Senator Harkin’s Findings Regarding Veterans and For-Profit Colleges
Where are Federal G.I. Bill Dollars Going?

Top Ten Recipients of Post 9/11- G.I. Bill Benefits

- Apollo
- EDMC
- ITT
- DeVry
- CareerEd
- Strayer
- Corinthian
- U. of Maryland System
- Kaplan
- U. of Texas System

Dollars in Millions

- $133
- $113
- $99
- $96
- $71
- $49
- $39
- $31
- $27
- $25
- $77
- $60
- $48
- $58
- $32
- $22
- $20
- $17
- $20

Source: Senate HELP Committee analysis of Department of Veterans Affairs data; Does not include Yellow Ribbon program.
### What Are Taxpayers and Veterans Getting For Their Money?

#### Student Outcomes for the 10 Colleges Receiving the Most G.I. Bill Benefits

<table>
<thead>
<tr>
<th>Institution</th>
<th>Bachelor’s Students Withdrawn</th>
<th>Associate Students Withdrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apollo (University of Phoenix)</td>
<td>50.3%</td>
<td>66.4%</td>
</tr>
<tr>
<td>ITT</td>
<td>44.5%</td>
<td>53.1%</td>
</tr>
<tr>
<td>Ed. Mgmt. Corp. (Art Institute, Argosy)</td>
<td>61.9%</td>
<td>63.7%</td>
</tr>
<tr>
<td>DeVry</td>
<td>56.4%</td>
<td>54.3%</td>
</tr>
<tr>
<td>Career Ed. Corp. (Sanford Brown, CTU)</td>
<td>51.4%</td>
<td>61.7%</td>
</tr>
<tr>
<td>Strayer</td>
<td>34.1%</td>
<td>48.8%</td>
</tr>
<tr>
<td>Corinthian (Everest, Heald, WyoTech)</td>
<td>59.2%</td>
<td>66.5%</td>
</tr>
<tr>
<td>U. of Maryland System</td>
<td>13.1%*</td>
<td>N/A</td>
</tr>
<tr>
<td>Wash. Post Co. (Kaplan)</td>
<td>68.2%</td>
<td>69.1%</td>
</tr>
<tr>
<td>U. of Texas System</td>
<td>26.4%*</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Senate HELP Committee analysis of Department of Veterans Affairs data, Department of Education data and documents provided by schools.

* For-Profit student outcomes based on all students who enrolled between July 1, 2008 and June 30, 2009 as of mid-2010. Public university systems’ outcomes based on Department of Education retention data and includes only first-time full-time students.
Taxpayers Spend More than Twice as Much to Train Veterans at For-Profit Colleges

<table>
<thead>
<tr>
<th></th>
<th>Public Colleges</th>
<th>For-Profit Education Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-4,000</td>
<td>$4,642 Per Veteran</td>
<td>$10,441 Per Veteran</td>
</tr>
<tr>
<td>4,001-8,000</td>
<td>$4,642 Per Veteran</td>
<td>$10,441 Per Veteran</td>
</tr>
<tr>
<td>8,001-12,000</td>
<td>$4,642 Per Veteran</td>
<td>$10,441 Per Veteran</td>
</tr>
</tbody>
</table>

Source: Senate HELP Committee analysis of Department of Veteran Affairs data.
Students at For-Profit Colleges are 13 Percent of All College Students But Receive ... 

- 25% of Student Loans and Grants 
- 38% of All Post-9/11 G.I. Bill Funds 
- 50% of All DOD Tuition Assistance Funds

Source: Senate HELP Committee analysis of Departments of Defense, Education and Veteran Affairs data.
Where are Department of Defense Tuition Assistance Dollars Going?

Top Ten Recipients of DOD Tuition Assistance Benefits, FY2011

Note: * indicates public school, # indicates non-profit school.
Source: Senate HELP Committee analysis of Department of Defense data.
Top Ten Recipients of DOD MyCAA Benefits, FY2011

For-Profit Schools
Public Schools

Note: * indicates school not subject to Department of Education student protections and regulations.
Source: HELP Committee analysis of Department of Defense data.
Background on Senator Harkin’s HELP Committee Investigation into For-Profit Colleges
76 Percent of For-Profit College Students Attend Schools that are Wall Street Owned

Private Equity Owned
295,047 Students
- BC Partners
- Great Hill Partners
- Gryphon Investors
- Housatonic Partners
- JLL Partners
- Kohlberg, Kravis, Roberts & Co.
- Leeds Equity Partners
- Liberty Partners
- Quad Partners
- Willis Stein and Partners

Mom and Pop
535,450 Students

Publicly Traded
1,408,529 Students
- Apollo Group
- Education Management Corp. (Goldman Sachs)
- Washington Post Co.
- Career Education Corp.
- Corinthian Colleges
- Bridgepoint Education (Warburg Pincus)
- ITT Educational Services, Inc.
- DeVry Inc.
- American Public Education, Inc.
- Strayer Education, Inc.
- Grand Canyon Education, Inc.
- Capella Education Co.
- Lincoln Educational Services
- Universal Technical Institute, Inc.
- National American University Holdings, Inc.

Source: HELP Committee Analysis of U. S. Department of Education Fall 2009 Enrollment Data
86 Percent of For-Profit Education Company Revenues Come from Taxpayer Dollars

Revenue at 15 Publicly Traded For-Profit Education Companies, 2009

- 85.8% Federal Dollars
- 14.2% Non-Federal Dollars

Source: HELP Committee analysis of documents provided by companies.
For-Profit Colleges Spend Taxpayer Dollars on Marketing and Profit

Spending at 15 Publicly Traded For-Profit Education Companies, 2009

- Marketing, Recruiting and Advertising, 22.6%
  - $3.7 Billion
- Other, 57.7%
  - $3.2 Billion
- Profit, 19.7%
  - $9.3 Billion

Other includes: administration, executive compensation, facilities, faculty salaries, instruction, lobbying and students services.

Source: HELP Committee analysis of SEC Statements and documents provided by companies.
... And Tuition is Extremely High

Cost of Associate Degree Business Programs – Community College v. For-Profit College

**COLORADO**
- Community College of Denver: $7,048
- Westwood College: $35,397

**FLORIDA**
- Miami Dade College: $6,453
- Everest College: $46,792

**INDIANA**
- Ivy Tech Community: $9,358
- ITT Tech: $44,570

Source: Course catalog or tuition information available on school websites.
Cost of Bachelor’s Degree Business Programs – Public University v. For-Profit College

<table>
<thead>
<tr>
<th>State</th>
<th>University</th>
<th>Public School</th>
<th>For-Profit School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colorado</td>
<td>University of Colorado</td>
<td>$41,056</td>
<td>$70,439</td>
</tr>
<tr>
<td></td>
<td>Westwood College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Florida</td>
<td>University of Florida</td>
<td>$24,458</td>
<td>$81,680</td>
</tr>
<tr>
<td></td>
<td>Everest University</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indiana</td>
<td>Indiana University</td>
<td>$39,612</td>
<td>$88,940</td>
</tr>
<tr>
<td></td>
<td>ITT Tech</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Course catalog or tuition information available on school websites.
For-Profit Colleges Employ Many Recruiters But Few Placement Staff

Apollo Group, Inc. Recruiting and Career Placement Staffing, 2007-2010

Number of Students

Number of Employees

2007 2008 2009 2010

Enrollment Recruiting and Admissions Career Services and Placement

Source: Apollo Group SEC Statements and Senate HELP Committee Analysis of Documents Provided by School.
### Ten Highest Withdrawal Rates for Associate Degree Students Enrolling in 2008-2009

<table>
<thead>
<tr>
<th>Company</th>
<th>Schools Operated</th>
<th>Withdrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridgepoint</td>
<td>Ashford University</td>
<td>84%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>Lincoln Technical Institute, Euphoria Institute</td>
<td>70%</td>
</tr>
<tr>
<td>Wash. Post</td>
<td>Kaplan University, Kaplan College</td>
<td>69%</td>
</tr>
<tr>
<td>Corinthian</td>
<td>Everest College, Heald College, WyoTech</td>
<td>66%</td>
</tr>
<tr>
<td>Apollo</td>
<td>The University of Phoenix</td>
<td>66%</td>
</tr>
<tr>
<td>Keiser</td>
<td>Keiser University, Keiser College</td>
<td>65%</td>
</tr>
<tr>
<td>EDMC</td>
<td>The Art Institute, Argosy University, Brown Mackie College</td>
<td>64%</td>
</tr>
<tr>
<td>Rasmussen</td>
<td>Rasmussen College</td>
<td>63%</td>
</tr>
<tr>
<td>CEC</td>
<td>Sanford Brown, Le Cordon Bleu, Colorado Tech. University</td>
<td>62%</td>
</tr>
<tr>
<td>Alta</td>
<td>Westwood College</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: HELP Committee analysis of documents provided by 30 for-profit education companies during 2008-2009 as of September 30, 2010.

- These 10 Companies enroll over 1 million students, almost half of all for-profit students.
### Students at For-Profit Schools are Defaulting at Much Higher Rates than Other Sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number in Default</th>
<th>Number in Repayment</th>
<th>3-Year Cohort Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Schools</td>
<td>166,571</td>
<td>1,715,377</td>
<td>9.7%</td>
</tr>
<tr>
<td>Private, Non-Profit Schools</td>
<td>51,269</td>
<td>757,004</td>
<td>6.8%</td>
</tr>
<tr>
<td>For-Profit Schools</td>
<td>191,922</td>
<td>859,597</td>
<td>22.3%</td>
</tr>
<tr>
<td>All Schools</td>
<td>410,032</td>
<td>3,339,554</td>
<td>12.3%</td>
</tr>
</tbody>
</table>

**For-Profit Schools Account for 13 Percent of Students But Almost Half of All Defaults**

Source: U. S. Department of Education