Strayer University

Introduction

Like many for-profit education companies, Strayer Education, Inc. has experienced steady growth in student enrollment, Federal funds collected, and profit realized in recent years. However, the company's performance, measured by student withdrawal and default rates, is one of the best of any company examined, and it appears that students are faring well at this degree based for-profit college.

Company Profile

Strayer Education, Inc. ("Strayer") is a publicly traded, for-profit education company headquartered in Herndon, VA. Strayer owns and operates Strayer University with 92 campuses in 24 States, and an online division. Strayer offers degree and certificate programs in accounting, business, criminal justice, economics, information systems, management, public administration, health services administration, and education. Between 50 and 60 percent of Strayer's students are enrolled online.[2671]

Founded as a business training school by Irving Strayer in Baltimore in 1892, Strayer began offering Bachelor's degrees in 1969. The company became publicly traded in 1996. From 2001 to 2005 the company was primarily owned by New Mountain Capital and DB Capital Partners, the private equity arm of Deutsche bank.[2672] Robert S. Silberman became chief executive officer of Strayer in 2000 as part of the New Mountain investment and continues in that role.[2673]

Strayer is regionally accredited by the Middle States Commission on Higher Education (MSC). When Strayer was initially accredited by MSC in 1981 it enrolled 1,800 students.

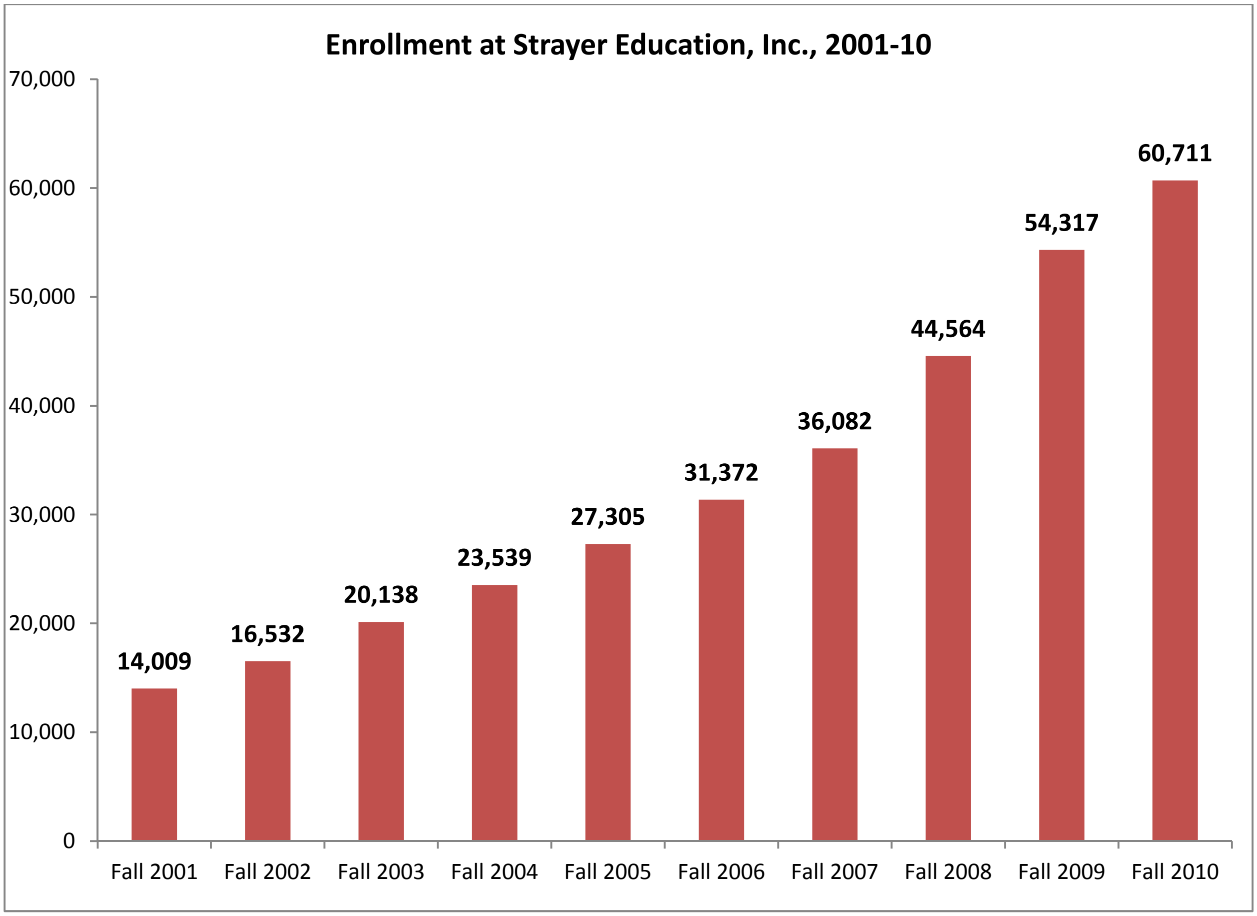
Strayer grew significantly over the last decade, with enrollment increasing by more than 300 percent since 2001. In the fall of 2001, Strayer enrolled 14,009 students and by fall 2010 Strayer enrolled 60,711 students.[2674]

[2671] Strayer Education, Inc., *Strayer Education, Inc. Reports First Quarter 2012 Revenues and Earnings; and Spring 2012 Enrollments*, March 31, 2012 http://www.strayereducation.com/releasedetail.cfm?ReleaseID=667552 (accessed June 25, 2012).

[2672] New Mountain Capital, *New Mountain Partners, L.P., with DB Capital Partners, Makes Significant Investment in Strayer Education, Inc.*, November 29, 2000 http://www.newmountaincapital.com/press/20001129.html (accessed June 25, 2012); New Mountain Capital, *Our Portfolio Companies: Strayer Education, Inc.*,2012 http://www.newmountaincapital.com/portfolio_companies.php?lv=strayer_desc (accessed June 25, 2012).

[2673] The board of directors of Strayer includes William Brock (former Senator from Tennessee and former Secretary of Labor), Robert Johnson (founder, Black Entertainment Television), Charlotte Beason (Executive Director, Kentucky Board of Nursing), John Casteen (President Emeritus of the University of Virginia), David Coulter (Managing Director and Senior Advisor, Warburg Pincus, LLC), Robert Grusky (Founder and Managing Member Hope Capital Management, LLC), Todd Milano (President and CEO, Central Pennsylvania College), G. Thomas Waite (Treasurer and CFO, Humane Society of the United States), and J. David Wargo (President, Wargo & Company, Inc.). The company's board of directors also includes: Mark N. Green (CEO, Fair Isaac Corporation), Michael Linton (Executive VP, FMN Technologies), Michael Lomax (CEO and President, United Negro College Fund), Jody G. Miller (CEO and President, Business Talent Group), Stephen G. Shank (Founder, former Chairman and CEO, Capella Education Company), Andrew M. Slavitt (CEO, Ingenix), David. W. Smith (Retired CEO, NCS Pearson Inc.), Jeffery W. Taylor (Senior VP, U.S. Government Policy and Investor Relations, Pearson plc), and Darrell R. Tukua (Retired Partner, KPMG LLP).

[2674] The most current enrollment data from the Department of Education measures enrollment in fall 2010. In 2011 and 2012, news accounts and SEC filings indicated that many for-profit education companies experienced a drop in new student



The growth in enrollment led to growth in revenue. Revenue at Strayer more than doubled in 3 years, from $318 million in 2007 to $636.7 million in 2010.[2675]

Federal Revenue

Nearly all for-profit education companies derive the majority of revenues from Federal financial aid programs. Between 2001 and 2010, the share of title IV Federal financial aid funds flowing to for-profit colleges increased from 12.2 to 24.8 percent and from $5.4 to $32.2 billion.[2676] Together, the 30

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enrollment. This has also led to a drop in revenue and profit at some companies. According to filings with the SEC, as of the fall 2011, Strayer enrolled 54,233.
Enrollment is calculated using the Securities and Exchange Commission quarterly or annual filing for the August-October period each year. See Appendix 7.

[2675] Revenue figures for publicly traded companies are from Securities and Exchange Commission annual 10-K filings. Revenue figures for privately held companies are taken from the company financial statements produced to the committee. See Appendix 18.

[2676] "Federal financial aid funds" as used in this report means funds made available through title IV of the Higher Education Act, including subsidized and unsubsidized Stafford loans, Pell grants, PLUS loans and multiple other small loan and grant programs. See 20 U.S.C. §1070 et seq.
Senate HELP Committee staff analysis of U.S. Department of Education, Federal Student Aid Data Center, *Title IV Program Volume Reports by School*, http://federalstudentaid.ed.gov/datacenter/programmatic.html, 2000-1 and 2009-10. Figures for 2000-1 calculated using data provided to the committee by the U.S. Department of Education.

companies the committee examined derived 79 percent of revenues from title IV Federal financial aid programs in 2010, up from 69 percent in 2006.[2677]

In 2010, Strayer reported 77.7 percent of revenue from title IV Federal financial aid programs.[2678] However, this amount does not include revenue received from the Departments of Defense and Veterans Affairs education programs.[2679] Department of Defense Tuition Assistance and post-9/11 GI bill funds accounted for approximately 7.1 percent of Strayer's revenue, or $43.2 million.[2680] With these funds included, 84.9 percent of Strayer's total revenue was comprised of Federal education funds.[2681]

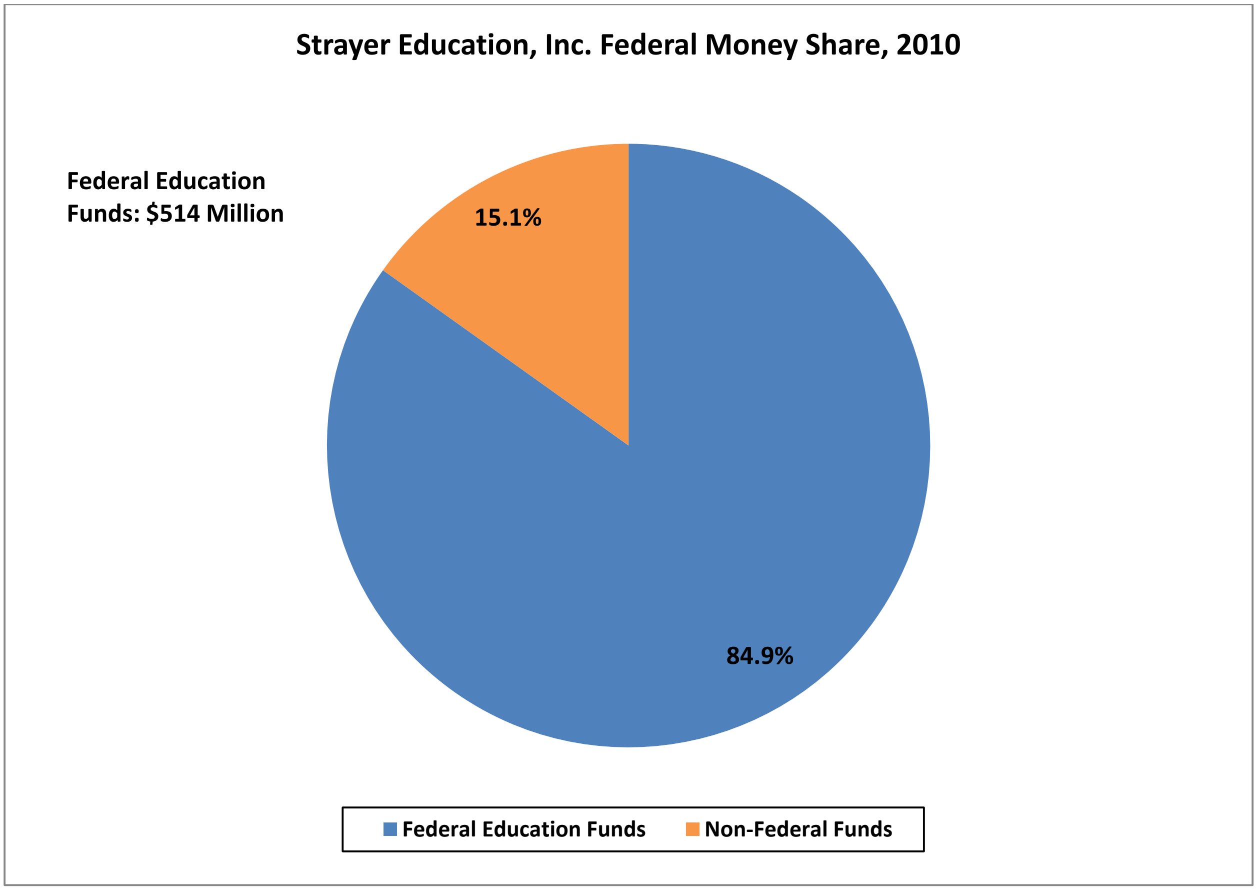
2677 Senate HELP Committee staff analysis of Proprietary School 90/10 numerator and denominator figures for each OPEID provided to the U.S. Department of Education pursuant to section 487(d)(4) of the Higher Education Act of 1965. Data for fiscal year 2006 provided to the committee by each company; data for fiscal year 2010 provided by the Department of Education on October 14, 2011. See Appendix 9.

2678 Senate HELP Committee staff analysis of fiscal 2010 Proprietary School 90/10 numerator and denominator figures for each OPEID provided to the U.S. Department of Education pursuant to section 487(d)(4) of the Higher Education Act of 1965. Data provided by the Department of Education on October 14, 2011. See Appendix 9.

2679 The Ensuring Continued Access to Student Loan Act (ECASLA) increased Stafford loan amounts by up to $2,000 per student. The bill also allowed for-profit education companies to exclude the increased amounts of loan eligibility from the calculation of Federal revenues (the 90/10 calculation) during fiscal years 2009 and 2010. However, ECASLA calculations for Strayer could not be extrapolated from the data the company provided to the committee.

2680 As explained in Appendix 11 and 12, data provided by the Department of Defense and the Department of Veterans Affairs was provided on an award year basis for both 2009-10 and 2010-11. Committee staff calculated the average monthly amount of benefits collected from DOD and VA for each company, and estimated the amount of benefits received during the company's 2010 fiscal year. Post-9/11 GI bill disbursements for August 1, 2009-July 31, 2010 provided to the committee from the Department of Veterans Affairs on November 5, 2010; post-9/11 GI bill disbursements for August 1, 2009-June 15, 2011 provided to the committee from the Senate Committee on Veterans' Affairs via the Department of Veterans Affairs on July 18, 2011; Department of Defense Tuition Assistance Disbursements and MyCAA disbursements for fiscal years 2009-2011 provided (by branch) by the Department of Defense on December 19, 2011. Committee staff calculated the average monthly amount of benefits collected from VA and DOD for each company, and estimated the amount of benefits received during the company's 2010 fiscal year.

2681 "Federal education funds" as used in this report means Federal financial aid funds combined with estimated Federal funds received from Department of Defense and Department of Veterans Affairs military education benefit programs.

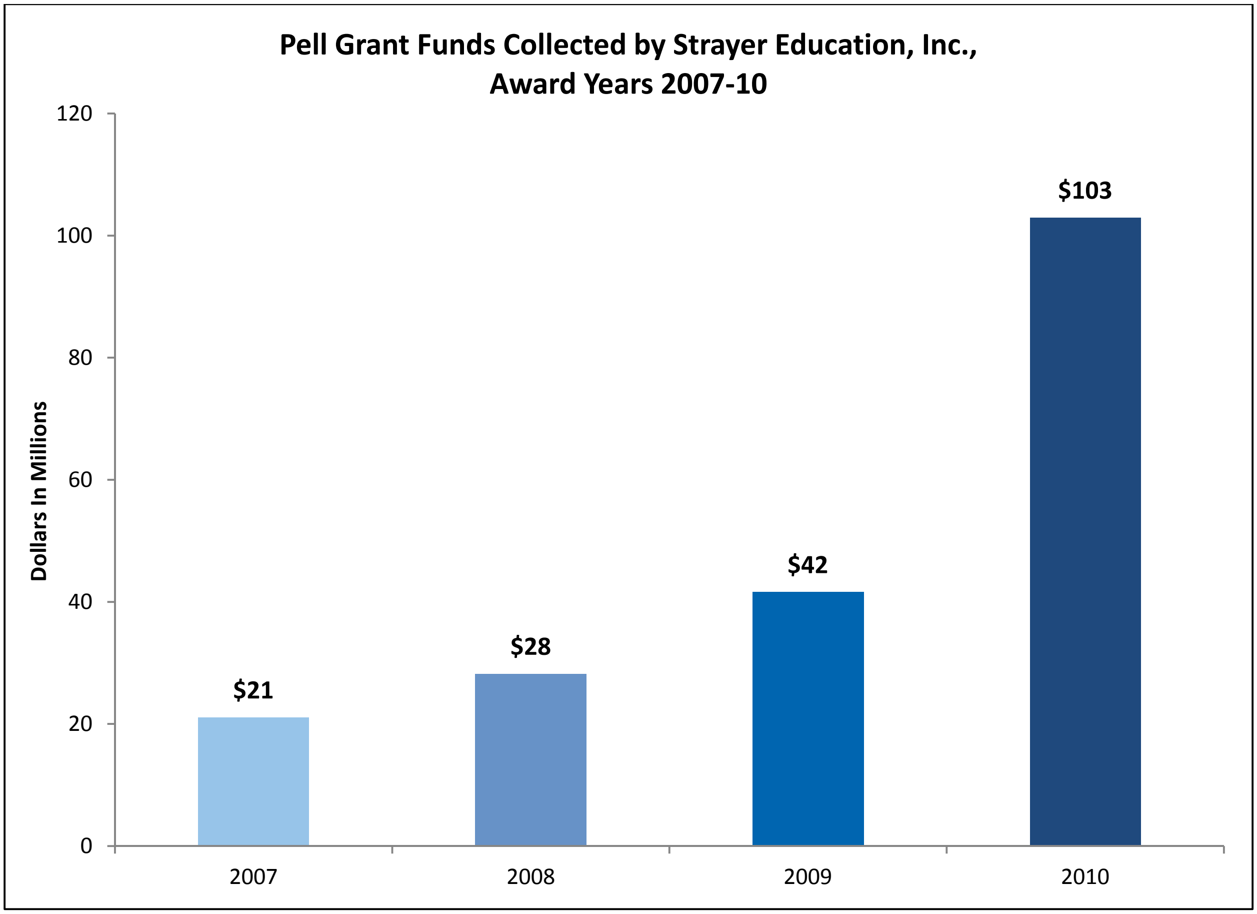


As one of the top 10 recipients of post-9/11 GI bill funds, Strayer has been able to maintain a lower ratio of revenue from non-title IV Federal sources than many other companies examined.

The 25 percent of Strayer students who receive tuition help from their employers or associations are also a critical source of non-Federal financial aid revenue.[2682] Corporate partners include Verizon Wireless, Lowe's, Carquest, the FBI National Academy of Training, Nestle USA, ADP, USAA, CISCO Corporation, and the BIC Corporation.[2683] These partnerships and employee financed tuition programs demonstrate that Strayer and its students currently have a reasonable reputation amongst employers.

Over the past 10 years, the amount of Pell grant funds collected by for-profit colleges as a whole increased from $1.4 billion to $8.8 billion; the share of total Pell disbursements that for-profit colleges collected increased from 14 to 25 percent.[2684] Part of the reason for this increase is that Congress has repeatedly increased the amount of Pell grant dollars available to a student over the past 4 years, and, for the 2009-10 and 2010-11 academic years, allowed students attending year-round to receive two Pell awards in 1 year. Poor economic conditions have also played a role in increasing the number of Pell eligible students enrolling in for-profit colleges.

[2682] Q2 2011 Earnings Call
[2683] *See* Q3 2009 Earnings Call, Q4 2009 Earnings Call, Q1 2010 Earnings Call, and Q2 2011 Earnings Call
[2684] Senate HELP Committee staff analysis of U.S. Department of Education, Federal Student Aid Data Center, *Title IV Pell Grant Program Volume Reports by School*, 2001-2 and 2010-11, http://federalstudentaid.ed.gov/datacenter/programmatic.html.



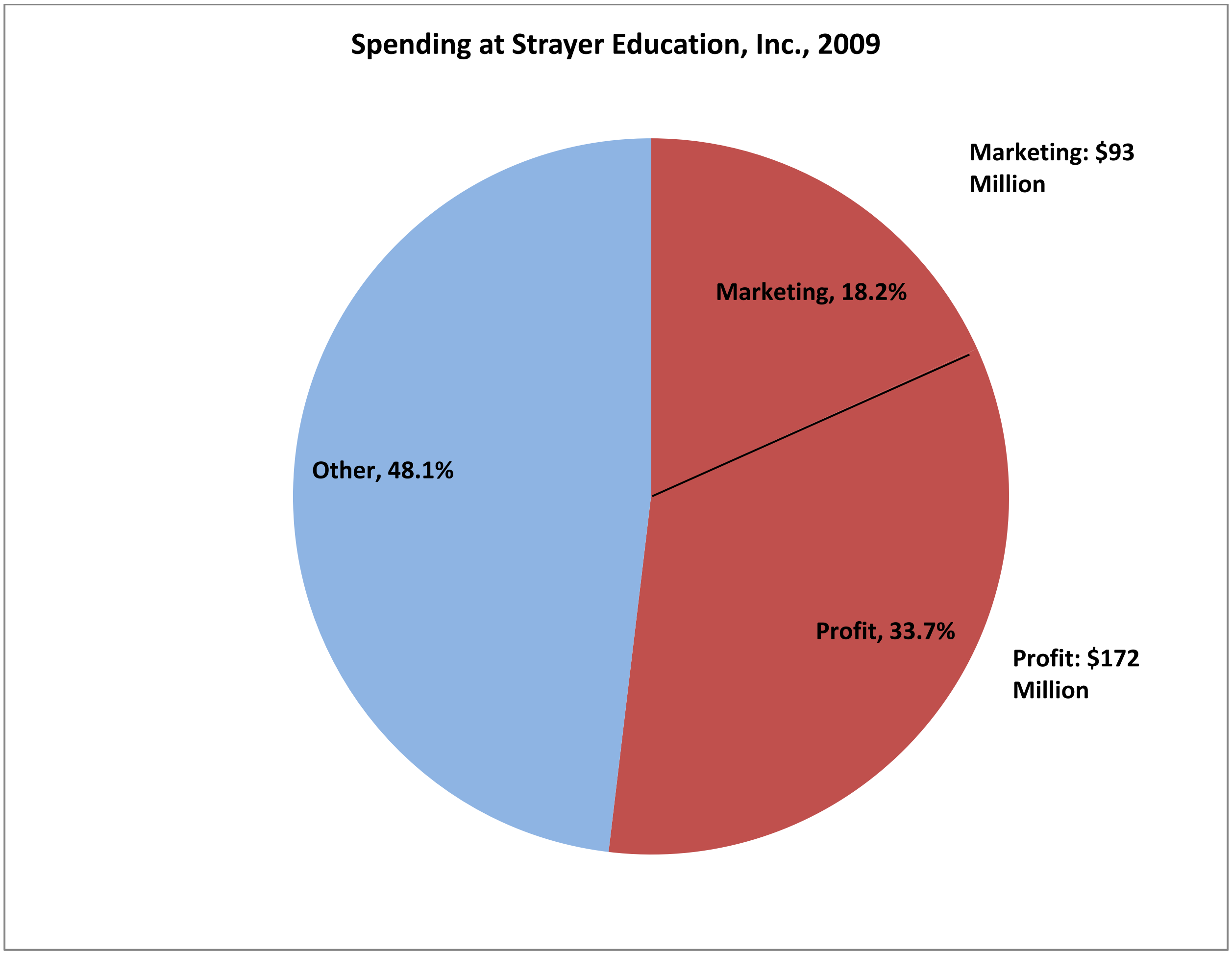
Strayer more than quadrupled the amount of Pell grant funds it collected in just 3 years, from $21 million in 2007 to $102.9 million in 2010.[2685]

Spending

While the Federal student aid programs are intended to support educational opportunities for students, for-profit education companies direct much of the revenue derived from these programs to marketing and recruiting new students and to profit. On average, among the 15 publicly traded education companies, 86 percent of revenue came from Federal taxpayers in fiscal year 2009.[2686] During the same period, the companies allocated 23 percent of revenue to marketing and recruiting ($3.7 billion) and 19.7 percent to profit ($3.2 billion).[2687]

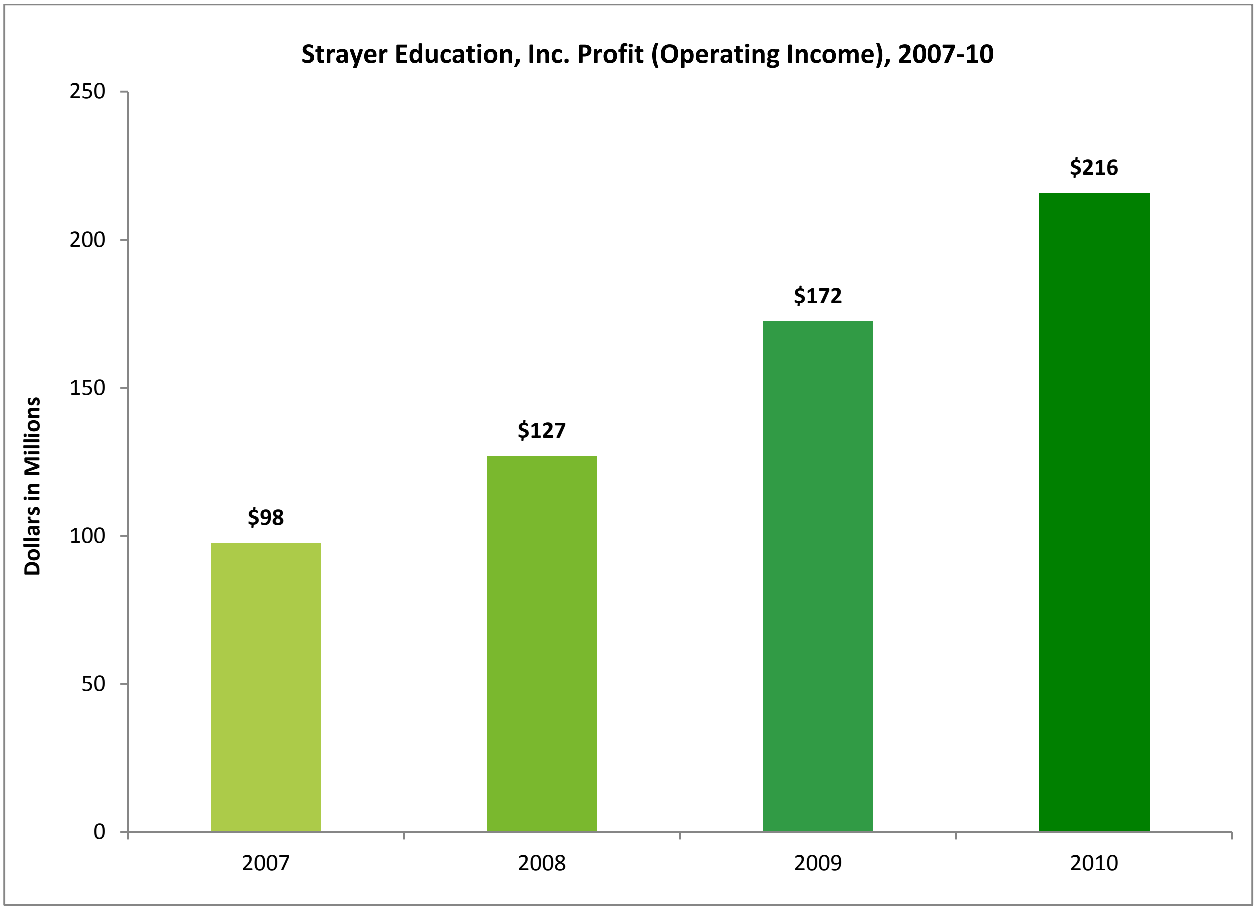
[2685] Pell disbursements are reported according to the Department of Education's student aid "award year," which runs from July 1 through June 30 each year. Senate HELP Committee staff analysis of U.S. Department of Education, Federal Student Aid Data Center, *Title IV Pell Grant Program Volume Reports by School*, 2006-7 through 2009-10, http://federalstudentaid.ed.gov/datacenter/programmatic.html See Appendix 13.
[2686] Senate HELP Committee staff analysis of fiscal year 2009 Proprietary School 90/10 numerator and denominator figures plus all additional Federal revenues received in fiscal year 2009 provided to the committee by each company pursuant to the committee document request of August 5, 2010.
[2687] Senate HELP Committee staff analysis of fiscal year 2009 Securities and Exchange Commission annual 10-K filings. Marketing and recruiting includes all spending on marketing, advertising, admissions and enrollment personnel. Profit is based on operating income.

The percentage of revenue Strayer allocates to profit exceeds the for-profit sector average by a considerable margin. In fiscal year 2009, Strayer devoted 33.7 percent of revenues to profit, whereas on average the 30 for-profit schools examined allocated 19.4 percent to profit. Strayer also devoted 18.2 percent of revenue, or $93.3 million, to marketing and recruiting.



In 2009, Strayer devoted a total of $265.6 million to marketing, recruiting and profit. The amount of profit Strayer generated also rose rapidly, more than doubling from $98 million in 2006 to $216 million in 2010.[2688]

[2688] Senate HELP Committee staff analysis. See Appendix 18.



Executive Compensation

Executives at Strayer, like most for-profit executives, are more generously compensated than leaders of public and non-profit colleges and universities. Executive compensation across the for-profit sector drastically outpaces both compensation at public and non-profit colleges and universities, despite poor student outcomes at many for-profit institutions.[2689] The chief executive officers of the large publicly traded, for-profit education companies took home, on average, $7.3 million in fiscal year 2009.[2690]

Executive	Title	2009 Compensation	2010 Compensation
Robert S. Silberman	Chairman & CEO	$41,489,800	$1,549,800
Karl McDonnell	President & COO	$10,839,800	$1,029,800
Mark C. Brown	Executive VP & CFO	$857,800	$959,800
Dr. Sondra F. Stallard	President, Strayer University	$734,800	$799,800
Sonya G. Udler	SVP, Corporate Communications	$601,711	$1,663,785
Total		$54,523,911	$6,002,985[2691]

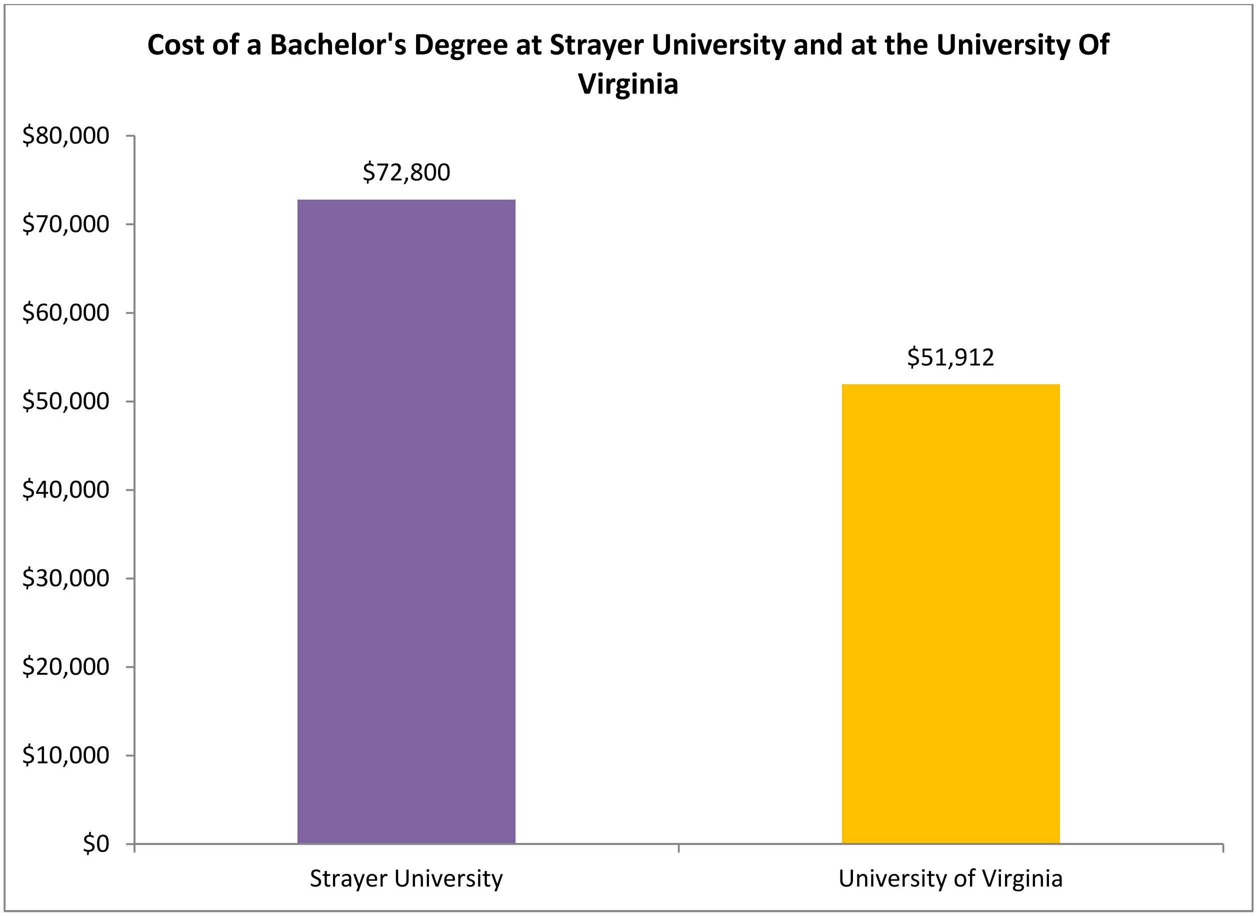
[2689] Senate HELP Committee staff analysis of fiscal year 2009 Securities and Exchange Commission annual proxy filings and chief executive salary surveys published by the Chronicle of Higher Education for the 2008-9 school year. See Appendix 17a.
[2690] Includes compensation information for 13 of 15 publicly traded for-profit education companies. Kaplan, owned by the Washington Post Company, does not disclose executive compensation for its executives. And National American University was not listed on a major stock exchange in 2009.
[2691] Senate HELP Committee staff analysis of fiscal year 2009 and 2010 Securities Exchange Commission annual proxy filings. Information analyzed includes figures for named executive officers. See Appendix 17b.

In 2009, Strayer CEO Robert S. Silberman received $41.5 million in compensation, the highest compensation received by any industry executive that year.[2692] While the package is payable over a 10 year period and is notably higher than the $1.5 million he received in 2010, it is over 58 times as much as the compensation of the President of the University of Virginia, who received $703,648 in total compensation for 2009-10.

Tuition and Other Academic Charges

Compared to public colleges offering the same programs, the price of tuition is more expensive at Strayer. A Bachelor's degree in Business Administration costs $72,800 at Strayer University,[2693] while a Bachelor's degree in Business Administration costs $51,912 at the University of Virginia.[2694] Similarly, an Associate's degree in Business Management cost $36,500 at Strayer,[2695] but $9,587 at Northern Virginia Community College.[2696]

2692 Id.
2693 See Appendix 14; see also, Strayer University, *Bachelor of Business Administration*, http://www.strayer.edu/academic-programs-list#node-162 (accessed July 12, 2012).
2694 See Appendix 14; see also, University of Virginia, University of Virginia, http://www.virginia.edu/ (accessed July 12, 2012).
2695 See Appendix 14; see also, Strayer University, *Degree Program List*, http://www.strayer.edu/academic-programs-list (accessed July 12, 2012).
2696 See Appendix 14; see also, Northern Virginia Community College, *Northern Virginia Community College*, http://www.nvcc.edu/index.html (accessed July 12, 2012).



The higher tuition that Strayer charges is reflected in the amount of money that Strayer collects for each veteran that it enrolls. From 2009-11, Strayer trained 9,453 veterans and received $80.2 million in post-9/11 GI bill benefits, averaging $8,485 per veteran. In contrast, public colleges collected an average of $4,642 per veteran trained in the same period.[2697]

Over the last 11 years it has been standard practice for Strayer to increase tuition 5 percent each year.[2698]

Outcomes

While aggressive recruiting and high cost programs might be less problematic if students were receiving promised educational outcomes, committee staff analysis showed that tremendous numbers of students are leaving for-profit colleges without a degree. Because 98 percent of students who enroll in a 2-year degree program at a for-profit college, and 96 percent who enroll in a 4-year degree program, take out loans, hundreds of thousands of students are leaving for-profit colleges with debt but no diploma or degree each year.[2699]

[2697] See Appendix 11. Post-9/11 GI bill disbursements for August 1, 2009-June 15, 2011 provided to the committee from the Senate Committee on Veterans' Affairs via the Department of Veterans Affairs on July 18, 2011.
[2698] 2009 Q3 Earnings Call; 2011 Q2 Earnings Call.
[2699] Patricia Steele and Sandy Baum, "How Much Are College Students Borrowing?," *College Board Policy Brief*, August 2009, http://advocacy.collegeboard.org/sites/default/files/09b_552_PolicyBrief_WEB_090730.pdf (accessed June 25, 2012).

Two metrics are key to assessing student outcomes: (1) retention rates based on information provided to the committee, and (2) student loan "cohort default rates." An analysis of these metrics indicates that many people who enroll at Strayer are not achieving their educational and career goals.

Retention Rates

Information Strayer provided to the committee indicates that of the 41,230 students who enrolled at Strayer in 2008-9, 32.2 percent, or 13,258 students, withdrew by mid-2010. These students withdrew in a median of 6 months.[2700] An analysis of these metrics indicates that while some people who enroll at Strayer are not achieving their educational and career goals, overall, the company is doing a much better job of serving students than most of the companies examined.

Strayer's withdrawal rate is significantly lower than the overall withdrawal rate of 54.4 percent, and is significantly lower when compared to other large publicly traded, for-profit education companies. With just 34 percent of Bachelor's degree students withdrawing in the period analyzed, Strayer has the lowest withdrawal rate of any 4-year program examined. However, like other companies examined by the committee, Strayer has a much higher withdrawal rate in the Associate program, fully 14 percent higher than in the Bachelor's degree program.

Status of Students Enrolled in Strayer Education, Inc. in 2008-9, as of 2010						
Degree Level	**Enrollment**	**Percent Completed**	**Percent Still Enrolled**	**Percent Withdrawn**	**Number Withdrawn**	**Median Days**
Associate Degree	6,683	13.5%	37.8%	48.8%	3,258	119
Bachelor's Degree	23,540	8.9%	57.0%	34.1%	8,035	189
Master's Degree	11,007	25.1%	57.0%	17.9%	1,965	210
All Students[2701]	41,230	13.9%	53.9%	32.2%	13,258	175

The dataset does not capture some students who withdraw and subsequently return, which is one of the advantages of the for-profit education model. The analysis also does not account for students who withdrew after mid-2010 when the data was produced.

[2700] Senate HELP Committee staff analysis. See Appendix 15. Rates track students who enrolled between July 1, 2008 and June 30, 2009. For-profit education companies use different internal definitions of whether students are "active" or "withdrawn." The date a student is considered "withdrawn" varies from 10 to 90 days from date of last attendance. Two companies provided amended data to properly account for students that had transferred within programs. Committee staff note that the data request instructed companies to provide a unique student identifier for each student, thus allowing accurate accounting of students who re-entered or transferred programs within the school. The dataset is current as of mid-2010, students who withdrew within the cohort period and re-entered afterward are not counted. Some students counted as withdrawals may have transferred to other institutions.

[2701] The committee analyzed data for students who enrolled at each company between July 1, 2008 and June 30, 2009. Students enrolled in Strayer prior to July 1, 2008 (including students who enrolled for the term starting June 30, 2008) were not included. If those students had been included, the number of students withdrawn by June 30, 2008 would be just 27.8 percent while more students would also have completed the program.

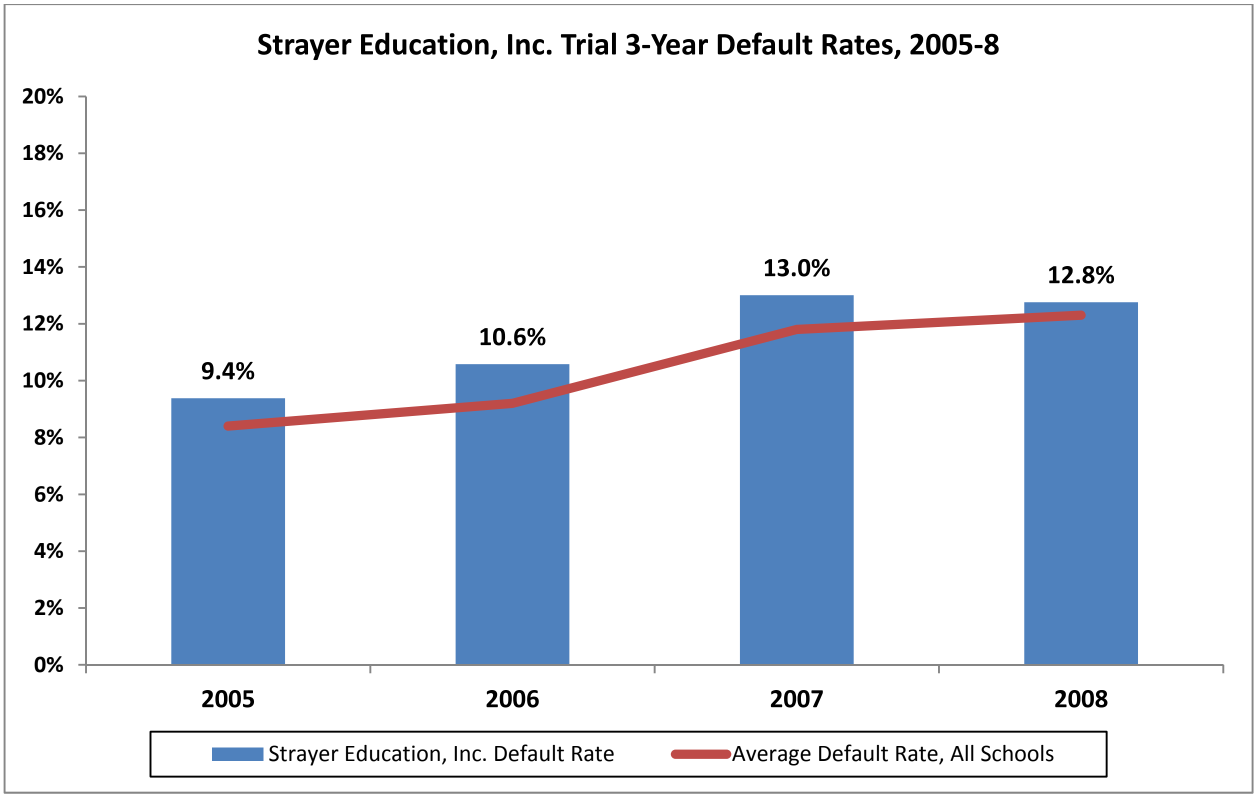
Student Loan Defaults

The Department of Education tracks and reports the number of students who default on student loans (meaning that the student does not make payments for at least 360 days) within 3 years of entering repayment, which usually begins 6 months after leaving college.[2702]

Slightly more than 1 in 5 students who attended a for-profit college (22 percent) defaulted on a student loan, according to the most recent data.[2703] In contrast, 1 student in 11 at public and non-profit schools defaulted within the same period.[2704] On the whole, students who attended for-profit schools default at nearly three times the rate of students who attended other types of institutions.[2705] The consequence of this higher rate is that almost half of all student loans defaults nationwide are held by students who attended for-profit colleges.[2706]

The default rate across all 30 companies examined increased each fiscal year between 2005 and 2008, from 17.1 percent to 22.6 percent.[2707] This change represents a 32.6 percent increase over 4 years.[2708] Although Strayer's 3-year default rate has gradually increased over the last 4 years, growing from 9.4 percent for students entering repayment in 2005 to 12.8 percent for students entering repayment in 2008, overall, Strayer's default rate is far below the 22.3 percent average 3-year default rate for the for-profit education sector and closely tracks the default rate for all schools.

[2702] Direct Loan default rates, 34 CFR § 668.183(c).
[2703] Senate HELP Committee staff analysis of U.S. Department of Education Trial Cohort Default Rates fiscal year 2005-8, http://federalstudentaid.ed.gov/datacenter/cohort.html. Default rates calculated by cumulating number of students entered into repayment and default by sector.
[2704] Id.
[2705] Id.
[2706] Id.
[2707] Senate HELP Committee staff analysis of U.S. Department of Education Trial Cohort Default Rates fiscal year 2005-8, http://federalstudentaid.ed.gov/datacenter/cohort.html. Default rates calculated by cumulating number of students entered into repayment and default for all OPEID numbers controlled by the company in each fiscal year. See Appendix 16.
[2708]Department of Education 3-year cohort default rate, for students entering repayment in fiscal years 2005, 2006, 2007 and 2008.



It is likely that the reported default rates significantly undercount the number of students who ultimately face default, because of companies' efforts to place students in deferments and forbearances. Strayer has invested large amounts into default management, primarily through the General Revenue Corporation ("GRC"), a subsidiary of Sallie Mae. According to internal Strayer documents, the goal is to have a 2-year default rate of 5 percent and a 3-year default rate of 10 percent.[2709] These documents present three main options for preventing student default: deferment, forbearance and income-based repayment.[2710] However, they also note that income based repayment is "very cumbersome to qualify, so GRC never recommends in alone [sic]. [Students] will apply in conjunction with deferment or forbearance." [2711]

Strayer students "cured" by GRC are primarily pushed into forbearance or deferment. In 2010, of the 687 students cured by GRC, 30.8 percent were put into deferment and 53.7 percent were put into forbearance.[2712] When a student is in forbearance their loan balances continue to grow as the result of accumulating interest, but default is averted both for the student and the company. However, for many students forbearance and deferment serve only to delay default beyond the 3-year measurement period the Department of Education uses to track defaults.

Instruction and Academics

The quality of any college's academics is difficult to quantify. However the amount that a school spends on instruction per student compared to other spending is a useful measure.

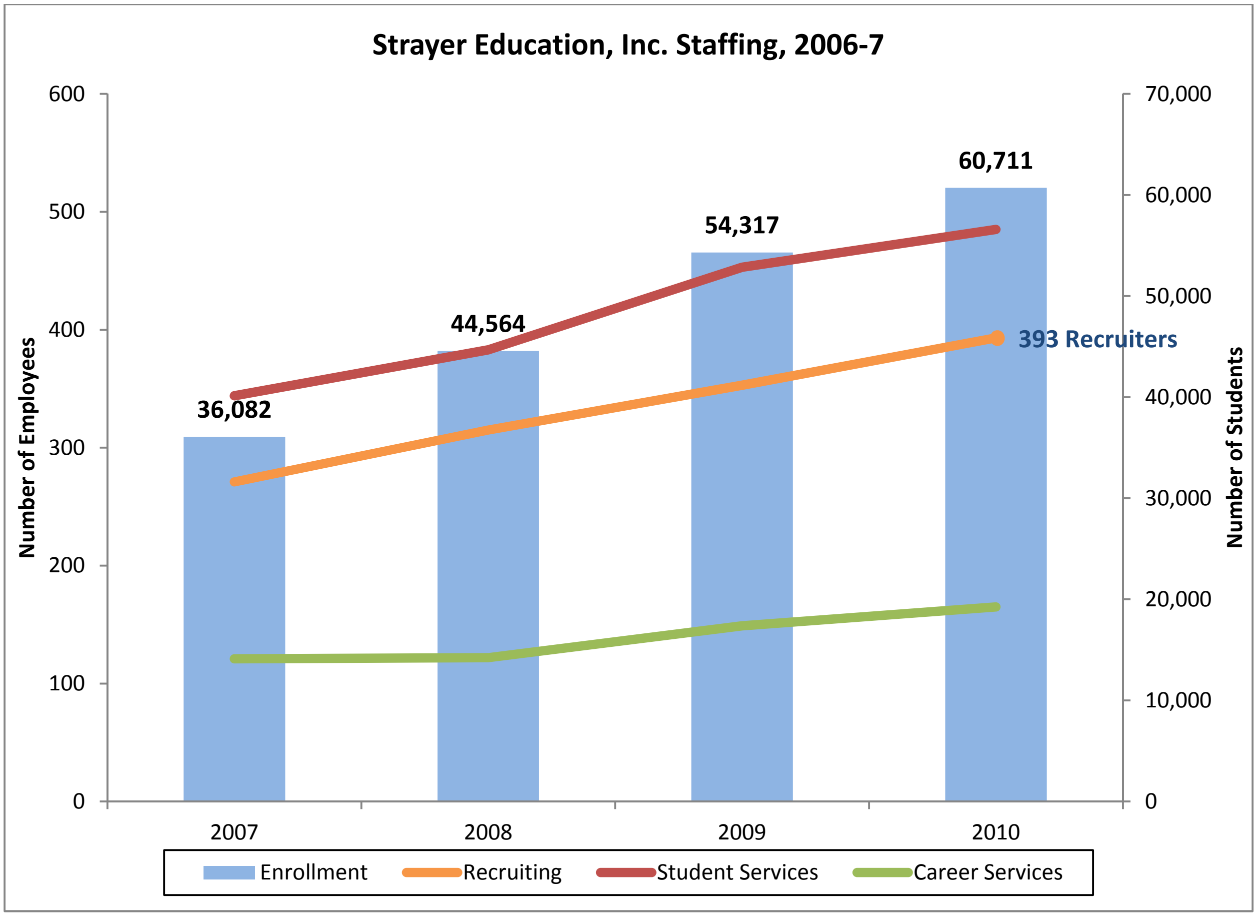
[2709] Email from Strayer University Director of Student Financial Services, January 13, 2010 (SC-HELP-015284, at SC-HELP-015273).
[2710] Id. at SC-HELP- 015284
[2711] Id.
[2712] In 2009, 24.6 percent were put into deferment and 56.3 percent were put into forbearance.

Strayer spent $1,329 per student on instruction in 2009, compared to $2,448 per student on marketing and $4,520 per student on profit.[2713] The amount that publicly traded, for-profit companies spend on instruction ranges from $892 to $3,969 per student per year. In contrast, public and non-profit 4-year colleges and universities generally spend a higher amount per student on instruction. By comparison, on a per student basis, the University of Virginia spent $14,567 per student, Northern Virginia Community College spent $3,850 per student and Liberty University spent $1,957 per student.[2714]

A large portion of the faculty at many for-profit colleges is composed of part-time and adjunct faculty. While a large number of part-time and adjunct faculty is an important factor in a low-cost education delivery model, it also raises questions regarding the academic independence they are able to exercise to balance the colleges' business interests. Among the 30 schools examined by the committee, 80 percent of the faculty is part-time.[2715] Strayer is one such company with 83 percent of its faculty employed part-time.[2716] In 2010, the company employed 423 full-time and 2,048 part-time faculty.[2717]

[2713] Senate HELP Committee staff analysis. See Appendix 21. IPEDs data for instruction spending based on instructional cost provided by the company to the Department of Education. According to IPEDS, instruction cost is composed of "general academic instruction, occupational and vocational instruction, special session instruction, community education, preparatory and adult basic education, and remedial and tutorial instruction conducted by the teaching faculty for the institution's students."
[2714] Senate HELP Committee staff analysis. See Appendix 23.
[2715] Senate HELP Committee staff analysis of information provided to the committee by the company pursuant to the committee document request of August 5, 2010. See Appendix 24.
[2716] Id.
[2717] Id. At Strayer a full-time faculty member teaches 12 courses per year, Q3 2009 Earnings Call.

Staffing



While for-profit education companies employed large numbers of recruiters to enroll new students, the companies had far less staff to provide tutoring, remedial services or career counseling and placement. In 2010, with 60,711 students, Strayer employed 393 recruiters, 165 career services employees, and 485 student services employees.[2718] Strayer employs far fewer recruiters than some similarly sized companies, and has more student services representatives than recruiters and more career counselors per student than most other companies examined which may play a significant role in the success of its students. Each career counselor was responsible for 368 students and each student services staffer was responsible for 125 students. Meanwhile, the company employed one recruiter for every 154 students.

Conclusion

Students attending Strayer have significantly better rates of retention than other companies of comparable size. While Strayer allocates an extremely high portion of revenue to profit, and a relatively small amount to per student instruction, the students that it enrolls appear to be faring much better than at many companies the committee examined. Strayer has grown rapidly in recent years, crossing the $100 million mark for Pell grant dollars received in 2010, but has done so in a steady and even manner that appears to be representative of the general operational approach of the company. Strayer appears to

[2718] Id. See Appendix 7 and Appendix 24.

have better controls on recruiting practices and a more robust set of student services than many other companies, particularly publicly traded companies, the committee examined. The company has also earned the confidence of a number of employers that provide tuition assistance for their employees to attend the school. This in turn helps the company to be better positioned with regard to regulatory compliance than many other publicly traded companies. As a result, students attending Strayer-owned colleges appear to be faring much better than at many companies examined and the company had the lowest withdrawal rate for Bachelor's students of any company examined. In view of these above average outcomes, the company's overall lack of cooperation with the committee was surprising.