

Ashford University/University of Arizona Global Campus Recent Actions and Concerns

In August 2020, Zovio, Ashford University's owner, [announced](#) that the University of Arizona would acquire Ashford for \$1 and turn it into the University of Arizona Global Campus. In exchange, Ashford paid the University of Arizona \$37.5 million in upfront profits.

Despite the name change and affiliation, the contract terms stipulate that Ashford (now Global Campus) will *operate independently* of the University of Arizona. Global Campus will [retain](#) Ashford's faculty, staff, and academic programs, and Ashford's parent company, Zovio, will [control](#) recruiting, financial aid, counseling, institutional support, information technology, and academic support services. Global Campus also has its own [board of directors](#), separate from the University of Arizona. Zovio will be [reimbursed](#) for all its costs of running operations and will also share in the profits. In addition to costs and profits, Zovio will be paid for services under a three-year [transition services agreement](#). This arrangement ensures Zovio continues to make a handsome profit despite its "sale" to University of Arizona.

Because this arrangement is not apparent from the University of Arizona Global Campus's marketing materials, students may be misled into believing they are attending the University of Arizona, while they are actually attending Ashford University under a new name.

Government and Private Actions

- In July 2020, the Department of Education [instructed](#) Ashford to "refrain from identifying itself as a 'nonprofit institution' in any advertising, publications, or other notifications unless and until the Department approves the request to convert to nonprofit status." Ashford, Zovio, and the University of Arizona nevertheless referred to Global Campus as a nonprofit institution in the intervening months.
- In February 2020, the Department of Veterans Affairs [disapproved](#) 20 Ashford University programs from receiving GI Bill benefits. Sixteen of those programs did not leave the students eligible to earn the necessary license. Nineteen of the programs were not "consistent in quality, content and length with similar courses in the California public university systems, with recognized accepted standards."
- In July 2019, Ashford's accreditor [issued](#) a Formal Notice of Concern because of "longstanding concerns regarding Ashford University's student persistence and completion rates and performance on other student metrics."
- In 2017, the California Attorney General filed a [lawsuit](#) alleging that Ashford's sales representatives use intense pressure and false promises to enroll students and that Ashford's own internal audits show that its admissions counselors engage in tens of thousands of misrepresentations each year.
- In 2017, the Department of Education found that Ashford [owed](#) \$300,000 for incorrect refund calculations and refunds that were not made or were made late.
- In 2016, the Consumer Financial Protection Bureau [settled](#) with Ashford and its owner for \$31.5 million after finding that they deceived students into taking out private loans that cost more than advertised.

- In 2016, the Department of Justice [investigated](#) Ashford and its owner over allegations that they misstated Title IV refund revenue or overstated revenue associated with private secondary loan programs.
- In 2015, the Department of Education [investigated](#) representations made to potential and enrolled students to determine if Ashford was in compliance with the prohibition on substantial misrepresentations.
- Also in 2015, the Department of Education [informed](#) Ashford that it had not fully responded to disclosures required under gainful employment.
- In 2015, Ashford entered into a confidential settlement with a former student who had [sued](#) the school for inducing students to enroll by systematically concealing material information and making purposeful misrepresentations, pressuring students to enroll with illegal recruiting tactics, and misleading students regarding financial aid.
- In 2014, the Iowa Attorney General [settled](#) with Ashford and its owner for \$7.25 million over violations of Iowa’s consumer protection laws, including “unconscionable sales practices,” nondisclosures, and misrepresentations.
- In 2014, the Securities and Exchange Commission and the Massachusetts, North Carolina, and New York Attorneys General all [investigated](#) Ashford and its owner.
- In 2012, a [report](#) on for-profit colleges by the Senate Committee on Health, Education, Labor, and Pensions found that Ashford was engaging in aggressive recruiting practices by encouraging its recruiters to overcome objections and to create urgency. One recruiter was fired for not signing up enough students, even though her students had a 100% retention rate.

Student Outcomes

- According to the Department of Education’s College Scorecard data (referenced December 2, 2020),
 - Only 25% of full-time, first-time undergraduates return to [Ashford University](#) after their first year at the school (compared to 82% at the [University of Arizona](#));
 - Only 25% of students graduate within eight years of entering Ashford (counting full-time, part-time, and transfer students), compared to 61% at Arizona. Another 44% of students withdraw from Ashford and 30% transfer elsewhere within eight years, compared to 24% withdrawing and 14% transferring from Arizona.
 - After graduation, Ashford students have, on average, over \$10,000 more in student loan debt than University of Arizona students. Ashford students have a median total debt of \$26,563 to \$43,929, while students at Arizona have a median total debt of \$14,838 to \$31,000.
- Six years after entry, Ashford students have mean [earnings](#) of \$34,000, while Arizona students have mean earnings of \$41,800. Only 51% of Ashford students earn at least \$28,000 six years after entry, compared to 68% of Arizona students.
- Ashford students [default](#) in paying back their student loans at higher rates than University of Arizona students do. 15% of a cohort of Ashford students defaulted after three years, while only 6% of a cohort of Arizona students defaulted in that time. Similarly, 26% of a separate cohort of Ashford students defaulted after five years, while only 6% of a separate cohort of Arizona students defaulted in that time.

Other Concerns

- As of February 2020, Veterans Education Success had received 109 [complaints](#) from Ashford students.
 - 28% of complaints raised concern about the school’s accreditation and transferability of credits.
 - Nearly 17% raised the quality of the school’s education.
 - 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.
 - 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.
- 33 Ashford students logged complaints with [VA](#) against Ashford in the past 24 months. 55% of the complaints were about financial issues like tuition and fee charges, 24% were about the quality of the education, and another 24% were about student loans.
- Several whistleblowers, including former Ashford recruiters, corporate directors, and professors, have publicly [shared concerns](#) that echo the concerns of government agencies and former students about enrollment practices and the quality of Ashford’s education. One military recruiter whistleblower went on [NBC Nightly News](#) to describe the lies told to veterans.
- In October 2020, several organizations asked the Department of Education to [investigate](#) whether the University of Arizona was in violation of the ban on incentive compensation and whether the deal with Zovio would create further violations.
- In March 2020, Ashford’s owner, Zovio, [announced](#) that it planned to hire 200 additional enrollment advisors, indicating an intent to continue its high pressure enrollment tactics that students and whistleblowers have complained about.
- In 2017 and 2020, Ashford repeatedly [sent misleading communications](#) to its student body, misrepresenting the school’s status with respect to GI Bill eligibility and encouraging students to mistrust information provided by the Department of Veterans Affairs.
- In 2016-18, Ashford [attempted to mislead](#) the Department of Veterans Affairs and State Approving Agencies in its attempt to retain GI Bill eligibility.
- Only 15.6% of the GI Bill tuition funds received by Ashford in 2017 were [spent](#) on instruction.