

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 Western Association of Colleges and Schools, Senior College and University Commission (WASCSR) 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.

We write to request attention to WASCSR's accreditation of several institutions that should not reasonably be accredited.

Statistical Information

Institutions accredited by WASCSR offer 1,993 programs, 269 of which produced graduates the majority of whom earn less than high school graduates with no college coursework.¹ Institutions offering these 269 programs warrant more serious review and attention than WASCSR is currently applying.

Ashford University/University of Arizona Global Campus

WASCSR's continued accreditation of the Zovio company's (formerly Bridgepoint) for-profit ventures (first Ashford University and now its contract to operate the University of Arizona Global Campus) represents a failing by WASCSR given Ashford's own internal audit finding rampant deceptive practices and no procedures to contain them; California's lawsuit and evidence of illegal practices; Ashford whistleblowers who testified on NBC Nightly News and other national programs about the company's routine deceptions of veterans; and hundreds of student veteran complaints.

The financial arrangement provides that the University of Arizona Global Campus (UAGC) will retain Ashford's faculty, staff, and academic programs – in essence, an Ashford education. At the same time, Ashford's parent company, Zovio, will <u>control</u> recruiting, financial aid, counseling, institutional support, information technology, and academic support services – in essence, a continuation of Ashford's allegedly illegal recruiting practices. For instance, Zovio even controls details like the tuition cost per credit, which it informed investors, during an October 27, 2021 <u>earnings call</u>, it is altering in order to attract more graduate level military students. Also of concern is that the UAGC <u>board of directors</u> are wholly separate from the University of Arizona. Because this arrangement is not apparent from the UAGC marketing materials, students may be misled into believing they are attending the University of Arizona, while they are actually attending Ashford under a new name. Faculty at the University of Arizona on at least <u>two</u> separate <u>occasions</u> have spoken out to object to this transaction, and identified concerns that the transaction failed to meet standards of shared governance.

Student Complaints:

Veterans Education Success has received more than 129 complaints about Ashford University and UAGC. In our <u>analysis</u> from February 2020, the most frequent complaint was about the accreditation and the transferability of credits. Other frequent topics included the quality of education, unexpected or unmanageable student loans, recruiting and marketing concerns, program costs, the availability of job opportunities after graduating, and a lack of student support. Here are some examples:

- "I was promised and assured that my credits would transfer but when I switched schools, none of them transferred." K.H.
- "During my time at Ashford, I kept noticing that the numbers were different for credits taken and credits needed and how they did not line up. I spoke to academic advisor after academic advisor

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

concerning the discrepancy asking them if they could explain it to me. They all kept telling me that everything is fine and I will graduate on time. Nope." - K.M.

- "I was signed up for loans I did not know about when my GI Bill ran out." D.S.
- "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%." N.G.
- "I was told that with their tuition break and my gi bill I would have no out of pocket expenses and each time a new semester came around I needed more money and was told a student loan was the best way to do it." M.C.
- "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 paid 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.
- "Although the school told me they would provide all necessary resources for my dissertation, they have fallen short in every possible way. My school has not provided feedback on my writing, and instead, told me to hire a professional editor to review my work. Besides having access to the school library, I am practically left on my own to work on my dissertation. I was also promised a military discount which I never saw. The school kept adding charges to my account and no one would give me an explanation because there is a constant turnover in staff at the school. I currently have about 200,000 dollars in PLUS and graduate PLUS loans because of Ashford and UAGC. I feel like the school is keeping me in the program just to continue charging me tuition. Even though my school has changed names and corporate ownership twice since I started, the quality of instruction and disregard of student interests has never improved." Jonelle Daugherty's testimony at US Education Department public hearing (February 2022)

To our knowledge, WASCSR took no action based upon the numerous complaints filed by students and veterans.

Deliberately Deceiving a Federal Agency:

As detailed in a 2017 *Chronicle of Higher Education* <u>news expose</u>, Ashford deliberately attempted to circumvent – and obfuscate its circumvention of – U.S. Department of Veterans Affairs rules about state approval by the state where a school has its main campus.

To our knowledge, WASCSR took no action following this public report.

Misleading Communications to Students:

In addition, Ashford sent misleading and inaccurate email communications to its students to obfuscate its potential loss of eligibility for GI Bill benefits, outlined in our 2017 <u>report</u> and in a 2017 *Chronicle of Higher Education* <u>news report</u>. In both 2017 and again in 2020, Ashford failed to fully explain why some of its programs were not approved by the California State Approval Agency, which programs were not approved, and what options students had other than switching their payment option or changing to an approved program.

To our knowledge, WASCSR took no action following the news attention to, and publication of, these misleading emails.

Whistleblowers:

In 2019, two whistleblowers spoke out on HBO's <u>Wyatt Cenac's Problem</u> and <u>NBC Nightly News</u> about illegal practices by Ashford and its parent company. These former recruiters allege that employees are encouraged to "lie about and twist the information about...facts," saying "whatever that agent needs to say to close that deal." Ashford pressured one recruiter to enroll veterans "no matter what" and to keep them enrolled for at least three weeks, at which point they would become ineligible for a refund.

Additional whistleblowers have brought complaints to Veterans Education Success, which were publicly shared with the Federal Trade Commission in our <u>memorandum</u>. A former corporate director, whose department reviewed the audio of enrollment advisors, documented "a voluminous record of compliance infractions" and "misrepresentations." Two professors have also shared their concerns. One stated that academic freedom is stifled in favor of standardizing course content, that he was assigned to teach courses "outside his scope of competence," and that professors are pressured to inflate grades and retain all students. The second professor was told to "do whatever it took to let students pass," even "at the expense of their growth."

To our knowledge, WASCSR took no action following the nationally-televised interviews of these whistleblowers and the publication of other whistleblower statements.

Law Enforcement:

The school has been the target of multiple State Attorneys General investigations – each of which was publicly reported by Zovio, yet resulted in no action by WASCSR:

• 2017 <u>lawsuit</u> by California Attorney General's Office <u>alleging</u> false or misleading statements and unfair and fraudulent business practices. The trial <u>started</u> in November of 2021 and concluded in December 2021. The judgement is still pending. "Defendants' misconduct has not ceased," California prosecutors <u>told</u> the judge.

- 2021 <u>settlement</u> with the Massachusetts Attorney General's Office requiring Zovio, the school's former corporate owner, to pay nearly \$300,000 related to allegations that Ashford unfairly imposed a one-time excessive "Technology Services Fee" on all students after six weeks of enrollment and retained the entire fee regardless of how long a student remained enrolled at the school. The Massachusetts AG's Office also alleged the school failed to disclose material information to prospective students about its programs. Ashford <u>publicly reported</u> the existence of the investigation in 2014.
- 2014 <u>settlement</u> by Iowa Attorney General's Office requiring Ashford to pay \$7.25 million in restitution related to allegations that the school made false or misleading statements, utilized unfair and high-pressure sales tactics, failed to disclose material facts to students, misrepresented to prospective students who wished to become teachers that an online Ashford education degree would allow them to become classroom teachers when, in fact, many Ashford graduates are subject to additional requirements that may require additional time, coursework, or money, and charged a significant upfront, non-refundable "technology fee," which Ashford did not refund even when a student dropped out shortly after making the payment. Ashford <u>publicly reported</u> the existence of the investigation in 2014.

To our knowledge, WASCSR took no action following these investigations, settlements, lawsuit, and trial.

WASCSR Actions Have Been Insufficient:

Although WASCSR has taken certain actions related to Ashford, none of them appear to be sufficient to stop the continued misconduct. For instance, when WASCSR <u>approved</u> the change of control and legal status in November 2020, no definitive measures were taken to address Zovio's financial incentive to continue the same practices that led to the multiple law enforcement actions, complaints, and whistleblowers. The most recent action by WASCSR appears to be a July 30, 2021 <u>letter</u> that expressed "strong concerns that the targets set for academic improvement are seriously inadequate to reach levels of student outcomes that should be expected at an accredited institution." Although this concern is certainly well-deserved, there are many other steps WASCSR should be taking and information and documents that WASCSR should be seeking to ensure that University of Arizona has sufficient control of UAGC and has instituted policies to change Zovio's history of predatory conduct. Most importantly, WASCSR has failed to comprehensively address Zovio's allegedly illegal recruiting practices, especially the mountain of evidence brought to light by the various law enforcement actions, and the expectation of students that they are receiving a University of Arizona education, not an Ashford education.

The letter also stated that WASCSR "expect[ed] that this action letter will be posted in a readily accessible location on the University of Arizona Global Campus website and widely distributed throughout the institution." As of January 20, 2022, it does not appear that UAGC complied with WASCSR's request to post the letter in a readily accessible location on its website, and certainly not on the portion of its <u>website</u> discussing WASCSR's accreditation. Instead, its accreditation page includes a response to a previous (and again unposted) WASCSR action and asserts that WASCSR's "Notice of Concern is not a sanction."

Law Schools that are Not Accredited by the American Bar Association

WASCSR accredits 11 (with another school pending accreditation) of the approximately <u>23 schools in</u> <u>California</u> that offer Juris Doctorate and other law-related degrees without recognition from the American Bar Association. These eleven WASCSR-accredited schools are:

- Thomas Jefferson School of Law
- <u>University of La Verne College of Law</u> (University of La Verne)
- <u>Cal Northern School of Law</u>
- San Joaquin College of Law
- The Colleges of Law Santa Barbara
- <u>The Colleges of Law Ventura</u>
- Lincoln Law School of Sacramento
- Humphreys College Laurence Drivon School of Law
- <u>University of West Los Angeles School of Law</u> (University of West Los Angeles)
- <u>San Francisco Law School</u>² (Alliant International University)
- <u>Lincoln Law School of San Jose³</u> (pending)
- John F. Kennedy University School of Law⁴ (North Central University)

These subpar law schools have already been cut off from GI Bill by the US Department of Veterans Affairs, pursuant to the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020. The new law includes a provision requiring that law schools be accredited by "a specialized accrediting agency for programs of legal education... from which recipients of law degrees... are eligible to sit for a bar examination in any State." House Veterans Affairs Subcommittee Chairman Mike Levin spoke about the importance of protecting veterans from law schools that are not recognized by the American Bar Association.

These eleven law schools in California should not be accredited by WASCSR, because their graduates are ineligible to sit for the bar exam in nearly every state except California. Furthermore, not only do they fail to meet the minimum standards of a legal education (including real faculty and a minimum bar passage rate) established by the ABA, but WASCSR also has not established rigorous alternative substitutes on the basis of which they may credibly be deemed as legitimate. The lack of rigor calls into question whether or not the accreditor is "a reliable authority regarding the quality of the education or training provided by the institutions or programs it accredits," as is required by 34 CFR 602.16(a). The Committee would be well-served to seek information from institutional accreditors to determine how they ensure "success with respect to student achievement."

• WASCSR accredited two law schools after the ABA revoked their accreditation for failure to meet basic minimum standards.

 $^{^{2}}$ This school has been on <u>probation</u> with the State Bar of California since January 2021, due to reporting a five-year cumulative bar exam pass rate of 36.0 for 2020, when a minimum of 40 percent is required.

³ This school claims that it has applied for eligibility and that WASC-SCUC has reviewed the application and determined that the college is eligible to proceed with an application for accreditation. However, this school was placed on probation in January 2021 by the State Bar of California because it has a cumulative bar passage rate of 36.5% and, unless it raises it to 40% by July 1, 2022, it could lose its accreditation from the State of California. The probation was continued in August 2021 because its bar passage rate had not risen to acceptable levels.

⁴ In January 2021, the State Bar of California placed this school on <u>probation</u> through July 1, 2022 when its 2020 cumulative bar passage rate was 39.7 percent, below the 40 percent minimum, after declining for a number of years. However, it was taken <u>off probation</u> in August 2021 after its bar passage rate climbed to 41.9%, although the State Bar noted that it was just above the minimum, and increased for the first time after several years of decline.

- WASCSR accredited the stand-alone <u>Thomas Jefferson School of Law</u> despite the ABA terminating the schools' recognition in May 2019. The ABA's probation <u>notice</u> cited concerns about Thomas Jefferson's finances, admission practices, bar passage rates, and graduates' employability as lawyers. The school was first put on notice about these compliance concerns in May 2017. According to a notice about the ABA's probation decision posted in the ABA Journal, the law school's <u>509 Report</u> from 2016 showed a median GPA of 2.89 and median LSAT score of 143; the school's 2017 bar pass <u>rate</u> for first-time test takers was 30 percent, 1 percentage point lower than in <u>2016</u>; according to its <u>employment summary</u> for the class of 2016, out of 210 graduates, only 46 had full-time, long-term jobs requiring bar passage; and, yet, annual tuition at the law school was \$51,000, its <u>website</u> stated.
- WASCSR also <u>accredited</u> the <u>La Verne School of Law</u> after the ABA <u>terminated</u> it.
- None of the 11 WASCSR accredited schools met the *minimum* American Bar Association bar passage rate of 75% for the <u>October 2020</u> or <u>February 2021</u> California bar examinations. July 2021 bar passage rates are not yet available but will be posted <u>here</u>.
- One law school (University of West Los Angeles) accredited by WASCSR had a bar passage rate of just 9% for its first-time bar takers for the October 2020 examination.
- The following WASCSR accredited law schools have been placed on <u>probation</u> through July 1, 2022, due to a noncompliant minimum passage rate, or have lost accreditation entirely: San Francisco Law School (Alliant University) and Lincoln Law School of San Jose. Two schools have recently been issued non-compliance citations by the State Bar of California: JFK School of Law-National University and San Francisco Law School (Alliant University).
- Santa Barbara College of Law has <u>only 2 full-time faculty</u>.
- JFK School of Law, North Central University <u>rolls the cost</u> of the BarBri Bar Review Program into the tuition cost for all students. There does not appear to be any way for students to opt out of this charge or use a different bar exam preparation program. Also, students at Ventura College of Law report that they do not recall signing disclosures or being informed before enrolling that they are being charged for BARBRI courses as an additional part of their tuition.

WASCSR's accreditation of these basically worthless law degrees – that leave students unable to even sit for the bar exam in nearly every state outside of California – is unacceptable to the public which relies on WASCSR as an accrediting body.

The problem is compounded by the fact that a former WASCSR Vice President allegedly provides consulting services to these law schools to achieve WASCSR recognition while simultaneously serving on WASCSR panels reviewing accreditation applications from institutions. While whistleblowers do not allege that the individual has been paid by specific schools on which she serves on the WASCSR panel to accredit – which would represent illegal conspiracy – they do allege she is simultaneously offering her services to help schools achieve WASCSR recognition while also approving schools as a senior member of WASCSR panels. At a minimum, it is an unseemly appearance of conflict of interest. WASCSR senior management is aware of these allegations and aware of the appearance of conflict of interest.

Conclusion

It is critical that accreditors take seriously public news reports, lawsuits, trials, and allegations of serious wrongdoing and failure by institutions they accredit. While we are aware of renewed efforts by WASCSR, including a notable Key Indicators Dashboard and a significant review and strengthening of its standards, more action is needed. An accreditor's stamp of approval is relied upon by students, taxpayers, and the general public. WASCSR must act on its responsibility to investigate institutions it accredits and to withdraw accreditation from academically subpar institutions and those which are engaged in abusive and predatory practices.

Sincerely,

Barmak Nassirian Vice President for Higher Education Policy