



The Career College Information Source

FEATURES & REPORTS

August 2014 • Section 1

2014 APSCU Annual Convention & Expo Comments p.1

Herzing Degree Helps Gardner Help Others in Dakar, Senegal p.13

By Barbara A. Schmitz from an interview with Audrey Jane Gardner by Jenny Faubert

Passionate Teacher From the Minnesota School of Business Receives APSCU's Educator of the Year Award p.17

By Barbara A. Schmitz from an interview with Debra Beglund by Jenny Faubert

Jan Friedheim Receives the 2014 Imagine America Foundation Lifetime Achievement Award p.21

By Barbara A. Schmitz from an interview with Jan Friedheim by Jenny Faubert

Admissions, Compliance and Financial Aid: Best Practices in Balancing Regulatory Requirements and Effectiveness p. 27

By Ron Holt, Co-Leader, Higher Education Practice, Dunn & Davison, LLC, Audrey Kaplan, Chief Compliance Officer and General Counsel, Southern Technical Institute, Vince Norton, Managing Partner, Norton Norris, Inc., Sally Samuels, Vice President Regulatory Affairs, FAME

The Long-Awaited Turnaround: Student Demand for On-Ground Programs Is Growing p. 37

By Bob Atkins, CEO and Founder, Gray Associates

Managing Investigations from the Consumer Financial Protection Bureau p. 45

By Allen Denson, Hudson Cook, LLP and Bruce Denson, Jr., Cobbs Allen

7 Changes in Higher Ed Marketing You Should Expect p. 51

By Nick Barkman, Director of Business Development, Gragg Advertising

Career Education REVIEW

The Career College Information Source



Editor-in-Chief, General Manager

Jenny Faubert
jfaubert@
careereducationreview.net



Publisher

James D. (Jim) Hutton, PhD

Production Designer

Janet L. Grable

Writers

Barbara A. Schmitz . . Features & Reports

Career Education Review annual subscription is \$329 and includes: two issues each month—Features & Reports, News & Opinion Digest, plus the Supplier Directory—“the career college yellow pages” listing suppliers of the career college sector.

For more information about subscriptions and advertising view our website at www.careereducationreview.net, or contact Jenny Faubert at phone: 1-920-264-0199, email: jfaubert@careereducationreview.net.

Career Education Review

2221 South Webster Avenue, Suite A, #225
Green Bay, WI 54301
1-920-264-0199 • Fax 920-659-7797
www.careereducationreview.net

The *Career Education Review* is archived by the University of California, Los Angeles (UCLA) and Keiser University.

© 2014 BAALAT, LLC DBA Career Education Review

Published Continuously Since 1926

The *Career Education Review* is the career college information source dedicated to providing top management, owners, investors, sector leaders and suppliers with the in-depth information required to operate a successful educational enterprise and to provide a life-changing education experience for the students served by the sector.

Editorial and Contributors Advisory Board



Chairman
Stephen B. Friedheim
Education Systems & Solutions
sfriedheim@yahoo.com



Sharon Bob
Powers Pyles Sutter &
Verville, P.C.
Sharon.bob@ppsv.com



Peter Crocitto
Keiser University
peterc@keiseruniversity.edu



Richard R. Dumaresq
PAPSA
ccdq@aol.com



Lisa Fraser
Making Your Mark
LDF Publishing Inc.
lfraser@makingyourmark.com



Mary Lyn Hammer
Champion College Services, Inc.
ML@championcollegeservices.com



Jeanne Herrmann
Globe Education Network
JHerrmann@globeuniversity.edu



Renee Herzing
Herzing University
rherzing@herzing.edu



Dan Inman
Career Education Executive
ddaninman@gmail.com



Piper Jameson
Lincoln Educational Services
PJameson@LINCOLNEDU.COM



John B. Lee, Ed.D.
JBL Associates, Inc.
jbl@jblassoc.com



Peter Leyton
Ritzert & Leyton, P.C.
pleyton@ritzert-leyton.com



Gary Meers
MaxKnowledge, Inc.
garym@maxknowledge.com



Vince Norton
Norton | Norris
Vince@nortonnorris.com



David Pauldine
DeVry University
dpauldine@devry.edu



Florence Tate
SWAT Educational Services
ftate@swat-ed.org



Harry V. Weber
Weber & Associates, Inc.
Harry.Weber@weberassociatesinc.com

On The Web: www.careereducationreview.net

Contents

2014 APSCU ANNUAL CONVENTION & EXPO COMMENTS

Opening Plenary: Innovation in Education

Selected and edited comments from Steve Gunderson, President and CEO, Association of Private Sector Colleges and Universities during the opening plenary session. **p. 1**

Selected and edited comments from keynote speaker Bob Kerrey, former Governor and Senator from Nebraska, during the opening plenary session. **p.5**

Closing Plenary: Leading in a Climate of Change

Selected and edited comments from keynote speaker Jeb Bush, former Governor of Florida and Chairman of the Foundation for Excellence in Education, during the closing plenary session. **p. 9**



Herzing Degree Helps Gardner Help Others in Dakar, Senegal

By Barbara A. Schmitz from an interview with Audrey Jane Gardner by Jenny Faubert

As the recipient of the 2014 Hall of Fame award from the APSCU, Gardner credits her success to Herzing University where she earned a bachelor's degree in business administration in 2011. **p.13**



Passionate Teacher From the Minnesota School of Business Receives APSCU's Educator of the Year Award

By Barbara A. Schmitz from an interview with Debra Beglund by Jenny Faubert

2014 Educator of the Year recipient, Debra Beglund discusses her passion for education and keeping students and teachers motivated. **p.17**



Jan Friedheim Receives the 2014 Imagine America Foundation Lifetime Achievement Award

By Barbara A. Schmitz from an interview with Jan Friedheim by Jenny Faubert

For her years of dedication and work, Friedheim was presented the Lifetime Achievement Award during the annual (APSCU) Convention and Expo in June. **p.21**



Holt



Norton

Admissions, Compliance and Financial Aid: Best Practices in Balancing Regulatory Requirements and Effectiveness

By Ron Holt, Co-Leader, Higher Education Practice, Dunn & Davison, LLC, Audrey Kaplan, Chief Compliance Officer and General Counsel,



Samuels

Southern Technical Institute, Vince Norton, Managing Partner, Norton Norris, Inc., Sally Samuels, Vice President Regulatory Affairs, FAME

The authors share their views on best practices to avoid student eligibility problems and maintain compliance, while maximizing outcomes. **p. 27**



The Long-Awaited Turnaround: Student Demand for On-Ground Programs Is Growing

By Bob Atkins, CEO and Founder, Gray Associates

Comprehensive information is available on student demand for vocational education. Bob Atkins, shares insight on overall demand and trends by location and program. **p. 37**



Allen Denson



Bruce Denson

Managing Investigations from the Consumer Financial Protection Bureau

By Allen Denson, Hudson Cook, LLP and Bruce Denson, Jr., Cobbs Allen

Private sector schools should expect to see increased Civil Investigative Demands (CIDs) from the Consumer Financial Protection Bureau in the future. This article provides practical tips on what to expect and how to respond to a CID from receipt until conclusion. **p. 45**



7 Changes in Higher Ed Marketing You Should Expect

By Nick Barkman, Director of Business Development, Gragg Advertising

This article highlights some upcoming changes you should expect and keep in mind when planning your strategies for fall enrollment and 2015. **p. 51**

Letter from the Editor

With all the negative press from the media and government, sometimes it is hard to focus on the good work we do for our students. Recently, I had the pleasure of speaking with the 2014 APSCU Hall of Fame recipient, Audrey Gardner who graduated from Herzing University Online. Her story is inspirational and reminded me that our schools not only touch the students but everyone in their lives, including family, friends and peers. In the case of Audrey, she started a nonprofit, Youth Action Without Borders, which works to raise awareness and help with funding and supplies to a camp in Dakar Senegal. If the current state of affairs has you feeling down, I encourage you to read Audrey's story and remember what you do makes a difference!

It is rare to find teachers in higher education as passionate about their students as career education teachers. Not only do our teachers support students academically, but they also are often a support system, through good and bad times, for their students. Our teachers go above and beyond what they are asked and all too often do not get the credit they deserve. Debra Beglund, from Minnesota School of Business is one of these teachers. Her passion for her students and teaching is, what I imagine, just one of the reasons she was awarded the 2014 Educator of Year award from APSCU. I encourage you to share these heartfelt stories with your entire team, especially your faculty.

In June, I attended the Annual APSCU Convention and Expo. The schedule was jam packed with five keynote speakers, hundreds of exhibitors and dozens of breakout sessions. The theme of the convention was "The Education Evolution." To kick things off, Steve Gunderson, President and CEO of APSCU, spoke about APSCU's vision, which includes an emphasis on globally competitive career education. Later, during the opening plenary session, keynote speaker Bob Kerrey, former Governor and Senator from Nebraska, identified his three proposals that he believes would help American higher education to become better and more equitable, in his comments, which you can read on page 5.

During the closing plenary session, Jeb Bush, former Governor of Florida and Chairman of the Foundation for Excellence in Education, spoke to a packed room. Governor Bush discussed several topics that resonated with attendees, including the massive amounts of confusing,

complex, opaque regulations. Governor Bush is passionate about education, especially the K-12 system, which he states is "broken." As governor of Florida, he took several steps to fix the K-12 system. He discussed some of the measures he took during his speech, which you can read in the selected and edit comments form closing plenary session on page 9.

This year the breakout sessions were divided into five different tracks, CEO, government relations/regulatory, innovations in the student experience, innovations in education, and innovations in campus leadership. Some of the more popular sessions involved panels and open discussion among peers. I was able to attend several of the sessions and also had a cohort of people take notes for me so that CER could provide its readership with the best information. CER reached out to several of the presenters, who have agreed to share their knowledge with you. In this issue, CER highlights two of these sessions, "Admissions, Compliance and Financial Aid: Best Practices in Balancing Regulatory Requirements and Effectiveness" and "The Long-Awaited Turnaround: Student Demand for On-Ground Programs Is Growing."

Finally, I want to congratulate Jan Friedheim on her 2014 Lifetime Achievement Award, presented at the APSCU Convention and Expo. As you will read, Jan has worked in the career education community since 1957 and has continually been an advocate for career schools and students. I want to leave you with her words of advice to the sector, "This business goes through good times and bad times. There are still tough times as far as regulatory oppression is concerned," Friedheim said. "But as long as you do it right, you will continue to be successful. Keep going; keep doing what you are doing; you are needed."

Sincerely,



Jenny Faubert
Editor-in-Chief, General Manager
Career Education Review
P: 920-264-7797
C: 920-819-9446
E: jfaubert@careereducationreview.net

CAREER EDUCATION REVIEW'S Career College Event Calendar

August 2014 – September 2014

Dates You Need to Know

August 2014

Kentucky Association of Career Colleges & Schools (KACCS)

Annual Meeting and Educational Conference
Sullivan University
Louisville, KY

August 22, 2014

www.kycareercolleges.org

Virginia Career College Association (VCCA)

37th Annual Fall Conference
Hilton Short Pump
Glen Allen, VA

September 26, 2014

www.va-cca.org

September 2014

Accrediting Bureau of Health Education Schools (ABHES)

Programmatic Accreditation Workshop
Gaylord Palms Resort & Convention Center
Orlando, FL

September 18, 2014

www.abhes.org

Accrediting Bureau of Health Education Schools (ABHES)

Institutional Accreditation Workshop
Gaylord Palms Resort & Convention Center
Orlando, FL

September 19, 2014

www.abhes.org

National Accrediting Commission of Career Arts & Sciences (NACCAS)

Workshop
Hyatt Regency St. Louis
St. Louis, MO

September 27-30, 2014

<http://naccas.org/naccas>

2014 APSCU Annual Convention & Expo

Opening Plenary: Innovation in Education

Monday, June 16, 2014

Steve Gunderson, President and CEO, Association of Private Sector Colleges and Universities

The following is selected and edited comments from Steve Gunderson, during the opening plenary session.

Last fall, the APSCU board of directors gathered for their second retreat in as many years to look toward our sector's future and our role in best serving you in your work. As a result of these two retreats we created a new strategic plan, and it was time to do so. The current strategic plan was created before the recession when we were still known as the Career College Association. This plan was approved by the board of directors in January and it is my honor to introduce it to you.

Every strategic plan begins with a vision and a mission. Our new plan creates a bold new vision. We seek to be the most respected, influential advocate of a globally competitive career education. Note the new emphasis on globally competitive career education. We do so by serving more than you, the educators, in our sector. Our new plan calls for us to engage students, educators and their employers - the triad of successful post-secondary career education. How will we achieve this?

Quite simply our mission statement boldly proclaims that APSCU lifts up the value and excellence of career focused post-secondary

Quite simply our mission statement boldly proclaims that APSCU lifts up the value and excellence of career focused post-secondary education through strong advocacy, critical research and compelling communications.

education through strong advocacy, critical research and compelling communications.

There are four key strategies to this plan. We strive to be the influential and respected advocate for career focused post-secondary education. As mentioned earlier, we seek to be the voice and vision for educating a globally competitive workforce. In our commitment to always improve, APSCU seeks to be the facilitator of excellence in career focused post-secondary education. Much of this seems consistent with past practice and performance. That is true. But we have carefully modified these activities in ways that enhance our

work as an influential and respected advocates, educated and globally competitive workforce and excellence in career post-secondary education. All of this led to a major change in repositioning.

Connecting the important paradigms of post-secondary education and careers, we will create the premier center of information and expertise

Our plan is to use the upcoming year to conduct the proper conversations with you, to engage the appropriate research in how such a center should be structured and then make recommendations to our board of directors next spring.

on career focused post-secondary education. Higher education hosts many sectors across the spectrum of our work, our various colleges and our universities. We seek to lift up for all to see the incredible importance of

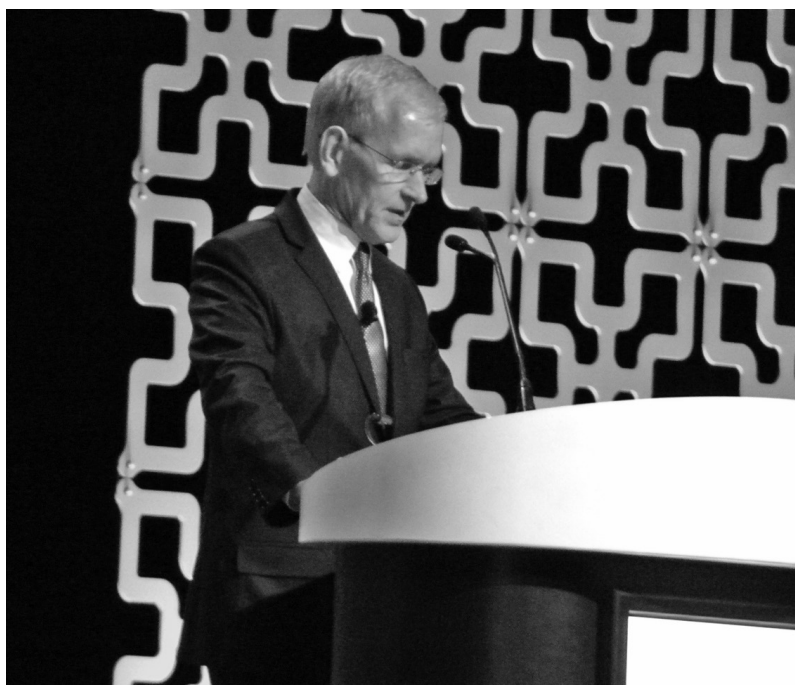
our sector in addressing the roles, responsibilities and results of career focused post-secondary education. Building upon our research, our knowledge and the bridge we build between students and employers, this

sector must come to brand ourselves for all we do in this area.

One of our goals during the GE debate has been to simply change the conversation. To do so we must constantly frame our sector's work in ways that enables us to own the conversations related to post-secondary career education. For that to happen, a center that conducts the research, convenes the meetings and communicates our results is essential to framing this sector's future. Our plan is to use the upcoming year to conduct the proper conversations with you, to engage the appropriate research in how such a center should be structured and then make recommendations to our board of directors next spring. Our hope is to announce this new center as part of the combined State of the Workforce symposium at Hill Day in March 2015.

Allow me to conclude as I began, we will continue to be the articulate and passionate voice for this sector. But as we gather, there can be no uncertainty about our future. It will be defined by our commitment to our students; it will be achieved by our excellence in education, and it will be supported through the work of our state associations and APSCU, engaging together in advocacy, facilitating excellence in education, and creating the center for post-secondary career education.

Last Friday, this nation did something special. It took the time to celebrate the 50th anniversary of the signing of the Civil Rights Act of 1964. In remembering this historical moment the former U.N. Ambassador, Andrew Young, said of Lyndon Johnson, "He was a big, lovable Texan, and he was very down to earth, very frank. He understood that civil rights was a moral issue, and that poverty



Steve Gunderson, APSCU President and CEO.

was a moral issue and that it was just not right.” As we move forward over the weeks of uncharted waters ahead and in the months and years that define your work in your schools with your students, my hope is that each of you will recognize that in so many ways post-secondary education and career skills is today’s pathway to progress.

If we seek to build a bridge to upward mobility in America in this century, it will be a bridge built upon access to post-secondary education and the development of career skills that equip graduating students with the tools for personal and professional success. I simply could not be prouder of who you are and all that you do. Please embrace the positive. Lift up the stories of success. Communicate the incredible work of

your schools. In doing so, know that you will lead us through the current challenges to a time where this nation truly embraces its commitment to education and opportunity for all.

This is more than a policy debate. This is more than a political issue. It is the civil rights issue of our generation, equipping all

Americans with the skills for success. So do not be afraid. Do not back down. Our nation’s future depends on us. Thank you very much.

This is more than a policy debate. This is more than a political issue. It is the civil rights issue of our generation, equipping all Americans with the skills for success.

2014 APSCU Annual Convention & Expo

Opening Plenary: Innovation in Education

Monday, June 16, 2014

Keynote speaker: Bob Kerrey, former Governor and Senator from Nebraska

The following is selected and edited comments from Bob Kerrey during the opening plenary session.

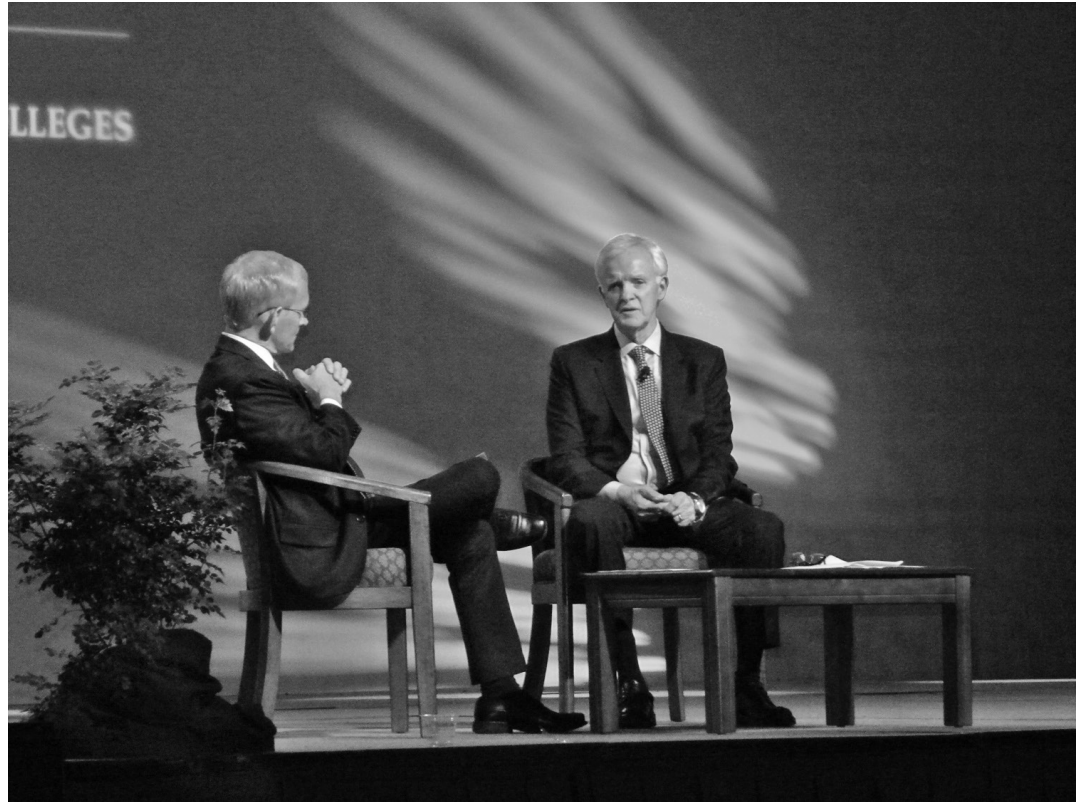
Introduction

The honorable Bob Kerrey represents the contributory spirit that distinguishes our nation. Today he is the Executive Chairman of the Minerva Institute for Research and Scholarship, supporting an exceptional liberal arts and sciences education, with a redefined student body, reinvented curriculum, rigorous academic standards and cutting edge technology. This work continues his commitment to education. It comes after he completed his tenure as the seventh president of the NEW school, the university founded on strong democratic ideals and daring educational practices, an environment that was well suited for his leadership. He also served as a member of the 9/11 Commission. Prior to the NEW School, Bob Kerrey represented Nebraska in the United States Senate. Before that, he served as Nebraska's governor. Bob Kerrey started his public service in the United States Navy during the Vietnam War. During his service as a Navy Seal he received the Medal

of Honor. During the recent Gainful Employment regulatory process, he partnered with APSCU Board member, Jeffrey Leeds, to write an op-ed in the Wall Street Journal highlighting the serious flaws in the regulation and proposing the Department work with all of higher education to determine an appropriate set of outcome metrics.

Bob Kerrey, former Governor and Senator from Nebraska

For those wondering if higher education is worth it, there is one fact above all others to remember: Any man or woman born in the lowest economic quintal who completes college, or an associate degree or technical degree, has a very high probability of dying in the top academic quintal. Sure, you can find people like me who studied pharmacy in college but thanks to the selective service I chose to do something entirely different. I am sure I would have flunked the test that the Department of Education put on my education. Sure, you can find people who graduated from college who have not done so well. But the law of averages is decidedly on the



Steve Gunderson, APSCU President and CEO with Bob Kerrey, former Governor and Senator from Nebraska.

I am going to leave with you three proposals that I believe would help American higher education to become better and more equitable.

side of those who attend college and complete their degrees. I am going to leave with you three proposals that I believe would help American higher education to become better and more

equitable. Now these are my proposals and they are either good or bad, depending upon your point of view, but they are mine nonetheless.

First of all, I would recommend shifting 25 percent of the burden of defaulted student loans to the institution. This is much more likely to produce fewer graduates with debt that cannot pay because of a complicated set of federal regulations. Secondly, in my judgment Congress should reallocate a significant portion of the money that is currently spent on higher education subsidies into a high quality early childhood education. The odds are decidedly

against anyone who arrives in fourth grade and are way behind in math and reading, as too many of our children do. Third, and for me the most important, Congress should add these 32 words to federal law, "The six regional accrediting agencies are directed to develop an expedited process by which new and innovative institutions that agree to enhanced oversight can earn accreditation prior to enrolling their first students." Now these 13 words, shorter than the First Amendment, should make it impossible for any member of Congress to say let me read this and get back to you. A simple yes or no will suffice.

I would like to talk a little bit about the debate over whether profit and quality are compatible in higher education. We have skeptics and critics abound today in America. First, somebody has to make money

to subsidize all the public institutions and so called charities that need to be subsidized. Secondly, raising money in private markets creates a very healthy discipline, to be honest, about performance. Third, failure to deliver on a promise to return on capital, and/or failure to consistently generate more revenue than expenses, will always push the entity to produce higher quality and lower costs.

I do not believe that all of higher education should be tax paid. I support public colleges and universities. I support the not-for-profits. I just believe they have and will continue to benefit from the competitive challenge and the value added of tax paying institutions. Higher education is much more than a business. It is a mission that extends directly from mankind's highest aspirations. Nobody I have

read captures this mission better than 16-year-old Willa Cather, who gave my favorite speech on the occasion of her high school graduation in 1890. She said, "All human history is a record of an emigration, an exodus from barbarism to civilization; from the very outset of this pilgrimage of humanity, superstition and investigation have been contending for mastery. Since investigation first led man forth on that great search for truth which has prompted all his progress, superstition, the stern Pharoah of his former bondage, has followed him, retarding every step of advancement." I pray that it does not retard your advancement or the advancement of our nations. Thank you very much.

2014 APSCU Annual Convention & Expo

Closing Plenary: Leading in a Climate of Change

Wednesday, June 18, 2014

Keynote speaker: Jeb Bush, former Governor of Florida and Chairman of the Foundation for Excellence in Education

The following is selected and edited comments from Jeb Bush during the closing plenary session.

My first suggestion relates to something that is a huge challenge that you are facing in your own field. There are massive amounts of confusing, complex, opaque regulations that are stifling the animal spirits of this country and slowing down the process of economic growth and strangling the ability to recover from the recession.

I recently read a book by Phil Howard, who is a lawyer, "The Rule of Nobody," and I urge you to read it. You will find comfort in it as you struggle with the rules that are now being suggested. He compelling argues that government itself is making America inept. Sadly, if you look at the facts, one would have to agree.

We have the most counterproductive maze of regulations that exists in the world today. Our regulations are cumbersome; they are confusing, and in many cases they are just absurd. They make going about your everyday business uncertain. That uncertainty is holding back economic

activity because investment is the key for sustained economic growth and people do not know what the rules of engagement are, or if they figure it out, those rules are too complex.

The problem is that we have outsourced our common sense and our ability to solve problems ourselves to governments, and worse, the most removed government

In 2013, 80,224 pages of regulations were added to the federal books, generating millions of hours of compliance costs and adding more than \$112 billion of regulatory costs in that one year alone.

Washington D.C. Just look at the complexity now that stifles human endeavor. Why would people invest when the rules change constantly? I saw the Brazil Mexico game and was thinking about the World Cup. It probably would not be so popular if every time there was a soccer game they arbitrarily changed the length of the field to the size of the goals. But when the heavy-handed government is wielded with little practical attention to the long-term consequences, it is easy to

understand why the private sector is on edge these days.

The epidemic of overregulation is only growing. More severe is the President decides that he cannot work with Congress and subverts Congress or acts under his authority in favor of lawmaking by executive work. In 2013, 80,224 pages of regulations were added to the federal books, generating millions of hours of compliance costs and adding more than \$112 billion of regulatory costs in that one year alone. Big companies that have already made it have the scale to hire a bunch of lawyers, compliance officers and lobbyists to get through the maze. But small companies and companies getting started, cannot. That is a problem because that is where economic activity takes place.

In March, despite previous failures, the DOE once again proposed a series of new regulations to better ensure

college and career programs prepare students for gainful employment. It took the Department 841 pages to define those two words. I cannot think of a better example of the complexity and the commanding, controlled approach to problem solving.

The best example of that is this particular rule. Gainful employment is a worthy goal. Everybody's mission in this room is to create gainful employment for the students in your schools. There are bad actors everywhere and it is no different when it comes to education, both public



Jeb Bush, former Governor of Florida and Chairman of the Foundation for Excellence in Education.

and private. Unfortunately, these two regulations are a sledgehammer to the entire field of private colleges at the cost of penalizing millions and millions of students. A better rulemaking system would be focused on what is the outcome we want, and what is the optimum needs that we can regulate activity to achieve that goal.

If that was the case, you would not have a rule that probably takes away over 7 million students from being able to get a degree to allow them to pursue their dreams in the private sector. So a whole new approach to this has to come about. We should have an outcome-based orientation so that the results are what matters. Third, we need to hit on the impact on every rule that is established so that even if it is well intended, even if it is written with transparency, if the costs to regulate are greater than the benefits that come from regulation, then it should not be done. Finally, the process of creating the rules needs to be much simpler and much quicker and the standing in these rules, in many cases, perhaps not here in your industry but many others, needs to be narrower so that we do not have processes that go on

We need to hit on the impact on every rule that is established so that even if it is well intended, even if it is written with transparency, if the costs to regulate are greater than the benefits that come from regulation, then it should not be done.

for a decade at a time creating clouds of uncertainty over economic activity.

Those three things, none of which are really ideological; an energy policy based on American resources and innovation, an immigration policy true to our heritage that refocuses our broken system to economic activity, and a 21st century rulemaking process that other countries, by the way, have embraced to their benefit. The United States has gone in the exact opposite direction. Those things will get us to the 3.5 percent or 4 percent growth over 10 years and will get us literally trillions of dollars in additional economic activity and will lift our spirits where people are not moping around and defaulting to a false sense of economic security. It will allow us to become dynamic and young and aspirational again.

But to sustain that over the long haul there is one other thing that we need to do, and that is to recognize that our K-12 system, a system where we spend more per student than any country in the world, is broken as well. It seems to me a lot of people think that all of our children are above average and that we do not have to worry about this. In fact, only 1/3 of our children are college or career ready. 80 percent get a piece of paper that says they are high school graduates, but it comes as a big surprise to those students when they apply to their community college or university and they have to redo high school reading and high school math in order to take college level work.

Very few of the children that are graduating from high school today are career ready because we do not have career orientation in our K-12 system. Yet we are complacent about this. We blame it on poverty. We say it is someone else's problem. It is another school. My children are doing great. The simple fact is if you benchmark

where we are to the best in the world, we are not the best in the world. Whether you are living in affluence or middle class or living in poverty, if you compare children in those groups to children in other countries, we think we are ranked number one but in fact, sadly, we are way behind that.

I argue that we need to dramatically transform how we educate our children. It starts first with high expectations, high standards. We can achieve low standards. If you lower the bar down here, more children pass those standards perhaps, but you will be surprised if you raise standards

you will actually get more children doing better than if you dumb down the standards. High standards that require critical thinking skills have to be part of the answer. High quality expectations truly matter. Assessing those standards matters.

We need to have accurate assessments of where students are. Then we need to have accountability over where children are. If there is a consequence between excellence and improvement and mediocrity and failure you will get more excellence and you will get more improvement. I know this because as Governor of Florida we changed our system. We rated schools A, B, C, D and F, 100 percent based on student learning. Half on learning engagement and half on what the standards were at the time. We saw dramatic improvement, because there was a consequence. No one wanted an F. Everybody got that an F was worse than a D. A's were what schools worked to aspire to. We rewarded improvement. We rewarded A's with \$100.00 per student that went

But to sustain that over the long haul there is one other thing that we need to do, and that is to recognize that our K-12 system, a system where we spend more per student than any country in the world, is broken as well.

directly to the school. We got a lot more improvement because of that.

In America, in most places, there is no gain between third and fourth grade and there is very little strategy to assure that children can read. In Florida, we changed that. We have a 4-year-old

program that is the largest in the country. We taught teachers how to teach reading in every school in our state. We eliminated social promotion in third grade. So if you are a functionally illiterate third grader and that teacher in an intellectually and honest way could not

figure out if that kid could read in fourth grade, they were held back. In our first year 15 percent of third graders were held back. In two years' time we cut the functional illiteracy rate of children that age in half.

It can be done, but you need to have robust accountability and accurate assessments of where children are. Then you need to change the system to ensure that there are many more options for parents. The idea that you need to have a public, government run, heavily utilized monopoly as the model of governance for our schools in the dynamic world that we are in, just defies my imagination. We should have school choice across the boards. Parents should have the ability to choose the best school for themselves. I would argue, by the way that higher education would be a nice place to look at that concept as well. Empowering the people, the consumer, to make choices improves all learning. In Florida we have the biggest school choice program, both public and private, of any state in the country. Public schools got a lot better because there was a choice that

parents could make if those schools did not improve.

Then finally I would suggest to you that we embrace the digital revolution and move to a totally customized learning experience. In your own families, and certainly in a classroom, we know that every kid is different. Some children excel and they can learn far faster than what is expected of them and other children struggle. Why not shift it to a customized learning experience where students learn at their own pace and in their own way where time is the variable and mastery of the subject is the constant, rather than what we have today which is time is the constant and whether you learn or not is the variable.

This 180-day school model may have worked 100 plus years ago when children had to go and harvest the crops in summertime. We need to move to a totally competency based model where there are real-time assessments about how students are learning. If they master the material, just as you all do in many of your schools, then you move on. If you can do it quicker, and you can do it in a fair way, then you should be able to go further. We would deal with our achievement gaps far better if every kid was improving along the way. Today we have that capability, but that means we have to dramatically change the governance model. That means the teachers' unions have to take a step back. That means that the economic interests of the adults should be secondary to the fact of the customized learning experience where students learn.

The idea that you need to have a public, government run, heavily utilized monopoly as the model of governance for our schools in the dynamic world that we are in, just defies my imagination. We should have school choice across the boards.

Herzing Degree Helps Gardner Help Others in Dakar, Senegal

Herzing University alumnus wins APSCU's Hall of Fame Award

By Barbara A. Schmitz from an interview with Audrey Jane Gardner by Jenny Faubert

Some students concentrate on just getting good grades when they are in college. But Audrey Jane Gardner also worked on doing good deeds.

While attending Herzing University, Gardner founded the nonprofit Youth Action Without Borders (YAWB) that serves to educate, clothe, share modern farming techniques and improve health in rural areas in Dakar, Senegal in West Africa. In conjunction with the Croix-Rouge Red

Cross in Senegal, she also raises funds to provide mentorships, equipment and supplies, and educational and vocational opportunities for children who attend their camps.

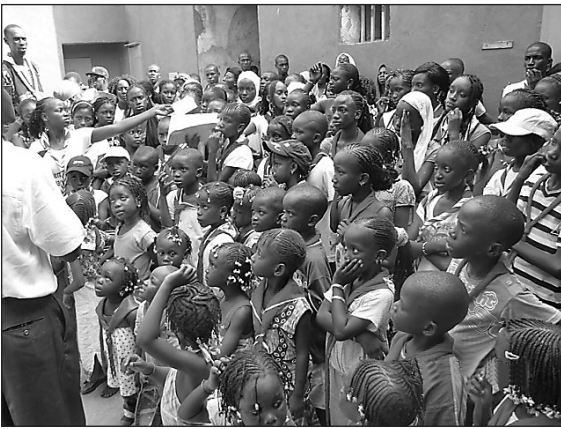
"Our mission is to provide a multicultural experience for diversity," she says.

Gardner, the first U.S. citizen to hold the title of goodwill ambassador for the Croix-Rouge Red Cross organization, is passionate about her work helping children succeed despite the long odds against them. That is why she continues to visit Senegal five or six times a year to ensure that her mission is carried out.

As the recipient of the 2014 Hall of Fame Award from the Association of Private Sector Colleges and Universities (APSCU), Gardner credits her success to Herzing University where she earned a bachelor's degree in business administration in 2011. The award, presented at the APSCU convention and exposition in June, recognizes a graduate of a private sector institution who has achieved noteworthy success in his or her chosen career field.



Audrey Jane Gardner, 2014 APSCU Hall of Fame Award recipient.



Touring the House of Slaves on Goree Island while learning about the Atlantic slave trade.

Graduating with an associate degree in 1992 from Massey Business College, which later was purchased by Herzing University, Gardner decided to get her bachelor's degree to help

her do her work in Senegal. She says Herzing provided her with the tools she needed to manage her nonprofit organization, especially in the areas of marketing, strategic planning, and day-to-day business applications.

Since she was now working for Delta Airlines, Herzing University also provided the perfect fit for her with its online courses, she says. She started back in school in 2009, the same year she founded YAWB.

"I often dreamed about having a successful career assisting youth," Gardner says. "But in order for me to achieve this goal, I had to continue my education. Herzing University Online made it possible for me to spread my knowledge..."



Goree Island at the mayor's office.

Gardner said her Herzing education gave her the tools that allowed her to give back. "I can now teach these values to others around the world

and make good, sound decisions,"

she says. "My online education has prepared me to solve problems, and

has enabled me to be independent while opening the doors (for the people of Senegal) to opportunities for a better quality of life."

Taking an online program was a great experience, she says. "You are not physically in the classroom setting, but everyone was able to communicate and respond with Blackboard, just like you were in a regular classroom," Gardner says. While she sometimes missed the direct student interaction, the flexibility in scheduling allowed her to finish her degree.

Gardner says she first went to Senegal in 2007 with her daughter Aiyana, and met with the first national vice president of the Croix-Rouge Red Cross. He said he had children attending a camp in August, so she went back then because she loves children.

Two years later, she officially founded Youth Action Without Borders in an attempt to make the Senegal people more self-sufficient. It is her hope that by educating them and giving them appropriate tools, they can pass those skills to future generations.

In addition, she works to empower women by building their self-confidence and encouraging them to believe that they can succeed if they are persistent.

She stresses she is not a missionary. "I am a humanitarian," she says.

No matter what you call her, it is obvious Gardner has made an impact on people.

"They look for me to come," Gardner says. "I have taken clothing, school supplies and heirloom seeds for them to plant. I have also taken medical supplies..." The heirloom seeds are from Lincoln University's Minorities in Agriculture, Natural Resources and Related Science.

During tough or frustrating times, all Gardner needs to do to remember why she is doing this — and that is to see children play.

“In Senegal, there is no grass in some locations, so they are out in the dirt playing soccer. They are still enjoying themselves, they are still eating and life is still going on,” she says.

In other words, they make do with what they have. “Sometimes the children share one cup. They have nothing, but they are still happy.”

For the future, Gardner has several hopes. One is to gain the support of others and find a sponsor to build recreation centers for the people.

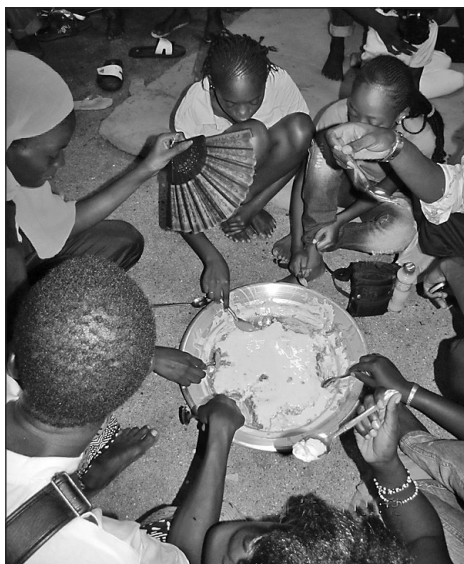
“I know most people build schools, but my thing is building recreation centers, not only for the children, but also for the elders,” she says. “These centers would have tennis, swimming, gyms and different things that could bring the community together.”

“I also hope that we continue a successful working relationship between the U.S.A. and Senegal, and that we can extend the organization to other borders,” she says.

Garner says she is appreciative of the award. “I want to thank Aiyana and Mario, my son and my daughter, and my family. They have supported me. I also want to thank Herzing University for nominating me for this great award and then for the Hall of Fame. I am so humbled.”

Gardner says one of her favorite songs is “Man in the Mirror” by the late Michael Jackson. The words include:

*I'm Starting With The Man In
The Mirror
I'm Asking Him To Change*



Children eating a snack after a hard day of activities and events.

His Ways

*And No Message Could Have
Been Any Clearer
If You Wanna Make The World
A Better Place
Take A Look At Yourself, And
Then Make A Change.*

She takes those words to heart. As a single parent, Gardner says she hopes to motivate others, not only to get an education, but also to volunteer and give back.

“I’m not a 501(c)(3),” she says. “But if you believe in what you are doing, you can accomplish it. Take what you have learned from (your alma mater) and ... give it back to the world.”

REFER:

For more information about YAWB visit <http://www.youthawb.org>

Passionate Teacher From the Minnesota School of Business Receives APSCU's Educator of the Year Award

By Barbara A. Schmitz from an interview with Debra Beglund by Jenny Faubert

I recently had the pleasure of interviewing Debra Beglund, Healthcare Management Program Chair of the Minnesota School of Business and recipient of the 2014 APSCU Educator of the Year Award. I hope you will find her story as inspiring as I do.

You recently received the Educator of the Year award from the Association of Private Sector Colleges and Universities. What was your reaction?

It took my breath away. When I was told I was being nominated for it, I thought that is a really great honor, but what are the odds of winning a national award like that? I went into shock when they told me I won.

When did you start in education? What is your background?

I have been teaching at Minnesota School of Business in St. Cloud, Minn. for eight years, but I have had a passion for teaching for 20 years. I previously taught at one of our other campuses for a few years in the late 1990s, until I left to co-found an allied health school in Minneapolis where I learned how

to develop and track courses and curriculum and navigate the licensure process. But I realized when I was in the clinic setting that I love training; I love education. I knew this was where I wanted to land in my career.

Tell me about doing clinicals.

I am a certified medical assistant, so I worked in a number of clinics with different specialties. In my last clinic, I was the Occupational Safety and Health Administration (OSHA) coordinator so I had training sessions with the employees. In each clinic, however, I discovered that I had a love of teaching as I trained new employees or educated my patients.

Why did you choose to work at the Minnesota School of Business?

I had a previous history with them, and I love the institution and organization. We have good programs and I knew it would be a place I would be proud to be an instructor.

You became the chairwoman of Minnesota School of Business's health care management program



Debra Beglund, Healthcare Management Program Chair from Minnesota School of Business and recipient of the 2014 APSCU Educator of the Year Award.

four years after you started. What were some of the challenges that you experienced becoming chair, and how did you overcome them?

The biggest challenge was understanding my new role and what it meant to be in a management position. I started out here as an adjunct medical assistant instructor. After I earned my bachelor's degree in health care management from the Minnesota School of Business, the school was looking to expand that program and hire a program chair. However, I was fortunate that they had one of the more seasoned program chairs mentor me for several months. If I had questions, or if I was not sure about policies or processes, I could go to that person. That really helped me to become more comfortable in my role, which includes increasing enrollment, retention and placement of students in the program.

Let us talk about the students. How do you keep your students motivated to learn and succeed?

It is all about finding new and different ways to teach. I am not one who just likes to memorize facts and figures. I like to challenge students

to understand and apply concepts. In my medical assisting classes that means having the students practice their skills. But in my health care management class, I have started a group project that takes a quarter to complete. The group project pertains to whatever we are talking about; this quarter it is long-term care. My students are planning a community event, bringing in experts in the field of long-term care to participate in a panel discussion, creating displays and more. They must plan and carry out the entire event, all while being professional. That is how you motivate students. I think they want to go above and beyond book learning.

You also need to look for ways to help your students develop their professional and critical thinking skills. Group projects, for example, can help students learn team-building skills. But also encourage students to join a professional association, or take them with you to professional conferences. This helps them to network with professionals in their chosen field.

In your acceptance speech, you stressed the need for teachers to never stop growing and learning, and you mentioned that since last September, all your students and instructors have been provided iPads. How do you use those in the classroom?

I do not want to stop learning because I believe that when we stop learning, we stop growing. As instructors we are encouraged and empowered to find new ways to present information to our students. I like to find ways to incorporate iPads into my classes. Sometimes I will give an assignment, such as to find an app that pertains to a particular class, and then come to class and explain why the app is a good one. My students doing the long-term study project

this year will use their iPads to create an iMovie that we can show to other students. Students today need to be able to use technology. The iPads allow our students to become comfortable with a mobile device so it is second nature when they get out into the field.

Do you have any resistance from older adult students about the iPads?

We did initially. But every quarter we get less and less complaints, as people realize this is not so bad.

What are some of the tools you use to help keep students in the classroom and to get them to graduation?

First, to keep them in the classroom, you have to engage them in the classroom. I like to mix it up in my classes. Yes, there are times you have to lecture. But I like to minimize the amount of lecture and maximize the amount of time we are practicing things. I might take a half-hour to lecture, but then we work on something in class that applies to that concept or skill. In some of my classes, we get good discussions going, or I might give them an impromptu assignment. That way they want to come to class and be with their fellow students. When they are excited about their classes, students want to finish their programs.

It really comes down to caring about your students. My students know that if they have a problem, or if they are getting really frustrated and are on the verge of thinking they cannot do this, they can come to me and I can talk them through it. When you have that kind of relationship with your students, it shows you care. As the students get closer to graduation, they get excited when they can see what they have accomplished. There is no better feeling than seeing my students

walk across the stage at graduation with big smiles on their faces and to know that they have overcome tremendous odds to get there.

We also have a strong Career Services department that I work with to help students secure jobs.

You also talked about giving back to the community in your acceptance speech. How do you and the Minnesota School of Business give back to the community?

It starts at our corporate level. The family that owns the business is not only constantly encouraging us to be out in the community, but they are doing it as well. We do a number of things on campus and corporate wide. For instance, one day a year we close our schools and go out and do community service. In the medical program, it might be doing health fairs. A couple of quarters ago, we created displays about nutrition, exercise and that kind of stuff, and we did blood pressure checks, at a women's health fair. Our vet group goes out and does dog washes and participates in walks. We participate in the American Cancer Society's Relay for Life. We are constantly looking for ways we can service the community. We do not exist in a bubble; if we are not engaging our community, then something's wrong.

Does being engaged in the community also help your graduates find jobs?

We have strong community partners, including some from my program. I know I can call one of the executives on my program advisory committee and that he or she will be ready to help. They want to help us because they know we are willing to give back as well. The community around us knows us. We open our

doors the Sunday before Halloween every year to do Trunk or Treat, lining up the trunks of cars decorated in a Halloween theme and giving out candy. Last year we had 2,000 people on campus for that event alone.

If you could offer advice to other faculty members working in the career education sector, what would it be?

Be passionate about what you do. Our students know if we are just going through the motions. If we are not passionate about it, how can we expect our students to be passionate?

Secondly, learn from your students. Do not be afraid to listen to your students. Sometimes they have a new idea, a different way to present information, a different way of doing something. Let them help.

Thirdly, get to know your students. I have celebrated major life events with my students. I have been there for weddings, the birth of a baby, when they get a job in the field, and recently I was able to celebrate with two of my students who became American citizens. But I have also sat with a student in tears because of a

tragedy or a loss in their life, such as a death or a major illness. At times I am the shoulder they choose to cry on, and I help them to stay on track. So I rejoice with my students when they walk across the stage at graduation, knowing their struggles and perseverance to get their degree.

What do you see as the future of education for teachers, and how can teachers stay motivated in their day-to-day lives with everything that is going on?

It is hard. Sometimes you teach a class so many times that you are tempted to just pull out the same old stuff every time. But I try to challenge myself every time I teach a class; I think what I can add in or do differently. Teachers constantly need to challenge themselves to think outside the box, to think of new things, or to think of new ways to bring things into the classroom. If you can do that, then you will stay motivated.

Jan Friedheim Receives the 2014 Imagine America Foundation Lifetime Achievement Award

By Barbara A. Schmitz from an interview with Jan Friedheim by Jenny Faubert

Jan Friedheim has never worn just one hat in her 50-plus years in the career education field. She has worked as an instructor, administrator, school owner, counselor and political adviser for career schools, while also serving as chairwoman, president and committee chair for all the major organizations serving the career college sector.

But no matter what hat she has worn, her goal has always been the same: to serve as a steward and champion of the career college sector and to help students succeed.

The Lifetime Achievement Award

For her years of dedication and work, Friedheim was presented the 2014 Imagine America Foundation's Lifetime Achievement Award during the annual Association

of Private Sector Colleges and Universities (APSCU) Convention and Expo in June. The Lifetime Achievement Award is given to individuals who have made major contributions, over a period of years, to career-focused schools of postsecondary education. Recipients of this award have risen above their own positions and school affiliations to provide leadership, support, and dedication to the benefit



Jan Friedheim

of the entire career college sector.

Friedheim said she was surprised when they announced her name as the Lifetime Achievement Award recipient at the APSCU convention. "I am not speechless very often, but I was totally speechless," she said.

But she is also *totally* deserving.

Started in the Sector in 1957

Friedheim said she got in the career education field by chance. After completing a business and management degree from the University of Texas at Austin, she first worked in staffing and career placement for a professional agency. But when she saw a job posting in career services for a group of five schools, she not only applied, but also landed the job. That was 1957, and she has been in the industry ever since.

She first worked in placement, next in admissions, and then became the vice president for the schools. “But after three years of working for them I decided I could do it better myself,” Friedheim said. So in 1960, she started her own school, which was then called the Executive Secretarial School.

“I determined that if you pay a lot

of attention to the placement end, everything else works out,” Friedheim said. “Our goal was to give students the skills to get jobs. So instead of focusing on admissions, I have always focused on the end result because then the first part will work out by itself.”

Friedheim ran the school for 40 years, but in the last 13 years she has concentrated on school consulting with her husband, Stephen Friedheim. At Education Systems & Solutions, the Friedheims help schools through accreditation or reaccreditation, change their levels of offerings from diploma to degree as far as master’s, or add new curriculum. “We go in and evaluate schools and tell them what their weaknesses and strengths are,” Friedheim said. “We help schools that are going through an acquisition process. We take a third-party look at their compliance issues and what could be an Achilles’ heel or their major strengths. We really specialize in helping schools do a better job.”

And they do not plan to retire — ever. “It is too much fun,” Friedheim said. “There is always something new coming now. We are now working with some international schools that are trying to get accreditation. The landscape is changing all the time, so I do not know why we would quit.”

Supporting the Sector in Tough Times

But fun has not always been used to describe the career college business. In the late 1980s and early 90s, Friedheim was in the forefront of supporting the career education community when it came under attack by state and federal governments.

“I was involved locally and at the state level from the very beginning,” she said. “But in 1974, I was appointed as an accrediting commissioner for

Jan Friedheim at a glance

- Founded and operated the ESS College of Business, formerly the Executive Secretarial School, from 1960-2001. The school was initially accredited as a business school and later as a junior college of business. It was one of a few to offer housing to out-of-state students, and unique in that it had a foreign study program that allowed students to study for six weeks at the Oxford Country School for Secretaries, England.
- Since September 2001, she and her husband Stephen Friedheim have been partners at Education Systems & Solutions in Dallas. Their consulting company assists career schools with planning, accreditation, curriculum development, personnel training and more.
- Appointed by Presidents Carter and Reagan to the Secretary of Education’s Advisory Committee on Accreditation and Institutional Eligibility
- National and state achievement include:
 - Founder and co-chairwoman on the National Task Force on the Image of the Secretary
 - Chairwoman of the CCST Task Force of the Texas Higher Education Coordinating Board, 1998-2006
 - Active in the APSCU, serving as a member of the board of directors (1999-2001); membership services (1995-2001); convention committee (1999-2000); awards committee (1997-2001); and more
 - First female chairwoman of the Board of Directors and first female chairwoman of the Accrediting Council for Independent Colleges and Schools or ACICS, as well as chairwoman of research and service, business schools, management education committee, long-range planning committee and communication committee



Jan Friedheim announced as IAF's 2014 Lifetime Achievement Award recipient



Jan and Steven Friedheim



Jan Friedheim accepting her award



Jan Friedheim and Robert L. Martin, President/CEO of the Imagine America Foundation



Posing for pictures after receiving the Lifetime Achievement Award

AICS. After that experience I just stayed in national office and became more and more concerned about being sure we had as level a playing field as we could get and that our schools were represented.”

When Sen. Sam Nunn, D-Ga., went on a campaign to try to limit career college’s participation in the student federal aid program, Friedheim testified before Nunn’s committee, attended meetings and visited many

Congressmen to tell them that private career schools serve a purpose in higher education. Another time when the Federal Trade Commission attacked career colleges, Friedheim served as the point person to defend the

sector.

Involvement in National Accrediting

Through it all, Friedheim continued to learn more about the sector and accreditation. “I decided that I would get our school duly accredited by COEI, a division of SACS (Southern Association of Colleges and Schools) in order to measure and see if there was a difference between nationally accredited and regionally accredited schools. I became a commissioner for the SACS accrediting body and served two terms on the board of trustees, just to round out my experiences. My conclusion was that accreditation is accreditation. If you follow the rules, do what is supposed to be done, and have a good school, you will be fine.”

But Friedheim also knew there was not a good understanding of accreditation in Washington, D.C.

“So I was kind of a flag waver for trying to get the congressional staff primarily to understand the purpose of accreditation that it is not a good ole boys peer review,” she said. “It is a peer review that has teeth in it and it really benefits the schools and enables them to do the best.”

Friedheim was also named the first female chairwoman of the Association of Independent Colleges and Schools Accrediting Commission and AICS Board of Directors. In addition, Presidents Carter and Reagan both appointed her to the Secretary of Education’s Advisory Committee on Accreditation and Institutional Eligibility. “I tried very hard to get other women involved,” she said. “I am pleased to say ... times have changed and women ... now play the kind of role they should play in national organizations.”

In addition, Friedheim created a national taskforce on the image of secretaries. “We had a period in our society where women’s lib tried to put down women in certain fields,” she explained. “They did a pretty good job of putting down housewives and secretaries and anything that they called demeaning. With the assistance and support of McGraw-Hill, we engaged in a campaign that was primarily aimed at secondary schools to make it OK to be a secretary; it allowed secretaries or those who wanted to become secretaries to have pride in that profession and to explain that they were not subservient people, but a very important part of the management team.”

With a group of people who had a vested interest in vocational programs in high schools, they developed marketing materials and started attending workshops and conventions around the country to establish it as

Friedheim was also named the first female chairwoman of the Association of Independent Colleges and Schools Accrediting Commission and AICS Board of Directors.

a legitimate profession. “Business teachers were being eliminated on some of the high school campuses at a time when vocational skills were very much needed. We were trying to save the business programs and the secretarial skills programs, including shorthand, typing and computer skills that were needed.”

Sharing Best Practices

Friedheim has also been involved with Business Education Research Associates (BERA) since 1975. BERA has met continuously since 1947 for the purposes of encouraging its members to share best practices, improve the quality of education provided, and provide a forum for discussion of relevant issues.

Membership to the research-oriented and best practices organization is by invitation only and is restricted to CEOs of for-profit or nonprofit schools. “You cannot compete with other schools that are already members,” she said. “You are invited the first time to come and share a best practice. Then the group privately votes later as to whether there is merit. If there is merit, you are invited for a second presentation. If you do two presentations and the group thinks it is meaningful, then you are invited to become a member.”

Membership is restricted to 20, and meetings are generally held once or twice a year. Members must sign a confidentiality agreement so discussions on best practices stay in the room. “Since you do not have competitors sitting in the room, you can honestly disclose exactly what went on,” she said. “This field is a simple business. If you recruit the

right people and give them the right education, then you can place them. That is the three-legged stool that works.”

While Friedheim is proud of her many accomplishments, one stands out from the rest. “I am most proud of the graduates that we produced during the 40 years and what positions they went into and

the things they accomplished,” she said. “This is a student business and that is what it is all about. Seeing the students truly change their lives — and I know that is trite and been said a million times — but going to graduation is always the most fun thing you can do in this business. Anytime you get bogged down in the bureaucratic compliance paper nonsense, you go to a graduation and you are reenergized.”

Her advice to career education leaders is to hold their head up high. “This business goes through good times and bad times. There are still tough times as far as regulatory oppression is concerned,” Friedheim said. “But as long as you do it right, you will continue to be successful. Keep going; keep doing what you are doing; you are needed.”

I am most proud of the graduates that we produced during the 40 years and what positions they went into and the things they accomplished. This is a student business and that is what it is all about.

Admissions, Compliance and Financial Aid: Best Practices in Balancing Regulatory Requirements and Effectiveness

By Ron Holt, Co-Leader, Higher Education Practice, Dunn & Davison, LLC, Audrey Kaplan, Chief Compliance Officer and General Counsel, Southern Technical Institute, Vince Norton, Managing Partner, Norton Norris, Inc., Sally Samuels, Vice President Regulatory Affairs, FAME

Can it be done? Is it possible to balance regulatory requirements, compliance, AND be successful in admissions? For many the answer may be a qualified “yes,” but for others the struggle to create a culture of compliance and still meet enrollment targets is an elusive goal. In June 2014 we gave our thoughts, opinions, and guidance regarding this topic at the APSCU conference. This article shares our views and outlines a recipe for success.

Before we begin, let us examine some basics that need to be in place. First of all, a compliant culture starts at the very top of the organization. Successful institutions are not just meeting regulatory and compliance requirements – they are exceeding requirements and adopting best practices at each step. They are promoting transparency and informed decision making as organizational priorities. How is this accomplished? What do we mean? Let us take a look

at the Program Integrity Disclosures that became effective in July 2011. Schools can meet these requirements by posting appropriate metrics on their website, and placing a reference to the disclosure whenever a program name is mentioned in any communication. Many schools – in fact too many in one author’s opinion – have implemented only these minimal requirements. The disclaimers are placed on the website and they have satisfied the reporting.

Fine. Done. Right?

.....

AUDREY KAPLAN has been an attorney since 1997, and entered the field of higher education in 2006. Audrey’s higher education career began at Kaplan High Education, where she worked as Director of State Regulatory Affairs and Corporate Counsel. Audrey currently serves as the Chief Compliance Officer and General Counsel for Southern Technical College, based in Orlando, Florida. Audrey has served as an ACICS commissioner and is a Board Member for the Florida Association of Private Schools and Colleges. Audrey resides in Windermere, Florida with her husband and daughter.

We think not. The schools that “get it” have taken an extra step. They have gone beyond the minimum and created professional printed documents that can be included in a prospective student packet. They may even break out the statistics by location (which is not required) or publish verified salary information by graduating class. In some cases, schools have provided specific Bureau of Labor Statistics regional job information to provide up-to-date projections on employment in the field of study and average salaries to ensure current and government collected information is used at all times. Some schools also provide key career facts in written orientation materials. And many schools have gone beyond the minimal requirements of entrance loan counseling for student borrowers and have provided financial literacy training and budget analysis (not required – yet – but heavily recommended) to show students

how school loans will impact their monthly spending requirements. Why are some schools taking on this extra responsibility by doing additional reporting and printing materials? They want to communicate effectively with their prospects, build trust and avoid any issues down the road.

This is just one example of going above and beyond. Now let us step back and look at the current and future requirements – along with some pitfalls to avoid.

New Disclosure Tools: Enhancing Effective Communication with Prospective Students.

Let us understand the goal of these disclosures. Simply put, it is to:

1. Provide **KNOWLEDGE** – Fully inform students with accurate data and relevant facts — so that:
2. They can make **BETTER CHOICES** – based on fit, not reaction to sales hype – which in turn results in:



RON HOLT, a founding member of Dunn & Davison, LLC, a Kansas City, Missouri based law firm, is co-leader of the firm's higher education practice, along with Dr. David Harpool. Along with higher education work, Mr. Holt also handles business and regulatory litigation and

business transactions.

Over the past 22 years, Mr. Holt has provided regulatory counsel to institutions across the nation on program reviews, administrative proceedings, student claims, state and federal court litigation, changes of ownership, and accrediting and state licensing agency disputes. He is a past member of the Federal Affairs Committee of the Association of Private Sector Career Colleges & Universities (APSCU) and a past member and past chair of the Litigation Committee of CCA, APSCU's predecessor.

With additional offices in Albuquerque, New Mexico; Denver, Colorado; Houston, Texas; North Kansas City, Missouri; and St. Joseph, Missouri; Dunn & Davison, provides a full range of commercial and legal services to post-secondary institutions throughout the nation and to other

businesses in the Midwest and the Southwest. In addition to higher education law, Dunn & Davison provides services to individuals and business clients in the areas of business organizations, business transactions, employee benefits and employment law, estate planning, immigration, construction litigation, general business litigation and tax planning and estate planning. Further information on the higher education practice of Dunn & Davison can be found on the law firm's website at www.dunndavison.com/highereducation.html.

Mr. Holt received his J.D., with highest honors, from Rutgers University School of Law-Camden in 1979 and his B.S., Speech Education, summa cum laude, in 1975 from Evangel University. Prior to private practice, Mr. Holt served as a law clerk to the late Judge Russell G. Clark, U.S. District Court, W. D. MO, from 1979-1981.

Contact Information:

Ron Holt
Dunn & Davison, LLC
1100 Walnut Street, Suite 2900
Kansas City, MO 64106
Phone: 816-292-7604
Cell: 816-509-519
Fax: 816-292-7601
Email: rholt@dunndavison.com

3. SATISFIED CUSTOMERS who enjoy/complete programs, pass licensing exams, get jobs, and achieve career success.

So in addition to the College Scorecard (Figure 1), which will be required in 2015, and the Financial Aid Shopping Sheet (Figure 2), which is already required (under President Obama's Executive Order 13607) of schools who are working with veterans, we believe schools should consider creating Program-Career Fact Summaries (Figure 3).

Take a look. Does it not make sense to provide students with information regarding:

- Program Schedule Sequence and Time
- Academic Progress Requirements and Assistance
- Placement Services Summary
- Vocational Field Outlook
- Some Employers of Program Graduates
- Licensure Requirements
- Optional Certifications
- Physical Requirements
- Social Demands
- Typical Work Schedule
- Link to Program Gainful

Employment Information

We also suggest that schools ask students to sign such summaries to confirm they have received and reviewed them, similar to other admissions-orientation process disclosures such as a credit transfer disclosure. While full transparency, even with adequate documentation of that transparency, is not a guarantee that all prospective students have formed a completely accurate understanding of your school, that they will be "satisfied customers" and that they will not later make complaints or file lawsuits, you will be able to show that you did the right thing and that should help you to successfully respond to any complaints or lawsuits. Less than complete transparency and effective communication about who you are as a school will leave you at risk for regulatory and legal headaches: "If what you say, does not convey, exactly what you do, then you will be sore, that is for sure, cause someone's gonna sue!"

With disclosures in place, let us explore some other sources of potential compliance concerns in the financial aid office – and what you can



VINCE NORTON has worked in higher education administration, marketing, admissions, and enrollment management, for both not-for-profit and proprietary institutions since 1979. His 35 years of experience include 19 years in admissions, marketing,

and administration at nonprofit colleges, and three years with for-profit colleges. For the last 13 years, he has served as Managing Partner of Norton|Norris, Inc., a full service marketing, training and mystery shopping firm dedicated to the education vertical.

Vince is regarded as an expert on college marketing and mystery shopping and has delivered presentations on this topic for numerous associations.

In 2011 after leading a team that listened to over 31 hours of recorded undercover admissions interviews posted on Senator Harkin's website, Vince co-authored a report "GAO Bias Evident in Report to HELP Committee – A Review of GAO Undercover Testing on For Profit Colleges." The report and other initiatives launched by the Coalition for Educational Success resulted in a reassignment of the Managing Director of the Forensic Audits and Special Investigations Unit in the Government Accountability Office (GAO).

Contact Information:

Vince Norton
Norton | Norris, Inc.
55 East Jackson, Ste 950
Chicago, IL 60604
Phone: 312.262.7420
Fax: 312.262.7450
Email: Vince@NortonNorris.com

do to avoid issues.

Title IV Eligibility Assurance Measures

Title IV participation is a key element for survival at many institutions and staying current and compliant is a full-time job. There are several things to review during the enrollment process of a new student to ensure that the student is going to be eligible to enroll and receive maximum federal funding.

In general, to be eligible for Title IV funds the student must be enrolled in an eligible program; have a high school diploma, GED, proof of acceptable home schooling, or a high school equivalency; meet any institutionally required prerequisites; be in satisfactory academic progress, not in default or owe a repayment to a Title IV program; be a U.S. citizen or eligible non-citizen; and if required, be registered with selective service.

Some of the general student eligibility requirements posing recurring problems include providing proof of appropriate secondary education credentials, proof of U. S. Citizenship or eligible non-citizen documentation, proof of registration for the draft, and default status of prior loans. As we discuss further

in the next section, meeting these requirements consistently requires the commitment of ownership and management and effective practices, and what is effective may vary by institution, particularly for those institutions that operate completely online.

Collecting a copy of a valid U.S. Passport or a Certificate of Naturalization during the admissions process assists the financial aid office in resolving U.S. citizenship issues for the student that never updated their revised status with the Social Security office. Also, collecting the documentation for the eligible non-citizen allows the FAO to compare documentation to the eligibility criteria in Volume 1 of the FSA Handbook.

Draft registration should be confirmed with Selective Service during the admissions process, if the prospective male student never registered and is at least 26 years old, as it can take up to 180 days to receive a status letter resolving the issue.

Of course, collecting a driver's license or other acceptable state or federal photo ID is always good policy. This information can be used to help confirm the student's identity.

Due to recent fraud ring activity and



SALLY SAMUELS is the Director of Compliance at FAME. Sally is one of the country's leading authorities on Federal financial aid administration with more than 34 years of "in the trenches" experience. As a respected Industry leader, she is frequently called upon to speak

at School, Accrediting, Regional and State conferences as well as to act as school liaison during program reviews and compliance audits.

Having processed, reviewed and taught financial aid for over 31 years Sally's experience includes representation at over 300 program reviews and certification visits for postsecondary institutions. In addition, Sally brings real life experiences, observations and illustrations

to her audience, adding a touch of humor to regulatory compliance. Her style makes the sometime complex topics easy to understand and audiences always come away with practical knowledge that they can apply to their everyday situations. Sally has been published many times over in various Higher Education periodicals providing her expertise and insight on administering Federal funding based on compliance with the Federal statutes. She has also been called upon as an expert witness by Federal and state judicial districts in cases dealing with Federal funding issues.

Sally is a board member for the Private Career Colleges & Schools (PCCS), the American Association of Cosmetology Schools (AACCS), as well as a member of NASFAA & SASFAA. Her experience and regulatory knowledge make her uniquely qualified to bring you the latest regulatory information and training.

Figure 1 - Sample College Scorecard

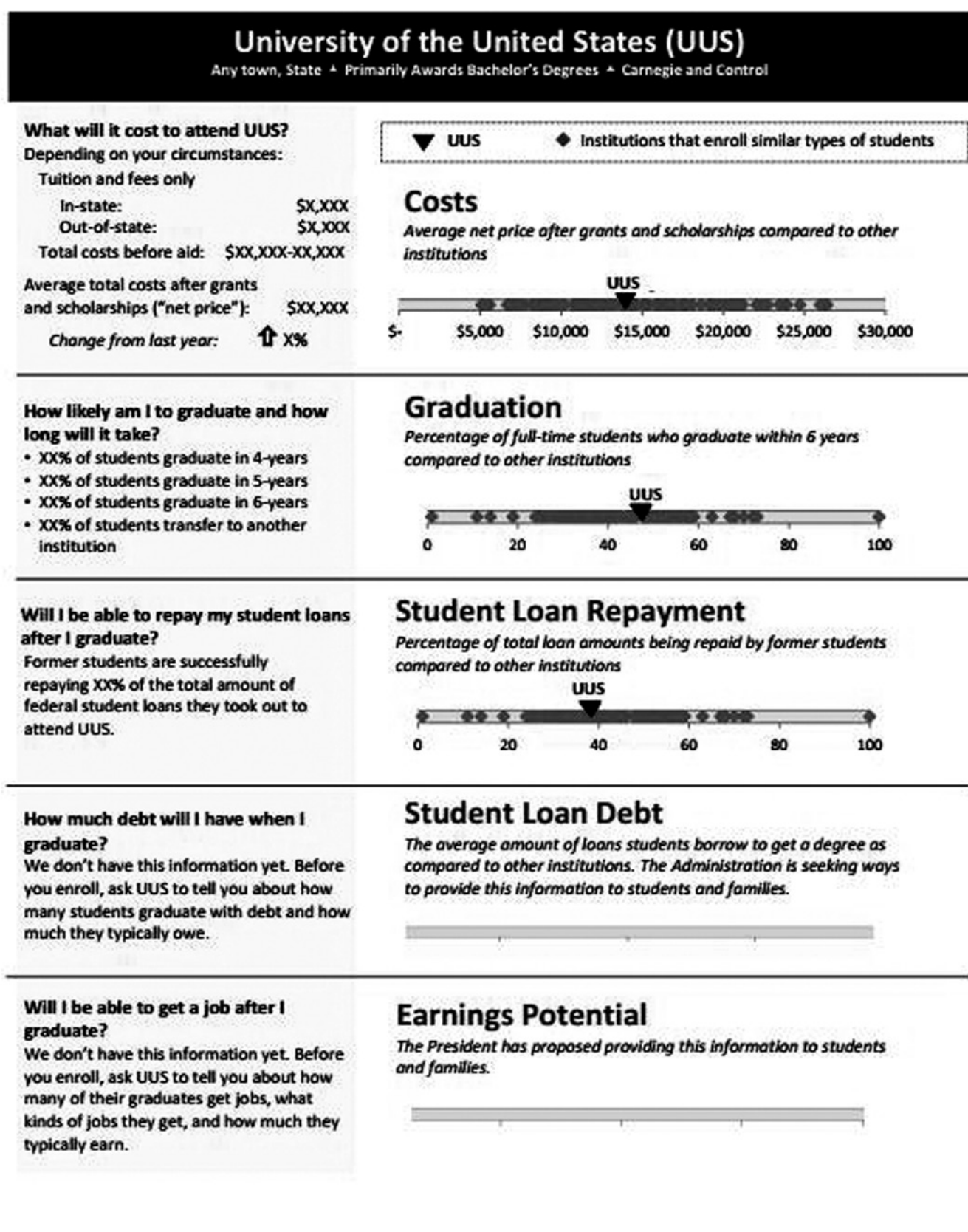


Figure 2 - Financial Aid Shopping Sheet

University of the United States (UUS)
Student Name, Identifier

MM / DD / YYYY

Download

Costs in the 2014-15 year

Estimated Cost of Attendance **\$X,XXX / yr**

Tuition and fees	\$ X,XXX
Housing and meals	X,XXX
Books and supplies	X,XXX
Transportation	X,XXX
Other education costs	X,XXX

Graduation Rate

Percentage of full-time students who graduate within 6 years

XX.X%

Low	Medium	High
-----	--------	------

Grants and scholarships to pay for college

Total Grants and Scholarships ("Gift" Aid; no repayment needed) **\$X,XXX / yr**

Grants and scholarships from your school	\$ X,XXX
Federal Pell Grant	X,XXX
Grants from your state	X,XXX
Other scholarships you can use	X,XXX

Loan Default Rate

Percentage of borrowers entering repayment and defaulting on their loan

X.X%

This institution

X.X%

National

What will you pay for college

Net Costs **\$X,XXX / yr**
(Cost of attendance minus total grants and scholarships)

Options to pay net costs

Work options

Work-Study (Federal, state, or institutional) \$ X,XXX

Loan Options*

Federal Perkins Loan	\$ X,XXX
Federal Direct Subsidized Loan	X,XXX
Federal Direct Unsubsidized Loan	X,XXX

*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

Median Borrowing

Students who borrow at UUS typically take out \$X,XXX in Federal loans for their undergraduate study. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different.

\$

Other options

Family Contribution **\$X,XXX / yr**
(As calculated by the institution using information reported on the FAFSA or to your institution.)

<ul style="list-style-type: none"> Payment plan offered by the institution Parent or Graduate PLUS Loans 	<ul style="list-style-type: none"> Military and/or National Service benefits Non-Federal private education loan
--	---

Repaying your loans

To learn about loan repayment choices and work out your Federal Loan monthly payment, go to:
<http://studentaid.ed.gov/repay-loans/understand/plans>

Customized information from UUS

For more information and next steps:

University of the United States (UUS)
Financial Aid Office

123 Main Street
Anytown, ST 12345
Telephone: (123) 456-7890
E-mail: financialaid@uus.edu

Figure 3 - Sample Program/Career Fact Summary

ABC Success College	
_____ Program Highlights & Information on Careers	
Program Schedule Sequence & Time	Total weeks: Hours per week: Classroom weeks: Clinic/externship weeks:
Academic Progress Requirements & Assistance	Outline SAP points Requirements for T4 aid Appeal opportunities & assistance for tutoring Maximum time for T4 aid Cost for "extra" hours
Placement Services Summary	Outline schedule for interaction with students
Vocational Field Outlook	BLS information on job growth – sourced to BLS link
Vocational Salary Range	BLS information on salary – sourced to BLS link
Some Employers of Program Graduates in 20__	
Licensure Requirements	(State) qualifications to sit for exam
Optional Certifications	Exams – qualification Whether program graduates can sit for exam
Physical Requirements	For example: Dexterity (electrician) Work on your feet (cosmetology) Auditory acuity (court reporting) Tolerance of exposure to chemicals (cosmetology, esthetics)
Social Demands	Enjoy interaction with clients (cosmetology, massage, nursing) Limited public interaction (accounting)
Typical Work Schedule	For example: Saturdays for best success (cosmetology) Alternating 12 hour shifts on alternating days (nursing)
For important gainful employment information about this program	Visit: xxxxxxxxxxxxxxxxxxxxxxxx.com
I acknowledge that I was provided with this summary and read it prior to enrollment in the _____ program at ABC Success College.	
Signature:	Date:

the 2013-14 and 2014-15 verification requirements, proof of the student's identity and high school verification have become hot topics for students selected under the V-4 and V-5 verification codes.

There are currently more than 100 known bogus online high schools offering high school diploma in a few weeks for a set fee with little or no actual education provided. The websites are very sophisticated

Due to recent fraud ring activity and the 2013-14 and 2014-15 verification requirements, proof of the student's identity and high school verification have become hot topics for students selected under the V-4 and V-5 verification codes.

and should be researched carefully with the state and other agencies to ensure that they are valid educational institutions. Should the institution or the U.S. Department of Education or an institution's annual compliance auditor have reason to question a high

school's validity, the institution must have and follows policies and procedures to determine that the school offering the diploma is valid.

There have been cases of the post-secondary institution offering ineligible high school programs at their campus. Another problem is that some students have provided falsified high school diplomas, which include such tricks as replacing the name on the diploma with a prospective student's name or finding a diploma template on the Web and using it to create a bogus diploma. In recent program reviews conducted by the Department of Education, where 10 percent or more of the sampled files contain questionable diplomas, the Department has required a full audit of the Title IV students enrolled over a 2-3 year period, which is very time consuming, and can result in costly refunds to the Title IV programs. The 2013-14 verification rules require that anyone selected for verification

codes V-4 or V-5 provide proof of high school and in 2014-15, the results of the requested verification for any one selected under either of these verification codes must be reported through FAA Access to CPS even if the student never starts the program.

It is also important that prior school enrollment information is gathered during the admissions process. It is still possible to grandfather in a student under the old ability to benefit criteria, if you can prove the completion of 225 clock hours or 6 credits by getting a transcript from the prior school, get proof of a valid ATB test taken prior to July 1, 2011, or if there is proof of aid disbursements in NSLDS, the student can take and pass an approved ATB test given by an approved outside tester. Also, the prior school information is used to determine if the financial aid officer has to conduct verification and, if possible, to help the student to resolve default issues, if necessary add the student to transfer monitoring in NSLDS, and check the current subsidized loan eligibility.

New subsidized loan eligibility for 1st time borrowers with no outstanding loan balances (Moving Ahead for Progress in 21st Century Act & DCL Gen 13-09), now is limited to one and a half times the maximum length of the program in which the student is currently enrolled, and affects loans 1st disbursed on or after July 1st, 2013. Transfer students or students changing programs at the same institution could have their subsidized loan eligibility reduced, especially if the student transfers from a longer program to a short program. If the student transfers from a 1-year program and uses 1 year of sub loans and transfers to a 2-year program, the max eligibility is 3 years. The student would still have 2 years of loan eligibility. But if the student transfers from a 2-year program and used 1 year of sub eligibility, to a

1-year program, the max time frame for this program is 1 ½ years. The normal minimum loan period is a full academic year, and a loan cannot be certified for ½ year for a 1 year program, so the student would not be eligible for any sub loans, which could affect enrollment in the program.

Another reason for collecting prior school history during the admissions process is the 600 percent Pell limitation, 12 semester equivalent (Consolidated Appropriations Act, 2012), which calculates Pell usage since the 1973-74 award year. Students that would normally be Pell eligible may have limited or no access to Pell grants and may need to find another way to pay for their education

Now that you know what you should be doing – how do you check and see if in fact it is being done? That is where your internal controls come into play.

Institutional Compliance Checks and Balances

It is important to not only have internal controls in place, but to follow them. A key internal control when it comes to determining meeting admissions requirements, as well as Title IV eligibility, is ensuring your students have a high school diploma, GED or equivalent from an acceptable school. The key here is that the high school is legitimate and will be treated that way by the regulators upon any review or investigation. The Department of Education, unfortunately, provides no real guidance on how we should determine acceptability of a high school credential. Therefore, each school needs to create and abide by a set of criteria to determine what is or is not acceptable. Some related internal controls are: collecting proof of graduation and not relying solely on attestations; maintaining and updating an unacceptable school list; and auditing a percentage of

student files to verify everything was collected and your policy was followed.

It is also a good idea to audit the materials being used at enrollment on a regular basis. Not only do you want to update what you provide to the field, from time to time as needed, but take the time to verify whether the information you provided is being used. If your team is not using the most up to date versions of the information

provided, you need to know and correct this. You also want to know whether anyone is using unauthorized documents as part

of the admissions process, even if it is being done with good intentions.

Mystery shopping at the admissions stage, and even through the financial aid stage when possible, is a valuable internal control to ensure your policies and procedures in this regard are being followed. However, those results are only as useful and impactful as you allow them to be. It is essential that you look over the results of your shops, review them with appropriate team members, and make adjustments and take advantage of training opportunities in areas where your team could be performing better. Take the time to really use your results to make the most out of what you learn from the shops.

External Controls – Mystery Shopping

And although internal controls are essential, many schools have gone one-step further and implemented Mystery Shopping. The best practices we have observed across the country merit sharing.

For starters, schools that embrace shopping have learned how to socialize results. Properly done, a little shopping can go a long way!

The Department of Education, unfortunately, provides no real guidance on how we should determine acceptability of a high school credential.

Start by sharing global concerns. Shopping across your system will reveal trends. Talk about those trends and observations globally before you zero in on a specific location or representative.

The key is resisting the urge to “boil the ocean.” Take a small chunk – address it – train to it – re-measure, and then move to the next area of concern.

As you identify trends, the next step is to focus on two or three areas of opportunity and address those. It may require creating or editing talk tracks, or perhaps sections of your admissions or financial aid training need to be updated. Once you have established your areas of focus and developed a plan, give it a couple of months to establish roots, gain traction – and then “re-shop.” How do things look the second time around? Chances are that after this second round of shopping you will have a slightly different area of focus, or perhaps you will move down your list from the initial observations. The key is resisting the urge to “boil the ocean.” Take a small chunk – address it – train to it – re-measure, and then move to the next area of concern.

Commissioning a Mystery Shop also means you will need to consider how you will address the individual results. That is where judgment comes in. If you elect to use the results as a punitive approach, you will wind up with a defensive staff. All too often we have seen staff spend hours attempting to defend and discredit the shopping. But when the results are used as a coaching/training moment, good things happen. In many cases locations and reps will look forward to their shopping results and take great pride and responsibility for their actions.

But this only pertains to minor offenses, or what we refer to as “incomplete or potentially

misleading” information. When staff is observed committing egregious activities, (e.g., coaching on financial aid forms, promising credit transfer, inflating salaries and graduate employment rates), swift corrective action - and possibly disciplinary sanctions - must take place. Even then our counsel is to treat the shopping results as a single data point and cross reference with additional input from interview observations, evaluations, etc.

For the most part we see a “zero tolerance” approach on deceitful and fraudulent financial aid behavior. Whether it is admissions or financial aid telling students that income not reported on your FAFSA, the result is almost always immediate dismissal. Depending on corporate culture and tolerance for risk and exposure, other kinds of infractions may result in a written warning.

Shopping results do not necessarily need to be tied to a specific location either. If you work in a school group with multiple locations, you can share observations globally – without revealing the exact location or representative. This is an excellent way to get more mileage out of your shopping program and keep everyone on their “A” game.

Finally, shopping “past” admissions and into the financial aid process is also recommended. The emphasis for years has been aimed at admissions in order to reduce claims of exaggerated outcomes, promises of aid, credit transfer and more. However, there is also considerable exposure in the financial aid office. Taking additional steps to observe financial aid personnel in action is the next course of action in your quest to create a culture of compliance.

The Long-Awaited Turnaround: Student Demand for On-Ground Programs Is Growing

By Bob Atkins, CEO and Founder, Gray Associates

For-profit education companies have faced a perfect storm of tighter regulations, limited job opportunities for graduates, and declining student demand. Some of the largest companies in the industry appear to be victims of the storm: Corinthian, Anthem, and most recently, ITT may have to restructure — or close their doors.

In our view, there may finally be positive news for the survivors. Competition is consolidating, the job market is relatively healthy for graduates of many programs, and student demand for on-ground programs has turned up — a lot. For

campuses that are positioned in the right cities with the right programs, double-digit growth in inquiries and applications may, finally, be possible.

First, a word about our sources. Gray Associates collects data on student inquiries for educational programs from agencies and aggregators. We have data on over 31 million inquiries from January 2012 to the present. The data includes over 10,000 inquiries for each of 250 US cities and 140 programs. We receive fresh data on over 800,000 inquiries every month. In addition to inquiry volume, we collect data on inquiry



BOB ATKINS, CEO and Founder, led Gray's entry into the education industry and the development of Gray's proprietary industry databases and service offerings. He has worked with all of Gray's education clients, counseling CEOs and CMOs on business

strategy, pricing, location selection, and program strategy. He is an expert in business strategy, marketing, sales and high-tech distribution channels. He has helped AT&T, Avaya, American Express, Dex Media, Qwest Communications, HP, IBM, Northcentral University, UTI, Alta Colleges and other clients to develop growth

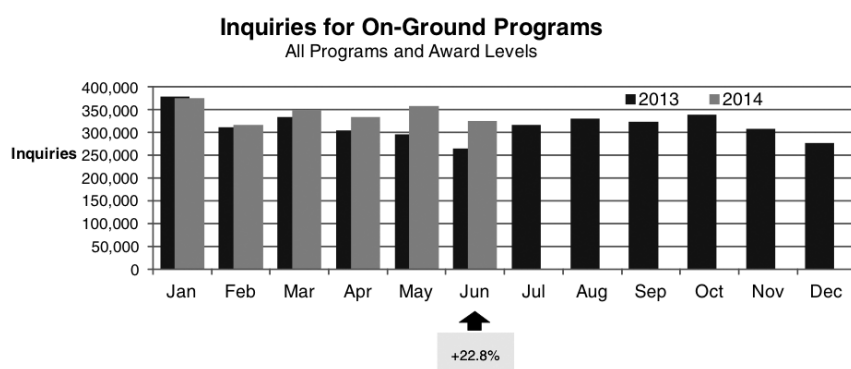
strategies, enter new markets, and build their sales and channel organizations. He has also led efforts that have eliminated tens of millions of dollars in cost, particularly in sales and channel management. He is a published author, whose articles have appeared in the Wall Street Journal, Sales and Marketing Management, and other publications around the world. He received an MBA, with honors, from Harvard Business School and a BA, magna cum laude, from Harvard College.

Contact Information:

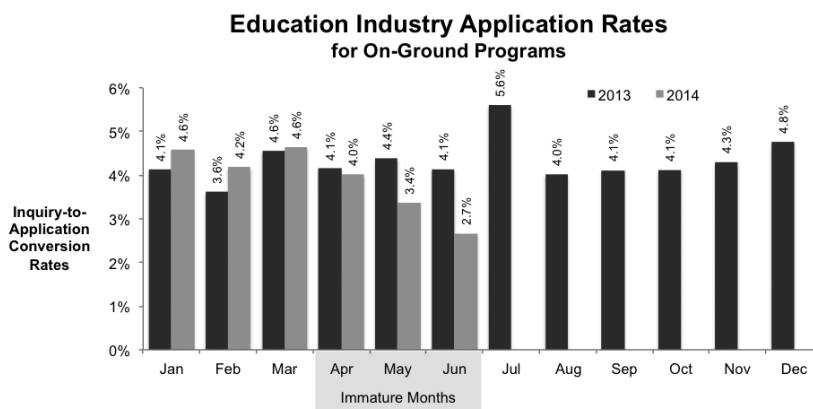
Bob Atkins
CEO and Founder
Gray Associates
Phone: 617-401-7662
Email: bob.atkins@grayassociates.com

pricing, applications, and programs sought—including whether the student is seeking an online or on-ground program. Of course, our data does not cover all inquiries, but it is a very large sample that produces reliable estimates for the majority of programs and markets.

In 2014, inquiries for on-ground programs reversed a downward trend that started in 2013. There was some growth early in 2013 (January–April), and demand was only down 3 percent for the year as a whole. However, the annual results masked weak results in the latter half of the year. In May through December 2013, year-over-year inquiries were down every month—falling an average of 8 percent. As shown in Figure 1, 2014 got off to a reasonable start, falling less than 1 percent in January. In February, year-over-year growth began, albeit at a slow pace of just 1.5 percent. But then, growth began to accelerate. In March, year-over-year growth more than doubled to 4.5 percent. In April, it doubled again to 9.6 percent. And, it doubled one more time in May, which achieved a year-over-year growth rate of 21.6 percent. Results improved again in June, growing 22.8 percent year-over-year.



There is more good news: not only did inquiries increase; application rates are also on the rise. January, February and March 2014 all beat 2013. In fact, January application rates increased more than 10 percent from 4.1 percent to 4.6 percent. February was also up over 10 percent from 3.6 percent to 4.2 percent. It looks as though April, May and June will also beat last year, but it is a little too soon to tell, since



we track application by “cohort,” as do many schools. This cohort view counts the application in the month in which the associated inquiry was received. For example, a January inquiry that converted to an application in March is counted as a January application.

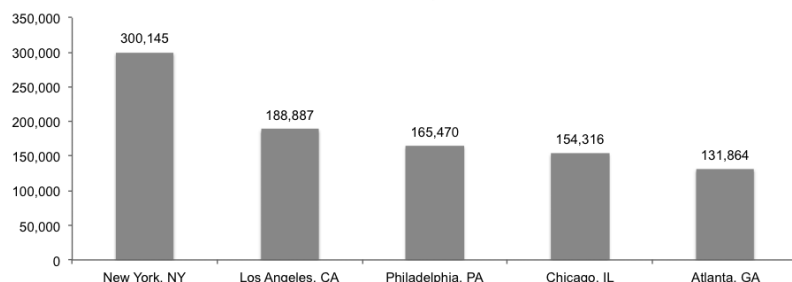
As a result, April, May, and June results are not yet “mature,” since prospects who inquired in those months may still complete their applications in July, boosting those application rates. In our view, as these months mature, April and May are likely to beat last year. It is unclear if June results will also achieve last year’s levels.

What do all these numbers mean for you? If your campus inquiries and applications were declining in the first half of 2014, the market may not have been the problem. You were probably losing market share. You may need to revisit your marketing strategy and spending levels. But, before you do that, you need to understand if your campuses and programs were positioned in growth markets. While the industry was growing, many large markets and programs were not.

Trends by City for On-Ground and Online Programs

Including inquiries for both on-ground and online programs, the largest markets in our inquiry sample are New York, Los Angeles, Chicago, Atlanta and Dallas, each of which generated over 200,000 inquiries. Of course, this volume reflects the population and demographics of the cities; importantly, it also is the result of local education institutions’ marketing spend. So, it is possible for the list to change quite rapidly if

Industry Inquiries: 5 Largest Markets
12 Months Ending June 2014



1. Includes only cities in the top 75 for inquiry volume for the trailing twelve months within a 15 mile radius for all award levels nationally.

competition drives inquiry volume up or down in a given city. In fact, inquiry volume in these large cities is quite volatile.

Inquiry volumes in the largest U.S. markets have been falling. For the 12 months ending in June 2013, all five markets fell at double-digit rates. Los Angeles had a very tough 2013, dropping just over 60 percent. Chicago dropped nearly 25 percent, while Atlanta, Philadelphia, and New York all fell by between 16 percent and 20 percent.

This year the story is somewhat better, but four of the five markets fell again—but at a slower rate. Atlanta and Chicago dropped over 10 percent. New York and Philadelphia did better, dropping by less than 5 percent. Los Angeles was a bright spot, with inquiry volumes doubling for the last 12 months, essentially reversing the huge drop in the preceding year.

Let us look at more recent trends in the top 75 largest cities in the U.S. In June, the fastest growers in this group achieved exceptional

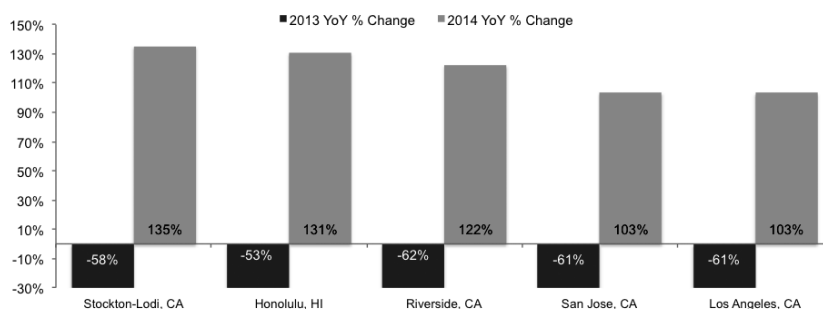
results. Inquiries are up over 100 percent year-over-year in Stockton-Lodi, Honolulu, Riverside, San Jose, and Los Angeles. Note that four of these five markets are in California.

Inquiry volume varies by more than just city. Inquiry volume and growth rates vary widely from program to program. In the following section we will share our information on the largest programs and identify the fastest-growing programs.

Trends by Program for On-ground and Online Programs

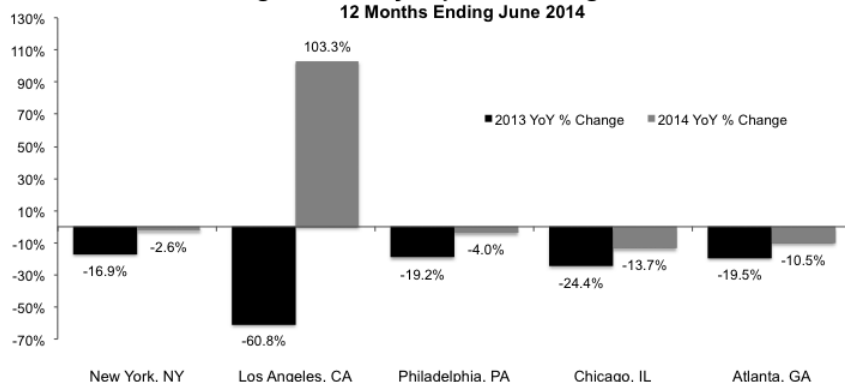
Our data by program reveals a significant challenge for the industry. In June 2013, the largest programs all dropped over 15 percent. This June, three of the top five dropped again.

Industry Inquiries
5 Highest Growth Markets – June 2014



Note: Includes only the top 75 cities by inquiry volume since January 2012. Data includes a 15-mile radius from the center of the CBSA.

Change in Industry Inquiries: 5 Largest Markets
12 Months Ending June 2014



Business Management fell 18 percent, Education dropped 32 percent, and Homeland Security was down 21 percent. It will be very difficult for the industry to grow as long as the largest programs are falling at double-digit rates.

The long-awaited turnaround may be underway. Two of the biggest programs did grow in June. Computer Systems and Support grew 8 percent, and Health Professions just turned the corner, rising 1 percent.

While the very largest programs may be declining, there are also some very fast-growing programs. Among the top 75 programs in our data set, there are several programs with astonishing growth rates. Both Welding and Electrical and Electronic training are up roughly 300 percent. A personal favorite of

mine, Liberal Arts, is up 94 percent. Health Information rose 86 percent, and Web Page/Digital Design rose 80 percent.

remaining players.

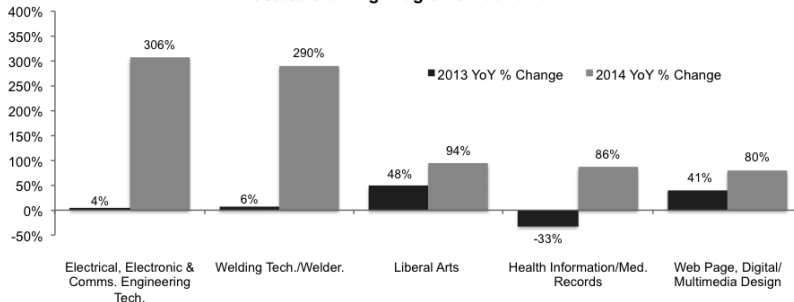
• **Is the rapidly changing competitive landscape creating opportunities or threats?**

Financial and regulatory constraints are forcing several major publicly held education institutions and many smaller ones to close their doors or cut their marketing. Savvy marketers may be able to target areas close to these campuses and take share. Tracking inquiries by program and city can quickly reveal where competitors have been forced to cut back and may be leaving “white space” in the

market. On the other hand, rapid increases in inquiry volume may indicate an area where a competitor has decided to beef up its marketing. If you have data on industry volume, you can identify these tactics and develop strategies to offset them, before you lose share.

In today’s education industry, competition is intense. In our view, the institutions with the best information will have a distinct advantage. Until recently, data on market size, inquiry volumes, and trends was very limited and often out of date. That is no longer the case. You can have access to monthly information on inquiries, applications, and inquiry pricing by program and location. Using this information you can make smarter decisions on who is really performing in your organization—and who is riding the tide. You can better target your marketing spend. And, you can take advantage of the rapid changes taking place in the competitive landscape.

Industry Inquiries
Fastest Growing Programs – June 2014



Note: Includes only programs within the top 75 for total inquiries since January 2012.

For industry executives, the variability in growth by market and program raises some interesting questions and opportunities. Let us explore a few examples:

• **Are the variations in growth by market and program distorting your performance evaluations?**

Since most owners and institutions do not know underlying trends by market or program, they may perceive marketers and campus leaders in the large, declining markets as weak performers—even if the managers are actually beating the averages for their markets. On the other hand, managers in the fast-growth markets and programs may look like heroes, when they may just be rising with the tide.

• **Which cities and programs are more likely to reward investments in marketing or new campuses?**

At first blush, the fast-growth markets seem most attractive. This would be correct if all the growth came from a general increase in the population or growing interest in education. However, the growth is also the result of increases in marketing spend by local competitors. So, these high-growth markets may be increasingly competitive. On the other hand, competitors may be leaving the declining markets, creating an opportunity for the

2014 APSCU Annual Convention & Exposition

Keynote Speakers



Charlie Cook, Political Analyst



Robert Herzog, Chairman of the Board,
APSCU



Bob Kerrey, former Governor and
Senator from Nebraska



Charlie Cook, Political Analyst



Jeb Bush, former Governor of Florida



Bob Kerrey, former Governor and
Senator from Nebraska



Leslie Sanchez, former CNBC Chief Economist and
Co-Host of SQUAWK BOX and Dr. Marci Rossell,
Author and Political Strategist

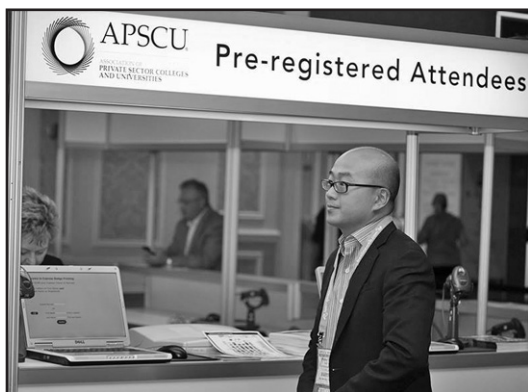


Audience members ask Charlie Cook questions.

2014 APSCU Annual Convention & Exposition *In the Exhibit Hall*



2014 APSCU Annual Convention & Exposition



Managing Investigations from the Consumer Financial Protection Bureau

By Allen Denson, Hudson Cook, LLP and Bruce Denson, Jr., Cobbs Allen

Disclaimer: This article is intended for informational purposes only and is not intended to be legal or professional advice. You should not act or rely on information in this article without first seeking the advice of an attorney.

The Consumer Financial Protection Bureau (CFPB or Bureau) markets itself as the federal government's new "cop on the beat to patrol the consumer financial services markets." Since even its marketing scheme evokes a strict law-and-order regime, it should come as no surprise that the Bureau is approaching the markets it regulates with an "enforcement-first" attitude, and private sector schools are in the line

of fire as evidenced by the Bureau's recent lawsuit against ITT Educational Services. But no CFPB lawsuit proceeds without some formal fact-gathering beforehand, and the ITT matter almost certainly began with the Bureau's primary investigatory tool, the Civil Investigative Demand (CID). As the CFPB turns its attention to private sector schools, many may see a CID firsthand.

How likely is it that you could be the lucky recipient of a CID? Consider the following. The CFPB's budget is roughly \$583.4 million for FY 2014. The Supervision, Enforcement and Fair Lending Division, the part of the CFPB that issues CIDs and conducts enforcement actions, has a budget of nearly \$165.3 million, nearly



ALLEN DENSON, is an attorney in the Washington D.C. office of Hudson Cook, LLP, a law firm that focuses exclusively on legal issues surrounding consumer financial products and services. He has helped clients respond to numerous CIDs from the CFPB, FTC

and other federal and state regulators. Prior to joining the firm, Allen worked as an enforcement lawyer at a federal banking agency, conducting

investigations and prosecuting enforcement actions against banks and other financial service providers. He also advises clients concerning their compliance obligations under federal and state laws.

Contact Information:

Allen Denson
Hudson Cook, LLP
1020 19th Street, NW
7th Floor
Washington, DC 20036
Phone: 202-223-6930
Email: adenson@hudco.com

No CFPB lawsuit proceeds without some formal fact-gathering beforehand, and the ITT matter almost certainly began with the Bureau's primary investigatory tool, the Civil Investigative Demand (CID).

30 percent of the Bureau's entire budget. In addition, the \$165.3 million figure represents a tremendous increase from the \$105.5 million budgeted for the same division in FY 2013. In short, the Bureau's increase budget likely means more CIDs in the future.

require the recipient to change its business practices and to pay a penalty, which can vary greatly in terms of magnitude. In some cases, the CFPB has conducted its investigation without pursuing a formal enforcement action against the recipient of a CID. In most cases, however, a CID typically ends with a lawsuit or settlement.

Here are some basic statistics regarding the CFPB's enforcement actions since it opened its doors. In 21 public settlements (only one case besides the ITT case has not settled), civil money penalties have varied widely. Excluding one case where a defendant in bankruptcy paid a \$1 penalty, the penalty amounts have ranged from the low five figures (\$34,000 for technical errors in data reporting) to several million dollars (\$25,000,000 for "unfair or deceptive"

What Does Receiving a CID Mean for My School?

A CID is how the CFPB begins a formal investigation. For recipients, it means the Bureau has taken the first step in its ultimate goal of initiating an enforcement action (lawsuit) and/or entering into a settlement agreement. Either a settlement or an enforcement action will typically



BRUCE DENSON, graduated with honors from Vanderbilt University with degrees in Philosophy and Classical Studies. He also holds a Masters in Theology from Covenant Theological Seminary. After graduate school he moved back to Birmingham to work for

Cobbs Allen, a large risk management consulting firm. He quickly advanced in the company and in 2007 founded the Education Practice Group. That same year he was also asked to join the MAPLYT training program, an executive leadership program open to the top 10 brokers under 35, run by Marsh-Berry, the largest brokerage consulting firm in the country. In 2009, after winning the top consultant award the previous two years, he was made a Vice President and also took over recruiting and training of new consultants. In 2010 Cobbs Allen appointed Bruce to the Board of Directors and he became Executive Vice President and a member of the Executive Committee.

Bruce specializes in evaluating risk management programs in terms of total cost of risk and utilizing alternative risk placement services, particularly captives, group captives, and rent-a-captives. He has put together specialized programs for the housing industry, difficult fleet exposures, independent schools and private sector education. Through seminars and

other speaking engagements he has also advised employers on strategies to reduce costs through alternative risk transfer vehicles. He is a frequent speaker in various industries on the topic of risk management, alternative financing, and difficult coverage issues. In 2008 his presentation on tax issues related to captives was granted CPE credit status by the state CPA board.

Bruce joined the Association for Private Sector Colleges and Universities in 2008 in an effort to grow the education practice group at Cobbs Allen and to increase his understanding of the risks faced in private sector education. Realizing that the greatest risk to a school involved educational malpractice claims and, perhaps greater, governmental funding claims, and that both of these were excluded by traditional policies he started working toward an APSCU program that could cover some of the losses due to these risks. Bruce is very active in APSCU and has attended conventions, assisted in fund raisers for congressmen sympathetic to the APSCU agenda, is a regular contributor to the APSCUPAC, served on the federal legislative committee, and participates in annually in Hill Day.

Contact Information:

Bruce Denson
Executive Vice President
Cobbs Allen
115 Office Park Drive
Birmingham, AL 35223
Phone: 205.874.1212
Email: bruce.denson@cobbsallen.com

billing practices). The Bureau assessed these civil money penalties in addition to any “restitution,” which can reach into the hundreds of millions of dollars (Bank of America recently paid more than \$700 million in restitution to settle claims about its billing practices for certain credit card products). Restitution derives from the alleged harm to consumers as determined by the CFPB. Between civil money penalties, restitution and legal defense fees, resolving a CID can be costly.

Basic Considerations in Responding to a CID

However, before you even consider the monetary amounts that are potentially at stake, you should be aware of the difficulties and procedural hurdles that are involved with responding to a CID. In a word, they can be burdensome. Here are a few practical considerations.

CIDs require you to provide voluminous information. A CID is, in its initial stages, a massive exercise in information gathering for “specifications” that come in one of three forms: (1) Interrogatories; (2) Requests for Documents; and (3) Requests for Written Reports. Each type of specification requires a different sort of information from the recipient. An initial CID can also include a request for oral testimony, but that usually comes at a later stage in the process.

An interrogatory typically requires you to provide a narrative response that describes or explains your business practices. It can also provide what practices the Bureau may be targeting. For private sector educational institutions, CID interrogatories are likely to focus on student loan marketing and servicing, student loans being the “consumer financial product or service” over which the Bureau has jurisdiction.

Thus, expect the Bureau to delve into the way that you market or enroll students in private student loans, the manner in which you disclose the terms of the loan, and if you service loans on your own behalf or enlist others to service loans for you, the manner in which you collect your loans or report delinquencies.

Like its name suggests, a request

for documents requires you to produce written material concerning a given topic. Satisfying the CFPB with your responses to their requests for documents will be the most difficult and time-consuming aspect of your response. The CFPB often words its requests for documents in the broadest possible terms. For example, a CID specification may request all documents “related to” the way in which you market your private loans to students. When the Bureau says “related to,” be prepared for a heavy lift to provide a complete response. The CFPB usually wants all emails, meeting notes, and correspondence, basically, any thought committed to writing that references or concerns the given topic. A single request for documents “related to” consumer complaints, for instance, could yield millions of pages of responsive materials.

A written report can also require significant legwork for the CID recipient. Essentially, a request for a written report requires that you provide varying sets of data. For example, the Bureau may request that you compile a table providing data on employment outcomes for your students. It may sound simple enough, but difficulties arise when the Bureau wants you to provide data that is not conveniently available.

For private sector educational institutions, CID interrogatories are likely to focus on student loan marketing and servicing, student loans being the “consumer financial product or service” over which the Bureau has jurisdiction.

This could result in your needing to create tables or other reports based on information that does not exist in electronic format, requiring you to construct data from a manual review of your files. As you can imagine, a manual review of even a smaller collection of files can be resource intensive.

CIDs require you to provide your response in a certain manner. In addition to the voluminous information the CID requires, the CFPB will also mandate that you

In addition to the voluminous information the CID requires, the CFPB will also mandate that you produce that information in a specific way.

produce that information in a specific way. The CID's "Document Submission Standards" (DSS), which accompany a CID, will describe

the production format in a very specific way. The DSS specifies everything from the content of your transmittal letter to the acceptable method(s) for encrypting electronic data. The most significant and burdensome aspect of the DSS are the requirements for your electronic documents, or Electronically Stored Information (ESI). Producing ESI will likely require you (specifically your IT department) to work closely with a vendor who can convert your ESI into the format requested by the Bureau. For example, a printed email will not suffice; you must produce the email in "native" format (the original electronic file) accompanied by certain "metadata" that reveals background information about the file.

Many aspects of the CID are negotiable. There is much about the CID that you can negotiate. From the time you receive the initial CID, you have opportunities to negotiate the terms, conditions, and timeline for responding to the CID. The first opportunity to modify the

CID is called the "meet and confer" session, which usually occurs within 10 days of receiving the CID. This is an informal session where you can advise the Bureau of specifications that will be particularly burdensome and clarify any vague language. Perhaps most importantly, you can also request extensions of time for your response, since the response time for a CID can be unrealistically short. If you make any requests to modify the terms, conditions, or timing of the CID, be prepared to have a clear rationale for why you seek a modification and suggest modifications that will work for you and still get the Bureau adequate information to meet its needs. This means that you need to realistically estimate your time, effort, and cost to comply with the CID.

Although the Bureau, in my experience, will be reasonable in considering your request, a modification, in particular an extension of time, is not automatic. Thus, you should prioritize what modifications are important to you and plan accordingly for the meet and confer session. If you are unable to secure any agreement from the Bureau regarding modifications during the meet and confer, there is a formal option to submit a written "Petition to Modify or Set Aside" the CID. However, if you decide to file one be prepared for disappointment; the Bureau has denied all petitions that have been filed to date. The better tactic is to secure what modifications you can during the meet and confer session and obtain agreement to revisit certain issues as appropriate. Building goodwill up front helps as you get farther down the road in responding to the CID. Glitches or other bumps in the road almost always arise.

The way in which you respond to a CID matters. While it is technically

enough to provide the Bureau with the information it requests through its CID, some proactive conduct on your part may go a long way in reducing any liability you face down the road. The reason for this is that the CFPB issued a bulletin entitled “Responsible Business Conduct” in June 2013.¹ According to the bulletin, “a party may proactively self-police for potential violations, promptly self-report to the Bureau when it identifies potential violations, quickly and completely remediate the harm resulting from violations, and affirmatively cooperate with any Bureau investigation above and beyond what is required.” Any of these actions may constitute “responsible conduct” under the terms of the bulletin. Responsible conduct can have real effects on the type and severity of the enforcement action that the Bureau ultimately pursues. In the best scenario, the Bureau would pursue no public enforcement action against you. In other circumstances, the Bureau could pursue “a less severe type of violation, reduce the number of violations pursued, or reduce the sanctions or penalties sought by the Bureau in an enforcement action.”

All of this comes with the caveat that the Bureau is not required to award any credit for responsible conduct. In fact, the bulletin warns that no consistent formula can be applied to all enforcement actions to accomplish the Bureau’s goal of protecting consumers. Despite these warnings, you should evaluate whether it makes strategic sense for you to pursue any of the circumstances that the Bureau would consider to be responsible conduct. In at least one instance, a 2013 case against U.S. Bank for deceptive marketing and lending practices that targeted the military, the Bureau did

not assess a CMP where it identified responsible conduct that consisted of proactively altering “problematic aspects” of the program in question and voluntarily providing refunds to consumers that the Bureau claimed had been harmed. In short, the idea here is to identify proactive steps that you can take now so that you can later make the case for your institution’s responsible conduct.

It is also important to keep in mind that responding to a CID, while bearing some similarities to litigation, is a completely different exercise than

responding to a civil complaint. A CID is a request for information from your federal regulator. As your federal regulator, the CFPB will continue to exercise oversight of the private sector industry on an ongoing basis for years to come. Thus, scorched-earth litigation tactics, even if successful in the short-run, could have unintended consequences in the future.

The initial CID is only the first step in a long process. Maddeningly, despite the burden and expense required in responding to a CID, your response is only the first step in what is ordinarily a very long process. An initial CID requesting general information may be followed by a second CID that is more specific. Moreover, initial requests for interrogatory responses and documents will be followed by specific requests to hold “investigational hearings.” Think of an investigational hearing as a deposition. There, CFPB lawyers will interview relevant personnel in a formal, on the record, proceeding. However, Bureau rules limit the ability of your attorney to interject

While it is technically enough to provide the Bureau with the information it requests through its CID, some proactive conduct on your part may go a long way in reducing any liability you face down the road.

¹ CFPB Bulletin 2013-06 (June 25, 2013).

or respond during the proceedings. Investigational hearings may be followed by still more requests for additional documents, interrogatory responses, or written reports through supplemental CIDs.

Maddeningly, despite the burden and expense required in responding to a CID, your response is only the first step in what is ordinarily a very long process.

When these information-gathering steps conclude, you should expect that the CFPB will provide you with a Notice of Opportunity to Respond and Advise (NORA) through a letter or phone call. The NORA will formally advise you that the CFPB seeks to start an enforcement action against you through filing a lawsuit and it should explain the charges upon which it would base the action. The CFPB will ask that you provide a written response to their NORA charges. After you respond, the CFPB will make a final decision on whether

to pursue an enforcement action against you. If the Bureau chooses to proceed, it will attempt to negotiate a settlement with you before filing a lawsuit. As mentioned above, all but two of the Bureau's enforcement actions have ended in settlements.

Having experienced counsel is highly advised. As should be apparent by the above considerations, it is highly advisable that experienced legal counsel represent you in your dealings with the Bureau. The difference could mean millions; CFPB settlements since it first filed enforcement action in 2012 have routinely settled for seven figures or more. Insurance coverage is not currently available in the marketplace. However, since it can potentially give rise to a claim, schools should seek advice from their brokers related to choosing counsel and notifying appropriate carriers.

7 Changes in Higher Ed Marketing You Should Expect

By Nick Barkman, Director of Business Development, Gragg Advertising

There are, in all likelihood, 10 gazillion quotes on the subject of change – trust me, I looked at all of them prior to completing this article. Boiled down, they all convey two core messages. First, it is inevitable and second it is a good thing. Of course, those of us in marketing know—while we agree with all that—change usually carries a third message... increased workload. The good news is, depending on your viewpoint, that a wide variety of changes happening rapidly around us provides the opportunity to pioneer, to invent, and to challenge ourselves as we help write a new Wikipedia-like guide to marketing schools and programs. I would like to highlight some upcoming changes you should expect and keep in mind when planning your strategies for fall enrollment and 2015.

1. CMO-CIO Marriages Will Begin Starting Families

For the past few years, the CMO-CIO relationship has become the mainstay as these roles are increasingly intertwined. Big data, increased concerns about student life cycle tracking and a host of other recent challenges have forged this union of

once-perceived strange bedfellows. In fact, according to a report by the CMO Council, 80 percent of marketers and 88 percent of IT experts feel this relationship is crucial for ensuring a customer-centric experience.

And as this relationship begins to mature, the next step is obvious: offspring. Having the department heads working together is a wonderful thing, yes. But what you should expect next are more vertical teams comprised of marketing and IT to brainstorm, discover and uncover solutions as a group. This will

.....



NICK BARKMAN

is a 14-year veteran in advertising and marketing. Nick leads a highly-skilled team of education marketing professionals for Gragg Advertising. He also lends his expertise as a frequent guest lecturer on marketing and advertising at the

University of Kansas School of Business.

Contact Information:

Nick Barkman
Gragg Advertising
450 East 4th Street
Kansas City, MO 64106
Phone: 816-931-0050
Email: nbarkman@graggadv.com

require much more careful planning and outlining of shared goals in the months ahead. But make no mistake; this is the future of marketing.

2. TV, Online and Mobile Video Strategy Will Converge

At Gragg Advertising, we have talked extensively about the new “screen agnostic” landscape. Although the technology has existed and the trend has been on the rise for years within our target student age group, 2014 looks to be the year in which screens (be it television, desktop, tablet or smartphone) will become one, synchronous medium. This does not, however, mean the shift should be to track all video messaging as one unit...yet. However, it does mean that, as viewing habits change exponentially over the next 8-12 months, we as marketers need to be prepared to view the consumer experience more holistically.

We do not need separate messaging based on the individual device. Instead, consolidation of message and simplicity will emerge the true winners in this competition. As market research giant Millward Brown states, eye-tracking results for digital display strongly indicates that, “attention is retained more by ads with a crisp, clear appearance that require minimal cognitive load.” They point to Dove’s “Real Beauty” and the famously minimalist Corona beer campaigns as prime examples of how this concept works in practice.

3. Wearables Will Change the Game

While fitness-based wearables control 90 percent of the wearable market right now, we are more interested in a couple of more universal options: smartwatches and, of course, Google Glass. One feature these products share is incredibly small visual space. What will happen

to SEO when search results have such a small window to occupy? At this point, Google Glass is ad-free but when the formula for message delivery is solved (rest assured, Google will figure it out) we will have a new format to contend with. Of course, this could take a while. As Marketing Land contributor John Lincoln puts it, “creating an ad that is non-intrusive but also one inch from someone’s face is not easy.”

These wearables are expected in the short term to be add-ons to smartphones, i.e., smartwatches being tied to specific smartphone products. The field is wide-open at this point and the potential for smartwear to become completely independent of their phone counterparts could mean another seismic “event” in the evolution of mobile marketing.

4. SEO: Conversation Engines

The 2013 Hummingbird update for Google created a mass of confusion, irritation and hand-wringing among the old guard of SEO. The big “not provided” scare of late last year ended up being just that, a scare. Sure, with all search queries being encrypted as of September, it is not great that you cannot tell which keywords provided the highest converting visitors. But many assumed this meant the death of keywords. It has not. It only means that those who historically stayed on the cutting edge of SEO, through dutifully creating and curating their content and strategically optimizing pages for relevance, will remain the leaders they were while the aforementioned old guard of link builders and system gamers will be all but eliminated from the competition.

The biggest change this represents for SEO is really content strategy. With Hummingbird moving search query into more conversational format, we need to begin looking at

our content in that way. For instance, you may have an amazingly user-friendly online application tool you have denoted on your site “(School Name) Quick Application” but, conversationally, you might change it to “Apply online to (School Name)” to better match a more conversational-language-based search query. Also, looking at distinctive individual concepts on each page you want to rank for will be critical. Overlapping content will be spotted and rolled up together in Google’s desire to further the personalized relevance of search results.

5. Advertising Regulations Will Grow

If you have any telemarketing, text strategies or FAX (I sincerely hope you do not have FAX marketing and sincerely DO hope you have a text strategy), then you know about the Telephone Consumer Protection Act (TCPA). Put into effect in Q4 2013, TCPA allows individuals to file lawsuits and collect damages for receiving unsolicited phone (and apparently FAX machine) messages from schools and other organizations. While this should not be of any real consequence to those who saw the obvious and began using double opt-ins – especially for text – there is now precedent set for more “opt-out by default” regulation. The implications of TCPA will likely not be too severely felt in the short term. However, we must begin looking ahead as interruptive technology creates the next medium for which consumers must opt in to receive messaging.

6. Social Media Reaches Maturity

While many marketing teams are still unsure how to measure the effectiveness of their social efforts, the fact that 96 percent of all marketers are engaged with social media in some format means this

medium has entered the stage of mainstream maturity. Over the past year-and-a-half, paid search through Facebook has become a great source of inquiries for many of our clients, despite Facebook’s early fumbling of this option, which caused many marketers to abandon it altogether. Similarly, paid advertising on Twitter is expected to boom in the second half to third quarter of 2014, even as the company re-strategizes its plan to retain users. LinkedIn has also made significant strides to provide higher productivity within their platform, offering new ways to network and communicate directly with consumers, including LinkedIn University pages.

And for those still unsure how to properly gauge your social media efforts, take a tip from renowned social strategist for Altimeter Group, Jeremiah Owyang, who says:

Social marketing, if fully integrated within a company’s marketing program, should be held accountable for three hard metrics:

1. Showing a demonstrable increase in desired outcome
- 2 Growing market share and awareness
- 3 Producing an overall reduction in marketing costs

His assertion is that by appending social data to student records, marketers can begin to see how social “impacts the (student) journey, including (admissions) and acceleration through the pipeline.” (Advertising Age, 2013)

7. Holistic Approach Will Come to Fruition

If nothing else has been conveyed throughout this article, I hope that you have gotten the message that siloed measurement is becoming obsolete. Smart marketers began looking at holistic data a few years ago and are putting more resources

into finding the connection between what we see and what we do. For instance, Gragg conducted an internal study in 2012 that revealed, across our client base, more than 1/3 of all online inquiries were directly sourced by an offline medium. What we have done since then is become more attuned to how all of our marketing channels work in concert to provide higher quality and higher volume inquiries for our customers.

A prime example of how this works is “sequential, multiscreen usage” (a topic also covered in “Gragg’s Mobile Playbook” available free for download on our site). A person might see and be personally impacted by a commercial for, say, a criminal justice program and puts in a search

query “(school name) criminal justice” later in the day. If we simply assign the inquiry source to Google, we are doing ourselves and our clients a disservice by devaluing the impact the television spot had on the customer. As tracking methodology and technology continues to advance, we foresee many marketing budgets being based on a more holistic vantage point for 2015.

I hope the information in this article has been helpful to you and that you are greeting the challenges ahead with a renewed energy and enthusiasm. Best wishes for your fall enrollments and the rest of 2014!





I want to be informed!

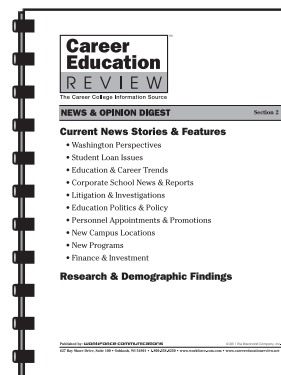
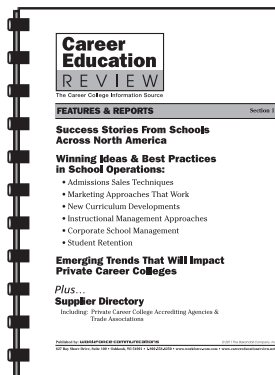
YES!

Please sign us up for an annual subscription (24 issues – just \$329) to the **CAREER EDUCATION REVIEW**.

☐ Payment enclosed

☐ Bill me

FAX to 1-920-659-7797



Name _____ Title _____

Company/Firm _____

Address _____ City _____ State _____ Zip _____

Phone () _____ E-mail Address _____

Method of payment: ☐ Our check for \$ _____ is enclosed.

☐ Charge to: ☐ VISA ☐ MasterCard ☐ American Express # _____

Cardholder's Name _____ Exp. Date ____ / ____

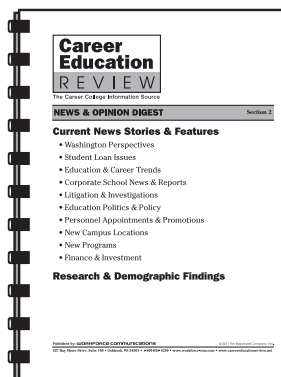
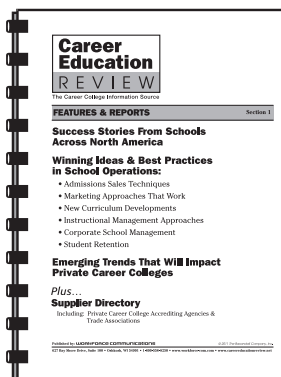
Signature _____

Career Education Review • 2221 South Webster Avenue, STE A #255 • Green Bay, WI 54301
Phone: 1-920-264-0199 • Fax: 1-920-659-7797 • www.careereducationreview.net



Inform my colleague, too!

YES, please send a **FREE** sample of the **CAREER EDUCATION REVIEW** to the person below.



Winning *ideas*,
Emerging *trends*,
Exceptional *people*,
and *news* from across
the country that impacts
private career colleges.



FAX to 1-920-659-7797

Name _____ Title _____

Company/Firm _____

Address _____ City _____ State _____ Zip _____

Phone () _____ E-mail Address _____

Career Education Review • 2221 South Webster Avenue, STE A #255 • Green Bay, WI 54301
Phone: 1-920-264-0199 • Fax: 1-920-659-7797 • www.careereducationreview.net