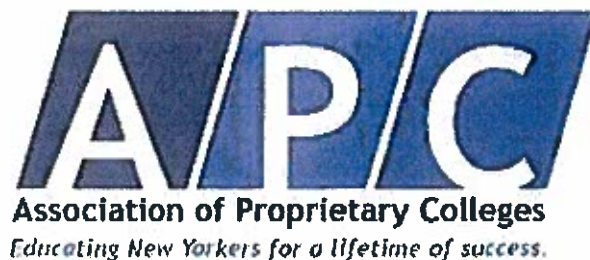


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TESTIMONY OF THE ASSOCIATION OF PROPRIETARY COLLEGES
ON THE EXECUTIVE BUDGET PROPOSAL FOR
SFY 2012-2013
BEFORE THE NEW YORK STATE SENATE FINANCE COMMITTEE
AND ASSEMBLY WAYS AND MEANS COMMITTEE



Senator DeFrancisco, Assemblyman Farrell, 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 the importance of higher education in New York State.

My name is Susan Cumoletti, Director of Syracuse Colleges for Bryant & Stratton College, and also with me is fellow member of APC, Christopher E. Barto, Assistant Vice President for Student Finance/Chief Compliance Officer at LIM College, Manhattan.

First, let me say **THANK YOU** for your continued support of APC Colleges and more importantly your constituents that are enrolled in our institutions. Usually we come here to testify asking for your help in making major restorations to the Tuition Assistance Program (TAP) that will enable students to continue their dream of obtaining a degree or maintain access and opportunity to higher education. For years, you have come to the rescue of our students and helped keep the program as it was intended - a grant based program that provides low income and educationally disadvantaged students an opportunity to enroll in higher education!

This year we are thrilled the Governor kept his commitment to Higher Education. For the first time in recent memory there are no proposed reductions to the Tuition Assistance Program. Further, 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 the future of New York. Continued investment into higher education is essential for New York to rebuild the economy. Therefore, our testimony will focus on ways the state can continue to make smart investments to ensure institutions of higher education provide a quality education and students have access and opportunity.

Background on APC:

APC represents 27 degree granting colleges operating on 41 college campuses in New York State enrolling more than 55,000 students in associate, bachelor's, master's and doctoral programs. Our colleges are located in urban and rural areas from Buffalo to Long Island, Jamestown to Rochester, Syracuse, Utica, Albany and the entire metropolitan area. The colleges together employ over 5000 people in this state.

The mission of APC is simple: Proprietary colleges exist to provide students who need or desire a focused entry point into the work force a clear path to that goal. Our colleges exist to educate students for the jobs that are available today and will be tomorrow. In order to fulfill this mission we as college's are committed to providing students a quality education with the necessary support and assistance needed as they navigate their way towards obtaining a degree and finding a career.

APC member colleges are alike in many ways but very diverse. Most of the colleges are family owned – currently being operated by the third or fourth generation of their family. Many of the colleges have been in existence prior to the creation of SUNY and CUNY. They educate the students in the area where they are located and the majority of graduates commence a career and

remain long-term in New York State. The colleges are aware of the jobs and industries available and make sure the degrees offered lead to employment.

Bryant & Stratton and LIM College are perfect examples of the similarities and differences among the colleges:

- Year Founded:
 - Bryant & Stratton College was founded in 1854
 - LIM College was founded in 1939
- Location:
 - Bryant & Stratton Colleges are located in urban and suburban settings across Upstate New York (Buffalo, Rochester, Syracuse, Albany).
 - LIM College is located in mid-town Manhattan in the heart of the fashion district.
- Student Demographics:
 - Bryant & Stratton Colleges enroll more non-traditional students – students over the age of 24 – that live in the local areas surrounding the campuses and have no family support to cover the cost of tuition, books and/or fees. Many of the students are entering higher education for the first time or are looking to improve their skills needed for the jobs of today. Many have families or continue to work while attending class.
 - LIM College enrolls a majority of students that are entering higher education from high school. 73% of the students are from New York or New Jersey. Students who enter LIM either reside in dorms or live off campus. LIM College provides a personalized, supportive and dynamic learning environment with a Student-to-Faculty ration of 9:1.
- Degrees Offered:
 - Bryant & Stratton offers Associate and Bachelor's degrees.
 - LIM College offers Associate, Bachelor's and Master's degrees.
- Accreditation:
 - Both colleges are accredited by Middle States.

Over the last decade our colleges have grown, not only in the overall number of students enrolled but in the degree and programs offered. Many people still think of proprietary colleges as business schools, a place where students go to learn typing and bookkeeping. While, for many of our colleges, this is how they started, but it in no way portrays the colleges today.

Recently, Bryant & Stratton was authorized by the Board of Regents to offer its second baccalaureate degree in New York State. The Bachelor of Science degree in Health Services Administration was approved for the college's Albany, Orchard Park and Liverpool locations. This is the first bachelor degree program at the Albany and Liverpool locations and I am excited that we will be able to offer our student's in Albany and Syracuse the opportunity to further their education and earn a four year degree in a job sector that continues to grow across Upstate New York. Our graduates will have knowledge related to the management of health services and facilities, with an emphasis on finance, legal aspects in healthcare, disaster planning and management and information systems – areas of significant and growing importance to the healthcare industry.

Measurements and Outcomes:

APC has always believed that it is essential to measure investments in higher education by achievement and outcomes. We believe our colleges strive not only to provide a quality education but offer an education that meets the needs of the jobs today and tomorrow. A key ingredient to their success, are the internships, co-ops and real-life experience students are provided the day they enter an APC College.

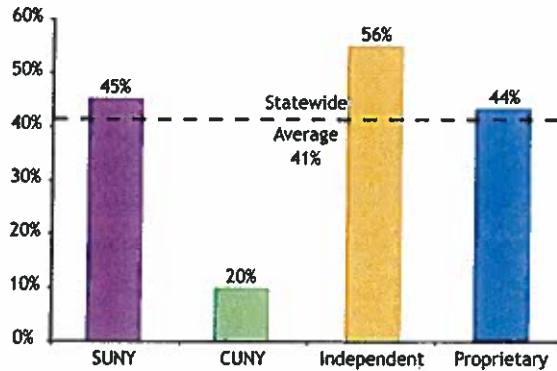
LIM is a prime example - hands on learning and experience within the fashion industry are an integral part of a student's core curriculum. It allows students to take the information they learned in class and put it into the real world. It starts the day they enter LIM and continues throughout their educational experience.

- During Freshman year, students are required to complete a 3 credit course consisting of a career planning class and hands on internship within the retail sector.
- During Sophomore year, students undertake a credited five week, full-time corporate internship that enables them to explore different areas of the fashion industry. Some examples include internships in buying, merchandising, visual merchandising, product development, or public relations.
- During their last semester, students complete a semester-long, full time Co-op. Students have the ability to choose the company (for example: buying, public relations, fashion magazines, department stores, cosmetic companies) they work for and are required to spend a minimum of 28 hours per week at the internship site.

Providing students with a quality education is only part of our mission. Each of the APC member institutions are committed to helping their students achieve the ultimate success by finding jobs after graduation. Placements rates are over 85%. In spite of the recent economic situation, LIM College has continued to successfully place over 95% of bachelor degree graduates and 100% of associate degree graduates within one year of completion (class of 2009). Bryant & Stratton College is also proud of the outcomes derived from a strong commitment to providing students with a highly successful career services model. Last year, 89% of all graduates were placed in or within their related field of study with 81% of those placements solidified within 90 days of graduation.

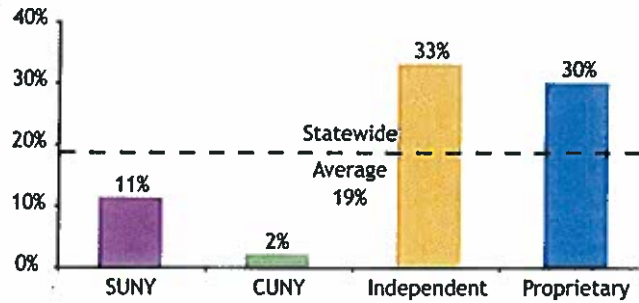
Let me take a moment to tell you ***5 Important Facts About APC*** that demonstrate our success and exemplify why students choose to enroll in an APC College.

#1 First-time students pursuing bachelor's degrees, graduation rates at APC colleges exceed the statewide college average by more than 8 percent.



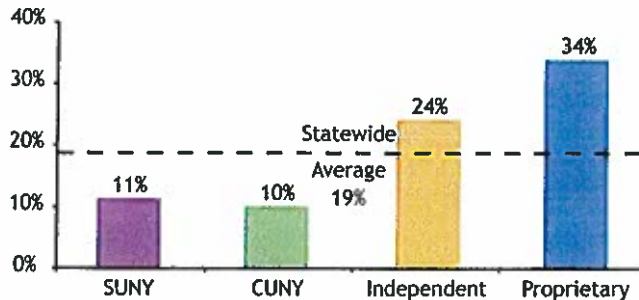
Source: State Education Department

#2 APC students earn associate degrees at a rate of 55.4 percent higher than the statewide averages for students completing their degree requirements in two years.



Source: State Education Department

#3 At APC colleges, students who previously struggled in the classroom, excel – graduating at a rate more than 2 times better than other New York State colleges.



Source: State Education Department

#4 From 2005 through 2009, tuition at APC colleges remained affordable – on average, a savings of more than 40 percent from a private, four-year college.

Source: IPEDS

#5 APC Colleges provide a quality education to New York Residents. A majority 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.

Source: APC survey

Smart Investments:

1. Restore Maximum TAP Awards for Two-Year Degree Programs

Two years ago, TAP was reduced for students enrolled in two year degree granting programs from \$5000 to \$4000 (20%). The reduction was not limited to only maximum awards. 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 \$5000. Students enrolled in independent or our proprietary colleges that offer two and four year programs are not impacted. The result of this proposal is that students, the majority of whom are enrolled in an APC College, are treated differently based solely upon the type of institution they enter. These colleges are located in New York City, Long Island, Elmira, Utica, Albany, Syracuse, Rochester, and Buffalo.

While we understand the state's fiscal situation, we still believe it is bad policy to reduce TAP for students in two year degree programs. Many students entering higher education for the first time enter a two year program. As evidenced above, APC Colleges have excellent outcomes for Associate degree programs – 55.4% higher than the statewide average. Many of the programs offered by our two year colleges are an important pipeline of employees for local businesses. However, enrollment is declining and while we do not have hard data at the moment, many of the colleges believe it is the difference in financial aid that is available.

We also understand the state might not be able to make new investments into TAP and that the focus should be maintaining the program “as is”. Yet, the 2011-12 Enacted State Budget added approximately \$18 million in tuition assistance for students attending private religious schools studying to be rabbis.

Ask: Help students enrolled in two year degree programs by creating equity in maximum TAP for students attending two and four year programs.

2. Invest In Staff Within 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, including explosive growth of the for-profit sector, that have been highlighted at the national level, do not occur in New York. Why you may ask? The answer is colleges cannot offer new degrees or add new programs of study without the approval of the State Education Department. In order to offer a new degree or a program, a college must file a proposal, which is thoroughly reviewed by SED staff, a site visit is conducted,

other colleges that might be affected, if the proposal is approved, are canvassed and the ultimate decision regarding approval is granted by the Board of Regents. In addition, the Board of Regents can rescind authorization to offer degrees or programs, if the Department finds the college is not in compliance with the regulations. New York is one of the very few states that regulate its higher education system this way. The process is labor intensive but extremely important to ensure the regulations are enforced and New York continues to require all institutions of higher education to offer a quality education.

In addition, 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. Many programs, across all sectors, are the result of a need in the local community. While we agree only those programs that meet the standards should be approved, many programs are deemed more than qualified by the Department but they do not have the staff to undertake the review and necessary steps to get the item before the Board of Regents. The result is program approvals linger, colleges are not able to enroll students in programs that local employers need and want. This prevents students from getting the jobs they need and further hinders economic development.

Ask: Increase staff within the Office of Higher Education so they have the proper staff to regulate the colleges and universities operating in New York and review new degree programs in a timely fashion that allows colleges and universities to offer the programs needed by local businesses.

3. Support Increased Oversight by the Bureau of Proprietary School Supervision of Non Degree Schools in New York

The Bureau of Proprietary School Supervision (BPSS) oversees and monitors all non-degree granting proprietary schools in New York State. BPSS licenses and registers proprietary schools, and sets the credentials for proprietary school teachers to ensure appropriate standards are met. BPSS is housed within the Office of Adult Career and Continuing Education Services (ACCESS) at SED. Previously it was part of the Office of Higher Education.

Senator LaValle and Assemblywoman Glick have introduced legislation (S.4268-C/A.7858-A), which is also a Departmental Bill, to update the current regulations of BPSS. The bill would provide BPSS with greater ability to monitor, investigate and respond to complaints about schools. In addition, it would allow BPSS to track outcomes and operations of the schools.

APC is supportive of the bill and believes increased oversight will protect students and will be beneficial to the schools (currently almost 500) that operate in the state. We believe the non-degree schools should be held to standards similar to degree granting institutions to ensure students enrolled are receiving a quality education.

Ask: Support passage of this bill which will protect students and enable SED to provide better oversight and regulation of the non-degree schools operating in the state.

Final Consideration

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. Continued investment into key areas will ensure our educational system remains strong, produces well educated graduates, that are trained for the jobs of today and tomorrow and who will be vital to our economy moving forward.

On behalf of our member colleges and our students, thank you for your consideration of our proposals.

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APC MEMBER COLLEGES

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
ITT Technical Institute - Est. 1969
Jamestown Business College - Est. 1886
LIM College - Est. 1939
Long Island Business Institute - Est. 1968
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
Saint Paul’s School of Nursing - Est. 2009
School of Visual Arts- Est. 1947
Simmons Institute of Funeral Service, Inc. - Est. 1900
The Swedish Institute - Est. 1916
Technical Career Institutes, Inc. - Est. 1909
USC - The Business College - Est. 1896
Wood Tobe-Coburn - Est. 1879

Learn more about the Association of Proprietary Colleges at www.apc-colleges.org.