



MINNESOTA'S PRIVATE COLLEGES
COUNCIL • FUND • RESEARCH FOUNDATION

The State Grant Program: How Minnesota College Students Benefit

Who receives Minnesota State Grants?

Minnesotans who are enrolled in an undergraduate program at a public or private college in Minnesota can qualify for a Minnesota State Grant to help with their college expenses. Students qualify based on their demonstrated financial need.

During the 2003-2004 school year, nearly 70,000 low- and middle-income students in Minnesota had a public partner in meeting college expenses because of the Minnesota State Grant Program.

Why is the Minnesota State Grant Program important?

For students from low- and middle-income families, receiving a Minnesota State Grant significantly increases access to both public and private colleges. State Grants are a targeted and cost-effective way for our state to fund the higher education aspirations of the people of Minnesota.

State Grants also help more young people to aspire to college, regardless of family economic status. Most of these student recipients, once they graduate from college, continue to live and work in Minnesota. The State Grant Program helps them to more fully contribute to our state's social, cultural and economic well-being.

How much money is allocated for State Grants?

In fiscal year 2004, about nine percent of total state higher education expenditures were for State Grants for qualifying students at public and private colleges. Of the overall state higher education budget, only *three percent* was spent on state grants for students who attend Minnesota Private College Council member institutions. That's despite the fact that student graduates from these 17 institutions make up over *one-third* of all of Minnesota's baccalaureate recipients each year. This is a remarkable return on investment for state taxpayers.

The current situation

Two years ago during biennial state budgeting, the legislature and Governor increased funding for the State Grant Program. It was a significant achievement, as legislators cut spending dramatically in most budget areas to deal with a large state budget shortfall.

Even with the increased funding, all private college students saw a reduction in their State Grants over these last two years, even as tuition rose. Many don't realize that our students' aid was reduced. But because aid reductions would have been much bigger without the overall increase in State Grant funding, low- and middle-income college students owe the Governor and legislature their thanks.

Unfortunately, for the next two years, a federal accounting change in student aid eligibility will mean that college students will see reductions in both their federal *and* state financial aid. The state Higher Education Services Office estimates that 55,000 students could receive Pell and State Grant cuts, including 2,800 who will lose their State Grant altogether.

We're asking the legislature and Governor to increase State Grant aid again this year, to help offset the impact of both student aid cuts and tuition increases.

*Providing a Tradition of Quality
for a Changing World,
One Student at a Time*

Augsburg College
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Bethel College
Carleton College
College of Saint Benedict
College of St. Catherine
College of St. Scholastica
Concordia College, Moorhead
Concordia University, St. Paul
Gustavus Adolphus College
Hamline University
Macalester College
Minneapolis College
of Art and Design
Saint John's University
Saint Mary's University
of Minnesota
St. Olaf College
University of St. Thomas

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E-mail: colleges@mnprivco.org
Websites: www.mnprivatecolleges.com
www.worldsofdifference.com

Minnesota Career College Association

ACCREDITATION: All of the MCCA member institutions are accredited by an agency recognized by the United States Department of Education. These agencies represent regional, national, and programmatic accrediting bodies.

LICENSE: The MCCA colleges are licensed in Minnesota under the Minnesota Higher Education Services Office.

HISTORY: The MCCA member schools average 72 years in business. Five of the member colleges have been in operation greater than 100 years.

MEMBERS:	Academy College www.academycollege.edu	Argosy University www.argosyu.edu	Art Institutes International www.aim.artinstitutes.edu	Brown College (1) www.browncollege.edu
	Bryman Institute www.bryman-institute.com	Duluth Business University www.dbumn.edu	Globe College www.globecollege.edu	Herzing College www.herzing.edu
	ITT Technical Institute www.itt-tech.edu	Minneapolis Business College www.mplsbusinesscollege.com	Minnesota School of Business (2) www.msbcollge.edu	National American University (3) www.national.edu
	NTI - School of CAD Technology www.nti.edu	Rasmussen College (4) www.rasmussen.edu		
	(1) Brown College has campuses in Mendota Heights & Brooklyn Park	(2) Minnesota School of Business has campuses in Richfield, Brooklyn Center, Plymouth, Shakopee, St. Cloud as well as Globe College in Oakdale	(3) National American University has campuses in Bloomington, St. Paul & Brooklyn Center	(4) Rasmussen College has campuses in Eagan, Minnetonka, Mankato & St. Cloud

STUDENTS:	48% with family incomes under \$40,000	70% of our students graduate	22% of students have diverse racial and ethnic backgrounds	50% of students have previously attended another college
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AWARDS: Certificates; Diplomas; Associate, Baccalaureate, and Post-Baccalaureate Degrees

PROGRAMS:

Accounting	Architectural Drafting and Design	Administrative Specialist	Audio Production Engineering
Banking & Finance	Business Administration	Business Management	Child Care Specialist
Child Development	Communications	Computer Network Systems	Computer Specialist
Computer Aided Drafting	Computer and Electronics Eng.	Computer Programming	Cosmetology
Criminal Justice	Data Communication	Dental Assisting	Dental Hygiene
Desktop Application	Digital Entertainment	Digital Photography	Electronics and Communications
Engineering Drafting / Design CAD	Game Design & Development	Graphic Design	Health and Exercise Science
Health Information Technician	Health Unit Coordinator	Human Resource Development	Industrial Automation Engineering
Information Systems Security	Information Technology	Internet Developer	Legal Administrative
Legal Office	LeCordon Bleu Culinary	LeCordon Bleu Pastry / Baking	Management Accounting
Massage Therapy	Medical Administration	Medical Billing & Insurance Coding	Medical Office Administration
Medical Transcription	Multimedia	Multimedia Computer Graphics	Music Business
Networking Support	Paralegal	Pharmacy Technican	Phlebotomy Technician
Programming & Game Development	Radio Broadcast	Sales and Marketing	Software Developer
Software Engineering	Technology Management	Travel and Hospitality	TV Production
Veterinary Technology	Visual Communication	Web Site Design	Wide Area Network Tech

EMPLOYERS:

3M	Girls Scouts Land of Lakes	Marshall Fields	Short, Elliott, Hendrickson
Accenture Technology Solutions	Goodfellows	Mayo Clinic	Simplex- Grinnell
AFLAC Insurance	Grand Casino- Mille Lacs	Mellin Promotional Advertising	SMDC
Allina	HCMC	Metris	Skyline Exhibits
Alternative Resources	Health East	Metro Dental	St. Cloud Hospital
AT&T Wireless	Health Partners	Molin Concretes	St. Cloud Medical Group
Bremer Bank	Honeywell	Nash Finch	St. Luke's Hospital
Charter Communications	Hubbard Broadcasting	NCS Pearson	St. Paul Companies
Children's Hospital	ING Bank	New Horizon Inc.,	Target Corporation
Clear Channel	ISD #192	New Ulm Medical Center	The Home Depot
Courage Center	ISJ Hospital	Nexus Information Systems	Tutor Time
Dakota County	Jacob Wetterling Foundation	Norman G. Jenson, Inc.	Unisys
Department of Public Safety	King Show Games	Northwest Airlines	United Health Care
Dubow Textiles	Kinney and Lange	Northwest Airlines Credit Union	University of Minnesota
Duluth Billing Center	Land O' Lakes	Park Dental	US Bank
Dynamic Air	Larkin, Hoffman, Daly and Lindgren	Pentair	VA Medical Center
Eco Lab	Lifetime Fitness	Quinivan and Hughes PA	Vincent A Restaurant
Fairview Hospitals	LSI Corporation	Regis Corporation	Wells Fargo
Fortis	Mankato Chiropractic	Sartell School District	ZMC Hotels Corp

CAREER COLLEGE ASSOCIATION

TALKING POINTS

FOR-PROFIT EDUCATION

Important Facts About For-Profit Education

- 46% of all postsecondary institutions in the United States are for-profit colleges.
- 38% of all institutions participating in Title IV programs are for-profit colleges.
- 75% of students attending our colleges are employed.
- 70% of our students are the first in their family to attend college.
- 50% of our students have some type of previous postsecondary education.
- 48% of our students are minorities.
- 27% of our students are single parents.
- 18% of our students are African American.
- 12% of our students are Hispanic.
- 8% of all college students attend a for-profit institution.
- For-profit education programs span the spectrum from certificate to doctoral.
- For-profit education programs provide for employment in over 200 fields.

Overview of the For-Profit Sector

- The 1,270 CCA members educate and support more than one million students each year for employment in over 200 occupational fields. CCA member institutions cover the full gamut of postsecondary education: from short-term certificate and diploma programs; to two- and four-year associate and baccalaureate degrees; to masters and doctoral programs.
- As a whole, for-profit career schools and colleges comprise 38% or 2,523 of the Title IV eligible postsecondary institutions in the United States. These institutions annually enroll 1.8 million of the 23 million college students in the U.S. The majority of students enrolled in private career colleges attend less-than-2-year institutions. However, enrollment in degree-granting 2-year and 4-year degree granting institutions has increased 52% from 1995 to 2000.
- For-profit institutions are pioneering a wide array of innovative program delivery methodologies such as on-line, modular and weekend programs to complement their traditional classroom offerings. While for-profit institutions currently offer fewer online courses (44% offering at least one online course) than public (90%) and private nonprofits (54.5%), they expect to grow their online learning component faster than the other sectors, at growth rates greater than 40%.
- Career colleges work closely with employers to determine what skills students will need to enter the workforce. According to Department of Labor projections, growth in health services and computer support areas will generate many new jobs through 2010, most of which will require postsecondary training or an associate's degree. A 24% job growth by 2010 is projected for occupations requiring postsecondary career training or an associate's degree. This compares to the 21.6% growth projected for occupations requiring a bachelor's degree.
- Career colleges and universities also provide significant financial benefits to taxpayers. It costs taxpayers on average \$13,644 to enroll a community college students for two years compared with \$5,288 for two years at a career college or school. With 4 years of wages after graduation, a career college graduate will have paid enough taxes to repay the public cost of his or her education. It will take more than 8 years for the community college graduate to repay his or her cost.

Career College Student Benefits and Outcomes

Two of the most important issues facing the higher education community are the high cost of college and the increasing amount of time required to obtain a postsecondary degree. Statistics from the Department of Education show that although more than 70% of high school graduates will attend some type of college, fewer than half of them will obtain a four-year degree. And of those who enroll in a four-year degree program as full-time students, only 37% will graduate within four years.

The for-profit sector provides an important alternative for career-focused students, with graduation rates that meet or exceed those posted by public and private, not-for-profit colleges. A recent analysis¹ made the following findings:

- Just over half (51%) of all students beginning at four-year public institutions earned their degree or certificate within six years at the same institution.
- By contrast, 61% of students enrolled at private, for-profit institutions earned a degree or certificate within six years.
- 25% of students beginning at public two-year institutions earned a credential from that institution within six years, but nearly one-third of students at community colleges transferred to another institution. After considering transfer students, the overall graduation rate for public two-year institutions was 39% after six years.

Not only do students at for-profit institutions graduate at higher rates, they do so more quickly than students at public institutions. A National Center for Education Statistics study² showed that:

- Students at career colleges attained associate degrees 11 months sooner than students at community colleges.
- Students who attained their degree at a for-profit college reported that they were more likely to earn higher salaries and have better job opportunities than those who graduated from community colleges.
- 75% of students who obtained a certificate or degree from a for-profit college reported that they were able to earn a higher salary, compared to 56% of those who attended a community college.
- 78% percent reported that they had better job opportunities, compared to 70% of community college graduates.

¹ American Council of Education, Student Success: Understanding Graduation and Persistence Rates.

² 1995-96 Beginning Postsecondary Students Longitudinal Study, Follow-up (BPS: 96/98)

For-Profit Colleges Help Their Students Fund Their Education

Although federal student financial aid programs provide valuable assistance to students in paying for their postsecondary education, these programs often do not cover the entire cost of education. To assist their students in achieving their dreams, CCA member colleges provide institutional aid and participate in private scholarship programs through the Career College Foundation.

High School Scholarship Program

- This year, the Imagine America high school scholarship program has awarded 8,300 scholarships to graduating high school seniors enrolling at 494 eligible career institutions. Over the past five years, this program has provided \$27 million in assistance to students choosing to attend participating for-profit institutions, through tuition vouchers worth \$1,000 each provided by the colleges.

Adult Scholarship Program

- The Imagine America II adult scholarship program provides an additional \$500 grant to students in specific programs at participating institutions. More than \$200,000 in scholarships have been provided by CCA's foundation to assist students working towards degrees in avionics, electronics, information technology, and automotive engineering. Corporate sponsors that recognize the importance of career education and that participate in this program include Northrop Grumman Litton Corporation, Dell Computer Corporation, Mercedes-Benz USA, Bridgestone Firestone Trust, the Fields Foundation, Lockheed Martin, and the Sallie Mae Fund.

Military Award Program

- In August 2004, a new scholarship program was launched by CCA's foundation to assist active duty and honorably discharged military personnel who wish to attend the career college of their choice. The Imagine America/Military Award Program has to date provided 15 students with \$1,000 awards towards the tuition at a participating career college, funded by the college itself. Since April, 225 CCA member institutions have signed up to participate in this new program. The LDRSHIP Award Program, also launched this year, awarded \$25,000 in grants to career college students with military backgrounds to assist them in paying for their education.

For-Profit Colleges and Their Communities

For-profit colleges recognize the importance of community participation and support. Many of the programs taught at career colleges, such as those in the allied health fields, lead students to careers in which they will serve others. However, with the encouragement of their colleges, many students do not wait until graduation to give back to their communities. A few examples follow:

- Corinthian College students in the South Bay/Long Beach and Hollywood, California, areas lend their support to Habitat for Humanity. Students in the plumbing and electrical programs put their learning to practical use, and students in other courses sign on to provide additional assistance building and fixing up homes for families in need. Corinthian Colleges Inc. assists the project with monetary donations.
- The University of Phoenix Chicagoland campus helped collect and distribute more than 700 books to children at area YMCAs during the 2003 Readable Feast Thanksgiving Book Drive. The book drive benefited the WINGS Program, which assists women in need or in crisis situations; many of the mothers in the program have no income, and the books provide wonderful holiday gifts for their children.
- ITT Technical Institute, through its Women in Technology initiative, assists with several programs that encourage girls to study math and science and to consider careers in engineering and technology. Websites including “Color Math Pink” and “Engineer Girl” contain interactive modules and information to help young women excel in these areas.
- The Art Institute of Phoenix provides graphic design, multimedia and Web design, animation, and culinary services to area nonprofit organizations through the school’s C.A.R.E. – Community Arts Resource Exchange – program. Students assist in the design of logos and brochures, create multimedia projects, and design websites for charitable organizations, all at no charge.
- Students at Pittsburgh Technical Institute support a local food pantry through canned food drives and clothing drives. They host holiday parties, socials, and sing-alongs at a nearby nursing home, as well as play bingo with the residents. They help their classmates through a Student Hardship Fund, raising money on “Jeans Days” to provide assistance to students in financial need due to unexpected circumstances – such as a house fire.
- San Joaquin Valley College’s Visalia campus dental hygiene program students provide dental health education and screenings for more than 3,000 local elementary school children, and work with the Tulare County Department of Migrant Education to provide assistance to an additional 6,000 elementary school age children in two counties. Veterinary Technology Program students at the Fresno campus conduct fundraisers for local animal shelters, assist in rabies and spay/neuter clinics, and participate in the local SPCA Pet Facilitated Therapy Program Volunteer for the Elderly.

Minority Students Succeed at For-Profit Colleges

For-Profit Colleges Enroll Large Percentages of Minority and High-Risk Students

Many for-profit colleges and universities have historically viewed their mission as providing education to those students who have been left behind by traditional higher educational institutions. While the not-for-profit and public sectors of higher education have worked to increase the numbers of poor and minority students who attend, the for-profit sector has tailored educational programs and provided a high level of student services to attract and retain these students. Statistics from the National Center for Education Statistics bear this out.

- 70% of the students at for-profit colleges are the first in their family to attend college.
- 18% of undergraduate students at for-profit colleges are Black, Non-Hispanic, compared with 11% at private non-profit colleges and 11% at public colleges.
- 12% of undergraduate students at for-profit colleges are Hispanic, compared with 6% for private non-profit colleges and 11% at public colleges.
- In 2000, 27% of career college students were single parents, which was higher than the 17% of students in community colleges and the 9% in all other colleges.

For-Profit Colleges Account for a Disproportionate Share of Minority Student Degrees

For-profit colleges do not simply enroll large numbers of minority students; they provide a much higher level of student services to help those students persist and succeed in their studies. As a result, the completion and graduation rates posted by for-profit colleges is high in comparison to other sectors of higher education.

- For-profit colleges account for 25% of Associate degrees and 7% of Bachelor's degrees earned by Hispanic students. Six percent of Masters Degrees earned by Hispanic students are earned at for-profit institutions.
- For-profit colleges account for 19% percent of Associate and 3% of Bachelor's degrees earned by Black, Non-Hispanic students. Only 16% of the Hispanic students enrolled in public 2-year institutions (community colleges) had attained an associate's degree 5 years later.
- Three years after enrollment, students at for-profit colleges have a higher completion rate (56%) and lower drop-out rate (35%) than community colleges (16% and 44%, respectively).
- Six years after initial enrollment, a follow-up study on students who enrolled in certificate and associate degree programs revealed that students at for-profit colleges attained certificates 12 months sooner and associate degrees 11 months sooner than students at public colleges.
- A recent survey published by the magazine "*Black Issues in Higher Education*" stated that Walden University, an on-line subsidiary of Laureate Education, Inc., is among the top ten producers of doctoral degrees for African American students in the United States. It ranked 8th among both Historically Black Colleges and Universities and traditionally white colleges in granting doctorates in all disciplines, and ranked 2nd in psychology, 3rd in business and management, and 3rd in the health professions.

Important Facts about the Association

- The Career College Association is a voluntary membership organization of private postsecondary schools, institutes, colleges and universities that comprise the for-profit sector of higher education. CCA's 1,270 members educate and support more than 1.8 million students each year for employment in over 200 occupational fields. Career schools and colleges graduate approximately one-half of the technically trained workers who enter the U.S. workforce each year and also provide retraining for displaced workers as well as skills upgrading for a wide variety of public and private employers.
- CCA member institutions cover the full range of postsecondary education: from short-term certificate and diploma programs, to two- and four-year associate and baccalaureate degrees, to masters and doctoral programs. Some of the occupational fields for which CCA institutions provide programs include: accounting; allied medical; automotive technology; business administration; commercial art; culinary and hospitality management; information technology; mechanical engineering; and radio and television broadcasting.
- Almost all CCA member institutions participate in federal student financial assistance programs under Title IV of the Higher Education Act. In order to participate, they must be licensed by the state in which they are located, accredited by a national or regional accrediting body, and approved by the U.S. Department of Education. Many CCA member schools and colleges also participate in other federal, state and local education and workforce-training programs.
- In addition, over the past five years CCA's affiliate organization, the Career College Foundation, has provided more than \$27 million in scholarships to high school graduates attending participating schools, institutes, colleges and universities through its *Imagine America* scholarship program. *Imagine America* has received several awards from the American Society of Association Executives, including the Award of Excellence and the Summit Award for innovative education and training initiatives. Additionally, the Foundation has created an adult scholarship program funded through partnerships with key industry leaders such as Northrop Grumman, Litton, Bridgestone/Firestone Trust, Dell Computer Corporation, Lockheed Martin and Sallie Mae. More recently, the Foundation unveiled a third scholarship program to support military veterans attending CCA member institutions

CAREER TRAINING

FOUNDATION

A Profile of Career Colleges and Universities

Career Training Foundation
Washington, D.C.

Fact Book 2003

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Private career schools, institutes, colleges and universities are frequently referred to as career colleges. These terms will be used interchangeably throughout this report.

Executive Summary

Career colleges comprise 46% of all postsecondary educational institutions in the United States. Of the schools participating in Title IV programs, private career colleges account for 38%. Enrolling over one million students annually, most of these institutions are less-than-2-year institutions. However, enrollment is increasing in 2-year and 4-year colleges.

While more than a quarter of our dependent students came from families with income over \$60,000, this sector is more likely than the non-profit sector to serve students who are independent, have incomes in the lower quartile, have parents with educations below the high school level, and are racial or ethnic minorities.

Tuition at career colleges is lower than at private non-profit institutions, but higher than at most public institutions. Without the benefit of state appropriations or private endowments, 80% of career schools and college students receive federal financial aid.

Graduation rates at career colleges are higher than at other comparable institutions. Students at career colleges are more likely to graduate, and are more likely to complete their program sooner than are community college students.

Occupations requiring postsecondary career training will have a significant increase in job growth through 2010. Career college programs meet the market needs of high growth occupations, such as computer support; information systems; business; nursing; dental and medical assisting; occupational and physical therapy; health technology; and legal assisting. With this marketable educational training, career college graduates will earn on average 38% more than high school graduates. Along with the benefits career schools and colleges provide to students, they also provide financial benefits to the community. Taxpayers receive a high return on investment from career college graduates, who repay the public cost of their education in half the time it takes a community college graduate.

Acknowledgements

The Career Training Foundation would like to thank the following individuals, colleges, and companies who are contributors to the *Spirit of America* Endowment Fund.



Spirit of America Endowment Campaign Contributors

Founders

David Moore
Corinthian Colleges, Inc.

Arthur Benjamin
Datamark Systems, Inc.

Rene Champagne
ITT Educational Services

Henry Herzing
Herzing College, Inc.

Bob Knutson
Education Management Corp.

Julia Morally
California Paramedical & Technical Colleges

James R. Agras
Triangle Tech Group

Jerry Barnett
Education America, Inc.

Al and Mark Dreyfus
ECPI College of Technology

Michael Fleischner
Peterson's

Dr. Ellis Gedney
Silicon Valley College

Bob Hartman
Universal Technical Institute, Inc.

Dr. Art Keiser
Keiser College

Kenneth Konesco
Indiana Business College

Jack Larson
Career Education Corp.

Jim Mathis
Wyoming Technical Institute

Joe Mehlmann
ATI Enterprises, Inc.

Dick, Bobbi, and Greg Nathanson
Western Career College

Bob and Betty Obenhaus
MTI College of Business and Technology

Mark and Mike Perry
San Joaquin Valley College

Michael Platt
PlattForm Advertising

David Pyle
American Career College, Inc.

David Ruggieri
Whitman Educational Group, Inc.

Benefactors

William Kalaboke
Art Institute of Ft. Lauderdale

Thomas Sapienza
Sapienza & Associates

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J. Mark Jopling and Raymond Ojerholm
Jopling, Inc.

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Gail Myers
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Alan Clapsaddle
New England Inst. of Tech. at Palm Beach, Inc.

Don Stroh
Datamark Systems, Inc

Terry Nighan
Katharine Gibbs School

Fran Voigt
New England Culinary Institute

Darrell Ward
ACCSCT

SECTION I

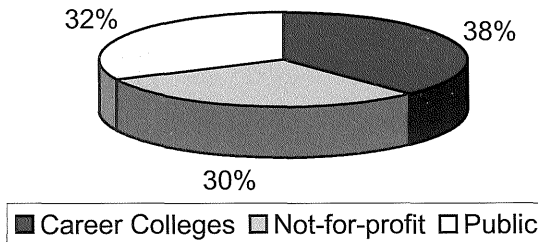
Size and Characteristics of the U.S. Postsecondary Career College Sector

Private, for-profit career colleges and universities represent a significant number of postsecondary institutions in the United States.

- There are 9,905 postsecondary institutions in the United States; 46% (4,536) are for-profit career colleges and universities. (Source: 1)
- There are 6,636 Title IV eligible postsecondary institutions in the United States; 38% (2,523) are career colleges and universities.

Figure A

Title IV Eligible Postsecondary Institutions

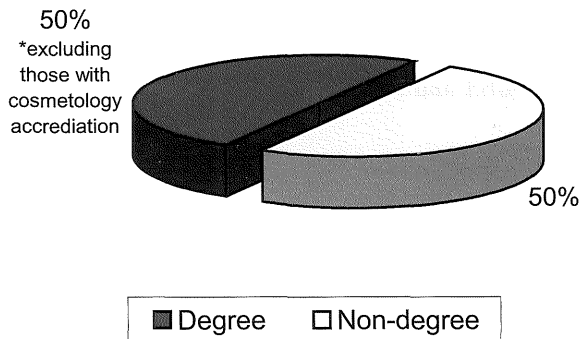


Source: 2

- Of all Title IV eligible for-profit institutions, 32% are degree-granting.
- Of all Title IV eligible for-profit institutions, excluding all those with cosmetology accreditation, 50% are degree-granting.

Figure B

All Degree Granting and Non-Degree Granting For-profit Institutions (Title IV Eligible)



Source: 1

SECTION II

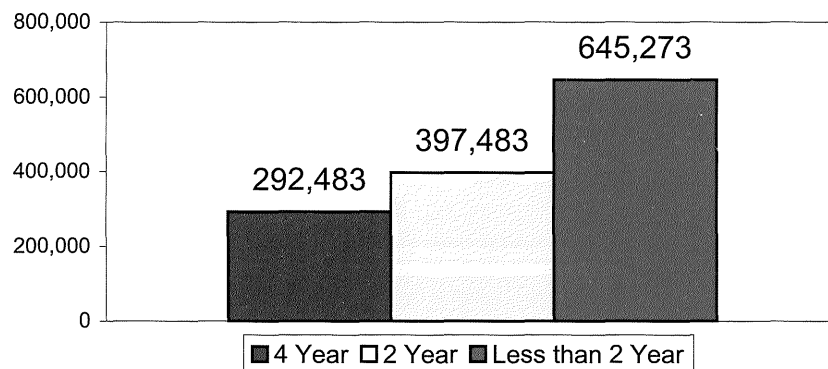
Enrollment

Career colleges and universities and public community colleges enroll and educate the majority of students seeking education below the baccalaureate level.

- Approximately 1.3 million students enroll annually at career colleges participating in Title IV programs.

Figure C

Annual Enrollment at Career College Title IV Eligible Institutions, 1999-2000

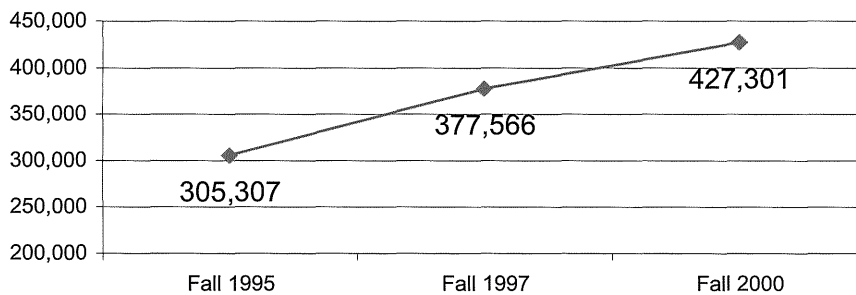


Source: 4

- The majority of students enrolled in private career colleges attend less-than-2-year institutions. However, enrollment is increasing in the degree-granting 2-year and 4-year career institutions.
- Enrollment in degree-granting career institutions increased 52% from 1995 to 2000.

Figure D

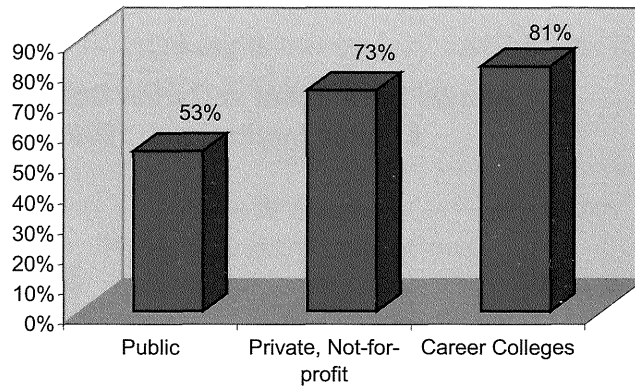
Increase in Degree Granting Career College Fall Enrollment (2-Year & 4-Year Institutions)



Source: 3

- The majority of students (81%) at career colleges and universities attend full-time, compared to those students enrolled full-time at public (53%) and private not-for-profit (73%) institutions.

Figure E
Percentage of Full-Time Students
By Control of Institution



Source: 1

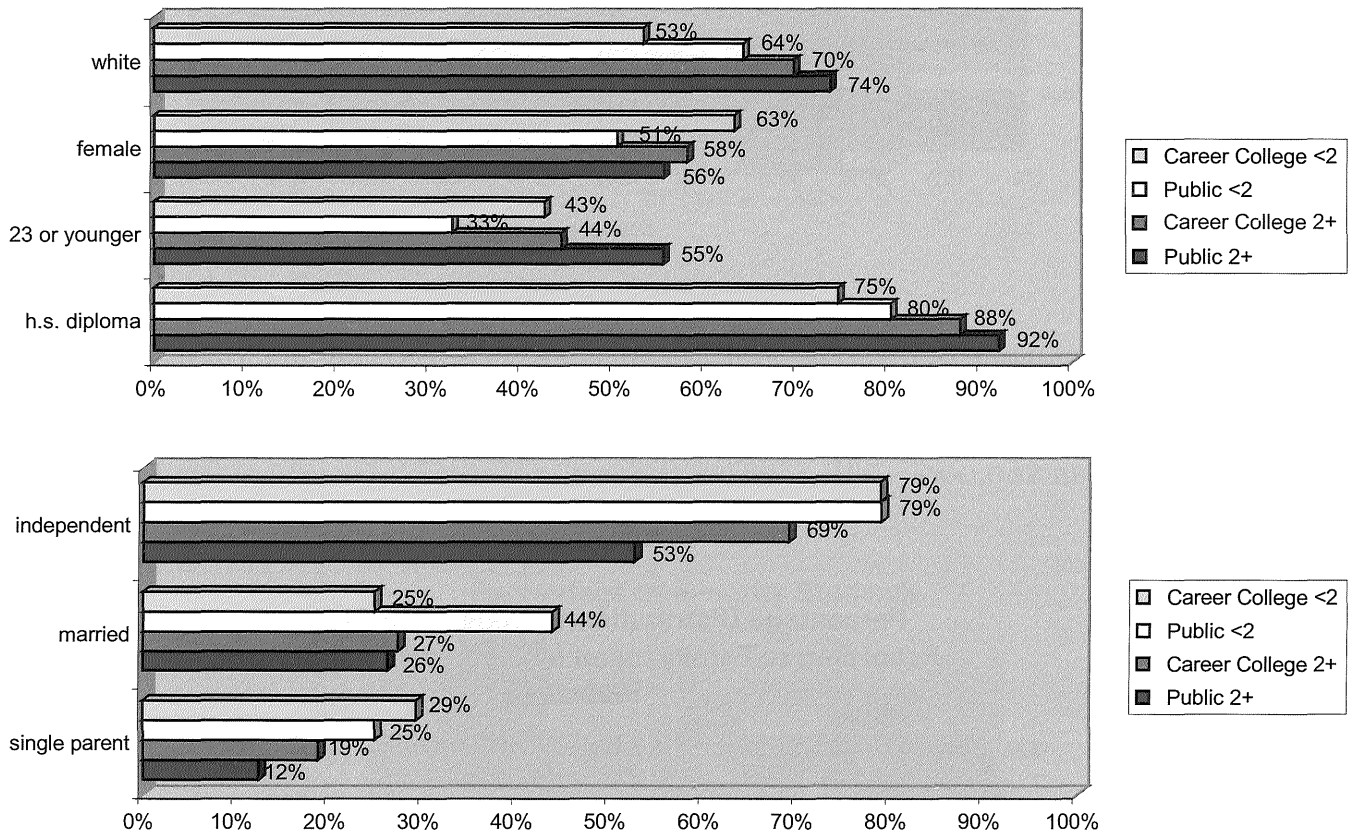
SECTION III

Career College Student Profile

Career colleges and universities serve a wide variety of students. In many ways they serve a population similar to traditional postsecondary institutions, yet they remain an important source of education for lower socioeconomic students.

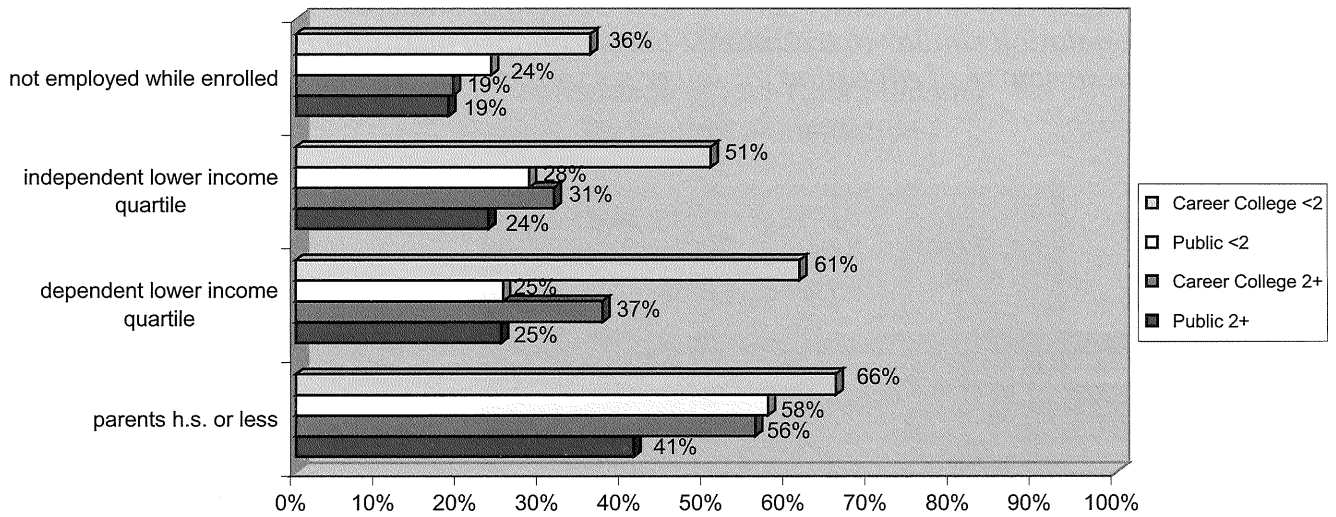
Figure F

College Student Demographics



Source: 5

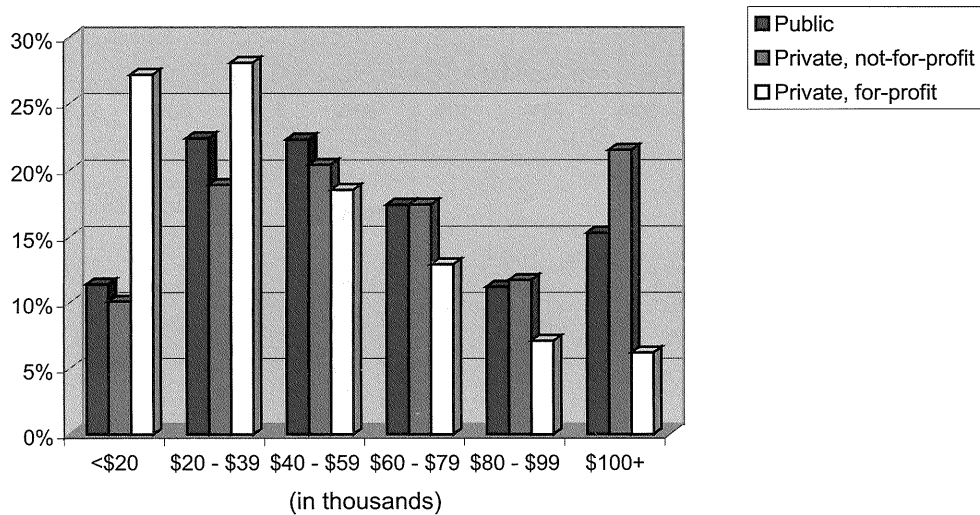
Figure G
College Student Demographics



Source: 5

- Career college students are more likely than students in public and private not-for-profit institutions to have family incomes below \$20,000. However, more than a quarter (26%) of the dependent students have family incomes of more than \$60,000.

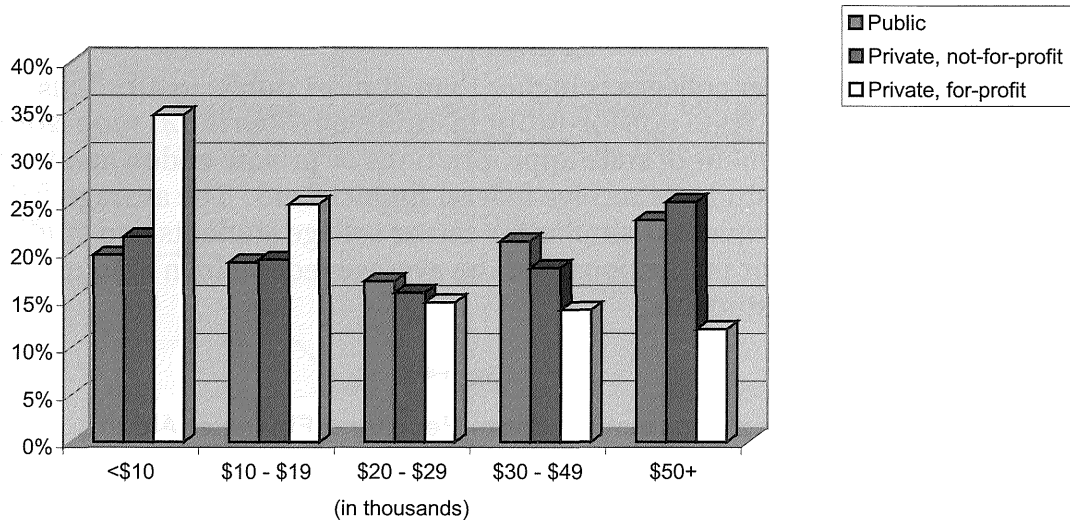
Figure H
Percentage Distribution of Dependent Students According to Family Income by Institutional Control, 1999-2000



Source: 5

Figure I

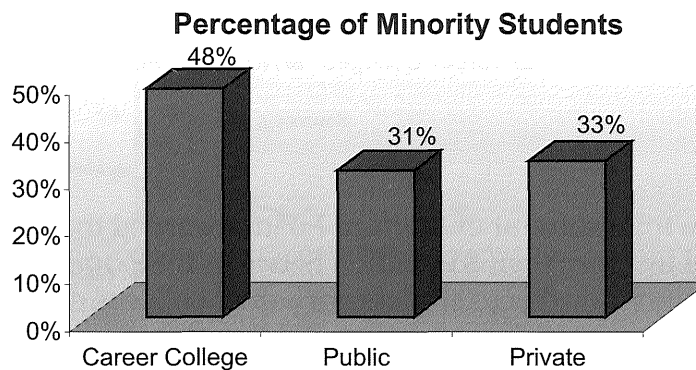
**Percentage Distribution of Independent Students
According to Student Income by Institutional Control, 1999-2000**



Source: 5

- Almost one-half of students at career colleges are minority students, a greater share than are enrolled at private not-for-profit and public institutions. From 1999-2000, nearly 92,000 minority students became available to the labor market with degrees or certificates from career colleges.

Figure J



Source: 5

- Almost one-half of the students at career colleges have some type of previous postsecondary education, primarily an associates certificate or degree (Source: 6).

SECTION IV

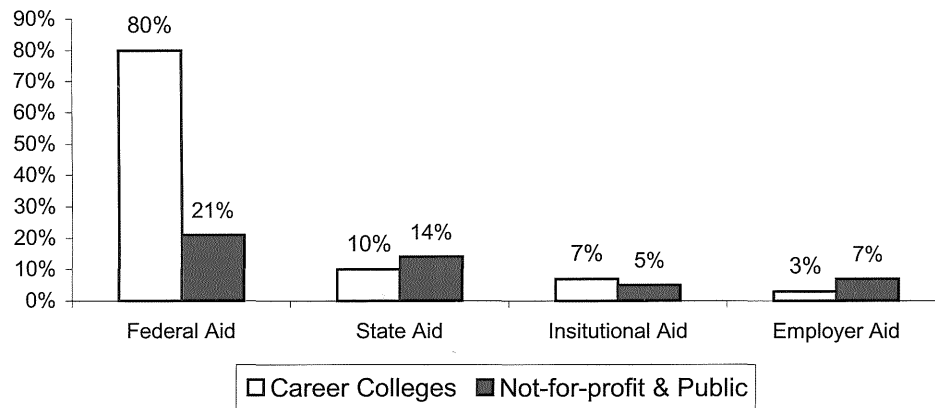
Financing a Career College or Career College Education

Students attending less-than-4-year career colleges are more likely to receive federal financial aid than students attending less-than-4-year private not-for-profit or public institutions.

- Tuition at career colleges is higher than at most public institutions, but lower than at most private not-for-profit institutions (*Source: 4, 1999-2000*). Without the benefit of state appropriations or private endowments, 80% of career college students receive federal financial aid. The average federal grant amount per recipient is similar for career college students and students at other less-than-4-year institutions, but the average federal loan amount is higher for career college students.

Figure K

Percentages of Students Receiving Financial Aid at Less-Than-4-Year Institutions



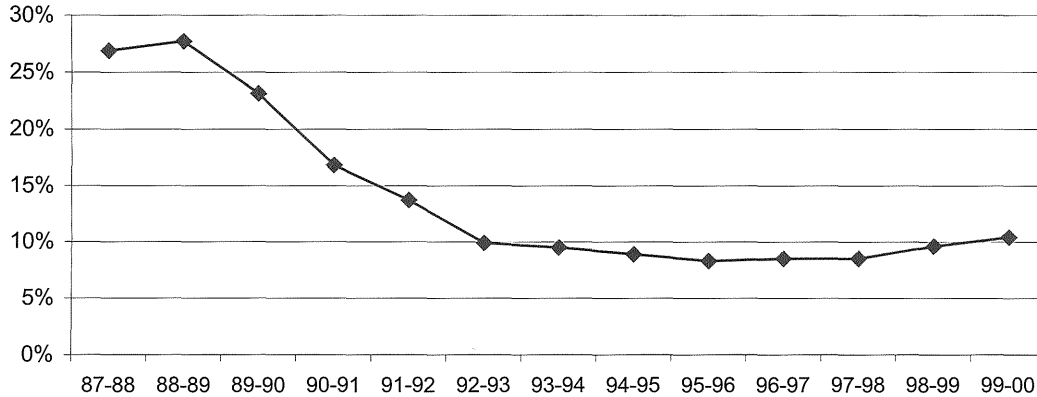
Source: 5

- While the total amount of Stafford Loans awarded to all postsecondary students increased by more than \$14 billion between 1988-1989 and 2000-2001, the total amount awarded to students at career colleges decreased by almost 16%.

- Career college students' share of all subsidized Stafford Loans and Pell Grants decreased from 27% in 1987-1988 to 10% in 1999-2000, and from 25% in 1988-1989 to 13% in 1999-2000, respectively.

Figure L

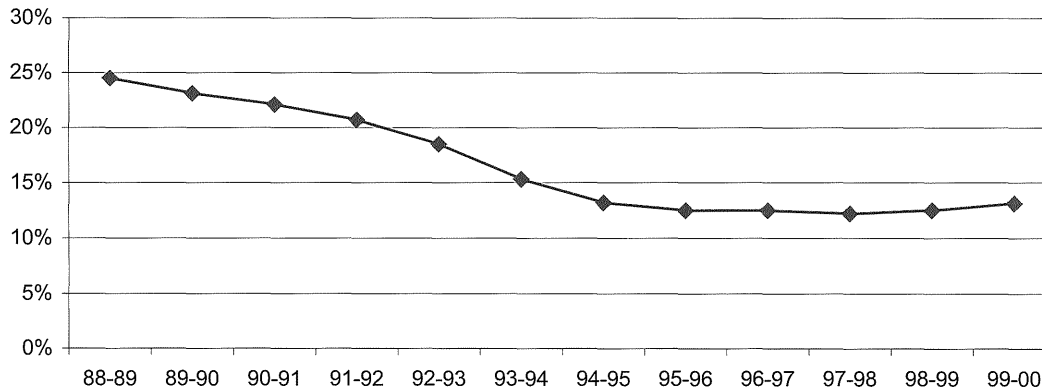
Stafford Loans (subsidized) Awarded to Career College Students, 1987-1988 to 1999-2000



Sources: 7 and 8

Figure M

Pell Grant Volume Share Received by Students in Career Colleges, 1988-1989 to 1999-2000

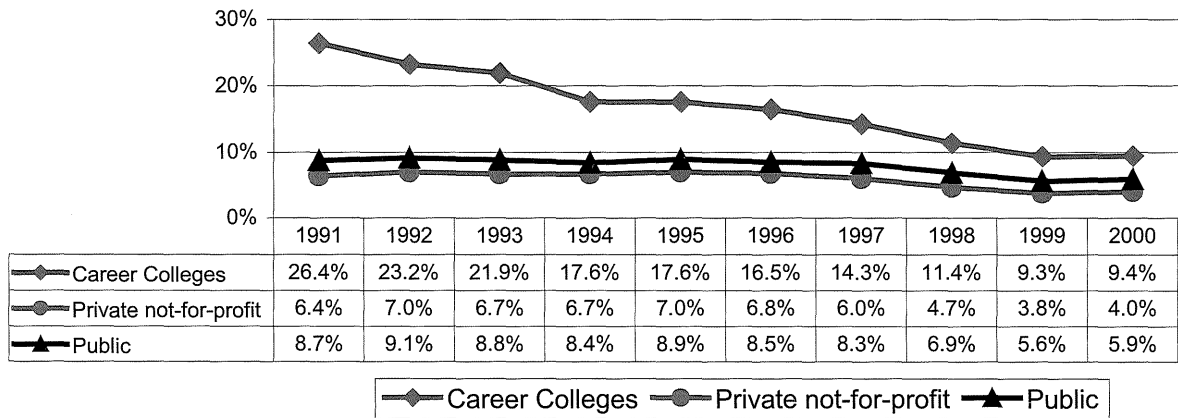


Sources: 7 and 8

- From 1990-2000, the national student loan default rate dropped from 22.4% to 5.9%. During this time, default rates for students at career colleges dropped from 26.4% in 1991 to 9.4% in 2000, while public and private not-for-profit rates dropped from 8.7% to 5.9% and 6.4% to 4.0%, respectively.

Figure N

National Default Rates by Sector, 1991-2000



Source: 9

SECTION V

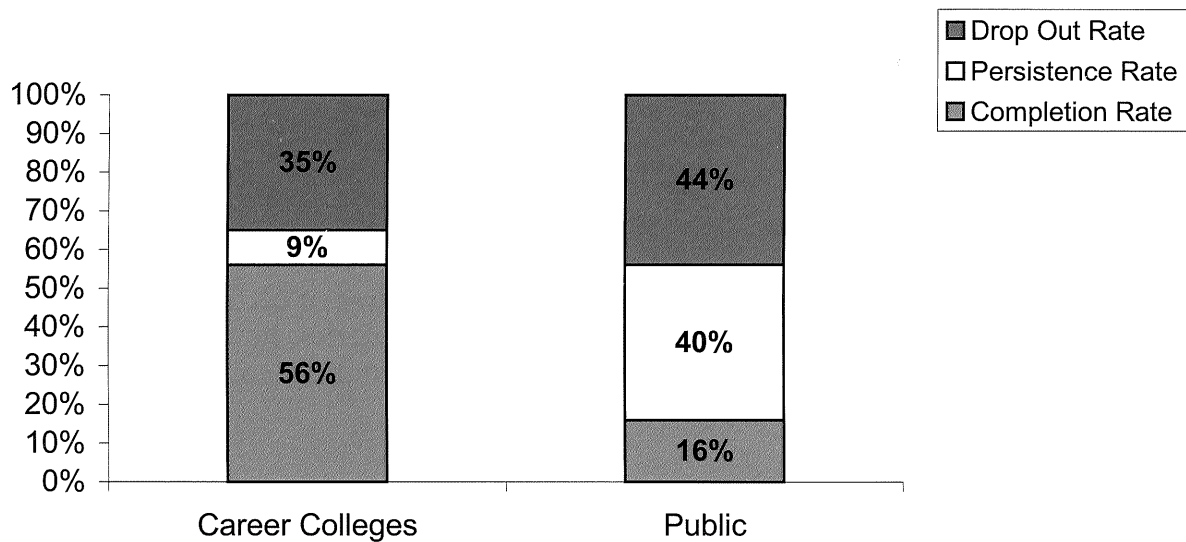
Student Benefits and Outcomes

Although students who enroll in less-than-2-year career colleges generally have factors that reduce their chances of succeeding, their completion rates exceed those of comparable public institutions.

- Three years after enrollment students at career schools and colleges have a higher completion rate (56%) and lower drop-out rate (35%) than community colleges (16% and 44%, respectively).

Figure O

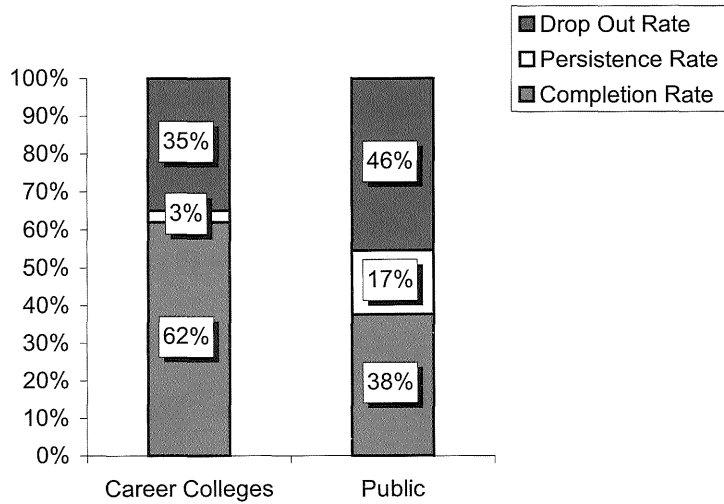
Completion and Persistence at
Less-Than-4-Year Institutions (3 years after enrollment)



Source: 10

- Regardless of whether students are in certificate or associate programs, those who attend career colleges are more likely than community college students to graduate with a certificate or degree within 3 years.
- Six years after enrollment, career college students' completion rates increased substantially (56% 3 years after enrollment to 62% 6 years after enrollment). The drop-out rate remains the same at 3 years after enrollment.

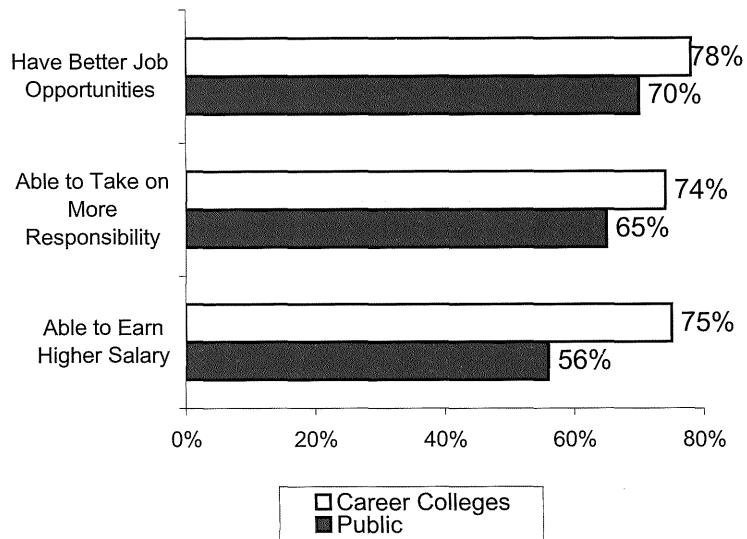
Figure P
Completion and Persistence at Less-than-4-Year Institutions (6 years after enrollment)



Source: 11

- Students at career colleges who attain a degree or certificate within 3 years of enrollment are more likely to earn higher salaries, have more job responsibility, and have better job opportunities than community college students who graduate within 3 years.

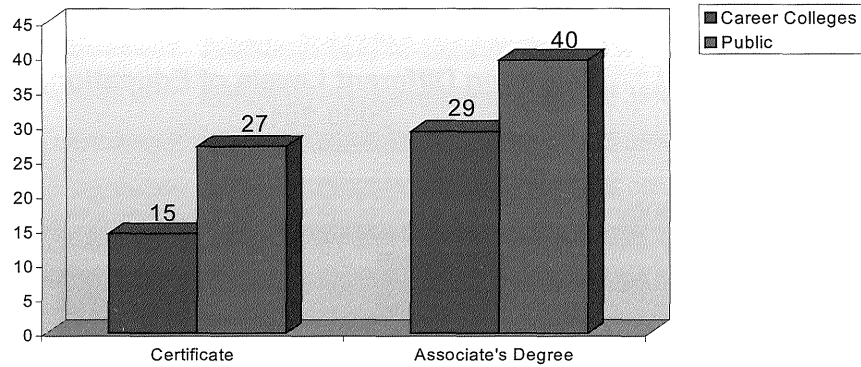
Figure Q
Job Enhancements Reported by Students Who Attained Certificates or Degrees



Source: 10

- Six years after initial enrollment, a follow-up study on students who enrolled in certificate and associate degree programs revealed that students at career colleges attained certificates 12 months sooner and associate degrees 11 months sooner than students at public colleges.

Figure R
Average Months for Completion for Certificate or Associate's Attainment
(Students in Less-Than-4-Year Institutions)



Source: 11

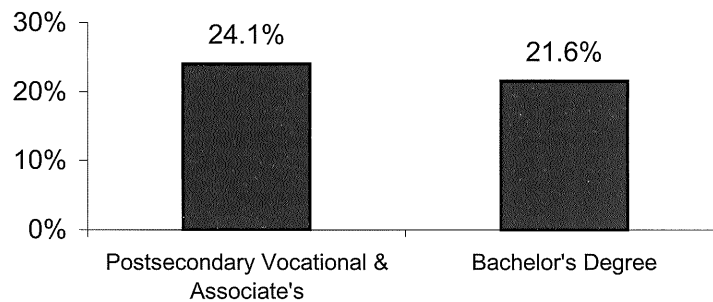
SECTION VI

Job Opportunities for Graduates

There will be an increasing number of job opportunities for trained postsecondary graduates in the 21st century, and career colleges are providing training for many of these occupations.

- A 24% job growth by 2010 is projected for occupations requiring postsecondary career training or an associate's degree.

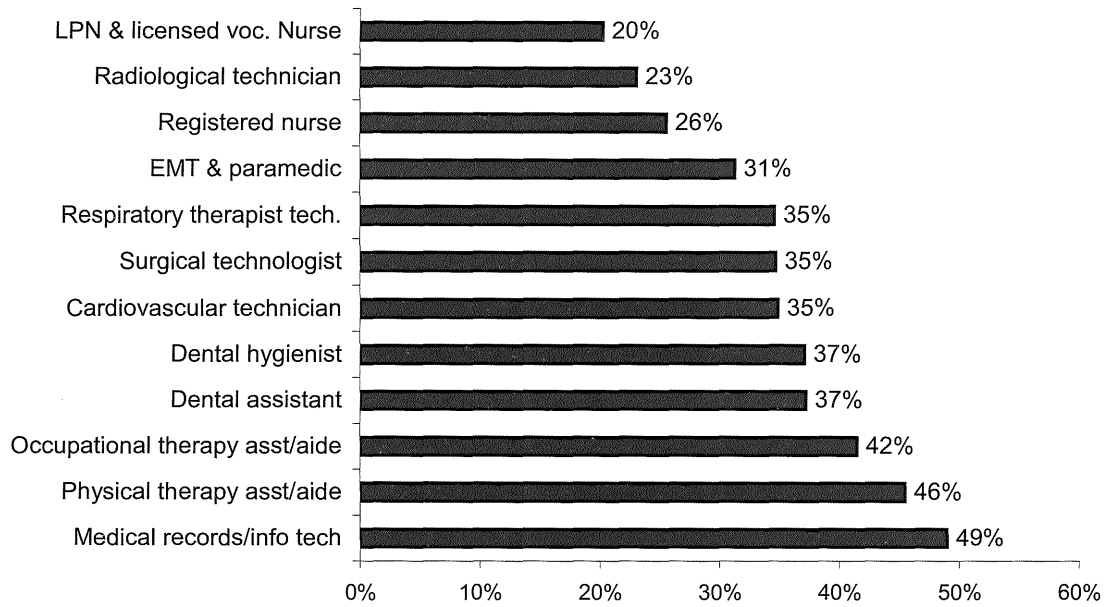
Figure S
Requiring Different Levels of Education,
2000-2010



Source: 12

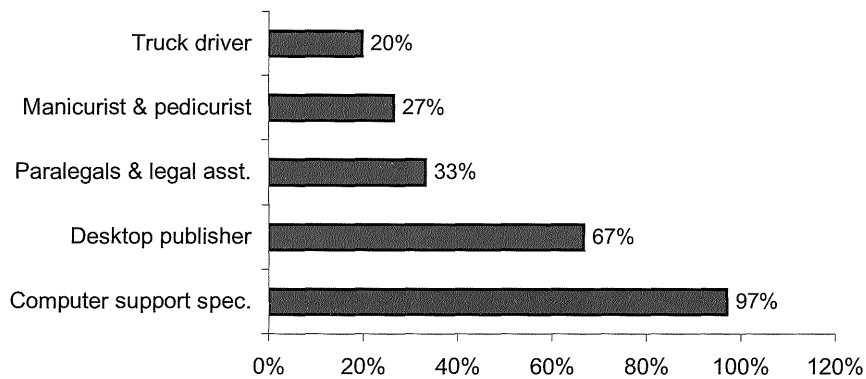
- Growth in health services and computer support areas will generate many new jobs through 2010, most of which will require postsecondary training or an associate's degree. Career colleges provide training for many of these occupations. Some of the fastest growing fields include:
 - Information technology
 - Legal assistant paralegal
 - Dental assistance
 - Medical assistance
 - Nursing
 - EMT/Paramedics
 - Occupational/Physical therapy

Figure T
Job Growth: Medical Occupations Requiring Postsecondary Vocational Education, 2000-2010



Source: 13

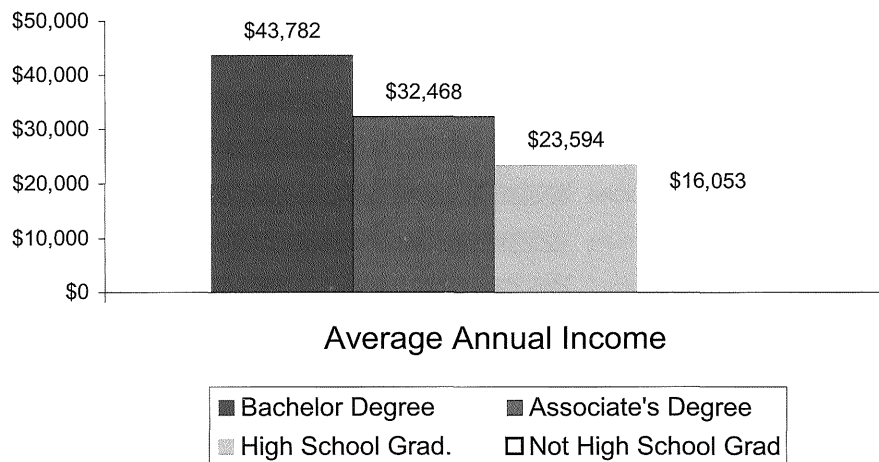
Figure U
Job Growth: Other Occupations Requiring Postsecondary Vocational Training, 2000-2010



Source: 13

- Workers with a 2-year degree will earn 38% more than high school graduates.

Figure V
Average Annual Income



Source: 14

SECTION VII

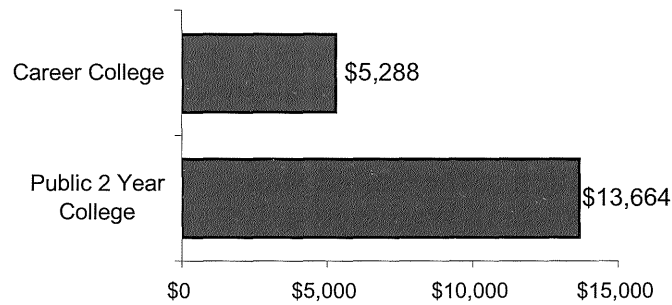
Return on Investment

Career colleges provide significant financial benefits to taxpayers.

- It costs taxpayers \$13,664 to enroll a community college student for 2 years compared with \$5,288 for 2 years at a career college or school.

Figure W

Estimated Total Public Investment per FTE for 2 Years



Source: 13

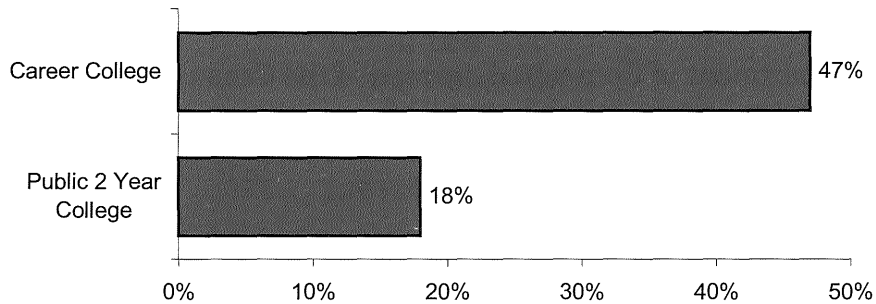
With 4-and-a-half years of wages after graduation, a career college graduate will have paid enough taxes to repay the public cost of his or her education. It will take more than 8 years for the community college graduate to repay his or her debt.

(Sources: 4 and 15)

Taxpayers' annual net return on investment for each public dollar spent is 18% per community college graduate and 47% per career college graduate.

Figure X

Estimated Taxpayers' Annual Net Return on Investment



Sources: 4 and 14

SOURCES

1. U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), "Institutional Characteristics Survey" (IC), Fall 2000-01.
2. U.S. Department of Education, National Center for Education Statistics, "Postsecondary Institutions in the United States," Fall 2000, and "Degrees and Other Awards Conferred," 1999-2000. NCES 2002-156.
3. U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), "Enrollment Survey," Fall 2000.
4. U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), "Institutional Characteristics Survey" (IC), 1999-00.
5. U.S. Department of Education, National Center for Education Statistics, "National Postsecondary Student Aid Study 1999-2000," (NPSAS: 2000).
6. U.S. Department of Education, National Center for Education Statistics, "Vocational Education in the United States: Toward the Year 2000," February 2000, (NCES 2000-029), Washington, D.C., p. 155.
7. The College Board. "Trends in Student Aid," 1999, Washington, D.C.
8. The College Board. "Trends in Student Aid," 2002, Washington, D.C., p. 11.
9. U.S. Department of Education, Office of Postsecondary Education, National Student Loan Data System (NSLDS), Official Cohort Default Rates for Schools, www.ed.gov/offices/FSA/defaultmanagement/cdr.html.
10. U.S. Department of Education, National Center for Education Statistics, "1995-96 Beginning Postsecondary Students Longitudinal Study, Follow-up" (BPS: 96/98).
11. U.S. Department of Education, National Center for Education Statistics, "1995-96 Beginning Postsecondary Students Longitudinal Study, Second Follow-up" (BPS: 96/01).
12. U.S. Department of Labor, Bureau of Labor Statistics. Washington, D.C., "Occupational Outlook Handbook 2002-03 Edition." www.bls.gov/oco/oco2003.htm
13. U.S. Department of Labor, Bureau of Labor Statistics. Washington, D.C., "Employment by Occupation," 2000 and projected 2010. www.bls.gov/EMP.
14. U.S. Department of Commerce, Bureau of the Census. "Statistical Abstract of the United States," 2000, Washington, D.C.

Editor's Note:

The career schools and colleges *Fact Book for 2003* is a collection of excerpts from the latest data analyses and reports related to career college institutions in the United States. This *Fact Book* includes profiles of career college institutions, students, and enrollment, as well as educational benefits, outcomes, job opportunities, financing, and return on investment. Reported facts and conclusions all include referenced sources to allow for additional research.

FOUNDATION

The Career Training Foundation is the not-for-profit affiliate of the Career College Association. Established in 1982, the Foundation has proven to be a valuable resource to career colleges and students by--

- advancing the award-winning *Imagine America* scholarship program. In just five years, *Imagine America* has become the largest and most recognized high school scholarship program of its kind. To date, more than 17,000 graduating high schools students have benefited from *Imagine America* scholarship awards.
- establishing the new *Imagine America II* adult scholarship program. Working with corporations, private funding sources, and strategic partners, the Foundation seeks to secure additional aid for adult students attending member career colleges.
- publishing the annual *Guide to Career Colleges*. Through our strategic partnership with Peterson's, a Thomson Company, the *Guide* is available to every high school, library, governmental agency, military facility, and is sold in major bookstores.
- establishing the *Spirit of America* Endowment Fund to support career-sector research and provide additional scholarship support. More than 60 CCA member institutions and friends support the Endowment Fund. Endowment support is used to publish the *Fact Book* semi-annually.
- fostering the recognition of achievements in the career college field through the Foundation's annual Pioneer Awards. Held in conjunction with the CCA Convention, past award winners have included Julia Morally, Henry Herzing, Marsha Toy, Al Dreyfus, William Kalaboke, and Marge Carlson.

Fact Book 2003

Prepared by:

JBL Associates, Inc.
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Bethesda, Maryland 20815
(301) 654-5154

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Price \$15.00 per book plus s&h. Call (202) 336-6800 to order.



The Career College Association is a voluntary membership organization of private, postsecondary schools, institutes, colleges and universities that provide career-specific educational programs. CCA's 1,100 members educate and support more than a million students each year for employment in over 200 occupational fields. These schools and colleges graduate approximately one-half of the technically trained workers who enter the U.S. workforce each year and also provide retraining for displaced workers and skills-upgrading for a wide variety of public and private employers.

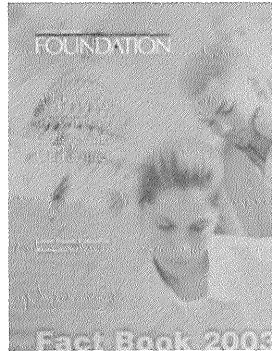
CCA member institutions cover the full gamut of postsecondary education: from short-term certificate and diploma programs, to two- and four-year associate and baccalaureate degrees, to masters and doctoral programs. Some of the occupational fields for which CCA institutions provide programs include: information technology; allied medical; business administration; mechanical engineering; commercial art; radio and television broadcasting; and culinary and hospitality management.

Most CCA member institutions participate in federal student financial assistance programs under Title IV of the Higher Education Act. In order to participate, they must be licensed by the state in which they are located, accredited by a nationally recognized accrediting body, and approved by the U.S. Department of Education. Many CCA member schools and colleges also participate in other federal, state and local education and workforce training programs.

In addition, over the past four years CCA's Foundation has provided nearly 17,000 scholarships to high school graduates attending CCA member schools, institutes, colleges and universities. The Foundation recently received the highest award from the American Society of Association Executives for innovative education and training initiatives.

FOUNDATION

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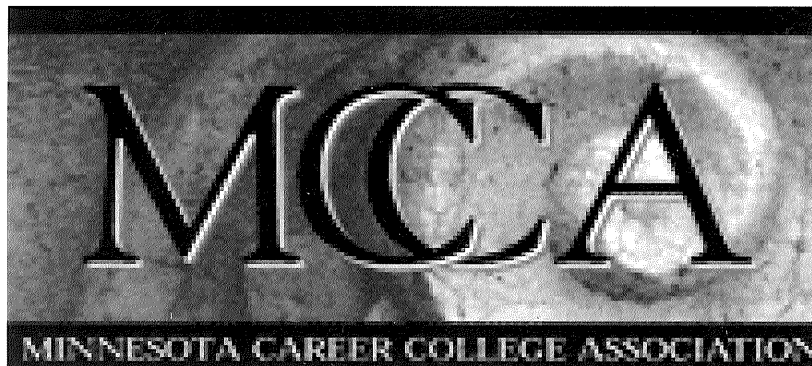
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CAREER TRAINING

Minnesota Career College Association



MCCA represents private post-secondary schools, which are accredited by an accrediting agency recognized by the United States Department of Education.

The Minnesota Career College Association (MCCA) is a career education focused organization dedicated to meeting the needs of its membership by fostering relationships which will improve the visibility, profitability, stability, and credibility of its membership. We will fulfill our mission in a culture of learning which values responsibility, participation, personal, and professional development. We are dedicated to excellence in education through a collaborative approach that fulfills the evolving needs of the marketplace.

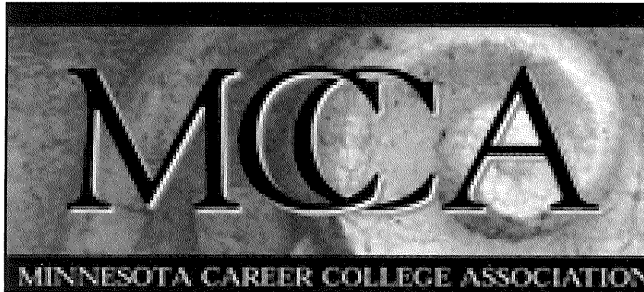
Importance of Proprietary Colleges

Career Colleges measure outcomes based on student success.

Measurements include:

- o Student retention, which is a direct indicator of student satisfaction,
 - o Student placement, which is a direct indicator of graduate skills, and
 - o Remarkably low default rates, which are direct indicators of both student satisfaction and institutional performance.
-
- Career Colleges are able to quickly respond to workforce needs.
Aided by advisory boards, Career Colleges develop and maintain program offerings to meet the needs of the Minnesota work force.
 - Since the legal forms of ownership are private corporations, the Minnesota Career Colleges pay taxes, including sales taxes, and our owners and employees all pay income taxes.
 - While the balance of Minnesota colleges reported a 12% non-white population, the Minnesota career college sector reported a 19% non-white student population. Career colleges continue to welcome students of color and embrace the opportunity to provide both education and employees to an increasingly diverse community.

It costs the State of Minnesota one-third as much money to support a graduate from a Minnesota Career College as it does students in public institutions because the state does not first have to subsidize the institution and then provide the grant or loan.



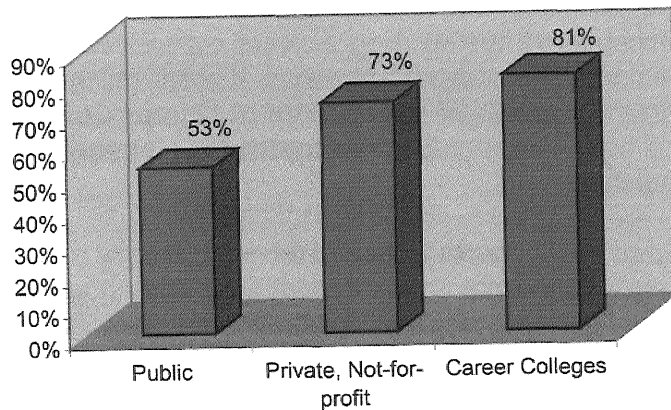
Enrollment Facts

The majority of students enrolled in private career colleges attend less-than-two-year institutions. However, enrollment is increasing in the degree-granting two-year and four-year career institutions.

Enrollment in degree-granting career institutions increased 52% from 1995 to 2000.

The majority of students (81%) at career colleges and universities attend full-time, compared to those students enrolled full-time at public (53%) and private not-for-profit (73%) institutions.

**Percentage of Full-Time Students
By Control of Institution**



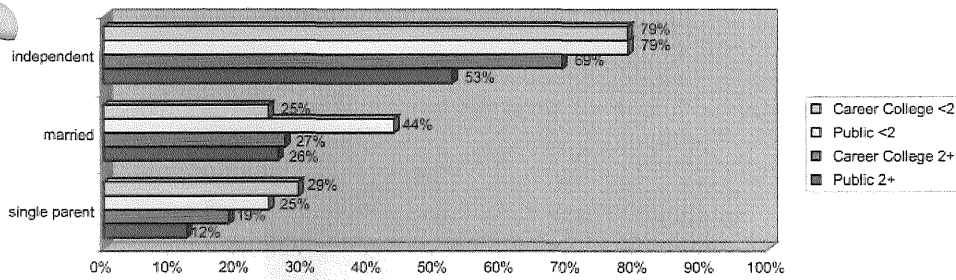
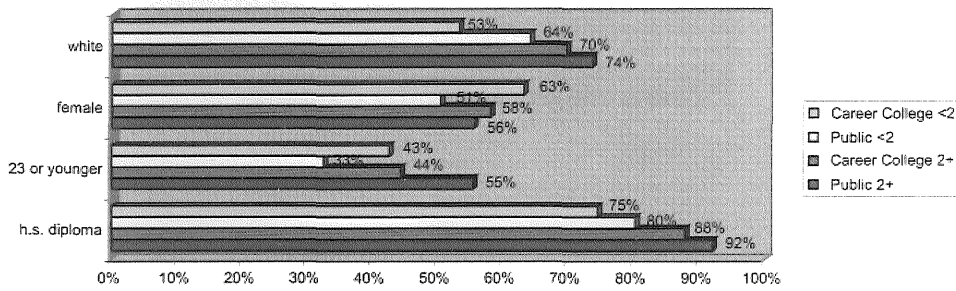
Tuition at career colleges is higher than at most public institutions, but lower than at most private not-for-profit institutions. Without the benefit of state appropriations or private endowments, 80% of career college students receive federal financial aid. The average federal grant amount per recipient is similar for career college students and students at other less-than-four-year institutions, but the federal loan amount is higher for career college students.

While the total amount of Stafford Loans awarded to all postsecondary students increased by more than \$14 billion between 1988-1989 and 2000-2001, the total amount awarded to students at career colleges decreased by almost 16%.

Who Attends Career Colleges?

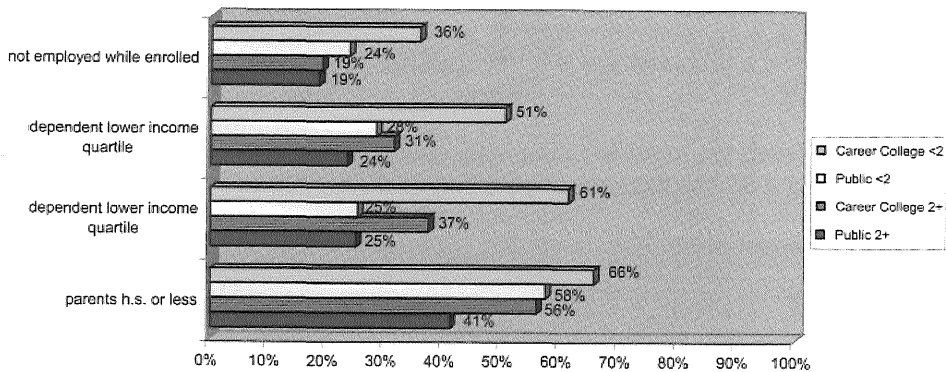
Career Colleges and universities serve a wide variety of students. In many ways they serve a population similar to traditional postsecondary institutions, yet they remain an important source of education for lower socioeconomic students.

College Student Demographics



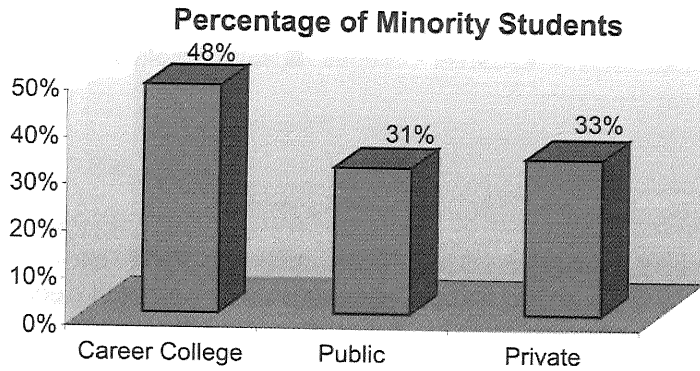
Career college students are more likely than students in public and private not-for-profit institutions to have family incomes below \$20,000. However, more than a quarter (26%) of dependent students have family incomes of more than \$60,000.

College Student Demographics



On a national level, almost one-half of the students at career colleges have some type of previous postsecondary education, primarily a diploma, certificate or degree.

On a national level, almost one-half of students at career colleges are minority students, a greater share than are enrolled at private not-for-profit and public institutions.



Source: 5

According to the Minnesota Higher Education Services Office, the percentage of minority students attending career colleges have been growing at a steady rate.

Year	# Minority	Total Students	% Minority
1994	859	7205	11.9%
1995	829	6775	12.2%
1996	952	5024	18.9%
1997	780	5423	12.6%
1998	1015	8001	12.7%
1999	1073	8046	13.3%
2000	1179	6583	17.9%
2001	1201	6916	17.4%
2002	1302	7031	19.0%

On a local level, the number of students enrolling in career colleges have experienced a 34.0% increase in enrollments from 2000 to 2004.

According to the Minnesota Higher Education Services Office, the percentage of minority students attending the University of Minnesota has remained between 11 and 13 percent from 1994 through 2002.

Year	# Minority	Total Students	% Minority
1994	5869	53505	11.0%
1995	6272	53873	11.6%
1996	6430	53811	11.9%
1997	6530	52657	12.4%
1998	6792	54356	12.5%
1999	6522	51403	12.7%
2000	6495	51594	12.6%
2001	6738	52674	12.8%
2002	7097	54715	13.0%

According to the Minnesota Higher Education Services Office, the percentage of minority students attending state colleges and universities (MnSCU) has climbed from 5.2 percent to 7 percent from 1994 through 2002.

Year	# Minority	Total Students	% Minority
1994	2503	47926	5.2%
1995	2545	46244	5.5%
1996	2649	45767	5.8%
1997	2697	45397	5.9%
1998	2881	43533	6.6%
1999	2958	44153	6.7%
2000	2763	44213	6.2%
2001	2481	39396	6.3%
2002	2662	38714	7.0%

According to the Minnesota Higher Education Services Office, the percentage of minority students attending private colleges have been between 7.2 percent and 9.5 percent between 1994 and 2002.

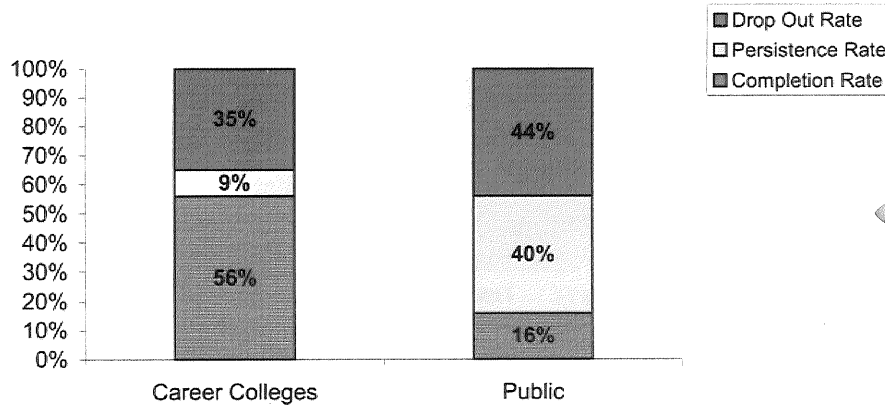
Year	# Minority	Total Students	% Minority
1994	3519	48305	7.3%
1995	3389	45535	7.4%
1996	3285	45093	7.3%
1997	3286	45707	7.2%
1998	3714	49565	7.5%
1999	3742	49411	7.6%
2000	4857	51341	9.5%
2001	4061	51269	7.9%
2002	4981	54527	9.0%

Student Benefits and Outcomes

Although students who enroll in less-than-two-year career colleges generally have factors that reduce their chances of succeeding, their completion rates exceed those of comparable institutions.

Three years after enrollment students at career colleges have a higher completion rate (56%) and lower drop-out rate (35%) than community colleges (16% and 44% respectively).

Completion and Persistence at
Less-Than-4-Year Institutions (3 years after enrollment)



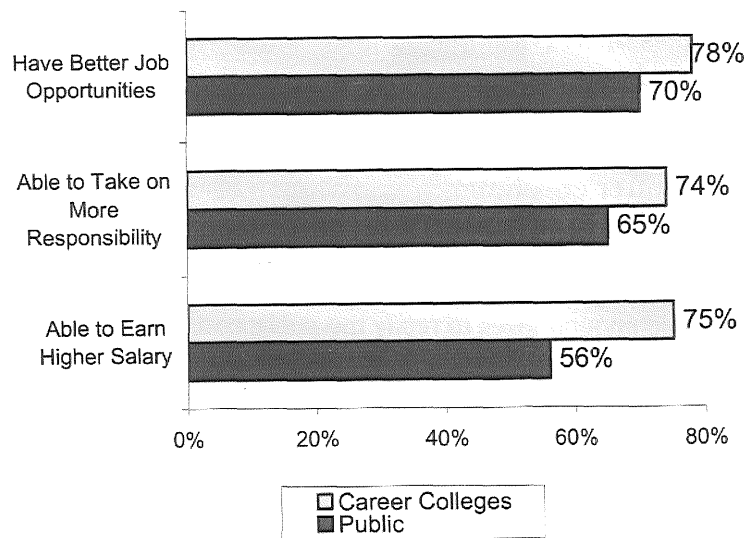
Regardless of whether students are in certificate or associate degree programs, those who attend career colleges are more likely than community college students to graduate within 3 years.

Six years after enrollment, career college students' completion rates increased substantially (56% three years after enrollment to 62% six years after enrollment). The drop-out rate remains the same at three years after enrollment.

Job Enhancement for Graduates

Students at career colleges who attain a degree or certificate within three years of enrollment are more likely to earn high salaries, have more job responsibility, and have better job opportunities than community college students who graduate within three years.

Job Enhancements Reported by Students Who Attained Certificates or Degrees



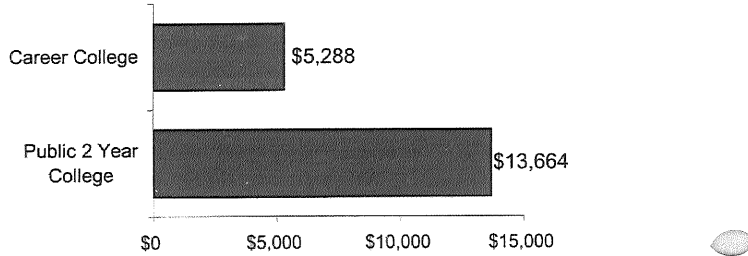
Six years after initial enrollment, a follow-up study on students who enrolled in certificate and associate degree programs revealed that students at career colleges attained certificates twelve months sooner and associate degrees eleven months sooner than students at public colleges.

Return on Investment

Career colleges provide significant financial benefits to tax payers.

It costs taxpayers \$13,664 to enroll a community college student for two years compared with \$5,288 for two years at a career college or school.

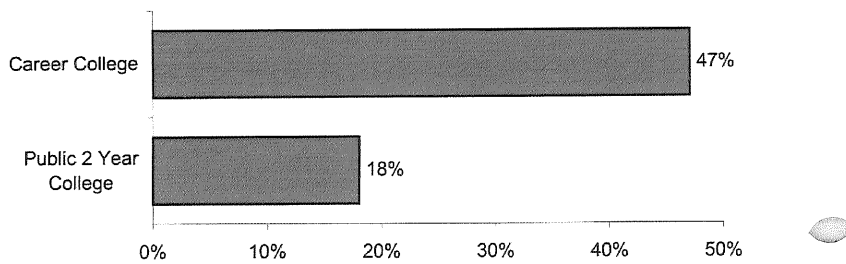
Estimated Total Public Investment per FTE for 2 Years



With four-and-a-half years of wages after graduation, a career college graduate will have paid enough taxes to repay the public cost of his or her education. It will take more than 8 years for the community college graduate to repay his or her debt.

Taxpayers' annual net return on investment for each public dollar spent is 18% per community college graduate and 47% per career college graduate.

Estimated Taxpayers' Annual Net Return on Investment



Resources:

Minnesota Higher Education Services Office: www.mheso.state.mn.us

U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data Systems (IPEDS), "Institutional Characteristics Survey" (IC), Fall 2000-2001.

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