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District Court, City and County of Denver, Colorado
1437 Bannock Street, Room 256
Denver, CO 80202

STATE OF COLORADO, ex rel. CYNTHIA H. COFFMAN,
ATTORNEY GENERAL, and
JULIE MEAD, ADMINISTRATOR,
UNIFORM CONSUMER CREDIT CODE,

Plaintiffs,

v.

CENTER FOR EXCELLENCE IN HIGHER EDUCATION, INC., a not-for-profit company; COLLEGEAMERICA DENVER, INC. and COLLEGEAMERICA ARIZONA, INC., divisions thereof, d/b/a COLLEGEAMERICA; STEVENS-HENAGER COLLEGE, INC., a division thereof, d/b/a STEVENS HENAGER COLLEGE; COLLEGE AMERICA SERVICES, INC., a division thereof; THE CARL BARNEY LIVING TRUST; CARL BARNEY, Chairman; and ERIC JUHLIN, Chief Executive Officer,

Defendants.

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Div.: 275 Ctrm:

REBUTTAL EXPERT DISCLOSURE OF DIANE AUER JONES

Mr. Chopra refutes my description of 90/10 as a regulation designed to ensure that students have "skin in the game" and instead refers to the regulation as a market test.

Mr. Chopra is squabbling over semantics when refuting my description of 90/10 as a "skin in the game" requirement rather than, as he calls it, a market test. Regardless, a market test is an examination of a new product to see if it will sell in a market, and that is absolutely ***not*** what 90/10 is about. Senator Tom Carper (D-DE)[1], Mark Kantrowitz[2] (the foremost financial aid expert), and researchers at the American Institute for Research[3] all referred to 90/10 as a "skin in the game" requirement. In addition, in a June 22, 2016 letter from 31 senators to then-Secretary of Education John King, 90/10 was described in the following way:

> *This rule is designed to ensure that students, employers, communities and states have sufficient confidence in the quality of education and integrity of a college or university that they are willing to invest some of their own funds in their degree or credential.*

There is widespread agreement that 90/10 is about ensuring that students have financial skin in the game. I agree that this can be achieved either by enrolling some people who pay a large portion of their tuition in cash or requiring all people to pay a small portion of their tuition in cash. However, since even wealthy students have access to federal student aid through the unsubsidized loan program, simply recruiting wealthier students – which is unlikely to be a successful strategy for all of the reasons I discussed in my Response Disclosure– does not guarantee that their willingness to pay cash will be sufficient to offset the large number of students who cannot pay cash.

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[1] http://www.chronicle.com/article/Senators-Mull-Changes-in-90-10/126564
[2] https://www.edvisors.com/ask/student-aid-policy/90-10-rule/
[3] https://www.air.org/edsector-archives/blog/loophole-bad-rule-can-be-good-thing

Mr. Chopra asserts that my statements about the 90/10 rule were inaccurate and misleading, but he fails to substantiate his claims with any supporting facts. Instead, he simply highlights statements with which he disagrees. I should first note that having worked at an institution that had to comply with the 90/10 rule, of the two of us I am the only one with the practical experience that informs my understanding of the regulation's unintended consequences. Mr. Chopra has never worked at an open enrollment institution, whereas I have worked at two. And since I have also worked at Princeton, I am also well aware of the myriad of ways that elite institutions differ from open enrollment institutions, and the extremes to which elite colleges will go to boost their U.S. News rankings and grow their endowments – including by limiting access to even moderately risky students. Mr. Chopra's personal experiences were in the domain of elite institutions and government agencies. He has neither worked with nor been part of a college community or career college dominated by low-income students.

My experiences give me practical insight and a working knowledge of how regulations designed to achieve one thing can end up causing a host of problems that exacerbate the problem the regulation was designed to solve. There is no doubt that 90/10 is intended to be a skin in the game test or that it functions as a skin in the game test.

What makes me curious, given his insistence of the importance of this test, is why he then sees EduPlan as anything other than the skin in the game that the Higher Education Act demands. Chopra seems to believe that debt free college is preferable to

the skin in the game requirement, and yet at the same time he insists that the skin in the game test is the primary market test that the education is high quality.

Mr. Chopra refers to the origins of the 90/10 rule – through the GI Bill's 85/15 rule – as evidence that 90/10 is not a skin in the game regulation.

While I agree that 90/10 was designed to mimic the GI Bill's 85/15 rule, there are very big differences between the two programs, including that the GI Bill's 85/15 rule regulates the percentage of students *enrolled* whereas the HEA 90/10 rule regulates the percentage of *funding received*.

The problem with this requirement is that regardless of how good the school is, it is highly unlikely that wealthier students are going to enroll in a small, non-residential career college that lacks fancy dorms, a winning athletic team and round the clock "student life" opportunities. Instead, wealthier students generally elect to compete for admission to a selective, four-year college that offers luxurious amenities and an opportunity to expand their social network. Moreover, because even wealthy students have access to federal student loans and their parents to ParentPLUS loans (up to the full cost of attendance), there is no guarantee that enrolling these students will ensure 90/10 compliance. A wealthy parent could elect to fund the entire tuition bill through ParentPLUS loans, which can be up to the full cost of attendance, meaning that even these students could rely on federal student aid to pay 100% of the tuition and fee costs. Loans are particularly attractive to wealthy students since they are the big winners in Public Service Loan Forgiveness and Income based repayment programs, which incentivize them to take loans rather than liquidate other assets to pay tuition. By analogy, what Mr. Chopra suggests is no different than giving every American

government-sponsored health insurance, but then judging provider quality based on the provider's ability to attract patients who will use their own funds rather than the government entitlement. There are boutique physicians who run cash-pay practices and who cater to the wealthy, but those physicians do not seek to serve the poor, nor can the poor afford to use them. Instead, cash-pay practices, like elite colleges, market to the wealthier segments of society by offering services and amenities attractive to people accustomed to a certain level of access, convenience, and quality of life, and who are willing to pay for such privilege.

Mr. Chopra's assertion that institutions can meet the 90/10 requirement by recruiting wealthier students fits into the category of "when pigs fly" policy solutions. According to Jarrett Carter[4], who cites student socioeconomic data published by the New York Times: "Older institutions branded by selectivity have an interest in grouping students with similar potential to finish degrees on time in competitive fields, and who will go on to earn a lot of money that soon, they will give back to the school. Less selective schools are driven by the service mission of granting access to those who might not otherwise receive higher education." Carter also notes "more than 70 percent of students coming from the nation's top 5% of wealth earning power attended Ivy League or elite institutions, while 38 percent of these schools enrolled more wealthy students from the top 1 percent than students from the lower 60 percent combined."

Therefore, the suggestion that career colleges could compete for cash-paying students without also changing their mission, reducing access to low-income students,

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[4] http://www.educationdive.com/news/where-do-americas-wealthiest-students-go-to-college/434509/

changing their program mix, and adding millions of dollars of amenities – in other words, abandoning the low-income students that elite institutions already have abandoned - shows a lack of concern or at least understanding about the widening opportunity gap.

What is offensive to me is Mr. Chopra's imprimatur that something has value only if the wealthy find it to be of value. Such a line of thought is either born of arrogance or naiveté and exemplifies precisely why Middle America feels abandoned by policy elites. Poor people have opinions that matter, they have challenges that their wealthier peers can't even imagine, and they make informed decisions that serve their needs even if those decisions seem incorrect to those more privileged. The poor need not have their decisions validated or dictated by the rich in order for those decisions to be good or right or appropriate. Mr. Chopra's arguments are based on misguided theory premised on misunderstandings borne of an absence of real-world experience or a true understanding of the lives and challenges of those less fortunate.

Evidence of his willingness to smugly dismiss the needs and ambitions of the poor is Mr. Chopra's suggestion that the students CollegeAmerica serves have little chance of completing the program (highlighting a quote indicating that one school of thought behind the 90/10 rule was that there was "evidence that proprietary institutions were recruiting low income students who were not qualified to participate in postsecondary education and who had little chance of even completing a program."). What basis does he have to believe that CollegeAmerica students cannot succeed in post-secondary education?

Comparing the outcomes of CollegeAmerica's students with those achieved by the less-risky students who attend Colorado community colleges belies Mr. Chopra's assessment. These results are evidence that at CollegeAmerica, low-income students have a better chance of beating the odds than they would at the local public institution and that they can, indeed, succeed in post-secondary education. Certainly the many challenges in their lives might make success harder earned than it is for others, but CollegeAmerica's results demonstrate the positive impact that career colleges have on the high risk students they are designed to serve. Does Mr. Chopra believe that low-income people cannot benefit from postsecondary education, or that their socioeconomic status should foreclose opportunity? Or does he believe that they should be given a chance at education, but only the bare bones chance made available at the lowest cost – as if similar funding policies in K-12 education have proved to be effective. I will always believe that we should invest in people and bet on their success rather than abandon them because we predict they will fail.

I'd like to understand why Mr. Chopra believes that the poor are not worthy of the same investment we make to educate the rich. Perhaps it is time to have progressive funding policies in higher education rather than current regressive policies that give the most to those who need it less.

Non-traditional students face challenges unimaginable to the more privileged among us. Many who try higher education will have one or more false starts or might fail altogether. However, that reality cannot be used to justify policies that reduce investment in those who need our help the most, simply so that we can continue to shift scarce

federal resources to the middle class students. Nobody needs a fancy dorm or a private bathroom or a pro-style athletic stadium to succeed in college, and yet taxpayers invest in those amenities routinely so that institutions they support can become more selective and more exclusive. But this makes those same institutions less likely to serve the high-risk students that turn to career colleges for a chance at advancement. We know that poor students suffer from homelessness and hunger, and yet despite those hardships, which are beyond the control of most institutions, some want to pretend that the success or failure of these students is solely the responsibility of the institution they attended rather than the persistent inequalities that make life so much harder for the poor and disenfranchised.

I agree with Mr. Chopra's statement that 90/10 does not require every single student to pay 10% of his or her tuition in cash. In practice, the likelihood of attracting full cash payers to an institution focused on serving the needs of first-generation, low-income, adult students is small. Therefore, in practice, the regulation requires that most, if not all, of the enrolled students pay some percentage of their tuition in cash.

Mr. Chopra's assertion that by lowering tuition CollegeAmerica would attract students more likely to pay cash is supported by no evidence. In fact, when I was the assistant secretary of education I asked college presidents engaged in heavy tuition discounting why they didn't just lower the published price. They consistently told me that they need to keep the published price high so that students and parents would see them as being in the same class as elite institutions, even though a relatively small percentage of enrolled students actually pay that price. Lowering the price would not likely change the demographics of students who seek adult-centered vocational

education, yet it would increase the likelihood that a higher percentage of tuition and fees would be paid with Title IV funds, thus reducing student "skin in the game" and increasing the institution's risk of failing the 90/10 test. Moreover, basic economic theory suggests that lower tuition would result in decreased educational quality. Mr. Chopra's approach is thus internally contradictory, as it demands decreased tuition at the same time it demands – again without specifics or substance – increased educational quality.

That 46 percent of CollegeAmerica students attended another institution before enrolling at CollegeAmerica is a powerful indicator that adults who decide to enroll at CollegeAmerica do so through informed decision-making based on a very real understanding of the labor market and their need for post-secondary education in order to have any hope of advancement. Mr. Chopra disregards this incredibly important market test.

Mr. Chopra naively suggests that an institution could meet its 90/10 requirements simply by developing employer partnerships.

I am pleased that in his Response, Mr. Chopra recognizes my expertise in 90/10 compliance and employer partnerships by pointing to my former employer's success in developing such partnerships. But what Mr. Chopra fails to explain in his Response is that the University Group to which Career Education refers in its statement to shareholders includes only the regionally-accredited, large (serving tens of thousands of students), online institutions that offered a wide range of academic programs and degrees

through the doctoral level, to students across the US and around the world. The University Group did not include the company's career colleges (referred to in the company's shareholder statements as the Career Colleges Group), which are the schools most similar to CollegeAmerica. The shareholder statement very carefully describes employer partnerships as a strategy employed by the company's large online institutions to meet their enrollment goals.

CEC is not alone in its efforts among large, online universities to create employer partnerships but employers are clear that their interest in such partnerships focus largely on on-line institutions that are accessible to employees regardless of where they live and what degrees they want to pursue. In announcing their education partnerships, both Starbucks5 and Walmart6 indicated that it was the availability of a large selection of online degree programs that prompted them to select their partner institution of higher education.

Even when successful in identifying employer partners, these arrangements provide no guarantee that they will help an institution achieve 90/10 compliance. In fact, most of these partnerships do not result in direct payment of tuition by the company to the institution. Instead, they operate largely as reimbursement programs to employees, meaning that it is the employee who pays the tuition to the institution – dollars which land directly on the 90 side of the 90/10 equation if the employees rely on federal entitlements to make the upfront payment, as most surely do. Of course, the institutions

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[5] http://www.azcentral.com/story/news/local/tempe/2014/10/07/starbucks-workers-starts-free-online-asu-classes/16851545/

[6] http://www.apus.edu/newsroom/press-releases/2010/06-03-10-apu-walmart-partnership.htm

hope that the students who enroll through these partnerships will include higher-wage employees seeking graduate degrees, who may be willing and able to pay cash or rely on non-Federal sources of credit to pay tuition and fees. However, when serving employees earning their first credential, or who are currently working in low-wage jobs, these employer partnerships do not have a substantial impact the institution's 90/10 results because students retain their full Title IV eligibility.

Consider the instructions that Starbucks provides to its employees who are interested in taking advantage of the company's partnership with Arizona State University, which requires the employee to first successfully be admitted to the institution. The program requires the Starbucks employee to enroll at ASU to get the company's education benefit, as opposed to other institutions, even if ASU isn't the best or most cost-effective option for the student. Moreover, the program must be online -- it is understandable why an employer with a national workforce would prefer to work with an online education partner, but for many low-income and first generation students, online is not the most effective instructional modality.

More importantly to the point of the 90/10 issue, the Starbucks College Achievement Plan reimburses students only for the amount they pay for tuition and fees that is above and beyond their federal Title IV eligibility, meaning that students must first utilize every Title IV dollar available to them before qualifying for a penny of Starbucks reimbursement. 7 So when admitting low-income students, an employer partnership such as the Starbucks College Achievement Plan doesn't supplant or reduce a student's

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[7] https://thinkprogress.org/critics-warn-starbucks-employees-to-read-the-fine-print-of-new-tuition-plan-79fd2b8b4eb2

reliance on Title IV funds. Since ASU is not subject to the 90/10 rule, this does not pose a problem for the institution. But, this example illustrates that while employer partnerships theoretically might help an institution meet its 90/10 requirements, employer funding under such partnerships still may not guarantee compliance unless tuition is higher than the students' collective Title IV eligibility.

A review of Starbucks web instructions to employees is instructive in this regard. https://www.starbucks.com/careers/how-starbucks-college-plan-works

GET STARTED IN 7 STEPS
with the Starbucks College Achievement Plan

1 APPLY to Starbucks

2 BECOME a Starbucks Partner (employee) and become eligible for SCAP approximately 3 months after working 20 + hours per week

3 CONNECT with a dedicated enrollment counselor

4 APPLY to ASU for FREE at starbuckscollegeachievement.info

5 REGISTER for classes at ASU, with the help of an Academic Advisor

6 FUND your ASU education with help from a dedicated team of financial aid specialists

7 FOCUS on your classes – your reimbursement will come automatically in your Starbucks paycheck

Notice that step 6 directs Starbucks partners to work with a "dedicated team of financial aid specialists" in order to fund (with Title IV entitlements) those individuals' enrollment at ASU. Moreover, step 7 makes it clear that Starbucks provides tuition support only in the form of reimbursement to the employee via his or her paycheck. Therefore, Starbucks makes no direct payments to Arizona State University. Such an arrangement would have no impact on an institution's 90/10 outcomes unless its tuition

exceeds the collective Title IV eligibility of the employee/student served. In fact, it would be unconscionable for an institution to encourage a student to pay cash for tuition when that students otherwise would be eligible for Pell grants, given that the student may not be reimbursed by the company if the student fails to complete the class or earn a certain grade.

In the case of the partnership between Walmart and American Public University, employees are offered a tuition discount, and in some cases may receive a grant to further reduce the cost of tuition. As is the case with the Starbuck's program, employees are instructed to first utilize their federal student aid and veteran benefits eligibility. I assume it is likely that some Walmart employees enrolled in graduate programs will pay some or all of the costs of their education using personal savings or other forms of non-government credit. Possibly these individuals who already have a bachelor's degree and may earn a higher salary may find a non-Title IV option preferable to the hassle of completing a FAFSA. As a person who has completed the FAFSA many times – both when I was a student and when each of my children enrolled in college – I would argue that nobody would go through this laborious and frustrating process if they had any other way of paying the tuition bill.

So while I agree that employer partnerships provide great opportunities for all involved, they are generally not available to smaller, ground-based institutions, that offer programs generally designed to facilitate career entry. National employers want a partner with a national reach, which generally means an online program. Those employers also want to partner with schools offering programs relevant to the employer's business needs,

which generally means schools offering bachelor's and graduate degrees in business, transportation, and retail management. Employers also generally require a student to enroll at a regionally accredited institution in order to receive tuition reimbursements. Career colleges that serve small groups of students in a limited number of majors generally find regional accreditation standards incompatible with their career preparation mission. Regional accreditation standards were designed by and for liberal arts and research universities.

Because of the generosity of federal entitlement programs today, even if a career college is able to attract wealthier students, it cannot force these students to forfeit their federal entitlement to unsubsidized student loans. Therefore, even if a school that enrolled 10 percent of students who ***could*** pay cash, there is no assurance that those students ***will*** pay cash, given that relatively few college students today (other than international students) are full cash pay students.

Mr. Chopra's suggestions are specious. The people he contends should pay cash to attend a career college generally do not make similar choices for other life decisions. Does he also believe that those who can afford high-performance luxury cars should instead buy a truck because the truck is more durable, can haul more goods and is more reliable? Wealthier individuals may be no more interested in a vocation than they are in driving a pick-up truck, even though both may be great options for those they are designed to serve.

If they followed Mr. Chopra's logic, *Consumer Reports* would rate cars not based on characteristics like performance, fuel efficiency, maintenance costs, and safety but

instead on the percentage of buyers who pay cash rather than rely on credit to make the purchase. Again, while it might make sense for a wealthier person to pay cash for an economy car rather than taking a loan for luxury car, few do. To suggest that a "good" career college would be able to compete with Harvard and Yale for the cash payers who attend those institutions demonstrates that Mr. Chopra views the world through ideology rather than reality.

Mr. Chopra asserts that investing in instruction and job placement would solve the 90/10 problem.

I agree that institutions should always look for new ways to improve instruction and support a robust career services function, but Mr. Chopra's argument is a double bank shot. He contends that by spending more money on instruction and career services, those areas of the school will improve, which will cause wealthier students to notice and, therefore, they will want to enroll. Mr. Chopra's speculation is not supported by any facts. To the contrary, the facts are clear that students consistently respond more to campus amenities than either academic quality or potential job outcomes.[8] The amenities offered by career colleges are designed to serve the needs of adult learners and, therefore regardless of academic quality or job outcomes, may be ignored by wealthier, financially dependent and younger students who seek a traditional "campus life" experience.

Students' employment outcomes after-the-fact in no way change their ability to pay the up-front costs of higher education. Even if the institution could place 100 percent of its medical assisting graduates in full-time jobs (which would require that all of its

[8] https://www.insidehighered.com/news/2013/01/29/many-students-opt-colleges-spend-more-nonacademic-functions-study-finds

graduates ***want*** full time jobs, which is typically not the case when students served include mothers of young children), it is highly unlikely that it would attract cash paying students to this program since wealthier students are generally not attracted to this profession.

If all other college amenities were equal, and all institutions were open enrollment institutions, then perhaps quality of instruction, program mix and job placement rates would become the critical factors in the college selection process for wealthier Americans. But what selective institutions well understand – as I learned during my years working at Princeton University – is that recruitment of the nation's best and brightest depends less upon academic quality (which is a nebulous and not easily proven attribute) and job placement (these institutions provide no information about job placement outcomes), and much more upon winning the arms race of campus-life activities and amenities among the group of institutions that most appeal to these students.

Mr. Chopra's position remains that the only way for an institution to prove its quality is by abandoning its mission of providing opportunities for low-income, first-generation adult learners (who generally have no ability to pay cash for college) and instead joining the ranks of institutions dedicated to ensuring that students have a four-year experience that encourages them to become richer, and therefore more likely alumni donors…while the poor stay poor.

Importantly, Mr. Chopra provides no evidence that there is any deficiency in CollegeAmerica's instruction or job placement services, so there is no evidence that

spending more in either of these areas will change outcomes. Considering the risk profile of students served by CollegeAmerica, the institution already performs better than would be expected and certainly better than the Colorado community colleges analyzed in my Initial Disclosure, despite the fact that the community colleges serve a lower risk population. *See* Table 1.

Table 1 **Comparison of Student Risk Profiles and Student Outcomes[1] from Four Colorado Community Colleges and CollegeAmerica Campuses in Colorado**									
Institution	**Population Data 4 year average (2012 – 2015)**				**Graduation Rate**	**% Federal Pell Grant Recipients 4 year average**	**Federal Loan Cohort Default Rate ("CDR")**		
	White	**Hispanic**	**African American**	**Age 25+**	**4-Year Average Graduation Rate**		**2013**	**2012**	**2011**
Pikes Peak Community College	**63%**	**14%**	**8%**	**46%**	**15%**	**44%**	**15.8%**	**18.1%**	**22.0%**
Pueblo Community College	**56%**	**25%**	**4%**	**52%**	**24%**	**68%**	**21.7%**	**19.5%**	**27.2%**
Otero Junior College	**59%**	**28%**	**3%**	**36%**	**37%**	**48%**	**17.3%**	**21.2%**	**25.5%**
Community College of Denver	**34%**	**26%**	**14%**	**40%**	**11%**	**46%**	**23.2%**	**27.9%**	**30.8%**
College America Denver	**37%**	**34%**	**16%**	**57%**	**31%**	**80%**	**15.8%**	**22.0%**	**25.4%**
College America Ft. Collins	**62%**	**25%**	**4%**	**63%**	**32%**	**74%**	**15.8%**	**22.0%**	**25.4%**
College America Colorado Springs	**52%**	**19%**	**18%**	**68%**	**44%**	**81%**	**15.8%**	**22.0%**	**25.4%**

Data Source: IPEDs, U.S. Department of Education, NCES.
https://nces.ed.gov/ipeds/

The data in Table 1, extracted from the IPEDS[9] database, examine a four year average of outcomes and provide a better picture of the institution's performance. A multi-year analysis is preferable since rates can change from year to year simply because of changes in enrollment patterns among the various academic programs offered. It is also important to note that College Navigator data (used in my Initial Disclosure, Table 1) do not match College Scorecard data (used by Mr. Chopra in his Initial Disclosure) because College Navigator includes all first-time, full-time students and College Scorecard includes only first-time, full-time students who receive federal student aid. The disagreement between these two data sources, both provided by the US Department of Education, is likely to confuse students who will not necessarily understand why these two sources provide different data for institutions included in both. This serves as yet another reason why the College Scorecard is a poorly constructed data tool – one that conflicts with the statutory reporting requirements in College Navigator.

CollegeAmerica's performance is even better when one considers the evidence included in my Initial Disclosure that, regardless of where they attend college, women, minorities and students from low-income families (i.e., the vast majority of CollegeAmerica's students) earn less than their male, white and socioeconomically advantaged peers. Finally, given the national rate of underemployment among all college graduates during the Great Recession, CollegeAmerica demonstrates very strong

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[9] Because College Navigator data updates annually (usually on July 1st), the data included in Table 1 of my Initial Disclosure, extracted from College Navigator, no longer match the data currently available on the College Navigator website. Therefore, I used IPEDs data to revise the data table in this Rebuttal Disclosure to include the 4 year average graduation rate for each of the institutions included in the original analysis. This table replaces Table 1 in my Initial Disclosure.

outcomes, especially when considering that the students they serve would be most negatively impacted by the recession, regardless of where they went to college.

Chopra makes claims based on theories that assume students are equal in every way and that the quality of the college they attend is directly responsible for all student outcomes. Meanwhile, the research is clear that there are many factors that contribute to student outcomes, with race, socioeconomic status, gender, parent education level and dependency status serving as the most significant predictors of student success.

Mr. Chopra states that I provide no evidence to justify CEHE's alleged misconduct.

That's because I see no misconduct. There is no evidence of misconduct in creating a private student loan program that is accessible, more student-friendly, and lower cost than other private student loan programs in the marketplace. As I opined in my Response Disclosure, I applaud CEHE's willingness to offer this program. I agree that low-income students generally experience distress in trying to pay for college and in trying to complete their degrees, thus the lower-than-average outcomes for these students nationally. And I also agree that low-income students are more likely to default than higher income students who can rely on financial assistance from their parents during the early years of student loan repayment.

But these challenges are not created by CollegeAmerica, and at least CollegeAmerica is willing to take steps to provide access to this population. The challenges of the poor are merely exacerbated by selective colleges that use their endowments to compete for the limited pool of wealthy students for whom success is all but guaranteed, rather than to leverage their preferential tax treatment to provide a public

good in the form of enrollment opportunities for the nation's highest need, highest risk students.

Chopra's arguments collapse under their own weight, especially when one considers the reality that private student lending is out of the reach of most low-income students, regardless of where they go to college, because of credit standards imposed following the market crash of 2007. Moreover, when the outcomes of Colorado community colleges are compared with those of CollegeAmerica, despite the fact that CollegeAmerica serves a higher risk student population, Mr. Chopra's arguments become absent of fact or evidence, and therefore, they are merely empty ivory tower theories.

Date: July 28, 2017

Respectfully Submitted,

Diane Auer Jones