EDMC Education Management Corporation

April 22, 2010

Martin Smith, Producer/Correspondent FRONTLINE - WGBH-TV One Guest Street Boston, MA 02135

Dear Mr. Smith,

This letter is in response to your correspondence (dated April 14, 2010) regarding Argosy University, Dallas. You have requested that Education Management Corporation (EDMC) respond to a number of questions related to the case Capalbo, et al. v. Argosy Education Group, Inc., et al. filed in Dallas County, Texas District Court. We believe the allegations in the lawsuit are unfounded and without merit, both in law and in fact, and we intend to vigorously defend ourselves in this matter. We look forward to prevailing in court once all the evidence is presented. As you can understand, due to the pending litigation we will not respond to detailed questions. However, several issues with respect to the case bear emphasis:

- Argosy University, including its Dallas campus, is accredited by the Higher Learning Commission (HLC) and was accredited during the period in which the plaintiffs attended school. The HLC is one of six regional accrediting bodies authorized by the U.S. Department of Education to accredit post-secondary institutions.
- Programmatic accreditation from the American Psychological Association (APA) is <u>not</u> required for graduates to become licensed as clinical psychologists in Texas. Indeed, students who graduate with an Argosy degree meet the requirements established by the Texas State Board of Examiners of Psychologists to become licensed psychologists. Moreover, according to the Association of State and Provincial Psychology Boards Handbook, only three (3) states require graduates of the clinical psychology doctoral (Psy.D.) program, including former students involved in the lawsuit, are successful practicing clinical psychologists all across the country due to the education they received from Argosy University.
- The Dallas campus aspired and continues to aspire to offer students a Psy.D. program that is accredited by the APA and is pursuing that goal. The Dallas campus involved students in the APA accreditation process and kept them informed with periodic updates. Instructors in the program also repeatedly informed students that obtaining APA accreditation is a long, involved and multistep process dependent upon many factors.
- Your website refers to debt incurred by a student attending a program in Dallas. Under current law, post-secondary institutions cannot legally establish lower loan limits for federally guaranteed student loans than those established by Congress. Additionally, the federal Cohort Default Rate for the Dallas campus of Argosy University in fiscal 2007, the most recent data available from the U.S. Department of Education, was 4.35% as opposed to the national average of 6.7% for both for-profit and not-for-profit institutions and 11% for for-profit institutions.

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For more than 30 years. Argosy University has been committed to delivering education that provides students with the skills they need to become successful professionals in their chosen fields. With nearly 24,000 students at 19 campuses in 13 states, Argosy University remains dedicated to providing professional and continuing education to individuals seeking to pursue a higher education, advance their professional expertise, or career. We are proud of our distinguished faculty, the caliber of our academic programs, and the professional achievements of our alumn!. And finally, we trust that you will present these responses in a fair, accurate and responsible journalistic context.

Sincerely,

quelyn P. Muller

Vice President

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