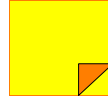

From: Restivo, Charles
Sent: Monday, May 21, 2007 4:20 PM
To: Mazzoni, John
Subject: FW: October Tuition



Importance: High

John,

It would be good to communicate something on this soon. Redacted by HELP and Redacted by HELP Commi have built in October increases. I thought it was clear from the start that increases should be expected in October. That is apparently not the case (see emails below).

Charles

From: President of The Art Institute of Washington
Sent: Monday, May 21, 2007 10:27 AM
To: Restivo, Charles
Subject: RE: October Tuition

Charles,

Not that I know of. The original discussion and the FAQ document that is on the intranet implied the next increase would be after the October start. I have asked John to confirm what our intention is. I had not heard of any change. Obviously there are budget implications.

Redacted by HELP Com

From: Restivo, Charles
Sent: Monday, May 21, 2007 11:23 AM
To: President of The Art Institute of Washington
Subject: October Tuition

Redacted by HELP Committee

Has there been any discussion with the DoAs on the tuition increase in October? So far only AiM has raised the issue.

Charles

Redacted by HELP Committee
From:
Sent: Monday, May 21, 2007 9:53 AM
To: Restivo, Charles
Cc: Doyle, Lisa; Redacted by HELP Committee
Subject: RE: Chef Meeting in Houston June 4 - 5

Actually, Redacted by HELP Committee John Mazzone presented the pricing analysis for eliminating lock-in and implementing an annual (rather than semi annual) tuition increase effective in November 2006. John specifically stated, and the minutes of the call reflect it, that subsequent to the November 2006 increase there would be "another increase occurring in November 2007 for all continuing and new students." I remember hearing him say that to all of us on that call, Charles.

I understand the WACHR may have been calculated at CS based on that increase occurring in November, which explains why our calculated WACHR seemed high (as I expressed on April 17 to Redacted by HELP C). There has also been no formal communication directly to implement a rate increase at any specific rate effective either October or November. I have asked other school presidents if they were aware of a tuition increase being planned for October rather than November, and they indicated they were not aware.

We have over 500 GAs written for the October start, with about 270 +/- written by January 16 so they are subject to lock-in at the pre-January 17 rate. The rest have applied at the current "non-lock-in" rate, and while we have the right to raise the rate at any time we will need to go back those 230 +/- applicants and tell them the rate is 5% higher.

It appears this policy decision and determination of the actual rate increase by CS was made without clear communication to the campus, which if true greatly concerns me. We have SFS FAQs planning people at different rates for fall, and we do not have enrollment agreements printed reflecting a fall increase since we were not notified. While I do not agree with an October increase for the above stated reasons, at least if we'd been informed our admissions team would have used that to push up July and August starts.

What do we gain compared to what we may lose, by doing this? More importantly, is this the right thing to do? I appreciate you being open to hearing me, Charles. I think this deserves a communication to all Ai in the event they are not clear on the intention by CS, and (like us) have not been preparing appropriately.

Redacted by HELP Committee

President
The Art Institutes International Minnesota
15 South 9th Street
Minneapolis, MN 55402

Redacted by HELP Committee

From: Restivo, Charles
Sent: Thursday, May 17, 2007 5:13 PM
To: Redacted by HELP Committee
Subject: RE: Chef Meeting in Houston June 4 - 5

Redacted by HELP Committee

It has always been the understanding that the annual tuition increases would be in October.
Redacted by HELP Committee I suspect that you may be confusing
2 unrelated issues on post-lock. Call me on Friday and I'll explain.

Charles

From: Redacted by HELP Committee
Sent: Thursday, May 17, 2007 4:46 PM
To: Restivo, Charles
Cc: Doyle, Lisa; Redacted by HELP Committee
Subject: RE: Chef Meeting in Houston June 4 - 5

I learned today that Redacted by HE shows our tuition rate increasing in October from \$414 to \$435. Is this a decision that has been made? If so I had not heard of this.

Last year the schools were told by John Mazzone that our annual increases would be in November (effective after the fall start). We currently have a large number of fall applicants who understand their rate will be \$414; a decision to subsequently increase their

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rate might be viewed very negatively. is concerned they will see it as “bait and switch”. If we increase in November, for which we do not yet have many applicants, we can use that to help us promote the October start (a lower tuition rate for that quarter before their rate increases for subsequent quarters).

I'd appreciate knowing what if any decisions have been made, and if we can confirm an increase for November rather than October. Thank you.

Redacted by HELP Committee

President
The Art Institutes International Minnesota
15 South 9th Street
Minneapolis, MN 55402

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