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## SPECIAL REPORTS

### Tribute to Stephen D. Parker

Stephen Friedheim shares his moving and very human tribute to Stephen Parker who died in March. Parker served in a number of career college roles, including college comptroller and president, but is best remembered for his leadership of the accrediting commission of ACICS. p.1

### Hill Day & GREAT Awards 2006

At the annual CCA Hill Day, more than 50 CCA members visited over 100 members of Congress to thank them for their continued support of reauthorization and their sensitivity to issues of concern by career colleges. p.3

After receiving over 100 nominations, CCA honored five career college graduates with the Graduate Recognition for Excellence, Achievement and Talent (GREAT) Award. The graduates were honored at a dinner that

preceded Hill Day, attended by congressional leaders as well as CCA members from around the country. p.4

## BREAKING NEWS

### Education Management Corporation Announces Agreement to Be Acquired by Providence Equity Partners and Goldman Sachs Capital Partners for \$43 per Share in \$3.4 Billion Transaction

#### *The Deal:*

The purchase price represents a premium of 16.3 percent to the price of EDMC shares as of March 3, 2006, and a 26.4 percent premium to the company's average closing price of \$34.02. The deal, which has produced speculation as to the possibilities of similar deals, is expected to close this summer. p.5



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**Press Commentary:**

*Pittsburgh Business Times*

EDMC's decision to go private may reflect a desire to distance itself from its more volatile peer group. p.7

*Inside Higher Ed*

...The era of "hypergrowth" in for-profit higher education is over; it is increasingly difficult to function as a publicly traded college business. p.7

**Analysts' Perspectives by:**

Jeffrey M. Silber p.8

Harris Nesbitt

Jennifer Childe p.8

Bear Stearns

Trey Cowan p.9

Stanford Group Co.

Howard M. Block, Ph.D. p.9

Bank of America

**CAREER COLLEGE UPDATES**

**Western Career College Adds Schools, Programs**

With the support of its parent, U.S. Education Corp., Western Career College has tripled its size in the last three years and is now the largest private, for-profit healthcare training school in Northern California serving 3,500 students at nine campuses. p.10

**Class Heads to the Bar for Tips on Music Scene**

Minnesota School of Business' Music Business class meets in a local bar to learn the skills of successful band booking and promotion. p.12

**Publicly Traded Universities Are a Better Deal For Some Students**

Analysts who cover the sector say quality usually trumps profits, but there isn't always a clear definition between academics and the desire to bolster the bottom line. p.13

**FIRST Robotics Competition a High-Tech Spectator Sporting Event**

DeVry University has joined with a number of high tech companies and NASA to support the event, which involves 48 teams with over 1,000 students from the Colorado region. p.15

**NEW CAMPUS LOCATIONS**

**ITT Technical Institute** opens in Oklahoma City, Okla., and Lexington, Ky. p.16

**Westwood College** opens new expanded campus in California's South Bay area. p.16

**NEW PROGRAMS**

**Baker College Takes Technology Lead With Wireless Campus**

Baker College of Port Huron became the first college in the area to provide wireless Internet access throughout its campus. p.17

**Online Degree Program Scores With Video Game Enthusiasts**

Video game sales have grown from \$6.6 billion in 2000 to \$9.4 billion in 2004. p.17

**Heald College Offers Associate of Arts Program**

The AA degree programs offer Heald students an opportunity to complete a second degree in their field of study in six to nine months' time. p.18

**PERSONNEL APPOINTMENTS AND PROMOTIONS**

**John T. South, III** has been named chairman of Argosy University with oversight of Argosy's 13 campus locations and six extension sites in 11 states. p.19

**Robert T. McDowell**, chief financial officer and **J. William Brooks**, president and chief operating officer with Education Management Corporation will both leave the company at the end of the fiscal year. p.19

**ACQUISITIONS AND MERGERS**

**Lincoln Educational Services to Acquire New England Institute of Technology at Palm Beach**

The \$35.3-million-plus deal for the school provides entry into one of the nation's fastest growing counties, and is the platform for the introduction of the Lincoln College of Technology brand. p.20

## Dublin Business School Acquires European Business School Dublin

DBS is Ireland's largest private undergraduate institution and a subsidiary of Kaplan, Inc. EBS is a private third-level institution specializing in international business programs. p.21

### CORPORATE SCHOOL NEWS AND REPORTS

## APOL Apollo Group, Inc.

The company announced a financial shortfall due to slowing enrollment for the fifth quarter in a row. New president Brian Mueller describes Apollo as a company in transition and in the process of reinventing itself. p.22

Under the leadership of Brian Mueller, well known for his work at the University of Phoenix Online, the company is seeking a turnaround as it pursues new markets. p.23

Unfortunately for investors who followed Wall Street's advice regarding the departure of long time president Todd Nelson that it was fine to continue to hold the stock, the stock value dropped 22 percent since his departure, a loss of \$2.4 billion in investor capital. p.26

## CECO Career Education Corporation

The U.S. District Court (Ill.) has dismissed a securities class action against the company and certain of its current officers, holding that the plaintiffs have once again failed to plead a federal securities law violation. p.28

A trial judge has ruled that the California Bureau for Private Postsecondary Vocational Education improperly issued Brooks Institute a Notice of Conditional Approval to Operate, and that the Notice is invalid. p.28

## UTI Universal Technical Institute, Inc.

The company's board of directors has authorized the company to repurchase up to \$30 million of its common stock. p.30

### LEGAL ISSUES

## Decker Auction Raised More Than \$88,000 Towards School's Debts

Additional auctions are planned. The U.S.

Department of Education has said Decker owes \$7.2 million. p.31

## Decker Bankruptcy Trustee Can Talk to Accrediting Official

Gary Puckett, executive director of the Council on Occupational Education, can be asked about letters he sent to the U.S. Department of Education about Decker's use of online classes. p.31

## High-Pressure Recruiting Helped Speed Decker College Downfall

Contest and prize-driven Internet advertising helped build the school's enrollment from 200 in 2003 to over 3,700 in less than two years. p.32

## Student Takes on College and Wins

A lawsuit against Crown College in Tacoma, Washington, over credits that don't transfer sheds light on a broader issue with private, for-profit institutions. p.33

### FINANCE AND INVESTMENT

## For-Profit Schools at 'Tipping Point'

Analysts report that soaring growth and profits appear to have peaked for some colleges catering to working students. p.36

## Demographic Shift Hits For-Profit School

Apollo Group, Inc. shares plunged to their lowest level in nearly three years after the company warned that the dwindling ranks of its once biggest student population—baby boomers—will hurt profits. p.38

### REVIEW OF ADVERTISEMENTS

## Display Ads p.39

- Keiser College
- Parks College
- San Joaquin Valley College
- MedVance Institute
- ATI
- Institute for Business & Technology