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Defense Department Tuition Assistance Program: Enrollment and Credentials Earned, by Institutional Sector, for Fiscal Year 2019 (April 2021)

In fiscal year (FY) 2019, almost 250,000 servicemembers participated in the U.S. Department of Defense's (DOD) Tuition Assistance (TA) program. The program allows eligible servicemembers to take postsecondary classes on a part-time basis during off-duty hours at one of 1,808 participating schools.¹ Servicemembers (1) must obtain approval from their military service education counselor before enrolling;² and (2) may take classes online, in a classroom, or through a combination of modalities.³

The TA program provides participants up to \$4,500 each fiscal year for undergraduate, graduate, vocational, licensure, certificate, and language courses.⁴ DOD authorizes the military services to pay schools a maximum fee of \$250 per credit hour, allowing TA participants to earn up to 18 credits per year. The military services that manage the TA program, however, may and do set service-specific criteria to manage TA funds.⁵ Servicemembers may take additional classes during the year by paying the tuition themselves or by applying for federal student aid.

This fact sheet uses FY 2019 DOD data on the TA program to identify (1) revenue and enrollment at for-profit, nonprofit, and public institutions; and (2) the number of TA participants who received either credentials or degrees. We also analyzed the same metrics for the 10 schools receiving the most DOD revenue in each sector. To provide context for our analysis, we compared changes in overall TA enrollment, expenditures, and credentials awarded since FY 2017. The DOD data we analyzed is publicly available on the [TA DECIDE website](#), which is intended to help servicemembers make an informed choice about where to use their DOD educational benefits.

Highlights

- Although fewer servicemembers enrolled in the 105 for-profit schools that participate in TA, that sector received more revenue from TA than the 1,145 public institutions that enrolled 16

¹TA-approved schools must be eligible to participate in federal student aid and the GI Bill. The participation requirements are outlined in a Memorandum of Understanding (MOU) that schools must sign. The MOU incorporates requirements spelled out in [Executive Order 13607](#), Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members (also known as the "Principles of Excellence," which outlines the support and protections that schools must commit to providing to military-connected students).

²Each of the military services is responsible for determining eligibility for TA, which takes into consideration time-in-service, training status, and fitness/conduct standards.

³An unpublished March 2017 briefing by the Director of DOD Voluntary Education Programs reported that 85 percent of participants take some online courses.

⁴Books and fees are not covered by TA. Participants must pay back TA funds if they withdraw from classes after the add/drop date or if they fail to complete classes [successfully](#).

⁵For example, the [Army](#) limits participants to 16 semester hours, not to exceed \$4,000 annually. The [Navy](#) limited servicemembers to \$3,000 in TA funds annually starting in FY 2020, and barred both enlisted personnel and officers from using TA during their first 2 years on active duty. For FY 2021, the [Air Force](#) set a \$3,750 per participant cap on TA.



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percent more participants.

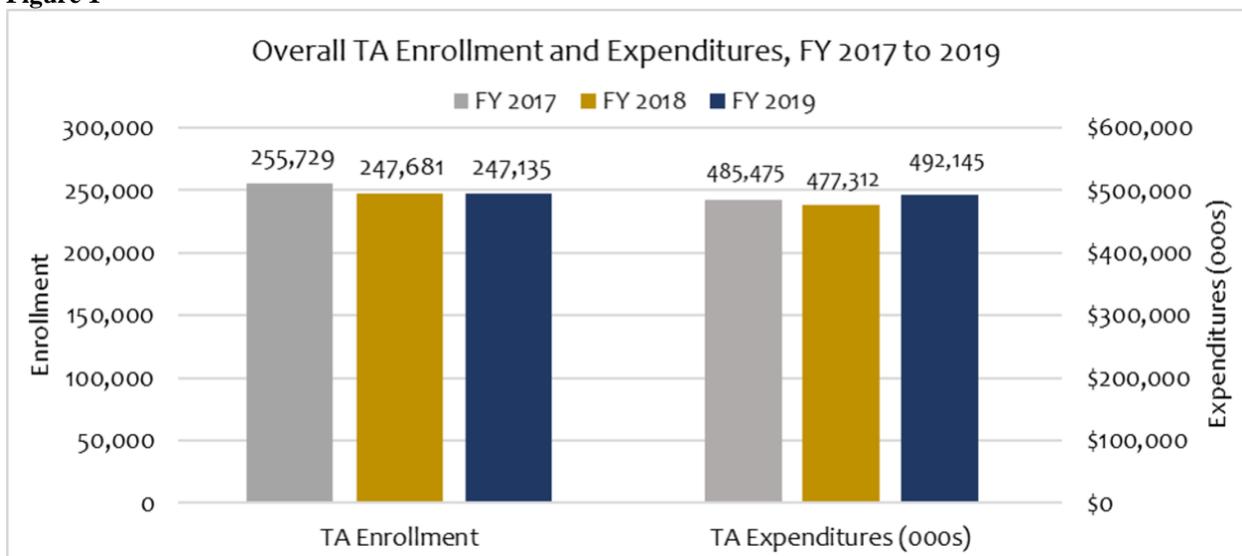
- Similar proportions of credentials were awarded by each institutional sector, but there was considerable variation in the type of credential earned across the three sectors.
- Nonprofit institutions had the highest rate of successful course completion, but public sector institutions had the lowest average cost per course.
- The 10 institutions from each sector receiving the most revenue accounted for 76 percent of TA expenditures in FY 2019, but 1 for-profit school alone received almost 20 percent of overall TA payments.
- Six of the 10 for-profit schools receiving the most TA revenue in FY 2019 settled with state or federal authorities primarily for misleading advertising or aggressive recruiting tactics.
- Credentials awarded to servicemembers by the 10 institutions receiving the most revenue in each sector did not reflect the total number of credentials earned, particularly at nonprofit and public institutions. A significant proportion of credentials awarded by these two sectors were earned at schools other than the 10 highest-TA-revenue institutions. In general, schools with higher enrollment also awarded more credentials.
- TA enrollment, expenditures, and military service participation rates have been essentially flat since FY 2017.

Findings

Enrollment, Expenditures, and Military Service Participation Rates Have Been Steady from FY 2017 to 2019

- TA enrollment and expenditures were essentially flat from FY 2017 to FY 2019 (see Figure 1).

Figure 1



Source: Our analysis of the TA DECIDE database.



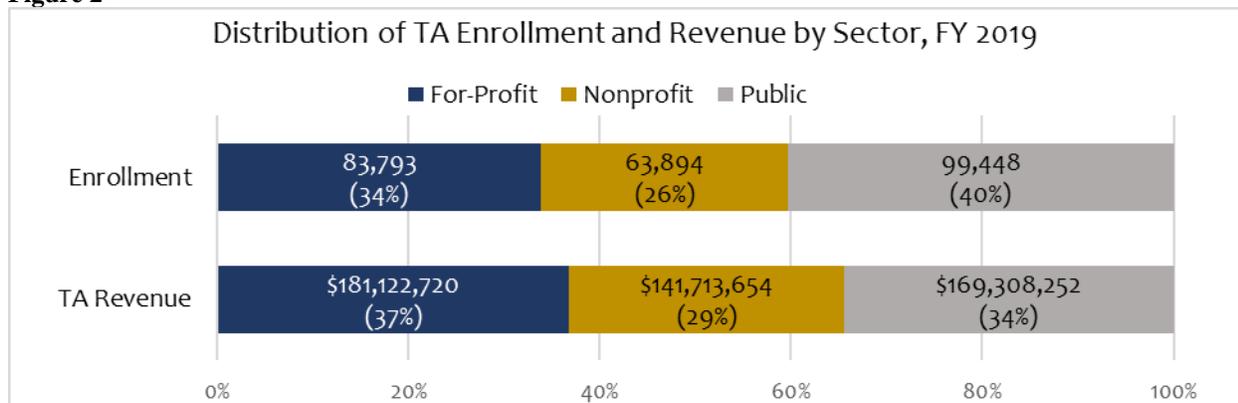
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- Servicemembers in the Army (41 percent) and Air Force (33 percent) were more likely to use TA in FY 2019 than their counterparts in the Navy (18 percent) and Marine Corps (8 percent).⁶ Participation rates across the four military services were similar in FY 2017 and FY 2018.

Fewer Servicemembers Enrolled in For-Profit Schools than in Public Institutions, but For-Profits Received More Revenue from TA than Public Institutions

- In FY 2019, 1,808 schools participated in TA, of which 105 (6 percent) were for-profit, 558 (31 percent) nonprofit, and 1,145 (63 percent) public.
- Between FY 2017 and FY 2019, the number of schools participating in TA decreased by 156 (from 1,964 to 1,808). By sector, participating for-profit schools declined from 186 schools to 105 schools, public institutions dropped from 1,215 to 1,145, and nonprofit institutions decreased by 5.
- Of the 1,808 schools that participated in TA in FY 2019, 64 percent enrolled 10 or fewer servicemembers, less than 2 percent (3,977) of overall TA enrollment in FY 2019. Fifty-four percent of participating for-profit schools (57) had 10 or fewer enrollees compared to 59 percent and 76 percent, respectively, of public (670) and nonprofit institutions (422).
- Despite such large inter-sector differences in the number of participating schools, servicemembers’ enrollment in public institutions (99,448) was not significantly greater than in for-profit schools (83,793). However, public institutions’ TA revenue (\$169 million) was lower than that of for-profit schools (\$181 million). See Figure 2.

Figure 2



Source: Our analysis of the TA DECIDE database.

⁶An unpublished March 2017 briefing by the Director of the DOD Voluntary Education Programs stated that TA participants (1) attend multiple institutions, often not graduating from the school where they took their first course; and (2) take about 7 years to earn an associate’s degree. According to this briefing, 13 percent of servicemembers participated in the TA program in FY 2016. Air Force TA participation rates were higher than those for the other services. Members of the Army, Air Force, Navy, and Marine Corps reserves are also eligible for TA, but their take-up rate in FY 2016 was just 4 percent.



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Proportion of Credentials Awarded by Each Institutional Sector Was Similar, but Variation Existed in the Type of Credential Earned

- Considering all TA participants, about 10 percent earned credentials in FY 2019, higher than the 8.5 percent in FY 2018 but slightly lower than the 11 percent who earned credentials in FY 2017. According to DOD, the majority of TA participants complete their education after leaving the military. Most servicemembers are eligible for the GI Bill after they are discharged from active duty.⁷
- Overall, the number of credentials awarded by the 1,808 schools that participated in TA in FY 2019 were almost evenly split among the three sectors (see Figure 3). For example, all participating public institutions awarded 34 percent of credentials, which was identical to the proportion awarded by for-profit schools.
- There was considerable variability in the types of degrees awarded across the three institutional sectors. Bachelor's degrees constituted just over half of all degrees awarded. The proportion of such degrees awarded in FY 2019 was highest for for-profit schools at 38 percent compared to public institutions (33 percent) and nonprofits (29 percent). However, the share of master's degrees awarded by nonprofit institutions (40 percent) exceeded those awarded by both public institutions (32 percent) and for-profit schools (28 percent). The majority of associate's degrees (53 percent) were awarded by public institutions compared to 32 percent by for-profits, and 14 percent by nonprofits. Nonprofits awarded the most certificates (49 percent). Much of this variability is explained by where students typically earn specific types of credentials. For example, most associate's degrees are earned at public 2-year institutions, and most master's degrees are earned at nonprofit institutions.⁸
- This outcome data does not indicate how long it took servicemembers to earn their credentials, but, if participants used the maximum \$4,500 in benefits each year, it would take almost 7 years to earn a bachelor's degree if its pursuit were not interrupted by deployments or transfer of duty stations.⁹ In addition, the TA dataset does not identify whether the credentials were awarded to officers or enlisted personnel.¹⁰ However, it is likely that most master's degrees were awarded to officers, who, unlike most enlisted personnel, already have a bachelor's degree, and for whom a master's degree may be a prerequisite for promotion.

⁷The Tuition Assistance Top-Up Program permits the U.S. Department of Veterans Affairs (VA) to issue a payment to an individual for the difference between the TA payment amount and the total cost of tuition and related expenses, up to the amount that a veteran would receive. An individual must be receiving TA for the course to be eligible for such payments. In FY 2019, only 2,639 TA recipients received Top-Up payments.

⁸See p. 13 of our analysis at this [link](#) on the percentage of students completing certificates or degrees by institutional sector and degree level, which used overall postsecondary enrollment for academic year 2015-16.

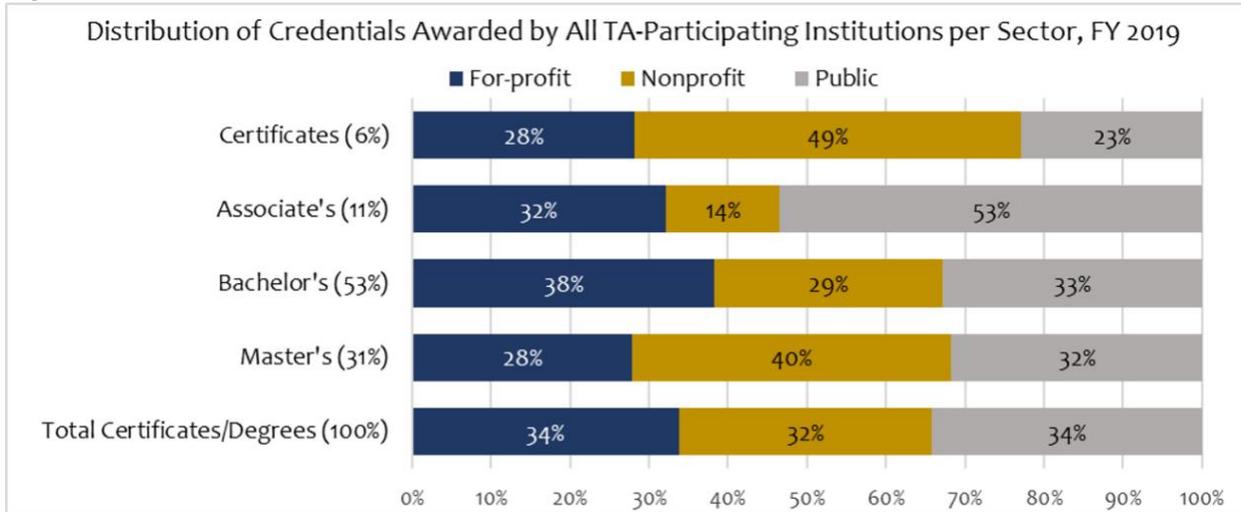
⁹This calculation assumes that participants had earned no prior college credits.

¹⁰A recent report by the U.S. Government Accountability Office (GAO) analyzed active duty commissioned officers' participation in the TA program. GAO [found](#) that about 7 percent of TA participants in FY 2018 were officers and the remainder were enlisted personnel. Officers who use TA incur an additional active duty service obligation.



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Figure 3



Source: Our analysis of the TA DECIDE database.

Nonprofit Institutions Had Highest Rate of Successful Course Completion, but Public Sector Institutions Had Lowest Average Cost per Course

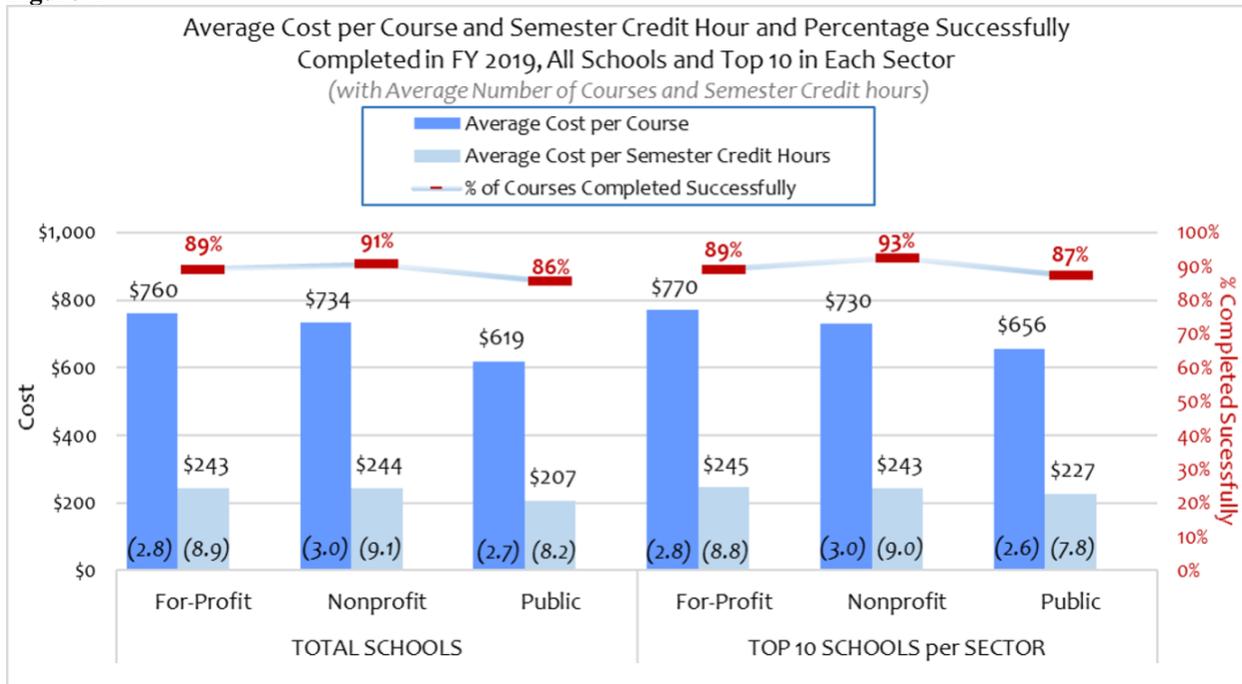
Overall, for-profit institutions had the highest average cost per course (\$760), which was close to the \$734 charged by nonprofits. In contrast, public institutions were the most cost-effective, charging 23 percent less (\$619) than for-profit schools (see Figure 4). Average cost per semester hour mirrored the average cost per course. The average cost per course for the 10 schools receiving the most TA revenue in each sector were similar to overall sector costs, but for-profit and public institutions' charges were somewhat higher.

TA participants who attended nonprofit institutions were more likely to have successfully completed courses than those enrolled in for-profit and public sector schools, but the differences were relatively small. In addition, participants who attended the 10 nonprofit and public institutions receiving the most TA revenue completed at slightly higher rates than participants at all schools in each sector.



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Figure 4



Source: Our analysis of the TA DECIDE database.

Note: The number in parentheses at the bottom of each bar shows the average number of course and semester credit hours taken per sector. Because the number of completed courses for the American Public University System (APUS) was missing from the FY 2019 TA dataset, our analysis used the school's FY 2018 completion rate. Only 619 fewer servicemembers were enrolled in APUS in FY 2018 than in FY 2019.

The 10 Institutions Receiving the Most TA Revenue in Each Sector Accounted for 76 Percent of TA Expenditures in FY 2019, but 1 For-Profit School Received Almost 20 Percent of TA Payments

Thirty schools (10 from each institutional sector) accounted for 76 percent of TA expenditures in FY 2019, and just 3 schools (1 from each sector) received 34 percent of TA payments. One of the 3 schools, the American Public University System (APUS), enrolled 18 percent of TA participants (43,994) and received about 18 percent of TA payments. Only the University of Maryland Global Campus (31,904) approached the TA enrollment at APUS. TA enrollment at Embry-Riddle Aeronautical University (9,544) was the smallest of the top 3 schools (see Table 1).

- The owners of 3 of the 10 for-profit sector schools (Ashford University, Colorado Technical University, and the University of Phoenix) reached [settlements](#) in multiple instances with state and/or federal authorities for misleading advertising and recruiting. In addition, a fourth school, APUS, settled with the Massachusetts Attorney General for (1) violating the state's [for-profit and occupational school regulations](#) aimed at protecting Massachusetts students from the deceptive and unfair practices of for-profit schools, and (2) high pressure enrollment tactics. Finally, Grand Canyon University [settled](#) with the U.S. Department of



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Education for violating the incentive compensation rule, which prohibits schools from paying recruiters based on the number of students they enroll. At least 1 of the 10 schools, [Trident University International](#), was placed on probation in 2011 when its accreditor received information that the school had awarded bachelor's degrees to students who had not fulfilled the University's General Education requirements.

Table 1: Fiscal Year Tuition Assistance Enrollment, Revenue, and Credentials Awarded by the 10 Postsecondary Institutions Receiving the Most TA Revenue, by Sector

Sector/Institution	Enrollment	TA Revenue	Certificate	Associate	Bachelor	Master	Total Credentials
For-Profit Total	78,079	\$167,562,010	323	810	4,802	1,969	7,904
American Public University System	43,994	\$90,062,834	132	474	2,143	782	3,531
Ashford University	11,597	\$25,750,122	10	11	933	174	1,128
Trident University International	4,666	\$12,380,036	53	42	478	284	857
Columbia Southern University	6,351	\$11,487,850	31	160	471	284	946
Grand Canyon University	2,769	\$7,222,415	28	0	153	111	292
University of Phoenix	2,316	\$5,480,768	44	27	237	142	450
Post University	2,367	\$5,228,946	0	3	46	26	75
Grantham University	2,049	\$4,644,900	20	67	127	94	308
Waldorf University	1,040	\$2,845,078	2	0	115	32	149
Colorado Technical University	930	\$2,459,061	3	26	99	40	168
Nonprofit Total	45,967	\$100,883,014	488	359	2,777	1,855	5,479
Embry-Riddle Aeronautical University	9,544	\$19,764,959	109	27	511	257	904
Liberty University	7,301	\$16,261,478	134	23	308	474	939
Excelsior University	6,453	\$12,828,409	49	190	780	496	1,515
Park University	5,501	\$11,486,977	3	14	285	42	344
Southern New Hampshire University	4,991	\$11,365,877	11	7	100	102	220
Colombia College	3,486	\$7,100,249	3	86	298	100	487
Saint Leo University	2,834	\$6,558,250	61	10	309	197	577
National University	2,785	\$6,537,841	57	0	46	64	167
Western Governors University	1,866	\$6,174,177	13	0	43	33	89
Brandman University	1,206	\$2,804,799	48	2	97	90	237
Public Total	60,510	\$107,280,267	145	1,001	2,603	950	4,699
University of Maryland Global Campus	31,904	\$57,663,594	88	11	1,201	564	1,864
Purdue Global	7,008	\$14,859,738	9	80	198	57	344
Central Texas College	9,430	\$11,113,680	9	827	108	0	944
Arizona State University	2,700	\$6,432,990	13	0	30	34	77
Thomas Edison State University	2,542	\$5,008,109	7	15	186	214	422
Troy University	1,845	\$3,888,875	7	16	96	53	172



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Coastline Community College	2,014	\$2,547,255	0	48	597	0	645
Penn State University	1,039	\$2,475,378	11	1	32	26	70
Tidewater Community College	1,222	\$1,664,221	1	2	55	0	58
Vincennes University	806	\$1,626,426	0	1	100	2	103
Top 30 Total	184,556	\$375,725,291	956	2,170	10,182	4,774	18,082

Source: Our analysis of the TA DECIDE database.

Credentials Awarded by Top 10 Institutions in Each Sector Undercounts Total Number of Credentials, Particularly at Nonprofit and Public Institutions

- Seventy-two percent of the 25,014 credentials earned in FY 2019 were awarded by the 10 schools receiving the most TA revenue in each sector. However, our analysis found large inter-sector differences in the proportion of credentials awarded by these 10 schools. Although the 10 for-profit schools receiving the most TA revenue accounted for 93 percent of all credentials earned for that sector, the proportion earned at the 10 nonprofit and public institutions receiving the most TA revenue was much lower—68 percent and 55 percent, respectively. These differences are a reflection of the concentration of enrollment in the for-profit sector at these 10 highest-TA-revenue for-profit schools, which accounted for 93 percent of enrollment in that sector. APUS alone represented 53 percent of all enrollment in the for-profit sector and 18 percent of overall TA enrollment.¹¹ In contrast, the 10 nonprofit and public institutions receiving the most TA revenue accounted for 72 percent and 56 percent of overall enrollment in their sectors, respectively (see Table 2).

Table 2: Percentage of Total Credentials Awarded at the 10 Institutions Receiving the Most TA Revenue, and Percentage of TA Participants Enrolled in These 10 Institutions in FY 2019, by Sector

Sector	Credentials Awarded	Enrollment
For-Profit	93%	93%
Nonprofit	68%	72%
Public	55%	56%
Total	72%	73%

Source: Our analysis of the TA DECIDE database.

- At the 10 schools receiving the most TA revenue in each sector, bachelor’s degrees (56 percent) were the most frequently awarded credential, followed by master’s degrees (26 percent), associate’s degrees (12 percent), and certificates (5 percent).
- The proportion of credentials awarded by each sector at the 10 schools receiving the most TA

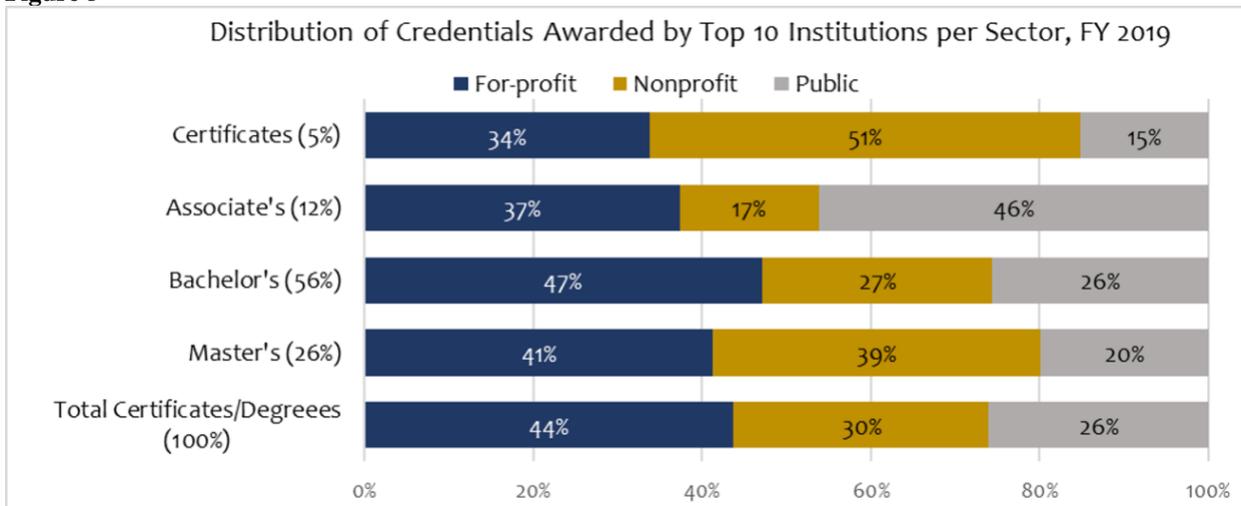
¹¹DOD reported that 43,994 servicemembers had enrolled in classes at APUS during FY 2019. Our analysis of the Department of Education’s Integrated Postsecondary Education Data System (IPEDS), which reports 12-month enrollment for all students as well as TA participants, allows us to calculate TA enrollment as a percentage of overall student enrollment as of September 2020. According to IPEDS, APUS enrolled about 87,085 students during academic year 2018-19, of which TA participants constituted about one-half. To put APUS’s TA enrollment in context, IPEDS data show that in academic year 2018-19, TA enrollment as a percentage of overall student enrollment at the 10 for-profit schools receiving the most TA revenue ranged from 1 percent to 5 percent at 5 schools, and from 18 percent to 25 percent at 3 other schools. Only Trident University International, which enrolls primarily military-connected students, approached the proportion of TA participants’ enrollment at APUS. Forty percent of Trident’s students in academic year 2018-19 were TA participants.



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revenue were roughly in line with the proportion of TA participants they enrolled. Overall, the 10 for-profit schools receiving the most TA revenue awarded 44 percent of credentials in FY 2019, higher than the proportion awarded by their nonprofit (30 percent) and public (26 percent) counterparts. For-profit institutions awarded 47 percent of bachelor’s degrees. For-profit (41 percent) and nonprofit schools (39 percent) awarded the majority of master’s degrees. Public institutions (46 percent) and for-profit schools (37 percent) awarded the majority of associate’s degrees. Surprisingly, 51 percent of certificates were earned at nonprofit institutions, even though public sector institutions are more likely to offer certificates (see Figure 5).

Figure 5



Source: Our analysis of the TA DECIDE database.