

CORINTHIAN COLLEGES INC
Form DEF 14A
October 03, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

CORINTHIAN COLLEGES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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 - (3) Filing Party:
 - (4) Date Filed:
-

October 3, 2013

Dear Fellow Stockholder:

On behalf of the Board of Directors, you are cordially invited to attend the Annual Meeting of Stockholders of Corinthian Colleges, Inc. for its fiscal year ended June 30, 2013 to be held at the DoubleTree Hotel located at 201 East MacArthur Boulevard, Santa Ana, California 92707, on November 13, 2013 at 10:00 a.m., California time. The formal notice of the Annual Meeting appears on the following page. The attached Notice of Annual Meeting and Proxy Statement describe the matters that we expect to be acted upon at the Annual Meeting.

This year, we are pleased to be relying upon the Securities and Exchange Commission rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to most of our stockholders a "Notice of Internet Availability of Proxy Materials" instead of a printed copy of the Proxy Statement and our Annual Report on Form 10-K for the fiscal year ended June 30, 2013. The Notice of Internet Availability contains instructions on how stockholders can access those documents over the Internet and vote their shares. The Notice of Internet Availability also contains instructions on how stockholders can receive a printed copy of our proxy materials, including the Proxy Statement and our 2013 Annual Report. All stockholders who do not receive a Notice of Internet Availability will receive a printed copy of the proxy materials by mail. We believe this process will expedite stockholders' receipt of proxy materials, lower the costs of our Annual Meeting and reduce the environmental impact of our Annual Meeting.

During the Annual Meeting, stockholders will view a presentation by Corinthian's senior management and vote on the matters set forth in the Notice of Annual Meeting on the following page. Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented.

You may submit your proxy or voting instructions over the Internet or (if you receive a printed copy of the proxy materials) by telephone or by marking, signing, dating and mailing the proxy card or voting instruction form you received in the pre-addressed return envelope provided. Regardless of the number of shares you own, we urge you to promptly submit your proxy or voting instructions in order to ensure your representation and the presence of a quorum at the Annual Meeting. If you properly submit a proxy or voting instructions without specifying your choices, your shares will be voted in accordance with the recommendations of the Board of Directors contained in the Proxy Statement.

We look forward to seeing you on November 13, 2013 and urge you to submit your proxy or voting instructions as soon as possible.

Sincerely,

Jack D. Massimino
*Chairman of the Board and
Chief Executive Officer*

CORINTHIAN COLLEGES, INC.

6 Hutton Centre Drive, Suite 400
Santa Ana, CA 92707
(714) 427-3000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON NOVEMBER 13, 2013

TO THE STOCKHOLDERS OF CORINTHIAN COLLEGES, INC.:

The Annual Meeting of Stockholders of Corinthian Colleges, Inc. ("Corinthian" or the "Company") will be held at 10:00 a.m., California time, on November 13, 2013, at the DoubleTree Hotel located at 201 East MacArthur Boulevard, Santa Ana, California 92707, for the following purposes:

1. To elect the eleven director nominees named in this Proxy Statement to the Company's Board of Directors for a one-year term expiring at the Annual Meeting of Stockholders in 2014;
2. To approve the amendment and restatement of the Corinthian Colleges, Inc. 2003 Performance Award Plan (the "2003 Plan"), which authorizes the issuance of an additional 3,700,000 shares under the 2003 Plan, and certain other amendments described elsewhere herein;
3. To ratify the appointment by the Audit Committee of the Board of Directors of Ernst & Young LLP as the Company's independent auditors for its fiscal year ending June 30, 2014;
4. To approve, by a nonbinding advisory vote, executive compensation paid by the Company to its named executive officers;
and
5. To transact such other business as may properly come before the meeting or any postponements or adjournments thereof.

The Board of Directors has fixed the close of business on September 19, 2013 as the record date for determining stockholders entitled to notice of, and to vote at, the meeting.

By order of the Board of Directors,

Stan A. Mortensen
Corporate Secretary

Santa Ana, California
October 3, 2013

ALL STOCKHOLDERS ARE URGED TO ATTEND THE MEETING IN PERSON OR BY PROXY. WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE MEETING, PLEASE VOTE YOUR SHARES PROMPTLY. TO VOTE YOUR SHARES, SUBMIT YOUR PROXY OR VOTING INSTRUCTIONS OVER THE INTERNET OR (IF YOU RECEIVE A PRINTED COPY OF THE PROXY MATERIALS) CALL THE TOLL-FREE TELEPHONE NUMBER AS DESCRIBED IN THE INSTRUCTIONS ON YOUR PROXY CARD OR VOTING INSTRUCTION FORM, OR SIGN, DATE AND RETURN THE PROXY CARD OR VOTING INSTRUCTION FORM YOU RECEIVED IN THE PRE-ADDRESSED POSTAGE-PAID ENVELOPE PROVIDED FOR THAT PURPOSE. THIS WILL NOT LIMIT YOUR RIGHT TO VOTE IN PERSON IF YOU ATTEND THE ANNUAL MEETING (AND, IF YOU ARE NOT A STOCKHOLDER OF RECORD, YOU HAVE OBTAINED A LEGAL PROXY FROM THE BROKER, BANK OR OTHER NOMINEE THAT HOLDS YOUR SHARES GIVING YOU THE RIGHT TO VOTE THE SHARES IN PERSON AT THE ANNUAL MEETING).

PROXY STATEMENT

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Board of Directors of Corinthian Colleges, Inc., a Delaware corporation (the "Company" or "Corinthian"), for use in voting at the Annual Meeting of Stockholders to be held at 10:00 a.m., California time, on November 13, 2013, at the DoubleTree Hotel located at 201 East MacArthur Boulevard, Santa Ana, California 92707, and any postponements or adjournments thereof.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on November 13, 2013. This Proxy Statement and 2013 Annual Report are available electronically on the Company's website at www.cci.edu under the heading "Investors Financial Information." In addition, you may access these materials at www.edocumentview.com/COCO.

General

This year, we are pleased to be using the Securities and Exchange Commission ("SEC") rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to most of our stockholders a Notice of Internet Availability of Proxy Materials ("Notice of Internet Availability") instead of a printed copy of this Proxy Statement and our Annual Report on Form 10-K (our "2013 Annual Report") for the fiscal year ended June 30, 2013. The Notice of Internet Availability contains instructions on how stockholders can access a copy of this Proxy Statement and our 2013 Annual Report over the Internet and vote their shares. The Notice of Internet Availability also contains instructions on how stockholders can receive a printed copy of our proxy materials, including this Proxy Statement and our 2013 Annual Report. All stockholders who do not receive a Notice of Internet Availability will receive a printed copy of the proxy materials by mail. We believe this process will expedite stockholders' receipt of proxy materials, lower the costs of the Annual Meeting and reduce the environmental impact of the Annual Meeting.

We are first mailing the Notice of Internet Availability to our stockholders on or about October 3, 2013. For stockholders receiving a printed copy of our proxy materials, this Proxy Statement, the accompanying form of proxy or voting instructions and our 2013 Annual Report were first sent to stockholders on or about October 3, 2013. Our 2013 Annual Report is not incorporated into this Proxy Statement and is not considered proxy soliciting material.

Record Date and Outstanding Shares

The Board of Directors has fixed the close of business on September 19, 2013 as the record date (the "Record Date") for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting and any postponements or adjournments thereof. As of the Record Date, Corinthian had approximately 87,025,057 shares of Common Stock outstanding. Each of the outstanding shares of Common Stock is entitled to one vote on all matters to come before the Annual Meeting.

Voting of Record Holders

Beth Wilson and Kenneth S. Ord, the persons named as proxies to vote the shares represented by each properly submitted proxy, were selected by the Board of Directors to serve in such capacity. Ms. Wilson and Mr. Ord are both executive officers of Corinthian. The shares represented by each properly submitted proxy will be voted in accordance with the directions indicated thereon, or if no direction is indicated, such proxy will be voted in accordance with the recommendations of the Board of Directors contained in this Proxy Statement. Each properly submitted proxy will also be voted as the proxyholder may determine in his or her discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

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Each stockholder giving a proxy has the power to revoke it at any time before the shares it represents are voted. Revocation of a proxy is effective if, before voting begins at the Annual Meeting, either (i) the Secretary of Corinthian receives from the stockholder an instrument bearing a later date than the proxy, revoking the proxy or (ii) the stockholder properly submits another proxy bearing a later date. Additionally, a stockholder may change or revoke a previously submitted proxy by voting in person at the Annual Meeting. Please note that attendance at the Annual Meeting will not by itself constitute revocation of a proxy.

Required Vote

Directors. A plurality of the votes represented by shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote on the election of directors is required for the election of directors. This means that the eleven director nominees receiving the most votes "for" election will be elected. You may vote "for" or "withhold" with respect to the election of directors. Because directors are elected by plurality, withheld votes will have no effect on the outcome of the election of directors. Additionally, the Company's Corporate Governance Principles, which are available on the Company's website at www.cci.edu under the heading "Investors," set forth our procedures if a director-nominee is elected, but receives a majority of "withhold" votes. Under these principles, in an uncontested election any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election is required to tender his or her resignation following certification of the stockholder vote. The Nominating and Corporate Governance Committee (the "Nominating Committee") is then required to make recommendations to the Board with respect to any such letter of resignation. The Board is required to take action with respect to this recommendation and to disclose its decision and the reasons therefor.

Amendment and Restatement of the 2003 Performance Award Plan. The affirmative vote of a majority of the shares of Common Stock represented in person or by proxy and entitled to vote on the proposal is required to approve the amendment and restatement of the Corinthian Colleges, Inc. 2003 Performance Award Plan (the "2003 Plan"). Abstentions with respect to the proposal to approve the amendment and restatement of the 2003 Plan are treated as shares present or represented and entitled to vote and, therefore, will have the same effect as a vote against this proposal.

Ratification of Auditors. The affirmative vote of a majority of the shares of Common Stock represented in person or by proxy and entitled to vote on the proposal is required to ratify the appointment by the Audit Committee of the Board of Directors of Ernst & Young LLP as Corinthian's independent auditors. Abstentions with respect to the proposal to ratify Ernst & Young LLP as the Company's independent auditor are treated as shares present or represented and entitled to vote on the proposal and, therefore, will have the same effect as a vote against this proposal.

Advisory Vote on Executive Compensation. The affirmative vote of a majority of the shares of Common Stock represented in person or by proxy and entitled to vote on the proposal is required to approve, by a nonbinding advisory vote, the compensation paid by the Company to its named executive officers. Abstentions with respect to this nonbinding advisory vote are treated as shares present or represented and entitled to vote and, therefore, will have the same effect as a vote against this proposal.

Notwithstanding the vote standards described above, Proposal 3 (the ratification of auditors) and Proposal 4 (advisory vote on executive compensation) are advisory only and are not binding on the Company. The Board of Directors will consider the outcome of the vote on each of these items in considering what action, if any, should be taken in response to the vote by stockholders.

See "Quorum and Broker Non-Votes" below for a discussion concerning the impact of broker non-votes on determining the outcome of the proposals.

Voting by Street Name Holders

If you are the beneficial owner of shares held in "street name" by a broker, bank or nominee, the broker, bank or nominee, as the record holder of the shares, is required to vote those shares in accordance with your instructions. If your shares are held in a brokerage account and you do not submit voting instructions, the broker will nevertheless be entitled to vote the shares with respect to "discretionary" items but will not be permitted to vote the shares with respect to "non-discretionary" items (in which case, the shares will be treated as "broker non-votes"). See "Quorum and Broker Non-Votes" below. As a beneficial owner of shares, you are also entitled to attend the Annual Meeting; however, you may not vote your shares in person at the Annual Meeting unless you obtain from the broker, bank or nominee that holds your shares a "legal proxy" giving you the right to vote the shares in person at the Annual Meeting.

For shares you hold beneficially in "street name," you may change your vote by submitting new voting instructions to your broker, trustee or nominee, or, if you have obtained a "legal proxy" from your broker, trustee or nominee giving you the right to vote your shares, by attending the Annual Meeting and voting in person.

Quorum and Broker Non-Votes

The required quorum for transaction of business at the Annual Meeting will be a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting that are outstanding as of the Record Date. The election inspectors appointed for the meeting will determine whether or not a quorum is present. If you properly submit a proxy or voting instructions, even if you abstain from voting, then your shares will be counted for purposes of determining the presence of a quorum.

As described above, if your shares are held in a brokerage account and you do not submit voting instructions, the broker will nevertheless be entitled to vote the shares with respect to "discretionary" items but will not be permitted to vote the shares with respect to "non-discretionary" items. We believe that brokers have "discretionary" voting authority with respect to Proposal 3 to be voted on at the Annual Meeting but do not have "discretionary" voting authority with respect to Proposals 1, 2 and 4 to be voted on at the Annual Meeting. Accordingly, if you hold your shares in street name through a brokerage account and you do not submit voting instructions to your broker, your broker may exercise its discretion to vote your shares on Proposal 3 but will not be permitted to vote your shares on any of the other items at the Annual Meeting. If your broker exercises this discretion, your shares will be counted as present for the purpose of determining the presence of a quorum at the Annual Meeting and will be voted on Proposal 3 in the discretion of your broker, but your shares will constitute "broker non-votes" on each of the other items at the Annual Meeting. Broker non-votes will be treated as not present and not entitled to vote with respect to each of the other items at the Annual Meeting (even though those shares are considered entitled to vote for quorum purposes and will be entitled to vote on Proposal 3) and, therefore, will not be counted in determining the outcome of the vote on those items.

2013 Annual Report

Our 2013 Annual Report contains financial and other information pertaining to the Company and is being furnished to stockholders simultaneously with this Proxy Statement.

PROPOSAL 1

ELECTION OF DIRECTORS

Corinthian's Board of Directors is currently comprised of eleven members. The Company's Certificate of Incorporation provides that elections of directors are for one-year terms only. Accordingly, all eleven directors will be elected at this Annual Meeting, each for a term of one year expiring at Corinthian's Annual Meeting of Stockholders in 2014 and until their respective successors are elected and qualified. Each of these eleven director nominees, Terry Hartshorn, Paul St. Pierre, Linda Arey Skladany, Robert Lee, Jack Massimino, Alice Kane, Hank Adler, Sharon Robinson, Tim Sullivan, John Dionisio and Marc Morial, is presently serving as a director of Corinthian and each of the nominees, other than Mr. Morial, was previously elected to the Board by our stockholders. Mr. Morial was appointed to the Board on April 27, 2013. Mr. Morial was initially introduced to Mr. Massimino through common acquaintances on the board of directors of Jobs for Americas Graduates.

The Board of Directors, following the unanimous recommendation of its Nominating Committee, recommends that the stockholders vote in favor of the election of the nominees named in this Proxy Statement to serve as directors of Corinthian. See "Nominees for Election for a One-Year Term Expiring at the 2014 Annual Meeting" below.

Each of the director nominees has consented to be named in this Proxy Statement and to serve as a director if elected. If at the time of the Annual Meeting any of the nominees should be unable or unwilling for good cause to serve, the persons named as proxies to vote the shares represented by each properly submitted proxy will vote for such substitute nominee or nominees as the Board of Directors recommends, or vote to allow the vacancy created thereby to remain open until filled by the Board of Directors, as the Board of Directors recommends. The Board of Directors has no reason to believe that any nominee will be unable or unwilling to serve as a director if elected.

The Nominating Committee believes that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to the Board's ability to work as a collective body while giving the Company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. Accordingly, the Nominating Committee has often re-nominated incumbent directors who continue to satisfy the Nominating Committee's criteria for membership on the Board, who the Nominating Committee believes continue to make important contributions to the Board, and who consent to continue their service on the Board. The nominees standing for election at the 2013 Annual Meeting were chosen based upon their records of professional integrity, dedication, collegial approaches to board deliberation and decision-making, strong work ethics and diverse professional backgrounds. The specific experience, qualifications, attributes and skills of each nominee that led to the Board's conclusion that the nominees should serve on the Board of Directors of the Company are described in each nominee's biographical information below.

Nominees for Election for a One-Year Term Expiring at the 2014 Annual Meeting

The names of the nominees for the office of director and certain information concerning such nominees are set forth below:

Terry O. Hartshorn, age 68, was appointed to the Board of Directors in September 2005, and is currently the lead independent director of the Board. Mr. Hartshorn is a member of the Audit Committee and the Chairperson of the Nominating Committee of the Company's Board of Directors. Mr. Hartshorn was a member of the Board of Directors of PacifiCare Health Systems, Inc. from March 1985 until PacifiCare was purchased by UnitedHealth Group in December 2005. He was Chairman of the Board of PacifiCare from 1993 to 1998. He was President and Chief Executive Officer of UniHealth from 1994 to 1997. Mr. Hartshorn also served as President and Chief Executive Officer of

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PacifiCare from 1976 to 1993 and Secretary of PacifiCare from 1977 to 1981. Since 1997, Mr. Hartshorn has been an investor, advisor and personal coach for start-up and early stage companies in a variety of industries. Mr. Hartshorn currently serves as Chairman of the Board of LifeScript and sits on the board of directors of Alignment Healthcare. He also served as a member of the board of St. Joseph's Ballet from 2000 through 2008, and as a board member of Mariner's Church from 2000 to 2006. Mr. Hartshorn's decades of experience in the roles of chairman of the board, president and chief executive officer of publicly-traded companies, and his advisory role in a variety of industries, provide valued leadership on the Board and insight into its role in strategy development and corporate governance.

Paul R. St. Pierre, age 68, served as Corinthian's Executive Vice President, Marketing & Admissions until his retirement in June 2003. Mr. St. Pierre has been a member of the Board of Directors since the Company's inception in July 1995, and was elected Vice Chairman of the Board of Directors in January 2003. Mr. St. Pierre is a member of the Compliance and the Nominating Committees of the Board of Directors. Prior to the Company's founding in 1995, he was employed by a subsidiary of National Education Corporation ("NEC") from 1991 to 1995. His first assignment at NEC was as School President for its San Bernardino, California campus. Subsequently, he held corporate assignments as Director of Special Projects, Vice President of Operations for the Learning Institutes Group (the largest colleges owned by NEC) and as Vice President, Marketing & Admissions for NEC. With decades of operational and marketing experience in private sector education and more than fifteen years as a director of the Company, Mr. St. Pierre brings to the Board in-depth knowledge of the Company and the industry that is important to the Board's oversight of the Company's business, and assists in helping develop, implement and assess the Company's operating plan and long-term strategy.

Linda Arey Skladany, Esq., age 68, became a member of the Board of Directors effective upon the completion of Corinthian's initial public offering in February 1999. She is a member of the Nominating Committee and was the Chairperson of the Nominating Committee until August 14, 2013. Ms. Skladany retired in April 2003 from her position as Senior Associate Commissioner for External Relations at the United States Food and Drug Administration, a position she had held since June 2002. Prior to that time, she was Vice President for Congressional Relations at Parry, Romani, DeConcini & Symms, a Washington D.C. lobbying firm, from 1995 to June 2002. She was appointed to senior policy positions within the Departments of Education, Justice and Transportation from 1981 to 1985, and served as Commissioner and Acting Chair of the Occupational Safety and Health Review Commission from 1988 to 1989. Ms. Skladany served as Special Assistant to the President and Deputy Director for Public Liaison in the White House from 1985 to 1987. Earlier, she had worked as a teacher in public education and a university administrator. Ms. Skladany has previously served a four-year term on the Board of the College of William and Mary, her alma mater, where she chaired the Student Affairs Committee. Ms. Skladany has extensive regulatory and legislative experience gained through more than twenty years of work in federal agencies and in Congressional relations, all of which allows her to provide the Company with valuable insight into government affairs, regulatory compliance and Congressional relations. In addition, her thirteen years of service on the Board provide her with an in-depth understanding of the Company's business.

Robert Lee, age 65, became a member of the Board of Directors in October 2006. Mr. Lee is a member of the Audit Committee and is the Chairperson of the Compliance Committee of the Board. Mr. Lee retired from Pacific Bell ("PacBell") in 1998 after a 26-year distinguished career. At the time of his retirement, Mr. Lee was a Corporate Executive Vice President and President of the Business Communications Services Division. In that role, he was responsible for an operation that generated \$3 billion in annual revenue, served one million customers and had 15,000 employees. During his career at PacBell, Mr. Lee served in a variety of senior marketing and general management positions, including Executive Vice President, California markets group and Executive Vice President, Marketing

and Sales. Mr. Lee has been a director of Broadvision, Inc. since 2004 and serves as its compensation committee chair and a member of its nominating and audit committees. He serves as Chairman of the Board of Blue Shield of California, a board upon which he has sat since 2004, and is a member of its nominating and audit committees. From 1999 to 2007, Mr. Lee served on the board of directors of Web.com and as the chair of its compensation committee, and from 2001 to 2007 he served on the board of Netopia, Inc. and as a member of its audit committee. Mr. Lee is a seasoned executive with more than 25 years leading large organizations, including through service on the boards of several other public and private companies. His experience as a senior executive and director bring important knowledge to the Board's oversight of the Company's business and operations, strategy and corporate governance practices.

Jack D. Massimino, age 64, is the Company's Chairman of the Board and its Chief Executive Officer, a position he held from November 2004 through June 2009, and again beginning November 29, 2010. He was appointed Chairman of the Board in August 2008. Mr. Massimino initially joined the Board of Directors immediately upon the completion of Corinthian's initial public offering in February 1999. He was President and Chief Executive Officer of Talbert Medical Management Corporation, a publicly-traded physician practice management company, from 1995 through late 1997. Prior to his employment with Talbert, Mr. Massimino was Executive Vice President and Chief Operations Officer of FHP International Corporation, a multi-state, publicly-traded HMO, with revenues of approximately \$4 billion at the time of his service. Mr. Massimino currently sits on the board of directors of Jobs for America's Graduates. With experience as the chief executive officer of two publicly-traded corporations, including the Company for an aggregate of more than six years, Mr. Massimino brings to the Board in-depth knowledge of the Company's operations and strategy that is important to the Board's role of overseeing long-term strategy development, implementation and assessment, enterprise risk management and corporate governance practices. He also possesses a strong ability to motivate and manage others, develop leaders and drive change and growth.

Hank Adler, age 67, has served on the Board of Directors since August 2004. He is the Chairperson of the Board's Audit Committee and a member of the Compliance Committee. Mr. Adler is currently an assistant professor of accounting at Chapman University. He was previously a partner with Deloitte & Touche, LLP, from which he retired in 2003 after 30 years with that firm. He specialized in tax accounting and served as client service and tax partner for a variety of public and private companies. Mr. Adler is a certified public accountant, licensed in the State of California, and is a member of the Audit Committee Roundtable. Mr. Adler has been a director of KBS REIT since 2005 and serves as its audit committee chair and a member of its conflicts committees. He also serves as a director of KBS REIT II and KBS REIT III and serves as the audit committee chair and a member of the conflicts committee of each. Mr. Adler was previously a board member of Hoag Hospital Memorial Presbyterian. Mr. Adler has over a quarter-century of experience in public accounting, giving him an expertise in finance and financial reporting processes that enables him to understand the impact of business decisions on the Company's financial statements and results. His experience serving on the Company's Board and on other boards has provided him with a deep understanding of the Company's business and operations that is important to the Board's oversight of the Company's corporate governance, risk management and strategy development and implementation.

John M. Dionisio, age 65, was appointed to the Board in April 2008. Mr. Dionisio is a member of the Audit Committee and the Compensation Committee of the Company's Board of Directors. He is currently chairman and chief executive officer of AECOM Technology Corp., a NYSE-listed company, and has served on its board of directors since 2003. During his 40-year career with AECOM and its predecessor companies, Mr. Dionisio has held a number of senior management positions, including executive vice president and chief operating officer, as well as president and chief executive officer of its DMJM Harris business. Mr. Dionisio earned a master's of science degree in civil engineering from Polytechnic Institute of New York and a bachelor's of science degree in civil engineering from The City

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College of New York. Mr. Dionisio's experience as the chief executive officer and director of another public company provides him with important insight into the Board's role in strategy development, risk management, compensation matters and corporate governance.

Alice T. Kane, age 65, was appointed to the Board of Directors in July 2005. She is a member of the Compliance Committee and is the Chairperson of the Compensation Committee of the Board of Directors. Ms. Kane has more than 30 years of experience in the financial services industry. Ms. Kane joined the law firm Duane Morris LLP as a partner in 2012, after being a member of Dewey & LeBoeuf LLP for six months. She was previously the General Counsel of North America for the Zurich Financial Services Group, a position she held from 2005 to 2011. Prior to joining Zurich, she co-founded Q-Cubed Alternative Advisor LLC, a quantitative equity hedge fund, where she was Chair and Managing Director from September 2004 to October 2005. From September 2002 to March 2004, Ms. Kane was Chair of Blaylock Asset Management, a start-up minority- and women-owned institutional manager. Starting in 1998, Ms. Kane served as Chair and President of three mutual fund and variable annuity businesses with combined assets of over \$30 billion with American General Financial Group. She began her career at New York Life Insurance Company in 1972, where she ultimately served as Executive Vice President of its \$40 billion asset management business and as a member of the executive management committee. She also served as Executive Vice President and General Counsel of New York Life from 1986 to 1995. Ms. Kane joined the Board of PENSICO Trust Company, where she sits on both the Trust and the Audit Committees, in June 2012. Ms. Kane also serves on two not-for-profit boards: the Tourette Syndrome Association (on which she has served on the Finance Committee and the Government Relations Committee) and the Keck Graduate School of Applied Life Sciences (on which she has served on the Investment Committee, the Advancement Committee, the Budget and Finance Committee and the Audit / Risk Management Committee). Ms. Kane was formerly a member of the National Association of Securities Dealers (NASD) Board of Governors. Ms. Kane was also previously a director of Guess?, Inc. from 1998 to 2010, where she was a member of the Audit Committee and chair of the Nominating and Governance Committee. Ms. Kane's executive management experience and legal career over the course of more than 40 years brings to the Board an invaluable perspective on various corporate and financial matters impacting the Company.

Timothy J. Sullivan, age 69, was appointed to the Board of Directors in January 2008. Mr. Sullivan is a member of the Nominating Committee and the Compensation Committee of the Company's Board of Directors. Mr. Sullivan is president emeritus of the College of William and Mary. His career at the College of William and Mary spans more than 35 years and includes serving for 12 years as its president and, earlier, as dean and as executive director of its law school. Mr. Sullivan earned a bachelor's degree from the College of William and Mary and a juris doctorate degree from Harvard University. He served as chair of the Council of Presidents of the Association of Governing Boards from 2002 to 2005. Mr. Sullivan became a member of the board of Mariner's Museum in 2009 and serves on the finance and the programs committees. Mr. Sullivan was also a member of the board of directors of Towne Bank from 2000 to 2009. Mr. Sullivan's distinguished career at the College of William and Mary gives him a comprehensive understanding of post-secondary education and makes him a valuable resource to the Board. His experience serving on a publicly-traded company's board has provided him with a deep understanding of the Board's oversight of the Company's corporate governance and risk management.

Sharon P. Robinson, Ed.D., age 69, was appointed to the Board of Directors in January 2011 and is a member of the Compensation Committee of the Company's Board of Directors. Dr. Robinson currently serves as President and Chief Executive Officer of the American Association of Colleges for Teacher Education, a position she has held since 2005. Previously, she held a number of senior management positions at Educational Testing Service beginning in 1997, most recently as Executive Vice President and President of its Educational Policy Leadership Institute. From 1993 to 1997, Dr. Robinson was Assistant Secretary of Education with the U.S. Department of Education's Office of

Education Research and Improvement, and before that, she was Director of the National Center for Innovation for the National Education Association. Dr. Robinson earned a doctorate degree in educational administration and supervision, a master of arts degree in education curriculum and instruction and a bachelor's degree in English and education from the University of Kentucky. She has served, or currently serves, on the Board of Trustees of the Woodrow Wilson National Fellowship Program, Southern Education Foundation, National Education Association Foundation for the Improvement of Education, and the Management and Training Corp., for which she serves as compensation committee chair, and she serves as a director for Jobs for America's Graduates. Dr. Robinson brings to the Board invaluable experience in understanding regulatory oversight and how it affects academics and operations. She assists the Board in identifying trends that may impact the Company's operations, services or business model, in developing regulatory compliance models, and in delivering high-quality academic services.

Marc H. Morial, age 55, was appointed to the Board on April 27, 2013. Mr. Morial is currently President and Chief Executive Officer of the National Urban League, a position he has held since 2003. Prior to that, Mr. Morial served as the Mayor of New Orleans, Louisiana from 1994 to 2002, and also served as a Louisiana State Senator from 1992-1994. Before holding public office, he practiced law in the private sector for more than ten years. Mr. Morial currently serves on the corporate advisory board of Protiviti, a division of the Robert Half Company, a position he has held since 2009, and on the board of managers of Urban America Fund II, a position he has held since 2007. He also continues to sit on the Equity and Excellence in Education Commission and the Financial Capability Commission, as an appointee of President Obama in 2011 and 2012, respectively. Mr. Morial earned a bachelor's degree from the University of Pennsylvania and a juris doctor from Georgetown University Law Center. Mr. Morial's experience as the head of a national organization devoted to the advancement of education, job training and growth for inner city youth and adults provides him with important insight into the Company's students and the value of its academic offerings. His prior experience as an elected official allows him to provide a unique perspective into the needs of the communities that the Company serves and the legislative and regulatory challenges facing the Company.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" ALL OF THE NOMINEES FOR ELECTION AS DIRECTORS.

Director Compensation

Under its charter, the Nominating Committee is responsible for (among other things) reviewing the compensation and benefits of members of the Board of Directors of the Company who are not employed by the Company (referred to herein as "non-employee directors") and recommending to the Board for its approval an overall compensation package for such directors. During fiscal 2010, the Company's Compensation Committee and the Nominating Committee jointly retained Exequity LLP ("Exequity") to serve as those committees' independent compensation consultant. In this capacity, Exequity periodically reviews, at the request of the Nominating Committee, the compensation for non-employee directors at the Company's peers and general industry trends, and provides observations and input to the Nominating Committee with respect to the program value and structure. The Nominating Committee reviews such data and observations and makes recommendations to the Board regarding proposed revisions to non-employee director compensation. In 2010, following the unanimous recommendation of the Nominating Committee, the Board approved the following compensation arrangements for the Company's non-employee directors.

Each non-employee director is paid an annual retainer of \$60,000 for his or her services as a director.

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Each member of the Compensation Committee (other than the Chairperson) receives an additional annual retainer of \$10,000; the Chairperson of the Compensation Committee receives an additional annual retainer of \$25,000.

Each member of the Audit Committee (other than the Chairperson) receives an additional annual retainer of \$10,000; the Chairperson of the Audit Committee receives an additional annual retainer of \$25,000.

Each member of the Nominating Committee (other than the Chairperson) receives an additional annual retainer of \$10,000; the Chairperson of the Nominating Committee receives an additional annual retainer of \$15,000.

Each member of the Compliance Committee (other than the Chairperson) receives an additional annual retainer of \$10,000; the Chairperson of the Compliance Committee receives an additional annual retainer of \$20,000.

Non-employee directors also receive \$1,500 for each Board meeting attended in excess of six Board meetings in a fiscal year, and each Committee member receives \$1,500 for each Committee meeting attended in excess of six meetings in a year. All non-employee directors are reimbursed for their reasonable out-of-pocket expenses incurred in attending Board of Directors meetings and committee meetings.

Each non-employee director receives an annual grant of deferred stock units ("DSUs") with a target value of \$90,000, calculated based upon the average closing market prices of the Common Stock during the month prior to the month in which the grant is made, but not to exceed 15,000 DSUs. The lead independent director also receives an additional annual grant of DSUs with a target value of \$30,000, calculated in the same manner, but not to exceed 5,000 shares. DSUs vest in four equal quarterly installments during the year following the grant date, but may not be sold, and remain tax-deferred, until the earlier to occur of (i) three years after the date of grant, (ii) the director's separation from service on the Board, (iii) the director's death or disability, or (iv) a change-in-control of Corinthian. Directors also may voluntarily elect to receive their annual retainer in an equivalent amount of additional DSUs in lieu of cash. It is contemplated that these annual DSU grants will occur at the time of the Annual Stockholders' Meeting.

In 2012, the Nominating Committee retained Exequity to help it review and make recommendations to the Board regarding any changes in non-employee directors' compensation that should be considered. Exequity reviewed peer company data (using the same peers as those utilized by the Compensation Committee in determining executive compensation during such year) and made observations regarding board compensation for the Nominating Committee's consideration. Among other matters, Exequity and the Nominating Committee noted that for the prior two years the non-employee directors' effective compensation in the form of DSUs had been substantially below the target compensation of \$90,000 (and the additional target of \$30,000 for the lead independent director) because of the 15,000 share limit for directors and the additional 5,000 share limit for the lead independent director. In fiscal years 2011 and 2012, the grant date fair value of DSUs for directors was \$64,500 and \$40,350, respectively (well below the target value of \$90,000), and the lead independent director received additional DSUs with a grant date value of an additional \$21,500 and \$13,450, respectively (well below the target value of \$30,000).

Following such review, the Nominating Committee unanimously recommended to the Board that it retain most of the compensation elements for non-employee directors, but that the share limit on annual grants to non-employee directors and the lead independent director be removed. The Board unanimously adopted the Nominating Committee's recommendations. Accordingly, annual DSU grants to non-employee directors have not been subject to the share limits starting in November 2012 (for the fiscal 2013 year). All other compensation elements for non-employee directors set in August 2010 remain unchanged.

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Directors are subject to a share ownership guideline under which they should hold, for as long as they continue to serve on the Board, Company Common Stock with a value equal to three times the annual cash retainer for the Company's non-employee directors, with no time limit to meet the ownership guideline, but with a requirement to hold 100% of net after-tax profit in shares acquired on option exercise or following DSU distribution until the guideline is met. In April 2013, the Board clarified these guidelines to allow non-employee directors to sell up to 50% of shares received upon the delivery of DSUs to satisfy any income tax liability associated with such delivery. The Board expects to periodically re-evaluate this ownership guideline in connection with changes in Board compensation.

Director Compensation Table Fiscal 2013

The following table presents information regarding the compensation paid with respect to services provided during fiscal 2013 to individuals who were members of the Company's Board of Directors at any time during fiscal 2013 and who were not also employees of the Company during such period. The compensation paid to Jack D. Massimino, who was a director and employed by the Company during all of fiscal 2013, is presented below in the Summary Compensation Table and the related explanatory tables. Mr. Massimino is not entitled to additional compensation for his services as a director.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(2)(3)(4)	Total (\$)
(a)	(b)	(c)	(h)
Linda Arey Skladany	78,000	72,459	150,459
Paul R. St. Pierre	83,000	72,459	155,459
Hank Adler	98,000	72,459	170,459
Terry O. Hartshorn	81,500	96,612	178,112
Alice Kane	99,500	72,459	171,959
Robert Lee	93,000	72,459	165,459
Timothy Sullivan	84,500	72,459	156,959
John Dionisio	81,500	72,459	153,959
Sharon P. Robinson	73,000	72,459	145,459
Marc H. Morial	15,000	46,433	61,433
Leon Panetta(1)	0	0	0

- (1) Mr. Panetta was appointed to the Board on April 27, 2013. Due to time constraints on his schedule, he resigned from the Board pursuant to a letter delivered to the Company dated July 16, 2013. Mr. Panetta voluntarily returned to the Company all Board fees he had been paid and forfeited all DSUs he had been granted.
- (2) In accordance with the SEC's disclosure rules, the amounts reported in Column (c) of the table above reflect the fair value on the grant date of the stock awards granted to the Company's non-employee directors during fiscal year 2013. These values have been determined under the principles used to calculate the grant date fair value of equity awards for purposes of the Company's financial statements. For a discussion of the assumptions and methodologies used to calculate the amounts reported in Column (c), please see the discussions contained in Note 9 (Common Stockholders' Equity) to the Company's Consolidated Financial Statements included as part of the Company's 2013 Annual Report.
- (3) During fiscal year 2013 each of our continuing non-employee directors, other than Messrs. Morial and Panetta, received an annual award of 35,694 DSUs. In addition, the lead independent director of the Board, Mr. Hartshorn, received an additional 11,898

DSUs (for a total annual award of 47,592 DSUs). The Company's stock price on the date of such grants, November 14, 2012, was \$2.03 per share. The grant date value for DSUs actually delivered to such directors was below the \$90,000 (and additional \$30,000 for the lead independent director) target value approved by the Board. Messrs. Morial and Panetta received prorated grants of 20,822 DSUs each (Mr. Panetta forfeited his grant to the Company upon his resignation from the Board in July 2013). The Company's stock price on the date of the grants to Messrs. Morial and Panetta, June 25, 2013, was \$2.23. In accordance with the Board-approved director compensation arrangement described above, directors were not granted options to purchase the Company's Common Stock during fiscal year 2013.

(4)

As of June 30, 2013, the end of the Company's fiscal year 2013, the Company's non-employee directors held the following aggregate numbers of outstanding unexercised equity awards: (i) Linda Arey Skladany, 89,000 options and 68,694 DSUs; (ii) Paul R. St. Pierre, 89,000 options and 68,694 DSUs; (iii) Hank Adler, 69,000 options and 68,694 DSUs; (iv) Terry O. Hartshorn, 106,000 options and 90,592 DSUs; (v) Alice Kane, 59,000 options and 68,694 DSUs; (vi) Robert Lee, 43,000 options and 68,694 DSUs; (vii) Timothy Sullivan, 32,125 options and 68,694 DSUs; (viii) John Dionisio, 29,500 options and 68,694 DSUs; (ix) Sharon P. Robinson, 65,694 DSUs; (x) Marc Morial, 20,822 DSUs; and (xi) Leon Panetta, 20,822 DSUs (these DSUs were forfeited by Mr. Panetta upon his resignation from the Board in July 2013).

Attendance at Meetings

The Board of Directors met in person or conducted telephonic meetings a total of seven times during fiscal year 2013. During that same period, the Board acted three times by unanimous written consent. Each director who was a member of the Board at the time of the applicable meetings attended more than 75% of all Board meetings and applicable committee meetings held during the fiscal year, other than Messrs. Morial and Panetta (neither of whom sat on any Board committees during fiscal 2013), who each were unable to attend the one Board meeting held during their membership on the Board during fiscal year 2013 due to scheduling conflicts that existed prior to their appointment to the Board. In addition, regular executive sessions of non-employee directors are held at least twice during each fiscal year.

Board members are encouraged to attend the Annual Meeting of Stockholders. Five Board members attended the 2012 Annual Meeting, and five Board members were unable to attend.

Board Leadership Structure

The Board believes there is no single, generally accepted approach to providing Board leadership, and that leadership structure may vary as circumstances warrant. In the past, the Board has, at times, separated the positions of Chief Executive Officer and Chairman of the Board to facilitate management succession and leadership development. When the Board re-appointed Jack Massimino to the position of Chief Executive Officer in November 2010 (after he had previously served in that position from 2004-2009), it determined that he should maintain his position as Chairman of the Board as well. The Board of Directors believes this is the appropriate leadership structure for the Company at this time because it capitalizes on Mr. Massimino's experience as both a director of the Company for over thirteen years and as the Company's Chief Executive Officer for more than an aggregate of eight years. This dual role also promotes focused leadership and clarity in the overall direction of the Company's business strategy, and direct accountability between the Board and executive management. The Board of Directors acknowledges that the best leadership model for the Company may change based on the Company's needs at any given point in time, particularly with regard to management development and

succession. Accordingly, the Board of Directors may, depending on the circumstances, determine that a different leadership structure would be in the best interests of the Company in the future.

Additionally, the Board of Directors has chosen Mr. Hartshorn to serve as the lead independent director to promote the independence of the Board and appropriate oversight of management. The lead independent director acts as a liaison between the independent directors and management and is responsible for assisting the Chairman and Chief Executive Officer in establishing the agenda for Board meetings and for performing such other duties as may be specified by the Board from time to time.

Risk Oversight

The Board has an active role, as a whole and through its committees, in overseeing management of the Company's risks. Management is responsible for identifying the material risks facing the Company and implementing appropriate risk management strategies. The Board's role includes oversight of management's day-to-day risk management activities and consideration of long-range strategic issues and risks to the Company. At regular Board meetings, the Chief Executive Officer and Chairman of the Board, in consultation with other members of management, proposes agenda items for the Board's approval of key issues of strategy, risk and integrity to be scheduled and discussed during the course of the fiscal year. In addition, the Board and its committees are periodically updated throughout the year on potential areas of risk exposure and processes to mitigate risks in the course of its review of the Company's strategy and business plan and through reports to the Board and its committees by senior members of management.

The Board's committees, all comprised solely of independent directors, assist the Board in fulfilling its oversight responsibilities in certain areas of risk. The Audit Committee oversees the Company's risk assessment and risk management policies, particularly the management of financial risks. The Compensation Committee oversees the management of risks relating to the structure of the Company's compensation plans, policies and overall philosophy. See "Risk Assessment and Mitigation." The Compliance Committee assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's education-related regulatory compliance obligations. In addition, the Nominating Committee monitors risks associated with the effectiveness of the Board and the implementation of the Company's corporate governance principles. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, each committee regularly reports to the entire Board regarding such risks, which allows the Board and its committees to coordinate the risk oversight role, particularly with respect to risk interrelationships.

The Board of Directors believes that the processes it has established to administer the Board's risk oversight function would be effective under a variety of leadership frameworks and therefore do not have a material effect on the Company's leadership structure described above under "Board Leadership Structure."

Director Independence

The Board of Directors has determined that Mr. Adler, Ms. Skladany, Ms. Kane, Mr. Hartshorn, Mr. St. Pierre, Mr. Sullivan, Mr. Dionisio, Mr. Lee, Dr. Robinson and Mr. Morial are "independent" under applicable Nasdaq listing standards, including that each such director is free of any relationship that would interfere with his or her individual exercise of independent judgment in carrying out the responsibilities of a director. Due to his position as Chief Executive Officer of the Company, Mr. Massimino does not qualify as an independent director.

Committees of the Board of Directors

The Board of Directors has established an Audit Committee, a Compensation Committee, a Nominating Committee and a Compliance Committee.

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Audit Committee. The Audit Committee is currently comprised of Mr. Adler (chairperson), Mr. Hartshorn, Mr. Lee and Mr. Dionisio. Each of these directors is an "independent director" as defined in the Nasdaq listing standards and in Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended. The Board of Directors has determined that Mr. Adler is an "audit committee financial expert," as such term is defined in Regulation S-K, Item 407(d)(5) promulgated under the Securities Exchange Act of 1934, as amended. The Audit Committee operates under a written charter adopted by the Board of Directors. A copy of the Audit Committee's Charter can be viewed under the heading "Investors" on the Company's website at www.cci.edu. The Audit Committee is responsible for, among other things, reviewing the results and scope of the audit and other services provided by the Company's independent auditors, consulting with the Company's independent auditors and retaining the Company's independent auditors. The Audit Committee met four times during the fiscal year ended June 30, 2013.

Compensation Committee. The Compensation Committee is currently comprised of Ms. Kane (chairperson), Mr. Dionisio, Dr. Robinson and Mr. Sullivan. Each of these directors is an "independent director" as defined in applicable Nasdaq rules. The Compensation Committee operates under a written charter adopted by our Board of Directors, a copy of which is available on the Company's website at www.cci.edu under the heading "Investors." The Compensation Committee has the authority to supervise all of the matters related to the compensation of executive officers of the Company, including determining policies and practices, changes in compensation and benefits for management, and all other matters relating to executive compensation. The Compensation Committee also administers the Company's 1998 Performance Award Plan, as amended, the Company's 2003 Performance Award Plan, as amended, the Company's 2004 New-Hire Award Plan, and the Company's Employee Stock Purchase Plan.

The Compensation Committee may form subcommittees and delegate to its subcommittees such power and authority as it deems appropriate. The Compensation Committee currently has no such subcommittees and has no current intention to delegate any of its authority to any subcommittee. The Company's executive officers, including the Named Executive Officers (as identified below), do not have any role in setting the form or amount of compensation paid to the Named Executive Officers and other senior executive officers. However, the Company's Chief Executive Officer does make recommendations to the Compensation Committee with respect to compensation paid to the other executive officers, in some instances after receiving input from other executive officers.

Pursuant to its charter, the Compensation Committee is authorized to retain such independent compensation consultants and other outside experts or advisors as it believes to be necessary or appropriate to carry out its duties. During fiscal 2013, the Compensation Committee retained the services of Exequity as its independent compensation consultant to provide advice in determining certain compensation matters for the Company's senior executive officers. Since fiscal 2008, the Company has also retained Mercer LLC to provide consulting services regarding the Company's overall compensation, benefits and human resources strategy. Mercer has not been retained directly by the Compensation Committee, and all data, observations and advice provided by Mercer to the Compensation Committee with respect to executive compensation have been reviewed and commented on by the Compensation Committee's independence consultant, Exequity. Additional information about the services provided by Exequity and Mercer is included in the "Compensation Discussion and Analysis" section under the heading "Role of the Compensation Committee and Compensation Consultants."

The Compensation Committee met eight times during the fiscal year ended June 30, 2013.

Nominating Committee. The Nominating Committee of the Board is currently comprised of Mr. Hartshorn (chairperson), Mr. St. Pierre, Ms. Skladany and Mr. Sullivan. Each of these directors is an "independent director" as defined in applicable Nasdaq rules. The Nominating Committee operates

under a written charter adopted by our Board of Directors, a copy of which is available on the Company's website at www.cci.edu under the heading "Investors." The Nominating Committee's functions include identifying qualified individuals to become Board members, recommending the composition of the Board of Directors' committees, monitoring a process to assess Board effectiveness, and reviewing and making recommendations regarding director compensation. The Nominating Committee met five times during the fiscal year ended June 30, 2013.

Compliance Committee. The Compliance Committee is currently comprised of Mr. Lee (chairperson), Mr. Adler, Ms. Kane and Mr. St. Pierre. Each of these directors is an "independent director" as defined in the applicable Nasdaq rules. The Compliance Committee operates under a written charter adopted by our Board of Directors. A copy of the Compliance Committee Charter can be viewed under the heading "Investors" on the Company's website at www.cci.edu. The Compliance Committee is responsible for, among other things, reviewing the Company's processes to ensure that an appropriate framework of policies, procedures, reporting, ethical standards and employee accountability is established and functioning to achieve compliance with education-related regulatory matters. This includes reviewing with management the appropriate allocation of resources to achieve the desired results and reviewing the Company's efforts to nurture a culture of compliance and embed compliance awareness and accountability throughout the Company. The Compliance Committee met four times during the fiscal year ended June 30, 2013.

Director Nomination Process

The Nominating Committee does not apply any specific, minimum qualifications in considering potential board members. Instead, in its assessment of potential board member candidates, the Nominating Committee reviews the nominees' experience and independence, the current needs of the Board, and such other factors as the Nominating Committee may determine are pertinent at the time. The Nominating Committee does not have a formal policy regarding the consideration of diversity in identifying director nominees, but from time to time looks for individuals with specific qualifications so that the Board as a whole may maintain an appropriate diversity of backgrounds. The Nominating Committee will also take into account the ability of a person to devote the time and effort necessary to fulfill his or her responsibilities. Nominees may be suggested to the Nominating Committee by other directors, members of management and Company stockholders. The Nominating Committee also has in the past engaged third-party consultants to help identify and evaluate potential director nominees, although no such consultants were engaged by the Nominating Committee during fiscal 2013. In considering nominees to the Board, the Nominating Committee will select individuals who have the highest personal and professional integrity and who have demonstrated exceptional ability and judgment to be most effective, in conjunction with the other members of the Board, in collectively serving the long-term interests of the stockholders.

The Nominating Committee will consider stockholder recommendations for candidates to serve on the Board. The Nominating Committee's evaluation does not vary based on whether or not a candidate is recommended by a stockholder. In order to provide the Nominating Committee time to evaluate candidates prior to submission to the stockholders for vote at the 2014 Annual Meeting, stockholders desiring to recommend a candidate must submit a recommendation to the Secretary of the Company at the Company's corporate office no later than the close of business on July 16, 2014. The recommendation must contain the following: the name, residence and business address of the nominating stockholder; a representation that the stockholder is a record holder of Company stock or holds Company stock through a broker and the number of shares held; a representation as to whether or not the stockholder holds any derivative positions or has engaged in any hedging or other transactions that impacts voting power or economic interest with respect to the Company's securities; information regarding each nominee which would be required to be included in a proxy statement, including a statement of the qualifications of the recommended person; a description of any

arrangements or understandings between and among the stockholder and each nominee; and the written consent of each nominee to serve as a director, if elected.

Stockholder Communications

Any stockholder wishing to communicate with the Board, or any individual director, may write to the Board of Directors or such individual director, as applicable, c/o the Corporate Secretary of the Company, at 6 Hutton Centre Drive, Suite 400, Santa Ana, California 92707. The Corporate Secretary will forward these communications directly to the individual director specified, or if none, to the Chairman of the Board.

Code of Ethics

The Board of Directors has adopted a Code of Business Conduct and Ethics that is applicable to all Corinthian directors and employees, including the Company's principal executive officer, principal financial officer, principal accounting officer or controller and all other persons performing similar functions, which meets the requirements of Item 406 of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended. A copy of the Code of Business Conduct and Ethics can be viewed under the heading "Investors" on the Company's website at www.cci.edu. Waivers from, and amendments to, the Code of Business Conduct and Ethics that apply to directors, executive officers, other principal financial officers or persons performing similar functions will be timely posted in the "Investors" section of the Company's website at www.cci.edu, or a Report on Form 8-K will be filed with the SEC with respect to such items.

Review and Approval of Transactions with Related Persons

The Audit Committee's Charter requires that the Audit Committee conduct an appropriate review of all proposed related person transactions (which term refers to transactions that would be required to be disclosed pursuant to Regulation S-K, Item 404(a) promulgated under the Securities Exchange Act of 1934, as amended) and that management shall not cause the Company to enter into any new related person transaction unless the Audit Committee approves such transactions. In addition, the Company's Code of Business Conduct and Ethics requires that all employees discuss any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest with the Company's General Counsel, except in the case of the Company's Chief Executive Officer, in which case such matter should be discussed with the chair of the Audit Committee. Additionally, executive officers and directors of the Company must not engage in any transaction with the Company unless it has been previously approved by the Audit Committee of the Board of Directors. For purposes of this requirement, the term "transaction" does not include compensation which is approved by the Compensation Committee of the Board for services to the Company.

Transactions with Related Persons

Ms. Skladany's husband is a partner at the law firm of Akin Gump Strauss Hauer & Feld LLP ("Akin Gump"), and in February 2011 the Company retained Mr. Skladany and other attorneys and advisors in that firm to provide it with legal advice and other ongoing services related to legislative and regulatory matters. Akin Gump is an international law firm with approximately 806 lawyers, 174 equity partners, and approximately \$775 million in annual gross revenue in 2012, according to *The American Lawyer*. The Company expects that total payments to Akin Gump during fiscal year 2014 will not exceed approximately \$200,000. The engagement by the Company of Akin Gump has been approved by the Audit Committee. The Company and its subsidiaries had no other transactions, nor are there any currently proposed transactions, in which the Company or its subsidiaries was or is to be a participant, where the amount involved exceeded \$120,000, and where any director, executive officer or beneficial holder of more than 5% of the outstanding shares of Common Stock, or any of their immediate family members, had a material direct or indirect interest reportable under applicable SEC rules.

Corporate Governance Principles

The Board of Directors, on the recommendation of the Nominating Committee, has adopted Corporate Governance Principles to assist the Board in the discharge of its duties and to serve the interest of the Company and its stockholders. The Corporate Governance Principles can be viewed under the heading "Investors" on the Company's website at *www.cci.edu*.

Compensation Committee Interlocks and Insider Participation

Since August 2011, the Compensation Committee has been comprised of Ms. Kane (chairperson), Mr. Sullivan, Mr. Dionisio and Dr. Robinson. No one during the period of his or her service on the Compensation Committee is a past or present officer or employee of the Company or had any relationship with the Company requiring disclosure under the SEC rules with respect to transactions with related persons. In addition, no executive officer of the Company serves or has served as a member of the Compensation Committee (or other committee serving an equivalent function) or board of directors of any entity, an executive officer of which served as a director or member of the Compensation Committee of the Company during fiscal 2013.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16 of the Securities Exchange Act of 1934, as amended, requires the Company's officers (as defined under Section 16), directors and persons who beneficially own greater than 10% of a registered class of the Company's equity securities to file reports of ownership and changes in ownership with the SEC. Based solely on a review of the forms it has received and those it has prepared on behalf of officers of the Company, the Company believes that all Section 16 filing requirements applicable to its officers, directors and 10% beneficial owners during or with respect to fiscal 2013 were complied with by such persons.

COMPENSATION DISCUSSION AND ANALYSIS

Corinthian is one of the leading post-secondary education companies in North America. Corinthian focuses on delivering value to students while steadily improving the Company's operational and financial results. In doing so, the Company believes it is serving students, employees, and stockholders alike. In fiscal 2013, Corinthian continued to make operational improvements despite challenges within the proprietary education industry generally. The Company also reduced operating expenses and continued to increase the efficiency of its operations through increased automation and standardization. Managing Corinthian's business during this time requires a team of talented and experienced executives, and, accordingly, Corinthian's executive compensation philosophy is designed to attract and retain top talent, align pay and performance, and encourage value creation for investors and students.

The following contains a discussion of the material elements of compensation for the Company's current principal executive officer, principal financial officer, and the three other most-highly compensated individuals who served as executive officers of the Company during its 2013 fiscal year.

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These five individuals are referred to as the "Named Executive Officers" in this Proxy Statement. The Company's Named Executive Officers for fiscal 2013 were as follows:

Name	Title
Jack Massimino	Chairman of the Board and Chief Executive Officer
Robert Owen	Executive Vice President and Chief Financial Officer
Kenneth Ord	Executive Vice President and Chief Administrative Officer
Beth Wilson	Executive Vice President
Stan Mortensen	Executive Vice President and General Counsel

For fiscal 2013, the Company maintained the key elements of its executive compensation structure, but made changes to the annual bonus program and long-term incentive program to better reflect the Company's strategic goals and adapt to the changing industry environment.

For fiscal 2013, the primary compensation actions taken by the Compensation Committee for our executive officers are summarized below:

Base Salary: At the start of fiscal 2013 the Company made base salary adjustments for its executives officers. Base salaries for most executives increased by 3% consistent with overall market trends; however, the Chief Financial Officer, who is relatively new in his position, received a larger salary increase of 14% to reflect the Compensation Committee's assessment of his overall performance and growth in his role, competitive market levels and desired external and internal pay positioning, and the Chief Executive Officer did not receive an increase.

Cash Incentive Payouts: For fiscal 2013, the Named Executive Officers' cash incentive opportunities as a percentage of salary remained constant, with the exception of Mr. Ord, whose target award opportunity for 2013 was increased from 75% to 90% of his annual base salary in light of his increased responsibilities as Chief Administrative Officer. For fiscal 2013, the executive incentive plan was based on an operating income performance goal and the achievement of a regulatory compliance "gate." In addition, near the end of the fiscal year, the Compensation Committee exercised the discretion it reserved to revise, supplement or discontinue the annual incentive awards by providing that payment of the 2013 awards will be made over the four quarters following the end of fiscal 2013, with 25% of the award paid each quarter, rather than in a single lump sum following the end of the year. Additionally, employees (including all Named Executive Officers) must be employed as of the payment dates to receive the applicable payments. The Compensation Committee exercised this discretion in order to further enhance the retention power of Corinthian's incentive programs, to further spread the expenses of the bonus plan and to manage working capital. In fiscal 2013, the Company achieved 110% of its operating income target and met the regulatory compliance "gate." This resulted in achievement of 119% of the target incentive opportunities for executive officers, 25% of which will be paid in each quarter of fiscal 2014 contingent upon continued employment through the applicable payment date.

Long-Term Incentive Awards: Consistent with fiscal 2012, the Company maintained its existing equity grant guidelines for fiscal 2013 and delivered awards 50% in stock options and 50% in RSUs, based on grant date value. F