

From: Cheryl Bullinger <<sup>Redacted by HELP Con</sup>@national.edu>  
To: Ron Shape <<sup>Redacted by HEI</sup>@national.edu>  
CC: Jerry Gallentine <<sup>Redacted by HELP Comm</sup>@national.edu>, Sam Kerr  
<<sup>Redacted by</sup>@national.edu>, Blake Faulkner <<sup>Redacted by HELP Cc</sup>@national.edu>  
Subject: RE: Alert  
Sent: Fri 18 Jan 2008 19:13:29

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

Cheryl

---

From: Ron Shape

Sent: Thursday, January 17, 2008 4:12 PM

To: Cheryl Bullinger

Cc: Jerry Gallentine; Sam Kerr; Blake Faulkner

Subject: FW: 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

Redacted by HELP Committee  
phone

Redacted by HELP Committee  
fax

Redacted by HELF  
@national.edu

---

From: CCA Government Relations Department [mailto:legislative@career.org]

Sent: Thursday, January 17, 2008 3:10 PM

To: Ron Shape

Subject: Alert

ALERT ACT NOW

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 94% 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 amendmenton which 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.

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 by HELP Committee or <sup>Redacted by HELP</sup>@career.org with the results of your conversation. If you do not know who your Congressman is, go to CapWiz <<http://www.capwiz.com/career>> and it will provide the information.

E-mail your Congressman now. Go to CapWiz <<http://www.capwiz.com/career>> 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.

---

This e-mail has been scanned by MCI Managed Email Content Service, using Skeptic(tm) technology powered by MessageLabs. For more information on MCI's Managed Email Content Service, visit <http://www.mci.com>.

---