



May 9, 2018

National Advisory Committee on
Institutional Quality and Integrity (NACIQI)
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Subject: Oversight of For-Profit Institutions' Conversions to Non-Profit Entities

Please accept this public comment regarding oversight of for-profit institutions' conversions to non-profit entities.

NACIQI's leadership is vital to protect taxpayers and students, including the millions of veterans who earn military education benefits through service to our country.

Veterans Education Success (VES) is a nonprofit organization dedicated to protecting and defending the integrity of the GI Bill and other federal education programs for veterans and servicemembers.

VES was founded in 2013, soon after a two-year Senate investigation uncovered rampant fraud and deception by for-profit colleges. More specifically, that investigation revealed that for-profit colleges were lying to students about virtually every aspect of their services, including the true cost of tuition, the quality of their programs, their accreditation, the ability to transfer credits to nearby public colleges, their graduation rate, their graduates' eligibility for licensing or jobs, career assistance provided, their job placement rate, and future earnings of their graduates.¹

Based on student complaints we receive, as well as law enforcement activity, VES believes the problems unearthed by the 2012 Senate investigation persist today. Enclosed is a lengthy, although not exhaustive, report that VES recently compiled of known law enforcement actions and investigations concerning for-profit schools. Although scandals and closures at Corinthian Colleges and ITT Technical Institute have been well-documented in recent years, many schools that still operate have also been subject to a variety of law enforcement action.

¹ U.S. Senate Committee on Health, Education, Labor & Pensions Report, "For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success," July 30, 2012, *available at* http://www.help.senate.gov/imo/media/for_profit_report/Contents.pdf.

Military servicemembers and veterans are particularly at risk of being targeted by for-profit schools. This is largely due to an inadvertent loophole in the “90-10 rule,” which requires those schools to obtain at least 10 percent of their revenue from non-federal funds but does not treat GI Bill benefits as federal funds for that purpose. As a result, for every veteran who uses GI Bill benefits at a for-profit college, that college can enroll another nine students who use other federal financial aid. Holly Petreaus, former Assistant Director at the Consumer Financial Protection Bureau, noted that the “90-10 rule” causes for-profit schools to see servicemembers as nothing more than dollar signs in uniform.²

As such, it is sadly not surprising that nearly 4,000 veterans and servicemembers have contacted VES about various forms of deception they have encountered at their school. Nearly all those veterans attended a for-profit school. Enclosed with this statement is a small sample of those complaints. As a whole, they allege fraud concerning nearly every aspect of services that particular colleges claim to provide.

Many of the same students who have contacted VES have applied, or are eligible to apply, to the Department of Education for discharge of their federal loans due to being defrauded by their school. A recent report found that over 98 percent of the nearly 100,000 students who have already applied for such relief attended a for-profit school.³

Fraudulent behavior by for-profit schools is nothing new. Similar patterns of behavior occurred in the 1940s, 1950s, 1970s, and 1980s.⁴ According to former Deputy Undersecretary of Education Robert Shireman, “Every decade or two since World War II, lawmakers have loosened oversight of federal aid to career colleges run by for-profit companies only to be disappointed by rampant abuses. The scandals prompt regulators to clamp down, only to later be convinced by industry executives that the schools have cleaned up their act. As a result, oversight is relaxed and the cycle starts again.”⁵

In recent years, a number of for-profit schools have sought to convert to non-profit status. Given the history of fraud at many such schools, many veteran organizations, including VES, are skeptical about whether these efforts are simply a way for companies to free themselves from the regulatory restraints on for-profit colleges while continuing to reap the financial benefits of for-profit ownership.⁶ After all, in some non-profit conversions, owners are still able to maintain

² Hollister Petreaus, “For-Profit Colleges, Vulnerable G.I.’s,” *New York Times*, September 21, 2011, available at <https://www.nytimes.com/2011/09/22/opinion/for-profit-colleges-vulnerable-gis.html>.

³ Yan Cao and Tariq Habash, “College Complaints Unmasked,” *The Century Foundation*, November 8, 2017, available at <https://tcf.org/content/report/college-complaints-unmasked/>.

⁴ See Robert Shireman, “The For-Profit College Story: Scandal, Regulate, Forget, Repeat,” *The Century Foundation*, January 24, 2017, available at <https://tcf.org/content/report/profit-college-story-scandal-regulate-forget-repeat/>.

⁵ *Id.*

⁶ See Brian Galle, “Conversions of For-Profit to Nonprofit Colleges Deserve Regulators’ Scrutiny,” *Medium*, April 3, 2018, available at <https://medium.com/whatever-source-derived/conversions-of-for-profit-to-nonprofit-colleges-deserve-regulators-scrutiny-1b9174cf534d>; Robert Shireman, “The Covert For-Profit,” *The Century Foundation*, September 22, 2015, available at <https://tcf.org/content/report/covert-for-profit>, available at <https://tcf.org/content/report/covert-for-profit>.

control and disguise profits.⁷ Additionally, the Internal Revenue Service is underfunded, politically damaged, and ill-equipped to adequately determine whether such schools are truly non-profit.⁸

Further, it is also concerning that for-profit colleges that convert to non-profit status would, in most cases, place themselves beyond the jurisdictional reach of federal consumer protection laws governed by the Federal Trade Commission, as well as the transparency requirements in federal securities law. Thus, students would be left without federal protection from deceptive marketing, and unaware of a company's history of consumer fraud.

Therefore, NACIQI's leadership is vital to ensure non-profit integrity, and protect students and taxpayers. Among other things, NACIQI should inform accreditors that, in its reviews, it will assess whether accreditors are reviewing nonprofit colleges and conversion requests to ensure that college governance is not infected by contracts, credit, or real estate transactions that undermine the integrity of financial disinterested accountability. Additionally, NACIQI should recommend to the Education Secretary that a moratorium be placed on the consideration of conversions to nonprofit status until the Education Department's procedures are updated to reflect the unreliability of IRS determinations. Also, NACIQI should require any school that converts from for-profit to non-profit to publicly disclose, for a period of 5 years after the conversion, any federal or state law enforcement activity. It should also be cautious about approving any conversion by a for-profit entity facing law enforcement investigation or action, as that may be an attempt to circumvent public scrutiny and FTC jurisdiction. Finally, NACIQI should recommend that Federal Student Aid make public all requests for pre-acquisition review and establish a process for public input.

Veterans who have sacrificed for our country and who use their hard-earned education benefits should be able to trust that their college is acting in the best interest of its students, and not simply its owners.

Thank you.



Sean Marvin
Legal Director

⁷ See Robert Shireman, "The Covert For-Profit," *The Century Foundation*, September 22, 2015, available at <https://tcf.org/content/report/covert-for-profit> (describing, e.g., Remington College, which converted to non-profit in 2011 and where trustees were made up of school's landlord who sold campuses to Remington, Remington's CEO, and a principal and two employees of financial services firm that assisted with purchase of campuses).

⁸ See Brian Galle, "Conversions of For-Profit to Nonprofit Colleges Deserve Regulators' Scrutiny," *Medium*, April 3, 2018, available at <https://medium.com/whatever-source-derived/conversions-of-for-profit-to-nonprofit-colleges-deserve-regulators-scrutiny-1b9174cf534d>.

LAW ENFORCEMENT ACTIONS AGAINST PREDATORY COLLEGES

ACADEMY OF ART UNIVERSITY, SAN FRANCISCO

City Attorney of San Francisco

- 2016 lawsuit brought by City Attorney of San Francisco for violating city land-use rules. Settled for \$60 million (\$20 million in cash over five years and must provide at least 160 units of affordable housing worth an additional \$40 million). (see here and here) *Closed*.

Private Lawsuits

- 2018 whistleblower lawsuit for illegal recruitment tactics and defrauding the Federal government out of millions of dollars in financial aid. (see here) *Ongoing*.

ALDEN'S SCHOOL OF COSMETOLOGY

U.S. Department of Justice

- 2017 criminal prosecution of Alden Hall, owner and CEO of Alden's School of Cosmetology and Alden's School of Barbering. Convicted of multiple federal crimes, including defrauding the Department of Education and stealing Pell Grant funds. (see here) Sentenced to 30 months. (see here) *Closed*.

AMERICAN COMMERCIAL COLLEGE

Department of Justice

- 2014 criminal prosecution of Doyle Sheets, president of ACC. Convicted of concealing a felony. Sentenced to 24 months in prison, and nearly \$1 million in restitution. (see here) *Closed*.
- 2013 lawsuit under False Claims Act alleging school falsified financial reports so it could qualify for federal student aid funds. Resulted in settlement requiring school to pay between \$1 million to \$2.5 million. (see here) *Closed*.

APOLLO EDUCATION GROUP (UNIVERSITY OF PHOENIX)

State Attorneys General

- 2015 investigation by California AG with a subpoena to produce documents and information regarding business and practices of University of Phoenix relating to members and former members of the U.S. military and California National Guard, including marketing, recruiting, billing, financial aid, accommodations and other services for military personnel and use of U.S. military logos in marketing. (see here) *Presumably ongoing*.
- 2011 investigation by Delaware AG for unfair and deceptive trade practices. (see here) *Closed*.
- 2011 investigation by Massachusetts AG for unfair or deceptive methods of recruitment and financing of education. (see here) *Presumably ongoing*.
- 2010 investigation by Florida AG for unfair and deceptive trade practices. (see here) *Presumably ongoing*.

U.S. Securities and Exchange Commission

- 2012 enforcement inquiry regarding insider trading. (see here) *Presumably ongoing*.

U.S. Education Department

- 2014 Inspector General subpoena for information regarding "marketing, recruitment, enrollment, financial aid processing, fraud prevention, student retention, personnel training, attendance, academic grading and other matters." (see here) *Presumably ongoing*.
- 2004 fine and related lawsuit under False Claims Act. Resulted in 2009 \$78.5 million settlement that required owner of the University of Phoenix agreed to pay \$67.5 million to the federal government and

another \$11 million in legal fees to two former admissions officials who accused the company of illegally paying its recruiters based on how many students they enrolled. (see [here](#)) *Closed*.

U.S. Department of Defense

- 2015 [action](#) for violating Memorandum of Understanding with U.S. Department of Defense. Resulted in being placed on probationary status and being cut off from Tuition Assistance. Status was lifted in 2016. (see [here](#)) *Closed*.

U.S. Federal Trade Commission

- 2015 [investigation](#) regarding deceptive or unfair practices in marketing, advertising, and sales. (see [here](#)) *Presumably ongoing*.

Private lawsuits

- 2014 [whistleblower lawsuit](#) filed in Ohio for violating the False Claims Act by falsely certifying it was in compliance with various Higher Education Act regulations. (see [here](#)) *Presumably ongoing*.
- 2015 [whistleblower lawsuit](#) filed by two former military liaisons for the University of Phoenix alleging they were asked to make “substantial misrepresentations” to veterans to recruit them to attend the school. (see [here](#)) *Presumably ongoing*.

ASHWORTH COLLEGE

U.S. Federal Trade Commission

- 2015 [settlement](#) after charges that the school misrepresented to students that programs would provide training and credentials required to meet state requirements for certain careers, and that their credits would transfer to other schools. (see [here](#)) *Closed*.

ATI ENTERPRISES (CLOSED 2013)

U.S. Department of Justice

- 2013 [lawsuit](#) and [settlement](#) under the False Claims Act. ATI was required under the settlement to pay \$3.7 million to resolve allegations that it falsely certified compliance with federal student aid programs’ eligibility requirements and submitted claims for ineligible students. (see [here](#)) *Closed*.

Private lawsuits

- 2011 [lawsuit](#) brought by over 100 ATI students for fraud. (see [here](#))

BRIDGEPOINT EDUCATION (ASHFORD UNIVERSITY, UNIVERSITY OF THE ROCKIES)

State Attorneys General

- 2017 [lawsuit](#) by CA attorney general alleging false or misleading statements and unfair and fraudulent business practices. (see [here](#)) *Presumably ongoing*.
- 2014 [investigation](#) by MA attorney general to determine if school was compliant with state’s consumer protection laws. (see [here](#))
- 2014 [lawsuit](#) by IA attorney general for violating state consumer protection laws, resulting in Ashford paying \$7.25 million in restitution. Agreement barred deceptive statements and coercive recruitment. (see [here](#) and [here](#)) *Closed*.
- 2013 [investigation](#) by CA attorney general for making false or misleading statements on sales calls. (see [here](#)) *Led to 2017 lawsuit against Ashford, referenced above*.
- 2011 [investigation](#) by NC attorney general regarding state consumer protection violations. (see [here](#)) *Presumably ongoing*.
- 2011 [investigation](#) by NY attorney general to determine if school violated state consumer protection, securities, and finance laws. (see [here](#)) *Presumably ongoing*.

U.S. Department of Justice

- 2016 [investigation](#) into possible misrepresentation of its compliance with the 90/10 rule. (see [here](#)) *Presumably ongoing.*

U.S. Securities and Exchange Commission

- 2014 [investigation](#) regarding accounting and other business practices. (see [here](#)) *Presumably ongoing.*

U.S. Consumer Financial Protection Bureau

- 2016 [lawsuit](#) and [consent order](#) found that Bridgepoint engaged in deceptive actions with its private student loan program. Bridgepoint was ordered to discharge \$18.5 million in private loans that it made to its students, refund another \$5 million to students who made payments toward those loans, and pay an \$8 million penalty to CFPB. (see [here](#)) *Closed.*

U.S. Education Department

- 2017 [final audit determination](#) found that Ashford owed the Department of Education \$0.3 million for incorrect refund calculations and refunds that were not made or were made late. (see [here](#)) *Closed.*
- 2016 [program review](#) found compliance issue was, for the most part, satisfactorily addressed and was closed in 2016. (see [here](#)) *Closed.*
- 2015 [action](#) for not properly completing disclosures for Gainful Employment Rule. (see [here](#)) *Closed.*
- 2015 [action](#) investigating representations made by Ashford University to potential and enrolled students, and asking the company and Ashford University to assist in its assessment of Ashford University's compliance with the prohibition on substantial misrepresentations. (see [here](#)) *Closed.*

CANYON COLLEGE

State Attorneys General

- 2014 [settlement](#) with ID attorney general after granting degrees and college credit the school was not authorized to award. In the settlement, Philip Braun, the owner and operator of the school was barred from “owning, operating or managing an entity that advertises for sale, offers for sale or sells educational goods or services to or from locations in Idaho.” Braun also must keep college records, respond to transcript requests, and pay \$41,000 in civil penalties if he violates the settlement terms. (see [here](#)) *Closed.*

CAREER EDUCATION CORPORATION

State Attorneys General

- 2015 [investigations](#) by attorneys general of Maryland and District of Columbia relating to the recruitment of students, graduate placement statistics, graduate certification and licensing results, and student lending activities, among other matters. (see [here](#)) *Presumably ongoing.*
- 2014 [investigations](#) by attorneys general of Arkansas, Arizona, Connecticut, Hawaii, Idaho, Iowa, Kentucky, Missouri, Nebraska, New Mexico, North Carolina, Oregon, Pennsylvania, Tennessee, and Washington. The inquiries involve subpoenas and civil investigative demands relating to the recruitment of students, graduate placement statistics, graduate certification and licensing results, and student lending activities, among other matters. (see [here](#)) *Presumably ongoing.*
- 2013 [settlement](#) with NY attorney general where CEC agreed to pay \$9.25 million in restitution to students, pay a \$1 million penalty, and change how the school calculates and verifies job placement rates after being found to be inflating graduates' job placement rates. (see [here](#)) *Closed.*
- 2011 [investigation](#) by IL attorney general relating to the recruitment of students, graduate placement statistics, graduate certification and licensing results, and student lending activities, among other matters. (see [here](#)) *Presumably ongoing.*
- 2010 [investigation](#) by FL attorney general into possible unfair and deceptive trade practices. (see [here](#)) *Presumably ongoing.*

U.S. Securities and Exchange Commission

- 2016 [investigation](#) regarding the company's classification of Le Cordon Bleu Culinary Arts campuses as held for sale within discontinued operations, subsequent sales process, and CEC's related public disclosures. (see [here](#)) *Presumably ongoing.*
- 2013 [investigation](#) into school's previous internal investigation of student placement determination practices and related matters. (see [here](#)) *Presumably ongoing.*

U.S. Federal Trade Commission

- 2015 [investigation](#) regarding deceptive or unfair acts or practices in or affecting commerce in the advertising, marketing or sale of secondary or postsecondary educational products or services, or educational accreditation products or services. (see [here](#)) *Unclear whether FTC still investigating.*

U.S. Education Department

- 2011 [action](#) placing schools on Heightened Cash Monitoring status. (see [here](#)) *Closed.*
- 2011 [investigation](#) into misrepresentations made about job placement rates. (see [here](#)) *Closed.*
- 2010 [audit](#) to determine whether CTU had policies and procedures to ensure that CTU administered Title IV Program and other federal program funds in accordance with federal law. (see [here](#)) *Final report and findings presumably still under review.*

Private lawsuits

- 2017 [agreement](#) to pay the United States \$10 million to settle a False Claims Act lawsuit brought against American InterContinental University. The U.S. Justice Department had declined to intervene in the case, and CEC again admitted no wrongdoing. *Closed.* (see [here](#) and [here](#))

CENTER FOR EXCELLENCE IN HIGHER EDUCATION (CEHE) STEVENS-HENAGER COLLEGE, COLLEGE AMERICA)

State Attorneys General

- 2014 [lawsuit](#) by CO attorney general for deceptively marketing degree programs and misleading students about the likelihood of job placement, earnings, and graduates' qualification for certain jobs. (see [here](#) and [here](#)) *Presumably ongoing.*

U.S. Department of Justice

- 2013 [lawsuit](#) under the False Claims Act for violating federal law prohibiting paying bonuses, commissions, and other incentive compensation based on the number of enrollments employees made. (see [here](#) and [here](#)) *Presumably ongoing.*

U.S. Education Department

- 2016 [action](#) denying company's application for Stevens Henager College, College America Denver, College America Arizona, and California College San Diego to be recognized as non-profit. (see [here](#)) *Closed.*

COMPUTER SYSTEMS INSTITUTE (CSI)

U.S. Education Department

- 2016 [action](#) denying application to be re-certified for federal student aid participation. (see [here](#)) *Closed.*
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CORINTHIAN COLLEGES (EVEREST, HEALD, WYOTECH) (SOLD OR SHUT DOWN ALL CAMPUSES, DECLARED BANKRUPTCY IN 2015)

State Attorneys General

- 2016 \$1.1 billion judgment following civil complaint by CA attorney general for violating state law by “misrepresenting job placement rates to students, misrepresenting job placement rates to investors, advertising for programs that it does not offer, unlawfully using military seals in advertising, and inserting unlawful clauses into enrollment agreements that purport to bar any and all claims by students.” \$1.1 billion judgment against company included restitution of \$820,000,000 on behalf of students and civil penalties of \$350,025,000. (see [here](#)) *Closed*.
- 2014 investigation by attorney generals from Arkansas, Arizona, Connecticut, Idaho, Iowa, Kentucky, Missouri, Nebraska, North Carolina, Oregon, Tennessee, Washington, and Pennsylvania regarding the company’s business practices. The investigation concerns organizational information, tuition, loan and scholarship information, lead generation activities, student enrollment qualifications, complaints, accreditation, completion and placement statistics, graduate certification and licensing results, and student lending activities, and other matters. (see [here](#)). Attorneys general from Colorado, Hawaii, and New Mexico later joined the investigation. (see [here](#)) *Presumably ongoing*.
- 2014 civil complaint filed by MA attorney general alleging school aggressively recruited and misled students by inflating the quality and success of their training programs. (see [here](#)) *Presumably ongoing*.
- 2014 civil complaint filed by WI attorney general for false, misleading, deceptive misrepresentations made in enrolling students, including availability of externships through the school, as well as job placement rates of graduates. (see [here](#)) *Presumably ongoing*.
- 2014 investigation by NY attorney general regarding potential issues in financial aid, admissions, students, securities, and other areas. (see [here](#)) *Presumably ongoing*.
- 2013 investigation by MN attorney general regarding financial aid, admissions, students, and other areas. (see [here](#)) *Presumably ongoing*.
- 2011 investigation by IL attorney general regarding financial aid, admissions, students, and other areas. (see [here](#)) *Presumably ongoing*.
- 2010 investigation by FL attorney general regarding potential misrepresentations in financial aid, recruitment efforts, and other areas of operation. (see [here](#)) *Presumably ongoing*.

U.S. Consumer Financial Protection Bureau

- 2012 and 2014 civil investigative demands to determine whether school engaged or is engaging in unlawful acts or practices relating to the advertising, marketing, or origination of private student loans. (see [here](#))
- 2014 lawsuit alleging “Corinthian induced students to enroll in its programs through false and misleading representations about its graduates’ career opportunities.” (see [here](#)) Resulted in 2015 default judgment requiring Corinthian to pay \$531,224,267 in restitution to borrowers of private loans. (see [here](#)) *Closed*.

U.S. Department of Justice

- 2014 investigation under the False Claims Act concerning allegations related to student attendance and grade record manipulation, graduate job placement rate inflation and non-Title IV funding source misrepresentations (see [here](#)) *Presumably ongoing*.
- 2014 subpoena related to matters including job placement representations, graduation rates, transferability of credits for the Company’s students, advertisements and marketing materials, and representations regarding financial aid, military connections, student loans, and defaults by Corinthian’s

students, as well as related statements to investors and disclosures in the Company's public filings with the SEC. (see [here](#))

- 2011 [subpoena](#) sent by Education Department, overseen by Justice Department in 2013, requesting documents related to employment and placement rates at Everest Institute. (see [here](#))

U.S. Securities and Exchange Commission

- 2013 [investigation](#) regarding recruitment, attendance, completion, placement, student loan defaults, compliance with Department of Education financial requirements, standards and ratios, and other accounting matters. (see [here](#)) *Presumably ongoing.*

U.S. Education Department

- 2015 [fine](#) after finding Heald College misrepresented its placement rates to current and prospective students and accreditors and failed to comply with federal regulations requiring the complete and accurate disclosure of its placement rates. Fined \$29,665,000. (see [here](#)) *Closed.*
- 2014 [denied approval](#) for opening new locations because company admitted to falsifying placement rates and/or grade and attendance records, and because of ongoing investigations regarding improper handling of Title IV funds. (see [here](#)) *Closed.*
- 2014 [placed on increased level of financial oversight](#). (see [here](#)) *Closed.*
- 2014 [agreement](#) with Department to sell most of its campuses and wind down operations at all others. (see [here](#)) *Closed.*
- 2014 [denied recertification](#) of Everest Cross Lanes for misrepresentations and breach of fiduciary duty at a satellite campus. (see [here](#)) *Closed.*

DAYMAR COLLEGE

State Attorneys General

- 2015 [lawsuit](#) by and [settlement](#) with KY attorney general for violation of consumer protection law. Settlement for \$12.4 million, including payment of \$1.2 million to qualifying students who attended between July 27, 2006 and July 27, 2011, and forgoing \$11 million in debt owed by former students. (see [here](#)) *Closed.*

DEVRY UNIVERSITY

State Attorneys General

- 2014 [investigation](#) by NY attorney general as to whether advertising violated federal law. Resulted in 2017 [settlement](#) whereby DeVry agreed to provide restitution of \$2.25 million and pay an additional \$500,000 in penalties and fees. (see [here](#)) *Closed.*
- 2013 [investigation](#) by IL attorney general for violating Illinois state law and violating incentive compensation ban. (see [here](#)) *Presumably ongoing.*
- 2013 [investigation](#) by MA attorney general for causing false claims or statements to be submitted to the state regarding student loans, guarantees, and grants. (see [here](#)) *Presumably ongoing.*

U.S. Federal Trade Commission

- 2016 \$100 million [settlement](#) following charges of making deceptive representations about the benefits of attending DeVry in advertisements. (see [here](#)) *Closed.*

U.S. Department of Justice

- 2015 [investigation](#) for offering an associate degree in Health Information Technology without disclosing necessary information to applicants regarding requirements for obtaining a degree and a job in the field. (see [here](#)) Decided not to intervene in False Claims Act lawsuit. *Closed.*

U.S. Education Department

- 2015 investigation regarding compliance with Title IV as to published earnings and job placement rates of graduates. Resulted in 2016 settlement requiring DeVry to:
 - Cease publishing marketing claims that include the “Since 1975 Representation;”
 - Cease making any representations about post-graduation employment rates without possessing and maintaining (1) graduate-specific data to substantiate those representations; and (2) documentation of the methodology used to calculate any claims. DeVry must also certify, and provide an independent certification to the Department, of its compliance with these documentation requirements;
 - Post an irrevocable, five-year letter of credit of no less than \$68.4 million;
 - Prominently disclose, for a period of two years, a notice on its online home page regarding its failure to substantiate the “Since 1975 Representation” and include the same language in new enrollment agreements for a period of five years; and
 - Take steps to rid the internet of the “Since 1975 Representation” (both on its own website and on websites not under its direct control).
 - (see [here](#)) *Closed*.

U.S. Department of Veterans Affairs

- 2016 action suspending status as a “Principles of Excellence” institution. (see [here](#)) *Closed*.

EDUCATION AFFILIATES (MULTIPLE SCHOOLS)

U.S. Department of Justice

- 2015 lawsuit under the False Claims Act. Resulted in settlement for \$13 million to resolve False Claims Act allegations pertaining to the submission of false claims to the Department of Education for federal student aid. (see [here](#)) *Closed*.
- 2014 investigation of All State Career, Baltimore for violation of Department of Education regulations regarding disbursement of federal aid. (see [here](#))

EDUCATION MANAGEMENT CORPORATION (EDMC) (ART INSTITUTES, ARGOSY UNIVERSITY, BROWN MACKIE COLLEGE, SOUTH UNIVERSITY)

State Attorneys General

- 2015 settlement following investigations by attorneys general from KY, FL, NY, and MA. The settlement required EDMC to reform its recruiting and enrollment practices and to forgive more than \$4.5 million in loans for about 3,389 Kentucky students. Nationally, the agreement requires the company to forgive \$102.8 million in loans held by more than 80,000 former students. (see [here](#)) *Closed*.
- 2014 investigation by 14 state attorneys general about the school’s recruitment of students, graduate placement statistics, graduate certification and licensing results, and student lending activities. (see [here](#)) *Presumably ongoing*.
- 2013 settlement between Argosy University and CO attorney general for school’s deceptive marketing. Resulted in \$3.3 million in restitution and fines. (see [here](#)) *Closed*.
- 2013 investigation by MA attorney general of New England Institute of Art’s marketing and advertising of job placement and student outcomes, the recruitment of students, and the financing of education. (see [here](#)) *Presumably ongoing*.

City Attorneys

- 2014 \$4.4 million settlement with City Attorney of San Francisco following investigation into consumer complaints that the school underestimated program costs and inflated earnings projections to recruit students; the settlement requires the company to create a \$1.6 million scholarship program for students who enrolled in The Art Institute of California – San Francisco or one of the California Art Institutes diploma or degree programs and did not obtain their diplomas or degrees, and \$850,000 for an unrestricted scholarship program for students attending one of the California Art Institutes. The

agreement also requires payment of \$1.95 million to the City Attorney of San Francisco for investigation costs and other fees. (see [here](#)) *Closed*.

U.S. Department of Justice

- 2015 [settlement](#) following 2011 lawsuit under False Claims Act for falsely certifying compliance with the incentive compensation ban. Joined by California, Florida, Illinois, Indiana, and Minnesota as intervenors based on their respective state false claims acts. Settlement included agreement by company to pay \$95.5 million to the United States, co-plaintiff states and whistleblowers, and includes funds for the compliance expenses of the state consumer fraud settlement, including the costs of the administrator and a sophisticated voice analytics system to record and analyze recruiters' calls with students. (see [here](#)) *Closed*.

GLOBE UNIVERSITY AND MINNESOTA SCHOOL OF BUSINESS

State Attorneys General

- 2017 [MN Supreme Court ruling](#) that school violated state law by [issuing loans without a license and by charging unlawfully high interest rates](#). (see [here](#)) Ruling followed 2014 [lawsuit](#) by MN attorney general against both schools for misrepresenting job placement from their criminal justice programs and misrepresenting the transferability of credits. (see [here](#) and [here](#)) [Schools](#) required to provide restitution to 1,200 students who were enrolled in their criminal justice programs. (see [here](#)) *Closed*.

U.S. Education Department

- 2016 [actions](#) cutting off Title IV student grants and loans to both schools for committing fraud by substantially misrepresenting the employability of graduates from the criminal justice program and the nature of the program, and misrepresenting the transferability of credits. (see [here](#)) *Closed*.

GRAND CANYON UNIVERSITY

U.S. Education Department

- 2011 [action](#) regarding compliance with incentive compensation ban rule. Resulted in 2013 [fines](#) totaling \$1.75 million. (see [here](#) and [here](#)) *Closed*.

Accreditor Action

- 2016 [rejection](#) of attempt to become non-profit college by its regional accreditor, Higher Learning Commission. (see [here](#)) *Closed*.

State Enforcement

- 2017 [decree of censure](#) after state regulators alleged violations of nursing rules and after the school's graduates slipped below the state's standards for passage rates on the registered nurse licensing exam two years in a row. (see [here](#)) *Closed*.

HARRIS SCHOOL OF BUSINESS

U.S. Education Department

- 2015 determination [closed program review](#) with no further action but noted that findings “identified serious concerns.” Found inconsistent or missing student information, incomplete verification of student financial aid applications, that school did not actually offer all the hours of instruction it claimed to offer, inadequate monitoring of student attendance, incorrect calculation of return to Title IV (failed to accurately account for calendar days completed for some students who withdrew), inadequate documentation of need calculations for direct loans, failure to document refunds for Title IV programs,

and misrepresentation regarding accreditation and therefore students' ability to sit for medical assistance exam upon graduation. (see [here](#)) *Closed*.

U.S. Department of Justice

- 2014 [lawsuit](#) brought by former employee whistleblowers for fraud. (see [here](#))
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HERGUAN UNIVERSITY

U.S. Department of Homeland Security

- 2016 [action](#) suspending the school from recruiting foreign students after CEO pleaded guilty to providing false documents to the Department of Homeland Security. (see [here](#)) *Closed*.
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HERZING UNIVERSITY

State Attorneys General

- 2013 [settlement in lawsuit](#) brought by MN attorney general for failing to obtain accreditation for one of its programs, which kept students from taking medical assistant exam. Settlement required Herzing to offer students four options: (1) students can forfeit their credits and receive a full refund, (2) enroll at another institution and receive a full refund for all credits that do not transfer, (3) receive a \$7,500 credit and continue their studies at Herzing, or (4) pursue any other private remedy on their own. The school must also fully disclose the programmatic accreditation of any Minnesota program, fully disclose the effect on licensure or certification if students are attending a program that is not accredited, accurately disclose in all advertisements and communications the programmatic accreditation of its programs, and prominently display the programmatic accreditation of its programs on its website. (see [here](#)) *Closed*.
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HOSANNA COLLEGE OF HEALTH

State Attorneys General

- 2017 settlement following [lawsuit](#) by MA attorney general for operating a school and offering classes in Massachusetts without being authorized to do so. (see [here](#)) School will pay \$190,000 to former students and will not collect any outstanding tuition payments. (see [here](#)) *Closed*.
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INFILAW HOLDING, LLC (CHARLOTTE SCHOOL OF LAW, FLORIDA COASTAL SCHOOL OF LAW, AND ARIZONA SUMMIT LAW SCHOOL) (CHARLOTTE SCHOOL OF LAW NOW CLOSED)

State Attorneys General

- 2017 [investigation](#) by NC attorney general as to whether students at Charlotte School of Law had sufficient information to make an informed decision about whether to attend the school. (see [here](#)) *Presumably ongoing*.

U.S. Education Department

- 2016 [action](#) cutting off federal student aid to Charlotte School of Law for misrepresenting to students and prospective students the “nature and extent” of the school’s accreditation and the “appropriateness of its courses and programs to the employment objectives that it states its programs are designed to meet.” (see [here](#)) *Closed*.

U.S. Department of Justice

- 2017 [investigation](#) of Charlotte School of Law and parent company for defrauding U.S. taxpayers of \$285 million from 2010-2015. (see [here](#))
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ITT EDUCATIONAL SERVICES (ITT TECH) (CLOSED IN 2016)

State Attorneys General

- 2016 civil complaint filed by MA attorney general seeking restitution for students that were exposed to ITT's unfair and deceptive enrollment tactics, and seek injunctive relief against those tactics. (see [here](#)) *Presumably ongoing.*
- 2014 investigation by attorneys general from Arkansas, Arizona, Connecticut, Idaho, Iowa, Kentucky, Missouri, Nebraska, North Carolina, Oregon, Pennsylvania, and Washington under each states' consumer protection laws. Civil Investigative Demands included requests for information and documents related to marketing and advertising, recruitment, financial aid, academic advising, career services, admissions, programs, licensure exam pass rates, accreditation, student retention, graduation rates and job placement rates, as well as many other aspects of the company's business. (see [here](#)) *Presumably ongoing.*
- 2014 civil complaint filed by NM attorney general for unlawful business practices including misrepresentations, unfair and deceptive actions in advertising, marketing, and selling educational services. (see [here](#)) *Presumably ongoing.*

U.S. Securities Exchange Commission

- 2013 lawsuit against ITT, Kevin Modany (CEO), and Daniel Fitzpatrick (CFO) for making false or misleading representations to ITT's investors. (see [here](#)) Led to 2017 settlement, which was rejected by Modany and Fitzpatrick (see [here](#) and [here](#)) *Presumably ongoing.*

U.S. Education Department

- 2016 letter to ITT regarding ACICS's (Accrediting Council for Independent Colleges and Schools) Show Cause Directive Letter. Education Department's letter required ITT to increase surety on file with ED from 10% to 20% of total Title IV received in recent fiscal year. (see [here](#)) *Closed.*
- 2016 letter to ITT stating ITT would no longer be eligible to participate in federal student aid unless (1) ITT no longer enrolled students relying on federal student aid, (2) disclosed to students that its accreditor found that it was not in compliance, (3) stopped awarding raises, paying bonuses or making retention or severance payments to its executives or to paying special dividends or out of the ordinary expenditures without department approval, (4) notified the Education Department of any significant financial events, and (5) use its own funds to cover Title IV funds and later be reimbursed. ITT was also required to increase its surety to 40% of federal aid dollars within 30 days. (see [here](#)) *Closed.*
- 2015 letter to ITT requiring ITT to "take additional steps to identify unearned Title IV HEA funds under ITT's control, and provide additional documentation to the Department regarding Title IV, HEA funds administered and drawn by ITT on behalf of its students." (see [here](#)) *Closed.*
- 2014 action requiring ITT to post larger letter of credit in the amount of \$79,707,879 and placing the institution on Heightened Cash Monitoring status. (see [here](#)) *Closed.*

U.S. Consumer Financial Protection Bureau

- 2014 lawsuit for coercing people into taking out ITT private loans through various tactics designed to prevent people from making informed decisions. (see [here](#)) *Presumably ongoing.*

U.S. Department of Justice

- 2015 investigation to determine whether there is or has been a violation of the False Claims Act and was "focused on whether the Company knowingly submitted false statements in violation of the Department of Education's Program Participation Agreement regulations." (see [here](#)) In 2016, DOJ declined to intervene in False Claims Act suit. (see [here](#)) *Closed.*

Bankruptcy Proceedings

- 2016 filed for bankruptcy after access to federal financial aid was cut off by the Federal government. (see [here](#))

- Following 2016 bankruptcy filing, federal bankruptcy court considering approving \$1.5 billion settlement with former students that would cancel more than \$500 million in debts and return nearly \$3 million in payments students made to ITT Tech. (see [here](#) and [here](#)) *Ongoing*.

Private lawsuits

- 2016 [whistleblower lawsuit](#) alleging violations of the False Claims Act filed by a former dean of ITT Tech. Violations include enrolling unqualified students, and recruiting students with inflated graduate and job placement rates. *Presumably ongoing* (see [here](#))

KAPLAN HIGHER EDUCATION

State Attorneys General

- 2014 [lawsuit](#) by MA attorney general for violation of consumer fraud statute by using harassing sales tactics, misrepresenting the nature of the educational program and employment opportunities in their recruitment materials. Resulted in 2015 [settlement](#) for \$1.375 million to be distributed to eligible graduates of the school's medical vocational programs through paying off all or some of the students' debt. (see [here](#)) Result of 2011 *investigation*. (see [here](#)) *Closed*.
- 2014 assurance of voluntary compliance requiring the school to conspicuously disclose true and accurate information relating to the school's accreditation, program costs including the cost of taking any licensing or certification exams required to practice in Florida, financial aid and the scope and nature of employment services they provide. (see [here](#)). Result of 2012 *investigation*. *Closed*.
- 2012 *investigation* by NC attorney general finding Kaplan lied to students about the credentials they would earn in the Dental Assistant program. Charlotte campus of Kaplan College surrendered its license to operate a school. Kaplan refunded students the cost of tuition, books, and fees, and agreed to pay the program's graduates \$9,000 stipends. (see [here](#)) *Closed*.
- 2012 *investigation* by DE attorney general seeking information about Delaware students who attended campuses and online classes. (see [here](#)) *Presumably ongoing*.
- 2011 *investigation* by IL attorney general seeking information about students who are residents of Illinois. (see [here](#)) *Presumably ongoing*.

U.S. Department of Justice

- 2015 [lawsuit](#) under False Claims Act for employing unqualified instructors at campuses in Texas. Resulted in [settlement](#) for \$1.3 million. (see [here](#)) *Closed*.

U.S. Education Department

- 2015 [action](#) for failure to provide complete data for the gainful employment rule. Submitted additional data but cannot start any new programs until the issues with the U.S. Department of Education have been resolved. (see [here](#)) *Presumably ongoing*.
- 2015 [program reviews](#) opened at five campuses. Granted provisional certification until September 30, 2018 because of concurrently open program reviews. (see [here](#)) *Presumably ongoing*.

KEISER UNIVERSITY/EVERGLADES COLLEGE

State Attorneys General

- 2012 [assurance of voluntary compliance](#) following [investigation](#) by FL attorney general into Keiser's enrollment and marketing practices. Keiser agreed to offer thousands of students free training and to not misrepresent what the school offers, including transferability of credits, describing the school as "fully accredited," and describing federal loans as "cost free." (see [here](#) and [here](#)) *Closed*.

U.S. Department of Justice

- 2015 [lawsuit](#) under False Claims Act for submitting false claims. Resulted in settlement in which Keiser will pay the United States \$335,000 to resolve the FCA liability claims. (see [here](#) and [here](#)) *Closed*.

Class Action Lawsuits

- 2016 [class action lawsuit](#) for violation of the Telephone Consumer Protection Act in Florida. (see [here](#)) *Presumably ongoing.*
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LA'JAMES INTERNATIONAL COLLEGE

State Attorneys General

- 2014 [lawsuit](#) by IA attorney general for deceptive, misleading, and unfair practices in marketing, enrollment, and instruction. Resulted in 2016 [settlement](#) requiring the school to forgive \$2.1 million in student debts, significantly change its business practices, submit to outside oversight, and pay \$550,000. (see [here](#) and [here](#)) *Closed.*
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LINCOLN EDUCATIONAL SERVICES CORP (LINCOLN TECHNICAL INSTITUTE)

State Attorneys General

- 2015 [lawsuit](#) by MA attorney general for misrepresenting job placement rates and using high pressure sales tactics in recruitment and enrollment. Resulted in 2015 [settlement](#) requiring \$850,000 to be paid to pay down federal student loans for eligible graduates of the school's criminal justice program at its Somerville and Lowell campuses. The settlement also required the school to forgive an additional \$165,000 in private student loans. (see [here](#)) *Closed.*
 - 2015 [subpoena](#) by MD attorney general for various documents related to its Columbia, Maryland campus. (see [here](#))
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MEDTECH COLLEGE

U.S. Education Department

- 2016 [action](#) denying recertification for eligibility to participate in federal student aid because the school significantly overstated job placement rates. Required to remit a larger letter of credit as a condition to continue participation with federal student aid. (see [here](#) and [here](#)) *Closed.*
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MICROPOWER CAREER INSTITUTE/INSTITUTE FOR HEALTH EDUCATION (IHE)

U.S. Department of Justice

- 2016 [convictions](#) of senior executives for participating in a financial fraud scheme in which they defrauded the Department of Education of \$1,000,000 in education grant funds, and in a student visa fraud scheme that generated \$7,440,000 in illegal revenues. (see [here](#)) *Closed.*

U.S. Department of Homeland Security & U.S. State Department

- 2014 [investigation and raid](#) by Departments of Homeland Security and State for fraud charges. (see [here](#)) Resulted in convictions described above. *Closed.*
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NATIONAL COLLEGE

State Attorneys General

- 2016 ruling by KY Court of Appeals requiring school to pay \$157,000 in [sanctions](#). Followed National College's refusal to answer a subpoena in connection with KY Attorney General investigation into whether the school was in violation of state consumer protection law. (see [here](#)) *Closed.*

- 2011 [lawsuit](#) for misrepresenting job placement statistics. (see [here](#)) *Closed, see above.*

NEW ENGLAND COLLEGE OF BUSINESS AND FINANCE (NECB)

State Attorneys General

- 2018 [settlement](#) with MA attorney general over claims of aggressive recruitment tactics and failure to make proper disclosures to prospective students. The settlement requires the school to put the proper consumer protections in place. Under the terms of the settlement, NECB will also pay \$79,000 to cover the costs of investigations, relief to any effected prospective students, and funding for consumer education. Finally, NECB is required to forgive institutional loans to enrolled students that qualify. (see [here](#)) *Closed.*

PENN FOSTER (OWNED BY THE VISTRIA GROUP)

State Attorneys General

- 2015 [settlement](#) with OR attorney general to refund \$1,900 in tuition to individual student, donate \$50,000 to nonprofit or government organization that focus on providing disadvantaged Oregon youths with education access, pay attorney general's office \$22,000 for cost of investigation, provide restitution to other Oregon consumers who come forward with legitimate complaints about the college's accreditation and transfers, and be truthful in representation of accreditation and transferability of credits. (see [here](#)) *Closed.*

U.S. Department of Education

- Not certified for participation in federal student aid program.

PREMIER EDUCATION GROUP (SALTER COLLEGE)

State Attorneys General

- 2014 [settlement](#) with MA attorney general following allegations of misrepresenting job placement numbers and using deceptive enrollment tactics. Settlement to pay \$3.75 million. (see [here](#)) *Closed.*

Massachusetts Department of Public Licensure

- 2016 settlement with Massachusetts Department of Public Licensure for \$150,000. (see [here](#)) *Closed.*

SOUTHERN TECHNICAL COLLEGE

U.S. Education Department

- 2012 [compliance review](#) assessed \$229,000 in liabilities. (see [here](#) and [here](#)) *Closed.*

SPENCERIAN COLLEGE

State Attorneys General

- 2013 [lawsuit](#) by KY attorney general for overstating job placement rates to consumers. (see [here](#)) *Presumably ongoing.*

SULLIVAN AND COGLIANO TRAINING CENTERS, INC.

State Attorneys General

- 2013 [settlement](#) with MA attorney general after allegations that the school misrepresented job placement numbers and made other misleading statements about its medical field training programs. Settlement required the school to reimburse students \$425,000 and change its advertising practices. (see [here](#)) *Closed.*

TCI COLLEGE (BERKELEY COLLEGE, MANDL SCHOOL, NEW YORK CAREER INSTITUTE,
AND TECHNICAL CAREER INSTITUTES)

New York City Department of Consumer Affairs

- 2015 subpoenas to all four colleges after high volumes of consumer complaints involving high student loan default rates and overly aggressive recruiting practices. (see here) *Presumably ongoing.*

UNIVERSAL TECHNICAL INSTITUTE

State Attorneys General

- 2013 investigation by MA attorney general for false claims made to the state of Massachusetts about student loans, guarantees and grants provided to students at the Norwood, Massachusetts campus. (see here) *Presumably ongoing.*

U.S. Department of Justice

- 2012 investigation for False Claims Act violations. *Declined to intervene and closed investigation in 2013.* (see here)

UNIVERSITY OF MANAGEMENT AND TECHNOLOGY

U.S. Department of Justice

- 2015 investigation by U.S. Department of Justice and Naval Criminal Investigative Services for alleged ties with the Chinese military. (see here) Has continued operation. (see here) *Presumably ongoing.*



VETERANS EDUCATION SUCCESS

Sample complaints from student veterans who have contacted VES

C.R.; attended Ashford University

“When I applied for my degree with Ashford. I was told that I would get hired to a job in my field. My husband was active duty Army and he gave me his GI Bill in order for me to get my degree. While signing up for the GI Bill I was under the impression that I was signing up for grants or money that was to accompany the GI Bill for recipients. Now that I have over \$40k in student loans, I feel like I was left holding the bag. My credit has taken a hit, I've gotten my resume updated numerous times, I've applied to well over 100 jobs, and years later I still don't have a job in my field.”

M.L.; attended Ashford University

“Prior to applying to Ashford University, I was informed by them that the school was the only Online University backed by the Army. They contacted me repeatedly. Once I began the process, the actual educational benefits were very poor with little to no feedback / communication from the professors. Throughout my education, Ashford repeatedly "misplaced" / lost many of my financial records and funds. At the end, they repeatedly charged me for my transcripts and graduation fees even though I had paid them several times.”

B.D.; attended Ashford University

“The cost of tuition for this school was much greater than they recruited me for, then there were student loans taken out. They said financial aid needed to be a second form of payment, however, because of my military status and benefits it wouldn't be used.”

R.D.; attended Ashford University

“I was encouraged to take out student loans for my degree at Ashford. The representative stated that the G.I Bill would not cover everything. She also stated that the BA in social science would help me find work in the social work field. They also suggested that I take out student loans while I waited for my credits to transfer so I can start school. She stated that Ashford would assist me in finding placement in my area in jobs related to the social work field. Once I was going to

graduate I was constantly harassed. They stated that prior students of Ashford would get a reduced rate and they wanted me to continue using my G.I Bill and that's when they said I would qualify for the post 9-11 bill but again I would have to take out student loans to cover the costs that my veteran payments did not. The representative stated that I could get my MBA in Information Systems and I would again get assistance in obtaining employment with various technology companies after I graduate. I didn't really have a break between my BA and Master's degree and at the time I felt that many of my teachers offered zero help and didn't even grade my papers. They just gave me As. After graduation I was told my degree wasn't suitable for any employment within the I.T. field and multiple companies with business positions did not see my MBA as a creditable MBA. Many companies stated that my degree did not have an actual accreditation that is needed for a career within the business world. I feel that I was personally targeted as a veteran. I've always regretted both of these degrees because I felt like I had been misled into getting help with job placement and the accreditations do not hold up when I've applied to these jobs. Degrees from Ashford are looked at as a joke and seen as fake degree to many employers."

J.J.; attended Ashford University

I was referred by a friend who attended Ashford. Everything seemed to sound great initially, however I was told in order to start classes I would need to apply for student aid while my GI Bill processed. I was told that this to only enable me to start class right away and that there would be a hold on the loan and the money wouldn't be touched. Unfortunately that is not what happened, as soon as the funds became available Ashford withdrew the loan to pay for my classes. I had never planned on using student loans, I had thought that with my gi-bill I wouldn't have to worry about loans piling up.

J.W.; attended Grand Canyon University

"After receiving a veterans discount on tuition, using my GI Bill, and receiving a Pell Grant (undergrad only), I still found myself roughly \$50,000 in debt with student loans as I near the end of my postgraduate education. How did this get so expensive over a four-and-a-half year period? After undergrad graduation, I left law enforcement to pursue a career in management. Two years later I'm barely making more than I did in law enforcement and few companies seem to care about a bachelors or master's degree from GCU."

R.N.; attended Kaplan University

"I was told my degree would triple my income, yet I took a pay cut to get my first job in the field. I feel I got a piece of paper that had no weight in the field. I no longer include it on my resume. I have \$40,000 or more in debt that I cannot afford and have little to nothing to show for it."

J.W.; attended Kaplan University

“When I applied to Kaplan University, I was told by my recruiter that the school was accredited and that my credits would transfer to any other school I attended. I specifically asked her, “Will the credits transfer to the University of Alabama once I returned from Iraq?” and she assured me that they would. Well, when I returned home I found that the credits were worthless. They wouldn't even transfer to the local community college here in Birmingham.”

K.W.; attended Kaplan University

“Kaplan has been nothing but trouble for me. I have a laundry list of issues with them. I eventually just called it quits after finishing about 80% of my degree plan when I found out their credits wouldn't transfer to traditional schools. A complete waste. Not to mention that they constantly added classes to my degree program forcing me to waste my Post 9/11 benefits. I want justice more than anything.”

S.N.; attended Kaplan University

“I was recruited online, was promised job placement, jobs I applied for say my degree is not sufficient. It is not equivalent to a 4-year bachelor degree. I was promised low prices and grants come to find out I owe thousands in loans.”

W.F.; attended ITT Tech

“I was first drawn to ITT Tech because of their ads that discussed how they would help students with job placement. They also used posters that listed the salaries that supposedly corresponded with different degrees from the university. Once I was there, though, the school did nothing to help place me in a job. I attempted to find employment on my own but have never found work or even landed an interview in what I studied.”

R.S.; attended ITT Tech;

“I was recruited by ITT tech for a degree in IT. After almost a year I learned that none of my credits would transfer to other schools and that a few places I asked about getting a job with told me that ITT was not an accredited school. After that I left the school and started attending ivy tech in Indiana. Now I have about 6k in student loans for credits that are worthless. I am a disabled vet.”

R.B.; attended Devry

“My main complaint is that I took an enormous amount of loans which has me in deeply in debt by about \$110,000 but I am not getting the jobs or job interviews that were promised as a part of their recruitment. They said an average of 92 percent of graduates would be working in their field of study or at least close to it

within 6 months of graduating. I've graduated with my BS in 2008 and my MBA and MPM in 2010 and 2011 and still have not found anything.”

E.L.; attended Devry

“They said 95% of graduates were able to get a degree just because of the school’s reputation. Also that they would assist in finding a job which they didn't. What they told me was a grant turned out to be a loan. After graduating I still had no idea how to do what I was ‘trained’ to do.”

J.S.; attended University of Phoenix

“Tuition jumped from \$750/3cr class to \$1500, poor teaching quality, could not find a job despite promises at outset of 83% employment, had to repeat whole degree at different college to get a job; doesn't list UOP on resume anymore.”

M.M.; attended Brown Mackie

“I was recruited for pharmacy tech and never told that my credits couldn't transfer. Then I was harassed when I had to move to be closer to my parents due to their health issues. Now they are saying I owe student loans totaling 16K when I used my GI Bill to pay for schooling.”

R.G.; attended Colorado Tech University

“After being contacted by CTU, I was told that their program was accepted by the state of Georgia in the psychology program. I was later informed by the licensing board in Georgia that it was not. There were certain courses that I would have to retake, which would cost me extra money. During my enrollment at CTU, I felt that my time was wasted. Although I maintained a 3.8 GPA, I felt as if I did not learn anything. Being a Psychology major, after over a year of higher education, I felt that I knew just as much then as I know now. I have not learned anything since I was enrolled at CTU. When I questioned my advisors about this matter, they quickly brushed me off and told me that they would get back with me. I recently withdrew from CTU because I'm scheduled to graduate next year. But as I mentioned earlier, I feel as if I have not learned anything while enrolled at this institution. The money spent at this college does not represent the education I received. Enrolling at CTU was one of the biggest career mistakes I ever made.”

J.R.; attended Colorado Tech University

“Was told that cost of program would be covered but it wasn't....[school] represented that credits would transfer to other schools and they did not....This is a school that's just worried about money and not the students.”

F.A.; attended American InterContinental University

“For the longest students found out that the University was not accredited, they got it years later but was lied to when we signed up. I believe that my refund check was stolen from me the first three years of going to the university. The never helped me with any leads for jobs after I graduated, and they could not teach me hands on anymore than I already knew.”

J.M.; attended Sanford Brown

“During meetings with the recruiter/advisor/counselor when I signed up for the program, I was presented with a balance sheet showing the cost of the entire program and the amounts that I would periodically get back as a check (without explaining that it was part of my loan). They asked me how much I was making at McDonald’s, which they calculated as an annual salary of \$21,000 to \$22,000, and said that the average income for their graduates in my program was \$42,000 to \$50,000. I wasn’t even able to get a job using the degree that I obtained from Sanford Brown, and they didn’t provide the job placement assistance that they promised either. I eventually went back to work for McDonald’s, and wasn’t able to make my loan payments and went into default on my loans. Since 2006, my federal income tax refunds have been garnished to make the loan payments. I was also homeless for a period of time before I went into the military.”