

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

IN RE:

ITT EDUCATIONAL SERVICES, INC., et
al.,

Debtors.

Chapter 7

Case No. 16-07207-JMC-7A

Jointly Administered

JORGE VILLALBA, JAMES ERIC
BREWER, JOSHUA CAHILL, JUAN
HINCAPIE, and CHERYL HOUSE, on their
own behalf and on behalf of all other persons
similarly situated,

Plaintiffs,

v.

ITT EDUCATIONAL SERVICES, INC., et
al.,

Defendants.

Adv. Pro. No. 17- _____

DECLARATION OF TOBY MERRILL

I, Toby Merrill, make this affidavit in support of the foregoing Class Complaint against
ITT Educational Services, Inc., et al.

1. I am an attorney at the Legal Services Center of Harvard Law School, where I am
the Director of the Project on Predatory Student Lending.

2. I submit this affidavit to place before the Court testimony and records received by
my office from former ITT employees and others who are familiar with ITT's business practices.

3. Attached as Exhibit 1 is a true and correct copy of an affidavit executed in support
of this action by Jennifer Cody, including attachments. Ms. Cody began working at ITT in 2008

promoted to Bessemer campus director of financial aid, holding that position until she left ITT in 2011. Attached to Ms. Cody's affidavit are six copies of e-mails that she received while employed at ITT.

4. Attached as Exhibit 2 is a true and correct copy of an affidavit executed in support of this action by Rodney Lipscomb. Mr. Lipscomb was dean of academic affairs at ITT's Tallahassee, Florida, campus from on or about April 4, 2011, through on or about January 28, 2015.

5. Attached as Exhibit 3 is a true and correct copy of an affidavit executed in support of this action by Dawn Lueck. Ms. Lueck began working at ITT's Henderson, Nevada, campus in 1999 as a receptionist. She was promoted to a financial aid administrator that same year. In 2000, Ms. Lueck enrolled as a student, graduating with an associate degree in 2002. In 2002, Ms. Lueck began working at ITT's corporate office in Carmel, Indiana, as a student loan refund coordinator. In 2003, Ms. Lueck moved to ITT's Murray, Utah campus, where she began working as a financial aid administrator, and was promoted to director of finance in 2006. In 2007, Ms. Lueck moved to ITT's new Phoenix, Arizona campus to set up their financial aid department, and was employed there until she left ITT in 2009.

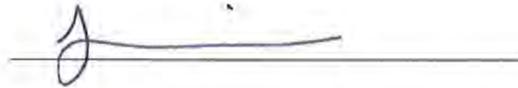
6. Attached as Exhibit 4 is a true and correct copy of an affidavit executed in support of this action by Rick Bueche. Mr. Bueche worked in the Admissions Department at ITT's Baton Rouge, Louisiana, campus from April 2010 to February 2014.

7. Attached as Exhibit 5 is a true and correct copy of an affidavit executed in support of this action by Carrie Wofford, including attachments. Ms. Wofford is the president of Veterans Education Success, a non-profit she founded in February 2013 to protect and defend the integrity and promise of the GI Bill and other federal education programs for veterans and

servicemembers. Prior to founding Veterans Education Success, she was Senior Committee Counsel on the U.S. Senate Committee on Health, Education, Labor & Pensions.

8. Attached to Ms. Wofford's affidavit are copies of emails with attachments to those emails that she received from anonymous sources with ties to ITT.

Signed under the pains and penalties of perjury in Boston, Massachusetts this 3rd day of January, 2017.

A handwritten signature in blue ink, appearing to be 'Toby Merrill', is written over a horizontal line. The signature is stylized and cursive.

Toby Merrill

Exhibit 1

I, Jennifer K. Cody, hereby attest:

1. I have worked in the financial aid field for over fifteen years, at vocational and technical schools as well as at the University of Alabama at Birmingham.

2. I began working at ITT Tech's Bessemer, Alabama, campus as a Financial Aid Coordinator in February, 2008.

3. I was promoted to Director of Financial Aid for the Bessemer campus in 2011. I served in this position until November 2011, when I left ITT.

4. As Director of Financial Aid, I reported directly to the campus President, who in turn reported directly to the District Manager.

5. ITT was divided into regions, or districts: Central, MAD, MidWest, No Central, No East, No West, Ohio Valley, Online, So Atlantic, So Central, So East, Southern, So Cal, and So West.

6. ITT was headquartered in Indiana. The corporate headquarters, or HQ, exerted a great degree of control over the staff at my and other ITT campuses.

7. HQ dictated policies and procedures for the operations of all ITT campuses. Additionally, HQ designed and implemented an incentive system that was obsessively focused on metrics, from student enrollment, re-enrollment to financial aid, including initial packaging and "re-packaging" of students.

8. Every single staff person in every department was evaluated on a point system, even librarians and receptionists. This point system was used to determine the retention, promotion, and compensation of staff.

9. In the financial aid department, the point system primarily measured staff's success in getting students "processed" or "packaged" for financial aid. Financial aid staff with enough points were entitled to a bonus. Each staff member had a different number they had to

reach in order to get a bonus, depending on data about their past performance and expected performance at that campus.

10. HQ closely monitored the progress of packaging and repackaging at every campus. Every Monday morning financial aid staff were emailed spreadsheets containing information about student accounts that had to be “corrected” or completed.

11. When I became Financial Aid Director, I was in frequent contact with HQ, as much as twice per week during peak periods around the start of each quarter.

12. The incentive point system created a high pressure environment that was extremely unpleasant to work in. Managers penalized and publicly embarrassed staff members who were not meeting their numbers. Managers would call frequent meetings, sometimes multiple times a day, to keep the pressure up. Firings were frequent. There was more turnover at ITT than at any place I have ever worked.

13. The system also encouraged rampant corner-cutting and outright fraud on the part of staff members.

14. My fellow financial aid employees and myself would cut corners under pressure from our higher ups. For example, if a student did not come in for an appointment with financial aid, it was common for financial aid staff to fill out the forms and e-sign on behalf of the student, without their knowledge. This would also happen for parent borrowers.

15. When students or parents complained about the loan process, or about having loans they were not aware of, their complaints were brushed under the rug, even by supervisors.

16. Supervisors also received bonuses based on campus enrollments and financial aid packaging, so they had an incentive to do all they could to look the other way when fraud was occurring, and to quell complaints.

17. In one instance, I brought a stack of papers to Allen Rice, who was Campus Director at the time. The papers showed that the financial aid office was making mistakes and even committing fraud with respect to student accounts. His response was unconcerned, and he advised me that so long as we didn't get caught, everything was fine.

18. Allen Rice was subsequently promoted to District Manager.

19. As Financial Aid Director, I attempted to stop the practice of financial aid representatives signing forms on behalf of students. The Campus President at the time, John Schuman, blocked my efforts because it would slow things down too much.

20. John Schuman and I had conflict over this and other instances in which I raised concerns about ITT's noncompliance with financial aid rule and regulations.

21. I was let go from my position in November 2011. The formal explanation was "corporate restructuring," but I believe that I was fired for speaking up.

22. I attempted to raise my concerns about ITT to the United States Department of Education. In August, 2010, I forwarded approximately two dozen emails to the Department's Office of Inspector General, along with detailed descriptions of wrongdoing at my campus.

23. About a year later, I received a phone call while at work at ITT, responding to my emails.

24. I eventually spoke with someone at the local regional office of the Office of Inspector General. His name was Jose. I learned that he had not received copies of the information I had already forwarded due to a bureaucratic failure, so I resent them.

25. I did not hear back from Jose, despite repeated attempts at contacting him. Eventually I learned that he had been promoted and was no longer working on my case, and nobody else at the office had any information about it.

26. I decided that it was futile to continue pressing the issue.

27. I am submitting this affidavit in support of the student claimants in the ITT bankruptcy because I believe that ITT was a fraudulent business.

28. Attached to this affidavit are true and correct copies of emails that I received in my capacity as Financial Aid Coordinator or Financial Aid Director at ITT:

- a. **Exhibit A** is an email sent to me and others by Director of Finance, Jeffrey Popovnak on April 5, 2010, with the subject “Weekly Reports—PLEASE READ THIS ENTIRE EMAIL.” This email shows that the Campus President, Directors, and Deans were holding a quarterly District Operations Review meeting, attended by Barry Simich, Senior VP of Operations. The email also addresses temporary credits: Popovnak sends a report of “Active Students with Credit Balance” report “to catch standing balances before the June repack.” Further, “Next week we *must* resume our 1-on-1 student A/R review meetings. A/R has become a major focus of HQ[.] Most of our students’ TC balances should be moved to ELFCU or PEAKS, provided that they qualify.”
- b. **Exhibit B** is an email sent to me and others by Director of Finance, Jeffrey Popovnak on April 23, 2010, with the subject “Bessemer PEAKS Approval Info as of 04/15/2010.” This email concerns the PEAKS loan program. Popovnak directs financial aid workers that they will “need to research any unapproved loans” on the PEAKS status report. Of 94 student borrowers, 53 had been approved and 41 denied. Reasons for loans not being approved include incomplete borrower or school information (13), application on hold (12), or rejected by lender (16). “Of the 16 loans rejected by the lender, 4 students were

rejected with acceptable credit and 12 students were rejected due to having bad credit. We cannot move forward on these particular loans unless HQ notifies us otherwise.”

- c. **Exhibit C** is an email sent to me and others by Director of Finance, Jeffrey Popovnak on April 23, 2010, with the subject “June Repack Status v. HQ.” This email discusses variances between the Department’s tracking spreadsheet and HQ’s “tracking report.” Popovnak indicated specific individuals who needed follow up, and advising, “If EVERYTHING concerning repack has not been done in Smart Forms, then the repack is incomplete. DO NOT mark students as completed on our tracking sheet if they have open items in Smart Forms,” as they will not meet the “company definition” of “packaged.” Additionally, Popovnak reminds financial aid workers of their quotas: “As of Monday, 04/26, you will have (4) weeks to reach a 90% repack rate for your students. If you are not already approaching 50% then you have a lot of work to do. You must complete anywhere from 2 to 6 repacks per week to keep pace. To date Tamika is leading the team in repacks completed, as she most often does. Tamika is showing the Team the way to success; for those of you who are struggling with your repack progress, you might want to ask her what she is doing well and adopt those processes.”
- d. **Exhibit D** is an email sent to me and others by Director of Finance, Jeffrey Popovnak on May 3, 2010, with the subject “FW: Active AR Student Analysis Spreadsheet (Finance Q Drive).” This email shows Propovnak reminding financial aid counselors to update information about PEAKS loan conversion,

because Allen Rice (District Manager) “wants the information for his district calls.” He further explains the impetus for the urgency: “As a company we have hundreds of millions of dollars available to our students via PEAKS funding, and we have used very little of it to date. This is a problem in the eyes of HQ. This is a problem in the eyes of HQ. As I’ve mentioned previously, we have historically waited until a repack to roll balances into private loans, but HQ wants TC of our books now, so we cannot wait until September and future repacks to address our TC balances. We’ve got to develop a timeline for bringing your students back into FA quickly to convert their TC into private loans.” Popovnak directs financial aid counselors on the pitch to students that the loans are mandatory: “The primary advantages of PEAKS to your students include a new source for private lending - which is scarce in this economy, and funding that qualifies for the six-month grace period that is associated with all education loans. Yes it will have interest based upon the students' credit, but students must apply and accept the loan regardless, unless they are denied outright. Temporary Credit is/was only a temporary solution, and that has always been the underlying premise.”

- e. **Exhibit E** is an email sent to me and others by Allen Rice, Campus President on May 17, 2010, with the subject “FW: National Averages – Packaging.” This email is a forward from “Susan Mangus at HQ” to all Directors of Finance, copying College Directors and District Managers, ranking each campus nationally by their percentage of repackaging. Mangus’s email continues, “The key is follow up. A Packaged student has a higher rate of starting. So follow your perspective [sic]

students all the way through the process!” Allen’s message to his financial aid staff is “118th???? We’re better than that.”

- f. **Exhibit F** is an email sent by me to John Schuman, Campus President, and copied to others on February 17, 2011, with the subject “Student Dylan Martin.” This email raises concerns about the handling of a particular student’s financial aid account. The student had an \$11,000 balance on his account because ITT had not billed his Prepaid Affordable College Tuition Program (an Alabama Program), but the balance was preventing him from continuing his education. Other financial aid counselors were reluctant to share his file. It was also clear that ITT had applied for a Parent Plus loan on behalf of his mother, without her knowledge.

I certify under pain of perjury that the foregoing is true and correct to the best of my knowledge.

Signed: Jennifer K. Cody
Jennifer K. Cody

Date: 12-25-2016

County of Madison

State of Alabama

EXHIBIT A

Subject: FW: Fw: Weekly Reports - PLEASE READ THIS ENTIRE EMAIL -
Attachments: Pell 2 Report_040510.pdf; Jun 2010 Repacks as of 040510.pdf; Selfpay Tracking Report_040510.pdf; ASR Complete Packaging Report_Mar_040510_09-10 Pell.pdf; ASR Complete Packaging Report_Jun_040510_10-11 Pell.pdf; Fin_Student_Balance_040510.pdf

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Tuesday, August 10, 2010 8:44 PM
Subject: FW: Weekly Reports - PLEASE READ THIS ENTIRE EMAIL -

Jennifer K. Cody

ITT Technical Institute
Financial Aid Coordinator
6270 Park South Drive
Bessemer AL 35022
phone: [205-497-5729](tel:205-497-5729)
email: jkcody@itt-tech.edu
fax: [205-497-5799](tel:205-497-5799)

From: Jeffrey Popovnak at 082
Sent: Monday, April 05, 2010 12:13 PM
To: Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Subject: Weekly Reports - PLEASE READ THIS ENTIRE EMAIL -

Hope you all enjoyed the Easter holiday.

I've included the March ASR Complete packaging report as well as the June report. I'll be assigning the "unclaimed" June prospects to FACs based upon the existing Rep partnerships.

I've also revised the "Active Students With Credit Balance" report to catch standing balances for the June repack (run for 3rd, 6th & 8th quarters).

Our district meeting (DOFs & DORs) is scheduled for Wednesday and Thursday of this week, so I'll be on campus but in meetings most of the time on these days.

Next Thursday, Allen, Directors, Deans & possibly our Chairs be holding a quarterly District Operations Review meeting here with a Senior VP of Operations, Barry Simich. Barry plans to hold a town meeting on that day following our OR; more info on the town hall meeting time & place to follow. I would encourage all of you to take this rare opportunity to ask Barry questions that you may have, such as how pending changes in the DOE's Title IV funding program may affect ITT and our students.

Next week we *must* resume our 1-on-1 student A/R review meetings. A/R has become a major focus of HQ, and our current active AR is projected at \$1.9 Million – among the highest schools in the country!!! Most of our students' TC balances should be moved to ELFCU or PEAKS, provided that they qualify. I'll send out the report that we'll be using later this week, once I've had the chance to review it.

Jeffrey J. Popovnak, M.B.A.

Director of Finance

6270 Park South Drive

Bessemer, AL 35022

Ph. [\(205\) 497-5750](tel:(205)497-5750)

Fx. [\(205\) 497-5799](tel:(205)497-5799)

EXHIBIT B

Subject: FW: Fw: Bessemer PEAKS Approval Info As of 04/15/2010
Attachments: 20100422170233964.pdf

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Thursday, June 24, 2010 12:48 AM
Subject: FW: Bessemer PEAKS Approval Info As of 04/15/2010

Jennifer K. Cody
Financial Aid Coordinator
ITT Technical Institute
6270 Park South Drive
Bessemer, AL 35022
Phone: [205-497-5700](tel:205-497-5700)
Fax: [205-497-5799](tel:205-497-5799)
Email: jkcody@itt-tech.edu

From: Jeffrey Popovnak at 082
Sent: Friday, April 23, 2010 9:34 AM
To: Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Cc: Allen Rice at HQ
Subject: Bessemer PEAKS Approval Info As of 04/15/2010

Team,

Please review carefully the attached PEAKS loan status report for your students. You will find a listing of loan & application status codes on the last page. You'll need to research any unapproved loans which are listed with (1) the Loan Status codes MD or H, and (2) the App Credit codes AC or AG. These denied loans represent approximately \$168K in potential student funding. In most cases, a phone call to AGI should reveal what action(s) must be taken by you or the student in order to expedite approval and funding. If the student that initially applied for this funding has dropped and no longer needs it, their loans should be canceled (status LC or LT).

PEAKS Loan Approval Breakdown:

Total student borrowers – 94 / \$786,057
Total borrowers approved – 53 / \$474,830 (57%)
Total borrowers denied – 41 / \$311,227

Reasons Loans Have Not Been Approved:

Awaiting borrower or school information (Code MD) – 13
Application on hold (Code H) – 12
Rejected by lender (Code RL) – 16***

***Of the 16 loans rejected by the lender, 4 students were rejected with acceptable credit (GC) and 12

students were rejected due to having bad credit (DL). We cannot move forward on these particular loans unless HQ notifies us otherwise (as they did for Joshua Copeland).

Please see me with questions on your students' PEAKS loans.

Thanks

ITT Technical Institute ITT
Jeffrey J. Popovnak, M.B.A.
Director of Finance
6270 Park South Drive
Bessemer, AL 35022
Ph. [\(205\) 497-5750](tel:(205)497-5750)
Fx. [\(205\) 497-5799](tel:(205)497-5799)

EXHIBIT C

Subject: FW: Fw: June Repack Status vs. HQ

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Thursday, June 24, 2010 12:46 AM
Subject: FW: June Repack Status vs. HQ

Jennifer K. Cody
Financial Aid Coordinator
ITT Technical Institute
6270 Park South Drive
Bessemer, AL 35022
Phone: [205-497-5700](tel:205-497-5700)
Fax: [205-497-5799](tel:205-497-5799)
Email: jkcody@itt-tech.edu

From: Jeffrey Popovnak at 082
Sent: Friday, April 23, 2010 9:04 AM
To: Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Cc: Allen Rice at HQ
Subject: June Repack Status vs. HQ

Team,

You will notice that I've updated our June Repack tracking spreadsheet as compared to HQ's tracking report. For those students showing repacked as of 04/19 according to HQ, I've bolded the student info and have keyed "HQ" to the left of their names. I am researching any discrepancies between our tracking tool and HQ's tracking tool as they have us @ 13.54% as of 04/19 and I reported us as being at 17%. Here are a few issues uncovered so far:

Nadine Christon #09688591 was marked repacked on our tracking sheet but the CSPA has not been signed and the FAC checklist is incomplete. NOT REPACKED

Shannon Clark had no June '10 Repack link so the repack was completed under the March '10 link. REPACK COMPLETE BUT NOT CAPTURED BY HQ (I have updated ASR to reflect the repack as complete)

Joshua Copeland #09363175 was marked repacked on our sheet but the CSPA has not been signed and the FAC checklist is incomplete. NOT REPACKED

Steven Davis #04598771 was marked repacked on our sheet but the CSPA has not been signed and the FAC checklist is incomplete. NOT REPACKED

I will continue on auditing the repack list alphabetically. Be advised: If EVERYTHING concerning a repack has not been done in Smart Forms, then the repack is incomplete. DO NOT mark students as

completed on our tracking sheet if they have open items in Smart Forms (handbook acknowledgements, e-signatures, credit authorizations, mismatched ISIRs, incomplete FAC Checklists, etc.) The company definition of a "Packaged" student still applies to Repack students within Smart Forms.

As of Monday, 04/26, you will have (4) weeks to reach a 90% repack rate for your students. If you are not already approaching 50% then you have a lot of work to do. You must complete anywhere from 2 to 6 repacks per week to keep pace. To date Tamika is leading the team in repacks completed, as she most often does. Tamika is showing the Team the way to success; for those of you who are struggling with your repack progress, you might want to ask her what she is doing well and adopt those processes.

Keep pushing, and be accurate in your reporting of completed repacks.

Thanks

ITT Technical Institute ITT
Jeffrey J. Popovnak, M.B.A.
Director of Finance
6270 Park South Drive
Bessemer, AL 35022
Ph. [\(205\) 497-5750](tel:(205)497-5750)
Fx. [\(205\) 497-5799](tel:(205)497-5799)

EXHIBIT D

Subject: FW: Fw: Active AR Student Analysis Spreadsheet (Finance Q Drive)

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Thursday, June 24, 2010 12:40 AM
Subject: FW: Active AR Student Analysis Spreadsheet (Finance Q Drive)

Jennifer K. Cody
Financial Aid Coordinator
ITT Technical Institute
6270 Park South Drive
Bessemer, AL 35022
Phone: [205-497-5700](tel:205-497-5700)
Fax: [205-497-5799](tel:205-497-5799)
Email: jkcody@itt-tech.edu

From: Jeffrey Popovnak at 082
Sent: Monday, May 03, 2010 9:14 AM
To: Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Subject: FW: Active AR Student Analysis Spreadsheet (Finance Q Drive)

Just a reminder – need this info to be updated today, if you've not done so already.

Thanks

ITT Technical Institute ITT
Jeffrey J. Popovnak, M.B.A.
Director of Finance
6270 Park South Drive
Bessemer, AL 35022
Ph. [\(205\) 497-5750](tel:205-497-5750)
Fx. [\(205\) 497-5799](tel:205-497-5799)

From: Jeffrey Popovnak at 082
Sent: Friday, April 30, 2010 9:39 AM
To: Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Cc: Allen Rice at HQ
Subject: Active AR Student Analysis Spreadsheet (Finance Q Drive)

I see where at least some of you have updated the subject spreadsheet with info for your students with TC (highlighted in pink) – thank you. For those of you who have not done this yet, you must key in your updates before Tuesday as Allen wants the information for his district calls.

As a company we have hundreds of millions of dollars available to our students via PEAKS funding,

and we have used very little of it to date. This is a problem in the eyes of HQ. As I've mentioned previously, we have historically waited until a repack to roll balances into private loans, but HQ wants TC off our books now, so we cannot wait until September and future repacks to address our TC balances. We've got to develop a timeline for bringing your students back into FA quickly to convert their TC into private loans.

The primary advantages of PEAKS to your students include a new source for private lending - which is scarce in this economy, and funding that qualifies for the six-month grace period that is associated with all education loans. Yes it will have interest based upon the students' credit, but students must apply and accept the loan regardless, unless they are denied outright. Temporary Credit is/was only a temporary solution, and that has always been the underlying premise.

That being said, please key in the appropriate info for your students today or on Monday at the latest.

Thanks

ITT Technical Institute ITT
Jeffrey J. Popovnak, M.B.A.
Director of Finance
6270 Park South Drive
Bessemer, AL 35022
Ph. [\(205\) 497-5750](tel:(205)497-5750)
Fx. [\(205\) 497-5799](tel:(205)497-5799)

EXHIBIT E

Subject: FW: Fw: National Averages - Packaging
Attachments: June 2010 Packaging.xls

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Tuesday, August 10, 2010 8:40 PM
Subject: FW: National Averages - Packaging

Jennifer K. Cody
ITT Technical Institute
Financial Aid Coordinator
6270 Park South Drive
Bessemer AL 35022
phone: [205-497-5729](tel:205-497-5729)
email: jkcody@itt-tech.edu
fax: [205-497-5799](tel:205-497-5799)

From: Allen Rice at HQ
Sent: Monday, May 17, 2010 9:47 AM
To: Jeffrey Popovnak at 082; Amanda Robinson at 082; Annette Dunn at 082; Deirdre Moore at 082; Jaime Hall at 082; Jennifer Cody at 082; Shawn Boyd Ford at 082; Tamika White at 082; Yolaundra Phillips at 082
Subject: FW: National Averages - Packaging

118th???? We're better than that.
Allen

From: Susan Mangus at HQ
Sent: Monday, May 17, 2010 9:39 AM
To: DOF's
Cc: College Directors; District Managers
Subject: National Averages - Packaging

NORTH CHARLESTON @ 75%, OXNARD @ 60.63% & JOHNSON CITY @ 60.24%

***North Charleston, our new start up, topped the chart this week!
DOFs from North Charleston and Johnson City came from the
Charlotte South Campus...
This could be interesting!***

***OHIO VALLEY is TOPS in the DISTRICT
With NoWest & MidWest not too far behind!***

****4 weeks to the start
as compared to Mar
2010**

Central	65.34%	55.52%	40.64%
MAD	54.86%	46.73%	35.17%
MidWest	64.73%	54.98%	43.28%
No Central	59.51%	54.69%	35.16%
No East	60.86%	52.67%	35.33%
No West	66.28%	57.20%	43.66%
Ohio Valley	64.49%	57.15%	47.04%
Online	52.43%	50.20%	21.49%
So Atlantic	61.61%	53.62%	38.00%
So Central	63.02%	56.48%	32.93%
So East	61.27%	55.46%	42.42%
Southern	56.53%	48.79%	32.13%
So Cal	61.11%	51.73%	38.15%
So West	62.33%	50.85%	33.04%

**

Co Avg.	60.50%	53.01%	36.14%
Mar 10 Qtr	66.86%	57.24%	42.62%

NOTE:

Packaging is considerably lower than FA conducts and Prepackaged. I have queries I will be sending out later today. We have over **9,312 loans ready to certify with a Direct loan**, and only 990 of them DO NOT have a MPN on file at the COD. It is important that we stay focused on each and every new start! The key is follow up. A Packaged student has a higher rate of starting. So follow your perspective students all the way through the process!

EXHIBIT F

Subject: FW: Fw: Student Dylan Martin

----- Forwarded Message -----

From: Jennifer Cody at 082 <JKCody@itt-tech.edu>
To: "jkcody0122@gmail.com" <jkcody0122@gmail.com>
Sent: Saturday, February 19, 2011 5:32 AM
Subject: FW: Student Dylan Martin

Jennifer K. Cody
Financial Aid Coordinator
ITT Technical Institute
6270 Park South Drive
Bessemer, AL 35022
Phone: [205-497-5700](tel:205-497-5700)
Fax: [205-497-5799](tel:205-497-5799)
Email: jkcody@itt-tech.edu

From: Jennifer Cody at 082
Sent: Thursday, February 17, 2011 3:05 PM
To: John Schuman at 082
Cc: Jeffrey Popovnak at 082; Walter Stewart at 082; Cary Booth at 082; Allen Rice at HQ
Subject: Student Dylan Martin

Mr. Schuman,

Current student, Dylan Martin, came in on Tuesday night February 15th, 2011, in order to get his financial aid done so he can continue on to a BA here after his March graduation. He is currently on MY repack list, although I have never seen him until this night because Jaime Hall told me that she was handling his financial and she refused to turn the file over to me. At this time I informed both Mr. Booth and the student that we could not complete his FA for his re-entry into the BA program until his FA for his March repack was completed. Student currently has a balance owing to the school in excess of \$11,000, apparently because invoices have not been sent to the proper organizations to be paid on his account to us.

Student called me three times yesterday, very anxious about this situation, as well as another incident with his mother where she found out, quite by accident, that someone (not her) had put her private information on a Parent Plus loan application and run a credit check, for which she was approved. Both student and parent were highly distressed regarding both of these situations, to say the least.

I have never at any time told either the student or the parent that they would have to pay this outstanding balance out-of-pocket to us. The student was aware at our meeting that PACT had not been billed or paid anything on his account because he called them and asked them that very day.

Needless to say, both student and parent are NOW re-thinking the whole idea of Dylan continuing on here.

A fair resolution to this FA oversight needs to be found and I'd like to be kept in the loop on any

decisions made since student and parent are now calling ME for information.

I have, in the not-too-distant past, written volumes on the issue of trust and integrity in this office. It looks like some could use a refresher course and the sooner the better.

Thank you!

Jennifer K. Cody
ITT Technical Institute
Financial Aid Coordinator
6270 Park South Drive
Bessemer AL 35022
phone: [205-497-5729](tel:205-497-5729)
email: jkody@itt-tech.edu
fax: [205-497-5799](tel:205-497-5799)

Exhibit 2

I, Rodney Lipscomb, hereby attest:

1. I have worked in the education field for over 20 years.
2. I worked as Dean of Academic Affairs at ITT's Tallahassee, Florida campus from on or about April 4, 2011 through on or about January 28, 2015.
3. As Dean of Academic Affairs, I was primarily responsible for supervising various academic chairs, ensuring the campus was implementing the proper policies and curriculum, auditing the campus to ensure the campus was compliant with accreditation standards at the State and Federal level, including standards on faculty accreditation and student success.
Additionally, in his role as Dean of Academic Affairs, I had the opportunity to attend various management level meetings, meet with the heads of other ITT Tallahassee departments, interact with students, and observe all aspects of the campus's operating procedure.
4. Also in this role, I oversaw five academic chairs, the Library Director, and the campus's Associate Dean for General Studies. I worked closely with the District Manager of the South East Region, College Director at Tallahassee, Director of Recruitment at Tallahassee, Director of Finance at Tallahassee and District Dean.
5. As of January 2015, ITT operated ten campuses in the state of Florida, including campuses in Bradenton, Ft. Lauderdale, Ft. Myers, Jacksonville, Hialeah, Lake Mary, Pensacola, Tallahassee, Tampa, and West Palm Beach.
6. All of the ITT Florida campuses, as well as three of ITT's Virginia campuses fell into ITT's South East region, overseen by a District Manager.
7. The District Manager of ITT's South East region was Deborah Brent.
8. The District Manager sets the tone for all campuses in his or her region.
9. The College Director of each campus reported directly to the District Manager.

10. The College Director who hired me was Dan McGrew. I directly reported to the College Director.

11. I touched base with the deans of academic affairs at the Jacksonville, Miami, and Ft. Lauderdale ITT campuses on a regular basis.

12. During my tenure, I observed that ITT engaged in various fraudulent schemes that harmed students and deceived accreditors and regulators.

High Pressure Recruiting Tactics

13. ITT engaged in deceptive schemes to increase student enrollment and retention, thereby driving up corporate revenues.

14. ITT had enrollment and retention quotas for each campus. These quotas were set forth by headquarters, and communicated through either Senior Vice President for Operations, Vice President for Academic Affairs or the District Manager via e-mails, and weekly meetings with the College Director, National Dean, National Registrar, or other official from HQ.

15. District Manager Brent referred to these quotas as “Market Plans” and directed me and other administrators that we could not use the word “quota” for legal reasons.

16. Recruitment representatives that enrolled high numbers of students were often promoted to “senior recruitment representative” and given a salary increase. This was linked directly to the number of students the recruitment representative enrolled.

17. At the beginning of every quarter, the National Dean emailed all of the campus Deans of Academic Affairs and told them the number of students they have to re-enroll that quarter. The number was usually 10% of the total number of students who unenrolled in the previous calendar year.

18. From approximately December 2009 through February 2013, Paul Haigh was ITT Tallahassee's Director of Recruitment. Donna Lindsey served in this role from approximately March 2013 through June 2014. From approximately June through October 2014, David Hoodenpyle was the Director of Recruitment.

19. Hoodenpyle walked out one day and left his keys, without giving notice of resignation, because he was so upset with the pressure he was receiving from District Manager Brent.

20. Tom Ferrara subsequently took over as Tallahassee's Director of Recruitment.

21. District Manager Brent, through the Director of Recruitment and College Director, instructed recruitment representatives to "probe" potential students about "what causes pain in their lives" and then to "dig in" to that pain. They were told to "find an issue and use it" to get people enrolled.

22. Recruitment representatives were trained to exploit the student's vulnerability by explaining how "ITT will change your life." They were trained to explain that a degree from ITT would help the potential student get a new car, afford better child care, or a better job which would alleviate the student's financial pressure.

23. Recruitment representatives and financial aid coordinators were instructed to, and would, fill out a student's enrollment paperwork if the prospective student either did not know how to use a computer, or was unable to successfully complete the paperwork for some other reason such as a language barrier, or not being able to read. I was informed of this practice by Financial Aid Coordinators and a few students that received this assistance. They were instructed to do this by the Director of Recruitment (Paul Haigh). This practice was stopped when Donna Lindsay was hired.

24. I observed that ITT enrolled a high volume of unprepared and inappropriate students. I was so concerned that I called the District Dean, Bernie Berania, for advice. I learned from Berania that ITT had a policy that allowed the Registrar to interview a student and deny admission if the Registrar believes the student will not succeed. I learned from McGrew and Haigh that they would not use this “veto,” because it would be tantamount to judging the student, something that they were not in a position to do.

25. I learned from ITT Tallahassee’s Registrar, Andrea Urbassik, that she had been told by McGrew, Haigh, and District Manager Brent to “stay out of it.” She was not allowed to meet with recruitment representatives to discuss any concerns about potential students.

26. Everyone who applied to ITT was admitted, so long as they had a high school diploma or GED.

27. For example, I learned from a recruitment representative that he was being pressured to enroll a blind student into ITT’s Networking program. This program requires students to be able to read codes and identify various plugs and wired by color. When I confronted the Director of Recruitment, Haigh, about this student, he told me that it was not my place to dissuade the student from enrolling. I called that State disability hotline and learned that ITT would be within its rights to deny enrollment to the student. When I raised this to McGrew, he also told me that it was not my place to question the student’s ability.

28. In another example, around September 2013, Associate Dean, Dr. Adam Briggs asked to speak with me about a student in his introductory class for first quarter students. Dr. Biggs had assigned a two-page self-reflection paper on why the student decided to go to college and who had a positive impact on the student’s decision. I saw the work that the student, H.M., turned in. In its entirety, it read, “please, send me, and paint in or someone at your school.

paperbook & I will refresh it here. will be on your sheet. for school testin persz so email, or, fax it will be nice. If you email personily by somany hour please,let me no can it be possibly so email. Later. Thank you.”

29. I met with H.M. personally. He could barely speak in discernable sentences. He never should have been allowed to enroll at ITT. It was highly unlikely that H.M. could have completed his enrollment paperwork by himself.

30. I raised the case of H.M. to McGrew, who told me that I should not be judging this student.

31. H.M. failed all of his classes the first quarter and did not re-enroll at ITT but was still responsible for student loans.

32. The campus held weekly “show” meetings, attended by recruitment representatives, the College Director, the Director of Recruitment, the Dean of Academics, the Director of finance, all academic chairs, and all finance representatives. Each market plan was discussed for each representative, financial aid coordinator, and department chair individually as well as the overall market plan for the college.

33. Sometimes someone would raise a concern about the fitness of a particular potential student during a “show” meeting. For example, a recruitment representative once raised concerns about trying to enroll a single mother who lived two hours away from the campus. The College Director, McGrew, responded that it was not the recruitment representative’s role to judge what would be best for the student, and the representative needed to “dig” in to the potential student’s vulnerability by saying things like “if you want good childcare for your children you need to get a degree,” and “two hours really isn’t insurmountable.”

34. In spring 2012, I was banned from attending these “show” meetings by Director of Recruitment Haigh and College Director McGrew. I was banned because the concerns that I raised about recruitment tactics were holding recruitment representatives back from “making their numbers.”

Bait and Switch Enrollment Tactics

35. The District Manager, Director of Recruitment, and College Director trained recruitment representatives to urge students into programs the student was not interested in if the student could not meet the requirements to get into their desired program, or if ITT was not offering the student’s desired program.

36. Recruitment representatives were trained to tell students that the program was just a “backup plan,” or that the program was basically the same exact thing as the desired program, or that the credits could transfer between the programs.

37. In reality, ITT did not allow most credits, with the exception of some core classes, to transfer between programs. The National Registrar which was located at HQ was responsible for this policy on credit transfer

38. The most common program suggested as a “backup program” was ITT’s business management program. Students hoping to attend nursing, but unable to pass the admissions test, were told to complete the business management program and open their own healthcare business, or attempt to transfer into nursing after one year.

39. Students interested in Criminal Justice were also pushed in to the business management program. Tallahassee stopped offering the Criminal Justice program around June 2013. Director of Recruitment Haigh told recruitment representative to steer students into the

business management program by telling them they would be able to open their own private investigation business. The business management program did not train students to do this.

40. While ITT still offered Criminal Justice, recruitment representatives were trained to tell prospective students that the program would allow them to get jobs doing forensic science work like they “see in CSI Miami.” This was completely false. The program prepared students to work in the juvenile justice system and correctional environments. A student would need advanced chemistry and other sciences to work as a crime scene investigator or forensic scientist.

41. I, along with the Chair of the Criminal Justice program, Kysha Fedd, learned directly from recruitment representatives that they had in fact told prospective students that the program would prepare them to be crime scene investigators, as directed. Fedd became irate and resigned from ITT, because she could “no longer work for the devil.”

42. Students hoping to enroll in ITT’s Graphic Design program were often redirected into the Drafting and Design program, for example if the minimum enrollment for either program had not been met. Recruitment representatives told students that the programs were “the same thing” and they could “transfer their credits later.” In reality, these programs were not the same thing at all and credits cannot transfer. By the time students realized that the programs were not the same thing, they would drop out with two quarters of debt and no degree, or try to transfer and lose their credits.

43. The Directors of Recruitment explicitly directed recruitment representatives to misrepresent that credits were transferable within ITT and outside of ITT, for example to four year institutions. In reality, neither was true. Most colleges do not accept ITT credits.

44. The Campus Director also encouraged recruitment representatives and academic chairs to promote programs that ITT never implemented. For example, the Chair of Drafting and

Design, Rhonda Hammond, was told to promote to students that ITT was going to offer a B.S. program in Construction Management that her students could transfer into after completing the Associate's Program. Two quarters later, Hammond learned that this program was not going to be offered. Many of her students dropped out after learning this, with no degree but with debt. Hammond complained about the programming change to the District Manager at the time, Sam Lyn. Lyn reported the complaint to McGrew, who fired Hammond because she could not be loyal to ITT.

45. The Campus Director and Recruitment Director also directed recruitment representatives to tell prospective students that they could "try out" classes for three days to decide whether or not they should enroll. In fact, according to ITT policy, if a student sat in class for even one session, she or he became responsible for 10% of the tuition of a class.

46. This information was provided to students on enrollment paperwork, in 6 point font that was not pointed out or explained to students.

Financial Aid Deceptions

47. Once ITT got a student enrolled, they provided a shifting set of rules and financial burdens to the students.

48. Students often ended up paying out-of-pocket for unexpected fees and charges.

49. For example, in or around March 2014, ITT's Vice President of Academic Affairs, Dean Kempter, announced a new "free" laptop program to encourage student enrollment. This announcement was made on a conference call, in which I was a participant. These announcements were generally made at the quarterly Dean Seminar national conference call. Topics included market plans, upcoming programs, new policies and procedure, and other operational requirements.

50. I welcomed this program, as a large percentage of ITT's students could not afford to purchase their own laptop, and yet ITT had been moving away from print text books to electronic textbooks, which required regular access to a computer.

51. The cost of print textbooks was already built into the cost of tuition. I ordered the textbooks for the Tallahassee campus, and approximately \$800 of the student's tuition every quarter went to textbooks.

52. ITT did not reduce tuition even after moving to lower cost electronic textbooks.

53. As explained by Kempter, the laptop would be paid for out of the student's tuition, with money previously allocated for textbooks.

54. After my and other campuses handed out laptops to students, ITT headquarters informed the campuses that a student must earn 36 credits, approximately the equivalent of taking classes for three quarters, before the student would be considered the owner of the laptop.

55. I learned that in the fall of 2014, ITT communicated a change in policy to Directors of Finance, that students had to pay \$350.00 to get a laptop, plus additional fees if the laptop they were issued required repairs. We were informed that "Headquarters" was responsible for the change in policy.

56. The Academic Chair of Information Technology at Tallahassee, Timothy Stark, called Dell, who supplied the laptops, and learned that the cost of the laptops was approximately \$190.

57. ITT did not reduce tuition even after extracting fees from students to pay for marked-up laptops that were initially advertised as "free."

58. In or around January 2103, the then-Vice President of Academic Affairs, Mike Linzmaier, announced that ITT would offer an “Opportunity Scholarship,” allowing students to cover the gap between the cost of tuition at ITT and the amount of available federal aid.

59. As described by Linzmaier on a conference call, in which I was a participant, the Opportunity Scholarship would be available beginning in May 2013, and would be awarded to any student at the end of a quarter if the student had completed two classes.

60. In or around June of 2014, “Headquarters” changed its policy related to the Opportunity Scholarship, by requiring that all outside grant money be applied to a student’s account prior to the student being awarded any amount of money from an Opportunity Scholarship. Essentially this meant that, rather than having their tuition burden reduced by both the ITT scholarship and other available sources of grant money, students would have to borrow the maximum available in federal student loans before qualifying for any amount of Opportunity Scholarship. Students learned after they were already enrolled in the program and after the quarter had started that they would have to borrow more money.

61. This new policy was never communicated to students or administrators. I learned of it when I consulted with the Director of Finance, Latricia Johnson, about a particular student’s case.

62. Until on or around September 2012, ITT had a policy that financial aid counselors could not give students, or prospective students, their loan obligation information printed out, and instead required students to read and e-sign documents only after looking at them on the counselor’s computer screen.

63. I would often accompany students to the financial aid office to follow up on their questions. I am well-versed in financial aid, and yet even I found the explanations provided to students to be confusing and unclear.

64. The College Director and District Manager instructed financial aid counselors to mislead students about the nature of their loan obligations. For example, they instructed financial aid counselors to tell the students that “nobody pays back the loans anyways” if a student seemed apprehensive about how much debt they were taking on by enrolling in ITT.

65. District Manager Brent took an active role in the campus’s financial aid operations.

66. District Manager Brent instructed deans and academic chairs, as well as the Director of Recruitment and Director of Finance to “keep the student’s financial aid ramifications in front of their face.” This strategy was used to convince students to reenroll or remain enrolled in ITT. If a student wanted to un-enroll, ITT staff would scare the student into staying at ITT by showing the student how high their repayments will be, and stressing that they will have to pay all of the money back without a degree or else ITT would take them to court and ruin their credit. By remaining enrolled, a student’s financial obligations would be deferred.

67. An additional way that ITT did this was by maintaining a centralized call center in Indiana, and calling previously enrolled students to threaten to take students to court if they did not pay on their student loan obligations.

Job Placement Rate Manipulation

68. As Dean of Academic Affairs, I was required to serve on the Employment Graduation Committee, which was responsible for reporting graduation placement rates for the

campus. The academic chairs, the College Director, the Director of Finance, and the Director of Recruitment, Registrar, and Director of Career Services were also on the committee.

69. In order to retain accreditation, our campus needed to place 67% of graduates in their field of study within one year of graduating.

70. The large majority of students ITT reported as being placed were in the nursing field. However, most of these students were already in the field when they started the nursing program.

71. ITT counted students as placed in their field even when the credential from ITT was unnecessary to their placement. For example, ITT counted students from Criminal Justice as placed when they were hired as security guards, positions that require no postsecondary education.

72. I met with a student, S.A., two months after she graduated from ITT's Electronic Technology program. I knew from the Committee that ITT had marked her as "placed" in her field of study. But I learned from S.A. that she worked on an assembly line, applying a wax coat to circuit boards. I brought this to the attention of College Director McGrew, who maintained that S.A. was in fact working in the field because the factory made electronics.

73. District Manager Brent instructed the Director of Career Services, Dean of Academic Affairs, and Director of Recruitment to pressure non-placed students to enroll in bachelor programs at ITT, by "keeping their financial obligations in their face." Students who continued in school did not factor into placement statistics.

Retaliation

74. The foregoing practices caused me great concern. Beginning in early 2012, I began sending regular emails to College Director McGrew, complaining about various deceptive and unethical practices. I also called ITT's "ethics hotline" to file complaints.

75. Every complaint I lodged via the ethics hotline was routed back to the College Director, McGrew. None of my complaints was investigated or taken seriously by anyone inside or outside of the campus.

76. Finally, in or around March 2014, I filed a complaint with ITT's Chief Compliance Officer, Shawn Crawford, via email, and copied District Manager Brent.

77. Nothing happened, and I followed up on this email with another on August 29, 2014, also sent to Crawford and Brent.

78. I met with Brent in September 2014. Brent told me that I had misunderstood and basically that my complaints were unfounded. She also directed that I was never to use the term "pain funnel" in reference to ITT's recruiting practices.

79. None of my concerns were addressed in this meeting with Brent.

80. A week or two later, I spoke with Crawford and learned that he believed that all of my concerns had in fact been resolved. I followed up with Crawford by email on September 24, 2014, reiterating my concerns.

81. Crawford forwarded my email to ITT's General Counsel, John Walls, who also served as ITT's Director of Human Resources.

82. Subsequently, I met in person in Tallahassee with Walls and Brent. I was instructed by Walls to stop sending emails, and advised that I was not an attorney and was not qualified to claim that any laws or policies had been violated. Also present at this meeting was

the campus director for Tallahassee, Kevin Hasson. Hasson had been hired in the middle of September, 2014.

83. Hasson also directed me to abandon my complaints. In a meeting with Hasson on January 20, 2015, I informed Hasson that I was looking for other jobs, and that I intended to file a complaint with the Florida State Attorney General and the state licensing agency.

84. One week later, on January 28, 2015, Hasson fired me, allegedly for “cause.”

85. In January, 2015 I filed a complaint against ITT in the United States District Court for the Middle District of Florida. The lawsuit included allegations mentioned above, and asserted that ITT had filed false claims to the United States.

86. The lawsuit was stayed because ITT filed for bankruptcy.

87. I am submitting this affidavit in support of former ITT students and their claims in the ITT bankruptcy proceeding, because I believe that these students were wronged.

I attest, under the pains and penalties of perjury, that the foregoing is true and accurate.

Date: 12/14/16

Signed:  _____

Rodney Lipscomb

Exhibit 3

I, Dawn Lueck, hereby attest:

1. I began working at ITT Tech as a receptionist at the Henderson, Nevada campus in March 1999.

2. I was promoted to the position of Financial Aid Administrator later that same year.

3. In 2000, I enrolled as a student at ITT Tech in the Computer Networking Systems program.

4. Upon graduating in 2002, I began working at ITT Tech's corporate office in Carmel as one of two Student Loan Refund Coordinators. In that position, I managed student loan refunds across half of ITT Tech's campuses. I was directly supervised by...

5. In 2003, I left my position as Student Loan Refund Coordinator. I moved to the Murray, Utah campus, where I worked as a Financial Aid Administrator and then as a Recruitment Advisor. Both of these positions involved interacting directly with students—the former to advise them on student aid and the latter to sell them on the benefits of ITT Tech.

6. I was promoted to Director of Finance at the Murray campus in 2006. This position involved managing all of the campus's Financial Aid Administrators—making sure that they were successfully completing student loan paperwork, keeping accounts receivable to a minimum, and otherwise fulfilling the requirements of their jobs. As well, I was responsible for maintaining best practices on campus, and communicating with the corporate office. I reported directly to the District Manager.

7. In 2007, ITT opened a new campus in Phoenix, Arizona. Due to my performance as Director of Finance at the Murray campus, I was invited to set up the financial aid department at this new campus. I worked there until 2009, when I left to work at another college.

8. In my time at ITT Tech, I experienced firsthand both its frontline practices in dealing with students and the way corporate headquarters exercised control over these practices. Corporate headquarters (HQ) exercised a great deal of control, in a fine level of detail, over multiple aspects of how individual campuses were run.

9. In the context of financial aid, HQ dictated everything from the order in which a Financial Aid Administrator was meant to show students the relevant forms to the language used in explaining these forms to the way to escalate punishments for students who failed to show up for student loan repackaging appointments or to pay their bills.

10. To ensure that its policies were complied with, ITT Tech HQ engaged in a number of forms of control.

11. As with all other Director-level employees at the campuses of which I was aware, as Financial Aid Director I had weekly meetings with the District Manager for my region. At these meetings I was required to report back on the past week's work, and I received coaching on how to proceed for the next week.

12. As with other Directors, I had yearly performance reviews as well as periodic conference calls to discuss how to supervise employees, deal with some change in policy or forms, or one or another new initiative.

13. Any questions I had about anything involving compliance, personnel policies, procedures, or anything else related to doing my job were directed at HQ, usually via my District Manager.

14. In addition to these more direct forms of control, HQ ensured that its staff did as much as it could to bring in money from students by encouraging competition among employees and among campuses.

15. HQ collected detailed data on every aspect of every department of every campus. It sent out statistics on performance every month, ranking campuses and departments on a wide array of indicators. "Performance" was measured according to the amount of money a department was bringing in, regardless of which department it was. Admissions departments had to keep recruitment and enrollment numbers up; financial aid had to maintain high percentages of loan paperwork completion and low accounts receivable.

16. In my experience working at HQ, I worked directly with ITT Tech CEO Kevin Modany. He was not my direct supervisory, but I was in many meetings with him and interacted with him about my work. I noticed that Kevin Modany was especially enthusiastic about tracking data. He often knew by memory statistics on my own performance. He seemed to view the company primarily in terms of metrics that he and his team developed.

17. Departments that did well were praised on in weekly email bulletins and in other communications from HQ. Indirect control was reinforced by direct control in communications from District Managers. Leaders of successful departments were invited to share their strategies on weekly or periodic phone calls. Those campuses that did not do as well were encouraged to imitate these strategies or do whatever it took to get their numbers up.

18. HQ also collected data on individual employee performance, incentivizing employees to keep their metrics up with monetary bonuses and other perks. These rewards were issued based on a point system.

19. Recruitment staff received monetary bonuses for enrolling students, keeping students enrolled, and convincing students completing one program to enroll in another.

20. Financial aid staff did not receive bonuses, but employees with high completion of enrollment agreements, “repacks”, low accounts receivable, and the like would be invited to expenses-paid dinners or given gifts.

21. Campus presidents received especially lucrative rewards for good cross-departmental performance in bringing in funds. They could receive monetary bonuses as well as stock options and additional pension benefits. I was told by a former campus president that these incentives were privately negotiated by each president each year using their performance as a bargaining chip.

22. In addition, ITT HQ encouraged “cross-pollinating” of ideas by creating a corporate culture where high-performing employees traveled to low-performing campuses to help them get their numbers up.

23. They encouraged staff moves between campuses by making it easy to do and speaking to employees about it positively, as I myself experienced.

24. As well, they would explicitly request that high-performing employees move to lower performing campuses to improve their performance. Pay bonuses could accompany such moves. As a specific example, in 2007, after a major audit by Price Waterhouse Cooper, HQ created a “dream team” of top performers at high-performing campuses to go campus-by-campus to get underperforming (i.e. high receivables, too much unpaid debt, high dropout rates, slow repackaging rates) departments to do better.

25. As they pertained to financial aid, all of these methods of control were focused on making sure financial aid staff was able to alleviate any and all student worries about cost and break down any financially related opposition to enrolling. The main technique for doing so was to present everything as manageable—emphasizing the financial benefits of schooling when all else failed—and rushing students through the process so that they did not have enough time to develop concerns.

26. Before showing any forms or numbers to students, financial aid staff was trained to emphasize all of the benefits students would receive from their education. From 2004 to 2007 this was done with the guidance of a “return on investment document” that Mr. Modany developed. It contained misleading information about the average salaries of graduates of different programs based on proprietary data with disclaimers in a small footnote. This form was pulled in 2007 for “compliance reasons”. It was replaced by more generalized patter about the benefits of an education and the types of salaries one could earn in different fields.

27. After setting the scene, I was trained and I trained others to focus on how IIT was helping students “reduce out-of-pocket costs”. As such, each loan we introduced was meant to sound like a favor to students: we were helping them cover the cost of their education.

28. Temporary credits, in particular, were meant to be treated as if they were not even loans. They helped prevent students from “going out of pocket”. Even the fact that they had interest-only payments during school was supposed to be treated as a benefit—it allowed students to keep their payments low while in class.

29. When it came time to present the cost of education, we were trained to break it into “bite-sized pieces”, only showing the cost per 9 months. As well, we never showed the cost without including information about eligibility for loans and grants, making the relatively small unmet balance (the “out-of-pocket” cost) seem like the only cost a student really had to worry about. Only at the very end of the financial aid “counseling” session were students able to see the total cost of the program, and that was because it was required to be listed in the enrollment agreement. Especially once enrollment agreements were signed electronically, Administrators could easily scroll past the total cost along with all of the other fine print, verbally explaining the form to students in a way that reduced worries and discouraged them from reading it.

30. Financial aid staff knew that the longer it spent with each student, the less time it would have to sign other students up for loans. So sessions were as short as possible. I was trained—and trained others—to keep sessions under one hour.

31. As for repackaging students for loans after enrolled, it was meant to take as little time as possible—fifteen minutes at the absolute most. At the Murray and Phoenix campuses, we pulled students out of class to sign their forms. Students were eager not to miss class time and so were much more compliant if pulled out of class.

32. Students who failed to show up for a meeting or complete the repackaging process by week 11 of the school year would have holds put on their accounts. If students had not renewed their loans by the new quarter (the time at which financial aid was meant to be disbursed to IIT), they would be barred from attending classes, have their books held, and face other disciplinary action.

33. Although in my time as Director of Financial Aid, I endeavored to ensure that employees did not sign the names of students or parents, I did witness such fraud before I became a Director. As well, I saw other behavior that I did not think was above board. IIT Tech had an effective policy of shutting down concerns about this behavior.

34. ITT Tech had a hotline that employees could call to report fraud to HQ. In my experience, employees who called this hotline were disciplined while those against whom fraud was reported were not. I recall a particular instance in my time at Murray when a new recruitment representative called the hotline to report wrongful behavior by a long-term veterans recruitment representative. The new representative was fired within weeks, and nothing happened to the long-term representative. Everybody at the Murray campus understood this to mean that calling the hotline meant effectively forfeiting one's job at ITT. Indeed, I witnessed recruitment staff forging student signatures on documents in my time there but was too scared to report it to HQ for fear of being fired as well as undermining the results attributed to my department as a result of these forgeries.

35. Early on in my time at ITT Tech—before I learned not to—I also raised concerns about particular students who were enrolled despite not being qualified or being in deep financial difficulty. I was told in no uncertain terms that I was “overthinking things” and that I was stepping outside the boundaries of my position.

36. ITT Tech also had an ongoing practice of creating new forms that students would sign to make it look like students consented to any number of fishy practices. When a new program, like temporary credits, was introduced, HQ would develop forms that students had to sign to consent to the program and would train Directors in how to describe the form and when during the pitch the form should be presented. I believe that at least half of students had no idea what they were signing when such a new form was presented. In fact, I was always trained to tell students not to worry about the details of the form because everything would be fine.

37. I am submitting this affidavit in support of former ITT Tech students and their claim in the ITT bankruptcy proceeding, because I believe that these students were wronged. Although I managed to convince myself that I was doing good work at ITT Tech, I should have paid more attention. I now realize that ITT Tech was using me to systematically take advantage of students that I thought I was helping.

I certify under pain of perjury that the foregoing is true and correct to the best of my knowledge.

Signed: 
Dawn Lueck

Date: Dec 20th 2016

County of: Marin
State of: California

Exhibit 4

I, Rick Bueche, hereby attest:

1. I worked in the Admissions Department at the Baton Rouge ITT Tech campus from April 2010 to February 2014.
2. I began as an “Admissions Representative,” i.e. recruiter/salesperson, and worked my way up to Master Representative 1, the most senior position in the Admissions Department outside of Admissions Director.
3. In my time at ITT Tech, I experienced the pressure put on admissions staff to maintain high levels of enrollment and student retention, which encouraged wrongdoing; I witnessed the unethical tactics used to meet these unrealistic metrics; and I watched the methods used to cover up wrongdoing.
4. The Admissions Department was, for all intents and purposes, a sales department. Having worked at sales jobs in the past, it was like working in a call center, but with higher pressure than I have ever experienced at any other sales job.
5. Often, a potential Admissions employee would be hired thinking that the job would be like working at a university: helping students make the right decision for their future. The Director of Admissions for most of my time at Baton Rouge, Marva Kemp, encouraged this impression. She gave pie-in-the-sky descriptions of counseling young people on their futures. As Master Representative, I was largely responsible for the training of new Admissions Representatives. When I told them it was not at all like that, that they would be responsible for what amounted to a telemarketing job (including quotas discussed below), they were often crushed. This led to high turnover—somebody quit or was fired on average once a month.
6. Admissions staff was organized into a hierarchy. Admissions Representative was the entry-level position. Above that was Senior Admissions Representative 2, then Senior Admissions Representative 1. On the next tier was Master Admissions Representative 4, then Master Representative 3, Master Representative 2, and Master Representative 1. Finally there was Director of Admissions for the campus.
7. All admissions staff were required to meet “metrics”, which was what ITT Tech called quotas, since they knew they were not allowed to use the word “quota”. All of these quotas were determined by corporate headquarters (HQ).
8. An admissions staff member’s quota depended on their position: higher up in the hierarchy meant higher pay and higher quotas. For instance, an Admissions Representative was

- required to hit at least 10 “starts” (i.e. new students signing up for classes) each quarter. A Senior Representative 2 was required to hit approximately 15 starts per quarter (the exact amount varied depending on the time of year). And so on. Master Representatives were required to hit approximately 25 to 30 starts per quarter.
9. As well, daily outgoing call minimums were set. If a Representative did not meet this number, they were usually chastised or embarrassed during meetings. ITT had in place a software program that counted daily calls so management knew in real time who was meeting their quotas.
 10. Staff that did not meet their quotas would face a series of escalating repercussions, starting with verbal warnings, then written warnings, and escalating all the way to termination.
 11. If at any time Ms. Kemp or her supervisor or HQ was unhappy with the number of enrollments in a given week, Ms. Kemp frequently call an impromptu “phone-a-thon” that required Representatives to work overtime.
 12. Staff that met or exceeded their quotas would receive praise, raises, and promotions.
 13. Each year, every staff member would have a “PPE” (“Personal and Professional Evaluation”) meeting in which our performance was evaluated. We were given scores on a 1-5 scale (with 1 being the best). Most of the score was determined by “performance”—or meeting quotas—but attitude and the like were also taken into account. These scores were an indicator of one’s prospects: those who received a 5 knew they would soon be fired; those who received anything about a 3 could expect promotions and/or raises.
 14. As well, every staff member would have to attend a weekly “show meeting”. Each Monday, all Representatives were called in one-by-one where they would sit in the middle of semicircle that included all levels of management. The Representative would be grilled on the previous week’s activity. This could sometimes be a “good job” type of response from somebody in management, or it could be a threat of firing. I would see grown men and women emerge from these meetings in tears.
 15. The campus itself had quotas, also determined by HQ.
 16. In past sales jobs, I have noticed that “leads” (i.e. potential sales) were distributed on a “round robin” system, where all sales staff was treated alike. ITT distributed leads according to performance, using a tier system.
 17. This is how the tier system worked: a Representative could earn up to eight points per student. A Representative would get one point for a student showing up for an appointment.

- A Representative would earn three more points for the student applying to ITT (which was equivalent to being admitted). Finally, a Representative would get four more points for a student completing the financial aid process (i.e. signing the Master Promissory Note).
18. At the end of the week the three or four Representatives that had accumulated the most points in that week were placed on Tier 1. Other Representatives with fewer points would be placed on Tier 2 or even Tier 3 for no activity. Representatives on Tier 1 would receive all the quality leads. Every student who walked in or called in (i.e. who expressed independent interest) would be directed to Representatives on Tier 1.
 19. The tier system, especially in combination with the quota system, created an environment of cutthroat competition, and, in some cases, desperation. Representatives would stay late and skip lunch so that they could be making more and more cold calls and be present for every opportunity.
 20. Cutthroat competition and overworking was actively encouraged by management. Even if a Representative were on Tier 1, if they had left to grab a bite to eat or to go to the bathroom, a walk-in or a call-in would be assigned to somebody else. Even if a Representative made their quota, if they tried to leave at a reasonable hour, they would be told that despite their excellent performance the school still needed to hit its quota and so nobody could leave.
 21. As the Baton Rouge office became one of the most successful of all the ITTs (mostly at manipulating numbers as described below), the sales culture became more intense. ITT Baton Rouge became a sweatshop. We often worked six days a week, including holidays, in order to hit a quota assigned by HQ. I saw parents weeping because they never saw their spouses or children. Nobody in such conditions can provide quality counseling to prospective students making the most expensive decisions of their lives
 22. The competitive atmosphere led many Representatives to engage in questionable activities to meet their numbers.
 23. Most of these activities I witnessed after 2010, when Randy Houle, the Direct of Admissions who hired me, left in anticipation of being fired for failing to meet quotas. Marva Kemp, who had neither experience nor even a minute of college education, replaced Mr. Houle. A Master's degree was nominally required for this position. It seems clear to me that Ms. Kemp was hired because she was personal friends with Mr. Wells.
 24. Ms. Kemp had a policy of hiring basically everybody who applied for a job in Admissions. When I was Master Representative 1, and thus in charge of training new hires, I began to

notice that nobody ever failed to be certified after introductory training. In 2013, there were two employees whose performance in the training was so dismal that I told Ms. Kemp I refused to train them. She ignored me and had somebody else train them.

25. Although I tried to be honest with students, there was heavy pressure to oversell the opportunities ITT Tech provided.
26. HQ instructed us to use “career wheels” in our presentations to students. The inside of the wheel would have the name of the degree. The inner spoke would have some of the courses while the outer spoke listed job titles these graduates would be eligible for. So many of these were misleading. For example, the Criminal Justice Associate Degree career wheel listed such jobs as Crime Scene Investigation, Forensics Technician, etc. None of these jobs are attainable with an associates degree. Another career wheel for Industrial Technology had as a job possibility “Plant Manager.” It is ludicrous to think someone with a 21-month associate degree would assume such a position.
27. Admissions Representatives would come up with their own patter and were encouraged to do so. I personally reported a Representative who told prospective students that it was impossible to make more than \$16 thousand a year without a college degree. My complaint was brushed off.
28. I witnessed many instances where an Admissions Representative would e-sign a student’s name onto an application without a student’s permission. Representatives would express to me that they felt no alternative since they had to meet their quotas.
29. I never e-signed for a student without their permission. On one occasion, Ms. Kemp instructed me to do so, but I refused. She told me she would assign the student to another Representative. I told her I would report her to HQ if she did so. She dropped the matter, but I do not know what happened to that student subsequently.
30. Ms. Kemp also encouraged Admissions Representatives to approach students and talk them into switching majors. By getting a student to switch majors, they had to apply again and do financial aid, which gives the Reps points toward Tier, plus they counted as a new start on the next start date. This practice angered me immensely. When I complained about it to Ms. Kemp, she refused to address it.
31. In 2013, the Campus Director Bill Wells gleefully announced that HQ was no longer requiring incoming students to take a Wonderlic test in order to be admitted. A valid high school diploma or a GED was the only requirement. When I asked what would happen if a

student struggled in the basic math and English courses I was told there would be tutoring. That never happened. It was clear to me that the point of lowering requirements was to be able to enroll more students more quickly.

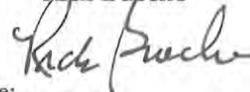
32. After dropping the Wonderlic requirement, I noticed more and more students dropping out, probably because they could not handle the work.
33. Because of the increase in dropouts, the Admissions Department had to spend more time trying to keep students enrolled. By the end of my time at ITT Tech, 30% of our yearly evaluation had become based on retention rates. The quotas they set were effectively impossible to meet, making it effectively impossible to get a raise or a promotion.
34. ITT Tech actively attempted to prevent discovery of misleading and fraudulent behavior going on at its campuses.
35. Any time an auditor came onto campus—including a visit by ACICS in late 2013—they would be sequestered into a room and prevented from seeing most of what was happening on campus. Instead, they would request files, talk with managers, and allow managers to select which other employees they talked to.
36. When ACICS auditors came to campus, Ms. Kemp instructed me to lie to them and tell them that the aspects of her job I performed (such as listening in on calls) she in fact performed. I refused to do so. She simply assigned two other staff members who followed her instructions to lie.
37. HQ maintained a hotline through which one could report wrongdoing, supposedly anonymously. However, I never witnessed or heard of any reported wrongdoing being disciplined. In fact, I witnessed a woman, whose name was Wanda, face retaliation for calling the hotline. Somehow Ms. Kemp and Mr. Wells found out (or guessed) that she had reported wrongdoing via the hotline. She was then assigned only the worst leads and her performance suffered. Finally she was given a 5 at her PPE meeting and fired a month later.
38. I myself tried to report and/or stop wrongdoing multiple times, as I have already mentioned. In December 2013 after another run-in with Kemp over training issues, I could take no more. I went above her to Bill Wells, Campus Director. I knew my fate was sealed by reporting her, because Ms. Kemp and Mr. Wells were personal friends. Within two weeks I began to be assigned worse leads. Then I started being accused of things that simply had not happened. Anticipating being fired, I found another job and resigned in February of 2014.

39. I left ITT feeling then, as I feel now, that I was unwittingly part of a national scam to put young people in debt for the glorification and financial gain of management. I feel a responsibility to recount my experience here and otherwise do whatever I can to help these students get out from under the crippling debt burdens, shame, and other pain that ITT Tech put onto them with my help.

I certify under pain of perjury that the foregoing is true and correct to the best of my knowledge.

Signed:

Rick Butche



Date:

12/22/14

County of:

East Baton Rouge

State of:

Louisiana

Exhibit 5

I, Carrie Wofford, hereby attest:

1. I am the President of Veterans Education Success, a non-profit I founded in February 2013 to protect and defend the integrity and promise of the GI Bill and other federal education programs for veterans and servicemembers.

2. Before founding Veterans Education Success, I was Senior Committee Counsel on the U.S. Senate Committee on Health, Education, Labor & Pensions. Among the wide variety of issues I worked on in that role, I provided guidance to the Committee's comprehensive investigation into the abuses of the for-profit college industry as a whole, including ITT, and I led the Committee's work protecting veterans and service members from abuses by for-profit colleges like ITT.

3. I was awarded the 2012 Freedom Award, the 2012 Congressional Staffer of the Year Award, and the 2012 Legislative Proponent Award for my work building a coalition of allies on and off Capitol Hill to protect veterans and servicemembers from abuse by predatory for-profit colleges.

4. I received a law degree from Yale Law School in 2001.

5. In my current role as President of Veterans Education Success, my staff and I have communicated with thousands of veterans and servicemembers who attended and were deceived by predatory for-profit schools. In particular, my staff and I have spoken with hundreds of former students of ITT, who have come to my organization for help and to share their experiences. I have also spoken with several high-ranking former ITT employees who contacted my organization to express concern about ITT's treatment of veterans. The following paragraphs summarize my organization's findings.

6. Military veterans and active-duty servicemembers are often targeted by unscrupulous for-profit education companies because, through an unfortunate loophole in the

federal Higher Education Act (known as the “90/10” loophole), for-profit companies use an accounting gimmick to count military and veterans education funds as private dollars, which the companies use to off-set the cap the companies otherwise face on the amount of federal funds they may receive. In other words, as Holly Petreaus, the head of Service Member Affairs at the U.S. Consumer Financial Protection Bureau, wrote in the *New York Times*, “For every service member or veteran enrolled at a for-profit college and paying with military education funds, that college can enroll nine others who are using nothing but Title IV [Education Department] money. This gives for-profit colleges an incentive to see service members as nothing more than dollar signs in uniform, and to use aggressive marketing to draw them in and take out private loans.”

7. Most students who use the GI Bill and other related military benefits do not need student loans to complete their schooling. The Post-9/11 GI Bill is America’s chief way of saying thanks to men and women who have risked their lives in dangerous war zones in Iraq and Afghanistan. It is not just thanks; it is also America’s assurance that the current generation of veterans will not be homeless or reliant on public assistance; it is their ticket to a successful civilian career and the American Dream. The Post-9/11 GI Bill is a generous benefit. Indeed, the GI Bill is sufficiently funded to provide veterans a “free ride” at public universities and colleges, and the GI Bill also provides housing and book allowances. However, veterans and former ITT employees have told me that ITT recruiters routinely deceived veterans about the true cost of ITT’s tuition, because they did not want veterans to know that ITT cost more than a public university, and often deceived the veterans into loans the veterans did not want. ITT often pressured veterans to complete the FAFSA form to see if they were eligible for grants; the

students were promised that any money they got would be from grants, not loans. In addition, and more troubling, ITT also apparently signed veterans up for loans without their permission.

8. Many students who attended ITT discovered after graduation that they have significant student loan debt – some have as much as \$80,000 in debt (on top of using up their entire GI Bill) – acquired without their knowledge, that they must pay back.

9. The impact on these veterans is severe. They are left with crushing debt, which has broken up some of their marriages and caused emotional hardship; their hard-earned GI Bill is gone; and they have a subpar, often unaccredited, degree or no degree at all.

10. In addition to deceiving veterans about loans, ITT appears to have forged student signatures on loan documents. Many ITT students report that the school took out loans in their names without telling the students, allegedly even “forging” the student’s electronic signature on Master Promissory Notes (by requesting an electronic account from U.S. Department of Education Federal Student Aid, filling out the Master Promissory Note without the student’s knowledge or permission, and then setting up an email address to capture the responses from the Department of Education, without the veteran’s knowledge).

11. Former ITT recruiters and financial aid employees told me this practice was not uncommon at ITT. They said some ITT financial aid officers convinced themselves it was not forgery to package student loans without a borrower’s permission because electronic signatures were not the same as real signatures. Other ITT financial aid officers understood it was forgery, but nonetheless engaged in this fraudulent practice.

12. Many ITT students also complained that private loans were taken out on their behalf, without their consent, instead of federal loans. Lies concerning private loans are especially problematic because those loans are often higher interest and do not have the same

deferment and forbearance rules. If a school lies about loans, a student can experience major credit damage, which harms students and their families for decades to come.

13. In addition to being lied to about loans and the ITT tuition, veterans who have come to my organization for assistance also report that ITT recruiters routinely lied to prospective students about the accreditation of various ITT programs as well as the overall accreditation of ITT as an institution, the transferability of ITT credits to legitimate schools, graduates' eligibility to work in certain occupations which ITT knew it was not authorized or adequately preparing students for, graduates' job prospects and likely salaries, and the quality of the teachers, class materials, and education overall.

14. One veteran told me that ITT promised him that its criminal justice degree had the same accreditation and training as criminal justice programs at public colleges. Upon graduation, he applied to 24 police departments, flying on his own dime to make his case to the police departments. Every single department told him ITT's training was not properly accredited and did not meet the basic requirements for police work. He had wasted his entire GI Bill, and was left with more than \$80,000 in private loans to ITT.

15. Former high-level ITT employees described falsification of job placement rates. Students were counted as having job placements, when, in reality, the student had only an internship or a short-term placement that lasted two weeks.

16. One high-ranking employee of ITT approached my organization to alert us to a "bait and switch" scam targeting GI Bill users. Specifically, because ITT was so eager to get the GI Bill (to offset its cap on Education Department funds under the 90/10 loophole), ITT would promise veterans it could offer them training and programs it didn't actually offer, and then would enroll the veterans in an entirely different program. We encountered at least half a dozen

veterans who said this happened to them. For example, a veteran who was promised he could receive a B.S. in Engineering at ITT was instead enrolled in Accounting – without his knowledge or permission – because ITT did not want to admit it did not offer Engineering at his campus. The school kept stringing along the students by promising the degree they wanted would be starting “in the next term” or by lying to the students that the classes they were enrolled in were part of the degree the student wanted, even though the school knew full well that they were not. ITT’s “bait-and-switch” tactics were not isolated incidents. One campus played this trick on veterans on three separate occasions within a five-year time span. This resulted in veterans wasting their one shot at the GI Bill.

17. ITT employee whistleblowers, including high level leadership, provided internal corporate e-mails and documents to demonstrate this and other frauds being perpetrated on veterans.

18. ITT even manipulated veterans into providing positive reviews to the U.S. Department of Veterans Affairs (“VA”) by promising that positive reviews would increase the likelihood that the school could offer veterans a course of study that they wanted. The “quid pro quo” was explicit, with one veteran telling us he told ITT, “We defended ITT Tech when it came to the VA issue. It is time you keep your promise and hold up your end of the bargain by granting us our chance at our degree.” After veterans at one campus defended ITT to the VA, the school cancelled the veterans’ desired program of study. Veterans did not learn about the cancellation until the day when they were scheduled to start their classes. When complaints about the cancellation were escalated to the ITT’s corporate office, one corporate representative feigned that the decision was motivated by concern for veterans’ academic success. The manager

wrote that ITT avoids having small class sizes whenever possible because “small class size is not as effective in fostering [a] good educational environment” for students.

19. Executives within ITT’s corporate headquarters (“HQ”) sometimes used student needs to put window dressing on enrollment quotas. For example, Karen Carlozzi, ITT’s corporate Vice President for Recruitment, circulated an email encouraging recruiters to ramp up enrollment for programs with fewer than ten students because “we do not want to delay a prospective student from beginning class due to small section size.” In other words, Carlozzi was suggesting that ITT would cancel more programs if recruiters did not improve enrollment numbers. The same email contained a chart comparing different campus’s success rates at getting prospective students enrolled and pre-packaged for financial aid. In another e-mail, ITT District Manager Nader Mojtabi wrote, “We try to avoid [small class size].”

20. Former employees describe a bifurcated culture where ITT presented the external appearance of concern for students and regulatory compliance. Within ITT, however, students were viewed as potential sales targets. ITT’s internal communications focused on “sales production,” rather than student needs. One concerned employee reported being rebuked after suggesting that a prospective student should complete a remedial course at a community college before enrolling at ITT.

21. ITT’s internal culture was highly focused on recruitment numbers. Campus managers and employees who failed to meet recruitment metrics were punished and terminated. Recruitment minimums and goals were set by HQ and closely monitored through a top-down incentive structure, as documented in the internal documents employees shared with us. ITT policies ensured that campus managers and employees were constantly under pressure to meet their recruitment targets.

22. Campus recruitment numbers were tracked and managed by many layers of review from ITT HQ. ITT's Corporate VP for Recruitment and Corporate VP for Student Finance sent weekly emails to all ITT campuses comparing their recruitment numbers and encouraging more enrollment. ITT employees shared such weekly emails with us. Additionally, District Managers were in daily contact with campus managers and often provided targeted recruitment advice. For example, ITT District Managers instructed campus managers to hold phone-a-thons and create competitions between staff members to boost enrollment numbers. Pressure was put on ITT employees to increase the number of students each month that they were able to "package." (To "package" a student means to get him fully enrolled and signed up for loans.)

23. The pressure generated by constant tracking and comparison on enrollment numbers was backed by a centrally controlled Human Resources policy that linked ITT employees' job security with "sales production." Admissions representatives and financial aid representatives who did not meet their targets were subject to "corrective actions" that progressed in severity from counseling to warnings and finally to termination. These policies were in writing and were distributed by ITT's COO and President, Gene Feichtner, and ITT's Human Resources director, Julie Gasaway. We have been copies of these documents by ITT employees.

24. Branch campuses reportedly had no authority or decision making power over HR decisions. ITT held trainings across campuses and distributed templates to ensure that all campuses were "on the same page" regarding "corrective actions." Moreover, ITT's central HR office maintained approval-level control over all "corrective actions."

25. Campus managers, in turn, were expected to apply constant pressure to encourage staff members to meet their numbers. Every week, recruiters met with a campus Director of Recruitment (“DOR”) to review their enrollment numbers. These review meetings were documented with notes maintained in the employee’s permanent file. Per ITT policy, each employee was subject to a review at least once a month, and “corrective action” was required if the employee had failed to meet certain recruiting quotas.

26. ITT recruiters who failed to meet their target numbers received “counseling” as their first “corrective action.” They would also be assigned to observe a “Seasoned Representative,” so that underperforming recruiters would absorb effective sales tactics, including applying undue pressure and using misrepresentations.

27. HQ’s centralized counseling template asks employees to “meet all ITT Representative expectations *written and implied.*” (emphasis added).

28. According to high-ranking former employees, the written guidance for ITT employees was designed to be “clean” and pass any government inspection, but the real guidance was not what was written down. The real guidance to recruiters was that they were expected to “do anything and say anything” to convince prospective students to sign up and complete financial aid packages.

29. One former recruiter who won multiple awards and was promoted to a management position said that when training a new representative, advisors would mention an “unspoken culture and unspoken methods.” For example, this employee recalls telling students that ITT’s job placement rate for students was 70%, even though that number was not accurate.

30. ITT recruiters across multiple campuses were trained to create a false sense of urgency by telling prospective students that if they did not sign up immediately, they would be

barred from signing up for the next six months. This was not true. ITT campuses were constantly eager to enroll more students.

31. Financial aid officers were also pressured to meet target numbers and were subject to “corrective actions” if they failed to meet quotas for financial aid packaging. ITT incentivized advisors to get students to take out loans, whether the student needed it or not.

32. Former employees compared ITT’s financial aid representatives to the finance advisors at car dealerships. ITT corporate policy mandated a two-step financial aid process: the “Pre-Conductor” would provide a sales pitch on the financial value of the program and the “Conductor” would overwhelm the student with paperwork. Financial aid representatives had to engage in a set number of “Conducts” each week, or face termination.

33. Financial aid representatives were trained to sell students on “Opportunity Scholarships.” In reality, these were offered to nearly all prospective students. The published price was never used. ITT used this practice of presenting an inflated sticker price along with a purported “scholarship” or discount to make students feel like they were getting a deal.

34. ITT employees also told me that regional senior leadership for ITT, including regional chief financial officers, regularly said aloud in meetings that they were uncomfortable reporting data and numbers to the U.S. Education Department that they were asked to submit, because they knew those numbers to be false. Such reports included job placement rates, graduation rates, and compliance with Education Department rules, including the 90/10 rule with its loophole for veterans..

35. Employees at the highest levels of campus management traced ITT’s policies to the top of the ITT’s corporate structure. ITT’s corporate headquarter in Carmel, Indiana, was a

“command and control entity” that exercised “100 percent” control over the recruitment tactics, financial aid pressure, and Human Resources practices used across all branch campuses.

36. ITT used intimidation and retaliation tactics to shut down employees who tried to question corporate policies. ITT’s Legal Counsel made threatening phone calls. ITT’s HR director frequently stated “if you push back, you will hear from HQ.” One employee was threatened after he sent an email to ITT’s CEO, Kevin Modany, expressing concerns about inaccurate statements that were made to students. ITT threatened to terminate this employee shortly after this email was sent. Some employees expressed concern that ITT would retaliate on a personal level and asked to remain anonymous.

37. Attached to this affidavit are true and correct copies of e-mailed documents that I received from whistleblower employees at ITT, and redacted to protect the identities of sources.

38. Exhibit A is a copy of an email from ITT’s President and Chief Operating Officer, Gene Feichtner, on October 1, 2012, to all ITT College Directors, District Mangers, and Regional Directors of Recruitment with the subject “Representative Minimum Standards for Conducted Interview.” The names of some individual recipients are redacted. This email describes ITT’s centralized and uniform policy for progressively disciplining recruitment representatives who fail to meet minimum standards for recruitment. Representatives who failed to meet their quotas were punished and terminated.

39. Exhibit A-1 is a copy of a document attached to Exhibit A providing “Definitions and FAQ’s” on “Representatives Minimum Standards for Conducted Interviews.” [sic]

40. Exhibit B contains an email that was sent by ITT’s Human Resources Partner, Julie Gasaway on August 12, 2014 with the subject “2nd Quarter Performance Management.” The names of some recipients as well as header information showing that the email was

forwarded are redacted. This email shows the centralized control of “corrective actions” against ITT employees who demonstrate “performance deficiencies” – in other words recruiters who fail to meet their enrollment and financial aid packaging numbers.

41. Exhibit B-1 is a copy of a model “Counseling Form” that was attached to Exhibit B. Names and other information identifying the employee and supervisor discussed on this model form are redacted. HR required campuses to use this form if recruiters failed to meet their quotas. This document shows the corrective actions that ITT recruiters were subject to if they failed to meet ITT’s “written and implied” expectations.

42. Exhibit C is a copy of two emails sent from Ms. Gasaway to ITT campuses and other members of HQ. The first email was sent on Nov. 6, 2014 with the subject “Further Clarification of Rep Performance Standards.” The second email was sent on November 24, 2014, with the subject “TEMPLATES – Rep Performance Management.” The names of some recipients are redacted. These emails highlight ITT’s policy of maintaining central control and uniformity across branch campuses.

43. Exhibit D is a redacted copy of two emails sent from ITT’s Vice President of Recruitment, Gene Feichtner, Karen Carlozzi, in August 2015 to all ITT Directors of Recruitment, College Directors, District Managers, and Regional Directors of Recruitment. The first email with the subject “RPvA Leader’s Board” was sent on or around Monday, August 24, 2015 and began with the text “Just 3 weeks left!” The second email, also with the subject “RPvA Leader’s Board” was sent on Monday August 24, 2015, and began with the text “there are 2 weeks remaining.” The names of recipients and header information showing how emails were forwarded are redacted. The first email was magnified and the send date was omitted, however, the second email provides context and a probable date range for the first. Together, these emails

reflect the weekly tracking and comparison of recruitment numbers across ITT campuses by central management.

44. Exhibit E is a copy of two emails sent from ITT's Vice President of Student Finance, Michael "Mick" Lindvay in September 2015 to all Directors of Finance, Directors of Recruitment, Regional Directors of Recruitment, College Directors, District Managers, and VP of Recruitment, Karen Carlozzi. The first email was sent on Sept 9, 2015 with the subject "Top Leaders in September Packaging one week before start." The forwarding heading is redacted. The second email was sent on September 15, 2015, with the subject "September Packaging Leaders." These emails further reflect the pressure from HQ to increase recruitment numbers and also reflects the coordination between ITT's Recruitment and Student Finance departments.

45. Exhibit F is a copy of "Coaching Document" that was distributed by ITT HQ and that lists possible "Action Plans" for recruitment representatives who fail to meet quotas. Names and other information identifying the employee described on this model form are redacted.

46. Exhibit G is a copy of a series of five emails that were distributed by ITT's District Manager for the Southern California region, Nader Mojtabai, to campus managers between March and August 2015. The names and identities of recipients are redacted. These documents reflect the constant pressure to produce recruitment numbers.

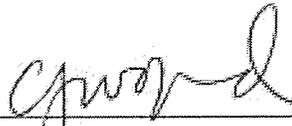
47. Exhibit H is a copy of an email chain sent from ITT's National Dean, Paula Cherry, on September 1, 2015, to ITT managers with the subject "Please Read." This document includes an email sent to Ms. Cherry from an ITT student veteran about ITT's bait-and switch-practice. The names of some recipients and the name and identifying information for the student veteran are redacted.

48. Exhibit I is a redacted copy of an email sent from ITT District Manager Nader Mojtabai on September 1, 2015, to ITT managers with the subject "Nader small program input[]." The names of some recipients and the forwarding block are redacted. This email reflects ITT's approach to managing complaints from student veterans.

49. Exhibit J is a redacted copy of an email sent from a second student veteran, on September 1, 2015, to ITT managers with the subject "Re: Financial Aid Appointment." This document further reflect ITT's "bait and switch" practice, including ITT's attempt to continue to package veterans for financial aid, even after managers decided to cancel the program in which veterans had enrolled. The names of some recipients and the name and identifying information for the student veteran are redacted.

50. I am submitting this affidavit in support of former ITT students and their claims in the ITT Bankruptcy.

51. I certify under pain of perjury that the foregoing is true and correct to the best of my knowledge.

Signed: 

Carrie Wofford

Date: 1/2/2017

County of Montgomery

State of Maryland

Exhibit A

From: Gene Feichtner at HQ
Sent: Monday, October 01, 2012 9:05 AM
To: DORs
Cc: District Managers; RDORs; College Directors; [redacted] at HQ; [redacted] at HQ
Subject: Representative Minimum Standards for Conducted Interviews

Our success depends on the talent and performance of dedicated employees who concentrate, above all, on quality, compliance and customer satisfaction. In an effort to positively impact the level of service provided to our prospective students, we are establishing a minimum standards expectation for Representatives' activity to be implemented effective October 1, 2012. This standard will apply to the Representative's primary responsibility which is to respond to potential students' inquiries and requests for information about our programs of study as well as conduct face-to-face interviews to assist prospective students in determining their educational needs, concerns and interests.

The performance standards require a Representative to conduct, minimally, an average of two face-to-face interviews per week and will be measured as an average of a rolling four week period. The report used to measure the representative's conducted interview performance will be the Representative Plan vs. Actual (RPvA). New Representatives who are "eligible" to conduct interviews are provided a 30 day orientation period prior to being subject to the minimum standard expectation. Each failure to meet the minimum standard will result in moving to the next step of the progressive corrective action process as outlined below:

1. **Formal Counseling:** Representatives will meet weekly with their DOR/MOR to review their performance to their Representative Plan (RPVA). This meeting will be recorded on the Coaching Document of the RPvA report and maintained in individual Representative binders. Conversations and Documentation surrounding negative variances will be considered Formal Counseling Sessions.
2. **Written Warning:** Representatives not meeting the weekly minimum average for conducted interviews after two weeks of the measurement period will receive a written warning in accordance with ER14.1, the company's policy on corrective action.
3. **Final Warning:** If the representative fails to achieve the minimum standard for conducted interviews for the four or five week period of measure, they will receive a final warning, as defined by company policy ER14.1.
4. **Termination:** Representatives who fail to average the minimum standard for conducted interviews at any weekly measuring point after two complete weeks during the next measurement period will be subject to termination.

The representative can clear all previous corrective action by meeting or exceeding the minimum standard for three consecutive evaluation periods.

For example; Representative A had the following conducted interview activity completed in the four week period of measure:

Representative A

Week 1	Week 2	Week 3	Week 4
1 conducted interview	3 conducted interviews	2 conducted interviews	2 conducted interviews

Representative A conducted eight interviews during the four week time period for an average of two conducts per week thus meeting the minimum standard of two conducted interviews per week.

Representative B

Week 1	Week 2	Week 3	Week 4
1 conducted interview	2 conducted interviews	2 conducted interviews	2 conducted interviews

Representative B conducted seven interviews during the four week period of measure and did not meet the minimum standard. Representative B will be issued a written warning after week two based upon their inability to achieve an average of two conducts. The representative will then receive a final warning at the end of the period of measure for failing to average the minimum standard of conducts during the entire four week period. Representative B will then be required to meet the average minimum standards during their next period of measure or be subject to termination.

By implementing the minimum standard expectation we will provide higher levels of service to our prospective students, move towards becoming more efficient and productive in our recruitment process, and more consistent in measuring our minimum standard expectations.

Should you have any questions do not hesitate to contact your District Manager.

Exhibit A-1

REPRESENTATIVES MINIMUM STANDARDS FOR CONDUCTED INTERVIEWS

Definitions and FAQ's

Eligible Representative -- a Representative who meets all certification, licensure and other company requirements to meet with prospective students.

Minimum Standard -- Representatives must conduct an average of two face-to-face interviews (Conducts) per week during a *Period of Measure*.

Period of Measure -- a rolling four week period which are the four most recent weeks of Representative performance data prior to the Evaluation Date. The first Period of Measure begins on Monday, October 1, 2012.

Evaluation Date -- Representative performance will be evaluated bi-weekly beginning on October 29, 2012 for a Period of Measure. Subsequent Evaluation Dates are Nov. 12, Nov. 26, Dec. 10 and every two weeks thereafter).

Formal Counseling: -- Representatives will meet weekly, at a minimum with their DOR/MOR to review their performance to their Representative Plan vs Actual (RPVA). This meeting will be recorded on the RPVA Coaching Document report and maintained in the individual Representative binders. Conversations and Documentation surrounding negative variances to quarter plan will be considered Formal Counseling Sessions.

Written Warning: -- A Representative that was at the Formal Counseling stage and fails to meet the Minimum Standard for a subsequent Period of Measure will receive a Written Warning in accordance with Policy ER 14.1 -- Corrective Action.

Final Written Warning: A Representative that was at the Written Warning stage of the Corrective Action process and fails to meet the Minimum Standard for a subsequent Period of Measure will receive a Final Written Warning in accordance with Policy ER 14.1 -- Corrective Action.

Termination: A Representative that was at the Final Written Warning stage of the Corrective Action process and fails to meet the Minimum Standard for a subsequent Period of Measure will have their employment terminated in accordance with Policy ER 14.1 -- Corrective Action.

A Representative can clear or "reset" the corrective action process for Minimum Standard if he or she receives no further corrective action for a period of six (6) months from the date of the last Corrective Action. Corrective action for subsequent failures to achieve the Minimum Standard for a Period of Measure will begin at the Written Warning stage.

How are week long absences from work (vacation, sick, jury duty, etc.) factored in to the calculation of the average number of Conducts per week? In the event of a week long absence from work, the average for a Period of Measure will be the actual number of Conducts divided by the number of weeks that the Representative worked during the Period of Measure.

How are partial week absences from work (1-4 days for vacation, sick, jury duty, etc.) factored in to the calculation of the average number of Conducts? In the event that a Representative is not at work for part of work week, Minimum Standard still applies for that partial week.

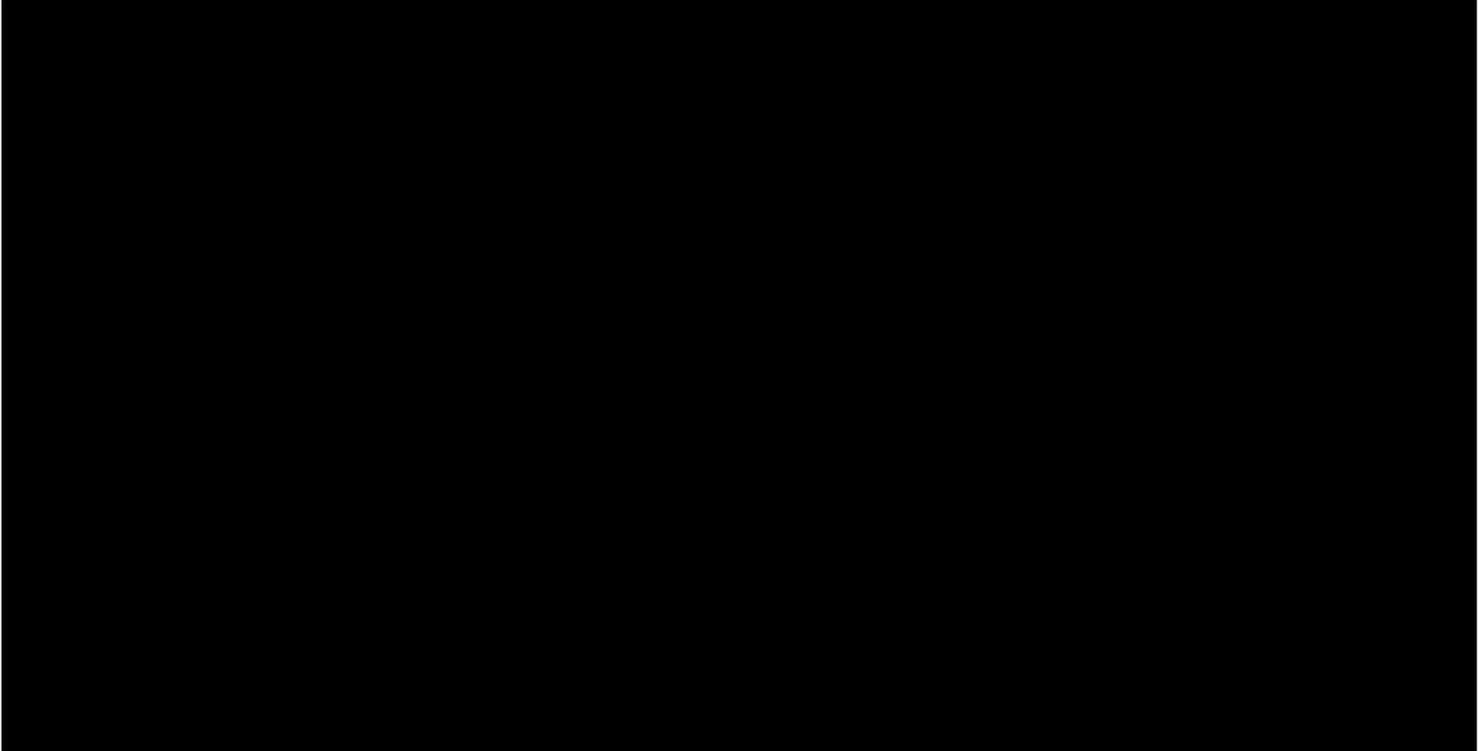
How are company observed holidays factored in to the calculation of the average number of Conducts? For weeks during which the Company observes a holiday, Minimum Standard still applies for that week.

How are corrective actions for other infractions such as Mystery Shop violations and Behavior/Conduct violations factored in to this process? Corrective Actions for all reasons are managed cumulatively. If a Representative has received corrective action for any reason and his or her performance for a Period of Measure warrants further corrective action, he or she may receive the next progressive stage of corrective action.

Are Management Trainees subject to this process during their Recruitment rotations? Management Trainees are not subject to the Minimum Standard. However, DORs should review the Management Trainees performance against the RPVA for coaching and feedback, similarly to other Admission Representatives.

ITT/ESI may repeat, modify, or omit levels of corrective action based on its assessment of the facts of the specific situation in accordance with Policy ER 14.1 – Corrective Action.

Exhibit B



From: Julia Gasaway at HQ
Sent: Tuesday, August 12, 2014 10:41 AM
To: [REDACTED] at HQ; [REDACTED] at HQ; [REDACTED] at HQ
Subject: RE: 2nd Quarter Performance Management

You may already have templates to address corrective action where needed for quarterly performance deficiencies, but thought I'd send attached to you as I'm receiving some questions. For Registrar position, the DOR template can be modified. Feel free to modify these templates as needed.

Julia Gasaway
Human Resources Partner
ITT Educational Services, Inc.
Corporate Office, Carmel, IN
(317) 706-9298 (office)



Exhibit B - 1

ITT Educational Services, Inc. **ITT**

COUNSELING FORM

EMPLOYEE NAME [REDACTED]		EMPLOYEE NUMBER [REDACTED]	DATE PREPARED [REDACTED]
JOB TITLE Admissions Representative		DATE OF HIRE [REDACTED]	DATE IN POSITION [REDACTED]
SUPERVISOR NAME [REDACTED]		DEPARTMENT Recruitment	LOCATION [REDACTED]
<p><i>Purpose of Form: This Form is intended to be a tool for supervisors to document counseling with employees in accordance with the Company's Corrective Action Policy ER 14.1 and to assist the supervisor with the counseling itself. Completed Counseling Forms must be retained by the supervisor. The Form should not be submitted to Human Resources until such time as Human Resources requests the Form or the supervisor seeks to initiate corrective action, completes the Corrective Action Form, and attaches this completed Form.</i></p>			
Background Information	<p>For discussions related to performance, provide relevant facts, e.g., performance results for specified time periods. For discussions related to conduct, describe observed conduct, date, time, place and witness(es). Also include information regarding any prior counseling.</p> <p>[REDACTED]</p>		
Counseling Discussion	<p>1. Explain the reason for the counseling and the specific performance/conduct concern(s).</p> <p>A review of your work performance over the past three (3) weeks has shown that your production has fallen below the goals established for your position. More specifically, you have had 0, 2, and 2 Pre-scheduled appointments over the past three (3) weeks.</p> <p>The Representative Minimum Standards states Representatives must set a minimum an average of three (3) pre-schedule appointments per week during the period of measure. The period of measure is the three (3) week period which is the three (3) most recent weeks of Representative performance prior to the Evaluation date.</p>		
	<p>2. Clearly describe expectations of an acceptable level of performance or conduct.</p> <p>It is important that all ITT technical institute employees provide excellent customer service. You must make all attempts to assist our students by reaching the goal of three (3) to five (5) pre-scheduled appointments for the following week.</p>		
	<p>3. Gain employee's commitment to improve performance or change conduct.</p> <p>[REDACTED] agrees to meet all ITT Representative expectations written and implied.</p>		
	<p>4. State the consequences of not improving/changing (i.e., the need to initiate corrective action).</p> <p>Pre-schedules must improve to the expectation; this is subject to corrective action, up to and including termination</p>		
Plan of Action	<p>Describe the action the employee is expected to take to improve performance or change conduct. For performance improvement discussions, include specific, measurable performance goals and timelines. For conduct improvement discussions, set forth what constitutes unacceptable conduct and what constitutes appropriate conduct.</p> <ul style="list-style-type: none"> • In order to assist you in achieving your Scheduled rate the following coaching activities will be conducted during the next two weeks: Phone activity observation with MOR. • Achieve or exceed the minimum lead to schedule ratio (minimum standards expectations) for position on a weekly basis. Observe Master Representatives overcoming delay objections by students. • Improve your ability to address common issues to visiting the campus by completing the e-Campus course "Identify and Addressing Issues" within 3 business days. • You must be confident, professional and effective while remaining in compliance with Company recruitment policies and guidelines. • Effectively prioritize your duties and manage your time. • Effectively apply the training you have received. If there are areas in which you would like to receive more training, you must let me know. • Schedule a time to follow up with all non-scheduled inquiries per week and track reasons for non-scheduled in S3. Submit to MOR/DOR weekly. 		

	<ul style="list-style-type: none"> • Review with MOR/DOR to discuss opportunities of improvement in the schedule rate. • Call to remind students of appointments 24 hours prior. • During your conversations, obtain at least one personal referral each week, as referrals tend to have a higher schedule rate than non-referrals. • Make sure to include parents or other people who influence both dependent and independent students. 	
Follow Up Date	Date supervisor plans to have follow-up discussion with employee. Will be scheduled 30 days from the date of issuance of this document	
Counseling Discussion Conducted By	SIGNATURE	DATE
Employee Acknowledgement	My signature verifies that I have read this Counseling Form. While I may not agree with the information contained in the Form, I understand that: <ol style="list-style-type: none"> 1. If the requirements described in this Form are not met within the specified time frame and satisfactory performance and conduct are not sustained, further corrective action may be taken, up to and including termination of my employment. 2. Nothing in this document is intended to change the employment-at-will relationship between ITT/ESI and me. 	
	EMPLOYEE SIGNATURE	DATE

Exhibit C

From: Julia Gasaway at HQ
Sent: Thursday, November 06, 2014 8:08 AM

To: [REDACTED]

Cc: [REDACTED] at HQ; [REDACTED] at HQ; [REDACTED] at HQ; [REDACTED] at HQ; [REDACTED] at HQ

Subject: Further clarification of Rep Performance Standards

I wanted to bring some clarification to the new Representative performance metrics that were effective 10/5/14.

As we have just completed the first four weeks since implementation, it's critical that we are all on the same page regarding interpretation of the guidelines.

A corrective action can be taken if a Rep does not meet guidelines as explained below. If performance does not meet #1 (≥ 3 metrics $> -10\%$ variance) OR #2 (significant variance in one or more metrics when compared to peers) counseling or other corrective action can be taken.

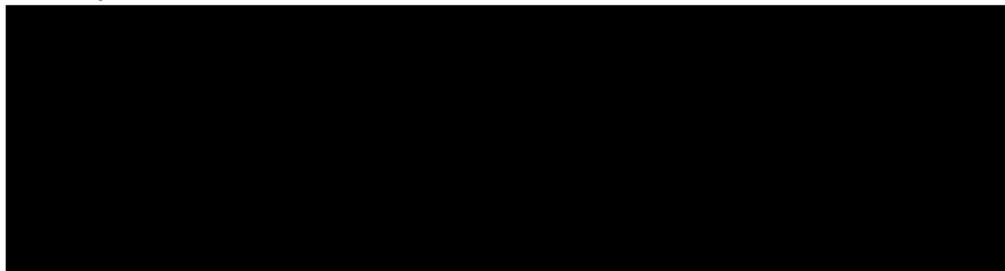
In other words, even if the Rep does not show three or more metrics $> -10\%$ to plan, corrective action may still be indicated if their performance metrics indicate a negative variance compared to their peers. However, we would not proceed with any corrective action based on poor RPvA metrics if the Rep meets all three metrics as explained in #3 below.

Keep in mind, however, that corrective action may be indicated for job performance issues outside of RPvA metrics; for example, multiple years of a PP&E score with results below standard and quarterly/mid cycle reviews showing results that are not on track to meet standard per the Representative Performance Plan.

When submitting a corrective action for HR review, please indicate whether the corrective falls under #1 or #2. If #2, please submit the RPvA for all other Reps with same job title, or better yet, a spreadsheet showing where the Rep falls within performance guidelines compared to others with same job title.

Please feel free to cascade this email as appropriate.

From: Julia Gasaway at HQ
Sent: Monday, November 24, 2014 9:41 AM
To:



Cc: [redacted] at HQ; [redacted] at HQ; [redacted] at HQ
Subject: TEMPLATES - Rep Performance Management
Attachments: TEMPLATE Corrective Action - 3 RPvA METRICS Nov 2014.docx; TEMPLATE Corrective Action - PEER PERFORMANCE Nov 2014.docx; Performance_Mgmt_Trng_Session2_GE% 209.0%2010.1.14.pptx

Importance: High

Thought it would be helpful to provide you with a template that can be used to address poor job performance for Representatives. Utilizing a template ensures better consistency and provides you more efficiency when completing a corrective action.

- The document named "TEMPLATE Corrective Action – 3 RPvA" is used to address job performance in which three or more metrics on the RPvA have a variance greater than -10** (see explanation below).
- The document named "TEMPLATE Corrective Action – PEER PERFORMANCE" is used to address job performance in which one or more of the metrics are poor when compared to their peers (those with the same job title). The individual may not be performing well, but they do not have at least three metrics with variance >-10.

It's essential that you also customize the area named "Performance or Conduct Expectations"—we want to give our employees the right tools to help them succeed. In this section, you would indicate specific activities (such as shadowing a highly seasoned Rep) or additional training that is geared toward their specific problem areas.

For those of you who may need a refresher on the new performance standards that were implemented 10/5/14, I've also included the original Powerpoint presentation that was given by Recruitment. Explanation of the new standard starts on page 32, but there is valuable information throughout the document to help you effectively manage job performance.

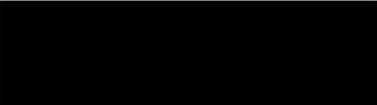
Lastly, a friendly reminder that all corrective actions must be approved by HR before distributing to employees. A formal counseling document needs approval only at campus level.

This email should be forwarded and discussed with all employees who manage Representative's job performance.

Please feel free to reach out with any questions.

** Rep variance is calculated by subtracting the plan % goal from the actual % goal. For example, a Rep with a Conduct goal of 40% who actually performed at 28% would have a variance of -12% (28%-40%= -12%). There is no longer any "minimum" conduct goal of 5%, 7%, etc.

Exhibit D



Subject: RPA Leader's Board
Importance: High

Just 3 weeks left!

National Orientations last week should have provided a clear picture of your September class roster. Be sure to personally reach out to all individuals that were confirmed but did not attend to assist in addressing any remaining issues. This week's Show Meeting must include a review of Core Program standings. Any program with less than 10 net applications needs your immediate attention – we do not want to delay a prospective student from beginning class due to small section size. At this point in the quarter, you must also monitor future quarter applications and students without schedules. There are a lot of plates to spin over the next 5 weeks...this quarter requires your undivided energy and attention...our students deserve it!

Here are the **District Rankings** and **Top Campuses** in *Inquiry to Pre-Packaged!!!*

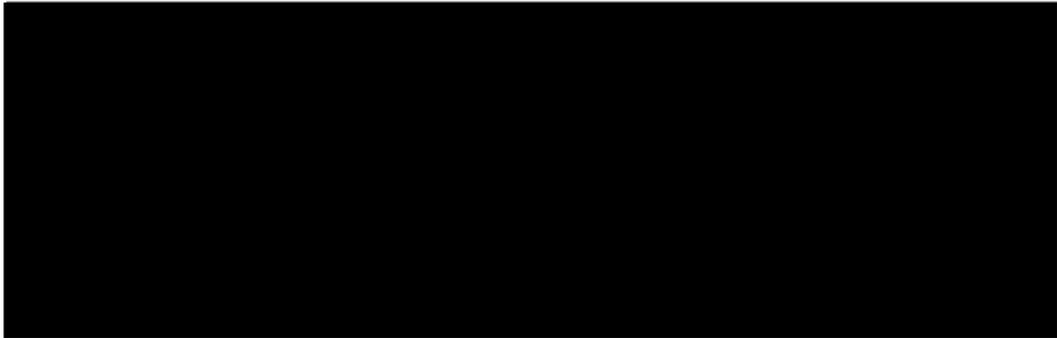
Congratulations to those leading the way toward Student Success!

Campus	Inquiry to Pre-Packaged
Baton Rouge MC	11.49%
Pensacola MC	11.35%
Swartz Creek MC	11.18%
Oxnard MC	10.26%
Madison WI MC	9.60%
Canton MC	9.42%
Boise MC	9.20%
North Charleston MC	8.90%
Mobile MC	8.64%
Tucson MC	8.33%
Fort Myers MC	7.80%
National City MC	7.48%
Duluth MC	7.35%
Vista MC	7.25%
Marlton MC	7.23%
Indianapolis MC	7.17%
Indianapolis East MC	7.10%
Sylmar MC	6.92%
Fort Wayne MC	6.83%
Johnson City MC	6.77%

District
SOUTHERN
SOUTHERN C
SOUTHWEST
NORTHEAST
OHIO VALLEY
SOUTH ATLA
NORTH CENTI
CENTRAL
SOUTH CENTI
NORTHWEST
SOUTHEAST
MIDWEST

Karen Cariozzi
 Vice President, Recruitment
 ITT Educational Services Inc.
 1-800-388-3368





From: Karen Carlozzi at HQ
Sent: Monday, August 31, 2015 11:09 AM
To: DORs
Cc: College Directors; District Managers; Kevin Modany at HQ; Gene Feichtner at HQ; Barry Simich at HQ; Richard Zeeman at HQ; RDORs
Subject: RpvA Leader's Board
Importance: High

There are 2 weeks remaining until the September 2015 quarter start!

It's imperative that we manage the details of each RpvA metric to maximize our opportunities when assisting individuals to make a positive life change. As prospective students continue to inquiry, your Inquiry Management Reviews should concentrate on **inquiry response time**. As we've discussed during several training initiatives, the single most impactful element in contacting inquiries is the length of time between inquiry creation and first attempt to contact. **Work collaboratively with the Finance and Registration Departments** to ensure a seamless transition occurs and there are no delays in student packaging and course registration.

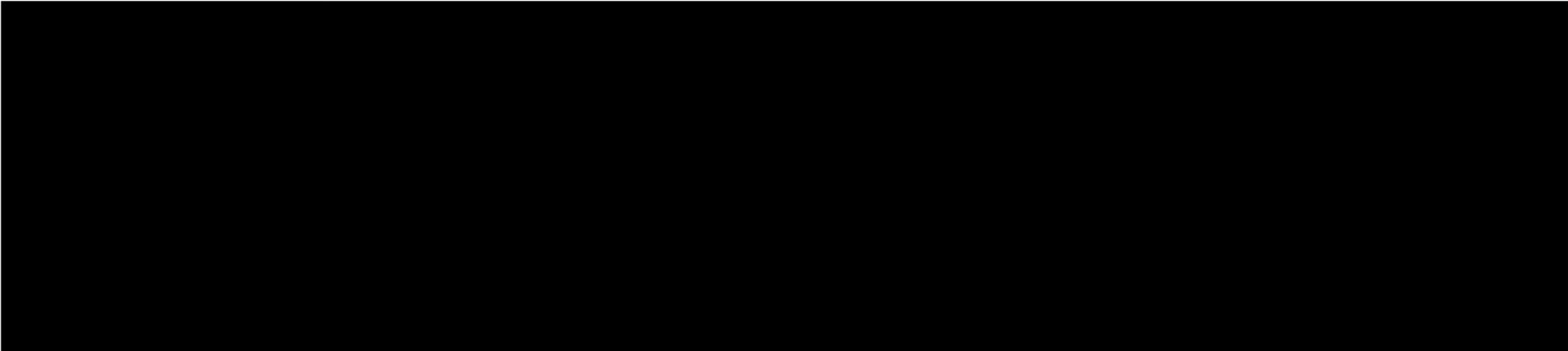
Here are the **District Rankings** and **Top Campuses** in ***Inquiry to Pre-Packaged!!!***

Congratulations to those leading the way toward Student Success!

Campus	Inquiry to Pre-Packaged
Pensacola MC	12.76%
Baton Rouge MC	11.89%
Swartz Creek MC	10.42%
Oxnard MC	10.29%
Canton MC	10.14%
Madison WI MC	9.60%
North Charleston MC	8.88%
Boise MC	8.86%
Mobile MC	8.55%

District	Inquiry to Pre-Packaged
SOUTHERN	6.06%
SOUTHERN CALIFORNIA	5.92%
SOUTHWEST	5.21%
OHIO VALLEY	4.79%
NORTHEAST	4.74%
SOUTH ATLANTIC	4.48%
NORTH CENTRAL	4.44%
CENTRAL	4.23%
SOUTH CENTRAL	4.05%

Exhibit E



From: Mick Lindvay at HQ
Sent: Wednesday, September 09, 2015 3:18 PM
To: DOF's
Cc: DORs; RDORs; Karen Carlozzi at HQ; College Directors; District Managers
Subject: Top Leaders in September Packaging one week before the start!

Congratulations to our Top Leaders that have already exceeded 69% Packaged!

Keep driving your team to excel! We still have **one week** before the September Start to help our prospective students realize their dreams!

The goal is to reach a minimum of **60% Packaged** by **September 27th**! Reach to exceed **69% Packaged!**

September Packaging Tips:

- Contact any students who still need FA Meetings and get them scheduled as soon as possible!
- Work your reporting tools to track students through the packaging process!
- Hold your team accountable to timely ISIR processing and clearance activities!
- Ensure all anticipated funding is ready to disburse!

September Packaged Cancels:

- Keep the focus on the prospective student! Our **Packaged Cancel %** (the percentage of packaged students who cancel registration) is a critical factor in meeting our Packaging goals. Stay in touch with your packaged students so that we can maintain their enthusiasm to attend

school! You can contact the student regarding upcoming campus events, new information regarding financial aid, or simply to ask if they have any questions and proactively address any concerns.

Reminders:

- The **2014-15 FAFSA Correction and FSA Processing Deadlines** are rapidly approaching! Corrections to 2014-15 FAFSA applications and ISIRs must be received by CPS before midnight (central time) on September 19, 2015. In order to process 2014-15 federal student aid disbursements, a valid ISIR must be received on or after September 28, 2015. Please review your students to ensure that all necessary corrections are submitted prior to this deadline for anyone that may potentially receive federal student aid from the 2014-15 award year. If you have 2014-15 ISIRs with issues that require HQ review and approval such as C-Codes, Professional Judgment, or Dependency Override requests, make sure all necessary documentation is properly uploaded to the student account and change the request status to "Pending HQ Review" as soon as possible to allow time for any necessary ISIR corrections.
- As discussed during the required training call, **R2T4 Automation** has now been enabled for all locations. The system will automatically identify, calculate, and post the required R2T4 adjustments in accordance with the R2T4 Calculation Worksheet and federal regulations. As a reminder, it is a requirement that the school continues to track all student withdrawals through monitoring of system reports and communication with Registration and Academic Affairs. The R2T4 Automation process must be validated as successful on the next business day after a student's status changes from active to inactive. All additional manual activities must be completed by the school as detailed in the training, including the tracking and resolution of any identified Post Withdrawal Disbursement (PWD). Any and all issues or questions related to the R2T4 Automation process should be immediately forwarded to your Field Finance Manager for resolution. Please assist us with the implementation of this important enhancement to ensure the timely and accurate processing of R2T4 for all students and locations!
- The **2015-16 FWS Allocations** have been delivered by district to all DOFs and College Directors. All Finance staff must review the Campus Based Aid Programs training presentation and recording posted to the Finance page of the employee portal to ensure proper management of 2015-16 FWS funds. FWS Award Letter requests are to be sent to the SFS Approval Required at HQ mailbox using the updated Campus Based Calculation Worksheet.
- Keep the focus on compliance! Have you generated and reviewed your **Title IV Credit Balance Report** today? The report is updated every day and available on demand through the Employee Portal. Each DOF is required to generate and review the Title IV Credit Balance report at minimum weekly to identify and resolve Title IV credit balances as they occur. If action can be taken to reduce or eliminate the credit balance requiring resolution, the action needs to occur before the Date of Resolution specified. HQ will be initiating a refund or OS reversal on the student's account on the Date of Resolution pursuant to the authorization statements selected to resolve the Title IV credit balance.

Top Leaders	Package
Youngstown MC	81.48%
Akron MC	72.94%
Sylmar MC	69.31%

District	FA Conduct	Pre-Package	Package
SOUTHERN CALIFORNIA	79.40%	62.53%	58.33%
OHIO VALLEY	87.55%	63.74%	55.83%
CENTRAL	83.76%	58.90%	54.98%

From: Mick Lindvay at HQ
Sent: Tuesday, September 15, 2015 7:20 PM
To: DOF's
Cc: DORs; RDORs; Karen Carlozzi at HQ; College Directors; District Managers
Subject: September Packaging Leaders
Attachments: 15.9.14 Packaging SEP-15.xlsx

Look at all of our Top Leaders who have already exceeded 69% Packaged!

Keep the focus on providing *excellent customer service* to our *prospective students* during this start week!
Reach a minimum of **60% Packaged** by **September 27th**! Reach to exceed **69% Packaged**!

Open Enrollment begins this week. Because the *prospective student* requires pre-registration documents, Enrollment Agreement, and disclosures to schedule and sit in class, it is necessary to have a good tracking system in place to monitor the packaging process. Monitor your packaging reports! Stay focused on the *prospective student* and have their **Packaging Meeting scheduled within 48 hours**. Review incoming ISIR data daily for timely student packaging. Keep working with these students to get everyone packaged as soon as possible!

September Packaging Tip:

- Keep the focus on the prospective student! Our **Packaged Cancel %** (the percentage of packaged students who cancel registration) is a critical factor in meeting our Packaging goals. Stay in touch with your packaged students so that we can maintain their enthusiasm to attend school! You can contact the student regarding upcoming campus events, new information regarding financial aid, or simply to ask if they have any questions and proactively address any concerns.

Reminders:

- The **2014-15 FAFSA Correction and FSA Processing Deadlines** are rapidly approaching! Corrections to 2014-15 FAFSA applications and ISIRs must be received by CPS before midnight (central time) on **September 19, 2015**. In order to process 2014-15 federal student aid disbursements, a valid ISIR must be received on or after **September 28, 2015**. Please review your students to ensure that all necessary corrections are submitted prior to this deadline for anyone that may potentially receive federal student aid from the 2014-15 award year. If you have 2014-15 ISIRs with issues that require HQ review and approval such as C-Codes, Professional Judgment, or Dependency Override requests, make sure all necessary documentation is properly uploaded to the student account and change the request status to "Pending HQ Review" as soon as possible to allow time for any necessary ISIR corrections.

g the required training call, **R2T4 Automation** has now been enabled for all locations. The system will automatically identify, calculate, and post the required R2T4 adjustments in accordance with the R2T4 Calculation Worksheet and federal regulations. As a reminder, it is a requirement that the school continues to track all student withdrawals through monitoring of system reports and communication with Registration and Academic Affairs. The R2T4 Automation process must be validated as successful on the next business day after a student's status changes from active to inactive. All additional manual activities must be completed by the school as detailed in the training, including the tracking and resolution of any identified Post Withdrawal Disbursement (PWD). Any and all issues or questions related to the R2T4 Automation process should be immediately forwarded to your Field Finance Manager for resolution. Please assist us with the implementation of this important enhancement to ensure the timely and accurate processing of R2T4 for all students and locations!

- The **2015-16 FWS Allocations** have been delivered by district to all DOFs and College Directors. All Finance staff must review the Campus Based Aid Programs training presentation and recording posted to the Finance page of the employee portal to ensure proper management of 2015-16 FWS funds. FWS Award Letter requests are to be sent to the SFS Approval Required at HQ mailbox using the updated Campus Based Calculation Worksheet.
- Keep the focus on compliance! Have you generated and reviewed your **Title IV Credit Balance Report** today? The report is updated every day and available on demand through the Employee Portal. Each DOF is required to generate and review the Title IV Credit Balance report at minimum weekly to identify and resolve Title IV credit balances as they occur. If action can be taken to reduce or eliminate the credit balance requiring resolution, the action needs to occur before the Date of Resolution specified. HQ will be initiating a refund or OS reversal on the student's account on the Date of Resolution pursuant to the authorization statements selected to resolve the Title IV credit balance.

Top Leaders	Package
Youngstown MC	80.17%
St. Petersburg MC	75.00%
Akron MC	70.00%
Sylmar MC	69.86%
Aurora MC	69.77%
Madison WI MC	69.23%
Fort Wayne MC	68.29%
Desoto MC	67.35%
Vista MC	67.27%
Arlington Heights MC	66.67%
National City MC	65.93%
Kennesaw MC	65.71%
Greenville MC	65.63%

District	FA Conduct	Pre-Package	Package
SOUTHERN CALIFORNIA	81.27%	65.11%	61.11%
OHIO VALLEY	87.89%	65.74%	58.33%
SOUTHWEST	89.12%	62.96%	57.48%
CENTRAL	83.40%	59.60%	56.37%
SOUTH ATLANTIC	86.01%	58.04%	54.36%
SOUTH CENTRAL	85.59%	60.01%	54.17%
SOUTHEAST	84.55%	62.17%	53.49%
MIDWEST	85.57%	57.21%	51.98%
NORTHWEST	82.21%	57.38%	51.56%
SOUTHERN	83.25%	70.66%	51.15%
NORTH CENTRAL	78.36%	54.90%	50.57%
NORTHEAST	90.69%	56.42%	46.54%
Grand Total	84.78%	61.38%	53.67%

Exhibit F

Rep Plan versus Actual Coaching Document

DATE OF MEETING:
DOR SIGNATURE:
REP SIGNATURE:
FOLLOW UP DATE:

Start Week: [REDACTED]
 Ending Week: [REDACTED]
 Rep Plan Period: SEPTEMBER 14 2015
 Applied Start Term: SEPTEMBER 14 2015
 Rep Type: All

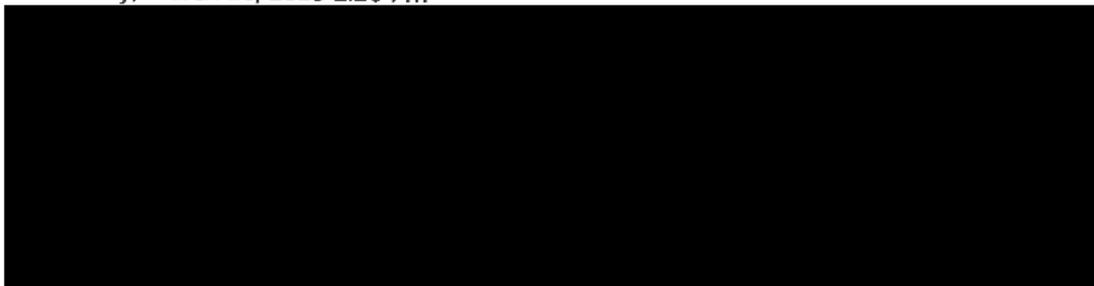
Site: [REDACTED]

Opportunities for Improvement	Action Plans for Improvement	✓	Action Plans for Improvement	✓	Action Plans for Improvement	✓
First Contacts	DOR Observation		Schedule Call Blocks on Saturdays			
	Training		Increase Evening Call Blocks			
	Variance Meeting		Focus on Zone Calling			
Scheduled	DOR Observation		Observe a Seasoned Representative		eCampus: Appointment Scheduling	
	Training		Practice the Phone Script		Review Schedule Job Aids	
	Variance Meeting		Role-Play the Phone Script		Review Conversation Notes w/ DOR	
Conducts	DOR Observation		eCampus: Questioning & Listening		Schedule Multiple Appointments	
	Training		eCampus: Identify & Address Issues		Confirmation Calls	
	Variance Meeting		eCampus: Appointment Setting		Observe a Seasoned Representative	
Applied	DOR Observation		eCampus: Information Gathering		eCampus: Program Matching	
	Training		eCampus: Identify and Address Issues		DOR Post-interview Review	
	Variance Meeting		eCampus: Obtaining a Commitment		Observe a Seasoned Representative	
Accepted	DOR Observation		Review 2nd & 3rd Attempts Procedures		Review Same Day Exam Attempt Procedure	
	Training		Review Length of Interview Process		Review Same Day Re-attempts Procedures	
	Variance Meeting		DOR Post-interview Review			
FAC Conducted	DOR Observation		eCampus: Obtaining a Commitment		eCampus: Identify & Address Issues	
	Training		eCampus: Follow-up			
	Variance Meeting		DOR Post-interview Review			

Exhibit G

From: Nader Mojtabai at HQ
Sent: Thursday, March 26, 2015 1:26 PM
To:

Cc: Nader Mojtabai at HQ
Subject: Next week freindly compwtition!



As we will be attending our quarterly meeting next week, we like to set up our teams to start the first week of June's start with a lot of positive momentum!

As such we will recognize the team with the highest average per rep/FAC of:

- Pre-schedules
- Conducts
- Applies
- Pre-packaged
- Referral leads

For the week!

I would suggest that you divide your teams into two or three groups so they can compete against each other, next week!

Have fun and lets make the first week of June's enrollment a spectacular one!

Thanks,

Nader

From: -Nader Mojtabai at HQ
Sent: Monday, August 24, 2015 8:02 AM
To:



Cc:
Subject: Data summary - three weeks out from start

We will review this during our calls today!

Starts					
Sep-15	Sept	September 2015			
LOCATION	2015 MP	Leads as of 8/23/15	Gross 8/23/15	Orientation	Show Rate
Corona	86	1133	105	58	55.2%
Vista	34	361	40	20	50.0%
Oxnard	52	582	77	35	45.5%
San Bernardino	147	1805	183	83	45.4%
Orange	154	1819	191	86	45.0%
Sylmar	154	1401	167	75	44.9%
Torrance	111	2779	185	65	35.1%
San Dimas	121	1185	150	49	32.7%
National City	224	1402	182	54	29.7%

Starts					
Sep-15	Sept	September 2015			
LOCATION	2015 MP	Leads as of 8/23/15	Gross 8/23/15	Orientation	Lead/Orientation
Oxnard	52	582	77	35	6.01%
Vista	34	361	40	20	5.54%
Sylmar	154	1401	167	75	5.35%
Corona	86	1133	105	58	5.12%
Orange	154	1819	191	86	4.73%
San Bernardino	147	1805	183	83	4.60%
San Dimas	121	1185	150	49	4.14%
National City	224	1402	182	54	3.85%
Torrance	111	2779	185	65	2.34%

Starts				
Sep-15	Sept			

LOCATION	2015 MP	Leads as of 8/23/15	Cognos 3rd QTR Gross	Cognos Close Rate
Oxnard	52	582	75	12.9%
National City	224	1402	176	12.6%
San Dimas	121	1185	143	12.1%
Sylmar	154	1401	149	10.6%
Vista	34	361	35	9.7%
Orange	154	1819	175	9.6%
Corona	86	1133	94	8.3%
San Bernardino	147	1805	149	8.3%
Torrance	111	2779	168	6.0%

Starts			
Sep-15	Sept		
LOCATION	2015 MP	Leads as of 8/23/15	Referrals
Vista	34	361	0.40
San Dimas	121	1185	0.34
National City	224	1402	0.27
Oxnard	52	582	0.21
Sylmar	154	1401	0.21

From: Nader Mojtabai at HQ
Sent: Monday, August 24, 2015 10:05 AM
To:



Cc:

Subject: Production

Wow! Our close rate last week was at 9.7%! AWESOME!

Below you see data just for the last week as well as QTD. If not all most of our campuses did better last week than QTD averages!

Team National City led the district with 14.7% close wow! This was followed by Team Oxnard. We had two campuses tied for the third place, Team Corona and Team San Dimas!

Both Team Orange and Team Sylmar close above 10% as well!

Team Torrance is on the rise and see the significant improvement that they made just last week alone!

Team Vista and Team San Bernardino are starting this week strong to continue their progress!

Lets keep this positive momentum going and have a very big week this week! We can!

Thank you [redacted] for providing the data!

Thanks,

Nader

Week 33 Data:

2015- 33

	CDL				REF				Media Group				%
	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied	
Corona	156	70	13	12	4	6	4	5	162	79	20	19	11.
National City	177	60	21	23	6	5	4	3	184	67	26	27	14.
Orange	201	84	18	20	6	14	3	4	212	98	21	24	11.
Oxnard	85	34	9	9	4	3	2	2	90	37	11	11	12.
San Bernardino	257	71	14	11	2	1	0	0	287	75	14	11	3.
San Dimas	159	53	8	14	7	7	6	5	171	63	15	20	11.
Sylmar	198	69	27	20	1	0	0	1	200	71	28	22	11.
Torrance	308	106	17	21	6	8	6	6	329	115	23	27	8.
Vista	56	15	5	2	4	3	2	2	63	20	8	4	6.
Total	1,597	562	132	132	40	47	27	28	1,698	625	166	165	9.

QTD Data:

2015-3

	CDL				REF				QTD			
	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied
Corona	1,139	480	80	79	16	28	12	13	1,168	513	95	94
National City	1,421	535	149	149	22	19	12	14	1,525	588	177	176
Orange	1,832	703	142	148	60	110	29	26	1,950	839	177	175
Oxnard	590	231	73	64	26	32	9	11	624	264	82	75
San Bernardino	1,821	589	123	137	16	18	4	8	1,977	641	132	149
San Dimas	1,194	479	106	114	29	33	25	26	1,297	536	134	143
Sylmar	1,421	495	153	127	18	18	11	12	1,531	548	178	149
Torrance	2,798	861	157	150	21	23	18	13	2,895	906	179	168
Vista	361	133	43	29	15	13	9	6	386	151	53	35
Total	12,577	4,588	1,026	997	223	294	129	129	13,353	4,986	1,207	1,164

From: Nader Mojtabai at HQ
Sent: Wednesday, September 02, 2015 3:55 PM

To:

[Redacted]

Cc:

Subject: FW: Production

We continue to climb! We are at 12.2% close rate! This is awesome or what!

Do I hear 13%? Do I hear 14%?

Awesome job to Team Oxnard for continuing to lead the district! Followed by Team Vista and Team National City!

Lets finish the week strong! We need a lot more appointments for the rest of the week! 😊!

Thanks,

Nader

[Redacted]
Sent: Wednesday, September 02, 2015 10:25 AM

To: Nader Mojtabai at HQ

Subject: Production

	Monday			Tuesday				Wednesday	Thursday	Friday	Saturday	Week-to-Date					
	First Scheduled	Conducted	Applied	First Scheduled	Conducted	Applied	Scheduled	Scheduled	Scheduled	Scheduled	First Scheduled	Conducted	Applied	%			
Corona	26	7	3	3	22	13	2	3	13	9	7	2	48	51	5	6	12.5%
National City	32	9	5	7	41	19	4	4	12	7	7	0	73	54	9	11	15.1%
Orange	46	16	7	6	34	15	3	4	16	10	4	4	80	65	10	10	12.5%
Oxnard	14	6	4	5	14	6	1	2	5	4	1	2	28	24	5	7	25.0%
San Bernardino	48	11	3	2	42	16	6	8	17	6	6	2	90	58	9	10	11.1%
San Dimas	20	16	3	2	25	9	2	3	13	4	5	3	56	50	5	5	8.9%
Sylmar	37	17	8	6	32	22	1	3	15	8	2	1	69	65	9	9	13.0%
Torrance	71	17	3	2	62	35	14	10	28	11	2	4	133	97	17	12	9.0%
Vista	11	6	3	2	7	3	0	1	4	3	1	1	19	18	3	3	15.8%
Total	315	105	39	35	279	138	33	38	123	62	35	19	596	482	72	73	12.2%



From: Nader Mojtabai at HQ
Sent: Tuesday, September 08, 2015 9:08 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: Production

We finished the week with 10.9% close rate! Awesome job everybody!

The leaders for the week are:

Team Oxnard with 15.3%

Team Corona with 13.1%

Team Sylmar and Team National City both with over 12%

It is great to win as a team!

Appointments and confirmations to increase their show rate continue to be the name of the game!

BTW _ Check you ACA...our TV Close rate as a district has gone down!! You may want to use the s-3 advance find to do a phone-a-thon for TV leads!

Thanks,

Nader

From: [REDACTED]
Sent: Tuesday, September 08, 2015 8:57 AM
To: Nader Mojtabai at HQ
Cc: [REDACTED]
Subject: Production

Week 35 Data:

2015- 35

	CDL			REF				Media Group				%	
	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted		Applied
Corona	119	57	13	12	2	3	2	4	122	66	15	16	13.1%
National City	184	70	20	19	1	2	2	3	190	76	24	23	12.1%
Orange	202	71	15	16	5	11	4	1	208	82	19	19	9.1%
Oxnard	65	19	4	6	6	7	5	5	72	26	9	11	15.3%
San Bernardino	197	65	17	21	4	5	2	2	204	77	20	24	11.8%
San Diego	134	63	10	14	1	1	0	1	137	67	11	16	11.7%
Sylmar	180	78	14	17	11	11	8	7	197	95	24	24	12.2%
Torrance	327	121	29	23	6	9	4	3	333	133	35	27	8.1%
Vista	55	20	9	4	0	2	0	1	55	22	9	5	9.1%
Total	1,463	564	131	132	36	56	27	27	1,518	644	166	165	10.9%

Quarter to Date Data:

2015- 3

	CDL			REF				Media Group				%	
	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted	Applied	First	Scheduled	Conducted		Applied
Corona	1,417	595	99	99	22	37	16	18	1,455	639	118	119	8.2%
National City	1,779	680	189	186	25	23	15	17	1,906	746	225	220	11.5%
Orange	2,273	368	176	184	78	135	34	31	2,412	1,027	216	218	9.0%
Oxnard	726	289	93	87	39	45	16	18	775	335	109	105	13.5%
San Bernardino	2,262	739	162	181	30	34	11	16	2,439	815	179	203	8.3%
San Diego	1,490	621	132	144	36	41	31	34	1,605	690	167	182	11.3%
Sylmar	1,762	642	134	157	30	31	21	20	1,921	719	222	188	9.8%
Torrance	3,459	1,130	211	196	38	41	30	20	3,575	1,199	250	224	6.3%
Vista	466	177	61	40	16	15	10	7	493	197	72	47	9.5%
Total	15,654	5,741	1,307	1,274	314	402	184	181	16,581	6,367	1,558	1,506	9.1%

Exhibit H

From: Paula Cherry at HQ
Sent: Tuesday, September 01, 2015 8:42 AM
To: Nader Mojtabai at HQ; [REDACTED]
Cc: Shantel Hickle at HQ; Dean Kempter at HQ
Subject: FW: Please read

This student called here this morning very upset about the being able to go into the bachelor's program in Vista. He stated that he was told he need to get 6 students to start the program and now that he has 6 is being told 10. He also stated that some of the 6 were taking NSA courses waiting for the bachelor's degree to start.

Dr. Paula Cherry
National Dean
317-706-9287

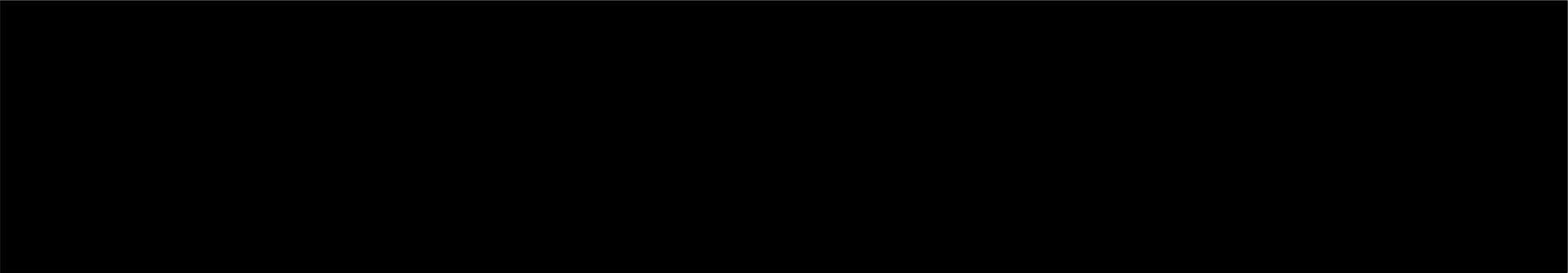
[REDACTED]
Sent: Tuesday, September 01, 2015 11:31 AM
To: Paula Cherry at HQ
Subject: Please read

Good Morning

I am One of six students that was affected by your decision to not start a bachelors program for electrical engineering at the Vista campus in California. To start off the Six students that are ready to start this course are comprised of Combat veterans who took the time to serve there country and sought time from your establishment to better themselves and further our educations. We have all completed our associate degrees at the vista campus and are ready to move forward, however You have let us down not once but three times now. We as a collective have been told time and time again that the Bachelors course will start the next semester, at last we saw hope we have six strong dedicated students that will see this out to the end if we are given a chance. I feel very strongly about this that if you were to GRANT us our chance at the bachelors degree that all six of us will finish , we all have sacrificed a great deal some more then others and have defended ITT-Tech in court when it came to the VA issue, It is time you keep your promise and hold up to your end of the bargain by granting us our chance at our degree.

Thank you
[REDACTED]

Exhibit I



From: Nader Mojtabai at HQ
Sent: Tuesday, September 01, 2015 9:48 AM
To: Paula Cherry at HQ; [REDACTED]
Cc: Shantel Hickle at HQ; Dean Kempter at HQ
Subject: RE: Please read

The Vista campus. Small market, has been trying to start this program a couple of times. Last quarter the classes were canceled last minute. Campus has taken the following actions to increase the enrollment in this program for the September start:

- Asked their Sister Campus – The National City campus was approached to see if Vista campus could receive a list of graduates that live closer to the Vista campus so we could contact those graduates. No graduates were identified.
- Ask the students to see if they can get us referrals

Last week we came to the conclusion that we have done all we could to increase the pool of candidates. At that point, Vista Team believed that they have exhausted all their options and could not offer a class bigger than six in September. Being this a Bachelor class, the pool is known to us that we can work with to increase our class size.

Since small class size is not as effective in fostering good educational environment, we try to avoid it when we can.

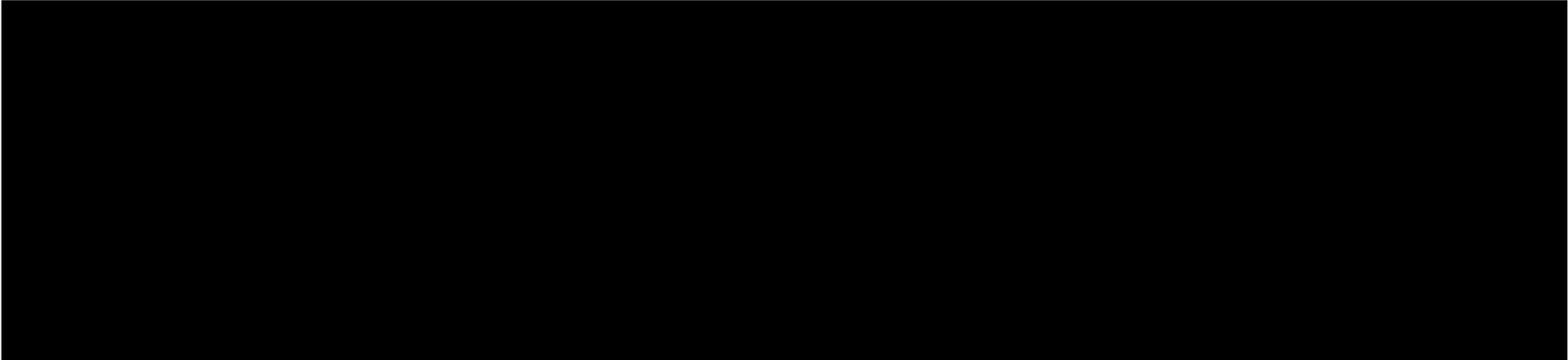
As such the decision was made that the best thing second to offering the class is to inform the students now that we are not offering it in September. This will allow them to have ample time to plan to attend any of the sister campuses close to the Vista campus.



Thanks,

Nader

Exhibit J



Sent: Tuesday, September 01, 2015 3:24 PM

To: [REDACTED]

Subject: Re: Financial Aid Appointment

Good evening [REDACTED]

As always I respect your position as Director at the school, but unfortunately this seems to be out of your hands for this (seems) as if this is the second or third time this has happened in reference to the Bachelors program being cancelled. Whether you know this or not (I hope you do) we change and alter out lives to be enrolled at your school, where we have infinite choices to choose from for our education We feel as if you and your team is not trying hard enough and I'm looking to go to the top to resolve this. ALL of your Bachelor students feel the same way and I can not allow this to go any further. Correct me if I'm wrong, but we were told to have x amount of students to be enrolled to have the bachelors program present... which we did.... and nothing has changed. So we jump through loop holes to not only help your school, but start a Bachelors program of GOOD students who will likely start a trend of successful Bachelors students graduating from our campus. This maybe out of your hands but regardless I'm going to make sure this doesn't go unheard.

I will let you know if I want to meet with you or speak with you. Thanks.

[REDACTED]

[REDACTED]

Sent: Tuesday, September 01, 2015 1:21 PM

To: [REDACTED]
Subject: Re: Financial Aid Appointment

Hello [REDACTED],

I was going to make it a point to stop by today and finish the enrollment but I was notified from other students that the Bachelor's program will be cancelled. I am really not happy to hear about this and ensures that I will not be coming in anytime soon. I am very upset !! With this being said, I would like the emails and phone numbers of ITT corporate headquarters, as well as, the number and email to the Director. I hope you understand I'm not angry at you, but will show my frustration to whoever is in charge,

[REDACTED]

On Mon, Aug 31, 2015 at 12:41 PM, [REDACTED] wrote:

Hi [REDACTED],

I hope you're feeling better.... Let me know when you can come back to finish financial aid, ok?!

Thanks ☺

[REDACTED], Senior Admissions Representative, Vista Campus

ITT Technical Institute | 440 S. Melrose Drive | Vista