



Office of the President

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Helene D. Gayle, MD, MPH

President

March 13, 2023

Dr. Miguel Cardona
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary Cardona:

Thank you for the opportunity to provide comments on the U.S. Department of Education's (ED) review of the rules concerning Incentive Compensation and the Dear Colleague Letter on Bundled Services (DCL).

At Spelman College, the leading historically Black liberal arts institution for women of African descent, everything we do is in service of our students. We are supportive of Federal efforts to help ensure students receive a valuable education that does not leave them with mountains of student debt. And as ED reviews the DCL, we support ED's policy goals to address concerns that some online program management company (OPM) partnerships may result in learners borrowing significant sums of Title IV student loan funds and negatively impacting their personal capacity for generation of income and preventing learners from taking advantage of life changing financial opportunities.

However, we write to encourage ED to adopt rules that narrowly address core concerns related to OPM partnerships while at the same time preserve and create regulatory clarity for important and novel partnerships that Spelman College and many other universities have with organizations that prevent (not create) student loan debt. As an example, our partnership with Guild Education allows frontline employees from across the country to benefit from the Spelman learning experience with no or little student loan debt as employers fund learners' tuition and fees.

We respectfully ask that you take into consideration these innovative partnerships, like the one with Guild, and ensure that institutions retain the freedom and flexibility to structure arrangements with third parties that align incentives among universities, their partners, and employers, with the success of the students we support at the center. A more nuanced and differentiated approach to the DCL that recognizes a variety of arrangements,

such as Guild's employer pay model, would provide Spelman with the regulatory certainty to flourish and further this Administration's goals of access, equity, economic mobility, and prevention of student debt.

To put into context the need for regulatory clarity for other partnership models, I share some history of eSpelman and the results of our partnership with Guild.

In 2021, Spelman College decided to expand our business model to launch eSpelman, a new online learning enterprise that offers upskilling, reskilling, and workforce development certificates available to working adult learners. It was important for Spelman to build on our legacy and create new ways to reach working adult learners through courses that acknowledge conversations around race, class, gender, and social justice, regardless of the subject matter. eSpelman was specifically curated to create pathways for working adult learners into leadership positions, provide foundational skills that directly map into management roles for frontline workers, and increase access to educational opportunities for individuals looking to shift careers.

Stepping into a more robust online presence and focusing on workforce aligned learning was strengthened by the expertise of partners such as Guild. This partnership has been critical to our success in extending opportunity to new learners. It has allowed us to connect the newly launched eSpelman with employers across the country, enabling companies like Target, Walmart, and Hilton to offer Spelman's programs to their frontline employees without requiring the employees to front tuition on their own. By facilitating payment directly from these companies to Spelman, this arrangement allowed employees to realize their dream of attending an HBCU without the burden of taking on student debt or having to uproot their families to do so. It bears emphasizing that Spelman - not Guild - creates and hosts all educational programming, directs admissions, and teaches classes directly.

In addition, our students get access to Guild's technology and coaching services, which are designed to help students succeed in their academic programs and in their careers. Guild coaches are on hand to guide employees about their benefits eligibility and learners can choose from eSpelman or a multitude of other educational options such as programs at community colleges, flagship public institutions, and other HBCUs, to find the learning opportunity that most aligns with their goals.

We're seeing the immediate impact on students like Darlene Perkins, a 35-year-old single mother of two living in Detroit. Darlene had taken a few college courses when she was younger but never finished because she was focused on raising her young children. When Darlene's employer, Rocket Mortgage, partnered with Guild, Darlene was able to realize her childhood dream of experiencing Spelman College through the eSpelman online

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enterprise, paid for by her employer. She was able to complete her eSpelman certificate program, which has whetted her appetite to go back to school and pursue her undergraduate degree. In fact, after taking advantage of Rocket's education benefit, Darlene received a promotion and now runs Rocket's in-house educational program with a newfound confidence that she attributes to Spelman.

"eSpelman gave me the confidence to further the education that I walked away from when I was a young mother," Perkins said. Our concern is that a new set of rules aimed at a subset of OPMs will make operations like Guild's more challenging - we want to encourage students like Darlene to attend Spelman and to make it easy for employers like Rocket Mortgage to minimize (or eliminate) the necessity of student debt.

Spelman College may be physically located in Atlanta, Georgia, but eSpelman's partnership with Guild, extends access to women and men of all races and genders across the country. Many of these learners have dreamed of attending an HBCU but could not because of family obligations, cost, or other personal life circumstances. They can now get a world-class Spelman educational experience online with little to no debt. We should celebrate that and uplift it, not hamper the ability of colleges and universities to enter beneficial workforce development partnerships that bridge the gap between higher education and the employer community.

As ED continues to examine the issue and various partnerships with outside organizations, I respectfully ask that you consider other partnerships, like ours with Guild, and ensure that we continue to retain the freedom and flexibility to structure this arrangement so that it continues to work in support of this Administration's higher education goals.

Thank you for your consideration,

A handwritten signature in black ink that reads "Helene D. Gayle". The signature is fluid and cursive, with the first name being the most prominent.

Helene D. Gayle, M.D., MPH
President, Spelman College