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Chairman Carper, Ranking Member Coburn, and members of the committee, I would like to thank you for the opportunity to appear before this committee and for holding this important hearing on Improving Educational Outcomes for our Military and Veterans.

I am here to represent the member institutions of The Association of Private Sector Colleges and Universities, their faculty and the nearly four million students who attend our institutions. Our institutions provide a full range of higher education programs to students seeking career-focused education. We provide short-term certificate and diploma programs, two- and four-year associate and baccalaureate degree programs, as well as a small number of master's and doctorate programs. We educate students for careers in over 200 occupational fields including information technology; allied health; automotive repair; business administration; commercial art; and culinary and hospitality management.

APSCU and our member institutions want to ensure that our students are well-prepared to enter the workforce and that every institution of higher education lives up to the high standards expected by our students. Private sector colleges and universities have a long and important relationship with our nation's military and veteran students. We celebrate who they are and what they do. Our actions as educators of military and veteran students honors this partnership by providing our military and veteran students with the best possible educational experience at our institutions.

According to the latest data obtained by APSCU from the Department of Defense, 762 private sector colleges and universities (PSCUs) have been approved to offer courses to active duty military. The Department of Veterans Affairs reports that more than 325,000 veterans and their families have been served by our institutions using their post 9/11-GI benefits. Although veterans make up less than 10 percent of our students, we are proud to serve those who choose our institutions. More than 1,200 of our institutions participate in the Yellow Ribbon Program and a majority of those impose no limits on the number of eligible students while providing the maximum institutional contribution.

Why do veterans and active duty military choose to attend our institutions? Quite simply, the answer lies in our customer service. We understand the challenges that arise when our military men and women transition back to civilian life and enter into postsecondary education. Often, traditional institutions of higher education are not the best fit. Our military and veteran students are not the fresh-out-of-high school, first-time, full-time student living on campus and attending college thanks to the generosity of family. Our military and veteran students are like many of our new traditional students - working, with a spouse and children and paying for their education with money they have saved.

Service members and veterans attend our institutions because we design courses to be relevant, concentrated, and suited to the personal goals of our students. This education foundation is of a particular benefit to military and veterans seeking a promotion, advance in rank or supplementing skills attained during their service. This type of purposeful, tailored education ensures that veteran and military students nimbly move from the classroom onto their next academic or professional goal. The ability to offer courses on-base, online, and on the student's schedule is of tremendous value. Because of our longer school days and year-round academic programming, our students can often complete an associate's degree in 18 months or a bachelor's degree in just over three years.

We share your commitment to ensuring that every postsecondary institution provides the highest level of service to each and every student, especially active duty military, veterans and their families. We take great pride that our institutions are designing and delivering education in ways that meet the needs of today's military and veteran students. We strive to ensure that all students receive the education they deserve.

Our Veteran Students

We offer veteran students who are juggling work, school and family a more efficient approach to completing their careers by offering flexible schedules, focused academics and accelerated programs so that they may more expeditiously begin their careers.

Because the Integrated Postsecondary Education Data System (IPEDS) does not count anyone but first-time, full-time students in their database, no one has an accurate source of data on veterans, or other non-traditional students attending our schools. Earlier this year we surveyed several member institutions and looked at 16,500 veteran graduates. We can share with you the following description of the veterans enrolled in our schools:

- 24% are single parents;
- Over 50% attend part-time;
- Nearly 80% are 25 years of age or older and almost all of them are living independent of their parents;
- Over 33% are female;
- 46% have dependents;
- 29% are African American; and
- 12% percent are Hispanic.

PSCUs are providing skills that put Americans back to work. Today, in America, there is a very real skills gap that is impeding job creation and economic growth. Our institutions are working to bridge this gap by combining postsecondary education and career skills in ways that equip veteran students with workplace skills.

Of veteran graduates, 75 percent earned certificates and associates degrees while 25 percent earned bachelor's and graduate degrees.

Forty percent of all the veteran graduates earned credentials in healthcare fields, one of the fastest growing industries in the country. These occupations range from medical, dental and veterinary assistants to nurses and technologists of various types with weighted average annual median salaries of \$33,000 for certificate and associate degree holders to \$56,000 for bachelor and graduate degree holders.

Another 20 percent of veteran graduates earned credentials in skilled trade programs, such as construction, maintenance and repair, and engineering technologies. According to the U.S. Bureau of Labor Statistics, the United States will need more than 1 million additional workers to fill these jobs by 2020. The weighted average annual median salary for graduates earning their certificates and associate degrees in these fields was \$44,000.

Ten percent of veteran graduates earned awards in computer and information programs like computer programming, computer graphics, computer systems networking, and information technology. The weighted average annual median salary is \$57,000 for certificate and associate degree holders and \$89,000 for bachelor and graduate degree holders. The US will need nearly 3 million additional computer and IT workers by 2020.

We want to work with you to provide our service members and veterans, particularly young combat veterans, with the tools and resources to make an informed, thoughtful decision about which educational opportunity will best prepare them for the workforce.

Access to Postsecondary Education

During the recent economic downturn when states and local communities reduced education budgets, many of our colleagues at public institutions had to endure budget cuts resulting in limited access and service for students. But our institutions continued to invest in their schools to offer students industry-leading innovation while expanding capacity and meeting the evolving demands of employers. Because we are not dependent on brick-and-mortar facilities to expand access, we are able to meet the growing demand for postsecondary education through vastly expanding online technology offerings, and perhaps our most successful academic delivery – a blend of online and on-site programs.

Even while investing in education programs, our schools have been successful in reducing the cost of attendance for our students. Recently, the U.S. Department of Education released an analysis that compares the average costs at institutions between 2010-2011 and 2012-2013. Only our institutions experienced a reduction in the average costs by - 2.2 percent; other sectors experienced an increase in costs, with public in-state cost increasing 6.7 percent, public out-of-state increasing 4.1 percent and private non-profit rising 3.1 percent. For two-year institutions, our schools were able to reduce costs to students by 0.2 percent, while public in-state cost increased 6.4 percent, public out-of-state increased 3.9 percent and private non-profit rose 1.8 percent. Unlike our public colleagues, we don't have differing rates of tuition for in-state versus out-of-state students.

Just as important as the cost of attendance to students is the spending on instruction by institutions of higher education. According to the latest U.S. Department of Education data, instruction expenses as a percent of total expenses is 32 percent for public institutions, 33 percent for private non-profit and 27 percent for our institutions. Considering our institutions have fewer tenured and research faculty, our spending on instruction is very comparable to our postsecondary peers.

On the subject of marketing and student recruitment, our institutions seldom recruit students through high school guidance counselors because most of our students have been out of school for some time. We cannot count on hundreds of years of history or an NCAA sports team to get our names known. As a result, we do advertise and depend substantially on word-of-mouth referrals. As we have discussed today, many of our students are new traditional students who cannot be reached through a high school guidance counselor. The average school will only enroll 1 out of a 100 initial inquiries. As a result, we must raise awareness of our institutions as viable postsecondary education options. According to financial analyst

reports, the per student cost of enrollment does not differ that much among the institutions of higher education. According to the National Association for College Admissions Counseling (NACAC) 2011 report, the mean cost per enrolled student was \$2,407.73 (\$987.01 public, and \$3,042.52 private non-profit.) This compares to a median of \$3,858 for seven of the 15 publicly-traded PSCU for FY 2011.

We've expanded educational opportunities for many people, as evidenced by the increasing number of degrees our institutions have awarded. Yes, much of this is the simple result that our sector of postsecondary education is probably the newest with new campuses and forms of academic delivery. But in an era when we expect 65 percent of all jobs and 85 percent of all new jobs to require some level of postsecondary education this growth in access is important. Between 2008 and 2012, while the country was deep in recession, our institutions prepared 3.5 million adults with the education and skills essential for real jobs, real incomes and a real chance at America's middle class.

Our institutions experienced a higher growth in degrees awarded than all others between 2010/2011 and 2011/2012. Degrees conferred by our institutions increased 8.6 percent compared to 5.2 percent by public and 3.2 percent by private nonprofits. According to Bureau of Labor Statistics data, the degrees and certificates awarded by our institutions are in some of the fastest-growing occupations nationwide. For example, in 2010/2011 we awarded 52 percent of all Dental Assistant Certificates, 50 percent of all Veterinary Technologists and Technicians Associate Degrees and 40 percent of all Diagnostic Medical Sonographers Associates Degrees. Without our students, employers in these fields would be unable to find the well-trained staff they need to deliver services to patients and customers.

Importance of Postsecondary Education for Military Students

As an all-volunteer force, during a period of prolonged conflict, effective recruitment, retention and morale initiatives are essential to attracting and retaining professional personnel. More importantly, service members have taken their ambitions and turned them into reality by taking classes and earning degrees, diplomas and certificates.

Sergeant 1st Class James Wallace who is stationed at Ft. Knox Kentucky, and is attending Sullivan University, wrote to me recently about how pursuing his education at Sullivan University has helped him apply to become a Warrant Officer. He strongly believes that pursuing an education while in the military is a great tool no matter if the soldier is going to make a career out of the military or serve one enlistment.

Another student, Staff Sergeant Thomas M. Windley wrote that he began attending ECPI University in the summer of 2004 as a veteran recently discharged from service in the U.S. Navy, "Several months after enrolling with ECPI, I enlisted in the U.S. Army. During my attendance at ECPI, I was appointed System Administrator for my unit because of my knowledge of computer systems."

"I was able to complete my degree program and obtain an associate's degree in Network Security within 18 months. In 2007, I earned another Associate's degree in electrical engineering. It was at this point in my military career that my civilian education assisted me in being promoted over my peers. In 2010, I worked on a network installation team and within three months I earned my CompTIA A+, Network+, and Security + certifications due largely to my education, experience, and opportunity that ECPI provided me."

"In 2010, my military assignment took me overseas to Afghanistan. While deployed, I earned my bachelor's degree in Computer Information Science with a concentration in Network Security. Earning my degree led to another promotion, which was due to the tools and benefits ECPI provided in the areas of

leadership, professionalism, and core curriculum content. I have been tasked, since my promotion, with training others in my unit both below and above me in rank, to sit for certifications, thus far those I have trained have a 100 percent pass record. I would highly recommend this program to fellow service members, I believe ECPI to have the best customer service of any online school and I have attended several. Furthermore, the curriculum is very precise and concentrated in the areas most needed to perform the job at maximum proficiency.”

Whether we are talking about Sergeant First Class James Wallace, Staff Sergeant Thomas M. Windley or an Army Major working on her Master’s degree for career advancement, these men and women know what they want and are committed to getting it. Their service coupled with their commitment to getting an education is truly extraordinary.

APSCU Best Practices For Military And Veteran Students

In recognition of the growing numbers of military and veteran students enrolling at our institutions, APSCU adopted Five Tenets of Veteran Education that included the creation of a Blue Ribbon Taskforce for Military and Veteran Education. The Taskforce was comprised of a broad group of individuals who share a common commitment towards the education of service members and veterans representing a diverse range of institutions, including non-APSCU members, as well as representatives of nationally-recognized leadership organizations in the area of military and veteran postsecondary education. The Taskforce was specifically charged with identifying, collecting, and documenting practices and programs that meet the unique needs of military and veteran students, on the road toward their academic and professional goals.

I have attached a copy of these Best Practices to this testimony, so I won’t discuss them in detail, but I would just highlight the four major topic areas addressed by the Taskforce. (1) Consumer information, enrollment and recruitment makes clear that information should be provided in clear and understandable language and that no student should be subjected to aggressive or misleading recruiting practices. (2) Institutional commitment to provide military and veteran student support identifies initiatives related to personnel and faculty designed to help employees understand the special needs of military and veteran students. It also identifies institutional policies aimed at assisting military and veteran students such as participating in the Yellow Ribbon program, offering a reduced military tuition rate, maximizing the use of military training credit recommended by ACE, or exceeding the standards of the Uniformed Services Employment and Re-Employment Act for deployed employees. (3) Promising practices for ensuring military and veteran student success through student services discusses the need for student centers and partnerships, such as establishing a Student Veterans of America chapter or having a military and veterans lounge where students can meet and find peer to peer support. (4) Establish institutional research guidelines for tracking military and veteran student success encourages the collection and use of data to improve programs and evaluate program effectiveness. We are encouraging all our institutions and our colleagues at other institutions of higher education to look at these Best Practices and find opportunities to implement them where appropriate in order to best serve our military and veteran students.

A 2010 study by the Rand Corporation and American Council of Education (ACE) entitled “Military Veterans’ Experiences Using the Post 9/11 GI Bill and Pursuing Postsecondary Education reported findings which support the view that our institutions are working to support these students. The report noted the following:

- Rate of satisfaction with the credit transfer experience was 60 percent among survey respondents who had attempted to transfer military credits to our institutions, versus only 27 percent among

those from community colleges and 40 percent among respondents from public four-year colleges. Only participants from private nonprofit colleges reported higher credit transfer satisfaction rates, at 82 percent;

- Respondents from our institutions reported fewer challenges to accessing required courses than all other institutions except for four-year public institutions (33percent of respondents at public two-year colleges, 26 percent at private nonprofits, 22 percent at our institutions and 18 percent at public colleges).
- Survey respondents in private sector colleges and universities reported higher than average satisfaction rates with academic advising, at 67 percent, versus about 50 percent satisfaction among respondents at other institution types.
- Reasons for choosing our institutions included: career oriented programs with flexible schedules, like-minded adult students, flexible credit transfer rules and same institution in multiple locations.

Serving Military and Veteran Students

Many PSCUs offer a reduced military tuition rate for active duty, National Guard, and reserve service members and their spouses to minimize out-of-pocket student expenses and offer scholarships to wounded service members and their spouses as they recover from their injuries and prepare for new career opportunities. Some also maintain a military-friendly deployment policy, which allows military students to withdraw and return to school at any time if they are deployed and provide specialized military student advisors to evaluate past military training and experience and assess eligible academic transfer of credit based on ACE recommendations. The generous awarding of credit for military skills and experience and fair transfer of credit policies exemplify how PSCUs strive to be responsible stewards of this educational benefit, as exiting service members are not forced to take duplicative or extraneous classes.

This gives rise to the important issue of transfer of credits between institutions of postsecondary education. Students, both traditional and new traditional, routinely transfer to new institutions, enroll in classes at more than one institution concurrently, and take courses online, in person, and within new competency-based learning models. We now see the majority of postsecondary students attend more than one institution before completing their education. When students transfer, they often face the nerve-wracking and uncertain task of having credits accepted by the new institution. All too often, institutions will simply not accept credits earned at an institution accredited by a different organization, especially when the sending institution is nationally and not regionally accredited. As students transfer, the rejection of credits they have earned costs them in terms of time - needing to retake classes and delayed entry into the workforce - and money - in the form of additional loans and grants. APSCU encourages this Committee, and the Congress, to examine policies that facilitate credit transfer so that completion is not delayed and extra debt amassed as a result of repeating coursework, especially when it comes to helping our active duty military and veterans continue and complete their postsecondary education.

Recent Bureau of Labor Statistics (BLS) data suggest that the unemployment situation of our nation's veterans is improving, particularly in the 18-24 age category that has historically experienced higher unemployment than civilians. The Administration, veteran advocates, and veteran service organizations (VSOs) have responded by developing and implementing initiatives to put veterans in jobs.

The American Legion has partnered with DoD to educate state legislators and governors on the actual value of military skills and experience and how they translate into a civilian employment environment.

Additionally, the American Legion is serving as an advocate for changing current state laws to enable credentialing and/or licensing boards to consider military skills and experience when evaluating a candidate for a license or certification. The American Legion has also partnered with the Administration and the Departments of Defense, Energy, Labor, and Veterans Affairs to evaluate the current job-task analysis (JTA), identify any gaps in the JTA, and work with the private sector and postsecondary education institutions to best address how to fill the gaps through higher education, on-the-job-training, or apprenticeships. This initiative relies on the symbiotic relationship between credentialing, higher education, public and private entities to proactively work together to reduce veteran unemployment.

When members of the armed forces separate from their service, they enter a pivotal transition period that is often wrought with challenges, and as a result, the potential for failure is high. As we have discussed, our institutions are fully committed to helping veterans achieve success in higher education. This commitment and focus on educating members of the military, as well as veterans and their families is critical because according to the Defense Activity for Non-Traditional Education Support (DANTES) over 80 percent of members have only a high school diploma.

Addressing the Skills Gap and Building the Middle Class

Our nation currently faces twin crises - stubbornly high unemployment and a skills gap where employers all across the country cannot find trained and job-ready workers. The key to narrowing the skills gap and reducing civilian and veteran unemployment is an “all-hands-on-deck” approach to postsecondary education. All sectors of higher education must be part of the solution and accountable for the educational experience and outcomes of all students, especially military and veteran-students.

The facts are simple: Career-oriented schools are educating America's next generation and helping secure our nation's economic vitality. We all agree that a higher education degree greatly improves employment opportunities and income. At a time of extended, high unemployment and economic hardship, we should be supporting anyone seeking access to skills and training that will allow them to better their own future.

President Obama has challenged all Americans to commit to at least one year or more of higher education or career training, under the belief that if we are to succeed economically as a nation, every American will need to get more than a high school diploma. To meet President Obama’s challenge we will have to ensure that people who historically have not pursued higher education or succeeded in completing their postsecondary education attend and complete their education. From both a jobs and a global competitiveness standpoint, our institutions can help fill the existing education and skills gap and meet capacity demands that cannot be satisfied by public and private non-profit colleges alone. Increasing the number of educated people is essential. Research shows that raising the college graduate rate just a single point will unleash \$124 billion per year in economic impact on the 51 largest metropolitan areas in the U.S.

We share President Obama’s commitment and passion for education, and look forward to working with him and the Congress to ensure that all Americans can attain the skills they need to access meaningful opportunities.

There is an ongoing conversation in higher education and Congress about the post-9/11 GI Bill, as well as issues like 90/10. I would like to comment specifically on 90/10. But I would like to do so in the context of today’s student veterans attending our schools, and the skill demands of these future workers.

The postsecondary federal loan and grant programs were created to allow Americans who cannot afford to pay for college on their own to have access to college with the help of the federal government. Unfortunately, the 90/10 Rule encourages institutions to not enroll students most in need of postsecondary education simply because they use the federal funds made available by the government.

The 90/10 Rule is not a measure of institutional quality. It is a financial calculation that is a measure of the socioeconomic position of the student population served by an institution. An institution that is close to the 90 percent threshold is enrolling low-income students in need of postsecondary education. The government should be encouraging this behavior, rather than penalizing institutions serving a majority of low-income students. This metric undercuts the very reason we have loan and grant programs.

Further, across the country, public institutions like community colleges have reached capacity and simply cannot meet the demand for postsecondary education. Imposing changes that make 90/10 more punitive endangers student access and choice. It may also require institutions to deny an individual not based on their qualifications, but rather for their method of payment. Such denial would significantly interfere with the individual's right to select the institution that best fits their needs.

As mentioned earlier, our recent survey shows that 75% of the student veterans attending our schools are enrolled in certificate or AA degree programs. This is higher than the 68% of all students attending our schools pursuing similar degrees. This is critically important because a June 2013 study by The Georgetown Center for Education and the Workforce shows that between 2010 and 2020 the American job market will grow its demand for workers with these very skills (certificates and AA programs) by 9 million. Our veterans have chosen the right career paths. But if we take steps to limit their access to the schools providing these programs we will deny them the education, the skills and the jobs they deserve.

Private sector colleges and universities have demonstrated a unique capability to confront the challenges of educating America's middle class. We have been at the forefront of the effort to close the skills gap by offering career-focused training aiding business owners seeking workers with specific training and expertise. We have made it our mission to close this gap and are working every day to achieve that end.

We take seriously the charge to work with veteran and military student populations and prepare America's students to succeed in the workforce. Private sector colleges and universities look forward to helping these students achieve their dreams, maintain military readiness and prepare them for life after the military.

Thank you for your time. I look forward to answering your questions and discussing these important issues with you today.