FFEL, Direct Loan, and Federal Pell Grant eligibility for the remainder of the fiscal year in which the school is notified of its sanction and for the following two fiscal years.</td>
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<td>A school’s current official cohort default rate is greater than 40.0 percent.</td>
<td>Except in the event of a successful adjustment or appeal, such a school will lose FFEL and Direct Loan eligibility for the remainder of the fiscal year in which the school is notified of its sanction and for the following two fiscal years.</td>
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<th>Eligible School</th>
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<td>Any school whose three most recent official cohort default rates are less than 10.0 percent (including an eligible home institution certifying or originating loans to cover the cost of attendance in a study abroad program).</td>
<td>May deliver or disburse loan proceeds in a single installment to a student if that student’s loan period is less than or equal to one semester, one trimester, one quarter, or for non-term-based schools or schools with non-standard terms, four months. May choose not to delay the delivery or disbursement of the first installment of loan proceeds for first-year first-time borrowers. These benefits are currently scheduled to end on September 30, 2002.</td>
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<td>A school whose most recent official cohort default rate is less than 5.0 percent and is an eligible home institution that is certifying or originating loans to cover the cost of attendance in a study abroad program.</td>
<td>May deliver or disburse loan proceeds in a single installment to a student studying abroad regardless of the length of the student’s loan period. May choose not to delay the delivery or disbursement of the first installment of loan proceeds for first-year first-time borrowers studying abroad.</td>
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Items to Cover with Every Borrower

Ask Every Time:
- Updated contact information
- How did you hear about our department?
  - Track source (letter, email, business card, exit packet, word of mouth, etc.)

Options to explore with every borrower with repayment difficulty:

- Change of Repayment Plan to decrease monthly payments
- If loans are split serviced, encourage borrower to request loans be merged to single servicer to streamline payments
- Consolidation
  - Explain how consolidation can cost more over time, but can make repayment more affordable too.
- Deferment Eligibility
  - Unemployed?
  - In School?
    - Withdrawn - considering re-entering school to finish the program you’re in debt for?
    - Grad – considering continuing education?
  - Active Duty?
  - Economic Hardship?
- Forbearance
  - Just enough to bring current then continue making payments?
  - Could you handle payments if they were temporarily smaller?
  - Could you make interest-only payments to keep your loan from growing while in forbearance?
  - How many months do you think you’ll need to be ready to handle payments again?

WRAP UP EVERY CALL WITH WORDS OF CLEAR EXPECTATIONS, ENCOURAGEMENT AND REMINDER OF OUR CONTACT INFORMATION! INCLUDE A “TELL YOUR FRIENDS” WHERE APPROPRIATE.
Handling difficult/abusive callers

An angry person tends may not act or think as rationally compared to a calm person. There are times, when dealing with an angry or irate borrower, that you should recognize that so long as the person is over-emotional, you won’t be able to accomplish anything, and attempts to reason or explain to such a customer are often wasted, and frustrating. Remember, the caller is frustrated about a situation, not about you personally. And remember, this is a customer who deserves our best service.

Disengagement from a customer, is in effect, taking a time-out from the interaction with the customer, although it is not meant to be punitive. The reasoning is that if the customer (and you, by the way) have some time to calm down, and compose him or herself, when you resume the interaction, it may go more smoothly. This tends to work with customers who are not “nasty” people, and tends to work with normal, regular, nice folks who are temporarily cranked up emotionally.

Often, a few minutes of disengagement will result in such a customer realizing he or she is acting badly (and not in his or her own best interests), and actually apologize.

It’s important to offer a reason for disengaging and to offer a time span (I’ll be back in two minutes, since I’ll need to be sure we have the correct information about your account). Do NOT say: “We need a time out here so you can calm down”. That may be interpreted as insulting – something we never do.

You are not expected to accept verbal assaults, profanity, or threats. If the caller persists with these tactics, politely state you cannot continue the conversation in this manner and hang up. Notify your supervisor immediately and de brief on the situation. If you find yourself feeling upset, feel free to leave your desk for a quick walk after letting your supervisor know. Upon return you’ll feel refreshed and ready to assist the next caller.
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Consumer's Original Complaint:

I was notified via my home phone at 5pm on Dec. 4, 2009 by an attorney's office that I had a delinquent amount of $700.00. This amount was owed to Vatterott College. I graduate from this school 4 and a half years ago and was not notified that I owed them anything. During this time, my address and phone number have remained the same, and I have received no correspondence from them with difficulty.

I went to the school to speak to the accounting dept. The woman apologized deeply and then told me that I was one of "thousands" of people that they sent to the attorneys office. She said she could not look into my accounts from every perspective and said that there were people. I explained that I was never notified, I paid off an unpaid amount by mail or any other means. She told me that none of the other students were notified either. She handed me a large printout showing all my loan payments, school charges and my unpaid balance. She also said that she was unable to verify that different dates, because the school no longer used the same program to calculate these accounts. She explained to me that for two years that I attended this school, I received two different plants, and had both subsidized and unsubsidized loans. I was asked not to pay anything out of my pocket, as everything was covered under financial aid. I am currently paying monthly on student loans from this school. She admitted that I probably did not owe anything, but there was nothing I could do about it. It involved the corporation office and not the local campus. I am very upset about this. Now I have an attorney's office calling me for this money, but I was never given the opportunity to speak to someone about it. I am also very upset as this will show on my credit report and I think that this is wrong. I know that I am not the only one, and I really think something should be done about this.

Consumer's Desired Resolution:

I am disputing this debt. I would at least like an explanation of why it is owed. I would also like something to be done about the way this was handled. Even if the money is owed by me, I should have been notified instead of it being sent to collections. I want it also removed from my credit history.

BBB Serving Greater Kansas City
COMPLAINT ACTIVITY REPORT Case # R – Redacted by HELP Committee
Consumer Info: R – Redacted by HELP Committee
Business Info: Vatterott College
3000 E 80th St, Suite 105
Lenexa, KS 66214

BBB Serving Greater Kansas City
COMPLAINT ACTIVITY REPORT Case # R – Redacted by HELP Committee
Consumer Info: R – Redacted by HELP Committee
Business Info: Vatterott College
3000 E 80th St, Suite 105
Lenexa, KS 66214

Vatterott
Document 1, Page 1

VAT-02-05-00001
HISTORY OF VATTEROTT COLLEGE

Vatterott College was established in 1969 in St. Louis, Missouri. The original name was Urban Technical Centers, Inc., and subsequent changes included Vatterott & Sullivan Educational Center and Vatterott Educational Centers. The school changed its name to Vatterott College in 1989 when associate degree (specialized) granting authority was issued by the Accrediting Commission of NATTS (National Association of Trade and Technical Schools).

In January 1985, the school opened its new facility in St. Ann, Missouri, and in 1990, Vatterott College had the honor of being named the best school in Missouri by the Missouri Association of Private Career Schools.

Vatterott College expanded to Springfield, Joplin, and Independence, Missouri, in April 1991 as a result of a teach-out of students attending Draughon Business College. In August 1991, Vatterott College was authorized to establish branch campuses at these locations.

In May 1995, Vatterott College expanded to Quincy, Illinois, as a result of the purchase of the former Quincy Technical Schools.

In June 1996, the Business and Banking Institutes with locations in Omaha, Nebraska, and Des Moines, Iowa, were purchased. Programs were added and the schools were relocated under the name Vatterott College. In the same year, an additional location of the St. Ann campus opened in Sunset Hills, Missouri.

Vatterott College expanded into the following cities as a result of various teach-out agreements: St. Joseph, Missouri, in March 1995; Tulsa, Oklahoma, in 1997; Memphis, Tennessee, in 1999; Wichita, Kansas, in 1999; and Cleveland, Ohio in 2001. In 1997, a branch location of the Quincy campus was opened in Oklahoma City, Oklahoma.

In December 1999, Vatterott College expanded in Omaha, Nebraska by purchasing the former Universal Technology Institute. In January 2000, a satellite campus was established in O'Fallon, Missouri. In September 2001, Vatterott College purchased the former Omaha College of Health Careers in Omaha, Nebraska, and established a branch campus. The St. Joseph campus changed affiliation in 2003 and continued operations as a branch campus of the Des Moines, Iowa main school.


The O'Fallon satellite location was approved as a branch campus of the St. Ann main school in 2004.

L'École Culinaire was approved as a branch campus of the Des Moines, IA main school in 2004.
March 3, 2006

Via Facsimile (314) 645-2665; Original by U.S. Mail

Dispute Resolution Department
The Better Business Bureau
15 Sunset Drive, Suite 107
St. Louis, Missouri 63143

Re: R - Redacted by HELP Committee

Dear Sirs or Madam:

As noted in our previous correspondence, the school would arrange to meet with R - Student in attempt to resolve his complaint. We also had promised to apprise you of the results and to submit a formal written response to his concerns if our efforts proved unsuccessful.

Please be advised that the school attempted to meet with R - Student on Tuesday, February 21, 2006 at 6:30 p.m. The only way he would agree to meet with us was if he could come in with three other former students. R - Redacted by HELP Committee The names of two of those students, R - Redacted by HELP Committee may sound familiar as they also had filed complaints with your office. The school agreed to meet with them as a group. Upon their arrival, they advised that they had spoken with an attorney and asked to tape-record the meeting. We declined to be tape-recorded but stressed that we would be more than happy to speak with them as long as it was not on tape. When we attempted to open the discussion, they stormed out of the meeting claiming that we were refusing to speak with them.

It was readily apparent that the four students were working in concert. They are acting as a group and met with an attorney as a group. They also crafted their complaints as a group but submitted them separately to your office to increase their impact. It was clear that the foursome believe that by banding together they will coerce the school into acquiescing to their demands.

However, since the meeting proved fruitless, we will now address R - Student complaint which sets out three basic concerns: 1) There was a pattern of unstructured training and lack of skilled instructors; 2) there was a lack of equipment in the lab and the equipment did have either been broken beyond repair or there was no electricity run to that side of the lab; and 3) there were also 20 students in a classroom made for 12.

Vatterott
Document 3, Page 1
With reference to these concerns, suffice it to say that the curriculum and instructors must meet certain guidelines set out by our national accrediting commission, the Accrediting Commission for Career Schools and Colleges of Technology. This accrediting body is approved by the U.S. Department of Education and the State of Missouri. Classes consist of lectures, lab work, and individual projects and assignments. Our labs are designed to accommodate in excess of 20 students. The school also provided the education promised and the necessary equipment for hands-on experience. Students received hands-on training on a variety of residential and commercial heating and air conditioning units. Lab exercises are set up to correlate with each 10-week course and are intended to provide the practical job-related exercises on units and models they likely will be encountering on future job assignments. At times, the labs may be reconfigured to accommodate various assignments or students and electrical power may be shut off for safety reasons but this is only a temporary situation and does not affect the training.

Our programs are reviewed twice a year by our advisory committees. These committees are made up of local employers and specialists in the fields we teach. Course content, equipment, and lab exercises are reviewed at these meetings and recommendations are implemented in order to help make our students more marketable. The school recently reorganized the HVAC program to better serve our students. After all, the main purpose of our programs is to help our students obtain entry level jobs in their chosen fields of study.

The school is so confident it provides quality training that the school catalog contains the following written guarantee:

Our Guarantee to Employers

Our students at Vatterott College receive outstanding training. We have highly skilled and experienced instructors, industry-related equipment, and modern, spacious classrooms and workshops.

We emphasize "hands-on training" and employers can be confident that a Vatterott graduate is thoroughly trained in both theory and practice. Hundreds of satisfied employers of Vatterott graduates since 1969 can attest to the quality training we provide.

To all prospective employers, we provide this guarantee:

In the event you hire a Vatterott graduate and you find, during the first year after graduation, that he or she is lacking in any skills derived from the Vatterott training program, we guarantee that:

The worker will be given additional training by Vatterott College, at no cost to you or the student, as needed to remedy the training deficiency.

We guarantee your satisfaction.

John C. Vatterott
Founder
R - Student graduated on October 6, 2005. It is significant that he is working in his field of study and is earning approximately $26,000 a year. This annual income is within the salary range for entry level positions in area. Despite the fact that his training has allowed him to obtain this position, the school will allow R - Student to retake, at no cost, any class that he feels did not measure up to his expectations.

Thank you for allowing us this opportunity to respond.

Sincerely,

R - Redacted by HELP Committee
Campus Director
To Whom it May Concern:

I would like to file a complaint against Vatterott College, O'Fallon Missouri Campus. I attended the HVAC/R (Heating, ventilation, air conditioning and refrigeration) Program. This was to be a 60-week program consisting of 10, 6-week phases (960, Hours total). My class started August of '04 and finished October of '05. In this letter I will outline and show the difference between the education they promised and explained I would receive and the actual education I completed. I did not acquire the education I paid for. The tuition was approximately $21,000 Dollars. There are several key areas where Vatterott fell very short on their end of my education experience. The following will outline Vatterott’s promises and then I will provide examples supporting my complaints. The quotes in ( ) are taken from the Vatterott college catalog.

1. Vatterott promised QUALIFIED instructors. (“We have highly skilled and experienced instructors.” And “Provides a competent and adequate faculty with occupational experience.”) The instructors I encountered were not very qualified.

   1) The first phase began with brand new Teacher: (R) a “pipe fitter” attempting to teach basic electrical. He was fired a week into the phase after verbally attacking and threatening a student. HE WAS NOT A QUALIFIED INSTRUCTOR.

   2) We then had R ( ) a “Maintenance man from the St. Ann campus” He was just a substitute but HE WAS NOT A QUALIFIED INSTRUCTOR.

   3) We then had R ( ) “A 24 year old recent graduate of the St. Ann campus who was working for Vatterott in the tool crib at the St. Ann campus.” He had poor classroom management and lack of experience in the field for which he was teaching. He taught us the first 2 phase’s Basic electrical and basic refrigeration. HE WAS NOT A QUALIFIED INSTRUCTOR.

   4) Phases 3 and 4 were taught by R ( ) He did a good job and had actual field experience. Those were the 2 best phases.

   5) Phase 5 was taught by R ( ) He was an older gentleman with lots of field experience. He did a fine job with what he had to work with. This phase was almost a complete waste of time, as I will explain later. He tried to keep us busy with Videos we had previously seen and going on field trips.
6) Phase 6 began with another new teacher who had experience from a military career. He was ok but did not seem to have very much real knowledge of HVAC. At this time Vatterott changed the rotation of classes and we had students straight out of the first 2 phases mixed in with us in the 6th phase. kept saying "You 6th phases help and show the new guys how to do the labs sense you have already done this stuff." Was this because he did not know how to do it himself? Why were we doing the same thing in lab we had done previously? HE WAS NOT A QUALIFIED INSTRUCTOR.

7) One thing all of these instructors had in common was they were NOT TEACHERS. When Vatterott hires new teachers they do not seem to have much training to provide them with teaching skills. I never saw anyone come in to observe to see if they were doing an adequate job. It appears they just throw the teachers out to sink or swim and learn as they go. This is not my definition of a QUALIFIED INSTRUCTOR. It is also apparent in the high turn over rate of instructors. Both quit after about 1 year teaching. quit after teaching 2 phases and I am not sure if also hired during my attendance, is still teaching or not.

2. Vatterott promised a COLLEGE EDUCATION. In my interview it was stated; "What makes us a college and not just a tech school our accreditation." I was told they had this accreditation because they had a curriculum which required more hours to be taught compared to a typical Tech school. I checked a local tech school that has a curriculum that requires about 360 hours to be taught and cost about $2,000 dollars (this does not include tools). Vatterott's $21,000 tuition did include about $1,500 worth of tools. It turned out Vatterott was a TECH SCHOOL IN COLLEGE CLOTHING AND WITH A COLLEGE PRICE.

1) The class schedule was supposed to be Monday to Thursday from 6:00 pm till 10:30 pm with a 10 minute break each hour. In reality class rarely lasted past 9:00. Thursday night was "test night". The test rarely took more than 15 to 20 minutes to complete. We were never there past 7:00 on test night. There were also nights when we left much earlier than 9:00 especially in the first 2 phases (basic electrical and basic refrigeration) this happened near the end of each phase because they were out of material to teach. More than once I drove to school to be told by the instructor class had been canceled be cause he had nothing to teach us. I was
paying for 16 hours a week and on a good week only received 10 hours at most and some weeks much less than that.

2) When students complained we were getting short changed on our education the school tried to make students stay till at least 10:00 on these days we just sat around talked, played video games or chess because there was not enough material to be taught. This mandatory “10:00 quit time” only lasted a few days. Then they had students sign a paper when they left to make it look like they were cutting class early when in reality class was over. Another thing was a lack of enough lab equipment. Some people finished lab whiles others had to wait. When you were done with your lab you could leave. This was not cutting class early it was a lack of class to be taught. I usually stayed and helped other students or just stood around and talked.

3) There was not a very clear curriculum for the teachers to follow. No lesson plans and labs which went together. A typical night consisted of the teacher giving a power point presentation and then we went into the lab. The amount of material to be covered was not very much. The note time took about 1 hour and the labs usually took at most 30 min. the rest of the time was spent waiting for lab equipment. Most of the time the lab was not related to the lecture of the same night.

4) There was also a lot of redundancy between phases. The 5th phase commercial refrigeration was almost the same as basic refrigeration. We spent a lot of time going over the same small amount of material. Then when the 6th phase began the curriculum was almost the same as the 5th phase. I do not know if they were mixed up on what phase they were on or what. We complained and they changed some of what we were taught that phase.

5) The tech school curriculum which took 360 hours to be taught is not much less than the time we spent in class. At the rate of 10 hours a week and not taking in consideration some weeks were less we spent 600 hours in class. And as I will show next some of this time was spent providing free labor to Vatterott. Vatterott inflated the amount of hours there program is so they could obtain an undeserved accreditation and charge an inflated price.
3. **Vatterott promised** well equipped labs with supplies and equipment to provide hands on experience related to class room lectures. The lab ended up being under supplied and the equipment was poor, in disrepair, or nonexistent.

   1) The labs were supposed to be hands on experience related to the class room lecture. Some of the lab time was actually used for the students to provide **FREE LABOR** for Vatterott. These were students from several classes and programs at Vatterott. HVACR, ELECTRICAL, and BUILDING MAINTENANCE.

   i. During the 1st phase (Basic Electricity) we set up labs with an AC unit and Furnace in a cubical. We ran black iron gas pipe to the lab area, and built walls around them. This did not bother me at first because this was a new campus and we would get to use the labs in later phases. The class ahead of us set up the commercial refrigeration lab area. Then someone from Vatterott wanted the labs set up differently and every thing was tore down and moved. **We moved and rebuilt the labs several times during my 60 weeks at Vatterott.** The school was so disorganized they did not know where to put the equipment. When my class was in the Commercial refrigeration phase the lab equipment could not be used because it was moved to another part of the building and there was not proper electricity to run the equipment. **The labs should have been professionally set up so we could use them as described.**

   ii. We built a tool crib and assembled shelving units. Then we moved all of the tools into the tool crib. Then a few weeks later someone from Vatterott decided it needed to be moved. We tore it down and built another tool crib in a different area.

   iii. We built a “smoke shack” so that the smokers could be warm in the winter and cool in the summer. We were supposed to get to at least install the HVAC equipment but the class after ours did that. Building walls and roofing is not related to HVAC.

   iv. We were told our Lab grade depended on our participation in labs. We were extorted to provide **FREE LABOR** for Vatterott. During our last phase they wanted the residential lab moved again I believe this was the 4th or 5th move for the lab. We ran the black iron. The next day some one from Vatterott decided they wanted it done differently. We
were to tear it down and run it again. We had a sit down. They said we would not receive a lab grade if we did not help. After the director came down and we voiced our concerns and refused to move the lab again he agreed it would be done on a voluntary basis and our lab grade would not be affected. We should have had that sit down during the 1st phase instead of the 6th.

2) There was a lack of working equipment to be worked on during our labs.
   i. We had to share equipment. By taking turns it made a lab which should only last 30 minutes take up to an hour and a half. The down time was spent talking or helping other students.
   ii. During our 5th phase (commercial refrigeration) the equipment we had could not be used because there was not electricity ran to it. This equipment had been working earlier but was moved to the new area with out proper electricity.
   iii. We did not have some commercial equipment we needed such as commercial ice makers, roof top units, or walk in coolers. The equipment we did have was old and a lot of it was not in working condition.
   iv. The labs were much better equipped for the Residential phases.

My experience at Vatterott was very disappointing. I received less than half of the education I was led to believe I would receive. Out of the 6 phases only the residential phases, #3 and #4, were even close to what they described. We had unqualified instructors, a poorly organized & weak curriculum, labs that were poorly equipped, and Vatterott used extortion to force us to provide free labor. I would not recommend Vatterott to anyone. And feel I should receive some of my tuition reimbursed. Thank you for your time and consideration.

Thank you,
R - Redacted by HELP Committee
Court Reporting Institute of Houston
15101 Northwest Freeway, Suite 100, Houston, Texas 77040
713-396-6500

ENROLLMENT CONTRACT FOR COURT REPORTING PROGRAM

Contract is to be completed in full, signed, and returned with $100 registration fee.

Social Security Number
R - Redacted by HELP Committee

Date To Start School
06/13/2003

DAYSCHOOL

NIGHT SCHOOL

Last Name
R - Redacted by HELP Committee

Prior Last Name
R - Redacted by HELP Committee

First Name
R - Redacted by HELP Committee

M.I.
R - Redacted by HELP Committee

Street Address
R - Redacted by HELP Committee

City
R - Redacted by HELP Committee

State
R - Redacted by HELP Committee

Zip
R - Redacted by HELP Committee

Home Phone
R - Redacted by HELP Committee

Driver's License Number
R - Redacted by HELP Committee

R - Redacted by HELP Committee

Email Address
R - Redacted by HELP Committee

Sex
Female
Male

Females
Married
Single

Birth Date

Year Graduated

R - Redacted by HELP Committee

Parent, Guardian, or Spouse
R - Redacted by HELP Committee

R - Redacted by HELP Committee

Street Address
R - Redacted by HELP Committee

City
R - Redacted by HELP Committee

State
R - Redacted by HELP Committee

Zip
R - Redacted by HELP Committee

Work Phone
R - Redacted by HELP Committee

I understand that neither CRIH nor its representatives make any warranty or guarantee, stated or implied, as to the length of time it will take me to complete the court reporting program, as it is impossible to predict when any student will achieve each speed level. I may progress as rapidly as I am able after Theory lessons are completed; however, as a minimum, I must meet the standards set forth in CRIH's Statement of Satisfactory Progress.

Please Initial

Attendance and/or academic information may May Not be released to my parents.

I first learned about CRIH from (Please be specific) (Name)

Vatterott

Document 4, Page 1

VAT-02-05-00365
TUTION AND FEES: There is a $1781 registration fee payable once each year. Tuition for full-time students is $3,920 per quarter. For students at the master's or doctoral level, tuition is $3,960 per quarter. The registration fee is $158 for each quarter. Tuition and fees are subject to change without notice. Students may be required to pay additional fees. The annual tuition and fees for full-time students at the master's or doctoral level is $19,000.

CANCELLATION AND REFUND POLICY: If at any time during the first 12 weeks of the academic year, a student requests cancellation of their enrollment, the university will provide a refund of the tuition and fees paid, less a $150 administrative fee. If a student cancels after the first 12 weeks of the academic year, the university will provide a refund of the tuition and fees paid, less a $500 administrative fee. If a student cancels after the first 16 weeks of the academic year, the university will provide a refund of the tuition and fees paid, less a $750 administrative fee. If a student cancels after the first 20 weeks of the academic year, the university will provide a refund of the tuition and fees paid, less a $1,000 administrative fee.

VETERANS CANCELLATION AND REFUND POLICY: In the event a veteran is eligible for VA educational benefits, the university will provide a refund of the tuition and fees paid, less a $500 administrative fee. If a student cancels after the first 16 weeks of the academic year, the university will provide a refund of the tuition and fees paid, less a $750 administrative fee. If a student cancels after the first 20 weeks of the academic year, the university will provide a refund of the tuition and fees paid, less a $1,000 administrative fee.

RESOLUTION OF DISPUTES: Both the Student and the School are committed to resolving any disputes which may arise between the Student and the School in accordance with and on any terms set forth in this Agreement, including any terms that may be set forth in any subsequent written agreement or any terms that may be set forth in any other agreement between the Student and the School.

R - Revised by HELP Committee

Vatterott
Document 4, Page 2
TEXAS WORKFORCE COMMISSION

Career Schools and Colleges

Student Complaint Record

Complete page 1 & 2 of this form and mail to: TWCC-Career Schools and Colleges, 135 East 15th Street, Room 1047, Austin, Texas, 78701-0001, phone (512) 936-3100, or file a completed application to (512) 936-3111.

Please review your name and address. We are unable to investigate your complaint and may use this form for information only. Please submit a copy of your enrollment agreement with the school and copies of any other documents that might help substantiate the complaint. DO NOT SEND ORIGINALS OF ANY DOCUMENTATION.

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Please list the name and phone number of any witnesses or persons who are substantiate your complaint. 

R - Redacted/House CRB - Redacted by HELP Committee - Redacted by HELP CRB - Redacted by HELP 

Both individuals attended the same course, and both were aware of my reason for withdrawing. 

Who else have you contacted regarding this complaint? 

R - Redacted, Campus Accountant, CRB; R - School Director, CRB

Have you used the school's complaint process? 

Yes | No

In your opinion, was this complaint not resolved at the school? 

When I spoke to the two individuals above, they stated that the requirement was coming from the Texas Workforce Commission and that there were not able to complete the 100% of courses based on the school calendar year. When I asked how to proceed with a complaint, they explained that I should contact the Texas Workforce Commission and file a formal complaint.

How much tuition have you paid? How did you pay this? If loans were used, please list the amount of the loans and loan numbers of the loans. 

I paid in full for the 6-week mini-session that provides the regular school calendar year. I have noticed no payment today, and I did not receive the loan or financial aid.

Describe your complaint in detail. Include names of persons, locations, and dates involved. Please use additional sheet if you need more space. 

I have not completed the 100% of courses successfully. My financial aid was suspended. My financial aid was suspended. My financial aid was suspended.

Page 1 of 2

PREVIOUS EDITIONS OF THIS FORM WILL NOT BE ACCEPTED
STUDENT COMPLAINT RECORD CONTINUED

that I was withdrawing from the program as of that date to transfer to another program, Alvin Community College's Career Reporting program in Alvin, TX. I decided not to continue with the CRSH course or the school for the following reasons:

1. At the time of enrollment, I believed that CRSH's program was the only Court Reporting program within my geographical area. While I was aware of private college would be expensive, at the time I believed I would have the resources to pay the tuition and had no other option to complete the program. I subsequently learned after enrolling that funds I had anticipated using to pay for tuition from the sale of property in my mother's estate would not become available for some time due to complications, making the fees at CRSH too high for me to afford. While at the school, I discovered that there was a community college program in Court Reporting at Alvin Community College (indeed, one of my instructors was a graduate of their program). I had been unaware of Alvin's program prior to that time. I assumed that the tuition and fees were half that of CRSH, and I also discovered Alvin's graduation rates and state certification pass rates were higher than CRSH's. I determined that due to the difference in cost and a greater need for assistance that I would be qualified to pass the state exams upon completing the program, I withdrew from CRSH's program and register at Alvin CC. I have since been accepted into Alvin's Court Reporting degree program and will attend in Fall 2008. In addition, Alvin has already stated that my previous degree in Bachelors and Masters in English will allow me to receive credit for the academic portion of the AAS degree in Court Reporting, saving me the added expense of taking these courses, while CRSH had not yet calculated my transcript credits (see attached transcript credit forms attached), despite my request, saying that would come later." While I had a general idea of what CRSH's program would cost, the full tuition and fees were not disclosed to me until after I had already committed to the program, and there was no indication of the costs I would be required to take based on previous transfer credits.

2. I was dissatisfied with the program of the mini-session I was attending at CRSH. When I originally contacted CRSH and informed them of my desire to attend Court Reporting school, they advised me that they had a "quick start" mini-session which begins May 19, 2008 which would give me a good sense of what the program was like and help me to prepare me for the summer quarter session beginning in July. It was my belief that the mini-session was not considered a part of the main program, but instead an introductory session to the program, with two sessions in "Career Strategies" and one in "Reporting Technology" being the only offered courses. The other two students I have talked to, both have stated that they were also their belief. No hands-on theory courses were offered, which is a "must" of the Court Reporting program where you learn the stenography techniques. While I appreciated the efforts of my instructors in class who were generous with their time and information, and I believe they were sincere in their desire to teach stenotypists, it became very clear to me that the intent of the mini-session was not to prepare me for a "quick start" into the regular term as advertised, but to collect additional name from me before I actually started the program. I believe the instructors were handicapped by the composition of the mini-session. (Remember - I taught students in a professional capacity for many years, I am making this judgment based on my experience as an educator.) The students selected were not the individuals who received books or texts on machine or which to work until the last day of class, "in case we left." What work we did in class for the first two weeks consisted of a few vocabulary exercises, discussions about the various career paths in court reporting, and reviewing a Case Starter for the CAT and reporting software. Processed with the slow progress of class, I then asked for the the students who had already completed the mini-session prior to attending the main theory course if they felt it was a necessary part of the program needed to prepare them for the regular quarter sessions, and the universal answer was no. I determined very quickly that as far as the mini-session was concerned instruction on court reporting was not the priority, rather the collection of the school of additional names from students.

3. Once enrolled and attending CRSH, I learned that CRSH in Houston had low graduation rates for their Court Reporting program. One instructor stated that there was a 70- 90% dropout rate by the end of the course, which is at the end of the first quarter which begins in July 2008. I have subsequently learned that in the class of eight students in my mini-session, the majority have withdrawn or transferred to other programs - that report came directly from the students in the class. One person said that the school will try to collect money from each of these students for the calendar year they did not attend, ensuring a finance benefit for the school without having to provide instruction to those students for the school year.

4. I also recently checked the state certification website and discovered that out of 10 students who had gone forward for the state exam in the past quarter, none have passed. Additionally, the majority of CRSH's students do not complete the course of study within the 2 years for which the program was designed (indeed, the most frequent attendance period was quoted by one of the Institutions as 3 to 5 years). When inquiry regarding terms and how was I shown a form that had the pass rates previous to the last quarter compared to the state's average, and while the details were unclear to the individual, I remember expressing my surprise as to how low it was compared to graduates of other Texas schools and non-school graduate (my memory says it was only one or two students in the previous year, I might be mistaken). I was told by my admissions counselor at the time, "that the pass rate was not 'standard' and that students 'got nervous' and that's why they weren't passing the state exam. However, speaking to Alvin's admission counselor has since revealed to use this is indeed annual. I discovered

Vatterott
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TEXAS WORKFORCE COMMISSION
Career Schools and Colleges
Student Complaint Board

5. I have recently received a letter from CRH dated June 30, 2000, stating that I had an outstanding balance of $567 due to the school that I did not pay in a collection agency. This was the first contact I received regarding my withdrawal and any owed tuition costs. I already had paid over $1500 to attend for a six-week mini-session, and expected to receive at least a partial refund for the remaining weeks I did not attend. I paid CRH's mini-session program from May 19 to June 2. This is a total of 11 days. Another student, R__, who was also consolidated withdrawn from the school, was given the same notice, informing her that the withdrawal of that date would result in a refund of $46. The financial officer told her that a withdrawal after the due date would result in a refund of $82, which was also rejected. I was not told, or by the way, of any belief that at the time the school intended to refund her money based on the fact that she was enrolled in the mini-session and not the school's regular calendar year, and that she was a financial aid student who would likely be unable to pay the tuition. I have been given a letter from CRH, and she stated that even though the withdrawal was after the due date, she has not, as of 11 July 2000, received a request for any additional funds. I wonder if the school has decided since I paid in advance, they are more likely to get the additional funds back from me than a student dependent on financial aid, but that is just speculative.

6. When I reviewed the refund statement in the catalog and enrollment agreement, it stated that the amount being held was based on the school's calendar year, with attendance being determined by how much of a "quarter" session was completed. However, the mini-session is not a "quarter" (i.e., three months), but rather a six-week introductory session, and I cannot find any indication of any calculation of the remaining weeks not attended being based on the six-week mini-session calendar. In other words, there was no mention of the mini-session as part of the calculation period of a full calendar year of attendance. Many CRH students, in fact, do not attend the mini-sessions at all. The question becomes, then, when does the school's real calendar year begin?

7. When I called CRH to inquire as to why they were attempting to collect additional funds, R__ Redacted the catalog supplement and the program requirements for a six-week mini-session, and I do not know if the mini-session was described as part of the school's regular calendar year, or as a six-week mini-session. In addition, at no time was it made clear to me when signing up for the mini-session or when paying for it that I would be required to pay additional funds. I did not complete a full six-week mini-session, and the beginning date being the start of the mini-session. I do not understand the information that the amount collected is part of that calculation period, and I do not have any understanding that the mini-session was in any way included in that calculation.

8. It was never my understanding that the mini-session was anything other than what it was—an opportunity to return for a six-week mini-session, not an opportunity to take off some hours of attendance, not an opportunity to take off some hours of attendance, not an opportunity to attend the school. The fact that the school would not allow students to take any class or to receive any credits for any of the mini-sessions is clearly stated in the catalog. I do not believe that the majority of the students signing the enrollment forms under the same conditions I did understand that the mini-sessions were not included in the school's regular calendar year. As a result, I have decided to continue attending the school, to complete the mini-session, and to take the necessary steps to ensure that I receive the credits I earned for attending the school. I have not accepted financial aid for any reason. Therefore, I believe that CRH is allowed to request an additional amount due to the delay in the school's decision.
STUDENT COMPLAINT RECORD CONTINUED

What relief or resolution would you consider fair?

As a minimum, I believe it would be fair to require CSR to cease and desist in their attempts to collect the additional $644 they claim I owe them. In addition, I believe it would also be fair to have the refund amount paid on the注销-semester, not on the entire academic year. If they want to make 90% of the tuition amount for the注销-semester and retain the $160 registration fee, I would be amenable to that. That would be total of $360.00, requiring them to refund me the remaining $282 of what I have paid. Finally, if CSR is allowed to charge the non-semester as a part of the fall semester rate, they should be required, in advance of the final commitment on a student's part, to make a specific offer toFull disclosure to any student enrolling in the注销-semester and inform them expressly that withdrawing from the注销-semester will require the student to be liable for paying a percentage of the entire academic year's tuition. They should also be required to state up front the specific amount in dollars of how much that penalty payment will be, based on the number of days completed in the semester.

I hereby certify that the above information is true and correct to the best of my knowledge and great permission for the complaint to be forwarded to the school for a response.

R - Redacted by HELP Committee

July 11, 2008

Complaint forms, requests, or corrections to the individual information contained in this form shall be sent to the TWC Career Technical College, 141 East 3rd Street, Room 445, Austin, Texas 78701-4411. By — Individual may receive and inspect information that TWC refutes about the individual by sending an email to info@twc.edu or writing to TWC Open Records, 141 E. 3rd St., Ste. 415, Austin, TX 78701-4411.

TWC - CSC
Jul. 18, 2008

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PREVIOUS EDITIONS OF THIS FORM WILL NOT BE ACCEPTED

Vatterott
Document 5, Page 4
May 5, 2008

Ms. Pamela Bell
Chief Executive Officer
VATTEROTT COLLEGE
8395 Evers Avenue
Berkeley, Missouri 63134

Dear Ms. Bell:

This is a follow up to concerns I have already expressed to you, and Dr. John Tucker, Chief Academic Officer regarding Vatterott College's cosmetology program. Those concerns include, but are not limited to, the curriculum, the classroom instruction or lack thereof, the qualifications of the directors and instructors or the lack thereof, and the overall failure of the cosmetology program to meet State standards.

For example, I don't know whose brilliant idea it was to have R—Redacted by [the part time cosmetology instructor] to come in [on her day off] and to continue to come in during the day to exclusively assist in preparing R— and I for our state board examinations. She is no more competent or qualified than R—Redacted by [or R—]

Upon finding out R— [would be exclusively instructing us, I immediately informed her of the area of the practical portion of the state board examination that I wanted to improve upon. The very first thing I said to her was "I want to work on the permanent wave wrap.]"

While practicing the chemical waving portion of the practical examination, R— adamantly insisted, that I place the band of the permanent wave rod [hereinafter known as perm rod], at the base of the rod section. This is absolutely incorrect. The band should be visible, not invisible; meaning it should be positioned on top of the rod. Despite my knowing that R— was instructing me incorrectly, I wrapped the perm as she told me.

Something just kept telling me "this is not right!" So therefore, while on lunch break, I referred to my notes and also tried to figure out who I could contact to answer this question. I did ponder briefly whether or not to contact my former Director of Cosmetology at the O'Fallon Campus,
but I quickly dismissed that thought. So I called an instructor at another cosmetology school and presented her with that very same question.

The instructor confirmed what I had initially thought to be correct. The band should indeed be visible. According to the Missouri State Board of Cosmetology, Milady Standard Textbook of Cosmetology, and Salon Fundamentals Cosmetology, of Salon Fundamentals Cosmetology, the band of the perm rod should never rest against the base of any portion thereof. Why is this so important? If the band is positioned against the base of the sub section, the permanent waving solution, when applied will break the hair at the point of contact of the band. [See Exhibit A]

I find this mis-edition unacceptable.

Any seasoned cosmetology professional, especially an instructor of cosmetology, should know the proper way to perform all cosmetology services as mandated and regulated by the Missouri State Board of Cosmetology.

If I had not personally researched and used my basic knowledge of the art and science of cosmetology, and had relied solely on R — instruction regarding the proper procedure for performing a permanent waving service, I would have surely failed that portion of the practical examination.

Another example of the lack of competent instruction is as follows. R — Redacted by is not knowledgeable regarding procedures for performing a permanent waving service either. I observed in dismay while her class performed an actual permanent wave on their mannequin. Every last one of her students’ permanent waves were WRONG! The entire class would have failed that portion of the practical examination without question. That is, according to the Missouri State Board of Cosmetology.

The reasons the class would have failed that portion of the examination are as follows:

1. Band placement [Again, see Exhibit A]
2. Sub-section and base diameter
3. Application of wave solution and neutralizer. [You never, ever, ever, shake perm solution and/or neutralizer onto a client’s head, as if you are trying to get the last of a liquid condiment out of a bottle; you apply solution to each rod individually, saturation each rod, using a back-and-forth motion].

I am very disappointed and disturbed that Vatterott College has chosen to employ such an incompetent director and instructors. I am even more disappointed in the lack of curriculum. It is my understanding that the Sunset Hill Campus is experiencing similar issues. As regards the O’Fallon campus, I can attest personally to the total lack of order and organization of that campus. Everything from incompetent instructors to the lack of curriculum. Vatterott College has three separate cosmetology programs. All three are in utter disarray. No one, and I do mean no one seems to have a clue regarding anything.

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VAT-02-05-00676

Vatterott
Document 6, Page 2
Currently, According to R -- Redirected by HELP -- Director of Cosmetology, I have ten days remaining. To date, I have clocked 1,444.16 hours, and I have yet to receive theory instruction on State Statutes and Regulations. I did some self-study, and took the examination. Not only have I not had any theory on State Statutes and Regulations, I have not received any materials regarding same, except for the State Statutes and Regulations booklet provided by the Missouri State Board of Cosmetology. I'm sorry, I am incorrect, there was (one-sided) dialogue regarding State Statutes and Regulations. R -- Director instructed me and the other phase five student to read the booklet; and then told us we would have a test in a couple of days, which was delayed for several weeks.

As well as not receiving any theory in State Statutes and Regulation, there has been not one, not one mock state board practical. NOT ONE! There should have been at least one mock board examination administered weekly until graduation.

In addition to all of the other "foolishness" going on, someone decided that the seniors are so unapproachable by the instructor hired and paid to instruct us within our own program, that as necessary to bring in the instructor from the part-time program to personally tutor us.

You are hundreds of days late, and thousands of dollars short. Exactly FIFTEEN THOUSAND, SIX HUNDRED, SEVENTY-THREE DOLLARS AND FORTY-ONE CENTS SHORT!

I WANT A REFUND! Vatterott College HAS NOT fulfilled its contractual obligation in educating me in the art and science of cosmetology. Therefore, Vatterott College has breached said contract.

I shudder when I think of the possibility that I could have failed the permanent waving portion of the practical examination if I had not received my theoretical education from another cosmetology school. I shudder even more so when I think about my fellow cosmetology students who are currently receiving an education or should I say a mis-education from Vatterott College.

I often wonder how the Vatterott cosmetology students would compare with the cosmetology students of at least three other cosmetology schools if they were given an aptitude test based upon their grade level/phase. How would the cosmetology students attending Vatterott College's cosmetology programs rank?

For nearly $16,000.00, I expect to be properly instructed as to the correct placement of a perm rod band, as well as the information necessary to pass the practical and written examinations of the state board examination. After all, the purpose of cosmetology school is to educate and prepare students to take and pass the state board examinations. I thank God daily, that I had already received a quality education prior to enrolling at Vatterott College. That I was equipped with a certain amount of basic knowledge already, and what knowledge I didn't possess, I am educated enough to obtain it. Vatterott College's cosmetology program has not added to nor enhanced any of my previous knowledge of anything remotely having to do with the art and science of cosmetology.

During the two months that I have been enrolled at the North Park campus, I have had no instruction on anything. I work on my own on my mannequin, I review my textbook and notes, I
provide services on students, staff, and campus when requested.

I am thoroughly dissatisfied with Vatterott College's cosmetology program. I am dissatisfied by the discrimination and treatment of me at the O'Fallon Campus and I am even more dissatisfied that Vatterott College chose such an incompetent instructor to prepare me for the state board examinations.

Best regards,

R -- Redacted by HELP Committee
Cosmetology Student
Vatterott College
North Park Campus

Enclosure: Exhibit A

Copy to: Dr. John Tucker, Chief Academic Officer, Vatterott College
Missouri State Board of Cosmetology
National Accrediting Commission of Cosmetology Arts and Sciences
The Honorable Jeremiah J. Nixon, Attorney General, State of Missouri
The Better Business Bureau
October 8, 2007

R -- Redacted by HELP Committee

Executive Director
Accrediting Commission of Career Schools and Colleges of Technology
2101 Wilson Boulevard Suite 302
Arlington, Virginia 22201

Dear R -- Executive Director

My name is R -- and I attend Vatterott College. I am filing a formal complaint against the college, I have been a student at Vatterott for eight months and in these months I have seen a school with no direction or standards for its students. I believe the only effort the school focuses on for its students is attendance instead of the focus being the curriculum. I believe that my finances over-paid for what was delivered. To add to this, I commute 185 miles per day.

During my first ten-week semester, the class had no books, computers, or teacher. In effect, I spent my time sitting with no instruction or leadership. If the instructor did attend, he arrived at 10:00 a.m. along with the majority of students who developed this habit with the instructor. I attended every day and was on time every day, but the other students, who were late and did not attend regularly, and I have the same average. I do not believe this reflects accurately on a student's grade.

The curriculum, as I was promised, was to be eighty percent hands-on instruction. Now I am told that the school is not equipped for this kind of instruction. Now I spend the majority of my class time reading the text book, I have attended classes on numerous occasions with no teacher for weeks at a time which led to me teaching myself and reading the text with no instruction.

My second semester was a reflection of the first semester. There was no teacher, no books, and no materials to teach us with. As for the third and fourth semesters, I was taught the wrong material for five weeks of my third semester. We were given the wrong books and missed essential instruction. We were told to catch-up on our own time by reading the correct book.

After all this chaos, Vatterott offered me a $2,000 check for my silence. I was told to take the money and do as I please but I must sign the agreement about keeping silent. However, I have missed eight months of my twelve-month courses and believe when I do go into the workforce, someone else will definitely be more qualified for the position. This is not what I intended my tuition to pay for and it is not what I was promised. I do not feel confident in my field or my training for this degree. Please take this into full consideration.

Sincerely,

R -- Redacted by HELP Committee
I am in my 4th term of Vatterott College in Tulsa, Oklahoma each term is 10 weeks. The first 10 weeks I have no complaints, however; the last 15 weeks I have been thru 5 instructors. Last term I finished with a 4.0, if I have been told correctly, and I had crappy attendance. I was not required to take a midterm or final and only had approximately 5 tests the entire 10 weeks, the tests consisted of the chapter review questions, and the answers were made available, prior to the test with no effort. During my current term I have had 4 instructors in 5 weeks next week I am to take a midterm when I have learned nothing. By the time we tell the new sub where we are in our education, we must get the new instructor caught up. I believe I could receive a better education sitting at home reading the books and it would cost a lot less money. I have wasted my time, which is worth money I could be making by working, and I have wasted money which I will have to pay back. I believe we should be reimbursed for time wasted and money paid through grants and loans to this institution and at very minimum our loans for this period canceled out at Vatterott's expense.

It is one thing to have problems, but to ask the students to keep coming in and wasting their time and money, during this problem is no more than a scam. From my point of view the school is being paid, and I'm giving them my time, but I receive no education or any other compensation. I am not the only student that feels this way. I have passed out contact information for R - with the OBVS and ask the other students to contact and inform about their experience at this institution, I only hope they do. I am writing this because if no one does Vatterott will be allowed to continue taking Federal money as well as people’s money and giving nothing in return.

My best scenario would be for Vatterott to live up to their contract with us, and provide a teacher that could give us the education we are paying for. If they cannot do this they should refund our money, at least for the last 15 weeks, so we can find another institution that can provide us with the education.

R -- Redacted by HELP Committee
11/17/2009

VAT-02-05-01688

Vatterott
Document 8, Page 1
March 18, 2009

Via Electronic Submission & FedEx Express – Overnight Mail
FedEx Tracking No. R – Redacted by HELP Committee

R – Redacted by HELP Committee
Manager of Institutional Compliance
ACCSCC
2001 Wilson Blvd, Ste. 362
Arlington, Virginia 22201

School #B65985

Re: Complaint of R – Student

Dear R – Manager of Institutional Compliance

This letter will acknowledge receipt of your February 24, 2009 correspondence advising that the Accrediting Commission of Career Schools and Colleges of Technology ("ACCSCC" or the "Commission") received a complaint against Vatterott College in Kansas City, Missouri ("Vatterott College" or the "School") by R – Student, a former student in the Pharmacy Assistant program. A copy of your letter along with the complaint has been attached for ease of reference (see Exhibit 1).

As directed, Vatterott College is providing documentation of compliance with the Standards of Accreditation in response to the concerns set forth below.

**Section IV, Statement of Purpose, Substantive Standards, Standards of Accreditation**

Section IV (D)(1), Substantive Standards, Standards of Accreditation

The complaint alleges that Vatterott College was misleading in its advertisements for the Pharmacy Assistant program. Specifically, R – Student, states that she enrolled at the school based on an advertisement which claimed that students could become a Certified Pharmacy Technician in one year. Also, she states that the school informed her that she could attend a second year to obtain a Pharmacy Technician diploma.

Accrediting standards require that all advertising and promotional materials be truthful and accurate and avoid leaving any false, misleading, or exaggerated impressions with respect to the school, its location, its name, its personnel, its training, its service, and its accredited status so that students can make informed and considered enrollment decisions. Therefore, Vatterott College must submit the following:

- A response to the complaint’s allegations:

Vatterott College’s advertisements for the Pharmacy Assistant programs did not and have never claimed or even alluded to the fact that students could become a Certified Pharmacy Technician in one year.

*Career Skills for a Better Life!*

St. Louis • Saint Louis • Minneapolis • Kansas City • Cleveland • O’Fallon • Tulsa • L’Ecole Culinaire • Oklahoma City

St. Louis • Quincy • Des Moines • St. Joseph • Omaha • Wichita • Joplin • Dallas • Houston

VAT-02-09-02337

Vatterott

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As confirmed by her Enrollment Agreement (see Exhibit 2), R -- Student enrolled in the school's Pharmacy Office Assistant program on January 1, 2004 and began her training on February 9, 2004. She acknowledged receiving a Receipt for Student Admission Materials (see Exhibit 3). The Receipt is designed to ensure that all applicants are fully informed as to the expectations, rules, responsibilities, and obligations of students attending Vatterott College; and, her initials on the document reflect that she made her decision to enroll based upon the contents of the school catalog.

R -- Student also was asked to sign an Acknowledgment To Be Completed By All Vatterott College Students (see Exhibit 4) which notes:

I have reviewed and I have received copies of the following:

Advisement of Participant Rights
Drug Prevention Program Brochure
Enrollment Agreement
Career Services Assistance Policies
Catalog

I understand that these materials contain all pertinent information regarding various training opportunities and services available through the college.

I also acknowledge that no other promises, representations, or inducements have been made to me, other than what is contained in the above, and I have made my decision to enroll at Vatterott College based solely on the above.

Further, I did not rely on any promises, representations, or inducements, other than what is contained in the above, prior to attending class or incurring any financial obligations for tuition or fees at Vatterott College.

More specifically, the Catalog description for the Pharmacy Office Assistant program notes that "the diploma program is designed to prepare the student for entry-level employment as a Pharmacy Office Assistant, performing administrative clerical duties or any similar positions within the health care field" while the catalog description for the Pharmacy Technician (PST) Associates of Occupational students (A.O.S.) program notes that the "degree program is designed to prepare the student for entry-level employment as a Pharmacy Office Assistant, performing administrative clerical duties or any similar positions within the health care field. The Pharmacy Technician A.O.S. degree graduate is skilled with theory and practical working knowledge of all Pharmaceutical front and back-office procedures to perform the tasks associated with assisting a pharmacist" (see Exhibit 5). The related course outlines and syllabi are equally devoid of any mention that the students will become Certified Pharmacy Technicians (see Exhibit 6).

The same can be said about the print advertising related to those programs (see Exhibit 7) as well as the television commercial (see Exhibit 8). The fact of the matter is that Vatterott College has never stated or represented that R -- Student could become a Certified Pharmacy Technician in one year.

Moreover, the allegation that the school indicated to R -- Student that she could attend a second year to obtain a "Pharmacy Tech" diploma is equally unfounded. The Enrollment Agreement confirms that she enrolled in the 60-week Pharmacy Office Assistant diploma program (refer back to Exhibit 2). The fact that she would earn a diploma upon completion of the program was specifically circled for emphasis on the Enrollment Agreement. The
course descriptions as contained in the school Catalog are equally unequivocal that training would lead to a diploma (refer back to Exhibit 8). This same material further reflects that Vatterott did offer a 90-week Pharmacy Technician (PHT) A.O.S. program. She certainly could have enrolled in that program upon completion of her 60-week diploma program and earned an A.O.S. degree with an additional 30 weeks of training.

With reference to her complaints regarding the general quality and content of the Pharmacy Office Assistant program, it bears noting that R -- Student experienced debilitating attendance issues following her introductory class which prevented her from completing the training. As reflected in her Attendance Record and Academic Transcript (see Exhibit 9), R -- Student had an attendance average of 98% for the introductory Medical Language class but her attendance dropped to 58%, 38%, and then to 0% when she had to be dropped from the program. The related file notes (see Exhibit 10) reflect a variety of reasons for her absences but none were related to dissatisfaction with the program. A fact which is further confirmed by her signed course evaluation (see Exhibit 11) which reflects a very favorable assessment of her training (due to attendance issues, she was not present during the evaluation process for her other classes). More importantly, her signed critique reflects that: R -- Student agreed the school to be as it was represented to her before enrolling. Ms. R -- agreed that she was satisfied with the training received at Vatterott College; and, R -- Student strongly agreed that she would recommend Vatterott College and its programs to a friend.

Learning is an intensely collaborative process, requiring interaction and cooperation between school and student. Both the process and the result are extremely subjective. The attitude, demeanor, and dedication of a student play a significant role in the success or failure of the educational product. In this instance, the credible evidence suggests that R -- Student was not committed to the training and that her attendance shortcomings likely contributed to her lack of success. It is unfortunate that R -- Student failed to complete the Pharmacy Office Assistant diploma program but it certainly was not due to misleading advertising or any shortcomings on the part of the school. In closing, we would assert that the school's program and program-related advertising were in compliance with the Standards of Accreditation.

- Copies of all advertising for the Pharmacy Assistant and Pharmacy Technician programs;

Copies of all print advertising for the Pharmacy Assistant and Pharmacy Technician programs have been attached as Exhibit 8 and a CD copy of the television commercial regarding these two programs has been attached as Exhibit 8.

- Copies of Instructional outlines and course syllabi for the Pharmacy Assistant and Pharmacy Technician programs;

Copies of Catalog descriptions with instructional outlines and course syllabi for the Pharmacy Assistant and Pharmacy Technician programs have been attached as Exhibits 4 and 5.

- A description of Vatterott College's recruitment and admissions process and an explanation as to how the school ensures that students are fully informed as to the nature of the training to be provided and that each student understands the program's responsibilities and demands; and

Vatterott College ensures that all prospective students are fully informed as to the nature of the training to be provided and that each student understands the program's responsibilities.

Vatterott
Document 9, Page 3
and demands by asking all students to sign an Enrollment Agreement (see Exhibit 2). The Enrollment Agreement sets out the specifics of the chosen program, notes whether the training will lead to a diploma or specialized degree, and highlights the school's Refund Policy. Students also receive and are asked to specifically acknowledge with their initials and signature a Receipt for Student Admission Materials (see Exhibit 3) as well as an Acknowledgement To Be Completed By All Vatterott College Students (see Exhibit 4) which are designed to ensure that all applicants are fully informed as to the expectations, rules, responsibilities, and obligations of students attending Vatterott College. Students are provided with copies of the school Catalog containing course descriptions (see Exhibit 5) as well as course outlines and syllabi (see Exhibit 6) for each course in a particular program.

R – Redacted by , the Pharmacy Program Director, would also bring all the classes together at the beginning of each new term or phase and introduce herself and the other instructors to the students; detail the requirements and expectations of the program; and, explain the difference between a Registered Pharmacy Technician and a Certified Pharmacy Technician (see Exhibit 12). R – Director specifically advised the students Vatterott College only prepares students for entry level positions within pharmacy and that the school’s programs did lead to students becoming Certified Pharmacy Technicians.

• Other documentation to demonstrate compliance with accrediting standards as it relates to this obligation.

Students are asked to complete Student Critiques (see Exhibit 11) which solicits the students’ honest opinion regarding such things as quality of the training, course content, instructor assistance and preparedness, and, whether they “find the school to be as it was represented to me before enrolling.” In R – Student case, the critique confirms the school to be as it was represented to her before enrolling; that she was satisfied with the training received at Vatterott College; and, that she would strongly recommend Vatterott College and its programs to a friend.

In closing, it is suggested that Vatterott College has demonstrated that it presented its programs in an ethical and well-informed manner. R – Student The advertising material, Catalog course descriptions, and course outlines and syllabi make no mention of and never claimed that students will become a Certified Pharmacy Technician. Moreover, R – Student owns critique contradicts and is in direct opposition to the assertions raised in her complaint.

We appreciate this opportunity to respond. Should you have any questions or need additional information, please feel free to contact me at R – Redacted by HELP Committee or, in the alternative, to directly contact R – Redacted, the campus director, at R – Redacted by HELP Committee

Sincerely,

R – Redacted by HELP Committee

R – Redacted by HELP
Administrator

Enclosure: Schedule of Exhibits with Exhibits 1 through 11.

cc: R – Redacted Campus Director
Vatterott College – Kansas City Campus

VAT-02-05-02340

Vatterott
Document 9, Page 4
From: R -- Corporate Agency Liaison
To: R -- Redacted by HELP Committee
Sent: 4/29/2010 11:01:55 AM
Subject: 90/10 to Campus Directors

Here is an email to all the COO company wide regarding 90/10 and identifying a person on each campus. I am going for direct, honest and firm with just the right amount of letting them know they have to take this seriously without threatening them. Please make changes or suggestions to me. I want this to be perfect. Or do you think it would be better in a conference call? Let me know. Thanks! R -- Corporate Agency Liaison

Good Morning All!

As we move forward as a company and in our endeavor to serve our students there is a need for some changes as we all know. As most of you know my focus is "10" money. As most of you know my area of knowledge is Agency Funding. And as most of you know we have to have this "10". I can not stress enough the importance of this funding. We have received a directive from the Corporate Management team to increase the business and to get all campuses to at least a "10" level. Sadly, a majority of our campuses are not at the "10" level. This is where the Business Development Team comes in. We are here to help you succeed.

As of today each of you need to identify a person on your campus that will be the Agency Contact. This person will be responsible for building local relationships with Voc Reis, Workforce Offices, MERS-Goodwill and any others that we identify depending on the market. They will need to be able to make at least quarterly visits to these offices and will have training and discussion sessions with me once a month or more if necessary. This person needs to be engaging, knowledgeable about Vatterott, our programs, and the basic process of our departments. This person needs to possess excellent communication skills, organized and motivated. This is NOT a new position. They will be expected to maintain the standards set for their current position. This will be in addition to their regular duties and will not be compensated. This person may be you. It may be a Retention Specialist, Admissions Coordinator, Career Services or PA. Obviously, we can not be in all markets at all times to building these relationships and handle any business opportunities, so it will that we have someone at each campus to work with and through. I will continue to assess and maintain the state level relationships so this person will not be contacting the State offices nor will they be responsible for certifying the campuses or programs. I will continue to handle all VA related opportunities as well.

This is a good thing. We can reach students that we may not have reached before. These are people who need someone to help guide them and give them the opportunity to change their lives and feel confident in their futures with a college degree. It can increase enrollments and the funding is not subject to default. We will be with you. We can help your campus reach this business by looking for opportunities. I will be working with the State and local offices to enter into contract agreements and developing ways to reach these "Agency Students". In the St Louis Market we have to date collected over $6 million dollars in "10" funding since October 2009. We hold right now 30% of all the TAA funding in the entire state of Missouri. Honestly, I wasn't that hard to get our way a major time commitment when it first became available. Once it started it just kept going. Can this be duplicated in every market? No but this funding can be increased.

Bottom line is this...it is mandatory that we achieve and maintain 90/10. This rule in itself can eliminate our ability to disburse Title IV funds. This means we are out of business totally. We have been given the deadline of May 7th to have a person on each campus identified. If I can assist you in your search for the right person please do not hesitate to call me. I look forward to working with and meeting with more of you over the next few months.

R -- Redacted by HELP Committee

Corporate Agency Liaison
Vatterott Educational Centers
P. O. Box 28269
Olivette, MO. 63132
R -- Redacted by HELP Committee
From: R -- Corporate Agency Liaison
To: R -- Redacted by HELP Committee
Sent: 7/7/2010 1:44 PM
Subject: PW: Agency Fund Sources
Attachments: agency fund sources.xls

Do we only want to show from me actual funding agencies? i.e. WIA, TAA, VA, VAWR, VR, BIA/BIE or do you want me to include grants, tuition assistance and cash? This is a more direct request to get me and R-- this information for the campus.

R -- Redacted by HELP Committee
Corporate Agency Liaison
Vatterott Educational Centers
P.O. Box 28269
Olivet, MO 63132

From: R -- Corporate Financial Aid Analyst
Sent: Wednesday, July 07, 2010 1:42 PM
To: R -- Corporate Agency Liaison
Cc: R -- Redacted by HELP Committee
Subject: Agency Fund Sources

Attached is list of FA Fund Sources that are tied to "Priority 13" money in the 90/10 calculation. There are a few items in here that I don't think fall under your scope so I wanted to confirm which fund sources I could exclude. It would be easier for us to exclude the types "Grant", "Cash", and "Scholar" but wanted to make sure you were OK with that first.

R -- Redacted by HELP Committee
Financial Aid Analyst
Vatterott College - Corporate Office
PO Box 28269
Olivet, MO 63132
R -- Redacted by HELP Committee
<table>
<thead>
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<td>28 Oklahoma Higher Learning Access Program</td>
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<td>41 North American Free Trade Act</td>
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<td>42 Employer Tuition Plans</td>
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<td>43 Vocational Rehabilitation</td>
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<td>47 Ohio College Opportunity Grant</td>
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<td>52 Dept of Assist &amp; Rehab Svs for Blind</td>
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<td>55 TG Dr Charley Winton Grant</td>
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<td>29</td>
<td>60 VA-VA-Visor Rezoning</td>
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<td>68 VA-Chapter 33 Tuition &amp; Fees Benefit</td>
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<td>31</td>
<td>70 Section 529 Plans</td>
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<td>32</td>
<td>72 Greater St Louis Scholarship Fund</td>
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<tr>
<td>33</td>
<td>73 Mahala Director's Choice Scholarship</td>
<td>SCHOLAR</td>
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</table>

Vatterott

Document 11, Page 2
From: R -- Corporate Agency Liaison
To: R -- R -- R -- Regional Vice President of Operations
Sent: 8/17/2010 10:01:15 AM
Subject: RE: GI BILL ENROLLMENT

Hi R -- Redacted by HELP Committee
It's the Registrar I think you spell her name R --

R -- Redacted by HELP Committee
Corporate Agency Liaison
Vatterott Educational Centers
P.O. Box 28269
Cleveland, OH 44101
R -- Redacted by HELP Committee

-----Original Message-----
From: R -- Redacted by HELP Committee
Sent: Tuesday, August 17, 2010 10:16 AM
To: R -- Regional Vice President of Operations
Cc: R -- Corporate Agency Liaison
Subject: RE: GI BILL ENROLLMENT

Oh, great!

-----Original Message-----
From: R -- Regional Vice President of Operations
Sent: Tuesday, August 17, 2010 10:54 AM
To: R -- Redacted by HELP Committee
Cc: R -- Corporate Agency Liaison
Subject: RE: GI BILL ENROLLMENT

The registrar, R -- New Registrar -- it was R -- Former -- but she resigned. R -- New is going to train this week I believe.

-----Original Message-----
From: R -- Redacted by HELP Committee
Sent: Tuesday, August 17, 2010 9:58 AM
To: R -- Corporate Agency Liaison
Cc: R -- Regional Vice President of Operations and others
Subject: RE: GI BILL ENROLLMENT

R -- Corporate Agency Liaison

Please advise us as to who the VA certifying official is at the Memphis I'Kole campus. This is definitely a funding option at any campus and helps tremendously in the 90-10 calculation. We want to the certifying official to reach out to this student. Is it the Registrar?

Thank you.
R -- Redacted by HELP Committee

-----Original Message-----
From: R -- Regional Vice President of Operations
Sent: Tuesday, August 17, 2010 9:36 AM
To: R -- Redacted by HELP Committee
Subject: RE: GI BILL ENROLLMENT

R -- Redacted by -- can you get together on this and figure out if this funding is an option at

-----Original Message-----
From: R -- Redacted by HELP Committee
Sent: Tuesday, August 17, 2010 9:31 AM

Vatterott
Document 12, Page 1
TO:  R -- Regional Vice President of Operations  
SUBJECT: GI Bill ENROLLMENT  

R -- Regional Vice President of Operations

I don't know who is the CS over at L'Ecole, but can you get this to the right person.

R -- Redacted by HELP Committee

-----Original Message-----
From: R -- Redacted by HELP Committee
Sent: Tuesday, August 17, 2010 9:14 AM
To: R -- Redacted by HELP Committee
Subject: GI Bill ENROLLMENT

What are your procedures for enrolling in to L'Ecole utilizing the Viet 9/11 GI Bill? I have been to your office several times and have not gotten the correct answer yet. Talking with the V. A., IT SEEMS should have a certifying official on staff. The name I have is R -- Redacted by HELP Committee. Are any of these people available? Or, is there someone I can sit with to discuss the possibility of enrolling into the program at the soonest.
4801

From: R -- Redacted by HELP Committee
To: R -- Dennis Beavers
CC: R --
Sent: 10/10/2006 3:18:31 PM
Subject: R -- Redacted by HELP Committee

Working on 9/10 these days.

This email will let you know that we have shut off disbursing Title IV to the three campuses associated with the Quincy OPRE ID 020663: Quincy, Oklahoma City and VEC Dallas. Each of you “has” one of these schools in your region.

This will have little short term effect on their PAL. This will affect cash, and past due not earnings. We will still earn the tuition; we just may miss the opportunity to collect some of it...which could increase bad debt in 2009. The danger of turning off disbursing is that some students may leave school before the money is turned back on and we may miss the chance to make some of those disbursements. The danger is smaller than the alternative.

On Monday, I am scheduling teleconferences with the three campuses individually. I will be inviting the Campus Director, the FA Director, the Campus Accountant and you. I will be emphasising the importance of continuing to process Global and submit files and complete files and resolve IS. So we can be ready to dump the money into the bank in the first week of January.

Feel free to call me if you have questions. I hope you can make the teleconferences on Monday, but I know how busy you all are. I will give you a heads up if anything interesting pops up.

R -- Redacted by HELP Committee

Corporate Director of Financial Aid
Vatterott Colleges, INC
8580 Evans Ave, Suite A
Berkley, MI 48071

R -- Redacted by HELP Committee
Thought you would want to look this over before it goes to pass. Note the negative number on the OKC line within Des Moines OPEID. R -- explains that the weekly updates to totals have this effect. Last week’s report Aid/Unsub was counted that is not counted in this week’s report because 90 has come in (over $600K in that week alone) now that money has been turned back on.

Do you want us to adjust the figures to avoid the 100% on that line but give the same percentage result... or how to best handle?

From: R -- Financial Aid Analyst, Corporate
Sent: Wednesday, December 23, 2009 2:12 PM
To: R -- Corporate Director of Financial Aid
Subject: 50/50 Calculations

Attached is the 50/50 summary for this week. One of the first things that will jump out at you is that OKC in Des Moines is over 100% and their Non-Title IV funds is now at 83%. I reviewed the calculations and found out that over 85% of Title IV was disbursed during the most recent week that this calculation covers. What the means is all the “10” unsub that was previously being counted is now being lost because Title IV funding is now covering all eligible charges. OKC has very few tuition so now that all the Pell and Sub has hit then just simply isn’t room left for the “10” unsub to be counted anymore.

R -- Redacted by HELP Committee
Financial Aid Analyst
Vatterott College - Corporate Office
PO Box 28259
Chariton, IA 50049

R -- Redacted by HELP Committee
<table>
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<th>OPED Code</th>
<th>Campus in that Code</th>
<th>Title IV (Nominator)</th>
<th>Non-Title IV (Nominator)</th>
<th>Total (Denominator)</th>
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Vatterott Education Centers, Inc.  
90-10 Report for Calendar Year 2009  
R — Accounting Manager

We received a wire transfer into the operating account for $R => for the purchase of the Quincy/Oklahoma City/Dallas old park. Please record the cash proceeds as a credit to fund debt write-off at these campuses. The amount of the recovery by campus is Dallas - $R => Oklahoma City - $R => and Quincy - $R => We should make sure this gets picked up in the December 9/10 calculation. Is the November 9/10 done? Have we posted the adjustment to the students’ ledger cards?

Dennis

From: Mark Fouler
Sent: Wednesday, December 05, 2007 10:32 AM
To: R — Redacted by HELP Committee
Cc: 
Subject: RE: 9/10 Procedures for Year End

Here is the attachment.

From: R — Corporate Director of Financial Aid
Sent: Wednesday, December 05, 2007 10:20 AM
To: R — Redacted by HELP Committee
Cc: 
Subject: 9/10 Procedures for Year End

We have completed the sale of the debt to Global Acceptance Credit Corporation.

The cutoff date for the sale was November 28, 2007. Any payments received after that date must be forwarded to the buyer of the accounts. Since you had the opportunity to review these accounts prior to the sale we do not anticipate any phone calls asking us to recall accounts. In addition, if a student wishes to reinstate these balances will not be included. Please make sure you obtain information from corporate accounting on how to code the subsidiary ledger to indicate the student now has a zero balance with Vatterott. Any payments received prior to that date we can keep and the balance adjusted. I only had 2 payments reported to me by OKC that were received prior to Nov 28th and those accounts have been adjusted. Attached to this email is a list of the accounts sold. We have agreed to provide a copy (front and back) to the enrollment agreement to the buyer within 3 weeks. Please begin this process now so that you will have your agreements copied and ready to ship when you provide the address.

Graduation Checks

You should begin immediately to review your list of graduates for the end of this current term. Even if they are not going to graduate until January or early February we need to determine if there is a credit balance on their account and process these checks during the month of December. For example, if a student is scheduled to graduate on January 24th and they have a credit balance on their account right now, we should call them in and ask if they want to return their money to the lender or to them. The check requests then need to be sent to accounting be December 14th to have a check issued the week of December 17th. When these checks are received at the campus (if being issued to the student) they have their sign and date an acknowledgement that they have received their credit balance. Also include in the acknowledgement a statement that this closes their account and any additional charges or books will be at their own expense.

Please feel free to call me if you have any questions.
From: R - Campus Director
To: Dennis Beavers
Sent: 3/16/2010 6:37:56 PM
Subject: RE: Important Information - Salon/Restaurant Budget to Actual Report - Feb 2010 and April Budget

Hi Dennis, quick question – our restaurant will not be open until April 26th, what is the March budget supposed to be from? The two KVM’s can’t pull that much?

Thanks,
R - Campus Director

From: Dennis Beavers
Sent: Thursday, March 18, 2010 6:32 PM
R - Redacted by HELP Committee

Subject: Important Information - Salon/Restaurant Budget to Actual Report - Feb 2010 and April Budget

Attached you will find the Salon/Restaurant receipts report for February and the April budget. As a Company, we were still below significantly below budget for February. However, we did improve compared January. In February we achieved 60% of our budgeted goal as a Company compared to only 43% in January. L’Ecole Memphis became the first campus to exceed its budgeted goal and three other campus programs (Omaha Voc Tech, St. Joseph Salon, and L’Ecole St. Louis Restaurant) were over 70% of goal.

This is a key component to meeting our 90:10 ratio and requires everyone’s focus. If your campus was below 70% of budget for the February, please put together a plan outlining the steps you are going to take to increase activity in your campus to achieve April budget. Please email this plan to the Regional Director, Divisional VP and R - . Thanks for your attention to this important initiative.
From: Dennis Beavers  
Sent: Tuesday, October 06, 2009 12:20 PM  
To: Campus Director  
Subject: RE: Student Need  
Attachments: R – Redacted account card.pdf

From: Campus Director  
Sent: Tuesday, October 06, 2009 12:20 PM  
To: Dennis Beavers  
Subject: FW: Student Need

From: R – Redacted by HELP Committee  
Sent: Tuesday, October 06, 2009 12:13 PM  
To: R – Accounting Manager  
Cc: R – Director of Financial Aid and Campus Director  
Subject: RE: Student Need

Guys:
I think you may need more info on the Employer’s Tuition Reimbursement Policies to be sure that you (and the student) knows what they really need. I would think that a letter saying that FA has been processed and will be coming in the amounts expected to cover the bill would help.

If the employer is absolutely rigid, I will calculate whether the Tuition Reimbursement would make a difference is the 9/10 and release the disbursements if it will help and not hurt. (The calculation is bizarre just getting ten money in does not guarantee it gets counted. Remember – we are not sharing with the students that we are not disbursing…it’s a software issue and it’s temporary.

Let me know.

From: R – Accounting Manager  
Sent: Tuesday, October 06, 2009 12:01 PM  
To: R – Redacted by HELP Committee  
Subject: FW: Student Need

How can we make sure that we will receive all the funding to cover the student’s balance? I am not in favor of writing a letter showing a zero balance which could be used in the future against us should she leave prior to the end of the program.

Thanks!

R – Redacted by HELP Committee

Accounting Manager
Vatterott Educational Centers, Inc.
P.O. BOX 28289

VAT-02-09-00917

Vatterott
Document 17, Page 1
R — Redacted by HELP Committee

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From: R — Campus Director
Sent: Tuesday, October 06, 2009 11:41 AM
To: R — Director of Financial Aid and Accounting Manager
Subject: RE: Student Need

The student told me all they will accept is something stating the total amount due and that the total was paid in full. Anything showing a balance will not work for her.

I believe we will have to accommodate due to the fact that it is the Title IV issue... that is to be kept invisible from the student.

Thanks,

R — Campus Director

From: R — Accounting Manager
Sent: Tuesday, October 06, 2009 11:27 AM
To: R — Director of Financial Aid
Cc: R — Campus Director
Subject: RE: Student Need

R — Director of Financial Aid

Did they reimburse her for last term? If so, then I would think a copy of the ledger card would be sufficient to show the charges again. Just let me know and I will come up with something.

Thanks!

R — Redacted by HELP Committee

Accounting Manager
Vatterott Educational Centers, Inc.
P.O. BOX 32606
Olivette, MO 63132

R — Redacted by HELP Committee

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From: R — Director of Financial Aid
Sent: Tuesday, October 06, 2009 11:24 AM
To: R — Accounting Manager
Cc: R — Campus Director
Subject: RE: Student Need

Hi R — Accounting Manager

VAT-02-09-00908
Currently we have a hold on our Title IV aid. No funds have come into the Memphis L'Ecole Campus thus far. For further clarification on the Title IV hold can be addressed to either Dennis Beaver or R -- [Redacted by HELP Committee]

While this is our case is there anything else that can be provided to the student to reflect her tuition being paid contingent upon receipt of her financial aid award? Please advise.

Thank you, ☺

R -- [Redacted by HELP Committee]
Director of Financial Aid
L'Ecole Culinaire – Memphis
R -- [Redacted by HELP Committee]

---

From: R -- Campus Director
Sent: Tuesday, October 06, 2009 10:57 AM
To: R -- Accounting Manager
Cc: R -- Director of Financial Aid
Subject: RE: Student Need

R -- Director of Financial Aid
Can you please provide information on this?

Thanks,
R -- Campus Director

---

From: R -- Accounting Manager
Sent: Tuesday, October 06, 2009 10:55 AM
To: R -- Campus Director
Subject: RE: Student Need

We cannot issue letters that show a balance different than the ledger card. What is the reason the funding has not come in?

Thanks!

R -- [Redacted by HELP Committee]

---

Vatterott Educational Centers, Inc.
P.O. BOX 28269
Olive, MO 63132

R -- [Redacted by HELP Committee]

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From: R -- Director of Financial Aid
Sent: Tuesday, October 06, 2009 9:51 AM
To: R -- Campus Director
Cc: R -- Redacted by HELP Committee
Subject: RE: Student Need

Hi R -- Campus Director

I did provide Latoya with a copy of her ledger card and it shows prior and current tuition charges. If her employer would accept a letter from the school showing charges for her 07/06/09 term I believe that would be sufficient.

R -- , please correct me if I am wrong.

Thanks, ☻

R -- Director of Financial Aid

From: R -- Campus Director  
Sent: Tuesday, October 06, 2009 9:40 AM  
To: R -- Redacted by HELP Committee  
Cc: R -- Director of Financial Aid  
Subject: Student Need  
的重要性: 高

One of our students Latoya Hawkins gets reimbursed from her job for school. She has to show them each phase that her bills are paid in full. She was given an account card (which now I realize states the balance not due) for last phase but it does not show a zero balance since I think some funding has not come in yet or something -- Antoinette?  

Do you think I can type a letter for her stating $?? was owed for the phase and was paid with zero balance remaining for that phase so she can get reimbursed? If so, what would those amounts be?

Thanks,

R -- Redacted by HELP Committee

Director  
L'Ecole Culinaire  
1245 N. Germantown Pkwy.  
Cordova, TN 38016  
R -- Redacted by HELP Committee

www.lecolleculinaire.com
Heard you got OKC moved. Nice work. That R — Redacted was so worried about 90/10. You should tell him to kiss your ass.
(sorry for the cursing)

R — Redacted by HELP Committee
Wellspring Capital Management LLC
390 Park Avenue, 5th Floor
New York, NY 10022
R — Redacted by HELP Committee
From: R — Redacted by HELP Committee
To: 
CC: 
Sent: 9/27/2008 12:49:45 AM
Subject: 90/10 and Cosmo

Region II,

Do each of you know where you stand on 90/10? Remember the new Title IV authorization helps us. Where else can you make growth? Contract/Customized training is in our favor. I would like to know if any of you are conducting any of the sort currently. Those of you with Cosmo should maximize sales services this year and sell any retail products on your shelves. Inventory makes no sense going into the fourth quarter.

It has been estimated that 47% of revenue in retail sales come from the sale of products. Our students need to know the value of selling retail and our syllabi should give them to not only sell retail products, but develop a client book of business - they should be "re-looking" the client for the next service.

Make sure your PD and DOE work with R — on the sales process for Cosmo services. This is a vital part of their postgraduate application and an important factor in our business process.

Thanks,

R — Redacted by HELP Committee
Vatterott College
809 Illinois Ave.
Joplin, MO 64801
R — Redacted by HELP Committee
From: Dennis Beavers
To: [Redacted] by HELP Committee
Cc: [Redacted]
Subject: RE: 2006 performance

Vatterott generated an increase in revenue of 4% as a result of tuition increases and a slight increase in enrollment. The increase in revenue combined with vigilant expense management lead to a 5% increase in EBITDA and improved EBITDA margin.

From: [Redacted] by HELP Committee
Sent: Monday, April 23, 2007 3:04 PM
To: Dennis Beavers
Subject: 2006 performance

Dennis,

Could you provide me with a couple of sentences that explain the increase in revenue (R %) and EBITDA (R %) in 2006 (vs. 2005), and the improvement in EBITDA margin.

Thanks,

[Redacted] by HELP Committee

[Redacted] by HELP Committee
New York Life Capital Partners
51 Madison Avenue, 16th Floor
New York, NY 10010
[Redacted] by HELP Committee
From: Dennis Seavers
To: R — Corporate Controller
Sent: 9/10/2007 11:13:00 AM
Subject: RE: TUITION INCREASE

There was never a planned August increase. When we made the September increase, the intention was to do an additional increase in the Spring of 2007. That has not happened yet to my knowledge. The reason the increase needs to happen as soon as possible is that all students starting after July 1 will be eligible for the increased loan limits for the entire duration of their schooling. Thus we are likely to run into 90/10 problems if we don’t increase tuition.

I didn’t know that R — told Joplin to do the increase now, but I suspect this is the first of many such requests. We need to determine how quickly we can make this happen and what additional resources will be necessary to accomplish this. If we need to pull in some additional help, we will do it.

---

From: R — Corporate Controller
Sent: Thursday, May 10, 2007 10:54 AM
To: Dennis Seavers
Subject: Re: TUITION INCREASE

Do you know anything about this increase? In Campus Vue, it is really important to coordinate the increase since a lot of synchronization is involved. Because we are still getting the Joplin Campus Vue information input and verified. I don’t think it makes sense to make a significant change like that right now. Further, the individuals who need to do the increase [R — Redacted R —] are on leave for convention validation and do not have time to implement the changes.

My understanding of some of the steps involved in tuition changes:
1. Create new program versions in the system and link it to the appropriate program, classes, etc (I am not familiar with the steps in this process, but I understand it is extensive);
2. Once the program version is created, update Financial Aid budgets for the version with new tuition figures;
3. Ensure that all enrolments to-date are already in the system, as we cannot give aid rates to new enrols.

I can find out the additional steps, but because the Campus Vue team is already spread thinly at all campuses, this significant change really worries me. I know when the increase occurred on September 1, we knew about it in early August. We added all of that time to prepare the system. It is likely that the process is smoother now, but not smooth enough to do it before we’re ever to-date with the 4/05 data from the conversion. Let me know your thoughts and what additional information we need.

If you want me to go through it with R —. I’m happy to, but I thought I’d check with you first to see if you were aware. Thanks!

R — Corporate Controller
Corporate Controller
Vatterott College
R — Redacted by HELP Committee

---

From: R — Campus Accountant
Sent: Thursday, May 10, 2007 10:39 AM
To: R — Accounting Manager
Subject: RE: TUITION INCREASE

R — let me know yesterday afternoon and I kept forgetting to e-mail you about it. I guess it might have come from R — he has been here most of this week.

R — Redacted by HELP Committee
Campus Accountant
Vatterott College
R — Redacted by HELP Committee
From: R – Accounting Manager  
Sent: Thursday, May 10, 2007 10:36 AM  
To: R – Campus Accountant  
Subject: RE: TUITION INCREASE  

Where did this directive come from?

R – Campus Accountant  
Sent: Thursday, May 10, 2007 10:34 AM  
To: R – Accounting Manager  
Subject: TUITION INCREASE  

R – Accounting Manager  
We are increasing tuition costs as of today. I know the change will need to be made in Campus Van and I understand how it is important for us to do the change correctly and that is why I am e-mailing you to let you know what is going on and ask you to help walk me through the process.

Thank you  

R – Redacted by HELP Committee  
Campus Accountant  
Vatterott-Jodli  
R – Redacted by HELP Committee
From: R — VP Eastern Division
To: R — Corporate Controller
Sent: 8/9/2010 3:59:19 PM
Subject: PW TUITION UPDATES 2010-DIV 1

I am hearing that R — VP Eastern Division didn’t know that they had an increase. Did R — copy you on the email she sent as requested below?

R — VP Eastern Division
VP Eastern Division
R — Redacted by HELP Committee

From: R — VP Eastern Division
Sent: Wednesday, June 23, 2010 8:53 AM
To: R — Redacted by HELP Committee
Subject: For: TUITION UPDATES 2010-DIV 1

Please send a reminder to the Memphis schools and copy R — Corporate Controller
Sent on the Spur-st!! Now Network from my Blackberry!

From: R — Corporate Controller
Date: Wed, 23 Jun 2010 08:39:46 -0500
To: R — VP Eastern Division
Cc: R — Redacted by HELP Committee
Subject: RE: TUITION UPDATES 2010-DIV 1

I don’t believe any of the campuses were aware that they received approval, as all of the tuition proposals have the old pricing for the 6/21 start. Please include me on your communication to the campuses regarding the updated pricing for the 8/20 start. We will update the fees in Campus Vue accordingly.

Ms. Matt Bates
Corporate Controller
Vatterott Educational Centers, Inc.
P.O. Box 29659
Olivette, MO 63132
R — Redacted by HELP Committee

From: R — Redacted by HELP Committee
Sent: Wednesday, June 23, 2010 8:29 AM
To: R — Corporate Controller
Cc: R — Redacted by HELP Committee
Subject: RE: TUITION UPDATES 2010-DIV 1

A formal notification of tuition changes was sent to the THEC on 3/18/10 and the changes were approved on 4/13/10, effective the date of the letter. I have attached the 4-13 letter.

From: R — VP Eastern Division
Sent: Tuesday, June 22, 2010 6:07 PM
To: R — Corporate Controller
Cc: R — Redacted by HELP Committee
Subject: RE: TUITION UPDATES 2010-DIV 1

To my knowledge we got approval to implement the increase for the August starts. Not sure if we received a formal notification. R — Redacted , do you recall?

Vatterott
Document 23, Page 1
R -- Redacted by HELP Committee
VP Eastern Division
R -- Redacted by HELP Committee

From: R -- Corporate Controller
Sent: Tuesday, June 22, 2010 4:23 PM
To: R -- Redacted by HELP Committee
Subject: FW: TUITION UPDATES 2010-DIV 1

R -- VP Eastern Division

Do we know the timing for the TN schools to get approval for the tuition increases?

R -- Corporate Controller
Corporate Controller
Vatterott Educational Centers, Inc.
PO Box 26269
Columbia, MO 65202

R -- Redacted by HELP Committee

From: R -- Corporate Controller
Sent: Thursday, February 25, 2010 9:54 AM
To: R -- VP Eastern Division
Subject: TUITION UPDATES 2010-DIV 1

R -- VP Eastern Division

see the attached tuition updates for 2010. These updates should go into effect after your next start. Please send me a listing by campus of when the increases will be effective. I know there are certain campuses that require state (or other) approval before we can make tuition changes. Have your directors carefully review this listing and let me know if there are any missing programs. Let me know if you need any additional information. Thank!

R -- Corporate Controller
From: R – Campus Director, OKC
To: R – Region III Director of Operations
CC: R – Divisional Vice President of Operations
Sent: 12/4/2009 9:20 PM
Subject: RE: Concern re: Catalog and new prices

Whew . . . . that's the right thing to do.

Glad to hear it and you, I'll stay or it starting Monday.

-----Original Message-----
From: R – Region III Director of Operations
Sent: Fri 12/4/2009 8:26 PM
To: R – Campus Director, OKC
Cc: R – Redacted ; R – Divisional Vice President of Operations
Subject: RE: Concern re: Catalog and new prices

I spoke to Dave and he said at the point you have your new tuition in the system (stay on this?) that is when to charge students. We need that ASAP. We will not increase an already enrolled student with new rates though due to an effective date of 11/9 on a catalog.

R – Redacted by HELP Committee
Regional Director of Operations–Region III
Vatterott Educational Centers
3875 S. Campbell
Springfield, MO 65807
R – Redacted by HELP Committee

"Career Skills for a Better Life"
www.vatterott-college.edu (http://www.vatterott-college.edu/)

-----Original Message-----
From: R – Campus Director, OKC
Sent: Fri 12/4/2009 12:13 PM
To: R – Region III Director of Operations and OKC Campus Director of Financial Aid
Subject: Concern re: Catalog and new prices

R – Region III Director of Operations

R – brought to my attention just now that back in OCT 2008 after the last tuition increase, there was a delay in when we finally got the catalog and students who had been enrolled from the effective date to several weeks forward, had to do new tuition proposals that reflected the new tuition increase.

In our case, we are 3+ weeks past (nearly one month actually) from the effective date of November 9th. Most of the 50 or so students in Future Start status were enrolled in the last four weeks, I'm concerned if there is really an issue here. I don't see how we can go back and tell these students they have to pay more if they want to start in January.

Can you push this up the ladder for me? I'm not sure who the right person at corporate would be to inquire, but we certainly want to do it right here in OKC.

VAT-03-11-00312
I took it to mean enroll everybody for the June start at the current rate. Then everybody for the August start forward at the new rate (as long as they enroll after June 1st which at this point we would have them do).

I am also trying to clarify about the trip component since it is in our new catalog but increased tuition is not happening yet...

---

From: R – Eastern Division VP of Operations
Sent: Friday, May 14, 2010 4:01 PM
To: R – Campus Director, L'ecole Culinaire Memphis
Subject: RE: State Tuition Increase Acceptance

Anyone who enrolls for your next start after June 1, to be more specific, The way I read it, you can’t start charging until June 1st so if anyone were to enroll in the start after 6/21 in May, they would still get the old rate. Obviously try to avoid that. If you read it differently, let us know.

R – Eastern Division VP of Operations
Vatterott Education Centers
VP of Operations - Eastern Division
P.O. Box 205909
Chesapeake, VA 23325-8012
R – Redacted by HELP Committee

---

From: Pam Bell
Sent: Friday, May 14, 2010 3:47 PM
To: R – Redacted by HELP Committee
CC: Dennis Beavers
Subject: RE: State Tuition Increase Acceptance

Your next start.

---

From: R – Campus Director, L’ecole Culinaire Memphis
Sent: Friday, May 14, 2010 10:48 AM
To: R – Redacted by HELP Committee
Subject: RE: State Tuition Increase Acceptance

Sorry – here is the letter!

---

From: R – Campus Director, L’ecole Culinaire Memphis
Sent: Friday, May 14, 2010 10:49 AM
To: R – Redacted by HELP Committee
Subject: State Tuition Increase Acceptance

R – speaking of this tuition increase the other day, here it is finally! It says it is effective June 1st. So, do we just continue with our current tuition through the start in June then change fresh with the next start or do we change on any enrollment for this start occurring June 1st forward?

Thanks
R – Campus Director, L’ecole Culinaire Memphis
4820

From: R -- Campus Director, Austin Business College  
To: R -- Regional Director
CC: 
Sent: 7/13/2006 11:18:53 AM
Subject: RE: Tuition increases

R -- Regional Director

We will make this happen for our Sept 18th start. I will compile the competitor list and determine a reasonable percentage to increase. I will have this data for you by Friday, July 21st.

Thanks,

R -- Redacted by HELP Committee
Campus Director, 
Austin Business College
R -- Redacted by HELP Committee

From: R -- Regional Director
Sent: Thursday, July 13, 2006 11:13 AM
To: R -- Campus Director, Austin Business College
Cc: Jim Walsh
Subject: RE: Tuition increases

R -- Let's look at this & see if we can implement an increase effective Aug 1st for your Sept 18 start. Can you pull together a list of competitors (other career schools) and what their tuition is?

Thanks,

R -- Regional Director

From: R -- Campus Director, Austin Business College
Sent: Thursday, July 13, 2006 10:59 AM
To: R -- Corporate Controller
Cc: R -- Regional Director
Subject: FW: Tuition increases
Importance: High

Marti,

Austin Business College has not increased tuition this year and, at this point, we have no plans to increase tuition prior to the years end.

Thanks,

R -- Redacted by HELP Committee
Campus Director, 
Austin Business College
R -- Redacted by HELP Committee

From: R -- Regional Director
Sent: Thursday, July 13, 2006 10:19 AM
To: R -- Redacted by HELP Committee
Subject: FW: Tuition increases
Importance: High
Please get R — the info she needs ASAP. As always, cc me.

Thanks,
R — Regional Director

From: Mark Wilke
Sent: Wednesday, July 12, 2006 5:21 PM
R — Redacted by HELP Committee

Subject: FW: Tuition increases
Importance: High

Please send me your tuition increase information as soon as possible. If you have any questions, please let me know. Thank you!

R — Corporate Controller
Vatterott College
R — Redacted by HELP Committee

From: R — Corporate Controller
Sent: Thursday, July 06, 2006 5:22 PM
To: vat-campus-directors
Cc: R — Redacted by HELP Committee
Subject: Tuition increases

Please let me know if you have had a tuition increase this year. If so, please indicate the date of the increase and identify the detail of the increase (i.e. 4% increase to all programs or various 5% increases by programs, etc).

If you have NOT had a tuition increase this year, but plan to do so before the end of the calendar year, please let me know the timing and the details of your proposed increase.

Let me know if you have questions—thanks!

R — Corporate Controller
Vatterott College
R — Redacted by HELP Committee
From: Marti Wilke
To: R -- Redacted by HELP Committee
Sent: Thursday, July 06, 2006 5:22 PM
Subject: Tuition increases

Please let me know if you have had a tuition increase this year. If so, please indicate the date of the increase and identify the details of the increase (i.e., 4% increase to all programs or various %age increases by programs, etc.).

If you have NOT had a tuition increase this year, but plan to do so before the end of the calendar year, please let me know the timing and the details of your proposed increase.

Let me know if you have questions—thank you!

Marti Wilke
Controller
Vatterott College
R -- Redacted by HELP Committee
R — you make some great points — the tuition is a key one and the soccer. Can we get it implemented this fall? Thanks for getting them integrated into our way of thinking, Peter.

From: R — Regional Director
Sent: Saturday, August 26, 2006 11:23 AM
To: R — Redacted by HELP Committee
Cc: Jim Walsh, Peter Mitchell
Subject: Various Policy & Procedures

R — Redacted by HELP Committee

As promised, I will summarize various policy and procedures that we have discussed on my initial visits to your schools.

Regional Director approval is required on the following:

- Student Installment Plans over $1,000.00: Attached are the Vatterott guidelines.
- Re-enroll with an outstanding balance: Re-enroll as a student who has withdrawn from school within the past year. Students who withdraw from school more than a year ago are considered New Start.
- All personal actions of significance, (i.e., doubt about what is “significant,” not by me). Forms that need my signature prior to submission to home office are the Request For Reinstatement (RFR) and the Personnel Action Form (PAF).
- Capital Appropriation Requests.
- All contract.
- Your expense reports.
- All travel expenses need Regional Director prior approval.

Other procedure items we discussed were:

- I need to be copied on all correspondence with home office staff (reports, emails, memos, letters, etc.). This includes not only communications from you but also anyone at your campus.
- You should both be copied on all correspondence between your campuses, e.g., FA communications.
- When reporting final start numbers, your QNR, number, that number is set on Monday of week 3 of the term. Prior to week 3 any new start who decides not to continue is a no show.
- When reporting enrollment numbers or start numbers, do not combine re-enrolls with the new start number. Always report separately.

Pending issues:

- Tuition increase: We need to consider a much higher increase than the one pending approval. We need to consider implementation of the increase ASAP, as soon as we can get it approved. In the attached 2006 Annual Institutional Report you can find average tuition rates for other ACCS and non-ACC schools. CRI appears to be on the low end of the scale when we should be one of the price leaders. And, your 90-10 ratio mandates a more aggressive approach to pricing.
- Communications between your two schools is strained, particularly in the FA departments. We will work together to resolve.
- SAT/PSAT policy clarification is needed.
- 6 week starts: This may be a big opportunity for us in 2007. As has looked at this concept in the past & has a model in mind. Let’s work toward making this happen in Feb ’07.
- Admissions process: Specifically we will no longer require the collecting of a minimum $25 deposit (enrollment fee the $100 registration fee) prior to the applicant getting packaged in FA.

In Houston, the base expires in the Fall ’07. R — Redacted is working toward developing our options.

In Dallas, there is a pending building signage issue. Here too, R — Redacted will assist.

On each of my initial visits, we discussed many things. I probably didn’t capture everything in this email but hopefully this helps us get started. Both of you have great looking schools and engaged staff/faculty and students. I was very impressed, and I look forward to learning a lot from you. I’m also looking forward to being a part of the growth & opportunity that exists for you and your schools.
Can we get this out to the schools this week? I don't want to have a bunch of enrollments with the old rates...

We need the new tuition increase information for the March start. I don't plan to enroll many people for the January next week and we have quite a few that are wanting to start in March already. Have you heard anything? I don't want to put people off next week because we don't have correct pricing information.

Thanks,
R — Campus Director, Sunset Hills
<table>
<thead>
<tr>
<th>Time</th>
<th>Department</th>
<th>Topic</th>
<th>Presenter</th>
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<tbody>
<tr>
<td>9:30am to 9:45am</td>
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<td>Introduction Agenda Review</td>
<td>Aaron Lacey</td>
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<tr>
<td>9:45am to 11:00am</td>
<td>Regulatory Affairs</td>
<td>Ethics and Leadership in Admissions</td>
<td>Aaron Lacey</td>
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<tr>
<td>11:00am to 12:15pm</td>
<td>Quality Assurance</td>
<td>Admissions Coordinator Policies and Procedures Manual Review</td>
<td>R – Redacted by</td>
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<tr>
<td>12:15pm to 12:30pm</td>
<td>Parks &amp; Recreation</td>
<td>Break</td>
<td>R – Regional Academic Dean</td>
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<td>12:30pm to 1:00pm</td>
<td>Academics</td>
<td>Satisfactory Academic Progress The Grading Scale Attendance Requirements Graduation and Employment Rates</td>
<td>R – Regional Academic Dean</td>
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<td>1:00pm to 2:30pm</td>
<td>Financial Aid</td>
<td>Tuition and Fees Financial Aid Processing Ethical Standards</td>
<td>Anne Hope</td>
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<tr>
<td>2:30pm to 2:45pm</td>
<td>Parks &amp; Recreation</td>
<td>BREAK</td>
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<td>2:45 pm to 3:15 pm</td>
<td>Quality Assurance</td>
<td>The Enrollment Process Student Enrollment Admissions Checklist</td>
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</tr>
<tr>
<td>3:15 pm to 4:30 pm</td>
<td>Quality Assurance</td>
<td>Admissions Information Disclosure Transfer Credits Tuition and Fees Program Curriculum Sheets Campus Flip Charts Campus Information Binders</td>
<td></td>
</tr>
<tr>
<td>4:30 pm to 5:00 pm</td>
<td>Quality Assurance</td>
<td>Providing Optimal Customer Service</td>
<td></td>
</tr>
<tr>
<td>5:00 pm to 5:30 pm</td>
<td>Quality Assurance</td>
<td>General Discussion -- Q&amp;A</td>
<td></td>
</tr>
</tbody>
</table>
Ethical Challenges in our Sector

- Long history of allegations of misconduct, and not all unfounded.
- Misrepresentations relating to program cost, financial aid, term of education, graduation and placement rates, and availability of job opportunities.
- Questionable recruiting, advertising and admissions tactics (recruiting in homeless shelters, offering inducements to enroll or take out loans).
- Outright fraud and deceit (falsifying documents; diploma mills).
In May 2005, Vatterott discovered that certain students at its St. Ann (now North Park) Campus appeared to have submitted false GEDs to obtain admission. Vatterott hired a Washington, D.C. law firm to conduct an internal investigation, and subsequently identified additional false GEDs that had been submitted at its Kansas City Campus.

The Company promptly and voluntarily reported the issue to the Office of the Inspector General of the U.S. Department of Education ("OIG").
• On May 23, 2007, R – Redacted by HELP Committee, one of two admissions representatives involved in the procurement of false GEDs at St. Ann, pled guilty to criminal fraud charges in conjunction with creating false GEDs for students at Vatterott and other colleges.

• April 2010, R – Redacted by HELP Committee, former director of Vatterott College – Kansas City sentenced to a year in federal prison without parole for his role in a conspiracy to fraudulently obtaining federal financial aid by providing false GEDs and falsifying financial aid forms; also ordered to pay $36,964 in restitution.

• R – Redacted by HELP the last of three defendants to plead guilty in the case. All three worked in admissions and financial aid.
New USDE Regulations

- Year ago USDE announced sweeping new set of regulations covering 14 different areas, all relating to "program integrity issues."
- Proposed regulations due this summer, addressed topics such as misrepresentation, incentive compensation, proof of state authorization, satisfactory academic progress, and verification.
- These are tough new regulations that have been proposed; they are being debated vigorously and have created a tense atmosphere in Washington.
US Senate Hearings

Also this summer, Senate HELP Committee initiated hearings to examine for-profit higher education. They have been intense and unfavorable, to say the least.

At hearing earlier this summer, Senate Democrats made clear they plan to pursue legislation aimed at reining fraudulent practices.

More hearings are being scheduled, Senate collecting broad sets of information from for-profit colleges and starting to draft legislation aimed at cleaning up the sector.
The GAO Report

- During most recent hearing, GAO report released. GAO did "secret shopper" investigation of 15 for-profit campuses.
- Discussed report at hearing along with hidden videotape.
- Investigation identified "fraudulent, deceptive or otherwise questionable marketing practices" at all 15 institutions, and outright fraud at four institutions.
- Coupled with a former recruiter's account of his experience, hearing depicted an industry aggressively and universally going after "leads" and "starts" with the institutional objective of securing federal financial aid dollars.
- "GAO's findings make it disturbingly clear that abuses in for-profit recruiting are not limited to a few rogue recruiters or even a few schools with lax oversight," Harkin said.
Increased Oversight by USDE

- Following release of GAO Report, Secretary Arne Duncan sent letter to Chairman Harkin promising to "respond quickly and aggressively" to findings in GAO report.
- The OIG will take appropriate action, including referring for criminal prosecution all individuals who are determined to have been involved in fraudulent or criminal activities. Federal Student Aid (FSA) is also reviewing the GAO findings as a possible basis for investigations of and enforcement actions against schools.
- FSA is also in the process of hiring more than 60 additional staff to strengthen oversight [...]. In the near future, FSA will also hire a new Chief Customer Experience Officer to manage consumer protection activities.
- In addition, we will be reviewing GAO's undercover project and its methods as well as the similar practices of other Federal agencies. [...] the Department will be developing a program to use these methods to assess institutional compliance with existing statutory and regulatory requirements [...].
Increased Scrutiny in the Press

- Frontline, CNN stories in weeks past.
- ABC News aired a series of programs with content on for-profit schools last week. This material appeared on Good Morning America, the Evening News with Diane Sawyer, and Nightline.
- Segments included undercover videotape elements that painted a negative portrayal of admissions advising, with one reiterating a homeless applicant theme.
- More segments — and secret shoppers — still to come.
Working to Set Ourselves Apart

- Harkin, too, said he believed the encouragement to aggressively and dishonestly pursue students came from higher up. "That doesn't come from some employee," he said. "That comes from the top."
- Making sure everyone knows not at Vatterott. We will provide our educational services with patience, understanding, expertise and integrity.
- At Vatterott, we do things the right way. That is what sets us apart.
Vatterott's Internal Measures

- Revised and Enhanced Policies and Procedures
- Increased Training
  - Divisional Ethics Sessions
  - Company-Wide Admissions and FA Ethics Training Calls
  - Leadership Ethics Training
  - Admissions Coordinator Training
- Internal secret shopping ongoing.
  - There already have been terminations for exaggerations related to job availability and transferability of credits.
  - Also suspensions for exaggerations related to salary potential, exam passage rates, and poor student service.
- QA Audits Ongoing
Ethics & Leadership

- But to be successful, we need leadership, at every level, to consistently communicate the importance of ethical conduct in all aspects of our operations.
- We need this leadership from corporate, campus directors, DOAs, and admissions coordinators.
- In fact, your leadership is most critical.
Ethics

- Standards of conduct that indicate how one should behave based on principles of right and wrong.
- Ethics is not about the way things are...it's about the way things ought to be.
- Ethics is about character and courage and how we meet the challenge when doing the right thing will cost more than we want to pay.

—Michael Josephson
Ethics & Leadership

- Ethical Leadership: Our leaders must be ethical.
- Leadership in Ethics: Our leaders must motivate and inspire others to be ethical.
Ethical Leadership

- Approach action with an ethical perspective:
  - Be sensitive to ethical issues
  - Make reasoned judgments
  - Have the motivation to act ethically
  - Follow through with action
  - Look back and learn from the situation
Ethical Leadership

- Be informed as to applicable rules of conduct:
  - Employee Code of Conduct
  - Principles of Business Ethics
  - Admissions Code of Conduct
  - Accreditor Standards
  - Federal and State statutes, regulations and guidance
Ethical Leadership

- Avoid Common Rationalizations for Unethical Conduct
  - If it's necessary, it's ethical
  - If it's legal and permissible, it's proper
  - I was just doing it for you
  - I'm just fighting fire with fire
  - It doesn't hurt anyone
  - Everyone is doing it
  - It's ok if I don't gain personally
  - I've got it coming
  - I can still be objective
Ethical Leadership

- Ultimately Practice Ethical Decision-Making
- Read and Review Laws
- Listen for bells warning you
- Check to see if there are any laws regulations, rules or guidelines
- How will your decision look in the light?
Ethical Leadership

- An ethical person often chooses to do more than the law requires and less than the law allows—there is a difference between what you have a right to do and what is right to do." — Justice Potter Stewart
Leadership in Ethics

- Practice leadership in ethics
- Leaders:
  - Motivate others to achieve a goal
  - Set Direction
  - Influence and inspire
Leadership in Ethics

- We need leaders in admissions to motivate, influence and inspire others to:
  - Approach action with an ethical perspective
  - Be informed as to applicable rules of conduct
  - Avoid Common Rationalizations for Unethical Conduct
  - Ultimately, Practice Ethical Decision-Making
Leadership in Ethics

- It is not enough for our leaders to merely act ethically themselves, they must set the direction for this entire company, they must motive and inspire others to do so.
Leadership in Ethics

When people accept responsibility for their own conduct and for the well-being of others, ethics serves to stabilize society. Ethical leadership is the antidote to despair and cynicism that is crushing our spirit and clouding our future. Ethics is our hope.

— Gary Edwards, Ethics Resource Center
Ethical Practices in Admissions: The Revised Admissions Coordinator Code of Conduct

- Admissions Personnel are charged with (1) recruiting quality prospective students to attend Vetterott schools, (2) communicating to such students pertinent information relating to the schools' educational programs and services, and (3) assisting such students with completion of the enrollment process, should they choose to attend. It is the Company's policy that at all times these duties will be carried out with exceptional professionalism, honesty, and integrity. The purpose of this Admissions Personnel Code of Conduct is to ensure compliance with this policy by establishing standards of conduct for employees with responsibility for admissions. Violations of this Code of Conduct may result in disciplinary action, up to and including dismissal.
Ethical Practices in Admissions: The Revised Admissions Coordinator Code of Conduct

- The following guidelines shall be adhered to by all Admissions Personnel through all phases of the admissions process:

  - Admissions Personnel shall maintain an exemplary level of professionalism, both in conduct and appearance, and provide prospective students with superior consideration and service.
  - All information provided by Admissions Personnel to prospective students shall be complete, current, and accurate.
  - No Admissions Personnel shall have a conflict of interest with respect to any prospective student. Interactions between Admissions Personnel and prospective students shall be for professional purposes only.

Vanderbilt
Document 30, Page 29
Ethical Practices in Admissions: The Revised Admissions Coordinator Code of Conduct

- Admissions Personnel shall not question any prospective student regarding his or her intimate personal life, race, religion, sexual orientation, age, marital or family status, or financial status.

- Admissions Personnel shall not permit a prospective student to sign an enrollment agreement unless and until such Personnel has (a) verified that the prospective student satisfies all criteria for admission, and (b) verified that the prospective student has received all information and services specified in, and signed, the Vatterott Educational Centers, Inc. Admissions Checklist.
Ethical Practices in Admissions: The Revised Admissions Coordinator Code of Conduct

- Admissions Personnel shall not discuss the Federal Student Financial Aid Programs beyond reciting the Vatterott Educational Centers, Inc. Approved Statement, located in the Admissions Coordinator Training Manual. Admissions Personnel shall not (a) counsel or comment on the amount of federal financial aid available to a prospective student, (b) encourage a prospective student to obtain federal financial aid funds in any amount, or (c) delay or deny any prospective student access to the Financial Aid Department.

- Admissions Personnel shall not discuss whether and to what extent other institutions will accept credits earned at a Vatterott school other than (a) to explain that the acceptance of credits is entirely the decision of the receiving institution, (b) to encourage a prospective student to inquire directly with the receiving institution, or (c) to review the parameters of an articulation arrangement between a Vatterott school and another postsecondary institution.
Ethical Practices in Admissions: The Revised Admissions Coordinator Code of Conduct

- Admissions Personnel shall not discuss or otherwise make any comment, general or specific, regarding the availability of employment subsequent to a prospective student's graduation. Admissions Personnel may (a) discuss the assistance provided to students and graduates by the Career Services Department, (b) review the school's most recent employment/placement rates (as reported to the school's accreditor), or (c) encourage a prospective student to research independently the availability of jobs in his or her field interest.

- Admissions Personnel shall not discuss or otherwise make any comment, general or specific, regarding earnings potential for graduates. Admissions Personnel may (a) provide a prospective with the website address for the Bureau of Labor Statistics or (b) encourage a prospective student to research independently the salaries of practitioners in his or her field interest.
Parting Thoughts

- Admissions Personnel and the current environment.
- Today's training.
Excerpts, selected by the HELP Committee, from a larger document
produced by the company
Admissions Training

Back to the Basics
<table>
<thead>
<tr>
<th>Enrollment Process</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leads/Inquiries</strong></td>
</tr>
<tr>
<td>- Receive lead via Campus Vue</td>
</tr>
<tr>
<td>- Call Lead within 24 hour period</td>
</tr>
<tr>
<td>- Leave voicemail (time stamp), follow up for two days calling morning/afternoon/evening</td>
</tr>
<tr>
<td>- Contact, persuade and convince</td>
</tr>
<tr>
<td>- Email lead within 24 hour period</td>
</tr>
<tr>
<td>- Use Welcome Email</td>
</tr>
<tr>
<td>- Email from Student Master in Campus Vue</td>
</tr>
<tr>
<td>- Follow up on a weekly basis</td>
</tr>
</tbody>
</table>
Enrollment Process

- Mail lead within 3 business days
  - Send batch mails out once a month
  - Print labels from Campus Vue
Call Strategies

- Familiarize yourself with the lead
  - Prepare for the call
- Attempt the call at various times throughout the day
- Confidence in knowledge about Vatterott programs and policies
- MAPS
  - Motivation, Admissibility, Payment, Start, Referrals
Call Strategies

- New Lead
  - Leave an Effective Message – give them a reason to call you back
    - Hi, this is Kelly White, your Admissions Coordinator with Valley City College. I received your request for information about our Medical Assisting program and I would love to answer any questions that you may have. My phone number is XXX and I can be reached between 8:00am and 8:00pm. I look forward to hearing from you and helping you on the path to your new career.

  - Ask for an alternative phone number or more appropriate time to call and DO IT
Call Strategies

- Never ask if it is a good time to talk
- Never ask if they are still interested, they just requested the information
- Second Message
  - Hi ________, this is Kelly from Vatterott College trying to reach you again. I am concerned that you did not receive my first message and I really want to help you reach your career goal. I know you are excited about going back to school and I would love to help you see how Vatterott can assist you in earning your degree. I can be reached at XXXXX from 8:00am to 8:00pm. I look forward to hearing from you.
Call Strategies

Third Message

Hi _____, this is Kelly White, your Admissions Coordinator from Vatterott College. I know you had expressed an interest in our Medical Assisting program, however I haven’t heard from you. Please let me know if this is still a goal of yours, so I don’t keep leaving you messages. If you are still interested in reaching your career goals please give me a call at XXXXXX. I look forward to hearing from you.
### Daily Call Management

- 50 Calls Per Day – 2 calls per day for each new inquiry
  - Excellent Customer Service
- Set Goals for yourself
  - Calls/Contacts/Appointments/Enrollments
- Plan your Day
Conversion Rate

- Goal of 15%
  - Leads to Appointments
  - Appointments to Enrollments
  - Enrollments to Quality Enrollments
Appointment Scheduling

- Personal Connection
- Appeal to the Motivating Factor
- Educate without offering total information
- Selling a Personal Investment vs. the Disadvantages of a life without one
- Ask for the Appointment
- High Sense of Urgency
Closing

- Reiterate the Benefits of an Education
- Benefits of Vatterott College
- Future Career Possibilities
- Student Capability and Commitment
- Persuade and Convince
Appointment to Lead – What to look for

- Low Call Volume – THIS IS HUGE. Is it REALLY there? This is typically the area that could use the most improvement and is overlooked!
  - Scheduled phone time daily
  - Be amongst the team OUT OF YOUR OFFICE (2/3 of your day)

- Control
  - Is the AC asking the questions or is the prospect
  - Observe phone calls ZTRAC

- Sticking with the Basics – Don’t give away the farm on the phone.
  - Phone script
    - Quick references the AC can refer to that are visible while on the phone

- Tone – Enthusiasm
  - If your AC isn’t excited about what they’re doing, the prospect won’t be excited to come in and visit.

- Value of the meeting
  - Purpose and importance to the prospect and the AC. “What’s in it for me?”
  - Sell the appointment not the school.

- Appointment has been sold between 3-6 minutes. If the rep has exceeded this time, they’ve lost control of the conversation and chances are they’ve given away the farm. Time it.

  LEAD BY EXAMPLE – Let the AC hear you set appointments and visa versa.

Show to Appointment (Interview) – How to improve

- Tone of previous call – does the student trust the AC and feel accountable and see the value of the meeting. Some AC’s tend to make “friends” with prospects over the phone. Tone is very important as too much of it can also take the purpose of the call way off track. Smile when you dial.

- Expectations given in initial phone call

- Hot buttons uncovered and identified

- Buying Committee

- Trust is built along with accountability through sharing expectations

- Work Schedule known

- Motivation known
Interest known

Student is aware of the value of the appointment – Check all this info occasionally upon completion of the call. PROBE

Enough info was shared while control was maintained

Potential student has written down directions and phone number and read them back to you before you hanging up

Little things your AC should remember prior to hanging up that make the biggest difference:

- "I'll be waiting for you"
- "I'm available today at __ or __ which would you prefer? Not, "When are you available to come in and see me?"
- Appointment was set 15 min before or after the hour
- "You showing up for this appointment will be the first indicator as to how serious you are about changing your current situation and future career opportunities. This is the first step towards acceptance into our school. I'm setting aside time SPECIFICALLY FOR YOU today at 4:15 so it is very important you are here and on time for our meeting". DEMAND ENTIRE BUYING COMMITTEE

Enrollment to Show – Insuring a decision is made

- Expectations of the interview and what the rep and prospect are both working towards is known. The prospect understands they BOTH are working towards a decision before they leave.
- As always, following the sales process and roll playing weekly with one another further insures it's being done properly. Observe: INSPECT WHAT YOU EXPECT.
- Effective and exciting tours. Stopping stations...do they need help? Go on them weekly with your reps and see what could be improved.
- Identifying features of your school that are important to the prospect. Make sure they revisited on the tour: INSPECT
- Your rep should be selling the next start and next start only (unless the program of interest is not the next start). When AC's don't express the sense of urgency they tend to chase tail. No urgency = a large amount of b-backs and procrastinators, not to mention show rate issues. This goes back to the expectation of the interview meeting.
- LEAD BY EXAMPLE – Conduct the interview and also observe interviews.
Enrollment to Quality Enrollment

- Buyer's remorse call. Was it made and did you contact the student to congratulate them? proper customer service
- Orientation — MANDATE IT — If the student doesn't show for orientation this is a red flag! The DOA should be facilitating this meeting, as it should be exciting and informative.
- Your AC's should be selling the next start and next start only (unless the program of interest is not the next start). When AC's don't express the sense of urgency they tend to chase tail. This also allows for a large amount of b-hacks and procrastinators. This goes back to the expectation of the interview meeting.
  - The student should leave after enrollment knowing the following and have it written down:
    - Orientation date
    - Next FA appointment/documents needed
    - When to call the rep
    - 1st Day of class!
Excerpts, selected by the HELP Committee, from a larger document produced by the company
UNDERSTANDING OUR MARKET...
Who Are Our Students?
Sales Begins With...

AWARENESS, UNDERSTANDING, AND ACCEPTANCE OF THE MARKET WE SERVE!
Student Profiles

- Welfare Mom w/Kids
- Recent High School Graduates
- College Freshmen dropout.
- Pregnant Ladies
- Recent Divorce
- Military - Active & Retired
- Low Self-Esteem
- Low Income Jobs
- Vocational Rehabilitation
- Experienced a Recent Death
- Experienced a Recent Birth
- Empty Nest Syndrome
- Recent Marriage

- Relocation
- Career Change
- Upgrade Skills
- Physically/Mentally Abused
- Recent Incarceration
- Drug Rehabilitation
- Dead End Jobs-No Future
- College Credits - 2 Years+
- Living w/multitude of Families
- Living with Parents
- Living with Significant Other
- Fired / Lay off
- Self Employed w/ No Benefits
Emotion

- We deal with people that live in the moment and for the moment.
- Their decision to start, stay in school or quit school is based more on emotion than logic.
- Pain is the greater motivator in the short term.
DIRECT QUOTES...

- “Lately it seems admissions has been putting in some really troubled people...could this be a trend?”
- “This last batch of students you guys dumped in here are about the worst I’ve seen in years”
- “I just walked by orientation—WOW-SCARRRRY!”
- “Do your ads say, LOSERS! ENROLL HERE!”
- “You need to target a better demographic it would make all of our jobs a lot easier!”
These Students Are The Reason We’re In Business!

- Welfare Mom w/Kids
- Recent High School Graduates
- ATB Students- Limited Education
- Pregnant Ladies
- Recent Divorce
- Military - Active & Retired
- Low Self-Esteem
- Low Income Jobs
- Vocational Rehabilitation
- Experienced a Recent Death
- Experienced a Recent Birth
- Empty Nest Syndrome
- Recent Marriage
- Relocation
- Career Change
- Upgrade Skills
- Physically/Mentally Abused
- Recent Incarceration
- Drug Rehabilitation
- Dead End Jobs-No Future
- College Credits - 2 Years+
- Living w/multitude of Families
- Living with Parents
- Living with Significant Other
- Fired / Lay off
- Self Employed w/ No Benefits

VAT-02-14-03916

Vatterott
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What We Expect From You!
Effort

- Expectations are clearly defined
- Focused on daily business objectives
- Feedback is given to meet specific goals
- Outcomes and opportunities
- Reports are used to measure performance
- Training is ongoing to exceed expectations
Bench Marks
Lead Distribution

• Who Gets What?
  – 15 Days

Why?
Daily Activity

EXPECTATIONS:

Outbound Calls-50 MINIMUM

Appointments Set-5

Appointments Held-3

3 Packaged per week

Referrals-2 per week
MEMORANDUM

TO: R - Redacted by HELP Committee
FROM: R - Redacted by HELP Committee (CAMPUS DIRECTOR)
SUBJECT: WRITTEN WARNING MEMORANDUM AND PERFORMANCE IMPROVEMENT PLAN
DATE: 2/1/08

Confirming our conversations, your performance to date has been unsatisfactory. As discussed, you are not meeting the expectations and requirements of your position. Thus, I am documenting this conversation to address the performance problems, which have occurred over the past several months.

It is important that you understand that there must be significant improvement immediately in your performance as stated in the Performance Improvement Plan below. You are being placed on additional short-term probation and if your performance does not significantly improve immediately and on a continuing basis, it may lead to the termination of your employment.

You are required to do the following effective immediately:

- interviews – 100-120 calls
- 1 interview – 75 calls
- 2 interviews – 50 calls
- 3 interviews – 25 calls
- Always work the last week of looks first, then two weeks before and then work looks that are a month old and older. Vary each day when you are calling those people. You must plan your call time and what looks are to be called!!

Set a minimum of 15 appointments per week
Hold a minimum of 8 appointments per week
You must sit a minimum of 3 new starts a week
You must sit a minimum of 10 new looks for February 18, 2008

I will be available to assist you as needed and am available for follow-up meetings on a weekly basis should you feel they are needed for your success.
I have read and understand the above and understand what is expected of me over the thirty days (and continue thereafter). I also understand that if I do not meet or exceed those expectations and maintain satisfactory performance, my employment may be terminated.

R – Redacted by HELP Committee

Employee

R – Redacted by HELP Committee

Campus Director
### ADMISSIONS COORDINATOR PERFORMANCE REVIEW

- **R - Redacted by:**
- **Review Period:** from 06/09/07 to 06/30/07
- **Review Date:** 06/29/07

#### COMPETENCY RATING SCORE

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<td>3. Starts</td>
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<td>5. Show to Appr. %</td>
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<td>6. Enrollment to Show %</td>
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<td>7. Enroll to Lead %</td>
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<td>8. Enroll to Start %</td>
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<td>9. Conversion of Diploma to AOS (if applicable)</td>
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<td>10. Telephone Presentation</td>
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<td>11. Follow Up Complete</td>
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<td>12. Enrollment Paperwork Complete</td>
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<td>13. Interview Process Complete</td>
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<td>14. Reviews Admissions Training Material</td>
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<td>15. Replaces Reverse Selling</td>
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<td>17. Giving 110%</td>
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<td>19. Positive Attitude About Their Position</td>
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<td>20. Positive Attitude Towards Others</td>
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Vatterott
Document 35, Page 1
<table>
<thead>
<tr>
<th>Competency</th>
<th>Rating Score</th>
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<tbody>
<tr>
<td>21. Works Assigned Hours</td>
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</tr>
<tr>
<td>22. Contributes to Team Effort</td>
<td>✔</td>
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<tr>
<td>23. Professionalism</td>
<td>✔</td>
</tr>
<tr>
<td>24. Time Management</td>
<td>✔</td>
</tr>
<tr>
<td>25. Organizational Skills</td>
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</tr>
<tr>
<td>26. Communication Skills</td>
<td>✔</td>
</tr>
<tr>
<td>27. Leadership Qualities</td>
<td>✔</td>
</tr>
<tr>
<td>28. Develops Own Leads (FCLAs)</td>
<td>✔</td>
</tr>
<tr>
<td>29. Ask for Referrals</td>
<td>✔</td>
</tr>
<tr>
<td>30. Product Knowledge</td>
<td>✔</td>
</tr>
<tr>
<td>31. Works Other Assigned Duties</td>
<td>✔</td>
</tr>
<tr>
<td>32. Enrollment Log (Updated &amp; Current)</td>
<td>✔</td>
</tr>
<tr>
<td>33. Weekly Reports Updated and Current</td>
<td>✔</td>
</tr>
</tbody>
</table>

Average Score: 4.67

COURSE OF ACTION:
A. Additional Training Necessary
B. Probation
C. Dismissal
D. No Action Deemed Necessary
E. Compensation Increase

COMPETENCY RATING SCALE
- 5 - Excellent: 5.00 to 4.50
- 4 - Good: 4.49 to 4.00
- 3 - Fair: 3.99 to 3.00
- 2 - Poor: 2.99 to 2.00
- 1 - Not Acceptable: 1.99 to 1.00
- 0 - Not Applicable

COMMENTS: [Redacted by HELP Committee]

Employee: [Redacted by HELP Committee]
MEMORANDUM

TO: R - Director of Admissions

FROM: R - Redacted , Main Campus Director

CC: R - Regional Director of Operations
     Redacted by Vice President of Operations

RE: Transition to Admissions Representative Position

DATE: 10/15/09

The admissions team has continually missed its sales goals over the last year. During your tenure as Director of Admissions, there has been insufficient improvement and productivity by the admissions team. Most recently, the goal for the September class start was 115 (equally enrolls after two weeks). The actual number was 112. In addition, in the two full weeks since your Reminder II, the representatives (excluding your numbers) have averaged less than 50 calls per day.

R -... It is readily apparent that your strengths as an admissions representative did not translate to the Director of Admissions position. Your performance is the result of larger, management-related concerns: Specifically, insufficient training and monitoring of representatives, failure to provide timely and correct distribution of reports, and overall not taking responsibility for, and ensuring the successful performance of, the department.

Effective immediately, you are being demoted to Admissions Representative. There will be no change in your pay rate however, you are advised not to work more than 40 hours per week without written permission from R -... You are expected to perform at a high level, from your experience and pay level. You will not receive a salary review until January 2009.

I acknowledge that this document has been shared and discussed with me.

R - Redacted by HELP Committee

Erin - Signature Date 10/15/09

Manager Signature Date 10/15/09

VAT-02-15-00350
On November 13, 2008 I had a discussion with R-- in regards to training the Admissions team. The discussion included listening to X-trac calls and sitting in interviews. I provided a detail copy of what to listen for and how to grade the Reps, on success. We also discussed the need to sit in on Rep interviews and ensure that training was taking place.

On November 25, 2008 R-- Redacted by a new admissions coordinator came to me with concerns in the department. She expressed concerns with the lack of support from her R--. I spent two hours training both R-- Redacted by R-- Redacted by. Upon completion I immediately went to speak with R-- and ask if she had been sitting in with the Reps for interviews, which I had requested on 2 other occasions, she replied no. I then told R-- that she was to sit in with a Rep, per week and turn in results to me weekly. R-- has sat in with R-- a couple of times, but has yet to give her guidance on anything to assist in training.

On December 8th I gave R-- a verbal warning concerning my concerns with the admissions department, due to the lack of progress and lack of continuity in the admissions department. I revised her job duties in order to insure the start number could be achieved, as she complained that running the department was difficult with enrolling. I explained to her that we would continue to work together to insure a smooth running admissions department.

On December 30th I asked R-- if the orientation letters had been sent. R-- replied she was not sure. I expressed concern and asked her to call R-- Redacted our front desk person to be certain. R-- stayed late and called and text students to see if they would show. Orientation letters were never sent out; therefore we are unsure if every student will be here tomorrow, as orientation is July 2, 2008. It is customary that letters be sent out 2 weeks in advance, this was indicated to R-- our last start.

On December 29, 2008 I text message R-- to insure she was following up with R-- R-- starts to make sure equipment was sent out and that they were good to start school. On January 2nd in our huddle R-- stated that she had only followed up with one student (which had a payment issue that I asked about) which puts us in jeopardy of losing 12 starts.

These are all incidents within the last month or so. I am consistently having to double check every thing in admissions. December 8, 2008 we had a serious conversation on the admissions department were I laid everything out. Things have only gotten worse within the department. The admissions team has expressed a lack of leadership and commitment on R-- part.

Let me know if you have any questions.

Thanks,

R-- Redacted by HELP Committee

Campus Director
Court Reporting Institute of Houston
R-- Redacted by HELP Committee

1/5/2009
Excerpts, selected by the HELP Committee, from a larger document produced by the company.
III. Summary of current Debt Management Plan

a. Current initiatives

Currently, Vatterott Educational Centers, Inc. (Vatterott) provides students with mandated entrance and exit counseling on their student financial aid package. Documentation is provided to the student during an in-person meeting. Vatterott also utilizes default management assistance provided by Horizon Educational Resources. The team at Horizon works diligently to support previous students by counseling them on their loan repayment, deferment and forbearance options.

b. Results

The results of our current initiatives have shown a slight, but progressive increase in default rates. The following table depicts the results of the three most recent reporting years.

<table>
<thead>
<tr>
<th>Vatterott Educational Centers, Inc.</th>
<th>Institutional Cohort Default Rates</th>
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<tbody>
<tr>
<td></td>
<td>2007</td>
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<tr>
<td>Default Rate</td>
<td>12%</td>
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<tr>
<td>No. in Default</td>
<td>651</td>
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<tr>
<td>No. in Repay</td>
<td>5327</td>
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</table>

The number of students in repayment has increased 32% since 2006 while the number of students in default has increased 70% in the same period. These numbers equate to a 3% increase in default rates from 2005 to 2007. This analysis indicates that our current measures are not adequate to manage the increasing population in repayment. Modification to our current procedures is required.
IV. Proposed Debt Management Plan

Vatterott Educational Centers, Inc.

Proposed Debt Management Plan

a. Executive Summary

Vatterott Educational Centers, Inc. (Vatterott) was established in 1969 and currently operates seven (7) campuses in Missouri. Vatterott provides post-secondary diploma, associate, and bachelor degree vocational training programs. As a private college, Vatterott is dedicated to providing the best possible education and facilities to ensure students can fulfill their goals while we fulfill our mission of “Career Skills for a Better Life”.

In 2007 Vatterott Educational Centers, Inc. implemented the Vatterott Student Tutoring, Advising, and Retention (V-STAR) program [Appendix 1]. The program is designed to provide up-front educational support to ensure all students, traditional and non-traditional, are prepared for success as a student and later as a graduate. The program provides weekly group interactions in the form of seminars, guest speakers, and brown bag lunches. The interactions serve as a support mechanism by encouraging students to develop friendships with other students and to allow the Retention Officer an opportunity to continuously refer students to support services offered by the school. The V-STAR program has been successful at providing up-front support and communication to students. It has been a valuable resource to evaluate new student satisfaction with the enrollment process and continuous evaluation by surveying students each term and providing feedback to faculty and staff.

By supplementing our current V-STAR program and career services assistance plans with financial literacy seminars and resource material we can have a greater impact on our students understanding of their student loans and reduce cohort default rates at our campuses. Our plan will provide constant interactions with students throughout their academic career. These interactions will come from Retention Officers, Financial Aid Representatives, Career Services, and external guest speakers. The benefit of the seminars and individualized attention provided students as part of our enhanced debt management plan will be reduced cohort rates, improved retention, and long-term student success.

As part of our institution’s ongoing effort to enhance services to ensure the betterment of our current and previous students, Vatterott Educational Centers, Inc. will be implementing the following enhanced debt management plan.

b. Project Design
In 2009 Vatterott Educational Centers, Inc. performed campus by campus evaluations of the V-Star Effectiveness as well as an analysis of the student population titled “Correlates of Success.” The analysis helped the institution develop a better understanding of our student demographics at each campus and provided a foundation for student support service improvements that each campus could implement to better serve their student population. A sample of the analysis for the Berkeley campus is provided [Appendix 2].

Our proposal to utilize funding from the Default Prevention Grant impacts our student population in two ways:

1. A substantial percentage of students enter Vatterott as the first person in their family to be educated beyond secondary education (325 out of 335 respondents). It is also important to note that 72% of students enrolled at the time of the survey had annual salaries of less than $10,000.

These results provide insight to a possible lack of parental guidance/mentoring in relation to post-secondary education as well as financial management assistance. To support these students, Vatterott intends to utilize a portion of the funding to provide additional soft-skills and finance related education to students in their initial and final term of enrollment. Each campus will incorporate introductory financial planning and financial aid awareness seminars in the V-Star program and as part of the Career Services Placement Assistance Plan [Appendix 3]. Financial Aid personnel will be involved, in the seminars, by presenting information relative to the exit interview during seminars held for students in their final term of enrollment. The additional financial planning and financial aid workshops will build a foundation for students to prepare for their financial future and to better understand their student financial aid packaging.

2. The student population is provided with substantial up-front support to ensure success during enrollment but a substantial portion of the students evaluated felt they were not prepared to enter the workforce.

Both default management and employment are a concern among graduating students. The funding received as part of this grant will also be utilized to enhance our current Career Services Placement Assistance Plan. The plan currently provides support to graduating students by assisting them with resume writing, interview skills, and job searches. The enhanced program will incorporate multiple workshops and seminars that assist graduating students with job placement and educate students on their responsibility to repay their student loans. The program will also educate students on how to take appropriate action if they cannot meet their loan repayment obligations. For graduating students, this may be the only financial advice or education they receive before leaving school and beginning a new career.

The program will begin by implementing the enhanced services outlined above to all current students and will begin tracking each cohort through the reportable cohort default reporting periods. Tracking of these students will be performed by our internal default management team.
As an added measure, Vatterott Educational Centers, Inc. has hired a Default Management Supervisor and a team of Financial Aid Representatives to work from our Sunset Hills campus. This team will work in conjunction with Horizon Educational Services to contact students requiring loan repayment assistance. The workflow of this internal team is attached as [Appendix 4].

c. Collaboration

Each campus department will play a role in the completion and success of our students. From the first meeting with an admissions advisor, the prospective student will be introduced to the retention team. The retention team will be the student's direct point of contact for working with other administrative departments including Financial Aid, Registrar, Career Services, Learning Resource Center, and Accounting. Students are also assigned a faculty advisor which provides support to the student throughout their education.

All of these departments have the responsibility of educating the student and assisting them with a successful transition into the workforce. Communication and collaboration of all departments is essential and will ensure students have personal contact from the moment they enroll through the point in which they enter repayment of their loan obligations.

4. Budget Narrative

Our default management project hinges on expanded up front communication with new students and more focused communication with graduating students. We are able to utilize portions of the same resource material for each of these new communications. "Making Your Mark" by Lisa Fraser (8th Edition), LDF Publishing will be provided to each student at no cost. The cost per book is $2.50 and we estimate distributing 7,500 in the first year (total cost $18,750).

Although development efforts and costs are being expended related to changes in the introductory financial planning and financial aid seminars as part of the V-STAR program and the three new career service seminars near graduation, the project budget doesn't not include an estimate for those development costs. We have also not included an estimate of time for the re-tuited introductory financial planning and financial aid awareness seminars because introductory meetings were previously held with students. We have included estimated costs of $10,500 for the financial aid resource time and meeting set-up of the three new graduate support seminars. There will be a total of 30 seminars per year per campus.

In addition to student preparation we have hired a Default Management Supervisor (annual salary of $55,000 plus estimated taxes and benefits of 15%) who will be working linking with Horizon Student Services on their loan repayment education and collection efforts.
e. Project Justification

Due to historical increases in cohort default rates within Vatterott Educational Centers, Inc. it is imperative that we modify our process to incorporate new ideas to improve student retention, gainful employment, and student loan management assistance. The project will help our campuses with continuously improving the services provided and ensure student success well beyond their enrollment at Vatterott.

f. Measures of Success

Success of this project will be measured on several key points.

1. Student loan maximization is a consistent concern. Students utilize the student loan system to acquire excess loan funds for miscellaneous expenses. The financial planning seminars provided while students are enrolled will assist students by providing a clear picture of the impact from utilizing student loans in this manner. As campuses begin to monitor student loan amounts at the time of separation with regard to gainful employment standards, a reduction in median loan amount per cohort will be a measure of success.

2. Cohort Default Rates for the 2009 – 2011 reporting periods will be monitored through the Default Management team. As a company, a measure of success will be reducing all cohort default rates below 7% by the 2011 reporting period.

3. A final measure of success will be the improved student survey results regarding their knowledge of financial aid and their student loans. Students are surveyed after completing their enrollment and again each term. As a measure of success, these surveys should show an improvement in the student’s perception of the Financial Aid program and the Financial Aid department at the campus.

4. Student Retention and Employment rates should continue to improve and will be monitored annually as reported to the Accrediting Commission of Career Schools and Colleges.
<table>
<thead>
<tr>
<th>Name</th>
<th>Contact</th>
<th>Address</th>
<th>City and State</th>
<th>Description of Services</th>
<th>Amount Paid between 1/1/06 and 8/31/10</th>
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</thead>
<tbody>
<tr>
<td>Horizon Educational Resources/ECMC Solutions Company</td>
<td>HELP Committee</td>
<td>PO Box 190759</td>
<td>Austin, Texas 78715</td>
<td>Default Prevention Services</td>
<td>$342,048</td>
</tr>
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<td>Wright International Student Services</td>
<td></td>
<td>6405 Metcalf Avenue</td>
<td>Shawnee Mission, KS 66232</td>
<td>Default Prevention Services</td>
<td>$295,475</td>
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</table>
Excerpts, selected by the HELP Committee, from a larger document produced by the company
1.0 REPRESENTATIVES OF THE PARTIES

The representatives of the parties to whom all communications pertaining to this contract shall be directed are:

For: VATTEROTT EDUCATION CENTERS, INC.

Contact Name: Dennis Beavers
Position: Chief Financial Officer
Address: 5200 Olive Blvd, Suite 222
Olivette, MO 63132
Telephone: R -- Redacted by HELP Committee
Facsimile: R -- Redacted by HELP Committee

For: HORIZON EDUCATIONAL RESOURCES, INC.

R -- President
P.O Box 150719
R -- Redacted by HELP Committee

2.0 SCOPE OF SERVICES

As requested by VATTEROTT EDUCATION CENTERS ("Client"); HORIZON EDUCATIONAL RESOURCES ("Horizon") shall provide student loan default prevention services in accordance with this contract (hereinafter, the "contract").

3.0 SCOPE OF WORK

3.1 Information to be provided by Client:

3.1.1 On a weekly basis, Client shall provide Horizon with the previously unshared notifications it receives from the guarantor's servicer(s), and/or the direct lender's servicer(s) in an electronic format or provide access to Horizon to obtain such information itself.

3.1.2 Client shall provide Horizon a settlement report that shall include both graduates and withdrawals and a list of references for borrowers in an electronic format. If the latter is not available, according to guidelines set by Horizon and accepted by Client or provide access to Horizon to obtain such information itself.
3.1.3 On a monthly basis and consistent with all federal, state and local laws and ED policy regarding the use of NLMS data, Client shall provide Horizon with two NLMS reports, DEPRO and the DRO815, or borrowers entering repayment from 10/01/2021 and forward, or provide access to Horizon to obtain such report itself. In the event that Horizon enters NLMS to obtain the report itself, Horizon will utilize its own ED access public login, utilizing Horizon’s own login and password.

Client shall be responsible for the accuracy of the information at the time it is submitted to Horizon and represents that it will be authorized to disclose such information to Horizon.

3.2 Student Loan Default Prevention Services

3.2.1 Using computer software it has developed ("LoanTracker"), Horizon shall process information provided by Client, or, with Client’s permission, the guarantors, servicers, or direct lending servicers, concerning student loan borrowers at VATTEROTT EDUCATION CENTERS, including with respect to federal student financial aid programs under Title IV of the Higher Education Act, as amended (the "Title IV, HEA programs"), and provide Client with the loan counseling services contained in the Client Services Procedure attached hereto as Exhibit A, and by this reference incorporated herein.

3.2.2 Except as provided in this contract, Client shall be solely responsible for the administration of student loans covered under this contract.

3.2.3 Horizon shall make available a “Default Prevention Management Report” as shown in Exhibit D as demand.

3.2.4 Horizon shall process electronic information received from guaranty agencies, servicers, or direct lending servicers on or at least a monthly basis, and will be processed within 24 hours if the electronic information is received in a standard format.

3.2.5 Horizon shall process guaranty agencies, servicers, or direct loan servicers predefault notices electronically within 24 hours upon receipt of the predefault notice.

3.2.6 Horizon shall work with guaranty agencies, servicers, or direct loan servicers on a daily basis to correct any problems that are identified in the DFMR’s as well as claim recall procedures.

3.2.7 Horizon shall work with each active servicer on a daily basis to establish Deferment / Forbearance programs and procedures.

3.3 Representations and Warranties.

3.3.1 To the extent that Horizon maintains education or other records for Client, Horizon agrees to maintain such records in accordance with the requirements of the Family Educational Rights and Privacy Act, 20 U.S.C. 1232g, and its implementing regulations, 34 C.F.R. pt. 99, as may be amended from time to time (collectively "FERPA") and other applicable laws. Without limiting the foregoing, Horizon agrees that it shall not disclose or allow access to personally identifiable information from an education record of any student enrolled in Client without the prior written consent of the eligible student (as defined in 34 C.F.R. 99.5) except as permitted by law and as authorized by Client. To the extent that Client discloses personally identifiable information from education records to Horizon under this contract, Horizon agrees that its officers, employees, and agents shall see and have access to the information only for the purposes for which disclosure is made.
Exhibit C
Student Services Fee Schedule

I. Monthly Fees:
The fees due Horizon from Client for its services during any term of this contract is as follows:

Delinquency Counseling Fee

The monthly service fee per delinquent borrower account shall be ten dollars ($10) per month, unless otherwise provided by written amendment herein. The monthly fee includes working with delinquent borrowers for the current and future cohort years that could default on or before the calculation cutoff date.

Credit for Horizon Educational Resources Literature: Horizon will provide Client, at Client’s request, a credit to purchase Horizon Educational Resources default prevention literature or branded objects to provide to students while in-school or in a grace period. The credit will be equal to 5% of the delinquency counseling fee, not to exceed $1,000.00 per month.

Grace Counseling Fee:

The fee for these services is $1 per graduate and $6 per withdrawal, billed upon placement.

Skip tracing costs are not included in the grace period fees listed above. Skip tracing costs are based on the extent of the services provided. Skip tracing costs during the grace period will be provided to Client prior to performing such service.

II. Fee Increase

Subject to section 18.0, Contract Charges, of this contract, annually for the upcoming renewal period, Horizon may request an adjustment to the monthly loan counseling service fees set forth hereinbelow by notifying Client at least ninety (90) days prior to the expiration period as discussed in section 4.0.

Invoices:

Client: PEC

Horizon: ASP

Vatterott
Document 39, Page 4

VAT-02-21-00014
PARTICIPATION AGREEMENT

THIS AGREEMENT for the implementation of the "WISS Student Assistance Service" is entered into this 21st day of December, 2000, by Wright International Student Services, Inc. ("WISS"), and Vatterott College Corporate Offices hereinafter referred to as the "School".

1. WISS agrees:

A. To update the WISS system with student account information received from the school.

B. To make and document multiple telephone and/or written correspondence attempts and contacts with the students and to discuss with those students their rights and responsibilities concerning their student loans.

C. To attempt to assist students in obtaining deferments and forbearance.

D. To attempt to locate students who have moved without a forwarding address or telephone number.

E. To provide the school with a monthly summary of students that WISS is tracking and has assisted.

2. School agrees:

A. To send selected student accounts to WISS as determined by Vatterott College. Such a list will include accounts for students who have obtained a loan through Vatterott College, who have graduated or dropped and entered repayment.

B. To pay WISS $5.00 for each student account loaded and updated on the WISS system for tracking.

C. To pay WISS $80.00 for each student assisted by WISS. Said payment shall be paid immediately upon written identification by WISS.

3. The School agrees to not assert any claim against WISS or its employees, officers, directors, shareholders or agents for any damages which result to the School due to any problems incurred as a result of services, unless their actions amount to a gross and willful misconduct.

6405 Metcalf Avenue, Suite 504 Shawnee Mission, Kansas 66202 800-257-4737
4. Should any proceedings be instituted by WISS for monies due from the School for services provided or any other relief, the School shall pay all costs incurred by WISS, including reasonable attorney's fees. Invoices are due within 30 days of invoice date. A finance charge of 1 1/2% (18% per annum) will be added after 30 days.

5. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF KANSAS. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND SHALL NOT BE MODIFIED OR RESCINDED EXCEPT IN A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES.

6. This agreement becomes effective immediately upon its execution by both parties and shall renew automatically each year for additional one (1) year terms unless written notice of non-renewal is delivered by either party to the other at least sixty (60) days before the end of the pending term.

7. School acknowledges that WISS is not engaging in any collection activities on behalf of the school. WISS's sole responsibilities are expressly set forth hereinafter.

R -- President of Wright International Student Services

By ____________________________ Date 12/21/00

[Signature]

President

Title

_______________________________

School Vatterott College

By ____________________________ Date 12/21/00

[Signature]

Camp Director

Title

Page 2 of 2
Good Morning!
As you may have noticed, we have added an “Admissions Coordinator person of the week” sign to the back of one of the Handicap signs. This is a weekly prize given to one of the Admissions team for the most enrollments for the week. This is a new control for them, and I’d appreciate everyone’s support in keeping that spot open for the designated person. Admissions has a hard job of selling the programs to students every ten weeks, and they ensure all of us job security; so I am sure you would understand the importance of this spot and recognize the person of the week using it as they have reached the goal of having the most enrollments for the week.

If you have any questions, please let me know.

Thanks!

R — Redacted by HELP Committee

Campus Director
Vatterott College
3609 North Main Drive
Quincy, IL 62305

R — Redacted by HELP Committee
Week seven of the Vatterott Derby. What teams will win for April?

R -- Redacted by HELP Committee
Admissions Trainer
Vatterott Educational Centers Inc.
R -- Redacted by HELP Committee
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HOW TO EFFECTIVELY WORK INTERNET LEADS

Vatterott College
EFFORT TRAINING SYSTEM
July 1, 2005
Objectives

- To develop specific skills to effectively convert internet leads
- To develop a strategy for consistent success
Why INET Training

- Produce most of our leads
- Lowest Cost Per Lead
- To increase our conversion percentages campus-wide
Keys to Converting INET leads

- Contact must be made within 72 hours from receipt. The shorter the window the better the conversion.
- Contact must first be attempted via the Phone and then followed up immediately with email.
- A strategic step-by-step formula must be adhered to...6 contacts or more in the first 15 days...
4913

The System

- Day 1: Lead Received
  Blitz technique adhered to…call until you get a live person…do not leave a message the first 24 hours…
  Send email message (1) immediately following your first call…even if you speak to the prospect
The System

- Day 2

If you do not get a response the first day via phone or email continue to try contacting the prospect via the phone...Leave your first message at the end of day 2 if no contact is made.
The System

- Day 3 & 5

If you do not get a response the first two days via phone or email continue to call.

See the model on the following slides…
The System – Day 1

- PHONE Response
  1st Email – Same Day
  Subject: Welcome to Vatterott College
  Status/Notes: LM1
  - Hi, Susie! My name is [name] and I am calling in regards to your email requesting information about Vatterott College. Please call me at (800) 222-4444 ext. 1111 to set up a time either on Tuesday or Thursday of next week to discuss how our one night a week program will help you achieve your goals.
  - I look forward to speaking with you! Again, my number is (800) 222-4444 ext. 1111.

- EMAIL Response
  - Hi Susie,
  - I received your request for information about Vatterott College. I left a message for you at home with my number. Classes are starting soon so let's set up a time to meet this week to discuss your options at Vatterott College. I have appointment times available on Tuesday or Thursday. I have the 4:30-5:00 time slot for you on both days so we can discuss your options and to hear why you are interested in completing your diploma.
  - I look forward to speaking with you and helping you achieve your goals.
  - Tim

INET CONVERSION SERIES
The System – Day 3 & 5

2nd Phone Call – 3rd & 5th day
2nd Email – 3rd and 5th day

Subject: Still trying to reach you!
Status/Notes – LM1

- PHONE follow up
  - Hi Sue! I tried calling you earlier this week in response to your internet request. I haven’t heard from you, and I am really excited to discuss Vatterott College with you. I have 24-hour voicemail, so let me know if there is a better number or time to reach you. Remember, our classes are one night a week and we do have FA to help out with tuition. If I don’t hear from you I will try again Friday! My number is 800 222-4444 ext. 1111!

- EMAIL follow up
  - Hi Sue,
  - I emailed and called you earlier this week and haven’t heard from you. I am concerned that you didn’t receive my message. Let me know if there is a better number or time to reach you. Call me at XXX-XXXX ext.XXX. We have classes starting in the next few weeks and I don’t want you to miss any opportunities. Let me know how Tuesday at 5:00 PM works for you to discuss your educational goals.
  - Tim

- [NET CONVERSION SERIES]
The System – Day 7 & 9

3rd Phone Call – 7th & 9th day
3rd Email – 7th & 9th day

Subject: Haven't heard from you?
Status/Notes – LM2

- Hi Susie,
- I emailed and called you earlier this week and haven’t heard from you. I am concerned that you didn’t receive my message. Let me know if there is a better number or time to reach you. Call me at XXX-XXXX ext.XXX. We have classes starting in the next few weeks and I don’t want you to miss any opportunities. Let me know when which day this week works best for your schedule so we can tour the campus.

- Hi Susie,
- I have attempted to reach you and haven’t heard back from you. I am a working student also and I know how precious free time is, but I want to get you the information you requested! Is getting your education still a goal for you? Please contact me at the number below.
- I look forward to your call!
TIM
- INET CONVERSION SERIES
The System – Day 15

4th – Phone Call – 15th day
Send Letter
4th Email-15th day
Status/Notes-LM3
Hi Susie,

- Unfortunately, we haven’t been able to connect over the past two weeks. Vatterott College has a lot to offer and I am anxious to discuss the options with you. However, if completing your education is not a goal for you please give me a courtesy call back and let me know what your plans are. My number is XXX-XXX-XXXX ext....
  Send letter from letter series (cannot contact)

Hi Susie,

- In the past two weeks I have been trying to contact you. I have been busy too, enrolling students for our summer term! I don’t want to continue to contact you if becoming a college graduate is not still a goal for you. If things have changed please let me know. I look forward to your call and helping you in any way I can!

- NOTE: Called and emailed 12 times in 2 weeks at this point. Begin to push callbacks out further. Set callbacks for one month out from this point forward.
Assumptions to Avoid

- Lead came in via the Web so they only want to be contacted the same way.
Always call FIRST. The Phone/Email message sequence is the model in all instances. The two in unison will allow the prospect to determine which way works best for them...Once determined adjust your approach to best meet their needs.
Assumptions to Avoid

- Poor lead because it came via the Internet

Internet leads are not disadvantaged in any way, shape or form. The bottom-line is a prospect took the time to complete their request for information and it is our job (just like a phone call) to provide that information for them.
Keys to YOUR Success

- Contact within the first 72 hours…Conversion percentages are markedly higher when contact is within this period of time…subsequently, it decreases as time goes by.
- LEAD IS A LEAD mentality…If not worked within 24 hours DOA will move to someone who will work it.
- Follow the system…Keep it simple and consistent. It is our job to provide supreme service to all inquiries.
INTERNET LEADS

HOW TO INCREASE INTERNET LEAD CONVERSIONS
WHERE DO THEY COME FROM

To understand how to work the lead we need to understand where they come.

- Internet – search for
- IPPC – goggled with pop ups
- Web – internet site
Buying Profile of Internet Leads

☐ Planned Search
  ■ Specific Needs
  ■ Proactive vs. Reactive
☐ Numerous Search Agents
  ■ High Sense of Urgency
How to Effectively work Internet Leads

☐ These leads will take longer to convert.

☐ Attempt to reach them immediately three different ways:

- Telephone
  Everyday for at least a month
- Email
  First day and every week for a month
- Mail
  Send brochure within 24 hours of receiving the lead
Emailing

☐ These inquiries are looking for information.
☐ Personalize the emails (program specific)
☐ Email responses need to set us apart from any other school.
☐ No email reply – what to do.
WOO-HOO 5 enrollments today... you guys are HOT! Keep it going! You hit 70 by Friday... and there may be something in it for you... hehehehehehe (other than changing people's lives of course...)!
Student: How much will it cost me?

AC: The tuition is dependent upon the program that you choose, we offer Diploma, AOS and (BS if offered) degrees.

Which degree are you specifically interested in?

Student: The community college is much cheaper, why are you so expensive?

AC: Our tuition is relative to other career colleges in the area. We offer numerous benefits that will assist you in your career search. We have a career services department which will work with you individually to identify career options best suited to your qualifications and desires.

Our instructors have field experience and offer a specialized approach to learning, you will be taught on industry standard equipment that you would use on the job.

Our advisory board members are patrons of the community who can provide guidance and support through your educational career. You will have access to resources that many schools do not offer.

Student: Gas is so expensive, I don't know if I can commute.

AC: I completely understand, it's definitely a challenge.

Many of our students carpool with each other once they become acquainted in the classroom. Also, we are on a bus line (if accurate) so that will also help out with those huge gas prices. You can also sit back and enjoy the commute without the stress of driving.

Online (if available at your campus)
We understand the challenges faced by our students so we have designed an online program that can be completed from the comfort of your home.

Student: I don't really have time for an appointment.

AC: Going back to school is a huge decision and I want to make sure that I provide you with every resource to make an educated choice. I would love to meet you and I can have you in and out in one hour. Our average student is a working adult with other responsibilities besides going to school, so I fully understand the pressures that you face.
It sounds like you haven’t had much time for yourself and I want you to see that
this investment in yourself is one that won’t depreciate over time, you deserve the
opportunity to get the career that you have always desired.

Student: I don’t have a high school diploma or GED.

AC: It is very admirable that you want to change your life and I want to help you.
There are numerous resources that can assist you in obtaining a GED. Here is a
number for the local school board; I believe that they offer GED courses.

You are more than welcome to start your program with Vatterott. You can enroll
NDNP (non-degree/non-program) for up to two terms. Once you receive your
GED we can switch you into the program of your choice. ****You cannot use
Title IV funding when you are a NDNP student; you must find an alternative way
to pay.

Student: The local community college said that they will not accept your transfer credits.

AC: We are accredited by ACCSCT/ACICS. For information about our standards,
please visit their website at www.acics.org/www.acscct.org.

Transfer credit is dependent on the receiving institution, you must confirm with
them prior to transfer.

Student: I just want information sent to me.

AC: I am the type of person who likes to have something in front of me as well. Are
you near a computer, we can review the website at the same time and it is loaded
with all sorts of information about Vatterott and our benefits.

Student: No, can you just send me some information?

AC: Absolutely, I will put something in the mail today. Can I give you a call in about a
week to review the items and answer any questions that you may have?
WOO HOO!!! Congrats Team!!! We are number 1!!!

CONGRATULATIONS TO THIS WEEKS WINNERS!

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Vatterott Educational Centers Inc.
R -- Redacted by HELP Committee
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05/30/2008

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R - Redacted by HELP Committee

TEAM OF THE

Quincy

#1

VAT-02-30-07748

Vatterott
Document 47, Page 3
MEMORANDUM OF UNDERSTANDING

TO: R -- Redacted by HELP Committee
FROM: R -- DIRECTOR OF ADMISSIONS
SUBJECT: MEMO OF UNDERSTANDING/ PERFORMANCE IMPROVEMENT PLAN
DATE: JUNE 2, 2009

Since you began your position as an Admissions Coordinator, you have shown us you can meet your enrollment goals set in place. What concerns me is the conversion rate from lead to appointment, and that is what this memo is going to help us understand, train you properly, and produce better results together.

R -- you possess the outgoing, committed personality that we need to succeed at our campus. We need to find a way to help you become more assertive on the phone and sell yourself confidently, and not second-guess your product knowledge or commitment to this school.

The following are your current percentages:

- Appointment to Lead percentage: 21% (company standard is 60%)
- Appointment ref to Appointment held: 15% (company standard is 100% -- FANTASTIC)
- Appointment held to Enrollment: 74% (company standard is 55% -- Great job)
- Close rate: 19% (company standard is 20%)
- Referrals -- you hit 10% of your budget -- Great job!

As we all know, August is the biggest start of the year. I project your enrollment budget for the August 3, 2009 start is 25, which averages out to be 3 enrollments a week. To ensure success in your position, I have set a performance improvement plan as follows:

- You must have 100 activities per day. This number will aid in the strategy to ensure optimum number of face-to-face appointments.
- If you make enough phone calls, you will have enough appointments during the week. The script you use while on the phone with the potential student should be concentrated on setting up an appointment, in which time you would provide them with the information about the school and the program.
- In order to succeed, you need to be assertive and have a sense of urgency to get prospects to the appointment. Your success as an Admissions Coordinator is essential to the success of Vatterott College as well. To help you with this, I will sit in on your phone calls, and we will continue to use Zara as a learning tool.

VAT-02-30-07962

Vatterott
Document 48, Page 1
I will meet with you at the beginning and end of the week to review your progress.

I have read and understand the above and understand what is expected of me in order to be successful. I know that this is a memo of understanding, and a plan to improve my overall performance, and will be used as a training tool.

________________________  _________________________
Employer                    Director of Admissions

________________________  _________________________
Date                        Date
Thank you for the information, this will definitely help in the 90/10 calculation if we can get all of that 546.219 in by end of December. Just so you know we are pretty good with the calculation theater. I believe a good estimate of the current Quincy OPED 95/10 is 89.5% with an easy estimation of getting down below 86.0% by end of December. The worst case scenario would be that we bring in 15/09 money 10 days early (only unusable of course and only ones with “10” included). I’d like to get you down to 85% but it just depends on how comfortable with the calculations R — is and how many more students we need to bring in this unusable money for.

R — Redacted by HELP Committee
Financial Aid Analyst
Vatterott College - Corporate Office
8580 Evans Ave, Suite A
Berkeley, MO 63134

From: R — Director of Financial Aid, Quincy Campus
Sent: Friday, November 21, 2008 10:32 AM
To: R — Financial Aid Analyst, Corporate Office
Cc: R — Redacted by HELP Committee
Subject: RE: Students to review

We’ve reviewed the list of ten students you sent earlier this week. Please see the attached worksheet and let me know if you have any questions regarding our comments/changes. The amounts not commented on are expected to pay before year end.

Thanks,
R — Director of Financial Aid, Quincy Campus

From: R — Financial Aid Analyst, Corporate Office
Sent: Monday, November 17, 2008 12:51 PM
To: R — Director of Financial Aid, Quincy Campus
Cc: R — Redacted by HELP Committee
Subject: Students to review

Could you please review the attached spreadsheet and verify that the scheduled money is actually going to come in and then get with accounting to see if these billings have been sent out? The goal is obviously to get as much of these “10” sources in by the end of December as possible due to how close the 90/10 calculation is probably going to be. Could you please give me an update on these by the end of the week?

R — Redacted by HELP Committee
Financial Aid Analyst
Vatterott College - Corporate Office
8580 Evans Ave, Suite A
Berkeley, MO 63134

R — Redacted by HELP Committee
Got it, thanks

R -- Region I Director of Operations

From: R -- Region I Director of Operations
To: R -- Director of Financial Aid, Quincy Campus
Sent: 12/19/2008 10:33:13 AM
Subject: Re: accounts receivable

R --

It is accurate. Because of the 9/11 issue, corporate has put a hold on our Title IV disbursements until the first of the year. You’ll see it look normal again by mid-January once the October disbursements come in.

R -- Director of Financial Aid, Quincy Campus

From: R -- Region I Director of Operations
To: R -- Region I Director of Operations, R -- Quincy Campus Director
Subject: accounts receivable

R --

You guys seem to be running quite high on your past due Title IV. R -- report says you have more than $900K past due. Is that accurate?

R -- Redacted by HELP Committee
Vatterott Education Centers
Region I Director of Operations
9811 South Forty Drive
St. Louis, MO 63126
R -- Redacted by HELP Committee
From: R – Corporate Director of Financial Aid
To: R – Director of Financial Aid, Quincy Campus
Sent: 2/20/2007 11:58:52 AM
Subject: RE: SFA Compliance Audit

Were we able to cancel the contract with them?

R – Redacted by HELP Committee

CORPORATE DIRECTOR OF FINANCIAL AID
VATTEROTT COLLEGE
10257 St. CHARLES ROCK RD
ST. ANN, MO 63074
R – Redacted by HELP Committee

From: R – Director of Financial Aid, Quincy Campus
To: R – Corporate Director of Financial Aid
Subject: RE: SFA Compliance Audit

That’s GREAT news! I’m so glad to know that all the money we paid to Horizon for Default Management was so well worth it....

R – Director of Financial Aid, Quincy Campus

From: R – Corporate Director of Financial Aid
Sent: Friday, February 23, 2007 10:10 AM
To: R – Director of Financial Aid, Quincy Campus
Subject: RE: SFA Compliance Audit

I forgot to tell you on the phone that I get your draft cohort default rate the other day and it was 23% up from 12.4%.

R – Redacted by HELP Committee

CORPORATE DIRECTOR OF FINANCIAL AID
VATTEROTT COLLEGE
10257 St. CHARLES ROCK RD
ST. ANN, MO 63074
R – Redacted by HELP Committee

From: R – Director of Financial Aid, Quincy Campus
Sent: Friday, February 23, 2007 9:49 AM
To: R – Corporate Director of Financial Aid
Subject: FW: SFA Compliance Audit

R – Director of Financial Aid, Quincy Campus

From: R – Director of Financial Aid, Quincy Campus
Sent: Friday, January 19, 2007 6:34 PM
To: R – Corporate Director of Financial Aid
Cc: R – Redacted by HELP Committee
Subject: FW: SFA Compliance Audit

This is the list of items we will need for the audit in March.
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Overcoming Objections

Why do people have objections?

Fear
Don’t understand the program

List types of objections students have:

Time
Money
Family
Credibility
Support
Program requirements
Time to completion
Looking at other schools

Methods for overcoming objections:
Feel, Felt, Found Method

I understand how you feel
Others have felt that way before (I have felt that way)
What other students have found is that (what I have found is that)
Overcoming Objections

Exercise:
Student: I don’t want to spend 3 years earning my degree that is too much time.
Create a feel, felt, found statement.

I understand how you feel

A lot of people feel that way too

But what I hear people say after they start their program is that spending that amount of time is worth it because of the content that they are learning. It is very applicable to their work.

Use Feature, Advantage and Benefit statements
Answering an objection effectively means addressing benefits. Asking prospects the right questions allows them to respond in such a way that allows them to see the benefits of the program. Sharing feature-benefit statements with prospective students will reinforce their decision.

Exercise:
Student: I don’t want to spend 3 years earning my degree that is too much time.
Create a FAB statement

One of the features about the program is that you will learn things that you can apply direct

Managing Objections

- Maintain a positive attitude toward objections. Embrace them. Show the prospective student that you aren’t afraid of the objection.
- Know the features, advantages and benefits that are offered in their program of interest and the university.
- Know your prospective student’s needs, wants, and personal goals
- Reiterate to the student how they can reach their personal goals
- Discuss with the student what it would be like if they didn’t earn another degree
- S.W.I.F.T (so what’s in it for them) Let the students know what they will get out of earning their degree with Walden University
Student-Specific Objections
Write a rebuttal to each of the following objections using Feel, Felt, Found Method or a FAB statement.

Cost – The program is too much money

Time - I will not have enough time during the week to attend school also

Family/Spouse – My wife/husband doesn’t want me to go back to school.

Credibility - I that if I switch jobs they will not accept a degree from Walden (online school)

Support - Being online will just not offer the same support as attending a face to face class
Review each of the objections discuss how to overcome them.

Cost
- The prospective student doesn’t have the money.
- The prospective student has the money, but doesn’t want to spend it.

Time
- The prospective student has not clearly thought through the time commitment that is required to earn a degree.
- The prospective student does not think that he or she can fit in the residencies (or field practicum or internship in some programs).
- The prospective student is concerned about the change in lifestyle (fear factor).

Spouse/Family
- The prospective student will not make the decision.
- The prospective student doesn’t have the authority to make the decision alone.
- The prospective student has not discussed returning to school with his or her family.

Credibility
- The prospective student is concerned about how an online degree is perceived.
- The prospective student feels that name recognition is important. “Who is Walden?”
- The prospective student doesn’t trust or have confidence in our school.
- The prospective student doesn’t trust or have confidence in you.
- The prospective student is concerned about the quality of the Walden faculty.

Support
- The prospective student is concerned about faculty support.
- The prospective student is concerned about the availability of technical support staff.
Overcoming Objections

Managing student objections

Managing Cost Objections

- Ask probing questions to determine if the prospective student can achieve a higher pay scale or receive a raise with career advancement.
- Discuss financial assistance options, such as federal loans with low interest rates, tuition payment plans, and cohort reductions. (If there is a group of 5 or more students from the same place, we offer 10% off the tuition.)
- Advise the prospective student that Walden’s tuition rates are about average compared to other distance-learning universities.
- Remind the prospective student that our programs are convenient and flexible, allowing our students to research topics that relate directly to their current responsibilities, as well as stay in their current jobs while they are in school.
- Discuss the prospective student’s motivation and remind the prospective student that he or she can fulfill a lifelong dream of holding a graduate/college degree.

Managing Time Objections

- Advise the prospective student that he or she should expect to spend 15-20 for PhD programs and 3-10 hours per week on Masters programs. Recommend Saturday as the main study day. Reinforce that this is much less time than a traditional program, if they consider the time spent commuting to class, sitting in the classroom, and doing homework.
- Remind the prospective student of the flexibility of getting online whenever it’s convenient. If necessary, a student can take one class per quarter. Many of our Ph.D. programs are self-paced and self-directed. In the KAM-based programs, students develop Learning Agreements for each KAM that function as their timeline.
- Tell the prospective student that the residency is often the best part of the program and is often a life-changing experience. The residence is a great opportunity for students to come together face to face—to share ideas and best practices, to meet faculty, to work on their KAMS or dissertations, and to select their dissertation committees.
Overcoming Objections

- Advise the prospective student that at traditional universities, he or she would spend 40 hours per week in residency. The advantage of enrolling into a Walden program is that the student can continue his or her normal workweek.

Managing Spouse/Family Objections

- Be careful not to disregard the prospective student’s family needs. If the prospective student is concerned, advise him or her to talk with family members immediately.

- To help with this process, let the prospective student know that you would be happy to talk to his or her spouse, etc., to help answer questions or raise support for the prospective student’s decision to earn a degree.

- Give the prospective student a “deadline” to talk with family members. For instance, “When we talk next week, I can help answer any questions that your spouse may have.” This will let the prospective student know that he or she needs to move swiftly, and not procrastinate.

- Inform the prospective student that our programs are more convenient and flexible for adults with families. Assignments can be done out of the student’s home or workplace, reducing babysitting costs.

Managing Credibility Objections

- Advise the prospective student that Walden University is regionally accredited by The Higher Learning Commission of the North Central Association of Colleges and Schools. You may provide the prospective student with the Web site, so that he or she can learn more about the accrediting body:

  www.higherlearningcommission.org

  It is important to mention that this is the same accrediting body for Purdue University, Indiana University, and Notre Dame, they are judged by the same standards as Walden.

- Advise the prospective student to visit the Walden Web site and read about the university’s alumni and faculty. Some of our alumni are faculty at well-known universities around the world.

- Remind the prospective student that Walden University has been around since 1970. Walden has the most experience providing distance-learning education of any institution today.
Managing Support Objections

- Explain to the prospective student that the program will start with an orientation course designed to help students succeed in the distance-learning environment.
- Tell the prospective student that a personal concierge will handle any IT problems. The concierge will respond quickly to the student’s needs and will provide guidance based on the student’s request.
- Remind the prospective student that an academic advisor will assist with scheduling.
- Advise the prospective student that a faculty mentor will provide academic advice. The faculty mentor will also help with the thesis/dissertation process.

Managing Shopping Objections

- Be careful when advising prospective students about competitors. Avoid talking negatively about the competition, instead, emphasize things that we do that you know our competitors don’t. If the prospective student must shop for different schools, make sure that you emphasize the features and benefits of our program that are particularly attractive to that student.
- Always give the prospective student a “deadline” to follow up after they are done researching the competition. For example, if you know that they are looking at other schools, tell them to do it this week and that you can discuss their questions on X date. (Then make sure you follow up with them on the date discussed.)
Overcoming Objections

- Ask: "Why do objections occur?"
  - Because there are doubts or unanswered questions in the mind of the prospect
  - Because the prospect is interested but wants to make sure they are making the right decision (it is often habit for people to give objections when making a big decision)

Remember, if the prospect

- wasn't really interested, they a) wouldn't have inquired, and b) wouldn't continue talking to you

Today, we are going to brainstorm some objections, talk about their rebuttals, and discuss how to present our product and answer questions to not provide more objections to the prospect.

- Before we get started, I am going to share an analogy to put our minds at ease
  - When we get objections, in any relationship you will not find perfection; there is usually a lot of things you love about someone and a list of things you just can't stand. However, in life, we make the decision regarding what we are willing to deal with in order to get the things we love. Buying any product is like that. There is usually a whole list of things we like, and some not so desirable things about that product. Your job is to make our prospects understand how the great things in our program outweigh the things they don't like and help them figure out if the things they don't like will work for them.

Brainstorm:
- "What objections do you think come up most often when on the phone with prospective students?"
  - Cost
  - Time to completion
  - Time Commitment
  - Spouse/Family/Third Party
  - Credibility
  - Support system (lack of face-to-face)
  - Start Date (urgency)
  - Shopping

Discuss rebuttals:
- Cost
  - Financial aid, tuition, pay
  - If they say they don't want (or can't do) financial aid, find out why, often prospects think that they are not qualified when they are
- Time to completion
  - Find out how long they were planning to spend in the program
  - Discuss that our time to completion is realistic, however, since a lot of our programs are self-paced, they can speed it up.
  - Often schools that have much shorter programs either are not accredited, or if they are, they are packing the same amount of work into a shorter timeline which is not realistic for students who work, etc.
- Time Commitment
Find out what they have on their plate.
Discuss when they can fit the work in (that it’s about 15-20 hours per week)
Have them tell you when it would work for them
Convenience and flexibility of an online program (that they won’t have to spend extra time commuting)
A lot of our programs are self-paced (i.e. KAM programs that they can move through at a faster or slower pace)
Spouse/Family/Third Party
Encourage them to talk with their third party
Discuss what the third party will want to know so you can prepare them with the best information
Offer them for you to speak with them if they have questions
Give them a deadline to discuss things and follow up so you can answer any further questions that the third party might have
Credibility
Walden was established in 1970
Walden is regionally accredited by the Higher Learning Commission and a member of the North Central Association
Show them faculty and alumni profiles
Support system (lack of face-to-face)
Discuss Student Services
- Student manager, CMT, academic advisors, library, librarians, writing center, and you!
Discuss the structure of the classes and discussion board and how much interaction there is
Start Date (urgency)
Find out why they don’t want to start now
Use foundations class as an easy way to ease into the program
Shopping
Don’t discourage them from shopping
Understand what they are comparing and make sure they have the best information from us to make that decision
Give them a deadline to do that research and set an appointment to follow up after so you can answer any other questions
Never talk bad about our competitors! Never give out any information about our competitors and their programs.
(Schools change their programs all the time, and it leaves us liable if we give out misinformation regarding another school)

Ask:
- “What would you do if I was a prospect and asked you a question?” (The standard answer is to answer it)
- “Okay, what do I need to get into your program?”
Depending on the EA’s answer, explain why we need to clarify what they are asking and why. (See example below)

Prospects often ask questions to find out what is most important to them. This is a clue to the Enrollment Adviser that it might be a possible objection later on if they don’t get the answer they are looking for. If they know why the prospect is really asking the question, then and only then should they answer it. Otherwise, the EA might give them another objection before they really have one.

- Acknowledge the question that they asked.
- Clarify the question to make sure you understand what they are asking.
- Clarify the question to make sure you understand why they are asking.

Example:

- Prospect – What are you requirements for entering the program?
- Enrollment Adviser – There are different circumstances in which one can be admitted to the program. Tell me a bit more about your educational background and we can discuss whether you would meet our minimum requirements.

- The reason one would want to qualify the question before asking it is so they don’t bring objections upon themselves. A person who graduated from Harvard with a 3.9 GPA may not want to go to a school that allows someone who graduated from Imaginary College with a 2.5 GPA to be accepted. Once one understands where the prospect is coming from it makes it easier to answer questions without getting tangled in more objections.

- Spitfire ball - role-play game
  - Break the class into two groups. One group is the Objection Group, the other is the Rebuttal Group.
  - The Objection Group will state objections prospects might have, then throw the ball to someone in the Rebuttal Group. That person will state a rebuttal they could use to overcome the prospect’s objection. The rebuttal person will then throw it to someone on the objection group. Then switch groups.

Full role-play. Break the group into teams to roleplay the entire conversation from the opening through MAPSOR. Today, they should concentrate on overcoming the prospect’s objections. Have one person be the EA, one the prospect, and one the observer. (Give the observer a role-play observer sheet).
Hi Managers,

Because we are running low on phone calls this week, I would like us to have the same contest we had below, tomorrow.

Team Contest: The team with the highest talk time average (per EA)

Top 3 Contests with the highest talk time:

If you do not remember the prizes, please call me so I can explain verbally.

Please inform your teams we will have the contest tomorrow at 1:00 PM. If anyone is leaving early or not here for the entire 8 hours, please let me know and I will remove them from the contest results, so they do not bring down the team averages.

Let me know if you have any questions. Good luck to you all!

Best,

[Redacted by HELP Committee]

“Change is taking the first step on a different path. It is the decision to place your dreams in front of your fears.”

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WALDEN-HELP-0020655

Walden University
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WINNER FOR TEAM CONTEST (Avg Talk Time Per EA) IS:

THE UNDERGRADUATE TEAM!!!
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Excerpts, selected by the HELP Committee, from a larger document produced by the company.
Talk Time Initiative

Objectives

To increase EA average daily talk time to 3-5 hours to increase productivity and positively impact conversions.

Definition

All inbound calls that are answered on an EA’s extension. All outbound calls from the EA extension captured from first dial. Include ring time as well as call time to accurately represent the time an EA is on the phone responding to or attempting to reach a prospect.

Materials Needed

Uniform Template to track phone activity by team – Weekly Productivity Report

Cross-Site Strategy

As this will be a defining factor of our changing sales culture and to ensure that our message is uniformly delivered and desired behaviors are reinforced, we will empower our managers to lead this initiative at the team level. There will be two phases of our strategy: Phase One will target 1 hour more talk time per EA by July 1st. Phase Two will target continued increases to 3-5 hours per day per EA, sustained.

Phase One - All managers will consistently perform the following activities:

- Total interaction with their teams… Our Expectations: greater visibility, more interaction and direct EA feedback daily. Include talk time as a working part of everything we do (The Spirit Day challenges are a great example of this).
- Y-contacts, not only to listen, but to demonstrate how to improve… Our expectations: directions, 3-4 y-contacts per week. Managers, at least 1 y-contact per day – with potential for more when alternating y-contacts for 1:1s.
- 1:1s not only to discuss strengths and weaknesses, but to build rapport and earn trust… Our expectations: 1:1s will have varied venues (discussions behind closed doors, discussions at the EA’s desk, y-contacts), conversations will address numbers and qualitative metrics, mentoring and developing opportunities. They will be weekly or bi-weekly depending on size of the team.
- Explanation of value and benefit of our desired behaviors to create personal motivation… Our expectations: Managers will be consistent in messaging - increased talk time will positively impact velocity to qualify, quality students, conversions, retention, referrals, cross-functional opportunities and, ultimately, TGC outcomes.
- The knowledge that their team is a reflection of them and the confidence to expect total team cooperation… Our expectations: Managers must take ownership of their messaging to the floor. They must take ownership of their teams’ performance. With true ownership, we’ll see stronger leadership and gain greater support from EAs.
- Weekly tracking of phone activity using our standardized template
- Team activities scheduled to promote consistent focused productivity… ex: include point speakers from other departments in team meetings to increase product or process knowledge and gain talking points; contests that include qualitative and quantitative outcomes; include talk time as a working part of everything we do (The Spirit Day challenges are a great example of this)
Phone Two – Directors will become more visible in the campaign:

- Challenge to all EAs to track Prime Time Activity... Our Expectations: this effort will demonstrate the current perceived definition of productivity; will allow Directors the opportunity to reinforce the Manager’s messages
- Meetings with individual teams to discuss/reinforce value and benefits... Our expectations: challenge the teams to uncover their own benefits, discuss their target audience and demonstrate our expertise in sales and knowledge of our evolving business

Risk/Opportunities

- There will be a potential risk of increased EA attrition due to the increased performance expectations... we are working with HR/Recruitment to maintain steady flow of viable employee candidates with the long term expectation of building a talent pool
- There will be a risk of lower productivity from some EAs as we shift our focus to this major change in our culture... Managers will have the task of setting the proper expectations for the job and reinforcing the behavior needed to accomplish them; they will have the support of Directors and HR in delivering performance plans, corrective actions and in documenting low performance on TCC
Good Afternoon, Enrollment!!

It's great to see so many of you really enjoying your Spirit Day in great 'School Style'! Never thought you'd miss being in school, did you? But, sometimes, not having to 'dress to impress' while you 'get it done' is a good thing. I hope everyone is glued to their phones as we close out Q2 with a bang and get Q3 off to a solid start! But, wait... I don't hear a buzz on the floor right now?? We need to hit the phones hard. And, that means all teams! Let's all get into the spirit of hitting our goals!!

And, in celebration of this Spirit Day and the high productivity that this team has delivered this week, here are our winners of the Talk Time Challenge for the week:

From Cheryl's Site we have the NE Education Team, the SE Education Team and the Nursing East Team!!
From Deon's Site we have the Undergrad Team, the PhD AMUS Team and the MBA/NTU Team!!

Each team will win a Jeans Day to be awarded in the Fall!! And, winning Managers, stop by for your team flag to mark your victory!
Congratulations to all of our winners! Thank you for being the 'Big Mouths' for Enrollment!! We need more talk to get stronger, faster qualification of prospects, stronger conversions, more referrals, better retention... the list goes on and on. Keep talking that talk... it's contagious!!

Let's carry the spirit of this day forward!! Let's turn up the heat and finish Q2 with style... and, then on to Q3!!

It's Gettin' Hot In Here!!

Best Wishes,

Redacted by HELP Committee

Redacted by HELP Committee

Walden University
650 South Belt Street
Rochester, Maryland 21202
www.waldenu.edu
Redacted by HELP Committee

Team, just a quick reminder that tomorrow's Spirit Day Theme is Retro Dressing thru the 1980's! That means 1920's flappers, 1950's Bobby Soxers, 1970's Hippies and even, 1940's Royalty if you can pull it off! So, please pump your teams up and get some excitement going!!

Here are the rules, again:

The week's challenge will be a referral challenge culminating in a putting contest on Friday. For every 5 referrals (verified by the manager) a team gets, they will receive 1 stroke in the putting contest (so 20 referrals= 4 strokes). Each team can select the person they'd like to represent them in the putting contest. The team who sinks the most putts wins!

So, start adding up those referrals and have your champions ready. We'll meet up in the cafeteria at 12:15PM to start 'Puttin' Around!' See you then!!

Best Wishes,

Director of Enrollment

Redacted by HELP Committee

Walden University
050 South Exeter Street
Baltimore, Maryland 21252
www.WaldenU.edu
4971

Subject

For Tae Timm

Dear [Name],

Although [I/We] Managers are in the process of updating this grid, I have a question for you. If we already get the results in a report, why do we want to bother the Managers with doing out this information? Just curious.

[Redacted by HELP Committee]

[Redacted by HELP Committee]

Leonardo Education Inc.
12979 Coral Tree Plaza
Lutz, Florida, CA 56619 TCS
www.walden.edu

[Redacted]

Redacted by HELP Committee

[Redacted]

Walden University
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Hi, Guest!

Just an update on our Talk Time Initiative. I have chosen to implement the initiative, as you all know. And, as to that end, I’d like to lay a few guidelines so we can continue measuring our progress. Firstly, I’m divided to measure our progress in two phases. I’ll start with a CA by July 1st, followed by continuous improvement in 3-4 phases per day per CA. Secondly, I don’t think we need a complete path to achieve this, but we need a strategic plan with clear, achievable goals. Therefore, I will measure our progress in 15% improvement on CA talk time. This is still the weekly. Preliminary reports confirmed our CA average at 15 hours of talk time per CA. This is 15% lower.

Secondly, Talk Time provides immediate results and much less waiting for the order in waiting that requires us to work for further reduction in performance. And, I believe all of you have agreed with me on this point, namely, reduce waiting time at all customer service. Including talk time as a working part of everything we do has proven to be a stronger selling force. The Talk Time Challenge is a great example of this.

Recently, I’ve taken a larger issue with teaching our objectives is detailed and strengthening our sales culture. The rest of our success in any initiative, I believe all of you, will result through consistent behaviors and work environment. This cannot be done by measuring our managers to monitor and enforce the team through setting daily expectations and following through with daily activities including:

- Total expectations with their teams.
- Their results, not only to hear, but to demonstrate how to improve.
- To not only to illustrate strengths and weaknesses, but to build rapport and trust.

Additional training objectives to reduce personal behavior and effectiveness talk time will benefit both quality, quality control, conversion, retention, revenue, across all organizations and, ultimately, TOS revenue.

And, for the record, I know we all know this, but we need to reinforce this to our managers every day.

Finally, I’ve added a new role for each of my managers to keep a daily log of their current phone reports, so we can track the daily impact of our initiative. I need each Site Director/Manager to monitor these reports and keep a weekly log on report, as well. These will be disseminated from one report to another, so we need to have several views of the same information documented. PAL respectfully created this report, with your input, to ensure that our metrics are readily observable. And, it addresses related performance issues. Please share this with your managers and add this information to your weekly follow-up with your teams.

**Phone activity report**

---

As I mentioned, **I’ll talk to you about having this posted to our intranet.**

Thanks, Guest!
From: Jonathan Kaplan  
Sent: Friday, July 16, 2010 10:19 AM  
To: [Redacted]  
Subject: RE: CDR  

Then we need to get with Analytics and have someone help you project this. We can’t be flying blind particularly with the issues we are seeing with undergrad. Thanks.

JK

Jonathan A. Kaplan  
President  
Walden University

From: [Redacted]  
Sent: Friday, July 16, 2010 10:10 AM  
To: Jonathan Kaplan  
Subject: RE: CDR  

You are correct, it is borrowers, not dollars.

I cannot project the CDR because I do not know the number of borrowers going into repayment nor the number going into default.

From: Jonathan Kaplan  
Sent: Friday, July 16, 2010 10:05 AM  
To: [Redacted]  
Subject: RE: CDR  

So it’s the % of borrowers, not the % of dollars?

If so, what’s our exposure given the fact that we have a number of borrowers in our undergrad programs who appear to be at a default risk? Can we project what CDR will look like for 2009, for example, which will account for a larger population of undergrad than we had ever had before?

JK

Jonathan A. Kaplan  
President  
Walden University
Redacted by HELP Committee
Walden’s 2007 Official Cohort Default Rate, released today is 1.7

6130 students went into repayment in 2007 and of that number 110 defaulted on their federal loans.

Beginning with the Fiscal Year 2009, the Cohort Default Rate (CDR) formula includes students who default by the end of the second fiscal year after beginning repayment. The current CDR looks at up to two fiscal years - the one in which the borrower began repayment and the following one. The new formula looks at up to three fiscal years - the one in which the borrower began repayment and the following two fiscal years. Borrowers who enter repayment between Oct. 1, 2008 and September 30, 2009 and default on or before September 30, 2011 (rather than 2010), will be used when determining an institution’s cohort default rate. The new formula will be used to calculate rates beginning with FY 2009, but will not be used to determine whether any high default rate sanctions apply until three years worth of rates under the new formula are available (i.e., sometime after October 1, 2011). Until then the law requires rates calculated under the current formula to be used.

We are preparing for this change by developing a default management plan and plan to monitor students who go into repayment. It is our hope the DOE Direct Lending services will provide this office with notices of students who are delinquent at set intervals (i.e., 60 days, 90 days, etc.). In the past USA Funds has assisted Walden by providing default management to our students. Walden’s decision to totally phase in Direct Lending, will eliminate this service from USA Funds. It is possible, however that DOE may contract their default management services for schools.

Walden University
National Center of Financial Aid

CONFIDENTIAL

Walden University
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<td>GAO Investigation Documentation, A SWOT Analysis for Online Learning</td>
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<td>Document 18</td>
<td>Letter from Aubrie Roupe, former University of Phoenix student, to Senator Tom Harkin, April 2, 2011.</td>
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<td>Document 19</td>
<td>Letter from Eric Schmidt, Kaplan student, to Senator Tom Harkin, April 1, 2011.</td>
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<td>Letter from Laura Brozek, June 24, 2012</td>
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<td>Letter from Patti Walsh to Senator Harkin, April 20, 2011</td>
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<td>Document 24</td>
<td>Letter from Paul Sczillo, former instructor at UFE College, to Chairman Tom Harkin, July 7, 2010.</td>
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<td>Document 26</td>
<td>Letter from Steven Gossman, former ITT Student, to Chairman Tom Harkin, April 9, 2011.</td>
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<td>Letter to Chairman Harkin, from ITT Counsel Michael D. Bopp, Gibson Dunn &amp; Crutcher, LLP, February 10, 2011</td>
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<td>Letter to Chairman Harkin, from ITT Student Adam Gonyea, April 5, 2011</td>
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<td>Document 29</td>
<td>Memo from Help Committee Re: Daily Caller Shoots Self in Foot with &quot;Smoking Gun&quot;</td>
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<td>Presentation of CCA Default Presentation</td>
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<td>Document 32</td>
<td>Letter from William Taggert to Senator Harkin, March 09, 2011</td>
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Thank you for choosing Capella University. A staff member will be with you shortly. Chats may be monitored or recorded for quality purposes.

You are now chatting with 'Damon C'

Damon C: Hi Andy, Please allow me to review your previous conversation.
you: Sure
you: I am looking at your website and I’m finding it somewhat unclear
Damon C: What area are you finding unclear?

There seem to be two different type of courses, at two different price points: There are two different kind of courses that are part of the curriculum
There seem to be two different type of courses, at two different price points: It looks like it typed in the wrong box, oh sorry
Damon C: That is correct. Lower division courses are considered freshmen and sophomore level courses (or gen eds). The upper divisions are considered your junior and senior level courses.

There seem to be two different type of courses, at two different price points: What is the minimum number of upper level credits required to graduate from the program
Damon C: You would need to complete about a year worth of credits to graduate from here. It can vary depending on the program. Which one were you looking at?

There seem to be two different type of courses, at two different price points: Sorry, I'm looking at the Bachelor's of Science in Business Administration
Damon C: I'm sorry, I see business administration.

There seem to be two different type of courses, at two different price points: I have no previous college credits, so I would be interested in taking all required courses through capela'c
Damon C: You said you do not have any previous credits, however, so that would not come into play.

There seem to be two different type of courses, at two different price points: yes
There seem to be two different type of courses, at two different price points: correct

There seem to be two different type of courses, at two different price points: So how many upper division credits would I have to take in order to complete the program
Damon C: You would need to complete all of them. For Business Administration it can get tricky because there are so many options. Are you just looking for a cost idea?

There seem to be two different type of courses, at two different price points: Yes, your colleague gave me a quote but I'm trying to determine how he arrived at that figure

There seem to be two different type of courses, at two different price points: So, there are six core courses, that are upper level— they have the number of credits for each of these courses listed
There seem to be two different type of courses, at two different price points: then there is the BUS44801 Price and Enterprise course, for which there is no number of credits listed
There seem to be two different type of courses, at two different price points: and then there are 51 additional undergraduate courses required—do these have to be upper level?
Damon C: Based on our current tuition figures, here is the breakdown. For biz admin it is flexible and hard to explain but here is how it could look.

There seem to be two different type of courses, at two different price points: ok
Damon C: Aside from bus admin, there are 64 lower division credits, based off 22.5 credit & 96 upper division credits, based off 34.5 credit.

There seem to be two different type of courses, at two different price points: ok
Damon C: That gets you to the 56,220 have quoted you. Biz admin is different because it gives you options to take more electives for the lower division.

There seem to be two different type of courses, at two different price points: ok, so bachelors in another major would cost 56,220, but the biz admin bachelors could potentially cost less?
Damon C: Correct.
There seem to be two different type of courses, at two different price points: ok
There seem to be two different type of courses, at two different price points: so, how many lower division credits can you take without compromising your ability to complete the program
Damon C: Could you elaborate on that?
There seem to be two different type of courses, at two different price points: so like
Damon C: I guess I'm confused by what you mean about compromising the program?
There seem to be two different type of courses, at two different price points: ooooh, I'm sorry. I mean how many lower division courses can you sub in for the electives and still graduate?
There seem to be two different type of courses, at two different price points: like, you said that
there are 96 lower division credits and 84 upper division credits in a non-biz admin bachelors.

There seem to be two different type of courses, at two different price points: but with the biz admin degree you have the option of swapping some of those upper division courses for lower division courses.

There seem to be two different type of courses, at two different price points: if I'm understanding you correctly.

Damon C: Actually, I stated 84 lower division and 96 upper division for non biz admin.

There seem to be two different type of courses, at two different price points: sorry, my mistake.

There seem to be two different type of courses, at two different price points: got mixed up.

Damon C: for biz admin it allows you to take up to 15 elective credits making your max lower division possibility 90. That leaves 84 left to complete the 150 credit requirement as long as all degree requirements are met. Also keep in mind that all these figures are quarter credits.

There seem to be two different type of courses, at two different price points: oh, ok.

There seem to be two different type of courses, at two different price points: so you need 180 QUARTER credits to complete the program?

There seem to be two different type of courses, at two different price points: and are those 1/4 of the price of a full credit?

Damon C: No, the cost per credit is our tuition rate. We are on a quarter credit schedule. Are you more familiar with semester credits?

There seem to be two different type of courses, at two different price points: oh, I think I must be.

There seem to be two different type of courses, at two different price points: I get it now.

There seem to be two different type of courses, at two different price points: a quarter credit is a full credit, that costs 27.5 or 345.

There seem to be two different type of courses, at two different price points: but it refers to credits for a quarter, at a term at school.

Damon C: There is not necessarily full or non full credits. From a credit standpoint, if you were to transfer 4 credits from a semester based school to use being a quarter based school, a conversion would take place giving you 4 quarter credits. 1 semester credit equals 1.5 quarter credits. That is why a baccalaureate degree is 180 quarter credits like a semester based bachelor’s is 120 semester credits. 120 equals 180 using that same conversion to show the equivalent.

Damon C: Does that all make sense?

There seem to be two different type of courses, at two different price points: sure! That makes much more sense. It was confusing to me from a price standpoint-I thought a quarter credit might be a quarter of the cost.

Damon C: I’m glad we were able to clear that up.
Thank you for choosing Capella University. A staff member will be with you shortly. Chats may be monitored or recorded for quality purposes.

You are now chatting with 'Johnny O'.
you Hi Johnny O
Johnny O: Good morning.
you: Good morning.
Johnny O: How can I help you today?
you: I am interested in the Bachelor's of Science in Business Administration program.
Johnny O: Great!
you: Can you give me the full cost of the program?
Johnny O: Well, do you have any college credits?
you: No.
Johnny O: That would change the cost, but if you don’t complete the program would cost approx. around $51,000-60
you: Oh, can you give me a more exact figure? Does that include books or other fees?
Johnny O: Well books are an additional cost.
Johnny O: But that’s it.
you: So, it’s exactly $56,000?
you: Can you tell me how you calculated that figure? I was having trouble doing it myself using the info on the website.
you: In particular I’m not clear how many upper level vs. lower level credits you have to take.
Johnny O: $1,650.00 lower division vs. $2,070.00 upper division.
Johnny O: There are 32 courses.
Is a quarter credit 1/4 the price of a credit at that price level? Is that per course?
Is a quarter credit 1/4 the price of a credit at that price level?
Johnny O: Would you like to break it down for you?
Is a quarter credit 1/4 the price of a credit at that price level? Is that a flat rate per course? Because a lot of courses are worth different amounts of credits.
Johnny O: I think it can be a bit confusing on that sometimes.
Is a quarter credit 1/4 the price of a credit at that price level? I’m in a pretty loud place, I think that is better for me, if That’s ok.
Johnny O: Ouch.
Is a quarter credit 1/4 the price of a credit at that price level? So, you said that the cost for a lower division course is $1550 - is that a flat rate per course.
Is a quarter credit 1/4 the price of a credit at that price level? Or does it depend on the number of credits in the course.
Johnny O: Yes.
Johnny O: 6 credits per course.
Is a quarter credit 1/4 the price of a credit at that price level? Ok.
Johnny O: 6 Credit Course is broken down like this.
Johnny O: Lower division - $1550.00 per course, $275.00 per credit.
Johnny O: Upper division - $2070.00 per course, $345.00 per credit.
Is a quarter credit 1/4 the price of a credit at that price level? Ah, ok.
Johnny O: Books are an average range between $75.00 to $100.00 per course.
Is a quarter credit 1/4 the price of a credit at that price level? Ok, so, times 32.
Is a quarter credit 1/4 the price of a credit at that price level? And how many upper division courses do you have to take, and how many lower division courses.
Johnny O: 16 Upper Division courses you will take.
Johnny O: 16 lower division courses you will take.
Is a quarter credit 1/4 the price of a credit at that price level? Ok.
Johnny O: 96 credits for Upper Division.
Is a quarter credit 1/4 the price of a credit at that price level? And that number is fixed? Ha, there is no possibility of me taking more lower division credits and still graduating?
Johnny O: Yes, that is pretty standard.
is a quarter credit 1/4 the price of a credit at that price level? ok
Johnny Q: You need that many credits/credits or both for both lower & upper division courses to graduate
is a quarter credit 1/4 the price of a credit at that price level? ok
Johnny Q: No technology fees, just classes & books/learning material
is a quarter credit 1/4 the price of a credit at that price level? ok
Johnny Q: The cost of your cap & gown could be an additional expense
is a quarter credit 1/4 the price of a credit at that price level? haha :)}
is a quarter credit 1/4 the price of a credit at that price level? ok, I think all my questions have been answered. Thank you for your time!
Statement about online school:
I am a former employee at Ashford University. I was told to send personal accounts to this email. My job as an enrollment advisor was to sign up new students. Ashford is not motivated by the best interests of students, and they hide it well. In the following, I will breakdown key points into more detail based on my experience there.

Ashford profits from student loans:
Ashford is a for-profit school and makes a majority of its money on federal loan students take out. They conveniently price tuition at the exact amount that a student can qualify for in federal loan money. There is no regard to whether a student truly belongs in school, the goal is to enroll as many as possible. They also go after GI bill money and currently have separate teams set up to specifically target military students. If a person has money available for school Ashford finds a way to go after them. Ashford is just the middle man, milking off this money, like milking a cow and working the system within the limits of what's technically legal, and paying huge salaries while the student suffers with debt that can't even be forgiven by bankruptcy. We mention tuition prices as little as possible, this may cause the student to change their mind. They are signing for the loan. Legally this implies they read everything so we just leave it there.

Commission structure:
While it is illegal to pay commission for student enrollment Ashford does salary adjustments. Basically the more students we can enroll the more we make. We have daily projections, a team we need to meet our quotas and these are high quotas. Turnover is high, most employees don't last more than 6 months, there is fierce competition between employees, and teams to meet sales numbers and we will say anything necessary to get students in. Every 6 months we get a review that looks at how many students we enrolled and what percentage of them finished their first class. As long as they finish their first class we get full credit, and after that they are no longer our problem. Also, they can even have to pay the class for us to get credit. We just need to make sure they log in 2 separate days a week, 4 out of the 5 weeks of class. Whether they drop any class doesn't matter, they just need to log in, then cut again to get attendance credit and get credit for them attending classes. The first class is purportedly designed to be super easy too. Kinda like hooking someone on a drug. If we do well, our salaries go way up, if we don't, our salaries can go back down again. There are people making over $100,000 a year who do well just for enrolling people. Once our team got the most enrollments in a week competition. Our prize was a party at an outdoor restaurant where we got food, alcoholic drinks, and game tokens all paid for on company time. ==========taxpayer money, student loan money.

No regard for the student:
Because we are under such pressure we are forced to do anything necessary to get people to enroll in an application; our jobs depend on it. It is set up like a call center, there is an array of a few hundred of us in 2 big buildings and we dial numbers all day. We are monitored closely, managers listen to our calls, if we haven't been on the phone for a while the system alerts them. It's a boiler room setting education to people who don't truly want it. We are trained specifically on how to work the angle of psychology, we tell students this is the right thing to do, it will make their parents proud, it will make them a remodel for their kids, it will help them fulfill lifelong goals. If we don't have a degree they want, we are supposed to convince them that we can get them a job after they graduate. There were times when I found myself dialing numbers out of the system so others wouldn't call them and continue to harass them to finally enroll. These are nice people, they are being manipulated and coerced, pressured into things, and we are taking the angle of their lifelong hardships and failures to convince them.

A perfect example:
I was once told to stay overtime because I had a person on the phone who might sign up. She was a sick old lady who didn’t even know how to use a computer. It took me over an hour to talk her through the online application cur she didn’t even know how to type in a URL address. How is a person like this gonna “get a degree online” exactly? My manager knew the situation but it didn’t matter. Our team needed to get a certain quota at the end of the week or she would get extreme heat from people above her. My job would also be in danger. I also had quotas to meet. So, she finally signed up, and took out a loan. The people at Ashford prey on single parents, poor people, people who don’t know any better, people easily manipulated. Ashford knows that anyone regardless of credit qualities for education money, they just need the student to sign the dotted line. This level of deception is disgusting and wrong. When someone can barely afford to live and feed kids as it is, and doesn’t even have the time or education to be able to enroll, they drop out. Then what? add 20000 of debt to their problems…what are they gonna do now? They are officially screwed. We know most of these people will drop out, but again, we have quotas, and we have no choice.

They hide it well.
It is almost impossible to know the atrocities that take place at Ashford unless you are on the inside, or a former student victim. During the 2 week new employee training, we are told to always consider the best interest of the student and how to go through a qualifying process. All the employee literature and documentation also states the same things based on high morals. But, once you get on the sales floor the way they actually conduct business is opposite and many people quite because of this as well. Instead of qualifying someone by setting an appointment the first question we ask is whether they are in front of a computer and attempt to get them to fill out the application without really even knowing what they are signing up for. Then, they get transferred to a financial aid rep who gets their loan set up……….another fish pulled out of the river. Take a look at the student drop out rates……..there astounding. Maybe because they shouldn’t have been enrolled in the first place right? Doesn’t matter though, Ashford already made their money, and the student correct the debt.

Money Motivated:
During my time there was a lot of buzz going around about when Ashford would go public. The managers of special stock options and people were gonna get rich. It was kind of like the lemon company situation. It was so obvious. Ashford wanted to boost their numbers as fast as possible, get the student body as big as they could as fast as they could no matter what by the time they go public. And they have gone public now, am sure people became rich. This is big business and everyone wants in on it. Now schools are starting online programs, turning them together quickly so they can take advantage of this market while it’s hot. Many times after the first conversation with someone I would never get a hold of them again because by the end of the day they had already been called by 17 other schools. Leads are bought, everywhere you go online new direct ads promoting online degrees. There a dime a dozen…and involves

The lies:
One of Ashford’s key selling points is that they have a main land campus. This means that online students are technically part of the extended student program. For this reason, we tell them that we are the real thing, that we actually did this online, even though its done 100 percent online. Their diplomas indicate that they went to Ashford University, the campus. We tell them that employers will think they actually sat in a real classroom.

Accreditation:
Ashford is regionally accredited, technically. This means they have the same accreditation as schools like yale, etc. and those are the schools we compare ourselves too when talking to students, saying we are on as good as them. The question is………………….how and why do they have this accreditation? Compare the curriculum and class requirements of a business degree at Ashford to the same degree at a reputable 4 year land school. A reputable school requires hard math, statistics, business calculus, etc. Ashford requires one math class…that isn’t even really a math class. It’s something about the lines of math as it relates to business in the real world. Most of the tests are open book multiple choice, or say, no group work of any kind ever. There is no way toinvoice cheating either, which questions the validity of the whole thing. Now………………….how is this possible if people weren’t paid off? People in charge of assessing accreditation and who to award it to and on what strict requirements. It is so obvious there has been lobbying and pay offs to make this possible. Online school is big business, a multi billion
4987

dollar business, and it is now it is using education to

government money.

Imminent disaster:

As has striking resemblance to the mortgage crisis doesn’t it? It was technically legal at the time, but to
anybody looking for a house to buy it was because of this possible Big business bought the right to rip people off. And what happened? Congress had to step in
and shut it down. It became so bad that America is now in a financial crisis because of it.

This could be the next mortgage crisis:!!!!!!!!!!!!!!!!!!!!

Government money is not closely regulated enough, and its made so available that it is abused by online
schools who only care about taking it for their own profit, leaving thousands of people with immense debt
that they will never be able to pay off. Lives are destroyed. These are good people out there right now
who are in debt because I put them in school, and they didn’t belong there. I had no choice or I would
leave my job, and I was pressured to do anything necessary to make a quota. Ashford will deny it! But
this is how it is there, and I think a majority of former employees would feel the same way.

Employers catching on.

Many employers are also quickly starting to figure out that online degrees are for the most part useless
and don’t compare in any way to a real degree. Some companies won’t hire people if the person got their
degree online. This is a double hit. People now not only have useless degrees, but have huge debt
for getting them. Soon, word will get out more and thousands will be in this position...time and money
wasted, and worse off than they were to begin with. I went to San Diego State University. I know exactly
what it takes to get a real degree and the work it takes, and the quality of the education. After looking at
Ashford program, it is easy to see how much of a joke it is..................unless you’ve been paid
off. Then its ok

Abuse:

If someone asks not to be called anymore we legally can’t call anymore. Unless they tell us to stop, we
can technically keep calling forever. Some people don’t know this and we took advantage of this loophole
also. We would call people 20 times a day. There is so much pressure and this puts the employee under
an immense amount of stress. When our job depends on enrolling someone by the end of the day words
cannot describe the frustration of calling someone who said they were going to enroll, then having them
hang up. We were depending on this application,........., and them changing their mind may cost us our
job. In a situation like this it is human nature to seek revenge, and while don’t I think anyone is proud of
this, the system is just to blame for putting us in this situation in the first place. If someone curiously
rose out, we would very commonly blow up their phone, and have all our other team members to the same
person until they finally turned their phone off. Once their phone was back on, the harassment would
continue. I mean...they didn’t call us not too call right? So technically we can keep bugs
them............and they just hang up as over big time by not enrolling. Our managers were buying us all
day that we need that application from them, saying if we don’t get it we would be on one week warning to
being fired and on the street jobless in a broken economy unless our numbers went up the next week.
We have rent to pay, we need to survive. This creates so much frustration after 8 hours in a cubicle that
it is human nature to retaliate within whatever margin we technically can without breaking the rules. This
is extremely common at Ashford, and again, I don’t think anyone is proud of it,.......but its like beating a
dog. If its bad enough it turns mean.......not because it is inherently bad, but because it is in such a
vicious cycle of a demeaned situation that I must vent that frustration in order to maintain sanity. Most
employees don’t last, they can’t make the ridiculous quotas that Ashford demands. And after 6 months,
if you make it that long, your quotas go way up again. They keep only the best, but those that do well are
rewarded with high salaries. I would compare Ashford to a slave boat, catching as many victims as
possible to take their loan money

The point:

To sum this up, online schools need to be re-examined. Education shouldn’t be pushed on someone. If
they wanted it they should be coming to us, we shouldn’t be tele-marketing them. As a marketing
advisor we are supposed to do their mentor, someone they can trust, and that shouldn’t be tarnished by
a financed motive to stay employed and make money off of them. Our country depends on education, it
symbolises the progress of humanity, it should be something that sets us back. Because of this,
education may soon get a bad reputation and no one will know what is credible or not, causing many people to not pursue it all together because of all the horror stories. Education is

Additional Supporting Documentation
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meant to give opportunity, not take it away. The scam is so big, and so well covered up, it will soon all collapse on itself leaving a broken economy even more battered. Don't ignore this...it's hard to see but it's real...and it will happen...

Insert movie times and more without leaving Hotmail®. See how.
I emailed a few days ago regarding my experience as a former employee of Ashford University. I would like to identify myself to make sure my statement is viewed as credible. My name is Brent Park. If you have any other questions about this, feel free to contact me anytime by email or at [redacted]. Thanks.

Lauren found her dream laptop. Find the PC that's right for you.
A SWOT Analysis for Online Learning

Introduction:
In business and marketing, folks often use a process called a SWOT Analysis (an acronym that stands for Strengths, Weaknesses, Opportunities, and Threats) to identify internal and external factors that will affect the success of a project. You can apply this same concept to your “project”—becoming a successful online student. Strengths and opportunities are internal and external factors respectively that improve your chances of success; weaknesses and threats are internal and external factors that are unfavorable to achieving your goal.

Tasks:
1. (OPTIONAL BUT HELPFUL) Compile a list of online, library, or other resources (books, articles, organizations, job or academic testing results) about personality types, learning styles, dominant intelligence, and emotional intelligence. The Myers-Briggs tests, or pre-employment testing or personal experiences with Individualized Educational Plans (IEP) are examples of free or professional resources.
2. Divide a single sheet of paper into four squares. Label each one with one of these headings:
   - Strengths
   - Weaknesses
   - Opportunities
   - Threats
3. Brainstorm a list of five of your personal qualities that you think will affect your success as an online student, both positively and negatively. Write these in the Strengths and Weaknesses squares.
4. Thinking about your life situation and goals, make a list of five external factors that will affect your success as an online student, both positively and negatively. Divide these into the Opportunities and Threats square (try to come up with at least two Opportunities and two Threats). (Some possibilities might include family support as an opportunity and time-consuming job as a threat.)
5. Write a one- to two-page summary of your personal SWOT analysis.

Deliverables and Format:
When you have completed the assignment, save a copy for yourself in an easily accessible place, and submit a copy to your instructor.
Font: Arial; 12-point
Line Spacing: Double

Additional Supporting Documentation
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<table>
<thead>
<tr>
<th>Topic</th>
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<tbody>
<tr>
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<td>myiliab</td>
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<tr>
<td></td>
<td>Syllabus</td>
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You are logged in as: [Logout]
To register for myITlab for the first time, click the Click here to register link below the login box on the right, and follow the provided instructions. Before registering, please verify that your computer meets the system and browser requirements.

Contacting Technical Support:

http://myITlab.pearsoned.com/Pegasus/fmlLogin.aspx?s=3

2/4/2011
SYLLABUS AND COURSE OUTLINE

INTRODUCTION TO COMPUTERS
(ITSC 1201)
CRSABVM-214837

Credit Hours: 2 Quarter Credit Hours
Course Length: 30 Clock Hours

Course Description
This course provides an overview of computer information systems by introducing computer hardware, software, procedures and human resources. Two (2.0) quarter credit hours are awarded for the completion of this course.

(Lec/Lab/Elec/Total) (40/20/0/30)

Prerequisite: ITSC 1201

Rationale
In today’s business world, the computer is an essential tool used for the storage and processing of information which is vital to the survival and growth of many companies. People seeking employment in today’s job market must be knowledgeable about computers, be able to enter information into computers quickly and accurately, and feel comfortable working with data entry equipment.

Course Objectives

COMPETENCIES: The following objectives will be addressed in the mandatory competencies. Upon completion of this course, students will be able to:

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>LECTURES*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Define Computer and Identify the Four Basic Computing Functions</td>
<td>1. Word Shortcuts</td>
</tr>
<tr>
<td>2. Identify the Different Types of Computers</td>
<td>2. Creating a Newsletter</td>
</tr>
<tr>
<td>3. Describe Hardware Devices and Their Uses</td>
<td>3. Presenting a Newsletter</td>
</tr>
<tr>
<td>4. Identify Types of Software and Their Uses</td>
<td>4. Working with Excel</td>
</tr>
<tr>
<td>5. Describe Networks and Define Network Terms</td>
<td>5. Creating a Business Presentation</td>
</tr>
<tr>
<td>7. Web Search</td>
<td>7. Developing a Brochure</td>
</tr>
</tbody>
</table>

* Lectures are completed in class

PROFICIENCIES: The following objectives will be addressed in the optional proficiencies. Students will be able to:

1. Complete word processing projects in a Windows environment.
2. Create and edit documents spreadsheets: work with formulas, graphing and charting results; create a database, create forms using form design and presentation documents.

Last Date of Review: 9/18/2010

Additional Supporting Documentation
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Instructional Methods: General

1. Courses will be taught using discussions and laboratory assignments and projects. Textbooks, handouts, and additional reading material may be available to the students.
2. The laboratory section of the course is designed to achieve three goals: (1) to allow the student time to complete the competencies, (2) to give the student an opportunity to receive one-on-one assistance from the instructor, and (3) to evaluate student progress and ensure that each student reaches his or her full potential.
3. The instructor will explain the objectives of the course. Students will be given a brief introduction to each of the competencies and proficiencies.
4. Students will have time to complete all competencies within the time frame of the course. If a student has time left over after the competencies are completed, the time saved can be used to complete the proficiencies.
5. If a competency is attempted but is not acceptable, the student must prepare for it again and repeat the assignment until it is acceptable to the instructor.
6. In order to accommodate individual differences and needs, individual tutoring by qualified instructors is available on a regular basis.
7. Student assessment is ongoing and includes a variety of means.

Instructional Methods: Specific

1. Material reviews will be used to impart information.
2. Students will complete multiple choice and matching questions at end of each chapter.
3. Competencies will include demonstrating an understanding of material using the computer to complete worksheets.
4. Students will pass final test administered as per lesson plans.

Grades

Grading: The student’s final grade will be determined using the following criteria:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>10%</td>
</tr>
<tr>
<td>Tests</td>
<td>50%</td>
</tr>
<tr>
<td>Chapter Assignments</td>
<td>40%</td>
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</table>

The course grade will be determined by assessing the satisfactory completion of competencies and proficiencies. A grade of "C" will be awarded if all competencies are completed in a satisfactory manner within the required time frame. A "C-" will be awarded if competencies are of an extremely high quality. A "C+" will be awarded if these competencies are of a subsatndard quality. A minus (-) grade will be given if a student misses more than 20% of class. A "B" will be awarded if, in addition to the required competencies, the "B" proficiency is completed within the time frame. An "A" will be awarded if, in addition to the required competencies and "B" proficiencies, the "A" proficiency is completed within the time frame. An "F" will be awarded for any student who did not complete all competencies within the course time frame. The student will have an opportunity to complete the competencies for the course and the student’s grade will be changed to a "D". Depending on the quality of work, pluses (+) and minuses (-) will be administered in the same way for A’s, B’s and D’s as noted for the C.

Please note: Satisfactory attendance is a critical feature of a good employee. Failure to demonstrate an appreciation of that may affect your grade.

Requirements

The student must maintain at least a C average. Homework, research, and writing will be required.

Required Text


In addition to the required text, the instructor may provide handouts and reading materials.
**Scans**
The curriculum of Career Point College is designed to validate the competencies recommended by the Secretary’s Commission on Achieving Necessary Skills (SCANS).

### COMPETENCY REFERENCE SCALE

<table>
<thead>
<tr>
<th></th>
<th>Competency</th>
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<tbody>
<tr>
<td>1</td>
<td>Reading</td>
</tr>
<tr>
<td>2</td>
<td>Writing</td>
</tr>
<tr>
<td>3</td>
<td>Arithmetic or Mathematics</td>
</tr>
<tr>
<td>4</td>
<td>Speaking and Listening</td>
</tr>
<tr>
<td>5</td>
<td>Thinking Skills</td>
</tr>
<tr>
<td>6</td>
<td>Personal Qualities</td>
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<td>7</td>
<td>Workplace Competencies</td>
</tr>
<tr>
<td>8</td>
<td>Basic Use of Computers</td>
</tr>
</tbody>
</table>

The objectives above meet the following competencies: 1, 2, 3, 4, 5, 6, 7, and 8.

**Student Conduct**
CPC expects you to conduct yourself in the manner that is appropriate in today’s business environment. This means abiding by the Student Conduct requirements outlined in the catalog. Your instructor is the person in charge, and you are to follow instructions that he or she may give you. Students displaying unprofessional behavior may be asked to leave class and be asked to leave campus.

**Faculty Commitment**
Tests and normal projects will be graded within one week although grading time for major research assignments may be extended. Faculty will be available to answer questions. Your instructor will give you the available consultation hours. Students needing additional assistance may set up an appointment.

### Course Outline

<table>
<thead>
<tr>
<th>C-Competency</th>
<th>Page</th>
<th>Hrs</th>
<th>Course Work</th>
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<tr>
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<td>6-15</td>
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### OBJECTIVE 3 Part II

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### OBJECTIVE 6

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### A-Proficiency

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*Syllabus and course outline are subject to change without notice to the student.
CGS 2167 Computer Applications
Course Syllabus

Course Description:
This course introduces the essential concepts necessary to make effective use of the computer. Students achieve an understanding of what a computer can do, how it works, and how it can be used to create documents using word processing and spreadsheet applications for personal and business use.

Course Outcomes:
1. Apply computer resources for use in business and academics.
2. Construct business and academic documents using Microsoft Word.
3. Create spreadsheets with formulas and graphs using Microsoft Excel.
4. Develop presentations containing animation and graphics using Microsoft PowerPoint.
5. Integrate Microsoft Office applications for use in business.

Course Requirements:

Textbook (Required):

Software (Required):
Note: All assignments in the course are required to be submitted in Microsoft Office 2007

Companion Websites:
Shelly Cashman Resources Microsoft Office Resources

Online Resources:

Online Learning Resource Center
Click here to find a variety of useful resources:

- Find general resources, including online almanacs, article databases, encyclopedias, dictionaries, and tutorials.
- Find resources by program for your specific program of study, including allied health, business, information technology, justice, nursing and trades.

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Library and Information Resources Network (LIRN)
Click here to use the virtual library. The LIRN center requires a password. To obtain a password contact your Student Advisor or Online Coordinator.

APA Style:

Papers that you write in your program of study must follow the guidelines set by the American Psychological Association (APA). Click here for APA Writing Help.

APA Special Course
This tutorial presents the basics of how to write using APA format. You can find the tutorial under "Special Courses" when you are in the class, or click here.

Purdue Online Writing Lab
Visit the Online Writing Lab (called OWL) whenever you have an APA question. When you are in your online course, click on the Online Resources link on the left side of the screen and you will find the OWL link, or click here.

APA Tutorial
This tutorial teaches how to write using the APA format. In your online course, click on the Online Resources link on the left side of the screen, and you will find the APA tutorial link, or click here.
Student Commitment:
Ten to twelve hours per week on average.

Student Services & Help Desk

<table>
<thead>
<tr>
<th>Everest University Online</th>
<th>Everest College Phoenix</th>
<th>Campus-Based Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-877-439-0003</td>
<td>1-888-321-0021</td>
<td>Contact your Online Coordinator</td>
</tr>
</tbody>
</table>

Everest Online Help Desk (applies to all students)
For technical assistance with the course website, contact the Everest Online Help Desk.
**Hours:** 24 hours a day, 7 days a week  **Phone:** 888-579-0191  **Email:** HelpDesk@onlinect.com

Course Policies

1. **Attendance:**
   For a student to be counted "Present" (P) in a given week, she needs to complete at least one of the following three activities in the current week of the course:
   1. Complete a quiz
   2. Submit an Individual Work to the Dropbox or
   3. Post at least twice to a relevant class discussion board (either Class Discussion or Teamwork)

   If a student fails to complete at least one of these activities, she will be marked "Absent" (A).

   **Make-up Policy:** Make-up policy is at the discretion of the instructor.

2. **Academic Dishonesty/Plagiarism**
   In the online learning environment, professional attitude begins in the classroom. For that reason, students and faculty will not tolerate or commit any form of academic dishonesty.

   Any form of deception in the completion of assigned work is considered a form of academic dishonesty. This includes, but is not limited to:
   - Copying work from any source
Assisting, or allowing another to assist you, to commit academic dishonesty.

Any attempt to share answers whether during a test or in the submission of an assignment

Any attempt to claim work, data or creative efforts of another as your own

Resubmitting graded assignments for use in multiple classes (recycling your work)

Knowingly providing false information about your academic performance to the college

To avoid plagiarism, do not "copy and paste" into assignments without using quotation marks and citing, in APA format, the source of the material.

Your work may be submitted to Turnitin.com for evaluation

**Plagiarism:**

Papers that you write in your program of study must follow the guidelines set by the American Psychological Association (APA). Using another's intellectual creation without permission or without giving appropriate credit is the academic equivalent of theft.

**Consequences of Academic Dishonesty/Plagiarism**

All violations of academic policy are documented and made a part of the student's academic record. When academic dishonesty is confirmed, the student will immediately be notified of the incident, which may result in one or more of the actions listed below:

- Reduction in grade on the assignment on which the violation occurred
- No credit on the assignment, paper, test, or exam on which the violation occurred
- A failing grade for the course
- Suspension or dismissal from the college

Please see the current course catalog for full details.

3. **Referencing Non-Academic Resources**

In many of your classes, you will conduct research. Please note, the use of research documents must remain at an academic or scholarly level. Websites such as Wikipedia or Ask.com are not credible sources because they are not necessarily written by academic experts; they may be written by non-academic individuals, and are potentially inaccurate or biased.

4. **Add/Drop:**

Please refer to the current School Catalog policies for schedule changes, add drop processes, and deadlines.
# Course Evaluation and Grading

<table>
<thead>
<tr>
<th>Grade Categories</th>
<th>Weight</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Work</td>
<td>40.5%</td>
<td>405</td>
</tr>
<tr>
<td>Class Discussions</td>
<td>25%</td>
<td>250</td>
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<tr>
<td>Quiz</td>
<td>28%</td>
<td>280</td>
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<tr>
<td>Teamwork</td>
<td>6.5%</td>
<td>65</td>
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<td><strong>Total:</strong></td>
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<td>1000</td>
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## Grading Scale

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<tr>
<th>Letter Grade</th>
<th>Percentage Scale</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>90-100%</td>
<td>Superior</td>
</tr>
<tr>
<td>B</td>
<td>80-89%</td>
<td>Above average; good</td>
</tr>
<tr>
<td>C</td>
<td>70-79%</td>
<td>Average; standard</td>
</tr>
<tr>
<td>D</td>
<td>60-69%</td>
<td>Below standard</td>
</tr>
<tr>
<td>F</td>
<td>59% or lower</td>
<td>Failure</td>
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</table>


### Week One

#### Part 1 of 2

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<tr>
<th>Course Outcome</th>
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<th>Learning Activities</th>
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</thead>
</table>
| Apply computer resources for use in business and academics. | Assess computing resources in an office environment. Determine ways computers drive success in academic pursuits. | In your online course, locate “Week 1,” in the list on the left side of the screen. When you click on Week 1, you will see a list of activities for the week. (At the beginning of each week, repeat the above process to see the list of activities). Please read the Plagiarism and Plagiarism Policy and e-mail your instructor confirming that you have read and understood these documents. An operating system has three primary functions: 1. **Managing Resources** - the operating system coordinates the hard drive, internal memory, CD drives, processor, storage, and additional devices. 2. **Acting as a User Interface** - the operating system interfaces the computer's processor with application software (e.g., Microsoft Office Suite). 3. **Running Applications** - the operating system runs the application software with which it interfaces. | **Class Discussion (25 points)** You have just hired Susan, a new assistant, who has never used a personal computer. Give him a brief tour of the best features of your operating system. Please answer all of the following questions. Be sure to respond with substantive content.  
- What are the best ways to use the college environment so that you get the most out of the course?  
- What are some best practices in the discussion area?  
- What motivates you to succeed in this course? The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.  

1) Submit one main post responding directly to the discussion prompt.  
- This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.  
- You may use resources in addition to your textbook that support your post(s). However, if you reference other works, you must properly cite the sources that you used in your post(s).  

2) Reply to at least two posts. These responses can be to students or the instructor.  

3) Responses to other individuals' posts should: |
computer office applications using Microsoft Office 2007. In Weeks 1-5, you will learn how to format academic and business documents in Microsoft Word. In Weeks 6-9, you will learn how to create spreadsheets with embedded formulas and graphs. In Weeks 10-11, you will learn how to create Microsoft PowerPoint presentations with images, slide transitions, and other specialized formatting. Week 12, the final week of this course, is a culmination assignment in which you will organize course content into a single project.

Chapters and page numbers in this textbook may be confusing at first. Please note: Each software application has its own set of chapters (each beginning with the number one). They are distinguished by abbreviations corresponding to the software. In other words:

- **WIN** stands for Windows
- **WD** stands for Word
- **EX** stands for Excel
- **PPT** stands for PowerPoint

Page numbers similarly correspond to the appropriate software section. For example:

- **WIN 23** stands for page 23 in the Windows section of the textbook.
- **WD 3** stands for page 3 in the Word section of the textbook.
- **EX 22** is page 22 in the Excel section of the textbook.
- **PPT 14** refers to page 14 in the PowerPoint section.

- Expand on their ideas.
- Discuss the differences between your thoughts and theirs.
- Explain why you agree or disagree.
Computer resources, as referenced this week, refer to assets available to you in your online classroom (eCollege) and on your computer.

The resources you will explore in week one include the eCollege platform for this online classroom. In addition, you will begin to read about Microsoft Word in the Shelly, Cashman and Vermaat (2008) textbook. Please complete the following:

1) On the eCollege platform, read and explore the following links (click on the link to review):
   - Announcements
   - Email tab


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<th>Graded Activities</th>
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</thead>
</table>
| Construct business and academic documents using Microsoft Word. | Create a Microsoft Word document with advanced formatting and object placement. | An academic document typically contains specific formatting parameters, including:
- 1" margins.
- First line indentations (frequency 1/2").
- Precise header structure.
- Restrictions on formatting paragraphs.
- Required line spacing (double spaced).
- Etc. | Individual Work (0 points, Assignment is due in Week 2)
Microsoft Word is a type of word processing software. Word processors allow users to create text-based papers, essays, flyers, newsletters, or similar files, known as "documents." As application software, all word processors can:
- Wrap text automatically (without forced line or "carriage return" in typewriter vernacular).
- Allow users to delete letters, words, and entire pages.
- Check grammar and spelling errors. |
This week you will begin to construct documents for academic submission in Microsoft Word. To prepare for the individual work due at the end of Week 2, please complete the following:

1) Please read the following chapter and pages:
   - "Word Chapter 1, "Creating and Editing a Word Document" (pages WD 2-62),
   - "In the Lab" Lab 2: Creating a Flyer with a Picture and a Border on pages WD 69-70 in your textbook. (Note that you are to follow the step-by-step instructions to re-create the “Blooming Deals” Flyer shown on page WD 69 in the textbook).

2) Using the links in your online course, please download the following file for use in this week’s individual work.
   - Wk One Ch One "Pear in Bloom."

3) Using the links in your online course, please view the following short videos to begin preparing for your Individual Work due at the end of Week 2:
   - "To Start Word"
   - "To Type Text"
   - "To Display Formatting Marks"
   - "To Wordwrap Text as You Type"
   - "To Insert a Blank Line"
   - "To Check Spelling and Grammar as You Type"

- Automatically format font styles and sizes.
- Automatically format paragraphs.
- Automatically format margins.
- Find and replace letters or large blocks of text.

After reading Word Chapter 1 (pages WD 2-62) and reviewing the links in eCollege, begin the following activity that is due at the end of Week 2:

- "In the Lab" Lab 2: Creating a Flyer with a Picture and a Border on pages WD 69-70 in your textbook. Note that you are to follow the step-by-step instructions to re-create the “Blooming Deals” Flyer shown on page WD 69 in the textbook.

Note: The picture needed for this assignment can be found in the online course for this week.
### Week Two

#### Part 1 of 3

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Construct business and academic documents using Microsoft Word. | Create a Microsoft Word document with advanced formatting and object placement. | Imagine that you are planning a garage sale in a few weeks. You need to advertise and are on a limited budget. One common means to promote a function is to create and post flyers around the neighborhood. The assigned reading this week highlights the specific formatting parameters necessary for a typical flyer (those used for advertising promotions or announcements). | Class Discussion (25 points) In this week’s discussion, you will share ideas on the universal nature of how word processors such as Microsoft Word can be used. Try to be creative in your responses; consider as many atypical applications for word processing as you can. Select one of the following professions:  
- Criminal justice  
- Medical records billing  
- Journalism  
- Legal field  
- Small business owner  
- Marketing  
- Sports team management  
- Government  
Then review Word Chapter 1, the links in eCollege from Weeks 1 and 2 and any research you have done, and discuss the following questions: Respond to each question with examples that pertain to the specific field that you have chosen. Be sure to respond with specific and substantive posts.  
1. What are some of the documentation needs of your chosen field?  
2. What are some specific ways you can use Microsoft Word in this field?  
3. What are some ways of enhancing a document with Word’s editing tools that would be appropriate in the environment you chose?  
The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week. |

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CCS 2160F Computer Applications, 2014-011
1) Submit one main post responding directly to the discussion prompts.
   - This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.
   - You may use resources in addition to your textbook that support your posts. However, if you reference other works, you must properly cite the sources (i.e., that you used in your posts).
2) Reply to at least two posts. These responses can be to students or the instructor.
3) Responses to other individuals’ posts should:
   - Expand on their ideas.
   - Discuss the differences between your thoughts and theirs.
   - Explain why you agree or disagree.

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<th>Graded Activities</th>
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</thead>
</table>
| Construct business and academic documents using Microsoft Word. | Create a Microsoft Word document with advanced formatting and object placement. | In your textbook, please read the following in order to complete this week’s individual work:
   1) Please read the following chapter and pages:
      - Word Chapter 1, "Creating and Editing a Word Document" (pages WD 2-42).
      - "In the Lab" Lab 2: Creating a Flyer with a Picture and a Border on pages WD 69-70 in your textbook (Note that Individual Work (35 points)
     This week’s individual work is to re-create the "Blooming Deals" Flyer shown on page WD 69 using Microsoft Word. After reading Word Chapter 1 and reviewing the links and videos in College, complete the following:
     - "In the Lab" Lab 2: Creating a Flyer with a Picture and a Border on pages WD 69-70 in your textbook. (Note that you are to follow the step-by-step instructions to re-create the "Blooming Deals" Flyer shown on page WD 69 in the textbook.)

Additional Supporting Documentation
Document 7, Page 12
you are to follow the step-by-step instructions to re-create the "Blossom Deal" flyer shown on page WD 69 in the textbook.

2) Using the links in your online course, please download the following file for use in this week’s individual work.
   • "Wk 1 Ch 1 Bradford Pear in Bloom"

3) Using the links in your online course, please view the following short videos:
   • "To Apply Styles"
   • "To Center a Paragraph"
   • "To Select a Line"
   • "To Change the Font Size of Selected Text"
   • "To Select the Font of Selected Text"
   • "To Select Multiple Paragraphs"
   • "To Bulleted a List of Paragraphs"
   • "To Undo and Redo an Action"
   • "To Select a Group of Words"
   • "To Bold Text"
   • "To Underline a Word"
   • "To Italicize Text"
   • "To Change the Style Set"
   • "To Change Theme Colors"
   • "To Change Theme Fonts"
   • "To Inset a Picture"
   • "To Apply a Picture Style"
   • "To Change a Picture Border Color"
   • "To Resize a Graphic"

   • Note: The picture needed for this assignment can be found in the online course for this week.

How to Save Your Assignment
Save your document as a Microsoft Word 2007 (.docx) file that includes your name, course code, and title in the file name.
   • For example: JaneSmith_CGS2167_Wk1.docx.

How to Turn in Your Assignment
Submit this document to the Week 2: Individual Work basket in the Dropbox.

Additional Supporting Documentation
Document 7, Page 13
<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct business and academic documents using Microsoft Word.</td>
<td>Create a Microsoft Word document with advanced formatting and object placement.</td>
<td>To prepare for this quiz, please read the following in Microsoft Office:</td>
<td>Quiz (40 points) This quiz contains multiple choice and true false questions covering the following:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✷ Word Chapter 1, &quot;Creating and Editing a Word Document.&quot;</td>
<td>✷ Word Chapter 1, &quot;Creating and Editing a Word Document.&quot;</td>
</tr>
</tbody>
</table>
## Week Three

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Construct business and academic documents using Microsoft Word. | Create a Microsoft Word document for use in academic environments. | As you pursue your academic careers, you will need to format papers in an accepted format for your institution. The requirement for this class is to adhere to those promoted by the American Psychological Association (APA). For this week's assignment, you need to know how to use Microsoft Word to format a paper according to the following parameters:  
- The appropriate font (preferably Times New Roman 12 point)  
- 1" margins  
- First line indentation (preferably 1 2")  
- Spacing between paragraphs  
- Double line space  
- Proper header  
- Left justified text (ragged right edge)  
- Using the links in your online course, use the document “Steps to Formatting Your Research Paper” in DocSharing to help in this week’s individual work. | Class Discussion (25 points)  
This week’s class discussion is focused on ways to construct and format a sample research paper.  
After reading the assigned pages (WD 76-78 and WD 88-89) in your textbook, conducting any research you may need to do, and visiting the links in eCollege, please answer all of the following prompts. Be sure to respond substantively.  
  - Select two of the following components of a research paper:  
    - The title page  
    - Headers/footers  
    - Paragraph formatting  
    - Citations and references  
    - Bullets and lists  
    - What specific features in Word are used to create the two components that you chose?  
    - List four different styles used in writing a research paper and discuss the merits of each.  
    - What are the ethical considerations to be followed when writing a research paper and why are they important?  
  
The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.  
1) Submit one main post responding directly to the discussion prompts.  
2) This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in... |
how to create headers and automatic page numbers

- Pages WD 88-89 to learn how to indent the first line of every paragraph

Note: For this class, please disregard any reference to the Modern Language Association (MLA) in your textbook.

- Your required reading and other learning activities.

  - You may use resources in addition to your textbook that support your posts. However, if you reference other works, you must properly cite the source(s) that you used in your post(s).

2) Reply to at least two posts. These responses can be to students or the instructor.

3) Responses to other individuals’ posts should:

   - Expand on their ideas.
   - Discuss the differences between your thoughts and theirs.
   - Explain why you agree or disagree.

### Part 2 of 2

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct business and academic</td>
<td>Create a Microsoft Word</td>
<td>The APA Publication Manual is concerned with three components to formal academic writing:</td>
<td>Individual Work (25 points)</td>
</tr>
</tbody>
</table>
| documents using Microsoft Word        | document for use in      | 1) Writing style preference (language choices, etc.)
|                                       | academic environments    | 2) Citation and reference protocols, and
|                                       |                          | 3) Document formatting. This week’s individual work is designed to help you construct
|                                       |                          | and format a research paper following APA documentation style protocols. A friendly
|                                       |                          | reminder: For this week’s assignment, you need to know how to use Microsoft Word to
|                                       |                          | format a paper according to the following parameters:
|                                       |                          | - The appropriate font (preference Times New Roman 12 point)

  - "Cases and Places" 84. Create a Research Paper about the Month You Were Born on page WD 143 in your textbook. Note that you are to follow the APA documentation style. Be sure to use Microsoft Word’s References tab to create your citations and sources, and to generate your Bibliography list (which is named References in APA).

  - Using the links in your online course, utilize the Steps to Formatting Your Research Paper guide to help in this week’s individual work (Note: This file is also available in DocSharing).
- 1" margins
- First line indentation (preferably 1 2")
- Spacing between paragraphs
- Double line space
- Proper header
- Left justified text (Ragged right edge)
- Using the links in your online course, utilize the Steps to Formatting Your Research Paper guide to help in this week’s individual work
  (Note: This file is also available in DocSharing).

To prepare for this week’s individual work, please complete the following:

1) Please review the following pages in *Word Chapter 2*:

- Pages WD 78-79 to learn how to double-space and format a proper paragraph
- Pages WD 80-82 to learn how to create headers and automatic page numbers
- Pages WD 88-89 to learn how to indent the first line of every paragraph

*Note: For this class, please disregard any reference to the Modern Language Association (MLA) in your textbook.*

2) Please read the following in *Word Chapter 2*:

- "Cases and Places" p4
  - Create a Research Paper about the Month You Were Born on page WD 143 in your textbook.

---

*How to Save Your Assignment*
Save your document as a Microsoft Word 2007 (.docx) file that includes Your name, course code, and title in the file name.
- For example: JaneSmith CGS2167
  - Word.docx.

*How to Turn in Your Assignment*
Submit this document to the *Week 3: Individual Work basket* in the Dropbox.
Please note that you are to follow the APA documentation formatting style. Be sure to use Microsoft Word's References tab to create your citations, sources, endnote, and to generate your Bibliography list (which is named References in APA).

3) Using the links in your online course, please view the following short videos:
- "To Double-Space Text"
- "To Remove Space after a Paragraph"
- "To Switch to the Header"
- "To Right-Align a Paragraph"
- "To Insert a Page Number"
- "To Close the Header"
- "To First-Line Indent Paragraphs"
<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct business and academic documents using Microsoft Word.</td>
<td>Create a Microsoft Word document for use in business environments.</td>
<td>As adult learners, you may have multiple responsibilities outside the home, including family and work. Those of you who are in the workforce are likely familiar with the cover letter, resume, and interview process (i.e., you may have experience creating cover letters and resumes with a variety of successes and failures). To be successful in any workforce, you will be expected to present a qualification of your skills by submitting a resume. Page WD 148 of your textbook contains one example of a resume: Lana Canaan’s resume. Notice how Lana Canaan’s resume contains brief, yet concise information. She uses active verbs in past tense to present her responsibilities. For example, under “The Garden Grill” and “Nevada Culinary Institute Caféeteria” are the terms: • Assisted chef with meal selection... • Planned meals for staff and students... In the above, “assisted” and “planned” are the active verbs that precisely and concisely begin sentences and present ideas. Tu apply for a particular position or job, you will likely need to submit a cover letter to accompany your resume.</td>
<td>Individual Work (35 points) “You never have a second chance to make a first impression” is an expression familiar to many. When looking for a job, that first impression is frequently a cover letter and resume, either mailed directly or via electronic mail. This week’s individual work is to create and format a resume and cover letter for potential employment. After reading Word Chapter 3 (pages WD 140-202), and reviewing the links and videos in MyCollege, complete the following: • “Cases and Places” #8: Create Your Resume and Cover Letter for a Potential Job on page WD 213 in your textbook. • Note that you need to include two documents: a cover letter and a resume. How to Save Your Assignments Save your documents as Microsoft Word 2007 (.docx) files that include your name, course code, and title in the file names. • For example: JaneSmith CGS2167 Work1.docx. How to Turn in Your Assignment Submit these two documents to the Week 4: Individual Work basket in the Dropbox.</td>
</tr>
</tbody>
</table>
Page WD 147 of your textbook contains an example of a cover letter, *Lana Canaan's cover letter*, in which she is applying for a position with the Junior Culinary Academy.

Lana's personalized cover letter highlights specific items in her resume. She provides additional details to relate her skills and experiences to the requirements of the junior culinary instructor position.

In your textbook, please read the following in order to complete this week's individual work:

1) Please read the following chapter and pages:

   - *Word Chapter 3*. "Creating a Cover Letter and a Resume" (pages WD 146-202).
   - *Cases and Places* #44: Create Your Resume and Cover Letter for a Potential Job on page WD 213 in your textbook. (Note that you need to include two documents: a cover letter and a resume.)

2) Using the links in your online course, please view the following short videos:

   - "To Use the Grow Font Button to Increase Font Size"
   - "To Color Text"
   - "To Insert Clip Art"
   - "To Resize a Graphic Using the Size Dialog Box"
   - "To Recolor a Graphic"
   - "To Set a Transparent Color"
<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Construct business and academic documents using Microsoft Word | Create a Microsoft Word document for use in academic environments. | To prepare for this quiz, please read the following in Microsoft Office:  
- Word Chapter 2, "Creating a Research Paper." | Quiz (40 points)  
This quiz contains multiple choice and true false questions covering the following:  
- Word Chapter 2, "Creating a Research Paper." |
### Week Five

**Part 1 of 3**

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
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</thead>
</table>
| Construct business and academic documents using Microsoft Word. | Create a Microsoft Word document for use in business environments. | At times, concentrating on resume content can be difficult when one is distanced with the mechanics of how to format a paper in Microsoft Word. Last week, you created a cover letter and resume. This week you will continue to practice creating and formatting additional business documents. To prepare for this week's class discussion, please review the following:  - **Word Chapter 3, "Creating a Cover Letter and a Resume"** (pages W146-202). | **Class Discussion (25 points)** For this week's class discussion, please reflect on personal experiences and this week's reading material in **Word Chapter 3**. Once again, select one of the professional fields from the **Week 2 Discussion** and discuss the following questions as they pertain directly to that profession. Be sure to respond to all of the questions with substantive content.  - What are some characteristics of a good business letter?  - What is Clip Art and is it appropriate for a business letter?  - What types of fonts and paragraph spacing would you use in a business letter?  - Would you single or double space a business document?  - What are some ways to align text when constructing or editing a Word document? (Get creative here!) The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week. 1) Submit one main post responding directly to the discussion prompts.  - This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.  - You may use resources in addition to...
Part 2 of 3

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct business and academic documents using Microsoft Word.</td>
<td>Create a Microsoft Word document for use in business environments.</td>
<td>Having multiple sets of eyes can assure a well-edited and formatted document. This week, you will work in a team environment to create and edit a variety of documents for a business organization. To complete this week’s teamwork, please review the following:</td>
<td>Teamwork (30 points) Participate and complete the teamwork activity by entering the Teamwork area in your online course and completing the following:</td>
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<td></td>
<td>• &quot;Cases and Places&quot; #5: Create Documents Using Templates from the Web on page WD 214 in your textbook. Each team member is responsible for completion of one of the four documents for the Travel and Leisure Club's Calendar, Award Certificate, Letter of Thanks, and Invitation. All documents must be completed in Microsoft Word 2007 using templates selected and customized from the Web. Templates on the web can be found at MS Office Templates.</td>
</tr>
</tbody>
</table>
Each team member will need to upload their own completed document by posting to the teamwork discussion with the words “Final Submission” and attaching the attaching the Word 2007.docx file.

Respond to at least two students by the end of the week.

### Part 3 of 3

<table>
<thead>
<tr>
<th>Course Outcome</th>
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<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct business and academic documents using Microsoft Word.</td>
<td>Create a Microsoft Word document for use in business environments.</td>
<td>To prepare for this quiz, please read the following in Microsoft Office:</td>
<td>Quiz (40 points)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Word Chapter 3, “Creating a Cover Letter and a Resume.”</td>
<td>This quiz contains multiple choice and true false questions covering the following:</td>
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<td></td>
<td>• Word Chapter 3, “Creating a Cover Letter and a Resume.”</td>
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</table>
### Week Six

**Part 1 of 2**

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<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Construct a Microsoft Excel worksheet with an embedded chart. | Spreadsheets calculate, organize, and analyze numeric data. They are commonplace in business, especially among accountants, budget officers, and financial analysts. Microsoft Excel is spreadsheet application software that manipulates numbers, just as Microsoft Word manipulates text-based documents. This week you will learn that spreadsheets have specific components and terminology. For instance,  
- **Workbooks** are complete files that may contain a number of worksheets.  
- **Worksheets** are individual calculation documents, similar to ledgers. They contain rows and columns that create a grid.  
- **Rows** are horizontal and typically identified by numbers (e.g., row 1, row 2, etc.).  
- **Columns** are vertical and typically identified by letters (e.g., column A, column B, etc.).  
- **Cells** are the individual boxes within the grid of rows and columns.  
- **Charts** (also known as graphs) are visual means of depicting numeric data that is calculated or entered directly into worksheets. Charts can | **Class Discussion (25 points)**  
As you enter the business world, you will find occasion and need to read, analyze, or present data. To accomplish this, you will benefit from comprehending and creating spreadsheets. As you read this week’s material in your textbook, please answer the following questions. Be sure to respond with substantive content.  
- What are some applications for Excel workbooks and worksheets in both the field of accounting and for an NFL team?  
- In what ways could you use Excel in your life today or in your preferred career?  
- What does the Sum Function do?  
- When might you use the Sum Function in your schoolwork or workplace?  
The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.

1) Submit one main post responding directly to the discussion prompts.  
- This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.  
- You may use resources in addition to your textbook that support your posts. However, if you reference other works, you must properly cite the source(s) that you used in your posts. |
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<tr>
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<th>Learning Activities</th>
<th>Graded Activities</th>
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</thead>
<tbody>
<tr>
<td>Create spreadsheets</td>
<td>Construct a Microsoft Excel worksheet with an embedded chart.</td>
<td>There are several types of charts. In Microsoft Excel, many of the charts below can be created as columns, lines, charts (pie, bar, etc.) or in trend lines. Functions and formulas are automatic calculations performed by spreadsheet software. AutoSum and Sum Function are common functions for Excel users. Please read the following pages in your textbook to apply to this week's class discussion. Excel Chapter 1, &quot;Creating a Worksheet and an Embedded Chart&quot; (pages EX 2-69).</td>
<td></td>
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<tr>
<td>with formulas and graphs</td>
<td></td>
<td></td>
<td>2) Reply to at least two posts. These responses can be to students or the instructor. 3) Responses to other individuals' posts should: Expand on their ideas. Discuss the difference between your thoughts and theirs. Explain why you agree or disagree.</td>
</tr>
<tr>
<td>using Microsoft Excel.</td>
<td></td>
<td></td>
<td>And grade the activities. Individual Work (35 points) You may have had the opportunity to be an audience member in a presentation that contained charts to present data. They are often graphical, colorful ways to represent complex calculations in understandable visuals. After reading Excel Chapter 1 (pages EX 2-69), and reviewing the links and videos in eCollege, complete the following: Note that there are two Excel assignments. <em>Apply Your Knowledge:</em> Changing the Values in a Worksheet on pages EX 78-71 in your textbook. &quot;Make It Right:&quot; Correcting Formatting and Values in a Worksheet on pages EX 73-74 in your textbook. How to Save Your Assignments.</td>
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</tbody>
</table>

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Scatter Charts are plots points on X and Y axes. Frequently, scatter charts are depicted in four quadrants to illustrate cluster trends.

Pie Charts illustrate data in sections or parts or percentages of a circular whole. Exploded pie charts separate sections of the pie for easier reading.

Charts contain:

- **Chart Area** is the entire chart and its components, e.g., axes, labels, columns, bars, legends, etc.
- **Data Labels** are markers that represent a specific point within the chart, usually with alphanumeric identity.
- **Plot Area** is the area that holds all data, category names, labels, and axes labels.
- **Data Points and Series** are values plotted on a chart.
- **Axis** is a horizontal or vertical border. Typically, the X axis runs horizontally, and the Y axis runs vertically.
- **Legend** is a key for defining assigned data to colors, shapes or other identifiers in a chart.

Please complete the following in order to prepare for this week’s individual work:

1) In your textbook, please read the following:

**Excel Chapter 1. Creating a Worksheet and an Embedded**

Save your worksheets as Microsoft Excel 2007 (.xlsx) files that include your name, course code, and title in the file name.

For example: JaneSmith-CIS2167-Work1.xlsx.

**How to Turn in Your Assignment**

Submit these two worksheets to the **Week 6: Individual Work** basket in the Dropbox.
"Apply Your Knowledge:"
Changing the Values in a Worksheet on pages 70-71 in your textbook.
"Make It Right:
Correcting Formatting and Values in a Worksheet on pages 73-74 in your textbook.

2) Using the links in your online course, please download the following files for use in this week's individual work:
   "Apply Your Knowledge:
   Bicycle Shop 3rd Quarter Sales"
   "Make It Right:
   Book Sales"

3) Using the links in your online course, please view the following short videos:
   "To Start Excel"
   "To Enter the Worksheet Titles"
   "To Enter Column Titles"
   "To Enter Row Titles"
   "To Enter Numbers"
   "To Sum a Column of Numbers"
   "To Copy a Cell to Adjacent Cells in a Row"
   "To Determine Multiple Totals at the Same Time"
   "To Save a Workbook"
   "To Change a Cell Style"
   "To Change the Font Type"
   "To Bold a Cell"
   "To Increase the Font Size of a Cell Entry"
<p>| | |</p>
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</table>
|   | • "To Change the Font Color of a Cell Entry"
|   | • "To Center Cell Entries across Columns by Merging Cells"
|   | • "To Format Column Titles and the Total Row"
|   | • "To Format Numbers in the Worksheet"
|   | • "To Adjust the Column Width"
|   | • "To Use the Name Box to Select a Cell"
# Week Seven

## Part 1 of 3

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<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create spreadsheets with formulas and graphics using Microsoft Excel.</td>
<td>Construct a Microsoft Excel worksheet with an embedded chart.</td>
<td>As learned in previous weeks, the numeric data stored and calculated in spreadsheets can be represented in visual forms, i.e., charts. This week you will explore formulas and functions. To prepare for this week’s class discussion, please read:</td>
<td><strong>Class Discussion (25 points)</strong> Imagine that you are a spreadsheet specialist tasked with developing a monthly worksheet for your family budget. After reading Excel Chapter 1 and the links in the course, research some family budgets on the Internet. Then answer one of the following questions. Be sure to respond with specific and substantive content:</td>
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<td>• What kinds of expenses would you enter in the rows of the worksheet?</td>
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<td>• What are some ways to enhance the look of the worksheet when constructing or editing it to highlight specific data?</td>
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<td>• What do you think the best kind of embedded chart would be for your budget? Tell us why you chose that chart.</td>
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<td>The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.</td>
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<tr>
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<td></td>
<td>1) Submit one main post responding directly to the discussion prompts.</td>
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<td></td>
<td>• This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.</td>
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</tbody>
</table>
|                |                          |                     | • You may use resources in addition to your textbook that support your post(s). However, if you reference other works, you must properly cite the source(s) that...

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CS 216/C Computer Applications 2011-0441

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**Additional Supporting Documentation**

Document 7, Page 30
<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Construct a Microsoft Excel worksheet with an embedded chart. | This week you will explore formulas and functions. First, let's distinguish the two. As referenced in Week 6, formulas and functions calculate data.

**Formulas**
- Always start with an equal sign (=).
- Contain references for cells, names of sheets, names of worksheets, or names of workbooks.
- Contain numbers, dates, text, or even arrays of data.
- Have text inside quotation marks (" ").
- Sometimes include ampersand (&) symbols.
- Have various methods for entering data (e.g., enter, Ctrl+Enter, Tab, Shift+Tab, Shift+Enter).

**Functions** are types of calculations that require you used in your posts).

2) Reply to at least two posts. These responses can be to students or the instructor.
3) Responses to other individuals' posts should:
- Expand on their ideas.
- Discuss the differences between your thoughts and theirs.
- Explain why you agree or disagree.

<table>
<thead>
<tr>
<th>Individual Work (35 points)</th>
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<tbody>
<tr>
<td>Now that you have discovered a worksheet, it is time to create one with an embedded chart.</td>
</tr>
</tbody>
</table>

Please review Excel Chapters 3 and 2, and the links and videos in College. Then put on your spreadsheet analysis hat and complete the following:

- "In the Lab: Lab 1: Annual Cost of Goods Worksheet" on pages 74-75 in your textbook. (Skip steps 8, 9, 10, and 11 in your textbook.) Note that you are to create your own Excel worksheet from scratch.

**How to Save Your Assignments**
Save your worksheet as a Microsoft Excel 2007 (xlsx) file that includes your name, course code, and title in the file name.

**For example:** JaneSmith CGS2167 Week1.xlsx.

**How to Turn in Your Assignment**
Submit the worksheet to the "Week 7: Individual Work" basket in the Dropbox.
contain formulas. There are several types of functions in Excel. For example:

- **Statistical**
  - Percentile
  - Average
  - Range
- **Logical**
  - If
  - And
  - Or
  - True
  - False
- **Informational**
  - IsText
  - IsDate
  - Date and Time
  - DateAdd
  - Days360

Please complete the following in order to prepare for this week’s individual work:

1. In your textbook, please read and review the following:

   - **Excel Chapter 1**, “Creating a Worksheet and an Embedded Chart” (pages EX 2-69).
   - **Excel Chapter 2**, “Formulas, Functions, Formatting, and Web Queries” (pages EX 82-144).
   - “In the Lab” Lab 1: Annual Cost of Goods Worksheet on pages EX 74-75 in your textbook. (Note that you are to create your own Excel worksheet from scratch.)
2) Using the link in your online course, please view the following short video:
   • "To Add a 3-D Clustered Column Chart to the Worksheet"

<table>
<thead>
<tr>
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<th>Graded Activities</th>
</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Develop electronic spreadsheets using the current Microsoft spreadsheet application. | To prepare for this week's quiz, please review the following in Microsoft Office:
   • Excel Chapter 1, "Creating a Worksheet and an Embedded Chart." | Quiz (40 points)
   This quiz contains multiple choice and true/false questions covering the following:
   • Excel Chapter 1, "Creating a Worksheet and an Embedded Chart." |
<table>
<thead>
<tr>
<th>Course Outcome</th>
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</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Apply formulas, functions, and formatting to a spreadsheet. | Over the last two weeks, you learned foundations and defined key terms for Microsoft Excel and spreadsheets in general. Specifically, the regarding differences between formulas and functions. Shelly, Cashman, and Vermaat (2009) offer instructions on how to plan a spreadsheet project on page EX 85. They detail the decision points you will likely encounter when creating spreadsheets:  
• planning the layout  
• determining required formulas and functions  
• identifying ways to format spreadsheet components  
• establishing rules for any conditional formatting you may desire  
• determining the appearance of the final product  
To prepare for this week’s class discussion, please review EX Chapter 2, “Formulas, Functions, Formatting, and Web Queries” (pages EX 82-144). | Class Discussion (25 points)  
As you learned this week, formulas and functions are at the heart of spreadsheet function. At this point, you should consider what applications for formulas and functions you might need in your workplace, personal budgets, or other purposes.  
After reading EX Chapter 2, reviewing the links in eCollege, and searching the internet, please answer all of the questions below. Be sure to respond in a substantive manner and with specifics that show the result of your research.  
• What is the AutoSum button? [3] How does it work?  
• If you were a financial planner, what are some Excel formulas that you might use or need? Please specify and explain (you may need to look this up on the Internet).  
• In your financial planning worksheet, when might you use conditional formatting? Please specify and explain.  
The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.  
1) Submit one main post responding directly to the discussion prompts.  
• This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities. |
<table>
<thead>
<tr>
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</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Apply formulas, functions, and formatting to a spreadsheet. | This week, you begin to learn how to include formulas and functions in Microsoft Excel. When creating formulas, please remember:  
- Always begin with an equal sign (=).  
- You can enter alphanumeric data directly or reference a cell within a formula.  
  - is the symbol to add numbers.  
  - is the symbol to subtract numbers.  
  - is the symbol to divide numbers.  
  - is the symbol to multiply numbers.  
  - A colon (:) indicates that all cell references between those identified before and after the colon should be included.  
- You may use resources in addition to your textbook that support your posts. However, if you reference other works, you must properly cite the source(s) that you used in your post(s).  
- Reply to at least two posts. These responses can be to students or the instructor.  
- Responses to other individuals' posts should:  
  - Expand on their ideas.  
  - Discuss the differences between your thoughts and theirs.  
  - Explain why you agree or disagree. | Individual Work (35 points)  
This week's individual work is to correct the worksheet by applying several tasks learned in this chapter. i.e.:  
- Formatting,  
- Spelling checking,  
- Applying functions, and  
- Calculations with cell references.  
Please review *Excel Chapter 2,* and the links and videos in eCollege. Then complete the following:  
- "Make It Right:" Correcting Functions and Formulas in a Worksheet on pages EN 148-149 in your textbook.  
- Note: The starter Excel file needed for this assignment can be found in the online course for this week. |

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Additional Supporting Documentation  
Document 7, Page 35
1. In the textbook, please read and review the following:

- Excel Chapter 2, "Formulas, Functions, Formatting, and What Quizes" (pages EX 82-144)
- "Make It Right: Correcting Formulas and Functions in a Worksheet" on pages EX 148-149 in your textbook.

2. Using the links in your online course, please download the following files for use in this week's individual work:

   - "Make It Right: El Centro Diner Payroll"

3. Using the link in your online course, please view the following short videos:

   - "To Enter a Formula Using the Keyboard"
   - "To Enter Formulas Using Pivot Mode"
   - "To Copy Formulas Using the"
| "To Change the Heights of Rows" | "To Change the Worksheet's Margins, Header, and Orientation in Page Layout View" |

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## Week Nine

### Part 1 of 3

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</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Apply formulas, functions, and formatting to a spreadsheet. | Last week, you discussed foundational elements to revise formulas and format a spreadsheet. This week, you will discuss ways to apply formulas and functions within spreadsheets. To prepare for this week’s class discussion, please review:  
- **Excel Chapter 2. “Formulas, Functions, Formatting, and Web Queries”** (pages 82-144) | Class Discussion (25 points)  
The focus of this week’s class discussion is how to apply formulas, functions, and formatting to a spreadsheet.  
After reading **Excel Chapter 2** and conducting any needed research on the internet, please answer all of the questions below. Be sure to respond in a substantive manner.  
- How would you write a formula to calculate the average of your monthly expenses?  
- How would you construct an Excel formula to calculate your grocery expenses as part of your total expenses? For example, if your total grocery expenses for the month were $230, what percent would that be of your total expenses of $2,300? (Answer: 10%).  
- How do you troubleshoot a formula that is giving you an error? The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.  
1) Submit one main post responding directly to the discussion prompts:  
- This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.  
- You may use resources in addition to...  

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<table>
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<tr>
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<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Create spreadsheets with formulas and graphs using Microsoft Excel. | Apply formulas, functions, and formatting to a spreadsheet. | Last week, you discussed foundational elements to revise formulas and format a spreadsheet. This week, you will build a sales analysis worksheet determining quotas, percentages, and other functions requiring formula creation. In your textbook, please read the following in order to complete this week's individual work:  
   - Excel Chapter 2: "Formulas, Functions, Formatting, and web Queries" (pages 82-144)  
   - "In the Lab" Lab 1: Sales Analysis Worksheet (Part 1 Only) on pages EX 149-151 in your textbook. (Note that you are to create your own Excel worksheet from scratch.) | Individual Work (35 points)  
This week's individual work is to create a sales analysis worksheet containing quotas, percentages, functions (MIN, MAX, AVERAGE), and other calculations. After reviewing Excel Chapter 2 and the links and videos in eCollege, complete the following:  
   - "In the Lab" Lab 1: Sales Analysis Worksheet (Part 1 Only) on pages EX 149-151 in your textbook. (Note that you are to create your own Excel worksheet from scratch.) | How to Save Your Assignments  
Save your worksheet as a Microsoft Excel 2007 (.xlsx) file that includes your name, course code, and title in the file name.  
   - For example: JaneSmith{CourseCode} {AssignmnetTitle}.xlsx. How to Turn in Your Assignment |
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Submit the worksheet to the Week 9: Individual Work basket in the Dropbox.

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<tr>
<td><strong>Course Outcome</strong></td>
</tr>
<tr>
<td>Create spreadsheets with formulas and graphs using Microsoft Excel.</td>
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</table>
### Week Ten

**Part 1 of 3**

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<th>Graded Activities</th>
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</thead>
</table>
| Develop presentations containing animation and graphics using Microsoft PowerPoint. | Create a Microsoft PowerPoint presentation for use in business environments.             | This week we begin the final leg of our exploration into Microsoft Office and begin to learn Microsoft PowerPoint, which is slideshow presentation application software. You may find this portion of class enjoyable and creative. To prepare for this week’s class discussion, please begin to explore Microsoft PowerPoint and read: PowerPoint Chapter 1, "Creating and Editing a Presentation" (pages PPT 2-65). | Class Discussion (25 points) The learning activities this week detail ways to create and manipulate slideshow presentations in Microsoft PowerPoint. As you will be creating a PowerPoint presentation for your individual work, please prepare by discussing the following questions. Be sure to answer all of the questions substantively.  
- What are some of the advantages of creating a PowerPoint presentation?  
- Give a specific, detailed example of how you would use PowerPoint in your workplace, school, community, or other context?  
- What are some tips that you can share with your peers on how to use PowerPoint?  

The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.  

1) Submit one main post responding directly to the discussion prompts.  
- This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.  
- You may use resources in addition to your textbook that support your post(s). However, if you reference other works, you must properly cite the source(s) that you used in your post(s).
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</table>
| Develop presentations containing animation and graphics using Microsoft PowerPoint | Create a Microsoft PowerPoint presentation for use in business environments. | PowerPoint is often underestimated in terms of the extent of its capabilities. Primarily, it is presentation software with which you can create a slideshow. However, PowerPoint has several potential uses. For example, PowerPoint: • Contains word processing tools (formatting, drawing, and spelling). • Offers slide transition and object animation options. • Behaves as a webpage, should it contain internal or external hyperlinks. • Can include imported files (e.g., Excel worksheets, charts, or Word tables). Please complete the following in order to prepare for this week’s individual work:
  1) In your textbook, please read and review the following: Individual Work (35 points): This week you discussed with your peers the nuances of Microsoft PowerPoint. You learned many ways in which PowerPoint is more than just slideshow presentation software. After reading PowerPoint Chapter 1, and reviewing the links and videos in eCollege, complete the following: • "In the Lab" Lab 1: Creating a Presentation with Bulleted Lists on pages P17 69-71 in your textbook. How to Save Your Assignment: Save your presentation as a Microsoft PowerPoint 2007 (.pptx) file that includes your name, course code, and title in the file name. For example: JaneSmith CGS2167 Work1.pptx. How to Turn in Your Assignment: Submit the presentation to the Week 10: Individual Work basket in the Dropbox. |
- PowerPoint Chapter 1, "Creating and Editing a Presentation" (pages PPT 2-65)
- "In the Lab" Lab 1: Creating a Presentation with Bulleted Lists on pages PPT 69-74 in your textbook.

2) Using the links in your online course, please view the following short videos:
- "To Start PowerPoint"
- "To Choose a Document Theme"
- "To Enter the Presentation Title"
- "To Enter the Presentation Subtitle Paragraph"
- "To Select a Paragraph"
- "To Italicize Text"
- "To Select Multiple Paragraphs"
- "To Change the Text Color"
- "To Select a Group of Words"
- "To Increase Font Size"
- "To Bold Text"
- "To Decrease the Title Slide Title Text Font Size"
- "To Save a Presentation"
- "To Add a New Text Slide with a Bulleted List"
- "To Enter a Slide Title"
- "To Select a Text Placeholder"
- "To Type a Single-Level Bulleted List"
- "To Add a New Slide and Enter a Slide Title"
- "To Type a Multi-Level Bulleted List"
5041

- "To Create a Third-Level Paragraph"
- "To Duplicate a Slide"
- "To Arrange a Slide"
- "To Delete All Text in a Placeholder"
- "To Change Document Properties"

### Part 3 of 3

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Develop presentations containing animation and graphics using Microsoft PowerPoint. | Create a Microsoft PowerPoint presentation for use in business environments. | To prepare for this quiz, please read the following in Microsoft Office:  
- PowerPoint Chapter 1, "Creating and Editing a Presentation." | Quiz (40 points)  
This quiz contains multiple choice and true/false questions covering the following:  
- PowerPoint Chapter 1, "Creating and Editing a Presentation." |

Additional Supporting Documentation

Document 7, Page 45
## Week Eleven

### Part 1 of 4

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop presentations containing animation and graphics using Microsoft PowerPoint.</td>
<td>Construct a Microsoft PowerPoint presentation with illustrations and shapes.</td>
<td>Now that you learned the many aspects of Microsoft PowerPoint, you will begin to apply your knowledge and creativity as you produce your own slideshow presentation, enhanced with creative or practical interests. Specifically, you will learn to insert images (i.e., clipart or photographs) into individual slides within a PowerPoint presentation.</td>
<td><strong>Class Discussion (25 points)</strong> Having read PowerPoint Chapter 2, you should now understand how to enhance a PowerPoint presentation with bullets, numbering, font formatting, and image insertion. You may have even explored the ability to create hyperlinks, buttons, and other web-like features available in PowerPoint. Please begin to share your insights with your peers, and answer all of the questions below. Be sure to respond with substantive content.</td>
</tr>
</tbody>
</table>

- **What are some issues you might run into if you add audio enhancements to your presentation?**
- **For example, consider how you would gather information on workplace safety. Since there is so much information, how would you decide what to use and what to leave out?**

The minimum expectation for class discussions is to respond directly to each discussion prompt and respond to at least two other posts, either by a student or instructor, by the end of the week.

1) Submit one main post responding directly to the discussion prompts.

- **This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.**
- **You may use resources in addition to your textbook that support your post(s). However, if you reference other works, you must properly cite the source(s) that you used in your post(s).**
<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop presentations containing animation and graphics using Microsoft PowerPoint.</td>
<td>Construct a Microsoft PowerPoint presentation with illustrations and shapes.</td>
<td>Slide presentations are visual presentations of ideas and content. Strategically inserting graphics and images can enhance a presentation. In this week's individual work, you will learn to insert objects, pictures, and shapes into a PowerPoint presentation. Please complete the following in order to prepare for this week's individual work:</td>
<td>Individual Work (35 points) This week's individual work is to construct a presentation with illustrations and shapes. After reading PowerPoint Chapter 2 and reviewing the links and videos in eCollege, complete the following:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1) In your textbook, please read and review the following:</td>
<td></td>
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<td></td>
<td></td>
<td>• PowerPoint Chapter 2, &quot;Creating a Presentation with Illustrations and Shapes&quot; (pages PPT 132-131)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• &quot;In the Lab&quot; Lab 2: Creating a Presentation with Photographs Inserted from a File on pages PPT 137-139 in your textbook</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2) Using the links in your online course, please download the following files for use in this</td>
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</tbody>
</table>

How to Save Your Assignment
Save your presentation as a Microsoft PowerPoint 2007 (.pptx) file that includes your name, course code, and title in the filename. For example, JaneSmith CGS2167 Lab1.pptx.

How to Turn in Your Assignment
Submit the presentation to the Week 11: Individual Work basket in the Dropbox.
week's individual work:
- "Wk1 Ch2 Asian Longhorn Beetle"
- "Wk1 Ch2 Emerald Ash Borer"
- "Wk1 Ch2 Gypsy Moth"
- "Wk1 Ch2 Western Pine Beetle"

3) Using the links in your online course, please view the following short videos:
- "To Choose a Background Style"
- "To Change the View to Slide Sorter View"
- "To Change the View to Normal View"
- "To Change the Slide Layout to Text Content"
- "To Insert a Clip from the Clip Organizer into a Content Placeholder"
- "To Insert a Photograph from a File into a Slide"
- "To Revise Clip Art"
- "To Delete a Placeholder"
- "To Move Clips"
- "To Format Title Text Using Quick Styles"
- "To Change the Heading Font"
- "To Shadow Text"
- "To Change Font Color"
- "To Format Slide 3 Text Using the Format Painter"
- "To Add a Shape"
- "To Revise a Shape"
- "To Add Text to a Shape"
- "To Format Shape Text and
### Part 3 of 4

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Develop presentations containing animation and graphics using Microsoft PowerPoint. | Construct a Microsoft PowerPoint presentation with illustrations and shapes. | Working with others can help you construct and execute a well-developed presentation. This week you will work with your peers to create a presentation with images and shapes. To prepare for this week's teamwork, please review the following:  
  - *PowerPoint Chapter 2: "Creating a Presentation with Illustrations and Shapes" (pages PPT 82-131).*  
  - *"In the Lab" Lab 2: Creating a Presentation with Photographs Inserted from a File* in pages PPT 137-139 in your textbook. | Teamwork (35 points)  
This week's teamwork is to construct a presentation with illustrations and shapes. Participate and complete the teamwork activity by entering the Teamwork area in your online course and completing the following tasks. Each team member is responsible for completion of a presentation on any subject concerning health. The presentation must:  
- Include at least 5 slides  
- Have a colorful background and attractive formatting.  
- Contain pictures or ClipArt.  
- Contain bulleted lists of information.  
- Use slide transitions.  
Be sure your subject is different from your other teammates' subjects. |
Teamwork involves actively reviewing and critiquing your teammates' work throughout the week. Be sure to submit drafts of your presentation early for team feedback and post several critiques to others during the week.

Each team member will need to upload their own completed presentation by posting to the teamwork discussion with the words "final Submission" and attaching the PowerPoint 2007 (.pptx) file.

Respond to at least two students by the end of the week.

### Part 4 of 4

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Develop presentations containing animation and graphics using Microsoft PowerPoint. | Construct a Microsoft PowerPoint presentation with illustrations and shapes. | To prepare for this week's quiz, please read the following to Microsoft Office:  
  - PowerPoint Chapter 2, "Creating a Presentation with Illustrations and Shapes." | Quiz (40 points)  
  This quiz contains multiple choice and true false questions covering the following:  
  - PowerPoint Chapter 2, "Creating a Presentation with Illustrations and Shapes." |
### Week Twelve

<table>
<thead>
<tr>
<th>Course Outcome</th>
<th>Instructional Objectives</th>
<th>Learning Activities</th>
<th>Graded Activities</th>
</tr>
</thead>
</table>
| Integrate Microsoft Office applications for use in business. | Integrate Microsoft Word, PowerPoint and Excel skills and knowledge into a business project. Refine formatting, spreadsheet formulas, illustrations and animations for a business presentation. | In this final week of class, you will integrate all the knowledge you acquired in class thus far into a final project. Your final individual work project will contain a Word business letter, Excel spreadsheet with an embedded chart, and a PowerPoint presentation. To prepare for this week's final project, please review the following textbook chapters:  
  - *Word* Chapter 3, "Creating a Cover Letter and a Resume" (pages WD.146-202)  
  - *Excel* Chapter 1, "Creating a Worksheet and an Embedded Chart" (pages FX.31-69)  
  - *Excel* Chapter 2, "Formulas, Functions, Formatting, and Web Queries" (pages FX.82-144)  
  - *PowerPoint* Chapter 1, "Creating and Editing a Presentation" (pages PP.2-65)  
  - *PowerPoint* Chapter 2, "Creating a Presentation with Illustrations and Shapes" (pages PP.82-131). | Individual Work  
CGS2167 Final Project (100 points)  
This week, you will create a final project using Word, Excel, and PowerPoint. The final is divided into three parts. You have the entire week to complete it. You can submit each portion individually as your Dropbox throughout the week.  
After reviewing the textbook chapters and links from previous weeks in eCollege, complete the CGS2167 Final Project as instructed. You will create:  
  - A business letter.  
  - An Excel worksheet with an embedded chart.  
  - A slide presentation with graphics.  

**How to Save Your Assignment**  
Save your files as follows:  
  - Business letter as a Microsoft Word 2007 (.docx) file  
  - Excel worksheet as a Microsoft Excel 2007 (.xlsx) file  
  - Presentation as a Microsoft PowerPoint 2007 (.pptx) file  
Include your name, course code, and title in the file names.  
For example: JaneSmith CGS2167 Word1.docx  

**How to Turn in Your Assignment**  
Submit the files to the Week 12: CGS2167 Final Project basket in the Dropbox.
<table>
<thead>
<tr>
<th>Class Discussion (ungraded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use this area to discuss any difficulties you are having with your final project and to communicate with your classmates.</td>
</tr>
</tbody>
</table>
Graded Activity: Class Discussion (50 points)

Instructional Objectives for this activity:
Identify the role that neurons play in human psychology.

This week's learning activities outline the central nervous system: neurotransmitters, brain structure, and the endocrine system. For this week's class discussion, please review the reading in chapter 2, and answer all the questions below.

- What type of psychologist studies the brain?
- Why do psychologists study the brain and the nervous system?

Please remember to cite the text and any outside sources used.

Discussions

- Submit a main post. This should be a comprehensive paragraph responding to the topic(s) in your own words referencing what you have discovered in your readings and learning activities.
- Initial main post should be submitted early in the week to benefit from the discussion and allow your instructor time to review and respond.
- Respond to at least two other posts. These responses can be either to other students or the instructor.
- Responses to other student posts should:
  - Expand on their ideas.
Discuss the differences between your thoughts and theirs.
Explain why you agree or disagree.

Class Discussion

- To post your main response to this topic, click the blue **Respond** button below.
- To respond to a classmate or your instructor, click the blue **Respond** button below his/her post.

<table>
<thead>
<tr>
<th>Response</th>
<th>Author</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Post</td>
<td></td>
<td>5/8/2011 8:08:22 PM</td>
</tr>
<tr>
<td>RE: Main Post</td>
<td></td>
<td>5/9/2011 7:31:50 AM</td>
</tr>
<tr>
<td>RE: Main Post</td>
<td></td>
<td>5/9/2011 11:35:54 AM</td>
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<tr>
<td>RE: Main Post</td>
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<td>5/9/2011 1:45:25 PM</td>
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<tr>
<td>RE: Main Post</td>
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<td>5/9/2011 4:36:15 PM</td>
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<tr>
<td>RE: Main Post</td>
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<td>5/9/2011 11:30:10 PM</td>
</tr>
<tr>
<td>Week 2 Discussion</td>
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<td>5/9/2011 7:23:15 AM</td>
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<tr>
<td>Week 2 Discussion</td>
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<td>5/9/2011 7:30:28 AM</td>
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<tr>
<td>RE: Week 2 Discussion</td>
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<td>5/10/2011 5:48:59 AM</td>
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<tr>
<td>RE: Main Post</td>
<td></td>
<td>5/10/2011 1:19:29 PM</td>
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<tr>
<td>RE: Main Post</td>
<td></td>
<td>5/10/2011 2:42:07 PM</td>
</tr>
</tbody>
</table>

http://threadcontent.next.ecollege.com/NETX(c36782,c857)):MainCourseMode/Thread... 5/9/2011
1) What type of psychologists studies the brain?
Psychologists who specialize in considering the way in which the biological structures and function of the body affect behavior (Chapter 2 in textbook).

2) Why do psychologists study the brain and the nervous system?
The complexities of the nervous system can be better understood if we take the course of evolution into consideration (Chapter 2 in textbook).

4) Respond

4) Respond

A neurologist studies the brain.
It is because our body affects our behavior, cognition, perception, different moods and certain reactions that we do are governed by certain neurotransmitters that depends on the brain and the nervous system, so that it will be of use. The brain is the command center of our whole body so whatever its state or nature is very important in understanding behavior and mental processes. In addition, psychology is the study of behavior and mental processes so it makes sense.
http://wiki.answers.com/Q/Why_do_psychologist_study_the_brain_and_nervous_system

4) Respond

* Times are displayed in (GMT -7:00) Mountain Time - US & Canada.
Discussion Forum Topic View

Discussion Forum Summary Page

How Can We Help Each Other?

1. Post a problem you face and solutions you use for managing your time as you complete readings and assignments and post discussion questions for the course. For example, how do you manage when friends want you to go out and you know you really should study?

2. Post an additional challenge you are facing with time management, personal, job, or educational responsibilities. How do you cope with these challenges?

Response Criteria:

Post your two problems/challenges. Respond to other students’ posts. Again, use any personal experience if appropriate. Help current and ongoing student issues. If differences of opinion occur, discuss the issues professionally and provide examples to support your positions.

Thread View  Topic View  Reply

Created by:  Date  Post
Instructor
12/20/10  1:28 PM

RE: TB:29 V3.0: WA 5 Discussion

Case - Oh, you want to chat or do your Tfarm on Facebook, or your friends are going to a party or "hang out" and you have been feeling...

Reply
12/29/10  1:45 PM

RE: RE: TB:29 V3.0: WA 5 Discussion

did a night

Reply
12/29/10  2:09 PM

OK, okay. I did do a night doesn’t really feel much in regards to responding to the discussion that the professor posted. I have faith in you and I know you can do better.

Reply
12/29/10  2:47 PM

RE: TB:29 V3.0: WA 5 Discussion

The only problem I am facing right now is to be honest is my real world and that’s starting to come between my school and my daily life. I’ve been more worried about how my real world is going down hill, as well as focusing more on my schooling. As for assignments, I am all the way behind that it seems to be falling apart into the class is starting to get as well harder, it’s just making sure I load the assignment, understand the assignment and also making sure that I do the assignment right that the first time I don’t have to redo it or do it a second time.

Reply
1/15/11  10:12 AM

RE: RE: TB:29 V3.0: WA 5 Discussion


Additional Supporting Documentation
Document 9, Page 1
I have to do the same thing for my assignments. Sometimes I think I need everything, but sometimes I need to read through everything thoroughly because sometimes I miss things.

Reply
01:25 | 1/26

Reply
01:41 | 1/26

Reply
01:14 | 1/26

Reply
01:16 | 1/26

Reply
01:16 | 1/26

Reply
01:35 | 1/26

Reply
01:21 | 1/26

Reply
01:16 | 1/26

Reply
01:22 | 1/26

Reply
01:27 | 1/26


Additional Supporting Documentation
Document 9, Page 2
As long as you're making the effort to attend school, then your family will be proud of you, no matter what grade you make. Family is always there for you, and they always have to prepare you to face up to all circumstances. You should live to your own and have faith in yourself. With your present of work, you'll do the best you can and try to do even more yourself. You begin to find it's hard to juggle work and school and try to make sure you do a good job. I know exactly what it's like to juggle work and school and try to make sure your kids are paid.

I agree with you, and the stresses you're making shear the ability to judge. They may not be supportive of your decisions, but their support and your efforts to do well in school may not help what you feel is right for you.

I would be totally exhausted by 11:00 a.m. each morning I had to consider my family's expectations of me. Once I graduated and became a nurse, I've noticed how my family's expectations of me were higher. I think it is fair to ensure that your family is aware of your high regard for your efforts and to be aware of your goals in your endeavors.

I completely agree with you when you're going through with your family. I am in the same boat, except I am the 3 out of 4. I have always been a straight A in school except that it's not as much that matters right now, but that I stay in line and I want to get good grades, and I do. Once I get past that I did a good job of school, but just doesn't cut it out of me. Now I'm 5 years out of high school and no degree, my family has been looking down on me for not doing anything with my life. However, I am at my job, pay all my bills, and have 2 jobs and a serious relationship, and now I will never regret it. I have never been more proud of myself, and my family is starting to give me up. So listen, my advice to you is this, make yourself proud, everyone else will fall in line.

http://www.distance-education.it-t.tech.edu/online/valdoc/elkslindep df postres Send? i... 1/25/2011

Additional Supporting Documentation
Document 9, Page 3
I kinda of have the same problem. I am the youngest of three and the oldest sibling is doing very well for himself, the middle sibling and her husband are perfectly off living off of mom and dad and will not do anything for themselves. I am trying out the new graduate from college with her new man and they expect a whole lot out of me. I can handle the stress, but do not let it get you down, you have to do this for yourself.

Reply
01/21/11 06:07

I understand completely where you are coming from! I am in the same situation with the family issues as well as with the work to say the least, I know the feeling. I know I am really struggling at times, but just try to stay one step ahead of life and take one day at a time. You have to do it for you.

Reply
01/21/11 08:37

Just do your best and I am sure everyone will appreciate it all. It is very difficult to juggle everything that I know, but just do your best and make it happen.

Reply
01/21/11 14:14

I know. It is really hard to run up to expectations of our family. I am the youngest and we do need more out of the two.

Reply
01/21/11 19:17

Your family sounds proud that you are trying to better yourself and by doing that, you will be able to get a better paying job. So never you need to keep trying.

Reply
01/22/11 09:19

I applaud you for staying strong and continuing with what you need to do. I must say, you need to come to your family and help them see what you are doing and being sure to move forward with confidence in your decisions. I wish you good fortune and many blessings.

Reply
01/23/11 09:54

Also, staying in touch is something I have been dealing with, I keep the line open and keep everyone involved as much as I can and I see it is working out for the best. Be strong.

Reply
01/25/11 01:46

A different face of things. I need to do. My solution to this problem is to make a list of what I need to do throughout the day, staying with the most important thing and ending with the least important. An additional challenge I am facing is finding a job. I am coping with the stress of adding to it, but about it I will not add stress and not push from me effort.

Reply
01/25/11 20:24

http://www.distance-education.itt-tech.edu/online/valdoc/ekidsleep/df_postres Send?...
Like your idea of making lists. I try to do that but somehow I ignore the list at the end of the day. I need to sit down and write down all the things I have to do before I do anything else. And I am also trying to avoid making a new job. It is too stressful and I feel like being torn down. But something will come up, just keep trying... Good luck.

Your idea of prioritizing your to-do list is an awesome idea. I just wish I had time to make one.

I'm totally in the same boat. I think about everything and have too much to do. I am in the process of trying to figure out a good way to organize my work and keep the house clean. I don't want to feel overwhelmed. I also try to do exercise every day, but I have not been able to stick to it. I am trying to find a way to keep up with everything. I have been working on a list, but I haven't been able to keep up with it. I am trying to make a list of things I need to do every day and keep up with it. Thanks and have a good day.

Making a list is a good thing, you will get that job that you want. It may not be in your time. By continuing to make lists you are getting yourself to get a stable job.

I am currently living a computer which is by far the easiest way to get things done. After a few weeks of doing a lot of desk work and having to do the same thing over and over, I decided to try and develop a more productive and efficient workflow for my tasks.

At the beginning of a given week, I try to sit down and write all my to-do's for the week, specifics and all. My task lists become my "daily to do list," where I work on all assignments and tasks without the need for the computer. This saves me a lot of time, being able to get the right tasks done in work to complete and have the appropriate assignments.

My new approach to this problem has also enabled me to research other jobs with better job offers and pursue a more lucrative employment profession.

My biggest problem for managing my time is that I have too many tasks. As I have stated in the past, I work two jobs, 2 days a week, and 2 days at my own business. So my schedule is this: Monday, Tuesday, and Wednesday when I only work the job during the day, I do 90% of my homework, and after I get out of work, Thursday and Fridays, work both days, Saturday and Sunday, I work 90% of the time. This leaves me a lot of time to work on and complete the appropriate assignments.

Another problem I face is that there are so many tasks, and I have to do them all. But today, I have 10 things to do and I feel like I don't have enough time to do them all. I try to prioritize my tasks and work on the most important ones first. But I still feel overwhelmed and stressed out. I need to find a way to manage my time better. I am thinking about changing jobs or finding a different way to work. I really don't know what to do.
Discussion Forum Topic View

It took a lot for me to be able to share that with all of you, we weren't kind.

Reply
03/11/11 | 10:27
RE: RE: TB19 V3.0: V5 5 Discussion

I just wanted to say CONGRATULATIONS on getting 9 grade tests - I really admire that. Reading that brought tears to my eyes. I am so glad you have the freedom and I get now, because I've lived in some really tough things. And then, you said to the audience, I see and understand how hard it is. It's heartbreaking. And though I don't know you, I am very proud of you for being strong, because to live, after 4 years and going to college, my body and mind were not healthy, in breaking the dead and it is very well. Keep up the good work.

As far as your management, I couldn't imagine working 2 jobs, 7 days a week and also doing the school. Don't push on that, as well. I have a feeling you will be very successful in this, through.

Reply
03/11/11 | 14:56
RE: RE: TB19 V3.0: V5 5 Discussion

It's great. Life can be very hard to that you just have to try everything you can and find ways to break it. Now a lot of times it feels like you're just there and you're building your house. Just remember that's what we're all going through now. The decisions that we make will take our lives. Remember when we all get through that will be beautiful. It's very hard and it's not easy and it will be worth it.

Reply
03/11/11 | 12:49
RE: RE: TB19 V3.0: V5 5 Discussion

It sounds like you have a really tough life and seems like you are doing well with all the work and the struggle and thought had a stay. So, tried to work two jobs before. I told you about a year before I tried. I do not know how you do it.

Reply
03/11/11 | 10:19
RE: RE: TB19 V3.0: V5 5 Discussion

My biggest problem is probably procrastination because, nos, I just don't feel like doing the work. I can usually get something done, it's like I'm motivated to do it, but sometimes I just don't want to. Then the next thing I know, it's Friday and I still have some work to do. But I did it, and then I said, I was a big project because I took my way on my own day by day. Then, when I did it, I didn't do any work on my day. Now I'll go in and get it all out of the way at the beginning of the week and then I won't stress about it for the rest of the week and have it up to, just miss.

Another one is that I'm finding it now that I'm very stressed in personal is my or again, still trying to figure out where my place is. And there was really much I can do to clear and I am trying to figure out what I am doing about it, but it's a very confusing situation. I am not sure whether thinking about it, as I need to stop doing that so much.

Reply
03/11/11 | 00:10
RE: RE: TB19 V3.0: V5 5 Discussion

I agree with the on and off again situation with the boyfriend, but try for me and my husband. We tend to stick out even talk to each other because of that. It's hard, isn't it, our own. Which then affects my schooling and then work, communication. But I just try to stay focused and positive and as long as you go you won't be delayed even in a situation, just reduce at least doing, right?

Reply
03/11/11 | 15:09
RE: RE: TB19 V3.0: V5 5 Discussion


Additional Supporting Documentation
Document 9, Page 6
I understand the challenge of doing this all on my own, but I decided to try and start a relationship with someone right away. I wanted to do things differently and make them feel valued, but the job, school, and military lifestyle have been challenging. It is difficult to get to school in the right mindset for a relationship. It seems to add more stress to the days, but when things are going well, it seems to help take the stress away when they just want to be close.

Another issue that I find myself with is that I have to do a lot of work at home and get the work done at the same time. I am not sure how to balance both. I have another class that makes it difficult to do the work 10 assignments on top of that, so I feel like I am doing a lot of work on the weekends. I find myself doing a lot of work on the weekends.

I have tried to do the same thing, but it seems like I am always getting behind. I am not sure what's going on. I have another class that makes it difficult to do the work 10 assignments on top of that, so I feel like I am doing a lot of work on the weekends.

My problem is that I need a lot of help. I need to try to do my best with my husband. It is extremely difficult between school, the kids, and work. I try to make time for the kids but there is a lot of stress. We always have to fit in time to do other things. I have just had to deal with this for a long time now. It is a lot of stress and work, but we have to deal with it. I feel like I have to balance both, and I am trying to do my best.
I am having some serious problems with time management. I have to go to work, the military, and school as well as try to do some personal time. Since I have not made much of a personal life right now it is more of a challenge to find the time for some free time. I keep myself busy and some day I will get around to it. I have not had enough time to get my classes done and I have to work a lot. I have to work during the day so that I know when I should be doing what. Doing this way I do not have much time left for a personal life but I try to get around my job and that is what is important.

An additional stress for me is the stress that comes with it. I have been working so much and forget to take it out. I am trying to do my best but forget to take it out. I have been told that I have to take care of myself and that I am putting it on myself. I am trying to do it and I will make sure that I am taking care of myself. Of course it is hard to do but I will try to take care of myself.

I really do understand. I have been having some bad problems, I have been working extra hard due to the stress. My job has gotten more difficult since we are going through a budget crunch. I just want you to know that we are working hard to make things better. I have been working on this for a while now and I am really happy with the progress we are making. I do not want to put off the procrastination. I know you are working hard and that is great. I just want you to know that we are working hard to make things better.

http://www.distance-education.ittech.edu/online/vuldoo/elks/indep_df/postres_send?i...
My biggest problem is maintaining my time to keep house, take care of 4 in the family and make sure I get my studies done. I have to make sure I get things I need to do on a daily basis and make sure I get it done. When I look back at the task at hand, I do not want to do it. I get up and do it. I get done. I try to work on it a week or a week to a week and a half, then every day up to a week to a week and a half, until I feel like I can do it. I feel good about it. Then I get to a point where I feel like I am not doing my best. I feel like I need help. My friend says that I never stopped but I am probably the only one I need to be at. I have a job to do and the job is to be at home. I am not really doing anything. I try to feel good about what I am doing but I am probably the only one I need to be at home. I am not doing anything.
Discussion Forum Topic View

[Partial text]

I understand about the whole not enough time for anything you need done in a day, right? And with that everyday how things I need to get accomplished to things that aren't so needed. I think they need to add a class hour somewhere to we could accomplish more...

Reply
01/23/11 12:14

Currently I am having a hard time with balance, especially since one of the kids was admitted to the hospital last week and I am getting a new job. I'm more a home body lately and have to step out, so I mostly do my assignments during the week end because when I'm off from work other things are needed to be done.

There is so much to do and not enough time in the day. I made a decision to sit down and write out a mini schedule. Belonging to it is a task in itself.

Reply
01/23/11 13:30

Like it. I do have full time attending school and work. But in the end, I'm a better person to myself and others. I prioritize and communicate my priorities. For example, if my friends know that passing the class and graduating from JIT is important to me, then they will respect that decision, otherwise they're not my friends. Spending most of your time on one thing can be boring, or cause stress. Making my time between work and school at JIT can be many of a challenge. I believe I'm working on not being able to what I'm doing at work. This is why I can be a step that I can apply at work (like creating visual art using Word), the better employer I will become. Figure me the chance to apply this knowledge at work.

Reply

[Partial text]


Additional Supporting Documentation
Document 9, Page 10
Record of Analysis

Title: [Redacted] - Everest – (Computer Applications) – Professor Feedback

Purpose: To document undercover activity related to [Redacted] enrollment at Everest College

Source: GAO Internal

Analysis/Summary:

Note: All times are approximate.

May 10, 2011, 10:55 a.m.
- Feedback provided by Professor regarding required Week 1 discussion forum (due 5/7/11)

Discussion Post Comments:
May 17, 2011, 12:46 p.m.

- Feedback provided by Professor regarding required Week 2 discussion forum (due 5/1/11) □□□□□□

Discussion Post Comments:

Additional Supporting Documentation
Document 10, Page 2
May 17, 2011, 1:12 p.m.

- Feedback provided by Professor regarding required Week 2 Individual Work (due 5/1/11).

Individual Work Comments:

[Redacted information]
May 17, 2011, 1:08 p.m.

- Feedback provided by Professor regarding required Week 3 discussion forum (due 5/1/11)

Discussion Post Comments:

[Image of Everest interface]
May 17, 2011, 1:11 p.m.

- Feedback provided by Professor regarding required Week 3 Individual Work (due 5/1/11).

Individual Work Comments:

Additional Supporting Documentation
Document 10, Page 5
Feedback provided by Professor regarding required Week 5 discussion forum (due 5/21/11).
May 23, 2011, 10:38 a.m.

- Feedback provided by Professor regarding required Week 5 Team Work Activity (due 5/21/11).

Professor Comments:

[Image of a computer screen displaying a webpage or document, with some text obscured and the website name "Everest" visible.]
Final Review: Name: "s" or "signed" date  
DM Library: HO  
Job Code: 192370

**June 1, 2011, 12:50 p.m.**
- Feedback provided by Professor regarding required Week 6 Discussion Forum (due 5/28/11).

**Professor Comments:**

![Image of a computer screen showing a discussion forum]

**Everest**

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Additional Supporting Documentation

Document 10, Page 8
Final Review: Name: "s" or "signed" date

DM Library: HQ
Job Code: 192370

June 1, 2011, 12:55 p.m.
- Feedback provided by Professor regarding required Week 6 Individual Work (due 5/28/11).

Professor Comments:
Feedback provided by Professor regarding required Week 7 Discussion Post (due 6/01/11).

Professor Comments:

Additional Supporting Documentation
Document 10, Page 10
June 13, 2011, 3:15 p.m.

- Feedback provided by Professor regarding required Week 7 Individual Work (due 6/01/11).

Professor Comments:

5072
June 13, 2011, 11:22 a.m.

- Feedback provided by Professor regarding required Week 8 Discussion (due 6/11/11).

Professor Comments:

[Redacted text]

Additional Supporting Documentation
Document 10, Page 12
June 13, 2011, 11:31 a.m.

- Feedback provided by Professor regarding required Week 8 Individual Work (due 6/11/11)

Professor Comments:

[Redacted]

[View of a computer screen showing a worksheet with data and notes]

Additional Supporting Documentation
Document 10, Page 13
Final Review: Name: "s" or "signed" date
DM Library: HO
Job Code: 192370

June 20, 2011, 4:33 p.m.
- Feedback provided by Professor regarding required Week 9 Discussion Post (due 6/15/11).

Professor Comments

Additional Supporting Documentation
Document 10, Page 14
June 20, 2011, 4:35 p.m.

- Feedback provided by Professor regarding required Week 9 Individual Work (due 6/15/11)

Professor Comments:

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Additional Supporting Documentation
Document 10, Page 15
June 28, 2011, 2:01 p.m.

- Feedback provided by Professor regarding required Week 10 Discussion (due 6/25/11).

Professor Comments:

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Additional Supporting Documentation
Document 10, Page 16
June 28, 2011, 2:03 p.m.

Feedback provided by Professor regarding required Week 10 Individual Work (due 6/25/11)

Professor Comments:

Additional Supporting Documentation
Document 10, Page 17
July 11, 2011, 7:39 a.m.

- Feedback provided by Professor regarding required Week 12 Individual Work (due 7/11).

Professor Comments:

[Image of Everes.png]
Record of Analysis

Title: **Everest – (Strategies for Success) – Professor Feedback**

Purpose: To document undercover activity related to enrollment at Everest College.

Source: GAO Internal.

Analysis/Summary:

Note: All times are approximate.

**May 10, 2011, 3:58 p.m.**

- Feedback provided by Professor regarding required Week 1 Individual Work 1 (due 5/7/11).

**Professor Comments:**

![Image of Everest screenshot]

Additional Supporting Documentation
Document 11, Page 1
May 10, 2011, 3:59 p.m.
Feedback provided by Professor regarding required Week 1 Individual Work 2 (due 5/7/11).
May 10, 2011, 4:00 p.m.

- Feedback provided by Professor regarding required Week 1 Individual Work 3 (due 5/7/11).

Professor Comments:

Additional Supporting Documentation
Document 11, Page 3
May 17, 2011, 2:01 p.m.

- Feedback provided by Professor regarding required Week 2 Discussion Post 1 (due 5/14/11).

Professor Comments:
May 17, 2011, 2:08 p.m.
- Feedback provided by Professor regarding required Week 2 Discussion Post 2 (due 5/14/11).
Feedback provided by Professor regarding required Week 2 Individual Work (due 5/14/11).

Professor Comments:

Additional Supporting Documentation
Document 11, Page 6
Feedback provided by Professor regarding required Week 3 Discussion (due 5/14/11).
May 18, 2011, 1:29 p.m.

- Feedback provided by Professor regarding required Week 3 Individual Work (due 5/11/11). [Redacted]

Professor Comments:

[Redacted]

Additional Supporting Documentation
Document 11, Page 8
May 24, 2011, 1:30 p.m.
- Feedback provided by Professor regarding required Week 4 Discussion Post (due 5/21/11).
May 24, 2011, 1:31 p.m.

- Feedback provided by Professor regarding required Week 4 Team Work (Due 5/21/11).

Professor Comments:

[Redacted text]

Additional Supporting Documentation
Document 11, Page 10
May 24, 2011, 1:52 p.m.
Feedback provided by Professor regarding required Week 5 Discussion Post
(Due 5/21/11).

Professor Comments:

[Redacted text]
May 24, 2011, 1:34 p.m.

- Feedback provided by Professor regarding required Week 5 Individual Work 1 (Due 5/21/11).

Professor Comments:
May 24, 2011, 1:42 p.m.

Feedback provided by Professor regarding required Week 5 Individual Work 2
(Due 5/21/11).

Professor Comments:

[Proffessor's comments redacted for privacy]

Additional Supporting Documentation
Document 11, Page 13
May 24, 2011, 1:42 p.m.

- Feedback provided by Professor regarding required Week 5 Team Work Activity (Due 5/21/11). [Image]
June 1, 2011, 1:34 p.m.

- Feedback provided by Professor regarding required Week 6 Discussion Forum (Due 5/28/11).

Professor Comments:

[Redacted text]

Additional Supporting Documentation
Document 11, Page 15
June 1, 2011, 1:41 p.m.

- Feedback provided by Professor regarding required Week 6 Individual Work (due 5/28/11).

Professor Comments:

[Embedded image of a comment section]

Additional Supporting Documentation
Document 11, Page 16
June 1, 2011, 1:42 p.m.

Feedback provided by Professor regarding required Week 6 Team Work Activity (Due 5/28/11).

Professor Comments:

[Handwritten notes]

Additional Supporting Documentation
Document 11, Page 17
June 13, 2011, 1:21 p.m.

- Feedback provided by Professor regarding required Week 7 Individual Work (due 6/4/11).

Professor Comments:

[Image of form with handwritten notes]

Additional Supporting Documentation
Document 11, Page 18
June 13, 2011, 1:25 p.m.

Feedback provided by Professor regarding required Week 7 Team Project
(Due 6/4/11) [Redacted]

Professor Comments:
June 13, 2011, 3:27 p.m.

- Feedback provided by Professor regarding required Week 8 Discussion (Due 6/11/11).

Professor Comment:

Additional Supporting Documentation
Document 11, Page 20
June 13, 2011, 3:32 p.m.

- Feedback provided by Professor regarding required Week 8 Individual Work (Due 8/11/11).

Professor Comment:

[Text redacted]

Additional Supporting Documentation
Document 11, Page 21
June 13, 2011, 3:33 P.M.

- Feedback provided by Professor regarding required Week 8 Team Work (Due 6/11/11).

Professor Comment:

[Additional Supporting Documentation]

Document 11, Page 22
June 21, 2011, 1:00 p.m.

Feedback provided by Professor regarding required Week 9 Individual Work (Due 6/18/11).

"Professor Comment:"

[Redacted text]
June 28, 2011, 2:46 p.m.

- Feedback provided by Professor regarding required Week 10 Individual Work #1 (Due 6/25/11).

Professor Comment:

Additional Supporting Documentation
Document 11, Page 24
June 28, 2011, 2:48 p.m.

Feedback provided by Professor regarding required Week 10 Individual Work #2 (Due 6/25/11).

Professor Comment:

[Feedback details]

[Image of document with text and tables]

Additional Supporting Documentation
Document 11, Page 25
July 7, 2011, 10:16 a.m.

- Feedback provided by Professor regarding required Week 11 Discussion Post (Due 7/2/11).

Professor Comment:

[Redacted text]

[Image of a partially redacted document]
July 7, 2011, 10:19 a.m.

- Feedback provided by Professor regarding required Week 11 Individual Work (Due 7/2/11).
July 12, 2011, 9:15 a.m.

- Feedback provided by Professor regarding required Week 12 Discussion Post (Due 7/8/11).
Question 1 of 1:
Problem Solving to Go

Introduction:
A fancy title for someone who is frequently the "go-to" person for solving a problem. Making a decent, or getting the job done on time might be the name of him or her. A First Class Critical Thinker!
Applying your learning style and making decisions about what you need to know, when you need to know it, why you need to know something, and how long you will find it useful may be the keys you'll need most to open the doors to lifelong learning.

Tasks:
1. Using Microsoft Word, write one to two pages describing the eight steps of problem solving in your own words.
2. Next, write a work, school, or personal problem that you have in one to two sentences. Apply the eight steps of the problem-solving process to the problem you have defined. Add this explanation to your work from Step 1 for a total of two to four pages.

Deliverables and Format:
When you have completed the assignment, save a copy for yourself in an easily accessible place and submit a copy to your instructor.
Font: Arial, 12-point
Line Spacing: Double

References: null

Answer/response:
Please see my attached file.

Attachments: TB139_Vrk_9_Wk6_Assign.docx

Instructor Comments
Paper met expectations, however, it was submitted two days late resulting in a 10% deduction.

Instructor Attachment:

Max Grade for this Question: 100 Grade Allotted: ----

Additional Supporting Documentation
Document 12, Page 1
Problem Solving to Go

Introduction:
A fancy title for someone who is frequently the "go-to" person for solving a problem, making a decision, or getting the job done on time might be to name him or her a First Class Critical Thinker! Applying your learning style and making decisions about what you need to know, when you need to know it, why you need to know something, and how long you will find it useful may be the keys you'll need most to open the doors to life-long learning.

Tasks:
1. Using Microsoft Word, write one to two pages describing the eight steps of problem solving in your own words.
2. Next, define a work, school, or personal problem that you have in one to two sentences. Apply the eight steps of the problem-solving process to the problem you have defined. Add this explanation to your work from Step 1 for a total of two to four pages.

Deliverables and Format:
When you have completed the assignment, save a copy for yourself in an easily accessible place and submit a copy to your instructor.
Font: Arial, 12-point
Line Spacing: Double

Answer:

I: Steps to Problem Solving

1. UNDERSTAND THE PROBLEM

2. DEVISE A PLAN

3. CARRY OUT THE PLAN

4. LOOK BACK

II: Problem Issue: Balancing full-time work, ITT courses, and part-time work as a male belly-dancer.

1. UNDERSTAND THE PROBLEM: Lack of balance with professional and academic life.

2. DEVISE A PLAN: Cut back on my belly dancing clients, so I have more time to work on ITT school work.

3. CARRY OUT THE PLAN: Do this for 6 months, then reassess costs and benefits.

4. LOOK BACK: See above.
Record of Analysis

Title: [Redacted] - Rasmussen – IB – Week 7 Quiz

Purpose: To document undercover activity related to [Redacted] enrollment at Rasmussen College

Source: GAO Internal

Analysis/Summary:

Note: All times are approximate.

February 18, 2011
- IB Week 7 Quiz (due 2/20/11) – Graded 6/10.
Tuesday, January 11, 2011

[05:21 PM]: I am your ONLINE Intro to Computer Instructor. My name is ______ and my number is _______. For Intro to Computer, you should receive a thin GO! Basic Computer Concepts book for this course that will have an access code for you to register for myLab. Also, you will need to download the syllabus here from the moodle because you will need the class ID number which will be in red. The myLab is where you will complete all of your assignments and the moodle is where you will answer the discussion questions. Makes sure you note the times for chats because they are mandatory. Again, welcome to your course.

Tuesday, January 18, 2011

[01:44 PM]: I have not seen you log into myLab for Intro to Computers.

Thursday, January 20, 2011

[07:37 AM]: I have not seen you log into myLab to start your Intro to Computer work. Is everything okay?

Wednesday, January 26, 2011

[04:22 PM]: Welcome to your ONLINE Intro to Keyboarding course. My name is ______ and my cell number is _______. I've provided instruction for this course on the front page of this Intro to Keyboarding course here in the moodle. They syllabus have a student tracking sheet for your convenience. Makes sure you note the times for chats because they are mandatory. Again, welcome to your course.

Also, for Intro to Computers, you must pass those objectives with at least a 70.

Friday, January 28, 2011

[07:58 AM]: Is everything okay? Do you need my help? I need you to get caught up in both classes.

No chat this morning. Have to take god-daughter to doc. Have a wonderful weekend. If you need me, just text me or email me. We will chat on Monday at new times.

Monday, January 31, 2011

[05:44 PM]: Those assignments you did not pass, I've opened them up so you can retake...
them... They are open book so there should not be any failure. All answers are right in the book and there is no time limit.

**Thursday, February 3, 2011**

[06:07 PM]: I have not seen you log into Intro to Keyboarding? Please start you assignments soon. Also, you need to have at least a 70 on all Objectives so please redo Objectives 2 and 3, both multiple choice/matching and true/false.

**Thursday, February 10, 2011**

[07:40 PM]: You are behind in both classes. Do you need some help? I am here to ensure you are successful. Let me know what I can do.
[07:46 PM]: You have not logged into the keyboarding pro delux to start any assignments. Do you have the book and the cd?

**Friday, February 11, 2011**

[09:27 AM]: computers - your completion date is February 21st.
[09:27 AM]: All areas must be passed w/in at least a 70 (C).
[10:24 AM]: Sorry. What Obj are we on in Computers?
Also, I have the Keyboarding CD, but I need the course code and password. What is it? Thx!
THE GROSS DOMESTIC PRODUCT

Directions: Use the GDP report you found on the Bureau of Economic Analysis’ website, to answer each of the questions below. Your answers should be written using complete sentences.

1. What is the real GDP for the most recent quarter?

   a. This is the percentage change from what period to what period?

2. What months does this particular quarter include?

3. Name two causes for the change in real GDP this quarter?

4. According to the report, did U.S. exports go up or down for the quarter? What was the percent change?

5. Did U.S. imports go up or down? What was the percent change for imports?

6. How much did corporate profits change by this quarter?
Job Code: 192370

Title: T8 141 Week 2 Quiz

The screen shots captured here were taken on December 19, 2010 by [redacted], posing as [redacted]. [redacted] was required to answer a 10 question quiz. A screen shot was taken for all 10 questions. Following the submission of the quiz, [redacted] saw a screen showing a grade of 90%.
**Graded Activity: Class Discussion (25 points)**

**Instructional Objectives for this activity:**
Create a Microsoft Word document for use in business environments.

For this week's class discussion, please reflect on personal experience(s) and this week's reading material in *Word Chapter 3*. Select one of the professional fields from the Week 2 class discussion and discuss the following questions as they pertain directly to that profession.

Be sure to respond to all of the questions with substantive content.

- What are some characteristics of a good business letter?
- What is Clip Art and is it appropriate for a business letter?
- What types of fonts and paragraph spacing would you use in a business letter?
- Would you single or double space a business document?
- What are some ways to align text when constructing or editing a Word document? (Get creative here!)

The minimum expectation for class discussions is to respond directly to each part of the discussion prompt and to respond to at least two other posts, either by a student or instructor, by the end of the week:

1. Submit one main post responding directly to each part of the discussion prompt.
This should be a substantive response to the topic(s) in your own words, referencing what you have discovered in your required reading and other learning activities.

You may use resources in addition to your textbook that support your post(s); however, you must mention the source(s) that you used in your post(s).

2. Reply to at least two posts. Responses can be made to students or to your instructor.

3. Responses to other individuals' posts should:
   - Expand on their ideas
   - Discuss the differences between your thoughts and theirs
   - Explain why you agree or disagree

Class Discussion

- To post your main response to this topic, click the blue Respond button below.
- To respond to a classmate or your instructor, click the blue Respond button below his/her post.

http://threadcontent.next.ecollege.com/NEXT(670473)[b3]) MainCourseMode:Thread L... 5/18/2011
Discussion requirement  

Main Post:  

What are some characteristics of a good business letter?

*Being professional, having an organized appearance, and clearly conveying its message are some characteristics of a good business letter.

What is clip art and is it appropriate for a business letter?

*Clip art is a defined graphic and is appropriate for a business letter only on the letter head.

What types of fonts and paragraph spacing would you use in a business letter?

*You would use single line spacing and double spacing between paragraphs. Block lettering is the type of font used.

Would you single or double space a business letter?

*Single

What are some ways to align text when constructing or editing a Word document?

*You can use the tab key or push either the left, center, or right align button.


Additional Supporting Documentation
Document 17, Page 3
5127

FAX HEAD SHEET

[Signature]

FROM [Signature]

Additional Supporting Documentation
Document 18, Page 1
April 02, 2011

Dear Senator Harkin and Staff:

Greetings to you all from Sioux City, Iowa. This letter comes to you with great concerns regarding the practices of for-profit educational institutions with those concerns ranging from recruitment practices to mentoring help for job seeking alumni. Furthermore, it will detail the personal experience that I have had with a well-known for-profit college, the University of Phoenix. The high hopes and dreams of a career in pharmaceuticals upon completion of my degree have now been replaced with worries that I will never become employed in the field of pharmacy. I am also unable to repay my student loans.

As a stay-at-home mother of two children, the choice was made for me to go back to school in 2008. This decision was made by my husband and me with the goal of me becoming employed in the field by the time that my youngest child began preschool. I began the search for a school and decided that taking online instruction would be the best choice for me, as it would allow me to remain at home with my kids. I researched various colleges and settled on the University of Phoenix based upon two main factors: it was an accredited school and it offered an online pharmacy program.

Within a couple of hours of completing my online application for information regarding the University of Phoenix's programs, a recruitment representative called my home to discuss my options for enrollment with me. This discussion included reassurance that their pharmacy program was an acceptable form of training to pharmacists all over the country and that a prior felony conviction from my teenage years would not hinder me from gaining employment as a pharmacy technician once I completed my degree. I was ecstatic as this meant that I would be working towards a rewarding career while supporting my children what can be accomplished with hard work, being at home with them during their formative years, and also bringing in a small amount of money to alleviate my husband's bill-related stress. It was a win-win situation, for sure!

I enrolled with Azusa College of the University of Phoenix and began my schooling in August 2008. It came with much self-discipline and effort that I completed my Associate's degree in Pharmacy Practice in the summer of 2010 with a 3.61 GPA. Never during the course of those two years did I receive a grade below a B and this is something that I was and am still very proud of, regardless of my current inability to gain employment as a pharmacy technician.

I ask you, Senator Harkin, to present this letter as proof of the illegal practices that are being done in the areas of recruiting, the disclosure of acceptance to particular programs, and the promise of receiving help to gain employment through the alumni association. All of which occurred to me during my enrollment at this for-profit college. President Obama's 'More Jobs, Better Schools' Scholarship has proved to be more of a hindrance than a help to me as it has now left me with a jaw-dropping debt of $27,000 that I owe to the federal government. Here's the kicker: I am not allowed to take the required licensing test because I have a felony on my record, and also because the pharmacy program itself, at the accredited University of Phoenix, is not an...
accredited program

So, it stands that after all my time, effort, and hard work I am left with a
$27,000 leather-bound piece of paper that states that I am qualified to do the job
of a pharmacy technician but am unable to gain employment in the field. I
propose that the countless numbers of newly-educated men and women have found
themselves in the same situation as me be forgiven of the debt that incurred
during the timeframe of these years; as the new bill solely created an opportunity
for these schools to fraudulently recruit students, thereby lining their pockets with
more money. Do not let them get away with this any longer! I beg of every
senator to see that these wrongs are set to rights!

Although current efforts are being made to eliminate the fees paid to
private banks providing student loans, this does nothing to help my situation. The
overhaul of the Student Loan Program seems to reflect the phrase "a day late
and a dollar short," as it does not help all those who were affected by the
loopholes of the first bill which allowed these colleges a new way to increase
their profit margins without any repercussions to their institutions. I implore you to
use haste in this matter, as my family is now hanging by a proverbial thread

Sincerely,

Aubrie I. Roude
Senator Harkin,

My name is Eric Schmitt. I received an email today as a Kaplan Alumnus asking me to share my success. Since I am sure Kaplan wouldn't like what I have to say, I am going to tell you I am a graduate of Kaplan University with a Bachelor of Science in Paralegal Studies with an emphasis in Personal Injury. I attended the Kaplan Campus in Cedar Falls, Iowa as well as utilized the internet campus.

The story of my involvement with Kaplan begins in 2002. I was working at an inbound customer service firm and felt I needed a change. I wanted to change my life for the better and didn't really think a traditional college would work for me, being at the time, a 27-year-old father of two. I met with the recruiter, who told me all about the campus. It had day and night classes for non-traditional students like myself. I took their entrance exam (which seemed very simplistic, but who was I to judge?), and I chose a major. My choice was between paralegal and accounting. I chose the paralegal path because, after a stint as jury duty, I discovered an enjoyment of the legal process and the interpretation of statute. I was assured this was a good choice since I was promised by the admissions representative that program had 100 percent placement. My fellow students were an eclectic mix. One student was there because she was bored at home and probably wasn't going to finish her degree, most of the others in night classes were parents looking to make a better life for themselves and their families. What we all had in common was a desire for a better life. In the orientation to Kaplan University all prospective students were asked what their major was and a presentation would show us our average salary for that profession. I remember the paralegal average being thirty to thirty-six thousand a year. As part of the presentation one of the school administrators gets up and asks for a volunteer to come to the front of the room. If you are the first volunteer he gives you ten dollars. The moral of this tale is that for taking a risk you will be rewarded. He says we all took the initiative when we enrolled at Kaplan. The
administrator said that since Kaplan had such a great reputation with local businesses that finding work in our fields will be easier. Kaplan had this great education by focusing more of the programs on marketable skills than on general education requirements. I believed him didn’t know better yet.

I did fairly well at Kaplan. I graduated with a 3.76 GPA, I was the President of the Law Club and had the recommendation of most of my instructors. I had only had a few difficulties with Kaplan, such as when, after my first year, it became harder and harder to find the classes I needed to graduate. The same introductory classes were always being offered, and other later requirements were being pushed off. After putting up a petition for the students to appeal to the administration to offer the advanced classes such as law office management we needed in a classroom format, as opposed to self-study, I spoke to the Dean of the college about this. I was charged for the tone of my petition. I explained to him that I wanted to learn in a classroom environment because I wanted these skills not just a letter grade. The Dean explained they needed to keep these introductory classes on the schedule to handle the influx of enrollment. I pointed out that some of us needed this class and only a few others to graduate when the Dean learned of my desire to continue on past my Associates of Arts, I was told of the interest in me to continue a paralegal degree and that Kaplan even offered its own online law school in the form of Concord University. It seemed that with a few hiccups that Kaplan could provide everything I needed to fulfill my dream of practicing law. Since my protests had no effect on the schedule, I accepted and adapted and took the classes in my major that I needed to graduate: an independent study meeting once a week with an instructor for an hour. There was a lot of turnover, with students taking a quarter or two off or just never coming back. I had worked full-time doing whatever I needed to do to graduate. I was sure with my grades and references that I would have no difficulties finding a job after graduation. There were a lot of graduates from many programs but not everyone had kept pace their was turnover, a lot of turnover.
My career search didn’t go as planned. Since getting my associate’s degree, I have had one temporary job using it, which lasted two weeks. I applied in the public sector, the private sector, law offices, banks, credit unions, even bail bond offices. I finally settled for a job doing inbound customer service, the very field I went to college to escape. After spending more than a year out of school, I received a letter from Kaplan that they were now offering their Bachelor of Science in the Paralegal Studies program on campus via the “School within a School” program. School within a School meant that the online class format was still used, but there was a seminar for one hour per week on campus or via conference call. I enrolled, eager to continue my education since it had to have been my fault that I never received an interview. The School within a School program, I don’t believe, even lasted a full year into my bachelor’s program. The campus seminars were abruptly ended without explanation or acknowledgment. I continued at Kaplan in a fully online education environment. The most important bit of knowledge I gained during this time was from a one term adjunct instructor, who, when I told her of my plan to continue my education through Concord Law School, informed me that the school was not recognized in Iowa for taking the HBAR exam. This event opened my eyes to what Kaplan was. I continued on and graduated in 2008 with a 3.16 GPA. The Dean advising me about how Kaplan could further my education apparently didn’t know or forgot to mention this little problem.

So what is the end of my Kaplan “success story”? In the three years since graduation I have gotten one temporary job working as a drafter on a contract. The job lasted two weeks. I have never had one callback or interview in my field due to the reputation of Kaplan and the graduates it produces. I slowly learned what most employers really thought of the Kaplan degrees and graduates. One of the most telling instances was when an instructor was questioned about why the firm he belonged to didn’t hire paralegals from Kaplan. He said that graduates didn’t have the skills they needed to work in his firm. I had heard rumors and horror stories all through my education that once Kaplan was done with you they really didn’t care what kind of job you found. There were stories of graduates who never found work, or
even that if you tried to transfer that most other colleges refused to accept the credit hours. It wasn’t just the paralegal program either. I was recently interning with the head of the local chamber of commerce and when he reviewed my resume, he said it might be in my best interest to remove the name of my school from my resume. I asked him why he said that Kaplan is kind of a joke, they will pass anyone. When it was time for my child support to be reviewed, and I had just lost my $10.50 an hour job as a janitor, the judge wouldn’t lower the amount to what I was currently making because as he said I “would be able to get a job making as much or more with (my) education.” After my employment with the 2010 Decennial Census ended, my choices for work were as an assembly line laborer in a pesticide plant or a flagger on road construction for the season. I owe $40,000 in student loans, and my degree is so specific, it is hard to convince employers I have transferable skills or even to give me an interview to show I have transferable skills. My story is not unique, or even rare, of the dozens of people I met through the paralegal program only four of them have found work as a paralegal. I liken my situation, in abstract terms, to that of a convicted felon. I listened to some people I shouldn’t have. I made a mistake. That mistake incurred costs I will have held against me for a long time. I realize it is probably too late for me, but I am sure there are other parents out there looking to make a better life for their family. I just want to make sure they have a real chance at building their future with a real education.

Senator Harkin, and anyone else reading this, I implore you: Do what you can to hold for-profit colleges and universities accountable for the money given to their students for financial aid by ensuring the quality of education, and therefore the employability of graduates produced. In this time of turmoil where citizens of all political persuasions are concerned about the deficit, we, the citizens of these United States, cannot afford to subsidize for-profit colleges as diploma mills, at the expense of the taxpayers and the individual borrowers. The cost to the people, both the American taxpayers as a whole and students personally, is just too high.
Sincerely,

Eric Schmidt

[Signature]
Dear Senator Harkin,

This letter has been written to provide you with a summary of my history and experience as an employee at ITT Technical Institute.

To provide you with a little background, when I applied at ITT Tech I was contacted and invited to a group interview. During the first interview a large group of applicants were explained the compensation plan and given a "career ladder" which were the representative position promotion steps and associated salary ranges based upon "starts"—students who start school. The entry level position was Representative and progressed Senior 1, to Senior 2, master 1, Master 2 and Master 3.

The Director of Recruitment (DOR) who conducted the group interview stated that the ITT Tech compensation plan provided salary increases "similar to commission". As of 2004, ITT's performance evaluation process allowed for promotion from Representative to Master 3 one year or less. I found the compensation plan intriguing, so I accepted an employment offer as a Representative. As a result of recruitment success, I was promoted to Master 3 within 7 months and my salary increased by approximately $28,000.

Within approximately 18 months I was promoted to Manager of Recruitment because management wanted me to train other representatives to produce at my level of previous success. Among other duties, I trained new representatives and evaluated them and other representatives with respect to their conduct and performance with prospective students. If the representative did not "close" the deal and have the prospective student apply for admission, my responsibility was to attempt to close the deal for the representative.

Subsequently, I was quickly promoted to DOR and worked at 2 different campuses between 2008 and 2011. As DOR, among other duties, I continued to train, sit in on interviews with representatives and their prospects and perform the annual performance evaluation "PP&E" for recruitment representatives. The PP&E was comprised of 4 variables, two of which were "New Starts and Conversions Rate". These two components comprise 70% of the evaluation. Conversion rate, in essence, is a function of starts. It measures how effectively a representative manages company developed inquiries (advertising) by putting prospects in school. The remainder of the evaluation (30%) was "Customer Service" and "Compliance and Commitment".

Through my experience performing the "PP&E" evaluations, it quickly became clear to me that evaluations were solely based on the number of starting students recruited and very little, if anything, to do with any of the other factors. Phrases such as "asses in classes" and "Kiss them and sit them" were common amongst DOR's within the district. Starts were hard numbers that could be evaluated objectively. The other variables of the representatives' evaluation were in contrast subjective measurements and determined by the DOR and Campus Director.

Through my experiences at both campuses, I learned very quickly that the
two “subjective” measurements were simply a function of starts as well. In San Dimas, the Campus Director, Maria Alamat, stated to me that if a representative cannot meet their start goals, then they are obviously not providing quality customer service to enough prospects in order to convince them to start school. In addition, she stated that a representative obviously has little or no commitment to their jobs or they would have closed more company developed leads by being better sales people.

When I was working at the San Bernardino campus as DOR in 2009, the San Dimas campus missed a year of their campus start goals and the Campus Director had her entire representative group demoted. I was transferred to San Dimas shortly thereafter and representative morale was very low. Their salary decreases in some instances were near or above $30,000.

When a representative is placed on a disciplinary action “Letter of concern” or “Letter of Warning”, no mention is made of their “Customer Service and Compliance and Commitment” variables of the PP&E; the letters identify deficiencies in activities that relate to student applications.

The meetings which I led with the representative team consisted of having them “commit” to individual start goals for the quarter and how they were to achieve them though the number of applications there would bring in for the week. We then met, sometimes daily, to determine how well they were progressing. At times it was mandated though corporate to hold daily 2:00 “stand up” meetings to further review their numbers.

Once a week or more, the representatives met individually with me, the Director Maria Alamat, and the Director of Finance. These meetings consisted of further reviewing progress of production. The representatives often referred to these meetings as “beat down meetings” because of the tone when production was not meeting a representative’s weekly commitment. It was common practice during representative meetings for representatives to be humiliated and/or threatened with disciplinary action, including termination. I recall in one email Maria Alamat sent to me, she stated that “I will have their heads on a platter” if production goals were not met.

In October 2009, I wrote up a BEST OF THE BEST (BOB) submission to ITT headquarters that included the “Pain Funnel” and “Pain Puzzle” and how proper usage of this tool can bring a prospect to their “inner child”, an emotional place intended to have the prospect say “yes I will enroll”. Although Mr. Modany stated in his 02/11/2011 press release that “those documents were not authorized for use in accordance with the company’s practices and procedures” and “the conduct suggested in those documents is completely unacceptable and contrary to the standards we set”, this is simply not true. These tools were taught to representatives as effective techniques to get prospective students to attend ITT.

All BOB’s are evaluated at the HQ level and in my experience, higher level executives evaluate the submissions. The awards are presented to campus directors personally by Mr.
Modany at an annual Director meeting called CMM in November. I find it difficult to believe that upper management could not know that ITT employees were using the “Pain Funnel” and “Pain Puzzle” tools when these items were put up for consideration for a company “best practice” award 2 years prior. In addition, despite the widespread use of the tools, I was never notified that this was against company policy or “completely unacceptable and contrary to standards we set”.

Notably, I have email communications that indicate, amongst other things, that:

A. ITT Tech paid for my attendance at Sandler training where I was introduced to the pain funnel;

B. Company policies related to ad control and the consequences of using unauthorized materials;

C. I did district training at meetings on the “pain funnel” a number of occasions subsequent to the BOB submission to HQ. One district training meeting was held in early January 2010 and the agenda was approved by the district manager, Nader Mojtabi, as new representatives were invited and other managers participated as well.

In addition, at quarterly district meetings I did pain funnel training for nearly every top recruitment representative, financial aid coordinator, dean, instructor, department chairs, all functional managers, all college directors and the district manager for the entire Southern California District, the largest district in the country. The presentation material was also given out to over 100 ITT Tech employees throughout every department in the district.

I won a BOB that same year and the San Dimas campus received the BOB award for a poster I designed called “Who’s Who from your High School”. I did not follow proper advertising control channels, another company policy that yet again was accepted at the HQ level. Soghe would consider the poster that I created a deceptive recruitment tactic however it was effective gaining exposure of our campus through high school counselors. The body of the poster listed names of graduates of ITT Tech, the high school they previously attended and their position title. I obviously ignored all the students from particular high schools that dropped out, did not get jobs, or had secured employment but their job title was not particularly impressive.

On numerous occasions I questioned policy violations and was subsequently demoted out of management to a campus significantly further than my San Dimas commute. I particularly questioned these violations on the Tuesday before my demotion on Friday of the same week. Mysteriously, the district manager showed up at the campus on Friday and I was told that I was to be a representative in Corona, California and starting in 1 week. I advised that I never requested this change and asked why it was happening. They told me it was for “operational purposes” and because I was a good DOR that I was being demoted to a representative again.
the past, I have participated in this tactic and it is management’s way to avoid termination when
they don’t have adequate documentation to justify their decisions.

Please feel free to contact me if you have any questions or concerns.

Sincerely,

Laura Brozek
February 22, 2012

Sen. Tom Harkin
731 Senate Office Building
Washington, DC 20510

Dear Sen. Harkin:

I am writing this letter to share my experiences as both an employee and student at Ashford University. I also want to share my concern about the effects of these for profit Universities.

I began working at Ashford University as an enrollment advisor in June of 2008. During my time there, my team went through seven different managers. Ashford based our pay based on weekly enrollment numbers. I struggled in reaching these goals. I would make all the necessary calls, take all the necessary steps, but could not meet them. It came down to one thing, I cared about my students. Many of the prospective students were simply seeking out information, trying to see if an online university was the right fit for them. If a prospective student wasn’t ready, or wanted more time to think about it, I gave them that opportunity and made sure they had my information. When I explained my situation to my manager at the time, they told to “get them in, make them fill out the application, get them started right away before they have a chance to think about it.” As you can imagine, I disagreed with this practice.

My demise as an employee began when I started receiving my benefits package. Ashford offered free tuition for employee’s (this was a big reason why I chose to work there). I signed up for the tuition waiver, filled out my application, and was all set to start. A couple days went by and I received my first write up. Management hounded me for my low enrollment numbers, which resulted in my new student leads turned off. I was forced to make calls from dated contact list that were years old. Needless to say, my enrollment number did not improve. My next problem came from Ashford’s yearly convention in Las Vegas.

The convention in Las Vegas was mandatory; however, I did not want to go. We were required to place a $250 down payment for our rooms in advance. When I told my manager that I did not have the money for the down payment, they replied “start saving.” I felt that the expense of the convention should be used to improve the campus facilities. Not more than a week later, Ashford terminated me from employment despite a 100% retention rate of my students.

I am not the person who becomes complacent. I constantly seek to improve my skill sets, my knowledge, and myself. I still wanted to earn my Bachelors degree and elected to continue my pursuit through Ashford.
My difficulties as a student began in the spring of 2011. I tried to log into my new class only to find that my schedule was empty. I called my academic advisor to find out what happened. She explained that it was due to a balance of $900 owed on my account. She transferred to the financial services office only to find out they had no idea where this came from. They believed it to be a problem with federal funding and they instructed me to call the federal student loan office. So I called. The federal student loan office showed no problems or concerns with my financial aid and they suggested I get back in touch with Ashford’s financial office.

I contacted Ashford once again to let them know what the federal office told me. My financial advisor “guessed” that the balance came from an Iowa Pell Grant that was returned as a result of moving to Missouri.

At this point, I was ready to seek educational opportunities elsewhere. I informed Ashford that I no longer wanted to attend their courses and that I was seeking education at a local university. They told me that they would not release my transcripts unless I paid the balance. Unfortunately, not all the credits I accumulated would transfer to one of the public universities near Joplin, MO. I elected to pay the balance and return to Ashford’s classes being that I had less than a year left.

On May 22nd, 2011, The Joplin Tornado destroyed my home forcing me to take a break from classes. I spent all night searching through the debris at Home Depot, trying to find survivors before I even made it to my home. I put my neighbor’s needs before my own and did my best to help everyone I could.

I was able to contact Ashford a couple days later to explain the situation. It took this long because cell phone service was out and most of the city did not have power. I spoke with my academic advisor and told them I would not be able to attend classes for a while. He kept asking me when I would be able to return. There was no way I would be able to tell when I could attend. I was homeless; I had to stay in several hotels until I eventually found an apartment to live in while my home was repaired.

When I tried to get back into classes at the end of July, I found out Ashford dropped me from their program due to lack of attendance. I was able to get back into my program after great difficulty.

Towards the end of August, I went to log into my classes where I found that, once again, Ashford dropped me. Ashford told me that I reached my limit for federal aid and that I would have to take out private loans to continue. Ashford had to know I was getting close to my limit and instead, chose not to advise me on my situation.

I got an email in December from Ashford that I had a past due balance of $1345 without prior warning. When asked, Ashford told me that since I withdrew from classes, part of my funding was returned to federal aid. Even though I did not withdraw from classes,
Ashford would not schedule me. I again contacted the student resolution center and explained the story.

I worked in mechanics for many years. If a customer of mine needed a $1300 repair, I would inform them of the situation and explained the steps needed to make the repairs. I would not make the repair and expect them to pay, holding their vehicle in my shop until the balance was paid. This is exactly what Ashford is doing to me and thousands of other students. I have yet to come to an agreement with Ashford.

I know my story is similar to many people who are just trying to earn their degree. People who are wanting to improve their quality of life. It is disheartening to hear all of these stories from so many people. People who work full time, take care of their family, all while attending school on a fulltime basis. If you were to ask me, I’d say the 37,000 students who make up Ashford’s online program are some of the best role models in America.

Look up the definition of University in the dictionary. You will read an educational institution of the highest level. Ashford University is far from the highest level.

I appreciate your office’s investigation into this matter. These students deserve so much more.

Sincerely,

Merrill R. Mitchell
www.relationsinc.net
**Additional Supporting Documentation**

**Document 22, Page 1**
was overwhelmed and had difficulty finishing her work. She was placed in a community college in Westwood, California. The article also suggested that the student was not as successful as she had hoped. A close look at the article showed the employer statement was not well written. It is also common practice for certain students to be placed as a result of failing. These students may be placed in schools that are unable to offer adequate support. It is true this is not ideal, but the students are chosen to make the best of the situation.

Students are reportedly able to add work tips and other college requirements as part of their college requirements. Special education students are also included. What is being offered is that they need to succeed and are working to improve their skills. When a student does not succeed, Westwood is given two times the same update because the student is engaged in the same reaction. Since 95% of the students at the community college were non-traditional students, as stated in the article, the students were able to focus on the social and emotional aspects of their education. Prospective students and their parents have become aware of the Westwood degree in non-traditional studies. They are preparing to make choices that will lead them to a successful future. These programs are generally considered as valuable educational experiences and demonstrate good outcomes. In these programs, students are not only learning about their field but also about the social and emotional aspects of their education. To summarize, these programs are designed to help students succeed and give them the tools to do so.

Westwood College is marketable in the sense that the mission of the college is to help students succeed in their careers. It is done through time-efficient, self-paced, online courses that are designed to be completed in a year. These programs are designed to be as flexible as possible, allowing students to complete them at their own pace and on their own schedule. The programs are designed to be a valuable educational experience and demonstrate good outcomes. To summarize, these programs are designed to help students succeed and give them the tools to do so.

Admissions materials include images depicting that only a select number of students are admitted to the college. Westwood College is marketable in the sense that the mission of the college is to help students succeed in their careers. It is done through time-efficient, self-paced, online courses that are designed to be completed in a year. These programs are designed to be as flexible as possible, allowing students to complete them at their own pace and on their own schedule. The programs are designed to be a valuable educational experience and demonstrate good outcomes. To summarize, these programs are designed to help students succeed and give them the tools to do so.
offer an American degree in Massage Therapy. The other campuses will offer associate’s, which is an associate, or commit. After a student finishes doing graduate from Westwood College, the degree or workbooks have them in the number of their exams, such as the student failing to get their CNA because a copy of their resume. When employed at the college, there was a decade full of such degrees held in my department.

If all of this is not bad enough, Westwood College also fails to safeguard the safety of its students, faculty, and staff. While the other colleges and schools they fail to obey, they continue to ignore the laws and regulations of both Title IX Act and the Texas Enhanced Campus Safety Act. Students and teachers, against students and staff alike, are in peril so as to make the campus appear profitable. In the past year, on the campus alone, two students were sexually harassed by Westwood College employees. Faculty members were the victims of unreported thefts. Staff members were threatened by students, and no action was taken. Take my word: every student engaged in a shining match with each other in the presence of an administrator who stood by and did nothing. Should an employee or a student come forward to express their concern, they are reprimanded against mercilessly. Students who speak anything unfavorable about the college are banned from and encouraged to quadruple. Only the few that they can have an expectation of privacy when employed by Westwood College. Additionally, their personal handbook and other social media sites are recently mentioned by administrators — from employees to students and still being restricted against. I may have also been the writer of such material or often subjected toblend up without certain documents that the college was under subpoena to produce.

I hope that my story has provided some insight into the internal workings of a broken system. It is my opinion that this system is similar to a pyramid scheme in which it allows the students at the top to profit greatly at the expenses of others. While Westwood would like to have you believe that their teaching practices are not as common, the truth is that Westwood College campuses all work exactly as they have been set up to work, and it is perfectionism with each other. I would strongly encourage any student who may be considering Westwood College to reconsider.

Sincerely,

Paul Howard

P.S. Howard

Additional Supporting Documentation
Document 22, Page 3
Dear Senator Harkin, 4/20/11

I worked 18 months at the University of Phoenix as an Academic Counselor. The company’s gigantic appetite for increased profits has come at a huge cost to many students. I have witnessed a total disregard for the moral and financial well being of many UOPX students. This company is hiding under the veil of serving the underserved, while back handing the government purse strings and getting filthy rich. The University of Phoenix is compromising the integrity of post secondary academia and undermining the purpose of education. This country has gone to great length to insure that all Americans have a fair and equitable right to quality education. These rights are being violated by the University of Phoenix.

I have watched the extensive media/print coverage of for-profit colleges and can say with confidence that many of the illegal and unethical abuses that have been exposed, seem to be a necessary function of a profitable proprietary college. I am also confident that absent many of the illegal and unethical behaviors, for-profit colleges would not be able to maintain their current financial strength. I believe this is why the government has seen such a huge push back from the for-profit industry. If the industry goes legit – the industry will be devastated. A perfect example of this would be the huge downturn in enrollment at UOPX. A few weeks before I left the company, enrollment counselors were advised that the university would no longer be keeping track of enrollment numbers. This meant that enrollment counselors would no longer be compensated for the amount of students that they enrolled. The immediate result of this policy change was a 50% increase in non-work related Internet usage by enrollment counselors and a steep decline in work productivity and enrollment efforts.

I have listed some additional concerns that should be investigated. These are concerns that have received little or no attention in the recent months. I hope these concerns will expose more of the questionable practices of the University of Phoenix.

- The inception of Axia College to shift enrollment from Western International University to avoid loss of Title IV funding due to unacceptable default rates. It is illegal to shift ownership or start a new business in order to manipulate default rates. Keep an eye on WIU new advertising push as Axia College default rates continue to rise.

- Academic Counselors were compensated directly for the amount of students they were able to retain. Retention includes re-enrolling student, which is a violation of Title IV funding, very similar to enrollment advisors illegal compensation. Retention numbers were not placed on performance evaluations in order to hide from any government oversight. Instead the university placed misleading “phrases” on the evaluation, which would later be decoded orally by management.
- False and misleading advertising. As of date of this letter – you can go to the Asia College website – under the heading “Learn more about Asia College” you will see a man wearing medical scrubs and a stethoscope – underneath the picture you will see “program outcomes.” A prospective student would see that picture and think that Asia College offers a degree to become perhaps a nurse or certified nursing assistant or any typical healthcare position that requires scrubs and a stethoscope. The only problem with this advertising is that Asia College does NOT offer any degree that would require the use of medical scrubs and a stethoscope. Asia only offers healthcare administration degrees - a degree typically used for clerical work in a healthcare setting. This manipulating advertising leads to the typical “bait and switch” scenario that I routinely heard enrollment counselors use on prospective students wanting to pursue a career as a nurse or a certified nursing assistant.

During the phone conversations, students would not be immediately told that Asia College did not offer any type of nursing program that would lead to certification. Instead, the enrollment counselor would go into detail about how hard it is to become a nurse and how big the waiting list is and that they should consider getting a healthcare administration degree to get their foot in the door in a healthcare environment. Students would also be told that they could take their prerequisites at Asia College to meet other nursing school requirements. Of course the enrollment counselor knew that getting a healthcare administration degree would not get a student any closer to becoming a nurse. They also knew that many of the prerequisites could not be done at Asia College – biology and chemistry classes with labs cannot be done online and those classes are prerequisites for most, if not all nursing programs that I am aware of. Enrollment counselors would also sell students on the growth of the healthcare sector and opportunity for many good paying healthcare jobs. They failed to inform the students that the healthcare administration degree led to clerical employment that often didn’t require a college degree and mostly paid less than $10/hr. To sum it up – a prospective student calls Asia College to learn about becoming a nurse or certified nursing assistant and within a matter of minutes is led down a path that leads to a $23,000 associates degree that might land the student a $10/hr job that doesn’t require any degree. I heard these types of conversations on a daily basis.

- The graduation rates were NEVER properly disclosed to prospective students. The reason the numbers were never properly disclosed is because nobody knew the actual true graduation rates. Management was not able or willing to disclose such information to the frontline employees. I have heard numbers ranging from 65% to as low as 2%. If you go to the University of Phoenix website and click on Academic Annual Report you will be directed to a page that lists 6 different categories. You will notice the category titled - “completion rates.” Why are they using completion rates instead of graduation rates? Click on the link and you will find out why. There is information defining “completion rate” and why UOPX uses it instead of graduation rate. Then click on – view charts. Notice how UOPX compares their COMPLETION rates with the GRADUATION rates presented by the IPEDS. The comparison is manipulative and violates the integrity of the information. This was done to confuse students and to paint a better picture of graduation rates for UOPX.
- FYS – First Year Sequence – I have wrote extensively about the many flaws of this policy. I have submitted the report to your investigation team. The report has also been seen by Arizona State Attorney General – DOE – Higher Learning Commission – and UOPX upper management, including the president of the university. I have emails and voicemails documenting all who has seen my report and/or are aware of my concerns presented within the report. To this date nothing has been done to fix any of my concerns presented. Because no action has been taken, students continue to lose quality transferable credits - incur more unnecessary debt - have extended graduation dates and are being placed in the wrong course “track” - thus undermining the fundamental purpose of FYS.

- Curriculum design is developed with non-traditional course abbreviation, numbering and description. Although, I am not aware of the official reason that UOPX uses such an atypical format. I am aware of the impact this system has on the transferability of UOPX credits. It makes it very hard for students to transfer their credits. For example, the 2 English requirements for any associates degree at Axia College are COM/150 and COM/220. Traditionally these classes would be called Eng/101 and Eng/102. In a traditional college the abbreviations COM would most resemble COMM (communication) classes - but they are not communication classes – they are English classes. I believe this unusual system of description is part of the reason UOPX credits are often not accepted at traditional schools. There is no logical academic reason for this dysfunctional system. The only reasonable assumption for its design is to discourage students from transferring out of UOPX because many of their credits will not transfer with them.

- UOPX recently initiated a free course (UNIV/100 for Axia College) to help give prospective students the experience of attending UOPX. The purpose was to help let the student decide whether or not they are prepared to accept the “rigors” of college without having to actually pay for a class. There are few problems with this concept. The course does not address academic ability. This means a student can literally turn in an assignment that is completely incoherent and it will not impact the student’s admission into the college. In fact, during a conference on UNIV/100, an associate director made it very clear that this course has NOTHING to do with academic ability. Another issue is that participation requirements actually fall short of the credit bearing class requirements. In short students are not getting a really good look at whether they are a good fit for the “rigors” of college. The final issue with UNIV/100 is that the course can be bypassed by students claiming 24 or more previous college credits. These credits are self disclosed and require no verification. So, if an enrollment counselor has a prospective student that does not want to take the free course. The counselor will tell the student to put 24 credits on the admission application to avoid the class. Make no mistake about it - this free course is an extremely waterdown and ineffective way of determining whether a student is actually prepared for the requirements of college. This is just any attempt to placate the government.
If this course were developed with an "academic logic," the course would have all the same requirements as a credit bearing class, including a letter grade or pass/fail. The obvious reason this is not done is because of the potential negative impact on enrollment numbers.

- Tuition talk - students were often deceived when it came to the actual cost of attending UOPX. A wide spread deception that I heard from enrollment counselors was not explaining the difference between an academic year and a calendar year. For instance, an enrollment counselor would first say it takes 4 years to get your bachelor's degree and it costs $10000 a year for tuition. So a student would assume that total tuition would cost $40000. In fact an academic year is shorter than a calendar year and is measured in credits. Each academic year is 24 credits. The bachelor degree is 120 credits. This means it actually takes 5 academic years to graduate. This means the true cost of tuition is not $40000 but in fact is $50000. I heard this type of manipulative talk on a daily basis. Another selling point that always annoyed me was when enrollment counselors would use Pell Grants to help entice prospective students to enroll.

- Students gaming the system – this concern has to do with the manipulation and fraud on behalf of the student. Please become familiar with term “pell runner.” This is when a student signs up for class with the intention of dropping out after they receive their pell/loan money. Pell running is something that is rampant in the online environment. The reason for this is because of the amount of assistance that for-profit enrollment counselors provide and the anonymity provided by the online environment – everything could be done by phone or Internet. I can only imagine the amount of money this is costing the government. There needs to be reconsideration on how Pell Grants are awarded. Talk about wasteful spending... My suggestion would be to get rid of Pell Grants completely and replace it with a "loan forgiving" program. Give semester to semester loans. If a student does not maintain at least a 2.0 GPA then place them on academic and financial aid probation and give them one additional semester to bring their GPA back up to a 2.0. If they are not able to bring their grades up they are no longer eligible for financial aid until they pay back what they have already borrowed. If a student maintains a 2.0 GPA or higher they will continue to get loans until they graduate. When they graduate the government will forgive a percentage of the loan depending on their final GPA. For instance if a student maintained a 3.5 or higher GPA you would forgive 60% of the loan. If another student maintained a 3.0 to 3.4 GPA you would forgive 50%... and so on. This would stop people from gaming the system – reward people for accelerating academically – and save the government tons of money.

I hope I have provided some additional insight to assist you in your efforts to regulate the University of Phoenix and all other predatory for-profit colleges.

Stop this nonsense!

Patrick Walsh
Senator Tom Harkin  
Chairman, Committee on Health, Education, Labor, and Pensions  
United States Senate  
Washington, DC 20510  

July 7, 2010  

Dear Senator Harkin:  

I am writing to share my experience as an instructor teaching criminal justice at ULI College in Huntington Park, California. I am an honorably retired lieutenant and current Reserve Deputy with the Los Angeles County Sheriff department. I currently teach criminal justice at another college. I was recruited by ULI College to open their criminal justice program and, after witnessing shocking practices at the school, left on my own for a better position.

I was given no formal training to start the CJ program, and only met with a program chair for about 20 minutes total. The only directions I was given were to show up Monday to start the job. There were no standards to be an instructor. My replacement that ULI College hired had no criminal justice experience. The only materials I was given were a classroom, projector, computer, and a textbook.

At the admissions stage, students were sold a nine month “certificate program” after which they received a certificate in criminal justice. I had anywhere from 20 to 25 students packed in a small classroom, and the class met 5 days per week for 4 hours at a time. Each class lasted 100 hours, or 5 weeks, and then a new class would begin. There were 5 total classes in the program. The goal of the teacher was to get the students through the program and not have dropouts. Teachers were held accountable for dropouts and advised that too many dropouts could lead to termination.

Around 90 percent of students in the CJ program were Hispanic from local neighborhoods, and many were ESL students. ULI seemed to admit anybody, regardless of their ability to actually get a job afterwards in the criminal justice field. About 80 percent of the students I taught would NEVER even qualify for a job in the criminal justice field because they would not be able to pass a background check, or had poor learning skills. I had students without high school diplomas in my class, students who had been convicted of crimes including felonies, students who admitted to past and present drug use, students who admitted being active gang members, and students who were under 18, which is a violation of ULI policy. I remember in particular that the school admitted one student who did not speak English.

ULI Admissions Representatives told these students the criminal justice program knowing most of them could never get a job in this field. To try to prevent that I asked that the criminal justice students be screened or fingerprinted, but the school administration declined.

The real problem I saw was that there was no one in Career Services working on getting these students jobs during my tenure. I have kept in contact with some students and so far I believe none of my former CJ students have been able to obtain a job in the field. If they complain, ULI gets them security guard positions, which could have been obtained without spending thousands of dollars on a ULI certificate. It
is my opinion that the entire CJ program is a fraud and UEI knows full well that most of the students will not be able to get positions in any CJ field.

Another matter that troubled me was that UEI did not comply with the Clery Act, which requires institutions of higher education to keep and disclose information about crime on and near their campuses. Crimes were not reported, and instructors were advised to call the Dean of Education if there was a problem in the classroom, even though many of these problems were criminal acts. Many instructors confided in me that criminal acts were common and they were very afraid for their safety. The school restrooms were covered in gang graffiti at all times. When the graffiti was painted over, it just came back. UEI did not want to address the problem of gang activity in the school because many of their students were gang members or gang associates.

Signed,

Paul Scarpillo
September 16, 2010

BY HAND

The Honorable Tom Harkin, Chairman
United States Senate
HELP Committee
Washington, D.C. 20510-6200

Re: Rasmussen, Inc. Document Production / Second Series

Dear Chairman Harkin:

We are writing in further response to your letter dated August 5, 2010, to Rasmussen, Inc. requesting certain documents and information regarding Rasmussen, Inc.'s for-profit college operations. We represent Rasmussen, Inc. in this inquiry. We again note that we are producing only information and documents regarding Rasmussen College and providing no information regarding Rasmussen's other businesses. This letter transmits responses to Document Requests.

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CONFIDENTIAL COMMITTEE INFORMATION
We will produce responses for Document Requests 14 and 15 under a separate cover. We produce these documents pursuant to Senate Rule XXIX and request that you treat this information as Committee Confidential under that Senate rule. Because we are providing these documents pursuant to a Congressional demand letter, we understand that we waive no otherwise applicable privileges that exist in state or federal court.

Because the Second Series of requests seeks more detailed information, we provide below additional explanation to detail for certain items:

Document Request 5

We have attached a table indicating the formal student complaints we have received since October 2005. We have removed the student names from the list as discussed with your staff. The policy regarding student complaints and the grievance policy is found in the College Catalog, beginning on page 60, which is also attached.

Document Request 7

We do not have any formal policies or plans for tracking 90/10 in accordance with the regulations. Informally, we run the 90/10 metric on a monthly basis by OPEID to ensure we made are in compliance. Our auditor then performs testing and computation of the 90/10 at each year as part of our federal financial aid audit.

Document Request 8

We have not tracked 90/10 at a computer-based level. It has been tracked at an OPEID level as that is how it is reported in our annual audited financial statement to report compliance. Attached is a table indicating the 90/10 results by OPEID for the last four fiscal years.

Due to the College’s participation in state grant programs, 90/10 has not been an issue for five of our six OPEIDs as you will see in the table provided in item 8. For our Florida OPEID, we have monitored 90/10 more closely as we have been closer to the 90% threshold than our other OPEIDs. Based on the consolidation of our OPEIDs as requested by ED and described in the first set of information submitted, our 90/10 will remain low on a consolidated basis.

Document Request 10

We have several tables indicating the cost of Rasmussen College’s programs that were offered as of January 2010. Over the years, we have changed our pricing model, attempting to move to a simpler, easier to understand model. In 2008, we eliminated all fees and charges other than tuition. As a part of this change we rolled the cost of books and supplies into tuition.
Books for the upcoming quarter are shipped to the student once they have confirmed their schedule. It is important to note that the percentage change in tuition went up more than usual in 2008 due to the change in structure to include books.

Additionally, we have used scholarships to encourage students to take additional classes in order to graduate sooner, begin their career and reduce their debt.

Tuition increases have taken place in October of each year. While the tables show the difference in cost of program by state, we have not charged different rates for online versus residential with one exception. When we moved to including books and supplies in tuition in 2008 we charged a slightly higher tuition for some of the advanced multimedia IT courses. We provided software for these students for these classes online. The next year, we moved to provide that software to all students and eliminated the differential in price.

Document Request 11

We have a number of documents related to tuition increases. Each year letters are sent to students informing them of any changes in tuition. Also, tuition sheets have been created in recent years that are used to explain tuition to prospective students. The presentations that were used to roll out tuition to the employees of the College are included. Finally, a file is attached which was a model we used a year and a half ago to begin examining the return on investment for students who attend Rasmussen College. This is an example of the analysis we did to ensure our pricing provided value to our students and to keep only high valued programs for our students.

Document Request 12

We do not have any policies, plans, practices and procedures concerning any required student payments. If a student is able to fully fund his/her education through Title IV funds, private lending, institutional and external scholarships or any other means, no student payment is required.

Document Request 13

Rasmussen College currently partners with a number of “lead generator” companies to provide qualified inquiries to our College. While this channel is one that is of value to us, in that it currently represents approximately 23% of our new student enrollments each quarter, it is one in which we are also constantly monitoring.

Unlike many schools, Rasmussen College manages its relationships with these aggregators ourselves and we do not use any agency support in this area. We have two dedicated team members that support this channel, and their responsibilities are to identify new partnerships and to manage existing relationships. Early on when we first started working with these vendors we realized that while they can provide strong value, there is also inherent risk in working with them.

In a survey we conducted in 2009, of students who had enrolled with us and came to us through an aggregator, we found that more than 50% had actually heard about Rasmussen first through one of our current students or one of our other marketing channels. For example, 17% of our new students who filled out an inquiry form expressing interest in Rasmussen through one of our aggregator partners actually were referrals from current students. Thus these aggregators are essentially extensions of our College brand, which we have spent 111 years building. If a student is searching for a program and comes to Rasmussen through one of these
aggregators, it is imperative that they have a good experience throughout their online information gathering process—an experience akin to what they would have were they to come directly to us through our website or campus.

For that reason, we have always operated with a very clear set of operating principles with respect to our aggregator partners. We do not purchase “co-registered” inquiries, and we have a zero tolerance policy for any vendors that use any questionable marketing tactics (e.g., “fill out this form and win a Wii” type tactics). In the rare instances where we have identified partners using these types of marketing tactics we have severed relationships. This zero tolerance policy is one of the key reasons why we have made the decision to not outsource any part of our inquiry aggregator operations. We believe it is of critical importance that our prospective students have a positive experience and receive accurate data while they are seeking information about our College.

Our mode of operation with these partners is fairly straightforward. We have a negotiated cost per inquiry that we agree to pay to them for each unique inquiry they deliver to us. On a quarterly basis we work with the vendor to establish goals for the number of inquiries we would like them to provide to us, and this is an iterative process, whereby we will give them a number and they will come back with what they believe they can provide. Throughout the quarter we will frequently re-evaluate and reset these goals based on inquiry to enrollment conversion metrics. We are invoiced monthly by each of the vendors, and we undergo a reconciliation process where we scrub out duplicate inquiries.

We have the contracts and agreements for the requested period with lead generation vendors as well as a table indicating the number of contacts provided by each vendor.

Document Request 16

The College has various policies, practices, and procedures that were requested as part of item 16. These policies are listed within the College’s Catalog for students, faculty, and staff. If a policy for this item is not included in the catalog, we have outlined the practice for the College in the attachment for this section along with the catalog page numbers where a particular item may be found. The catalogs are attached for reference on these policies.

Document Request 17

We do not and have not recruited in or near Department of Defense or Veterans Affairs rehabilitation facilities, wounded warrior transition units, homeless shelters, welfare and unemployment offices, or substance abuse and treatment centers. We do have relationships with the workforce development agencies in our communities; we do not recruit in those locations and the development agencies refer prospective students to our campuses, if our programs match the employment goals of the job seekers.

Document Request 18

Rasmussen College Student Financial Service (SFS) employees receive constant supervision and training by qualified leaders through staff meetings, calls, and e-mail directives. Each new employee is provided an overall skeleton training plan to map out the beginning steps of learning, a sample is attached. In addition, each Director of SFS (D/SFS) is evaluated on an annual basis on the important concepts that are critical to training and supervising staff along;
with overall program integrity; a sample is attached. DSFSs are also required to attend semiannual meetings to address further industry and institutional changes.

In the first four weeks of employment each employee is required to complete the Federal Student Aid (FSA) Coach provided by the US Department of Education found at www.fsp.co.l.gov and to begin reading the US Department of Education FSA Handbook. The employee must provide to their direct supervisor evidence of completion of the Federal Coach training available and offer weekly updates as to the progressive reading assignment. In addition, Rasmussen College requires that each employee complete a course structure provided by an online vendor in the first 90 days of employment with the same requirement to provide a transcript from the system to show completion of that task. Other important manuals for training include guidance delivered from our service (examples attached), the Rasmussen College Policy and Procedure manual (attached), and the US Department of Education Flowchart (found online at IFAP).

Rasmussen College is a member of NASFAA and utilizes the updates and announcements provided by this and other state and local associations to respond to constant industry updates and changes.

The College maintains a web portal to share information, provide forms, and establish policy guidelines. This portal is constantly updated with information from SPS leadership and serves as an excellent method of delivery of training and supervision of employees. Through training meetings held throughout the year, along with phone calls and updated guidance through email, we are confident that we provide excellent guidance to our employees in the field. The College does not provide scripts to employees in working in the department. New employees are required to "shadow" meetings with students and veteran employees to learn first-hand what information must be shared with students. No new employee is allowed to meet with a student until the supervisor of the team feels that the employee has the knowledge and skills to guide students through the process.

Document Request 19

We have the policies and procedures for returning Title IV funds when a student withdraws from Rasmussen College. We have centralized the process of refunds due to the complexity of the calculations. A flow chart is attached which shows our refund process along with our institutional refund calculation and other process outlines. The College follows the guidelines from the US Department of Education Federal Student Aid Handbook. Additionally, the policies for the College are outlined in the catalog. If a student stops attending for 21 days, the student may be dropped, especially if they have not been in contact with the institution. This 21-day policy is also outlined in the catalog. The policies are included in the College Catalog. A table is attached which indicates which pages of the catalogs where the policies can be found. The Catalogs are included in Item 16.

Document Request 20

Rasmussen College has historically had few default rates. For our Florida campuses, we chose to outsource our loan management responsibilities in late 2005. Based on the performance of the vendor we chose, we were not satisfied with their result and have since stopped placing any new students with that vendor.

5 Senate Rule
Confidential Committee Information

Additional Supporting Documentation
Document 25, Page 5
During that time, we started building a stronger centralized team to provide loan management support to all of our campuses. We currently have seven individuals who work with students by educating them on their student loan obligations and their repayment options. The group earned recognition throughout the industry earning a merit achievement award from USA Funds guarantee agency.

Document Request 22

In terms of the change from two to three-year cohort default measurement period, we monitored the change closely as it was being debated in Congress in 2008. The tools that we had available to us from ED and NSLDS were not robust in terms of being able to effectively predict our three-year rates. We did attempt to project these rates in September of 2008 (the presentation is included) but were substantially off in our projections. In September of 2009, ED released illustrative data on the change to the three-year CDRs. While we believed the rates would be higher than our historically low two-year rates, we were surprised with the jump that we saw in the results.

We are in the process of developing a more robust financial literacy program for newly enrolled students to make sure they understand their debt obligations for loans that they take out for their education. Our goal is to better educate students upon enrollment about the cost of their education and how to be successful at managing that debt upon graduation.

Document Request 23

We have not and do not make any payments or payoff of Title IV loan and replace those loans institutional or private loans so we have no documents regarding this request.

Document Request 24

While we did put in place an institutional loan program, it has since been cancelled and was very small and short-lived. In total we disbursed $51,792 for 10 students. It was in place when the credit markets were tightening up to provide options for our students if the lack of funding reached that point. Fortunately, our students were still able to fund their education through primarily Federal sources.

All institutional loans that were made were reserved at 100% on our balance sheet to take the most conservative view of these loans and not having any experience with this type of lending.

We have the documents regarding our institutional loan program, the Rasmussen Education Achievement Loan (REAL).

Document Request 25

We have the contract we put in place with National Loan Servicing Center, Inc. (N1SC) to manage the institutional loan program we developed. No new loans have been written since 2009 when we cancelled the program. During the time of the program, we owned 100% of the loans and at no time did N1SC own the loan note.

Document Request 27

The program was small and short-lived. We never did an analysis of the lending program. The program only disbursed $51,792 for 10 students when it was active.

Senate Rule
Confidential Committee Information

Additional Supporting Documentation
Document 25, Page 6
We have the list of past and present employees requested by area of responsibility for the Eden Prairie campus. This table provides the employees as well as other positions they have held within the organization. Employees who are no longer employed by the College are listed as "inactive." If an employee is listed as inactive, we have listed the last known address and phone number we have for that individual.

We have the documents included in the enrollment package for a student. The documents with an EA in the name are the enrollment documents including the enrollment agreement, any documents regarding placement and employment and any other enrollment disclosures and signed.

Rasmussen College does not currently offer institutional loans to any students, so no additional disclosures are necessary. During the time institutional loans were offered, those forms can be found in Item 26. All federal loans are generated through the Federal Direct Lending Program (FDLP) at this time. Loan disclosures are a part of the lending process through signature of the master promissory note provided by the Department of Education and we, as an institution, do not require further disclosures. Prior to this award year, using a combination of FFEL and FFIE, the same practice was applied. In addition, private loans certified by the institution contain the disclosures required and at no time does Rasmussen College require further disclosure information.

In certain instances, a student will choose to make payments monthly throughout a given quarter. If a student chooses to make payments via this option, the student will sign an institutional payment plan. This plan is for one quarter and no interest or fees are charged. This is simply a means for students to make monthly payments during a given quarter. Attached is an institutional Payment Plan.

We have the documents requested relating reviews and inquiries by the institution accrediting agency, the Higher Learning Commission (HLC). HLC has conducted three visits to the College in relationship to the Eden Prairie Campus since 2006.

The first of these visits occurred in 2006 that was a focus visit. The purpose of the focused visit was to evaluate institutional change within the context of the College’s mission. The visit was held in Brooklyn Park so the team was able to verify this new campus as required by the HLC and the United States Department of Education. In addition, the College requested that the team consider a new baccalaureate credential and a request to offer associate degree programs online without stipulation. The College had a very positive outcome. In fact, the team stated that the College was indeed stronger in 2006 than it was in 2004 and recommended approval of the first Rasmussen College baccalaureate degree and the ability to offer associate degrees online.

The second visit was in connection to our move of the current Eden Prairie campus from its previous location in Minnetonka, MN (approximately eight miles north of the current campus). This visit was a portion of a larger review in which we requested HLC to merge the North Dakota and Florida campus into the Rasmussen College grant of accreditation. The result of this
visit was that we were allowed to merge the institution under one umbrella accreditation and the Eden Prairie campus move was also approved.

The third visit was for our 2009 comprehensive reaccreditation review. In this visit the team evaluated the entire College. We are very proud of the outcomes of this visit. We received an additional 10-year grant of accreditation from the Commission, the longest grant an institution can receive from HLC. In addition to the 10-year grant of accreditation, the College was approved for HLC's new streamlined campus approval process and granted the authority to offer a broader base of baccalaureate degrees both at residential campuses and online. The team report gives a clear view of the positive impression the team had of our institution.

Document Request 33

As mentioned in Item 7, we do not have any formal policies or plans for tracking 90/10 in accordance with the regulations. Informally, we run the 90/10 metric on a monthly basis by OPEID to ensure we are in compliance. Specifically, for the Eden Prairie campus, due to the generous state grant program in the State of Minnesota, 90/10 is never an issue at this campus/OPEID. Over the past four years, the 90/10 ratio has ranged from 71% to 74%.

Document Request 37

While there are not required to track placement as a result of being accredited by the Higher Learning Commission, we do track placement for our students. We invest in our career services including more than 40 individuals who work with our students to find employment in their chosen field upon graduation. In our 2009 Comprehensive Self Study Report to the Higher Learning Commission, a Commission of the North Central Association and Schools we provided placement information. The graph of our placement results are attached and can also be found on page 174 of the Self Study.

Document Request 38

We have not provided prospective students with any written materials or disclosures regarding placement, employment or salary information during this period. Prior to 2008, a document was provided to prospective students, which was completed for the placement rate of the program that they were enrolling. A copy of that form is included in the 2005, 2006, and 2007 enrollment packages in Item 29.

Document Request 49

Below are our practices and procedures for tracking job placement results.

Rasmussen College’s Career Services Advisors (CSA) create an employment record in our student information database that is tied to the student’s individual record no later than the student’s quarter of graduation. The CSA receives a Graduate Packet completed by the pending graduate that lists their employment data and request for Job Placement services from Rasmussen. A copy of this form is attached.

The Graduate Packet authorizes Rasmussen to release the student’s appropriate information to an employer as well as authorizes the employer to release all employment information to Rasmussen regarding the graduate.

If the student is already employed and not requesting further placement services, the employer’s name, address and telephone number added to their employment record as well as

Create this table with the text from the document.
Job Title and Salary as listed by student. The employment start dates are listed in the information gathered from the students that are already employed, which would provide perspective on if the job was gained before, during or after attendance.

If the student is requesting services from the CSA, the CSA gathers the employment information from the graduate once placed and enters the data into Employment Record.

All employed students (regardless of date of employment) are combined in our employment rate assessments, which are broken down as Employed in Field, Employed in Area of General Study or Employed in an Unrelated Field. Only graduates employed in Field and General Study are included in our Success Rate metric.

Rasmussen relies upon the self-reported information of our students for the input of the employment data into our student information system. In addition, there are various audit procedures throughout our system:

- State of Wisconsin requires annual direct confirmation with employers for all Rasmussen graduates with a Wisconsin legal address placed in the previous year.
- A number of our programs that are programmatically accredited, such as Medical Assistance, Surgical Tech, and Medical Lab Techs, require that we annually survey employers of our graduates. The objectives of these surveys are to evaluate the performance of our graduates and evaluate areas of improvement for our programs.
- Internal spot audits are performed on campuses to validate graduate and employer surveys information.

Finally, per agreement with your staff, for responses to Document Requests 30, 32, 34-36, we refer to materials responsive to previous requests as the information would be the same for a specific campus as it would be for the whole organization.

Please let us know should you have any questions.

Respectfully,

John D. McMickle
Thomas M. Buchanan
Winston & Strawn LLP

Enclosures

---

Confidential Committee Information

Additional Supporting Documentation
Document 25, Page 9
Dear Mr. Harkin

I attended ITT Technical Institute from September 2003 to September 2005. I was lied to, deceived, misled, and strong armed into signing loan documents I did not fully understand. I now work as a screen printer making ten dollars an hour, have no way to pay for my student loans, my credit is ruined, my degree is a joke to employers. I left ITT with about $45,000 worth of student loans, I now owe Sallie Mae $60,000!! I feel like the American dream has been taken from me, I am so in debt I will never be able to buy a house or save for retirement...all because I decided to go to ITT.

Listed below are several instances of what I encountered at ITT.

1. Employees of ITT stated that their career services will assist me in getting a job after graduation, and after graduating with highest honors (3.85 GPA), ITT did not get me a single interview, even after reaching out time and time again, not a single interview. During my initial interview before attending ITT, two different career services people both stated that they commonly get graduates right out of school 40k to 60k a year jobs all the time and finding me one provided I got good grades would be no problem since there were "tons of jobs" available through their career services...not one interview.

2. Financial Aid stated that my high interest private student loans could be consolidated, which they cannot.

3. I was strong armed into signing new loan forms by pulling me out of class after a new semester had started and telling me that if I didn't sign for the new loans as-is, right then and there that I would have to leave and would not be allowed to continue my education until the classes were paid for.

4. When first meeting with financial aid, I was told that most student loan payments were about three hundred and fifty dollars a month after the associates program. The last month of school, upon meeting with financial aid I was told my payments were about six hundred and fifty dollars a month!!

5. Teachers pass all students regardless of class participation, lab participation, and lack of work turned in, therefore devaluing the degree chronically

6. Instructors instructed us to fill out question cards as to reflect well on the instructor so they would not get fired. These cards are also saved and used against people in court if that person tries to take ITT to court.

7. One teacher was so ill prepared to teach our visual basic class we had to go down to the office and have the teacher replaced because he did not know the material being taught, this instructor was replaced by one just as incompetent.
8. Sub-par education. (example: did not have one course devoted to exchange server; this is one of the most important and widely used server software programs in existence.)

9. The job packet they would give you was full of fake jobs, after becoming unemployed a couple years after graduating FIT, I went to the campus and grabbed a job packet and it had the same jobs as it did two years earlier.

That's only half the problem, the Private Student Loans I got through FIT are destroying my life. As soon as I graduated my interest rates on all my private loans went up, one of them as high as sixteen percent! Sallie Mae has offered no help at all as far as the private loans go. Sallie-Mae and the for profit colleges are creating a generation of debt slaves, and it has to be stopped.

Thank you for reading...

Steve Grossman
February 10, 2011

The Honorable Tom Harkin
Chairman
United States Senate Committee on Health, Education, Labor, and Pensions
426 Dirksen Senate Office Building
Washington, DC 20510-6300

Re: Floor Statement of February 7, 2011

Dear Chairman Harkin:

I am writing on behalf of my client, ITT Educational Services, Inc. ("ITT" or the "School"). I write to respond to certain statements you made about ITT in your floor statement of February 7, 2011.

In your statement, you cited several documents produced by ITT to the Senate Health, Education, Labor, and Pensions Committee that appear to encourage or utilize high-pressure sales tactics to enroll students. ITT agrees that it is inappropriate to use high-pressure sales techniques to recruit students. The conduct suggested by the documents referenced in your statement was not sanctioned by ITT and does not reflect ITT’s standards and principles. Nevertheless, ITT sincerely regrets that the conduct was suggested, and it has opened an investigation to determine the extent of the suggested conduct and to respond appropriately and decisively. We wish to make it clear that, when ITT finds instances of improper conduct by an employee, ITT takes swift disciplinary action, up to and including termination of employment.

ITT is dedicated to helping students succeed through the pursuit of a high-quality postsecondary education promoted by the School’s training and compliance efforts. ITT has a rigorous training and enforcement program that includes:

- a vigorous 19-module training program that all admissions representatives must complete and demonstrate their knowledge and compliance prior to meeting with any prospective student;
- standardized, enterprise-wide recruitment presentations;
- annual internal audits and enterprise risk-management assessments and audits of recruitment practices;
- quarterly reviews and observations of all admissions representatives;
- a toll-free telephone number for reporting any suspected ethics concerns;
- a "mystery shopper" program that involves multiple shops of each campus annually;
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February 10, 2011  
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- a requirement that all admissions representatives read, understand and acknowledge a statement of legal and ethical principles that they must follow;
- quarterly certifications by managers regarding compliance with company policies and procedures;
- an enterprise risk-management program based on the widely recognized and accepted framework for internal control and risk mitigation of the Committee of Sponsoring Organizations; and
- a code of business conduct and ethics, and a course on the code that all employees must complete biennially.

In your floor speech you also stated that ITT’s three-year cohort default rate—as calculated by the U.S. Department of Education—is at 30 percent. ITT has a robust system in place for curbing student loan defaults and ensuring that borrowers receive all of the information they need to manage their debts responsibly. ITT is disappointed, however, that you did not present the cohort default rates in their proper context.

The recently released U.S. Department of Education figures are unofficial, trial numbers, not official rates. There are widespread, though anecdotal, stories that the default rate increases may have been caused, in some substantial part, by the recent major changes in loan processing approaches resulting from the sale of FFEL loans to the U.S. Department of Education under the “put program” authorized under the Ensuring Continued Access to Student Loans Act. The sale of FFEL loans resulted in the servicing of sold loans being transferred, in some cases, multiple times. These servicing transfers led to confusion by the borrowers that may have led to increased student loan defaults. The transfers also made it more difficult for schools to help their students avoid default. The U.S. Department of Education should provide an analysis of how those loan-processing changes impacted student loan default rates, and take immediate action to offer special assistance to affected borrowers who may be headed toward loan defaults that are avoidable.

Moreover, student loan cohort default rates follow the same general trends of consumer loan defaults for other forms of consumer lending, such as credit cards and home mortgages. Accordingly, student loan cohort default rates tend to rise and fall with the economy and the ability of borrowers to secure and keep good jobs and incomes. An economy marked by near double digit unemployment for a sustained period has contributed substantially to an increase in defaults.

While sharing your concern about rising student loan default rates, ITT also notes that many career college and university students lack the socioeconomic advantages enjoyed by students who attend other types of institutions of higher education. It is well-established that economic challenges become most pronounced in difficult economic times. Thus, career
The Honorable Tom Harkin
February 10, 2011
Page 3

colleges and universities having default rates that are, on average, higher than other
dissimilarly situated institutions should not be unexpected. Indeed, independent research
indicates that default rates are primarily correlated with the composition of the student
population, not a schools’ tax status. ITT suggests that a proper understanding of the issue of
student loan defaults would have been enhanced, if the U.S. Department of Education, in its
recent data release, had conducted an analysis of default rates based on school’s student
population demographic.

Finally, you state that “[Students] are there for a few weeks, maybe a few months, but
when they drop out and when they default, ITT keeps the money.” To the extent this
statement suggests that ITT does not return or refund federal financial aid or even private
funds when required to do so, it is incorrect. ITT complies with all applicable laws and
accrediting requirements regarding the return of federal financial aid. When a student
withdraws from a program, ITT remits Title IV funds to the government for any portion of
the program that the student did not attend in the manner prescribed by federal law. In this
respect, ITT’s Title IV return policy is no different from that of other public or private
institutions.

In addition, a student is only obligated for the tuition associated with courses that
he/she attends. ITT does not retain any tuition for any courses attended by students in excess
of the amount permitted by state and accrediting commission requirements. The applicable
refund policy varies by state and is contained in each campus’s school catalog and in each
student’s enrollment agreement with the School.

Thank you again for your attention to this matter. Please do not hesitate to have your
staff contact me with any questions you may have.

Respectfully,

Michael D. Bopp
April 5, 2011

Dear Senator Harkin,

As a Navy veteran and former student at a for-profit school, I am writing you today in strong support of the gainful employment regulations proposed by the Department of Education. These long overdue regulations would help prevent waste, fraud and abuse in some career college programs, programs like the one I was enrolled in that provided subpar training with a high price tag and left me with significant debt.

Immediately after High School I joined the US NAVY as an aircraft electrician. I spent most of my career working on F/A-18s at NAS Oceana in Virginia Beach. Like many young servicemen I had aspirations of higher education and was depending on the G.I. Bill to pay for it. While in the service, my interests began to shift from electronics to Information Technology. I believed that the best way to grow in a new career was to take a break from active duty military and attend college full time. I often came across commercials advertising ITT Technical Institute’s computer networking security program, and I decided to see what the school had to offer.

Unlike other institutions I reached out to, as soon as I expressed interest in ITT Tech, they began to actively and aggressively pursue me. Minutes after I filled out an online form a recruiter called me. He then called every day, telling me it was urgent for me to enroll. In the end, my recruiter’s insistence that ITT Tech’s national accreditation was superior to regional accreditation is what convinced me to attend the school.

The financial aid administrators at ITT Tech seemed very skilled in finding funds for my education and even completed all of the paperwork for my G.I. Bill benefits. Unfortunately, the bills started to come. The ink on the paperwork had hardly dried before I was required to pay the school $800 a month. I would later learn that ITT Tech was making more money off of my attendance than I was even aware of.

My cost for a year and a half of enrollment was $36,000. I received $19,000 in federal loans, $7,000 from the Pell Grant, $250 a month from a military scholarship, and $1,300 a month in G.I. Bill benefits. What’s worse, the expensive tuition did not seem to go toward a quality education. I saw very little of the school’s income go to staff or equipment. Some of my instructors were very passionate about their fields and would go the extra mile in providing value to my education, although some had to compensate for the school’s extremely slow network and outdated equipment by bringing software from home. However, the majority of teachers seemed less than concerned with the quality of education being provided. On one occasion, I came to suspect that one of my instructors was not actually grading my homework. I confirmed this suspicion by placing notes in my reports and projects inviting the reader to confirm that they were actually reading what I wrote. Without fail, if I turned in anything with my name spelled correctly I was guaranteed an A+.

What little I did learn from my time at ITT Tech, I learned by buying my own books and doing my own online research. Not only was the school in the habit of issuing text books for the wrong Operating System we were required to learn, but much of the software I used at school was actually pirated.
I was dropped from ITT Tech due to administrative ineptitude. I needed to go on a business trip for my employer, and prior to the trip I notified every instructor of the exact dates I would be gone. I also had a representative of my company personally contact the chairman of IT at ITT Tech. This chairman made a misjudgment in determining how the absence would stack with the school's attendance policy. The result was that upon my return I was no longer a student at ITT Tech. The school that had been so eager to enroll me was no longer interested in retaining me. I asked everyone I could, including the Dean of the Norfolk campus, and was told that there was nothing that they could do, but I was free to re-enroll next year.

I decided that it would be important to protect myself financially from the school. I had financial aid and transcripts on the day I was dropped to show how much I owed the school or how much they owed me. That was when I was shocked to discover just how much money ITT Tech had made off of me. My financial dealings with the school amounted to $36,000 and the transcript revealed that the school had overcharged me by $1,500 in the last month. As an additional blow, within two months of leaving ITT Tech, they sent me a bill for $2,500 and a transcript that showed clear signs that it was altered in a way to specifically make my positive balance disappear and create a negative balance. I called the institution and revealed that I had saved copies of my finances that conflicted with the version they had mailed to me. The school never bothered me about the $2,000 discrepancy.

In hindsight I regret attending ITT Tech. The institution provided at best an absolute minimum education and left me with nearly insurmountable debt. Even worse, ITT Tech took taxpayer money in the form of grants and my G.I. Bill, amounting to a net loss for all taxpayer Americans.

In these times marked by budget crises it is paramount that an investment is made in ensuring that educational institutions that benefit from any type of taxpayer money provide genuine value to their students. When more people are educated, our national wealth increases - not only in homegrown innovation and talent, but in earning power and therefore tax revenue. Regulating these “for-profit” schools is therefore the fiscally conservative thing to do.

Sincerely,

[Signature]

Adam C. Genova
Norfolk, VA
MEMO

To: Reporters and Editors
From: Justine Sessions on behalf of Tom Harkin (D-IA), Chairman, Senate HELP Committee
Re: Daily Caller Shoots Self in Foot with “Smoking Gun”
Date: Wednesday, May 18, 2011

This morning, the Daily Caller published an irresponsible story in yet another attempt to distract from the disturbing practices of the for-profit education industry and our work to investigate their practices and protect students and taxpayers. The story boils down to nothing more than a “Hail Mary” attempt by the for-profit industry and their lobbyists to block the Gainful Employment rule as it is about to be finalized.

Despite enormous efforts by these lobbyists and their allies to discredit the findings of the August 2010 GAO report — that all 15 for-profit campuses they visited engaged in deceptive or outright fraudulent recruiting practices — the facts are indisputable. The report’s findings have been confirmed by an internal inspection by GAO, and even the email cited by the Daily Caller begins by stating:

“Overall, I feel the message delivered by our testimony, video clips, and your oral statement was accurate, and did not in any way misrepresent the facts of our investigation.”

Oddly, the Daily Caller didn’t run that quote.

If you’d like a refresher on the alarming practices uncovered by the GAO, the video tapes are available here: http://www.gao.gov/multimedia/video/for-profit_colleges, and you’ll find even more examples of deceptive recruiting in the full audio recordings: http://harkin.senate.gov/forprofitsound.cfm

Attached, you will find the full text of the Daily Caller’s so-called “smoking gun” — an email from one member of GAO’s FSI team to another making recommendations about how to address systemic issues within FSI. The Daily Caller chose not to post the full text of the email and instead used highly selective excerpts, innuendo and half-truths to fabricate a story about political influence where there isn’t one. As you’ll see from reading the attached email, neither Chairman Harkin nor the HELP Committee are mentioned, and “congressional staffers” are only mentioned once, in a reference to systemic problems — not specific to the for-profit college investigation.

As is common when requesting GAO work and agreeing on a timeframe, HELP Committee staff asked the GAO if they could be ready to present their findings at a hearing prior to the August recess. The GAO agreed, and never requested an extension. While the internal email refers specifically to last minute requests for graduation and accreditation information, these requests were made by the GAO’s own internal Quality Control department. No such request was ever made by the HELP Committee. This is a fact that could have been confirmed by GAO had the reporter bothered to ask about it rather than relying on anonymous sources.
It’s unfortunate that the Daily Caller decided to give the for-profit education industry another chance to drown out the facts about their companies: that they now take in $30 billion taxpayer dollars a year while the majority of their students drop out with debt rather than a diploma. Stories like this one make it clear that the industry believes the best way to protect its profits is to attempt to undermine the validity of this GAO report, because it can’t dispute the facts.
Table 1: Fraudulent Actions Encouraged by For-Profit Colleges

<table>
<thead>
<tr>
<th>Certification</th>
<th>Subject and Career</th>
<th>Length of Program</th>
<th>Type of College</th>
<th>Fraudulent Behavior Encouraged</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>Computer Forensics Training</td>
<td>1 year</td>
<td>Online</td>
<td>Students were encouraged to use the system and report misleading data to increase the number of graduates to meet accreditation requirements.</td>
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<td>The behavior was reinforced through rewards, such as extra credit or bonus points, for accurately reporting fraudulent data.</td>
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<td>The behavior was also encouraged through a system of incentives for reporting fraudulent data.</td>
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<td></td>
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<td></td>
<td>The behavior was further encouraged through a system of rewards for reporting fraudulent data.</td>
</tr>
<tr>
<td>PA</td>
<td>Medical Assistant</td>
<td>2 years</td>
<td>On-campus</td>
<td>Students were encouraged to use the system and report misleading data to increase the number of graduates to meet accreditation requirements.</td>
</tr>
<tr>
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<td>The behavior was reinforced through rewards, such as extra credit or bonus points, for accurately reporting fraudulent data.</td>
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</tbody>
</table>

Additional Supporting Documentation

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### Deceptive or Questionable Statements

Admissions or financial aid representatives at all 5170 nonprofit colleges provided all under-represented applicants with deceptive or otherwise questionable statements. These deceptive or questionable statements included information about the college's accreditation, graduation rates, and student-to-teacher ratio as well as an unemployment guarantee, duration and cost of the program, or financial aid. Representatives at schools also implied that all students did not have to repay an education loan. By misleading statements and marketing techniques, schools increased their overall enrollment.

### Accreditation Information

Admissions representatives at four colleges either misidentified or failed to identify their college's accrediting organization. While all the for-profit colleges were accredited, the information available from Educause, a federal regulations state that institutions may not provide students with false, misleading, or misleading statements concerning the particular type, specific nature, or the nature and extent of its accreditation. Example includes:

- A representative at a college in Florida, who had advertised in a community college, told an under-represented applicant that the college was accredited by the same organization that accredited the University of Florida when in fact it was not. The representative told the under-represented applicant, "It's the top accrediting agency. It's one of Florida's, they all work with accrediting agencies." She also said the same thing in writing from the school.

- A representative at a small liberal arts college in Washington, D.C., told an under-represented applicant that the college was accredited by "an agency affiliated with the government" that did not specifically name the accrediting body. Federal and state government agencies do not accredit educational institutions.

- A representative at a college in California claimed that the college was accredited by an agency affiliated with the government, a term that did not specifically name the accreditation body. The accrediting organization said its name had been misspelled.

- A representative at a college in California said their college was accredited by an agency associated with the government. This was not the case, and the representative was later held accountable when the college was not accredited.

### Graduates in Rate, Employment, and Expected Salaries

Representatives from 5170 colleges gave on applicants deceptive or otherwise questionable information about graduation rates, employment rates, and expected salaries. Representatives at 5170 colleges misstated that graduates would have employment rates of 80% or higher, but the actual rates were much lower. When contacted, representatives admitted that the information was not accurate and did not provide the actual employment rates. The representatives also claimed that graduates would have expected salaries of $50,000 or more, but the actual median salaries were much lower. When contacted, representatives admitted that the information was not accurate and did not provide the actual median salaries.
A representative at one college in Florida convinced an employee of a publicly traded company to fill out an application for an education loan. The representative assured the applicant that the loan would be distributed as a computer printout, but in actuality, the representative told the applicant that the loan would be distributed as a computer printout and that the applicant would receive a check in the mail. The representative also assured the applicant that the loan would be sufficient to repay student loans because "income will never affect the loan." The applicant, believing the representative, applied for the loan and signed all necessary documents. The applicant later discovered that they had been charged for a loan that was never distributed.

Other Sales and Marketing Tactics

- Salespeople use aggressive tactics to pressure clients into signing contracts. For example, one salesperson told a client that if they didn't sign the contract, they would lose all the money they had invested in the project.
- Salespeople use emotional appeals to pressure clients into signing contracts. For example, one salesperson told a client that their children would be left without a future if they didn't sign the contract.
- Salespeople use unreasonable proposals to pressure clients into signing contracts. For example, one salesperson proposed a contract that would require the client to pay for the entire project upfront, even though the project was still in the planning stages.

In conclusion, salespeople use a variety of tactics to pressure clients into signing contracts. These tactics include aggressive tactics, emotional appeals, and unreasonable proposals. It is important for clients to carefully review any contract before signing it to ensure that they are making an informed decision.
Appendix I: Detailed Results of Undercover Tests

<table>
<thead>
<tr>
<th>College and Degree Information</th>
<th>Students Accepting Offer</th>
<th>Students Receiving Additional Information</th>
<th>Graduation Rate</th>
<th>Encouragement of Fraud and Engagement in Deceptive, or Otherwise Questionable Behavior</th>
</tr>
</thead>
</table>
| A - in-state public institution | 50%                     | 10%                                       | 40%             | Symbolized: 
|                                |                          |                                           |                 | • Admission represents benefits for the College for the University of Arizona and Arizona State University. |
|                                |                          |                                           |                 | • Admission represents an opportunity for the individual student to achieve academic success. |
|                                |                          |                                           |                 | • Admission representation indicates financial aid to students who are accepted. |
|                                |                          |                                           |                 | • Admission representation indicates financial aid to students who are accepted. |
|                                |                          |                                           |                 | • Admission representation indicates financial aid to students who are accepted. |
|                                |                          |                                           |                 | • Admission representation indicates financial aid to students who are accepted. |
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Additional Supporting Documentation
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Additional Supporting Documentation
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<table>
<thead>
<tr>
<th>College Information and degree sought</th>
<th>Students receiving Pell Grant</th>
<th>Students receiving federal loans</th>
<th>Graduation rate</th>
<th>Encouragement of fraud and engagement in deceptive, or otherwise questionable, behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career College</td>
<td>7.8%</td>
<td>82%</td>
<td>44%</td>
<td></td>
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<tr>
<td>Community College</td>
<td>9.5%</td>
<td>90%</td>
<td>51%</td>
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<tr>
<td>Certificate Program</td>
<td>9.7%</td>
<td>85%</td>
<td>53%</td>
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<tr>
<td>Diploma Program</td>
<td>8.5%</td>
<td>75%</td>
<td>58%</td>
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</tbody>
</table>

- The financial aid packages provided through the college were designed to be less than adequate, forcing students to take on debt.

- The college's requirement to complete an associate degree within 3 years was unrealistic for many students.

- The college's failure to disclose the high rate of students defaulting on their loans.

- The college's practice of using aggressive collection tactics for unpaid tuition debts.

- The college's use of false advertising to attract students.

- The college's failure to provide adequate follow-up support for students who dropped out.
<table>
<thead>
<tr>
<th>College Information and Degree</th>
<th>Students Accepting Full-Scholarship</th>
<th>Students Accepting Partial-Scholarship</th>
<th>Graduation Rate</th>
<th>Encouragement of Fraternal Engagement in Offensive or Otherwise Injurious Behavior</th>
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<tbody>
<tr>
<td>6</td>
<td>70%</td>
<td>14%</td>
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<tr>
<td>7</td>
<td>75%</td>
<td>12%</td>
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Additional Supporting Documentation

Document 30, Page 7
<table>
<thead>
<tr>
<th>College Information and Age Group</th>
<th>Students Receiving Individualized Instruction</th>
<th>Students Receiving Remedial Instruction</th>
<th>Graduation Rate</th>
<th>Encouragement of Fraud and Engagement in Deceptive or Otherwise Unprofessional Behavior</th>
</tr>
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- Additional Supporting Documentation

Document 30, Page 8
<table>
<thead>
<tr>
<th>College Information and Degree offered</th>
<th>Students seeking admission that have been admitted</th>
<th>Students accepting offer of admission that have been accepted</th>
<th>Graduation rate</th>
<th>Encouragement of fraud and engagement in deceptive or otherwise questionable behavior</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Reported</td>
<td></td>
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<tr>
<td>IT - Physician Assistant</td>
<td>5177</td>
<td>465</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>IT - Physicainian Assistant - Information Security</td>
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<tr>
<td></td>
<td>Not Reported</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Associate's Degree - Computer Science</td>
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<tr>
<td></td>
<td>Not Reported</td>
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Additional Supporting Documentation

Document 30, Page 9
<table>
<thead>
<tr>
<th>College Information and Degree</th>
<th>Students Receiving Full/Self-</th>
<th>Students Receiving Limited Aid</th>
<th>Graduation Rate</th>
<th>Encouragement of Fraud and Engagement in Deceptive or Dishonest Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>50%</td>
<td>30%</td>
<td>20%</td>
<td>Students represented were not fully informed of all the financial aid options available. Students were also not informed about the deadlines for the aid application. Students who missed the deadline were told that they had to reapply the following year. Students who applied and were not selected for financial aid were not informed of the reasons.</td>
</tr>
<tr>
<td>1)</td>
<td>40%</td>
<td>30%</td>
<td>15%</td>
<td>Students represented were not fully informed of all the financial aid options available. Students who missed the deadline were told that they had to reapply the following year. Students who applied and were not selected for financial aid were not informed of the reasons.</td>
</tr>
<tr>
<td>2)</td>
<td>60%</td>
<td>40%</td>
<td>25%</td>
<td>Students represented were not fully informed of all the financial aid options available. Students who missed the deadline were told that they had to reapply the following year. Students who applied and were not selected for financial aid were not informed of the reasons.</td>
</tr>
<tr>
<td>Bachelor's Degree - Business Administration</td>
<td>60%</td>
<td>30%</td>
<td>20%</td>
<td>Students represented were not fully informed of all the financial aid options available. Students who missed the deadline were told that they had to reapply the following year. Students who applied and were not selected for financial aid were not informed of the reasons.</td>
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Additional Supporting Documentation
Document 30, Page 10
<table>
<thead>
<tr>
<th>College Information and Degree Level</th>
<th>Students Receiving Aid (%)</th>
<th>Students Receiving Loans (%)</th>
<th>Graduation Rate</th>
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<tbody>
<tr>
<td>F.A. New York</td>
<td>50%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
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</table>

- Additional supporting documentation:
- Document 30, Page 11
<table>
<thead>
<tr>
<th>College</th>
<th>Average</th>
<th>Students Receiving Grants</th>
<th>Students Receiving Loans</th>
<th>Graduation Rate</th>
<th>Encouragement of Fraud and Engaged in Dishonest or Otherwise Questionable Behavior</th>
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<tbody>
<tr>
<td>Technical</td>
<td>4.0</td>
<td>50%</td>
<td>20%</td>
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<td>Associate Degree</td>
<td></td>
<td>50%</td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td></td>
<td>50%</td>
<td>20%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Address issues regarding student loans and the financial aid process.
- Provide clear information on how to apply for grants and loans.
- Encourage students to explore all available financial aid options.
- Ensure that the information provided is accurate and up-to-date.

**Note:**
- Students are encouraged to review the financial aid application process thoroughly.
- Additional support documentation is available upon request.
DEFAULT PREVENTION

AT THE CAMPUS LEVEL

Part 2  3:15 - 4:30 p.m.
DEFAULT PREVENTION - AT THE CAMPUS LEVEL

Default Manager
Southwest Florida College
Redacted by HELP Committee

Default Prevention
Federal Student Aid

VP Student Financial Serv.
Lincoln Educational Services
Medicated by HELP Committee

Sr. VP Regulatory Affairs
Kaplan Higher Education
THE CONSEQUENCES OF STUDENT LOAN DEFAULT FOR YOUR BORROWERS

- Damage to credit report (7-year min)
- Higher interest rates
- Wage garnishment
- Seizure of federal and state tax refunds
- Seizure of portion of any federal payment
- Legal action in federal district court
- Ineligible for Title IV aid
- May lose state occupational license
- No mortgage loans
- May have difficulty obtaining car loans
- May be unable to rent an apartment
- May be turned down for employment
THE CONSEQUENCES OF STUDENT LOAN DEFAULT FOR YOUR SCHOOL

- A measure of a school's administrative capability
- High CDRs can
  - Negatively reflect on school quality
  - Result in unfavorable publicity
  - Result in loss of Title IV eligibility
  - Threaten continued access to both Stafford and private loan funds
2-YEAR TO 3-YEAR CDR (SCENARIO)

<table>
<thead>
<tr>
<th></th>
<th>FY-09</th>
<th>FY-10</th>
<th>FY-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerator</td>
<td>125</td>
<td>230</td>
<td></td>
</tr>
<tr>
<td>Denominator</td>
<td>5,000</td>
<td></td>
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</tr>
</tbody>
</table>

5000 = .071 or 7.1%

Released Sept 2011

<table>
<thead>
<tr>
<th></th>
<th>FY-09</th>
<th>FY-10</th>
<th>FY-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>695</td>
<td>125</td>
<td>230</td>
<td>250</td>
</tr>
<tr>
<td>5,000</td>
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</tbody>
</table>

5000 = .121 or 12.1%

Released Sept 2012

Additional Supporting Documentation
Document 31, Page 5
DEFAULT PREVENTION TEAM

- Team members should include
  - a senior school official
  - representatives from all offices
  - a student to help craft attention
    grabbing communications
- Create/adopt and implement a plan
- Meet regularly
- Evaluate progress and fine-tune default
  prevention plan
- Celebrate and promote successes
DEFAULT PREVENTION PLAN

- Success is achieved when solid plans are developed and executed.
- A plan pulls together people and resources toward a common goal.
- Secretary’s Sample DP Plan is available and can be customized for your school.
- Plan should include both traditional and non-traditional strategies.
  - Traditional takes place in the financial aid office, and the focus is on helping students to develop a healthy relationship with their loan.
  - Non-traditional strategies are “student success” focused and help borrowers develop a healthy relationship with their education.
NON-TRADITIONAL STRATEGY: STUDENT SUCCESS AND LOAN DEFAULT

The Direct Loan program serves 6-7 million student loan borrowers. Of the borrowers who defaulted, 70% withdrew without completing their academic program. (actual population)

While different measures of success exist, this is an important indicator that students who fail to complete are at higher risk of default.

Source: August 2008 Analysis of the Federal Direct Loan Portfolio
CONSEQUENCES WHEN A BORROWER LEAVES WITHOUT COMPLETING PROGRAM

- Did not earn academic credential
- Earning power may be reduced
- No benefit from school job placement
- Has one or more loans to repay
- May not have received exit counseling
- If borrower fails to notify financial aid of departure they may lose part/all of their grace period due to late reporting
FSA DEFAULT PREVENTION TEAM
CONTACT INFORMATION

Federal Student Aid
Phone: 4
Email: @ed.gov

Federal Student Aid
Phone: 4
Email: @ed.gov

Additional Supporting Documentation
Document 31, Page 10
DEFAULT PREVENTION AT THE SCHOOL LEVEL

Redacted by HELP Committee

Default Manager
Southwest Florida College
IN A PERFECT WORLD ......

- Every School would have 0% CDR!

  Ample Payment Relief
  - Payment Plans
    - Deferments, with Interest Paid on Subsidized Loans
      Loans disbursed prior to July 1, 1987 have 14 deferment options.
      Loans originated between July 1, 1987 and June 30, 1993 have 18 deferment options.
      Loans originated after July 1, 1993 have 8 deferments available.

- 36 Months of Forbearance Available
### Why Promote Payments over Forbearance?

<table>
<thead>
<tr>
<th></th>
<th>Standard Repayment Term</th>
<th>Forbearance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payment</td>
<td>$179</td>
<td>$215</td>
</tr>
<tr>
<td>Interest Cost</td>
<td>$5,905</td>
<td>$10,272</td>
</tr>
<tr>
<td>Total Repayment Amount</td>
<td>$21,405</td>
<td>$25,772</td>
</tr>
</tbody>
</table>

Source: NCHelp Reference Library
Honorable Tom Harkin  
Chairman  
Committee on Health, Education, Labor, and Pensions  
United States Senate  
Washington, DC 20510  

Dear Mr. Chairman:

This letter is to confirm that the U.S. Department of Education’s Federal Student Aid (FSA) has no concerns or reservations with representatives of Bridgepoint Education, Inc. (Bridgepoint) testifying on March 10, 2011.

FSA met with counsel for Bridgepoint’s Ashford University on March 4, 2011 and provided them with an opportunity to share information which they considered relevant to the Office of Inspector General audit of Ashford University that FSA is currently resolving. There was nothing in that meeting that FSA believes would have any impact on Bridgepoint’s ability to testify.

Please let me know if you have any additional questions.

Sincerely,

William J. Taggart

Additional Supporting Documentation  
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