A COMMUNITY COLLEGE PARTNERSHIP WITH A FOR-PROFIT EDUCATION CORPORATION:
A CASE STUDY IN ENTREPRENEURISM

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Abstract

In a first-of-its-kind partnership, Higher Education Partners, LLC (formerly The Princeton Review), a for-profit education corporation, invested millions of dollars to create a facility and underwrite expenses to address a shortage of educational programs at Bristol Community College, a Massachusetts community college, with revenue to be divided between them. The entrepreneurial response of Bristol Community College was unique at that time and offers valuable lessons for entrepreneurial responses generally. This case study examined issues of institutional culture, leadership, and the process by which a previously unthinkable partnership could be supported and implemented, achieve its educational goals, and provide revenue to the college, all while preserving the core values of the college. The research identified the conditions that existed for this initiative to be possible: stability, trust in campus leadership, support for risk-taking, shared commitment to mission, and belief that campus leadership was mission-driven, as well as the presence of a potential partner that was trusted and deemed creditable. The research provides a helpful strategy for working within the cultural and other characteristics of a college to achieve such a result. Entrepreneurial endeavors are valuable to institutions of public higher education given the current state of diminished financial support and limited opportunities and resources to meet demand for programming.

Keywords: community colleges, entrepreneurial, for-profit education, leadership, Burton Clark
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Chapter One: Introduction

Statement of Problem and Significance

State support of public colleges and universities has been on a downward spiral (Archibald & Feldman, 2006). Community colleges are the point of entry into the post-secondary educational system for students from every socioeconomic stratum but, most importantly, for those for whom a traditional college pathway is blocked by economic challenges, employment obligations, and/or family responsibilities (Cohen & Brawer, 2008). These groups, in particular, rely on the low tuition and fees of community colleges – accessibility provided by state support. Shifting costs to students drastically reduces accessibility (Hendrick, Hightower, & Gregory, 2006).

Community colleges are evolving from publicly supported to publicly assisted (Zeiss, 2003). According to the research of Archibald and Feldman (2006), state funding for public higher education has been reduced by 30% (in aggregate) over the last quarter century (2006, p. 618). Much of this reduction was the result of states having to shift support to cities and towns that found their revenues constrained by individual state constitutional amendments limiting real estate taxes (2006).

To address these reductions, higher education institutions have curtailed operations and have limited their course offerings to those in greatest demand by students (Zeiss, 2003). Community colleges pursue private contributions and have introduced programs for commercial enterprises that will develop or enhance employee skills. Community colleges must become more entrepreneurial or enterprising to generate the funds required to meet the needs of the local, regional and national workforces (Zeiss, 2003).
Community colleges contribute in significant ways to the creation and maintenance of an educated citizenry – providing benefits to those individuals who receive the education and to society at large (Cohen & Brawer, 2008).

Traditionally, community colleges are open access institutions, making higher education available to all high school graduates and those who have passed the General Education Development (GED) examination and providing the remediation and support necessary for students to achieve certification, graduation, or successful transfer to a baccalaureate institution. In so doing, community colleges are pivotal contributors to the effort to level the field of opportunity.

To shift the burden of paying for this education from the state to the individual students presents significant impediments to the very group intended to be benefitted. For that reason, community colleges have sought strategies for generating additional operating revenue that do not increase the burden of those least able to pay.

Research Question

In response to drastic reductions in state support for public higher education and increasing competition from for-profit educational corporations, some colleges and universities responded with entrepreneurial strategies. These strategies require either an existing culture that would support such strategies or a shift in institutional culture to do so. This thesis will apply the five elements of Clark’s Entrepreneurial Theory framework (1998b) to investigate the institutional cultural underpinnings that permitted a particular public institution of higher education to partner with a for-profit corporation to provide an educational program for its students. The research question is as follows:
How has the institutional culture of Bristol Community College adapted to accommodate and integrate its partnership with Higher Education Partners LLC, a for-profit company?

Specifically, this research will explore the entrepreneurial strategy of partnering with for-profit educational institutions to increase revenue at the same time as program offerings are increased for students. This research undertakes a case study of Bristol Community College, its main campus being in Fall River, Massachusetts, and its partnership with Higher Education Partners (formerly with The Princeton Review) that examined and explored the philosophical underpinnings, the operational arrangements, the role of campus leadership, the engagement of the campus community, what worked, what did not work, and what costs and benefits were realized by the institution and its students, all with the goal of developing conclusions and strategies that might provide a framework to other campuses to consider or pursue these partnerships. In order to introduce and explore entrepreneurial responses in an academic environment, this paper will first describe a theoretical framework that outlines entrepreneurial theory, providing a history of its evolution, and describing specifically Burton Clark’s Five Point Theory on Academic Entrepreneurship. The next section will present a literature review of the ways in which higher education institutions respond to diminished state support for operations. The third section will describe a method of research, specifically a qualitative approach to research using the case method. Chapter Four will present a case study of Bristol Community College (BCC) and its partnership with Higher Education Partners (HEP). Chapter Five will juxtapose the collaboration between BCC and HEP with literature review and Clark’s Academic Entrepreneurial Theory.
Theoretical Framework

In studying the issue of diminishing public resources and the need to generate new resources to support the mission and goals of community colleges, researchers have used a number of theories including resource dependency theory (Askin, 2007; Piper Kenton, Schuh, Huba, & Shelley II, 2004), (social) entrepreneurial theory (Borasi & Finnegan, 2010; Clark, 1998b; Esters, McPhail, Singh, & Sugielski, 2008; Mars & Rios-Aguilar, 2010), political (or critical) economic theory (Dowd, 2004; Dowd & Grant, 2007; McLendon, Heller, & Young, 2005; Volk, Slaughter, & Thomas, 2001), academic capitalism (Zheng, 2010), and globalization (Frost, 2009; Levin, 2005, 2006).

For this research, entrepreneurial theory will be used to study the way community colleges are responding to diminishing state support for core operations. For purposes of this research, entrepreneurship can be defined as taking on risk using an innovative approach to capitalize on an opportunity to generate revenue. Mars and Metcalf (2009) also define entrepreneurship as addressing unmet needs in the market by developing and introducing creative responses. Clark (1998a) describes entrepreneurial higher education institutions as having a culture and a belief that risk-taking to introduce or explore change is actually less risky than continuing standard or accepted practices or forms of operation.

There is little agreement or consistency in responding to entrepreneurship in higher education (Mars & Metcalf, 2009). Some research supports entrepreneurship (Mars & Rios-Aguilar, 2010; McGowan, van der Sijde, & Kirby, 2008; Shattock, 2010) and some research opposes it (Giroiux, 2002; Mintz, Savage, & Carter, 2010). Examples of entrepreneurship can be found in university/industry research collaboration, in the ways in which the institution,
academic departments and students address or respond to decreasing resources, and in technology-infused instruction delivery (Mars & Metcalfe, 2009).

Academic entrepreneurship can be controversial. As institutions pursue financial support from non-traditional sources, some question if they are undermining the “social contract” of public higher education (Mars & Metcalfe, 2009, p. 1). Mars and Metcalfe (2009) assert that the market will require higher education to embrace academic entrepreneurship.

Peter Drucker (1985) describes entrepreneurship as developing new ways of doing business or meeting market needs instead of improving on current ways of doing business. Drucker describes the entrepreneur as someone who relentlessly pursues or identifies change, and adopts it as a better way of doing business.

Schumpeter was the first to identify entrepreneurism as a specific strategy for growth (Drucker, 1985; Mars & Metcalfe, 2009). Schumpeter viewed entrepreneurism as “creative destruction” (Drucker, 1985, p. 26). He postulated that disequilibrium was critical to growth, rather than an economy reaching equilibrium or homeostasis.

Academic entrepreneurship varies in its definition and application depending on the type of institution that is employing it. Research universities integrate entrepreneurship very differently, focusing often on technology transfer, than do community colleges, which may explore opportunities with local businesses or different methods of delivering academic programs (Mars & Metcalfe, 2009). Until recently, research on entrepreneurship has been reported in economic and management publications, rather than journals on education. Its broader focus on capitalizing on opportunities with unique responses and maximizing profits is
not easily applied to higher education (Mars & Metcalfe, 2009). The original scholars of entrepreneurship include Richard Cantillon, Joseph Schumpeter and Theodore Schultz.

Cantillon’s Function and Risk definition of entrepreneurialism.

Cantillon’s most important contribution to the research was his focus on uncertainty that leads some leaders, but not all leaders, to take risks. Cantillon (Mars & Metcalfe, 2009) contributed to academic entrepreneurship theory by proving that any individual with an economic stake in an organization can be an entrepreneur. This expanded the population of those who might be involved in academic entrepreneurial pursuits to include faculty, students and administrators. Cantillon also proved that taking on any form of risk made one an entrepreneur. His work broadened the definition of entrepreneur and entrepreneurial activities.

Schumpeter describes the entrepreneur as an essential participant.

Joseph Schumpeter is the best known of the entrepreneur theorists. Schumpeter posited that the entrepreneur was critical to economic success (Mars & Metcalfe, 2009). As mentioned earlier, the entrepreneur pursues disruption over standard responses or no response to changes in the economic environment. Schumpeter viewed the redistribution of capital to pursue opportunities as an entrepreneurial response. Higher education has often faced change and has thrived in its response. Examples include moving from theological education to secular education (Mars & Metcalfe, 2009; Thelin, 2004) and the explosive growth of community colleges as a response to the baby boom at the end of World War II (Cohen & Brawer, 2008; Thelin, 2004). The willingness and ability to pursue opportunities in the midst of economic uncertainty marks an entrepreneur.
T. W. Shultz posits entrepreneurialism as a response to financial disruption.

T. W. Schultz (1975) disagreed with Schumpeter. He posited that economic turmoil and disruption spurred the entrepreneurial response with the goal of returning the organization to equilibrium or homeostasis (stability) through the reallocation of resources. His research, in an academic context, supports the continuous pursuit of entrepreneurial opportunities in an academic environment. Schultz did, however, point to the need to be reallocating resources immediately upon identification of a problem (or disequilibrium) in order to have a positive economic impact.

Entrepreneurism and the Organizational Elements of Transformation

In choosing to explore organizational change, Clark (2008) focused on international higher education seeking colleges that had, over time, reinvented themselves through aggressive adoption of an entrepreneurial philosophy. In this research, Clark (1998b) posits that higher education must change its character to survive in an increasingly challenging economic environment. He argued that leaders in academia must combine new management approaches with traditional academic practices.

Clark (1998b) describes an entrepreneurial culture as one in which specific ideas are nurtured at the department level and connect with and grow into institution-wide initiatives. His research suggests that entrepreneurial colleges will embrace opportunities for creating a unique identity. Clark identified five shared traits required for transformation: “a strengthened managerial core, an enhanced developmental periphery, a diversified funding base, a stimulated academic heartland and an entrepreneurial culture” (Clark, 1998b, p. 5), as more fully described
below. Clark considered these the framework for the study of entrepreneurial change (Shattock, 2010).

A strengthened managerial core.

This concept brings together forward-thinking administrative and academic leadership to evaluate mission, funding priorities, strategic planning and external pressures and opportunities. It is reasonably self-contained, meaning that a centralized outside authority does not have ultimate control over decision-making at the campus-level. The focus remains on academics, but the institution is willing to update its cultural values about academics to better reflect changing needs of its students and the economy (Esters et al., 2008).

An enhanced developmental periphery.

This concept requires administrative teams in colleges or universities to seek, recognize and capitalize on external opportunities that generate current or potential revenue opportunities. External opportunities are linked to appropriate internal departments or programs. Clark described these groups and their mission as new ways of identifying and embracing opportunity (Shattock, 2010). Establishing unique departments or programs within the college or university to connect with the external commercial environment allows these educational institutions to transform themselves.

A diversified funding base.

The need for the diversification of funding requires pursuit of many revenue-generating opportunities including private and public grants, partnerships in the commercial and non-profit sector, and philanthropic contributions. The institution must ensure that funds raised will be used for academic programs and mission enhancement.
A stimulated academic heartland.

Clark’s belief that partnership and complicated decision-making can occur concurrently (Shattock, 2010) led to the formation of this concept. He was deeply opposed to top-down centralized decision-making and supported the inclusion of faculty with administration in determining goals. He supported a “collective entrepreneurial action” rather than an imposed decision by a senior leader as the most effective approach to pursuing opportunity. How much do academic departments support entrepreneurial pursuits? How connected are entrepreneurial efforts to traditional programs?

An integrated entrepreneurial culture.

For long-term entrepreneurial growth and support, patience in developing a culture is required. The institutional culture must become one of confident pursuit of opportunities, aggressive goals for growth, and collective ambitions for the future. Institutional change and the pursuit of it must be viewed positively.

Clark was focused on the institutions that, through these tenets, could achieve self-determination. If a college or university was no longer reliant solely on public forms of support it enhanced its ability to pursue its long-term mission and goals (Shattock, 2010). Clark posited that changing situations did not force a single universal response. The level of entrepreneurial culture that existed on each campus determined the response strategy chosen by an institution.

This research will apply the five elements of Clark’s Entrepreneurial Theory framework to the case study of Bristol Community College and its partnership with a for-profit educational corporation. It will examine the extent to which each of the elements was present at the subject
institution and how the presence or absence of one or more of the elements affected the outcome of the partnership.
Chapter Two: Literature Review

A review of entrepreneurial research and response will focus on the history, philosophical underpinnings, and the structure of financial support for community colleges. Further it will address how entrepreneurialism informs decision-making and the development of new strategies by community college administrators in response to reduced state funding.

The first section of this literature review will give an overview of how the funding mechanisms for community colleges have changed over time. This will be followed by an examination of the philosophical underpinnings and practical implications of the evolution of funding. The present structure of financial support will then be used as a platform to examine entrepreneurial responses by community colleges to the challenge of decreasing state support and the role of campus leadership in developing an entrepreneurial approach.

Historical Perspective on Funding for Community Colleges

Almost a century ago, the local community and not the state provided public support for community colleges. In 1918, 94% of support to community colleges (known then as junior colleges) (Askin, 2007, p. 978) came from local communities. Askin (2007) found that this number had declined to 20% by 2000. During this same time period, the percentage of revenue realized from tuition had more than tripled, and state support accounted for at least 50% of the operating budget of most public colleges and universities (Askin, 2007, p. 978).

The shift in funding source coincided with a shift in the role that community colleges were expected to play in a post-WWII world. Many researchers (Cohen & Brawer, 2008; Mullin & Honeyman, 2008; Thelin, 2004) reference the Truman Commission Report as the turning point for community colleges. Published in 1947 (Zook, 1947), the report called for states to
contribute more to the community college system and to establish central governing boards to oversee their activities.

The 1970s marked the beginning of fiscal austerity for higher education. Corporate language was used to describe responsive strategies, including terms such as downsizing (reducing the size of the organization) and benchmarking (establishing quantifiable objectives with which to measure the success of organizations) (Steck, 2003). To respond to decreasing public support, institutions were forced to increase tuition and generate new revenue by actively pursuing every possible revenue stream (Steck, 2003).

A free-market economy further complicates support for higher education. Humphreys’ (2000) research postulates that state appropriations are highly sensitive to the business cycle. A one percent change in per capita income equated to a 1.39% change in state support per full-time equivalent student (Humphreys, 2000, p. 398). This approach leads to fiscal distress during economic downturns. Humphrey’s research also described enrollment as counter cyclical to economic conditions. A one percent increase in unemployment coincided with a four percent increase in community college enrollment (Humphreys, 2000, p. 398). Recessions reduce tax revenues, thus reducing state appropriations. Open admissions make community colleges attractive during periods of recession. There is a perception that increased enrollment results in increased revenue, which can be used to justify reduced state appropriations during periods of expanding enrollment. Humphrey’s (2000) research shows, however, that this is not the case. The research determined that appropriations fall more during recessionary periods than they increase during expansionary cycles.
Philosophical Underpinnings

The Education Amendments of 1972 required the establishment of a state-wide board to respond to concerns over efficiency and effectiveness at community colleges (Mullin & Honeyman, 2008). Research performed during the consideration of this amendment concluded that because each community college in each state took a unique approach to its mission, it was very difficult to develop one nation-wide approach to funding community colleges (Mullin & Honeyman, 2008). There was also a great deal of conflict over the mission of community colleges. These amendments clarified for the nation the roles that community colleges would have in the public system for delivery of education and training.

Tandberg (2010) created a theoretical framework for state fiscal policy for support of higher education. The framework accounts for interest groups, political institutions, policy makers, and the political environment, along with the impact of economic and demographic factors and higher education system attributes (Tandberg, 2010). Political factors influence state policy; higher education must defend its budget because state funds are decreasing. Institutions lobby to make their case for larger appropriations. Tandberg asserts that interest groups have an impact on budget decisions.

Growth in higher education enrollment after WWII was accompanied by a migration from local support dependence to state support dependence. Community colleges compete with state universities and colleges and constantly lag their competition (Tollefson, 2009). Community colleges began to identify other ways to generate support (fundraising and grants, for example) but often simply increased tuition and special fees leading to a decline in enrollment and to more students opting for part-time status (Tollefson, 2009). The cost of
attendance in 1997-98 was $1,501; it grew to $2,272 in 2006-07 (Tollefson, 2009, p. 397), a 51% increase. State funding for a community college equaling 50% or more of the college budget was associated with centralized governance, whereas local funding that exceeded 25% of the budget led to decentralized control (Tollefson, 2009, p. 398).

Tollefson (2009) reports a trend toward performance funding. In performance funding budget models, the appropriation of funds is based on meeting specific performance measures, such as enrollment and graduation rates (Jones, 2011). Funding formulas are used in one of two ways: as part of pre-appropriation decision-making to determine the funding required to operate a system, or to allocate funds approved for higher education among the institutions. Funding formulas are often based on enrollment, space utilization and/or comparison with peer institutions. Rural community colleges experience the greatest budgetary pressure (Tollefson, 2009). Community colleges receive less in state funding because of the impact of the recession, increases in the incarceration of individuals, and because funds are siphoned to state universities and colleges (Tollefson, 2009). State appropriations have averaged 85% of the amount derived from a higher education funding formula (Tollefson, 2009, p. 400). Some schools increase tuition and fees by 10% annually (Tollefson, 2009, p. 401). Can schools continue to serve economically and ethnically diverse students with a consistently increasing cost of attendance?

**Structure**

The evolution of funding structures for community colleges reflects an increase in reliance on private fundraising, private and federal grants and entrepreneurial efforts, according to the research of Dowd and Grant (2007). They contrast vertical equity (students with higher need receive greater financial support) with horizontal equity (equal financial support for all
enrolled). Dowd and Grant identify public financing that is modified based on what an individual is able to afford as a progressive approach. When systems or individual schools charge the same to all students regardless of need, this is identified as a regressive approach to funding (Dowd & Grant, 2007).

Jacalyn Askin (2007) identifies resource dependency theory for mission-differentiation between dual-funded and state-funded institutions. Community colleges will meet the needs of their local community in order to ensure funding. The equity-funding model implies that society benefits if citizens are educated. Community colleges supported by the communities in which they are located should have local support augmented by state funds, so that less affluent communities are not forced to provide a less equitable education on their own (Askin, 2007).

The efficiency-funding model posits that community colleges provide workforce resources to the local community. The research indicates that local communities should support the budget of the community college as these communities are the primary beneficiaries (Askin, 2007). Community colleges that receive more local funds (or rely on a greater percentage of local funds) provide programs that reflect and support local needs, whereas community colleges that receive a greater percentage of state funding do not always offer programs that reflect or respond to the needs of the local community (Askin, 2007). Askin’s research illustrated that securing state legislative approval for a specific mission improves funding support. For example, 84% of governors rated job training as very important, and 54% rated developmental education as very important (Askin, 2007, p. 980). These perceptions can cause leadership at community colleges to a focus on specific criteria to best position the institution to maximize performance based funding.
Alicia Dowd (2004) employs a political-economic perspective to predict revenue disparity in community colleges. Dowd uses Integrated Postsecondary Education Data (IPEDS) 2000 to evaluate what factors can be used to predict revenue. She concludes that location (urban versus suburban) and percentage of students receiving financial aid explain 28% of the revenue discrepancy (Dowd, 2004, p. 251). Community colleges are facing growing enrollment and declining state support (Dowd, 2004). Political intervention and not economic issues were the source of increased support for "favored" colleges (those colleges supported with additional funds by their legislature) (Dowd, 2004, p. 252). Dowd posits that there is no equity approach for funding community colleges; instead there is a complex finance system. With renewed focus on "efficiency, productivity, and entrepreneurial competitiveness," (Dowd, 2004, p. 253) the focus shifts from an equity agenda. Vertical equity is a progressive approach (funds are directed to students with greater need). States use this approach with formulas and with needs-based testing for financial aid. An entrepreneurial approach to equity generation by community colleges is considered equity neutral or regressive because colleges located in more affluent communities are expected to generate more revenue from these sources.

Dowd (2004) concluded that 62% of the typical community college budget comes from state support, with federal grants contributing 17%, and entrepreneurial revenue generation methods contributing 12%. Student enrollment at community colleges often determines the state appropriation. Dowd posits that economic and political factors influence state appropriation. Small towns/rural locations, for example, receive more state support than do urban-sited institutions. Administrators with an entrepreneurial mindset develop corporate training programs, auxiliary (food, bookstores, fitness centers etc.) services/offerings, and increase
fundraising efforts, all with an entrepreneurial focus. These efforts contribute 12-14% to the community college operating budget (Dowd, 2004, p. 266). Conflicting with Humphrey’s (2000) research, Dowd’s (2004) study concludes that economic factors do not explain differences in state appropriation. Often there is a “leveling up” where legislatures provide specific additional funds to provide "territorial equity" for their constituents (Dowd, 2004, p. 267).

**Implications**

The consequences of reductions in public support include a widening gap in income disparity, a greater need for social welfare programs, an inability to compete internationally, and less civic involvement, all of which impact society (Kezar, 2004). Kisker and Carducci (2003) state that community colleges play an important role in training students for high-tech opportunities and for meeting the employment needs of rural communities.

Community colleges generate revenue from new sources by meeting the needs of the local economy. For program growth to occur, community colleges and other stakeholders must have a common understanding of the opportunities and concerns such as "economic growth, labor demands, and social welfare" (Kisker & Carducci, 2003, p. 57). For all key stakeholders in a community to share the same mission and goals requires open and frequent communication between the college and business community. Kisker and Carducci’s (2003) research suggests that all parties must perceive value in participation. A strong leader is also a component for ensuring success. The college and community must have compatible governance and full transparency (Kisker & Carducci, 2003).
Community colleges use financial support to improve equipment and technology, which is a form of reinvestment that also suffers from the loss of state and federal support (Kisker & Carducci, 2003). Students receive real world experience based on connections to the business community, helping these students to explore interests and reaffirm goals and making them more marketable as a result. The challenges community colleges face include volatile funding as the economic climate changes, uncertainty about private sector needs, and difficulty in finding appropriate staff to provide training. Additionally, community colleges can be viewed as impotent when faculty and business interests do not coalesce (Kisker & Carducci, 2003). The community college program approval process can take too long to meet the immediate economic needs of the community. The business community depends on the community college to deliver training as and when it is desired. Faculty sometimes cite academic freedom and resist making changes to courses to meet the needs of industry (Kisker & Carducci, 2003). There are economic, political and social contexts for the relationships that must form between the private sector and community colleges (Kisker & Carducci, 2003).

In responding to diminished state funding, many community colleges modify the definition of open access, usually compensating for the loss of funds through an increase in tuition and fees (Sheldon, 2003). Many colleges use a supply and demand approach, supplying fewer courses and increasing the cost of attendance to reduce demand. The most popular strategic response to a reduced state appropriation, raising the cost of attendance, has the greatest impact on low income students (Sheldon, 2003). Community college students are the most price sensitive of all college students; they stop attending or drop out more frequently when the cost of attendance increases (Sheldon, 2003).
A high percentage of first time students possess other risk factors that require community colleges to provide academic and student support services. These programs are often funded with short-term grants or single year state appropriations and are usually the first programs to be eliminated when appropriations are reduced (Sheldon, 2003). Reduced appropriations also affect opportunities for access and transfer. In 1991-1992, prior to a major increase in tuition and fees, the California Research Unit of Public Colleges estimated that 23,300 individuals interested in enrolling were not able to do so, and 98,000 students were not able to enroll in the courses they needed (Sheldon, 2003, p. 83). When major tuition increases took place in 1993-94, there was a nine percent decline in enrollment and an additional 140,000 students unable to enroll in courses they needed (Sheldon, 2003, p. 83). Sheldon asserts that the "definition of access to community colleges is a function of available resources" (Sheldon, 2003, p. 84). When economics are a barrier, fewer people enter or access higher education.

**Responses of Community Colleges**

Resource dependency theory is a social organization theory that focuses on how external issues limit an organization’s ability to meet needs (Piper Kenton et al., 2004). This theory posits that when administrators experience diminished external resources they try to adjust their business model to mitigate impact –often by trying to identify what core elements are essential for institutional survival.

Grubb, Badway, Bell, Bragg and Russman (1997) identify three community college entrepreneurial efforts as follows: workforce development (providing targeted training for commercial entities and non-profits), economic development (working to stimulate business growth in the community), and community development (“promot[ing] the well-being of their
communities in political, social or cultural areas” (Grubb et al., 1997, p. 8)). Each of these areas reflects the community college’s external focus and awareness of the need to expand its role in the community.

Community colleges have pursued a number of entrepreneurial initiatives including the creation of on-campus housing (Moeck, Katsina, Hardy, & Bush, 2008), expanding course and program offerings through distance education (Lei & Gupta, 2010; Meyer, 2008) and the introduction of baccalaureate degrees (Floyd & Walker, 2009; McKinney & Morris, 2010). Community college leadership must also consider ethical issues when they pursue entrepreneurial approaches to funding such as offering exclusive rights to vendors that limit student choice (Mintz et al., 2010).

Carducci, Kisker, Chang and Schirmer (2007) identify responses of community colleges to diminished resources. These researchers explored how several community colleges identified methods to ascertain “costs” of programs to determine their effectiveness based on the "economic theory of activity based accounting" (Carducci et al., 2007, p. 2). Previous studies focused on how employees used their time rather than how well or effectively they performed their work (Carducci et al., 2007). There are no studies on how non-faculty and staff "affect institutional effectiveness or support the mission and value of the community college" (Carducci et al., 2007, p. 4). To understand the importance of non-faculty on institutional effectiveness, as well as student success and cost effectiveness, additional research must be undertaken.

Keener, Carrier and Meaders (2002) surveyed colleges nationally on efforts to increase resource development. They identified a growing reliance on sources other than state appropriations. Participants in the survey reported that philanthropy was viewed as a peripheral
operation for, and not exploited by, community colleges. Community colleges have traditionally devoted few resources to cultivating alumni. Development offices are usually leanly staffed because most community colleges were established within the last fifty years (Thelin, 2004). The development operation lacks a long history and experience (Keener et al., 2002). The size of the staff affects the amount raised. Investing in resource development is seen as critical to fundraising efforts. Community colleges comprise the largest sector of higher education but receive just 2% of private contributions to higher education (Keener et al., 2002, p. 14). Grants, however, are an area of growth for community colleges. Medium sized grant offices can generate between $553,332 and $2.9 million annually (Keener et al., 2002, p. 16).

Revenue generation by foundations that support community colleges correlated to the size of the institution, with median funds raised at small community colleges averaging $151,977, compared to median funds raised at large community colleges of $600,500. Likewise, the nature of the community affects fundraising, with median annual revenue of $130,000 in rural areas compared to $2 million in urban (Keener et al., 2002, p. 16). The renewed interest in community colleges is improving prospects for private fundraising. The location of a community college and the wealth factors of the community in which it is located impact fundraising efforts (Dowd, 2004; Keener et al., 2002). Individual gifts and bequests are an important source of funds. The average community college endowment is $2 million with median annual revenue estimated at $250,000 (Cohen & Brawer, 2008, p. 175).

Another approach to revenue generation is identified by Kisker and Carducci (2003). They call for collaboration, including designing customized training, opening technology centers that are supported by the private sector and government (ensuring that the equipment and
surroundings are updated to reflect current needs, as is the curriculum), and creating and seeking grant funds for workforce development partnerships (Kisker & Carducci, 2003, p. 62 & 63).

Welfare-to-work programs may require the unemployed to be involved in government-approved programs offered by community colleges. Community colleges are recognized for their ability to work with this population. The benefitting parties include the community college, students and the business community when effective collaboration occurs. A skilled workforce has a domino effect attracting new businesses or increasing the output effectiveness of existing businesses (Kisker & Carducci, 2003).

Levin’s (2000) research identifies changes in expectations or societal needs including student demand for skills focused courses, requirements from the business community for trained employees, and a global economy that impacts local communities. These changes require administrators to more aggressively pursue funding. Colleges pursue increased enrollment for financial gain while focusing on productivity initiatives including larger class sizes. Colleges look for ways to secure efficiencies in operations through the rationalization of programs (Is there a need for the program? Are there job opportunities for certificate holders or graduates?) and distance education as a less expensive course delivery mechanism (Levin, 2000).

Several community college systems are broadening their missions to include baccalaureate offerings (Levin, 2000). Community college administrators are focusing on resource providers such as governments, students, donors, and employers in the community.

The observation and articulation within community colleges of a globally competitive environment, economic in nature and capitalistic in ideology, opened the doors to more business-oriented practices and a corporate-style of management. The former mission of
community colleges, while vibrant in rhetoric, was becoming obsolete. (Levin, 2000, p. 19).

The community college mission is migrating from serving the local community toward serving the economy. It could be argued these are, or should be, one and the same beneficiaries. There can be conflicts with the integration of technology and faculty interests. Administrators make the argument that technology will generate additional revenue that can support the hiring of additional faculty (Levin, 2000).

Levin (2000) describes a community college that pursued higher level skill programs that repositioned the college within the community. The college focused on serving an "upwardly mobile class" (Levin, 2000, p. 20) in the community. This new approach is a new form of vocationalism, which requires a greater focus on the middle class and the business community.

To describe this change in focus, new terminology was developed, including "new economy skills," "employability skills," and "applied skills" (Levin, 2000, p. 20). Because of this new focus, many argue (Buchbinder, 1993; Kezar, 2004; Levin, 2000; Mars & Rios-Aguilar, 2010) that community colleges are adopting a neoliberalism approach. Tenets of neoliberalism include a commitment to compete as a way “to increase efficiency and productivity, to reduce state support for social programs, and to [attract] state support for global economic markets” (Levin, 2005, p. 12). Mars and Metcalf (2009, p. 5) describe neoliberalism as “an ideology that is grounded in the belief that the private marketplace is the ideal catalyst for advancing economies and improving the overall conditions of society.” Key words used in the neoliberal lexicon include "reform, improvement and accountability" (Levin, 2005, p. 12). Colleges are reflecting private industry: they are more entrepreneurial, seek private funds, pursue grants,
privatize services within the college (such as out-sourcing housekeeping), minimize expenses, and make finance-driven decisions (Levin, 2000).

Transitioning to an entrepreneurial approach.

Zeiss’s (2003) research finds that it is possible for community colleges to become entrepreneurial, with fundraising and selling workforce training as two examples of revenue generation to support mission. Becoming self-supporting is believed to drive community colleges to be more mission-focused. "Core values of accessibility, responsiveness, and teaching and learning excellence" define community colleges, according to Zeiss (2003, p. 54). One focus of community colleges must be to expand markets for their services, such as adult learners and people already in the workforce. Community college leadership wrestles with the possibility that raising funds from other sources will lead to a reduction in state support. In developing responses, can community colleges afford to wait to see what will happen in this changing economy?

A new economy is demanding new skills, often obtainable at community colleges. With growing competition from for-profit higher education institutions, community colleges must compete quickly to "capture market share" (Zeiss, 2003, p. 55) in order to survive. Contracted services, such as training and education programs, can be provided by community colleges more efficiently than corporations can develop their own.

Business partnerships such as those with Microsoft or Cisco provide students with a credential. Corporations provide assets or capital to support these endeavors (donated equipment and supplies) (Zeiss, 2003). Zeiss (2003) describes entrepreneurial activities as using the university model of creating 501(c)(3) corporations, generating lease revenue, providing
additional student services that generate revenue, attracting non students to campus services (food, bookstore etc.), expanding online course delivery, and creating and selling downloadable course material.

Seattle Community College created a call center as a business, generated $1 million in annual income, and provided employment for its students (Zeiss, 2003). The Enterprising College Model is illustrated by Central Piedmont Community College, which created content for a Family Dollar Store training program and then launched a nation-wide curriculum outreach effort to sell the curriculum to community colleges in communities with Family Dollar Stores (Zeiss, 2003). When establishing a market career services division, the community college creates a funding pool with a 501(c)(3) organization and seeks revenue-generating proposals from faculty and staff, with the net profit divided among the participants, his/her department and the organization (Zeiss, 2003).

Similarly, the research of Harbour and Jacquette (2007) identifies a shift in funding support for higher education, with entrepreneurship becoming more prevalent as a response to decreased funding support from federal, state and private sources. They identify a funding framework to expand or create an equity agenda that includes identifying three trends in higher education, "privatization, performance accountability, and marketization" (Harbour & Jaquette, 2007, p. 197). These approaches conflict with open access goals and comprehensive curriculum offerings. Community colleges were expanded to make advanced schooling accessible to all. Harbour and Jacquette (2007) cite Dowd (2003) and her research on equity and equitable outcomes. Harbour and Jacquette argue that community colleges need budget flexibility and autonomy, as well as incentives (financial), to serve low socioeconomic students.
With college education increasingly perceived as a private benefit, Harbour and Jacquette (2007) present a new funding framework to support a community college’s ability to provide an affordable education. The privatization model requires community colleges to compete for students with for-profits and to compete with other state agencies for funds. Because of this evolution in perception about higher education, state government has the freedom to reduce funding and focus on other needs, requiring public colleges to become more entrepreneurial. Some researchers disagree with the perception of higher education as a private benefit (Kezar, 2004; Newman, Courturier, & Scurry, 2004). Harbour and Jacquette discuss the social benefits of higher education including lower incarceration rates and better paying jobs. Entrepreneurial efforts are "undermined by the increased evaluation of public institutions through performance accountability programs" (Harbour & Jaquette, 2007, p. 198). Performance measures call into question the viability of open access, as underprepared students can jeopardize future state funding support.

"When community colleges must simultaneously compete with an expanding private sector and conform to expanding state performance accountability programs, their traditional commitment to equity is inevitably threatened" (Harbour & Jaquette, 2007, p. 198). Performance accountability, based on performance indicators that are mandated by legislators or state officers usually takes one of three forms: performance funding, performance budgeting, and performance reporting (Harbour & Jaquette, 2007). Funds are awarded based on meeting specific indicators. Performance reporting requires colleges to report on specific indicators and remain focused on specific targets or goals. In marketization, schools agree to provide certain
programs and in turn receive special funding, essentially establishing a fee-for-service model. Dowd (2003) suggests that these practices undermine the community college mission.

Harbour and Jacquette (2007) offer a new framework for determining success factors and supporting the complex mission of community colleges that is grounded in the research of Dowd (2003). It is focused on equity, on retention (not enrollment), on long term budget reliance, on community colleges being given autonomy to develop programs to address equity outcomes, and on providing budget stability. It requires that legislatures and government support entrepreneurial responses (Harbour & Jaquette, 2007).

Community colleges endeavor to attain fiscal self-sufficiency as enrollment grows and students have greater financial aid needs (Mendoza et al., 2009). Mendoza et al. (2009) question whether sustainability initiatives are an effective way to reduce operating expenses and if initial investment is ever recouped. They recommend that colleges invest in staff through professional development opportunities and programming to increase staff retention and partner with every available organization, school, and corporation. Community colleges must compete with proprietary (for-profit) institutions. In 2019, flexibility and innovation will be key underpinnings of viability initiatives (Mendoza et al., 2009, p. 881). Will the community college mission become one of workforce development and move away from degree completion? Might community colleges replace the 11th and 12th grades of high school (Mendoza et al., 2009)?

Bragg and Russman (2007) examine federal and state policies that support and complicate collaboration. Community colleges have collaborated throughout their history, employing collaboration to "increase access and serve constituent needs, address competition
and avoid duplication, and expand resources" (Bragg & Russman, 2007, p. 94). Collaboration provides for the best use of limited resources. In 1980, the Accrediting Commission of Community and Junior Colleges sponsored a national initiative on collaboration (Western Association of Schools and Colleges, 2011). There were three outcomes identified by collaborating colleges, "outreach is enhanced, learning opportunities are expanded beyond the traditional classroom, and the collaborative endeavor is attributed with increasing response for the high value of education" (Bragg & Russman, 2007, p. 94). Community colleges can either provide their resources to outside groups for the benefit of its students and the community or serve as the "catalyst," assuming a leadership role within the community (2007, p. 95). Community colleges embrace collaboration to maximize local participation and to minimize competition, with the goal of addressing the needs of the community. Community colleges do not want to compete with independent training programs entering their market.

Buettner, Morrison and Wasicek (2002) recommend that community colleges and the local business community set goals together to achieve mutually beneficial outcomes. What leads to these partnerships? Shared mission and goals through the identification of a set of common activities, even if the missions do not appear to be synchronous, can lead to collaboration. Designing and implementing training programs is one example of this approach (Buettner et al., 2002). Community colleges that opt to grow strategically by partnering with a reputable corporation have learned that there are political benefits to this partnership if observers see and approve of the collaboration, or if funds are awarded because of collaboration (Buettner et al., 2002).
There are economic opportunities, including financial returns or enhancements, which come from partnerships. This spurs the development of important or strategic relationships. Leveraged resources occur when collaboration allows the participants to gain access to resources that are not available to each party independently (Buettner et al., 2002).

What are the common challenges to entrepreneurial initiatives and collaboration? Participants must have good preparation going into the endeavor. They must have careful and thoughtful leadership that intends to break down barriers. The CEO must commit to and recognize the importance of collaboration (Buettner et al., 2002). The CEO must ensure that everyone understands the parameters of the partnership, why the institutions are partnering, and how each partner will benefit. The CEO must demonstrate collaboration in his or her dealings with other CEO’s, as well as demonstrating flexibility, but also must remain focused on the plan and not on his or her self-interests over the needs of others (Buettner et al., 2002).

Globalization presents another economic opportunity for community colleges. Globalization will spur societal changes for which community colleges can prepare the citizenry (Frost, 2009). Competition among providers in education (both non-profit and for-profit) is fierce as borders become irrelevant with the growth of distance education. Some governing boards persist in a local focus. Resource dependency theory has community colleges focusing on the present. In Frost’s (2009) research, presidents perceive an international focus as a way of generating new revenue (attracting international students) but also see this as benefiting the college through exposing native and international students to a globalized perspective and ensuring a diverse student body (Frost, 2009).
Many community college leaders expected that business training would generate new revenue but it has not (Dougherty & Bakia, 2000; Frost, 2009). Frost’s research identified the need to pursue new revenue from non-traditional sources because community colleges are not attracting enough international students to generate sufficient additional revenue. Presidents recognize that the long-term revenue picture from traditional sources is dim. They are focused on identifying and exploiting new sources; one president in the study reported spending 50% of his time on fundraising (Frost, 2009, p. 1016).

Community colleges face increasing competition for the services and education they offer, from distance education programs offered by other institutions, from for-profits, from in-house corporate training programs, as well as from organizations and other state agencies competing for state resources. The struggle to acquire and maintain leading edge technology in the classroom puts community colleges at a competitive disadvantage, as they often lack the financial resources to remain current in high tech and engineering. Colleges are cooperating with each other to share resources and courses. They are reacting to changes; they are not being proactive (Frost, 2009). The complexity of the community college mission requires the continuation of programs and outreach efforts when it is detrimental to their fiscal position, which then precludes them from pursuing new resources. Community colleges have entrepreneurial opportunities to generate revenue but are often stifled. For example, most community college leaders view globalization as a challenge and not as an opportunity (Frost, 2009).

Jacobs and Dougherty (2006) identify a rise of new competitors, including for-profits that target adults with technical degree programs and companies offering tuition benefit programs.
Community colleges graduate or certify 65% of all nurses (Jacobs & Dougherty, 2006, p. 57) and are now competing with four-year nursing programs. Will an increased focus on attaining a four-year degree diminish interest in previously revered two year programs in information technology, nursing, and accounting?

Efforts to pursue revenue through an entrepreneurial approach can conflict with open access and the traditional community college mission (Levin, 2005, p. 11). Globalization is also impacting the traditional mission when schools focus on workforce development in and for a globalized economy to the detriment of a transfer mission.

With economic efficiency and productivity as the focus, students are both consumers and commodities (Levin, 2005). Students influence the curriculum and how it is offered. As commodities, they provide the revenue to achieve the goals and mission of community colleges, making international students who pay higher tuition and fees in most states highly desirable. English as a second or other language (ESOL) programs and a growth in community colleges offering baccalaureate degrees are also examples of this model. With competition, community colleges are focusing on short-term goal attainment (certificates and two-year terminal degrees), with less focus on transfer (Levin, 2005). Researchers posit that "giving the people what they want has generally been an excellent business strategy, but it is not clear that it is the best national higher education policy" (Pusser & Doane, 2001, p. 21).

Community college presidents must have a good understanding of financial concepts as resources disappear (Phelan, 2005). The knowledge and abilities of presidents must grow beyond lobbying legislators, increasing tuition and fees, and working with local governments for a larger share of tax revenue. This growth would include the ability to be:
Assessing and pursuing capital and planned gifts, critically evaluating institution core competencies and functions central to the college’s mission, advancing efforts leading to the creation of alignment of partnerships and corporate alliance, selling nonessential assets and services, managing human resources, acquiring technologies that advance the organization, closely managing insurance and health care costs, outsourcing, generating profit through auxiliary services, improving debt management strategies, and fostering an entrepreneurial spirit across the college (Phelan, 2005, p. 88).

The need for change combined with a reduction in funding limits the offerings of community colleges at the same time as enrollment is increasing. With baby boomers retiring there is a greater demand for certificate and associate degree graduates in career pathway programs (Phelan, 2005). The National Center for Public Policy and Higher Education (2004) reports that increases in tuition and reduced state support has put a community college education beyond the reach of 250,000 students (National Center for Public Policy and Higher Education, 2004, p. 1).

The role of the college president is to maintain the fiscal viability of the college (Phelan, 2005). Colleges must build relationships with legislators by utilizing the legislators’ constituents, students, board members, and faculty to connect the college to these legislators in as many ways as possible. Presidents must have skills in "academic leadership, financial management and political negotiation" (Phelan, 2005, p. 89). An entrepreneurial focus is becoming central to the presidential skill set.

It is of concern to legislators and others that tuition and fees have increased more quickly than the cost of living (Phelan, 2005), prompting some legislators to consider the equivalent of
price controls. They are concerned that increases in federal financial aid are quickly offset by increases in tuition and fees. The college president must be able to develop budgets that reflect massive changes in support and avoid increases in tuition and fees "without critical fiscal introspection and valid justification" (Phelan, 2005, p. 91).

With a college education being perceived as a private benefit not a public good, there is added emphasis to the argument that support should not come from local taxes (Phelan, 2005). The college president is advised to keep the public apprised of the activities and actions of the college and to confirm the importance of the college to the community.

The presidential role is evolving into that of fundraiser. Currently most presidents at community colleges spend less than 10% of their time on fundraising (Phelan, 2005, p. 95). In order to be effective fundraisers, presidents must understand the many ways of giving and ensure that fundraising efforts are complementary to the college's needs (Phelan, 2005). Presidents must perfect communication so that unexpected fiscal changes are communicated and there is trust, with the president in "lockstep" (Phelan, p. 96) with the Board of Trustees.

The evolution in community college mission requires different skills in the president. Financial constraints are threatening mission as colleges adapt to decreased support. Community colleges have more students but smaller budgets (Estes et al., 2008). Estes, McPhail, Singh and Sugelski (2008) conducted a study of twenty-three community college presidents to identify the ways in which these presidents have generated new revenue for their colleges. These researchers posit that entrepreneurial community college leadership “understands its student demographics and the communities it serves” (Estes et al., 2008, p. 346).
Esters et al (2008) posit a need for diversifying funding support so that community colleges are not so reliant on state support, in addition to traditional modes of financial growth including enrollment, private fundraising, and securing more grants. To do this effectively, community colleges must better understand the students they could and do serve (as well as community needs), and presidents must think more entrepreneurially. Entrepreneurship is more than fundraising, planning or "business process reengineering" (Esters et al., 2008, p. 346). It goes beyond efficiency and effectiveness, instead focusing on "gathering and maximizing resources under conditions of risk" (2008, p. 346). The leaders of community colleges must change campus culture to one that supports risk and accepts occasional failure.

Summary

While the literature is replete with references to entrepreneurial responses to reductions in funding from traditional sources, there is perhaps no response short of a lowering of standards that is more antithetical to the core values of institutional culture than embracing for-profit educational corporations as an operating partner. There appear to be few if any instances of such a partnering, nor any literature that discusses the structure of the arrangement and how it affected – or was affected by – institutional culture. This thesis is intended to address that lack of study.
Chapter Three: Research Design

Research Question

How has the institutional culture of Bristol Community College adapted to accommodate and integrate its partnership with Higher Education Partners LLC, a for-profit company?

To effectively study this question, this research will explore the entrepreneurial strategy of partnering with for-profit educational institutions to both increase revenue and increase program offerings for students. This research developed a case study of Bristol Community College (BCC) and its partnership with Higher Education Partners (formerly part of The Princeton Review) that will examine and explore the philosophical underpinnings, the operational arrangements, the role of campus leadership, the engagement of the campus community, what worked, what did not work, and what costs and benefits were realized by the institution and its students, all with the goal of developing conclusions and strategies that might provide a framework to other campuses to explore these partnerships.

How did one community college respond to diminished state support? How does a community college partner with a for-profit to increase its program offerings without increasing its costs? Can a community college increase net revenue by partnering with a for-profit enterprise? How does the community college gain approval and acceptance of a partnership with a for-profit from its constituents?

In this research, academic entrepreneurialism will be generally defined as the acceptance of risk and the employment of approaches and strategies in order to capitalize on revenue generating opportunities in an academic setting (Creswell, 2009, p. 114).
Methodology

This doctoral research study uses a qualitative single-case study employing a constructivism approach (Yin, 2009). It attempts to understand and interpret the observations and impressions of the practitioners. Because it documents how participants interpret the problem they faced and the strategies they used to address it, this problem lends itself to a qualitative study (Creswell, 2007). Creswell (2007) describes qualitative research as more narrowly focusing on how participants perceive their experience and placing the study “within the political, social, and cultural context” (2007, p. 37) of all those participating.

Qualitative research design frequently takes place in the natural setting of the participants. Much of the information gathered is derived from interviews. Research gathering is not, however, limited to interviews. A qualitative study is nuanced, using interviews, archived materials, mainstream media reporting, audio and visual materials and other forms of data to describe a situation or event (Creswell, 2009; Yin, 2009). Because this study utilizes open-ended questions during interviews, carefully studies archived records and materials, and analyzes all sources of data for patterns of response, a qualitative approach is supported.

The case study method allows this researcher to determine what leaders at a community college experienced when funding was reduced (Creswell, 2007). Focusing on the partnership between a public community college and a for-profit enterprise characterizes this research as an intrinsic case study (Creswell, 2007). This study will investigate an example of an entrepreneurial approach to generating revenue at a Massachusetts community college. The case study method was selected to study this issue because Bristol Community College was the first
community college in the nation to enter into an agreement with a for-profit institution (Moltz, 2010b).

**Qualitative Research Design: Case Study**

Qualitative research focuses on the issue or phenomenon that is being studied to gain a thorough understanding of it. Researchers use case study to generalize theories and to identify the aspects of successful programs. The emphasis is not on the participants or those being interviewed (Creswell, 2007); rather, it is on the situation they experienced and their impressions of it.

Creswell (2009) identifies five philosophical assumptions that enhance a decision to use a qualitative method of study: Ontology (nature of reality, every participant’s views and experiences will be reported differently), Epistemology (the prior experiences of the researcher strengthens his/her understanding and awareness of the issue), Axiology (role of values in research, the researcher acknowledges his or her own biases and includes, when appropriate, his or her interpretations along with those of participants), Rhetorical (language of research is in a narrative style), and Methodological (the methods used to gather research are continually reviewed and the questions are revised as information is gathered.)

This study of entrepreneurialism incorporates all five philosophical assumptions. Through interviews, each participant will have his or her own interpretation of what happened and how this college prepared for and developed an entrepreneurial approach. This researcher has spent most of her career in public higher education and recognizes the importance of generating revenue from non-traditional sources. During the research phase of this thesis, this researcher incorporated her prior experiences and acknowledged personal biases toward specific
approaches or responses by the campus. This qualitative approach describes, through the experiences and interpretations of various campus leaders and through careful analysis of data and artifacts, a story of one campus’s experience to effectively explain what took place. Finally, as participants describe their experiences, their perceptions were used to clarify and update questions for other participants and helped identify other sources for additional data gathering (Creswell, 2007).

In utilizing the case method for this study, a framework was developed to guide the design of the study, the collection of data, and the analysis and interpretation of the data collected, and to describe the findings of the study (Yin, 2009). This case study focused on Bristol Community College’s contractual arrangement with what was then The Princeton Review (Moltz, 2010a). This agreement allowed the college to expand its nursing program through a partnership with this for-profit entity. One intention of this study was to identify the “attributes of highly effective programs” (Yin, 2009, p. 20).

The entrepreneurial theory framework of Clark (1998b) informs the structure of the questions or concepts to be explored:

Does the campus possess a strengthened steering core?

Did BCC have a leadership group that was comprised of various constituent groups that could identify opportunities and lead the campus through the adoption process? To take advantage of this opportunity with The Princeton Review, did BCC embrace new “managerial values” that would be melded with traditional academic values and expectations (Clark, 1998b, p. 9)? Was the faculty involved in the decision-making process, so that the goals of management and academics would be the same? Did BCC seek this opportunity as a way of
garnering resources for the institution as a whole or for only one program or department? Did the BCC administration connect The Princeton Review with the academic department(s) that it would need to work with to develop the program?

Did BCC develop an enhanced periphery?

How was the BCC Nursing Program affected by its partnership with The Princeton Review? Did the Nursing Program benefit from its interaction with The Princeton Review in ways that would enhance its current program? Was The Princeton Review program grounded in the academic program of BCC? Were full-time faculty connected to The Princeton Review program, or was the program restricted to adjunct faculty members? Were faculty willing to participate in this process while adhering to the academic values of the traditional nursing program? Was the college willing to expand its definition to include the program offered through The Princeton Review?

Did this new partnership lead to a diversified funding base?

Was BCC experiencing financial hardship because its various funding sources were either restricting access to resources, or expecting outcomes for which they were not providing financial support? Did BCC look to The Princeton Review as a source of new revenue? Did BCC carefully review the new demands and expectations that would come with its partnership with The Princeton Review and enter the partnership with full awareness of these expectations? Was the relationship with The Princeton Review a new funding source for BCC? Will this partnership provide resources for BCC to explore other opportunities to expand its revenue base? Will funds generated by this partnership be used for other program-generation creating a “cross-
subsidization” (Clark, 1998b, p. 11) approach to program development? Did BCC develop an interest in pursuing multiple new revenue streams to support its academic programs?

Did BCC have a stimulated academic heartland?

Science, technology, engineering and math (STEM) fields tend to both embrace, and be sought out for, entrepreneurial opportunities more frequently than traditional soft science and humanities programs. Did BCC opt to focus its entrepreneurial growth and funding reliance on these areas, allowing the humanities to rely on state and tuition and fee support, or did the college take a more comprehensive approach to entrepreneurial opportunities? Did departments across disciplines begin to explore ways of combining academic focus with enterprising outcomes? Was interest in pursuing entrepreneurial opportunities present in all academic departments? If not, why not? Did all stakeholders appreciate the possibility and potential benefits of these opportunities (Clark, 1998b)? How did BCC discriminate in the selection of the entrepreneurial opportunity it pursued? How did the college carefully weigh opportunities against costs of pursuit and evaluate whether it was an effective use of resources? Did the college identify a focus for entrepreneurial growth?

Did BCC develop and embody an entrepreneurial culture?

According to Clark (1998b), “[i]deas become realistic and capable of some steering as they reflect organizational capability and tested environmental possibilities” (p. 12). Did the BCC campus embrace the linkage with The Princeton Review as a college-wide benefit? Did the prospect of partnering with a for-profit lead to a campus belief in and support for the pursuit of other opportunities that expanded the definition of partner? Did the campus perceive this decision as reflective of a new way of thinking that they could support?
Which of these elements existed for BCC, and did they have a bearing on the college’s decision to partner with The Princeton Review? How are Clark’s entrepreneurial elements applicable to a community college?

Site and Participants

Bristol Community College in Fall River, Massachusetts, one of fifteen public community colleges in Massachusetts, is the site for this case study. Individuals to be interviewed include: the President and his leadership team, academic leadership for the Allied Health program and the Dean of the New Bedford (off-site) campus. A principal of Higher Education Partners (Gerry Kavanaugh) was invited to participate in this research. The interviews with, and observations of, these individuals took place in their natural settings (Creswell, 2007).

Recruitment and access.

Once Institutional Review Board (IRB) approval was received, the President of Bristol Community College was contacted by letter to explain the project and to request access to specific individuals at Bristol Community College. These individuals included the Executive Vice President, Vice President for Administration and Finance, Dean of the New Bedford Campus, Dean of Allied Health, Assistant Dean of Allied Health, Director of Nursing and Director of eHealth. Each received a letter introducing the researcher and the study and sought participation from the individual. All interviewees were notified that they could refrain from participation, stop the interview at any time, and that they would receive a copy of the transcript of the material from their interview that would be used in the case study to confirm accuracy (Creswell, 2007). The rapport between the interviewer and the interviewee could affect the outcome. Given the importance of the researcher in a case study, the relationships with the
interviewees are the primary foci of research acquisition and enables or negates the researcher’s ability to access additional resources or lines of questioning (Maxwell, 2005).

Data Collection

Data was collected using “multiple sources of evidence” (Yin, 2012, p. 10). Documenting, in writing, the information from sources is critical to the case study method (Yin, 2009). This research used semi-structured focused interviews, utilizing guided conversations (Yin, 2009). Initial interviews were scheduled for sixty to ninety minutes with a follow-up scheduled after the first interviews were transcribed (Seidman, 2006). The interviews were a dialogue with some structure allowing the interviewee to share his or her interpretation (Yin, 2009). Twenty questions were crafted in advance that allowed for probing as interviewees responded. The intention was for the participant to tell his or her story (Light, Singer, & Willett, 1990). The questions used “how” in seeking descriptions of experiences and perceptions of efforts. Efforts were made to stay away from “why” questions in order to not put participants in a defensive posture (Yin, 2009).

According to Yin (2009) one goal in the interview process is for the interviewee to migrate toward the role of informant helping to refute or clarify conflicting information. Identifying key informants can strengthen the case study findings (2009). The researcher must always be watchful for contradictory evidence and must maintain the appearance as that of an unbiased information gatherer during the collection of data. The interview protocol is important for establishing confidence in those being interviewed (Yin, 2009).

This research used realist questions (Maxwell, 2005), instead of instrumentalist questions, because of the nature of the data to be gathered. Realist questions allow those being
interviewed to speculate about why decisions were made and what their perception is or was of the outcome of these decisions. Speculation on the part of the interviewees would be based on their experiences, beliefs, and feelings and their prior higher education experiences (Maxwell, 2005).

In addition to face-to-face interviews with the above-identified individuals, and the researcher’s direct observations, documents, including the agreement between Bristol Community College and The Princeton Review, regional and national news coverage of this historic event, audited financial statements, internal communications, enrollment data, and other related materials were gathered and studied (Yin, 2009). Information gathering continued until corroboratory evidence was identified (Yin, 2009).

**Triangulation.**

To ensure against bias, research was gathered from many sources and was used to identify additional resources or individuals for this study. Using interviews allowed the researcher to pose questions and participants to state or share their perceptions. Interviews, as a primary source of data collection, can be challenged because the researcher is interpreting the comments and developing a narrative (Maxwell, 2005; Yin, 2009). The case study method is strengthened by including multiple sources of data (Yin, 2009). Yin (2009) posits that the greatest advantage of the case study method is the utilization of a plethora of sources to create or search for “converging lines of inquiry” (p. 115). This study utilizes data triangulation through the use of multiple data sources identified above. A draft of the case study and analysis was forwarded to all those interviewed for member checking.
Establishing a case study database.

Yin (2009) supports the creation of a database to capture the raw data gathered from all sources and in all forms. The database should contain robust data that would allow an independent reader to derive his or her own conclusions. Yin (2009) describes four construct validity determinants: utilization of multiple streams of data with appropriate citing (making them easily accessible in the database), construction of the database to aid both the researcher and those confirming or reviewing the work of the researcher to find material and identify when and where it was gathered, verification that the protocol was used in collecting this data and that it is easily understood and followed, and finally, review of the protocol so that readers are able to connect the study questions with the data gathered (Yin, 2009).

Data Analysis

Yin (2009) posits that data analysis “consists of examining, categorizing, tabulating, testing or otherwise recombining evidence to draw empirically based conclusions” (p. 126). Underlying all of this is the researcher’s obligation to carefully consider all data collected, reporting information factually (without personal interpretation or deliberate bias) and to identify other explanations (Yin, 2009).

In beginning the analysis of the data gathered, Yin (2009, pp. 130-134) identifies four strategies. The first is the reliance on the theoretical framework (or proposition). In this case study, Clark’s Theory of Entrepreneurialism in Higher Education (1998b) will be the framework. This approach will focus on an analysis of the research collected that confirmed or contradicted Clark’s theory. A second approach requires a case description, which uses the situation being studied as a guide for the format of the case study. In this case, a sequential retelling of the
steps taken by BCC will provide the narrative. The third approach combines both qualitative and quantitative data within the study. This approach normally requires statistical analysis of the data collected. The fourth analytical approach is a focus on rival explanations to explain outcomes. Although this is listed as a fourth approach, it is often included in each of the preceding approaches. Thorough analysis of data will include consideration of rival explanations for outcomes (2009).

Once a strategy has been selected, but before engaging in the actual analysis, codes must be identified for a review of the gathered research. Key words or phrases were identified during interviews and through initial reading of collected data. Key words were also identified before the interviews began. The interviews were transcribed and reviewed and once incorporated into the narrative were sent to the participants to confirm validity (member checking) (Creswell, 2009).

The analysis of data involved “multiple levels of extraction” and identifying the “mundane, the expected and the surprising ideas” (Creswell, 2007, p. 46) from a review of documents and from the interviews. Themes were identified in the material with a search for connections in themes, which involved a mapping process. The process was repeated with each interview transcript. Once this review was completed, a search for connections and overlapping themes in all of the interviews was undertaken.

Study Limitations

The decision to use a qualitative method of research, case study, limits the generalizability of the outcomes of this study to other community colleges (Maxwell, 2005). It explains and defines a specific partnership meant to increase enrollment and generate additional revenue at a
community college. Community colleges will learn from the approaches and experiences of the first community college to enter into a partnership with a for-profit enterprise. Establishing boundaries for the research period may preclude inclusion of data and material that would further explain or identify processes that led to success or failure for BCC (Maxwell, 2005).

In this case study a condition existed that usually would not be present, a pre-existing trust and confidence in the other party to the transaction. This was revealed during the course of the study and was relevant to how the partnership was embraced and implemented. Although this case study was originally undertaken in the context of studying a reduction in state support for community colleges, it identified another condition that existed which may not be universally present at other institutions. This college had a significant unmet demand for specific academic programs.

Community colleges can have revenue challenges without unmet program demands, which could limit the applicability of the findings of this case study.

**Validity and Credibility**

In the case study method, three forms of validity are of particular concern: construct, internal, and external (Yin, 2009). In construct validity, the researcher must use multiple sources of evidence and must discuss rival explanations for outcomes, as well as limitations of the research. The researcher must keep excellent records (including a chain of evidence) (Creswell, 2007; Yin, 2009) and have others review the work. Internal validity is used to establish a causal relationship, for example, when certain conditions lead to other conditions. This form of validity is required in an explanatory or causal study. This study is descriptive, so internal validity is not reported. Finally, external validity “…defin[es] the domain to which a study’s findings can be
generalized” (Yin, 2009, p. 40). The question asked is can the results of this study be
generalized to other situations, or, in this case, to other community colleges?

Further, there are two major threats to validity: researcher bias and reactivity (Maxwell,
2005). In selecting a specific case for this study, the researcher fully disclosed her interest in
studying this case and was aware of her subjectivity when she both collected and interpreted data
to make sure she did not steer individuals and data interpretation toward a preconceived
outcome. This researcher carefully worded questions so as not to lead participants to a certain
response. Reactivity occurs when the researcher causes a response by his or her own reaction to
interviewees. Maxwell (2005) believes that interviewing in a natural setting limits reactivity
responses. Reliability establishes that the study could be replicated and would achieve the same
results (Yin, 2009).

To address the entrepreneurial efforts undertaken by the college, the researcher began
with broad questions to establish the need for these efforts and focused specifically on the
agreement with The Princeton Review. As a way of introducing the concept of culture, this
researcher used language such as “management team” to aid the interviewee in evaluating this
process more broadly (Seidman, 2006).

**Protection of Human Subjects**

Researchers must secure informed consent, protect participants from harm, and ensure
against deception. The researcher must also protect the privacy and confidentiality of
participants if requested by them and protect vulnerable groups (Yin, 2009).
**Ethical considerations.**

This research project did not involve the most vulnerable populations as research subjects (children or students, pregnant women or incarcerated individuals) (Creswell, 2009). It did, however, require ethical standards be established and followed in order to ensure confidentiality for individual participants and their institution. This researcher has professional relationships with several individuals participating in this research. Every researcher must act professionally and responsibly in requesting assistance and in ensuring the material gathered is used strictly in the context of this study. The researcher fully disclosed the purpose of the study to participants, and the motivations of this researcher in undertaking it (Creswell, 2009).

To further build credibility and to confirm the authenticity and accuracy of the materials gathered, those interviewed were asked to review a summary of their discussion. Prior to conducting an interview, participants were asked to sign an Informed Consent form (Creswell, 2009).

Individuals, higher education institutions, and for profit education companies may benefit from this study. The researcher has intellectual and practical goals for this study, and participants may gain valuable insights into a problem of practice in which they were involved.

Finally, this researcher, in synthesizing and analyzing results, ensured against personal bias impacting the use of language and the interpretation of materials as a way of achieving a practical or intellectual goal. Data from this study is safeguarded against improper future use, and when appropriate, was or will be destroyed. To ensure validity, others could replicate this study.
Chapter 4: Research Findings

This research consisted of two components. It included a study of key documents related to the origin, development, terms, and outcomes of the partnership between Bristol Community College (BCC) and The Princeton Review, Inc. (TPR), and later Higher Education Partners (HEP), as well as the documents involved in the presentation of the partnership to stakeholders on campus and off. Research also included interviews with key administrators at BCC, as well as the key representative of HEP. The intention was for the participant to tell his or her story to reveal not just the facts of the partnership, but also the characteristics of campus culture and leadership that informed its development and implementation.

For purposes of this study, Bristol Community College will be referred to as BCC, The Princeton Review will be referred to as TPR and Higher Education Partners will be referred to as HEP. The partnership with BCC began with TPR, but in 2011, TPR spun off its Community College Partnerships (of which BCC was the inaugural partner) to HEP (The Princeton Review, 2011).

The Need, The Opportunity, And The Entrepreneurial Response

Bristol Community College is one of fifteen community colleges in Massachusetts. These colleges have individual Boards of Trustees but fall under the auspices of the Massachusetts Department of Higher Education. Bristol Community College has a main campus in Fall River, Massachusetts, and satellite operations in Attleboro, Taunton, and New Bedford, Massachusetts.

In 2001, BCC entered into a partnership with University of Massachusetts – Dartmouth to offer academic courses in New Bedford, operating principally out of a facility known as the Star.
The BCC program experienced rapid growth and, in 2003, a panel convened by the college, consisting of a representative of the Mayor’s office, the Director of Economic Development, the legislative delegation, and other community and civic leaders, all agreed on the desirability and need for a full service campus in New Bedford. A bond bill was introduced in the state legislature, but the economic environment was not conducive to this sort of initiative. BCC had submitted a proposal for $20 million as part of a state bond, to no avail.

In 2007, BCC collaborated with the Office of the Mayor of New Bedford, representatives of the health care industry and community leaders to apply for a grant from the U. S. Department of Labor to create a HealthCare Education Center in New Bedford to offer health care degrees and certificates to address a shortage of labor in those fields. The proposal was unsuccessful. (Appendix A)

At that time, 15.6 percent of the workforce in the county worked in the healthcare industry, and there was a serious shortage of health care workers. The programs at BCC were woefully inadequate to meet demand. Illustratively, the college was able to admit 17 students into its radiology transfer option from 141 applicants and 16 students into its medical assistant program from among nearly 100 applicants. More than 1,000 applicants had applied for 96 spots in the nursing program. (Appendix A)

From the perspective of BCC, there was both a structural problem and a financial problem. There was no ability to expand high-demand programs generally and, especially in health and nursing programs. According to the President, “We were worse than broke because we were getting cut and experiencing rising enrollment. We’d grown 80% in the thirteen years
that I’ve been here. The combination of declining financial resources and state support and soaring enrollment made us very open to new ideas and new suggestions.”

During the course of the ultimately unsuccessful application process for the grant from the Department of Labor, the Dean of the New Bedford campus reached out to Gerry Kavanaugh for help. Kavanaugh was a native of the New Bedford area and the former Chief of Staff for Senator Edward M. Kennedy and had a genuine affection for the city and a strong interest in addressing its economic challenges.

As Kavanaugh describes it, “Then at one point, I said, ‘Well, what if we could raise the money to do this? Would it be successful? Let’s talk about it. Would there be students there?’ The Mayor found out we were having these conversations and all these projects we do are as much economic development as education. I had a friend at the time who was the CEO of The Princeton Review. I was talking to him and I said, ‘This is a pretty good idea if we can make the business model work.’”

“They had done a lot of the work on this, BCC, so I thought I could raise the money because a lot of investors wanted to get into education, but [BCC] didn’t want to get in working for the bad guys, right? Investing in the bad guys, because they didn’t know what was going to happen to the bad guys.”

Kavanaugh took his idea to the President of BCC and received an enthusiastic response. As the President recalls it, “Gerry Kavanaugh was a key principal spokesman [for TPR]. What he suggested seemed … like a deliverance for us…. It was absolutely controversy-free, in my mind. Then I invited him to come and speak to college people, some administrators, but particularly the Dean of Health Programs, the Department Chair of Nursing and a couple of other
Program Chairs in Health. I needed their blessing to do it. When we had that meeting, they were on board. They were convinced that it was going to be a good thing. If they had said no, it would have been over, because I would never have twisted their arms to do it.”

At the outset, the President needed the approval of the Board of Trustees, which was received quickly and easily, and the approval of Richard Freeland, the Commissioner of Higher Education in Massachusetts. Freeland was willing to consider the concept as well.

The “vision” of the “HealthCare Education Center,” as presented to key leaders at the state level, was articulated as follows:

Bristol Community College, utilizing funds from private investors, would create a “Pilot” HealthCare Education Institute for the Greater New Bedford community. The project joins Bristol Community College in a dynamic partnership with industry, education and civic leaders in the greater New Bedford area to address critical shortages in the region’s health care workforce. The Project views the Private Investors Initiative as an opportunity to unite key stakeholders to assure an adequate supply of competent health care practitioners to meet current and projected health care labor shortages. To accomplish this challenging goal it will be essential to greatly expand access to affordable health care training and education programs at Bristol Community College … and to integrate online/hybrid education models with occupational training and the literacy skill development necessary for successful career advancement. The Project will focus and integrate project partners’ activities and resources to build this capacity and to engage in a long-term systems change effort to plan, coordinate, align, and
strengthen health care education and workforce development activities in the greater New Bedford region. Utilizing a career pathway model that aligns the education of BCC with the workforce and economic development of the Greater New Bedford area, HealthCare Education Institute will provide a seamless avenue for individuals through their career advancement. The Center will make available many more educational opportunities for New Bedford citizens providing them with tools for economic self-sufficiency while also expanding the supply of highly competent health care practitioners across a range of generalist to specialist health care occupations in the region. (Appendix A)

In those presentations, five “needs” were identified as follows:

1. Need for HealthCare Professionals, noting the lack of resources available to BCC to meet demand.

2. Need for Technologically Advanced Equipment, Revised Curriculum and Faculty Development, noting BCC’s lack of funding for equipment and training, scarcity of expert knowledge in the application of technology and on-line curriculum in healthcare programs.

3. Need for Clinical Placements, describing the increased availability of clinical experiences that would derive from a more robust program schedule.

4. Need to Build Career and Educational Paths and Integrate Scaffolds for English Literacy Mastery.
5. Need to Expand Health Career Educational Programs, noting the ability of the project to convene key stakeholders to address the region’s long-term goals and examine resources and capacity to achieve those goals. (Appendix A)

Parameters of the Proposal

The proposal at that time was for TPR to invest three to five million dollars of capital for classroom and labs, state-of-the-art technology, curriculum development, and related equipment and supplies to support a healthcare education center at BCC that would, over a three-year period, host 1,000 students. (Appendix A)

In March 2010, BCC and TPR executed a “Summary of Principal Terms of Collaboration” (Appendix B) which, although not legally binding on either party, set forth the broad parameters of what the collaboration might look like going forward, including the allocation of responsibilities.

BCC had “sole responsibility for, and control over: (i) management of student admission and enrollment and general administrative matters, (ii) management of financial aid and relationships with providers, (iii) designing and developing the curriculum, (iv) providing all professors and instructors, (v) developing and providing all educational content, and (vi) issuing course credit and conferring the College degrees on graduating students.”

TPR had “sole responsibility for, and control over: (i) the provision of a facility suitable for the Initiative to implement the Educational Programs … and (ii) the provision of and access to an online platform for implementation of distance learning opportunities.”
BCC and TPR would jointly “(i) design and implement the methods of marketing the Education Programs to prospective students and (ii) develop and implement online distance learning opportunities and other best practices.”

According to the Summary, BCC and TPR would agree upon an annual budget. TPR would bear all operating expenses and any losses incurred in exchange for a share of the revenue received after payment of expenses, to be determined in a definitive agreement to follow.

In the definitive Collaboration Agreement dated September 3, 2010 (Appendix C), it was agreed that TPR would receive 15% of the student charges set and collected by BCC in order to participate in the program and an amount equal to 15% of the “invested capital” of TPR.

Risk and Benefit

The CFO of BCC described the risk as follows: “Bristol didn’t have to bring a lot of capital to the table. Bristol didn’t have to buy a building, nor do the improvements. It didn’t need to provide capital for the programs (allied health programs are much more capital intense than other programs.) All the resources are higher in Allied Health programs, including labor resources-- faculty to student ratio is lower requiring more faculty. Bristol didn’t have to go into its reserves.”

In the process of negotiations with TPR, the President observed, “I had to make sure that there weren’t outrageous arrangements to maneuver into a profit for the private entity….We had to be careful. Whatever deal we could make, they certainly had to be satisfied or they wouldn’t make it, but it wasn’t something I wanted to trumpet. They were in business and they needed [a] return. That’s simple business.”
TPR was unapologetic about the profit motive. In a statement to Inside Higher Ed, Michael Perik, President and CEO of TPR described it as follows:

Think of us as a service provider. They teach, and they have complete academic control of the program. We find out what the barriers are to meeting the demand for that program and they get access to our services and capital to overcome them. They’ll pay a variable rate based on the return of the expanded programs. We expect to make a profit from this. At the core of this is the differential tuition model. To be able to get into this program and off the waiting list, you’ll have to pay more in tuition. We’re treating this as a business, so we’ll need an economic model that works. But, you can have a good business without making 30 points on a student, which is what most for-profits typically are making. (Moltz, 2010c)

The tuition differential referred to by Perik was quickly abandoned as a result of a strong negative reaction derived from the perception that it could disadvantage some students in a way that was philosophically inconsistent with the mission of a community college.

The Chief Financial Officer of BCC observed, “as far as resources, other than time, there weren’t really any [college] financial resources [pledged]. We have a beautiful facility with no capital outlay, and quite frankly no risk, no financial risk.” The Executive Vice President explained, “the financial environment was that we couldn’t lose. They were giving so much money and taking care of the renovations, we weren’t going to be picking up any debt. Bristol was the loss leader for [TPR]; it was the first school in the country that [TPR] was dealing with.”

The “partnership” of a public community college with a for-profit corporation that provided education services was essentially uncharted territory. Although there might have been
no direct financial risk, there was risk on many levels, both internal to the campus and in the perception of external constituencies.

**Achieving Faculty Support**

As he negotiated the terms of the partnership with TPR, the President understood the importance of BCC being “entirely in control of the courses and the content of who taught them and everything else that goes with that. It’s just like our [traditionally offered] courses…. [The faculty] had to buy into it. ‘I teach History, but I can see the value of this program for the college.’ The majority, if not most of the faculty, has to come to that realization or it may not fly.”

Campus support (including support of the faculty union) was a direct result of a commitment of the administration to meeting and listening to concerns, as well as a reservoir of respect for, and trust in, the President and other administrators.

Administration postured the initiative in terms of shared responsibility and shared goals. According to the Program Director for Nursing, “I know that there was conversation with the people who were representative of the faculty and health sciences. I know there were some conversations and the President said, ‘Is this going to work for you? What do you want?’ If we had said, ‘No,’ I think it would have been dead in the water.”

The concerns of the faculty were not unexpected: How will a private partnership impact our academic integrity? Is someone going to dictate how we do things? What does it mean to be in a partnership with a for-profit entity? Who is profiting? What is the benefit to the college?

The response, as articulated by the CFO, was simple and compelling: “Bristol is running the show. It’s a partnership. They have the money. We know how to do the education piece,
and if we do it well, they’ll make money and we will make money. It will service an area that needs to be served.” All of the concerns the CFO heard centered around the belief that the college should not be making money for a for-profit entity, “but we make money for every vendor associated with the college or they wouldn’t do business with us. W. B. Mason probably makes more from Bristol than [TPR] does.”

According to the Dean of Allied Health, “Faculty were very engaged from the get-go … asking the question if they could vision how they would deliver curricula, what would they need to really prepare students and graduates for real-world [opportunities]…what they’re going to really be doing in healthcare, today and in the future.”

The Assistant Dean of Allied Health noted that [leaders of the initiative] “came to each division to let us know what was happening, the rationale, the goals for the five divisions, and so they went to each division and that’s how they got to all faculty…to allay some of their apprehensions….It started off slow but in the end, I believe people knew what was going on. It’s hard to get to everybody in the beginning, but I think everybody was involved by the time it got started.”

In the course of those discussions the focus was on maintaining the mission of the college and its healthcare programs. There was a shared recognition of the need to increase the number of healthcare graduates, all within the context of limited resources and a commitment to providing a quality education.

College administration believed they always communicated to the whole campus, but not everyone attended meetings or reviewed online content. Leadership at the college talked about the financials broadly, but until they used a power point presentation and laid out the financial
terms most people didn’t understand how it worked. The CFO projected several financial models to generate different scenarios to identify the various ways the college could be affected.

**Implementation**

The collaborative approach continued as vision moved into implementation. The Dean of Allied Health observed, “It was a real team effort. The faculty was fundamental. We had multiple meetings on building designs, so we had not just the faculty, we had, for example, the lab techs, in terms of what was really needed, in terms of thinking of prep rooms, and everything from the get-go.”

“The deans were well-informed. They had building meetings all the time. The faculty was busy, so they weren’t talked to as often because they were all on their own course level doing their thing, but I think most of the people knew. It wasn’t smooth in the beginning. I think people were concerned. They were apprehensive, paranoid. ‘Does this mean I am not going to have a job? Does this mean that everything is going to be on computer? They don’t need me to teach’ type of thing, but that was quickly dispelled. There were enough students for all.”

Presidential leadership was critical. The President observed, “People certainly got the signal that I was on board. We have such a good group that if someone had serious doubts about it, they would have come to me. [The CFO and the Executive Vice President] were just magnificent in resolving how we do this or how do we get around this or this or this and… taking care of the strategies, the day-to-day tactics that complemented the overall strategy.” His attitude was summarized by a senior administrator as, “[The President] is unbelievable. He is so accessible and he tells people everything.”
Even with support of the faculty in principle, there were collective bargaining issues to be resolved.

**Achieving Union Support**

The faculty at BCC is represented by the Massachusetts Community College Council/MTA/NEA (MCCC).

According to the Executive Vice President, there were many meetings with the faculty and there never seemed to be a negative reaction. “Then when we said we were going to do it, there was a negative reaction. We knew we would have to impact bargain.”

In addition, the department chairs believed they weren’t adequately compensated for their work in setting up the new programs. They filed a grievance.

The concerns of MCCC centered on the “selling of academic property” and whether the faculty would be “forced” to teach in the new program. Although the health sciences faculty, being the most impacted, was also most knowledgeable, other members of the faculty felt they weren’t consulted or didn’t completely understand.

As a result of negotiations, faculty members who were normally paid $500 to develop an on-line course would be paid $4,000 for courses developed as part of the initiative, although the course could be used by TPR on other campuses. Additionally, it was agreed that participation in the initiative would be completely voluntary. A Mutual Memorandum of Agreement (MOA) was executed in May 2010 (Appendix D).

Because MCCC is a statewide union, the Massachusetts Department of Higher Education (MDHE) had jurisdiction over the MOU. There was initially some discomfort in the department. The issue for MDHE was who would be teaching the courses and whether state funds would be
used, not wanting it to appear that the taxpayers were subsidizing a private business. BCC replied that only adjunct faculty (who work for the College’s Division of Continuing Education (DCE), which is not state-funded) or full-time faculty teaching an overload and paid from DCE would be teaching. MDHE was ultimately satisfied.

According to the Dean of the New Bedford campus, “The partnership was predicated by the huge demand for Health Science Program expansions into the New Bedford Campus.” After exhausting all state avenues for securing funding, the Dean first conceptualized the idea of a public/private approach. There was not going to be a health sciences program in New Bedford without this partnership and without the financial support it provided. The process that followed was intense and extremely comprehensive—ensuring collaboration with all constituents, from MDHE and Massachusetts legislators and faculty. “They all needed to be intricately involved in the process and protected from perceived and/or real threats.” The Dean continued, “We shared everything to help everyone understand.”

As expressed by the Executive Vice President, “the…way to bring them along is meet with them, listen to their concerns, talk to them and then ask them to be part of the planning so that there are safeguards put in.”

In looking at the process in hindsight, the President acknowledged that he should have reached out more to the faculty at large. “In fact, at one point I think there was a meeting scheduled for the [MCCC union] chapter to really sanction this idea or rebuke it, officially in some way. I did make calls to ask faculty from Health [to attend]….I should have probably done that earlier. Again, I was too naïve, I think, that I didn’t see the controversy at all…most of the
critics were not in Health. I regret that I didn’t enlist the Health faculty to be more missionaries about it.”

**Off-Campus Stakeholders**

Although the local business community had significant interest in the outcome of the partnership and was clearly engaged with the college, there was no discrete role for them in developing or implementing the mission. There were, however, several off-campus actors that were engaged: the Massachusetts Department of Capital Asset Management (DCAM), the New England Association of Schools and Colleges (NEASC), the Massachusetts Department of Higher Education (MDHE), and the members of the regional legislative delegation.

DCAM was perhaps the easiest of the entities to satisfy. DCAM has jurisdiction and responsibility for all properties owned or leased by the Commonwealth. Since the real estate involved was the responsibility of TPR and not that state, DCAM had no objection to the initiative.

Inasmuch as the proposed initiative affected the development and delivery of educational content, NEASC, as the accrediting body of BCC, was engaged to ensure that the accreditation of BCC would not be affected by the partnership. The position of BCC was that the involvement of TPR was not a substantive change, that BCC had complete educational control, that there was no change to the curriculum, and that the college would not be delivering its educational program in any way than it would have been delivered in the absence of TPR. As a result of a meeting between representatives of BCC and NEASC, the college agreed to include several clarifications in the final agreement with TPR, all in the nature of setting boundaries to keep TPR out of
responsibility for faculty and content, as documented in a letter from BCC to NEASC dated April 6, 2010. (Appendix E)

The concern of the regional legislative delegation was focused on whether a private, for-profit education company was actually going to take over or purchase BCC and thereby acquire its accreditation. Presentations were made to concerned legislators, supported by the Secretary of Education and local legislators who backed the initiative. The information provided allayed fears, and no opposition was raised.

The Massachusetts Department of Higher Education, and especially its lawyers, focused on how BCC could be a party to an arrangement that had a for-profit education corporation making a profit. There was a failure to recognize that almost all “vendors” of goods and services are, in fact, for-profit entities.

At the outset, the position of Commissioner Freeland was of questioning why TPR was involved at all and why the college on its own could not have undertaken this initiative. Representatives of BCC convinced the Commissioner that the money was not obtainable from the state nor was it possible to raise it in a capital campaign, and that the initiative was simply not going to happen without private investment. It was also persuasive that the structure of the deal did not expose BCC or the state to any liability. Ultimately, MDHE raised no objection to the partnership.

All external constituencies were in accord, and the initiative was implemented.

**Outcomes**

In terms of finances, TPR did exactly as it promised. Expenses exceeded revenue, and in May of 2011, TPR (now Higher Education Partners, LLC (HEP)) reimbursed BCC for $750,000
of operating losses. There was a realization that the program would not be successful relying solely on allied health programs, and since the initiative was really a building-based program, it was decided to increase the offerings in the HEP building to include general-purpose classes. Enrollment in fall of 2012 was 8,500 credits, or $1,450,000 at the HEP building (from a total enrollment at the New Bedford campus of approximately 13,500 credits), with annual revenue projected at $3.1 million (Appendix F).

**Enrollment Growth**

The College experienced 45% growth year-over-year at the New Bedford campus. “It was important to focus on retention, attracting the right students and supporting them, providing program specific tutoring in Academic Support” stated the Director of eHealth. The College added certificate programs and more degree programs. “We have instructional designers in the building … that have helped the teachers move from a traditional way of teaching to online teaching” the Director of eHealth continued. “They do a lot of great creative things and there are so many opportunities especially with health sciences. You can do rotating bodies and add skin. All sorts of issues, they really tried to make it much more enticing for the students.”

According to the Director of eHealth, eHealth has experienced 225% growth in the aggregate, with an annual increase of between 25% and 40%. There are now over 2,000 students on the New Bedford campus. In the past year, Bristol began offering general education courses in addition to the health science curriculum. When offering just the science courses, it was difficult to generate a revenue surplus because of the need for small class sizes. The Director of eHealth explained that “this opens up courses to students to make sure the courses run, it doesn’t slow down a student’s pursuit of a degree or certificate.” The college wanted to create a sense of
campus, so offering general education courses brought more people to the space, there is “more
activity and people and more use of the facility,” according to the CFO.

The President gave public support and lent his credibility to this partnership. He spoke at
statewide Workforce Investment Board meetings and presented at national conferences including
those sponsored by the American Association of Community Colleges (AACC), the American
Council on Education (ACE), and the National Institute for Staff and Organizational
Development. It was all to explain the innovative goals of this project and invite colleges to visit
BCC.

**Expected Benefits Achieved**

From the CFO’s perspective this project would provide “access for students, to a big
population of New Bedford. These benefits were achieved, this semester [Spring 2013]
enrollment is 20% over what it was last semester.”

The College now has state-of-the-art classrooms, academic support services, and
computer labs. The “labs were outfitted beautifully…they are putting in the right hoods, the
right equipment for the science labs,” according to the Executive Vice President. He continued,
“We were going to be able to expand our programs, increase our enrollment and, from an
administrative point of view, we thought we were going to be at the forefront of a new wave of
offering health training to near and distant communities.” The Director of eHealth concurred,
explaining that the college is recruiting students from a larger geographic base because of the
hybrid nature of the programs, in most cases just one day a week on site with the rest on line.
The Executive Vice President explained that enrollment growth from the larger geographic area
hadn’t happened yet but that enrollment has grown in the region.
Growth

The College initially anticipated faster growth in the program. The program has attracted older, mostly women, students, focusing its recruitment beyond high schools to healthcare facilities and hospitals. The Director of eHealth commented, “It has taken a lot of work to get here, I think it is great and its going to be fine, but it is not just ‘build it and they will come,’ there’s a lot of tweaking and working but it’s definitely getting better all the time.” The President saw this partnership as a way to increase the capacity of selective career oriented programs that by its accreditation had low enrollment. “This was a way to bolster those programs and it has done that.”

The President recognized the importance of expanding enrollments in high demand career fields, but he also viewed this partnership as a way of delivering courses in the humanities and other programs in an online format as well as meeting the needs of the regional New Bedford community. “If we can get private support to help get it expanded and funded and the facilities, then I see no reason why it would be limited to Health.”

Offering so many programs in one location allowed high school students and individuals exploring opportunities the ability to investigate options. The Director of eHealth describes this: “They can’t find that sort of delivery with the kind of facilities that we have and the reputation.” The location has allowed “people to come from next door having begun working in a healthcare center, they take phlebotomy and then they go on to general sciences and they are going into nursing. They are real eHealth learners and they like the model.” Recruiting and growth comes from the students who are enrolled in the program.

Enrollment
The Assistant Dean of Allied Health described the impact on enrollment and the expanded opportunities the partnership with HEP provided. “eHealth is probably the first division to go hybrid or online. We have 24 Nursing students here on the hybrid program and we have 72 in Fall River and those 24 probably wouldn’t have had a place to go if we didn’t expand services here. Our [Occupational Therapist Assistant] program expanded from 40 to 80. Phlebotomy expanded. Massage Therapy expanded. They went from 10 to 30. The health area expanded tremendously to the area. We taught new sterile technicians. The program was offered here and it was new, and people from New Bedford mainly signed up for that. Surgical technology will be a new one offered as a hybrid and that probably will start in September. I think the opportunities are amazing.” According to the Director of eHealth, “We’ve embraced the whole campus, now we have the whole gambit of engineering and criminal justice and general studies.”

Recruitment has also introduced greater diversity in the student body. The Assistant Dean of Allied Health noted that “every time we have an information session, you see just a diversity of people coming for information, all nationalities, and it’s great to see that because Fall River, for a long time, was just white and now that’s changed as well, but it’s really good for this community. It’s underserved, underprivileged. They probably have the highest unemployment rate. I think they are up to 12% in this area, which is horrific.”

**Mission Enhancement**

The Executive Vice President observed that addressing the college’s mission through resource acquisition, especially in contentious economic times, is allowing the college to explore other ways of meeting its mission. Said the Executive Vice President; “We haven’t felt the full
outcome…[We are] just expanding our presence in New Bedford with a real, nice, urban campus… We expect that exposing students to education and to the flexibility of online learning would help them persist to attain their credentials as well as build the local workforce.” The Dean of Allied Health described the impact of the New Bedford campus on the rest of the college thusly, “I think people across the campus are … excited now that we can deliver…not just health science, because it’s also general studies, to more people…It is helping us live our mission. Our mission didn’t change.”

**Faculty Development**

In introducing new technology and facilities the Allied Health program participated in a three-day retreat. This allowed faculty to envision new ways of teaching with new resources. Faculty explored interdisciplinary approaches. The Dean of Allied Health noted, “The other piece that the partnership allowed us was instruction, support for instructional designers…we were able to engage the faculty that way.” Faculty had the resources available to expand their vision to wellness and prevention. The Dean continued, “I think there has been surprises all along the way….I think we had to change. We had to modify periodically. …How could I anticipate that some of my faculty would make such a huge jump from a transparency [to online teaching]. We’ve learned a lot along the way.” The Faculty in the program has adopted different approaches, exploring new pedagogy. The Dean described a more traditional approach to learning that the faculty experienced as students and the traditional teaching methods they learned. The faculty was “willing to see that we could do something in a different way. That willingness…to embrace something different, they were able and did transmit to their students.”
Student Development

The Director of the Nursing Program described the impact of this program on a new student. “I had one particular case. This person did poorly in high school. He took a couple of courses on-line in health. He was coming to my desk and said, ‘I [comleted] courses. I'm different and I did so well.’ He said, ‘Now, I think I really can fulfill my dream of being a nurse.’ I thought, ‘TaDa!’ …That is why I'm here, for the mission. That's why I'm in the ADN school and I'm not even focusing yet on other things.”

The hybrid format, new to BCC and possibly to nursing programs in general, allowed students who had other obligations to continue meeting those obligations while they pursued a new career. It allowed students who had transportation issues to participate. It also addresses different learning styles, according to the Assistant Dean of Allied Health.

Other Partnerships

The College has thought more creatively about local partnerships since its involvement with HEP. It is working with a regional health care system and is exploring using the operating room at a local health care facility on Saturdays as a teaching site.

Unanticipated Benefits

There were not many unanticipated benefits identified by those interviewed. Most of the participants expected certain outcomes and were pleased when these were achieved. One unanticipated benefit cited by several participants was the impact on the local economy.

The economic impact of BCC’s campus in New Bedford.

Enrollment growth at the New Bedford campus has had a positive impact on the community. Every person interviewed described a more vibrant downtown, with a number of
new businesses locating in close proximity to the campus. Even a lack of parking was viewed as a positive reflection of the impact of the college.

The success of this investment has been iterated in many ways, but two major outcomes are the tremendous impact on enrollment growth and a major revitalization and economic growth of the New Bedford business district. “There are close to 2,000 students enrolled at this campus, that has impacted the local economy as it responds to these students’ needs,” according to the Dean of the New Bedford campus. “Forty-two new businesses have opened since this project was launched…we were the impetus, or part of the impetus, for the renewal of downtown [New] Bedford.”

The New Bedford business community recognized BCC and HEP with an award for economic impact (Staff, 2011). Almost every participant mentioned the coffee shop on the ground floor of BCC’s New Bedford campus. According to the CFO, “the city loves us, the coffee shop was about ready to close, and every time I see them they can’t thank us enough. Other local business benefited. There are lots of students on the streets that weren’t there before.” The Director of eHealth identified an economic development trend that BCC was now participating in, “There has been a tradition in many…New England cities [of being] gentrified by schools.”

Students have embraced a new role in the New Bedford community as described by the Director of Nursing. When BCC chose to participate in a locally developed monthly community outreach event, “we opened our doors and I had some of our students who did some great student service learning projects that we brought there. They came on their own time, after hours, to [participate].”
New Program Development

Although BCC and HEP anticipated program growth, some of it happened more quickly than originally envisioned. Programs that could not be accommodated on the Fall River campus now had a location. Certain programs required dedicated space, not available on the Fall River campus. Pharmacy Technology (PharmTech) was the first new program offered. Some of the programs developed through serendipity. Illustratively, Gerry Kavanaugh was on the Board of the Greater New Bedford Community Health Center. At a board meeting, he learned that the organization was spending $40,000 annually for placement services to find phlebotomists in Boston. When queried, the director responded that BCC didn’t offer phlebotomy so there were no candidates locally. Kavanaugh’s organization funded the establishment of a phlebotomy program at the new BCC site.

State-of-the-Art Technology

The investment in state-of-the-art technology and equipment for all the programs offered in New Bedford surprised a number of individuals involved in the project. The Director of the Nursing Program commented, “We could not have foreseen [such an increase] of resources in this short a time.” TPR’s willingness to support requests to help grow the program was a major change in operations at the College. Normally the college lacked resources to quickly respond to equipment needs that would enhance programs. The improvement in technology and equipment benefited the entire program, as BCC’s nursing accreditor (NLNAC) required the same experience for all students. According to the Director of Nursing, “what we have decided as a faculty is that there are not just 24 eHealth students benefitting. The 96 benefit, our clinical schedules, everything.” Initial results indicate that the persistence rate was higher for those
enrolled in eHealth versus those enrolled in the traditional nursing program. Leaders in the Allied Health program will monitor this and are considering various theories (including the age of the students in both programs.) The outcomes in scoring were essentially the same.

**Entrepreneurial Reputation of Bristol Community College**

BCC found itself at the center of attention from the media, local officials, higher education practitioners, and Massachusetts government officials. According to the President, “the Governor came down for the ribbon cutting with Richard [Freeland, Commissioner of Higher Education] and Paul Reville [Secretary of Education], and when the Governor came in… I said to him, ‘Welcome to the future, Governor.’ He got caught up in it. He was there 20 minutes, interacting with students and faculty in a Biology class.”

Community colleges have developed a reputation for being nimble, able to respond quickly to evolving needs in a community and for their students. The Dean of Allied Health mused, “I think when people come and they see what we have, many people are surprised by community colleges. I think the partnership really increased visibility and the importance of community colleges. That’s a side benefit, I guess. That’s something that I might not have anticipated.”

**Introduction of Courses and Programs outside Allied Health**

BCC’s initial intention was to offer a hybrid eHealth curriculum. As the program unfolded it realized it could expand into other academic fields and programs, taking advantage of the instructional designers to work with faculty to develop more offerings in a hybrid format and to expand the programs of study in New Bedford.
Culture

There was initial resistance to the opportunity to explore a partnership with a for-profit. At first the resistance stemmed from campus constituencies wanting resources to be invested in the Fall River campus, “let’s take care of our house first” instead of expanding the New Bedford campus. The CFO responded, “[We] need to be forward thinking people. [We] need to be thinking about what’s best for the college, what’s best for the future of the college.” He noted that “now, everyone is either supportive or very supportive, I haven’t heard a negative comment in a long time.”

Explaining the project and the timing of information sharing was one of the few laments cited by most of those interviewed. “I would have shared that information sooner. I didn’t want to do it too soon when it was still difficult to explain. In hindsight I waited too long to share it” explained the CFO. He continued, “When people understood it wasn’t going to be a drain on the college they relaxed.”

A theme of access was also cited frequently as a reason to partner with a for-profit. The President explained “it’s been my constant theme since I got here…we’re all about access and opportunity and despite asymmetrical fees and partnering with a private company, I think…it was seen and recognized that we’re providing access and opportunity for a better life through education for our students, and that seemed to go a long way. That was certainly the constant theme that I hammered and hammered and hammered whenever anybody brought up e-Health.”

The Dean of Allied Health concurred, stating, “One of the things that has impressed me, from the very day I got here, about BCC, and I came from another community college…is how much this college cares about students. It’s really, truly remarkable. I know you see that in the college’s
mission statement [Appendix G], but it’s true. It’s very student-centered, and the faculty is too. It’s uniform, from the staff all the way. It has amazed me.”

**Leadership**

Leadership was exhibited at every level of the institution, but it began with the President. Everyone interviewed described his approach as positive, visionary, and inspiring. The Executive Vice President observed that “[the President] is very student access oriented…His whole life has been student access and he just wants to keep trying to do things that…benefit the community and the people in the community through an access point of view…even if it costs us a little more, but keeps students in school, then [the President] is going to try it and see if it works.”

Gerry Kavanaugh recognized several layers of leadership, “It took one person waking up every single day at BCC and saying, ‘my job is to push this thing a little further ahead.’ If [the Dean of the New Bedford campus] hadn’t done that, it would have died of inertia. Secondly, it needed a president who has a million things going on, but when things get a little rough, isn’t going to just pull the plug.”

According to the Director of eHealth “the President was just a dynamic person…We are building a new team here. Yes, there’s been a lot of support and the President keeps saying this is important, he actually had it as one of his top priorities for the whole college to embrace eHealth in every way.” The CFO described the President from a risk perspective, “it’s been a good thing for [the President] because he didn’t have to borrow to develop a program, MDHE initially opposed him, he took a risk, a political risk. The college is seeing the President in a different way, as he took this risk and spoke about it every semester as the college opened.”
Gerry Kavanaugh described the leadership he witnessed from the President, “In my business, we live or die on the press. Inside Higher Ed wrote a horrible editorial the morning of our press conference. They were [gathered in an] office and Jack was in there. I showed up and I went in, I shut the door. I said, ‘Hey Jack, it’s now or never, buddy. If you think this is a good idea, let’s go have the press conference.’ Lots of people might have said we need to wait. He said, ‘No, we’re going to do this.’”

**Findings and Conclusions**

As BCC considered and implemented a partnership with TPR, it encountered several challenges, including the following:

- Inherent skepticism from essentially all constituencies about the wisdom of partnering with a for-profit education corporation and the possible conflict of principles and values between a public institution of higher education and a company for which higher education was a business.
- Concern among faculty about additional obligations of travel and course load, compensation for additional work and professional development, and ownership of curriculum developed by them.
- Fear that decision-making concerning academic issues, staffing, and marketing would be controlled or influenced by the for-profit partner.

The research reveals conditions that existed at BCC that permitted BCC to overcome the challenges and embrace what was previously an essentially unthinkable partnership between a public institution of higher education and a for-profit education corporation. Those conditions included the following:
• The existence of an unmet need that was acknowledged by all constituencies and stakeholders.

• The existence of an unmet need that impeded, if not crippled (i) the supply of trained and skilled health care workers in the region served by BCC and (ii) the ability of students in the region to obtain the education they desired to fill those positions.

• Exhaustion of all traditional methods for funding to address need.

• An on-campus culture characterized by
  
  (a) Stability in operations, finances, and leadership.
  
  (b) Trust and confidence in, and respect for, campus leadership.
  
  (c) Confidence of leadership in itself that would allow for risk-taking.
  
  (d) Shared belief in, and commitment to, the mission of the college.
  
  (e) Belief that campus leadership was mission-driven.

• Trust (based upon foreknowledge) in the individual representing the for-profit partner.

• Support from all relevant off-campus stakeholders derived from a process of education.

• Complete transparency about the economic and other deal terms.

• Faculty control over curriculum.

• Willingness to listen to, and address, concerns of faculty and other stakeholders directly and decisively.

In the next chapter, these findings will be reviewed in the context of literature and Clark’s Entrepreneurial Theory Framework.
Chapter Five: Discussion

This qualitative study focused on a specific case to illustrate the complexity of a community college exploring and eventually pursuing an entrepreneurial initiative to achieve the educational and workforce goals of the community it serves. It identified the qualities of leadership and climate that allowed a college to embrace an entrepreneurial approach to generating revenue. The theory framework for this study was Clark’s Theory on Higher Education Entrepreneurship, which had been previously applied to international four-year higher education institutions. This study applied it to a two-year public community college.

For purposes of this study, Bristol Community College will be referred to as BCC, The Princeton Review will be referred to as TPR and Higher Education Partners will be referred to as HEP. The partnership with BCC began with TPR, but in 2011, TPR spun off its Community College Partnerships (of which BCC was the inaugural partner) to HEP (The Princeton Review, 2011).

In the context of existing literature, Bristol Community College was aligned with the research of Steck (2003) who identified increases in tuition and fees as a response to declines in state support and the pursuit of alternative revenue streams. Harbour and Jaquette (2007) and Esters, McPhail, Singh and Sugelski (2008) also identified changes in state support as a catalyst for seeking funds from alternate sources, focusing on the need to diversify funding support so that community colleges were not primarily reliant on state funding.

Entrepreneurial approaches were specifically cited in their research, describing three strands: “privatization, performance accountability, and marketization” (Harbour & Jaquette, 2007, p. 197). BCC’s approach was more nuanced, in that it partnered with a private for-profit
entity that provided private equity to support educational resources and programming. As a result, BCC is now much more focused on performance accountability.

HEP provides marketing funds but leaves to the college how it will expend these funds. It is beneficial to both HEP and BCC for enrollment to increase on the New Bedford campus, as HEP will have an incentive to invest in new programs and both parties will experience a greater return on their investment.

Harbour and Jacquette (2007) believe these goals hamper the open access mission of community colleges, but such was not the case at BCC. BCC’s Allied Health program was already screening applicants to make sure that those accepted were most likely to be successful, and it continues to do so. Students must meet or exceed admissions criteria, given the demanding competition. This new partnership increased enrollment in allied health programs, which it could be argued, conflicts with the research of Harbour and Jacquette.

BCC attempted to pursue a vertical equity approach as outlined by Dowd and Grant (2007) in which the college charged a tuition differential to students enrolled in the eHealth program offered at their New Bedford Campus when the program was first launched. (This pricing structure would not have been precedent setting, as it existed across the Commonwealth and elsewhere on the BCC campus.) This caused much media attention (Huckabee, 2010; Jan, 2010; Moltz, 2010a) and negative response (Anonymous, 2010; Huckabee, 2010).

Although the quality and structure of the educational “product” was the same, the pricing was dependent on the timing and circumstances of an individual student’s enrollment. There was a perception of inequity without a justifiable basis for the inequity. This pricing structure
was abandoned quickly, and the college returned to a horizontal equity structure of charging all students at the same rate.

**Community College Roles Within the Local Community**

Askin (2007) posited that community colleges that receive local funding are more responsive to local community needs than colleges that receive the majority of their funding from the state. This is a nuanced issue. BCC’s appropriation from the state had not kept up with its growth in enrollment (Appendix H). This erosion of funding support caused the college to increase tuition and fees. BCC does not receive funding from the local community. TPR was willing to fund the establishment of a New Bedford Campus because the Dean of the New Bedford campus had conducted extensive research on the economic needs of the community and identified health care careers as a high demand growth area. BCC’s history of meeting needs in its catchment area is independent of receiving local funding support.

BCC’s decision to partner with TPR is supported by the research of Kisker and Carducci (2003) who stated that for program growth to occur the college and its stakeholders must share an understanding of the economic needs and concerns of the community. That shared understanding was evidenced by the efforts of college administration, the New Bedford Mayor and members of the Economic Development Council and business community to respond to the unmet demand of regional employers for healthcare workers and the unmet demand of students for healthcare education. TPR was clear that its intention was to develop programs that would lead to employment. The perception of value was a key finding in Kisker and Carducci’s (2003) research. This appears to have been the case at BCC. Levin (2000) also identifies the employable skills needs of the community as the impetus for a community college to seek
funding from different sources. Both BCC and TPR focused on the employability of certificate and degree holders in the local economy, which aligns with Levin’s (2000) research. With the partnership came a stronger commitment to financial goals and stricter adherence to monthly budgets, also identified in Levin’s (2000) research.

Leadership

Leadership was frequently mentioned in the literature because of its impact on entrepreneurial efforts. Kisker and Carducci (2003) identified a strong leader as an important indicator for success. Buettner, Morrison and Wasicek (2002) researched leadership as it impacted entrepreneurial pursuits. Clarity in the purpose of the collaboration, as well as a flexible leadership style are prerequisites for successful efforts. The President of BCC demonstrated this specific approach to the partnership with TPR. He used every communication opportunity to articulate how the initiative was aligned with the mission of the institution. He benefitted from a broad acceptance of the need for the initiative and was consistent in casting the partnership in that context.

“Advancing efforts leading to the creation of alignment of partnerships and corporate alliance” was identified by Phelan (2005, p. 88) as an area for professional growth for presidents as resources to support their missions diminish. Phelan (2005) specifically cited the ability of a college president to focus on entrepreneurialism as a vital skill set. Esters, McPhail, Singh and Sugelski (2008) support the research of Phelan, defining the entrepreneurial president as well versed in the demographics of his or her students and knowledgeable of the community needs that must be served by the college. The President of BCC unquestionably possessed that knowledge, as evidenced by his support for the growth of the New Bedford Campus to meet
identified needs. Future research could be undertaken to determine the extent to which the possession of an entrepreneurial mindset is a prerequisite for success in an entrepreneurial initiative or, rather, whether it is sufficient for a leader to possess an openness and curiosity that will allow consideration of an entrepreneurial response. This may be difficult to distinguish.

Esters et al (2008) defines the role of the community college president as leading a culture change that supports taking risks and recognizes that there will occasionally be failures. A partnership with a for-profit education corporation was a risk on numerous levels. It was a risk that challenged the philosophical core of a public institution of higher education. Basing a business on providing education was in fundamental conflict with the decades of tradition at public colleges. The President put his own credibility at risk in even considering the possibility. He was, however, possessed of a long history of respect and a knowledge of his values that allowed that risk to be taken. Likewise, there was a political risk. Public community colleges operate under the aegis of the state which is, by nature, political. The concept of partnering with an entity whose mission is in many ways antithetical with public higher education could be expected to be met with consternation if not alarm. Again, however, by aligning the initiative with the mission and the unmet regional needs, and by demonstrating that there was no financial risk to the college, the President was able to overcome the reluctance of various state agencies and legislators.

The research also demonstrated the ability of the President to deal with failure. The proposal of a differential tuition model was a matter of serious objection. This should not have been surprising since it was a dramatic deviation from the core principle of equal access in public education. To his credit, the President quickly recognized the failure of that financial model,
acknowledged the failure, and moved to correct it (Esters et al., 2008; Green, 2003).

Acknowledging a mistake most certainly confirmed the trust placed in him that allowed him to continue to take risks.

**Collaboration**

Kisker and Carducci (2003) identified one of the barriers underlying the inability of community colleges to invest in state-of-the-art equipment was a lack of funding. The collaboration of BCC with TPR was a direct response to that barrier. One of the important reasons cited by BCC to justify its partnership with TPR was the creation of a state-of-the-art facility that would deliver a state-of-the-art healthcare educational experience to its students both on campus in New Bedford and in a hybrid format, resulting both in addressing a need for trained personnel in the region and allowing students to become more marketable in the workplace. The equipment was so improved, in fact, that nursing students from the Fall River campus now spend time in the labs in New Bedford to keep the nursing program in compliance with its accrediting body.

Kisker and Carducci (2003) also identified the importance of faculty and business interests being aligned. Such was clearly the situation in this case. Both constituencies were frustrated by the lack of capacity at BCC to meet the needs of its students and potential employers. Once the initiative was launched, BCC further expanded its offerings in other areas such as Pharmtech and Phlebotomy to meet other community-identified needs. Once the faculty was satisfied about issues related to their compensation, requirements of participation, and academic prerogatives, there was essentially complete support, if not enthusiasm, as evidenced by its contact with Southcoast Health Systems to coordinate its needs with the academic
program. In this case, the economic, social and political rationales for a partnership between the public and private sector were synchronous. Zeiss (2003) also identified the expansion of online course delivery as a revenue generator, and that was a key element of the TPR partnership.

Buettner, Morrison and Wasicek (2002) and Kisker and Carducci (2003) described the importance of collaboration for revenue generation to occur. They identified customization to meet specific needs and updated technology to provide appropriate experience. Although they describe partnerships with for-profit entities, in those studies the for-profit entities are relevant as the recipients – as contrasted with the providers – of the educational process. The involvement of for-profit entities was in the nature of supporting programs that would provide these companies with trained or educated employees. In the case of BCC, the for-profit partner was providing funding to meet the workforce needs of a community of employers of which TPR was not a member. The engagement was based upon a financial return to the partner, not the fulfillment of an operational need. Further research on the long-term impact of this partnership would be appropriate for analyzing the effectiveness of an investment in community college as a vehicle for accruing a reasonable return on investment for external investors. Bragg and Russman (2007) also focused on the importance of collaboration citing it as a way to increase resources and access. BCC’s experience illustrated this benefit through the establishment of a standalone campus, with state-of-the-art equipment, improved course delivery system, and an increase in enrollment.

**Revenue Generation**

Zeis (2003) focused on the possibility of community colleges embracing an entrepreneurial approach for the generation of revenue. He also posited that community colleges
must attract adult learners, which was one of the reasons that BCC adopted the hybrid healthcare program, allowing students to remain employed while they pursued a certificate or degree.

Reacting to pressure and changes in funding is cited by Frost (2009) as the reason colleges collaborate or pursue entrepreneurial approaches to revenue generation. Clearly that condition was present in the case of BCC, but it is unclear whether the presence of that condition was sufficient. While there had been sustained efforts to establish an enhanced program and campus in New Bedford, the foreknowledge and trust the administration and community had in Gerry Kavanaugh is often acknowledged as a prerequisite for the partnership with TPR.

**Faculty Professional Development**

Mendoza et al (2009) identified the need to invest in the professional development of faculty. The partnership with TPR included the availability of extensive resources to assist faculty with the development of an online curriculum. Several faculty have modified their teaching style and incorporated technology moving from acetone transparencies to complete program delivery on Angel (BCC’s learning management system). Although the availability of Angel predated the partnership, funds provided by TPR supported customized one-on-one assistance and training to each faculty member to migrate courses to an online format.

Although much of the literature, specifically focused on collaboration, leadership, professional development, and revenue generation, was supported by the example of BCC’s partnership with TPR, there does not appear to be research on a public college entering into an agreement or partnership with a for-profit entity that will provide the capital to develop a campus and infrastructure for the delivery of education at the same time as the for-profit entity cedes authority and responsibility on issues such as educational content and resources, selection of
equipment, design of facilities, marketing of programs, and onsite leadership. In this case, the accountability of the college to the for-profit partner was limited to the preparation and submission of monthly financial statements. The for-profit partner assumed all financial risk for this endeavor.

**Clark’s Entrepreneurial Theory Framework**

This research was responding to the quandary in which community colleges found themselves in responding to drastic reductions in state support for public higher education and increasing competition from for-profit educational corporations. Many colleges increased fees and relied on adjunct faculty to balance budgets. Some colleges and universities responded with entrepreneurial strategies. These strategies require either an existing culture that would support such strategies or a shift in institutional culture to do so. This thesis applied the five elements of Clark’s Entrepreneurial Theory framework (1998b) to investigate the institutional cultural underpinnings that permitted a particular public institution of higher education to partner with a for-profit corporation to provide an educational program for its students. The research question is as follows:

How has the institutional culture of Bristol Community College adapted to accommodate and integrate its partnership with Higher Education Partners LLC, a for-profit company?

Specifically, this research explored the entrepreneurial strategy of partnering with a for-profit educational institution to increase revenue at the same time as program offerings were increased for students. A case study of Bristol Community College and its partnership with Higher Education Partners (formerly with The Princeton Review) examined and explored the philosophical underpinnings, the operational arrangements, the role of campus leadership, the
engagement of the campus community, what worked, what did not work, and what costs and benefits were realized by the institution and its students. The goal of this research was to develop conclusions and strategies that might provide a framework to other colleges to consider or pursue these partnerships.

**Entrepreneurism and the Organizational Elements of Transformation**

In choosing to explore organizational change, Clark (2008) focused on international higher education examining colleges that had, over time, reinvented themselves through aggressive adoption of an entrepreneurial philosophy. In this research, Clark (1998b) posits that higher education must change its character to survive in an increasingly challenging economic environment. He argued that management must combine new management approaches with traditional academic practices.

Clark (1998b) describes an entrepreneurial culture as one in which specific ideas are nurtured at the department level and connect with and grow into institution-wide initiatives. His research suggests that entrepreneurial colleges will embrace opportunities for creating a unique identity. Clark identified five shared traits required for transformation: “a strengthened managerial core, an enhanced developmental periphery, a diversified funding base, a stimulated academic heartland and an entrepreneurial culture” (Clark, 1998b, p. 5), as more fully described below. Clark considered these the framework for the study of entrepreneurial change (Shattock, 2010).

**A strengthened managerial core.**

This concept brings together forward-thinking administrative and academic leadership to evaluate mission, funding priorities, strategic planning and external pressures and opportunities.
It is reasonably self-contained, meaning that a centralized outside authority does not have ultimate control over decision-making at the campus-level. The focus remains on academics, but the institution is willing to update its cultural values about academics to better reflect changing needs of its students and the economy (Esters et al., 2008).

When the initiative was first presented to the President of BCC, he convened a working group of senior administrative leadership and faculty leadership in the Allied Health division to consider and explore the opportunity of partnering with TPR. This group included the President, Executive Vice President, CFO, Academic Vice President, Dean of the New Bedford Campus, and the Dean of Allied Health. Although not part of the leadership group itself, the BCC Board of Trustees quickly approved exploring the partnership.

From the description provided by the participants who were interviewed, it was a cohesive and highly functional steering core. This was undoubtedly supported by a President who encouraged candid and open discussion and acknowledged that in the absence of consensus to proceed, there would be no decision to do so. The willingness to share decision-making on this issue had the effect of causing each member of the team to share “ownership” of the decision and contributed to a positive process of communication to the rest of the campus constituencies.

In so doing, the President was not only empowering the steering core to make the decision, but also impliedly recognizing that a decision of this nature that was so dramatically beyond any other entrepreneurial response ever considered could succeed only if there was a steering core, a need identified by Clark, that was unequivocally invested in it.

The President benefitted from a high degree of respect and trust derived from a long tenure at the college. He also had a reputation for putting all decisions in the context of the
mission of the institution. Those attributes were essential in securing the commitment of the steering core and later the other campus constituencies.

BCC did have to secure external approvals or support from the Massachusetts Department of Higher Education (MDHE), Massachusetts Community College Council (MCCC) (the union that represented faculty), the New England Association of Schools and Colleges (NEASC) (the college’s accrediting body), the Massachusetts Department of Capital Asset Management, and the Massachusetts legislature, specifically the southeastern Massachusetts delegation and the leadership of Ways and Means and the Joint Committee on Higher Education. The college was able to secure support and agreement with each of these organizations. This places this particular partnership in conflict with the Clark Model, which intends the organization to be free of outside parties whose agreement must be secured, but BCC addressed and overcame the concerns of each of these organizations and was able to move forward with the partnership.

To take advantage of this opportunity with TPR, BCC embraced new “managerial values” that would be melded with traditional academic values and expectations (Clark, 1998b, p. 9). BCC recognized early in its exploration of this possibility that “distance education is going to be a big part of the future in higher education and we had to do something, and wanted to do something, to increase our distance learning offerings,” according to the Executive Vice President. The President commented, “For [the faculty] to at least be open to online education [was important]. At the same time, it seemed like a great marriage, that we could find a way to expand our program enrollments and also deliver [it in a cost effective manner].”

As ultimately structured, however, it was not necessary for BCC to embrace new managerial values that would be melded with traditional academic values and expectations.
Indeed, it became one of the keystones of the transaction that essential management responsibilities would remain with BCC. These included administrative and operational decision-making and oversight, such as design and fixturing of the physical facilities, equipment purchases, personnel and staffing decisions, etc. Involvement by TPR was limited to the approval of a budget and monthly financial reporting.

In the case of BCC, TPR seemed to defer easily to BCC on the budget. This was, perhaps, a recognition that development of a program such as this was beyond the expertise of TPR at that time and very much within the expertise of BCC, bolstered by the belief of TPR that BCC was invested in the success of the program to address the identified unmet needs. In other words, BCC had no incentive to spend beyond what the program required. As a result, there was little management authority ceded, in theory or in practice, by BCC.

To involve the faculty in the decision-making process and secure an alignment of the goals and management and academics, senior leadership at BCC prepared an extensive outreach campaign. They first focused on the Allied Health Division to determine if that division, which would be, at the outset, the only division impacted, supported this. Once the approval of that Allied Health division was secured, senior leadership expanded their information campaign to the rest of the campus. BCC leadership made clear the project would happen only with faculty and college-wide support and then set about communicating in as many formats as was possible. Again, senior leadership benefitted from a reservoir of trust and respect and a commitment to decisions driven by institutional mission.

Although first envisioned as resources for a particular program, it evolved into an opportunity to garner resources for the institution as a whole. The Director of eHealth (the
current name for the program) believes that “if it grows beyond what is needed to support [the program] it will certainly help the college as a whole.” There was also a belief that the positioning of the college (as an entity) in the community would be enhanced if it could meet the training and employment needs in a high-profile field.

Although the opportunity was pursued to meet a particular need in Allied Health, it became apparent that there were opportunities in other programs and economies that could be exploited in the same physical facilities. The leadership of BCC, and the institution itself, was adept at identifying and embracing benefits that could apply to programs beyond those originally involved.

**An enhanced developmental periphery.**

This concept requires administrative teams in colleges or universities to seek, recognize and capitalize on external opportunities that generate current or potential revenue generating opportunities. External opportunities are linked to appropriate internal departments or programs. Clark described these groups and their mission as new ways of identifying and embracing opportunity (Shattock, 2010). Establishing unique departments or programs within the college or university to connect with the external commercial environment allows these educational institutions to transform themselves.

There is no doubt that the partnership between BCC and TPR originated with the embrace of an opportunity presented to BCC by TPR. The concept derived from the failure of other alternatives to meet a need about which there was no dispute. The opportunity was presented to BCC, as contrasted with being developed by BCC. The benefits of the opportunity were quickly identified, and a prompt and positive response followed.
Because of its existing academic structure, BCC was not required, as Clark posited, to establish a unique department or program to connect with an external environment. BCC did, however, create a new position, Director of eHealth, to work with faculty, administration and the community to identify and develop new opportunities while ensuring the current program was supported. BCC was able to add desirable enhancements to the Allied Health program, including a new physical campus, an enhanced course delivery system and additional programs and was able to market the program in new ways and to new markets.

The program developed an enhanced and effective online presence, and faculty created courses for a hybrid environment. They incorporated state-of-the-art equipment into their curriculum. They were also able to add additional programs and increase enrollment in programs that were in demand in the region. Given the stress on funding sources for BCC, it would not have been possible for those involved in the Allied Health program to access this degree of training and support in the absence of a partnership with TPR.

The program supported by TPR was completely grounded in the academic program of BCC. BCC faculty retained complete control over their curriculum and their teaching methods. They did agree to offer courses in a hybrid format, one day a week on the New Bedford campus and the rest on line. BCC’s accreditors have thus far approved the programs in their new format and location.

From the outset, TPR recognized that the expertise for the academic component of the program resided exclusively at BCC. As such, the academic program that operated within the partnership was totally grounded in the academic program that existed at BCC. It was enhanced, however, by the presence of state-of-the-art facilities and equipment and professional
development opportunities that would not have been otherwise available. The faculty embraced the opportunities to provide programs in a hybrid format, which they believe would both broaden the reach of their programs and also expand the number of students who could enroll in these programs.

Initially the Massachusetts Department of Higher Education and the Massachusetts Community College Council required that only adjuncts or full-time faculty teaching for additional compensation beyond the courses they were required to teach as part of their full time teaching load participate as faculty in this program. Efforts are underway to modify this language so that full time faculty will teach (at their discretion) at the New Bedford site and will use a hybrid curriculum (that they will each develop.) Participation of full-time faculty members will be voluntary but the institution believes many will choose to teach at this site. Also, faculty were involved in the decision to partner and developed their own courses with financial support from TPR.

A diversified funding base.

The need for the diversification of funding requires pursuit of many revenue-generating opportunities including private and public grants, partnerships in the commercial and non-profit sector, and philanthropic contributions. The institution must ensure that funds raised will be used for academic programs and mission enhancement.

In the context of public community colleges such as BCC, there is really not a diversified funding base. Except for limited private philanthropic support and some programs supported by grants, essentially all funding is provided by, or controlled by, the state and students. There is
direct funding by the state, and the state is moving toward a model where it would approve tuition and fees charged to students.

BCC was experiencing financial hardship because its various funding sources were either restricting access to resources, or expecting outcomes for which they were not providing financial support. Reductions in state support with increasing enrollment caused the college to increase tuition and fees to support operations. The partnership with TPR was the unanticipated outcome of failed pursuit of other funding sources, including a federal grant request and a state bond bill.

TPR constituted a source of new revenue. TPR provided several million dollars to develop a new campus. TPR had not previously worked with BCC so this was a new source of funds. The division of income derived from the program was split between TPR and BCC, so that the partnership did, in fact, provide a new source of funds for BCC.

The financial arrangements were carefully vetted, and the college had an agreement with TPR that protected it from financial loss. Once the program achieves certain goals, and the operating expenses are covered, the College and HEP will split the profits (later changed to revenue) with 15% for HEP and 85% for BCC.

The act of partnering and the current agreement has allowed BCC to expand its program offerings and its enrollment. BCC added PharmTech and is currently exploring several additional allied health programs. It also developed additional space in the 800 Purchase Street location to increase the teaching spaces, offering more courses each semester. All of this adds revenue to the college, which allows it to think about other ways to offer programs in its catchment area.
The funds generated by this partnership will be used for other program generation creating a “cross-subsidization” (Clark, 1998b, p. 11) approach to program development. BCC intends to use surplus funds to support both the growth of online programs offered and also general college operations. The initial focus was limited to health care programs and meeting healthcare workforce needs in the New Bedford region. It became clear that almost every other discipline needed to be represented, not only to make the revenue model work but to make sure the courses achieved sufficient enrollment. By expanding the offerings beyond health care to humanities and other career programs (for example Criminal Justice) the model became sustainable and enrollment grew on the site.

The campus community appeared to understand that other revenue would be needed to expand the programs they were offering to their catchment area. At this time, BCC is not exploring other partnerships.

**A stimulated academic heartland.**

Clark’s belief that partnership and complicated decision-making can occur concurrently (Shattock, 2010) led to the formation of this concept. Clark was deeply opposed to top-down centralized decision-making and supported the inclusion of faculty with administration in determining goals. He supported a “collective entrepreneurial action” rather than an imposed decision by a senior leader as the most effective approach to pursuing opportunity. How much do academic departments support entrepreneurial pursuits? How connected are entrepreneurial efforts to traditional programs?

BCC did possess a stimulated academic heartland. Science, technology, engineering and math (STEM) fields tend to both embrace and be sought out for entrepreneurial opportunities
more frequently than traditional soft science and humanities programs. In this case, the idea began at the top, adopted quickly by the President and the senior management team. It was then presented to the campus community for reaction and input. Senior leadership conditioned implementation upon the support of the campus, so in that sense, there was, in fact, a collective entrepreneurial action. It was necessary for the faculty to recognize and embrace the partnership as an entrepreneurial response before it would be implemented. In doing so, the conditions at BCC would constitute a stimulated academic heartland.

Initially, BCC’s focus was on developing a health care education program on a newly developed campus in New Bedford. It quickly realized that the health care program alone would not be sufficient to provide for the continued interest of, and further investment by, HEP. Because BCC was willing to recognize the advantages of expanding the offerings on the new campus it evidenced a continuing commitment to an entrepreneurial response.

All stakeholders at BCC appreciated the possibility and potential benefits of these opportunities (Clark, 1998b). The arrangement between BCC and TPR (and subsequently with HEP) was complex because the college had to remain motivated to pursue growth at the New Bedford site after TPR made its multi-million dollar investment. Theoretically, the structure could easily have eliminated motivation on the part of the college. And yet the campus stakeholders appreciated the lack of risk and took advantage of the opportunity to expand the program beyond Allied Health.

This was a different financial arrangement; the outside group was completely obligated financially and had to rely on the right people hired by the college being committed to growth. Fiscal realities and arrangements of this deal were unique in higher education. For long-term
entrepreneurial growth and support, patience in developing a culture is required. The institutional culture must become one of confident pursuit of opportunities, aggressive goals for growth, and collective ambitions for the future. Institutional change and the pursuit of it must be viewed positively.

Clark was focused on the institutions that, through these tenets, could achieve self-determination. If a college or university was no longer reliant solely on public forms of support it enhanced its ability to pursue its long-term mission and goals (Shattock, 2010). Clark posited that changing situations did not force a single universal response. The level of entrepreneurial culture that existed on each campus determined the response strategy chosen by an institution.

According to Clark (1998b), “[i]deas become realistic and capable of some steering as they reflect organizational capability and tested environmental possibilities” (p. 12). Yet that was not really the case at BCC. BCC had never been involved in an entrepreneurial activity of this magnitude. No other community college in Massachusetts had. It was unclear at the outset as to whether the campus culture was capable of embracing an entrepreneurial opportunity such as this. Several senior administrators believe that it would not have done so other than in these unique circumstances. The fact that they did embrace it implies either that the entrepreneurial culture existed in some latent form or quickly developed out of the opportunity offered. It was not possible to determine which pertained at BCC, and perhaps both did.

**A Condition Not Addressed by Clark’s Theory**

While much of Clark’s Theory of Academic Entrepreneurism applies to the evolution of a partnership with a for-profit entity at BCC, there is one component of the process that is not
addressed by the theory – Gerry Kavanaugh or, more precisely, the level of comfort with the provider of the entrepreneurial opportunity.

Kavanaugh was known to BCC leadership and known to many on the campus. He was trusted, and his interest in the improvement of the college and the New Bedford area was beyond question. Not only did his credibility contribute to the speed with which the partnership concept evolved from his initial outreach to BCC to implementation, but it is possible, if not likely, that if TPR could not “borrow” his credibility to posture itself as credible, the partnership would not have occurred. It was BCC’s previous relationship with Kavanaugh, as well as his reputation in the community, that gave the college the confidence to take a risk. In effect then, although many of the characteristics identified by Clark were present at BCC, they may well have been insufficient to achieve the same result.

**Conclusion**

The culture on the campus of BCC, as identified by the research, included the following:

(a) Stability in operations, finances, and leadership.

(b) Trust and confidence in, and respect for, campus leadership.

(c) Confidence of leadership in itself that would allow for risk-taking.

(d) Shared belief in, and commitment to, the mission of the college.

(e) Belief that campus leadership was mission-driven.

These characteristics are consistent with Clark’s Theory of Academic Entrepreneurialism and their presence at BCC permitted the college to embrace an entrepreneurial opportunity. Entrepreneurial opportunities, however, come in many forms, including licensing of logos, co-branding of products and services, and even private equity investments. Partnering with a for-
profit education corporation *in the delivery of teaching and learning* was the educational equivalent of sleeping with the enemy. While it may be acceptable to sell advertising space on the sports scoreboard or limit the sale of carbonated beverages in the cafeteria to Coke or Pepsi, it is a much bigger challenge to overlay a profit motive over the “pure” mission of public higher education, particularly at a community college dedicated to educating those who may not have access to four-year institutions. It constitutes a sea-change in terms of culture.

The nature and magnitude of this particular entrepreneurial opportunity was possible because of the presence of a condition *beyond* those identified by Clark. In the case of BCC, the research indicated that the additional condition was a known credible party on the other side of the transaction. Indeed, the President of BCC said that he was willing to consider the possible partnership only because of the knowledge he possessed about Kavanaugh and the credibility that knowledge provided to TPR. This was a bold, unprecedented partnership. The condition of trust was crucial in its implementation.

Similar partnerships with HEP developed subsequently at other community colleges. Since the leaders at those institutions did not presumably possess a personal relationship with Kavanaugh, it could be inferred that the credibility and trust provided to BCC by Kavanaugh was replaced in those instances by a history of performance that could be consulted by future institutions.

**Implications of this research**

This case study of BCC provides information useful to similarly situated institutions in three ways. First, it clarifies the conditions that existed in order for this initiative to be embraced. BCC possessed the Clark-identified characteristics of stability, trust in campus
leadership, support for risk-taking, shared commitment to mission, and belief that campus leadership was mission driven. It also possessed a potential partner that was deemed credible by association with an individual trusted by the college. The research does not identify which conditions (other than credibility of the partner) were necessary or what other conditions could have also substituted for any of them, but only which were present at BCC.

Second, the research provides a helpful strategy for working within the cultural and other characteristics of the college to achieve the desired result. Any institution seeking to engage in a partnership of this nature will find valuable insights derived from the success and shortcomings of the process employed by BCC.

Finally, and perhaps most importantly, the research demonstrates the possibility of developing a relationship with an unlikely partner to meet both programmatic and financial needs, all while preserving the core principles of public education and advancing the mission of the institution.

Further research could include case studies at some or all of those institutions that implemented such partnerships after BCC to determine not just the presence of the characteristics described by Clark, but also the significance of the credibility of the for-profit partner, the method by which that credibility was established, and any other conditions that must be present beyond, or in lieu of, those identified by Clark.

Such research on entrepreneurial endeavors of this nature would be valuable to public higher education given the current state of diminished financial support and limited opportunities for generating or accessing the level of financing required to create state-of-the-art facilities and provide support for faculty to function effectively in this new environment.
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Appendix A

NEW BEDFORD CAMPUS HEALTHCARE EDUCATION INSTITUTE
PUBLIC/PRIVATE PARTNERSHIP
OVERVIEW FOR SENATOR MARK MONTIGNY

BACKGROUND:
—October 2007: BCC in collaboration with the Mayor’s Office, Health Care Industry Representatives, Community Leaders and Gerry Kavanaugh submitted a proposal to the Department of Labor to create a HealthCare Education Center for the city of New Bedford that would offer a range of health care degrees and certificate programs to begin to meet the labor shortage for this community. [i.e. CNA, HHA, PCA, NC, OTA, Medical Coding & Billing, Medical Assistant] The grant was unfortunately not selected.

—Hybrid Education 2008: BCC has been exploring way to increase its ability to offer courses and programs in a variety of modalities including Hybrid/On-Line models. The College has been exploring various funding opportunities to make this happen.

—New Bedford Campus Space: Senator Montigny & New Bedford State Representatives have been working for the past several years on funds for an expanded campus. Senator Montigny recently secured a $20M Bond Bill to support this effort. This project is intended to complement this Bond Bill effort.

—Public/Private Partnership Vision: Bristol Community College, utilizing funds from private investors, would create a “Pilot” HealthCare Education Institute for the Greater New Bedford community. The project joins Bristol Community College in a dynamic partnership with industry, education and civic leaders in the greater New Bedford area to address critical shortages in the region’s health care workforce. The Project views the Private Investors Initiative as an opportunity to unite key stakeholders to assure an adequate supply of competent health care practitioners to meet current and projected health care labor shortages. To accomplish this challenging goal it will be essential to greatly expand access to affordable health care training and education programs at Bristol Community College (BCC) in New Bedford and to integrate on-line/hybrid education models with occupational training and the literacy skill development necessary for successful career advancement. The Project will focus and integrate project partners’ activities and resources to build this capacity and to engage in a long-term systems change effort to plan, coordinate, align, and strengthen health care education, and workforce development activities in the greater New Bedford region. Utilizing a career pathway model that aligns the education of BCC with the workforce and economic development of the Greater New Bedford area HealthCare Education Institute will provide a seamless avenue for individuals through their career advancement. The vision of the Project is to promote on-line/Hybrid HealthCare Education programs at Bristol Community College’s New Bedford campus. The Center will make available many more educational opportunities for New Bedford citizens providing them with the tools for economic self-sufficiency while also expanding the supply of highly competent health care practitioners across a range of generalist to specialist health care occupations in the region. The Center will also provide professional development opportunities for practicing health care professionals. The Higher Education Institute project will employ multiple interventions to fulfill this vision and rapidly respond to economic success and health of the Greater New Bedford community.

NEED:
Need for HealthCare Professionals: While important workforce development activities have gone forward regionally in specific sectors of the health care workforce, Bristol Community College has not had the resources to engage with industry workforce, and economic development partners in a comprehensive effort to plan and meet the health care training needs of the region. The Private Sector Initiative resources will provide a critical springboard to carry this important work forward.
Need for Technologically Advanced Equipment, Revised Curriculum and Faculty Development:
Simulation technology and on-line learning are creating a “sea change” in the education of health care providers and must become an integral part of teaching and learning in healthcare education programs. Bristol Community College faces a great challenge in updating programs with essential technology due to: 1) limits in funding for equipment and training; 2) scarcity of expert knowledge in the effective application of technologies and on-line curriculum in Health Care programs; and; 3) insufficient collaboration between industry and educational facilities regarding resource development and resource sharing. Bristol Community College proposes to address these challenges by leveraging resources from private partners and other grant sources and creating the college capacity to provide state of the art health care education including necessary new technologies that will extend beyond the life of this grant. The Mayor’s Health Care Taskforce is an alliance that will conduct strategic planning for health care education including the acquisition and shared use of technology in health care provider education that will sustain beyond the borders of this project.

Need for Clinical Placements: Simulation, distance learning, and other technologies do much to build and solidify the skills of nurses and other health care professionals in training, but their education is not complete without carefully structured and supervised clinical experiences. BCC cannot expand its programs to meet regional needs without a corollary expansion of clinical training sites. The Private Sector Initiative resources will provide BCC with the capability of restructuring program schedules to make better use of existing clinical rotations, as well as the opportunity to create formal agreements with a wider array of clinical settings needed for nursing and to develop other health care technician programs.

Need to Build Career and Educational Paths and Integrate Scaffolds for English Literacy Mastery: BCC is committed to raising the educational levels of the communities we serve, which are among the lowest in the state. Regional health care employers who helped in the preparation of this vision share the mission as it applies to their employees who they seek to cultivate for higher paying jobs. Many incumbent workers and potential employees in New Bedford have limited English proficiency. This Center will use evidence-based approaches to advance occupational education and career development, while also providing literacy and workforce readiness skill building.

Need to Expand Health Career Educational Programs: The statewide and regional projections for the growth of highly skilled health care occupations and the need for home-based health care workers cited earlier leave no doubt that it will be critical to augment the programs currently available within the region’s community college system. Many of the health care growth occupations are well suited to the community college environment in that they offer promising futures for students, can be completed with a focused non-credit certificate program, or credit based certificate and degree programs involving two or less years of post-secondary study and supervised experience, and are in demand in the local economy. Often, however, they require coordinated planning and resource development to generate clinical placements, obtain and install expensive equipment, hire faculty, and initiate program accreditation processes. To date there have been few forums uniting key stakeholders with the college to accomplish these difficult tasks. The HEC project will bring industry, education and workforce development stakeholders together to address the region’s longer term health care education goals and examine the resources and capacity that must be leveraged to achieve those goals. The HEC Project will provide a forum for stakeholders to create a long term plan where they will jointly identify the priority programs and work together to obtain necessary resources.

DATA:
National: The U.S. Healthcare Industry is facing a critical shortage of healthcare professionals. The U.S. Department of Labor predicts that by 2020 the shortage will reach 1.6 million to 2.5 million allied health care workers. The supply of qualified workers is shrinking at the same time as the demand for healthcare is increasing, driven by the nearly 80 million baby boomers that are reaching retirement age. The dilemma is most clearly seen in the nursing profession. The U.S. Department of Health and Human Services projects an estimated shortfall of 275,000 full-time registered nurses by 2010 and 800,000 by 2020.

Massachusetts: A hospital like Brigham & Women’s loses every year two years’ worth of nurses to retirement. These shortages are putting patient’s health in grave danger. A 2004 report found that almost 20 percent of medical errors resulting in death or serious injury could be traced back to nursing shortages.
The same study found that more than 20 percent of nursing homes lack a sufficient number of health care workers to provide even the most basic care. While nursing represents the most serious shortages, the problem extends to almost every allied health specialty. By 2014, Massachusetts will have 105,000 health related job openings, including 48,820 in diagnosing and treating practitioners; 23,500 technical positions; and 33,320 support positions. The current community college system only has the capacity to train people a minor percentage of these 105,000 jobs.

**SOLUTIONS:**

Usually, when a serious mismatch exists between supply and demand, the marketplace finds a solution. This particular shortage will likely be solved in one of three ways. First, there will be an expanded effort to bring in foreign workers. In the U.S., almost 20 percent of hospitals hire foreign nurses who now make up over ten percent of the nurses workforce and nursing home associations are working with The Peoples Republic of China to get a guaranteed supply of nurses. Second, proprietary colleges like The University of Phoenix will expand into these professions. In fact, in Northern Virginia for-profit schools are already offering programs— but at four times the tuition rate of the community colleges, resulting in associate nursing degrees that cost a student $50,000. In Des Moines, Iowa, the same situation has occurred, where the proprietary colleges are charging three to four times what DMCC charges. Proprietary colleges have flourished because community colleges have not been able to expand. Finally, create partnerships that will help ensure that community colleges in the country can expand their health care programs to address the long waiting lists in those professions. It is not uncommon to see 10 qualified applicants for every available student seat. Therefore, many students whose first choice would have been to get their training in their local community college opt instead to pay a substantial premium to get the same training at a for-profit college.

Community Colleges around the country have tremendous waiting lists for health care professions. They serve communities that are facing severe worker shortages in their hospitals and other medical facilities. They can’t bridge this supply and demand gap because they don’t have the capital to expand their training facilities and they are now facing severe budget cuts. The Higher Education Learning Partnership has proposed a hybrid model to a number of colleges around the country that we believe could address the shortages and allow these institutions to expand over the next decade.

Our Public/Private Partnership model would provide an accelerated program for allied health professions. It would charge more than current tuitions but would offer students several very competitive advantages. First, it would guarantee qualified students instant access, as opposed to the current process that is more akin to winning a lottery. Secondly, it would adopt some of the best on-line practices available.

For example, we would address the unique learning and lifestyle needs of a typical 30 year old single mother who is retraining herself for a new profession. We would offer online-based mentoring programs that help the student through the early stages of a program and offer substantial remediation. This results in a much lower dropout rate than community colleges now experience. We would also offer more courses on weekends and at night, which fit into students’ lifestyles. And we would be extremely proactive in helping students through the financial aid process.

**PROCESS:**

**Campus Selection:** Bristol Community College in Massachusetts has been identified by the Princeton Review as an ideal place to pilot the program. It is located in a county with a population of 530,000, where 15.6 percent of the workforce worked in healthcare last year. However, there are serious healthcare worker shortages in the state and region.

Here are three examples:

**Radiation technicians** - There has been a 74 percent growth in the demand for radiation therapist and radiographic technicians and across the state. There are currently 2210 openings for these jobs. The starting salary for such a job is $42,600, with the potential to earn as much as $90,700. Bristol only has the ability to admit 17 students into a radiology program even though they have 141 applicants.
Nurses - The need for nurses in Massachusetts is growing 22 percent a year. Starting salaries can be $45,000 with potential to earn up to $80,000 in a few years. The demand at Bristol is very strong, with more than 1,000 applicants for 96 spots.

Medical assistants - The state currently has 3580 openings with salaries that can reach $44,000 with benefits after a few years' experience. In Bristol County, the demand has grown by 62 percent. BCC has almost 100 applicants for only 16 spots.

Capital Investment: The Princeton Review would invest three to five million dollars of capital for classrooms and labs, state-of-the-art technology, on-line/hybrid curriculum development, plus required equipment and supplies to support a healthcare education center for Bristol Community College. That capital would allow us to ramp up over a three year period to approximately 1000 student institute.

Crafting the Model: Under the leadership of the campus President and Chief Academic Vice President, a team has worked together to create an innovative and fast-track education model that would combine face-to-face and on-line learning opportunities. Through this endeavor, we will build state of the art health care programs to enhance and expand the opportunities currently afforded to our students.

Research: The Princeton Review undertook extensive research with BCC students, some of whom were enrolled in allied health, and others who were on a waiting list. The predominant majority of those interviewed stated emphatically that:

- In order to improve their economic well-being, they needed to better their education;
- to do that, they needed to go to BCC or another institution and get a degree in a field like health care, where jobs were being created; and
- to gain access, they would be willing to pay more, because they knew that it would translate into new job opportunities.

Meeting Financial Obligations: The institute would provide extensive assistance to prospective students to maximize their financial aid. Pell grants have now been increased to $5,350 per student, so needy students would be able to obtain such aid immediately. Many students would also be eligible for up to a $1,000 grant from the Commonwealth. With the cost of this project at $8-8,500 per student, neediest individuals would have all but $2,200 paid for. With available low-interest student loans, students would be able to easily attend the institute. All students interviewed during our research quickly understood that the increased salaries and wages attainable with their new degree would allow them to pay off that debt in short order, and allow them to come out ahead very quickly.

Sharing the Vision: BCC staff, along with partners from the Princeton Review & Kavanaugh Software has met with various community college colleagues, legislators, the New Bedford Mayor, and members of the workforce development community. We have shared this creative and innovative model and solicited feedback on the project. As with any 'new' concept there was lots of enthusiasm along with a list of items to be resolved.

Addressing Concerns: Listed below are the issues raised along with the steps that have been and/or will be taken to resolve them:

- Space Procurement: Several conversations have taken place between BCC and the state Department of Capital Asset Management [DCAM] to determine how to proceed with this project. It was mutually determined that BCC would undertake an RFP process and ask for proposals from entities to facilitate the implementation of this concept. BCC is aware that The Princeton Review is interested, and we would like to solicit interest from others, and see if there is a way to make this a reality. In the same way, we would undertake a similar process with DCAM to locate the facility. There is an abundance of available space in downtown New Bedford, and we could easily solicit a variety of proposals throughout the downtown. In fact, UMass Dartmouth has already
approached us about subleasing space that they have leased, but are not using. [see attached emails as support documentation]

- **Program Identification & Roll-Out:** The President of BCC has met with his academic team to, based on employment data from the area, identify appropriate Allied HealthCare programs to be offered through this hybrid/on-line fast track model and determined the sequence in which the programs will be introduced over the next three years. Conversation and/or research has been compiled from all accreditation boards to determine procedures for adding a branch campus to the existing Fall River location.

- **Department of Higher Education:** The President of BCC has spoken with the DHE academic staff about this project and has set up a meeting to discuss it in depth. He is bring his Academic leadership team with him.

- **Timeline:** If we work diligently, we think that we can begin a small program with three degree programs and several hundred students in January 2010.
SUMMARY OF PRINCIPAL TERMS OF COLLABORATION

March 2010

1. Parties: The parties to this collaboration (the "Collaboration") will be Bristol Community College (the "College") and The Princeton Review, Inc. ("TPR"), each sometimes herein referred to as a "Party," and together, the "Parties.

The College will establish the "BCC Health Care Initiative" (the "Initiative") under the auspices of the College's Center for Business and Industry (the "CBI"), for the purposes of facilitating the Collaboration between the Parties and providing educational instruction and services to participating students. The operation of the BCC Health Care Initiative shall be under the exclusive control of the college.

2. Purpose of the Collaboration:

The Parties desire to collaborate on the provision of training and degree-granting programs for healthcare professionals.

Specifically, the Parties will collaborate to (i) expand the number of students admitted to the College's degree-granting programs for the training of healthcare professionals in the communities served by the College, (ii) expand the healthcare specialties for which the College is able to offer training and degrees, and (iii) accelerate the pace of training and offer it to a wider audience of prospective students through evening and weekend courses, the use of new online distance learning opportunities and other best practices.

3. Purpose and Contributions of the Parties:

The particular healthcare specialties for which the Initiative will provide training and for which BCC shall grant degrees (the "Educational Programs") will be initially established, and thereafter revised and expanded from time to time, by the mutual agreement of the Parties. The offering of training and degree-granting programs through the Initiative is not intended to interfere with or replace the College’s existing health programs.

The College will have sole responsibility for, and control over (i) management of student admission and enrollment and general administrative matters, (ii) management of
financial aid and relationships with providers thereof; (iv) designing and developing the curriculum; (v) providing all professors and instructors; (vi) developing and providing all educational content; and (vii) issuing course credit and conferring the College degrees on graduating students.

TPR will have sole responsibility for, and control over: (i) the provision of a facility suitable for the Initiative to implement the Educational Programs (the "Facility") and (ii) the provision of and access to an online platform for implementation of distance learning opportunities (the "Online Platform").

The College and TPR will jointly: (i) design and implement the methods of marketing the Educational Programs to prospective students and (ii) develop and implement online distance learning opportunities and other best practices.

4. Budget and Financial Obligations:

Not less than sixty (60) days prior to the beginning of each calendar year, the College and TPR will agree on a comprehensive operating budget forecasting the Initiative's revenues, expenses allocable to the Initiative, each position on a month-to-month basis and student enrollment and tuition and fees for the upcoming fiscal year and other matters to be included based on the mutual agreement of the Parties (the "Budget"). If the Parties are unable to agree upon a Budget prior to the 60-day period described above, then the then current year's Budget shall be deemed accepted and approved by both Parties for the next calendar year until a new Budget is approved by the Parties.

TPR will provide the College with sufficient funds for the initial development of courses and services for the Educational Programs in an amount to be mutually agreed upon by the Parties.

On a periodic basis and in a manner to be mutually agreed upon by the Parties, the College will conduct an accounting of income, expenses and other mutually acceptable financial information of the Initiative for such period, which accounting shall include profits or losses of the Initiative.

TPR will bear all expenses associated with the establishment and operation of the Initiative as reflected in the Budget (including any financial losses, if any, resulting from the payment of such expenses reflected on the Budget). TPR will receive, for its goods provided and services delivered, income
received by the Initiative after payment of expenses and other costs to be determined by the Parties consistent with the definitive agreement and the Budget (the "TPR Share"), payable upon demand by TPR following the accounting described above. Unless otherwise mutually agreed to by the Parties, the TPR Share will be distributed to TPR.

5. Facility and Equipment:

TPR will enter into a lease for a facility to house the Educational Programs contemplated hereby (the "Facility") and make all payments due thereon for the term established in the definitive agreement. The Facility will be used primarily for the Educational Programs, and to the extent scheduling and space permit (and subject to the prior consent of TPR, which may not be unreasonably withheld), the College shall be authorized to use the Facility for courses other than the Educational Programs. TPR acknowledges that it may not withhold its consent if such use would not interfere with the Educational Programs.

TPR shall provide all equipment reasonably required by the College for the administration of the Educational Programs. All equipment shall be in good working order and subject to routine inspection and maintenance by TPR. Equipment that is malfunctioning or inoperable due to normal wear and tear shall be repaired or replaced by TPR. The College shall notify TPR in writing when equipment requires repair or replacement. TPR shall use its reasonable efforts to make such repair or replacement within thirty (30) days of receiving notice from the College. Upon the expiration of the Collaboration, the College shall relinquish all use and control of the equipment to TPR.

6. Ownership of Online Courses, Materials and Services:

TPR will make available to the College the Online Platforms to be used solely in connection with the Collaboration as well as relevant content. The College will make available to TPR any other content for curricula to be used in the Online Platforms and otherwise.

In the extent that on-line courses, materials and/or services are developed and/or provided by College personnel, including those on-line courses, materials and/or services co-developed between the Parties, in support of the Educational Programs, the College shall own all such courses, materials and/or services, including but not limited to content that is developed by the College. The College shall convey to TPR a non-exclusive license to use said on-line courses and content for a mutually acceptable user fee and pursuant to such other
7. Governance: The operation and management of the Initiative will be controlled by the College.

TPR will be entitled to select a representative to receive copies of notices, consents, and minutes provided to the Board of Trustees, and attend all public meetings of the Board and each Board committee as said meetings relate to the administration of the Initiative.

8. Operating Committee: The Initiative will establish an operating committee consisting of five members, two of whom shall be designated by TPR and three of whom shall be designated by the College (the "Operating Committee"). The Operating Committee shall meet at least once monthly to discuss operational matters relating to the Collaboration.

9. Matters Requiring Joint Approval: The following requires joint approval of the Parties:

a. to extent permitted under Massachusetts law, increase or decrease the course fees for Educational Programs outside of the annual budgetary process;

b. make expenditures in type or amount other than in accordance with the Initiative’s approved budget;

c. design and implement the Initiative’s marketing materials (it being understood that TPR may use the College’s name in connection with marketing the Initiative, and the College shall have the final authority to approve the use of its name in any marketing material);

d. make certain fundamental changes to the Initiative or the official activities of the Initiative, as specified in the definitive agreement.
10. Student Enrollment in Educational Programs:

Student enrollment in the Educational Programs shall be determined by the College in connection with the annual budget process based on individual program accreditation requirements, established faculty-student ratios, clinical site availability, pedagogical considerations and patient safety grounds. In order to develop a mutually acceptable annual Budget, the College shall provide TPR with student enrollment projections for each Educational Program.

11. Information Rights:

TPR will be granted access to the College's Director or designee during normal business hours and with reasonable advance notification. The College will deliver to TPR annual audited and quarterly unaudited financial statements for the Initiative. TPR will be entitled to customary inspection and visitation rights. TPR will be entitled to select a representative to monitor the College's auditing functions of the Initiative on an ongoing basis.

12. Financial Reporting:

The College will prepare and maintain financial statements for the Initiative that will be separate and distinct from the financial statements of the College and TPR, and all course fees and other fees paid by students admitted to the Educational Programs will be allocated to the Initiative. As a public company, TPR is required by law to provide annual and quarterly financial information by pre-determined deadlines. The College will provide TPR with financial information of the Initiative as TPR may request from time to time, in form and substance as may be requested by TPR to timely meet its financial reporting obligations.

13. Insurance Matters:

Except to the extent that the College is self-insured as a public institution of higher education within the Commonwealth of Massachusetts, the College shall at all times have and maintain professional liability insurance, general liability insurance and such other types of insurance as required or mutually agreed to by the Parties with such carriers and in such amounts satisfactory to TPR.

14. Approvals and Consents:

All agreements and transactions contemplated by the Parties will be subject to (i) all necessary or appropriate governmental and third party approvals and consents and (ii) approval by the governing bodies of the College and TPR.

The College will represent and warrant to TPR that it shall take all reasonable steps necessary in order to obtain any approvals, consents or permits required from any governmental authority for the College or its affiliates to...
participate in the Collaboration and the receipt of all such consents, approvals and permits shall be a closing condition to TPR's obligations under the definitive agreement.

15. Certifications and Accreditations:
The College will, and will cause the Initiative to, maintain in good standing and renew as appropriate all required or necessary certifications and accreditations.

16. Term of the Definitive Agreement:
The Parties acknowledge that should a definitive agreement be executed, the term of that agreement shall be for ten (10) years. No later than six (6) months prior to the expiration date of the Agreement, the Parties may, upon mutual, written agreement, extend the term of the definitive agreement for an additional period, not to exceed five (5) years. If said additional term is agreed upon, the Parties may again, no later than six (6) months prior to the expiration date of that additional term, agree to a final additional period, not to exceed five (5) years. Within thirty (30) days of the expiration of this Agreement, the College shall vacate the Facility and relinquish all use and control of the Facility to TPR.

If a definitive agreement is entered between the Parties, upon its expiration or termination, the College and TPR shall continue to provide Educational Programs for all then currently enrolled students pursuant to the terms set forth in the definitive agreement (so that such students may complete their then current degree program in the normal length of time for each such Educational Program).

17. Noncompetition:
During the term of the Collaboration, the College will not collaborate with any other person for the purpose of developing a health care initiative program; provided that nothing in this provision will prevent the College from accepting grants and/or administering academic programs consistent with its past practice.

18. Confidentiality:
To the extent permitted under Massachusetts Law, the existence and contents of this document are confidential and intended solely for the use of the Parties respective officers, directors and legal counsel. No part of this document may be reproduced or communicated orally by a Party to any other party for any purpose whatsoever without the prior written consent of the other Party. Each Party hereby represents to the other Party that this Summary of Terms does not require disclosure under applicable law.
19. Effect of Summary of Principal Terms: The Parties expressly agree that no binding obligations will be created absent the execution and delivery of a definitive agreement by the Parties. It is understood that either of the Parties is free to terminate the Collaboration as specified above for any reason prior to the execution of a definitive agreement.

On behalf of the College

[Signature]
Dr. John T. Sbraga
President, Bristol Community College

Date: 2/27/10

On behalf of TPR

[Signature]
Michael J. Perik
Chief Executive Officer

Date: 3/5/10
Appendix C

COLLABORATION AGREEMENT

THIS COLLABORATION AGREEMENT (this “Agreement”) is made as of September 3, 2010 (the “Effective Date”) by and between The Princeton Review, Inc., a Delaware corporation (“TPR”), and Bristol Community College, a two-year public comprehensive community college accredited by the New England Association of Schools and Colleges and a component unit of the Commonwealth of Massachusetts (“BCC”).

WHEREAS, TPR and BCC desire to collaborate on the provision of education, training and degree-granting programs for healthcare professionals by (i) expanding the number of students admitted to BCC’s degree-granting programs for the education and training of healthcare professionals in the communities served by BCC, (ii) expanding the healthcare specialties for which BCC is able to offer education, training and degrees and (iii) accelerating the pace of education and training, and offering it to a wider audience of prospective students through the College’s Division of Continuing Education Program courses, and using new online distance learning opportunities and other best practices (collectively, the “Collaboration”); and

WHEREAS, BCC desires to establish the “BCC Health Care Initiative” (“Initiative”) under the auspices of BCC for the purposes of facilitating the Collaboration and providing educational instruction and services to participating students;

NOW, THEREFORE, in consideration of these premises and the mutual covenants, agreements, representations and warranties herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. The following terms shall have the meanings set forth below. Other capitalized terms used herein are defined in other sections of this Agreement.

1.1 “Academic Programs” means all for-credit academic programs and non-credit offerings delivered by BCC excluding the Educational Programs.

1.2 “Accrediting Body” means any entity or organization, whether governmental or government-chartered, private or quasi-private, which engages in the granting or withholding of accreditation of public postsecondary institutions or educational programs provided by such institutions in accordance with standards and requirements related to the performance, operations, financial condition or academic standards of such institution.

1.3 “Affiliate” with respect to any Person, shall mean any other Person directly or indirectly controlling, controlled by or under common control with, such Person. For purposes of this Agreement, “control” (including with correlative meanings, the terms “controlling”, “controlled by” or “under common control with”) as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

1.4 “BCC Content” means the works of authorship and other content created by BCC for instructional purposes in the Educational Programs and which may be made available to
TPR under this Agreement, including presentations, curriculum, course descriptions, course materials, webcasts, video and audio clips, pictures, sound files, graphics, logos and other similar materials and content.

1.5 “BCC Service Area” shall include the following Massachusetts cities and towns: Acushnet, Attleboro, Berkley, Dartmouth, Dighton, Easton, Fairhaven, Fall River, Freetown, Mansfield, New Bedford, North Attleborough, Norton, Raynham, Rehoboth, Seekonk, Somerset, Swansea, Taunton, and Westport.

1.6 “Board of Trustees” means the Board of Trustees of BCC.

1.7 “Campaign” or “Promotional Campaign” means one or a series of pre-arranged and coordinated promotional activities with respect to the Educational Programs.

1.8 “Day” means calendar day.

1.9 “DOE” means U.S. Department of Higher Education.

1.10 “DHE” means Massachusetts Department of Higher Education.

1.11 “Education Records” means all such records described by 34 CFR § 99.3 maintained by, for or on behalf of BCC.

1.12 “Educational Agency” means any Person, Accrediting Body, entity or organization, whether governmental, government chartered, private, or quasi-private, that engages in granting or withholding Educational Approvals for, or otherwise regulates, postsecondary institutions or educational programs provided by such institutions, their agents or employees in accordance with standards relating to performance, operation, financial condition or academic standards of such institutions, and the provision of financial assistance to such institutions or students attending such institutions, including without limitation DHE, NEASC, DOE, Massachusetts Board of Registration in Nursing, National League for Nursing Accreditation Commission, Accreditation Council for Occupational Therapy Education, Commission on Accreditation of Allied Health Education Programs, Commission on Accreditation for Health Informatics and Information Management Education, Commission on Massage Therapy Accreditation, and Commission on Accreditation for Physical Therapy Education.

1.13 “Educational Approval” means any license, permit, consent, franchise, approval, authorization, certification or accreditation issued by any Educational Agency in connection with the operations of postsecondary institutions or participation of such institutions in any student financial assistance programs including the Title IV Programs.

1.14 “Educational Programs” means the educational programs offered by BCC through the Initiative to provide training and degrees in health care specialties.

1.15 “Enforceability Exceptions” means (a) applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and (b) general principles of equity, including principles of commercial reasonableness, good
faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or equity).

1.16 “Environmental Laws” means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

1.17 “Facility” means the real property leased by TPR located at 800 Purchase Street, New Bedford, Massachusetts or any Substitute Facility as defined in Section 3.2(d).

1.18 “Fees” means all student charges set and collected by BCC in order to participate in the Educational Programs.

1.19 “Fiscal Year” means July 1-June 30.

1.20 “Governmental Authority” means any governmental agency, authority, department, commission, board, bureau, court or instrumentality of the United States, any domestic state, or any foreign country, and any political subdivision or agency thereof, and includes any authority having governmental or quasi-governmental powers, including any administrative agency or commission, but expressly excludes any Educational Agency.

1.21 “Hazardous Substance” means any pollutant, contaminant or toxic or hazardous material, substance or waste, or petroleum or any fraction thereof.

1.22 “Initial Educational Programs” means the Educational Programs that are proposed to be offered by BCC through the Initiative during its first twelve (12) months of educational program offerings, as set forth in the Initial Budget.

1.23 “Initiative” means the BCC Health Care Initiative as described in the Recitals.

1.24 “Joint Materials” means the works of authorship and other content created by BCC and TPR under the Joint Marketing Plan or otherwise under this Agreement and which may be made available to each Party under this Agreement, including, presentations, webcasts, video and audio clips, pictures, sound files, graphics, logos, and other similar materials and content. For clarity, in no event shall any BCC Consent be considered Joint Materials.

1.25 “Law” means any federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, order, requirement, rule of law (including common law), or Accrediting Body standard or policy.

1.26 “Lease Agreement” means that certain Business Lease by and between TPR and Purchase Street Ventures, LLC (“Landlord”), dated as of July 7, 2010, pursuant to which TPR has leased the Facility, a copy of which has been/shall be delivered to BCC.

1.27 “Marketing Materials” means any written materials created specifically for the Educational Programs to encourage or promote student enrollment in the Educational Programs, including without limitation, advertisements, brochures, pamphlets, newsletters, statement
stuffers, fulfillment materials, seminars, convention exhibits, telemarketing scripts or talking points, take-one displays, emails, website postings and any other advertisement or marketing materials for the Educational Programs of the Collaboration in any media.

1.28 "NEASC" means the New England Association of Schools and Colleges.

1.29 "Organizational Documents" means the articles or certificate of incorporation, by-laws, certificate of limited partnership, partnership agreement, certificate of formation, limited liability company operating agreement, trust agreement and all other similar organizational documents of any Person other than an individual.

1.30 "Parties" (collectively) or "Party" (individually) shall refer to TPR and/or BCC.

1.31 "Person" means any individual, partnership, limited liability company, corporation, cooperative, association, joint stock company, trust, joint venture, unincorporated organization or Governmental Authority, Educational Agency, body or entity or any department, agency or political subdivision thereof.

1.32 "Teach Out Period" means the period of time during which BCC shall continue offering the Educational Programs in the Facility or any Substitute Facility following the expiration or termination of this Agreement in accordance with Section 12.3. For purposes of this Agreement, the Teach Out Period shall continue from the expiration or termination of this Agreement through the date of graduation of all students who are enrolled in any Educational Program that is in session at the time of said expiration or termination.

1.33 "Title IV Programs" means the programs of federal student financial assistance administered pursuant to Title IV of the Higher Education Act of 1965, as amended.

2. Collaboration.

2.1 Collaboration Activities. The Parties shall conduct all activities reasonably related to the Collaboration in accordance with the terms and conditions set forth in this Agreement and in the various Exhibits to this Agreement (the "Collaboration Activities").

2.2 BCC Controlled Activities. Notwithstanding any other provision of this Agreement, the Parties expressly acknowledge and agree that the operation of the Initiative shall be under the exclusive control of BCC. Without limiting the foregoing, BCC shall have sole responsibility for, and control over, the following activities, which shall be carried out in accordance with Law, existing collective bargaining agreements and established BCC policies and procedures:

(a) establishment of standards for the admission of students to the Educational Programs and management of student admission and enrollment services;

(b) management of all general administrative and operational services related to the Initiative and the Educational Programs to include without limitation the following:
(i) the provision of academic student services, including “help desk” and student advisement and retention services, and student completion, satisfaction and monitoring services;

(ii) financial management services, including student billing services, Fee collection services, and other bursar services; and

(iii) general human resources and employee administrative services and functions, including payroll services;

(c) administration and management of financial aid for students enrolled in the Educational Programs, and management of relationships with providers of student financial aid;

(d) design, development and adoption of each Educational Program and the curricula and course materials therefor, including approval of the courses to be offered and the nature and level of the credit ascribed thereto;

(e) development of the BCC Content;

(f) establishment for the Educational Programs of (i) the applicable standards, prerequisites, requirements, and measures of student performance, (ii) the standards for the evaluation of the performance of students enrolled in such Educational Programs, and (iii) the processes for the evaluation of such student performance;

(g) establishment of procedures and requirements for the awarding of academic degrees and other credentials to students enrolled in the Educational Programs, and awarding, in accordance with such procedures, all academic degrees and other credentials to such students who have qualified to receive them;

(h) procurement and maintenance of all necessary Educational Approvals for the Educational Programs and the locations at which the Educational Programs are offered;

(i) recruitment and selection of faculty and other instructional staff for the Initiative and the Educational Programs; and

(j) implementation of standards for the appointment, supervision and evaluation of faculty and other instructional staff for the Initiative and the Educational Programs and supervision and management of such faculty and staff.

2.3 TPR Controlled Activities.

(a) Notwithstanding any other provision of this Agreement, the Parties expressly acknowledge and agree that TPR will retain, with respect to the Collaboration Activities, each and all rights, duties, responsibilities and functions as are necessary for management of the Facility.
2.4 Joint Approval Collaboration Activities. Notwithstanding any other provision of this Agreement, the Parties expressly acknowledge and agree not to undertake any of the following Collaboration Activities without the prior written consent of each Party:

(a) to the extent permitted under Massachusetts law, increase or decrease the Fees for Educational Programs other than as set forth in the Initial Budget or Annual Budget (as hereinafter defined);

(b) make expenditures in type or amount, or make or roll out new Educational Programs, other than in accordance with the Initial Budget or Annual Budget;

(c) design and implement Marketing Materials other than in accordance with the Joint Marketing Plan (as hereinafter defined);

(d) any material change in the nature of the Collaboration, the Initiative or the Collaboration Activities;

(e) any action to initiate, settle or defend legal actions on behalf of the Collaboration that could reasonably be expected to result in financial liability for TPR; and

(f) any action that could reasonably be expected to adversely affect in any material respect the tax liabilities or tax and financial reporting positions of each Party.

2.5 Level of Service. Each of the Parties agrees that, in performing the Collaboration Activities under this Agreement, it shall (i) allocate to the performance of such activities sufficient personnel with appropriate experience, knowledge and competence, and (ii) perform such Collaboration Activities at a performance level equal to the level at which each Party is then providing such Collaboration Activities (or the same or similar services) with respect to its own business and operations. Each Party shall have responsibility for and complete discretion with respect to supervision and management of its employees and third-party contractors providing the Collaboration Activities.

2.6 Operating Committee. The Parties hereby establish an operating committee to facilitate the Collaboration as follows:

(a) The Collaboration shall be conducted under the direction of a joint operating committee comprised of three (3) representatives of BCC and two (2) representatives of TPR (the “Operating Committee”). Each Party may change its representatives to the Operating Committee from time to time, in its sole discretion, effective upon notice to the other Party of such change. These representatives shall have appropriate credentials, experience and knowledge, and ongoing familiarity with the Collaboration. Additional representatives or consultants may from time to time, by mutual consent of the Parties, be invited to attend Operating Committee meetings, subject to such representative’s or consultant’s written agreement to comply with the
confidentiality requirements of Section 14. Each Party shall bear its own expenses related to the attendance of such meetings by its representatives.

(b) The Operating Committee shall meet in accordance with a schedule established by mutual written agreement of the Parties, but no less frequently than quarterly. Special meetings of the Operating Committee may be called by either Party upon a reasonable request with five (5) days prior written notice from the other Party. The location for all such meetings to be determined by the Operating Committee. Alternatively, the Operating Committee may meet by means of teleconference, videoconference or other similar communications equipment. The Operating Committee shall confer regarding the status of the Collaboration, review relevant data and the progress of the applicable activities under the Collaboration, and consider and advise on any operational issues that arise relating to the Collaboration that may be referred to, or invited for referral by, the Operating Committee.

2.7 Board of Trustees.

BCC shall provide TPR notice of all Board or Board Subcommittee meetings where the agenda includes a discussion about the operation of the Collaboration or the Initiative. Such notice shall be provided by facsimile or email in accordance with Section 16.6 and no later than BCC is required to notify the attorney general under the Commonwealth of Massachusetts’ Open Meeting Law. TPR will not be permitted to attend Executive Sessions of the Board without the permission of the Chair of the Board of Trustees.

2.8 Joint Marketing Plan.

(a) The Parties will collaborate and use commercially reasonable efforts to establish, and conduct the applicable activities under, joint marketing plans that include, among other things, the activities and requirements regarding the production of Marketing Materials and all other activities relating to the promotion of the Educational Programs (each, a “Joint Marketing Plan”). The initial Joint Marketing Plan shall be as set forth on Exhibit A hereto. The Parties agree to consult and negotiate with each other in good faith and to amend or modify the Joint Marketing Plan on an annual basis or more frequently as the Parties may agree.

(b) Subject to TPR’s compliance with the terms and conditions of this Agreement, BCC hereby grants to TPR a limited, nonexclusive, nontransferable and non-assignable license to use any trademarks and logos approved by BCC in the Joint Marketing Plan solely in connection with exercising its rights and performing its obligations under the Joint Marketing Plan.

3. Facility; Equipment.

3.1 Facility. TPR will enter into the Lease Agreement to provide BCC with use of the Facility primarily for the purpose of the Initiative’s Educational Programs and related services, subject to the terms and conditions set forth herein and in the Lease Agreement. BCC acknowledges that use of the Facility for the Initiative’s Educational Programs shall not be available until the work to be completed by TPR pursuant to Section 3.3 below is completed and
TPR makes the same available for use by BCC. To the extent scheduling and space permit, and subject to the prior consent of TPR, which consent may not be unreasonably withheld, BCC shall be authorized to use the Facility for BCC’s Academic Programs; provided that TPR shall not have any obligation to fit out the Facility for such use or to provide any additional equipment therefor. TPR acknowledges that it may not withhold its consent if such use would not interfere with the Initiative’s Educational Programs. BCC acknowledges and agrees that its use of the Facility for the Initiative’s Educational Programs shall create no tenancy, property interest or estate with respect to the Facility for the benefit of BCC by this Agreement. TPR further agrees that no other Person will occupy the Facility as a tenant or subtenant during the effective dates of this Agreement and that no for-credit academic programs or courses or non-credit offerings that are competitive with the Academic Programs and/or the Educational Programs will be conducted in this Facility.

3.2 TPR’s Lease Obligations.

(a) TPR shall not fail to make any rental payments due under the Lease Agreement which will result in a default under the Lease Agreement, or cause the termination of the Lease Agreement, and TPR shall, in any event, promptly deliver to BCC any and all notices that TPR may receive from time to time from the Landlord (as defined in the Lease Agreement) regarding TPR’s failure to make payments under the Lease Agreement. In no event shall TPR have any liability to BCC under the Lease arising out of the failure of Landlord to perform its obligations under the Lease.

(b) BCC acknowledges that its use of the Facility is subject to the terms of the Lease between TPR and the Landlord. BCC agrees that neither BCC nor any of its faculty, officers, employees, agents or students shall perform any act or omission which will cause a breach or default under the Lease. BCC shall not make any alterations, additions or improvements to the Facility. BCC agrees to comply with any rules and regulations established by TPR or Landlord with respect to the use and operation of the Facility.

(c) TPR shall provide, or shall cause Landlord to provide, the following Facility services and utilities to BCC during the term of this Agreement: heating, air conditioning, electricity, use of pre-existing telephone wiring, trash dumpster and proper disposal of dumpster contents, snow removal from sidewalks and parking areas, custodial/cleaning services, restroom supplies, water and sewer services, security, and general building maintenance.

(d) If the Lease is terminated by the Landlord through no fault of BCC, TPR shall use best efforts to locate a facility reasonably comparable to the Facility (a “Substitute Facility”) and the Substitute Facility shall become the Facility upon delivery of the same to BCC for use. If TPR is unable to locate a Substitute Facility within ninety (90) days of the date the Lease is terminated, either Party shall have the right to terminate this Agreement on written notice delivered within fifteen (15) days after the expiration of such ninety-day period. To the extent possible, BCC shall use best efforts to provide substitute space on its campus as an alternative to the Facility.
until TPR delivers the Substitute Facility or, if this Agreement is terminated pursuant to this Section 3.2(d), through the Teach Out Period as described in Section 12.3(b).

3.3 **Equipment.** TPR shall be responsible for furnishing, supplying and installing all equipment in the Facility in substantial accordance with Exhibit B attached hereto. All equipment installed by TPR within the Facility shall be in good working order and subject to routine inspection and maintenance by TPR. TPR shall have the right to enter the Facility at all times in order to inspect the same and perform any maintenance and repairs required hereunder or under the Lease. Equipment that is malfunctioning or inoperable due to normal wear and tear shall be repaired, restored or replaced by TPR, but such repair, restoration or replacement shall be at the expense of BCC to the extent caused by, or arising out of, the negligence, willful misconduct or misuse by BCC, its employees, agents or students. BCC shall promptly notify TPR in writing when equipment requires repair, restoration or replacement. TPR shall have no liability to BCC as a result of malfunctioning or inoperable equipment but TPR shall use its reasonable efforts to make such repair, restoration or replacement within thirty (30) days of receiving notice from BCC. TPR shall retain all right, title, and interest in and to the equipment within the Facility. Upon the expiration or termination of this Agreement, BCC shall relinquish all use and control of the equipment within the Facility to TPR, and BCC shall discontinue use of the Facility on such expiration or termination in accordance with Section 12.3(b).

4. **Intellectual Property and License Rights.**

4.1 **Commercial License to BCC Content.** In the event that TPR elects to offer educational programs to third parties using all or any portion of the BCC Content, then BCC shall grant TPR a non-exclusive, royalty-bearing license on fair, reasonable and non-discriminating terms to (A) copy, distribute, transmit, display, perform, and create derivative works of the BCC Content, in whole or in part, including, without limitation, the right to add to, subtract from, arrange, rearrange, revise, modify, change and adapt the BCC Content and any part or element thereof; and (B) use the BCC Content and/or any subject matter of the BCC Content, in whole or in part, in connection with its offering of said educational programs to third parties. TPR may sublicense, the rights granted to TPR under the foregoing license.

4.2 **Ownership of Intellectual Property.**

(a) Except for the license rights granted to TPR in this Section 4, BCC shall own all right, title and interest in and to (i) any and all Educational Programs developed or provided by BCC personnel under the Collaboration, and (ii) all BCC Content.

(b) TPR shall own all right, title and interest in and to any and all content developed or provided by TPR personnel under the Collaboration. TPR will not develop academic content for the Educational Programs.

(c) In the event that TPR and BCC develop Joint Materials, each Party grants the other Party and its Affiliates a perpetual, irrevocable, paid-up, royalty-free, exclusive and worldwide right and license to (A) copy, distribute, transmit, display, perform, and create derivative works of the Joint Materials, in whole or in part, including, without limitation, the right to add to, subtract from, arrange, rearrange, revise, modify, change and adapt the Joint
Materials and any part or element thereof; and (B) use the Joint Materials and/or any subject matter of the Joint Materials, in whole or in part. Either Party may sublicense, the rights granted to it under this Section 4.2(e).

4.3 Bankruptcy - 365(n). All rights and licenses granted under or pursuant to this Agreement by BCC to TPR are, and shall otherwise be deemed to be, for purposes of Section 365(n) of Title 11, United States Code (the "Code"), licenses of rights to "intellectual property" as defined under the Code. The parties agree that TPR, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Code. The parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against BCC under the Code, TPR shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property, including the BCC Content, and all embodiments of such intellectual property, and same, if not already in its possession, shall be promptly delivered to TPR (i) upon any such commencement of a bankruptcy proceeding upon written request therefore by TPR, or (ii) if not delivered under (i) above, upon written request therefore by Licensee, in the event of the rejection of this Agreement by or on behalf of BCC.

5. Operating Expenses and Consideration.

5.1 Operating Expenses. TPR shall be responsible for the payment of all expenses set forth in the Initial Budget or Annual Budget (as hereinafter defined). TPR shall provide BCC with capital in amounts equal to the amounts specified in the Initial Budget or Annual Budget, as applicable. TPR shall pay BCC the amounts owed pursuant to this Section 5.1 in accordance with the terms sent out in Schedule A attached hereto. Each Party shall be responsible for the payment of all expenses incurred by such Party that are not set forth in the Initial Budget or Annual Budget.

5.2 Payment for Services. BCC shall pay TPR pursuant to timely submitted invoices for goods and services provided and payment shall be made in accordance with the attached Schedule A (as such Schedule A may be modified from time to time during the Term hereof by mutual written agreement of the Parties).

5.3 Terms and Method of Payment. All amounts payable by any party hereunder shall be remitted to the recipient party in United States dollars to a bank to be designated in the invoice or otherwise in writing by the recipient party, unless otherwise provided for and agreed upon in writing by the parties.

6. Representations and Warranties of BCC. BCC hereby represents and warrants to TPR as follows:

6.1 Organization and Good Standing. BCC is a public institution of higher education in the Commonwealth of Massachusetts duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts, with all requisite corporate power and authority to carry on the business in which it is engaged, to own the properties it owns and to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. BCC is duly qualified to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership of its assets makes such
qualification necessary and where the failure to be so qualified would have a material adverse effect on BCC.

6.2 Authorization and Validity. The execution, delivery and performance by BCC of this Agreement, and the consummation of the transactions contemplated hereby and thereby, have been approved and duly authorized by the Board of Trustees and no other organizational approvals are necessary to properly authorize such transactions. This Agreement has been duly executed and delivered by BCC and, assuming the due authorization, execution and delivery thereof by TPR constitutes valid and binding obligations of BCC, enforceable against BCC in accordance with its terms, subject to the Enforceability Exceptions.

6.3 Consents. Except as set forth on Schedule 6.3, no authorization, consent, approval, permit or license of, or filing with, any Governmental Authority, Educational Agency or any other Person, is required to authorize, or is required in connection with, the execution, delivery and performance of this Agreement or any other agreements contemplated hereby or thereby on the part of BCC.

6.4 Educational Approvals. BCC has (a) all approvals required pursuant to its policies and procedures to offer the Initial Educational Programs and (b) all material Educational Approvals, including but not limited to Educational Approvals from DHE, NEASC, and DOE, to offer the Initial Educational Programs at the Facility and to award Title IV Program funds and other student financial assistance in connection with such Initial Educational Programs.

6.5 No Violation. Assuming receipt of the consents and approvals set forth on Schedule 6.3, neither the execution and performance of this Agreement, nor the consummation of the transactions contemplated hereby, will directly or indirectly (with or without notice or lapse of time): (a) contravene, conflict with, or result in a violation of (i) any provision of the Organizational Documents of BCC, or (ii) any resolution adopted by the Board of Trustees; or (b) contravene, conflict with, or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, any material contract to which BCC is a party. BCC is not in violation of any judgment, decree, order, statute, rule, regulation, standard or policy of any Governmental Authority or Educational Agency having jurisdiction over BCC, which violation could reasonably be likely to have a material adverse effect on BCC, the Collaboration or the Initiative.

6.6 Claims and Proceedings. No inquiry, action or proceeding has been asserted, instituted, or, to the knowledge of BCC, threatened to restrain or prohibit the carrying out of the transactions contemplated hereby or to challenge the validity of such transactions or any part thereof or seeking damages on account thereof.

6.7 BCC Content.

(a) BCC has the authority to grant TPR use of BCC Content pursuant to Section 4. The BCC Content will be free and clear of any claims or encumbrances and will not infringe any patent, copyright or other proprietary right or violate or misappropriate a trade secret, of or relating to any BCC personnel or, to BCC’s
knowledge, any other person or entity. All personnel contributing to the creation of any BCC Content under this Agreement are subject to agreements with BCC so that BCC may fulfill its obligations under this Agreement, including, without limitation, the licenses granted to TPR under Section 4.1.

(b) BCC has the authority to grant TPR use of BCC’s trademarks and logos pursuant to Section 2.8. Such logo’s and trademarks will be free and clear of any claims or encumbrances and will not infringe any patent, copyright or other proprietary right or violate or misappropriate a trade secret, of or relating to any BCC personnel or, to BCC’s knowledge, any other person or entity.

6.8 Compliance with Laws. (a) BCC has all material licenses, permits, authorizations, certifications, accreditations and similar approvals necessary to conduct the business and operations of BCC, in the manner and to the full extent that they are now being conducted and in accordance with applicable Law, including with respect to participation in the Title IV Programs; (b) no proceeding for the suspension or cancellation of any Educational Approval is pending or, to the knowledge of BCC, threatened; (c) BCC has not received any notice that any Educational Approval will not be renewed, and BCC has no knowledge of any basis for non-renewal; and (d) BCC has no knowledge of any threatened or pending investigation, audit, or review of any Educational Approval.

7. Representations of TPR. TPR hereby represents and warrants to BCC as follows:

7.1 Organization and Good Standing. TPR is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with all requisite corporate power and authority to carry on the business in which it is engaged, to own the properties it owns and to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. TPR is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction in which the nature of its business or the ownership of its assets makes such qualification necessary and where the failure to be so qualified would have a material adverse effect on TPR.

7.2 Authorization and Validity. The execution, delivery and performance by TPR of this Agreement and the Lease Agreement and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the Board of Directors of TPR and no other corporate approvals are necessary to properly authorize such transactions. This Agreement and the Lease Agreement have been duly executed and delivered by TPR and, assuming the due authorization, execution and delivery thereof by BCC, constitute (or will constitute) valid and binding obligations of TPR enforceable against TPR in accordance with their respective terms, subject to the Enforceability Exceptions.

7.3 Consents. Except as set forth on Schedule 7.3, no authorization, consent, approval, permit or license of, or filing with, any Governmental Authority or any other Person is required to authorize, or is required in connection with, the execution, delivery and performance of this Agreement and the Lease Agreement or any other agreements contemplated hereby or thereby on the part of TPR.
7.4 No Violation. Assuming receipt of the consents and approvals set forth on Schedule 7.3, neither the execution and performance of this Agreement (including the Collaboration Activities) and the Lease Agreements, nor the consummation of the transactions contemplated hereby and thereby, will directly or indirectly (with or without notice or lapse of time) (a) contravene, conflict with, or result in a violation of (i) any provision of the Organizational Documents of TPR, or (ii) any resolution adopted by the Board of Directors of TPR; (b) contravene, conflict with, or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, any material contract to which TPR is a party; or (c) infringe upon, or misappropriate the subject matter of any, intellectual property rights of any third party. TPR is not in violation of any judgment, decree, order, statute, rule, regulation, standard or policy of any Governmental Authority having jurisdiction over TPR, which violation could reasonably be likely to have a material adverse effect on the Collaboration.

7.5 Claims and Proceedings. No inquiry, action or proceeding has been asserted, instituted, or, to the knowledge of TPR, threatened to restrain or prohibit the carrying out of the transactions contemplated hereby or to challenge the validity of such transactions or any part thereof or seeking damages on account thereof.

8. Signing Deliverables.

8.1 Deliverables by BCC. Concurrent with the execution of this Agreement, and to the extent such documents exist independently from those currently maintained by BCC for said purposes, BCC shall deliver the following documents to TPR, as set forth below:

(a) BCC will deliver all third party consents set forth on Schedule 6.3; and

(b) BCC will deliver documents that demonstrate that BCC has all Educational Approvals necessary to offer the Initial Educational Programs at the Facility and to award Title IV Program funds and other student financial assistance in connection with such Initial Educational Programs.

8.2 Deliverables by TPR. Concurrent with the execution of this Agreement, TPR shall deliver the following to BCC:

(a) TPR will deliver a counterpart signature page to the Lease Agreement duly executed by an authorized officer of TPR; and

(b) TPR will deliver all third party consents set forth on Schedule 7.3.


9.1 Annual Budget. The budget for the period commencing on the Effective Date and ending June 30, 2011, shall be as set forth on Schedule C (the “Initial Budget”). The annual budget for each academic year (July 1 – June 30) thereafter (the “Annual Budget”) will include the following:
(a) a projected income statement, balance sheet and financing plan, including, without limitation, operational and capital expenditure budgets for the forthcoming academic year;

(b) a projected cash flow statement on a monthly basis;

(c) projected student enrollment numbers for each Educational Program and other additional data reasonably necessary for budgetary planning purposes (collectively, the "Enrollment Data");

(d) projected Fees;

(e) projected maintenance and purchase requirements for the equipment located within the Facility;

(f) projected Collaboration costs and expenses incurred by the Parties; and

(g) such other items reasonably requested by either Party.

9.2 Annual Budget Approval Process. At least one hundred and twenty (120) days before the beginning of each academic year, BCC will provide TPR with projected Student Enrollment Data for each Educational Program and projected Fees for the following academic year. The Parties will then consult and negotiate with each other in good faith and use their reasonable best efforts to mutually agree upon an Annual Budget for the following academic year. If the Parties are unable to mutually agree upon an Annual Budget on or before the date that is sixty (60) days (the "Annual Budget Approval Date") prior to the commencement of the following academic year, then the Annual Budget in effect on the Annual Budget Approval Date shall be the Annual Budget for the following academic year until such time as the Parties mutually agree to a new Annual Budget.

9.3 Three Year Forecast. On the date that the Parties agree to each Annual Budget, the Parties will mutually agree upon a projected Annual Budget for the two (2) academic years following the academic year for the then current Annual Budget. The projected budgets shall be for planning purposes only and shall have no binding affect on subsequent budget plans.

9.4 Audit Rights.

(a) BCC shall be responsible for maintaining full and accurate accounts and records of the Collaboration (the "BCC Controlled Accounts and Records"). Said accounts and records shall not include records with respect to the Facility and related equipment and expenses incurred under the Joint Marketing Plan. BCC shall keep such BCC Controlled Accounts and Records available, during all reasonable business hours during the Term of this Agreement, at its principal offices, or at such other location as required by applicable laws, for audit, inspection and copying by TPR and Persons authorized by it or any Governmental Authority having jurisdiction over TPR.

(b) TPR shall be responsible for maintaining full and accurate accounts and records of the Facility and related equipment and expenses incurred under the Joint
Marketing Plan (the “TPR Controlled Accounts and Records”). TPR shall keep such
TPR Controlled Accounts and Records available, during all reasonable business hours
during the Term of this Agreement, at its principal offices, or at such other location as
required by applicable laws, for audit, inspection and copying by BCC and Persons
authorized by it or any Governmental Authority or Educational Agency having
jurisdiction over BCC.

(c) TPR shall have the right, upon reasonable written notice to BCC, to
audit, or have its agents or representatives audit, subject to such confidentiality
requirements as may reasonably be imposed by BCC, the BCC Controlled Accounts and
Records, and supporting documents and materials in the possession of or under the
control of BCC with respect to such matters, at the place or places where such records are
normally retained by BCC. TPR, or its agents and representatives, shall have free and
full access thereto during normal business hours for such purposes and shall be permitted
to make copies thereof and extracts therefrom.

(d) BCC shall have the right, upon reasonable written notice to TPR, to
audit, or have its agents or representatives audit, subject to such confidentiality
requirements as may reasonably be imposed by TPR, the TPR Controlled Accounts and
Records, and supporting documents and materials in the possession of or under the
control of TPR with respect to such matters, at the place or places where such records are
normally retained by TPR. BCC, or its agents and representatives, shall have free and
full access thereto during normal business hours for such purposes and shall be permitted
to make copies thereof and extracts therefrom.

(e) In the case of a dispute as a result of such audit over amounts due under
this Agreement by one Party to the other Party, the individuals appointed pursuant to
Section 9.6 hereof shall consult together with a view to resolving the dispute. If the
dispute is not resolved within thirty (30) days, either Party may seek resolution pursuant
to Section 15.5 hereof.

9.5 Financial Records.

(a) BCC shall prepare and maintain the financial records specified in this
Section 9.5 for the Collaboration with respect to the BCC Controlled Accounts and
Records and TPR shall prepare and maintain the financial records specified in this
Section 9.5 for the Collaboration with respect to the TPR Controlled Accounts and
Records (together, the “Collaboration’s Financial Records”). Such financial records
shall be separate and distinct from the financial statements of each Party. All Fees paid
by students enrolled in the Educational Programs shall be allocated to the Collaboration
and included in the Collaboration’s Financial Records.

(b) As soon as practicable, but in any event within one hundred and five (105)
days after the end of each Fiscal Year:

(i) with respect to the BCC Controlled Accounts and Records, BCC
shall deliver to TPR, (i) a balance sheet as of the end of such Fiscal
Year and (ii) statements of income and of cash flows for such Fiscal Year, and a comparison between (x) the actual amounts as of and for such Fiscal Year and (y) the comparable amounts for the prior year and as included in the Annual Budget for such Fiscal Year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such amounts, all such financial statements audited and certified by independent public accountants selected by BCC;

(ii) with respect to the TPR Controlled Accounts and Records, TPR shall deliver to BCC, (i) an unaudited balance sheet as of the end of such Fiscal Year and (ii) unaudited statements of income and of cash flows for such Fiscal Year, and a comparison between (x) the actual amounts as of and for such Fiscal Year and (y) the comparable amounts for the prior year and as included in the Annual Budget for such Fiscal Year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such amounts;

(c) Each Party shall deliver to the other with respect to the BCC Controlled Accounts and Records and TPR Controlled Accounts and Records, respectively:

(i) as soon as practicable, but in any event within fifteen (15) days after the end of each of the first three (3) quarters of each Fiscal Year, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(ii) as soon as practicable, but in any event within fifteen (15) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet as of the end of such month; and

(iii) such other information relating to the financial condition, business, prospects, or corporate affairs of the Collaboration as TPR may from time to time request in form and substance as may be required by TPR to timely meet its financial reporting obligations with any Governmental Authority, including without limitation, the Securities and Exchange Commission.

(d) As soon as practicable, but in any event within four (4) business days after the end of each month, BCC shall deliver to TPR a draft trial balance and account level details necessary for TPR to determine amounts to be capitalized under TPR’s accounting policies.
9.6 Coordinators. Each of the Parties shall appoint one individual who shall serve as a contact person for purposes of communicating with the other Party and carrying out the information, inspection and audit rights set forth under this Agreement, and who shall be authorized to act on behalf of his or her respective party as to matters pertaining to this Agreement (each, a “Coordinator”).

9.7 Insurance. Except to the extent that BCC is self-insured as a public institution of higher education within the Commonwealth of Massachusetts, BCC shall at all times maintain professional liability insurance, general liability insurance, worker’s compensation and such other types of insurance as the Parties shall mutually agree.

9.8 Notification of Certain Matters. Each Party shall give prompt notice to the other of (a) the occurrence or non-occurrence of any event that results in the breach of any covenant or agreement herein, (b) any notice or other communication from any Person alleging that the authorization, license, permit, consent, waiver or approval of such Person is or may be required in connection with this Agreement and the transactions contemplated hereby, (c) any notice or other communication from any Governmental Authority or Educational Agency in connection with this Agreement and the transactions contemplated hereby, (d) the occurrence or non-occurrence of any event that results in the violation and alleged violation of any Environmental Laws that relates to the activities of the Collaboration and (e) any fact, event, change, development, circumstance or effect occurring after the date hereof (or of which it became aware after the date hereof) that has or could reasonably be expected to have caused reputational harm to the Collaboration.


(a) During the Term, BCC shall not take any action for the purpose of entering into any joint venture, collaboration or similar arrangement that is competitive with the Educational Programs provided by the Collaboration. It is expressly acknowledged by TPR that BCC’s continued acceptance of grants and the administration of Academic Programs consistent with its past practice is not competitive with the Educational Programs provided by the Collaboration. During the Term, in addition to the restrictions imposed under Section 3.1, TPR shall not maintain or provide another facility within the BCC Service Area for any educational program that is competitive with the Educational Programs offered by BCC.

(b) If during the Term, TPR receives a bona fide offer to, or the Board of Directors of TPR authorizes TPR to provide another facility within the BCC Service Area for any educational program that is competitive with the Academic Programs (such facility, a “Competitive Facility”), TPR shall provide BCC with written notice of such offer or authorization. Prior to executing definitive agreements for a Competitive Facility, TPR and BCC shall negotiate in good faith for a thirty (30) day period (the “Negotiation Period”) following receipt of such notice to reach mutually agreeable terms for TPR to provide the for-credit academic programs and/or non-credit offerings contemplated by the Competitive Facility through a joint venture, collaboration or similar arrangement with BCC. If TPR and BCC have not agreed to mutually agreeable terms by the end of the Negotiation Period, it is expressly acknowledged by BCC that TPR’s execution of definitive agreements for the Competitive Facility is permitted under this Agreement.
11. Accreditation and Licenses.

(a) The Parties have set forth the terms, conditions and responsibilities in this Agreement in the good faith belief that they are fully in compliance with all legal and accreditation requirements generally applicable to BCC or TPR or specifically applicable to the Collaboration; provided, however, in the event that either Party reasonably determines that the performance of any particular service by either Party is in violation of such legal or accreditation requirements, the parties agree that such service shall be promptly modified to the extent reasonably necessary to secure continued compliance with such legal and accreditation requirements.

(b) BCC shall maintain in full force and effect, as required for the offering of the Educational Programs through the Initiative, including at the Facility, (a) state authorization, including but not limited to authorization by DHE, Massachusetts Board of Registration in Nursing, and any other state Educational Agency or Governmental Authority where such authorization is material to the Initiative, (b) accreditation by NEASC and any other Accrediting Body where such accreditation is material to the Initiative, and (c) eligibility and certification to participate in the Title IV Programs, including but not limited to complying with the Higher Education Act of 1965, as amended, and its implementing regulations and the terms and conditions of the Program Participation Agreement between BCC and DOE, as in effect from time to time.

12. Term and Termination.

12.1 Term. Unless earlier terminated in accordance with Section 12.2 of this Agreement, this Agreement shall be effective as of the date hereof (the “Effective Date”) and shall remain in full force and effect until June 30, 2020. The initial term of this agreement may be extended for up to five (5) years (the “Extended Term”) upon the mutual agreement of the Parties on or before December 31, 2019. The Extended Term, if any, may be extended for up to five (5) years upon the mutual agreement of the Parties on or before the date that is six (6) months prior to the expiration of the Extended Term.

12.2 Termination. This Agreement shall be terminated prior to expiration of the Term as follows:

(a) upon the mutual written agreement of the Parties;

(b) by either Party for material breach of any of the terms hereof by the other party if such breach shall not have been cured within sixty (60) calendar days after written notice of breach is delivered to the defaulting party (or, if such breach requires more than sixty (60) days to cure, if such cure is not commenced within sixty (60) days and thereafter diligently prosecuted);

(c) If voluntary or involuntary proceedings by or against a Party are instituted in bankruptcy under any insolvency law, or a receiver or custodian is appointed for such Party, or proceedings are instituted by or against such Party for corporate reorganization,
dissolution, liquidation or winding-up of such Party, which proceedings, if involuntary, shall not have been dismissed within sixty (60) days after the date of filing, or if such Party makes an assignment for the benefit of creditors, or substantially all of the assets of such Party are seized or attached and not released within sixty (60) days thereafter, the other Party may immediately terminate this Agreement effective upon notice of such termination.

(d) In accordance with Section 16.3, a Party shall have the right to immediately terminate this Agreement upon written notice to the other Party if a Force Majeure Event prohibits the other Party’s performance under this Agreement for a period of at least ninety (90) consecutive days; and

(e) In accordance with Section 3.2.

12.3 Effect of Termination

(a) If this Agreement is terminated for any reason other than a breach by TPR, BCC shall pay for the portion of Collaboration Activities performed by TPR through the effective date of such termination. Under no circumstances shall any financial obligations imposed on BCC under this Agreement exceed the total amount of Fee revenues collected by BCC during the then current Fiscal Year up to the date of termination.

(b) If this Agreement is terminated, each of parties shall negotiate in good faith and enter into a transition services agreement under which TPR would continue to provide the services and Facility related to the Collaboration Activities to BCC, on terms and conditions substantially similar to the terms and conditions set forth in this Agreement and existing as of immediately prior to such termination until the conclusion of the Teach Out Period. Without limiting the foregoing, all Expenses payable to BCC and amounts due for goods and services provided by TPR to BCC during the Teach Out Period shall be paid in accordance with Section 5 and Schedule A hereto.

(c) In the event of a termination or expiration of this Agreement in accordance with the terms hereof, this Agreement shall immediately become null and void and have no further force or effect, and neither TPR nor BCC, nor any of their respective Affiliates, shall have any liability of any nature whatsoever hereunder, or in connection with the transactions contemplated hereby, except that Sections 3.3, 12, 14, 15 and 16 and all other obligations of the parties specifically intended to be performed after the termination or expiration of this Agreement shall survive any termination or expiration of this Agreement.

13. Independent Contractor Status. TPR shall be deemed to be an independent contractor to BCC with respect to the Collaboration Activities to be performed by TPR hereunder. Nothing contained in this Agreement shall create or be deemed to create an employment relationship between TPR, on the one hand, and BCC, on the other. The terms of this Agreement are not intended to cause any of the parties or their Affiliates to become a joint employer for any purpose.
14. **Confidentiality.** Except as otherwise provided in this Section 14, all information exchanged by the Parties pursuant to and in execution of their obligations and in exercise of their rights under this Agreement shall be deemed confidential. Disclosure of confidential and proprietary information hereunder, whether orally or in written form, shall be safeguarded by the recipient and shall not be disclosed to third parties and shall be made available only to the receiving Party’s employees or other agents who have a need to know such information for purposes of performing the Party’s obligations, or for purposes of exercising the Party’s rights, under this Agreement and such employees or other agents shall have a legal obligation to the employer or principal, as applicable, not to disclose such information to third parties. Each Party shall treat any and all such confidential information in the same manner and with the same protection as such Party maintains its own confidential information. Notwithstanding the foregoing, a Party may disclose Confidential Information as follows:

14.1 disclosures to the Party’s Affiliates and its or its Affiliates’ employees, lenders, actual or potential investors, counsel, accountants or other representatives; provided that the disclosing Party causes such Persons to comply with this Section 14;

14.2 in order to comply with any applicable law, stock exchange rule, tax audit or tax compliance procedures, governmental regulation or any other governmental requirement; provided that prior to making any such disclosure the Party making the disclosure will notify the other Party of any proceeding of which it is aware that may result in disclosure, and use reasonable efforts to limit or prevent such disclosure;

14.3 to the extent that the Confidential Information is or becomes publicly available through no fault of the Party making such disclosure or use;

14.4 to the extent that the same information is in the possession of the Party making such disclosure or use prior to receipt of the Confidential Information;

14.5 to the extent that the same information is independently developed by the Party that received the Confidential Information without in any way relying on any Confidential Information;

14.6 to the extent that the same information becomes available to the Party making such disclosure or use on a non-confidential basis from a source other than the other Party or its Affiliates, which source is not prohibited from disclosing or using such information;

14.7 to the other Party in connection with this Agreement; and

14.8 in connection with bona fide potential purchasers of the ownership interests of either TPR or BCC or bona fide potential purchasers of equity of one or more of Affiliates of either TPR or BCC if such potential purchasers have agreed in writing (i) to only use the Confidential Information for purposes of evaluating the purchase of an ownership interest or such equity and (ii) to abide by the terms of this Section 14 or reasonably similar obligations.
15. Other Agreements.

15.1 BCC Indemnified Parties. From and after the date of this Agreement, TPR shall indemnify, defend and hold harmless BCC and its directors, trustees, managers, officers, employees, agents, affiliates, successors and assigns (collectively, “BCC Indemnified Parties”) from and against all liabilities, losses, damages, claims, demands, causes of action, deficiencies, taxes, fines, costs and expenses, interest, awards, judgments and penalties (including reasonable attorney’s fees and expenses) (collectively, “Losses”) actually suffered or incurred by them or which any such BCC Indemnified Party may suffer, sustain or become subject to, arising out of or by virtue of or resulting from any of the following: (i) any breach of any representation, warranty, covenant or agreement made or to be performed by TPR pursuant to this Agreement; (ii) any breach or default under the Lease caused by TPR; (iii) injury or damage to person or property or on or on the Facility or Substitute Facility premises arising out of the negligent act or omission of TPR’s employees, agents, contractors or students; and (iv) the reasonable costs to BCC Indemnified Parties of enforcing this indemnity against TPR.

15.2 BCC Responsibilities. BCC agrees and acknowledges that it shall be responsible for any Loss arising out of or by virtue of or resulting from any of the following: (i) any breach of any representation, warranty, covenant or agreement made or to be performed by BCC pursuant to this Agreement; (ii) any breach or default under the Lease caused by BCC; and (iii) injury or damage to person or property to or on the Facility premises arising out of the negligent act or omission of BCC’s employees.

15.3 Limitation of Liability. NO PARTY WILL BE LIABLE TO ANY OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM ANY OTHER PARTY’S RIGHTS) FOR PUNITIVE, EXEMPLARY, SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES OF ANY KIND AS A RESULT OF BREACH OF ANY TERM OF THIS AGREEMENT.

15.4 Express Disclaimer of Warranty. TPR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH RESPECT TO THE TPR SERVICES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NON-INFRINGEMENT. This disclaimer of warranty excludes the facility being used to offer the Educational Programs to the extent of any specific warranties contained in this Agreement.

15.5 Dispute Resolution. In the event of any controversy or claim, whether based on contract, tort, statute, or other legal or equitable theory (including any claim of fraud, misrepresentation, or fraudulent inducement), arising out of or related to this Agreement (the “Dispute”), arises between the Parties, then either Party may give written notice of such Dispute to the other Party and the matter at issue shall be immediately referred to each Party’s Coordinator for resolution. During the ten (10) day period after delivery of such notice (the “Coordinator Resolution Period”), the Coordinator for each Party shall meet and negotiate in good faith to resolve the Dispute. If the Coordinators are unable to resolve the Dispute during Coordinator Resolution Period, then the matter at issue shall be immediately referred to the Chief Executive Officer (or equivalent executive officer) of each of the Parties for resolution. During the fifteen (15) day period after expiration of the Coordinator Resolution Period (the “CEO
Resolution Period"), the Chief Executive Officer (or equivalent executive officer) of each of the Parties shall meet and negotiate in good faith to resolve the Dispute. If the Chief Executive Officer (or equivalent executive officer) of each of the Parties is unable to settle the Dispute during the CEO Resolution Period, then the Parties shall make a good faith effort to settle the Dispute by confidential third party mediation in Boston, Massachusetts, with such mediator being chosen by agreement of the Parties, before initiating litigation and the costs of such mediation shall be shared by the parties. Notwithstanding the foregoing, either party may seek interim equitable relief pursuant to Section 15.6 against another party through any court of competent jurisdiction to protect its rights and interests, or to enforce the obligations of the other party while participating in good faith negotiations or mediation.

15.6 Specific Performance. Nothing in this Section 15, including without limitation should be construed to preclude either Party from seeking specific enforcement or temporary and/or preliminary injunctive relief from any court of competent jurisdiction, including without limitation, for purposes of enforcing its rights under Section 10.


16.1 Amendment. This Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of TPR and BCC or (b) by a waiver in accordance with Section 16.2.

16.2 Waiver. Any Party to this Agreement may (a) extend the time for the performance of any of the obligations or other acts of the other Parties, (b) waive any inaccuracy in the representations and warranties of another Party contained herein or in any document delivered by such Party pursuant hereto or (c) waive compliance with any agreement of another Party or condition to another Party’s obligations contained herein. Any such extension or waiver shall be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights under this Section 16.2 shall not constitute a waiver of any of such rights. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

16.3 Force Majeure. No Party hereto shall have any liability under this Agreement for such Party’s failure or delay in performing any of the obligations imposed by this Agreement to the extent such failure or delay is the result of any of the following events (each, a “Force Majeure Event”): (i) any fire, explosion, unusually severe weather, natural disaster or Act of God; (ii) epidemic; any nuclear, biological, chemical, or similar attack; any other public health or safety emergency; any act of terrorism; and any action reasonably taken in response to any of the foregoing; (iii) any act of declared or undeclared war or of a public enemy, or any riot or insurrection; (iv) damage to machinery or equipment; any disruption in transportation, communications, electric power or other utilities, or other vital infrastructure; or any means of disrupting or damaging internet or other computer networks or facilities; (v) any strike, lockout
or other labor dispute or action; (vi) any action taken in response to any of the foregoing events by any civil or military authority; or (vii) any other similar event beyond such Party’s control; provided that financial inability in and of itself shall not be a Force Majeure Event.

16.4 Expenses. Except as otherwise provided herein, each of the Parties shall pay all of its own fees, costs and expenses (including fees, costs and expenses of legal counsel, investment bankers, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred in connection with the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby.

16.5 Further Assurance. Each of the Parties hereto shall use reasonable best efforts to take or cause to be taken all appropriate action, do or cause to be done all things necessary, proper or advisable under applicable law and to execute and deliver such documents and other papers as may be required to carry out the provisions of this Agreement and to consummate and make effective the transactions contemplated hereby.

16.6 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly signed or made as of the date delivered if delivered personally or by overnight courier, when confirmed by telephone if delivered by facsimile, when confirmed by telephone or by response e-mail if delivered by electronic transmission or three (3) Business Days after being mailed by registered or certified mail (postage prepaid, return receipt requested), to the parties at the following addresses (or at such other address for a party as shall be specified by like notice, except that notices of changes of address shall be effective upon receipt):

if to BCC:

Bristol Community College
777 Elsbree Street
Fall River, MA 02720
Telephone: 508-678-2811
Facsimile: 508-730-3270
Email: John.Sbrega@bristolcc.edu
Attention: Dr. John J. Sbrega, President

if to TPR:

The Princeton Review, Inc.
111 Speen Street, Suite 550
Framingham, Massachusetts 01701
Telephone: (508) 663-5081
Facsimile: (508) 663-5115
Email: nwinneg@review.com
Attention: Neal Winneg, General Counsel

16.7 Binding Agreement; Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights,
interests or obligations hereunder may be assigned by a Party by operation of law or otherwise without the prior written consent of the other Party. Notwithstanding anything to the contrary in this Section 16.7, without the consent of the other Party, each Party and its permitted assigns may at any time, in their sole discretion, assign, in whole or in part, their rights under this Agreement to any subsequent purchaser of such assigning Party, such permitted transferee or any of their divisions or any material portion of their assets (whether such sale is structured as a sale of stock, sale of assets, merger, recapitalization or otherwise).

16.8 Public Announcements. All press releases and public announcements pertaining to the Collaboration shall be approved by the Coordinators appointed pursuant to Section 9.6, unless such release is otherwise required by Law or the rules and regulations of any national securities exchange.

16.9 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law or public policy, such provision shall be ineffective only to the extent of such prohibition or invalidity, and all other terms of this Agreement shall remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

16.10 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any person. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The word “including” shall mean including without limitation regardless of whether such words are included in some contexts but not others.

16.11 Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

16.12 Entire Agreement. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference. This Agreement and the documents referred to herein contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way, including the Summary of Principle Terms.

16.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.
16.14 Governing Law and Forum Selection. This Agreement is governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without regard to the conflict of laws provisions thereof, and each Party irrevocably agrees that any legal action, suit or proceeding brought by it in any way arising out of this Agreement must be brought solely and exclusively in the United States District Court for the District of Massachusetts, or in the state courts of the Commonwealth of Massachusetts, if the legal action, suit or proceeding lacks the subject matter jurisdiction to be brought in the United States District Court for the District of Massachusetts and irrevocably accepts and submits to the sole and exclusive jurisdiction of the aforesaid courts in personam, generally and unconditionally with respect to any action, suit or proceeding brought by it or against it by the other Party.

16.15 Parties in Interest. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

16.16 Delivery by Facsimile or PDF. This Agreement, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by means of portable document format (“PDF”) transmission, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No Party hereto or to any such contract shall raise the use of a facsimile machine or PDF transmission to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine or PDF transmission as a defense to the formation of a contract and each such Party forever waives any such defense.

* * * *
IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement, or has caused this Agreement to be executed by its respective officer thereunto duly authorized, all as of the day and year first above written.

THE PRINCETON REVIEW, INC.

By: [Signature]
Name: Michael J. Pere
Title: President & CEO

BRISTOL COMMUNITY COLLEGE

By: [Signature]
Name: __________________________
Name: __________________________
IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement, or has caused this Agreement to be executed by its respective officer thereunto duly authorized, all as of the day and year first above written.

THE PRINCETON REVIEW, INC.

By: [Signature]
Name: Michael J. Perik
Title: President and CEO

BRISTOL COMMUNITY COLLEGE

By: [Signature]
Name: John J. Sbrega, Ph.D.
Name: President
### Exhibit A

**YEAR 1 MARKETING**

<table>
<thead>
<tr>
<th>Category</th>
<th>Units</th>
<th>Cost</th>
<th>Extended Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COLLATERAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationary - Business Cards</td>
<td></td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>Q&amp;A</td>
<td></td>
<td>400</td>
<td></td>
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<tr>
<td>Program Overview</td>
<td>2,500</td>
<td>0.88</td>
<td>2,200</td>
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<tr>
<td>Non-Credit Brochure #12</td>
<td>2,500</td>
<td>2.00</td>
<td>5,000</td>
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<tr>
<td>Poster/tear off</td>
<td>100</td>
<td>14.00</td>
<td>1,400</td>
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<tr>
<td>Oversized postcards</td>
<td>5,000</td>
<td>0.15</td>
<td>735</td>
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<tr>
<td>Student postcards</td>
<td></td>
<td></td>
<td>400</td>
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<tr>
<td>Table Top Display</td>
<td></td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>Admissions Folder and Inserts</td>
<td>1,000</td>
<td>4.40</td>
<td>4,400</td>
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<tr>
<td>Photography</td>
<td></td>
<td>500</td>
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<tr>
<td><strong>GIVEAWAYS</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Pens</td>
<td>5,000</td>
<td>0.21</td>
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<tr>
<td>Flash Drives</td>
<td>300</td>
<td>13.00</td>
<td>3,900</td>
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<tr>
<td>Hand Sanitizer</td>
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<td></td>
<td>2,175</td>
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<td><strong>INITIAL PRODUCTION AND DEVELPMENT COSTS</strong></td>
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<td>15,000</td>
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<tr>
<td>Design, Production, Collateral, Radio, Print</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Ads, design website</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BRANDING/LOGO DEVELOPMENT</strong></td>
<td></td>
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<td>3,500</td>
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<tr>
<td><strong>AGENCY MANAGEMENT AND PR FEE'S</strong></td>
<td>8</td>
<td>1,500.00</td>
<td>12,000</td>
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<tr>
<td><strong>OTHER TBD</strong></td>
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<td>95,340</td>
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<td><strong>TOTAL YEAR 1 MARKETING</strong></td>
<td></td>
<td></td>
<td>150,000</td>
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</table>
### Exhibit B

**YEAR 1 EQUIPMENT**

<table>
<thead>
<tr>
<th>Category</th>
<th>Units</th>
<th>Cost</th>
<th>Extended Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MASSAGE THERAPY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Table Accessories (head and neck support)</td>
<td>10</td>
<td>3,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Positioning Bolsters</td>
<td>10</td>
<td>100</td>
<td>1,000</td>
</tr>
<tr>
<td>Rolling Stolls</td>
<td>10</td>
<td>50</td>
<td>500</td>
</tr>
<tr>
<td>Treatment Room Chairs</td>
<td>10</td>
<td>100</td>
<td>1,000</td>
</tr>
<tr>
<td>Massage Chairs</td>
<td>10</td>
<td>100</td>
<td>1,000</td>
</tr>
<tr>
<td>Table Covers</td>
<td>10</td>
<td>300</td>
<td>3,000</td>
</tr>
<tr>
<td>Table Warmers</td>
<td>10</td>
<td>25</td>
<td>250</td>
</tr>
<tr>
<td>Hydrocollator</td>
<td>10</td>
<td>75</td>
<td>750</td>
</tr>
<tr>
<td>Freezor</td>
<td>1</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Hot Stone Set</td>
<td>5</td>
<td>500</td>
<td>2,500</td>
</tr>
<tr>
<td>Privacy Drapes</td>
<td>10</td>
<td>1,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Treatment Booth Tables and Cloths Racks</td>
<td>10</td>
<td>75</td>
<td>750</td>
</tr>
<tr>
<td>Blankets</td>
<td>10</td>
<td>50</td>
<td>500</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>1</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Water Cooler</td>
<td>1</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Intake Room (desks, cabinets, chairs)</td>
<td>2</td>
<td>2,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Waiting Room - Chairs and end tables</td>
<td>5</td>
<td>1,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Computers</td>
<td>4</td>
<td>1,250</td>
<td>5,000</td>
</tr>
<tr>
<td>Printers</td>
<td>4</td>
<td>150</td>
<td>600</td>
</tr>
<tr>
<td>Educational Resources</td>
<td></td>
<td></td>
<td>5,000</td>
</tr>
<tr>
<td>Anatomical Models</td>
<td></td>
<td></td>
<td>7,000</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td>1,600</td>
</tr>
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**TOTAL MASSAGE EQUIPMENT** 81,550
### Division V Equipment

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Original Cost</th>
<th>Remaining Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autoclave</td>
<td>1</td>
<td>49,160</td>
<td>49,160</td>
</tr>
<tr>
<td>Lab Refrigerators</td>
<td>3</td>
<td></td>
<td>22,000</td>
</tr>
<tr>
<td>Student Refrigerators</td>
<td>1</td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>1</td>
<td>5,999</td>
<td>5,999</td>
</tr>
<tr>
<td>Incubators - prep rm</td>
<td>2</td>
<td>1,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Microscope - student</td>
<td>24</td>
<td>50</td>
<td>1,193</td>
</tr>
<tr>
<td>UV viewing cabinets</td>
<td>3</td>
<td>1,557</td>
<td>4,671</td>
</tr>
<tr>
<td>Balances - prep rm</td>
<td>1</td>
<td>907</td>
<td>907</td>
</tr>
<tr>
<td>Balances - students</td>
<td>4</td>
<td>471</td>
<td>1,884</td>
</tr>
<tr>
<td>Hotplate/stirrers - prep rm</td>
<td>2</td>
<td>621</td>
<td>1,242</td>
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<tr>
<td>Hotplate/stirrers - student</td>
<td>3</td>
<td>493</td>
<td>1,479</td>
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<tr>
<td>Colony counters</td>
<td>5</td>
<td>913</td>
<td>4,565</td>
</tr>
<tr>
<td>Vortex</td>
<td>3</td>
<td>271</td>
<td>812</td>
</tr>
<tr>
<td>Drying Oven</td>
<td>1</td>
<td>1,899</td>
<td>1,899</td>
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<tr>
<td>Water bath</td>
<td>1</td>
<td>2,126</td>
<td>2,126</td>
</tr>
<tr>
<td>Electrophoresis equip</td>
<td></td>
<td></td>
<td>4,000</td>
</tr>
<tr>
<td>Media, Stains and Organisms</td>
<td></td>
<td></td>
<td>4,000</td>
</tr>
<tr>
<td>Glassware</td>
<td></td>
<td></td>
<td>10,000</td>
</tr>
<tr>
<td>Other Equip</td>
<td></td>
<td></td>
<td>2,500</td>
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<tr>
<td>Classware carts</td>
<td>2</td>
<td>610</td>
<td>1,220</td>
</tr>
<tr>
<td>Steamscrubber inserts</td>
<td></td>
<td></td>
<td>1,500</td>
</tr>
<tr>
<td>Acid Storage cabinet</td>
<td>1</td>
<td>1,239</td>
<td>1,239</td>
</tr>
<tr>
<td>Flammable storage cabinet</td>
<td>1</td>
<td>882</td>
<td>882</td>
</tr>
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</table>

**Total Division V Equipment:** 131,278
**NON CREDIT EQUIPMENT (Fully outfit)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified Nurses Aid</td>
<td>32,390</td>
</tr>
<tr>
<td>Pharmacy Technician</td>
<td>79,400</td>
</tr>
<tr>
<td>CPR/ First Aid</td>
<td>18,425</td>
</tr>
<tr>
<td><strong>TOTAL NON-CREDIT EQUIPMENT</strong></td>
<td><strong>130,215</strong></td>
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**TECHNOLOGY COSTS**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone System</td>
<td>25,000</td>
</tr>
<tr>
<td>Data cabling</td>
<td>20,000</td>
</tr>
<tr>
<td>Voice/data line installation</td>
<td>20,000</td>
</tr>
<tr>
<td>Data Switches</td>
<td>10,000</td>
</tr>
<tr>
<td>Servers</td>
<td>30,000</td>
</tr>
<tr>
<td>Server Based Software</td>
<td>50,000</td>
</tr>
<tr>
<td>Wireless access Points</td>
<td>350</td>
</tr>
<tr>
<td>Computer Lab, tables, chairs</td>
<td>1,750</td>
</tr>
<tr>
<td>Tech enhanced classroom</td>
<td>25,000</td>
</tr>
<tr>
<td>Pods for specialty labs</td>
<td>1,750</td>
</tr>
<tr>
<td>Office Tech</td>
<td>2,000</td>
</tr>
<tr>
<td>Learning Commons</td>
<td>1,675</td>
</tr>
<tr>
<td><strong>TOTAL TECHNOLOGY COSTS</strong></td>
<td><strong>468,250</strong></td>
</tr>
</tbody>
</table>

**Instructions Tech (TBD)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL YEAR 1 EQUIPMENT COSTS</strong></td>
<td><strong>917,843</strong></td>
</tr>
</tbody>
</table>
Schedule A

SCHEDULE A

COLLABORATION CASH FLOW

TPR PAYMENT TO BCC OF EXPENSES (excluding facility and equipment expenses) pursuant to Section 5.1 of the Collaboration Agreement:

BCC will pay directly all expenses that it incurs for the Collaboration. BCC will invoice TPR monthly within seven (7) days of the end of each month during the term of the Collaboration Agreement for all Collaboration expenses paid by BCC in that month (the "BCC Invoice"). The BCC Invoice will include for each expense the payee, the amount of the payment and the line item from the Initial Budget or Annual Budget, as the case may be, under which the expense falls, together with supporting documentation reasonably satisfactory to TPR. So long as the expenses in the BCC Invoice are captured in the Initial Budget or Annual Budget, as the case may be, for the Collaboration ("Allowable Expenses"), TPR will pay the BCC Invoice in full within fifteen (15) business days of its receipt thereof. Payment will be by a check payable to BCC. If an expense reflected on a BCC Invoice is outside of or in excess of the amount allocated for it in the Initial Budget or Annual Budget, whether as an individual expense or when aggregated with like expenses for the then current Fiscal Year, TPR will have the right to deduct such expense from its payment and to dispute it with BCC, and TPR will pay only the Allowable Expenses. TPR will have no obligation with respect to expenses that are not Allowable Expenses unless TPR has agreed to them in writing in advance in accordance with Section 2.4 of the Collaboration Agreement. BCC and TPR agree that Allowable Expenses will include overhead expenses for students enrolled in the Education Programs of up to 10% of the expenses incurred directly by BCC for the Collaboration in each month. The Parties will reconcile the student overhead expenses against actual student overhead quarterly based on metrics to be developed and agreed between the Parties. The Parties will calculate the appropriate overhead charge regularly during the term of the Agreement.

BCC PAYMENT TO TPR FOR GOODS AND SERVICES pursuant to Section 5.2 of the Collaboration Agreement:

BCC will pay TPR as consideration for the goods and services provided by TPR to the Collaboration, an amount equal to TPR’s cost for providing such goods and services as more fully described below (the "TPR Costs"), plus the greater of (i) fifteen percent (15%) of the Fees and other revenues collected by the Collaboration in each Fiscal Year and (ii) fifteen percent (15%) of TPR’s average Invested Capital for the Fiscal Year (the “Service Fee”). TPR’s “Invested Capital” for purposes of this Schedule A equals unpaid TPR Costs as of the end of a monthly period. Average Invested Capital for a Fiscal Year is based on the sum of total Invested Capital at the end of the last thirteen (13) months as of the Fiscal Year end divided by 13.

TPR will provide to BCC monthly within seven (7) days of the end of each month during the term of the Collaboration Agreement, a statement of all TPR Costs incurred by TPR for that month for the Collaboration ("Statement of Uses of Cash"), including without limitation Facility operating costs and capital outlays for equipment and leasehold improvements, marketing expenses incurred under the Joint Marketing Plan, TPR’s direct costs for the time of its employees dedicated to the Collaboration and for professional and other third party fees incurred by TPR in connection with the operation of the Collaboration and the amounts paid by TPR in that month to reimburse BCC for its expenses for the Collaboration. The Statement of Uses of Cash also will include a rolling account of the aggregate outstanding TPR Costs as of the end of the month covered by the Statement of Uses of Cash.
From time to time, based upon monthly reports delivered by BCC to TPR pursuant to Section 9.5(b)(iii) of the Agreement reflecting receipt by BCC of Fees or other Collaboration revenue, TPR will issue an invoice to BCC payable on receipt for ninety percent (90%) of all collected revenues. Amounts paid by BCC to TPR will be applied (i) first, to the outstanding TPR Costs, and (ii) second, as payment of the Service Fee.

Commencing with Fiscal Year 2010-2011, no later than October 15 following the end of a Fiscal Year, BCC and TPR will prepare a reconciliation of amounts paid to TPR during such Fiscal Year and the aggregate amounts accrued in that same period for TPR Costs and the Service Fee, together with any TPR Costs or Service Fee still outstanding for prior Fiscal Years during the term of the Collaboration Agreement. If the reconciliation reflects outstanding TPR Costs and Service Fee still due to TPR, such outstanding TPR Costs and Service Fee will roll into the new Fiscal Year. If the reconciliation reflects payment to TPR in excess of the TPR Costs and Service Fee due for the Fiscal Year (including amounts rolled over from previous Fiscal Years), and provided that the Annual Budget for the following Fiscal Year projects revenues sufficient to pay TPR Costs and Service Fee in full, TPR will pay BCC back such excess amount, which will be used for scholarships or other forms of financial aid to students of the Initiative or the community or as otherwise agreed between the Parties. In the event that the revenues projected in the Annual Budget for the immediately following Fiscal Year are insufficient to pay the projected TPR Costs and Service Fee in full for such Fiscal Year, together with any remaining outstanding TPR Costs and Service Fees from previous years, TPR will retain an amount of the excess monies paid to it equal to 15% less the Service Fee percentage projected to be paid out in the Annual Budget for the following year. For example, if (i) revenues of the Collaboration in Fiscal Year X are $100,000, and net payment to TPR through Fiscal Year X, after deducting TPR Costs for Fiscal Year X and repayment of any outstanding TPR Costs and Service Fees from previous years, is $40,000 ("Collaboration Profit"), and (ii) the Annual Budget for the immediately following Fiscal Year Y projects revenues of $100,000 and Collaboration Profit of $15,000, then TPR would pay $25,000 back to BCC for Fiscal Year X upon completion of the Fiscal Year X reconciliation. If, on the other hand, Fiscal Year X is as stated in the preceding sentence but the Annual Budget for Fiscal Year Y projects revenues of $100,000 with Collaboration Profit of $5,000, then TPR will hold back $10,000 from the payments received in Fiscal Year X (in addition to its Service Fee of $15,000) to apply against the Service Fee projected to be due to it in Fiscal Year Y. Such $10,000 will be included as payment to TPR in Fiscal Year Y when performing the reconciliation at the end of such Fiscal Year.

Nothing herein shall be deemed to guarantee TPR full payment of the TPR Costs or the Service Fee if there are insufficient revenues to cover such payment.
Schedule 6.3

BCC Consents and Approvals

None.
Schedule 7.3

TPR Consents and Approvals

None.
Exhibit C

Initial Budget
## EXHIBIT C - INITIAL BUDGET

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<td>(702,500)</td>
<td>1,170,192</td>
<td>2,414,600</td>
<td>(1,749,235)</td>
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</table>

### Notes
- All amounts are in thousands of dollars.
- Budget data as of 7/1/630/11 through 7/1/630/14.
Appendix D

MUTUAL MEMORANDUM OF AGREEMENT
Between
BRISTOL COMMUNITY COLLEGE AND THE MASSACHUSETTS
COMMUNITY COLLEGE ASSOCIATION/MTA/NEA

In recognition of the common interest in supporting Bristol Community College’s (“College”) Health Care Initiative ("Initiative") resulting from a collaboration with The Princeton Review ("TPR"). the College and the Massachusetts Community College Association/MTA/NEA ("Association") enter this Mutual Memorandum of Agreement pertaining to faculty teaching distance education and/or hybrid courses that are a component of the Initiative. The Parties agree as follows:

1. The College anticipates that in the first year approximately twenty-two (22) courses need to be adapted to a distance education or hybrid format for the Initiative. Additional adaptation will take place for other subjects over a number of years as the course sequence is implemented.

2. Faculty who are offered the opportunity to adapt a course to a distance education/hybrid format for the Initiative may voluntarily accept or reject the offer.

3. Faculty who are offered the opportunity to adapt a course that is related to the Initiative and voluntarily agree to adapt the course shall be compensated four thousand dollars ($4,000) for each three credits adapted to the distance education or hybrid format. Adaptation compensation for courses with greater or fewer credits will be pro-rated. This compensation applies only to the first instructor adapting the subject and not to subsequent sections of the same subject. The payment applies to the segments of the course that are actually adapted and not to other course segments (e.g., labs) that are taught in the traditional in-person format. The payment applies to courses currently taught at the College or otherwise approved by the College consistent with existing practices and policies that are adapted to be taught in the Initiative. MCCC unit members shall be solely responsible for developing and adapting courses taught as part of the Initiative. Courses in the Initiative shall be developed and/or adapted consistent with existing practices and policies.

4. Faculty who adapt courses for the Initiative agree to grant the College ownership of any distance education/hybrid course materials developed for the course. Faculty and the Association understand that the College will grant TPR the right to incorporate or otherwise utilize the content of courses adapted for the Initiative when the original instructor has been compensated pursuant to paragraph three (3) above. Faculty who receive the $4,000 per three credits adaptation fee will receive no further compensation for TPR’s subsequent use of the materials or relevant course content.

5. Additional instructors who voluntarily agree to teach subsequent sections of a subject that has been previously adapted by another instructor will use the materials created for the original section. During the first year of this agreement, faculty teaching subsequent sections of a subject that was previously adapted by another instructor will receive a one-time stipend of one thousand dollars ($1,000). During the second and third years of this agreement, faculty teaching subsequent sections of a subject that was previously adapted by another instructor will receive a one-time stipend of $500 per credit. The originating faculty member will not receive any further compensation.

6. Each instructor who originally adapts a course to the distance education/hybrid format may, at his/her own discretion, continue to use any materials for personal instructional purposes.
7. It is anticipated that course sections related to the Initiative will be designated as DCE classes and, accordingly, all faculty will be compensated pursuant to the salary steps of the governing DCE collective bargaining agreement.

8. The Parties understand that the Initiative is currently in the development stage and, accordingly, not every aspect of the faculty’s participation has been foreseen. When these matters or issues arise the parties agree to meet to discuss the matter and seek a mutually acceptable approach or resolution.

9. Except as otherwise contemplated above the DAV and DCE collective bargaining agreements govern the workloads of faculty and professional staff in their respective units.

10. This Memorandum is applicable to Bristol Community College only and is not intended to bind the Association to any specific Health Care Initiative at any other College. Nothing in this Memorandum, however, precludes or otherwise limits a Community College and or the Association from proposing any or all of the above terms as a model for a similar Health Care Initiative at that Community College.

11. The MCC will be entitled to appoint one bargaining unit member to the Operating Committee of the Initiative. Where practicable, the MCC will appoint a member of the Allied Health Division.

12. As soon as practicable, the MCC will be provided with a copy of the final definitive contract between IPR and the College. The MCC shall be provided 72 hours to review the final contract and an opportunity to meet with the College to present any comments or concerns regarding the terms of the final contract. During this 72 hour period, either party may request to meet for the above purpose. The College warrants, as a condition of this Memorandum of Agreement, that (a) the terms of the final contract will not significantly deviate from those contained in the “Summary of Principal Terms of Collaboration” entered into between the College and IPR in March 2010 (“Summary”), and (b) that the final contract will not affect terms and conditions of employment of members of the MCC’s bargaining units, beyond those contained in the Summary.

13. The College shall establish a pool of money for professional development purposes that will be utilized for faculty adapting courses related to the Initiative. The distribution of these funds shall be at the sole discretion of the College.

14. The offering of training and degree-granting programs through the Initiative is not intended to interfere with or replace the College’s existing programs. During the life of this agreement, there shall be no decrease in full-time MCC unit member positions at the College solely due to the implementation and operation of the Initiative.

15. All terms and conditions of employment not addressed by the terms of this Memorandum shall be governed by the relevant collective bargaining agreement. Unless otherwise mutually agreed, this Memorandum shall expire on August 15, 2013. The terms of this agreement may be changed by mutual agreement.

For BRISTOL COMMUNITY COLLEGE:                       For the MCC MEA:

[Signature]
5/20/10

[Signature]
5/20/10
April 6, 2010

New England Association of Schools and Colleges  
Commission on Institutions of Higher Education  
209 Burlington Road  
Bedford, MA 01730-1433

Dear Colleagues:

Thank you for meeting with us regarding the Healthcare Initiative being planned by Bristol Community College. This letter follows up on the conversation we had on 25 March regarding what we believe is an exciting and innovative opportunity that will enable Bristol Community College to add to our capacity for educating healthcare workers in southeastern Massachusetts.

In summary, the College has entered into an initial agreement with The Princeton Review to expand our healthcare education at the College’s New Bedford Campus. The Princeton Review will invest private funds in infrastructure, equipment, and digital platforms that will enable the College to expand some existing healthcare programs to online and hybrid models with invasive student services to ensure student completion. Bristol Community College will become a beta site for testing these models to make healthcare education more accessible to qualified students. For its investment in the Initiative, The Princeton Review anticipates an initial modest return on investment, which it hopes to replicate upon expanding this innovative model nationally.

Bristol Community College, its academic leadership, and its faculty will make all admissions, hiring, and evaluation decisions and maintain total control over admissions, staffing, and content development and delivery, as well as provide all student services. Students participating in the Initiative will earn Bristol Community College credits, certificates, and degrees. The Princeton Review’s role in this project is to provide fiscal support for the implementation of this program, including enabling the College to build virtual and on-the-ground face-to-face learning spaces. In creating the structure for these learning models, the College has engaged involvement from its many stakeholders, including union representatives, the Massachusetts Department of Higher Education, and local political leaders.
In accordance with our discussion of the initial agreement, we will clarify language that will be reflected in the final contract, including:

1. On page 2, confirm the intention that the College will have sole responsibility for “professors and instructors.”
2. Also on page 2, in paragraph 3, confirm that TPR is funding the infrastructure and delivery method, but TPR has no role in decisions about content.
3. On page 3, the College will clarify its ownership of all courses and content and TPR’s use of such through a non-exclusive license.
4. On page 4, the College will confirm that TPR will only own non-academic content.
5. On page 4, the College will clarify the duties and authority of the Operating Committee.

Finally, the College will share with the Commission a draft of the final agreement, which shall include language that specifies that all Initiative activities will meet NEASC Standards. We are expecting that agreement to be available on or about May 1.

As the Commission knows, capacity for educating healthcare workers is one of the critical needs for higher education. We are optimistic that this initiative will serve as a model of innovation in this age of shrinking public resources, and we are grateful for your oversight and advice as we move forward.

From Russia, Dr. Sbrega has read approved this letter. Please contact me if you have further questions.

Sincerely,

David Feeney
Executive Vice President

kg
Financial History

- **September 2010**: Signed agreement with The Princeton Review (TPR).
  - Ten-year contract with two five-year options.
  - Agreement approved by DHE and NEASC.

- **May 2011**: Assignment of Agreement to Higher Education Partners (HEP) from TPR.

- Original agreement had the College reimbursing TPR for capital improvements ($3M), occupancy costs ($350K annually), and 85% (BCC)/15% (HEP) split of any surplus.

- First year loss (FY11) $1,100,000.

- Second year loss (FY12) $200,000.
Financial History (cont.)

- **May 2011:** HEP reimbursed the College $750,000 for operating losses to date.

- **FY12:** Project would not be financially successful if solely relying on the Allied Health programs.

- **FY13:** With the infusion of general education classes in the facility, a standard fee was established by our Board of Trustees.

- **June 2012:** Agreement revised for FY13 to reflect the College's ability to use 800 Purchase St. for general purpose classes. This is the current operating model.
  
  - These revisions included the College **NOT** having to repay the capital costs ($3M).
  - Operational costs of the facility will come out of the partnership before the profit split of 85% BCC/15% HEP.
  - FY13 estimated to lose $400,000 when including facility cost.
  - FY14 is expected to have a small surplus after reimbursing HEP for facility costs.
Partnership Facts

- Tuition and fees are set by the College’s Board of Trustees. These are BCC students receiving the same support services, education, financial aid and degrees/certificates at any BCC location.

- BCC has complete academic oversight. HEP has no authority in Academic decisions.

- While financially this has been successful to the College, it is important to note that employees have spent hundreds of hours on this project.

- To do a similar lease in a location near the Star Store with the state leasing office, DCAM, would have taken 2+ years, been more costly, and had increased risk to the College.

- Enrollment in fall 2012 is approximately 8,500 credits or $1,450,000 at 800 Purchase St.

- Annual revenue projected at $3.1M.

- New Bedford Campus total enrollment for fall is approximately 13,500 credits.

- Current square footage at 800 Purchase St. is 33,768 compared to 9,000SF at the Star Store.
Appendix G

Mission Statement

Public Higher Education System
The public college and university System in the Commonwealth of Massachusetts comprises fifteen community colleges, nine state colleges and the five campuses of the University of Massachusetts. The System exists to provide accessible, affordable, relevant and rigorous academic programs that adapt to meet changing the individual societal needs for education and employment. All campuses are committed to operating effectively and efficiently in order to maintain tuition and fees at a level as low as possible, while providing a high-quality education to every student who qualifies for admission. The public System is committed to continuous improvement and accountability in all aspects of teaching and learning. The Department of Higher Education and institutional Boards of Trustees recognize their responsibilities to the taxpayers and residents of Massachusetts in the performance of their roles and responsibilities. Massachusetts public higher education is a System with a distinguished past, increasing pride and unlimited potential.

Community College Mission Statement
The fifteen Massachusetts community colleges offer open access to high quality, affordable academic programs, including associate degree and certificate programs. They are committed to excellence in teaching and learning, and provide academic preparation for transfer to four-year institutions, career preparation for entry into high demand occupational fields, developmental coursework and lifelong learning opportunities. Community colleges have a special responsibility for workforce development and through partnerships with business and industry, provide job training, retraining, certification, and skills improvement. In addition, they assume primary responsibility, in the public system, for offering developmental courses, programs and other education services for individuals who seek to develop the skills needed to pursue college-level study or enter the workforce. Rooted in their communities, the colleges serve as community leaders, identifying opportunities and solutions to community problems and contributing to the region's intellectual, cultural and economic development. They collaborate with elementary and secondary education and work to ensure a smooth transition from secondary to post-secondary education. Through partnerships with baccalaureate institutions, they help to promote an efficient system of public higher education. The community colleges offer an environment where the ideas and contributions of all students are respected. Academic and personal support services are provided to ensure that all students have an opportunity to achieve academic and career success. No eligible student shall be deprived of the opportunity for a community college education in Massachusetts because of an inability to pay tuition and fees.

Bristol Community College
As the leading resource for education and workforce development in southeastern Massachusetts, Bristol Community College provides programs that promote individual opportunity and the region's economic health. Our programs offer a strong foundation in liberal arts and sciences, career-ready education in health sciences, engineering and technology, and business; and comprehensive developmental education and adult literacy services; delivered in a learner-centered, supportive community. The College also develops active partnerships with business and industry, preK-12, colleges and universities, and social service agencies to maintain relevance and effectiveness of all credit and noncredit programming. We value and respect diversity within the College and the world. Bristol Community College prepares well-rounded learners for employment and for life.

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Bristol Community College

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>State Appropriation</th>
<th>Full Time Equivalency</th>
<th>Avg State Support per FTE</th>
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