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OBITUARIES

C.M. Fike II

City College, Fort Lauderdale

C.M. Fike II, well-known and liked owner of City College, died September 4, 2007. p.1

James M. Phillips, Ph.D.

Executive Director/Accrediting Commission Association of Independent Colleges & Schools 1979-1992

Dr. Phillips, a pioneer and well-respected leader in postsecondary education, passed away in Simpsonville, South Carolina. p.2

CER OPINION AND ANALYSIS

For What It's Worth... Leaving Money on the Table

In their consulting practice, the Friedheims find that the biggest problem is students graduate owing large balances with no commitment for payments. p.3

WATCHING WASHINGTON

Half Full: Signature of Reconciliation Bill Only Highlights the Need to Finish HEA

The College Cost Reduction and Access Act pumps billions of financial aid into post-secondary education, but leaves many of the issues that impact the career college sector unresolved. p.5

WASHINGTON PERSPECTIVE

HIGHER ED WATCH Roundup

A comprehensive digest of education policy, commentary and reports for the month from the perspective of *Higher Ed Watch*. p.7

Bush Signs Sweeping Student Loan Bill Into Law, Adding an Asterisk

The bill will provide more than \$20 billion in federal aid to college students and will also cut subsidies to student loan providers by 80 percent. p.11



The Career College Information Source

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IN THE STATES—CALIFORNIA

Gov. Gets Heat on Schools

Student advocates call a plan for oversight of for-profit trade schools a 'disaster,' favoring so-called diploma mills. p.12

CCA Letter to the Editor Challenges LA Times Reporting on Sector

President Harris Miller noted that the reporting includes several unfair references to the career college sector and the role of colleges in advocating for an oversight measure that protects students without penalizing for-profit institutions. p.14

STUDENT LOAN ISSUES

Department of Education Dear Colleague Letter

Subject: Releasing Student Information

The Federal Freedom of Information Act (FOIA) only applies to Federal agencies and their employees. Institutions that participate in the Title IV, HEA programs are not subject to the Federal FOIA, and therefore are not required to release any student information under this law. p.16

New Study Finds Student Loan Debt Increased More Than Starting Salaries in 2006

The average student loan debt for graduating seniors was eight percent higher in 2006 than in 2005, while starting salaries only increased by four percent in the same period. p.17

Why the Cost of College Won't Drop Anytime Soon

While the new law will increase aid to low-income students, it will not mandate that any colleges rein in their costs. p.19

Identifying a Trend

Private student loan borrowing currently accounts for 20 percent of all education borrowing and is the fastest growing component of financial aid. Experts suggest that an education-lending crisis is unlikely, unlike the current mortgage lenders' problems. p.21

The Wacky World of Student Loans How Government Created an 'Industry'

The student loan 'industry' is an interesting case study in politics and business. p.22

Student Lender Cuts Jobs

Nelnet Inc. reported that it will have to eliminate 400 jobs because of new lending rules before Congress that would cut back on federal subsidies for student aid. p.24

Laureate to Test Market with Covenant-Lite Loan

Covenant-lite refers to bond deals that provide reduced protections that bond holders will be paid. p.25

CAREER COLLEGE UPDATES

Howard Tullman Goes Back to School

The latest project from the guy who turned Kendall College around: a crash course in digital media called Flashpoint Academy. p.26

Career College Enters A Crowded Market

Brown Mackie plans to start classes in downtown Indianapolis beginning in January 2008. p.28

Baker College of Muskegon Board Approves Expansion of Culinary Arts Program

The \$11 million plan includes a state-of-the-art education center in downtown Muskegon. p.29

Ten Latino Youth Chosen for Chance to Win \$10,000 in Education Essay Contest

Finalists in DeVry University's Mi Gente Con Mente contest expressed the value of education to themselves and their communities. p.30

DeVry Scholarships to go to Veterans

DeVry University and AMVETS recently announced a partnership to provide up to 30 scholarships for veterans and families. p.31

DeVry University's Keller Graduate School of Management Receives Multiple Top 10 Rankings for Awarding Graduate Business Degrees to Minority Students

Minority enrollment constitutes approximately 50 percent of its student population system-wide. p.31

University of Phoenix Accepting Applications for First Nations Scholarship

The \$5,000 scholarship is directed toward new UoP Native American students who are not receiving other scholarships or support. p.32

Closed School's Assets Missing

About \$1.8 million that belonged to Decker College in Louisville cannot be located, leaving both prosecutors and a bankruptcy trustee trying to find the funds. p.33

Tacoma Career College Loses its Accreditation

Crown College has lost its accreditation, which could signal the possible end of the private college. p.34

Quest Career College Shuts Down

The Ohio vocational school closed abruptly amid financial difficulties. p.35

NEW PROGRAMS

Kaplan University Launches More Than a Dozen New Programs, Including New Master's Degrees in Management, Nursing and Higher Education

The online programs offer flexibility to working adults in some of the fastest-growing career fields. p.36

Maric College—Bakersfield Launches Criminal Justice Program

The new program is designed to help address the need for corrections employees working in California prisons. p.38

Central Coast College Launches Alumni Program

The association is designed to help graduates continue their relationship with the school, renew friendships and network with their peers. p.38

The *New York Times* Introduces an Online Complement to College and University Courses, Providing Enhanced Classroom & Distance Learning

The *Times* will work with Epsilon™, a Web-based system that provides tools and services to students and faculty. p.39

NEW CAMPUS LOCATIONS

ITT Educational Services, Inc. Opens its Third Georgia Location in Atlanta

This is the 94th ITT location, and is the third college in Georgia. p.40

Medical College to Open in Antioch

Contra Costa Medical Career College, Antioch, Calif., will provide training in a variety of allied health programs. p.40

Hagerstown Business College Changes Name to Kaplan College

Hagerstown Business College has two campuses—Hagerstown and Frederick, Md. p.41

PERSONNEL APPOINTMENTS AND PROMOTIONS

Concorde Career Colleges, Inc. Reports Management Change

Jack Brozman has stepped down from his position as president of Concorde Career Colleges. p.42

EDUCATION TRENDS

U.S. Faces Competitive Disadvantage From Lack of Women in Tech Jobs

Discrimination against women and minorities is putting the U.S. at a disadvantage in technology innovation. p.43

Gaps Persist in College Participation Rate of Students of Color and Whites, According to ACE's Annual Report on Minorities in Higher Education

Total minority enrollment at the nation's colleges and universities rose by 49 percent between 1994 and 2004 to more than 4.8 million students, while the number of white students during the same period increased by 6 percent to 10.6 million students. p.44

Worker Shortage Called Md., U.S. Threat

The report urges the state to prepare students for high-tech jobs. p.45

Auto Tech Should Attract More Job Changers

According to Mark Hughes, analyst for SunTrust Robinson Humphrey, the changes in the labor

market are likely to increase the attractiveness of auto tech training for adult switchers who represent 30–40 percent of for-profit school enrollments. **p.47**

A Third of Distance Learning Revenue Growth of 15 Percent Accounted for by Increased Enrollment of Students in Traditional Programs

According to a recent survey, more than two-thirds of the responding schools view their distance learning programs as a financial resource that is expected to produce a surplus for the college. **p.48**

Mystery Shoppers of Education

A growing number of colleges test customer service by hiring undercover applicants. **p.49**

CORPORATE SCHOOL NEWS AND REPORTS

COCO Corinthian Colleges, Inc.

In a comment by Mark Hughes, analyst for SunTrust Robinson Humphrey, he relates that the counter-cyclical view of health care employment is supported by analysis from the Bureau of Labor Statistics. **p.51**

CPLA Capella Education Company

The university, one of the few Internet colleges that teach exclusively online, has seen its stock price more than double since its initial public offering in November. **p.52**

In an articulation agreement with UC–Irvine, Capella pays Irvine \$500 for each student they refer. **p.54**

Since taking Capella Education Co. public last November, CEO Stephen Shank has learned to ride the ups and downs that come with regulations, fast growth and heightened interest in the company’s business. **p.55**

DV DeVry Inc.

The company has announced that it has completed real estate transactions at three campus locations. **p.57**

EVC Career Colleges Holding Corp.

EVC Career Colleges has regained compliance with NASDAQ listing requirements. The closing

bid price of the company’s common stock has been at least \$1.00 per share for 10 consecutive trading days. **p.58**

UTI Universal Technical Institute, Inc.

Universal Technical Institute has announced sales management restructuring—three senior managers have left the company and will be replaced. **p.59**

UTI also announced a reduction in its workforce of 225 employees nationwide. **p.60**

UTI will offer a Freightliner LLC-specific course targeted toward training top graduates of the diesel program. **p.60**

ACQUISITIONS AND MERGERS

Laureate Acquires Asian College

The company will acquire Inti Universal Holdings Bhd for RM126.60 million. **p.61**

Bridgepoint Education Acquires Colorado School of Professional Psychology

The Colorado Springs-based school will be renamed The University of the Rockies. **p.62**

FINANCE AND INVESTMENT

The Education Sector: A Paradigm Shift

Robert Blumenthal believes that the for-profits will ultimately triumph over the nonprofits when it comes to serving a working adult student population. **p.63**

REVIEW OF ADVERTISEMENTS

Display Ads **p.66**

- Everest College
- National Career Education
- Heald College
- San Joaquin Valley College
- Maric College