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**TESTIMONY OF THE ASSOCIATION OF PROPRIETARY COLLEGES**

**FOR THE JOINT LEGISLATIVE PUBLIC HEARING**

**ON THE EXECUTIVE BUDGET PROPOSAL FOR**

**SFY 2015 - 2016**

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## **Testimony Provided by the Association of Proprietary Colleges (APC)**

Senator DeFrancisco, Senator LaValle, Assemblyman Farrell, Assemblywoman Glick, members of the Legislature, thank you for giving the Association of Proprietary Colleges (APC) the opportunity to present testimony regarding this year's budget and its impact on the proprietary sector. My name is Donna Gurnett and I am the Executive Director of APC and it is my honor to be here today.

The Association of Proprietary Colleges (APC) represents 23 fully accredited, degree granting colleges operating on 34 college campuses in New York State offering associate, bachelor's, master's and doctoral programs. Our colleges are located across the state from Buffalo, to Long Island, Jamestown to Rochester, Syracuse, Utica, Albany and the entire NYC metropolitan area. There are over 50,000 students enrolled in proprietary colleges throughout New York State and APC member colleges serve over 40,000 of these students.

The average APC member college has been in existence for over 80 years. APC colleges educate New York students for lifelong careers that are in demand in New York. **90%** of students attending APC colleges are from New York and over **90%** of those students stay in New York after graduation to live and work. In a recent member survey, APC members reported that **72% of their graduates find jobs in their field of study within 6 months of graduation**<sup>1</sup>. Our colleges also employ over 6,500 people and are strong economic drivers in their local communities.

Based on 2012 IPEDS<sup>2</sup> data, 70% of APC students are women; 24% are Black; 17% are Hispanic; and 42% are White. Approximately 80% of APC students received a Pell award and over 25,000 full-time equivalents received a TAP award<sup>3</sup>. APC Colleges are committed to keeping college affordable. Average tuition at APC member colleges is \$16,497, an increase of just \$226 from the previous year. APC member colleges provided over \$123 million in grants, scholarships and, and institutional aid.

### ***SFY 2015-2016 Budget Proposals***

This year we are thrilled the Governor kept his commitment to Higher Education and proposed no reductions to the Tuition Assistance Program. Furthermore, the Governor maintained primary support for the other sectors of higher education – SUNY, CUNY and CICU. All sectors of higher education in New York State are critical to our future. Continued investment in higher education is essential for New York to rebuild the economy.

Your continued support of the Tuition Assistance Program (TAP) is appreciated and provides opportunity to students across the state. Many of the students attending an APC college do not have family or others they can turn to for help and they rely on this assistance. Students are faced with the reality of having to decide whether to drop out or take out additional loans (if they

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<sup>1</sup> Annual APC member survey 2013.

<sup>2</sup> IPEDS Data Feedback Report 2013.

<sup>3</sup> New York State Higher Education Services Corporation Annual Report 2013-2014:  
<http://www.hesc.ny.gov/images/HESCCorporate/2013-2014AnnualReport.pdf>.

could qualify) to realize their hopes of receiving a degree. Our colleges assist these students by providing grants and scholarships so students can continue their studies or help them navigate the financial aid process.

Last year the State showed its support of low income students attending higher education programs by increasing the maximum TAP award from \$5,000 to \$5,165. This increase was appreciated and well received, but unfortunately is not accessible to all students who are income eligible for tuition assistance.

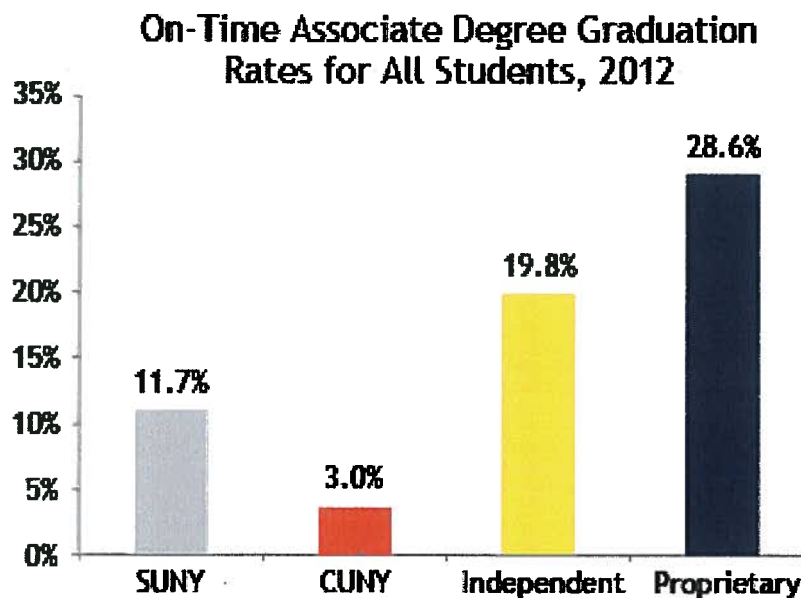
I'd like to take this opportunity today to talk specifically about

- The inequity in TAP awards for students who attend colleges that only offer two year degrees;
- Reinstate Graduate TAP;
- APC's support for the Governor's Proposed Get on Your Feet Loan Forgiveness Program and;
- APC's support for the Governor's proposed Sexual Assault Prevention and Response policy

## Restore Maximum TAP Awards for Two-Year Degree Programs

Four years ago, TAP was reduced for students enrolled in two year degree granting programs from \$5,000 to \$4,000 (20%). The reduction was not limited to only maximum awards and all awards were reduced by 20%. Students enrolled in colleges that also offer four year programs were not impacted by the reductions. This means students enrolled in SUNY or CUNY community colleges are able to receive maximum TAP of \$5,165. Students enrolled in independent or our proprietary colleges that offer two and four year programs are not impacted. The result of this requirement is that students, the majority of whom are enrolled in an APC member college that only offers two year degree programs, are treated differently based solely upon the type of institution they enter. This includes students attending long standing institutions such as Art Institute, Elmira Business Institute, Island Drafting and Technical Institute, Mandl School, New York Career Institute, Utica School of Commerce and Wood Tobe-Coburn.

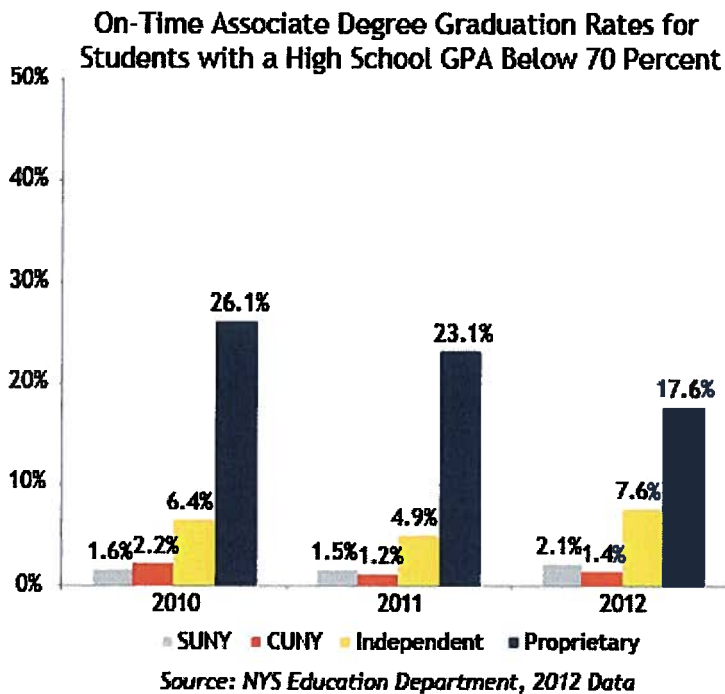
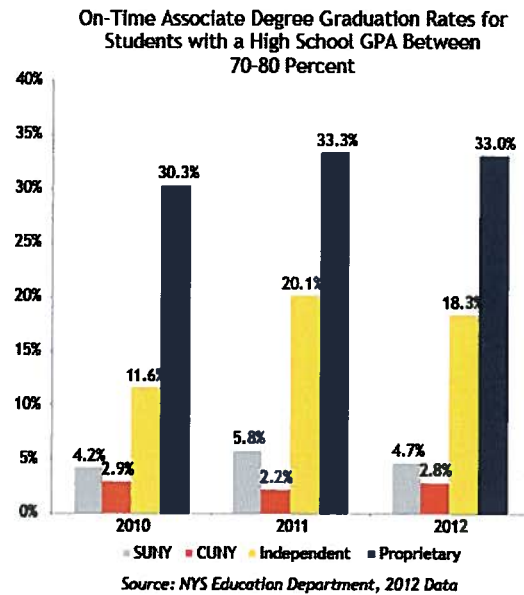
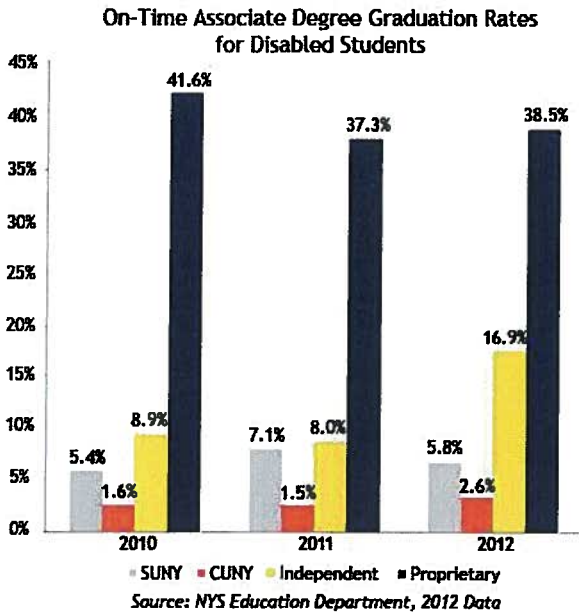
APC Colleges have excellent outcomes, especially for Associate degree programs. Consider the following 2012 graduation rates for Associate level degrees recently published by the NYS Education Department<sup>4</sup>:



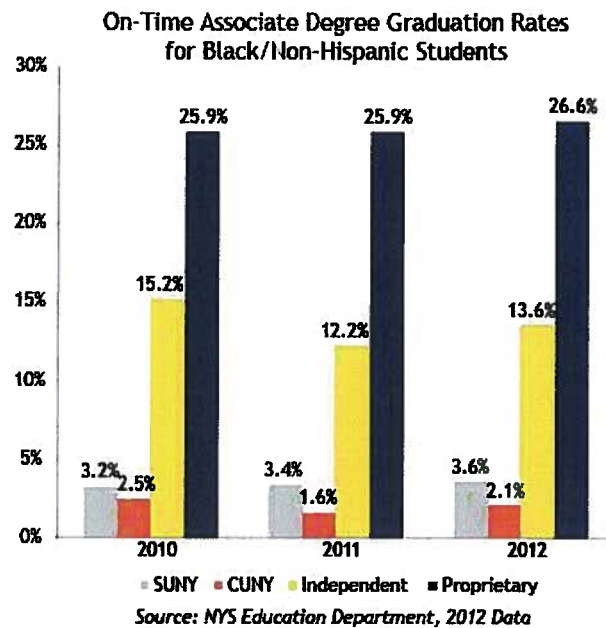
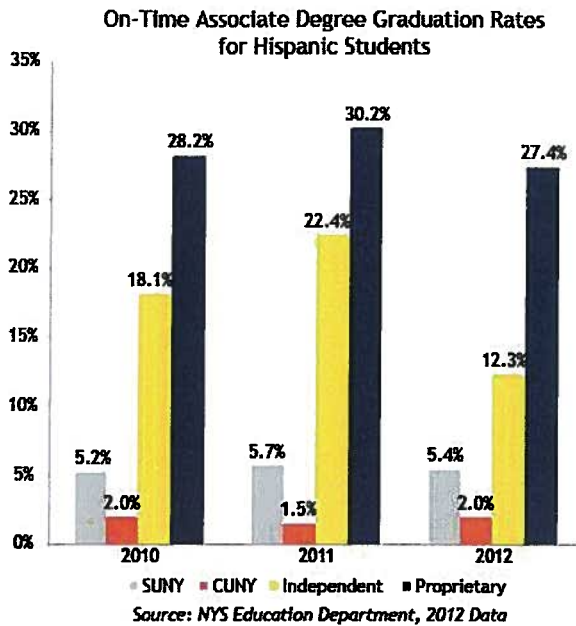
*Source: NYS Education Department, 2012 Data*

<sup>4</sup> <http://www.highered.nysed.gov/oris/gradrates/bysector/assocpage1b.htm>

## Students with disabilities and those with lower high school GPA's do well at APC colleges:



## Minority students also are more successful at APC colleges:



While we understand the state's fiscal situation, we believe it is bad policy to reduce TAP awards for students attending institutions that only offer two year degree programs. Many students entering higher education for the first time enter a two year program and many of the programs offered by our two year colleges are an important pipeline of employees for local businesses.

APC colleges, especially our members offering only two year Associates degrees, focus on educating low income and minority students. The very students that the Tuition Assistance Program was designed to help. Because of the reduced TAP awards these students are more likely to work while in school therefore taking longer to complete their degrees and they are more likely take out additional student loans to cover their tuition.

We respectfully ask that you review these facts and reconsider the decision to reduce TAP awards for students at colleges offering only two year degrees and restore TAP equality for all students.

### Reinstate Graduate TAP

The elimination of Graduate TAP has had an impact on students, as well, and is something the state should reconsider. We understand in 2010 hard decisions had to be made regarding the state's ability to fully fund and support the TAP Program. However, as the cost of higher education continues to increase and employers, in many areas require graduate degrees, low-income students could benefit from the assistance that used to be offered.

Over the last four years, APC member colleges have invested in Master's level programs that are

in demand by employers. A few examples include: Monroe College started a Master's in Public Health. LIM College started a Master's in Professional Studies in Fashion Merchandising and Retail Management as well as Master's in Business Administration with concentrations in Fashion Management and Entrepreneurship.

These new programs compliment a host of long standing programs that have been offered by the School of Visual Arts that have a direct nexus to arts and entertain industries in New York City. Examples include: Master's in Professional Studies in Branding; Master's in Fine Arts in Design; Master's in Professional Studies in Directing and Master's in Fine Arts in Social Documentary Film.

APC member colleges are committed to providing programs that are in demand and that meet the needs of employers and growing industries. We respectfully ask that you consider supporting New York students who are working to advance their education at the graduate level.

### **Get on Your Feet Loan Forgiveness Program:**

APC supports the Governor's proposed "Get on Your Feet" Loan Forgiveness program highlighted in the 2015-2016 budget. This program would help ease the burden of student loan repayment on recent college graduates who participate in the federal Pay As You Earn (PAYE) income-based loan repayment program. For these graduates of New York colleges, who continue to live in New York, participate in the PAYE program and earn less than \$50,000 annually, the state will cover 100% of their student loan payments for two years. This program would allow APC's recent graduates to focus on establishing their career without the worry of student loan debt.

Studies show that the average New York college student graduating with a four-year degree will have more than \$25,000 in student loans. APC member colleges work with their students early on in their education, with financial literacy programs and counseling, to ensure their students and graduates are aware of their options and make smart financial choices. They also closely monitor and work with their graduates to ensure they are enrolled in the federal PAYE program if they are eligible.

We look forward to learning more about the Governor's proposal and respectfully ask that Legislature join APC in their support of the "Get on Your Feet" Loan Forgiveness program.

### **Sexual Assault Prevention and Response Policy**

APC also supports the Governor's proposed Sexual Assault Prevention and Response policy. The proposed policy would require all colleges and universities chartered by the Regents or incorporated by a special act of the legislature and which maintains a campus, to adopt written rules for implementing all policies required under this proposal and for the maintenance of public order on college campuses and other college property used for educational purposes and provide a program of support. This proposal is based on the policies adopted by the SUNY and CUNY Board of Trustees and includes the following:

- Definition of affirmative consent to sexual activity
- Policy for alcohol and/or drug use amnesty in sexual violence cases
- Victim and survivor bill of rights
- Response to reports
- Campus climate assessments
- Options for confidential disclosure
- Student onboarding and ongoing education campaign
- Privacy in legal challenges to conduct findings.

We have closely monitored the adopted policy by SUNY and CUNY to address and prevent sexual assaults on their campuses and are working with the Governor's office to create policies applicable to APC member colleges to help them meet this requirement.

APC member colleges are committed to the safety of their students and staff and we ask the Legislature to support the Governor's policy to address Sexual Assault Prevention and Response.

**In Conclusion:**

We believe New York State has a higher education system to be proud of and one that should be an example for the country. President Obama is focused on improving higher education – while educational outcomes can and should always be improved – New York has a terrific foundation on which to build. Continued investment in the Tuition Assistance Program will help support our students that APC member colleges are training for the jobs of today and tomorrow and who will be vital to our economy moving forward.

Again, we thank you for your continued support of our students. On behalf of our member colleges and our students, thank you for your time and consideration of our proposal.

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## *We've been Doing It Right For Years!*

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**The Art Institute of New York City - Est. 1980**  
**Berkeley College - Est. 1931**  
**Briarcliffe College - Est. 1966**  
**Bryant & Stratton College - Est. 1854**  
**Business Informatics Center - Est. 1983**  
**The College of Westchester - Est. 1915**  
**DeVry College of New York - Est. 1931**  
**Elmira Business Institute - Est. 1858**  
**Everest Institute - Est. 1863**  
**Five Towns College - Est. 1972**  
**Island Drafting & Technical Institute - Est. 1957**  
**Jamestown Business College - Est. 1886**  
**LIM College - Est. 1939**  
**Mandl School - Est. 1924**  
**Monroe College - Est. 1933**  
**New York Career Institute - Est. 1941**  
**Pacific College of Oriental Medicine - Est. 1986**  
**Plaza College - Est. 1916**  
**School of Visual Arts - Est. 1947**  
**Simmons Institute of Funeral Service, Inc. - Est. 1900**  
**The Swedish Institute - Est. 1916**  
**USC - The Business College - Est. 1896**  
**Wood Tobe-Coburn - Est. 1879**