BEFORE THE
FEDERAL TRADE COMMISSION
Washington, DC 20580

In the Matter of
QuinStreet, Inc. and Reach Network, Inc.

Complaint, Request for Investigation, Injunction, and Other Relief Submitted by
Veterans Education Success

Pursuant to the Commission’s Rules, 16 C.F.R. § 2.2, Veterans Education Success respectfully requests that the Commission institute an investigation of businesses that operate unfair and deceptive lead generator websites in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a). The unfair and deceptive practices at issue are those of QuinStreet, Inc., Reach Network, Inc., and their partner schools. These businesses operate websites that engage in unfair and deceptive lead generation practices, promote predatory colleges, and target veterans and servicemembers.

I. Complaining Party: Veterans Education Success

Veterans Education Success, located at 1250 H St NW, Washington, DC 20005, email help@vetsedsuccess.org, and phone number (202) 838-5050, is a non-profit organization that works to advance higher education success for all military-affiliated students and provides free counseling and legal assistance to students using their GI Bill and military benefits.

II. Deceptive Lead Generators

A. QuinStreet, Inc.

QuinStreet is a publicly traded marketing firm that uses advertising strategies to promote clients over the internet. It was founded by Doug Valenti. QuinStreet maintains its headquarters in Foster City, CA. Its career page also features employment positions in Bend, OR; Charlotte, NC; New York, NY; Sao Paulo, Brazil; and Pune, India.

Over the years, QuinStreet has developed a reputation for deceptiveness. In 2012, 20 state attorneys general alleged that QuinStreet was misleading veterans through its website GIBill.com, which presented itself as the official government portal for the GI Bill, but steered veterans to only low-quality, high-priced for-profit colleges. The attorneys general and QuinStreet entered into a settlement (an Assurance of Voluntary Compliance), which included a $2.5M fine and QuinStreet’s surrendering of the GIBill.com website domain to the U.S. Department of Veterans Affairs (VA).

Despite this settlement, QuinStreet continues to target veterans for enrollment in low-quality colleges known for subpar student outcomes and aggressive and deceptive recruiting of veterans, such as Ashford University, Colorado Technical University, Grand Canyon University, and several other low-value, high-cost schools. A great deal of this targeting takes place through education-related websites such as schools.com, which are owned by QuinStreet.

Throughout 2016 and 2017, QuinStreet partnered with Monster Worldwide, the operator of Monster.com, to gather leads, presumably of servicemembers and veterans, for low-quality, for-profit colleges on Monster’s high-volume third-party website, Military.com. As evidenced by the images below, these colleges included Ashford University and the Art Institutes, which have allegedly defrauded students and have extremely subpar student outcomes.

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QuinStreet has other legal troubles as well, indicating a likely motive to prioritize monetary gain over ethical business practices. In 2018, QuinStreet gained public scrutiny as its stock rose more than 250 percent then dropped precipitously amid allegations that it was involved in defrauding its clients.\(^\text{10}\) Multiple shareholder lawsuits ensued as a result of QuinStreet’s alleged securities law violations.\(^\text{11}\)

In addition to these claims, Glassdoor.com reviews provide an eye-opening perspective about what takes place at QuinStreet. One former customer service representative in Beaverton

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said, “You are tricking decent people who are looking for jobs into being telemarketed by profit
driven schools. You will hate yourself and your voice after repeating the same lines for weeks. 
You are a liar on every call, you are not helping people, you are deceiving them.”

1. QuinStreet still operates deceptive lead generator websites
QuinStreet operates multiple lead generation websites, including

[Image above: schools.com homepage, downloaded October 8, 2018]

12 Reviews of QuinStreet, GLASSDOOR, https://www.glassdoor.com/Reviews/Employee-Review-QuinStreet-
RVW19903809.htm (last visited Oct. 23, 2019).
These websites are used to create leads for schools that are willing to pay. To illustrate how this works, after completing a series of personal questions, including questions about what type of degree one would like to pursue, schools.com links to collegedegrees.sale. This website advertises low-quality, for-profit colleges like Colorado Technical University and American InterContinental University (AIU) - both owned by Career Education Corporation (recently re-
branded as Perdoceo), which is characterized by extremely subpar student outcomes; spends the least amount of tuition on instruction of almost any school in the country; settled with the Commission in August 2019 for deceiving students, in part by using the services of deceptive lead generator websites; and settled with 48 states plus the District of Columbia, for nearly $500 million in January 2019 for defrauding students in nearly every state in the nation.

In addition to leads generated through schools.com, QuinStreet generates leads through getinfo.computertrainingschools.com, as shown by the screenshots below.

[Image above: schools featured on collegedegrees.sale, downloaded October 8, 2018]


Here are 15 Computer Engineering programs near 28027 you should also consider

1. **Post University**
   - Ranked among the Best Online Bachelor’s Programs by U.S. News and World Report in 2015.
   - Ranked among the Best Online MBA Programs by U.S. News and World Report in 2015.
   - Founded in 1897, it has a campus in Waterbury, CT and offers online degree programs in eight-week modules, six times a year.

2. **Full Sail University**
   - Online and on-campus programs include Cloud Technologies (BS), Mobile Development (BS), and Web Design and Development (BS).
   - Curriculum designed to prepare students for a career in tech by immersing students in a project-based learning environment.
   - Students can learn how to manage cloud technology or gain coding skills for apps, websites, and software.

3. **American InterContinental University**
   - Offers MUSE (My Unique Student Experience), a content delivery system that gives students the option to watch, view, read, or listen to required course materials.
   - Allows students to complete courses at whatever pace they want.
   - A DANTEES-affiliated university and member of the Service Members Opportunity Colleges.

4. **ECPI University**
   - ECPI’s online programs keep you ahead of curve in today’s fast-growing tech industry.
   - SACS accredited with programs in Cybersecurity, Cloud Computing, Engineering & More.
   - US News & World Report ranks Online Bachelor’s Programs among top 10%

5. **Capella University**
   - Online BS, MS, or DIT IT degrees that can provide the specialized technology skills you need to move forward in your career.
   - Focus on areas that fit your career & personal goals, including information assurance & cybersecurity, analytics, software development, system development, project management, & digital forensics.

6. **Grand Canyon University**
   - Prepare to Enter the Rapidly Expanding Field of Technology With a Bachelor’s Degree Online From Grand Canyon University.
   - Choose from a variety of undergraduate degree options such as Information Technology, Programming, Cybersecurity and more.
   - A technology degree from GCU helps you prepare to work with organizations to improve efficiency and performance of their enterprise systems.

7. **Argosy University**
   - Earn your Associate’s, Bachelor’s, or Master’s degree in Information Technology.
   - Non-profit and institutionally accredited by WASC.
   - Students can earn that degree online with comprehensive support and 24/7 access.

[Image above: schools featured on getinfo.computertrainingschools.com, downloaded October 8, 2018]
After filling out some personal information, a list of schools (e.g., the list above) is generated. Most of the schools that are promoted are for-profit colleges with extremely subpar student outcomes and law enforcement concern about fraud.17

**a. Schools.com**

Schools.com is misleading because it features lists and rankings of “over 7,000 schools,” which it claims are based on government data. However, running a search using its “search schools” tool yields colleges that apparently paid to be listed in the search results. Additionally, colleges that appear in the search results are located geographically distant from the zip code submitted.

A site visitor can search the Schools.com “schools database,” which features private non-profit schools, public schools, and private for-profit schools. School listings for each state are presented as well. Schools.com also offers rankings of four-year colleges, community colleges, as well as articles that offer advice for prospective students.


[Image above: schools.com's claim that it uses trusted sources, downloaded January 2, 2020]

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However, a fixed menu appears after scrolling down on any page on Schools.com. It features a menu item labeled “search schools,” which is distinguished from the other menu items with a red background that is likely intended to draw site visitors’ attention. Clicking on “search schools” allows site visitors to search for schools by degree type, area of study, and location. Running a search creates a list of schools with the label “Matching School Ads.”

A disclaimer page appearing on QuinStreet websites demonstrates that schools paid to appear in the search results. The following disclosure appears in small text on the bottom of QuinStreet webpages: “[w]e strive to provide important information on this website that is accurate, complete and timely, but we make no guarantee about the information, the selection of schools, school accreditation status, the availability of or eligibility for financial aid, employment
opportunities or education or salary outcomes. Visit here for important information on these topics.”

[Image above: “Important Information” disclaimer featured at the bottom of QuinStreet webpages, downloaded February 18, 2020]

Clicking on “here” brings site visitors to a disclaimer page that states “[o]ur websites feature schools that are our clients and from whom we may receive compensation (‘Sponsored Schools’). Our websites do not, and are not intended to, provide a comprehensive list of all schools in the United States or of all schools located in a specific geographic area or of all schools that offer a particular program of study. Where Sponsored School listings appear on our websites, Sponsored School listings will include a ‘sponsored results,’ ‘matching ads’ or similar label.” The “Matching School Ads” label appears on school lists produced by QuinStreet’s search tool. This indicates that schools paid to appear in search results.

QuinStreet’s website demonstrates further that these schools paid to appear in search results. On QuinStreet.com, QuinStreet describes the lead generation services it offers to colleges.

[Image above: QuinStreet Education webpage, downloaded February 18, 2020]
Clicking on a link labeled “Our Products” brings site visitors to a page describing QuinStreet’s lead generation services.

[Image above: QuinStreet “Our Products” link, downloaded February 18, 2020]

The “products” page advertises “right-priced clicks,” “right-priced inquiries,” “warm call transfers,” and “branded emails.” QuinStreet features images of Schools.com and its college search tool next to the description of “right-priced inquiries.” This indicates that Schools.com is used by QuinStreet to collect and deliver consumer information to its client schools.

[Image above: QuinStreet’s product’s page, downloaded February 18, 2020]

Combined with QuinStreet’s disclosures, QuinStreet’s “products” page demonstrates that schools pay to appear in search results and they are not based on the “trusted sources” on which Schools.com claims to rely.
In addition to the evidence above, the same for-profit colleges appear in search results when submitting different zip codes on the Schools.com search tool, which makes it even more clear that schools are paying to be listed. For example, submitting the zip code for Ashburn, VA (20147) for an undergraduate degree in accounting produces the following results:
The schools listed include ECPI University, Grand Canyon University, Forbes School of Business & Technology at Ashford University, Capella University, Strayer University, Post University, and Saint Leo University - most of which are characterized by subpar student outcomes and law enforcement concerns. Submitting the zip code for Jacksonville, NC (28547) produces almost identical results. The schools listed include ECPI University, Grand Canyon University, Forbes School of Business & Technology at Ashford University, Capella University, Post University, Independence University, and Saint Leo University.

<table>
<thead>
<tr>
<th>Program(s) Found</th>
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</thead>
<tbody>
<tr>
<td>ECPI University, Online</td>
</tr>
<tr>
<td>Grand Canyon University, Online</td>
</tr>
<tr>
<td>Forbes School of Business &amp; Technology, Ashford University, Online</td>
</tr>
<tr>
<td>Cappella University, Online</td>
</tr>
</tbody>
</table>

1. **Program(s) Found**
   - **ECPI University, Online**
     - [Visit School Site](#)

2. **Program(s) Found**
   - **Grand Canyon University, Online**
     - [Visit School Site](#)
     - [View School Info](#)

3. **Program(s) Found**
   - **Forbes School of Business & Technology, Ashford University, Online**
     - [Visit School Site](#)

4. **Program(s) Found**
   - **Cappella University, Online**
     - [Visit School Site](#)
     - [View School Info](#)

**Showing schools in your area**

- **1 Program(s) Found**
  - ECPI University, Online
  - [Visit School Site](#)

- **2 Program(s) Found**
  - Grand Canyon University, Online
    - [Visit School Site](#)
    - [View School Info](#)

- **4 Program(s) Found**
  - Forbes School of Business & Technology, Ashford University, Online
    - [Visit School Site](#)
    - [View School Info](#)

- **3 Program(s) Found**
  - Cappella University, Online
    - [Visit School Site](#)
    - [View School Info](#)
[Image above: search results on schools.com, downloaded September 23, 2019]
Colleges that are much closer to the submitted zip codes are excluded despite the fact that they also offer the same or similar degree programs at lower tuition and with better student outcomes. For example, George Mason University (GMU), the George Washington University (GWU), and Northern Virginia Community College (NOVA) are excluded from the Ashburn, VA, search results. GWU has a physical campus in Ashburn, VA; NOVA has a physical campus in Sterling, VA; and GMU has a physical campus in Fairfax, VA. By comparison, Grand Canyon University’s physical campus is in Phoenix, AZ, and Ashford University’s physical campus is in San Diego, CA.

As for the Jacksonville, NC, search results, Jacksonville is in close proximity to two military base education centers at Camp Lejeune, NC, and New River, NC. Both have resident schools, including Coastal Carolina Community College, Campbell University, Embry-Riddle Aeronautical University, University of North Carolina Wilmington, Boston University, Webster University, and Southern Illinois University. None of these schools appear in the Jacksonville, NC, search results on schools.com.

As mentioned previously, schools.com features school lists for each state, and the fixed menu with the “search schools” menu item appears after scrolling down on any page. This means that a consumer visiting the schools.com page featuring school listings by state would have the “search schools” menu item visible. This makes it more likely that a consumer would assume that submitting his zip code in the schools.com search would yield schools close to his geographic area, and not on the other side of the country. A consumer might also assume that these search results are based off the “trusted sources” touted by schools.com, as opposed to a financial relationship between schools.com and colleges that presumably paid to be featured in the search results.

b. **Onlinedegrees.com**

QuinStreet also operates onlinedegrees.com. Like schools.com, onlinedegrees.com features school rankings and schools by state, and articles offering advice to prospective students. It also allows site visitors to search for colleges. These searches yield poor-performing colleges that presumably paid to appear in the results. The college search tool depicted below appears throughout onlinedegrees.com webpages.
Searching for a Bachelor’s degree in accounting yielded Independence University, an online college in Salt Lake City, Utah, owned by the Centers for Excellence in Higher Education, which has been accused of running fraudulent schools.\textsuperscript{20}

On the VA’s GI Bill Comparison Tool, Independence University has a cautionary warning for “probation” and “heightened cash monitoring,” as well as seven student complaints.\textsuperscript{21}

At the bottom of its ranking pages, onlinedegrees.com lists many of the same schools that appear in schools.com search results, characterized by extremely subpar student outcomes and law enforcement concerns about fraud.


Associate in Business Administration

Saint Leo University
Separate yourself from the pack by completing one of Saint Leo's highly rated Business degree programs. Associates, bachelor's, and master's degrees in highly sought-after concentrations available! Learn the necessary skills and build the foundation to propel your business career by receiving an education from our faculty members with true real-world experience.

Visit Site
Request Info

Florida Tech
See What's Possible When You Earn a Degree at Florida Tech. 100% Online. Whatever your motivation for enrolling in an undergraduate or graduate degree, Florida Tech offers programs online that can meet your needs. Here are a few reasons Florida Tech may be the right choice for you.

Visit Site
Request Info

Purdue University Global
WELCOME TO PURDUE UNIVERSITY GLOBAL
World-Class Education Tailored for Working Adults
Building on Purdue’s mission to provide greater access to affordable, world-class education, Purdue University Global delivers a fully personalized online experience tailored for working adults.

Visit Site
Request Info

Liberty University
100% Online & No Standardized Testing
We are committed to helping you achieve your goals and complete your degree as quickly as possible.

Visit Site
Request Info

New England College
You Serve Your Country, Now Let New England College Serve You! Learn How NEC’s Programs Fit a Military Lifestyle—100% Online.
New England College can help you discover an educational path that aligns with your military training and career aspirations. New England College is a regionally accredited, private, nonprofit institution that

Visit Site
Request Info

Averett University
Averett University is a top-ranked, fully-accredited institution that offers students over 35 undergraduate majors, minors and special programs, and 5 master’s programs. Accelerated programs designed for convenience chosen from weekly evening courses or one of Averett’s Virginia locations or study online and on your own.

Visit Site

Lancaster Bible College
Lancaster Bible College has a personal, pioneering spirit and a Christian mission that is part of our DNA. We are known for our personal approach to education and for the values that guide our students and faculty.

Visit Site

Grand Canyon University
Our online programs help you advance your professional skills, with personalized support and mobility.

Visit Site

Regent University
Flexible online, on-campus and evening courses offered in 15 areas of study, including Business, Nursing, Psychology, &

Visit Site

Forbes School of Business & Technology at Ashford University
Discover 30 bachelor's and master's degrees in all areas of business, including business administration, finance, marketing, and more. 24 business degree programs are accredited by the International Accreditation Council for Business Education (IACBE).
Business students may be eligible for

Visit Site

American InterContinental University Online
You’re serious about success. With your busy schedule and the desire to move your career forward, you can earn an accredited associate, bachelor’s or master’s degree at a pace that works for you. Anytime, 24/7, all 50 states. For more information about this program, contact us.

Visit Site

Post University
Boldly pursue your future in business with an online degree from Post University. Degrees at all levels with concentrations in Finance, Marketing, and much more.
Ranked in the Best Online Bachelor’s Programs for Veterans by U.S News & World Report.

Visit Site

[Image above: search results appearing at the bottom of onlinedegrees.com rankings pages, downloaded January 7, 2020]
Onlinedegrees.com also features a “Degree & Career Match-Up Tool” that it claims “can help you easily find which majors offer the most bang for your buck.” It also claims that it relies on Bureau of Labor Statistics (“BLS”) and National Center for Education Statistics (“NCES”) data.

Completing the search for “Business Administration and Management” yields a page that provides statistics such as average salary, total employment, and job outlook. At the bottom of the page, there are two links, labeled “Find Colleges!” and “Explore Online Degrees.”
Clicking on “Find Colleges!” brings site visitors to the onlinedegrees.com college search tool discussed above. Clicking on “Explore Online Degrees” brings site visitors to a page discussing online degree programs and the benefits of higher education. The page frequently cites the Lumina Foundation and BLS data in what appears to be an attempt to garner credibility.

The page also features a search tool (labeled “get matched to a school above”) that brings site visitors to the onlinedegrees.com college search tool. A completed search featuring many of the same schools that were listed in schools.com search results appears at the bottom of the page.
Daymar College
Career training since 1963. Gives you the freedom and flexibility to learn on your own time, at your own pace and in your own environment. Complete your education and gain technical skills when and where it’s convenient for you. Accredited by the Accrediting Commission of Career Schools and Colleges.

Ohio University - Online
Ohio University has offered distance learning educational opportunities for more than 100 years. Our nationally-ranked graduate programs provide flexible opportunities to students around the globe.

Regent University
Topped the list as Best Online Bachelor’s Program in Virginia by U.S. News & World Report in 2019. Regent is ranked among Top National Universities by U.S. News & World Report, 2016. Flexible online, on-campus and evening courses offered.

University of Nevada - Reno
At the University of Nevada, Reno, we teach public health practitioners how to look beyond physical conditions and consider environmental, economic and sociological factors that impact individual and community health, happiness and well-being.

Ashford University
Explore bachelor’s, master’s, and doctoral degrees in social science fields like psychology, applied behavioral science, sociology, and public sociology. Pursue a tech degree in areas like computer software technology, cyber & data.

George Mason University
George Mason University is Virginia’s largest public research university. Located near Washington, D.C., Mason enrolls more than 33,000 students from 130 countries and all 50 states. Mason has grown rapidly over the past half-century and is recognized

Ross Medical Education Centers
Get allied health training with Ross Medical Education Center. We offer programs in dental assisting, medical assisting, medical insurance billing and office administration, and pharmacy tech.

American InterContinental University Online
You’re serious about success. With your busy schedule and the desire to move your career forward, you can earn an accredited associate, bachelor’s or master’s degree at a pace that works for you anywhere, anytime, 24/7.

Babson College
Babson College is the premier educational institution for developing entrepreneurs of all kinds. Our AACSB-accredited graduate business programs, immersive and action-based curricula, engaged global network, and tight-knit community promote
The way QuinStreet presents its search tools on onlinedegrees.com is deceptive because they are featured throughout the website and are displayed next to articles that encourage site visitors to enroll in college. Data from reputable organizations like BLS, NCES, and Lumina is cited in these articles, but search results appear to be based on a financial relationship between QuinStreet and the schools listed. For example, the search tool appearing on the onlinedegrees.com homepage lists “sponsored schools” in small white text in the bottom right corner of the search box, and “matching school ads” is listed in close proximity to the search results appearing at the bottom of other onlinedegrees.com pages.

The search results at the bottom of other onlinedegrees.com pages are deceptive because schools are presented as being close to a site visitor’s geographic location. As the image below shows, the search results on the bottom of the “Online Degree Programs” lists “49 matching schools in Virginia.” While Regent University and George Mason University are Virginia schools, Ashford University, Ohio University, and American InterContinental University are not.
c. **Worldwidelearn.com**

QuinStreet also operates **worldwidelearn.com**, which also publishes rankings, lists of schools by state, and advice articles.

![Image above: worldwidelearn.com homepage, downloaded January 7, 2020]

On its homepage, **worldwidelearn.com** states that “education is a major investment, and like all investments it should be a well-researched decision. WorldWideLearn helps would-be students figure out how to align their interests with a career, what kind of education they might need, and whether they want to look at online or traditional, campus-based schools.” Using the “degree finder” featured in the image above yields Independence University, which, as mentioned previously, is a poor-performing school owned by an organization accused of operating fraudulent for-profit colleges.²²

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Among the advice articles featured on worldwidelearn.com is “Beware of Fake College Accreditation: Diploma Mills and Accreditation Mills.” The article warns students about colleges with fake accreditation. It also states that “dishonest institutions and fake accrediting agencies exist to defraud students of their money and lead them to believe they’re getting something they’re not.” Ironically, despite attempting to warn students about diploma mills and accreditation concerns, the website nevertheless promotes low-quality, bad actor colleges.

As mentioned previously, QuinStreet websites promote many for-profit colleges characterized by extremely subpar student outcomes, low spending on instruction, and law

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enforcement concerns about fraud. In addition to promoting Independence University, QuinStreet also promotes Ashford University. There are 37 complaints against Ashford in the GI Bill Comparison Tool, and Veterans Education Success has received 108 complaints from student veterans about Ashford. Ashford has also been subject to multiple law enforcement actions, including a 2017 lawsuit from the California Attorney General alleging fraud. The VA’s GI Bill Comparison Tool also posted a cautionary warning on Ashford’s profile. Worldwidelearn.com also promotes Colorado Technical University (“CTU”), which has a cautionary warning on the GI Bill Comparison Tool. The VA shows 196 complaints against CTU on the GI Bill Comparison Tool, and Veterans Education Success has received 228 complaints from student veterans about CTU.

Worldwidelearn.com also has a chat feature on its website. Site visitors can interact with the chat feature, which appears to be an artificial intelligence powered chatbot.

The chatbot asks questions about what site visitors are interested in studying, their level of education, and their zip code.

28 Id.
Hello! Looking for the right school? I can help you find programs that fit your exact needs and interests with just a few simple questions! 😊

What are you interested in studying?

Business

Great, what type of Business program are you looking for?

Accounting

Awesome! We have lots of Accounting-specific degree programs!

What’s the highest level of education you’ve received?

High School Diploma

Just 1 more question! What's your zip code?

20147

[Images above: chat feature that appears on QuinStreet websites, downloaded January 7, 2020]
After a Veterans Education Success employee responded to the chatbot’s questions, it recommended “10 Campus & Online schools for Accounting in Ashburn, VA.” These schools are the same that appeared in the schools.com college search tool search results. None are located in Ashburn, VA.

[Image above: list of schools generated by worldwidelearn.com chat feature, downloaded January 7, 2020]
Showing 10 Campus & Online schools for Accounting in Ashburn, VA

Matching School Ads
Results will open in new tab

2 program(s) found
- Online Business Bachelor's Degrees From the Colangelo College of Business
- Programs in areas such as Entrepreneurship, Finance, Management and more
- Develop skills in areas such as statistics, organizational behavior and ethical issues

Visit GCU.edu

Forbes School of Business & Technology

4 program(s) found
- Discover 31 bachelor's and master's degrees in all areas of business, including business administration, finance, Marketing, and more.
- 24 business degree programs are accredited by the International Accreditation Council for Business Education (IACBE).
- Business students may be eligible for scholarships such

Visit discover.ashford.edu

2 program(s) found
- Separate yourself from the pack by completing one of Saint Leo’s highly-rated Business degree programs. Associates, Bachelors, and Graduate degrees in highly sought-after concentrations available!
- Learn the necessary skills and build the foundation to propel your business career by receiving an education from our faculty members with true real-world experience.
- Saint Leo University provides academic excellence, flexibility, affordability, and a wide range of educational programs with financial aid and scholarships available to those who qualify.

Visit https://www.saintleo.edu

5 program(s) found
WELCOME TO PURDUE UNIVERSITY GLOBAL
World-Class Education Tailored for Working Adults
Building on Purdue's mission to provide greater access to affordable, world-class education, Purdue University Global delivers a fully personalized online experience
5 program(s) found
- Boldly pursue your future in business with an online degree from Post University
- Degrees at all levels with concentrations in Finance, Marketing, and much more
- Ranked in the Best Online Bachelors Programs for Veterans by US News & World Report

2 program(s) found
The Secret to Getting Ahead Is Getting Started
With a mission of helping students graduate, launch better careers, and gain greater independence to live the life they want as soon as possible, Independence University® offers flexible fully online degree programs. Program options are available in healthcare, business, information technology, and graphic arts. The programs are career-focused to help ensure the knowledge and skills you learn match what today's employers are looking for.

2 program(s) found
- Its Fast Track program enables qualified students to save up to 30% on tuition and graduate up to 30% faster.
- Several CTU degree programs are ranked by U.S. News & World Report for Best Online Programs in 2017.
- Lets students watch, view, read, or hear content through its program, My Unique Student Experience (M.U.S.E.).

3 program(s) found
- Offers MUSE (My Unique Student Experience), a content delivery system that gives students the option to watch, view, read or listen to required course materials.
- Allows students to complete courses at whatever pace they want.
- Provides intelliPath, a proprietary learning technology that lets students learn at their own pace.
d. The QuinStreet websites are deceptive

The QuinStreet websites are deceptive. *Schools.com* touts its reliance on “trusted sources” to “help [site visitors] make informed decisions about [their] future.”* Onlinedegrees.com* lists school rankings and promotes the value of higher education in articles while claiming it is relying on independent methodology and data from reputable organizations. *Worldwidelearn.com* publishes articles warning prospective students about bad actor colleges. This is likely meant to lower the guard of site visitors and to encourage them to use college search tools that are in close proximity to this information, which list schools that have a financial relationship with QuinStreet. Consumers are likely to assume that listings in the search results are based off the “trusted sources.” Instead, they are presented with a list of colleges that are most likely paying to be featured, regardless of their quality. In fact, site visitors are presented with substandard colleges that are the subject of law enforcement actions.*

Additionally, schools that are in close proximity to submitted zip codes are excluded from QuinStreet website search results. An active duty servicemember stationed at Camp Lejeune or New River seeking to use military tuition assistance or his GI Bill would likely assume that the schools listed in QuinStreet website search results are the closest schools offering the degree programs in which he is interested. Instead, consumers are presented with schools that are thousands of miles away that offer less reputable education programs. These websites fraudulently present themselves as benevolent actors looking out for consumers’ interests while advertising low-quality schools to prospective students.

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QuinStreet is likely aware that it is promoting bad-actor schools

Evidence indicates that QuinStreet likely knows that it is promoting schools that may be subject to state and federal action. At the very bottom of QuinStreet webpages, a disclosure in very small text states, “We strive to provide information on this website that is accurate, complete, and timely, but we make no guarantees about the information, the selection of schools, school accreditation status, the availability of or eligibility for financial aid, employment opportunities or education or salary outcomes.”

[Image above: disclaimer appearing at the bottom of QuinStreet webpages, downloaded January 7, 2020]

Clicking on “here” in the image above brings site visitors to QuinStreet’s disclaimer webpage.33

The disclaimers state that “[p]romotional material and other school-specific information included on our websites is generally provided by or approved by the school itself. We do not, and disclaim any assertion or allegation that we do, independently verify the information provided by the schools. We rely on the Sponsored Schools to substantiate claims they make regarding their programs including claims relating to the quality of their programs, the courses they offer, enrollment requirements, availability of financial aid, tuition rates and graduation rates.”

These disclaimers demonstrate that QuinStreet knows there is a risk that some of the schools it is promoting may be providing inaccurate information because it refuses to validate the information that sponsored schools provide it for advertising. This is further supported by QuinStreet’s SEC filings. QuinStreet’s form 10-K for FY19 states that “there have been significant changes to [regulations of for-profit colleges] in recent years and a high level of regulatory scrutiny and enforcement activity,” and “[s]uch activity and scrutiny may have an adverse effect on our operating results.”34 QuinStreet’s 10-K then discussed federal and state investigations into its “for-profit education clients,” and stated that “changes in, or new interpretations of, applicable laws, regulations, standards or policies applicable to these clients could have a material adverse effect on their accreditation, authorization to operate in various states, or receipt of funds under Title IV programs, any of which, in turn, may harm our ability to generate revenue from these clients and negatively impact our financial results.”35 These statements coupled with QuinStreet’s disclaimers demonstrate that it is aware that it promotes proprietary institutions that engage in fraudulent activity and that are at risk of state and federal legal action. Despite these risks, QuinStreet has apparently deemed profit more important than the potential harm to consumers.

35 Id.
These disclaimers also help QuinStreet websites to deceive consumers. QuinStreet websites claim that they are relying on “trusted sources” and that they “[help] would-be students figure out…what kind of education they might need,” but as shown by the disclaimers above, the schools presented by QuinStreet in its college searches are not actually vetted. QuinStreet relies on sponsored schools “to substantiate claims they make regarding their programs including claims relating to the quality of their programs, the courses they offer, enrollment requirements, availability of financial aid, tuition rates and graduation rates.” This is a bait and switch. QuinStreet is purporting to offer unbiased and comprehensive advice on higher education, but actually providing lists of unvetted schools that pay to appear in college search results.

3. **QuinStreet targets veterans and servicemembers**

QuinStreet targets veterans and servicemembers. Under the 90/10 rule, for-profit colleges must not receive more than 90 percent of their revenue from Title IV funding and must obtain 10 percent of their revenue from non-Title IV sources, a requirement intended to impose a market viability test by ensuring taxpayers are not propping up otherwise failing schools. However, the 90/10 rule contains a loophole: military education benefits do not fall under Title IV and for-profit colleges have manipulated this loophole to count military benefits toward the 10 percent requirement, as if they were private sources of financing. For-profit colleges use GI Bill and military tuition assistance to offset the cap they otherwise face on federal funds. As Holly Petraeus, the former head of servicemember affairs at the US Consumer Financial Protection Bureau, wrote, “This gives for-profit colleges an incentive to see servicemembers as nothing more than dollar signs in uniform.” Hence, it is not an innocent inquiry when a lead generator website asks for information about military affiliation. The QuinStreet websites are not generating a list of high-quality schools for servicemembers and veterans. Instead, the websites are producing a list of low-quality, for-profit colleges in exchange for financial gain. The image below shows that websites operated by QuinStreet continue to inquire about military affiliation when generating a list of schools for website users.

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4. **QuinStreet is likely violating the 2012 settlement**

In addition to targeting veterans and servicemembers, QuinStreet is likely out of compliance with its 2012 settlement agreement with 20 state attorneys general. The 2012 settlement agreement states that “...all **QuinStreet Education-related Websites** wherein a list or grouping of schools is displayed together on a website in response to a query, criteria or search on that website, **QuinStreet** shall provide the following: (1) A **Clear and Conspicuous** disclosure appearing at the top of each presented list or grouping of schools on each website that reads ‘Sponsored Listing,’ ‘Sponsored Results,’ ‘Matching Ads,’ ‘Matching School Ads,’ or ‘Ads’ or similar terms **Clearly and Conspicuously** disclosing that the presented
schools are paying consideration to be presented; (2) A **Clear and Conspicuous** disclosure appearing at the bottom of each presented list or grouping of schools on each website that reads ‘Sponsored Listing,’ ‘Sponsored Results,’ ‘Matching Ads,’ ‘Matching School Ads,’ or ‘Ads’ or similar terms **Clearly and Conspicuously** disclosing that the presented schools are paying consideration to be presented; (3) If the listing is of a significant number of schools such that it comprises multiple pages, a **Clear and Conspicuous** disclosure appearing at the top and bottom of each list of schools on each page that reads ‘Sponsored Listing,’ ‘Sponsored Results,’ ‘Matching Ads,’ ‘Matching School Ads,’ or ‘Ads’ or similar terms **Clearly and Conspicuously** disclosing that the presented schools are paying consideration to be presented.”

According to the settlement, clear and conspicuous means that “[t]he required disclosures shall be easily readable; in a high degree of contrast from the immediate background on which it appears… [and] in a format so that the disclosure is distinct from other text; in a type style, such as bold, italicized, underscored, colored, bordered or such other type style that has the effect of making the text easily readable.”

QuinStreet’s websites fail to meet this requirement. QuinStreet websites often provide no clear and conspicuous disclosures indicating that lists of schools are sponsored in any way. These search results should be accompanied by clear and conspicuous disclosures because all facts point to the conclusion that the schools listed do in fact pay QuinStreet for the promotion. Specifically, it is known that QuinStreet operates these websites in order to serve as a lead generator and that these schools pay lead generators for promotion.

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40 Id.

41 QuinStreet, Annual Report (Form 10-K), Jun. 30, 2019, 3, available at [https://investor.quinstreet.com/static-files/a372da0f-32fe-408a-9824-8f63e56b2d0d](https://investor.quinstreet.com/static-files/a372da0f-32fe-408a-9824-8f63e56b2d0d).

In some cases, *schools.com* provides some disclosure, but it is inadequate. The image below shows that QuinStreet included “Matching School Ads” in small and grey text in the upper right hand corner of the screen. A visitor to this website would likely overlook this disclosure unless they are actively looking for it. It is not clear and conspicuous.

The “Matching School Ads” disclosure on *schools.com* appears in a grey box along with contact information for a QuinStreet call center. The text for a phone number is bold, while the “Matching School Ads” text is a faded grey and below an image of a call person.

![Image above: “Matching School Ads” disclosure on onlineschools.com, downloaded September 11, 2018](image)

43 A Veterans Education Success employee called this number, and a QuinStreet call person answered. The call person would not provide information about colleges until the employee provided personal information, such as his full name, phone number, email address, and home address. The call person would also not provide any information unless the employee consented to being contacted by QuinStreet. When the employee asked about colleges near Camp Lejeune, NC, the call person provided him with information about Miller-Motte College, a for-profit college with a campus in Jacksonville, NC. When the employee asked about other colleges, the call person stated that there were no other colleges in her system. This Miller-Motte location has a cautionary warning on the Department of Veterans Affairs’ GI Bill Comparison Tool stating, “Significantly out of compliance - student achievement.” *Miller*
The “Matching School Ads” disclosures are not “bold, italicized, underscored, colored, bordered or such other type style that has the effect of making the text easily readable.” Instead, the text of the disclosures is light grey, which is more difficult to read and easy to overlook, whereas QuinStreet’s phone number is bold. QuinStreet is emphasizing the text of its call center number when it should be emphasizing the text of its advertising disclosure. In addition, the disclosure on schools.com is not “in a high degree of contrast from the immediate background on which it appears,” but instead made to appear as if it were part of the grey box featuring QuinStreet’s call center number.

The agreement also prohibits QuinStreet from including quality claims on its website unless it references an independent source in making the claim. QuinStreet is prohibited from stating that a school is “the ‘best’ or the ‘top’” or “that the school, program, or course of study best meets the needs of the prospective student, e.g., ‘is right for you’ or ‘best meets your needs’” unless QuinStreet lists an independent source “near or linked to the quality or ranking claim.” However, schools.com features the text “Find A School that’s Right for You!” above its school search tool without listing an independent source to support the claim that the search results will yield a school that’s “right” for a site visitor.

Most importantly, the agreement states that “[n]o QuinStreet Education-related Websites shall make any claim or representation that is false, misleading, or deceptive.” The agreement specifically cites “falsely stating or implying that the list of schools provided in response to a search request was the exclusive list of schools meeting the consumer’s search criteria, when in
fact only QuinStreet client schools were identified” as deceptive conduct by QuinStreet and part of the factual basis of the states’ allegations.\(^{46}\) QuinStreet fails to meet this criteria. As mentioned previously in this petition, QuinStreet websites are implied to be an exclusive list of schools meeting consumers’ search criteria (closest schools by zip code), when in fact only QuinStreet client schools are identified.\(^{47}\) The evidence listed above shows that QuinStreet has made multiple claims and representations that are false, misleading, and deceptive. For these reasons, QuinStreet is likely in violation of the 2012 settlement.

In conclusion, it is clear that by operating such websites, QuinStreet is doing a disservice to our servicemembers and veterans by promoting overpriced, low-quality colleges, most likely in exchange for payment to QuinStreet without adequate disclosure of the paid relationship.

B. Reach Network, Inc.

Reach Network, Inc., is a for-profit company headquartered in Kirkland, WA.\(^{48}\) Reach Network has multiple trade names, including “SR Education Group.”\(^{49}\) Reach Network uses the SR Education Group trade name on the website sreducationgroup.org, where it lists school rankings, offers scholarships to students, and provides advertising services to colleges. Reach Network operates four other websites, including guidetoonlineschools.com, gradereports.com, onlineu.org, and graduateprograms.com, which it refers to as “products.” Each website is operated under the SR Education Group trade name.

SR Education Group attempts to hide its for-profit corporate ownership. SR Education Group is presented as a non-profit organization, as demonstrated by its “.org” domain name and the following “mission” posted on its website: “At SR Education Group, we are motivated by a singular vision: a world where students get the education they need to be successful.” As mentioned above, SR Education Group is a trade name for Reach Network. Despite the “.org” domain name and this mission statement, SR Education Group is a for-profit company.

[Image above: SR Education Group website, downloaded October 7, 2019]

\(^{46}\) Id.
\(^{47}\) Id. at 8-13.
SR Education Group is presented as a resource for students, providing “unbiased” and “comprehensive” information. However, clicking on the “Contact Us” tab brings visitors to the following advertising page.

Clicking on the “advertising” link brings visitors to a page that provides information to schools about SR Education Group’s advertising services.\(^{50}\) It lists “premium referral listings,” logos of schools that use SR Education Group, and endorsements from “partners.”

\(^{50}\) Advertisement, SR Education Group, https://www.sreducationgroup.org/advertising (last visited Oct. 23, 2019).
Under the “What Our Partners Are Saying” heading, reviews are provided by people affiliated with for-profit colleges. Barker Education Services was founded by Bob Barker, a former Senior Executive Vice President for the Apollo Group, Inc. Apollo Group owned and operated the University of Phoenix for many years, until 2017. Laureate Education, Inc., is a “public benefit corporation” based in Baltimore, MD, that operates a network of colleges throughout the world. In the United States, it owns and operates Walden University, a for-profit college.

SR Education Group highlights the benefits of using its advertising services, including providing schools with high visibility and driving applications and enrollments.

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In order to get information about specific pricing and rate details, schools must contact SR Education Group directly.

**Frequently Asked Questions**

**How much will it cost?**

Contact us for specific pricing and rate details. Premium Referral Listings are built around per-referral pricing and can support everything from capped monthly budgets to unlimited delivery. Designed to accommodate a wide-range of marketing budgets, our listings run month-to-month, do not feature start-up charges, and do not have minimum time or spend requirements.

**How do you bring in traffic?**

Our traffic comes from search engine marketing, a by-product of our focus on building education portals that are both comprehensive and functional. When a prospective student searches for phrases like “online schools”, you will see us near the top in Google, Yahoo, and Bing. These organic rankings drive the vast majority of our traffic numbers, but we also run pay-per-click marketing in the above search engines to augment volume. We have a Responsible Marketing Guarantee, avoiding marketing tactics and channels that do not contribute to a positive user experience. Rest assured that our traffic is among the cleanest and highest-performing in the industry.
While SR Education Group does not provide details on how it helps schools achieve “highest visibility” to drive applications and enrollments, schools are promoted on its websites through various misleading ways. For example, a search bar frequently appears on SR Education Group websites:

Visitors can search for schools by degree and program. Schools including Ashford University, Purdue University Global, Grand Canyon University, and Walden University appear in the search results if a visitor searches for schools that offer bachelor’s degrees in accounting.
Regent University Online
214 Programs, 22 Bachelor's in Business (view all)
- B.S. in Business
- B.A. in Communication
- B.A. in Communication - Advertising and Public Relations
- B.A. in Communication - Internet and Social Media
Annual Tuition: $17,288
Recommendation Rate: 50%

Maryville University
29 Programs, 9 Bachelor's in Business (view all)
- B.A. in Communication
- BA in International Studies
- BA in Organizational Leadership
- BIS in Accounting
Annual Tuition: $28,470
Recommendation Rate: 7%

Rasmussen College Online
35 Programs, 7 Bachelor's in Business (view all)
- Accounting Bachelor's Degree-Completion Program
- Business Management Bachelor's Degree-Completion Program
- Finance Bachelor's Degree-Completion Program
- Healthcare Management Bachelor's Degree-Completion Program
Annual Tuition: $10,935
Recommendation Rate: 49%

Western Governors University
49 Programs, 3 Bachelor's in Business (view all)
- B.S. Business - Healthcare Management
- B.S. Business - Human Resource Management
- B.S. Data Management and Analytics
Annual Tuition: $6,070
Recommendation Rate: 72%

Bryan University Online
13 Programs, 1 Bachelor's in Business (view all)
- Bachelor of Science in Business Management
Annual Tuition: $15,400 - $15,447
Recommendation Rate: 67%

South College
47 Programs, 6 Bachelor's in Business (view all)
- Bachelor of Business Administration
- Bachelor of Business Administration - Accounting
- Bachelor of Business Administration - Health Care Administration
- Bachelor of Business Administration - Human Resources Management
Annual Tuition: $18,000
New England College
- Non-Profit
47 Programs, 14 Bachelor's in Business (view all)
- BA in Business Administration
- BA in Business Administration/Accounting
- BA in Business Administration/Business Analytics
- BA in Business Administration/Computer Information Systems
Annual Tuition: $38,954
Recommendation Rate: 38%
Learn More

Colorado Christian University
- Non-Profit
66 Programs, 3 Bachelor's in Business (view all)
- BS Business Entrepreneurship
- BS in Business International Business
- BS in Nonprofit Management
Annual Tuition: $23,370
Recommendation Rate: 60%
Learn More

Full Sail University
- Non-Profit
27 Programs, 4 Bachelor's in Business (view all)
- Bachelor of Science in Digital Marketing
- Bachelor of Science in Media Communications
- Bachelor of Science in Music Business
- Bachelor of Science in Sports Marketing and Media
Annual Tuition: $23,694
Recommendation Rate: 45%
Learn More

Columbia International University
- Non-Profit
5 Programs, 1 Bachelor's in Business (view all)
- Bachelor of Science in Business
Annual Tuition: $22,390
Recommendation Rate: 100%
Learn More

Johnson & Wales University-Online
- Non-Profit
26 Programs, 5 Bachelor's in Business (view all)
- BS - Business Studies
- BSBA - Entrepreneurship
- BSBA - Human Resource Management
- BSBA - International Business
Annual Tuition: $13,365
Learn More

Benedictine University
- Non-Profit
18 Programs, 5 Bachelor's in Business (view all)
- BAM - Human Resources Concentration
- BAM - Marketing Concentration
- BAM (Bachelors in Management)
Annual Tuition: $33,900
Recommendation Rate: 33%
Learn More
The search results are very similar for different degree program searches. Searching for a bachelor’s degree in psychology produces many of the same schools as a search for an accounting degree, including Ashford University, Purdue University Global, Arizona State University, Grand Canyon University, and Walden University.
1. SR Education Group’s college searches are misleading because they are presented as unbiased and comprehensive

The search results on Reach Network’s “SR Education Group” websites are misleading because they are presented in close proximity to the websites’ rankings, which it claims are based on independent methodology, as demonstrated by the images below:
By publishing its search tool in close proximity to its school rankings, SR Education Group gives the impression that at least some quality control standards are applied to school searches. However, search results are vastly different from school rankings. For example, guidetoonlineschools.com lists “Best Online Colleges & Degrees.” None of these schools appear in school search results on the website.
The rankings description includes information about its methodology. It claims that each school listed “has an undergraduate tuition rate under $9,000 and a graduate tuition rate under $7,000 per year.” Schools appear to be listed in ascending order of tuition. A quick review of the Department of Education’s College Scorecard demonstrates that these rankings are inaccurate. For example, Tennessee State University is listed as having an annual tuition of $4,200 on these rankings, but its average annual cost on the College Scorecard is listed at $11,083.\textsuperscript{55} Similarly,

\textsuperscript{55} Tennessee State University, COLLEGE SCORECARD, \url{https://collegescorecard.ed.gov/school/?221838-Tennessee-State-University} (last visited Jan. 27, 2020).
Georgia Southwestern State University is listed as having “Undergrad Tuition” of $5,970, but College Scorecard lists its average annual cost at $12,746.⁵⁶

Searches on onlineu.org yield the same colleges that appear in other SR Education Group college searches. In addition, none of these colleges appear in the “Most Affordable Online Colleges” ranking. Note that the tuition for many of these schools is higher than the $9,000 cap listed in the “most affordable” methodology.

<table>
<thead>
<tr>
<th>University Name</th>
<th>Programs</th>
<th>Bachelor's in Accounting</th>
<th>Annual Tuition</th>
<th>Recommendation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona State University</td>
<td>181</td>
<td>B.A. in Business - Corporate Accounting</td>
<td>$15,691 - $27,372</td>
<td>71% (90 reviews)</td>
</tr>
<tr>
<td>Indiana Wesleyan University Online - Adult Education</td>
<td>50</td>
<td>B.S. Accounting</td>
<td>$25,950</td>
<td>29% (7 reviews)</td>
</tr>
<tr>
<td>Grand Canyon University</td>
<td>143</td>
<td>B.S. in Accounting</td>
<td>$17,050</td>
<td>54% (410 reviews)</td>
</tr>
<tr>
<td>Walden University</td>
<td>253</td>
<td>B.S. in Business Administration - Accounting</td>
<td>Not Provided</td>
<td>50% (489 reviews)</td>
</tr>
<tr>
<td>Liberty University</td>
<td>416</td>
<td>B.S. Accounting, B.S. Information Systems: Accounting Information Systems</td>
<td>$11,700</td>
<td>60% (245 reviews)</td>
</tr>
<tr>
<td>Southern New Hampshire University Online</td>
<td>137</td>
<td>B.S. Accounting, B.S. Accounting - Forensic Accounting and Fraud</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saint Leo University Online</td>
<td>78</td>
<td>B.A. in Accounting, B.A. in Business Administration - Accounting Specialization</td>
<td>$22,220</td>
<td>68% (82 reviews)</td>
</tr>
<tr>
<td>Colorado State University - Global Campus</td>
<td>38</td>
<td>B.S. Accounting</td>
<td>$9,000</td>
<td>64% (58 reviews)</td>
</tr>
<tr>
<td>Brenau University</td>
<td>53</td>
<td>Bachelor of Business Administration in Accounting</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Graduateprograms.com, another SR Education Group website, published a list of “2018 Best Master’s and Doctoral Programs.”

Methodology

Our goal in presenting this school data is to create a standardized and trustworthy method to assess institutions based on reliable statistics. In order for a school to be eligible to be featured on a 2018 Top Programs List, at least five students from that particular degree program must have submitted feedback on their institution. Graduate Programs only considers regionally or nationally accredited, non-profit institutions for our rankings. Aggregated student rating values were multiplied by 20 to create a Student Score out of 100; in the event of a tie, schools were awarded the same rank value.

Together with our internal recommend rate data, which is calculated based on tens of thousands of student reviews submitted to our site, the data used in the school listings were gathered in 2016-2017 from the National Center for Education Statistics (NCES). This site is the primary governmental entity for gathering and presenting data related to education. NCES data is updated annually. However, in many cases the most recently available data will not be for the current academic year. Additionally, tuition rates may vary by program, so prospective students should contact a representative from their institution of choice for more details.
Note how the methodology paragraph states that “Graduate Programs only considers regionally or nationally accredited, non-profit institutions for our rankings (emphasis added).” It also cites data obtained from the National Center for Education Statistics (“NCES”). This is deceptive because the search results yield many for-profit institutions, with for-profit Ashford University usually at the top. Additionally, the schools listed likely have an advertising relationship with SR Education Group. It is not clear if search listings are based on NCES data at all because “rankings” do not correspond with the search results. “Rankings” only include non-profit institutions, but for-profit institutions are always at the top of the search results.
Southern New Hampshire University Online

- 62 Programs, 6 Master's in Accounting (view all)
- MS in Accounting
- MS in Accounting - Auditing
- MS in Accounting - Management Accounting
- MS in Accounting and Finance
- Recommendation Rate: 98% (184 reviews)
- Accreditation: NECHE

Saint Leo University Online

- 42 Programs, 2 Master's in Accounting (view all)
- Master of Accounting
- M.B.A. - Accounting
- Annual Tuition: $9,990
- Recommendation Rate: 86% (7 reviews)
- Accreditation: SACS COC

Colorado State University - Global Campus

- 12 Programs, 1 Master's in Accounting (view all)
- Master - Professional Accounting
- Annual Tuition: $9,000
- Recommendation Rate: 100% (4 reviews)
- Accreditation: HLC

University of the Southwest

- 29 Programs, 2 Master's in Accounting (view all)
- M.B.A. - Accounting
- Annual Tuition: $14,576
- Recommendation Rate: 100% (11 reviews)
- Accreditation: HLC

Brenau University

- 29 Programs, 2 Master's in Accounting (view all)
- Master of Business Administration in Managerial Accounting
- Master of Business Administration in Public Accounting
- Annual Tuition: $12,730
- Recommendation Rate: 97% (34 reviews)
- Accreditation: SACS COC

Regent University Online

- 156 Programs, 1 Master's in Accounting (view all)
- M.B.A. - Accounting
- Annual Tuition: $13,326
- Recommendation Rate: 96% (104 reviews)
- Accreditation: SACS COC
<table>
<thead>
<tr>
<th>University</th>
<th>Programs</th>
<th>Master's in Accounting</th>
<th>Tuition</th>
<th>Recommendation Rate</th>
<th>Accreditation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryville University</td>
<td>4</td>
<td>1</td>
<td>$15,646</td>
<td>99% (55 reviews)</td>
<td>HLC</td>
</tr>
<tr>
<td>South College</td>
<td>13</td>
<td>1</td>
<td>$24,112</td>
<td>91% (23 reviews)</td>
<td>SACSCOC</td>
</tr>
<tr>
<td>Colorado Christian University</td>
<td>27</td>
<td>2</td>
<td>$17,526</td>
<td>93% (46 reviews)</td>
<td>HLC</td>
</tr>
<tr>
<td>Benedictine University</td>
<td>11</td>
<td>1</td>
<td>$8,550</td>
<td>91% (35 reviews)</td>
<td>HLC</td>
</tr>
<tr>
<td>University of Southern Indiana</td>
<td>6</td>
<td>1</td>
<td>$28,706</td>
<td>100% (4 reviews)</td>
<td>SACS COC</td>
</tr>
<tr>
<td>University of South Carolina-Aiken</td>
<td>4</td>
<td>1</td>
<td>$11,630</td>
<td>90% (29 reviews)</td>
<td>MSCE</td>
</tr>
<tr>
<td>The University of Scranton</td>
<td>17</td>
<td>2</td>
<td>$12,900</td>
<td>90% (29 reviews)</td>
<td>MSCE</td>
</tr>
<tr>
<td>Seton Hall University</td>
<td>10</td>
<td>1</td>
<td></td>
<td>90% (29 reviews)</td>
<td>MSCE</td>
</tr>
</tbody>
</table>
SR Education Group also lists the search bar frequently on pages that provide advice to students. The search bar appears six times on a guidetoonlineschools.com page that provides financial aid and student loan advice:

[Images above: SR Education Group search results on graduateprograms.com, downloaded October 1, 2019]

[Image above: search bar on financial aid advice page, downloaded October 4, 2019]

[Image above: search bar on financial aid advice page, downloaded October 4, 2019]
The frequency of the search bar, especially in student advice articles, demonstrates that these websites are a blatant attempt to promote schools instead of a legitimate effort to educate students.

As mentioned previously, SR Education Group is presented as a resource for students, providing “unbiased” and “comprehensive” information. Rankings are displayed that showcase many high quality schools, but searches yield many low quality schools that, judging by the advertising arrangements SR Education Group touts, apparently paid to appear in the search results. This includes Ashford University, Trident University, Grand Canyon University, and Grantham University. Veterans Education Success has published multiple reports that show

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Ashford engages in a variety of misleading, illegal practices and produces bad outcomes for students. In 2017, the California Attorney General sued Ashford and its parent company, Zovio (which had changed its name from Bridgepoint), for engaging in unlawful business practices. Zovio and Ashford have also been subject to investigations conducted by the U.S. Department of Justice and the Massachusetts, North Carolina, and New York attorneys general. Despite this, SR Education Group lists Ashford as a “Recommended” school:

A reasonable consumer would assume that SR Education Group is relying on “unbiased” and “comprehensive” information in its school searches, and that the same methodology applied to rankings (or at least some form of quality control) is also applied to searches. SR Education Group even seems to claim in its disclosure that its search results are unaffected by its advertising relationship with partner schools:

In reality, the search results are inconsistent with the rankings and their methodology, and likely based on SR Education Group’s advertising relationship with listed schools.


60 Id. at 4.
2. Reach Network search results are misleading because they wrongly give visitors the impression that schools will qualify students for licensed occupations

School searches on these websites are misleading because they wrongly give consumers the impression that the listed schools will qualify students for licensed occupations. Running a search for accredited schools that offer doctorate degrees in psychology produced the following list of schools:

![Accredited Schools Offering Online Psychology Degrees](image)

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61 A page featuring comparisons of for-profit colleges seems to promote Concord Law School without mentioning that it is not accredited by the American Bar Association, thereby preventing graduates from becoming licensed lawyers in nearly every state in the country. *Compare Online Schools, GUIDE TO ONLINE SCHOOLS*, https://www.guidetoonlineschools.com/compare-schools (last visited Oct. 23, 2019).
To be licensed as a clinical psychologist, students must graduate from a doctoral program accredited by the American Psychological Association (APA). Of the schools listed above, only Regent University’s Clinical Psy.D. degree is APA accredited. Grand Canyon University, Liberty University, Northcentral University, and California Coast University do not offer programs that are APA accredited. Grand Canyon University is currently being sued by former students in a class action lawsuit for “[inducing] students to enroll in online professional degree and certificate programs that are not accredited in most states.”

Furthermore, many schools listed in SR Education Group rankings are excluded from these search results despite having APA accredited psychology programs. For example, the George Washington University, University of Virginia, Drexel University, Rutgers University, and DePaul University all have APA accredited doctorate programs in psychology, but they are not listed in these search results. This demonstrates that it is likely that schools are paying to appear in the search results. It also demonstrates that SR Education Group is deceptively listing programs as being APA-accredited while excluding programs from the search results that actually qualify students to practice psychology. SR Education Group is misleading consumers by featuring programs that do not qualify graduates for licensed occupations and hiding those that do.

3. Reach Network’s advertising disclosures are deceptive

Advertising disclosures on SR Education Group websites are ambiguous, outside industry norms, and ultimately deceptive. In 2013, the Commission sent a letter to search engine companies, advising them of the need to distinguish between advertisements and search results. The Commission stated that “consumers ordinarily expect that natural search results are included and ranked based on relevance to a search query, not based on payment from a third party.” It also stated that “[i]ncluding or ranking a search result in whole or in part based on payment is a form of advertising” and that “consumers should be able to easily distinguish a natural search result from a paid search result.”


65 Id.


67 Id. at 1.
result from advertising that a search engine delivers.”  

The Commission identified labeling conventions adopted by search engines, including labeling the advertising results as “sponsored” or “ad,” background shading, and “placing advertising results above, below, or to the right-hand side of the natural results.” The Commission cited case law holding that “[d]isclosures must be ‘sufficiently prominent and unambiguous to change the apparent meaning of the claims and to leave an accurate impression,’” and ultimately recommended that search engines use a text label that “(1) uses language that explicitly and unambiguously conveys if a search result is advertising; (2) is large and visible enough for consumers to notice it; and (3) is located near the search result or group of search results.”

SR Education Group’s advertising disclosure does not make clear that its school searches are based on an advertising relationship, especially considering other information included in the disclosure.

[Image above: SR Education Group search disclosure, downloaded October 7, 2019]

The disclosure states that schools listed in search results “are part of over 200 partner colleges with whom we have an advertising relationship.” The next sentence states that “[t]his allows us to provide accurate, up-to-date information about program offerings, accreditation, and tuition.” The disclosure also states that “[o]ur Recommendation Rate is based on the largest database of independent reviews submitted by former students and is not impacted by the partnership” (emphasis added). This violates the case law mentioned above, as the disclosure clearly implies the paid advertising relationship does not affect the search results. This is likely untrue because these are paid lead generator sites that are designed to increase the visibility of their partner schools. The statement regarding “accurate, up-to-date information” and the claim that the “Recommendation Rate…is not impacted by the partnership” makes it seem as though the purpose of the advertising relationship is accuracy in search results while simultaneously stating that the search results are not affected by the advertising relationship. It is also radically different from the conventional search engine disclosure methods mentioned above.

SR Education Group’s disclosure does not meet the Commission’s recommendation. While it is located near the search results, it does not use language that explicitly and unambiguously conveys that the search results are advertising. Additionally, its text is much smaller than other text on SR Education Group’s websites. A reasonable consumer could easily overlook the disclosure, and even if he had the opportunity to read it, believe that the search results were not impacted by SR Education Group’s advertising relationship with partner schools.

68 Id.
69 Id. at 2.
70 Id. at 2-3.
71 See page 38 above.
4. Reach Network misrepresents student debt repayment rates

Reach Network misrepresents student debt repayment rates on one of its websites, Guidetoonlineschools.com. Guidetoonlineschools.com compares schools.72 “Popular comparisons” include the University of Phoenix, Western Governors University, Kaplan University, Capella University, Ashford University, and Liberty University.

[Image above: SR Education Group “popular comparisons,” downloaded October 15, 2019]

The comparison between Ashford University and Liberty University claims that the number of students paying off their debt at both schools is higher than it really is. Guidetoonlineschools.com claims that 85% of Ashford graduates are “repaying” their student loans and 92% of Liberty University graduates are “repaying” their student loans. It states that it relied on “government databases” and its “extensive library of real student reviews.”73 However, the information provided by guidetoonlineschools.com conflicts with the Department of Education’s data. According to the Department of Education’s College Scorecard, only 24.6% of Ashford students are paying down74 their student loans within three years of leaving school, only 29.3% are paying down their loans within five years of leaving school, and only 36.7% are paying down their loans within seven years of leaving school.75 Only 32.5% of Liberty University graduates are paying down their student loans within three years of leaving school, only 44.7% are paying down their loans within five years of leaving school, and only 58.5% are paying down their loans within seven years of leaving school.76

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73 Id.
74 This is defined as the share of student borrowers who have paid at least one dollar of the principal balance on their federal loans within three years of leaving school. See Technical Documentation: College Scorecard Institution-Level Data, COLLEGE SCORECARD, 30-31, https://collegescorecard.ed.gov/assets/FullDataDocumentation.pdf (last visited Nov. 25, 2019).
5. Reach Network misleads prospective students about for-profit and non-profit colleges

Guidetoonlineschools.com also equates for-profit schools and non-profit schools by using misleading data analysis. Notably, guidetoonlineschools.com features the article The Truth About Online Learning: 4,650 Students Speak Up. The article relies on comments and reviews submitted by students (including anonymous reviews) on its sister website, gradreports.com, to compare for-profit and non-profit schools.

The article compares “degree satisfaction” and “career improvement” at 41 online schools, including the for-profit American Public University System, American InterContinental University, DeVry University, Colorado Technical University, Ashford University, and the University of Phoenix - all of which have faced law enforcement action for defrauding students.

While directly addressing “controversies surrounding for-profit institutions,” the article states that there is only a 9% average difference in student ratings between for-profit and online non-profit schools.
The article states that it compared 4,650 online student reviews, but does not specify which schools it compared or how these student reviews were selected. Gradreports.com claims it has 32,867 reviews from 5,585 colleges on its homepage. Again, guidetoonlineschools.com lists only 41 schools by name in this article.
Many non-profit schools that offer online degree programs were apparently excluded from the comparison, and none of the “Best Online Colleges & Degrees” schools are directly mentioned or displayed in this article. Excluded schools include George Washington University and the University of Virginia, as shown by the screenshot below.

The student reviews on gradreports.com on which the article relied in its analysis are abnormally positive. Ashford University has a 4-star rating, with 67% of reviews recommending it and 70% claiming their degree from Ashford improved their career.

By contrast, the College Scorecard shows that Ashford has a 28% graduation rate with 24.6% of students paying down their debt within three years of leaving the school.78 Veterans Education

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Success has received 109 complaints from student veterans about Ashford. Like these student complaints, the California Attorney General’s lawsuit against Ashford makes clear that many students are not satisfied with Ashford. The GI Bill Comparison Tool also posted a cautionary warning on Ashford’s profile.

This data analysis is misleading because guidetoonlineschool.com seems to have cherry-picked schools to compare while excluding many high-ranking non-profit colleges. In addition, relying on student reviews is problematic because it is unclear how this universe of students was selected and whether it provides a representative sample, and because reviews may be submitted anonymously. For example, schools could hire people to submit fake comments to boost their percentages on SR Education Group websites. Aside from its methodological flaws, it is likely that this article is a form of advertising conducted by SR Education Group for its partner schools, given its clear profit motivation evidenced by its paid packages of lead generation. Notably, the article showcases many of the schools that are listed in the SR Education Group website college search results.

6. Reach Network misrepresents tuition listings

Reach Network also misrepresents annual tuition at its partner schools. For example, graduateprograms.com lists Liberty University’s annual tuition at $8,475.


81 Id.
By contrast, the GI Bill Comparison tool states that the VA would pay $21,310 annually to Liberty.\(^2\) College Scorecard lists “average annual cost” at $27,883.\(^3\)

Ashford’s listed tuition also seems misleading:

While the GI Bill Comparison tool states that the VA would pay $24,447 annually to Ashford, College Scorecard lists “average annual cost” at $18,749.\(^4\) In contrast, SR Education Group lists Ashford’s tuition as between $10,386 and $15,192. SR Education Group is apparently making it

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\(^3\) Liberty University, COLLEGE SCORECARD, https://collegescorecard.ed.gov/school/?232557-Liberty-University (last visited Apr. 21, 2020).

seem as though tuition at these schools is lower than it really is in an effort to make them more attractive options for prospective students.

7. Reach Network targets veterans and servicemembers

Reach Network claims through its SR Education Group website that it offers military scholarships, and requests information about military affiliation from students in order to target veterans and servicemembers. As mentioned above, this is not an innocent inquiry. The 90/10 rule provides a perverse incentive to for-profit colleges to target veterans and servicemembers.85

[Image above: SR Education Group scholarship listing, downloaded October 17, 2019]

Selecting “Request Information” for a particular school in search results brings visitors to the following page:

Section “3” requests information about “Military Affiliation.”
After a Veterans Education Success employee submitted personal information and selected “Veteran” under “Military Affiliation,” an Ashford admissions representative sent him the following email:

I hope you are taking the time to learn all about your education options. Here are some helpful links to learn a little bit more about the resources for military members, veterans, and their spouses at Ashford University:

- Ashford Military Grant
- Military Resources
- Military FAQs

To learn more, please give us a call at 888-216-1376 and ask to speak to a military enrollment services advisor.

Sincerely,

MINAS BE-EMNET / Director of Enrollment Services
Ashford University / Technology Changes Everything™

SR Education Group is providing its client schools with the military affiliation of prospective students, which is the information unscrupulous colleges need to target servicemembers and veterans.

Reach Network websites also list “military friendly” schools. In its methodology to determine whether a school is “military friendly,” guidetoonlineschools.com directly references the Department of Veterans Affairs Principles of Excellence program established by Executive Order 13607.

Military Culture: Military culture refers to the level of commitment that schools show to accommodating military students and creating an environment in which they will succeed and feel comfortable. Each school’s military culture score was determined by a variety of factors, including the number of GI Bill students currently enrolled at the school, and whether or not the school participates in the many government programs designed to serve military students. For example, schools that are signatories of the Principles of Excellence program have agreed to accommodate student absences that are due to service requirements and refrain from fraudulent or aggressive recruiting techniques, and schools that are signatories of the 8 Keys to Veteran Success program are committed to monitoring veteran outcomes and training staff members on issues specific to veterans. The other government programs that were considered in these rankings are the Yellow Ribbon program and the Department of Defense Voluntary Education Partnership Memorandum of Understanding, which hold participating schools to extremely high standards with respect to educating military students.

The Principles of Excellence require schools to “[e]nd fraudulent and aggressive recruiting techniques and misrepresentations,” yet guidetoonlineschools.com lists many schools guilty of such practices as being “military friendly.” For example, Liberty University, Trident University, and Grantham University are listed as being “military friendly.” In 2017, Veterans Education Success discovered that Trident University attempted to recruit children and widows of military servicemembers killed on active duty using misleading information at Tragedy Assistance Program for Survivors (“TAPS”) events. According to the New York Times, Liberty University used many of the same deceptive practices as for-profit schools like the University of Phoenix, but evaded regulatory scrutiny due to its non-profit status. Liberty, Trident, and Grantham also receive millions in GI Bill tuition and fees, yet spend a small percentage of gross fees and tuition on instruction. Liberty University received $33,189,893 in GI Bill tuition and fees in 2017 but spent only 19% of gross tuition and fees on instruction. Trident University received $11,308,126 in GI Bill tuition and fees in 2017 but spent only 19.5% of gross fees and tuition on instruction. Grantham received $9,724,208 in GI Bill tuition and fees in 2017 but spent only 15.9% of gross tuition and fees on instruction. By contrast, Washington University in St. Louis received $3,322,768 in GI Bill tuition and fees in 2017 and spent 289.5% of gross tuition and fees on instruction.

8. Reach Network misrepresents which schools participate in the Yellow Ribbon Program

Guidetoonlineschool.com makes it seem as though schools are not participants in the Yellow Ribbon Program when they really are. This is problematic because the Yellow Ribbon Program enables GI Bill recipients to have their full tuition at private schools paid or waived

89 Alec MacGillis & ProPublica, How Liberty University Built a Billion-Dollar Empire Online, NY TIMES (Apr. 17, 2018), https://www.nytimes.com/2018/04/17/magazine/how-liberty-university-built-a-billion-dollar-empire-online.html (“Liberty’s tax filings show that in 2016, the university paid Google $16.8 million for ‘admissions leads generation.’ In other words, advertising Liberty to those searching online for degree options.”). Liberty also targets servicemembers and veterans. “A separate division of about 60 [recruiters] focuses on courting members of the military, who have access to even greater federal tuition assistance, and then advising them on campus. A former employee in that division said that given the smaller crew, the work there was if anything even more intense than in the main branch: More than 30,000 L.U.O. students are from the military or military families.”
91 Id.
92 Id.
93 Id. at 9.
even though they exceed the GI Bill’s cap. In its list of “military friendly” schools, guidetoonlineschools.com includes “Top Yellow Ribbon Online Schools.” “Top Yellow Ribbon Online Schools” have a small yellow ribbon icon by their names:

[Image above: SR Education Group yellow ribbon symbol, downloaded October 3, 2019]

Hovering over the icon displays the following message: “This indicates that a school is a 2018 Top Yellow Ribbon Online School.” On a separate page, guidetoonlineschools.com elaborates that yellow ribbon icons are listed by schools only if they support an unlimited number of students and offer unlimited financial contributions through the Yellow Ribbon Program.

[Image above: “2019 Best Yellow Ribbon Online Schools,” downloaded October 3, 2019]

This is deceptive because not all schools that participate in the Yellow Ribbon Program support an unlimited number of students or offer unlimited financial contributions. For example, George Mason University and American University do not have the yellow ribbon icon by their names, despite participating in the Yellow Ribbon Program in 2018.

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## Comprehensive List of Military-Friendly Accredited Online Schools (50)

<table>
<thead>
<tr>
<th>School</th>
<th>Annual Tuition</th>
<th>Military Friendly Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Public University System</td>
<td>$8,100</td>
<td>98.27</td>
</tr>
<tr>
<td>American University</td>
<td>$66,662</td>
<td>82.48</td>
</tr>
<tr>
<td>Arizona State University</td>
<td>$10,104</td>
<td>99.37</td>
</tr>
<tr>
<td>Austin Peay State University</td>
<td>$23,339</td>
<td>96.63</td>
</tr>
<tr>
<td>Bellevue University</td>
<td>$13,280</td>
<td>94.02</td>
</tr>
<tr>
<td>Colorado State University-Global Campus</td>
<td>$9,600</td>
<td>85.33</td>
</tr>
<tr>
<td>Columbia Southern University</td>
<td>$6,750</td>
<td>96.76</td>
</tr>
<tr>
<td>DePaul University</td>
<td>$18,900</td>
<td>88.87</td>
</tr>
<tr>
<td>Eastern Kentucky University</td>
<td>$12,270</td>
<td>87.42</td>
</tr>
<tr>
<td>Embry-Riddle Aeronautical University-Worldwide</td>
<td>$11,700</td>
<td>88.63</td>
</tr>
<tr>
<td>Excelsior College</td>
<td>$15,300</td>
<td>85.99</td>
</tr>
<tr>
<td>George Mason University</td>
<td>$32,520</td>
<td>92.00</td>
</tr>
<tr>
<td>Georgia State University</td>
<td>$27,304</td>
<td>92.47</td>
</tr>
<tr>
<td>Grantham University</td>
<td>$8,215</td>
<td>86.45</td>
</tr>
<tr>
<td>Hawaii Pacific University</td>
<td>$25,650</td>
<td>95.44</td>
</tr>
<tr>
<td>Indiana University - Bloomington</td>
<td>$9,460</td>
<td>89.66</td>
</tr>
<tr>
<td>IUPUI</td>
<td>$28,727</td>
<td>85.46</td>
</tr>
<tr>
<td>Lewis University</td>
<td>$32,500</td>
<td>70.07</td>
</tr>
<tr>
<td>Liberty University</td>
<td>$17,700</td>
<td>99.46</td>
</tr>
<tr>
<td>Metropolitan State University of Denver</td>
<td>$19,425</td>
<td>92.37</td>
</tr>
<tr>
<td>Mississippi State University</td>
<td>$11,036</td>
<td>85.88</td>
</tr>
<tr>
<td>North Carolina State University</td>
<td>$27,094</td>
<td>89.51</td>
</tr>
<tr>
<td>Norwich University</td>
<td>$11,250</td>
<td>92.10</td>
</tr>
<tr>
<td>Oklahoma State University - Main Campus</td>
<td>$28,918</td>
<td>87.68</td>
</tr>
<tr>
<td>Old Dominion University</td>
<td>$11,670</td>
<td>97.88</td>
</tr>
<tr>
<td>Rochester Institute of Technology</td>
<td>$29,340</td>
<td>86.52</td>
</tr>
<tr>
<td>Saint Xavier University</td>
<td>$17,250</td>
<td>72.74</td>
</tr>
<tr>
<td>San Diego State University</td>
<td>$19,642</td>
<td>87.01</td>
</tr>
<tr>
<td>Texas A&amp;M University-College Station</td>
<td>$23,138</td>
<td>95.51</td>
</tr>
<tr>
<td>Texas State University</td>
<td>$13,370</td>
<td>92.91</td>
</tr>
<tr>
<td>Texas Tech University</td>
<td>$21,330</td>
<td>89.91</td>
</tr>
<tr>
<td>Thomas Edison State University</td>
<td>$9,967</td>
<td>86.07</td>
</tr>
<tr>
<td>Trident University International</td>
<td>$11,590</td>
<td>90.44</td>
</tr>
<tr>
<td>University of Alabama at Birmingham</td>
<td>$13,230</td>
<td>89.56</td>
</tr>
<tr>
<td>University of Colorado Colorado Springs</td>
<td>$77,074</td>
<td>96.90</td>
</tr>
<tr>
<td>University of Colorado Denver</td>
<td>$14,940</td>
<td>92.38</td>
</tr>
<tr>
<td>University of Denver</td>
<td>$28,985</td>
<td>74.21</td>
</tr>
<tr>
<td>University of Kansas</td>
<td>$11,592</td>
<td>88.52</td>
</tr>
<tr>
<td>University of Kentucky</td>
<td>$12,070</td>
<td>86.35</td>
</tr>
<tr>
<td>University of Maryland Global Campus</td>
<td>$14,970</td>
<td>99.49</td>
</tr>
<tr>
<td>University of Massachusetts-Lowell</td>
<td>$11,400</td>
<td>85.10</td>
</tr>
<tr>
<td>University of Minnesota Digital Campus</td>
<td>$11,864</td>
<td>88.59</td>
</tr>
</tbody>
</table>
This methodology uses the well-known “Yellow Ribbon” in a manner inconsistent with its actual meaning and common understanding. By redefining what “Yellow Ribbon” stands for, it has the likelihood of affirmatively misleading military-connected students. Student veterans looking for schools that participate in the Yellow Ribbon Program might assume that “military friendly” schools without the yellow ribbon icon do not participate in the program and overlook the school. SR Education Group is giving the impression that the “Best Yellow Ribbon Online Schools” are the only schools at which this military education benefit can be utilized.

III. Legal Analysis

The companies named in this complaint are likely engaged in prohibited unfair and deceptive practices. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts or practices in or affecting commerce.”

A. QuinStreet, Reach Network, and schools that use their lead generation services are engaged in unfair practices

According to Commission policy, a trade practice is unfair if it:

1. Causes or is likely to cause substantial injury to consumers;
2. Is not reasonably avoidable by consumers themselves; and
3. Is not outweighed by countervailing benefits to consumers or to competition.96

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Under the first prong, substantial injury usually involves monetary harm.\textsuperscript{97} The second prong is an effort to ensure that consumer decision making still governs the market by limiting the Commission to act in situations where seller behavior “unreasonably creates or takes advantage of an obstacle to the free exercise of consumer decision making.”\textsuperscript{98} Sellers may not withhold from consumers important price or performance information, engage in coercion, or unduly influence highly susceptible classes of consumers.\textsuperscript{99} Under the third prong, the Commission will not find a practice unfair “unless it is injurious in its net effects.”\textsuperscript{100}

Additionally, the Commission will look at “whether the conduct violates public policy as it has been established by statute, common law, industry practice, or otherwise.”\textsuperscript{101} Public policy is used to “test the validity and strength of the evidence of consumer injury, or, less often, it may be cited for a dispositive legislative or judicial determination that such injury is present.”\textsuperscript{102} The harms of the online marketers outlined above are within the scope of the Commission’s authority to enforce Section 5 of the FTC Act, and they should face Commission action for these violations.

Here, the trade practices of QuinStreet, Reach Network, and the schools that used their lead generation services are likely to cause substantial injury because consumers are presented with a list of poor-performing colleges that have bad student outcomes. QuinStreet and Reach Network present themselves as unbiased sources while simultaneously promoting these schools. Consumers are also deceived about the true cost of attendance at colleges. Students suffer monetary harm when they incur large amounts of student loan debt at substandard schools and are unable to find gainful employment. Additionally, the injury is one which consumers could not reasonably avoid. QuinStreet, Reach Network, and their partner schools are providing consumers with inaccurate price and performance information about these colleges. Finally, the conduct of QuinStreet, SR Education Group, and their partner schools is injurious in its net effects. While some of the information offered on their websites might be useful to consumers, such as the guidetoonlineschools.com article that provides financial aid advice, such information is merely a cover for its lead generation services, and the harm caused by those services outweighs any benefit a site visitor would receive. Even still, important information provided by SR Education Group websites is often inaccurate and misleading, such as school rankings and pages that explain veterans’ benefits.

Lastly, the conduct of QuinStreet, Reach Network, and the schools that use their lead generator services violates public policy. This is demonstrated by QuinStreet’s settlement with 20 state attorneys general and the Commission’s lawsuits against Career Education Corporation and Victory Media for their use of deceptive lead generator websites.\textsuperscript{103} The Commission and

\begin{itemize}
  \item \textsuperscript{97} Id.
  \item \textsuperscript{98} Id.
  \item \textsuperscript{99} Id.
  \item \textsuperscript{100} Id.
  \item \textsuperscript{101} Id.
  \item \textsuperscript{102} Id.
\end{itemize}
state attorneys general have determined that deceptive lead generator websites violate public policy and have taken steps to shut them down.

B. QuinStreet, Reach Network, and the schools that use their lead generator services are engaged in deceptive practices

According to Commission policy, there are three requirements in order for the Commission to make a finding of deception:

1) There must be a representation, omission, or practice that is likely to mislead the consumer;
2) The act or practice must be considered from the perspective of a reasonable consumer; and
3) The representation, omission, or practice must be material. ¹⁰⁴

Under the first prong, the relevant inquiry is whether an act or practice is likely to mislead.¹⁰⁵ Under the second prong, “[w]hen representations or sales practices are targeted to a specific audience, the Commission determines the effect of the practice on a reasonable member of that group.”¹⁰⁶ Additionally, “the Commission considers the totality of the practice in determining how reasonable consumers are likely to respond.”¹⁰⁷ Under the third prong, the Commission must determine whether consumers would have chosen another product if the deception had not occurred. Express claims are presumed material.¹⁰⁸ Materiality is also presumed for claims and omissions involving “health, safety, or other areas with which the reasonable consumer would be concerned.”¹⁰⁹ The harms of the online marketers outlined above are within the scope of the Commission’s authority to enforce Section 5 of the FTC Act, and they should face Commission action for these violations.

By way of example, in 2017, the Commission announced a consent agreement with Victory Media LLC for violating Section 5 of the FTC Act in connection with its promotion of post-secondary schools to military consumers. Victory Media purported to help servicemembers and veterans find the right educational choice through an online Matchmaker tool that purports to search “military friendly” schools. According to the complaint, the company included schools as possible search results for its Matchmaker tool only if the schools paid it to be included, and

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¹⁰⁴ Matter of Cliffdale Assocs., Inc., 103 F.T.C. 110 app. at 46 (1984); see also Kraft, Inc. v. F.T.C., 970 F.2d 311, 314 (7th Cir. 1992); see also F.T.C. v. Pantron I Corp., 33 F.3d 1088, 1095 (9th Cir. 1994).
¹⁰⁵ Id.
¹⁰⁶ Id.
¹⁰⁷ Id.
¹⁰⁸ Id. at 49-50.
¹⁰⁹ Id.
endorsed individual schools in certain articles, emails, and social media posts without disclosing that, in many cases, the schools paid the company to be endorsed in those specific materials.  

1. **QuinStreet**

QuinStreet has made representations and omissions and engaged in practices that are likely to mislead consumers. QuinStreet operates lead generator websites that make it seem as though school searches are based on government data and independent methodology when they are actually based on its advertising relationship with partner schools. These websites also display the same for-profit colleges in search results regardless of the zip code or topic of study submitted. Schools that are in close proximity to the zip codes are excluded. These representations, omissions, and practices are likely to mislead consumers. A reasonable consumer visiting QuinStreet websites would assume that information on its websites is accurate and based on independent methodology. In reality, content on QuinStreet websites is likely determined by an advertising relationship with its client schools, as evidenced by QuinStreet’s promotion of its paid lead generation products, and is often misleading. A reasonable consumer would also assume that the schools that appear in search results are the closest schools available with the desired degree program. Instead, site visitors are presented with low-quality, poor-performing schools that are located thousands of miles away.

QuinStreet’s representations, omissions, and practices should be presumed material. Higher education is an area with which a reasonable consumer would be concerned. Post-secondary and graduate degree programs require students to invest thousands of dollars and to dedicate years of study for successful completion. Additionally, school quality often determines students’ ability to find gainful employment. A student’s education and gainful employment represent important material interests to that student. Therefore, QuinStreet has made material representations and is engaging in deceptive practices.

2. **Reach Network**

Reach Network has made representations and omissions and engaged in practices that are likely to mislead consumers. Reach Network operates under the SR Education Group trade name in order to make it seem as though its lead generator websites are run by a non-profit organization. This is demonstrated by SR Education Group’s use of the “.org” domain name and its display of a mission statement on seducationgroup.org in similar fashion to non-profit organizations. Reach Network operates lead generator websites that make it seem as though

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111 See Mission and Values, AMERICAN RED CROSS, https://www.redcross.org/about-us/who-we-are/mission-and-values.html (last visited Nov. 12, 2019); see also Amnesty International’s Statute, AMNESTY INTERNATIONAL, https://www.amnesty.org/en/about-us/how-were-run/amnesty-internationals-statute/ (last visited Nov. 12, 2019); see also About Us – Student Veterans of America, STUDENT VETERANS OF AMERICA, https://studentveterans.org/aboutus
school searches are based on independent methodology when they are likely based on its advertising relationship with partner schools, as shown by its promotion of its paid lead generation products. Reach Network also wrongly makes it seem as though its partner schools will qualify students for licensed occupations. Reach Network publishes misleading research that equates for-profit colleges and non-profit colleges. Finally, Reach Network misrepresents debt repayment rates, tuition, quality of schools, and the availability of veterans’ benefit programs at colleges. Based on its presentation, a reasonable consumer visiting Reach Network websites would assume that information on its websites is accurate and based on independent methodology. In reality, content on Reach Network websites is determined by an advertising relationship with partner schools and is often misleading.

Reach Network’s representations, omissions, and practices should be presumed material. As mentioned above, higher education is an area with which a reasonable consumer would be concerned. Reach Network has made material representations and is likely engaged in deceptive practices.

3. The schools that used QuinStreet and Reach Network’s lead generation services

The QuinStreet and Reach Network client schools are likely engaged in deceptive practices. In August 2019, the Commission submitted a complaint against Career Education Corporation (“CEC”) and its subsidiaries, including American InterContinental University, Inc., AIU Online, Inc., Marlin Acquisition Corp., Colorado Tech., Inc., and Colorado Technical University, Inc., for violating Section 5(a) of the FTC Act and the Telemarketing Sales Rule by using illegal and deceptive lead generators to “lure consumers to their post-secondary and vocational schools.” 112 CEC used the services of 70 different lead generators, including the Sunkey entities and Fanmail, which operated Army.com, a website that masqueraded as an official US military page. 113 Considering that the QuinStreet and Reach Network partner schools are using illegal and deceptive lead generators to lure consumers, and many of these schools were listed as Army.com partner schools, 114 they should also be investigated for engaging in deceptive practices.

IV. Request for Action

As the country’s leading consumer protection agency, the Commission has a critical leadership role to play in this important marketplace. QuinStreet, Inc. and Reach Network, Inc.

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113 Id. at 9.
likely violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Veterans Education Success respectfully requests that the Commission institute an investigation of these businesses, their websites, and their partner schools.

Respectfully Submitted,

VETERANS EDUCATION SUCCESS

Carrie Wofford  
President

Aniela Szymanski  
Senior Director for Legal Affairs and Military Policy

Alexander Kish  
Attorney

Allison Muth  
Attorney

June 18, 2020