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6/30/2014

SACRAMENTO – In order to protect the GI Bill Education benefits for hundreds of California veterans, the California State Approving Agency for Veteran Education (CSAAVE) under the California Department of Veterans Affairs (CalVet) sent a "Notice of Suspension" to all Heald, Wyotech and Everest Colleges in California owned and operated by the Corinthian Colleges, Inc.

The notice precludes the colleges from future enrollment or reenrollment of veterans that are utilizing their GI Bill education benefits to pay for their training.

"It is the responsibility of the state as the approving authority to ensure veterans are receiving the education and training that they are paying for with their GI Bill benefits," said Keith Boylan CalVet Deputy Secretary for Veteran Services. "Corinthian Colleges and their schools have not been able to demonstrate to us that they have the financial resources to ensure the veterans enrolled in their programs will receive the education and training they are seeking."

The suspension was initiated by CSAAVE as a result of the company's filing with the U.S. Securities and Exchange Commission that it was intending to sell some of its schools and that it has filed a plan with the U.S. Department of Education to provide a "teach-out" plan for its students that are currently enrolled in their programs if and when any of the schools are sold or need to close.

In their filing with the Department of Education, Corinthian Colleges, Inc. acknowledged that the federal department's recent action to move the schools from advance payments system to financial oversight called "Heightened Cash Monitoring 1" put a financial burden on their company and could "cause the company to be unable to continue as a going concern."

According to Boylan, the two filings with the federal government raised the level of concern for CSAAVE officials, and CalVet felt it was prudent to act now rather than wait until veterans found themselves out of school and out of their GI Bill benefits.

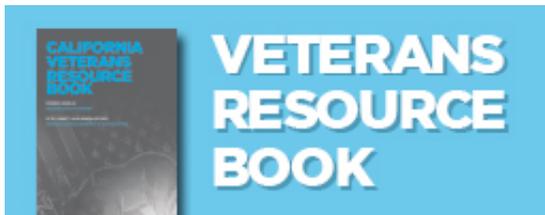
The schools have 60 days to correct the discrepancies, comply with directives from CSAAVE and provide CalVet with verifiable documentation that demonstrates compliance with acceptable standards. CalVet staff is working very closely with the schools, as well as with other state and federal agencies, to minimize the impact of this suspension on the veterans.

Veterans using their GI Bill at Corinthian Colleges, Inc. or other schools in California that may be closing are encouraged to visit the following page on the CalVet Web site for updated information:

<https://www.calvet.ca.gov/VetServices/Pages/FAQ-GI-Bill-Schools-Closures.aspx> (/VetServices/Pages/FAQ-GI-Bill-Schools-Closures.aspx).



[\(/VetServices/Pages/Crisis-Intervention-Suicide-Prevention.aspx\)](/VetServices/Pages/Crisis-Intervention-Suicide-Prevention.aspx)



[\(/VetServices/Documents/Veteran_Resource_Book_2014.pdf#search=resource%20book\)](/VetServices/Documents/Veteran_Resource_Book_2014.pdf#search=resource%20book)



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