

Macias, Wendy

From: Macias, Wendy
Sent: Monday, June 01, 2009 9:47 AM
To: negreg09
Subject: FW: Thank You for the Call Today - ROI Input

-----Original Message-----

From: [REDACTED]
Sent: Friday, May 29, 2009 4:37 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Thank You for the Call Today - ROI Input

Thank you. We will include this as part of the public input submitted in response to the Federal Register notice.

-Bob

From: [REDACTED]
Sent: Friday, May 29, 2009 3:26 PM
To: [REDACTED]
Subject: Thank You for the Call Today - ROI Input

Robert,

Thank you and your team for a very informative call today - Friday, May 29.

In the call you requested input on a couple of areas of key interest to our organization and to me, personally. I have over 10 years of senior management experience in the online education industry with both for-profits, and non-profits. At the bottom of this email, and meant as a brief introduction, we have included a brief overview on our group and myself.

Input Requested:

1. Graduate Job Placement:

--ROI: Without intending to offend, we find that Online Education today, particularly for-profit, is a product, and a critical part of the claim of that product is that the large amount of time and financial investment being made by the government/taxpayers; the families, and the students in these educational programs will result in better job opportunities for them, and their families. That claim needs to be quantified in the same way that shareholders of the for-profit higher education companies demand of their investment - ROI evaluation.

a. What is the Return on the Investment(ROI) being made by the taxpayers, the families, and the students?

b. In the same way investors rate their financial investment in for-profit educational giants, we need to rate these online providers who are using scarce taxpayers, and working families' financial resources:

While it is unreasonable to expect guarantees of job placement upon graduation, it is reasonable to expect that these Online Providers using taxpayers money, and getting many families into large student loan debts provide transparency into:

a. Job Placement Statistics in each of the program offered, by the online education providers

Job Placement and Career Resources offered to these students, and specifically looking at the ratio of these to their student population.

--Number of Career Counselors per program area per students. The amount of resources (people, money, time, etc) being dedicated to these job placement need to be reported on a per student ratio.

--Number of Corporate, Government, and Non-profit Internship Partnership Opportunities per program per student ratio. These providers have to be accountable for meeting their implied product claim to these families, and accountability over the type of opportunities they have and are continuing to develop to offer their students is only part of that accountability.

--Alumni network, support and access - Alumni often represent a great job access/network opportunity for many students, and this needs to be another area of evaluation for these providers. Some providers have started to develop these networks for purposes of referrals and using as leverage to enroll new students, but they need to go further than that and invest in cultivating the access to current and graduating students.

2. Incentive compensation for enrollment advisors.

--Incentives Incentivize: If we allowed for incentives in the sale of education, you will always be incentivizing good honest enrollment advisors to reach for that incentive and Sell education not as their title implies - Advice:

Incentive compensation for enrollment advisors, regrettably turns many of them into aggressive sales people of student loans; and multi-year degree programs (higher margins programs).

b. There are many good people employed as Enrollment Advisors nationwide, and you would be doing a great service to them, and students nationwide if you mandated that these advisors be on a fixed salary without any incentive placed on the number of students they enroll or in which of the highest grossing margin programs they were enrolled in.

--Enrollment Advisors should be evaluated on their ability to help, and support future students. Specifically, these advisors should be part of the normal yearly evaluation process, but critical to their success would be student evaluations, student completion, etc - Not simply the number of enrollments.

Our group, [REDACTED] is a small non-profit Online Education Consumer Organization focused on educating, and training unemployed, displaced and disabled workers on how to use Online Education to retrain for new jobs. As part of our mission, we provide this audience and others looking at purchasing online education with consumer advice, research and a buyers checklist to help them avoid online scams.

On myself, I joined AboutEdu on the first of the year, and came to the group with over 20 years of senior management experience in the International Online, and Campus-based Higher Education; Media, and Venture Capital industries. Prior to joining AboutEdu, I was Senior Vice President of Global Business Development and a member of the start-up team of what today is a billion dollars world leader in International Higher Education - Laureate International Universities / Laureate Education, Inc. I came to Laureate from New York University's Online Education division, where I headed Global Business Development efforts. In 2006, I was honored by being selected as one of the recipients of the Maryland International Business Leadership award, and today I am equally honored to represent