



On December 12, 2011 Ranking Member Elijah Cummings [announced](#) an investigation into the compensation packages of top executives at for-profit colleges.

Cummings [sent document request letters](#) to the CEOs of 13 for-profit schools seeking copies of compensation agreements for senior executives as part of an effort to determine whether salaries, bonuses, and other compensation are appropriately tied to the performance of students they educate, the vast majority of whom pay for their education with federal tax dollars.

On July 27, 2012, Cummings circulated a [memo](#) with preliminary findings from his investigation.

Key Findings From the Preliminary Memo

Corporate profitability is the single most important factor in determining executive compensation.

Certain companies failed to demonstrate any link whatsoever between the compensation they pay their

Several companies provided documents with vague references to student performance, but failed to include

Some companies provided the specific percentages they use to weigh student achievement measures with

Quick Links:

- [View](#) the chart, "How For-Profit Colleges Determine CEO Pay"
- [Read](#) the Preliminary Memo on the Investigation
- [Read](#) the Document Request Letters Cummings sent to 13 For-Profit Colleges
- [Read](#) a study from Bloomberg on the Compensation Packages at For-Profit Colleges.
- [Read](#) "For-Profit Colleges Pay Executives Based on Profit, Not Student Success, Report Finds" from the Huffington Post

- [Read](#) "Profits, Not Student Success, Drive Executive Pay at For-Profit Colleges" from the Chronicle of Higher Education
- [Read](#) "Predatory For-Profit Colleges Pay Execs on Profitability" from Think Progress.
- [Read](#) "Cummings Launches Probe of For-Profit Colleges" from the Baltimore Sun.
- [Read](#) "House Democrat Probes Executive Pay at For-Profit Colleges" from the Wall Street Journal
- [Read](#) Cummings Launches Investigation of CEO Pay At For-Profit Colleges