Loftin makes list of highest-paid college executives for 2014

Money was from Texas A&M stint.

By Jodie Jackson Jr.

Monday, June 8, 2015 at 2:00 pm

A sizable severance package and payment of deferred compensation from Texas A&M University made University of Missouri Chancellor R. Bowen Loftin the second-highest-paid public college president in 2014.

Loftin’s compensation total from Texas A&M for fiscal year 2014 was $1.1 million. Most of that was severance of $850,000 that Texas A&M paid in 2014, as reported in The Chronicle of Higher Education’s annual salary survey.

The Chronicle’s report for 2013 also listed the severance payment because information given to The Chronicle reflected calendar year data, not fiscal year data.

“They counted it twice,” said University of Missouri spokesman Christian Basi, citing an email from a Chronicle database reporter. “They put severance pay in last year’s pay, but it should have been in this year’s pay.”

The Chronicle changed its methodology for total compensation in this year’s survey to include only deferred compensation that was paid.

Deferred compensation that previously was promised to presidents if they remained on the job was part of the total compensation calculation. Under the new methodology, three of the public college presidents in the 2013 fiscal year would have exceeded the $1 million mark.

Loftin earned $123,430 in deferred compensation from Texas A&M in 2014. Basi said Loftin will receive deferred compensation of $50,000 annually from MU for 2014, 2015 and 2016 if he stays at least three years. Loftin’s salary at MU is $450,000, an increase over the $425,000 he made at Texas A&M.

The Chronicle’s survey examined pay for chief executives at 220 public universities and school systems. It found the median salary for presidents who served a full year was $428,250.
University of Missouri System President Tim Wolfe earned $459,000 for 2014-15.

Only Loftin and Rodney Erickson, former president of Pennsylvania State University, received more than $1 million in total compensation in the 2014 fiscal year. The Chronicle’s survey for the previous fiscal year found nine college presidents exceeded $1 million in pay, compared to four in 2012.

The Chronicle takes a separate look at private college pay. Its most recent review of data from 2012 found 36 private college presidents earning at least $1 million. Public college presidents first exceeded the $1 million total compensation mark in 2006-2007, according to the survey.

Total compensation for Erickson was nearly $1.5 million, but the Chronicle said a significant portion of that was because he took ownership of his balance in a university-sponsored life insurance plan valued at $586,000.

The Chronicle calculates total compensation for public college presidents as base salary, plus bonus, severance and deferred compensation that was paid out. Deferred compensation is typically lost if a college president leaves the school early.

Elson Floyd of Washington State University was No. 3 on the list at slightly more than $877,000. Floyd, 59, was president of the UM System from 2003 to 2007. He revealed last week that he has cancer and is taking a medical leave from his job.

The Spokesman-Review of Spokane reported that Floyd has colon cancer.

“These have been incredibly challenging times for me,” Floyd said in a statement released Friday. He said he “cannot wait to return to the office.”

COLUMBIA MISSOURIAN

UPDATE: Flood in MU's Lewis Hall damages carpets, workers monitor drywall for mold

COLUMBIA — Campus Facilities workers removed 4,000 to 5,000 gallons of water Friday evening from Lewis Hall, MU spokesman Christian Basi said.

A chilled water line on the hall's top floor broke Friday evening, sending water rushing down all eight floors. Basi said the fifth, second, first and basement levels were the hardest hit.

Basi attributed the cause of the water line break to the pipe's age. He said Campus Facilities would further investigate the cause of the flood.
Campus Facilities and ServiceMaster crews used more than 300 pieces of equipment, including fans and dehumidifiers, to begin repairing the damage.

"The carpet and the floors will be the biggest issue," Basi said. "It will depend on how well it dries out."

The restoration crew worked through the weekend, cleaning and trying to determine which rooms are usable. Various offices and summer classes related to the School of Health Professions had to be relocated.

"Dozens of individuals are displaced," Basi said.

Campus Facilities is monitoring the drywall for mold, and Basi said furniture "vulnerable of water damage has been moved." He doesn't expect an estimate of damage costs until the drying is complete. As of Monday, he said, the damage had been confined mostly to the floors and furniture.

"Due to the nature of the situation where the water was behind the walls and under the floor, it could be a few weeks before we have a final estimate," Basi said.

Editorial: The hospital enigma

Nueterra, MU and Boone, oh my

By Henry J. Waters III

Monday, June 8, 2015 at 2:00 pm

Curiosity surrounding the plan to build a new 10-bed, $38 million hospital on Lenoir Street gained a bit of clarity over the weekend as University of Missouri Health Care CEO Mitch Wasden did the right thing by explaining why MU Health is interested in the expansion.

Until now, MU Health’s front-running masters of obfuscation have steadfastly refused to answer questions, referring all inquiries to Nueterra corporate headquarters in far-away Kansas. The resulting blackout has left everyone in the dark about why MU has partnered with Nueterra to ask for a state certificate of need to build another hospital within spitting distance of so many others, including MU’s own.
Nueterra parrots the flimsy rationale contained in the certificate request — that Callaway County residents and others served by the Callaway County hospital need the expansion in south Columbia to serve their basic needs. Now Wasden has made a much more rational explanation.

He says in a few years University Hospital will run short of what he calls “low-acuity” beds for patients needing run-of-the-mill temporary accommodation.

This won’t satisfy complainants at Boone Hospital Center who strongly oppose the certificate of need request with the argument the planned hospital facilities are not needed in this location. They say profitable business will be siphoned from Boone, with profits sent to Kansas.

Instead, Wasden likens the new hospital collaboration to the partnership MU Health has with HealthSouth to operate Rusk Rehabilitation Center. In both cases, MU provides a minority financial stake, reducing its risk and lengthening its financial reach.

I have no idea how the state Health Facilities Review Committee will react to the Nueterra request for permission to build the new hospital. The rationale laid out in the official paperwork is bogus, but the commission is likely to lean toward approving additional options and competition as beneficial to the public. Wasden’s explanation of how the new facility will help serve ordinary patients throughout its service area makes more sense, and certainly it’s high time MU answered questions about the application.

I won’t name names, but an MU public relations person tried to keep our reporter away from Wasden when he was appearing at a public function. When the reporter insisted on speaking with Wasden, the hospital chief was accommodating.

This little episode is too typical of the way the university often handles such matters. Not only is useful information withheld that could benefit the public and put the institution in a better light, but the simple fact of secrecy makes it look bad.

I hope Wasden doesn’t get a rap on the wrist for breaking with tradition. He should get commendation. He merely answered questions about a large public project that clearly warrants disclosure. Instead the university pays big bucks to hire people whose main jobs are to keep public officials away from the public.
ARCOXIE — Nothing much has changed for Rae Letsinger since the Globe first shared his story three years ago with the world beyond Sarcoxie. At least nothing that one could see.

Known locally as “the bug man,” he continues to occasionally go on treks through Southwest Missouri to collect insect specimens to add to his large collection.

That collection still occupies an upstairs, sunlit landing — organized by genus and species in a custom-built hobby space.

And his sister, Joan Letsinger, who lives with him in the home they built in 1985, still supports his endeavor.

But now, they both have one thing that can’t be preserved, then labeled and stored carefully beneath glass: peace of mind.

For years, they’ve been concerned about what would become of the collection, which now totals more than 21,000 specimens.

“I wanted it to go someplace close, like Missouri Southern or Springfield, but they don’t have any entomology departments so there was no use going there,” Rae Letsinger said. “I wanted it to go somewhere where someone could use it.”

In the spring of 2013, his sister contacted the University of Missouri at Columbia, home of the Enns Entomology Museum. Not long after, the pair made the trip to Columbia to visit with museum director Robert Sites, whose reaction was favorable.

That set into motion negotiations, the creation of a bequest agreement by Joan, an appraisal by the University of Florida, and ultimately last fall a deal that Mizzou would accept it “someday,” Letsinger said.

His collection represents more than four decades of work.

“There was a lot of time and sweat put into it,” Rae said. “I wanted certain conditions put on it, that it would be displayed under my name and it would be kept all together in one part. Now, it’s all settled. And it makes me feel relieved.”

Letsinger, now 77, was bitten by the insect collecting bug in 1970, when a not-so-outdoorsy niece asked for help with a high school science project.

“It just grew from there,” he said. “I got a book on butterflies and moths, and started going to street lights here in Sarcoxie; you’ll find a lot of moths there. I would take a ladder with me and climb up the pole. I was young then.”

He was 33, to be precise. A year later, he entered a collection in the Ozark Empire Fair at Springfield and won a blue ribbon.
Two years later, he collected and recorded what is now thought to have been the last American burying beetle found in Missouri. That Newton County discovery garnered the attention of the U.S. Fish and Wildlife Service, which sent an official to Sarcoxie to see it.

The collection itself has drawn the interest of scientists from the New York Natural History Museum and of area Boy Scouts earning merit badges.

It includes beetles, long-horned insects, crickets, mantids, katydids, grasshoppers, walking sticks, wasps and bees, flies, caddisflies, butterflies and moths.

The Enns collection, by comparison, is massive. Founded in 1874, it now includes approximately 7 million specimens of insects. It is, according to Director Robert Sites, of global importance; it ties the one at Cornell as being the largest in the world.

Additionally, it is of great regional importance because it serves as the cornerstone of the entomology program at Mizzou, and interfaces with the USDA Biological Control of Insects Laboratory, Missouri Department of Agriculture, Missouri Department of Conservation and Missouri Department of Natural Resources.

It is used regularly by research and extension staff, as well as faculty, as a consultation resource for identifications and confirmations.

Letsinger said it’s a great place for his collection to wind up.

“I really didn’t know what to do with it, or that anybody would even take it,” Letsinger said. “I’m so glad it’s finally found a place where it would be of some use.

“They can use it as a reference, as it’s all concentrated in this corner of Missouri,” he said. “If they want to know what’s found here, they can go to my collection, and they’re pretty likely to find it.”

Letsinger has added to it as recently as last year but has not yet had a chance to collect this year, primarily because of the weather and several projects at home.

“Last year, I caught a good one at Roaring River that is considered rare — a little geometrid, or very small moth — that is maybe only the second one caught in Missouri,” Letsinger said. “It’s only an inch wide across the top and is pretty scarce, so I was proud of that one.”

He also caught a moth on a prairie at Diamond, a large one with yellow hind-wings known as noctua pronuba that was introduced to the U.S. in the early 1900s by European immigrants.

Sites praised Letsinger's collection as being meticulous and as filling a niche.

"It provides a snapshot in 3-D space and time of the fauna of the area," Sites said. "There's so much you can do with a collection like this."
He said it will be valuable to scientists, agronomists and other researchers studying population changes over time and shifts in distribution, and who want data for pest management. The collection also will add species the museum doesn't currently have, including numerous small moths.

“So it’s all settled now,” Letsinger said. "It has a home. I’m still collecting, so I’m keeping it until I finish. I’m just not sure when that will be.”

Rae Letsinger’s work paid off: His collection is thought to be the second largest in the state after J. Richard Heitzman, a noted insect collector and author in Independence, Missouri, who has 100,000 specimens.

‘Auto-pilot’ investors avoid costly mistakes

Less experienced investors planning for retirement may want to opt for target-date funds to avoid the risk of big losses, according to research by financial planning experts.

“If a potential investor without experience or knowledge is looking to invest in the stock market in order to build retirement wealth, it is not advisable for them to jump in and start investing in individual stocks, since they will be more likely to make investment mistakes,” says Michael Guillemette, an assistant professor of personal financial planning in the University of Missouri College of Human Environmental Sciences.

”Target-date funds allow these unsophisticated investors to enter the investment world in a way that minimizes the opportunities for them to make mistakes.”

Age of the investor

Target-date funds, which were endorsed by Congress in the Pension Protection Act of 2006, are also known as life-cycle funds. This means that TDFs change their asset mix of stocks and bonds based on the age of the investor.

An investor simply begins putting money into the fund at a certain age, and as that person ages, the TDF invests in a greater percentage of bonds to better suit that person’s stage of life as they approach retirement.

Guillemette says this is a safe, middle-of-the-road option for people who want to save and invest for retirement but lack knowledge of the investment world.
“TDFs are sound strategy for unsophisticated investors because they basically put the investing on auto-pilot,” says Guillemette. “As a person advances in their career and gets closer to retirement, they will want to begin to take less risk with their retirement funds. TDFs do this automatically so that investors do not have to worry about making those changes themselves.”

Guillemette—along with Terrance Martin, an assistant professor at the University of Texas-Pan American, and Philip Gibson, an assistant professor at Winthrop University—examined data from the National Financial Capability Study, which was commissioned by the Financial Industry Regulatory Authority, and found that “unsophisticated investors,” or investors who lack investment knowledge, were 22 percent more likely to invest in TDFs than sophisticated investors.

“The average investor, who lacks a strong understanding of best practices for investing, is going to make a host of investment mistakes,” Guillemette says. “TDFs help minimize those mistakes by doing the legwork for the investors, so this trend we identified is great news, especially for those who have already been investing in TDFs for several years.”

The findings appear in the *Journal of Retirement*.

**COLUMBIA MISSOURIAN**

**Former UM System President Elson Floyd takes medical leave from Washington State**

Elson Floyd, a former University of Missouri System president, is taking immediate medical leave from his position at Washington State University to treat colon cancer.

"These have been incredibly challenging times for me, and it is with great regret I ask to take a leave of absence to address this personal battle with cancer," Floyd said in a statement released Friday.

Floyd was the 21st president of UM System. He held the position from 2003 to 2007 before becoming president of WSU.

"Elson Floyd's accomplishments during this past year have been phenomenal," WSU Board of Regents Chair Ryan Durkan said in the statement.

According to previous Missourian reporting, Floyd would greet MU students with smiles and put his arm around their shoulders. Floyd was very accessible to students, former Missouri Students Association president John Andersen told the Missourian in 2008: "When you send him an email, he'll send you an email back from his Blackberry, like, no matter who you are."
As UM System president, Floyd worked to settle matters including a Sunshine Law request from the Kansas City Star and a separate lawsuit regarding the system's right to charge in-state tuition, according to previous Missourian reporting.

Missouri ranks 10th in high school graduation rate. Is that as good as it sounds?

By BRENT JONES • JUNE 8, 2015

NO MU MENTION

An NPR report shows Missouri's high school graduation rate increased five percentage points between 2011 and 2013, good enough to rank 10th in the country. But that number may not tell the whole story.

The Truth About America's Graduation Rate looks at factors affecting the graduation rate around the country, and why the national rate of 81 percent — an all time high — may not be as good as it seems.

Missouri's graduation rate in 2013 was 86 percent. Meanwhile, Illinois' rate was 83 percent in 2013 and ranked 23rd nationally.

NPR found that Missouri does not require students take Algebra II in order to graduate, nor does it have a college and career ready diploma.

Correction: a previous version of this article listed an incorrect rate for Illinois. We regret the error.
Broader probes of campus sex assaults leave victims hanging

Olivia Ortiz was elated when the U.S. Department of Education contacted her in June 2013 to tell her it was opening an investigation into her complaint that the University of Chicago had mishandled her sexual assault case.

A junior at the time, she had run out of options on campus after a dean decided against an investigation and instead recommended an informal mediation between her and a student she said had assaulted her in the spring of her freshman year.

Finally, Ortiz said, she felt someone was on her side.

Two years later, Ortiz is still waiting.

The reason: a burgeoning backlog at the education department that advocates say is leaving victims to languish longer without resolution and could discourage others from coming forward at all.

"I definitely appreciate the Department of Education taking their time," said Ortiz, who has since left campus and moved back in with her parents in Arizona, citing anxiety about continuing her studies in an environment where she felt unsafe.

"But for me, I just wanted some immediate relief. I feel like sometimes there's no light at the end of the tunnel."

College students who believe their schools mishandled their allegations of sexual assault have increasingly opted to use the federal gender discrimination statute known as Title IX to press the institutions for stronger action.

Last May, the department made public a list of 55 schools under investigation for Title IX complaints stemming from sexual violence, a figure that has more than doubled. As of June 3, the agency had 129 open sexual assault cases at 116 schools across the country. Those
complaints are not criminal cases, but if a university is found to be in violation of Title IX, it risks losing federal funding, a massive piece of most schools' budgets.

At the same time, the department has altered its approach to investigating such complaints. Instead of assessing them as isolated cases, the agency now sees each one as an opportunity for a broader assessment of a school's overall compliance.

Advocates praise the department's commitment to evaluating the culture of each college under investigation. But the spike in complaints and the broader scope of the responses have swamped the department's investigators. Groups that support victims worry that the lengthy reviews, which may bring improvements to the universities in question, wind up stranding the people filing the complaints.

The long wait for a resolution also extends the anguish for anyone wrongly accused. And it frustrates schools as they seek vindication of their efforts to make campuses safer.

Even before the department adopted its more comprehensive approach, Title IX investigations could take years. Part of that lengthy timeline has to do with a lack of funding and, more specifically, staffing.

In 2014, the education department's Office of Civil Rights received more than 10,000 complaints, including those under Title IX, a broad law that bans gender-based discrimination in federally funded programs. Less than 10 percent of those complaints related to sexual assault, but the same office had to field all 10,000.

There is no special unit to handle sexual assault complaints despite their sensitive nature, and investigators juggle dozens of cases at once dealing with all aspects of gender discrimination.

Today, the department is opening more sexual assault investigations than it is closing, with some still pending after four years.

In his 2016 budget, President Barack Obama proposed a 31 percent increase for the Office of Civil Rights, which would allow it to add 210 full-time staff members to its roster of 544.

"Do we need more people? Absolutely," Catherine Lhamon, assistant secretary of the Office of Civil Rights, recently told The Associated Press. "My staff are carrying 20-25 cases a person on average at any given time, that's a very, very burdensome caseload. I'd like to see more people to move these cases, because I think that's what the scope of civil rights demands."

When she was appointed in 2013, Lhamon decided that instead of focusing on the specific incident that spurred a particular complaint, investigators should solicit as much information as possible from a school to identify any patterns.

"We are more systemic in the way we evaluate because I think that's the way to get at civil rights compliance more effectively," Lhamon said. "Sometimes a complaint says, 'I went to my school, it didn't handle it well, I think that's a Title IX violation.' We can tell what happened about that
Some advocates say expanding the scope of investigations has serious ramifications for those waiting for their complaints to be resolved.

"Now, OCR will look at everything, from soup to nuts. That's a great thing, but it's terrible for victims," said Colby Bruno, senior legal counsel at Victim Rights Law Center, a nonprofit that offers services to sexual assault victims.

"The problem with OCR right now is that it utterly fails to provide remedies to individual victims. If you can't provide a remedy for a complaint, you're going to lose complainants. Now it's, 'Thanks for the complaint, we'll see you in four years while we do a compliance review.'"

Wendy Murphy, an attorney and adjunct professor of sexual violence law, filed a 2010 complaint against Harvard Law School that was closed after the school was found to be in violation of Title IX in December of 2014. She said her clients often graduate before their cases are resolved.

"They could have been correct, that their rights were violated, but because no repair work was done during my clients' time on campus, there was no effective remedy," Murphy said. "You can't fix someone's hostile educational environment if they've graduated by the time you announce there was a violation."

Emily Kollaritsch, now 21, is a recent graduate of Michigan State University, which has been under investigation since 2011.

Kollaritsch said she was assaulted by a fellow student during her freshman year, and school officials ultimately held him responsible. But the administrative review took 285 days, she said, and the student was not even suspended.

Instead, he was placed on probation and made to write an essay about changing his behavior, and he had his on-campus movements restricted, according to a copy of a disciplinary letter that Kollaritsch provided to the AP.

The AP generally does not identify victims of sexual assault, but Ortiz and Kollaritsch have come forward to help draw attention to the problem.

After the university closed her case, Kollaritsch filed a complaint with the Department of Education in October 2013. In February of last year, the department opened an investigation.

That's when school administrators began antagonizing her, Kollaritsch said, by questioning whether her case was serious enough to warrant a Title IX complaint. It got so bad, she said, that she took a semester off and returned with a service dog to help manage her stress.

"Just driving to campus I'd have panic attacks," Kollaritsch said. "Every day thinking, how am I going to survive this? That shouldn't be what your college years are about."
Jason Cody, an MSU spokesman, said there are resources in place for sexual assault victims on campus, and said the administration encourages students to reach out to federal officials if they feel it is necessary.

"We have systems in place to handle these cases, but if someone feels they aren't getting the support they need, we would support them" going to the Department of Education, Cody said. "There is no retaliation. We support those victims."

Ortiz, the Chicago student, said she wished federal officials had done more. While she hopes to return to school in the fall, she said her academic career hangs in the balance while she waits for her complaint to be resolved.

Several messages left for the University of Chicago's Title IX coordinator were not returned.

"I thought this would be a way to hold my school accountable and make it better," Ortiz said. "But it's heartbreaking to see my classmates graduate. I've had to turn my entire life around for this, move back to my hometown and in with my parents. I didn't sign up for a several years-long battle."

Debt Relief Unveiled

June 9, 2015

By

Michael Stratford

NO MU MENTION

The federal government will forgive the debt of thousands of former students of Corinthian Colleges, the Obama administration said Monday as it announced a new debt relief plan that will extend to all federal borrowers who can prove they were defrauded by their college.
U.S. Department of Education officials unveiled a series of loan forgiveness measures aimed most immediately at helping students who attended the now-defunct for-profit Corinthian chain. But officials are also opening up debt relief to a far broader pool of students, and said they’re anticipating claims from borrowers at other for-profit colleges found to have engaged in predatory practices.

Education Secretary Arne Duncan told reporters that Corinthian, which declared bankruptcy last month, “will not be the last domino to fall” in the for-profit education industry, which he criticized heavily in his remarks.

“This is our first major action on this but obviously it won’t be the last,” Duncan added.

For that reason, Under Secretary of Education Ted Mitchell said, the department is trying to create a loan forgiveness process that is “durable, not just for Corinthian but beyond.”

Officials said they will hire a consultant to provide advice not only on how to judge the existing 1,400 debt relief claims they have received in recent months, but also how to structure debt relief procedures going forward.

Parts of the debt relief process remain undecided, officials said. But what is clear is that taxpayers will be taking a large hit as the department opens up debt relief for the first time to a pool of potentially hundreds of thousands of borrowers.

**Large Cost to Taxpayers**

The department has already decided that approximately 40,000 students who took out loans to attend certain programs at the Corinthian-owned Heald College are eligible to have that debt erased. If all those former students applied, it would cost taxpayers about $544 million.

But if all of the approximately 350,000 Corinthian students who took out federal loans in the past five years successfully applied for debt relief, taxpayers would be on the hook for as much as $3.5 billion, officials said.

Separately, the Education Department said Monday that it is expanding the number of borrowers eligible for a closed school discharge at one of the 28 Corinthian-owned campuses that suddenly shut down in April, shortly before the company declared bankruptcy. An additional 1,500 students who dropped out of those campuses between June and December of last year will now be eligible, officials said, bringing the total number to 15,000 borrowers who owe about $200 million.

Department officials said it is difficult to know the true cost of all the new debt relief measures.

“We don’t know how many students will apply for this,” Duncan said. “That’s the big unknown at this point.”
Mitchell, who oversaw the unwinding of Corinthian Colleges over the past year, emphasized that the department is operating within its power under the law in providing the loan forgiveness.

“The law is what makes students entitled to this kind of relief,” Mitchell said.

**How It Will Work**

The department has already created a form for the approximately 40,000 Heald College students who are eligible for debt relief, which will be provided on an expedited basis, officials said.

Department officials said their own findings earlier this year that Heald College misrepresented job placement rates provided enough evidence to grant the debt relief claims of any student who signs a form saying he or she relied on the misleading information in deciding to enroll.

But other borrowers -- at Corinthian and other colleges -- who feel they’ve been defrauded will have to individually submit a debt relief claim. The department doesn’t yet have an intake process for those forms.

The department will, in the next several weeks, hire a “special master” -- likely a lawyer with expertise in various states’ consumer protection laws, according to an official who declined to be named -- to make recommendations on the debt relief claims. The official said that the department would likely retain the final decision-making authority.

**No Clear Standards**

The obscure federal law under which the Obama administration is providing the debt relief has been used only five times since it was first enacted in the 1990s. The Clinton administration in 1995 set the only current standard for such debt relief claims: borrowers can be relieved from their federal loans when their college’s misconduct rises to the level of a state law violation.

But it remains unclear exactly what a borrower must prove in order to meet that standard.

“We haven't decided how we're going to weigh different sources of evidence” about a college's misconduct, said a department official who declined to be named.

At least two types of evidence of a college’s misconduct, though, are likely to be sure bets to result in a successful debt relief claim, officials said: the department’s own findings against a college, like the $30 million fine against Heald College for misleading job placement rates, or a state court’s final judgment that a college has violated the law.
“Those are at the pinnacle of any hierarchy” of evidence, an official said. But other pieces of evidence of a college’s misconduct -- like, say, allegations brought against a college by a state attorney general -- may not be enough on their own.

“This will be important work for the special master, how to weight different sources of evidence,” the official said.

**Reaction From Activists**

The department’s announcement comes after months of pressure from congressional Democrats and labor, student and consumer groups, as well as a debt strike organized by student activists, some of whom have refused to repay their debts in protest. A handful of state attorneys general also called on the department to act.

James W. Runcie, the top official in charge of the department’s Office of Federal Student Aid, alluded to that pressure in a memo last week, seeking emergency approval from the White House’s Office of Management and Budget to create a debt relief process.

The memo also references media coverage as adding to the pressure. “While coverage has been mixed, most stories imply that the department has not taken sufficient action to protect [Corinthian] students,” Runcie wrote. “Over all, pressure is mounting for the department to act.”

The Corinthian student activists said Monday that they were not satisfied with the department’s debt relief process because it would require borrowers to individually prove their claims. They view that as an unfair burden for students to navigate.

“The Department of Education’s 'solution' is a bureaucratically tortured process designed to provide relief only to those who hear about it and can figure out how to navigate unnecessary red tape,” the debt strikers, who are organized under a group called the Debt Collective, said in a blog post.

The Education Department says it is working on ways to provide other group-based relief beyond Heald College. The department also said it would accept debt relief claims directly by email.

Other consumer advocates were less critical, praising the department’s actions but saying they had remaining concerns.

The announcement is “a step in the right direction,” wrote the National Consumer Law Center, which represents low-income borrowers. But the group said it was concerned about how the department will get out the word to students that they are eligible for relief.

**Political Reaction**

The department’s announcement drew some bipartisan praise on Monday.
Representative John Kline of Minnesota, the Republican who chairs the House education committee, and Representative Robert Scott of Virginia, the top Democrat on the panel, said in a joint statement that they were “pleased” by the department’s decision.

“A lot of men and women have been hurt by this unfortunate situation, including low-income and minority students,” the pair said. “Helping those eligible students who have been harmed is the right thing to do.”

Both Kline and Scott have previously been sympathetic to for-profit colleges, criticizing the Obama administration for its “gainful employment” rule aimed at cracking down on the industry.

Several Democratic senators who had been pressing the department to provide debt relief for Corinthian students also praised Monday’s announcement.

Senator Patty Murray of Washington, the ranking minority member on the Senate education committee, said the department’s actions “will provide critical debt relief for those dealing with student loans and limited job opportunities as a result of the company’s actions.”

Senator Dick Durbin, the Illinois Democrat and longtime critic of for-profit colleges, similarly called the department’s actions “good news,” but said he had some reservations that federal officials did not go far enough in providing widespread relief.

“We remain concerned about the effects an overly individualized adjudication process would have on the ability of many students to receive the relief they deserve,” Durbin said in a statement with fellow Democratic Senator Richard Blumenthal of Connecticut.

The large cost that taxpayers will bear under the plan, though, did not sit well with Senator Lamar Alexander of Tennessee, the Republican who heads the Senate education committee.

“Students have been hurt, but the department is establishing a precedent that puts taxpayers on the hook for what a college may have done,” Alexander said in a statement. He added, “This is one more reason it was a bad idea to make the U.S. Department of Education the banker for students as well as the regulator of their colleges.” That’s a reference to the fact Congress in 2010 approved President Obama's plan to end the bank-based lending program and switch to 100 percent direct lending.
Poor Grades From the Public

June 9, 2015

By

Jacqueline Thomsen

**NO MU MENTION**

As far as parents are concerned, the days of college being a place to focus on learning are over.

A national poll released by the Robert Morris University Polling Institute Monday found that only a little more than half of respondents viewed the college selection process favorably and less than half thought colleges were doing enough to help graduates find jobs. Those involved with the poll said the results indicated a need for institutions to keep up with the changing view of higher education as a way to find employment rather than earn a degree.

Based on nine characteristics, including “being transparent on costs” and “emphasis on job placement after graduation,” only 54.6 percent of parents of children who had attended college, who were currently enrolled in a program or who already graduated gave the process of choosing a college to attend a favorable review, on average.

Only 49.2 percent believed the institutions were paying attention to current labor needs and trends, and 54.8 percent said there was enough of an emphasis on job placement after graduation.

And based on answers from all respondents to the poll, public perception of the value of a degree has turned sour over the past decade. Sixty-eight percent of surveyed parents said they viewed undergraduate degrees in a positive light 10 years ago but only 44.6 percent saw the degrees favorably now, and there was a similar drop from 73.2 percent to 57.9 percent for graduate degrees.
Jerry Lindsley, president of the Center for Research and Public Policy, the organization that helped to develop and conduct the poll, said other industries often score in the high 80s or even low 90s in terms of favorability, and the low overall rating of the college selection process showed that institutions have to determine how best to improve the system.

He said administrators who view the survey should strongly consider adapting their universities’ priorities and services to keep up with the demands shown in the poll results, including expanding relationships with potential employers and tailoring institutions to fit the job market.

“I would sure as heck get more engaged in existing community needs assessments, or start doing my own in the world of employee training,” Lindsley said. “I would get a whole lot more in touch with local employers or statewide employers than I am now, just to really see what needs are going to be requested.”

Nationally, employment rates for recent college graduates seem to be recovering from the recent recession. A study by the National Association of Colleges and Employers released last week found that roughly 54 percent of responding members of the Class of 2014 found employment within six months of graduation, and about 75 percent chose some sort of path within the same time frame.

Wendy Beckemeyer, vice president of enrollment management at Robert Morris University, said choosing a college is a “high-stakes decision” for parents and students alike, as they try to weigh different factors while choosing from thousands of different institutions. Job placement has emerged as a leading component in that decision-making process.

“Focusing on job placement is something that parents and students are thinking about - - are the outcomes for their investment going to be really worthwhile?” she said.

Beckemeyer disputed the thought of the value of college degrees declining, citing data from the Georgetown University Center on Education and the Workforce that indicated that students with college degrees are likely to earn more than their peers without any higher education. “I’m not going to say that it doesn’t hurt my feelings a bit to see that kind of shift in 10 years,” she said. “It’s the very best thing you can do, provided you’re prepared after high school graduation, to pursue a bachelor’s degree. And earning one has so many lasting positives.”