

INTRODUCTION

Recently there has been a spate of negative news articles and negative pronouncements from government regulators regarding the for-profit education industry in general and BPI academic institutions in particular. This document provides an overview of the issues identified from these sources, with both defensive and positive messaging suggestions.

Essentially, the negative stories and government pronouncements can be reduced to 3 key “issues”:

1. Questioning Educational Quality
2. Asserting Aggressive Student Recruitment Practices
3. Suggesting Abusive Student Lending Policies

The fundamental positive messages must inherently refute these key issues, while emphasizing the positive contributions BPI is making. For example:

1. BPI’s academic institutions – Ashford University and University of the Rockies -- deliver high quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. BPI’s universities are proud to have achieved such a good balance among these challenging variables, while allowing a wide audience of students to earn their college degrees – more than half of them in the first generation of their families to do so.
2. BPI’s universities offer prospective students a high-quality, highly accessible college education at very affordable tuition rates. Our enrollment team members are carefully trained to place prospective students’ needs first. After registration, the new student is served by a Student Services team consisting of enrollment, academic and financial services advisors who assist and support the student’s progress. The aim: help the students graduate and after graduation help them responsibly handle their responsibility for any loan repayment.
3. BPI’s academic institutions have generally priced their programs within the limits of Title IV funding so that students who are not able to finance their college education through other means are afforded an opportunity without the burden of private loan debt. We believe this is the right thing to do. Our who are qualified for Title IV financial aid students are generally not required to seek significant amounts of alternative loans, and BPI will work with any loan provider the student wishes to engage. BPI is proud of its effort to provide access to quality education to a large and underserved segment of society. We are careful with our students: we make sure they are capable of continuing, but we give the best opportunity we can for our hard-working students to earn their degree. BPI’s universities keep tuition costs low, helping students to keep borrowing at reasonable levels.

EDUCATIONAL QUALITY

Negotiated Rulemaking

Gainful Employment

The Issue

- Does “gainful employment” need to be defined? What should the relationship be between tuition and fees and expected earnings after graduation?

Issue /do we judge internal survey the program has helped them

Our Defense

- We cannot and do not assert that students are “placed” in gainful employment or make public claims of a “placement rate,” as most of our students are adults who are already employed full-time. We have survey data that allow us to estimate that roughly 70% of new Ashford University students are working adults. And about 85% of our alumni indicate they are currently employed.

Positive Positioning

- Most of our students are adults who are already employed, and internal surveys show that more than 99% of Ashford University alumni who are working in an occupation related to their Ashford degree feel that their degree prepared them for that occupation.

The OIG Questioning Accrediting Bodies Standards

The Issue

- The OIG has criticized the accrediting standards of the Higher Learning Commission, the Middle States Commission on Higher Education, and the Southern Association of Colleges and Schools.

Our Defense

- The Higher Learning Commission has issued a news release asserting that they are in compliance and that the OIG’s accusations are “as weak as it gets”.

Positive Positioning

- The Higher Learning Commission is a well-respected independent body that accredits more than one thousand colleges and universities, including many of the country’s leading institutions, such as Notre Dame, University of Michigan, University of Chicago and the University of Wisconsin.

Definition of a Credit Hour

The Issue

- Should the Department of Education set a minimum standard for what constitutes a credit hour? Should the definition of a credit hour have any bearing on access to Title IV funds? Should the definition vary by type of program or degree? (The assertion is that schools are running students through a course of studies that doesn’t require real work so that students are granted a degree that isn’t worth anything.)

Our Defense

- When a class is initially designed for Ashford University (or UoR), many items are carefully checked to ensure that the workload in each course is consistent with the learning outcomes expected in a 3-credit course and that targeted learning will take place. Items on this checklist are vetted by content and learning outcomes experts and include reading, writing, lab work (if any), homework, writing/delivering papers, and assessments. As students progress through the course, we monitor them to ensure that learning is taking place through various ongoing assessment activities, which are validated by our full-time faculty. Academic credit at Bridgepoint's academic institutions is granted using the semester credit-hour system. We do not define seat time or outside-of-class work time.

Positive Positioning

- BPI's universities are focused on offering classes in which high-quality learning will occur. Academic studies, such as "Teaching and Learning One Course at a Time" in the *Journal of Innovative Higher Education* June 1992, p. 263-276), have found that adult working students learn best if they are offered a curriculum of one course at a time. That same study also showed that faculty and student satisfaction with a one course at a time calendar is high. Ashford has chosen to provide the opportunity for students to take a full-time load of 10 courses per year with the typical course lasting 5 weeks for undergraduates (50 weeks in total). Graduate students have the opportunity to take 8 courses per year with the typical course lasting 6 weeks.

Satisfactory Academic Progress

The Issue

- In an effort to ensure that students who receive Title IV funds are progressing in their academic programs, should the Satisfactory Academic Progress (SAP) regulations be updated?

Our Defense

- Satisfactory academic progress is measured in accordance with federal guidelines, which mandate that a school receiving Title IV funds apply quantitative and qualitative measures of progress toward meeting degree requirements. Specifically, students must maintain a certain grade-point average and must successfully complete a certain percentage of their credits attempted in order to meet satisfactory academic-progress requirements. Students are placed on academic probation and are eventually dismissed from the program if they are unable to meet satisfactory academic-progress requirements. It is acceptable to disburse financial aid to a student who is on academic probation in accordance with an institutional policy that meets federal standards. Our policies are written and applied to ensure that unqualified students do not continue to incur debt and/or receive federal financial aid.

Positive Positioning

- We are dedicated to the academic success of our students. In this vein, satisfactory academic progress policies for each institution outline the academic requirements for Ashford University and UoR programs and describe how they will be measured to ensure that students are making SAP toward successful degree completion. The policies for AU can be found in the 2009/2010 AU Academic Catalog on pages, 86, 147, 156, and 190. The policies for UoR can be found on pages 43 and 77 of the 2009/2010 UoR Academic Catalog.

Taking Attendance

The Issue

- Student withdrawals are not being properly captured for the purpose of returning Title IV funds. The REAL issue is whether or not students are required to work hard to pass a class or are able to just “float” through without effort.

Our Defense

- If government regulators wish to add the additional burden of an attendance requirement, BPI believes its technology will accommodate whatever changes may occur with attendance-related regulations. In fact, although we are not currently required to take attendance under Federal Financial Aid regulations, we choose to monitor attendance based on institutionally defined measures. (E.g., students must be “actively engaged” in courses online by posting assignments, completing assessments, and reporting on reading assignments.)

Positive Positioning

- Our Universities’ systems record attendance associated with activity related to each student actively attending each week’s lesson requirements within their course. Each week, students must engage in their coursework by performing activities such as: reviewing their course syllabus, reading their homework assignments, reading and responding to their discussion boards, interacting with the instructor, posting their homework, completing evaluations and taking examinations, submitting papers, reading assigned course content (books, articles, online research, etc.). Similar to a physical classroom, not all of a student’s homework is completed while in the classroom attending class.

Retaking Coursework

The Issue

- Should the DOE consider not paying for retaking classes? Do schools need to evaluate students who are retaking classes?

Our Defense

- While current Federal regulations do not limit the number of times a student can retake a failed class, they do define requirements for monitoring satisfactory academic progress. These requirements serve to limit students’ ability to continue to receive aid without successfully completing coursework. In addition, the bulk of the programs offered by BPI institutions award financial aid based on successful completion of credits. For example, online bachelors’ students who do not successfully complete at least 12 credits and/or 4 classes after each financial aid disbursement are not eligible for a subsequent financial aid disbursement. We are dedicated to the academic success of our students. In this vein, satisfactory academic progress policies for each institution outline the academic requirements for Ashford University and UoR programs and describe how they will be measured to ensure that students are making SAP toward successful degree completion. The policies for AU can be found in the 2009/2010 AU Academic Catalog on pages, 86, 147, 156, and 190. The policies for UoR can be found on pages 43 and 77 of the 2009/2010 UoR Academic Catalog.

Positive Positioning

- BPI's universities deliver high quality education. We establish academic requirements that are quite similar to traditional schools. Namely, in order to continue pursuit of a degree, students must maintain good academic standing (e.g. passing classes, cumulative grade-point average, etc.).

Definition of a High School Diploma

The Issue

- Verification of high school diplomas, GEDs, and secondary home schooling has been problematic and is allowing students who are not academically prepared for college to receive federal funds for tuition.

Our Defense

- It has been a longstanding practice established by the HLC, under the jurisdiction of the DOE, to allow students to self-certify to high school graduation (or its equivalent) on both their Free Application for Federal Student Aid (FAFSA) and on their application for admission to institutions which do not require further documentation of high school graduation. BPI's institutions with undergraduate programs require students to self-certify to their high school credentials and may not require further documentation related to high school diplomas unless a state in which we are licensed requires us to do so. For example, we currently collect high school diplomas for students who reside in the state of Tennessee, due to requirements in that state. Since, in large part, the general concern over this issue stems from the "proliferation of high school diploma mills," it is our position that the DOE would benefit the entire system by providing institutions of higher learning with a method (such as a database) of validating high schools rather than imposing the administrative burden on all institutions, students and high schools to collect documents with no official means through which to determine their validity. When students apply for financial aid using the Free Application for Federal Student Aid (FAFSA) they have to self-certify that they have a high-school diploma. We are employing the same method of certification that the government uses for distributing aid. We are prepared to verify high school transcripts or their equivalent and look to the government to provide a method of validating high schools.

Positive Positioning

- BPI's universities deliver high quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. BPI's universities are proud to have achieved such a good balance among these challenging variables, while allowing a wide audience of students to earn their college degrees. Approximately 62% of our students, according to FAFSA data, come from families where neither parent attended college.

Ability to Benefit Tests

The Issue

- The Department of Education needs to strengthen its control over the Ability to Benefit (ATB) testing process. The REAL issue: regulators are concerned that institutions may be “signing up” those who cannot benefit in order to get at federal loans.

Our Defense

- BPI institutions require that students certify that they have high school credentials. We do not administer or accept Ability To Benefit (ATB) tests for admission. The use of ATB tests increases the burden on the student and increases administrative costs for the institution. In addition, we have rigorous standards the student must maintain to continue on to the completion of their degree.

Positive Positioning

- BPI’s universities deliver high quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. BPI’s universities are proud to have achieved such a good balance among these challenging variables, while allowing a wide audience of students to earn their college degrees. Approximately 62% of our students, according to FAFSA data, come from families where neither parent attended college.

Negative News

Value of the Degree and Academic Rigor

The Issue

- A reporter claimed that students at Ashford University can retake the final exam in their first class as many times as they need to get a passing grade.

Our Defense

- Not true. We closely monitor our entering students through a series of self-assessments to help them decide whether they are capable of handling the rigors of academic advancement at Ashford University.
- The first course taken by students in the undergraduate program is determined by the number of transfer credits. Students who have low transfer credits (<24) are required to take a course that covers writing skills, study techniques, time management, critical thinking, test taking skills, etc. Students explore their motivation and further prepare themselves for college-level learning in addition to adding to their body of knowledge as it relates to learning. There are several basic skills assessments embedded in this course, giving students the ability to evaluate their skills.
- Students entering their degree program with more than 24 college units are also required to take a course that imparts knowledge in adult learning theory, assesses writing skills, and provides additional building blocks for success in higher education.

- Students in the entry courses are also assigned Teaching Assistants (TA) for each course. The TAs serve as personal tutors and/or coaches for our students as they transition into college-level work. Students are also given unlimited access to tutoring through *Smarthinking* in order to provide additional resources in writing, math and statistics. The *Writing Center* supplies (free to our students) online resources in grammar, thesis statement construction, research guidance, formatting guidelines and writing tips for cogent, academic writing. *The Ashford Guide for Academic and Career Success* is a custom book combining grammar and writing texts to help all our students improve communication, critical thinking, decision-making and cogent research. The AU Guide also provides career guidance on writing resumes, cover letters, interviewing strategies and career correspondence.
- Instructional Specialists monitor our courses while the courses are being facilitated in order to oversee classroom communication, instructor involvement, and quality interaction on the relevant subjects being taught.

Positive Positioning

- BPI's academic institutions deliver high quality education. BPI's universities also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. BPI's universities are proud to have achieved such a good balance among these challenging variables, while allowing a wide audience of students to earn their college degrees – more than half of them in the first generation of their families to do so. We are careful with our new students: we make sure they are capable of continuing, but we give the best opportunity we can for our hard-working students to earn their degree.

For-profit Graduates Have Difficulty Finding Employment

The Issue

- Some members of the news media assert that for-profit graduates have more difficulty finding employment than do traditional school graduates. The inference is that for-profit schools don't do a good job of preparing graduates for work.

Our Defense

- Ashford University does not provide placement services.
- The vast majority of our Ashford University students (70%) are employed at the time of their enrollment at our institutions.
- Data from our last two Ashford University Alumni Surveys show that nearly 85% of our alumni are employed.

Positive Positioning

- Most of our students are adults who are already employed, and internal surveys show that more than 99% of Ashford University alumni who are working in an occupation related to their Ashford degree feel that their degree prepared them for that occupation.

For-profit Graduates Earn Lower Salaries

The Issue

- Some members of the news media assert that for-profit graduates earn less than traditional school graduates. The inference is that for-profit schools don't do a good job of preparing graduates for work.

Our Defense

- The results of Ashford's most recent Alumni survey indicate that our graduates earn an estimated annual income between \$41,000 and \$51,000.

Positive Positioning

- Most of our students are already employed and our 2009 Alumni Survey shows that nearly 99% of Ashford alumni felt that their Ashford program had prepared them for their current occupation. The estimated annual income of our graduates is between \$41,000 and \$51,000 (according to Bureau of Labor Statistics in 2008, bachelor's degree grads earned an average of \$52,000 and master's degree grads earned an average \$61,000). BPI's schools are educating many people who come from a low socio-economic sector. Approximately 62% of our students, according to FAFSA data, come from families where neither parent attended college. The most important measurement is whether our students are prepared for their jobs.

The for-profit graduation rate is 38%, far less than the national average for traditional schools.

The Issue

- The inference is that for-profit schools either don't care if their students graduate or the schools have recruited students unable to make it to graduation.

Our Defense

- We don't yet have the required six years of data needed to report graduation rates.
- We don't measure graduation rates of transfer students.
- We believe that our graduation rate will be consistent with the national average of around 40%. (UoP research shows national average bachelor's degree graduation rate of 43% and master's degree of 61%, as of 11/09.)

Positive Positioning

- Our graduation rates for traditional students at Ashford University are comparable to other traditional schools. Our predictive models suggest our graduation rate will be in line with national averages.

Accelerated Courses for Service Members

The Issue

- It has been asserted that for-profit schools (and BPI) have so compressed their courses (5 weeks) that they are virtually worthless.

Our Defense

- When a class is initially designed for Ashford University (or UoR), many items are carefully checked to ensure that the workload in each course is consistent with the learning outcomes and that targeted learning will take place. Items on this checklist are vetted by content and learning outcomes experts and include reading, writing, lab work (if any), homework, writing/delivering papers, and assessments. As students progress through the course, we monitor them to ensure that learning is taking place through various ongoing assessment activities, which are validated by our full-time faculty.

Positive Positioning

- Adults with life experience learn differently from traditional-aged students. They are self-directed and have context for learning. We focus on learning outcomes—not the fact that a student listened to a professor speak for a certain amount of time. BPI's universities offer courses this way deliberately. Military students in particular appreciate this style of learning, because they can move to a new locale and only experience a brief interruption in their education.

For-profit Students Are More Likely to Default

The Issue

- For-profit students have been accused of not being as financially responsible as traditional school students.

Our Defense

- We give more opportunity to first-generation college students and many of these individuals (18% of our students) come from Pell Grant-eligible homes. 3-year CDRs show that 17.4% of our students have defaulted on their student loans, a figure not that dissimilar to private and public two-year institutions that have a CDR of 16.2% or from private and public four-year institutions which have rates of 6.3% and 7.1% respectively.

The Career College Association, in a press release, stated that the overall CDR for higher education increased from 4.6% to 5.2%.

Furthermore, 80% of AU students who default on their student loans have only taken 1 or 2 classes, so the dollar amount is minimal and the student is deciding quickly whether or not to continue. Since CDRs are calculated based on the number of students in default, not the amount of the loans in default, the CDRs are overstating the difference between BPI and traditional schools.

In 2008, the average loan amount our students defaulted on was \$1,958 and in 2007, the average loan amount was \$1,477. The total number of defaulters in 2008 was 465 out of 3,799 students (12.24%). In 2007, the total number of students in default was 238 out of 1,447 students (16.45%).

Positive Positioning

- We give more opportunity to working, first-generation college students and many of these individuals come from financially disadvantage homes. 3-year CDRs show that 17.4% of our students have defaulted.....not that dissimilar to private and public two-year institutions that have a CDR of 16.2% or from private and public four-year institutions which have rates of 6.3% and 7.1% respectively. The relatively small amount of money involved is well worth the risk to the government as many studies clearly show that college graduates contribute much more to their families and their country than do non-college graduates. BPI is proud to be a part of providing opportunities for our country to have a large percentage of college graduates, a goal of the current Administration.

Negative IR

Growth at a rate of 50% or more per year

The Issue

- The Department of Education requires accrediting bodies to monitor the overall growth of the institutions it accredits and, for certain accrediting agencies, report to them the names of any academic institutions that grow at a rate of 50% or more per year and may even place some kind of growth limitation on such institutions.

Our Defense

- The regulation provides that each accrediting agency must monitor overall growth of the institutions or programs it accredits, including a collection of headcount data from those institutions at least annually. The agency must also monitor growth of programs at institutions experiencing significant enrollment growth, but the agency itself defines what it considers to be significant enrollment growth. An accrediting agency must report an increase in headcount enrollment of 50% or more within one institutional fiscal year if that accrediting body has expanded its scope of accreditation to include distance education through notification to the Secretary of a change in scope of recognition to include distance education. HLC is not in that category of accrediting agency, so this requirement would not apply to HLC.

Positive Positioning

- Since inception, BPI has invested significant dollars and human resources to ensure our ability to deliver an uncompromised student experience and a high level of educational quality. So while our growth rate has been enviable, so too has been our dedication to maintaining a high level of educational standards. Besides, this will become a non-issue as our larger size will slow the percentage increases we are likely to experience.

Recruitment

Negotiated Rulemaking

Incentive Compensation

The Issue

- Should enrollment advisor compensation safe harbors be revised or even eliminated? Are the safe harbors giving too much latitude so for-profits can engage in too aggressive recruiting habits?

Our Defense

- Our academic institutions do not make bonus, commission or other incentive payments to enrollment or financial services advisors. Our institutions utilize salary plans which provide for salary adjustments in accordance with the first Safe Harbor. This allows for salary adjustments no more than twice per year which are not based solely on the number of students recruited, admitted, enrolled, or awarded financial aid.
- We cannot comment on whether or not the safe harbors will change as a result of the Neg-Reg sessions; however, we look forward to and we encourage the Department to provide guidance as to how institutions may gain confidence that their compensation practices and procedures are compliant and not subject to different interpretations by the various compliance agencies.

Positive Positioning

- We offer prospective students a high-quality, highly accessible college education at very affordable tuition rates. Our enrollment team members are carefully trained to place prospective students' needs first. Our goal is to ensure that prospective students are prepared, committed, and able to pursue their degree in an online setting. After registration, the new student will be served by a Student Services team consisting of enrollment, academic and financial services advisors who will assist and support the student's progress. The aim: help the student graduate and after graduation help the student responsibly handle any loan repayment.

Negative News

Recruiting Tactics are Being Investigated

The Issue

- Inference has been made that BPI is doing something "wrong" in its recruiting practices.

Our Defense

- We are not doing anything wrong. We are very careful and supportive of prospective students.

Positive Positioning

- We offer prospective students a high-quality, highly accessible college education at very affordable tuition rates. Our enrollment team members are carefully trained to place prospective student's needs first. Our goal is to ensure that prospective students are prepared, committed, and able to pursue their degree in an online setting. After registration, the new student will be served by a Student Services team consisting of enrollment, academic and financial services advisors who will assist and support the student's progress. The aim: help the student graduate and after graduation help the student responsibly handle any loan repayment.

Improper Presence on Military Bases

The Issue

- A reporter claimed that BPI representatives recruit on base without proper clearance to be there.

Our Defense

- This issue came from one instance in which we had authorization from the military chain of command, but not from the civilian in charge of long-term learning.

Positive Positioning

- We are very proud of our efforts to support the advancement of our military programs and have dedicated additional resources to strengthen this initiative. We have worked very closely with our military liaisons to ensure that our practices meet the military's requirements. These efforts were recently validated with our inclusion in the www.goarmy.com website.
- Military students account for more than 17 percent of Ashford University's total student population. Military benefits apply to all active duty, National Guard, Reservists and spouses, dependents eligible for survivor benefits, plus civilian Department of Defense employees and separated veterans/retirees still using their GI Bill. Our university has been selected by the U.S. Army as a Letter of Instruction (LOI) school and by the Coast Guard to become a SOCCOAST-4 member. In addition, we have been named to the 2010 List of Military Friendly Schools by *G.I. Jobs* magazine and as one of the top military friendly schools by *Military Advanced Education* magazine.
- As well, in university surveys conducted in June and September 2009, more than 97 percent of all Ashford University military students who responded would recommend Ashford to others seeking a college degree. In light of this, it appears to us that the Bloomberg reporter displayed a serious lack of objectivity in his reporting.

Transfer Credit Granted for Courses in Which the Student Received a Grade "D"

The Issue

- A reporter implied that for-profit schools are scraping the bottom of the barrel of students.

Our Defense

- Ashford University transfer credit policies and practices are carefully articulated to ensure that transfer students are not required to pay for the same learning twice and that Ashford University's program learning outcomes are met by our graduates. In this sense, we are ensuring that the student is not required to enroll and pay for an applicable course that he/she has successfully completed at a previous institution and may have already been afforded federal financial aid to earn. Ashford also limits the number of courses with "D" grades taken in transfer. A maximum of 9 credits with a "D" grade are transferable as long as the student's cumulative overall GPA is 2.0 or above. "D" credits cannot be applied toward the major or toward General Education competencies.

Positive Positioning

- BPI is proud of its effort to provide access to quality education to a large and underserved segment of society. BPI's universities deliver high quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. BPI's universities are proud to have achieved such a good balance among these challenging variables.

Lending

Negotiated Rulemaking

State Authorization

The Issue

- Should an institution be allowed to have access to Title IV funds if they are not authorized by the state to provide postsecondary education in that state?

Our Defense

- We believe that we are in compliance with state regulations governing state authorizations, given our research both internally and externally.

Positive Positioning

- We are proud that both of our academic institutions have earned regional accreditation. There are a number of States who have such commissions or approval boards that readily accepted regional accreditation in lieu of separate state approvals. This process reduces the burden of states to review institutions that are already being held to similar or higher standards by regional accrediting bodies. Based on our research both internally and externally we believe we are authorized to provide post secondary education in all states in the USA.

Return of Title IV Funds: Disbursement

The Issue

- Does the department need to limit the amount of time an institution can delay disbursing Federal Pell Grants?

Our Defense

- In general, we are in favor of doing whatever is to the benefit of the student when it comes to processing their financial aid. The question all institutions will be asking is: “what additional burdens will you now place on the financial aid and student accounts departments in terms of both processes and compliance?” Also, financial aid administrators should be allowed some reasonable leeway to exercise their professional judgment as to disbursement timing. As we know, “one size does not fit all” when it comes to packaging a student for financial aid (e.g., dependent, independent, undergraduate, graduate, Pell Eligible/Non-Pell eligible). Currently, BPI’s institutions make financial aid disbursement once during each term as soon as each individual student’s funds have been certified and they have become eligible to receive their disbursement. Our online institutions have two disbursement “terms” or periods per a full academic year. For undergraduate programs, each disbursement period generally consists of 4 successfully completed three credit courses which cover a minimum of 20 weeks of instruction. For graduate programs, each disbursement period generally consists of 3 successfully completed three credit courses which cover a minimum of 18 weeks of instruction. Before students can progress to their next disbursement period, they must successfully complete the required number of credits and weeks of instruction in their current period.

Positive Positioning

- BPI’s Ashford University and University of the Rockies make every effort to assist students to obtain needed educational funds from the US government. We hope the government will be wise enough to choose regulation that works best for students while protecting taxpayers’ moneys.

Return of Title IV Funds: Module Courses

The Issue

- For courses taught in modules, should the department re-evaluate when a student has withdrawn from a term?

Our Defense

- We don’t teach classes in modules. This doesn’t apply to BPI schools.

Positive Positioning (N/A)

Negative News

For-profit Graduates’ Debt

The Issue

- The claim has been made that “60% of bachelor’s degree recipients at for-profit colleges graduate with \$30,000 or more in student loans – one and a half times the percentage of those at traditional private colleges.” The additional claim has been made that bachelor degree recipients have three times the loan debt upon graduation as students who attended four-year colleges and universities. A third claim is that “those who earn 2-year degrees from proprietary schools rack up nearly three times as much debt as those at community colleges, which serve a similar student population.”

Our Defense

- The total tuition for a BA degree is \$42,480.....many traditional schools charge nearly that much for one or two years of a five year BA program. The average Ashford University online student upon graduation will have a loan balance of \$13,648.

Positive Positioning

- BPI is proud of its effort to provide access to quality education to a large and underserved segment of society. BPI's universities deliver high quality education. We also want to give wide access so that students who otherwise would not have an opportunity to get a college degree have an opportunity to do so. This requires a careful balancing of student academic standards, learning outcome studies, student borrowing, and maintaining good academic progress. BPI's universities are proud to have achieved such a good balance among these difficult variables.....and proud to allow a wide audience of students....many the first among their families, to achieve college graduation. We are careful with our students: we make sure they are capable of continuing, but we give the best opportunity we can for our hard working students to gain their degree. BPI's universities keep tuition costs low, helping students to keep borrowing reasonable.

For-profit Students Are More Likely To Have Private Loans

The Issue

- About 43% of students at for-profit institutions have private loans whose interest rates can reach double digits.

Our Defense

- Ashford University does not provide institutional loans but will direct students to alternative sources from private lenders. UoR only offers a small amount.....and only to graduate students. Both institutions will work with any private lender a student wishes to engage.

Positive Positioning

- BPI has generally priced its programs to fall within the limits of Federal Title IV funding. We believe that this is the right thing to do for students. Our students are not required to seek private lending in order to meet the costs associated with tuition and fees in most of our programs. BPI is proud of its effort to provide access to quality education to a large and underserved segment of society. BPI's universities deliver high quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. We are careful with our students: we make sure they are capable of continuing, but we give the best opportunity we can for our hard working students to gain their degree. BPI's universities keep tuition costs low, helping students to keep borrowing reasonable.

Negative IR

The 90/10 Rule

The Issue

- Is the 90/10 rule going to slow your growth? How are the military and corporate channels going to ameliorate your percentage?

Our Defense

- Our growth rate will naturally slow now that we are larger. Fortunately, as we have attracted more military and corporate reimbursed students, we have been able to comply with the 90/10 rule and we believe will continue to do so in the future.

Positive Positioning

- Our growth rate will naturally slow now that we are larger. Fortunately, as we have attracted more military and corporate reimbursed students, we have been able to comply with the 90/10 rule now and we believe will continue to do so in the future.

Cohort Default Rates (CDRs)

The Issue

- 2-year CDR (Cohort Default Rate) is 13.4%, which is higher than your peers, your 3-year CDR is 17.4%. Both of these seem quite high. Is there something different about your student base? How are you addressing this going forward? How are you going to manage the CDR rate going forward?

Our Defense

- We do not provide guidance regarding expected CDRs. As with other educational institutions affected by the recently bad economic conditions, our 2-year CDR will likely be more than 10%, based on the reporting year of 2008. Recently, our 2007 3-year CDR was announced to be 17.4% and was comparable to other for-profit peers. Traditional two-year public schools average about 16.2% and traditional four-year public schools average about 7.1%. The default rates of their students are not significantly different from ours.

Positive Positioning

- BPI is proud of its effort to provide access to quality education to a large and underserved segment of society. BPI's universities deliver high-quality education. We also provide wide access to pursue a college degree to students who might not otherwise be able to. This requires a careful balance among maintaining high student academic standards, measuring consistent learning outcomes, monitoring student borrowing and ensuring solid academic progress. Beginning in 2008 we increased the effort to support students at risk of defaulting. We formed a department and engaged a third party firm to help reduce defaults. An important ingredient to our effort is to communicate early with students nearing repayment. Experience has shown that frequent communication is key to helping to prepare students for responsible repayment of government loans.