

**90/10 Report to Finance Committee of the Board  
Board of Directors Meeting; June 5, 2007: Akron, Ohio  
By Renee Herzing**

**Regulatory Concern for the Online Campus (with Madison): 90/10**

The Online Campus is currently at 93.8% on the ratio of Title IV to other payment sources (vs. 92.7% YTD 2006). Combined with Madison, the ratio is 83.5% (vs. 84.7% YTD 2006). The following initiatives are being pursued to encourage more cash payments from Online Campus students:

1. New Programs: The greatest potential for affecting the amount of cash payments made by students is to launch programs that target a higher socio-economic or potentially working student, such as Graphic design, gaming, and management-level health care programs.
2. "Bridge Program" marketing: Redacted by HELP Committee the Career Services Director for Online, has visited about 6-8 technical colleges promoting our Bachelor "top-off" degrees. The concept is that some students will be working after graduation and able pay some cash. We have created a specific scholarship for technical college graduates based on grade point, and Milwaukee's technical college allows colleges to purchase their student list and offers other direct marketing options.
3. "Upsell" Advisor: Admissions is going to have one Admissions Advisor focus purely on encouraging our Diploma and Associate graduates to pursue a Bachelor degree, again with the hope that they qualify for employer reimbursement or are working and can pay cash.
4. Business Development Efforts: Online President Redacted by HELP Committee has been working with Admissions Advisors to work their local business contacts to promote our program.
5. Military Initiative: A company policy has been established to offer courses at special rate for military, equal to their educational benefit. Bill Getter has a contact in Europe who has outlined some initial ideas on promoting Herzing College to US Military abroad. He may be engaged directly to organize presentations in Europe.
6. Admissions Recruitment Strategies: Online President Redacted by HELP Committee is proposing the following management changes in the Admissions department to encourage cash payments:
  - Phase in increased Enrollment Fee (\$100) within next 6 months. Consider enrollment fee based upon degree level.
  - Add language to script that speaks to student average up-front educational investment.
  - Add Cash-Payment Component to Performance Matrix. Advisors receive points based on cash collected from their students.
  - Hire desired skill-set - current advisors are accustomed to current business practices. New hires will be trained differently and given different expectations.