

Concorde Career Colleges, Inc.

Board of Directors Meeting

December 21, 2009



Analysis Of November Start Shortfall

Budget Enrollments Show Rate Start Forecast Variance

Redacted by HELP Committee

Short gross enrollments and show rate fell off dramatically over the holiday
Being addressed with both the DOA and President
TV and NP need to improve

Campus in transition. New DOA, interim president, assistant regional admissions assisting campus.
Campus became extremely focused on launch of RN start and mishandled core start.
It has been addressed and there is a large improvement
Media and web conversions need more focus

Lack of Gross enrollments and poor show rate contributed to the miss.
Another campus that had poor performance during the Holiday week
TV conversions a focus

Dropped 3% in Show rate
Web conversions a focus

PTA start (24) moved to December
Web conversions must improve

Shortfall in gross enrollments and show rate must be improved.
Poor performance during the holiday week.
Continued delays in timely FA packaging FA understaffed



Analysis Of November Start Shortfall

Budget Enrollments Show Rate Start Forecast Variance **Redacted by HELP Committee**

Unbudgeted RT start (30) resulted in a gain, an over sit could have increased this start
Focused on improving TV & NP conversions

Campus needed increases in gross enrollments and show rate
They altered their enrollment process waiting for 2010 clinical program calendars to be approved which
slowed down clinical interviews and lessened the correlation effect. This has been corrected.
Media conversions are low and are being addressed

DOA and Campus President transitions combined with poor rep force resulted in gross enrollments shortfall
Underperformers have been replaced, Focused on improvement of web leads

Shortfall is a show rate issue. There has been a decline in overall admissions performance being addressed
with DOA, Campus President and Regional staff.
Media and web conversions are below expectations


Show rate short fall. Activity mis-handled during holiday week. Appear to be back on track
Focused on improving Web conversions


Show rate could improve, but they fill nearly every seat. Already have 102 enrollments for January.
This campus does a great job of getting ahead of the start.



Associate Turnover as of November 30, 2009

Campus	Annualized Turnover		Core Faculty		Nursing Faculty		Clinical Faculty		Total Clinical		Financial Aid		Admissions
	Turnover	HO	Faculty	Faculty	Faculty	Faculty	Faculty	Faculty	Administration	Aid	Admissions		
HO	10.84%												
San Diego	59.15%	10.84%	42.78%	40.40%	37.62%					90.91%	68.18%		
Kansas City	34.19%		39.67%	45.14%	29.09%					0.00%	27.27%		
No. Hollywood	24.53%		18.18%	16.36%	30.30%	22.97%				33.57%	77.01%		
Aurora	59.76%		61.36%	70.59%	21.82%	47.73%				67.13%	77.01%		
Memphis	18.04%		18.37%	-	17.81%	17.81%				0.00%	32.32%		
Tampa	43.64%		41.78%	109.09%	59.50%					27.27%	72.73%		
Arlington	41.17%		24.24%	44.16%	39.67%					77.92%	72.73%		
Dallas	0.00%									0.00%			
Orlando	0.00%									0.00%			
Jacksonville	29.89%		19.83%	18.18%	25.67%	21.29%				21.82%	72.73%		
San Bernardino	45.81%		34.45%	102.27%	12.83%					14.55%	62.34%		
Miramar	57.32%		49.59%	218.18%	25.67%					0.00%	202.60%		
Garden Grove	30.01%		60.19%	3.03%	9.49%	4.59%				50.35%	38.50%		
Portland	23.21%		4.12%	22.97%	48.48%	31.17%				59.50%	27.27%		
CYMA	10.91%									10.91%			
Total	35.27%		31.94%	38.57%	25.62%	32.91%				37.62%	65.05%		
YE 2008	42.94%		38.51%	49.54%	31.50%	41.00%				36.64%	94.62%		

 Excess of 44% goal

 Excess of 36% goal



2009 Operating Objectives

- Increase same campus starts by 6% over 2008 to 11,414 students
- Achieve consolidated net monthly attrition of 3.7%
- Manage financial aid and collections to achieve consolidated bad debt of Redacted by HELP Committee
- Manage associate turnover to 44% including 36% clinical faculty turnover
- Successfully hire and orient 650 new and replacement associates including 140 clinical faculty
- Manage and mitigate financial aid performance issues
- Reduce 90/10 exposure

Progress on 90/10 Exposure

Campus	7/31/09	11/30/09	Projected 12/31/09
<small>Reduced by HELP Committee</small>	78.4%	79.4%	80.0%
	77.9	76.3	76.0
	79.0	82.5	81.7
	87.5	85.2	85.7
	79.5	77.8	78.2
	91.4	90.5	87.5*
	88.1	88.3	88.6
	88.6	87.1	87.5
	89.9	91.3	85.6*
	77.6	79.6	80.5
	91.8	90.9	87.2*
	90.3%	91.6%	84.5%*

* Four campuses will utilize unsubsidized loan adjustments, no campus will use a present value of Concorde loan adjustment



CONCORDE CAREER COLLEGES

Month Ending and YTD
Population Rollforward

Monthly - November				Year to Date - November							
Beg Pop	Starts	Withdrawal:	Restarts	Grads	End Pop	Beg Pop	Starts	Withdrawal:	Restarts	Grads	End Pop

Redacted by HELP Committee

Grand Total	8,610	892	396	160	689	8,577	7,309	11,184	4,859	1,936	6,993	8,577
West	4,507	458	180	68	392	4,461	3,844	5,434	2,120	854	3,551	4,461
East	4,103	434	216	92	297	4,116	3,465	5,750	2,739	1,082	3,442	4,116



2010 Strategic Initiatives

- Complete the change of ownership by 6/30/10
- Continue organizational advancement of Concorde Mission & Values
- Demonstrate new campus competency by opening three additional campuses in FY'10: Redacted by HELP Committee
- Position for one additional campus in FY'11 and one in FY'12
- Launch online course offerings at Redacted by HELP Committee campus in fall of FY'10

- **Redacted by HELP Committee**
- **Redacted by HELP Committee**

2010 Operating Objectives

- Achieve consolidated starts of 13,384
- Redacted by HELP Committee
- Meet consolidated net monthly attrition of 3.2%
- Redacted by HELP Committee
- Manage all campuses over 90% to a ratio of 87:13
- Manage clinical faculty turnover to 30% annualized
- Achieve 2009 financial aid audit results with no material or repeat verification findings

Achieve Consolidated Starts of 13,384

- Increase same campus core starts by 3.5% to 8,489 students
- Achieve 547 additional same campus December core starts
- Achieve 734 core starts at new campuses
- Increase same campus clinical starts by 2% to 3,325 students
- Achieve 289 new clinical program starts
- Limit ATB starts to 200 students (1.5% of total starts)

Increase same campus core starts by 3.5% to 8,489 students

- Increase conversion of web and t.v. leads
 - Rebuild websites
 - Focus Redacted by HELP Committee on organic and pay per click website strategies
 - Reduce dependence on pay per lead
- Immediately funnel web and t.v. leads to highest producing A/R (manual)
- Auto download with internet leads in Q2
 - Improve response rates and control messaging
 - Improve show rates with better enrollment management in Campus Vue



Attrition Management

- Segmented attrition Management
 - Focus on Withdrawn in Good Standing (WIGS) students returning at a higher rate
 - Improve WIGS return rate from 60% to 80%
- Improve Re-entry Student Retention
 - Continue implementation of Re-entry Partner Program at all 12 campuses
 - Standard Re-entry Orientation
- Improve Student Satisfaction to 90%
 - Continue Quarterly action plans/calls with campus leadership
- Specifically target instructional quality issues