



VETERANS EDUCATION SUCCESS

January 21, 2020

Charmain Bogue, Executive Director
U.S. Department of Veterans Affairs
Veterans Benefits Administration, Education Service
810 Vermont Avenue, NW
Washington, DC 20420

Re: 38 U.S.C. § 3696 and University of Phoenix, Career Education Corporation, and Ashford University

Dear Charmain,

We are writing to bring information to your attention troubling complaints alleging misleading advertising and enrollment practices by schools, making those schools ineligible for educational benefits under 38 U.S.C. § 3696.

As part of the free legal assistance we provide to students, Veterans Education Success receives complaints from students using veterans' benefits, such as the GI Bill, to attend colleges and universities around the country. Each time Veterans Education Success receives a complaint, our staff ensures that the complaint is also submitted to the U.S. Department of Veterans Affairs (VA) GI Bill Feedback Tool either by the student with our help or by our staff, so that VA is aware of the same information about schools that our organization is.

Recently, we noticed the GI Bill Comparison Tool does not reflect nearly the same number of complaints against schools as the number that Veterans Education Success has submitted to VA. Three examples are detailed below. Additionally, Veterans Education Success has received numerous whistleblower complaints about these schools, which we are also including. Further, our staff has gathered evidence that these schools aggressively recruit veterans and other GI Bill beneficiaries, making it especially important that VA take appropriate action to address their behavior (see the attached screenshots from the school websites demonstrating their recruitment activities).

Specifically:

- We submitted, or helped veterans submit, 109 complaints about Ashford, yet the GI Bill Comparison Tool shows only 37 complaints;

- We submitted, or helped veterans submit, 144 complaints about American InterContinental University, yet the GI Bill Tool shows only 23;
- We submitted, or helped veterans submit, 228 complaints about Colorado Technical University, yet the GI Bill Tool shows only 196; and
- We submitted, or helped veterans submit, 708 complaints about University of Phoenix, yet the GI Bill Tool shows only 577.

The discrepancies in these numbers is exceptionally concerning because Veterans Education Success is merely one source of many sources of complaints submitted through the GI Bill Feedback Tool. VA's Feedback Tool is also publicized to veterans and other beneficiaries by VA, as well as by schools and other veterans service organizations. Therefore, the number of complaints we have received must be a fraction of the total VA has received, and yet VA's reported numbers are lower than those we have submitted.

The numbers of complaints on the GI Bill Tool matter because it is key information to prospective students, as well as to academic and policy researchers, Members of Congress, law enforcement entities, and veterans service organizations. When prospective students are not provided accurate information about the number of complaints against a school receiving GI Bill funds, students are prevented from making an informed decision regarding their education and use of benefits. Similarly, researchers who refer to VA's complaint numbers make the assumption those numbers are accurate and comprehensive. Law enforcement, Members of Congress, and veterans organizations also rely on VA's numbers and assume they are accurate and comprehensive.

Given these anomalies, we also are concerned about whether VA is properly uploading all complaints into Consumer Sentinel, which law enforcement relies upon, and which VA agreed to do pursuant to Executive Order 13607.

In December 2019, Veterans Education Success brought to your department's attention the complaint discrepancies about Ashford University. We were informed that a complaint is not reflected in the total number on your website unless it is "validated," but no further information was provided about how a complaint is validated, or by whom. Additionally, although VA's website states that the complaint process permits students to express disagreement with the resolution of a complaint after a school has responded to VA, there is no publicly available information on the GI Bill Comparison Tool or elsewhere about how many students have disagreed with complaint resolutions against any given school. This information is important for decision makers and should be made available for informed decision making. For example, the U.S. Consumer Financial Protection Bureau indicates on each complaint in its consumer complaint database a "Yes" or "No" to the question "**Did consumer dispute the response?**" Similarly, VA could indicate on the GI Bill Tool: "Number of complaints closed to the veterans' satisfaction" vs. "Number of complaints closed not to the veterans' satisfaction." This would be important information to students, law enforcement, policymakers, and veterans organizations.

We would greatly appreciate your help clarifying how VA validates and tabulates complaint data, as well as the feasibility of showing on the GI Bill Comparison Tool the number of student disagreements with complaint resolutions.

To provide additional context, below, please find an analysis of the student complaints we received (and submitted to VA) about these schools:

Ashford University

Of the 109 complaints our organization submitted:

- 28% of complaints raised concern about the school's accreditation and transferability of credits.
- Nearly 17% raised the quality of the school's education.
- Another 17% had student loans they had not agreed to or had not expected to be required to take out.
- Over 15% complained about recruiting and marketing.
- Complaints about program costs were raised by 13% of the students.
- Another 13% complained about post-graduation job opportunities.
- 12% complained about a lack of student support
- Over 6% of the complaints raised the school's failure to release transcripts.
- 3% complained the school was changing the degree plan or requirements.

Some examples of the complaints were:

- "Prior to applying to Ashford University, I was informed by them that the school was the only Online University backed by the Army. They contacted me repeatedly. Once I began the process, the actual educational benefits were very poor with little to no feedback/communication from the professors. Throughout my education, Ashford repeatedly misplaced/lost many of my financial records and funds. At the end, they repeated[ly] charged me for my transcripts and graduation fees even though I had payed them several times." – M. L.
- "They were very pushy, and made promises about job placement service, which never happened." – K. W.
- "They lied about the costs. When I asked to withdraw I was told I would have no debt. I asked a number of times. I explained to my advisor that I was struggling and they continuously harassed me about getting back into the university and I felt pressured to go. The tuition and fees were outrageous. I never finished. I got behind in my work. There was no support system. I withdrew before taking another class and the university is saying I owe them money. I was promised a military grant that would pay over 25% of my tuition and fees. Now I'm overwhelmed with loan debt because that grant was only 5%. So many lies and it's hard to contact someone once you've got in. They don't want to discuss anything." – N. G.

Please also find attached the Yale Law School summary of the trends in student complaints from 2017.

Career Education Corporation, American InterContinental University Of

the 144 complaints our organization submitted:

- Nearly 42% raised concerns about financial issues, especially tuition and fees being higher than promised.
- More than 26% said they had trouble getting a job after graduation, even though they were promised post-graduation job opportunities.
- 25% said they experienced deceptive recruiting and marketing.
- Nearly 24% had loans they didn't authorize or agree to.
- Almost 19% complained that their credits didn't transfer, despite being promised they would.
- 13% complained about a lack of student support.
- More than 12% complained about the education quality.
- Nearly 12% raised concerns about the school's accreditation - most often about deceptions about the accreditation.

Some examples include:

- "I wanted to take the audio engineering program, but had to take the media classes as well, even though I had no interest at all in media engineering. After starting the media instructor informed us that it was impossible to gain employment in the field which left me wondering why I was even spending money on courses that I was never interested in anyway" – W. J.
- "I was told my tuition would be around \$35,000 for my degree. Come to find out it was actually \$50 something thousand. They then changed the transcript fee from zero to \$150. Then after I finish my degree they harass me everyday about continuing my education after they ripped me off." – F. M.
- When she completed her deployment, Daphanie enrolled in AIU to pursue a degree in human resources. The university assured her that her GI Bill would cover her tuition. This was not true. She ended up taking out loans to complete her degree. To make matters worse, AIU persuaded her to enroll in their MBA program for Organizational Psychology in Development, saying it would make her more marketable in human resources. She is now more than \$73,000 in debt and hasn't been able to get an interview, much less a job, in her field.
- "I was relentlessly called before enrolling and relentlessly called to refer others once I graduated. I changed my number to get away from it." – D. S.
- "AIU forced me to buy all my books and software from them. I could have saved thousands buying my books from other sources. They also told me to take out loans because my GI Bill would not cover the cost of tuition. I truly believe AIU's reputation as a diploma mill hindered my job search after finishing my bachelor's degree. I do not think the instructors read the work before grading because on more than one occasion I knew I wasn't making sense as I wrote the assignment." – K. W.
- "AIU credits don't count anywhere. Plus they told me they were non-profit and they are for-profit." – C. A.

Career Education Corporation, Colorado Technical University Of

these 228 complaints our organization submitted:

- Nearly 45% related to financial concerns - often tuition and fees being higher than promised, representing the top area of concern. Many veterans allege CTU promised them a “veteran discount” on tuition that never existed.
- 29% raised their inability to get jobs after graduation despite promises by the school.
- 28% complained of deceptive recruiting or marketing practices.
- 22% said they had loans they did not authorize or agree to.
- 18% said the education was very low-quality.
- 18% said their credits were not recognized for transfer, despite being promised they would.
- 10% said the school changed the degree requirements after they started.

A few examples are:

- “I was told my degree would allow me to become certified in medical coding, RHT. I found out after I received my degree that CTU degree was not accredited and I would essentially need to attend an approved school. Also, we were forced to repay money to the VA because CTU double billed the VA.” – K. P.
- “I went to Colorado Tech after completing my military service. I received an MBA and an EMBA and they are essentially worthless. I could not use either of them for some of the job opportunities I was seeking and I feel completely misrepresented by the school. Because of the financial hardships I endured during and upon completion of my degrees, it has left me virtually bankrupt.” – J. M.
- “They made me apply for loans even though I was enrolled in VA VocRehab.” – M. R.
- “I enrolled at CTU online. They made it sound like I would be able to complete my degree in as little as 18 months. They told me to apply to FAFSA and to deny the prop grant but take the student loans. They said the student loan wouldn’t be more than 3K. I had also applied for tuition assistance through my command. Well I took one class and passed and then I took a couple more before I told them I needed to put my classes on hold. I was getting deployed and wouldn’t be able to finish. They denied my request, put me on academic probation, and took all of my tuition assistance. I had to pay tuition assistance back over \$4,000 when I was active duty and to top it off they left me with a \$1500 student loan. When I tried to transfer to another university, they requested transcripts from CTU. I called to get them and they told me I had an outstanding balance of \$1,000 that I needed to pay in order for them to release my transcripts.” – I. S.
- “It showed I was being charged Room & Board and I asked about it. I was told, ‘No, it’s just standard.’ Why is it standard for an online school??” – S. G.
- “I was recruited by a phone call from CTU. Everything I was told about the pricing and the classes at the school were incorrect. I was misled from the beginning and kept getting put off. Then when I was attending class, I could not change degrees or anything.” – J. H.
- “They offer a ‘veteran discount’ rate but when you look at what they actually charge, it is the same as they charge everyone. When you try to get it adjusted, they make a big deal about it and ask why I care when my GI Bill pays what they bill. I’ve also been charged for a full course after I dropped it on week 2 due to losing my job. This meant I had to repay the VA and pay the difference out of pocket. It was made very evident they

were only concerned whether they got paid regardless if the student was actually being taught anything.” – T. N.

Please also find attached the Yale Law School summary of the trends in student complaints from 2017.

University of Phoenix

We have submitted approximately 450 student complaints since that Yale report, falling in the following topics:

- 29% complained that University of Phoenix credits did not transfer after being promised they would.
- 28% complained about the lack of job opportunities after being promised by University of Phoenix recruiters they would have those opportunities, many times after being promised specific jobs such as a “Registered Nurse” or “Licensed Social Worker.”
- Nearly 28% complained about financial issues, especially the tuition being higher than they were promised.
- Almost 22% complained about the quality of education.
- 15% complained about recruiting practices.
- 10% complained about student loans they didn’t expect.

Some of these newer complaints include:

- “I was continually misled during my enrollment at UOP by both the enrollment team and the teachers. I feel that UOP is a sham of a school and an embarrassment to universities.” – R. R.
- “I attended the University of Phoenix for 8 years, having to change my program and take additional classes because the program changed, etc. I have had to pay multiple times for transcripts and have even had them held hostage when I threatened to attend another university. The promise of job opportunities upon completion are laughable at best as most consider the quality of education to be lacking.” – H. L.
- “I was told by University of Phoenix that they had all the accreditation that all the big schools had. I am now being told that a lot of places do not accept University of Phoenix. I am 39 years old and don’t have time or money to go back to another school. I also am over \$30,000 in the hole. The quality of classes is very subpar. Most classes you don’t even take tests. You don’t really learn anything useful.” – M. B.
- “They kept taking money from me, but when it was time to get my degree, all of a sudden I owed them more money. They would not release my transcripts unless I paid them said money but they never explained why I owed it to them. I wasted so much time.” – J. S.
- “I was not given the chance to fully read the contract. I was led through it and told where to sign. Little did I know he wasn’t explaining everything and obviously did not have my best intentions in mind. I was also misled to believe that the school’s credits were easily transferable, how the learning process worked there, quality of faculty, and how the BAH worked. I looked into transferring a couple times throughout my college career and could not transfer many, if any credits. So I was basically forced to at least finish where I was for fear of having to retake classes and have my GI Bill benefits run out before getting a degree. Many, not all, but many of the teachers either did not care

about teaching, or couldn't. Due to this, in many cases, I had to teach a subject to myself in order to pass a class. I even filed a serious complaint about one particular teacher, but as far as I know that teacher is still employed there with no action taken against him. As for the BAH I was under the impression that I would be making just under 2200 per month. I was not told that the week in between classes was not paid even though that is technically the first week of class, with homework due at the beginning of the class. Even after I finally was told that I could double up on class to make up for the lost week, I still don't think I was paid that much." – K. S.

Attached, please find the Yale Law School summary of the trends in student veteran complaints about University of Phoenix from 2017.

Heartbreaking is the only word to describe these student veterans' complaints and these are only a few of the many we have received. These students' complaints are matched by whistleblowers' concerns and the law enforcement actions against these schools. Thank you for taking them seriously.

Sincerely,



Aniela Szymanski
Senior Director for Legal Affairs & Military Policy

Enclosures:

- Overview of Whistleblower Complaints
- Yale Law School, "Veteran Complaints Alleging Illegal Practices at Colorado Technical University" (May 2017)
- Yale Law School, "Veteran Complaints Alleging Illegal Practices at the University of Phoenix" (May 2017)
- Veterans Education Success, "Veteran and Servicemember Complaints About Misconduct and Illegal Practices at Ashford University" (December 2017)
- Printout of Ashford University Student Complaints
- Printout of Colorado Technical University Student Complaints
- Printout of American InterContinental University Student Complaints
- Printout of University of Phoenix Student Complaints
- Screenshots of GI Bill Comparison Tool complaints
- Screenshots showing misleading recruiting by Ashford University, Colorado Technical University, American InterContinental University, and University of Phoenix
- Law Enforcement Actions Against University of Phoenix, Career Education Corporation, and Ashford University