

To: The Fort Wayne Senate
From: Steven Alan Carr
PFW AAUP Executive Committee
Subject: Resolution Urging Fort Wayne Senate to Join AAUP in Opposing
Purdue Global Practices

WHEREAS, the local chapter of the AAUP passed unanimously a resolution on 17 Sep. 2018 urging the Fort Wayne Senate to join the AAUP in urging faculty to reject any collaboration with Purdue University Global until it fully renounces the predatory practices of the former for-profit Kaplan University and Graham Holdings Company, including unprecedented use of nondisclosure agreements and forced arbitration agreements as conditions of employment and enrollment, respectively;

WHEREAS, Purdue University Global now has rescinded its use of nondisclosure agreements after increased public scrutiny and a successful public pressure campaign led by the American Association of University Professors, but still requires forced arbitration agreements as conditions of enrollment;

WHEREAS, new information has emerged showing that Purdue University Global is enforcing a system of prior restraint by requiring faculty to notify administration within sixty minutes of contact with a media outlet;

BE IT RESOLVED that the Fort Wayne Senate calls upon Purdue Global Board Chair Michael Berghoff, the Board of Trustees, and Chancellor Betty Vandebosch to end the use of forced arbitration agreements as a condition of student enrollment; and

BE IT FURTHER RESOLVED that Fort Wayne Senate calls upon Purdue Global Board Chair Michael Berghoff, the Board of Trustees, and Chancellor Betty Vandebosch to end of any form of prior restraint of faculty, including any requirement that infringes upon faculty ability to freely comment on any matter related to the university, including any matters of governance; and,

BE IT FURTHER RESOLVED that the Fort Wayne Senate urges all Purdue University faculty at Fort Wayne and other Purdue regional campuses to reject collaboration with Purdue University Global until all forms of prior restraint, forced arbitration, and nondisclosure agreements are removed from any conditions of either faculty employment or student enrollment.

To: The Purdue University Fort Wayne Chapter of the AAUP
From: Christine Erickson
PFW AAUP Executive Committee
Subject: Resolution Urging Fort Wayne Senate to Join AAUP in Opposing
Purdue Global Practices

WHEREAS, both the AAUP and the Indiana Conference of the AAUP have strongly urged faculty to reject any collaboration with Purdue University Global until it fully renounces the predatory practices of the former for-profit Kaplan University and Graham Holdings Company, including unprecedented use of nondisclosure agreements and forced arbitration agreements as conditions of employment and enrollment, respectively;

WHEREAS, Purdue University Global now has rescinded its use of nondisclosure agreements after increased public scrutiny, but still requires forced arbitration agreements as conditions of enrollment;

WHEREAS, new information has emerged showing that Purdue University Global is enforcing a system of prior restraint by requiring faculty to notify administration within sixty minutes of contact with a media outlet;

BE IT RESOLVED that the AAUP chapter of Purdue University Fort Wayne ask the Fort Wayne Senate to join us in urging the end of using forced arbitration agreements as a condition of student enrollment; and,

BE IT FURTHER RESOLVED that the AAUP chapter of Purdue University Fort Wayne ask the Fort Wayne Senate to join us in urging the end of any form of prior restraint of faculty, including any requirement that infringes upon faculty ability to freely comment on any matter related to the university, including any matters of governance; and,

BE IT FURTHER RESOLVED that the AAUP chapter of Purdue University Fort Wayne ask the Fort Wayne Senate to join us in urging all Purdue University faculty at Fort Wayne and elsewhere to reject collaboration with Purdue University Global until all forms of prior restraint, forced arbitration, and nondisclosure agreements are removed from any conditions of either faculty employment or student enrollment.

United States Senate

WASHINGTON, DC 20510

September 19, 2018

Mr. Michael Berghoff
Chairman
Board of Trustees
Purdue University
Hovde Hall, Room 247
610 Purdue Mall
West Lafayette, IN 47907

Dear Chairman Berghoff:

We write today to share our disappointment that Purdue University has continued the for-profit college industry practice of forcing students to agree to pre-dispute mandatory arbitration and class action bans as a condition of enrollment at its Purdue University Global – newly acquired from Kaplan. We urge the Board of Trustees (Board) to immediately end this practice.

Almost a year ago, we sent a letter to President Mitch Daniels – to which we have still not received a written response – sharing our concerns about Purdue University’s acquisition of the troubled, predatory Kaplan University. At that time, we raised the issue of mandatory arbitration and urged that Purdue take steps as part of any final transaction to implement protections for students, including ending this harmful practice. We are disappointed to learn that the practice has continued under Purdue’s watch.

Mandatory arbitration clauses and class action bans prevent students from bringing suit, either individually or as part of a group, against a school in a court of law when the school’s misconduct has caused the students harm. Instead of the protections of the legal system, students are forced into a dispute resolution process which lacks the procedures and precedents of the court system and is meant to favor the school. Arbitration proceedings and decisions are secret which hides misconduct from regulators, accreditors, and – importantly in the case of Purdue University – the public. The clauses themselves are often buried in the fine print of stacks of enrollment documents that students must sign in order to attend classes.

While a hallmark of the for-profit college industry – used by predatory companies like Corinthian and ITT Tech – mandatory arbitration in student enrollment is almost unheard of at public and legitimate private, not-for-profit institutions. In fact, the Association of Public and Land-Grant Universities (APLU) – of which Purdue is a member – has, in the past, joined the Association of Community College Trustees, American Association of Collegiate Registrars and Admissions Officers, and the National Association of Independent Colleges and Universities to express how rarely, if ever, mandatory arbitration is used in enrollment by public and not-for-

profit institutions. In an August 30 public comment letter to the Department of Education on the Borrower Defense rule, APLU joined other American Council on Education members in writing that the use of pre-dispute arbitration clauses and class action waivers “limits borrowers’ options in seeking redress...and provides protection to institutions that are acting against the interests of students. We fail to see how allowing [pre-dispute mandatory arbitration clauses and class action waivers] is beneficial to the public.”¹

In a recent statement to *Inside Higher Ed*, a Purdue spokesman seemed to downplay the use of mandatory arbitration and class action bans in student enrollment as something “inherited from Kaplan.” Yet, the spokesman went on – in a thinly veiled swipe at critics of the Purdue-Kaplan transaction – to emphatically assert that the Board “has complete control over Purdue Global, and has the final say as to which policies it retains, and which it alters. The fact that the board has complete authority to operate the new university as it sees fit and to enact whatever policies it deems to be in the interest of students is one that only the most unaware critics struggle to grasp.”²

Purdue cannot have it both ways. Either the continued use of mandatory arbitration and class action bans in student enrollment are a remnant of Kaplan that the Board disavows – in which case the Board should use its authority to immediately end the practice – or the Board must accept responsibility for the practice continuing under its control and acknowledge pre-dispute mandatory arbitration as an affirmed Purdue policy that it “deems to be in the interest of students.” The choice is yours.

We look forward to your prompt response.

Sincerely,



Richard J. Durbin
United States Senator



Sherrod Brown
United States Senator

Cc: Mr. Thomas Spurgeon, Vice Chairman
Mr. Michael Klipsch, Trustee
Ms. JoAnn Brouillette, Trustee
Ms. Vanessa Castagna, Trustee
Mr. Malcolm DeKryger, Trustee

Mr. Sonny Beck, Trustee
Mr. Gary Lehman, Trustee
Mr. Daniel Romary, Trustee
Mr. Don Thompson, Trustee

¹ American Council on Education Senior Vice President Terry Hartle to U.S. Department of Education regarding proposed rule on borrower defenses to repayment. Docket ID ED-2018-OPE-0027. August 30, 2018. Retrieved from <https://www.acenet.edu/news-room/Documents/Community-Borrower-Defense-Comments.pdf>

² Toppo, Greg. “Purdue Demands Students Waive Right to Sue.” *Inside Higher Ed*. August 29, 2018. Retrieved from <https://www.insidehighered.com/quicktakes/2018/08/29/purdue-global-demands-students-waive-right-sue>

Faculty 60 Minute Rule

The alert system is a means of ensuring that University leadership receives timely notification of critical matters that affect our students, campus operations, facility operations and our service partners. This Rule requires that you make timely notifications whenever any of the important issues listed arise.

There are two categories of critical matters that must promptly be reported under this Rule:

Red Alerts – which must be reported **within 60 minutes** of their occurrence via the alert@purdueglobal email.

Yellow Alerts – which must be reported **within 24 hours** of their occurrence via the alert@purdueglobal email.

See reverse side for examples of alert types and reporting details

Red Alert

First, determine if the issue is a Red Alert:

- Any event that could result in significant injury or harm to property or any person (e.g., violence, threat of violence, threat of suicide, serious public health issue or other security risk)
- Media inquiry or media event
- Unplanned school closure **NOT** due to weather
- Non-routine regulatory agency visit
- Unplanned law enforcement visit
- Imminent threat of picketers, protesters, demonstrators or other unwanted illegal trespassers
- Any illegal activity

Within 60 minutes report a red alert by sending an email describing the issue and attaching any relevant documents. Send the email to:

alert@purdueglobal.edu

Yellow Alert

First, determine if the issue is a Yellow Alert:

- Notices or routine inquiries from federal, state or accrediting agencies
- Attorney letters or contact from an attorney, or threats to contact an attorney
- Non-life threatening student or employee medical issues resulting in ambulance or 911 call
- A business interruption not resulting in a school closure (e.g., internet down)
- Significant employee or student issue including HR and/or compliance concerns
- Concerns with externships, including timely placement or dismissal
- Complaints to Purdue Global by a student, employee or third party that require assistance from Legal or senior management
- Notification of a complaint made to a third party
- Request for student records

Within 24 hours submit a yellow alert by sending an email describing the issue and attaching any relevant documents. Send the email to:

alert@purdueglobal.edu