

**Documents Referred to in
Harkin Floor Statement
Recruiting Tactics**

ITT

June Analysis 2007

The immediate reflection of June 2007 is dismal as we missed the start, but in that reflection there are things that I will discuss and interpret. The MP was 158 and we came short at 130, leaving 28 SITS that have to be recovered. The raw data collected is from the time frame of 3/25-6/23.

As a campus we scheduled 965 appointments, and had 329 conducts (34%). Of the 329 conducts we wrote 316 applications (96%). Of the 316 applications, 308 (97%) were applied. From the 308 applied, 244 went through the FAI (79%), and 130 counted for the SIT report (53%). As a campus our conversion rate was 7%.

From the amount of appointments that were schedule and actual conducts completed, I believe the first obstacle is the "selling of the appointment". The department needs to focus on the selling the appointment by digging in and getting to the pain of each and every prospective student. By getting to the pain, the representatives will be able to solidify the appointments and have a better show rate for the actual conducts. When looking at the amount of applied students, it would appear that the representatives have the knowledge...but do they actually use it? My observation would be that they hurry through the interviews in order to avoid such elaborate questioning and rejections. The next major statistical data would be the FAI conducts. This is where the reps can increase their individual show rate by following up and getting the students through the entire process. The assumption is that once they are written, the student is good! And therefore, no contact is interpreted as good news! The fear of rejection or removing people from the ASR is psychological to the reps and not looked at as accountability or constructive criticism.

From a DOR perspective, there needs to be more training and accountability/ownership conveyed to the reps. The concept of accountability and ownership has been broached, but yet to be unanimously accepted and practiced. This coupled with the weaknesses of overcoming obstacles or objections, working the student completely through the entire process and still maintaining contact throughout the whole quarter is something else that we need to focus on...which includes from FAI to SIT. Our referral campaign has been anything but that if a campaign. The department needs to focus more on generating more PDL's and converting them for the September start. These are all areas of training opportunity and will be implemented in the early stages of the next quarter, as well as increased observations, more structured activities, and better review of pending contacts. Our threats are the obvious...loss of reps, lack of PDL's, and complacency and lack of ownership. The positives are a very large increase in phone activities and applied to accepted (which should be).

If you have any questions please contact me as soon as possible.

 Director of Recruitment

ITT

Ways to combat "drops" in Marketing during the class building period.

Communication

- Remain centered, focused and calm. Remember, most of the time drops late in the quarter are due to FEAR!
- Don't take things personally
- Stay in constant contact through phone calls, emails, etc. Remember nothing can replace voice to voice contact.
- Remind them of their motivation often. Use this to keep them motivated.
- Remind them of what things will be like if they don't continue forward and earn their degrees.
- Poke the pain a bit and remind them (if applicable) who else is depending on them and their commitment to a better future.
- Use visuals and analogies. Remember most humans are visual learners.
- Avoid words such as "concerns" or "issues". Many times these words imply there are not solutions. Instead talk about "obstacles"...obstacles can generally be moved in order to continue going down a specific path.
- Watch the stress tone in YOUR voice when communicating with them. Remember, they are NOT numbers...they are students.
- Use positive speak. Example "When you come to classes next week."

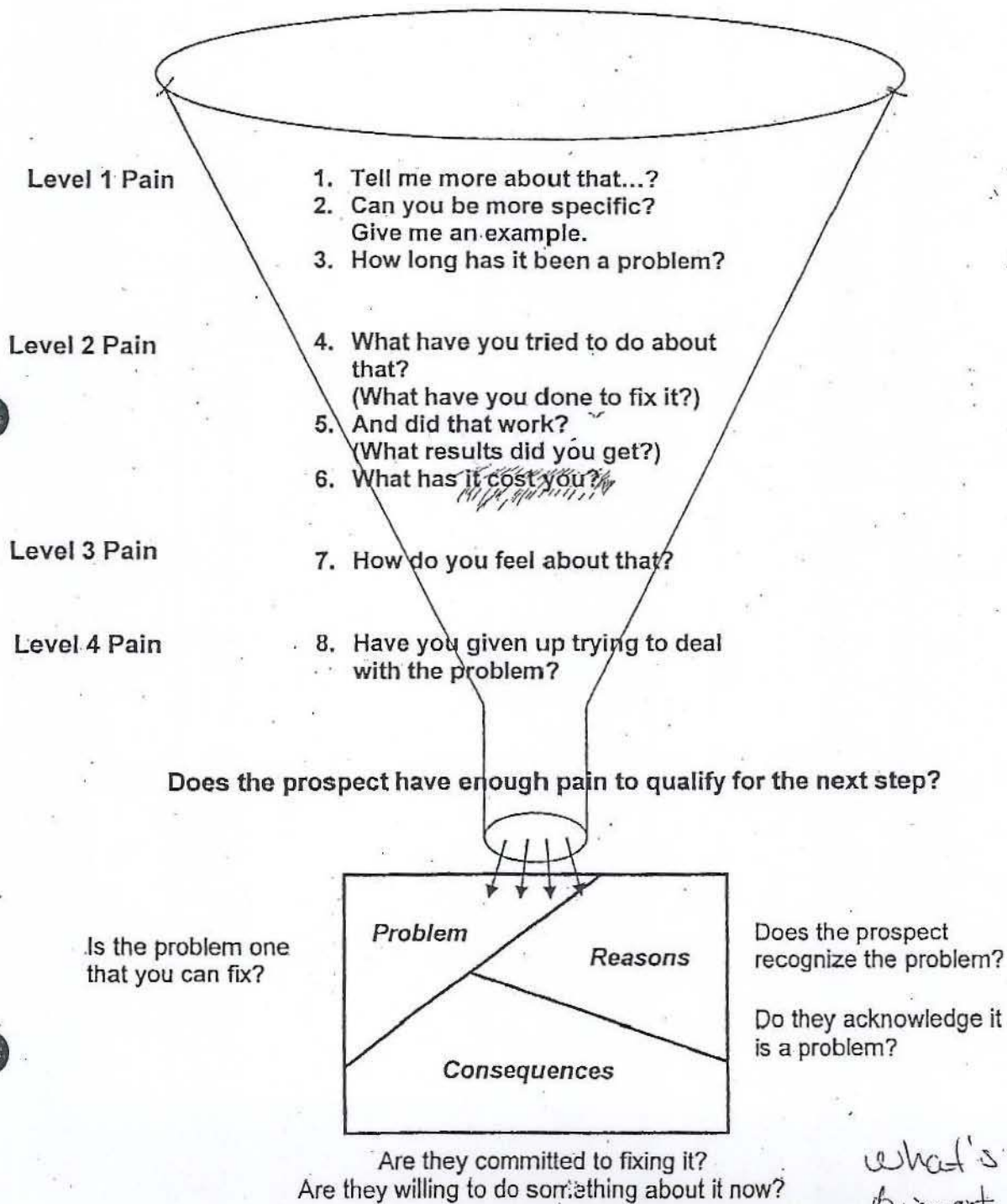
Invite the obstacles

- Do not fear obstacles; embrace them. The better you are at inviting them, being patient to work on them, and taking on the role of "solutions provider" the stronger you will be as a Rep. AND the better your students will feel as you became their advocate to success.
- In the initial (or future) phone calls listen for things which may give you some insight on potential obstacles. Things dealing with kids (potential time, money and transportation obstacles?), things dealing with transportation (shuttle passes?), spouses (are they supportive? Co-signer potential?), parents (are they supportive? Co-signer potential?), grandparents (supportive? Co-signer potential?), etc. Ask about their current employment situation. Are there potential work schedule conflicts? If so, how supportive is the employer? Can we assist the student through Career Services seeking more "education friendly" employers allowing an appropriate work schedule for your student to attend class?
- Remember, if cost is an obstacle...it is also part of their motivation! (If they don't make a change, where do they see their finances in 2 years, 5 years, 10 years? If they DO have a degree, where do they see their finances?)
- Remember EVERYONE wants to graduate, but NO ONE wants to start. AVOID statements in your initial conversations such as "*when do you see yourself starting classes?*" Instead use phrases such as "*How soon do you see yourself GRADUATING?*"

ITT

2. Pain Funnel and Pain Puzzle

Eight Questions



ITT

ITT Technical Institute Questionnaire
EXHIBIT 3

high school/GED questions

Level 1 Pain

How would you describe your high experience?
Did you feel successful in high school?
Tell me more about that; Can you be more specific; Give me an example
How did that make you feel?
How did your parents feel?
What could you do differently?
What subjects did you feel most successful?
What do you think was attributable to your success?
What subjects did you feel least successful?
What do you think attributed to that?

Level 2 Pain

What have/had you tried to do about it? And did that work?
What has it cost you?

Level 3 Pain

How do you feel about that?

Level 4 Pain

What are you willing to change now or have you given up trying to deal with the problem?

additional education

Level 1 Pain

How long have you been going to xxx college?
Have you worked while attending?
Have you wanted to work while attending?
Why did you put off attending college after high school?
How would you describe your college experience?
Did you feel successful at xxx college?
Tell me more about that; Can you be more specific; Give me an example
How did that make you feel? How does your family feel?
What have you tried to do about that? And did that work?

Level 2 Pain

What subjects did you feel most successful?
What do you think was attributable to your success?
What subjects did you feel least successful?
What do you think attributed to that?
What have/had you tried to do about it? And did that work?
Do you feel that spending x amount of time at xxx college has held you back from where you want to be?

Level 3 Pain

What has it cost you?
How do you feel about that?

Level 4 Pain

What are you willing to change now or have you given up trying to deal with the problem?

employment

Level 1 Pain

Level 2 Pain

Level 3 Pain

Level 4 Pain

How well would you say you have been able to support your family in this position?

How well would your family say you have been willing to support them?

Tell me more about that; Can you be more specific; Give me an example

How did that make you feel?

What have you tried to do about that?

And did that work?

What has not having a college education cost you?

In self worth?

Financially?

How do you feel about that?

What are you willing to change now or have you given up trying to deal with the problem?

KAPLAN

Job Aid: Outbound with Rubric & OBS references
Based on the Undergraduate Programs Script published on July 08, 2009

Hello, this is <advisor name> from the Admissions Department at Kaplan University, How are you today?

Rubric Attribute – Proper Opening

Great. (First name), please be advised that this call may be RECORDED for training and quality purposes.

Rubric Attribute - Call
Recording Disclosure

The reason for my call is that I want to be the first to CONGRATULATE you on the decision you made to make a positive CHANGE in your life. CONGRATULATIONS! (Wait for their response. BE PATIENT!)

Rubric Attribute –
Objective of the Call

I would also like to have an informal conversation and discuss how Kaplan University can help you identify and achieve your goals. Okay?

1. May I ask why you are looking to make this change in your life right now? CAN YOU ELABORATE?
2. Why this particular direction? When did you first realize this was the path you wanted to take? Can you tell me more about that?

TAKE YOUR TIME HERE. THIS IS THE FOUNDATION OF THE ENTIRE INTERVIEW.

If the prospective student is unsure of a career direction DON'T GIVE THEM THE ANSWER

- It's not uncommon for an individual to be unsure of a specific career direction at this point but you ARE seeking a positive change in your life. Is that correct?
- If you don't make this change, how do you think your future looks? ARTICHOKE – Getting to the PAIN

Once they answer, get them to clarify further. Can you expand on that?

Affected Rubric
Attributes –

1. Asks probing questions to explore student motivation
2. Empower the student to respond/ Advisor Call Control
3. Active Listening
4. Advisor picks up on buying signals
5. Build/ Maintain Rapport w/Prospect

Reiterating the Objective of the Call:

As I stated a moment ago, our objective today is to become better acquainted. First, I want to know more about you - your hopes, dreams, goals and perhaps even fears. Does that sound fair?

Rubric Attribute – Objective of the call

TRANSITION: The best way for me to assist you today is to find out a bit more about you and your goals, together we'll determine the right next steps.

UNCOVERING THE PAIN AND THE FEAR

- How long has this been a goal of yours? When did you first realize this is the direction you wanted to move in?
- What has stopped you in the past? What has changed from the past? Why will now be different?
- Whose life would this impact, besides you?
- Who will be the most proud at your graduation? (PDL opportunity)
- What do they think? What did they say?
- How will graduating and pursuing this career change things for you and your family?

Affected Rubric Attributes –

1. Asks probing questions to explore student motivation
2. Empower the student to respond/ Advisor Call Control
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•Reality Check! – So why haven't you taken these steps yet? BE SILENT HERE

IT IS ALL ABOUT UNCOVERING THEIR PAIN AND FEARS. ONCE THEY ARE REMINDED OF HOW BAD THINGS ARE, THIS WILL CREATE A SENSE OF URGENCY TO MAKE THIS CHANGE.



Transition:

Do you have any other questions about what we have discussed so far?

Commitment:

So let me ask you ONE last time.

Why are you ready to make this change? Can you please elaborate?

Make sure the prospect does a thorough job explaining in detail why they are ready to make this change.

Okay, let me make sure I am on the same page. You are ready to make this change because....

RESTATE BACK WORD FOR WORD. THE BETTER YOU RESTATE, THE BRIGHTER THE DREAM, THE GREATER THE COMMITMENT.

Excellent! Based on your level of commitment and the fact you are taking the following steps-
Mention at least 3 things - Sacrificing time to read, support from family, want a better life for your babies, etc...

this time I would like to inform you (Student Name) that you have done a fantastic job and YOU
.VE EARNED THE RIGHT TO CONTINUE IN THE ENROLLMENT PROCESS!

Congratulations!

Can you believe you are on the path to a better life as soon as this evening???? What questions do you have??

Attribute-

Give appropriate
recommendation/ Get Buy- In

Advisor makes a
recommendation to the prospect
based on their needs. Advisor
asked positive questions to
encourage prospect buy-in, while
providing the prospect with the
opportunity to ask any questions
they may have.

KAPLAN

CREATING URGENCY - UNCOVER THEIR PAIN AND FEARS USING OBS

•I am not sure if you have done this before but I would like you to take a moment and THINK of DAY ONE of your new career. Describe to me what you envision? Take your time think about it.

Let me make sure I understand, when you start your new career, you imagine your first day going the following way... (RESTATE)

Wow! I am EXTREMELY impressed. I can tell you have pictured this in your mind before!

Since we are looking towards the future, describe to me how you feel on graduation day? Who will be in the audience cheering you on as you receive your degree on stage? (BE SILENT.. DO NOT SPEAK)

Now I am assuming some of your friends and family who would be at graduation are also thinking about making a change as well? Well the good news is if you are accepted to Kaplan, we can send them some information to determine if Kaplan would be a good fit for them as well, okay?

So <Student Name>, If you DON'T make a change or move into this new direction, what do you think your future will look like? (BE SILENT- DO NOT SPEAK.) Can you elaborate?

•I am happy to hear that. As long as you don't lose sight of the life you want to live, I promise you I will do everything in my power to help you take the first step and I will be one more person in the audience cheering you on at graduation! Is that a DEAL???

1. Asks probing questions to explore student motivation
2. Empower the student to respond/ Advisor Call Control
3. Active Listening
4. Advisor picks up on buying signals
5. Build/ Maintain Rapport w/Prospect

KEEP DIGGING UNTIL YOU UNCOVER THEIR PAIN, FEARS AND DREAMS. DO NOT ANSWER FOR THEM. LET THEM PAINT THEIR OWN PICTURE. IF YOU GET THE PROSPECT TO THINK ABOUT HOW TOUGH THEIR SITUATION IS RIGHT NOW AND IF THEY DISCUSS THE LIFE THEY CAN'T GIVE THEIR FAMILY BECAUSE THEY DON'T HAVE A DEGREE, YOU WILL DRAMATICALLY INCREASE YOUR CHANCES OF GAINING A COMMITMENT FROM THE STUDENT.

IF YOU CAN STIR UP THEIR EMOTIONS, YOU WILL CREATE URGENCY!

Reiterating the Objective of the Call:

As I stated a moment ago, our objective today is to become better acquainted. First, I want to know more about you - your hopes, dreams, goals and perhaps even fears. Does that sound fair?

Rubric Attribute – Objective of the call

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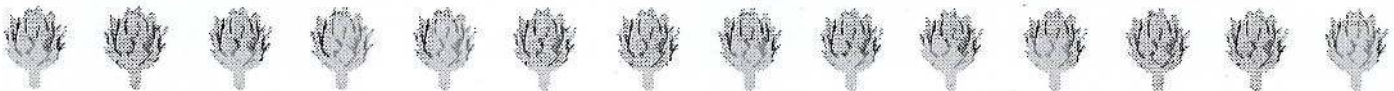
UNCOVERING THE PAIN AND THE FEAR – CREATING URGENCY

- How long has this been a goal of yours? When did you first realize this is the direction you wanted to move in?
- What has stopped you in the past? What is different today?
- Whose life would this impact, besides you? What would it mean for them to see you finally take this step to a better life? (SILENCE.. THIS STIRS UP EMOTION)
- Who will be the most of you for making this change? In addition to your biggest supporter, who else would you invite to graduation? (PDL opportunity) I am assuming your friends and family have been thinking about making a positive change as well correct? GREAT! Once we get you started on this path to success, I will reach out to them and see if we can help make a positive change in their life just like you. Sound like a plan? Awesome!
- Lastly, what are something's you would LOVE to provide for your family but unfortunately due to your current situation you are unable to? Tell me more about that. (Keep digging until you get to their REAL DREAM- a house, taking family to Disney World. DO NOT ANSWER FOR THEM. LET THEM PAINT THEIR OWN PICTURE

Affected Rubric Attributes –

1. Asks probing questions to explore student motivation
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5. Build/ Maintain Rapport w/Prospect

IF YOU CAN HELP THEM UNCOVER THEIR TRUE PAIN AND FEAR. IF YOU GET THE PROSPECT TO THINK ABOUT HOW TOUGH THEIR SITUATION IS RIGHT NOW, IF YOU TALK ABOUT THE LIFE THEY CAN'T GIVE THEIR FAMILY RIGHT NOW BECAUSE THEY DON'T HAVE A DEGREE...YOU DRAMATICALLY INCREASE YOUR CHANCES OF ENROLLING THIS PROSPECTIVE STUDENT. GET TO THEIR EMOTIONS, AND YOU WILL CREATE THE URGENCY!



BRIDGEPOINT

The following are some common objections & tips on how to resolve them:

Concern: Not enough time

Response: How much time do you believe this will take?

How much time can you invest in yourself?

Is there ever a *good* time to go back to school?

Why did you call or request the information? (Don't sound condescending)

Walk me through a day in the life of you. When do you get up/home from work, etc?

Do you see yourself having more time for school in the future?

How would having your degree afford you more time?

How long have you been thinking about finishing your degree?

Concern: Money/Cost

Response: Investing in yourself - How much did you plan for?

Education is an asset that never depreciates.

Ashford is more affordable than most private schools offering online programs.

How will you benefit once you have your degree?

What costs more, having your degree or not having it?

Are you aware of the financing options available for those who qualify?

- Student loans not income or credit based
- Loans deferred while in school
- Have up to 10 years to pay back

Concern: Credibility/Reputability

Response: What do you know about accreditation or AU?

- Established in 1918
- Traditional 4-year campus with sports teams, dormitories
- Regionally accredited since 1950

98% of students surveyed said they would recommend AU to a family member or friend

Concern: Fear

Response: What concerns do you have?

Explain the benefit of having a personal advisement team (EA, AA FSA)

What makes you feel more anxious? Obtaining your degree or not having it?

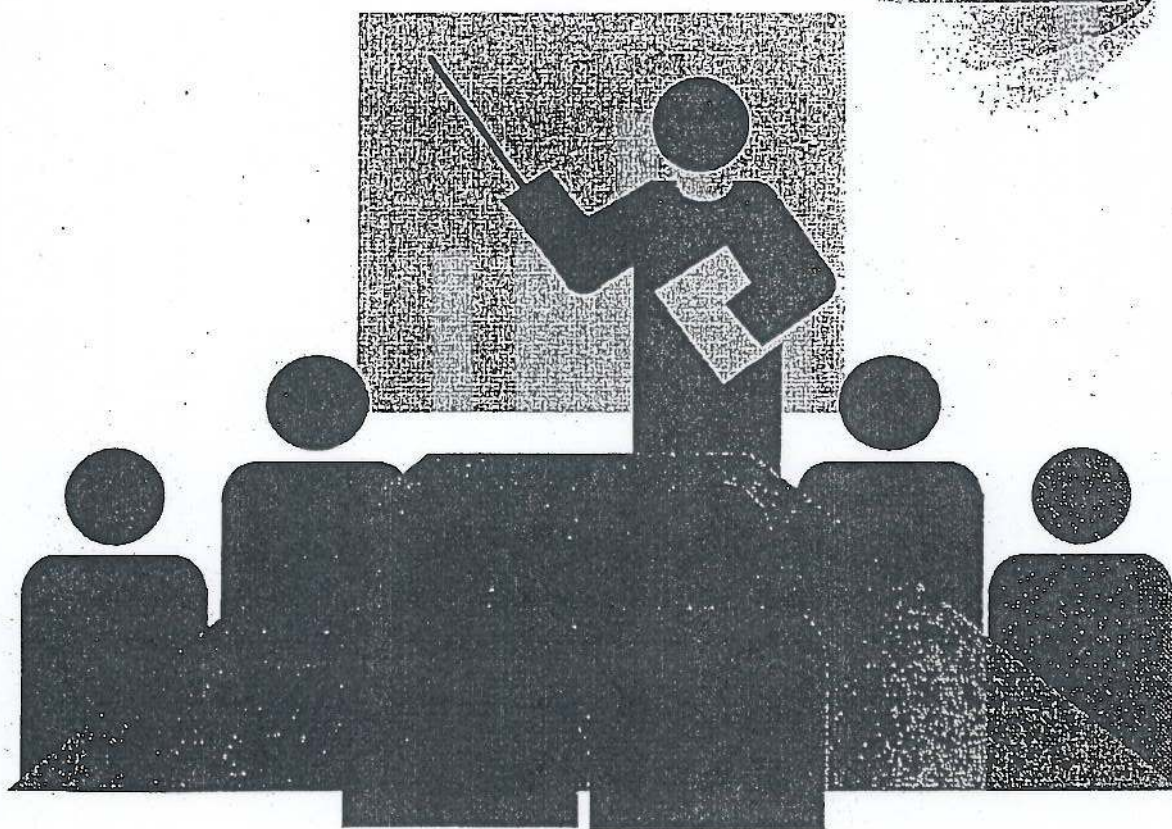
Tell me about another time in your life you felt afraid and how you overcame that fear?

Students just like you that have been out of school, working adults, etc

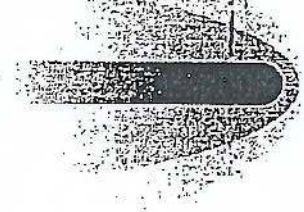
Many resources: online library, tech support, writing consultant, Smarthinking, etc

VATTEROTT

***UNDERSTANDING OUR
MARKET...
Who Are Our Students?***

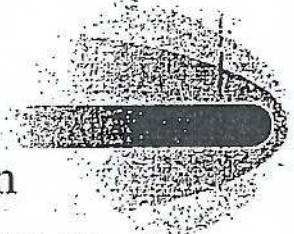


Sales Begins With...

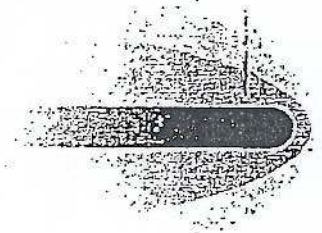


**AWARENESS,
UNDERSTANDING,
AND
ACCEPTANCE OF
THE MARKET WE
SERVE!**

Student Profiles

- 
- Welfare Mom w/Kids
 - Recent High School Graduates
 - College Freshmen dropout.
 - Pregnant Ladies
 - Recent Divorce
 - Military - Active & Retired
 - Low Self-Esteem
 - Low Income Jobs
 - Vocational Rehabilitation
 - Experienced a Recent Death
 - Experienced a Recent Birth
 - Empty Nest Syndrome
 - Recent Marriage
 - Relocation
 - Career Change
 - Upgrade Skills
 - Physically/Mentally Abused
 - Recent Incarceration
 - Drug Rehabilitation
 - Dead End Jobs-No Future
 - College Credits - 2 Years+
 - Living w/multitude of Families
 - Living with Parents
 - Living with Significant Other
 - Fired / Lay off
 - Self Employed w/ No Benefits

Emotion

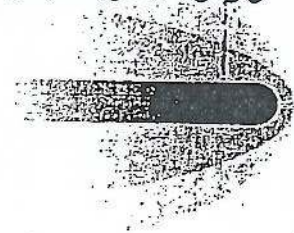


- We deal with people that live in the moment and for the moment.
- Their decision to start, stay in school or quit school is based more on emotion than logic.
- Pain is the greater motivator in the short term.

DIRECT QUOTES...

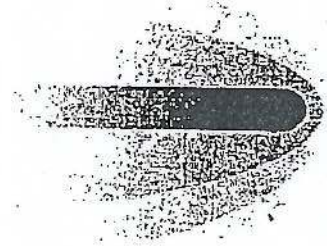
- “Lately it seems admissions has been putting in some really troubled people...could this be a trend?”
- “This last batch of students you guys dumped in here are about the worst I’ve seen in years”
- “I just walked by orientation—**WOW-SCARRRRY!**”
- “Do your ads say, **LOSERS! ENROLL HERE!**”
- “You need to target a better demographic it would make all of our jobs a lot easier!”

We Serve The
UN-DER World



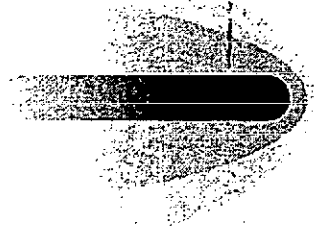
- **UNEMPLOYED**
- **UNDERPAID**
- **UNSATISFIED**
- **UNSKILLED**
- **UNPREPARED**
- **UNSUPPORTED**
- **UNMOTIVATED**
- **UNHAPPY**
- **UNDERSERVED!**

Examples of Buying Motives



- Low Pay
- Dependent upon others.
- Higher income
- Job Security
- Self-Esteem
- Recognition

Daily Activity



EXPECTATIONS:

Outbound Calls-50 MINIMUM ★

Appointments Set-5 ★

Appointments Held-3 ★

3 Packaged per week ★

Referrals-2 per week ★

Corinthian

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For-profit colleges face federal crackdown

The industry has seen growing criticism of its high-powered marketing and the heavy debt many students incur, as well as doubts about the value of the degrees it offers.

February 06, 2011 | By Walter Hamilton, Los Angeles Times

Chelsi Miller was managing a burger joint when she saw an ad for Everest University promising a better life.

The single mother in a small town near Salt Lake City wanted an associate's degree as a first step toward medical school. She said she chose Everest, a for-profit college, after a recruiter guaranteed that she could apply her credits toward a higher degree at the University of Utah.

It wasn't until after she graduated in 2008 — two years and \$30,000 in student loans later — that Miller learned the state university wouldn't take her credits from Everest, a unit of Santa Ana-based Corinthian Colleges Inc.

"I got completely taken advantage of, and now I'm struggling to pay the bill for it," said Miller, now 26. "I got sold my degree by a used-car salesman. I got a lemon."

For-profit colleges have expanded rapidly in recent years, with enrollment nearly tripling in a decade to more than 1.8 million students in 2008. But amid growing criticism of its high-powered marketing and doubts about the value of the degrees it offers, the industry faces a federal crackdown that casts a shadow over its future.

"Rightly so, the industry is going to have to shift focus" from maximizing profits to ensuring student success, said Jeff Silber, an analyst at BMO Capital Markets. "That means slower growth and less profitability."

Among the companies most vulnerable to stiffer rules is Corinthian, which already has undergone wrenching changes. Its chief executive and president both quit last fall, and the firm last week warned that its enrollment of new students, already on the decline, could plunge further. Its stock has slumped 75% since April.

The for-profit industry caters to nontraditional students — 20-somethings with poor academic records and working adults needing flexible class schedules. But the schools lure such students, critics say, by exaggerating their job and salary prospects, then strand them with dubious educations and mountains of debt.

"We're seeing too many examples where students go deeply into debt and either end up with no diploma or a worthless diploma," Sen. Richard J. Durbin (D-Ill.) said. "It is a terrible outcome for a student who was just trying to get an education."

High tuition

Tuition is nearly five times as high at two-year for-profit colleges as at state schools. At four-year for-profit colleges, half of graduates leave school with at least \$31,000 in student loans. That's nearly four times that of their public-university counterparts, studies show.

For-profit students borrow heavily, receiving 24% of government-guaranteed student loans while accounting for only 12% of U.S. college students. But many graduates say they can't get jobs in their chosen fields, and certainly can't earn enough to whittle down their debt.

One in four students at for-profit colleges default on their loans within three years, more than double the rates at state schools and private colleges, the U.S. Department of Education says.

Defaults can stay with students forever. Student-loan debt can't be erased by filing for bankruptcy, and collectors can seize money from a borrower's paycheck, tax refund and even Social Security benefits.

Sen. Tom Harkin (D-Iowa), who has spearheaded the federal crackdown, likens the industry to the subprime mortgage business.

"Subprime lenders went out and marketed houses to people who really couldn't afford them, gave them subprime loans and said, 'Don't really worry about it,'" Harkin said.

"At least in the subprime debacle the defaulter could walk away from the house and leave the house. These students have this debt on their head forever."

High-pressure sales tactics laced with false promises are the core abuses that critics ascribe to for-profit higher education.

An investigation of 15 for-profit colleges by the congressional Government Accountability Office last year found widespread problems, including inflated salary projections and misleading tuition information. One school told an investigator posing as an applicant that barbers could earn \$150,000 to \$250,000 a year.

At Corinthian, recruiters are taught to convince students that their lives are bad and can be improved only by going to the school, according to a former recruiter.

"The ultimate goal was to essentially make them wallow in their grief, feel that pain of having accomplished nothing in life, and then use that pain" to coax them to enroll, the recruiter, Shayler White, testified in an affidavit in a lawsuit filed against Corinthian by Miller and other ex-students.

The schools, accusing critics of overstating the problems, say job-placement and default rates have suffered in the recession.

Filling a niche

Corinthian in particular says it fills a crucial niche by taking troubled students, many of them minority and low-income, whom traditional colleges can't or won't accept.

"We deal with the most difficult students in American education, and as a result we get criticized," said Jack Massimino, Corinthian's chairman and chief executive.

"At the end of the day these students are graduating and getting opportunities they've never had before. The world's passed these students by, and we're giving them a second chance."

A showdown is looming over a Department of Education proposal that would limit the loan eligibility of a school's current students if the salary levels and repayment rates of its former students are too low.

Supporters say the "gainful employment" rule would ensure that students get marketable skills and decent jobs. The industry says it could prevent needy students from getting degrees.

Corinthian also is scraping up against a federal rule that caps the percentage of a school's revenue that can come from federal student loans and grants at 90%. Corinthian is at 89%.

Given the heavy reliance by Corinthian and other schools on federal money, industry critics express outrage that the industry is lobbying against the rule.

"They're using federal funds to buy advertising to stop federal regulation of the abuses in their industry," Durbin said. "It's a shameful situation."

Underlying the debate about for-profit schools is the belief among even some critics that they must play a big role in the education system given cutbacks at public universities and community colleges.

"We cannot reach the needs we have in California without a for-profit sector," said William Tierney, an education professor at USC.

Tierney acknowledges flagrant violations at some for-profit colleges but says cases of excessive debt and low employability exist in traditional education as well.

"I should not be paying tax dollars for somebody to get a degree as a dishwasher because he doesn't need it," Tierney said.

"But why doesn't that hold for everybody? Why wouldn't that hold for the person who's accumulating \$100,000 in debt and majoring in philosophy at Stanford?"

Heavy advertising

Corinthian, one of the nation's largest for-profit chains, was founded in 1995 and expanded via 18 acquisitions. It has more than 100,000 students at 110 campuses in 25 states and Canada under three nameplates — Everest, Heald and WyoTech. Focusing on career training, it offers courses in auto repair, healthcare and paralegal studies. Most of its programs are two years or less.

The company advertises heavily, with 20% of its revenue going to pay for marketing and admissions in fiscal 2010. Many of its TV commercials feature testimonials by students.

In one ad running now, a single mother says she's proud to have graduated.

"If she can do it, you can do it," an announcer intones. "Pick up the phone and call right now, and start on the road to a rewarding career and a better life."

Yet 40.3% of Corinthian students default on their loans, according to calculations by Jarrel Price at Height Analytics. That dwarfs even the overall for-profit industry's 25% average, let alone the much lower rates for nonprofit schools.

"For one in four students to be defaulting is astonishing enough, but for 40% of a school's former students to be defaulting calls out for immediate action," said Pauline Abernathy, vice president at the Institute for College Access and Success.

Corinthian says it has boosted efforts to help students find jobs and avoid defaults. It hired 250 career counselors during the recession, bringing the total to 750. And it spent \$10 million last year to help students avoid default.

About 60% of Corinthian's students complete their coursework and 73% got jobs in their field in 2009, according to the company.

"I'm not telling you we're perfect — we do make mistakes," Massimino said. But "it is in our best interest to do a good job. We're trying to do the best job possible."

Negative publicity

This is not the first time Corinthian has come under a harsh spotlight.

Four years ago, it paid \$6.5 million to settle a lawsuit by the California attorney general's office alleging that the company used misleading come-ons to recruit students, including exaggerating job-placement rates and starting salaries.

The company also late last year stopped accepting students without high school diplomas because of their above-average default rates.

That move, along with negative publicity about the industry, caused the number of new students enrolled by Corinthian to sink 8% in the fourth quarter from a year earlier.

Warning that new enrollment could tumble as much as 17% in the current quarter, Corinthian said last week it would eliminate 4% of its workforce and raise tuition an average of 12%.

To former Corinthian students such as Wendy Cogdill, reforms can't come quickly enough.

The 41-year-old substitute mail carrier said she got straight A's in her quest to become a paralegal. But three years after completing her classes, the Conyers, Ga., mother of three hasn't found a job in her field and is groaning under \$40,000 in debt.

She believes that the system is designed to divert students' attention from the debt they're accumulating. Corinthian handled all her loans and gave evasive answers when she asked for details, Cogdill said.

"They don't tell you how much you're borrowing until after the fact," she said. "I had no idea that after graduating I would be \$40,000 in debt."

In some ways, Miller, the aspiring doctor, is doing better than other Corinthian alumni. She landed a job as a surgical technician shortly after graduating but says she got it only with the help of a friend's mother and can't advance unless she starts college all over.

Miller and two other former students have sued Corinthian, alleging that they were misled about accreditation and tuition.

Corinthian says it clearly discloses tuition and accreditation issues. For example, the company says it makes every new student sign a form that says credits generally can't be transferred to other colleges or universities.

"There is no hide the ball here," Massimino said.

Despite her frustration with Corinthian, Miller recognizes that the school's statistics will count her as a graduate working in the field she studied.

"I'm a success story to them," she said.

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