



May 28, 2019

The Honorable Connie Leyva  
Chair, Senate Education Committee

The Honorable Jose Medina  
Chair, Assembly Higher Education Committee  
California State Legislature  
Sacramento, CA 95814

Dear Asm. Medina and Senator Leyva:

In response to a California Public Records Act request, UCLA has provided to The Century Foundation a contract signed last year between the Regents and a company called Trilogy. The contract, which involves operating a “coding bootcamp” through the UCLA Extension, offers an undisclosed proportion of tuition payments to Trilogy. We believe elements of the contract, and this program’s operations, raise issues that should be examined by the legislature.

Several aspects of the contract with Trilogy raise concerns. First, UCLA has agreed in the contract that it must raise the tuition price to whatever the market will bear, rather than committing to a rate that is fair and appropriate given, say, the cost of providing the training or the anticipated gains in earnings. Second, the contract gives Trilogy, a for-profit company, the right to veto the tuition price set by UCLA. Third, the contract appears to prohibit any need-based financial aid from being provided to prospective students, offering only private loans as a financial aid option. Fourth, the enrollment contract for the program includes a forced arbitration clause, a predatory practice almost unheard of in public higher education.

In the past, much of the UC extension's operations have involved single courses or short programs, offered at relatively low cost and on a relatively non-selective basis. These courses frequently involved discrete skills that were more about professional development in a current job than about preparing students for a major career leap. The UC branding of the courses provided some confidence in terms of quality, but was not dangling the prospect of providing the students with a substantial leg up in the job market.

This coding bootcamp is different. The program’s web page advertises that students can “Become a Web Developer in 3 or 6 Months” through a program that “teaches you the key skills for front-end and back-end web development, all while preparing you for success in the professional world.” The contract itself underscores the intent of the program a “turnkey package” to “position graduates for job market success” by “prepar[ing] learners for high-growth careers in the digital economy.” These potentially life-changing programs are exactly the kinds of opportunities that UCLA *should* be making available to students who do not have funds available for tuition, yet UCLA seems to have designed the program to be unaffordable to the very population that could most benefit. On the other hand, these kinds of promises of career success are exactly the kinds of promotions that predatory institutions have used to take advantage of students who end up not benefiting at all, and are left with debts but no boost in earnings to make the loan payments.

The contract raises issues that should be addressed by the legislature, and by UC. Whether or not the legislature considers the governor’s proposal to appropriate funding for the extension, the UC’s policies should be reviewed. Here are some requests we suggest the legislature make of UC:

1. A list of contracts that involve outside for-profit companies in tuition-sharing arrangements with UC, whether as part of an extension or a regular program, along with a breakdown specifying the share and sum of student tuition payments captured by each outside vendor.
2. A list of any programs or courses that require students, as a condition of enrollment, to sign away their rights to bring complaints to court or to join with their peers in filing complaints (forced arbitration and/or class action bans).
3. An explanation of the circumstances under which extension students may use federal grants and loans under Title IV of the Higher Education Act. UC campuses’ explanations are inconsistent: the UC Berkeley Extension says that the extension “is not a Title IV institution, and therefore is not eligible for federal aid programs.” However, the UCLA Extension lists certain programs that are eligible.
4. Data on certificates conferred, by program, and an explanation of why the data does not show up in the completions data reported in the federal Integrated Postsecondary Education Data System.

Thank you for your prompt attention to this important topic. We are available to provide assistance in reviewing any further information that may become available.

Sincerely,

Robert Shireman  
Direct of Higher Education Excellence  
and Senior Fellow

Stephanie Hall  
Fellow

cc: University of California Office of the President  
Office of Governor Gavin Newsom  
Assembly Speaker Anthony Rendon  
Senate President Toni Atkins