I. Introduction

There is general concern about the growing body of evidence suggesting that students who attend for-profit institutions of higher education take on high levels of debt, struggle to repay student loans, and end up with poor outcomes in the job market. Much of the research is at the macro level, analyzing trends in federal programs and loan policies. This report approaches the issue from a different perspective – that of the students who enrolled in these schools and attended on a day-to-day basis. It presents what actual students have to say when given a chance to talk and reflect about their experiences and perceptions in their own words. What were they hoping to accomplish and how did they end up picking the for-profit school they attended? How do they feel about their school and the choices they made? How did the experience affect their lives?

The report is based on findings from nine focus groups that included 75 adults in Orlando (FL) who attended a for-profit college within the past 10 years and took out student loans to do so. The discussions capture the stories of ordinary people who were trying to achieve the American Dream but too often ended up with:

- Onerous levels of debt that caused substantial damage to their finances
- In many cases, limited or nonexistent improvement in their careers and incomes
- A broad disillusionment with for-profit schools and their marketing strategies
- Little sign of progress in repaying their student loans

The research was undertaken by the nonpartisan public opinion research firm the FDR Group on behalf of the Center for Responsible Lending. Staff from the Center for Responsible Lending provided information about for-profit schools and identified issues that were deemed especially important to explore, but the FDR Group had complete freedom in designing and conducting the focus groups and in writing this report. The final responsibility for the questions asked and the results reported in this document rests with the FDR Group.
Following this introduction is a description of the research methodology, a summary of the findings, and the complete findings, including a special focus on for-profit online schools. Quotes from focus group participants are the data used to support each finding. These have been lightly edited to make reading easier – for example, dropping conversational filler words such as “you know.” Samples of the screening specifications used for recruiting focus group participants and the moderator’s guide are attached.
II. Methodology

In Spring 2017, the FDR Group moderated nine focus groups in Orlando (FL) with adults who had attended a for-profit school within the past 10 years and borrowed to finance their education. A total of 75 people participated. In an effort to ensure that a wide variety of types of people would be included, each focus group was designed to include for-profit attendees based on specific criteria. The table below shows each of the criteria and the number participating in that group.

<table>
<thead>
<tr>
<th>Focus Group Criteria</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Completer/Non-Completer/Currently Attending</strong></td>
<td></td>
</tr>
<tr>
<td>“Completers” – received certificate or degree</td>
<td>9</td>
</tr>
<tr>
<td>“Non-Completers” – started but did not receive certificate or degree</td>
<td>9</td>
</tr>
<tr>
<td>Current Students</td>
<td>7</td>
</tr>
<tr>
<td><strong>Race/Ethnicity</strong></td>
<td></td>
</tr>
<tr>
<td>African American</td>
<td>9</td>
</tr>
<tr>
<td>Hispanic</td>
<td>11</td>
</tr>
<tr>
<td><strong>Military Status</strong></td>
<td></td>
</tr>
<tr>
<td>Veterans</td>
<td>5</td>
</tr>
<tr>
<td><strong>Type of Field</strong></td>
<td></td>
</tr>
<tr>
<td>Pursued a degree or certificate in cosmetology field</td>
<td>3</td>
</tr>
<tr>
<td>Pursued a degree or certificate in medical or health field</td>
<td>11</td>
</tr>
<tr>
<td><strong>Online Status</strong></td>
<td></td>
</tr>
<tr>
<td>Attended all or mostly online</td>
<td>11</td>
</tr>
<tr>
<td>(Total 75)</td>
<td></td>
</tr>
</tbody>
</table>

There were overlapping criteria within each group; each was homogeneous based on the characteristic identified in the table but heterogeneous on other variables. For example, within any given group there would be a mix of completers and non-completers; a mix of certificates, 2-year, and 4-year degrees or more; a mix of brick-and-mortar school attendees and others who attended exclusively via the Internet; a mix of women and men of various races/ethnicities and ages; and a wide variety of fields pursued. Florida was selected as the site for holding the focus groups because of the large number of for-profit schools located there, and hence the higher likelihood of recruiting for-profit attendees.

There were several unexpected findings that came to light only after the focus groups had commenced. When recruiting participants, we did not intentionally seek people who had negative experiences attending a for-profit school or financing a for-profit education, but as the conversations played out, it became increasingly clear that negative experiences were far more common than positive ones. Along the same lines, during the recruiting we did not ask potential participants to divulge the amount of their student loan debt, only whether or not they had taken out loans to finance their education. To our surprise, participants in the focus groups easily shared how much money they owed – this despite the fact that Americans are typically wary of disclosing personal financial information in a group setting. We did purposely
recruit people so that each focus group would include for-profit attendees who shared at least one common characteristic – either demographic (e.g., race/ethnicity) or experiential (e.g., completion status), because we hypothesized that there might be noteworthy differences among various groups; in reality, however, we found mainly similarities and common themes. Finally, we were surprised to find that several of our focus group participants had not only attended a for-profit college but had also been employed by one, and thus they were able to contribute an insider’s point of view to the group discussions.¹

To ensure frank conversations, participants were assured of confidentiality and that all findings and quotes would be reported without attribution. The 2-hour² discussions followed a semi-structured interview protocol generally following the moderator’s guide but allowing for conversation to flow such that not all questions were asked of all participants and new lines of inquiry were pursued as necessary. The goal was to reveal first impressions, to get a deeper understanding of people’s points of view and experiences in their own words, and then to probe to elicit further responses and encourage interaction among participants. At the conclusion of each group, participants were asked to complete a short survey that included closed-ended questions about their financial well-being and use of a variety of financial products and services; 100 percent of the focus group participants completed the survey. The survey data have been tabulated and analyzed by the Center for Responsible Lending and are reported separately.

A few words of caution about the nature of qualitative research in general and the interpretation of the findings in this report: Focus groups are a valuable tool for exploring people’s spontaneous views on a given topic and for uncovering underlying values that help explain why people feel the way they do. From a policy or communications strategy standpoint, they provide information on how to frame information to appeal to the values and mindsets that underlie people’s beliefs. Focus groups are tremendously helpful for listening to people talk about issues, for uncovering the sources of their opinions and motivations for action, and for generating hypotheses for further research, but they cannot determine how many people hold a particular view, and their findings cannot be generalized to the population as a whole. Thus, the findings in this report describe the views of these particular attendees of for-profit colleges and are not meant to represent the views of all for-profit attendees.

The focus groups were held in and recruited by the professional focus group facility Schlesinger Associates (Maitland, FL). In general, the facility recruited potential participants using its own opt-in database that includes thousands of people who have signed up to participate in focus groups. The database grows by word of mouth, community outreach, and advertising. All groups were moderated by Steve Farkas or Ann Duffett, PhD, of the FDR Group, who are also the authors of this report.

¹ Because we found her experience as a former admissions counselor at a for-profit school so informative, we conducted a follow-up telephone interview with one participant a few days after the focus group to talk more in depth about her training and work experience. Quotes from this interview are not included in the report, but the information gained did contribute to our thinking.
² The focus groups with veterans and with those who had pursued a degree or certificate in the cosmetology field were one hour each.
III. Summary of the Findings

Overview

Orlando residents who attended for-profit colleges sought higher education in pursuit of the American Dream, but many wound up profoundly disappointed instead, with life-altering levels of student loan debt and little payoff in salary growth. Instead of improving their earning power and job prospects, they often found themselves trapped in endless debt. For many, the American Dream turned into a quagmire.

1. Why Pursue Higher Education
These attendees of for-profit schools – all of whom had taken out student loans – had enrolled with prosaic goals: to improve their economic situation and pursue the American Dream. To be sure, some spoke of wanting to be a role model for their children or of gaining a sense of personal accomplishment. But the most powerful motive revolved around upward economic mobility. They were convinced that “credentialism” prevails in today’s labor market, and that they would need a degree or certificate to get ahead.

2. Why Choose a For-Profit School
For-profit schools directly appeal to what students want most: Accelerated, focused programs that promise to put high-paying jobs in their future. Using effective marketing strategies, they tap into the hopes and the vulnerabilities of their customers. They make big promises about job placement and the availability of high-paying jobs. For-profit admissions counselors make enrollment as friction-free as possible and encourage students to maximize student loans while downplaying future financial burdens and the consequences of deferment. But in the end, students are often disappointed to encounter low-paying jobs or unexpected – and often unfilled – certification requirements.

3. The Aftermath
High levels of debt left too many attendees scrambling with no obvious solutions in sight, little to show for their investment, and – often – bitter disappointment. For many, their experience with for-profit schools is a catastrophic, life-altering financial event. Whether they finish a degree or not, many of the people in our focus groups carry onerous debt and their schooling has not led to commensurate growth in pay. Many are confused and uncertain, stitching together short-term solutions and living under a cloud of dread.

4. How Did For-Profit Students End Up in So Much Trouble?
Initially exuberant about starting their education, and often naive about the financial consequences of their student loans, borrowers ended up with enormous debt burdens. Many
were encouraged by their for-profit school to “max out” their loans and take refund checks. Tuition was surprisingly high, especially for what was often a certificate-level education, and in comparison to the cost of community college. Many who completed their program never found the high-paying jobs their schools had touted. Other adult learners could not finish school, derailed by such life events as divorce, child-rearing, and health problems.

5. Reckoning with Financing a For-Profit Education
Student loan debt created significant dread for the borrowers in these focus groups, and many described feelings of anxiety and being trapped. Some tried adopting an avoidance strategy, but simply ignoring the bills and communications from loan servicers meant inviting consequences. Enough talked about seized tax refunds or garnished wages to show that such fears were real. They recognized that repaying student loans was still their personal responsibility and something they would have to eventually confront, regardless of whether or not they felt bamboozled by their for-profit school. But many also developed an incipient cynicism about their loans and had no compunction about gaming the system to repay as little as they could. The upshot: debt weighs heavily upon them, and the hope so many started with ended as despair.

Finding 6. Special Focus: Online For-Profit Schools
Many borrowers had enrolled mostly or entirely in online for-profit schools, with the University of Phoenix the most common by far. For the most part they were enticed by convenience, but many ended up with strong doubts and criticisms about the quality of the online education they received. Their disappointment and the financial harm they suffered echoed those of other borrowers.
**IV. The Findings**

**Finding 1. Why Pursue Higher Education**

These attendees of for-profit schools – all of whom had taken out student loans – had enrolled with prosaic goals: to improve their economic situation and pursue the American Dream. To be sure, some spoke of wanting to be a role model for their children or of gaining a sense of personal accomplishment. But the most powerful motive revolved around upward economic mobility. They were convinced that “credentialism” prevails in today’s labor market, and that they would need a degree or certificate to get ahead.

**For a Better Future**
Enrollees had internalized the message that more education would lead to better jobs and better pay. A high school degree would not be enough in today’s economy; having a degree or certificate granted by an institution of higher learning, they believed, would create opportunity to move up the economic ladder.

> For me…a degree means financial freedom. That’s why I did it. I think that’s why we all do it. We want to pay our bills. We want to have health care. We want to have everything else. —White Female

> I feel it’s a requirement. The times have changed now. Yes, so back in the day you didn’t need an education. But now the jobs that you didn’t need education are really not paying enough to survive off of. So in order to move forward with your life, to do good for your family, I feel like it’s a requirement – especially if you have any type of aspiration for a specific field or job placement. —White Female

> For me, it was definitely for a higher pay in a better field. And then a lot of times with companies even if you do get in the door you cannot advance unless you have certain degrees. —Hispanic Female

> To me, your education can determine your lifestyle, the kind of life you lead, because it helps you to get a better degree….If you have a degree, hopefully you make more income. You have more income, you’re able to afford things that maybe other people can’t afford. —White Female

**For Personal Accomplishment**
For many, the pursuit of higher education was something to take pride in, an accomplishment to be recognized by family or peers. Several wanted to lead by example and serve as a role model for children or other family members.

> Education means going beyond my parents. Seeing how they struggled, I was trying to be able to make them proud….Once I hit a certain age I wanted to look back...
and say, I did good. So it’s like an accomplishment, not being defined by society…so going beyond my parents. —African American Male

As far as from my peers, just being able to say that I have a bachelor’s degree, since I know that a lot of my other peers around my age are going to be getting them as well soon. So I just wanted to be able to say that I had one. —Hispanic Male

One of the things that drove me to go to college was because I was raising my sister. And she had gotten out of high school and she wasn’t doing anything. I was a single mom raising a sister and a daughter at the same time….So I said I’m going to go to college and I’m going to drag her with me….And she was like but I don’t want to – and I said you’re going to have to. And so we went and we signed up and did our whole entire associate’s degree and we both graduated at the same time. Being a single mother I also needed to be better – and to teach my daughter that I was an example. —Hispanic Female

Some jobs they won’t let you get another job unless you have a certain degree – whereas my job kind of looks over that. So that part is good. But for my own self and wants, I want to finish mine, honestly. It’s very important to me, and looking a certain type of way to your kids as well. And that’s important. —African American Female, non-completer

I got [sic] four grandkids, and none of them was [sic] even interested in school. I started college. I was 49 years old when I started college, and because of being experienced and going to college, I actually got two of my grandkids to actually go to college now, where I don’t think they would have went if I hadn’t shown them that it’s possible. And me, an old man…somebody like me could go through college and get a degree, then it’s possible that they could. —White Male

What getting my education means to me – it means a lot, because I was the first person in my family to graduate or to go to college, so that it was a big accomplishment to me. And…it opened up doors. —White Female

Credentials and the Labor Market
Many of the for-profit attendees we spoke with were convinced that “credentialism” prevails in today’s economy – that employers reflexively look for a degree or certificate before offering better jobs and promotions. Having the skills the job required wasn’t going to be enough; employers want to see “that piece of paper.”

To have that piece of paper. Every job that I’ve worked in I’ve been able to excel, but I’ve never been able to go past a certain point because I don’t have that diploma. —African American Female

Even if you have job experience, they look at your credentials – you have to have the credentials to get in the door to get the job that you would want to do or to do the things that you dreamt of doing as a child. It’s your ticket in. —White Female

It has gotten me better paid positions, not promotions necessarily but more respect in the workforce, looks good on your resume type thing – LinkedIn. So it gets you more attention professionally. —African American Female
The fact that credentials have come to be a requirement in the workplace was not just a matter of perceptions – several borrowers reported that they indeed needed additional academic certification in order to advance.

I tried to stay clear from schools like that [Herzine, the for-profit school she attended]. But I was working at a company and I was doing insurance verification. And in order to move up, the next thing I had to have was my medical billing and coding certificate. So at that point, time was of the essence… I already had a job; I just needed it to move up in my position. — Hispanic Female, non-completer

I needed to fill the gap in my resume because without a degree, I had gone as far as I could…. I wanted to be able to move up to the next level. Without it, the HR software would have just kicked it [my resume] off into the bucket and I wouldn’t have even gotten an interview. — White Male

It’s helped me, because nothing I have done in school is directly related to what I do for a job. I do computer science stuff, and nothing that I did in school was computer science. But it’s gotten me the piece of paper that I needed to be considered for things…. For instance, the company I’m with now, you can’t even get in the door without a bachelor’s degree. Period. It’s company policy. — White Male
Finding 2. Why Choose a For-Profit School

For-profit schools directly appeal to what students want most: Accelerated, focused programs that promise to put high-paying jobs in their future. Using effective marketing strategies, they tap into the hopes and the vulnerabilities of their customers. They make big promises about job placement and the availability of high-paying jobs. For-profit admissions counselors make enrollment as friction-free as possible and encourage students to maximize student loans while downplaying future financial burdens and the consequences of deferment. But in the end, students are often disappointed to encounter low-paying jobs or unexpected – and often unfilled – certification requirements.

Over-Promising on Jobs
For-profit attendees described how for-profit schools market programs by presenting specific job titles that are connected to lucrative salary ranges. Students are enticed by the promise that well-paying jobs exist and will be available upon completion of an accelerated program of study. They are often disappointed.

They tell you how much money you’re going to make when you graduate and then they give you all these statistics, which isn’t really the reality. And then for some reason or other the loan ends up costing more money….I think it ended up being like over $40,000. And that’s why I never did pay for it all, because you can’t afford it. You don’t graduate from there and make that kind of money. And especially when you start from the bottom. They don’t tell you all that – they tell you on the high end this is what you could make. But you’re probably not going to make that.
—White Female, veteran

They misrepresent or maybe over-inflate that they said they had a 90% placement rate. And from what I saw, there were very few people in my class [who] actually got jobs as medical aestheticians only – unless you wanted to go to a chain and not get paid very much money. So, they over-inflated how much we would be paid once we got out of school and how easy it was to get a job. I was not placed….I thought I was going to get paid way more by having that degree, and I did not. — White Female

They tell you, you are going to make this amount of money. You don’t make anywhere near the amount of money they tell you you are going to be making. We are going to do job placement – they don’t do job placement, they do not find you a job. And then you do an externship with certain doctors that they have ins with, for free. And that’s the only way you can graduate from the program. —White Female

I didn’t have a lot of expectations until I got in there and started doing the research and find out if you don’t graduate in the first 1-2% of your class at all these major colleges around the area, realistically what you see on the paper what they say you’re going to be making when you graduate is unrealistic. You’re not going to obtain that. —African American Male, veteran
Some of the stuff that is told to students is not necessarily to deceive — it may be embellished. Such as, he mentioned talking about how much money you can make. That is a potential that you can actually make in the field. But coming out with a bachelor’s degree, will you make that? Probably not. Could you make that? Yeah, you could. So you kind of look at the higher end and say, OK, what does a top person make — instead of looking at a median or an average of what someone makes in that particular field, you [admissions counselor] will reach for the top end of it. —African American Female, former admissions counselor at for-profit school

**Downplaying the Debt**

Moreover, focus group participants consistently said that for-profit schools downplay or gloss over the amount of debt students take on. The schools’ representatives get intimately involved in helping students navigate the financial aid process, sometimes even completing the forms for them. They often encourage students to take on maximum debt loads. But they minimize or neglect to mention the heavy financial burdens that students will face down the road. In the end, many borrowers feel that they had simply been hustled.

They did a gloss job. They talked fast….They made it sound like it wouldn’t be a problem….They said it was going to be this much, and we’ll get the loans for you. We’ll take care of it. You don’t have to worry about it, and just made it sound so easy, and they just made it sound so tempting that you just couldn’t say no. The reality is, of course, I’ll be paying on these the rest of my life. —White Male

I think predatory lending has something to do with it. OK, so just like ignorance of the law is not an excuse for you to break the law, I think that same concept applies here. But I do feel as though the lack of information — not lack of information but informing the participant and really not analyzing to see if that participant has a good conceptualization of the actual repercussions of these large amounts of sums that we’re getting. To me it seems like education is this new form of slavery. Because everybody’s trying to get to that next level, but in the midst of us getting to that next level, we are being bound with all these large sums of debt. —African American Female

If they told you ahead of time you’re not going to make enough money to pay this back, nobody would [go to the school]….They’ll tell you every way you can get money and every form you can fill out. But they don’t say, by the way, don’t take out every penny because this could happen. It’s buyer beware….I don’t completely blame them. I own some of that, too. I want to make that clear….But I think there’s some responsibility there. If you are going to say, hey, you have all this money available to you and, hey, don’t worry, you’re not maxed out, there’s a whole shit ton of money over here we haven’t gotten to yet. But they should say, by the way, you’re not going to make enough money in your lifetime to pay that back, or these are the things you are going to have to consider….I feel like there’s a lot of people that get suckered in and they don’t know. —White Male
Pressure to Enroll Fast, Close the Deal
For-profit attendees described representatives of for-profit schools who focused on getting them to enroll quickly, ushered them through the application and enrollment process, and pressed them to persist when their motivation waned. Students seemed more likely to appreciate, or at least succumb to, hard-driving recruiters who didn’t let up than academic representatives with a loftier approach to recruiting. They described aggressive marketing tactics aimed at closing the deal.

If I remember correctly, I think I filled out something online from their website and I got a call probably within an hour. And then everything was all [done] within one phone call. —Hispanic Male

I was pushed to finish enrollment very quickly and start as soon as possible. That was when it really kicked into high gear….The moment I said OK and started the process of enrolling in the school….I was getting calls a couple of times a week, and e-mails and follow-up phone calls [from] the financial aid people. I was like, “Whenever. I will get around to it.” And they were very motivated to get everything signed off and ready to go for the next month. If I could have started that week they would have done it….They were like, “Have you done your FAFSA? Have you done your FAFSA? Have you done it yet? Do you need help?” —Multi-ethnic Female

They are basically like high pressure salesmen, they sell you this big story, this dream, and when you go to the school and you are part of the program because you have already paid – in my situation they told me I had gotten a scholarship for a certain amount. I had went [sic] for half the time, then they told me I didn’t qualify for that scholarship. And I had to come up with the rest of the money to finish my program. Half-way through. It was kind of like a bait and switch. —White Female

And they kept just reaching out to me. And she invited me to the school and when I got there….from that point she was on me, calling me. “What do you need me to help you with? With the financial aid?” and everything like that. It was just easier to go to that one. The other ones didn’t call back really. —African America Female

[Depending on] how you were reacting – saying, “Well, let me think about it.” They were trying to keep you there….Do the application now, if you decide you don’t want to do it you can cancel the application, blah blah blah. —African American Female, veteran

No One Is Rejected
One of the most effective ways for-profit schools draw in students is to have little concern with selection criteria – none in the focus groups spoke of GPA requirements or admissions tests to ensure that they could do the work. One participant had enrolled and fulfilled her course requirements without a high school diploma. Moreover, the schools appeared to be little concerned with the quality of student class work and assignments – it seemed that the only time students were put on notice was when they fell short in paying their tuition.
I had no GED or high school diploma. None, and I seen [sic] the commercial on the TV – no high school diploma, get off your butt, get off the couch. And when I went in they took me immediately and said, OK, but now you are going to have to take GED classes. As long as I signed up for it when I applied for my regular courses that I was going to take that semester. So I literally did my whole two years with no GED, no high school diploma, didn’t even take the GED courses that they were offering, and then it was like two months before I walked and they were like, hey, you don’t got [sic] your GED, you are not going to walk. —Hispanic Female

And then as I was going there, and you start to learn, there was no way that no one would NOT pass that class. They basically [said], “We are having a test tomorrow, take out a pencil, this is what is going to be on your test. Just make sure you memorize what I am telling you.” And word for word that was your test. —White Female

For-profit schools are attracting a different student, right? These are students who probably couldn’t get into Harvard or couldn’t get into whatever college was around. There’s a reason you’re not already in school if you’re going to one of these for-profits. Most of the time it’s because you’re already in the workforce and it’s somebody who needs to really quickly get a degree or move up. You don’t have the time to retake prerequisites or get on a waiting list because it’s competitive. Maybe you didn’t do good on your SATs or something like that. —White Female

The for-profits are taking advantage. It’s a problem. I had a lady in school – she couldn’t speak English. She’s not passing these classes. But you are passing her along to get her money. And she’s going through these courses – she’s not going to know anything, she’s going to go into this field and she’s not going to know anything. —African American Female

Willing Participants?
Some reasoned that although the marketing tactics reflected salesmanship of the first order, for-profit schools weren’t manufacturing demand as much as converting high interest into enrollment. The schools were selling to people who were already heavily leaning toward pursuing higher education.

It wasn’t necessarily too hard to win you over…it’s not going to be a hard sell because I want to further my education and get a degree so I can better my life in the long run…so for me it wasn’t a hard sell. I was a willing participant and I already wanted to further my education, and get a degree so I can better my life and my family’s life. —African American Male, veteran

We went searching for it….You’re already sold to an extent; it’s just a matter of purchasing. And purchasing is where the administration person comes in, overcoming whatever obstacles. “I don’t know if I want to go – I want to advance my career and earning potential but how am I going to pay for it?” Well, this is how you pay for it. What else is there to tell you? “Well, I don’t know if this can fit into my busy schedule.” This is how it fits into your busy schedule. So as long as they can overcome whatever obstacles you may have – and that’s a may have – aside from just signing these papers…it’s kind of sold to begin with. —African American Male, veteran
They tell you want you want to hear and they listen to your cues, what you are looking for. —White Female, non-completer

**Appealing to What Students Want**

For-profit schools appeal to those who want to get started right away, who want a focused program of study geared toward specific jobs, and who want to get through school at an accelerated pace. Some students in the focus groups were simply impatient and wanted to be done with school as quickly as possible, but it was far more common that they were non-traditional students who already had family and work responsibilities.

One of the great appeals of for-profit schools is their promise of immediacy – they make it easy to enroll right away and applicants who want to get started can do so. For-profits offer an accelerated pace and a compressed timeline for graduation. Students feel they can get through the program and into the job market quickly.

They were the only ones who were offering the program that I wanted immediately. I looked at four other schools and I was on a waiting list whereas at Full Sail I could get started immediately the next week. I was ready to get going. — African American Male

I wanted to finish as fast as possible. The length of time is what interested me most. —African American Female

What made it appealing to me was when I was there, each class was 5 weeks. It was accelerated. So for me in my brain I was saying to myself, just when it gets bad, it's going to be over. So that was the appeal to me, that OK – I know it's going to be hard, because it's accelerated. But 5 weeks, I can just knock that out. Because I was a little hesitant because of the workload. Single mom, full-time job, I didn’t want to set myself up for failure. —African American Female

I just felt I just wanted to get something real quick….I could have done my degree at Valencia [a community college]….But the program that I went to was only a year and a half. And I could have got the same degree at Valencia for two [years]. But at the time I was just focused on getting in, getting out… —Hispanic Male

For-profit schools appeal to potential students by presenting a direct, focused course of study that typically dispenses with liberal arts classes and centers on practical courses tied to specific job requirements.

I just felt I didn’t want school to drag on. I think with other schools you had to take all these prerequisites. There’s nothing wrong with that but I was like, I’m horrible at math and certain things. And I was like, what if I’m stuck in a math class and I keep failing it and I don’t have help or something. None of that. You’re just learning about that particular subject for what you were going to school for. — Hispanic Female
It was one of the only schools that offered an actual entertainment business degree. Everywhere else offered you a business track with a sort of minor focus in entertainment where you could possibly learn about whether what it means to manage an artist or manage a recording agency. This one, when I went in there from day one, I believe it was strategic marketing and decisive finance was the first class. This is what it is, this is how it relates to the industry, and this is what you can do with it. —Native American Male

There was a receptionist at the entrance and she called immediately the admission specialist. A lady came out, she took me by the arm, made me feel like I was at home, took me down the hallways, introduced me to teachers, was like this is our library, this is where you can come and just relax, get your information, this is our computer room…and the way she made me feel I was like, this is my home. I signed up, obviously. I was like, man, they are so super chill there, the teachers were down to earth, they were young, fresh. —White Female, non-completer

For-profit schools promote themselves with memorable commercials that motivate their target audience and feature people with backgrounds similar to their applicant pool.

Every time you watched a show the minute they do a commercial it was Everest or Florida Metropolitan University all day long, all day long. So that’s what caught my attention. Real life stories….I’m a single mother, I have three children, and so I went to Florida Metropolitan University or Everest and they helped me and they counseled me and I’m going to go and get my associate’s, my bachelor’s. So it was constantly, constantly, constantly. —Hispanic Female

The commercials, you’ll sit there and look at them and that’s what they’ll tell you – “get off the couch, get to the phone, call…” —Hispanic Female

On television constantly the ad was showing up: Do you want to be a Phoenix, go to a Phoenix, you become a Phoenix, and it’s perfect for you, it’s online. I was, hmm, why not? I don’t have to worry about driving, I don’t have to go back down there to finish my degree. Let me just go ahead and try it. —African American Female

The seal of approval from the Veterans Administration (VA) or from an employer (e.g., a school district) garnered credibility for for-profit schools.

I never heard of Strayer University ever. I didn’t even know that school existed until I was being trusting with the VA, and I was like, OK, it it’s with the VA then they need to check….So I said, OK, it’s a good school, they accept the GI Bill, and all that stuff. —Hispanic Female, military spouse

Our school district works hand in hand with the University of Phoenix. So that’s #1. That’s how I heard about it. Plus the fact that they offer to pay a certain percentage of it, so that’s how I heard about it. —Hispanic Female
Finding 3. The Aftermath

High levels of debt left too many attendees scrambling with no obvious solutions in sight, little to show for their investment, and – often – bitter disappointment. For many, their experience with for-profit schools is a catastrophic, life-altering financial event. Whether they finish a degree or not, many of the people in our focus groups carry onerous debt and their schooling has not led to commensurate growth in pay. Many are confused and uncertain, stitching together short-term solutions and living under a cloud of dread.

Surprisingly High Debt
Through the discussions, borrowers revealed the surprisingly high debt levels they had incurred, amounts that were reached with little awareness or forewarning. Borrowers often talked about the panic and shock they felt when confronted with the full measure of their debt; often this happened upon receipt of that first student loan bill. Facing tremendous debt and monthly payments they had not expected, they would end up with an assortment of coping strategies. Complete avoidance was the reflexive reaction of some borrowers.

I mean I get letters all the time. But that doesn’t mean I open them. They go straight in the trash. I’m like I don’t want to see this…I can’t pay it right now, if I open that letter, it’s gonna stress me out. Oh my God, I owe $11,000 to one school and $5,000 to the other – where the hell am I going to pull this money from? — Hispanic Female

I’m not doing anything. Yeah, they send me a bill every month in the mail and I put it in my drawer. I don’t even open it…I just keep sticking it in the drawer. — Hispanic Female, non-completer

I felt like somebody just punched me in the stomach…That’s around over a $100,000….And I am looking at all the money and the loans that had been taken out and I was like, wow, that’s a lot of money. —African American Female

“My Heart Just Dropped” – How Am I Going to Pay This?
Confronting high monthly payments, most borrowers in the groups end up reaching for temporary, stop-gap strategies such as forbearance or deferment to avoid making them. Many are aware of a bitter irony at play. They know that interest accrues during forbearance or that by re-enrolling they are taking on more student debt to achieve an only temporary reprieve. Some can show economic hardship to their loan servicers, a common condition/criteria for deferment. Others resort to re-enrolling in school and taking classes since student status will qualify them for deferment.

From [the] base amount of my loan to where I am now, the interest is probably $20,000. Literally added on to my loan amount. So that’s definitely a negative because that’s a longer amount for payments – a larger payment amount for at some point. I mean if you can’t do it you can’t do it, because I’m not in a place to do it right now. —African American Female
My number for my bachelor’s was 76 grand….It’s still 76 grand. I’ve been deferring and deferring. That’s why I’m taking two classes right now, so I can keep it deferred. —White Male

It was like $723….My heart just dropped and I looked at my husband and said I don’t know how we are going to pay this every month. I’m going to have to look into alternatives. And you know what, the first alternative is to stay in school and not worry about this right now. Put it on the back burner. —White Female

Well, my debt right now is almost $80,000. Because I am in school, it’s deferred. But I do know – they told me what my repayment is going to look like. Almost $600 a month is what I’d have to pay back every single month until they get their money back….But before, it was in deferment. I had to defer it, I had to do income based, to try to keep my numbers low. So as long as I was taking a class they deferred it. So that’s what I ended up having to do, whether it was a miscellaneous class or something like that, otherwise I’d be hit with a $300 or $400 bill a month. —African American Female

I’m in the hundreds of thousands….I have three master’s degrees, a bachelor’s degree, an associate’s degree, and I am working on a doctorate, so….Probably about $180,000….Right now it’s in escrow deferment because I’m in a doctorate program. But when it wasn’t in deferment I made payments – income based payments. —African American Female, veteran

Their most pressing objective is to sidestep a monthly bill they cannot handle while avoiding the consequences of defaulting on their loans. Although they knew they were merely postponing a reckoning, for many it was the best they felt they could do. Many were uncertain or confused about the specifics of their status – for example, using the terms forbearance and deferment interchangeably. Some knew the exact amount they owed, others had a general sense. The situation they find themselves in – high debt and low-paying jobs – encourages short-term coping strategies that end up with long-term costs. In the end, many would double down, returning to school to maintain a deferment status, paradoxically adding to their debt levels.

Income-Based Repayment
When borrowers were working and no longer in deferment or forbearance, they often utilized an income-based repayment (IBR) plan – monthly payments tied to their income. How they would get there is interesting: seeing a bill they could not fathom paying, they often ducked it until their loan servicer managed to reach them and offer the income-based repayment option. IBR is attractive because the payments seem more feasible and offer the possibility of an end to their misery: make smaller payments consistently for 20 or 25 years and if a balance remains it is forgiven.

I actually had a representative call me from DC because I had been evading, eluding my student loans for years. And they caught me. And something just told
me, you really need to handle this. Like seriously. So I talked to him and was like, “What? I had no idea.” ...Because they were billing me $900 a month and I couldn’t pay $900 a month, I didn’t know I could contest it or talk them into lowering it until he called me. —African American Female

It goes by my income. And actually with me, as long as I make a payment for 20 years, mine are forgiven....They go by my income tax returns, they look at my income. But as long as I don't miss a payment in 20 years the rest of my loans are forgiven. Right now it’s like 20 bucks. —African American Female

Mine was $800 and something and I was like, this is crazy. And I got on their website and called and said one of two things is going to happen. Either you are going to be looking for me in a little while or we are going to figure this out. And they were like, “Oh, well, we can do this.” ...I didn’t get it down to $10 a month, but it’s $308 or $330, so significantly reduced. —Multi-ethnic Female

It’s not uncommon for borrowers to bounce between strategies – from forbearance to deferment to income-based repayment. Some consider public service as a career because it provides a path that could lead to student loan forgiveness.

Mine is about $40,000. And it’s just awful. I just defer it. I’ve done income driven before, I don’t qualify for that right now....I sometimes just make up stuff. There are just so many different plans – I don’t know, I just happen to find ways and call and...I’ll say, look, I don’t have it, can you guys do something? And it depends on your loan servicer, too. —African American Female

I think mine is like $23,000. I had the income based at one time, they do the forbearance, and I just keep putting it off, too. I think it’s deferment now, I think. I just keep bouncing it back and forth....I don’t like owing anything. It’s just always on your head, you know...they can seize your checks, interfere with your checks, garnish your wages. —African American Female

I am at $79,000. I was pissed off because I don’t have a degree and yet I owe this much money. But it came to the point where I was like, I have got to stay on top of it and stop pushing it back....I had a friend of mine who was not paying his, and his income tax refund was all garnished. So I went ahead and consolidated all my student loans into one. I just make sure all my information is current, I try to defer them, income driven – anything I can do just to please them. I’m still feeling rebellious and pissed off and what not, because where’s my degree? —African American Male

Hopefully after 10 years of working in my particular field and paying off my student loans it will be forgiven, because I’m in a high-needs area and I teach math. —African American Female, veteran

Consequences, Regardless of Status
Few borrowers talked about making progress, much less paying off their loans altogether. Instead, most are dealing with serious negative financial consequences as a result of financing
their for-profit education. Poor credit scores and high debt-to-income ratios make mortgages, car loans, and other financial initiatives more expensive or out of reach. Their debt levels are daunting to these borrowers, but when coupled with a realization that available jobs pay much less than expected, profound disappointment and sometimes bitterness follow. Their starting point – a belief that investing in education would lead to economic gains – contrasts sharply with their end point – a feeling that they have been shackled by debt they may never be able to repay.

I do have poor credit and so it makes me have to pay more for different things. Because my debt-to-income ratio is way out of whack, because of my student loans – if it hadn’t been for my student loans I would be spectacular in the credit world. But that has stopped me from getting a house, all kinds of stuff. —African American Female

I was trying to get a car, and they told me no. My credit score. I pulled my credit score. And I saw most of my credit score was late student loan payments. —African American Male

We’re paying on both my loans and my wife’s student loans….I’ve got them out of deferment now. We’re paying on them, but our student loan payments are more than our house and car payments combined. We’re looking at retirement sooner rather than later, and I don’t think we’ll have it paid off before then. Hers are well over $100,000; mine are about $50,000. —White Male

It screwed my credit up. My credit score before I started going to school was at 825. With my student loans – and granted there are some hospital bills on there too – my credit score is down to like 560. That’s almost a 300 point difference. That’s ridiculous. —White Female

The problem is, even if you have it in deferment…when you have $70,000 in student loans your debt-to-income ratio is awful…and my credit score is crap. I can’t buy a house, I can’t buy a car with a decent interest rate….I want to move up, I want to be a homeowner one day, I want to own things to leave to my son one day. And you can’t do that when a credit company looks at your credit report and says you make $45,000 a year but you owe total $90,000. —White Female

I tried to get a new car and they laughed at me….I want to buy a house. There’s no point in me trying – I can’t get a car so there’s no way for me to get a house…I am in deferment now. The house is a hard thing for me because that is something that I will have to put in my name, get for myself. So that’s what bothers me. It’s bad. And credit cards too, they don’t even want to give you credit cards sometimes, because of the student loans. —Hispanic Female

I do have a job now, so I’m trying to work my way to paying – payments are something like $500 and something a month. I check, I know my login. I am in there every day just looking at it, shaking my head. I know all the information. So. But it’s like when do I bite the bullet? Because I have a family now. I am about to buy a house now. So I don’t want this affecting me in the future. If not I would have just let it ride until I die. —African American Male
I can’t even get a credit card because of it. I have no other credit on there except for my student loans. And so I can’t get anything. [My credit score is] 528. I mean I am over $40,000. I’m not exactly sure. I just don’t know how much more. —White Female, non-completer

I don’t think I’ll go back to school until I finish my student loans. —Hispanic Female, non-completer

Different things that I try to apply for, the student loan stopped it. And I wanted to go back to school at one point, and that was a problem because you had to pay a certain amount at that time in order to go back to school, in order for it to be deferred I guess you should say. —African American Female, non-completer
Finding 4. How Did For-Profit Students End Up in So Much Trouble?

Initially exuberant about starting their education, and often naive about the financial consequences of their student loans, borrowers ended up with enormous debt burdens. Many were encouraged by their for-profit schools to “max out” their loans and take refund checks. Tuition was surprisingly high, especially for what was often a certificate-level education, and in comparison to the cost of community college. Many who completed their program never found the high-paying jobs their schools had touted. Other adult learners could not finish school, derailed by such life events as divorce, child-rearing, and health problems.

Opaque Costs and Consequences
Inexperience with handling debt made borrowers especially vulnerable to financial self-harm at the point of enrollment in the for-profit school they chose. They were enthusiastic about the opportunity to advance and optimistic about the lucrative jobs they thought were waiting for them, but borrowers said that instead of cautioning them, for-profit schools encouraged them to maximize loans, to tap so-called refund checks – loan amounts in excess of tuition – and to rely on deferment upon graduation.

At the time, I did not understand how the interest would work and how that would accumulate, and I was told not to worry about it because I could just put my loans into deferment until I was ready to make those payments. I did not understand that interest continued to accrue while I was in deferment and did that for two years before I found out. So I’m still off and on in deferment or making payments when I have enough, but they’re a lot. I owe a lot more than I did when I took out the loans….I had a financial adviser that went and did all of this stuff for me and pretty much did a lot of it for me, and here you go, you can just sign. —White Female

I didn’t think that the money thing was going to be an issue. Because they didn’t explain that I was going to be paying the amount that I actually owe. They said I was going to owe maybe $9,000, $10,000. And at the end I end up owing like $16,000, $17,000. Valencia would have cost me like $2,000. Probably less. —Hispanic Male

Nobody ever said if you take out this much money this is what you are going to owe. And it was just my own ignorance, right, and full disclosure: when I went back for my AA, I was subsidizing my income with student loans. So I had a full time job but I still was taking out loans to help pay the bills. So that racked up quite a bit. I think my University of Phoenix tuition was $36,000. So the balance of that was from SSC… but most of it went to paying bills and things like that. Any way, no, nobody in financial aid ever said, “OK, let’s look at the numbers and see what’s going to happen to you down the road.” And I knew nothing about finance or loans or anything like that. —White Male

When I did the FAFSA, it told me my total and it let me know when I signed up for another loan, OK, this will be added on to this, and this is what you already have. And when I talked to the enrollment counselor, I was questioning, I said, “I
Many of the for-profit attendees described what it was like to look for jobs in a labor market that had shifted in ways that worked against them. Such changes as over-supply of graduates in specific fields, large companies paying minimum wage or shifting from full-time salaried employees to part-time workers, and jobs that paid on commission or hired mainly independent contractors meant they would face unexpected challenges upon graduation.
I thought I was going to go in and come out and pay off these loans like nothing, because I was expecting anywhere from 13 to 15 dollars an hour….I am left with this bill where you go to the average Walgreens or the average pharmacy – even a Florida hospital, they offered me a job, they wanted to give me $10.50 an hour. I was like, you’re crazy. —Hispanic Female

I figured that I would be working so I wouldn’t have any stress about it. I would be able to pay no matter what it was – whether it was $100, a couple of hundred dollars. I really wasn’t thinking that it was going to be any problem, but the doctor’s office that I was working at moved and so I didn’t have a job. So then I have these bills, and I don’t have a job. And when you first start your own business, it takes a while to start making money so I was stressed. I’ve been really stressed for the last few years. —White Female

At the end, though, when I got the final bill and looked back and didn’t feel it was worth what they wanted. The education wasn’t worth what they wanted money for. I went to University of Phoenix and I found that a lot of the material was antiquated, and by the time I got out of school, any kind of field I was interested in was already flooded. It was inundated with college graduates already in visual communications, IT. —White Male, veteran

From a management perspective, I have had people with law degrees apply for jobs that are just barely paying over minimum wage. You know, people with master’s degrees. I have a girl [sic] who worked for me for two years at $9 an hour with a master’s degree from the University of Phoenix. —African American Male

They tell you that you are going to come out and you are going to make this much money in your area, it’s not near close to what they tell you in reality. The people who want to hire….let’s say, if there is a full-time position, they are not going to hire a full-time person because they have to pay insurance and vacation pay. They hire three part-timers and then because it’s part time and you are just out of school they pay you maybe one-third or one-fourth of your value. —White Female

I had no problem being hired, but all of the places I was hired don’t pay. It’s commission only, and if you don’t have a clientele you kind of are obligated to show up at whatever time in the morning and sit there. If a walk-in comes in, then you get half of whatever that service was, but for the most part you are sitting there all day. You are obligated to a period of time, and you aren’t really guaranteed any money. —White Female

Certification and Accreditation: Flexible Concepts
In the Hispanic focus group in particular, participants talked about being misled into thinking completion of their for-profit program would leave them ready to take the next step, whether it was a professional position or another degree. They might be assured that their for-profit school was fully accredited and would then be surprised to find that other institutions of higher learning would not accept their credits at all. They might be told that upon finishing school they’d be certified or licensed to work in their expected field only to learn that they still had other requirements and tests to complete. They were left feeling cheated.
The way it was sold to me was that I would finish school ready to go into the aviation mechanics industry. That is not the case. What they give you is a certificate to say, “Hey, you can take this certificate to that place and go take all the tests you need to take.” And then you’ll be ready to go. There are nine separate tests for the FAA that are $160 apiece….I should have done more research. They didn’t give me any of the information they should have given me. —Hispanic Female

I was looking to get my foot in the door in the medical field, and the 8-month program at Everest for medical assisting seemed like the easy way to get my foot in there. But I didn’t know also that the tests, the certification tests, weren’t part of the program. And that’s what most places look for – is to be certified, to be nationally certified. And the experience, they want you to have a year or two years’ experience. Which I didn’t get in an 8-month program. It wasn’t part of the program and I didn’t know that their credits didn’t transfer over either. So if I was to keep going, to further my education in the medical field, I would have to start over basically. So the program I did I feel like it was for nothing, basically. —Hispanic Female

While I was in school I also learned that the courses I was taking were not going to be credited. No one told me that. Meaning I couldn’t take whatever I learned [to] somewhere else if I wanted to get an associate’s or whatever else I wanted to get, I couldn’t. So I’d have to redo it again if I did want to get an associate’s in that particular field. And then I didn’t have any criminal record, of course – but other people that were in class, they got to find out, hey, because you have to take a test with the state board, you cannot have a [criminal] record. So for those people that were there, they were still going to get stuck, if they had any kind of criminal record, they were still going to get stuck and would have to pay the loans. And they didn’t tell them anything about it. —Hispanic Female

I’m going to call him a salesman, the one that I talked to that got me signed up for the school, he said that for each class I would take, I would get certified. So for the A+ class he said I would get an A+ certification, for a CCMA class, I would get that certification….After my first computer class I say, “OK, where’s my certification?” They were like, what certification? You’re not getting a certification. So it was like that – all you do is take the class and you have to go take the certification somewhere else. And each certification is a couple of hundred dollars. So that’s something they lied to us about. —Hispanic Male
Finding 5. Reckoning with Financing a For-Profit Education

Student loan debt created significant dread for the borrowers in these focus groups, and many described feelings of anxiety and being trapped. Some tried adopting an avoidance strategy, but simply ignoring the bills and communications from loan servicers meant inviting consequences. Enough talked about seized tax refunds or garnished wages to show that such fears were real. They recognized that repaying student loans was still their personal responsibility and something they would have to eventually confront, regardless of whether or not they felt bamboozled by their for-profit school. But many also developed an incipient cynicism about their loans and had no compunction about gaming the system to repay as little as they could. The upshot: debt weighs heavily upon them, and the hope so many started with ended as despair.

“It’s Pretty Crushing”
The borrowers talked about the underlying anxiety and dread they felt when they confronted staggering student loan amounts they could not envision completely repaying. Their debt weighed heavily: they felt it was their responsibility; they knew there were consequences for not repaying; they couldn’t imagine an end to it. The more they talked about it in the focus groups, the more overwhelming it became.

It’s insane, stress, crazy – I feel like I am never going to get through it. I mean it causes anxiety and depression from it. And so I just feel I can’t move forward with my life because I am constantly paying this and I’m never going to be able to get out of it. —White Female

It’s a weight honestly….Because at the end of the day this is a debt that you owe so they’re going to get it some way. You don’t want it to get to a point where they are garnishing your checks. My spouse is dealing with that currently. Hasn’t seen tax [refunds] in I don’t know how long because they are the first to get it. —African American Female

It’s a little crushing when you see that number. $800, $350, whatever it is – there’s no way in hell I could have expected to pay an $800 bill when I got out of, when I got my bachelor’s degree. It just wasn’t going to happen. And again, that’s my ignorance in doing it, not knowing what was coming. So I don’t blame that on the University of Phoenix or anybody else. But when that reality hits you it’s pretty crushing – that’s the best word I can think of. You think what the hell did I just do? How am I going to – am I going to make back the money to pay this off? …How much can you cut to get $800 a month back? So it’s pretty overwhelming….But nothing’s happened to me because I’ve deferred, I’ve done the IBR for quite a while…but it’s still there, it’s still out there and someday I’m going to have to reckon with it. And that’s – that is menacing. —White Male

I know I have got to pay it off eventually. It can’t just sit there. I don’t want them to one day come and say, “Oh, we are going to garnish your wages.” I can’t do that. I got a daughter, I got another child on the way, I can’t afford that. So that’s kind of scary to me a little bit….The way I soothe my brain is, once I do get this
bachelor’s that I am going to work on, I’m going to have a higher rate of pay and some way or somehow they are going to have to work with whatever I am making to make these little payments — even if it’s going to take me the rest of my life to pay it off. Because that’s how I look at it now. No matter what, it’s going to take me the rest of my life to pay this money back. —Hispanic Female

I wouldn’t want to marry somebody with $100,000 in student loans….I don’t want to think about it or even talk about it because it does give you that depression and anxiety. When you think about it and you owe these people $30,000, how are you going to pay it? —African American Female

‘Killing the American Dream’
Their profound disappointment with the outcomes of attending for-profit schools – shocking levels of debt, jobs with discouragingly low pay – often left borrowers with the sense that they had been duped and that the debt they had incurred was part of a con. Many developed an incipient cynicism about their loans and had no compunction about gaming the system to pay as little as they could get away with. Only the knowledge that they have an enforceable debt to the federal government seemed to be scary enough to keep borrowers within legal bounds. What had started as a hopeful pursuit of the American Dream ended with anger at a system that threatened and stymied their well-being.

I’m going to take it to the grave with me. What are they going to do? What are they going to do? If I am dead how are they going to get that $60,000 from me? …You’re not going to get it from me. So I’ll pay the bare minimums, I’ll play the games as long as I need to. —African American Female

I’m kind of reluctant to pay them back even when I am done….You look at the way that the education system is working – they are trapping so many people into this debt. [It’s a business.] It messes up, it starts to kill the American Dream. —African American Male, non-completer

I don’t even tell my daughter that she needs to go to college because I feel so used. And I can’t believe for the rest of my life I’m going to dedicate to paying everything back….If you are going to become a doctor then by all means, go throughout all this school. But if you’re not, like don’t even…go join the army if you want to. —Hispanic Female

Some believed that for-profit schools were strategically targeting African Americans, Hispanics, or people from the lower end of the socio-economic scale.

It’s like in any business, they have a target audience. And for me when I think about it, they know that there’s probably a sector of adults who are unhappy in their jobs who want to change – a demographic – you know. Black people. African American people. And they target that demographic because they know that….we want to do anything we can do to move up so that our future generations won’t be in the situations that we’re in. —African American Female
I believe that it is a lower class attack that happens to catch minorities….It happens to attack us [African Americans] in the majority. It is a lower class attack, a lot of us end up in it. —African American Male

Colleges and universities, like UCF, there is a huge difference. With those you do have to sell yourself to get in. With them [for-profits], no, they are fishing for you. It’s a big difference….It’s not just black people – minorities, yeah, minorities….And they make it so easy to get in, they make it so easy to get in. —African American Male

I think the commercials kind of targeted low-income people, which a lot of them are minorities….The Everest that I went to was in an area – there’s a lot of low-income people there. There were a lot of Spanish and African American people in the program that I went to. —Hispanic Female

**Nevertheless, Success for Some**
The overwhelming majority of borrowers interviewed in this study were disappointed – often profoundly so – with their experiences at for-profit schools and this report reflects that dominant theme. But there was the occasional borrower who was thankful for the experience, who might be keeping to the schedule of the 10-year standard repayment plan, and who spoke well of their for-profit school and benefited from having gone to it.

I started making even small payments, even while I was in school, just to kind of pay off some of the interest. Now it’s been a little over three years that I’ve been out of my master’s program. I looked at all the different options but I didn’t do income based because if you look at me, I’m a single female, I own my own house, I make this much money…I am paying my own mortgage, I am paying my own utilities. I actually looked through the options and the one that I am on now, it’s the ten year plan….To me the sooner as I can get that as far away from being a standard monthly payment, the better. —White Female

It was one of the best things I’ve ever done for myself, and one of the hardest thing I’ve ever had to do….It was very, very intense, but I think that’s the only reason why I finished. I finished at the top of my class. I won a lot of awards at the end. It was really great. It taught me a lot….The quality was there, like really, really there. You get everything that you need. —Multi-ethnic Female

I feel like I got a really good education, and I don’t think I would have gotten that same education anywhere else near here, so I don’t have regrets. I would tell somebody younger to try to find someplace else cheaper if there’s that option, but there really wasn’t that option for me. —White Female
Finding 6. Special Focus: Online For-Profit Schools

Many borrowers had enrolled mostly or entirely in online for-profit schools, with the University of Phoenix the most common by far. For the most part they were enticed by convenience, but many ended up with strong doubts and criticisms about the quality of the online education they received. Their disappointment and the financial harm they suffered echoed those of other borrowers.

Convenient, Easy, Fast...

Convenience was a priority to borrowers – both traditional and online students alike – but it was often the most important consideration to online students. Many were adults with work and family responsibilities. They wanted to make quick progress, on their own time, in a school that could adjust to their lives and schedules, not the other way around. The lure of getting a degree quickly was part of their consideration as well. Meanwhile, the admissions counselor representing the school typically did a lot of handholding, making the admissions process – and more importantly, applying for federally-guaranteed student loans – as easy as possible, urging them on with follow-up phone calls and even personal visits.

University of Phoenix, I wasn’t looking for profit, nonprofit. I simply wanted to start with online because I needed to continue working full time and still go to school. So to be quite honest, at the time, the number one school that came to mind was University of Phoenix. They are known for online. —White Female

I was very hesitant learning that it was a for-profit school….What really drew me to them was the freedom of doing everything on my own time. I talked to other friends that did other online schools…and everything had a set date or time that you had to be online…and it didn’t work with my life, with my work schedule. University of Phoenix, you have an assignment due at a certain time, you have to get your participation done. I can work at 3:00 in the morning if I want to. —White Female

I wanted something that was super easy. Because at the time I had a 1 year old. So I wanted everything kind of done for me. University of Phoenix completely did your whole schedule for you for two years, and they did all of your finances, and you didn’t have to drive to a campus. So it was all aligned for you. —White Female

For me it was mainly the convenience. I was working full time. Phoenix, the online program, was really attractive to me. The process was really simplified by my recruiter. I still remember his first and last name. He did everything for me. And that made it a lot easier….You are usually on your laptop or on your desktop and they are telling you what to do, step by step. —African American Male

…Because you get your degree in a shorter period of time. Where you go to a regular university, you have to be there for four years. Where University of Phoenix you would get it in two or 2.5 years, maybe three. So it’s a shorter process in regards to the degree. —African American Female, non-completer
They make admissions very easy, they walk you through the process. And they are also very persistent. I mean they will call you until you commit. —White Female, non-completer

...But Doubts about Quality
Experts and researchers in higher education have questioned the quality of online for-profit schools\(^3\), and such questions have become more critical given the enormous growth in recent years. Speaking directly from their experience with online for-profits, many borrowers in this study also voiced serious doubts about the quality of the online education they received, ultimately wondering if it was worth it.

More than a few borrowers questioned the quality of instruction or quality of their fellow students — and sometimes of their own work. They concluded that the schools were far more concerned with financial aid eligibility than learning. Many believed contributions during online classes – through online posts and responses – were evaluated according to frequency and length, not quality. Instead of guided learning, many felt they were left to figure out things for themselves.

I feel like at Phoenix it was quantity over quality. If you meet this word count. I turned in some garbage papers that met the word count. I might have turned in a paper that was a couple [of] words short, and I might have got a 75 or a C on that paper. And when I got an A on a paper that was just trash, but it was supposed to be 10,000 word count, it is on point. —African American Male

It felt like it was more focused on “make these eight posts” than it was on actually learning the information. I want to get the tools that I need to be successful in my field and not just participate just to get a diploma. I want to learn something. And for me, University of Phoenix, it wasn’t providing that for me. —African American Female

You had to have numbers, you had to post certain numbers every week. I posted some BS just to meet the number you have to have for the week and plus you also have to respond to another person’s discussion posts. So I just threw something in there – because I realized that it wasn’t the professor that was checking it, it was a computer to make sure you input something. So I wasn’t getting – I wasn’t learning – anything out of the online. —African American Male (Devry)

I know I paid for that degree. I mean I know I paid for that degree. Because it was not hard at all. My master’s degree – I know for a fact I paid for it…it just was not hard. It just was not hard at all, and I was like, “Dang, this is it?” —African American Female

They will let anybody in. I had in school one lady, she couldn’t even speak English. How is she in college? I am not trying to knock anybody. But if you can’t even speak English there is no way you are getting these courses. You are just trying to pass them along….They don’t care, come on in. You could get a loan, you could

get financial aid? You are welcome. They don’t care if you learn. —African American Female (Strayer)

They let anyone in too, though. You don’t have to have a certain GPA before from high school. It’s like, you want to get in? Here you go, you are in. —White Female

There were some people I was in a group with that I felt like they shouldn’t be in college. They couldn’t even do a complete sentence. It was frustrating at times. When you had a team assignment that had to be done and everybody had a section or subject and it had to be combined, you would basically have to re-do their work. Because it just wasn’t acceptable. —African American Female

I don’t think I realized how much I would have to teach myself with the University of Phoenix….It was more about teaching yourself…It was just ridiculous how much time I would spend using Wikipedia only to find out that’s not a reliable source I can use. And just trying to learn everything by myself because I didn’t really have anybody there to teach me. —Hispanic Female

**Regretting the Cost**

Like borrowers who had attended brick-and-mortar for-profits, many who enrolled in online schools were stunned by the loan amounts they ended up owing – especially when their education failed to produce the payoff they had expected. Consistently, borrowers talked not only about how their recruiters made applying for loans easy, but that they were often encouraged to borrow to the hilt while recruiters glossed over the heavy burden the loans would become. Meanwhile, the borrowers themselves — young or naïve or excited about starting on a path to success — were not focused on the consequences of their financial commitments. Only later – older, more experienced, still struggling with money – did they realize, often in shock, the financial mess they were in.

Strayer is like the University of Phoenix, the people do everything for you. They do the loans for you, they do all that for you. I didn’t care how I was going to pay it back. You get this notion where you are going to go to school, and get this big degree, get this beautiful job….It doesn’t work like that!…When you go to schools for profit, they aren’t telling you about loans. They just want your money. They’re not going to sit here and say, “Well, once you get this right here you are going to have this much interest…you are going to be in so much debt when you get finished.” —African American Female

My consolidated, my bachelor’s and my master’s, are roughly $90,000 with interest and everything. I have deferred, I’ve deferred, I’ve deferred. Now I am in forbearance, but after so long, no more forbearance; four years is it. So I had to do the income driven (payment). My first bill was $600 plus. I was like, that’s rent. I can’t pay that and my rent and live. So I had to call and do all the running around and everything…and get all that taken care of. But on my credit report, it has lowered my score. —African American Female

If I knew then what I know now, I would have sat down and actually went deeper….They will rip you off if you aren’t really paying attention. —African American Male
They gave me the max. I didn’t think, I don’t need this much money for this semester. So I got a refund check at the end of the semester. And I am thinking, this is free money. But at the end of the day, no – it tacks on to your loans….I’m a single mom. I’ve wanted my degree, I’ve always wanted it, I knew that was something I wanted to achieve. So the cost – through the student loans, which I owe a lot of money for – wasn’t as important at that point. Now that I have been done for several years and deferments and the interest is building, now I’m like, Oh my God. —African American Female

They weren’t great at advising. Plus I was a 20 year-old kid and my thoughts weren’t about when I am done how much am I going to be paying back? And now it’s a struggle to even pay my loans, I can’t even – I have two kids, I can barely afford anything. —White Female

I was, just go in, you are going to get this degree. Yay, just sign! I am doing it. I am doing it! I am going to school. That was my experience. And then you are like, what’s that on my credit report? And how can I fix that? Deferments, deferments, it got to the point where I lost my tax refunds. I was like, just take it [the tax refund]. —Multi-ethnic Female

Although they were the exception, a few borrowers were satisfied customers – the degree got them the credential they needed to move up at their workplace and they felt they had gotten a good education.

I work for the federal government in health care. And at the time I was having trouble getting jobs at a higher level, so I started to do my master’s degree. And at my facility, it doesn’t matter where your degree is from, as long as you have a degree you can move up. So in the middle of getting my master’s degree I was able to find another position…they saw me as at a higher level so I got promoted – think it was like a $20,000 raise. —White Female

I feel like no matter what, I feel I learned a lot from the University of Phoenix. —White Female, current student
Appendix 1: Screening Criteria

SCREENER: ORLANDO FOCUS GROUPS WITH FOR-PROFIT ATTENDEES

Name: \\
Cell Phone: \\
E-mail: \\
Address: \\
RECRUITER: \\

Total of 9 Groups to Recruit
Group A: African American
Group B: Hispanic
Group C: Completers (graduates/finishers of their program)
Group D: Non-Completers (attended but did not graduate)
Group E: Medical/Health Programs
Group F: All or Mostly Online Courses
Group G: Current Students
Group H: Military Veterans or Current Military
Group I: Cosmetology Programs

Hello. I’m ___________ calling from _______________. If you’re available, I’d like to ask you a few questions. [As needed:] The topic of discussion will be an issue facing the nation and the community. There is nothing for you to prepare – all you have to do is share your thoughts.

Q1. SEX [Looking for an even mix in each group but flexible on this.]
Female [ ]
Male [ ]

Q2. Did you continue your education past the high school level, or was high school the last school you attended?
Continued education past high school [ ] CONTINUE
High school was last school attended [ ] TERMINATE
Something else ________________ [ ] ASK FDR

Q3. Did you take out student loans or other financial debt to pay the cost of continuing your education, or not?
Yes, took out student loans or financial debt [ ] RECRUIT ALL
No, did not [ ] TERMINATE
Something else ________________ [ ] ASK FDR
Q4. What is the name of the school or schools you attended after high school?
[Check the list of for-profit colleges provided. If school is not on list, then terminate. If more than one school on list, then ask about each school in Q5 to determine which is most recent.]

<table>
<thead>
<tr>
<th>SCHOOL NAME ON LIST</th>
<th>[ ] RECRUIT ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANY OTHER SCHOOL NAME</td>
<td>[ ] TERMINATE</td>
</tr>
</tbody>
</table>

Q5. What years did you go to ______________________? ←INSERT name of school from Q4
[If more than one school on list, ask about all. To qualify, the dates attended must fit into either of the first 2 categories below. If more than one, call FDR and we’ll sort it out together.]

<table>
<thead>
<tr>
<th>Currently attending</th>
<th>[ ] RECRUIT FOR Group G-Current Students</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ONLY ASK Q6, Q10, Q12/SKIP Q7,Q8,Q8a,Q9,Q11,Q13</td>
</tr>
<tr>
<td>Attended between 2006 and 2015</td>
<td>[ ] RECRUIT FOR ALL OTHER GROUPS</td>
</tr>
<tr>
<td>Attended 2016 or 2017 (but not attending now)</td>
<td>[ ] TERMINATE</td>
</tr>
<tr>
<td>Attended in 2005 or earlier</td>
<td>[ ] TERMINATE</td>
</tr>
</tbody>
</table>

Q6. How old are you? ______
[Record actual age and mark category. Recruit a mix of ages for all groups.]

| 18-21 | [ ] |
| 22-29 | [ ] |
| 30-39 | [ ] |
| 40-49 | [ ] |
| 50-59 | [ ] |
| 60-69 | [ ] |
| 70+ | [ ] TERMINATE |

Q7. Was the school or program you attended designed to train you for a medical or health related job? (e.g., medical technician, a nursing assistant, physical rehab, EKG technician, medical billing or coding assistant)

| Yes, medical or health related | [ ] RECRUIT 12 for Group E |
| INSERT Name of program/field: ______________________________ |
| RN (Registered Nurse) | [ ] TERMINATE |
| PA (Physician Assistant) | [ ] TERMINATE |
| Similar sounding, not sure | [ ] ASK FDR |

Q7a. Was the school or program you attended designed to train you for a cosmetology certificate? (e.g., facials, hair, manicure/ pedicure, etc.)

| Yes, cosmetology related | [ ] RECRUIT 12 for Group I |
| INSERT Name of program/field: ______________________________ |
| No | | |
| Similar sounding, not sure | [ ] ASK FDR |

Q8. Was the school or program done mostly or completely online, about half online, or was it mostly or completely in-person?

| Mostly or completely online | [ ] RECRUIT Group F (mix of this category & one below=12) |
| About half online | [ ] RECRUIT Group F (mix of this category & one above=12) |
| Mostly or completely in person | [ ] RECRUIT FOR ALL OTHER GROUPS |
Q8a. What type of degree were you trying to get from this program: a certificate or credential, an Associate’s or 2-year degree, a Bachelor’s or 4-year degree, or something else? [Recruit a mix, no quotas.]
Certificate or credential [ ]
Associate’s or 2-year degree [ ]
Bachelor’s or 4-year degree [ ]
Something else _______________________

Q9. Did you receive a degree, certificate or diploma from this school, or not?
Yes, received a degree, certificate or diploma [ ] RECRUIT 12 for Group C
No, did not [ ] RECRUIT 12 for Group D

Q10. Which of the following best describes you – Are you:
White [ ] RECRUIT FOR ALL OTHER GROUPS
African American or black [ ] RECRUIT 12 for Group A
Hispanic [ ] RECRUIT 12 for Group B
Asian [ ] RECRUIT FOR ALL OTHER GROUPS
Something else ________________ [ ] ASK FDR

Q11. Are you a veteran or currently serving in the U.S. armed services, or not?
Yes, military veteran [ ] Recruit for Group H (mix of current + veteran=12)
Yes, currently serving [ ] Recruit for Group H (mix of current + veteran=12)
No, not military [ ] RECRUIT FOR ALL OTHER GROUPS

Q12. What is your current occupational status? Are you: [Collect information; no quotas; looking for a mix in each group.]
[ ] Working full time
[ ] Working part time
[ ] Homemaker
[ ] Retired
[ ] A full time student
[ ] Unemployed
[ ] [Something else______________________]

Q13. [ASK IF Q12 = “work full-time,” “work part-time,” “retired” or “unemployed”]
What do you do for a living? / What did you do for a living? [Record title/ description.]

CONFIRM DETAILS.
Appendix 2: Moderator’s Guide

Moderator’s Guide, For-Profit Attendees, Orlando (FL)

Warm-Up
Talk to us about how you see education and what you think it can do for a person. What has having an education beyond high school done for you?

Making the Choice
Think back to the time you started thinking that going on to get more school was something you might want to do. What sparked your interest? What got you thinking – this might be a good idea, to continue my education? What were you looking to get out of it?

People make decisions about things like choosing a school in different ways – how did you decide? PROBE:
- Did you carefully consider more than one school? Which ones? What swayed you towards one and not the others?
- Who did you talk to – family, friends, colleagues at work, other students? Whose opinion did you trust? Anyone advise you to be cautious of this school?
- What kind of research did you do about the school – Google? Reviews of the school? How did you find them?

How did the school show up on your radar in the first place? How did you hear about it?
What’s the first thing you remember hearing about the school? What kind of outreach did the school have? PROBE:
- Marketing materials, brochures
- Television, newspaper ads, billboards
- Online
- Friends & family, driving by, word of mouth

Who communicated with you? (someone who worked there, current students, alumni)? PROBE:
- Phone calls, recruiters
- Did you talk to a school representative or alumni or current student who said something good?

How would you describe the school’s marketing strategy?

What put this one into serious contention, what made you think – this should be the place? What was it that attracted you to that school, what did you see or hear that attracted you? Was convenience – such as location – a factor? Short time frame – get out fast? Focused program of study – the promise of a specific job at the end?

Did you pay any attention to the type of school it was – for-profit vs. private vs. public vs. religious? How much of a role did this play in your decision?

Do you remember having worries, reservations? What were they? How much pressure – if any – did you feel to act quickly or did the school advise you to take your time?
What did you imagine was going to happen for you and for your life? What did you see yourself doing after receiving your degree/certificate? (e.g.: get a job, a better job or promotion, additional education, start a business, relocate, start a family)

Can you remember what your expectations were? PROBE:
- Did you think you were going to get a job as soon as you got out? What made you think that?
- Did you have a sense of the kind of pay/salary to expect? What made you think that?
- Did you compare what this was going to cost you to what you were likely to make? Did you ever become concerned that the trade-off was not going to be worth it?
- Did you know whether you’d have to take a test to be certified in the profession of the program? At what point did you know that you’d have to take the test?

What Happened: Experience & Expectations at the School
Did you feel confident that you had the skills necessary to succeed in the program or did you have doubts?

Once you started taking classes, what did you think of the quality of the school? your fellow students? Do you remember thinking – this is great, this is where I should be, these people are headed for success? Or did you think differently?

How did you do? Did you finish or did you have a hard time or struggle in school? Why – what was going on? Did you finish in the time you expected? Were there things holding you back? PROBE:
- Was the course material hard or easy to handle? Did you realize this early or later? Did you look for help?
- Were the classes that you needed available?
- Were there financial challenges?
- Family issues?

How much do you feel that the school cared about your future? Once it got you in the door, how much effort did it make to get students to finish and graduate?

Did the school help you with:
- hands-on work
- guidance counseling
- career placement, connections to employers and business that hire

OK, you get out of the school. What was that like – how was it to look for work in the field you had been preparing for? How prepared were you for the job market – were you able to compete with people from other schools looking for the same kind of job? PROBE:
- If you had to take exams to be licensed in the field, how did it go?
- How about the skills you left with – did you feel your skills were where they needed to be?
- Did the school make a real effort to help get you a job you wanted? How did they help you?
- Did you get interviews? How did interviewers and potential employers react to your skills? What was their response when they saw what school you attended?
- How would you describe the job offers you got?
Bottom line: What were the results for you, for your life, for your economic situation? Was it what you were you hoping for/expecting? Do you think it was worth it?

In retrospect, do you think your career aspirations were realistic? Why or why not?

**Paying-Repaying School/Student Loans**

How did you pay for the school and for your living expenses while you attended? (e.g., Pell grants, federal student loans, private student loans, employer aid, GI benefits, money from friends and family, savings, work)

So you finish with the school and at some point you get your first bill to start paying off your loans – do you remember your reactions and thoughts at that moment?

So what’s your student debt number – how much are you on the hook for?

With student debt, we have been hearing a lot of different scenarios depending on the individual. So what’s your situation?

Has anyone paid it off completely? How? (Forgiven? Inheritance, gift?)
Anybody not paying at all – what is happening?
How many in deferment?
Has anyone had their wages or tax refund garnished?
Anybody in default?

For others, what does the repayment picture look like:

How are you paying it back – are you paying the same amount every month? Are you making progress in terms of paying it down – how far along are you?

How many of you have had experience with either Income Based Repayment plans – sometimes called IRBs – or Pay-As-You-Earn plans? Tell us about your experience. (Generally helpful or not? What were the benefits? The downsides? What made you decide it?)

**[IF NEEDED:]**

Income-Based Repayment – adjust your loan payments to your income, your income rises, your payment goes up, your income goes down so does your payment, apply annually.

Pay as you Earn – you can limit payments to 10% of your discretionary income (150% of federal poverty level), apply annually, forgiveness after 20 years.

Have you heard of public service loan forgiveness? (employer must be non-profit, e.g., charity or government job any level, e.g., teaching) 120 payments, while full time work.

How much trouble have you had – if any! – making your loan payments? What was going on? How did you resolve it? How far did it go – for example, were you ever contacted by a debt collector due to this loan? Do you expect to be able to repay your student loan(s) over the long term? If not, why not?

Where do you go for guidance about how to pay back your loans? How good or bad is the advice you have gotten?
What kind of effect have student loans had on your life thus far? For example, a financial constraint that stopped you from doing things like buy a home or car? Not able to get credit or a credit card? To take out another kind of loan for something else that you wanted?

How do you see your loan situation ending?

Did your experience paying back student loans change your attitude about the school? About education in general? If you were doing it again, would you do things differently?

**Taking out the Loans**
Looking back, how good of an understanding did you have of what you were getting into in terms of the debt you were taking on? How would you describe what you knew about your student loans or how you would repay them? Would you say you were active about finding out information about student loans, that you took a real interest in it? Or was it one of those things – I want to go to school, this is how people pay for furthering their education, sign on the dotted line?

Can you talk about the school and the process of taking out the loans – how was the school involved, what they told you about borrowing, what guidance you got? PROBE:

- How did you decide how much to borrow for school? Who counseled you on that decision?
- Did you feel comfortable borrowing as much as you did? Why or why not?
- Were you worried at any point about taking on debt to pay for your school?
- Did the school try to present to you the costs of the program and the financing options clearly? Was the school clear with you about the debt you were taking on or do you think it was downplaying it?
- Is it conceivable that you would have ended up signing for the loan regardless if the amount was $5K, or $20K or $50K -- or would you have sat up and said, wait a minute, this is too much, I’m walking away?

Were you ever told you couldn’t borrow anymore because you had reached a borrowing limit? [IF YES:] What did you do when you reached that limit? What information did you get, and from whom, about what to do?

What advice would you give someone who is about to go to school and take out student loans? What should they be paying attention to? Maybe you would advise them to steer clear of student loans altogether?

How has your approach to handling money and loans in general changed as a result of your experience?

Can anyone compare their experience with this for-profit school to their experience with other schools – compare them in terms of what you got out of them? How about in terms of taking on debt?

If you were giving some advice to someone thinking about a for-profit school what would you tell them? And knowing what you know now, would you yourself have done something different?

**Let’s Talk about What to Do**
Do you think this is a widespread or narrow problem – that too many people going to for-profit schools end up owing too much or not getting the kind of career boost they were looking for, or is it just the people in this room?

So think about it from your perspective, the student borrower. What would have helped you – and others? What approaches to dealing with the problem can we come up with?

People are always talking about the need for better information and better financial education – to make the buyer into an informed consumers who is more aware of choices and costs. Was that the real problem – a lack of information? Would you really have acted and chosen differently if you had more information? (PROBE: the difference between knowledge/information and wisdom borne of experience.)

Can we take this on: There’s a rationale for government subsidizing or making available student loans to everyone who is accepted to school – it helps people reach middle class, improves U.S. worker quality and productivity, gives people the benefit of access to college when they can’t afford it. On the other hand, the amount of student debt is going through the roof. Higher than credit card debt, higher than car loans.

Here are some ideas for solving the problem. What do you think – generally good idea or bad idea? Why?

- The shopping sheet: require the school to give you a sheet showing the total costs (tuition, housing, books, etc.), show the grants and scholarships (Pell grant), what you will pay, and the loans you would take out.
- Lend to students who show they can pay it back or have a good credit score already – be better stewards of public tax money, and lend less to those who are struggling.
- Lend to students according to the expected pay/salary that the job promises when you finish the program. Debt to income ratio – we don’t want you graduating with big debt for a job that will pay a low amount.
- No longer make federal loans and grants available for attending schools with poor graduation and retention rates – if too many students withdraw, or fail to get a certificate, the school becomes ineligible.
- Make it illegal to pay recruiters commission or incentives when they bring in students. Crack down when schools encourage and guide students to maximize their financial aid eligibility.
- Right now, a school can receive up to 90% of its revenue from the federal government – the assumption is that a school relying that much on federal loans is not an organization that can succeed on its own. What if the percentage was lower?
About the FDR Group

The FDR Group is a full-service, nonpartisan public opinion research company with a mission to help foundations and other nonprofits understand how the general public and other key groups feel about their initiatives. Our expertise is in conducting surveys, focus groups, and program evaluations. Since establishing in 2005, we’ve been research partners with 30+ organizations (all but two are nonprofit) and we’re proud to say that virtually all have returned as repeat clients. Thanks to their word of mouth about our work, the FDR Group has thrived for 12 years.

Ann M. Duffett, Ph.D.

Co-founder and principal of the FDR Group, Ann has been conducting public opinion research since 1994. She started her career in survey research at Louis Harris and Associates, where she conducted both public and proprietary opinion research on health care, public education, women’s issues, and youth violence. She moved on to Public Agenda rising to the level of Senior Vice President and leading dozens of quantitative and qualitative opinion studies on social policy issues. In 2005 she ventured out to co-found the FDR Group, where she gets to do the research work she loves for organizations she cares about. She holds a Ph.D. in sociology from CUNY Graduate Center. Her dissertation, Fathers Who Mother: A Study of Stay-at-Home Fathers in Contemporary American Families, explores the issues of gender, work-family balance, parenting, and child care. She has an M.P.A. from San Francisco State University and a B.A. in Communications and Elementary Education from Iona College.

Steve Farkas

Prior to co-founding the FDR Group, Steve was Director of Research at Public Agenda, a nonprofit and nonpartisan think tank, from 1992 to 2004. Originally planning a career in political consulting, he began with a short stint as a Senior Research Analyst at Penn + Schoen, Inc., in 1990. Steve is the principal author of over 100 major opinion studies on a range of issues from public education, families, poverty and immigration, to social security, crime, and foreign policy. His expertise lies in crafting original questionnaires, employing advanced statistical techniques, and moderating focus groups. On education alone he has conducted hundreds of focus group discussions with teachers, students, parents, and administrators. He has appeared dozens of times on CNN, NPR, CBS, ABC, and others. He earned his B.A. from New York University, and his M.A. and M. Phil. from Columbia University's Department of Political Science. At Columbia, Steve received a MacArthur Pre-Dissertation Fellowship. He continues his affiliation with Public Agenda as a Senior Research Fellow.

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