

# Contents

CAREER COLLEGE UPDATES

## Metropolitan College Closes Tulsa Branch

This is the third campus closed by the college this year, leaving only two of the original five locations in operation. p.1

## Nursing School Changes Name

DeVry Inc. has announced that Deaconess College of Nursing will now be named Chamberlain College of Nursing and will be expanding its programs. Additional campuses in other markets are under consideration. p.1

## Irving A. Berk, 100, the Founder of Trade and Business School

Mr. Berk was a pioneer in the non-degree trade school sector opening his first school, which taught only plumbing, in 1940. Over the years

Berk's programs expanded to include many other trades and office skills. p.2

## A Degree of Difference

Grand Canyon University's chief information officer, Richard Zbylut, is charged with developing the school's online infrastructure. p.3

## Showing Off Their Talents

DeVry's Senior Project Fair offers students the opportunity to show off their projects, which reflect the skills they've obtained in course work. p.5

## Berkeley College Awards

### Doctor of Pedagogy to Chairman Emeritus Larry L. Luig

The degree was conferred as part of the celebration of the 75th anniversary of Berkeley College. p.7



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## NEW CAMPUS LOCATIONS

### **ITT Educational Services, Inc. Announces the Opening of its First ITT Technical Institute in North Carolina**

The opening of the Charlotte campus expands ITT Tech's national presence to 33 states. p.8

## NEW PROGRAMS

### **Intelligroup and Kaplan IT Learning Announce Strategic Alliance to Provide Clients Online Technology Training**

Together, the companies will develop e-learning solutions for the public sector, K-12 school districts, telecommunications, and utilities markets. p.9

### **Kaplan IT Learning Launches CWNA Practice Exam for Wireless LAN Administration**

The CWNP program is considered the industry standard for wireless local area network (LAN) training and certification. p.10

## PERSONNEL APPOINTMENTS AND PROMOTIONS

### **FMU Gets First Florida-Based COO**

Corinthian Colleges has named Janis Schoonmaker as president and chief operating officer for the Tampa-based FMU's 10 campuses in the state. p.11

### **DeVry Inc. Appoints New Chief Financial Officer**

Richard M. Gunst will become the company's new chief financial officer and treasurer, succeeding Norman M. Levine. p.11

## EDUCATION TRENDS

### **Florida Nursing Shortage**

Keiser College has released recent statistics regarding nursing careers in Florida, along with a description of the college's own nursing program. p.12

## ACQUISITIONS AND MERGERS

### **Texas Postsecondary School Becomes First Holding of Education Futures Group**

Computer Career Center in El Paso, Texas has been acquired by Prospect Partners and veteran postsecondary school operator Jim Tolbert. p.13

### **YTI Career Institute to Acquire Computer Learning Network**

With the deal expected to close in September, the two CLN campuses in Mechanicsburg and Altoona will complement YTI's York and Lancaster school locations. p.14

### **TRP Invests in Texas Driving School**

Transportation Resource Partners has invested in the Smith System Driver Improvement Institute in Arlington, Texas. p.14

## LEGAL ISSUES AND INVESTIGATIONS

### **Tough Talk Heats Up HCI Case**

Attorneys for Harrison Career Institute call the U.S. Department of Education "vicious," "vengeful," and "downright evil," for attempting to cut the school off from millions of dollars in future federal student aid. p.15

### **Former Vocational School Owner Arrested**

A federal grand jury indicted Reynaldo Garcia on 13 counts of embezzling financial aid and 4 counts of falsifying records while he owned South Texas Vocational Technical Institute. p.16

## FINANCE AND INVESTMENT

### **Sector Preview: For-Profit Education**

Analysts expect for-profit education companies to report lower enrollment in second quarter as the job market improves. p.17

### **Closer Look at Unemployment Data and its Impact on Education Companies**

While unemployment rates are below five percent, Trey Cowan of the Stanford Group Company believes that this is an unsustainable

low level given other factors impacting the economy. p.18

### **Apollo Group, Inc.—A Different Kind of Price War**

Bidding on words remains a large part of the online marketing machine. The price for “Associate Degree” at Yahoo has more than doubled in two years—\$11 versus \$5 in 2004. p.18

### **Pass or Fail—Heading into the June Quarter Reporting Season**

Jennifer Childe, Bear Stearns & Co., believes that the postsecondary companies should begin to benefit from easier comps as well as the fruits of their turnaround plans, new technology efforts and training initiatives. p.19

### **Lincoln Educational Services: Auto Tech Takes the Express Lane to the NY Market**

Lincoln Tech’s new Queens school could help satisfy a large portion of New York City’s demand for skilled auto technicians, estimated at 600 in 2006 and 1,000 for each of the next five years. p.19

## CORPORATE SCHOOL NEWS AND REPORTS

### **APOL Apollo Group, Inc. SEC Opens Review of Apollo Stock Options**

The informal review follows a probe by the U.S. Attorney’s office in New York. p.20

#### **SEC Probe Adds Risk For Apollo**

The company’s stock price has suffered on news of the SEC probe. p.20

#### **Apollo Group Shares Fall After NASDAQ Non-Compliance Notice**

The company will request a hearing and its shares will remain listed. p.21

### **COCO Corinthian Colleges, Inc. Corinthian Colleges Reviewing Historic Stock Option Grants**

The voluntary review will extend back to the initial public offering in 1999. p.22

#### **Corinthian Receives Continued Accreditation for GMI Atlanta and Two Branches**

The company has received continued ABHES accreditation for the GMI Georgia schools and two Olympia Institute campuses in Michigan. p.22

### **ESI ITT Educational Services, Inc.**

The company reported for the second quarter 2006 that new student enrollment increased 10.4 percent and total student enrollment increased 6.3 percent to 44,025. p.23

### **LAUR Laureate Education, Inc.**

The company reported a 30 percent increase in second-quarter profit, driven by a rise in new student enrollment; net income soared 76 percent to \$38 million, or 72 cents per share, from \$21.6 million, or 42 cents per share, during the year-ago period. p.25

### **STRA Strayer Education, Inc.**

The company reported a record second quarter with revenues up 19 percent, total enrollments up 15 percent, new students up 15 percent, and online enrollments up 24 percent. p.27

## PUBLIC POLICY

### **Perceptions of College Financial Aid Among California Latino Youth**

The study shows the need for a greater effort to create awareness, with this population, regarding the availability of financial aid and the benefits of a college education. p.30

## REVIEW OF ADVERTISEMENTS

### **Display Ads p.31**

- Empire College
- Everest College
- Parks College
- Miller-Motte Technical College
- Central Florida Institute
- Americare School of Nursing
- Lamson College
- San Joaquin Valley College
- Universal Technical Institute
- National Training, Inc.
- Embry-Riddle Aeronautical University
- Institute of Technology