Parallel Credentialing
About Me…

- Background in non-profits and public policy.
- Masters “thesis” helping a consortium of MA community colleges develop an online learning financial model.
- Founded SMARTHINKING in 1999
- Founded StraighterLine in 2008
Recent Studies

- Over 1/3 of all students transfer (Feb., 2012)
- Over 1/3 of all students took at least one online course in 2009.
- Online students are more successful when taking one or two classes to start (Feb. 2012)
- Average student debt has grown by 3x over last 20 years.
- 93% of colleges charge the same or more for online courses (WICHE 2012)
## Course Delivery Is Really Cheap

<table>
<thead>
<tr>
<th>Institution/Course</th>
<th>Cost Per Course</th>
<th>Non-Resident Tuition and Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frostburg State University/Intro. Psych</td>
<td>$25</td>
<td>$1,688</td>
</tr>
<tr>
<td>University of Alabama/Intermediate Math</td>
<td>$82</td>
<td>$2,680</td>
</tr>
<tr>
<td>Average NCAT Institutions/Gen Ed Course</td>
<td>$111</td>
<td>$1,854</td>
</tr>
<tr>
<td>Typical Adjunct Taught ($3K/30 student)</td>
<td>$100</td>
<td>$1,000 - $2,000</td>
</tr>
</tbody>
</table>
Why Persistently High Prices?

Subsidy
- State allocation
- Federal student grants/subsidized loans
- Favorable tax status
- Tax preferred plans

Accredited Colleges
- Only degrees can be accredited, not courses
- Accreditation measures inputs, not outcomes
- Colleges set own, subjective articulation policies
- Accrediting agencies are staffed and financed by colleges

Competitive Barriers
- Colleges cannot easily be “disaggregated”
- Colleges must look similar to each other
- Standards set and enforced by those that would be undermined by changes
Out-of-Pocket Spending
Different Buying Behavior
Exponentially More Choices

Can I repay the debt?
Can I get a job?

What am I learning?

Tuition
Student Funding Sources

Market Change
Parallel Credentials

“College”

- General Education Courses (StraighterLine)
- Prior Learning Assessment (Learning Counts, KNEXT)
- MOCC’s (Udacity, Coursera)
- Badges (Mozilla)
- Exams (CLEP, MITx)

MITx  MIT’s new online learning initiative

Mozilla OPEN BADGES

ETS
Straighterline

- Provides affordable, well-supported, flexible online general education college courses and helps colleges recruit new students.

- Courses cost $399 per course, 10 courses for $999 or $99 per month + $39 per course started. Almost 90% sign up for the subscription.

- Expect to enroll nearly 5,000 students this school year. So far, 50 states and 25 countries. 62% successful completion rate.

- College Algebra, Composition I and Pre-calculus are the most popular.

**Students select single courses**

**Students successfully complete a series of rigorous assessments and receive a final grade**

**Students choose and are admitted to partner college or use ACE Credit**

**Course Advisor forwards student records to partner college**

**Partner college awards credits for the coursework**
Value To The Student

**High Quality Courses**
- Courses by recognized content providers
- Designed by college professors.

**Total Flexibility**
- Start/Stop whenever--up to 6 months of access
- No Set Due Dates

**Individualized Support**
- On-demand educational support
- Personal Course Advisor

**Affordable/Less Risk**
- Price and subscription keeps student financial risk low.
- Textbooks chosen to allow “e” and used book options.

**Real College Credit**
- Actual Credit Granted by a Regionally Accredited Partner College or ACE school.

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straighterline
Value To A Partner College

More Students
- After StraighterLine, a student will need to complete the majority of his or her degree.

More Valuable Students
- These students are very likely to persist.
- They will likely be out-of-state and using distance education.

Referral Partner
- Colleges refer students that they cannot serve to StraighterLine. Students can receive a discount or the college can receive a fee.
Value To An Employer

**Spend Smarter**
- Savings of up to 90% or more
- Expand or maintain educational benefits at a radically lower spend than current programs
- More predictive, lower cost, greater convenience

**Find Better Employees**
- Identify and attract qualified non-managerial employees/those with necessary critical thinking skills crucial for success in the workplace

**Keep Better Employees**
- Key employee loyalty and retention tool
- Identify “best bets” for additional education investment at the lowest possible risk
Articulation Partners
More than 275 colleges...

A & M UNIVERSITY
Allan Hancock College
American College of Applied Science
American Jewish University
American Military University
American Public University
Anne Arundel Community College
Atlantic Union College
Austin Peay State University
Aviator College
Azusa Pacific University
Babson College
Bauder College
Belhaven University
Bergen Community College
Berkshire Community College
Bethany College – Bethany, WV
Big Sandy Community and Technical College
Blackhawk Technical College
Bluefield State University
Brevard College
Broward College
Bryan College
Bucks County Community College
Cabarrus College
California State University -- Dominguez Hills
California State University Los Angeles
California State University, Chico
California State University, Northridge
California State University, San Bernardino
California University of PA
Chaminade University of Honolulu
Chattanooga State Community College
Christ Hospital
Christ Hospital School of Radiography
City College of New York
CIU Technology Incubation Center – India
Clark College (WA)
College of Lake County (IL)
College of the Desert, Palm Desert, CA
College of the Sequoias
Colorado Christian University
Columbia College
Columbia University
Community College of Aurora CO
Concordia University Wisconsin
County College of Morris
CSU Chico
Culinary Institute of American
CUNY – The City College of New York
CUNY/UAPC
CUYAHOGA COMMUNITY COLLEGE
Daytona State College
Denver School of Nursing
Diablo Valley San Ramon – San Ramon, CA
Dillard University
Eastern Maine Community College
Eastern New Mexico University
Edinboro University
El Camino College
El Monte–Rosemead Adult School
Embry Riddle
Fashion Institute of Technology – NY, NY
Finlandia University
Florida Gulf Coast University
Florida State College of Jacksonville
Fort Hays State University
Fort Lewis College
Fort Scott Community College
Fortis College
Fountain Valley School of Colorado
Franklin University
Frederick Community College
George Fox University
George Washington University
Georgetown University
Goldfarb School of Nursing
Goodwin College
Grambling State University
Grand Canyon University
Great Lakes Institute of Medical Technology
Great Lakes Institute of Technology
Gwinnett Technical College
Hagerstown Community College
Hampton University School Of Pharmacy
Harding university
Hesser college
Holmes Community College
Hopkinsville Community College
Houston Community College – Houston, TX
Howard University
Humboldt State University
Husson University
Idaho State University
IERF
Indiana State University
International Consultants of Delaware, PA
Iowa State University
Ivy Tech Community College
Jerusalem College of Technology
Johns Hopkins University
Johnson Bible College
Kaiser Health Allied
Kansas State University
KS1 Graduate School, Chicago
Lancaster Bible College
StraighterLine Study

Academic Rigor
StraighterLine vs. Other Ways of Earning College Credit

- CLEP (n=58)
  - StraighterLine More Rigorous: 41.4%
  - Equally Rigorous: 48.3%
  - Alternative More Rigorous: 10.3%

- Non-University Course (n=51)
  - StraighterLine More Rigorous: 37.3%
  - Equally Rigorous: 56.9%
  - Alternative More Rigorous: 5.9%

- Community College (n=67)
  - StraighterLine More Rigorous: 25.4%
  - Equally Rigorous: 53.7%
  - Alternative More Rigorous: 20.9%

- Online University/College Course (n=82)
  - StraighterLine More Rigorous: 23.2%
  - Equally Rigorous: 56.1%
  - Alternative More Rigorous: 20.7%

- College/University (n=83)
  - StraighterLine More Rigorous: 8.4%
  - Equally Rigorous: 54.2%
  - Alternative More Rigorous: 37.3%
Next…

- “Build Your Own Course” Coming Fall 2012.
- More Partner Colleges.
- Inclusion in 10+ TAP Programs By 2012.
- Outreach to state policymakers around articulation.
- Continued interest from media about price, debt, completion.
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