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(Dollar and share amounts in thousands, except per share data)

Income Statement Data:

Revenues

$

636,732

$

627,434

$

561,979

$

503,600

$

446,041

Costs and expenses:

Instruction and educational support

269,557

292,003

300,098

310,446

236,303

Marketing

70,270

74,293

71,864

75,426

66,495

Admissions advisory

25,277

26,531

26,374

20,390

16,661

General and administration

55,857

55,464

50,056

64,637

44,835

Total costs and expenses

420,961

448,291

448,392

470,899

364,294

Income from operations

215,771

179,143

113,587

32,701

81,747

Investment and other income

1,228

152

4

2

117

Interest expense

—

3,773

4,616

5,419

5,248

Income before income taxes

216,999

175,522

108,975

27,284

76,616

Provision for income taxes

85,739

69,478

43,045

10,859

30,260

Net income

$

131,260

$

106,044

$

65,930

$

16,425

$

46,356

Net income per share:

Basic

$

9.78

$

8.91

$

5.79

$

1.55

$

4.39

Diluted

$

9.70

$

8.88

$

5.76

$

1.55

$

4.35

Weighted average shares outstanding:

Basic

13,426

11,906

11,390

10,584

10,561

Diluted[(a)]

13,535

11,943

11,440

10,624

10,650

Other Data:

Depreciation and amortization

$

17,309

$

21,525

$

23,973

$

35,563

$

20,630

Stock-based compensation expense

$

11,987

$

13,234

$

5,464

$

9,291

$

9,453

Capital expenditures

$

46,015

$

29,991

$

24,733

$

8,726

$

6,902

Cash dividends per common share (paid)

$

3.25

$

4.00

$

4.00

$

—

$

—

Average enrollment[b]

56,002

53,901

49,323

43,969

40,254

Campuses[c]

84

92

97

100

79

Full-time employees[(d)]

2,099

2,140

2,019

1,485

1,455

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1 The information set forth above has been derived from our consolidated financial statements and is qualified by reference to and should be read in conjunction with our consolidated financial statements and notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other information included elsewhere or incorporated by reference in the Corporation’s Annual Report on Form 10-K.

	At December 31, 2010 (In thousands)	2011	2012	2013	2014
Balance Sheet Data:					
Cash, cash equivalents and marketable securities	$ 76,493	$ 57,137	$ 47,517	$ 94,760	$ 162,283
Working capital(e)	62,205	17,484	46,631	82,182	140,316
Total assets	235,178	231,133	227,792	254,266	307,815
Long-term debt	—	90,000	121,875	118,750	112,500
Other long-term liabilities	12,644	21,656	21,905	51,456	46,248
Total liabilities	59,174	188,840	186,804	215,364	215,083
Total stockholders' equity	176,004	42,293	40,988	38,902	92,732

(a) Diluted weighted average shares outstanding include common shares issued and outstanding, and the dilutive impact of restricted stock, restricted stock units, and outstanding stock options using the Treasury Stock Method.

(b) Reflects average student enrollment for the four academic terms for each year indicated.

(c) Reflects number of campuses offering classes during the fourth quarter of each year indicated. In October 2013, we announced that approximately 20 physical locations would be closed after classes were taught in the fall academic term. Strayer University now has 79 physical campuses.

(d) Reflects full-time employees including full-time faculty as of December 31 of each year.

(e) Working capital is calculated by subtracting current liabilities from current assets.

STRAYER EDUCATION, INC.

2303 Dulles Station Boulevard

Herndon, Virginia 20171

(703) 561-1600

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2015 Annual Meeting of Stockholders of Strayer Education, Inc. (the "Corporation"), will be held at the Corporation's headquarters, 2303 Dulles Station Boulevard, Herndon, Virginia, 20171, on Tuesday, May 5, 2015, at 8:00 a.m. for the following purposes:

1. To elect ten directors to the Board of Directors from the nominees named in the attached proxy statement to serve for a term of one year or until their respective successors are elected and qualified.

2. To ratify the appointment of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for the fiscal year ending December 31, 2015.

3. To adopt the 2015 equity compensation plan, which amends and restates the 2011 equity compensation plan and increases the number of shares of common stock issuable under the plan, and to approve the material terms for payment of performance-based compensation under the plan as required by Section 162(m) of the Internal Revenue Code.

4. To conduct an advisory vote on the compensation of the named executive officers.

5. To consider and act upon such other business as may properly come before the meeting.

THIS NOTICE IS BEING SENT TO COMMON STOCKHOLDERS OF RECORD AS OF MARCH 6, 2015. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE REQUESTED TO COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE IN THE ENCLOSED STAMPED ENVELOPE.

By Order of the Board of Directors

Viet D. Dinh

Secretary

Herndon, Virginia

March 13, 2015

STRAYER EDUCATION, INC.

2303 Dulles Station Boulevard

Herndon, VA 20171

(703) 561-1600

PROXY STATEMENT

Annual Meeting of Stockholders

May 5, 2015

This Proxy Statement is being furnished to holders of the common stock of Strayer Education, Inc. (the “Corporation”), 2303 Dulles Station Boulevard, Herndon, Virginia 20171, in connection with the solicitation on behalf of the Board of Directors of the Corporation (the “Board”) of proxies to be voted at the 2015 Annual Meeting of Stockholders (the “Annual Meeting”). The Annual Meeting will be held at 8:00 a.m. local time on Tuesday, May 5, 2015, at the Corporation’s headquarters located at 2303 Dulles Station Blvd., Herndon, Virginia 20171.

The cost of soliciting proxies will be borne by the Corporation. Copies of solicitation material may be furnished to brokers, custodians, nominees and other fiduciaries for forwarding to beneficial owners of shares of the Corporation’s common stock, and normal handling charges may be paid for such forwarding service. Solicitation of proxies may be made by the Corporation by mail or by personal interview, telephone and facsimile by directors, officers and other management employees of the Corporation, who will receive no additional compensation for their services. The Corporation has also retained MacKenzie Partners, Inc. to provide proxy solicitation services for a fee of approximately $23,000, plus reimbursement of its out-of-pocket expenses.

Any stockholder submitting a proxy pursuant to this solicitation may revoke it at any time prior to the Annual Meeting by giving written notice of such revocation to the Secretary of the Corporation at the Corporation’s headquarters at 2303 Dulles Station Blvd., Herndon, Virginia 20171, providing a later dated proxy, or by attending the meeting and voting in person. Attending the Annual Meeting will not automatically revoke a stockholder’s prior proxy.

We began mailing this proxy statement, the Notice of Annual Meeting of Stockholders and the enclosed proxy card on or about March 13, 2015 to all stockholders entitled to vote. At the close of business on March 6, 2015, there were 10,975,332 shares of the common stock of the Corporation outstanding and entitled to vote at the meeting. Only common stockholders of record on March 6, 2015 will be entitled to vote at the meeting, and each share will have one vote.

Voting Information

At the Annual Meeting votes will be counted by written ballot. A majority of the shares entitled to vote will constitute a quorum for purposes of the Annual Meeting. Under the Corporation's By-laws, to be elected at the Annual Meeting, a nominee for election to the Board of Directors must receive more votes cast for his or her election than votes cast against his or her election. Ratification of the appointment of the Corporation's independent registered public accounting firm, adoption of the 2015 equity compensation plan and approval of the material terms for payment of performance-based compensation thereunder, approval of the advisory vote on the compensation of our named executive officers and approval of any other business which may properly come before the Annual Meeting, or any adjournments thereof, will require the affirmative vote of a majority of the votes cast at the Annual Meeting. Abstentions and broker non-votes will have no effect on the outcome of any matter at the Annual Meeting, including the election of directors. Proposals 2 and 4 are advisory only, and as discussed in more detail below, the voting results are not binding, although the Board of Directors will consider the results of such proposals.

Proxies properly executed and received by the Corporation prior to the meeting and not revoked, will be voted as directed therein on all matters presented at the meeting. In the absence of specific direction from a stockholder, proxies will be voted for the election of all named director nominees, and in favor of Proposals 2, 3 and 4. If a proxy indicates that all or a portion of the shares represented by such proxy are not being voted with respect to a particular proposal, such non-voted shares will not be considered present and entitled to vote on such proposal, although such shares may be considered present and entitled to vote on other proposals and will count for the purpose of determining the presence of a quorum.

The Board of Directors of the Corporation has adopted a corporate governance policy concerning the “holdover” of any director not elected by a majority vote in an uncontested election. Any director who fails to receive the requisite majority vote would be required to promptly offer his or her resignation and the Board, following the recommendation of the Nominating and Corporate Governance Committee, would have up to 90 days to decide whether to accept such offer, during which time the director nominee would continue to serve on the Board as a “holdover” director. A copy of this policy is available on our website at www.strayereducation.com.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 5, 2015

The proxy statement, Form 10-K and Annual Report to Stockholders are available at www.strayereducation.com/overview.cfm.

PROPOSAL 1

Election of Directors

We are requesting that the stockholders elect a Board of Directors of ten members at the Annual Meeting.

The Nominating and Corporate Governance Committee (the “Nominating Committee”) considers many factors when evaluating candidates for the Board. The most important are true independence, business savvy, a stockholder orientation, and genuine interest in the Corporation. By true independence we mean the willingness to challenge a forceful, talented CEO and management team with a good track record when something is wrong or foolish. People with this trait are both very valuable and hard to find; they are inevitably of the highest character and integrity. Commercial or business savvy is also crucial — without it all the other great traits are of little help. The Board does not have a specific policy regarding diversity. However, the Nominating Committee does strive for the Board to be comprised of directors with a variety of experience and personal backgrounds. The Nominating Committee considers the prospective director’s skills, specialized expertise, level of education, business experience, broad-based business acumen, experience at strategy development and policy-setting, and direct ownership of the Corporation’s shares. The Nominating Committee focuses on the prospective director’s understanding that maintaining the high academic quality of Strayer University is central to maintaining and growing the Corporation’s value. (It is perhaps obvious, though worth noting, that the criteria for service on Strayer University’s Board of Trustees, while sharing some of the same criteria as the Corporation, are different and that it is important to have some individuals who can sit on both Boards effectively.) Depending upon the current needs of the Board, certain factors may be weighed more or less heavily by the Nominating Committee.

In considering candidates for the Board, the Nominating Committee considers the entirety of each candidate’s credentials and does not have any specific minimum qualifications that must be met. However, the Nominating Committee does believe that all members of the Board should have the highest character and integrity; a track record of working constructively with others; sufficient time to devote to Board matters; and no conflict of interest that would interfere with performance as a director. In addition, the Nominating Committee believes that the ability of individual Board members to work constructively together is a key element of Board effectiveness.

The Nominating Committee will entertain recommendations from common stockholders that are submitted in writing to the Corporation, provided that such common stockholders (i) beneficially own more than 5% of the Corporation’s common stock or (ii) have beneficially owned more than 1% of the Corporation’s common stock for at least one year. Stockholders meeting such criteria may recommend candidates for consideration by the Nominating Committee by writing to Mr. Viet D. Dinh, Corporate Secretary, Strayer Education, Inc., 2303 Dulles Station Blvd., Herndon, Virginia 20171, giving the candidate’s name, contact information, biographical data and qualifications, as well as any evidence that the stockholder satisfies the criteria set forth above. All such recommendations will be treated confidentially and brought to the attention of the Nominating Committee in a timely fashion. The Nominating Committee does not evaluate candidates differently based on who has made the proposal or recommendation.

Once it has been determined that a candidate meets the Board’s criteria on paper, there is a selection process which includes, but is not limited to, background and reference checks and interviews with not only the Nominating Committee but other board members, executive management and other professionals such as the Corporation’s auditors or outside counsel, as deemed necessary. Stockholders who wish to formally nominate a director for election at an annual meeting of the stockholders of the Corporation must also comply with the Corporation’s

By-laws regarding stockholder proposals and nominations. See “Stockholder Proposals” contained in this proxy statement.

It is intended that the votes represented by the proxies will be cast for the election as directors, for a term of one year or until their successors are chosen and qualified, of the persons listed below. The Board of Directors recommends that stockholders vote “for” the nominees listed below. Each of the nominees is currently a director of the Corporation. The following table and text presents information as of the date of this proxy statement concerning persons nominated for election as directors of the Corporation.

Nominees for Common Stock Directors

Name/Title	Age	Board Committees	Year first elected to Strayer Board
Robert S. Silberman, Executive Chairman	57	—	2001
Dr. John T. Casteen, III,(a)(b) Director	71	Nominating	2011
Dr. Charlotte F. Beason,(b) Director	67	Nominating	1996
William E. Brock,(b) Director	84	Compensation	2001
Robert R. Grusky,(b) Director	57	Audit	2001
Robert L. Johnson,(b) Director	68	Compensation	2003
Karl McDonnell, Chief Executive Officer & Director	48	—	2011
Todd A. Milano,(b) Director	62	Audit Nominating	1996
G. Thomas Waite, III,(b) Director	63	Audit	1996
J. David Wargo,(b) Director	61	Compensation	2001

(a) Dr. Casteen is presently serving as the Board's Presiding Independent Director.

(b) Independent director.

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Mr. Robert S. Silberman was named Strayer's Executive Chairman of the Board in 2013. He was Chairman of the Board from February 2003 to 2013 and Chief Executive Officer from March 2001 to 2013. From 1995 to 2000, Mr. Silberman served in a variety of senior management positions at CalEnergy Company, Inc., including as President and Chief Operating Officer. From 1993 to 1995, Mr. Silberman was Assistant to the Chairman and Chief Executive Officer of International Paper Company. From 1989 to 1993, Mr. Silberman served in several senior positions in the U.S. Department of Defense, including as Assistant Secretary of the Army. Mr. Silberman has been a director of Strayer since March 2001. He serves on the Board of Directors of Covanta Holding Company, Par Petroleum Corporation, and 21st Century Fox. Mr. Silberman is a member of the Council on Foreign Relations. Mr. Silberman holds a bachelor's degree in history from Dartmouth College and a master's degree in international policy from The Johns Hopkins University. Mr. Silberman has been a driving force behind the evolution of the Corporation. He leads the Board with a deep appreciation of the Corporation's history, a focused strategic vision for its future, and a broad understanding of the economic, regulatory, and demographic factors affecting the Corporation. The Nominating Committee believes that based on his experience and expertise in business management, leadership of large organizations, financial management, public policy, governmental affairs, academic policy, educational leadership, and stewardship of stockholder capital, Mr. Silberman should serve as a director of the Corporation.

Dr. John T. Casteen, III is the President Emeritus and University Professor at the University of Virginia, where he teaches courses in literature, intellectual history, and public policy. He served as President of the University of Virginia from 1990 through 2010. He was President of the University of Connecticut from 1985 to 1990. From 1982 to 1985, Dr. Casteen served as the Secretary of Education for the Commonwealth of Virginia. Dr. Casteen is on the board of directors of Altria, Inc. Dr. Casteen also is a director of a number of charitable and privately-held business entities, including ECHO 360, the Virginia Foundation for Community College Education, and the Woodrow Wilson International Center for Scholars. Dr. Casteen serves on the Board of Trustees of the Jamestown-Yorktown Foundation. He has chaired the boards of both the College Entrance Examination Board and the Association of American Universities. Dr. Casteen has been a member of the Board since 2011, is Chair of the Nominating Committee of the Board and currently serves as the Presiding Independent Director. Dr. Casteen holds a bachelor's degree, master's degree and a Ph.D. in English from the University of Virginia, as well as several honorary degrees, including degrees from the Universities of Athens (Greece) and Edinburgh (Scotland) and two community colleges in Virginia. Dr. Casteen's record of leadership in higher education and business will help the Board in building and maintaining the quality of Strayer University. The Nominating Committee believes that based on his experience and expertise in education leadership, educational policy, academic affairs and government affairs, Dr. Casteen should serve as a director of the Corporation.

Dr. Charlotte F. Beason is a consultant in education and health care administration. She was Executive Director of the Kentucky Board of Nursing from 2005 to 2012. From 2000 to 2003, Dr. Beason was Chair and Vice Chair of the Commission on Collegiate Nursing Education (an autonomous agency accrediting baccalaureate and graduate programs in nursing). From 1988 to 2004, Dr. Beason was with the Department of Veterans Affairs, first as Director of Health Professions Education Service and the Health Professional Scholarship Program, and then as Program Director, Office of Nursing Services. Dr. Beason has served on the Board since 1996 and is a member of the Nominating Committee. She is also Chairwoman of the Strayer University Board of Trustees. Dr. Beason holds a bachelor's degree in nursing from Berea College, a master's degree in psychiatric nursing from Boston University and a doctorate in clinical psychology and public practice from Harvard University. Dr. Beason's record of leadership in education, accreditation, and public administration provides the Board with insight and experience in building and maintaining the quality of Strayer University. The Nominating Committee believes that based on her experience and expertise in academic matters, educational policy, organizational administration, and governmental affairs, Dr. Beason should serve as a director of the Corporation.

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Senator William E. Brock is the Founder and Chairman of the Brock Offices, a firm specializing in international trade, investment and human resources. From 1985 to 1987, Senator Brock served in the President's Cabinet as the U.S. Secretary of Labor, and from 1981 to 1985, as the U.S. Trade Representative. Senator Brock previously served as a Member of Congress and subsequently as U.S. Senator for the State of Tennessee. Senator Brock is a member of the Board of Directors of On Assignment, Inc. and ResCare, Inc., and is a Senior Counselor and Member of the Board of Trustees of the Center for Strategic and International Studies, where he chairs the International Policy Roundtable. In the past five years, Senator Brock has also served on the Board of Directors of Catalyst Health Solutions, Inc. Senator Brock has been a member of the Board since 2001 and is a member of the Compensation Committee. He holds a bachelor's degree in commerce from Washington and Lee University. Senator Brock's experience as a legislator, senior Cabinet officer, and business leader provides the Board with an unparalleled understanding of the legislative and regulatory process. The Nominating Committee believes that based on his experience and expertise in public policy, government affairs, business management and corporate governance, Senator Brock should serve as a director of the Corporation.

Mr. Robert R. Grusky is the Founder and has been the Managing Member of Hope Capital Management, LLC, an investment manager, since 2000. He co-founded New Mountain Capital, LLC, a private equity firm, in 2000 and was a Principal and Member from 2000 to 2005, and has been a Senior Advisor since then. From 1998 to 2000, Mr. Grusky served as President of RSL Investments Corporation. From 1985 to 1997, with the exception of 1990 to 1991 when he was on a leave of absence to serve as a White House Fellow and Assistant for Special Projects to the Secretary of Defense, Mr. Grusky served in a variety of capacities at Goldman, Sachs & Co., first in its Mergers & Acquisitions Department and then in its Principal Investment Area. He also serves on the Board of Directors of AutoNation, Inc. In the past five years, he has also served on the Board of Directors of AutoZone, Inc. Mr. Grusky has served on the Board since 2001 and is a member of the Audit Committee. He holds a bachelor's degree in history from Union College and a master's degree in business administration from Harvard University. Mr. Grusky's keen understanding of the financial markets and his extensive experience as an investment manager and executive are tremendous assets to the Board. The Nominating Committee believes that based on his experience and expertise in financial markets, capital allocation, strategic planning, accounting and audit functions, and public policy, Mr. Grusky should serve as a director of the Corporation.

Mr. Robert L. Johnson is the Founder and Chairman of The RLJ Companies, an innovative business network that owns or holds interests in businesses operating in hotel real estate investment, private equity, consumer financial services, asset management, automobile dealerships, sports and entertainment, and video lottery terminal (VLT) gaming. Mr. Johnson is the founder of Black Entertainment Television (BET), a subsidiary of Viacom and the leading African-American operated media and entertainment company in the United States, and served as its Chief Executive Officer until January 2006. In 2002, Mr. Johnson became the first African-American majority owner of a major sports franchise, the Charlotte Bobcats of the NBA. From 1976 to 1979, he served as Vice President of Governmental Relations for the National Cable & Telecommunications Association (NCTA). Mr. Johnson also served as Press Secretary for the Honorable Walter E. Fauntroy, Congressional Delegate from the District of Columbia. He serves on the following boards: RLJ Lodging Trust; RLJ Entertainment, Inc.; KB Home; Lowe's Companies, Inc.; Elevate Credit, Inc.; The Business Council; and the Smithsonian Institution's National Museum of African American History and Culture. Mr. Johnson has served on the Board since 2003, and is a member of the Compensation Committee. He holds a bachelor's degree in social studies from the University of Illinois and a master's degree in public affairs from the Woodrow Wilson School of Public and International Affairs at Princeton University.
Mr. Johnson's entrepreneurial spirit, his managerial skill, and his broad business experience

provide invaluable guidance to the Board. The Nominating Committee believes that based on his experience and expertise in leading growth companies, entrepreneurship, marketing, media, advertising, financial management, strategic planning, and general business management, Mr. Johnson should serve as a director of the Corporation.

Mr. Karl McDonnell was named Chief Executive Officer in May 2013 and has served as President and Chief Operating Officer since 2006. Mr. McDonnell served as Chief Operating Officer of InteliStaf Healthcare, Inc., one of the nation's largest privately-held healthcare staffing firms. Prior to his tenure at InteliStaf, he served as Vice President of the Investment Banking Division at Goldman, Sachs & Co. Mr. McDonnell has held senior management positions with several Fortune 100 companies, including The Walt Disney Company. Mr. McDonnell has served on the Board since 2011. Mr. McDonnell holds a bachelor's degree from Virginia Wesleyan College and a master's degree in business administration from Duke University. The Nominating Committee believes that based on his experience and expertise in general management, leadership of large organizations, financial management and human capital development, Mr. McDonnell should serve as a director of the Corporation.

Mr. Todd A. Milano is President Emeritus and Ambassador of Central Penn College, where he served as President and Chief Executive Officer from 1989 to 2012. Mr. Milano has served on the Board since 1996 and is a member of the Audit Committee and Nominating Committee of the Board. As a member of the Strayer University Board of Trustees since 1992, he has chaired the University's Presidential Search Committees. Mr. Milano holds a bachelor's degree in industrial management from Purdue University. Having served on the Board for more than 15 years, Mr. Milano knows the Corporation's business, history, and culture of quality education. He is a leader in higher education and uses his experience to provide critical input into the Corporation's operations and management. The Nominating Committee believes that based upon his experience and expertise in academic affairs, educational management, accrediting activities and organizational leadership, Mr. Milano should serve as a director of the Corporation.

Mr. G. Thomas Waite, III has been Treasurer and Chief Financial Officer of the Humane Society of the United States since 1997 and prior to that served as Controller beginning in 1993. In 1992, Mr. Waite was the Director of Commercial Management of The National Housing Partnership. Mr. Waite has served on the Board since 1996, is Chair of the Audit Committee, and is a former member of the Strayer University Board of Trustees. Mr. Waite holds a bachelor's degree in commerce from the University of Virginia and is a Certified Public Accountant. Mr. Waite is a leader in philanthropy and the non-profit sector, which is the Corporation's indispensable partner in fulfilling our mission of providing quality education to working adults. His experience as a chief financial officer brings to the Board a seasoned voice in matters of accounting and governance that is a tremendous asset to the Board and the committees on which he serves. The Nominating Committee believes that based on his experience and expertise in financial matters, accounting and audit, and educational management, Mr. Waite should serve as a director of the Corporation.

Mr. J. David Wargo has been President of Wargo and Company, Inc., an investment management company, since 1993. Mr. Wargo is a co-founder and was a Member of New Mountain Capital, LLC, from 2000 to 2008, and was a Senior Advisor there from 2008 to 2011. From 1989 to 1992, Mr. Wargo was a Managing Director and Senior Analyst of The Putnam Companies, a Boston-based investment management company. From 1985 to 1989, Mr. Wargo was a partner and held other positions at Marble Arch Partners. Mr. Wargo is also a Director of Liberty Global, Inc., Discovery Communications, Inc. and Liberty TripAdvisor Holdings, Inc. Mr. Wargo has served on the Board since 2001 and is Chair of the Compensation Committee. Mr. Wargo holds a bachelor's degree in physics and a master's degree in nuclear engineering, both from the Massachusetts Institute of Technology. He also holds a master's degree in management science from the Sloan School of Management, which is the business school of the Massachusetts Institute of Technology. Mr. Wargo is an expert in markets and governance and has extensive experience in developing and managing businesses. His broad-based knowledge of transactions and investments brings to the Board strong leadership, which is further enhanced by his experience on the boards of other respected publicly traded companies. The Nominating Committee believes that based on his experience and expertise in financial matters, accounting and audit, financial markets, capital allocation, and strategic planning, Mr. Wargo should serve as a director of the Corporation.

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Director Compensation

Director compensation is designed to:

- Ensure alignment with long-term stockholder interests;

- Ensure the Corporation can attract and retain outstanding director candidates who meet the criteria outlined in this proxy statement;

- Recognize the time commitments necessary to oversee the Corporation; and

- Support the independence of thought required of a good director.

The Nominating Committee reviews non-employee director compensation regularly and resulting recommendations are presented to the full Board for discussion and approval. Current director compensation is as follows:

- Annual Retainer. Each eligible director is paid an annual fee of $150,000. Of this amount, at least 50% (or $75,000) of the annual fee must be paid in shares of restricted stock of the Corporation. Restricted stock is issued to directors on the date of the Annual Meeting as part of their annual retainer. The restricted shares vest over three years, with one-third of the shares vesting each year on the date of the Annual Meeting. Directors may choose to receive the remaining 50% of their annual retainer ($75,000) in either restricted stock or in cash, paid in quarterly installments. In the event any director retires or resigns from the Board, the Board of Directors may, in its discretion, waive the remaining vesting period(s) for all or any portion of unvested restricted shares, provided that the departing Director has served at least five years on the Board of Directors of the Corporation.

- Additional Fees. The Audit Committee Chair and the Presiding Independent Director receive an additional annual fee of $10,000. Members of the Audit Committee receive an additional annual fee of $5,000. The Board may also approve additional fees for other board-related service.

- Reimbursement of Expenses. Directors are reimbursed for out-of-pocket expenses incurred in connection with their attendance at Board and Committee meetings.

As described above, a significant portion of director compensation is paid in restricted stock to align director compensation with the long term interests of stockholders. While on the Board, non-employee directors receive the same cash dividends on restricted shares as a holder of common stock should they be declared and paid in the future.

The following table sets forth compensation for each non-employee director for the fiscal year ended December 31, 2014. Messrs. Silberman and McDonnell do not receive any additional compensation for their service as directors of the Corporation. Their compensation is reflected in the “Summary Compensation Table” set forth below in this proxy statement.

Director Compensation Table

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(a)	All Other Compensation ($)	Total ($)
Dr. Charlotte F. Beason	75,000	75,000	—	150,000
William E. Brock	75,000	75,000	—	150,000
Dr. John T. Casteen, III	85,000	75,000	—	160,000
Robert R. Grusky	30,000	100,000	—	130,000

Robert L. Johnson	75,000	75,000	—	150,000
Todd A. Milano	15,000	130,000	—	145,000
G. Thomas Waite, III	85,000	75,000	—	160,000
J. David Wargo	75,000	75,000	—	150,000

(a) Amounts represent the aggregate grant date fair value computation in accordance with FASB ASC Topic 718.

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The following table sets forth the number of outstanding stock awards held by each non-employee director at December 31, 2014.

Outstanding Stock Awards Table

Name	Shares of Unvested Restricted Stock (#)
Dr. Charlotte F. Beason	3,140
William E. Brock	3,140
Dr. John T. Casteen, III	3,140
Robert R. Grusky	5,113
Robert L. Johnson	3,140
Todd A. Milano	5,813
G. Thomas Waite, III	3,140
J. David Wargo	3,140

Board Leadership Structure

Our Board is comprised of independent members, as independence is defined under the NASDAQ Listing Standards, along with our Executive Chairman and our Chief Executive Officer. The leadership structure of the Corporation has varied over time as the demands of the business, the composition of the Board, and the ranks of our senior executives changed, and the Board has utilized this flexibility to establish the most appropriate structure at any given time. For several years we combined the roles of Chairman of the Board and Chief Executive Officer, but in May of 2013 began to operate with a Chairman of the Board separate from the Chief Executive Officer when Mr. Silberman became Executive Chairman and Mr. McDonnell was named Chief Executive Officer.

In 2013 Dr. Casteen was appointed Presiding Independent Director, who runs the Board in the Chairman's absence. The Presiding Independent Director presides at meetings with the Board of Directors without the Executive Chairman and the CEO present at least quarterly (at each regularly scheduled Board meeting) and solicits candid feedback on the Executive Chairman's and the CEO's performance. The Presiding Independent Director serves as the principal liaison on Board issues between the independent directors and the Executive Chairman and has the authority to:

- Call meetings of the independent directors,
- Ensure the quality, quantity and timeliness of information to the Board, and
- Consult and communicate with stockholders.

Risk Oversight

The Board of Directors is ultimately responsible for the risk management of the Corporation; the CEO is the "Chief Risk Officer." The Board reviews and approves all annual budgets, major uses of capital, major projects, and University expansion plans. Two members of the Board of Directors also serve as members of the governing body (The Board of Trustees) of the Corporation's chief asset: Strayer University. The Board of Trustees is made up of nine trustees, including five trustees who are unaffiliated with the Corporation, two trustees who are independent members of the Corporation's Board of Directors, and two trustees who are or were officers of the Corporation. The Board of Directors oversees, but generally defers to the University's Board of Trustees on issues related to academic affairs and quality, including specifically, the rate of the University's growth and expansion.

The Board and its Compensation Committee continually evaluate the Corporation's strategy, activities and in particular compensation policies and practices to protect against inappropriate risk taking. Any compensation program that seeks to pay managers for performance on behalf of owners carries some risk of overzealous performance. But paramount in the Corporation's compensation program is an unwavering requirement that executive conduct conform to applicable legal, regulatory, and ethical business standards. Based on its evaluation and the views of advisors, the Compensation Committee believes that the Corporation's executive compensation program, as described in the Compensation Discussion and Analysis section below, does not encourage inappropriate risk taking and that the Corporation has in place a strong culture, organization structure and compliance policies to manage effectively operational risk.

In addition, the Audit Committee oversees management of financial risk and our Code of Business Conduct, including monitoring conflicts of interest, and the Nominating Committee oversees the Corporation's corporate governance, such as director independence. In performing these functions, each Committee of the Board of Directors has full access to management, as well as the ability to engage advisors. The Board is kept abreast of the Committees' risk oversight and other activities through regular reports by each Committee Chair to the full Board of Directors.

Board Committees

The Board of Directors has established an Audit Committee, a Compensation Committee and a Nominating Committee, each composed entirely of independent directors. The current Committee membership is as follows:

Committee Memberships

Audit	Compensation	Nominating
G. Thomas Waite, Chair	J. David Wargo, Chair	Dr. John T. Casteen, III, Chair
Robert R. Grusky	William E. Brock	Dr. Charlotte F. Beason
Todd A. Milano	Robert L. Johnson	Todd A. Milano

Audit Committee.

For the year ended December 31, 2014, the Audit Committee was composed of Messrs. Waite (Chair), Milano, and Grusky. The Audit Committee met five times during 2014, including one telephonic meeting.

The Audit Committee assists the Board in its oversight of the quality and integrity of our accounting, auditing, and reporting practices. The Committee performs a variety of tasks, including being directly responsible for the appointment (subject to advisory stockholder ratification), compensation and oversight of the Corporation's independent registered public accounting firm. The Audit Committee also, among other things, reviews the Corporation's accounting policies and reviews the Corporation's unaudited quarterly earnings releases and periodic filings with the Securities and Exchange Commission (the "SEC") that include financial statements, and regularly reports to the Board of Directors. The Audit Committee relies on the expertise and knowledge of management, the internal auditor, and the independent auditors in carrying out its oversight responsibilities.

The Audit Committee has a written charter, which was last amended on February 4, 2015. The Corporation will provide a copy of the Audit Committee charter to any person without charge, upon request. Persons wishing to make such a request should contact Daniel W. Jackson, Executive Vice President and Chief Financial Officer, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Audit Committee charter is available on the Corporation's website, www.strayereducation.com.

The Board of Directors has determined that all of the members of the Audit Committee are independent, as independence is defined under the NASDAQ Listing Standards and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934 (the "1934 Act"). The Board of Directors has determined that each member of the Committee qualifies as an "audit committee financial expert," as defined by SEC rules, based on his education, experience and background.

A report of the Audit Committee is included below in this proxy statement.

Compensation Committee.

For the year ended December 31, 2014, the Compensation Committee was composed of Messrs. Wargo (Chair), Brock, and Johnson.

The Compensation Committee is responsible for evaluating, and recommending to the full Board for approval, the compensation of the Executive Chairman, the Chief Executive Officer and other officers of the Corporation. The Compensation Committee is responsible for determining compensation policies and practices, changes in compensation and benefits for management, employee benefits and all other matters relating to employee compensation, including matters relating to stock-based compensation, subject to the approval of the Board.

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The Compensation Committee has the authority to retain and terminate any compensation consultant to be used by it to assist in the evaluation of director and executive compensation. During 2014, approximately $13,000 was paid to AON Hewitt, Inc. to benchmark compensation for the CEO and CFO positions. The Compensation Committee may form and delegate any of its authority to one or more subcommittees as it deems appropriate. For a discussion of the role of the Executive Chairman and the CEO in determining or recommending the amount or form of executive compensation, see “Compensation Discussion and Analysis” below. The Compensation Committee met once during 2014.

The Compensation Committee has adopted a written charter, which was last amended on February 19, 2014, and a copy of which the Corporation will provide to any person without charge, upon request. Persons wishing to make such a request should contact Daniel W. Jackson, Executive Vice President and Chief Financial Officer, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Compensation Committee charter is available on the Corporation’s website, www.strayereducation.com.

The Board has determined that all of the members of the Compensation Committee are independent, as independence is defined under the NASDAQ Listing Standards. The Board also has determined that all of the members of the Compensation Committee qualify as “non-employee” directors as defined by SEC rules and “outside directors” as defined by the Internal Revenue Code of 1986.

Nominating Committee.

For the year ended December 31, 2014, the Nominating Committee was composed of Dr. Casteen (Chair), Dr. Beason, and Mr. Milano. The Nominating Committee is responsible for establishing qualifications for potential directors, considering and recommending prospective candidates for Board membership, recommending the Board committee structure, making recommendations as to director independence, developing and monitoring the Corporation's corporate governance principles, and recommending director compensation. The Nominating Committee met once during 2014.

The Nominating Committee has a written charter, which was last amended July 26, 2011, and restated on July 29, 2014. The Nominating Committee charter will be made available to any person upon request without charge. Persons wishing to make such a request should contact Daniel W. Jackson, Executive Vice President and Chief Financial Officer, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Nominating Committee charter is available on the Corporation's website, www.strayereducation.com.

The Board has determined that all of the members of the Nominating Committee are independent, as independence is defined under the NASDAQ Listing Standards.

Compensation Committee Interlocks and Insider Participation

During fiscal year 2014, the Compensation Committee was composed of Messrs. Wargo (Chair), Brock, and Johnson. No member of the Compensation Committee was, during fiscal year 2014, an officer or employee of the Corporation or was formerly an officer of the Corporation, or had any relationship requiring disclosure by the Corporation as a related party transaction under applicable SEC rules. No executive officer of the Corporation served on any board of directors or compensation committee of any other company for which any of the Corporation's directors served as an executive officer at any time during fiscal year 2014.

Attendance at Meetings and Director Independence

The Board of Directors met four times during 2014. Each director attended at least 75% of the meetings of the Board and the meetings of the Board Committees on which he or she served as a member in 2014. At each regularly scheduled meeting of the Board, the independent directors met in executive session. The Board's Presiding Independent Director, currently Dr. Casteen, presides at these executive sessions. The Corporation encourages all incumbent directors and director nominees to attend each annual meeting of stockholders. All directors, except Mr. Grusky, attended last year's meeting, including some who participated telephonically.

The Board of Directors consists of a majority of independent directors, as independence is defined under the NASDAQ Listing Standards. The Board of Directors has determined that all members of the Board of Directors, except for Messrs. Silberman and McDonnell, are independent under these standards.

Code of Business Conduct

The Board of Directors adopted a Code of Business Conduct in February 2004, meeting the requirements of Section 406 of the Sarbanes-Oxley Act of 2002 and applicable NASDAQ requirements. The Code of Business Conduct was last amended on February 4, 2015, and includes, among other things, provisions prohibiting employees from: insider trading; investing in Corporation-based derivative securities, including options, warrants or similar rights whose value is derived from the value of an equity security; short selling the Corporation's securities; and trading in the Corporation's securities on a short-term basis. The Corporation will provide to any person without charge, upon request, a copy of such Code of Business Conduct. Persons wishing to make such a request should contact Daniel W. Jackson, Executive Vice President and Chief Financial Officer, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Code of Business Conduct is available on the corporate website, www.strayereducation.com. In the event that the Corporation makes any amendment to, or grants any waiver from, a provision of the Code of Business Conduct that applies to the Corporation's principal executive officer, principal financial officer, principal accounting officer, controller or certain other senior officers and requires disclosure under applicable SEC rules, the Corporation intends to disclose such amendment or waiver and the reasons for the amendment or waiver on the Corporation's website, www.strayereducation.com or, as required by NASDAQ, file a Current Report on Form 8-K with the SEC reporting the amendment or waiver.

Stockholder Communication with Directors

The Corporation has a process for stockholders to send communications to the Board of Directors. Any stockholder that wishes to communicate with the Board of Directors may do so by submitting correspondence in writing to the Board, in care of Viet D. Dinh, Corporate Secretary, Strayer Education, Inc., 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Stockholder-Board Communication." All such letters must identify the author as a stockholder. All correspondence from stockholders that (i) beneficially own more than 5% of the Corporation's common stock or (ii) have beneficially owned more than 1% of the Corporation's common stock for at least one year will be forwarded to the Board without prior review. In addition, Stockholder-Board communications from all other stockholders will be reviewed by the Chief Executive Officer and the Secretary of the Corporation and, if determined to be appropriate communications, will be forwarded to the Board.

Section 16(a) Beneficial Ownership Reporting Compliance

The 1934 Act requires the Corporation's directors, executive officers and 10% stockholders to file reports of beneficial ownership of equity securities of the Corporation and to furnish copies of such reports to the Corporation. Based on a review of such reports, and upon written representations from certain reporting persons, the Corporation believes that, during the fiscal year ended December 31, 2014, all such filing requirements were met.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth certain information regarding the ownership of the Corporation's common stock as of March 6, 2015 (except as otherwise indicated), by each person known by management of the Corporation to be the beneficial owner of more than five percent (5%) of the outstanding shares of the Corporation's common stock, each of the Corporation's directors and director nominees, its Executive Chairman, CEO, and three other named executive officers and all executive officers and directors as a group. The information presented in the table is based upon the most recent filings with the SEC by those persons or upon information otherwise provided by those persons to the Corporation. The percentages reflected in the table for each beneficial owner are calculated based on the number of shares of common stock outstanding on the record date plus those common stock equivalents and exercisable options held by the applicable beneficial owner.

Name of Beneficial Owner	Common Stock Beneficially Owned (a)	Options Currently Exercisable or Exercisable within 60 days	Total	Percentage Owned	
Stockholders:					
T. Rowe Price Associates, Inc.(b)	1,751,530	0	1,751,530	16.0	%
The Vanguard Group, Inc.(c)	1,096,060	0	1,096,060	10.0	%
BlackRock, Inc.(d)	947,998	0	947,998	8.6	%
Directors:					
Robert S. Silberman	221,678	100,000	321,678	2.9	%
Dr. Charlotte F. Beason	9,813	0	9,813		*
William E. Brock	4,194	0	4,194		*
Dr. John T. Casteen, III	4,912	0	4,912		*
Robert R. Grusky(e)	9,839	0	9,839		*
Robert L. Johnson	12,841	0	12,841		*
Karl McDonnell	101,648	0	101,648		*
Todd A. Milano	14,265	0	14,265		*
G. Thomas Waite, III	8,404	0	8,404		*
J. David Wargo	6,363	0	6,363		*
Named Executive Officers:					
Mark C. Brown	34,472	0	34,472		*
Rosemary J. Rose	49,284	0	49,284		*
Kelly J. Bozarth	17,817	0	17,817		*
All Executive Officers and Directors (16 persons)	553,669	100,000	653,669	5.9	%

* represents amounts less than 1%

(a) For directors and officers, the number of shares of common stock beneficially owned includes shares of restricted stock, which the holder is entitled to vote, and restricted stock units.

(b) Based on a Schedule 13G/A filed with the SEC on February 10, 2015. These securities are owned by various individual and institutional investors including T. Rowe Price Mid-Cap Value Fund, Inc. (which owns 1,326,600 shares, representing 12.1% of the shares outstanding), which T. Rowe Price Associates, Inc. ("Price Associates") serves as investment adviser with power to direct investments and/or sole power to vote securities. For purposes of the reporting requirement of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities. The address is: 100 E. Pratt Street, Baltimore, Maryland 21202.

(c) Based on a Schedule 13G filed with the SEC on February 9, 2015. The address of The Vanguard Group Inc. is: 100 Vanguard Blvd., Malvern, PA 19355.

(d) Based on a Schedule 13G/A filed with the SEC on January 12, 2015. The address of BlackRock, Inc. is: 40 East 52^{nd} Street, New York, New York 10022.

(e) Includes 1,500 shares owned by Halley Dog Investments, LLC, of which Mr. Grusky is the Manager and 35% owner. On December 31, 2012, Mr. Grusky gifted a 65% interest in Halley Dog Investments, LLC to a trust for the benefit of his family members.

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COMPENSATION DISCUSSION AND ANALYSIS

Compensation Policies and Objectives

In accordance with the Compensation Committee charter, the Corporation employs the following general policies in determining executive compensation:

- The Corporation believes that compensation of the Corporation's key executives should be sufficient to attract and retain highly qualified and productive personnel, as well as to enhance productivity and encourage and reward superior performance.

- It is the policy of the Corporation that the three primary components of the Corporation's compensation package for officers (salary, profit share, and equity grants) be considered in the aggregate. In other words, the total compensation of our executive officers should be appropriate to their contributions, and the amount of each component should take into account the size of their total compensation package, even if one individual component is larger or smaller than industry average.

- Consistent with Department of Education regulations, the Corporation seeks to reward achievement of specific corporate goals by executing a profit sharing plan for the Corporation's senior officers, some of which is paid in cash, and the rest in some form of stock-based compensation with a required vesting period.

- The criteria used by the Compensation Committee in deciding whether, or at what level, a profit sharing plan should be funded in any year is whether the Corporation met certain performance objectives set annually by the Board. The Compensation Committee makes these assessments based on the Corporation's annual financial statements, which are audited by the Corporation's independent auditing firm, PricewaterhouseCoopers LLP. Each year the corporate objectives used to determine profit sharing eligibility for executives are chosen by the Board of Directors from criteria which were approved by the stockholders of the Corporation. Criteria were approved most recently by stockholders at its annual meeting on April 26, 2011 and are being put before the stockholders for approval at this Annual Meeting as part of Proposal 3.

- One of the Corporation's guiding principles is that officers and directors think like owners. To this end, the Corporation adopted a requirement that within three years of hiring, promotion or being appointed to the Board, senior officers and members of the Board of Directors own shares equal to the amounts shown in the table below. The Board reviews compliance with this policy consistent with historic share ownership, market price fluctuations, and other factors.

Title	Required Share Ownership
Executive Chairman	5x Annual Salary
Chief Executive Officer	5x Annual Salary
Chief Operating Officer	4x Annual Salary
Executive Vice President	3x Annual Salary
Senior Vice President	2x Annual Salary
Board of Directors	3x Annual Retainer

- In determining compensation levels at the Corporation, the Compensation Committee compares executive compensation at the Corporation to that of eight other publicly traded companies which own education assets. These companies are: Apollo Group, Inc., Bridgepoint Education, Capella Education Company, Career Education Corporation, DeVry, Inc., Education Management Corporation (through 2014), Grand Canyon Education, Inc., and ITT Educational Services, Inc. The Compensation Committee also compares executive compensation at the Corporation to similarly sized companies by revenue, market capitalization, and growth profile which are in other industries.

- The Compensation Committee generally tries to set salary targets at or below the midpoint of comparable companies. However, the Compensation Committee tries to set profit sharing targets (both cash and equity) at or above the midpoint of comparable companies. If, in the Board's judgment, the midpoint or upper quartile calculations of the comparable companies yield too high a compensation

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level, the Board will not match these levels, but instead will make reasoned judgments to lower the Corporation's executive compensation to levels it deems more appropriate.

- At the 2014 Annual Meeting of Stockholders, approximately 95% of the votes cast were cast in favor of the advisory resolution to approve the 2013 compensation for the Corporation's named executives. The Corporation believes this vote reflected stockholder approval of its overall pay practices and the absence of any practices that stockholders consider problematic. Accordingly, the Compensation Committee generally continued to apply the same principles in determining the amounts and types of executive compensation for 2014. The Compensation Committee values the stockholder feedback provided through the vote, and will continue to consider the results of the vote in the future.

Who Determines Compensation?

In accordance with the Compensation Committee charter, compensation for the Corporation's Executive Chairman and its CEO is determined by the Compensation Committee subject to approval of the Corporation's Board of Directors (excluding the Executive Chairman and the CEO, who are also directors). In making its determination on Executive Chairman and CEO compensation, the Compensation Committee reviews a number of factors, including but not limited to:

- The Corporation's achievement of annual goals and objectives set by the full Board of Directors in the preceding year,
- The long term performance of the Corporation, and
- CEO compensation level at comparable companies.

For the other named executive officers, the Compensation Committee reviews, approves, and recommends to the full Board compensation based on:

Performance of the executive officers in light of relevant goals and objectives approved by the Compensation Committee and the annual goals and objectives established by the Board in the preceding year,

- Executive compensation level at comparable companies, and
- The recommendations of the Executive Chairman and the CEO.

The Executive Chairman and the CEO provide recommendations for executive officer compensation (other than themselves) to the Compensation Committee based on a review and analysis of each officer's performance and contributions to the Corporation. While the Compensation Committee considers the recommendations of the Executive Chairman and the CEO with respect to these elements of compensation, the Compensation Committee independently evaluates the recommendations for purposes of making its recommendations to the full Board.

The Compensation Committee meets in the beginning of each year to review financial performance, to consider profit sharing with respect to the just completed fiscal year, to consider equity awards, and to determine executive officer salaries with respect to the next fiscal year. The Committee meets from time to time during the year as may be required to address compensation and equity grant issues associated with new officer hires and director appointments, as well as, if applicable, making equity grants as long-term compensation and making other determinations or recommendations with respect to employee benefit plans and related matters.

Identification and Analysis of 2014 Compensation Programs

During 2014, the Corporation's executive compensation program included salary, profit sharing and long-term compensation in the form of restricted stock awarded under the Corporation's 2011 Equity Compensation Plan.

- Salary — Salaries for executives other than the Executive Chairman and the CEO are reviewed, approved, and recommended to the full Board annually by the Compensation Committee upon recommendation of the Executive Chairman and the CEO. The Executive Chairman's and the CEO's salaries are specified in their employment agreements (see "Employment Agreements with Mr. Silberman and Mr. McDonnell" and "Potential Payments upon Termination or Change in Control"

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sections below), and are annually reviewed and approved by the Compensation Committee and the full Board of Directors.

• Profit Sharing — The profit sharing plan for our named executives and other senior executives is funded each year by our Board of Directors upon the recommendation of the Compensation Committee of the Board. In determining whether to recommend such profit sharing, the Compensation Committee determines whether the Corporation has achieved its annual corporate objectives for the year.

As befits a Corporation whose main operating asset is a 123 year old University holding the highest possible academic accreditation, these annual corporate objectives include a number of academic measures such as improvements in student learning outcomes, student retention and continuation rates, advances in faculty hiring and qualifications, development of new academic programs, advances in online education, and increased academic rigor. The annual corporate objectives also include non-financial operational targets such as opening new campuses, securing regulatory approval to operate in new states, securing new corporate and institutional alliance partners and entering into additional academic articulation agreements with other universities and community colleges. Finally, these annual corporate objectives include financial measures, such as revenue, operating margin, operating income, net income, EPS, return on invested capital, and return of capital to owners through dividends and share repurchases. Of course, even if the Corporation achieves all of its academic, operational, and financial objectives in a given year, in the event of any breach in regulatory, legal, or ethical business standards, the Compensation Committee would eliminate the payment of cash profit sharing for that year.

The Board does not consider movements of the stock price of the Corporation during the year in determining annual compensation. The Board strongly feels that management's responsibility is to create an enduring increase in the intrinsic value of the Corporation. By achieving its annual corporate objectives, the Board feels management will necessarily increase the intrinsic value of the Corporation, and generate sustainable long term increases in stockholders' value. Each year the Board selects those annual corporate objectives from among criteria which were approved by the stockholders of the Corporation, most recently at its annual meeting on April 26, 2011. While the Board believes that each of the various annual corporate objectives is relevant to the determination of executive compensation, the achievement of any one annual corporate objective would not, in and of itself, result in a specific cash profit share amount being paid to our named executive officers. The Corporation believes the achievement of these goals is realistic but not certain.

The target profit share in cash for the Executive Chairman and the Chief Executive Officer is 125% of salary and varies for other officers and employees. See "Summary Compensation" and "Narrative Disclosure to Summary Compensation Table and Grants of Plan-based Awards Table" for more information regarding profit sharing awards for 2014.

• Equity-based Compensation Programs — As discussed above, the Corporation believes it should, subject to achievement of certain academic, operational, financial, and individual objectives, make annual equity grants in order to retain, motivate, and align the interests of those key executive officers with stockholders.

Equity awards under this program are only made after the Compensation Committee and full Board of Directors have completed their analysis of both corporate and individual performance described in the previous section on profit sharing. For our Chief Executive Officer, we feel that at least 50% of his or her target total annual compensation should be performance-based in the form of equity grants of restricted stock with at least a four year cliff vest.

We view our equity as very valuable and are reluctant to issue it. This means that we only grant restricted stock or stock options to employees and directors as compensation when we believe we are getting fair value (in terms of their service) in return.

Our restricted stock agreements with employees contain clawback provisions. If the Corporation is required to prepare an accounting restatement due to the material noncompliance of the Corporation, as a result of misconduct, with any financial reporting requirement and the employee engaged in that misconduct knowingly failed to prevent the misconduct or was grossly negligent in preventing the

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misconduct, the employee is required to reimburse the Corporation the amount of payment in settlement of the award earned or accrued during the 12-month period following the filing of the financial document that contained information affected by the material noncompliance. In addition, if the Corporation is required to prepare an accounting restatement, then the employee must forfeit any cash or stock received in connection with the award if any amount of the award was explicitly based on the achievement of pre-established performance goals that were later determined, as a result of the accounting restatement, not to have been achieved.

- Perquisites and Other Personal Benefits — The Corporation does not offer any perquisites. The Corporation does reimburse relocation expenses including tax gross-ups, when applicable. This benefit is offered to any officer hired from a different location to encourage prospective executives to relocate.

- Employment Agreements with Mr. Silberman and Mr. McDonnell — Robert S. Silberman, the Corporation's Executive Chairman, has an employment agreement with the Corporation which had an initial term of approximately three years (ending on December 31, 2004), and thereafter, automatically extended for successive one-year periods unless either the Corporation or Mr. Silberman provided timely notice to the contrary. Mr. Silberman's employment agreement was amended on May 2, 2013, in connection with his transition from Chief Executive Officer to Executive Chairman, and then again in April 24, 2014. Under the May 2, 2013, amended agreement, Mr. Silberman's term of employment is six years, and is renewable thereafter for one year terms unless the Corporation or Mr. Silberman provides notice otherwise. The amended agreement provides for a base salary of $665,000 per annum (subject to annual increases for at least cost of living adjustments). Mr. Silberman is also eligible to receive a target profit share of at least 125% of base salary, for each of the fiscal years during which he is employed, upon meeting certain corporate and financial goals annually approved by the Board. In the event of termination without cause, the employment contract also provides for the payment of three years base salary, three years of medical benefits, and all stock awards shall immediately vest. In addition, the April 24, 2014, amendment to the employment agreement provides for a double trigger change of control termination clause, wherein if Mr. Silberman's termination is without cause within six months of the effective date of the change of control or there occurs a material reduction in Mr. Silberman's authority, function, duties or responsibilities which causes Mr. Silberman's resignation within six months of the change of control (as explained below), he is entitled to the same payments and benefits as in a termination without cause, plus an amount equal to three times the latest annual profit share award paid to him prior to the event of termination. The April 24, 2014, amendment also eliminated the Company's obligation, present in the original 2001 agreement, to provide a gross-up payment for any excise taxes imposed on termination payments.

The Corporation also entered into an employment agreement on May 2, 2013 with Karl McDonnell, in connection with his promotion to Chief Executive Officer (he did not previously have an employment agreement), and amended that agreement on April 24, 2014. Under the employment agreement, Mr. McDonnell's term of employment is six years and is renewable thereafter for one year terms unless the Corporation or Mr. McDonnell provides notice otherwise. Under the agreement Mr. McDonnell will receive a base salary of $665,000 per annum (subject to annual increases for at least cost of living adjustments). Mr. McDonnell is also eligible to receive a target profit share of 125% of base salary for each fiscal year during which he is employed, upon meeting certain corporate and financial goals annually approved by the Board. In addition, Mr. McDonnell's employment agreement provides for an annual restricted share grant, conditioned upon applicable performance criteria as may be established by the Compensation Committee and with a four-year cliff vest, with a target value equivalent to $2,000,000, awarded at each annual meeting. Mr. McDonnell is not entitled to a gross-up payment for any excise taxes which may be imposed on termination payments, and the April 24, 2014, amendment replaced the change of control termination clause for cash payments with a double trigger termination clause identical to the clause in Mr. Silberman's employment agreement, discussed above.

- Retirement and Deferred Compensation Plans — The Corporation maintains a retirement plan (the "401(k) Plan") intended to qualify under Sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended. The 401(k) Plan is a defined contribution plan that covers all eligible full-time and part-time employees of the Corporation of at least 21 years of age. The Corporation, in its discretion, matches employee contributions up to a maximum authorized amount under the plan. In 2014, the

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Corporation matched 50% of employee deferrals up to a maximum of 3% of the employee's annual salary. The Corporation offers this plan to enable and encourage its employees to save for their retirement in a tax advantageous way. The Corporation also maintains an Employee Stock Purchase Plan (the "Employee Purchase Plan"). The purpose of the Employee Purchase Plan is to enable eligible full-time employees of the Corporation, through payroll deductions, to purchase shares of its common stock at a 10% discount from the prevailing market price from time to time. The Corporation offers this plan to encourage stock ownership by its employees.

Impact of Tax and Accounting Treatment

Under Section 162(m) of the Internal Revenue Code of 1986, as amended and applicable Treasury regulations, no deduction is allowed for annual compensation in excess of $1 million paid by a publicly traded corporation to its chief executive officer and the three other highest compensated executive officers (other than the chief financial officer). Under those provisions, however, there is no limitation on the deductibility of "qualified performance-based compensation." In general, the Corporation's policy is to maximize the extent of tax deductibility of executive compensation under the provisions of Section 162(m) so long as doing so is compatible with its determination as to the most appropriate methods and approaches for the design and delivery of compensation to the Corporation's executive officers.

Summary Compensation

The following table sets forth all compensation awarded to the Corporation's named executive officers for the fiscal years ended December 31, 2012, 2013, and 2014.

Summary Compensation Table

	Year	Salary	Cash Profit Share(a)	Stock Awards (b)	Option Awards (b)	**All Other Compensation(c)**	Total
Robert S. Silberman, Executive	2014	$ 665,000	$ 835,000	$ —	$ —	$ 3,900	$ 1,503,900
Chairman	2013	$ 665,000	$ 535,000	$ —	$ 2,209,000	$ 3,825	$ 3,412,825
	2012	$ 665,000	$ 900,000	$ 1,885,775	$ —	$ 10,000	$ 3,460,775
Karl McDonnell,	2014	$ 665,000	$ 835,000	$ 2,000,000	$ —	$ 3,900	$ 3,503,900
Chief Executive Officer	2013	$ 582,000	$ 535,000	$ 2,000,000	$ —	$ 3,825	$ 3,120,825
& Director	2012	$ 432,000	$ 2,000,000	$ 750,000	$ —	$ 10,000	$ 3,192,000
Mark C. Brown,	2014	$ 342,000	$ 517,000	$ —	$ —	$ 3,900	$ 862,900
Executive Vice President	2013	$ 342,000	$ 175,000	$ 1,500,000	$ —	$ 3,825	$ 2,020,825
& Chief Financial Officer(d)	2012	$ 336,000	$ 300,000	$ 500,000	$ —	$ 10,000	$ 1,146,000
Rosemary J. Rose,	2014	$ 300,000	$ 225,000	$ 200,000	$ —	$ 210,369	$ 935,369
Executive Vice President,	2013	$ 250,000	$ 100,000	$ 500,000	$ —	$ 14,434	$ 864,434
Operations	2012	$ 215,000	$ 100,000	$ 150,000	$ —	$ 12,685	$ 477,685
Kelly J. Bozarth,	2014	$ 300,000	$ 175,000	$ 200,000	$ —	$ 3,900	$ 678,900
Executive Vice President,	2013	$ 266,000	$ 175,000	$ 300,000	$ —	$ 3,825	$ 744,825
Administration	2012	$ 260,000	$ 300,000	$ 250,000	$ —	$ 10,000	$ 820,000

(a) See “Profit Sharing” discussion above for additional detail.

(b) The amounts shown in the columns above reflect the grant date fair value of each award computed in accordance with FASB ASC Topic 718. The value of any dividends paid by the Corporation is assumed to be included in the grant date fair value of each award.

(c) See “Supplemental All Other Compensation Table” below for additional detail.

(d) Mr. Brown retired from the Corporation effective March 1, 2015.

In 2014, All Other Compensation is comprised of the Corporation's match of contributions to a 401(k) plan only. The table below sets forth this information by named executive officer for the fiscal years ended December 31, 2012, 2013, and 2014.

Supplemental All Other Compensation Table

	Year	Corporation's 401(k) Match	Other		Total All Other Compensation
Robert S. Silberman,	2014	$ 3,900	$ —		$ 3,900
Executive Chairman	2013	$ 3,825	$ —		$ 3,825
	2012	$ 10,000	$ —		$ 10,000
Karl McDonnell,	2014	$ 3,900	$ —		$ 3,900
Chief Executive Officer & Director	2013	$ 3,825	$ —		$ 3,825
	2012	$ 10,000	$ —		$ 10,000
Mark C. Brown,	2014	$ 3,900	$ —		$ 3,900
Executive Vice President & Chief Financial Officer	2013	$ 3,825	$ —		$ 3,825
	2012	$ 10,000	$ —		$ 10,000
Rosemary J. Rose,	2014	$ 3,900	$ 206,469	(a)	$ 210,369
Executive Vice President, Operations	2013	$ 3,737	$ 10,697	(b)	$ 14,434
	2012	$ 8,635	$ 4,050	(b)	$ 12,685
Kelly J. Bozarth,	2014	$ 3,900	$ —		$ 3,900
Executive Vice President, Administration	2013	$ 3,825	$ —		$ 3,825
	2012	$ 10,000	$ —		$ 10,000

(a) Ms. Rose received $206,469 in 2014 related to her relocation, of which $56,469 was for tax gross-ups.

(b) Imputed income related to tuition benefits.

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Grants of Plan-Based Awards

The following table sets forth grants of plan-based awards to the Corporation's named executive officers for the fiscal year ended December 31, 2014.

Grants of Plan-Based Awards Table

Name	Grant Date	All Stock Awards: Number of Shares of Stock or Units (#)		Grant Date Fair Value of Stock Awards ($)	Vesting Date
Robert S. Silberman, Executive Chairman	n/a	—		—	n/a
Karl McDonnell, Chief Executive Officer & Director	5/6/14	46,674	(a)	2,000,000	5/6/18
Mark C. Brown, Executive Vice President & Chief Financial Officer	n/a	—		—	n/a