
TESTIMONY OF THE ASSOCIATION OF PROPRIETARY COLLEGES

**FOR THE JOINT LEGISLATIVE PUBLIC HEARING
ON THE EXECUTIVE BUDGET PROPOSAL FOR
SFY 2020 – 2021
February 4, 2020**



Excellence. Access. Affordability.

Testimony Provided by the Association of Proprietary Colleges (APC)

Senator Krueger, Senator Stavisky, Assemblywoman Glick, Assemblywoman Weinstein, and 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 Stelling-Gurnett. I am the President of APC and I am here today with Christopher Barto, Vice President of Government Affairs and Community Relations of LIM College.

History of proprietary education in New York State

APC was founded in 1978 and today represents 12 degree-granting proprietary colleges on 23 campuses across New York. APC member colleges are privately held, primarily family-owned institutions that have been educating students in our State for decades. The families that own these institutions are deeply-rooted in their communities and are committed to educational excellence, access, and affordability – moreover, they have a long history of producing strong outcomes for students of diverse backgrounds, especially for students who graduate from our urban K-12 school districts. For more information on APC, its member colleges, and how we serve our students well, please see the additional information provided at the conclusion of this written testimony.

The history of proprietary education in New York began in the middle 1800's and is rooted in the tradition of providing students with a practical, industry-specific education. Six of our twelve member colleges were founded more than 100 years ago and our oldest members – Bryant & Stratton College, founded in 1854, and Jamestown Business College, founded in 1886 – are still serving students today. Many other proprietary institutions were established in the first half of the 20th century: The College of Westchester was founded in 1915, Plaza College was founded in 1916, Monroe College was founded in 1933, and LIM College was founded in 1939.

In 1971, the New York State Board of Regents created a pathway for select proprietary schools to obtain degree-granting authority. In order to obtain degree granting authority, proprietary colleges are required to meet all of the same stringent requirements for program registration and approval as SUNY, CUNY, and private not-for-profit institutions. LIM College and Monroe College were among the first proprietary institutions to receive degree granting authority in 1972 and today continue to successfully educate thousands of students each year.

Thank you for your continued support!

First, I must thank you and your fellow legislators for your leadership throughout last year's budget negotiations and, specifically, for rejecting the Governor's "For-Profit College Accountability Act" proposal. As you know, the Act would have eliminated the entire sector of for-profit education in New York State. The issues raised in that proposal are complex and are inextricably intertwined with student debt controlled by the federal government. APC and its member colleges look forward to deeper discussions with the Governor, legislators, and agency officials about higher education, the students we serve, and issues related to oversight, accountability, student loan debt, and student defaults. Together, we can continue to make New York State one of the best states in the nation to pursue higher education.

I must also express our appreciation to legislators for their continued support for our members' students, especially those who come from backgrounds often under-represented on college campuses and students who are the first in their family to attend college. For over forty years, the Legislature has been a true champion for TAP, State-supported financial aid, and other opportunity programs. Thousands of our alumni have benefitted from these programs and we hope that you will continue to support students and equitable access to an affordable education in this year's budget negotiations.

Governor Cuomo's call for more accountability and transparency

Despite the Legislature's outright rejection of his "For-Profit College Accountability Act" proposal last year, the Governor's State of the State this year called for greater transparency in the for-profit education sector and proposed that accountability measures be put in place to ensure proprietary institutions are adequately preparing students for life after graduation.

Governor Cuomo has continued to assert that proprietary colleges are, at best, low quality institutions that fail to generate positive outcomes for students and, at worst, predatory bad actors who prey on veterans and low-income students. This characterization is a common misperception of our sector, and it is also harmful to the respected faculty and staff who teach and serve our students, the hardworking students and alumni who know the type of college experience that fits them best, and the employers who hire these graduates to fill key jobs in our communities and grow our local businesses & economies.

In reaching these misperceptions, the Governor points to a 2012 Congressional report finding failings in the for-profit education sector; however, the focus of this report is on publicly-traded institutions ("Wall Street-owned schools"), so we feel compelled to remind all lawmakers that there are no longer any publicly-traded institutions in New York State. As mentioned earlier in this testimony, APC member colleges are privately held, primarily family-owned institutions with deep roots in their communities. These are institutions that pre-date the Civil War, the advent of the automobile, and the birth of SUNY public university system. Many of the colleges are managed by third- and fourth-generation descendants of the college founders. These are not Wall Street traders, but rather people who hold an unwavering devotion to their students.

Second, we remind lawmakers that APC's member colleges already meet the same rigorous standards imposed on all of New York State's institutions of higher education. The State Education Department measures every institution – whether it is public, non-profit, or proprietary – by the same yardstick, and each institution across the State is expected to demonstrate high levels of both quality and integrity.

Like the Governor, APC and its member colleges are committed to transparency and accountability in education and, most of all, to ensuring the success of our students. As to the Governor's call for greater transparency from proprietary institutions, we remind lawmakers that APC member colleges have already taken steps to increase transparency and share information with students, their families, and the general public. In fact, last year APC voluntarily published on its website¹ financial data and other key information pertaining to its member colleges, including:

¹ See Member College Profiles, ASSOCIATION OF PROPRIETARY COLLEGES, <https://apc-colleges.org/member-colleges/member-college-profiles>.

- Institutional expenditures per student for FY 2017
- Institutional advertising expenses for FY 2018 and the percentage of overall expenses spent on advertising
- Institutional federal “90/10” ratio for FY 2018
- Institutional federal financial responsibility composite score for AY 2016-17
- Institutional federal 3-year cohort default rate for AY 2016

As to the Governor’s suggestion that proprietary colleges engage in unscrupulous practices that target veterans and low-income students, we invite the Governor and all lawmakers to come visit the campuses of our member colleges to meet our students and hear firsthand about the college experiences of our students who are active service members and veterans, students who are from families with limited means, students who are first in their families to attend college, and other “non-traditional” students. APC member colleges are fully committed to helping their students achieve their academic and professional goals, and they are proud of the programs, services, and supports they offer to help their students reach those goals.

For some insight into the experiences of our member colleges’ student veterans, we share the following personal stories:

Berkeley College

Oswaldo P. (currently enrolled student): Oswaldo is a veteran of the U.S. Army, where he served as a Logistics Specialist. He is currently pursuing a Bachelor of Business Administration (B.B.A.) degree in Management at Berkeley College in Midtown Manhattan. He was recently installed as the president of the Student Government Association and is active in the Spartans, a chapter of the national Student Veterans of America. He is also active in his community in Brooklyn, N.Y., and was invited to join the Board of Directors of the 163rd Street Improvement Council.

He recently represented Berkeley College during the annual SOMOS Conference in Puerto Rico, which brought together legislators, educators, business officials, and labor leaders to address topics such as sustainability and education. “Berkeley College has given me the tools to be successful, now I’m putting them to use in and outside of campus,” he said.

Daniyel B. (alumnus): Daniyel is a veteran of the U.S. Marine Corps (1997-2004, Operation Iraqi Enduring Freedom) and graduated with a Bachelor of Business Administration (B.B.A.) degree in Management from Berkeley College in December 2019. He chose Berkeley College because of its strong support of military and veteran students, and because he knew there was a strong population of adult students, where he could feel comfortable.

During his time at Berkeley, he was a member of SALUTE, the military honor society, the Alpha Sigma Lambda National Honor Society, and the National Society of Leadership and Success. He is also an entrepreneur, and serves as co-owner and operations manager of #RunPainFree, Inc., a conditioning program for athletes.

He is thankful to his business professors, who challenged him and taught him skills that will translate to a corporate-level career. Daniyel attended Berkeley College using his benefits provided under the Post-9/11 G.I. Bill. He is a resident of Manhattan, N.Y.

Swedish Institute College of Health Sciences

Olrich L. (alumnus): After working as a police officer in Haiti and witnessing the devastation during Haiti's 2010 earthquake as a first responder, Olrich relocated to the United States where he joined the U.S. Army and served for four years. Following an honorable discharge, he joined the Army Reserves and began pursuing an Associate in Applied Science (A.A.S.) degree in Nursing at the Swedish Institute in New York City. He graduated from the nursing program in 2019 and now works as a nurse at Rikers Island in New York, where he plans to continue his education and, eventually, pursue a nurse educator program so he can, in turn, help other students pursue nursing one day.

Monroe College

Will H. (currently enrolled student): Will proudly served his country in the U.S. Army for 15 years. Following his honorable discharge, he worked in the private sector as an emergency medical technician (EMT) and paramedic before beginning his college journey and, ultimately, a new career in the world of information technology (IT). He came to Monroe after feeling frustrated by the lack of support he found at other colleges' admissions offices. In fact, when he told an admissions official at a local private college that he needed someone to be a bit more "hands-on" as his advocate, the official told him, "You should go to Monroe." Will thrived at Monroe College. He became the president of the Student Veterans Association on campus and is looking forward to earning his degree this year and beginning his IT career. He already has a head start – he's currently helping other students, staff, and faculty with their technology questions by working with the College's IT Help Desk!

Kathleen A. (alumna): Kathleen is a proud active service member of the U.S. Air Force and an equally proud graduate of Monroe College. As a first generation Latino-American, she first enlisted in the United States Army Reserve for the educational benefits and, after extensive research, chose to attend Monroe College to pursue nursing. At Monroe, she found the comprehensive support she needed to juggle her home, school, and military obligations. She never felt lost at Monroe, thanks in no small part to the close connection she felt with her professors and advisors. Today, she is a successful Monroe graduate and serves as an active duty Air Force Officer and registered nurse (R.N.) stationed in Eglin Air Force Base in Florida. She credits Monroe for getting her where she is today.

Increasingly, the spread of misinformation, divisive political agendas, and a lingering national narrative left over from the boom of publicly-traded institutions in the mid-1990s and 2000s seem to be affecting perceptions and fueling decision-making in New York State – this inaccurate perception threatens to be detrimental to the proprietary colleges in New York State that have a long history of successfully supporting the 26,000 students they serve. We hope that sharing additional data and student stories and inviting you to talk to our students firsthand will help foster a greater understanding of the proprietary colleges in New York State and prompt a more constructive dialogue about the quality education and value our member colleges provide for New Yorkers.

As we look to 2020, the Association of Proprietary Colleges is committed to working with the Governor and legislators to establish policies that ultimately serve the best interest of our

students. We continue to urge the Governor and the legislature to hold all institutions accountable – not just proprietary ones – because all students pursuing post-secondary education in New York State deserve to attend high quality institutions.

Additional State budget considerations

Continue Support for Expanding TAP

The Tuition Assistance Program (TAP) has served as the cornerstone of New York State’s financial aid program, providing financial support to ensure students complete their degrees in a timely manner. APC member colleges share the State’s commitment to keeping college affordable. In 2018, the average tuition at APC member colleges increased less than 1% over the previous year and in 2017, APC member colleges provided over \$95 million in institutional grants, scholarships and aid.

Together, institutional support and TAP funding provide significant, life-changing opportunities for students attending APC member colleges. Further, APC member colleges focus on ensuring students progress towards their goals while graduating on-time. Our colleges believe on-time graduation is key to keeping student loan debt as low as possible.

APC member colleges serve 26,000 students, with the student body being comprised of:² 68% students who are women; 26% who are black/African-American; 17% who are Hispanic/Latino; and 40% who are white/Caucasian. Approximately 70% of APC students receive federal Pell Grant awards³ and approximately 10,000 students receive a New York State TAP award.⁴

In the 2017-18 academic year, APC member colleges conferred 3,363 bachelor’s degrees, 3,030 associate’s degrees, over 1,050 master’s degrees and 213 certificates. In total, 7,656 students achieved their goals of enhancing their education, achieving mastery in their profession, and taking the next step in their lives – we applaud each of these students and their wonderful success stories!

Your continued support of the Tuition Assistance Program (TAP) is appreciated and provides much needed opportunities to many students across the state. Many students attending an APC member college are deemed “independent” or otherwise do not have family or support networks to whom they can turn to for financial help – these students rely on TAP and other financial assistance programs to complete their degrees.

APC respectfully requests your consideration of the following enhancements to the TAP program:

² See student data for each APC member college on the federal *College Navigator* website. National Center for Education Statistics, *College Navigator*, U.S. DEPARTMENT OF EDUCATION, <https://nces.ed.gov/collegenavigator/>.

³ Compared to 39% of students nationwide. Pell Grants are only available to students with a family income of \$50,000 or less per year. Most Pell Grant awards go to students with a family income below \$20,000. See National Center for Education Statistics, *2015-16 National Postsecondary Student Aid Study*, U.S. DEPARTMENT OF EDUCATION, <https://nces.ed.gov/pubs2018/2018466.pdf>.

⁴ TAP awards are only available to students with a family income of \$0 - \$80,000 per year. See also Annual Report 2016–2017, NEW YORK STATE HIGHER EDUCATION SERVICES CORPORATION (HESC), <https://www.hesc.ny.gov/hesc-news.html>.

- **Increase funding for the Tuition Assistance Program (TAP) program.** The TAP program is the bedrock of New York State’s commitment to providing access and opportunity for all students pursuing higher education, regardless of financial means. We feel that the TAP program is currently constrained in fulfilling this promise to students – we should be increasing the number of students served under the TAP program, yet the Governor has proposed a significant reduction in the TAP program’s funding. Further, we have heard from both college officials and students that the average student award received under the TAP program has decreased over time due to economic conditions, such as the recent minimum wage increase. An unintended consequence of the wage increase has been that, as family income increases, more students see a reduction in the amount of tuition assistance received and/or lose their tuition assistance entirely. Therefore, we recommend that the budget include additional support for the TAP program in order to continue serving these students. The TAP program enables access to postsecondary education for more students who are working, parenting, low-income, disadvantaged, or otherwise “non-traditional” college students.
- **Increase funding for the Enhanced Tuition Awards (ETA) program.** The ETA program is the private institution counterpart to Governor Cuomo’s signature Excelsior Scholarship program for public institutions. This year, the Governor has proposed increasing the maximum income eligibility threshold to \$150,000 for both the Excelsior Scholarship program and the ETA program. While we appreciate the Governor’s proposal to support a greater range of students, we also encourage lawmakers to increase funding for the ETA program as a whole. Given that ETA is a “capped” program (i.e., colleges can impose a maximum number of students who will receive awards), very few students actually end up receiving ETA awards. We believe investing more substantially in the ETA program would incentivize institutions to raise their student participation caps and, therefore, enable more students to access these critical funds.
- **Increase the minimum TAP award from \$500 to \$1,000 and/or the maximum TAP award from \$5,165 to \$6,000 annually.** In 2014, the State demonstrated its support for low-income students attending higher education programs when it increased the maximum TAP award from \$5,000 to \$5,165. This 2014 increase was appreciated, but award amounts have not been adjusted in over 5 years. Continued adjustments to the minimum and maximum TAP awards would make a tremendous difference to many lower income students and their families.
- **Increase the maximum net taxable income (NTI) threshold to receive a TAP award from \$80,000 to \$110,000 annually.** Using a three-year phase-in period, we recommend the State expand the maximum income threshold for TAP recipients to \$110,000. This would open the door to a college degree for many students from middle class families. The maximum income threshold has not been adjusted in over 20 years when it was last raised in 2000 from \$50,500 to \$80,000. Both the cost of living and the cost of obtaining a college degree have increased significantly since 2000 and the maximum income threshold for TAP recipients should be adjusted accordingly.
- **Reinstate Graduate TAP.** The elimination of Graduate TAP in 2010 has had a significant impact on students. We urge the State to reconsider its elimination. Over the past several years, APC member colleges have invested in Master’s-level programs that are in demand by employers. Notable examples among APC member colleges include

Monroe College's Master's in Public Health (M.P.H.) program and LIM College's Master's in Professional Studies (M.P.S.) in Fashion Merchandising and Retail Management, Fashion Marketing, and Global Fashion Supply Chain Management.

- **Restore Maximum TAP Awards for Two-Year Degree Programs.** In 2010, the maximum TAP award for students enrolled in two-year degree programs was reduced from \$5,000 to \$4,000 (a 20% reduction). The reduction impacted not only students receiving the maximum award (i.e., the most at-need students), but all students receiving awards saw their assistance cut by 20%. Unfairly, students who attended colleges that also offer four-year programs were not impacted by the reductions, meaning students enrolled in SUNY or CUNY community colleges or private (both independent/non-profit and proprietary) colleges that offer both two- and four-year programs are still able to receive maximum TAP of \$5,165. In other words, students are being treated differently based solely upon the type of institution they enter: students attending institutions that solely offer two-year programs⁵ are given far less funding compared to students attending institutions that offer both two- and four-year programs, even if the program offered is identical.

Invest in the Office of Higher Education

We believe New York's higher education regulatory structure for degree-granting institutions is a model for the country. Many of the abuses in the for-profit education sector that have been highlighted at the national level, such as explosive enrollment growth, have not occurred in New York State due to the fact that colleges in New York State cannot offer any new degrees or add any new programs of study without the approval of the New York State Board of Regents and the State Education Department.

In order to offer a new degree or a program, all colleges in New York State must submit a substantial amount of curricular and institutional planning documentation, which is thoroughly reviewed by State Education Department officials and staff. If the proposal passes the initial review, a campus site visit is subsequently conducted, followed by a canvass of other institutions for comment and concern. State Education Department officials eventually issue a formal recommendation in consult with their staff, and the ultimate approval decision is granted upon a vote by the Board of Regents. At any time, the Board of Regents can likewise rescind any college's authorization to offer degrees or programs and/or limit enrollment in its programs if the Department finds that the college is not in compliance with State regulations and standards.

New York is unique among other states in its regulation of its higher education system. While the multi-layered regulatory framework can be complex, its robust design and rigorous standards have been key to maintaining the quality and integrity of all institutions of higher education in New York State.

Unfortunately, recent reductions in staff within the Office of Higher Education have lengthened the time it takes for colleges and universities in New York to have new programs approved and limited the ability of the Office of Higher Education to respond to the evolving higher education landscape over the years. These delays and limitations have, in turn, restricted New York

⁵ Among New York State's institutions of higher education that offer solely two-year degree programs are two APC member colleges: Elmira Business Institute and Island Drafting & Technical Institute. For more information on these colleges and the programs they offer, please see the additional information provided at the conclusion of this written testimony.

State's ability to quickly respond to changes in the economy and develop its people, industries, and local communities.

New academic programs, across all sectors, grow out of a need arising in a local community. Because the Office of Higher Education currently lacks the staff and resources needed to undertake program proposal reviews, many program proposals languish – the proposal collects dust, the college is not able to enroll students in an innovative program that local employers need and want, students are prevented from getting the jobs they need, and the economic conditions in our communities continue to falter.

Continued investment into key areas will ensure our State's higher educational system remains strong and continues to produce well-educated graduates who are prepared for the modern economy. Ensuring New York's students have access to relevant academic programming means ensuring the vitality of New York's workforce and local communities into the future.

Support NYSED's Request for \$15 Million to Support Students with Disabilities

In May 2017, New York State Education Department's Advisory Council on Postsecondary Education for Students with Disabilities recommended – and the Board of Regents adopted – a plan to develop a funding proposal in consult with representatives from the four higher education sectors (SUNY, CUNY, independent/non-profit, and proprietary) that would provide much-needed enhanced supports and services to over 61,000 identified students with disabilities attending New York State's degree-granting colleges and universities. This funding is critical to ensuring that all students can succeed in their postsecondary educational pursuits.

Since the adoption of this plan, the State Education Department has been engaged in collaborative efforts to establish a legislative framework advocating for critical new funding that would supplement (not supplant) any other federal, state or local funding in existence for such purposes. Funding would be allocated by the State Education Department to SUNY, CUNY, independent and proprietary colleges in a proportionate manner according to the number and needs of identified student with disabilities per sector.

APC member colleges indicated they would use the funding to support students with disabilities in the following ways:

1. Diagnostic testing and assessment: Students often cannot afford the cost of a private psycho/educational evaluation and, therefore, many disabilities remain undiagnosed. Assessment is a key that can open doors, as it provides the documentation required for students to get registered with accessibility services and obtain accommodations to help them reach their fullest academic potential. In addition, it helps students learn more about their strengths and weaknesses and what type of work may be best for them. We currently don't have the staffing or resources to offer diagnostic testing. We have referred students to outside resources and often don't hear back from them because they could not afford the evaluation. This could be an excellent additional service to provide our students.

2. Provide more in-depth training for faculty to create more accessible courses with a focus on Universal Design. The training would provide faculty with the tools to incorporate inclusive strategies in their teaching and enhance the design and delivery of instruction to our diverse population of students.

3. Provide opportunities to increase and expand faculty and staff training including online options for continuous learning. Some examples might include sensitivity training, awareness training, training on existing and new regulations, and even basic considerations such as color-blindness and faculty instruction.

4. Improving the identification process to identify students with disabilities by developing and implementing a tracking system to identify students shortly after they are admitted to the College. Purchasing a tracking software could assist with this and allow institutions to reach students in need of services as soon as possible.

Conclusion

New York State has a long-standing history of working together with institutions of higher education in all four sectors (SUNY, CUNY, independent/non-profit, and proprietary) to benefit all New Yorkers. This commitment to equality and parity across all sectors has created a robust and diverse education system that has resulted in innovative and novel ideas, a consistent pipeline of employees for local businesses, and a strong, positive economic impact across the State.

We appreciate your consideration and respectfully request your support in the future.

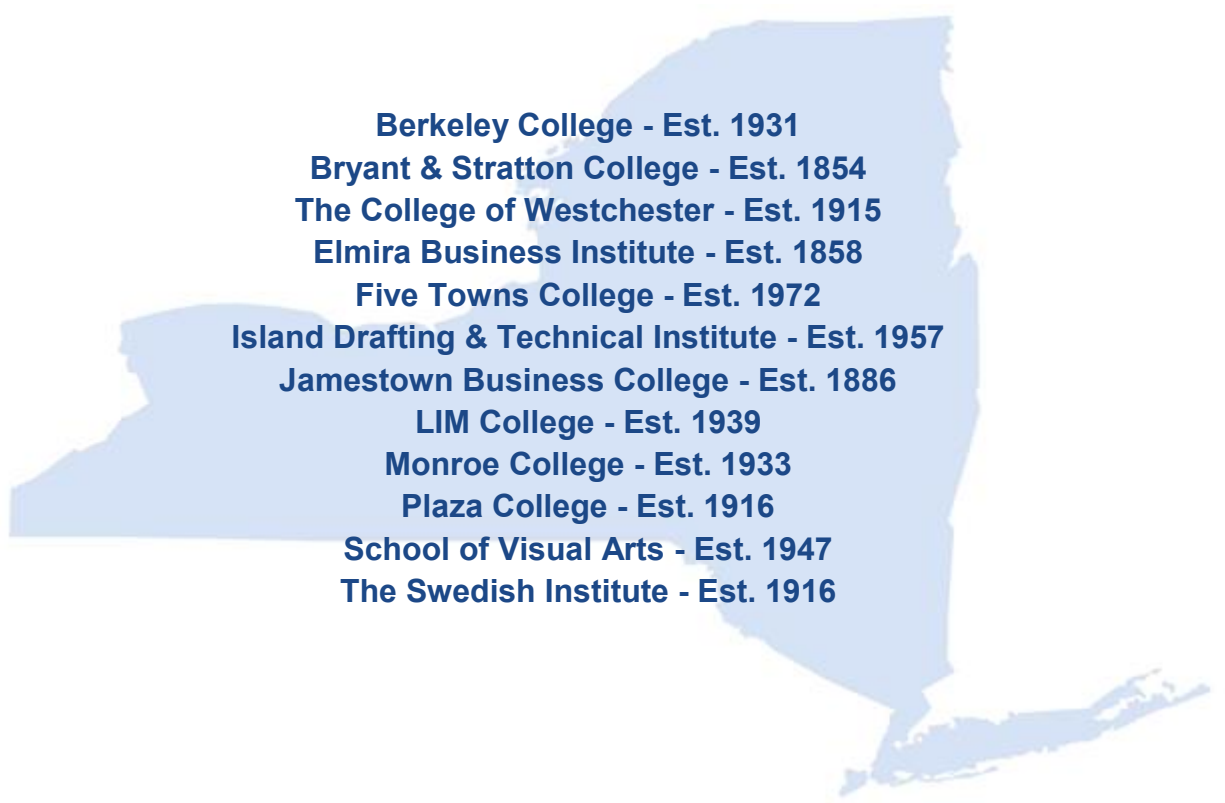
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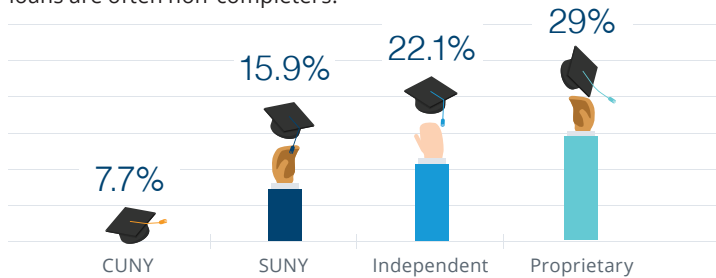


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Successfully Graduating Associate Degree Students On-Time

APC member colleges believe on-time graduation is the key to success for students. Graduation helps ensure students are able to find good jobs and repay their student loans. In fact, recent studies have shown that student loan borrowers who struggle the most to repay their loans are often non-completers.

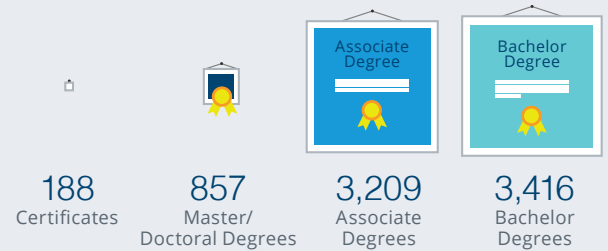


Source: NYS Education Department 2018

Boosting College Completion

Based on recent IPED's data, in the 2016-2017 academic year, APC member colleges conferred 7,670 certificate, associate, bachelor, master and doctorate degrees. Of those degrees, 857 were master's and doctoral degrees.

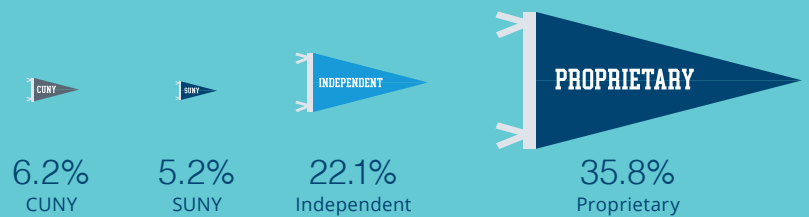
of Degrees Conferred to APC Students, 2016-17



Source: IPEDS, U.S. Department of Education

On-Time Associate Degree Graduation Rates for Students with a High School GPA Between 70-80%

Source: NYS Education Department 2018



Creating Higher Education Opportunities for All Student

Serving women and minority students: Each year APC institutions welcome diverse classes with high enrollments of minority and female students - in fact, in 2017, women comprised 69 percent of the students at all member institutions combined, and some institutions' average student populations are closer to 80-90 percent female enrollment.

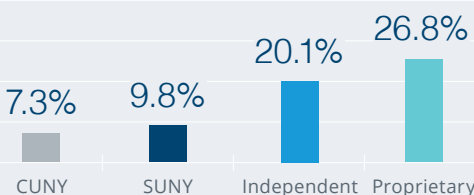
Serving veterans: APC institutions currently educate more than 2,000 veterans; participating in state and federal veterans support programs, providing additional scholarships and implement institutional veteran support programs to ensure that service members and veterans successfully complete their degrees.

New York's degree-granting proprietary colleges help more minority students graduate with their associate degree, on time, than any other sector of higher education.

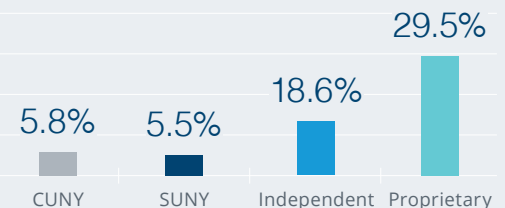


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On-Time Associate Degree Graduation Rates for Hispanic Students



On-Time Associate Degree Graduation Rates for Black, Non-Hispanic Students



Source: NYS Education Department 2018



Focused on Educational Instruction & Student Support Services

Because APC member colleges receive no direct state or federal support, over 92 percent of their overall revenue comes from tuition and fees. This compares to just 20 percent tuition revenue received at public institutions and 30 percent tuition revenue received at non-profit institutions.

Fueling New York's Employers

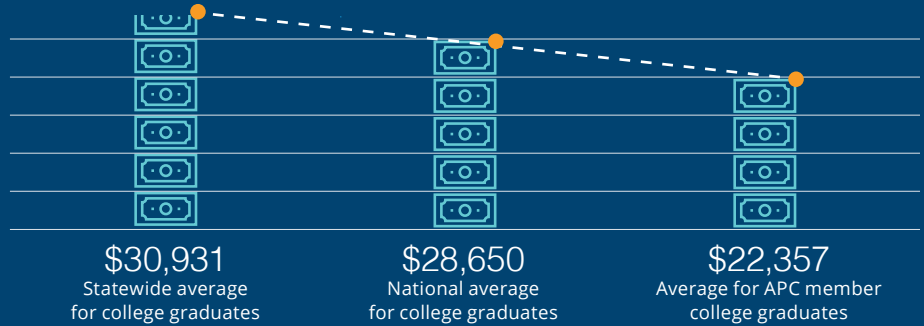
High job placement rates: In a recent APC member survey, colleges reported an average 85 percent job placement rate in the field of study within 12 months after graduation. Not only are students attending APC member colleges staying in New York after graduation, they are filling the needs of local employers, especially in high demand fields such as healthcare, and contributing to the overall economic development of New York State.

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Student Loan Debt

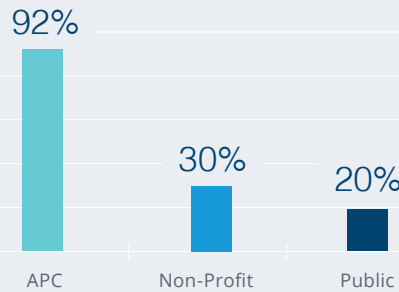
APC member colleges offer their students exceptional support throughout their college experience. Common themes include individual attention, small class room sizes (average student-to-faculty ratio of 17 to 1), counseling and financial literacy training and career development. This attention and support translates into more students successfully graduating on time with lower student debt overall. According to recently released College Scorecard data, students graduating from APC member colleges accumulate an average of just \$22,357 in student loan debt. This is significantly lower than the average student loan debt of New York residents of \$30,931 and the national average of \$28,650.

Comparing Average Student Loan Debt

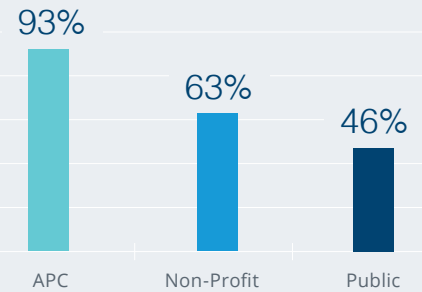


Source: U.S. Department of Education, College Scorecard

Percentage of Overall Revenues from Tuition & Fees



Percentage of Expenses Focused on Educational Instruction & Student Support

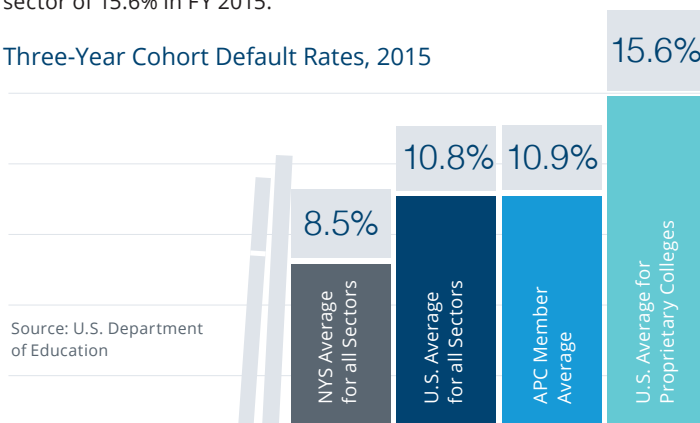


Source: IPEDS, U.S. Department of Education, 2016-2017 Data

Cohort Default Rates

The U.S. Department of Education recently released the 2015 three-year Cohort Default Rates (CDR). Recent studies show that student loan borrowers who struggle the most to repay their loans are often non-completers. In fact, student borrowers who do not complete a degree default on their student loans at a rate of almost three times higher than borrowers who earned a degree. Fortunately, Cohort Default Rates are decreasing nationally across all sectors of higher education. According to the USDOE the average cohort default rate dropped from 11.5 percent in FY 2014 to 10.8 percent in FY 2015. The average default rate for APC member colleges is 10.89 percent. This is considerably lower than the national average for the proprietary sector of 15.6% in FY 2015.

Three-Year Cohort Default Rates, 2015



Source: U.S. Department of Education



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