

Gainful Employment Decreasing Access to College

FLORIDA ASSOCIATION OF POSTSECONDARY SCHOOLS AND
COLLEGES

Florida is Different

- Florida has designed Private Education into its Higher Education System
 - Common Course Numbering (to allow greater flexibility in transfer)
 - The Higher Education Coordinating Council brings together all Higher Ed Sectors
 - State University System
 - State College System (Community Colleges)
 - Not-for-Profit Private Schools
 - For Profit Private Schools
 - Workforce and Business Community
 - State Department of Education

Commission for Independent Education Regulates Differently

- The Commission has Broad Authority to Protect Students
- In 2013-14, the Commission Licensed 1,018 on-ground campuses in Florida
 - 287,156 enrolled students
 - 95,321 graduates with degrees and diplomas
- The Commission conducted 644 on-site visitations
 - Every New Campus is visited prior to opening
 - Most non-accredited schools are visited annually
- Handled over 1,000 calls a month requesting information about Private Schools
- Received and 341 consumer complaints—and closed those complaints
- Sent 36 Letters of Noncompliance to Unlicensed Institutions (1st legal step to closure)

Results are Telling

**OVER THE LAST 5 YEARS MORE THAN
500,000 STUDENTS HAVE COMPLETED
PROGRAMS AT SCHOOLS LICENSED BY THE
COMMISSION FOR INDEPENDENT
EDUCATION**

2012 – 13 Performance

Below the Associate Degree Level, Florida awarded 101,591 Diplomas and Certificates

- 61.35% (62,327) of those credentials were awarded at CIE Licensed Schools

At the Associate Degree Level, Florida awarded 93,192 Degrees

- 15.59% (14,529) of those credentials were awarded at CIE licensed Schools

At the Bachelor Degree Level, Florida awarded 92,500 degrees

- 10.13% (9,370) of those credentials were awarded at CIE Licensed Schools

2012 – 13 Performance

At the Masters Degree Level, Florida awarded 32,478 Degrees

- 17.74% (5,760) of those credentials were awarded at CIE Licensed Schools

At the Doctoral and 1st Professional Degree Level, Florida awarded 10,238 Degrees

- 19.88% (2,035) of those credentials were awarded at CIE Licensed Schools

Historic Performance

CIE Licensed Schools Award:

- ❖ 60% of Associate Degrees in Computer Science and Information Technology
- ❖ 25% of all Bachelor Degrees in Computer Science and Information Technology
- ❖ 15% of all Master Degrees in Computer Science and Information Technology
- ❖ 60% of all Healthcare Credentials
- ❖ 91% of all Pharmacy Technicians
- ❖ 75% of all Surgical Technicians
- ❖ 54% of Radiological Technicians
- ❖ 50% of Licensed Practical Nurses

Historic Performance

CIE Licensed Schools Award:

- ❖ 20% of Registered Nurses
- ❖ 48% of Associate Degrees in Visual and Performing Arts
- ❖ 45% of Bachelor Degrees in Visual and Performing Arts
- ❖ 55% of Associate Degrees in Homeland Security and Law Enforcement
- ❖ 18% of Bachelor Degrees in Homeland Security and Law Enforcement
- ❖ 90% of Cosmetology Credentials
- ❖ 80% of Culinary Credentials

How Does Gainful Employment Effect Students and the State of Florida

1. Decreases Access to Education
2. Discourages Future Educational Offerings
3. Insures that fewer student complete. Push students to Community College in two year programs or less insures a lower graduation rate.
4. Insures that students that did not flourish in K-12 education system, continue to be poorly served.
5. Provides less resources to meet Student and Employer Needs.
6. Shuts down opportunities in neediest communities.
7. Makes Florida less competitive for employers by limiting workforce capacity.

Things That Should be Considered

Gainful Employment's focus on "Programs" means that small quality programs can be closed for reasons other than performance.

- ❖ A Sample of the 7,500 + courses approved by CIE reveals that, of those programs with graduates:
 - ❖ 39.76% had 10 or less graduates in 2012-13.
 - ❖ 60.24% of the programs had 20 or less graduates in 2012-13.

Gainful Employment's effect on Programs has a Ripple Effect

- ❖ Availability of Faculty
- ❖ Opportunity for those who are not on Federal Financial Aid
- ❖ Opportunities in Communities not well served by Other Educational Sectors

Things That Should be Considered

There are better measures of quality for many programs, but they require a more sophisticated approach than Gainful Employment

- Industry Certifications
- Pass Rates on National or State Boards

The Attempt to use a computer to judge educational quality (or the economic value of an education program) will necessarily fail to accomplish the task of measuring quality. Applying the Gainful Employment Standard to programs offered by other Education Sectors demonstrates the Failure of the proposed measures.

You have the opportunity to make states do a better job of oversight, and could exempt states which meet higher standards.

Recommendations

1. Send the Rule back to DOE to make sure the rule measures what it Proposes to Measure
2. Consider Limiting the application of the rule to programs with adequate number of graduates to assess the program.
3. Consider increasing the overall capacity of state oversight by allowing states that meet federal standards to opt out.
4. Addressing the historical situations that are associated with specific occupations (those whose income is historically spread over time, or where compensation comes in forms not well thought out in past Gainful Employment proposals.
5. Make sure the rule has a dynamic that is linked to the performance of the economy. Students and schools should not be penalized because of factors beyond their control.



May 27, 2014

The Honorable Arne Duncan
Secretary
U.S. Department of Education
400 Maryland Ave., SW Room 7W301
Washington, DC 20202-1510

Dear Secretary Duncan:

We the undersigned, along with The Florida Association of Postsecondary Schools and Colleges, share your commitment to protecting students and safeguarding the quality and integrity of postsecondary education. That said, we urge you to reconsider the proposed Gainful Employment rule, which sanctions schools when their graduates do not meet certain debt load and income thresholds. We believe the rule will dramatically limit both the opportunities of many Florida students to access postsecondary education and the ability of Florida employers to obtain workers with job-ready skills and abilities.

In writing this rule, the Department appears to assume that institutions can somehow control the immediate success of their students. Career colleges prepare students for gainful employment with the education, training and skills necessary to be successful on the job; they do not guarantee job success for each graduate. If implemented, we believe this regulation will have a long-lasting detrimental effect on Florida's students, businesses and overall economy.

The proposed regulation fails to recognize that some essential professions, such as homeland security, elementary education, and first-line medical personnel (radiological technicians, medical assistants, licensed practical nurses, etc.) may not have impressive entry wages. However, over the longer term such professions generally provide working families greater opportunities for employment and steady income. Consider the fact that more than 300,000 Floridians have chosen to improve their skills by enrolling in private career colleges. An analysis of data from the Florida Commission for Independent Education reveals that approximately 60% of all degrees and certificates from two-year programs issued to healthcare and information technology students in 2011-12 were issued by career colleges. The same is true for more than 50% of the two-year graduates in homeland security and defense.

This regulation does not open any additional programs. It doesn't appropriate funds for additional students in other educational sectors. It simply limits the number of potentially skilled workers that our educational

system can accommodate. Reuters reports you saying an estimated one-quarter of the 8,000 programs targeted by the proposal would have to close if the regulation were to take effect today.

If so, that would be extremely unfortunate. Like many states, Florida has come through a prolonged and difficult recession and is now on the economic ascent. The proposed gainful employment rule will take us in an opposite direction, away from broadly shared skills, jobs and economic growth.

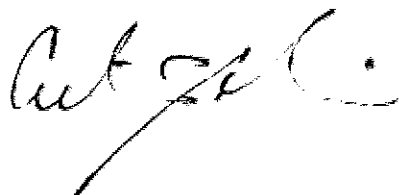
We need to sustain our growth trajectory. In the past year, Florida added 192,000 jobs, one of the largest such totals of any state in the nation. Florida ranks No. 2 among states in new business production, and, last year, Fast Company magazine named Florida the most innovation friendly state in the nation. We are thriving in part because our diverse, job-ready workforce has access to education, training and skills development.

A better approach would include the following:

- A re-examination of student borrowing practices and the ways schools could partner to minimize student debt;
- A realistic repayment time period for students in essential occupations; and
- A regulatory plan that treats all students and programs equitably.

Florida jobs, families, communities, businesses and our state's continued economic expansion rely on the contribution of 1,000 plus career colleges to a well-educated, appropriately skilled and globally competitive workforce. In advancing the interests of students in Florida and across the nation, we ask the Department to choose a path that preserves choice, expands opportunity and leads to greater economic prosperity for all.

Sincerely,



Curtis C. Austin
Executive Director
Florida Association of Postsecondary Schools and Colleges

Florida Association of Postsecondary Schools and Colleges, Linda Weldon, President and Curtis Austin, Executive Director

Associated Industries of Florida - The Voice of Florida Business Since 1920, Tom Feeney, President & Chief Executive Officer

The Florida Restaurant and Lodging Association, Richard Turner, General Counsel

Florida Hospital Association, Bruce J. Rueben, President

The Honorable Dennis Baxley, State Senator

The Honorable Aaron Bean, State Senator

The Honorable Denise Grimsley, State Senator

The Honorable Erik Fresen, State Representative

The Honorable Ray Pilon, State Representative
 The Honorable Pat Rooney Jr., State Representative
 Arvid Albanese, Albanese Group
 Linda Allen
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