January 20, 2022

Dr. Herman Bounds  
Director  
Accreditation Group, Office of Postsecondary Education  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

RE: Call for Comments 86 FR 71251, Document Number 2021-27095  
Submitted Electronically

Dear Dr. Bounds,

On behalf of Veterans Education Success, I am pleased to submit comments in response to your office’s notice of December 15, 2021, referenced above, in which you solicit information regarding continued Secretarial recognition of the Higher Learning Commission (HLC) as a reliable authority on the quality of education offered by institutions of higher education for purposes of the Higher Education Act of 1965, as amended (HEA), and for other federal purposes.

Veterans Education Success is a nonprofit research, policy, and student-veteran advocacy organization. We work on a bipartisan basis to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill® and other federal postsecondary education programs. Our advocacy work includes assisting veterans and military-connected students when they encounter unfair, deceptive, or abusive acts or practices by institutions of higher education.

Whether they are financing their education with their GI Bill® benefits, the Department of Defense’s Tuition Assistance program, or federal student aid dollars, student veterans and military-connected students rely on the Department of Education’s gatekeeping system, “the triad,” to protect them against waste, fraud, and abuse by subpar or unscrupulous institutions. Within the triad, Secretarially recognized accreditation plays the only substantive role in assuring the quality of the education that students receive.

For its failure to perform its critical role in assuring adequate educational quality of too many of the institutions that it accredits, I write to express grave misgivings about continued Secretarial recognition of HLC as a reliable authority under Section 496 of the HEA.

There is ample evidence of HLC’s failure to meet its multifaceted obligations under the statutory standards mandated in HEA Section 496(a)(5), which accrediting bodies must meet in order to be
recognized by the Secretary as reliable authorities on the quality of education. The causality behind the failures described below are complex and hidden from public view due to the opacity of the accreditation process itself. These range from intentionally platitudinous and abstract standards that are difficult to adjudicate or act on with sufficient specificity, regulatory capture and fundamental conflicts of interests in the accreditation process that have become normalized due to their ubiquity, and, most notably, quality assurance practices that blindly rely on unverified representations of the institutions themselves and that do little to ensure actual compliance with applicable standards. Whatever the reasons for HLC’s failures, the impact on students, many of them veterans, and the taxpayers is extremely harmful and entirely unacceptable.

HEA Section 496(n)(3) requires that the “Secretary shall consider all available relevant information concerning the compliance of the accrediting agency or association with the criteria provided for in this section, including any complaints or legal actions against such agency or association.” Accordingly, we are providing the following information to assist your office and the National Advisory Committee on Institutional Quality and Integrity (NACIQI) in your review of HLC’s application for continued recognition.

**Statistical Information**

Institutions accredited by HLC offer 12,033 programs, 1,366 of which produced graduates the majority of whom earn less than high school graduates with no college coursework. Institutions offering these 1,366 programs warrant more serious review and attention than HLC is currently applying.

**Sample of Problems at Specific Institutions**

1) **American Public University and American Military University**

**Student Complaints:**

Veterans Education Success has received 29 complaints from military-connected students about the schools owned by American Public University System, most of which related to American Military University (AMU). The most common aspect of these complaints were that students were surprised that they had to take out loans to supplement their GI Bill at a school that touted itself as military-friendly. One student specifically told the school that she only wanted to use her GI Bill, but AMU took out student loans in her name without her knowledge, which she only found out about when she got a notification that her loans were in default. Other students complained that they could not transfer credits from legitimate colleges to AMU, and that other schools would not accept their AMU credits, despite AMU’s promises that their credits were widely accepted. Many students also found the quality of

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1 This analysis uses Third Way's Price-to-Earnings Premium for college programs across the US. Institutions that were missing net price or earnings data were excluded. College programs defined as providing no economic ROI means that the majority of graduates were shown to earn less than a typical high school graduate within the state where the institution was located two years after graduation. [https://www.thirdway.org/report/which-college-programs-give-students-the-best-bang-for-their-buck](https://www.thirdway.org/report/which-college-programs-give-students-the-best-bang-for-their-buck)
teaching to be extremely poor and could not find a job in their field. Multiple students described their AMU degree as “worthless.”

- “American Military University is a joke. They are not accredited and their degree is worthless. Not sure why I burned up my military benefits on this as it has not helped me one bit.” - F. M.
- “I really feel like the level of course work was extremely easy. I feel like I have an associates degree in high school. I will now have to take/retake several remedial classes just so I am caught up to speed with a more legitimate college.” - M.W.
- “Tuition is higher than it should be. The school boasted [that] their graduates found jobs easily. They boasted about a network they have for alumni to get jobs. I have never been able to use my degrees to get a job. No one really seems to take the school seriously.” - T.W.
- “I have never worked a day in this field and feel fleeced for my benefits. I am a retired Army Captain with 2 combat tours in Iraq. I have served honorably, and have no reason to believe there would be barriers to my employment except a worthless degree.” - A.C.
- “AMU recruited me stating that they were fully accredited nationwide. While applying for jobs a have found out that no employer will hire me based on my education as not only is AMU not full[y] accredited, it's the laughing stock of the working community. This means I have wasted two years of my life at this school. I can't even transfer my credits to a real college because they are useless.” - J.H.
- “I took several courses and then realized the school was a diploma mill. The credits are worthless and I wasted several thousand of my GI benefits on a school that is a fraud.” - C.J.

Law Enforcement:

The school settled with the Massachusetts AG’s office related to its failing to make mandated disclosures to prospective students about job placement rates, violating requirements that the school provide important information about loan repayment and graduation rates to prospective students 72 hours before enrollment, and engaging in predatory enrollment tactics, including making excessive recruitment calls.

To our knowledge, HLC has taken no action related to the Massachusetts settlement.

2) American InterContinental University, Colorado Technical University, and Sanford-Brown College

Student Complaints:

Veterans Education Success has received 520 complaints from military-connected students about schools owned by Perdoceo Education Corporation and documented them in this report. 239 of those complaints were related to Colorado Technical University, and 149 of those complaints were made about American InterContinental University. There were also 73 complaints towards the now-closed Sanford Brown. The most common complaint topic among all complaints were issues in the recruiting process and with marketing. Unmanageable or unexpected student loan debt was the second most frequent topic. Students also complained about a lack of employment opportunities, lies about accreditation, and the ability to
transfer credits, the quality of education, program costs, changes to degree plans, and issues with the release of transcripts or diplomas.

- “Throughout the process of enrolling and attending they hid the actual cost of school along with overselling me on the potential of a job after getting my degree.” - J.C.
- “I was told that my GI Bill benefits would cover the cost of my tuition in full and that I would have no out of pocket expenses. Now, 2 years after graduating, I still have $5000 left on my student loan.” - K.S.
- “They fed me a lot of misleading information about the curriculum, and the majority of the Criminal Justice program that I decided to pursue had the same information presented in different classes. I decided to withdraw from the school after I completed a full semester…” - N.W.
- “Colorado Technical University Online was good about signing us up for loans, but their job placement assistance programs were non existent, their accreditation and certificate promises unkept.” - R.P.
- “I never knew that I was applying for financial aid in addition to using my tuition assistance, Colorado Technical University just told me that in order to enroll I must also fill out financial aid just in case the military don’t pay. So I did. Once I graduated, I got a bill in the mail from student loans.” - M.W.
- “When I signed up for Colorado Technical University I told them that I did not need any grants or loans. I recently found out that the school had me enrolled in a high interest loan and claim I owe approximately 6k.” - G.L.

Recently, former AIU student Carolyn Hix, recent CTU student Christopher Glock, and former International Academy of Design and Technology student Stephanie Stiefel provided public comments to the Department of Education’s negotiated rulemaking panel. They described their experiences, which included the promise of military discounts that did not exist, the low quality of courses that made them unable to find jobs in their field, and the school’s failure to provide promised career assistance after graduating.

- “They promised me so much just to get me in the door and none of it was true. The sad part in all of this is that looking back, even in ITT Tech took care of their students in the school’s final moments. However, unfortunately with college there is no money back guarantee and transferring schools becomes slightly complex. CTU not only wasted the governments money and my time, but they destroyed my passion to achieve my ultimate goal. Now I am left with bills, a worthless degree, and an uncertain road ahead.” - Christopher Glock
- “They also told me that I would receive a discount as a military dependent. The fees were high, and I never saw the military discount. My classes were 5 weeks long and online. I never took a final exam which I found odd. Upon graduation in 2005, I requested assistance with my job search which was originally promised to me. But AIU just directed me to read a website and never returned my calls.” - Carolyn Hix
- “IADT told me that they help their students get jobs. After graduation, I moved from Tampa to Los Angeles, and I called IADT’s career services office to get career assistance, but was told that since I did not live near the school they would not help me. I applied to every Interior Design related job I could find for both big and small firms. Many firms did not call me back at all, and
when I did get an interview, it was always for a receptionist or assistant doing clerical work—jobs that I could have gotten with a high school diploma without going to college. All of these jobs paid minimum wage. I certainly was not able to get one of the jobs making over $60,000 a year that IADT made me believe I would get coming right out of school.” - Stephanie Stiefel

Whistleblowers:

Several whistleblowers from these schools have come forward in recent years who corroborate the student complaints. One of them (Whistleblower 1) provided an affidavit to the Education Department and the FTC that described the deceptive recruiting practices at the school, which continued to occur even after the State Attorneys General and Federal Trade Commission settlements.

Whistleblower 1 reported the following:

- Employees were trained to “emotionally manipulate” students and “overcome objections.”
- Recruiters incessantly called prospective students and aimed to sign them up and keep them enrolled just past the add/drop date, so that the school received its money whether the student stayed or not.
- Recruiters were forbidden from correcting the misunderstandings of students who found the school through lead generators. They were instead encouraged to “work with” the misunderstandings, neither confirming nor correcting them. “I enrolled many students who held a fundamental misunderstanding of what they would receive and could expect because of the false statements of lead generators who transferred these student leads to me.”
- Students often do not know that they are signing a student payment contract. Some individuals did not understand what they were signing or were confused as to why it was necessary, since they were supposed to have their tuition covered by other means. Other students indicated acceptance of the student payment contract without their knowledge. There is only a button to click in the online application process (nothing to sign), so some students clicked through the whole application without knowing there were any financial implications. In addition, advisors sometimes clicked the button without student knowledge.
- Advisors promise career services even though the school no longer offers such services. Instead, students are assigned an advisor that they are led to believe will help with career services. This advisor really only contacts students if they are not attending classes. Nevertheless, the school uses the promise of career services to keep students enrolled.
- Students are promised during recruitment that certain degrees will get them specific jobs, even though the degree alone will not actually qualify them for that specific job in their field.
- Advisors know the students’ credits will not transfer to another school, but they do not tell the students and do not correct their misconceptions. Recruiters convince students to enroll at the school and start earning some general education credits. When students try to transfer, they find out that their credits will generally not be accepted at other schools, and they often feel trapped into having to complete their degree at the school.
- Students are promised a military discount or a scholarship that does not exist. It was sometimes referred to as a “Patriot Grant.” Nevertheless, no such discount or grant was given to military students.
A second whistleblower shared that students complained about unauthorized loans “all the time.” Students are often confused by what they are told by financial aid representatives, and information is “often withheld” in financial aid conversations.

A third whistleblower who was a CTU professor shared concerns about the quality of the school’s education and the utility of its degrees. For example, the professor was pressured to raise grades, “accommodate” students, and pass as many students as possible. Students could submit blank pages and earn credit. In addition, several programs do not actually prepare students to earn licensure or qualification in the field.

**Law Enforcement Concerns:**

In January of 2019, 49 states and the District of Columbia **settled** an investigation into the company’s schools and obtained $500M in debt relief. The states’ investigation revealed that the school:

1. Used emotionally-charged language emphasizing the pain in prospective students’ lives to pressure them into enrolling;
2. Deceived students about the total costs of enrollment by instructing its admissions representatives to only inform prospective students about the cost per credit hour without disclosing the total number of required credit hours;
3. Misled students about the transferability of credits into the school from other institutions and out of the school to other institutions by promising on some occasions that credits would transfer;
4. Misrepresented the potential for students to obtain employment in the field by failing to adequately disclose the fact that certain programs lacked the necessary programmatic accreditation, which it knew would negatively affect a student’s ability to obtain a license or employment in the student’s field of study; and
5. Deceived prospective students about the rate that graduates of the school’s programs obtained a job in their field of study, thereby giving prospective students a distorted and inaccurate impression of the school’s graduates’ employment outcomes.

In August of 2019, the Federal Trade Commission **settled** an investigation into the school and obtained $30 million to distribute to harmed students.

In 2017, a False Claims Act lawsuit brought against AIU led to a **settlement** that required the company to pay the United States $10 million. The whistleblowers **alleged** that the school “enrolled students who were illiterate and students who did not have a high school diploma. AIU also reportedly rewarded their recruiters with bonuses, which directly correlated with the number of students they enrolled.”

To our knowledge, HLC has taken no action despite the lawsuits, investigation, settlements, complaints, and whistleblowers alleging illegal practices.

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2 New York (the only state not included in the multi-state settlement) investigated and **settled** claims related to similar conduct in 2013.
90/10 Rule Compliance Concerns:

In 2020, a series of articles in The Capitol Forum found that several years-worth of the Education Department’s 90/10 compliance reports did not include Colorado Technical University and AIU. The Department told the Forum that AIU’s 90/10 ratio was under audit because the school had delayed federal student aid disbursements to avoid exceeding the 90 percent cap on Title IV revenue. Also of related concern is that Perdoceo purchased Trident University International, and merged it with AIU in 2020. The Capitol Forum’s investigation found that the motivation behind the purchase was AIU’s compliance issues with the 90/10 Rule and that purchasing Trident lowered AIU’s federal Title IV revenue percentage, which was close to the 90 percent cap. In light of the change in the 90/10 Rule in the American Rescue Plan Act, it is unclear whether Perdoceo’s schools would be able to stay below 90% when GI Bill and other non-Title IV federal money are included as federal funds.

To our knowledge, HLC has taken no action to ensure that AIU and CTU comply with the revised 90/10 Rule and has required no protections to be put in place in case AIU or CTU are ineligible for federal student grant and loan dollars because of their inability to comply with that aspect of the Higher Education Act.

3) Capella University

Student Complaints:

- Student C.B. was enrolled in Capella University's masters program after her prior institution, University of Phoenix, was put on accreditation probation. "They told me (in email) that the tuition would receive a 10% discount* and I had also received a $3000 scholarship; however, here I am half way through my second class and I have yet to see the 10% discount or the $3000 scholarship . . . Both University of Phoenix and Capella are not good schools for Veterans to attend as they seem to be looking for the money instead of helping us obtain our educational goals!"

- R.L. attended Capella University from approximately 2009 until 2016 for his PhD program. During that period, his dissertation mentors and committee members continuously hindered his ability to make progress towards his degree. When he requested a refund of tuition for the semesters wasted due to involuntary lack of progress, Capella denied his request. "Now I am in debt of approx. $165,000 from student loans and I also used my entire GI Bill while working toward this degree. Now I have nothing to show for it . . . I was misguided through the whole process at Capella and they continued to deceive me to get more money from me."

- Army veteran M.S. used his GI bill benefits for Capella's Doctor of IT program. "Capella represented the degree would take a certain time frame and that they have experienced faculty. However, after nearly 2 years in the program, they are telling me that they do not have the experienced faculty and my degree will likely take longer because they do not have the experienced faculty. Further, faculty chair engage in discriminatory behaviors and m and psychological manipulation to confuse students and make them feel worthless."
Carolyn Hix, a military spouse and mother of four, provided public comment at a recent Department of Education negotiated rulemaking session that her education at Capella was expensive and inadequate to prepare her for her licensing exam. She still has not passed the exam after four attempts and is over her head in student loan debt. Read her testimony here.

4) DeVry University

Student Complaints:

Veterans Education Success has received 300 complaints from military-connected students about DeVry University, and provided narratives of 193 of them in this report. Financial issues and student loan problems are the top issues that DeVry students complain about, followed by post-graduation job opportunities, and quality of education. Other frequent issues raised by students are transfer of credits and accreditation and deceptive recruiting or marketing.

- “I . . . decided to make use of my GI Bill. Before I ever got to speak to a VA rep, Devry admissions railroaded me through the process and in doing so signed me up for several student loans. It was only after this was done that I was able to see a VA rep and fill out the paperwork for my GI bill. Due to this I've had to start and stop my education several times. I didn't find out until later that I had debt.” - R.C.
- Student M.Z. was told her military benefits and the yellow ribbon program would cover the entire cost of school. She found out a year later that she was in debt to DeVry; she is now in collection. Students have also found out that they are being charged different amounts than their classmates, or that the “discount” they were promised is actually the normal base price for tuition. Some also report hidden fees that appear after enrollment.
- Student K.K. had to keep paying out of pocket for different costs and fees that were not originally disclosed when he was recruited.
- Jarrod Thoma is an Army veteran from Colorado. After enrollment at DeVry, he realized that the quality of course materials and the instruction equipment was subpar and not as advertised. Since he couldn’t transfer his DeVry credits beyond general education credits, he chose to complete his engineering degree at DeVry. But he realized during job search that having a DeVry degree actually hurt his career prospects. Read his public comment at a Department of Education rulemaking session here.
- Veteran Eric Luongo, testified to Congress last year he still has over $100,000 in student debt from a for-profit college, even though he was assured he could attend for free through funding from his GI Bill and Pell Grants.

Whistleblowers:

A whistleblower testified before a 2013 US Senate Committee hearing on protections for military students about illegal recruiting practices by DeVry targeting servicemembers and veterans. He described many illegal behaviors by DeVry and a culture within DeVry of abusing military, including that DeVry taught its recruiters to view the GI Bill and military tuition assistance as “the military gravy train” and to
“get asses in classes.” Four additional whistleblowers supported his testimony with letters of their own to the Senate. See, e.g., submission from Vonn Helwig.

HLC apparently took no action following the US Senate hearing or the submissions from the additional whistleblowers.

**Law Enforcement Concerns:**

Within the last ten years, DeVry University has faced multiple investigations from State Attorneys General:

- 2014 investigation by NY attorney general as to whether advertising violated federal law, which resulted in a 2017 settlement whereby DeVry agreed to provide restitution of $2.25 million and pay an additional $500,000 in penalties and fees. (see here)
- 2013 investigation by IL attorney general for violating Illinois state law and violating incentive compensation ban. (see here)
- 2013 investigation by MA attorney general for causing false claims or statements to be submitted to the state regarding student loans, guarantees, and grants. (see here)
- 2016 Department of Veterans Affairs suspended DeVry University from its "Principles of Excellence" status under the G.I. Bill after the university was investigated by the FTC for deceptive marketing practices.
- 2016 FTC settlement of $100 million suit against DeVry based on allegations that they misled prospective students with ads that touted high employment success rates and income levels upon graduation. After the settlement, the Higher Learning Commission removed DeVry’s “under governmental investigation” designation.
- 2020 class action lawsuit alleged that DeVry fraudulently advertised that 90% of their graduates or graduates of Keller Graduate School of Management were employed in their fields of study within six months of graduation and that, on average, DeVry graduates earned 15% more income one year after graduation than graduates of other institutions. A settlement was reached that established a fund of nearly $45,000,000.

To our knowledge, HLC has taken no action despite the lawsuits, investigation, settlements, complaints, and whistleblowers alleging illegal practices by DeVry University.

**5) Grand Canyon University**

**Student Complaints:**

Veterans Education Success has received 60 complaints from military-connected students about Grand Canyon University, many of which involved misleading information about the cost of attendance, graduation requirements, and availability of assistance post-graduation or the ability to transfer their credits. Students also told us that Grand Canyon University pressured students into taking student loans but never explained why they were needed or whether a “military discount” actually reduced the tuition costs.
“Despite having the G.I. Bill student loans have killed me. And when I tried to use the credits to get a raise as a teacher at Clark County school District in Las Vegas Nevada they said that my degree from Grand Canyon University didn't count.” - C.B.

“The veteran recruiting counselor put me in a degree program, that was not my initial choice. I explained to him what I wanted to do, and he dissuaded me aggressively to change majors disingenuously asserting that the degree he was pushing was far better based upon my past experience even after I told him what my goals were. He insisted I just needed a degree, and nobody looked at the subject.” - M.M.

**Law Enforcement Concerns:**

Veterans Education Success issued a report detailing recent actions against Grand Canyon, which included:

- In 2020, GCU lost a case in the 11th Circuit over its attempt to suppress a student’s right to sue for misrepresentation.
- In 2019, the U.S. Department of Education denied GCU’s application to be recognized as a nonprofit school. The Department determined GCU was still operating for the benefit of shareholders, who receive 60% of GCU’s tuition and fees.
- In 2017, the school received a decree of censure after state regulators alleged violations of nursing rules and after the school’s graduates slipped below the state’s standards for passage rates on the registered nurse licensing exam two years in a row.
- In 2018, the U.S. Federal Trade Commission shut down several fake military websites, including “Army.Com” and “NavyEnlist.Com,” which “targeted people seeking to join the armed forces and tricked them by falsely claiming to be affiliated with the military in order to generate sales leads for post-secondary schools.” GCU was one of the schools listed as a “Partner School” of Army.com

To our knowledge, HLC has taken no action despite these lawsuits and regulatory actions related to GCU.

**6) University of Phoenix**

**Student Complaints:**

Veterans Education Success has received over 450 complaints from military-connected students about the University of Phoenix and documented many of them in this report prepared by Yale Law School. The complaints cover issues related to financial aid and student loans (over 300 complaints), transfer of credits and accreditation (over 100 complaints), job opportunities (over 100 complaints), quality of education, recruitment and marketing, change in degree plan, refund issues, and release of transcripts.

- Student C.B. said, “I was recruited to [University of Phoenix] with a degree plan that would allow me to complete my degree with about 6 months to spare on my GI Bill. After my first semester I was informed that the information I was given was inaccurate and that I'd actually have to pay out of pocket for a semester.”
● Student C.E. said, “I was told these credits would transfer anywhere nationwide but as I begin my translation from active duty I found out they will not transfer to the schools in my home state. I wasted my time and 15 credits for nothing.”
● Student J.C.: “No job seems to even consider this degree or sees it and passes over… No assistance with job placement or contact from anyone after degree. Seems like kicked to curb soon as your done [sic].”
● Student B.S.: “Even though I had my GI bill and post 9-11 funding they told me I was still required to get a personal loan because it did not cover everything. Upon speaking with the VA they stated I shouldn't have had to pay anything as it should've been fully covered. Now I'm in debt for 80k and can barely make the payments let alone the high interest rate.” In other, more extreme cases, students report that University of Phoenix took out loans on their behalf without their consent.
● Student C.L.: “I told the school that I wanted to use my GI bill and that if for some reason it was denied to cancel everything because I couldn't afford it and that I didn't want no student loans. They waited until I finished my first semester to tell me that my GI bill was denied and that they had signed me up for Sallie Mae.” Along the same lines, J.G. reports “I was enrolled into a loan for the first month of the programs and I wasn't aware until I started getting the letters after I had graduated from [University of Phoenix]. The loan was used to pay of the beginning class and the whole time I thought it was taken care of through my GI Bill.”
● Student R.H.: “The instructors were only there half the time and impossible to get a hold if you needed them quickly. I regret every second I went to that school.”
● Michelle Poitier is a Navy veteran who graduated from the University of Phoenix in 2010. She couldn’t get a job in her field and had $30,000 in student loan debt that she didn’t realize she was signing up for on top of using her VA benefits. Read her public comment for ED’s negotiated rulemaking here or watch her video testimony here.

Law Enforcement Concerns:

● In 2019, UOP settled with the FTC for $191 million regarding allegations of misleading claims of special relationships with high-profile companies for employment opportunities specifically for UOP students.
● In 2019, a securities fraud class action settled against Apollo for $7.4 million. The lawsuit alleged that Apollo made false and misleading statements to stock purchasers about the amount of revenue it made from aggressively recruiting servicemembers, and then traded on artificially-inflated stock prices. Those defrauded included the Government of Guam Retirement Fund.

To our knowledge, HLC has taken no action related to these lawsuits or complaints.

7) Walden University

Student Complaints:

Veterans Education Success has received 50 complaints from military-connected students about Walden University. Many shared the frustration at how expensive their education turned out to be and how little
value they received. Walden advertised a military discount, but students shared they were misled about how much the discount was or whether they qualified. One student told us that some students received a 15% discount on tuition while others only received 10% with no explanation as to why the difference. Additionally, a large number of the complaints share the shock and frustration over multiple graduate programs often taking longer than advertised to complete, causing students to go further into debt.

● Joshua Blumm is the son of a Marine veteran and was told by Walden that he could use his father’s benefits and convinced him to take out loans before the benefits were processed. The Department of Veterans Affairs later denied his request to use these benefits, and Joshua was left with $60,000 in student loan debt that the school misled him into accruing. He explained his situation as follows: "When I was enrolling at Walden University, I made it clear to them from day one that I intended to use my father’s GI Bill benefits to pay for my tuition as well as any student loan debt that I might accumulate in the process. Walden told me that I was eligible to use my father’s GI Bill benefits at their school and even connected me with the Walden office that handles veteran certifications to get me signed up. Walden also encouraged me to take out student loans via FAFSA as I waited for my benefits to kick in and said that I would be reimbursed by VA at the end of my first year." - Joshua Blumm (public comment at Department of Education negotiated rulemaking; with video)

● “Walden target[s] veterans. They work overtime to get us enrolled and take our money, and then turn their backs on us. From the beginning of my PhD program, I was pretty much on my own. I was assigned a professor and mentor, but neither ever made themselves available. Soon after, I found out that the professors and mentors missteps meant I would have to enroll in yet another term, which I would have to pay for. Walden took everything from me. In fact, I am worse off now than if I hadn’t tried to go back to school. - Myrna Figueroa Lopez (public comment at Department of Education negotiated rulemaking)

● “I was misled regarding the amount of time and money it would require for me to complete my doctorate program. Had the university been honest from the beginning, I would not have continued past my masters degree.” - A.J.

● “I was constantly harassed to attend school at Walden University only to learn that their grad school tuition costs were far higher than other institutions offering the same program.” - J.M.

● “The chair that I had for my Doc Study continued to provide vague and unhelpful assistance with my doc study causing me to have to continue to take the doc study class over and over again. I complained about the chair and was told I could change my chair but if I did that I would just have to start over with a new person causing more of a delay.” - D.B.

Legal Concerns:

On January 10, 2022, a class action lawsuit was filed alleging that Walden University engaged in fraudulent business practices, costing former students more than $28 million in overpaid tuition. The lawsuit, filed in the United States District Court for the District of Maryland, describes the school’s scheme to lure Black and female students into their Doctor of Business Administration (DBA) program with false program requirements, then compel students to complete more credit hours than originally advertised. The complaint also alleges that Walden enticed students by promoting false and misleading course requirements, then required them to complete substantial additional coursework — dozens of
credit hours in some cases — beyond what was originally advertised to students. The school reaped the financial gain from this scheme, stringing along students who were already deeply invested in their degree plan knowing they’d likely take the additional courses in hopes of finishing. Walden targeted and disproportionately hurt Black and female students with their malicious practices. In 2016, 41% of students across Walden’s doctoral programs identified as Black — more than seven times the national average of Black students enrolled in doctoral coursework. Nearly 77% identified as female.

Conclusion

We believe that the prevalence of unacceptable outcomes by its accredited institutions and its failure to detect institutional abuses, and, worse yet, its failure to act on abuses when they are independently brought to light by federal and state government agencies clearly indicate that neither the Department nor the public can rely on HLC as a competent and independent authority on the quality of education offered by the institutions it accredits. We stand ready to provide any additional information you may need as you undertake your review.

Sincerely,

Barmak Nassirian
Vice President for Higher Education Policy