

June 10, 2019

Honorable Senator Steve Glazer  
Chair, Business & Professions Committee  
State Capitol Building, Room 5018  
Sacramento, CA 95864

Re: AB 1343 (Eggman): Support – June 17, 2019 Hearing Date

Dear Senator Glazer,

On behalf of DeVry University, I am writing to provide the Committee with our position and insights regarding proposed Assembly Bill 1343.

DeVry University is a degree-granting higher education institution serving nearly 2,500 California students across 10 campus locations and online. Founded in 1931, DeVry's mission is to foster student learning through high-quality, career-oriented education integrating technology, science, business and the arts. The university delivers practitioner-oriented undergraduate and graduate programs onsite and online to meet the needs of a diverse and geographically dispersed student population.

DeVry University is accredited by The Higher Learning Commission (HLC), and approved to operate in California by the California Bureau for Private Postsecondary Education (BPPE). Eligible DeVry students also participate in the Cal Grant program, which is regulated by the California Student Aid Commission (CSAC).

With more than 24,000 alumni currently residing in California, DeVry University is an integral component of the postsecondary education landscape serving California's diverse student population. As California's economy and workforce needs continue to rapidly evolve, DeVry University is uniquely positioned to continue making a positive impact.

DeVry University is also a leader in fostering greater transparency and accountability in higher education. This is demonstrated by our public policy positions, as well as our voluntary adoption of accountability standards. We refer to these standards collectively as our Student Commitments, which were adopted in 2016. Notably, one of our voluntary commitments is to derive no more than 85% of revenue from federal funds, including military and VA funding.

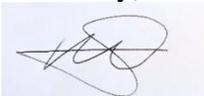
DeVry has a long history of championing equitable and effective accountability regulations for all institutions. Our hope and expectation is that institutions in every sector will follow our lead, and operate with the same high level of transparency and commitment to students. On that basis, we offer our support of California Assembly Bill 1343, as proposed to be amended.

The primary provision, that no more than 85 percent of an institution's tuition revenue be derived from federal funds, including military and VA funding, matches our Student Commitment mentioned above. A secondary provision offers an alternative pathway for institutions to maintain approval, if the primary 85/15 revenue standard is not met. As proposed to be amended, this provision would charge BPPE with crafting regulations defining the types of expenditures included as student support and instruction, taking into account other activities related to student success, such as academic support and student services.

We look forward to working closely with BPPE and other stakeholders through the regulatory process to ensure the final regulations accurately reflect all activities related to student success, persistence and graduation. While we do not believe this provision is a model for standalone regulatory oversight of higher education institutions, it has potential in this context to serve as a viable alternative pathway for institutions not meeting the primary 85/15 revenue standard.

The California Legislature has a long history of working with stakeholders, including higher education institutions from all sectors, to craft education policy that is reasonable, fair and effective for students and institutions. We have included below an overview of all our Student Commitments, which demonstrates DeVry's commitment to transparency and accountability. We look forward to the opportunity to continue working closely with the Committee in the future. Should you have any questions or concerns please do not hesitate to contact me at [rsagers@devry.edu](mailto:rsagers@devry.edu) if I may be of further assistance.

Sincerely,



Ryan Sagers  
Group President

Cc: Members, Business & Professions Committee, Assembly Member Susan Eggman,  
Committee Consultants



## DeVry University Student Commitments

### 1. **Informed Student Choice:**

We provide all prospective students with a disclosure containing key information about program performance, such as total cost, debt and default rates, as well as completion and graduation rates.

### 2. **Responsible Recruitment and Enrollment:**

We provide individualized financial and academic advising to all prospective students, and discuss with them any questions or concerns before making any financial commitment.

We record all admissions conversations, and have a process to evaluate a subset to ensure compliance and clear student communication.

We publically report our use of revenues for marketing, instruction and academic support, student services and scholarships.

### 3. **Responsible Participation in the Federal Loan Process:**

We have committed to derive no more than 85% of our revenue from federal funds, which includes military and VA funding. This exceeds the existing "90/10" federal requirement, which does not include military or VA funding in the federal portion.

Before implementing new academic programs, we review the planned program's pricing and expected career outcomes to ensure alignment with the student's ability to repay debt upon successful completion of the program.

### 4. **Financial Literacy and Academic Transparency:**

We provide each student with an annual Borrower Advisory Notice, which contains a detailed outline of the student's borrowing and repayment obligations.

We provide students with clear information and assistance throughout their educational experience regarding their progress and financial investment towards their academic goals.

We provide all students with access to Manage My Loans, a dynamic online tool that gives students ongoing visibility into overall program progression, outstanding loan

balance (including estimated repayment obligations), financial position compared to academic progress, and credits required to graduate.

#### **5. Improving Student Satisfaction:**

Our enrollment agreements do not require students to arbitrate disputes with us, nor do we prohibit students from participating in or seeking class action remedies.

We maintain clear and transparent student complaint resolution policies readily available to students via DeVry's website and academic catalog or student handbook.

We provide students with an escalation pathway and contact information to state oversight bodies with jurisdiction over student consumer complaints.

#### **6. Successful Student Outcomes and Accountability:**

We identify and proactively engage with students who may be at risk for program completion. One example of our dedication to student outcomes is our partnership with Civitas Learning to implement a tool called Inspire. The tool uses algorithms based on student success predictors to provide faculty and Student Support Advisors with course-level engagement information for each individual student to identify underperforming students at risk of failing a particular course.

DeVry Student Support Advisors target proactive outreach to at-risk students at the right time with personalized advising strategies that take into account student-specific insights from Inspire, such as student background, course information, warning flags and outreach history.

An independent third party reviewed and confirmed DeVry's adherence to these commitments to our students in 2017 and 2018, demonstrating DeVry's commitment to student outcomes, transparency and accountability.<sup>1</sup>

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<sup>1</sup><http://newsroom.devry.edu/student-commitments/>