



VETERANS
EDUCATION SUCCESS

THE STUDENT VETERAN EXPERIENCE WITH TRANSCRIPT WITHHOLDING

MARCH 2022
REPORT



Colleges frequently withhold their students' academic transcripts for balances due, even when the debt is disputed. Indeed, transcript withholding is one of the most common debt collection tactics used by colleges across all sectors. Many colleges withhold transcripts for various kinds of institutional debt, ranging from big dollar amounts like tuition and room and board to small sums like library fines, parking tickets, and the like. The frequency of the practice has been estimated by the [Ithaka S+R](#) research group, which found that roughly 6.6 million students may be having their transcripts withheld for up to \$15 billion in unpaid balances to colleges.¹

Hundreds of student veterans, servicemembers, and their families have brought complaints to Veterans Education Success about unfair transcript withholding and its negative impact on their lives. This report briefly lays out the causes of transcript withholding and the corollary negative impacts on student veterans; assesses the policy landscape; provides policy recommendations; and includes an appendix of 85 quotes from student veterans² about their experiences with transcript withholding. Of these student veteran complaints:

- 35% are related to disputed debts, often having to do with inaccurate billing or students' believing their GI Bill or other educational benefits from the U.S. Department of Veterans Affairs (VA) or U.S. Department of Defense (DoD) covered the cost of attendance.
- 34% are general complaints about transcript withholding.
- 20% are related to debt arising from deceptive or predatory institutional practices.
- 7% are related to closed school issues.
- 4% are related to complaints over loans the veterans did not authorize.

Stranded credits represent an often insurmountable barrier for students who are under-served and low-income or who were misled and defrauded; their educational journey comes to a halt as a result of an inability to transfer and complete their programs. The practice also imposes a heavy cost on the nation's productivity and its efforts to facilitate socio-economic mobility through education and training, as transcript withholding can prevent students from obtaining stable employment. This is especially problematic given that the practice of transcript withholding disproportionately impacts those with the fewest means. If students are literally unable to afford the debt they owe, denying them the transcript they need to obtain a job or complete their education is counter-productive.

This is compounded by the many ways in which the institutions themselves may have been culpable or complicit in causing students to drop out or leave with unpaid balances. These range from the extreme of unfair, deceptive, or abusive acts or practices to the questionable practice of "gapping" needy students – admitting and enrolling students despite enormous amounts of unmet need, typically filled in with sizeable amounts of unsubsidized, parental, or private label debt – which often indicates that lesser cost institutions might be more appropriate venues.

I. The Impact of Transcript Withholding on Student Veterans

The negative consequences of transcript withholding on student veterans are myriad, as student veterans who lack a transcript are often precluded from transferring to another school, re-enrolling, or – if they've already completed college – beginning an advanced degree. It can also impinge on a student's eligibility for a job interview and even some military promotions.

¹ Julie Karon, James Dean Ward, Catherine Bond Hill, Martin Kurzweil, *Solving Stranded Credits: Assessing the Scope and Effects of Transcript Withholding on Students, States, and Institutions*, Ithaka S+R (Oct. 5, 2020), <https://sr.ithaka.org/wp-content/uploads/2020/10/SR-Report-Solving-Stranded-Credits-100520.pdf>.

² These quotes come from the more than 4,000 student veterans who have brought complaints to Veterans Education Success. For privacy protection, only the students' initials are provided.

Barrier to Employment

When a college withholds a veteran's transcript, the result may be that the veteran is unable to secure employment, as evidenced by disabled veteran C.L.'s experience. C.L.'s education was paid for by VA's vocational rehabilitation program (now known as Veteran Readiness & Employment), except for one class which was in dispute:

"I was hired for a job and I requested my school transcripts to be sent to my employer. The school sent me a letter saying they won't release my transcripts because I owe money for that one class. I told the employer the school won't release them to me, and the employer hired someone else. It cost me a \$35,000 a year job. I had to do an internship and wait a few years to get a job. Because I couldn't produce transcripts, it took me five years to find a job that would hire me. I'm a disabled vet that has a handicap in the workplace. Now I'm in default on student loans. I won't be able to pay it back. Screwed for life. The school said I would be able to find a job around \$60,000."³

Transcript withholding often traps students in a cycle of debt. Specifically, they may be unable to get a job to pay off their debt because their transcripts are withheld due to that debt, as illustrated by student veteran J.H.'s experience:

"I wanted to do something different. They said they would help me get a job. They wouldn't give me official transcripts because I still owed them money, and I need official transcripts for a job. ITT Tech was a regret."

Barrier to Military Programs

Transcript withholding can also curtail servicemembers' eligibility for certain military promotions and for their participation in military programs, including student loan forgiveness programs within the Armed Forces, as student veteran D.W. explains:

"After my honorable discharge in 2009... I called numerous times to get student resource help and never received it. Now I am unable to even apply for the available military program that will help me without my transcript being released by UOP."

Barrier to Completing or Continuing Education

Most frequently, transcript withholding prevents students from enrolling at another college to continue or further their education, as student veteran E.G. shares:

"I am currently taking college online and utilizing my military educational benefits [Chapter 33]. However, I am not allowed to register for next semester because they need official transcripts from my previous college so I can register for classes. When I contacted my previous college, they said there's a balance of \$4,200 for the last 3 semesters."

If one goal of higher education and the taxpayer-funded GI Bill is to ensure civilian economic success of veterans, the practice of transcript withholding is undermining those very goals, often over petty late fees.

II. The Reasons Transcripts are Withheld

The causes of transcript withholding, some of which bring additional negative impacts to veterans' lives, are explored below.

³ The quotes in this report from student veterans have been edited for grammar, spelling, and length.

Inaccurate Billings and Disputed Debts

Many veterans report that their transcripts were withheld unfairly based on inaccurate billings. Inaccurate billings can occur at any institution. The confusing combination of federal, state, and institutional aid, the complex billing and refund practices of institutions, and the fluctuating course loads of students both before and after the add/drop period can generate billing errors and balances that register sometimes weeks after the fact. Beyond blocking student veterans' educational advancements, the adverse credit reports from inaccurately recorded debts can lead to numerous problems for veterans, including difficulty getting a job, obtaining a mortgage, and more.

Student veteran A.I. explains the harsh impact on veterans of an unfair debt and withheld transcript:

“DeVry made a couple of mistakes on their part with invoicing and even though they acknowledged they were indeed their mistakes, I graduated in 2005 and it took until 2013 for them to release my transcripts. They actually had me in default and on my credit report, so I couldn't start on my master's because of their mistake. They had my transcripts hostage.”

A typical concern is disputed fees and bills that the university seeks to collect, as student veteran H.M. describes:

“I went to school at CTU and when I went to transfer the credits to UMUC here in Virginia, CTU told me they would not release my transcripts until I paid an amount of money that I had never received a bill for or a phone call or email about. They have yet to offer any kind of explanation.”

Incorrect fees are unfortunately common at predatory companies, and students are typically unable to clear it up without the help of a legal services clinic or advocate. For example, student R.P. came to Veterans Education Success for help with an incorrect debt and struggled for three years to get it corrected. After serving in Iraq and Afghanistan, R.P. retired from the military and began using her GI Bill education benefits to pursue a degree in accounting. She completed the coursework for an associate degree at Everest University, but the for-profit college withheld her diploma and transcript, saying that she owed them approximately \$5,000. Her own records showed that her GI Bill benefits, plus a student loan of approximately \$7,000, had covered all of her costs. Over a three-year period, she repeatedly called Everest but was bounced from one department to the next. Finally, with our help, she requested a formal investigation, which showed that the school had failed to credit her account with the benefits it had received in her name. Her account was zeroed out and her diploma and records made available to her.

“BECAUSE I COULDN'T PRODUCE TRANSCRIPTS, IT TOOK ME FIVE YEARS TO FIND A JOB THAT WOULD HIRE ME. I'M A DISABLED VET THAT HAS A HANDICAP IN THE WORKPLACE. NOW I'M IN DEFAULT ON STUDENT LOANS.”

Loans that Veterans Did Not Authorize

An extremely troubling cause of withheld transcripts is debts that veterans did not knowingly assume. A large number of veterans (almost exclusively at for-profit schools) report that they have student loans they never authorized or knew about, or that they were forced to take out loans midway through their program despite being promised that their GI Bill benefits would cover their full tuition.

Aware of the widespread problem, U.S. House Veterans Affairs Committee Chairman Mark Takano filmed a public service announcement [video](#) with Army veteran Travis Craig, highlighting his experience of being signed up for a loan without his knowledge or permission:

“The admissions process was very rushed. We signed everything on electrical notepads, so us, as students, we didn’t actually know what we were signing for. So the admissions person would be seeing the screen and we would just be signing our name on the note pad.... Me and other veterans out there, they took out loans in [our] names. I’m left with debt and no degree and... wasting my GI Bill.”

What is so frustrating to the student veterans who discover these loans is that their hard-earned GI Bill would cover the full tuition and costs at any public university in the country, as required by federal statute, with a housing allowance on top of it. In other words, they would have had no need for loans at public institutions. The lack of adequate counseling for student veterans, caused by a lack of resources at both VA itself and at public institutions, creates a consumer information vacuum that is open for exploitation by predatory for-profits with massive advertising and recruitment budgets.

Whistleblowers who worked as enrollment advisors at several predatory for-profit college companies have testified to Congress and the Education Department that they hide the fact that the college’s tuition is higher than the GI Bill will cover. They know that tuition at public universities is fully covered by the GI Bill, with no need for student loans. Therefore, these recruiters lie to veterans by promising the GI Bill will cover all costs, when they know it will not. The colleges then use the veterans’ personal information (such as their Social Security number) to take out loans in the veterans’ names without their knowledge or permission, in order to cover the rest of the tuition above the GI Bill cap. One whistleblower explained to Veterans Education Success that employees sometimes apply for loans in the students’ names by creating an email account for the student (that the student doesn’t know about), such as “firstname.lastname1234@gmail.com,” and then applying for student loans, using that email account for all correspondence from the Education Department’s Office of Federal Student Aid (FSA). While FSA believes it is corresponding with the student, the student veteran actually has no knowledge of the application, loan, or even the email account in his name.

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In other cases, the students willingly signed documents but were unaware those documents had anything to do with student loans. These predatory debts follow student veterans around for years, stunting their education and foreclosing promising opportunities to improve their lives. Often, these debts come as a surprise when student veterans discover their transcripts are being withheld because the students are in default on loans they did not know about, as happened to student veteran L.E.:

“When I spoke to student services with DeVry prior to enrolling I was told that my GI Bill, along with federal aid, would cover my four year degree. The last semester I received a bill prior to graduation in the amount of \$2,000.00 saying that this amount would not be covered and in order to get access to my official transcripts I would have to pay this amount out of pocket.”

Predatory Colleges

Transcript withholding is often preceded by other predatory practices by bad actor institutions. Colleges that have deceived or misled students are likely to use transcript withholding to exacerbate the negative effects of their actions, as student veteran K.C. explains:

“First of all, for the tuition cost at ITT, I was under the impression that I would be getting a first rate education taught by real instructors and professors. They were neither. . . I didn’t feel I was getting what I was paying \$58K for, so I started the process of transferring and continuing my education. . . I was signing up for my classes for my second semester all to find out I had an academic hold placed on my account.

Investigating the reason why, I was informed that ITT had not, and was not releasing my transcripts . . . After several days, they contacted me and explained that there was a residual on my account, when I inquired from what, they claimed from a loan the school signed me up for and gave me. I didn't ask for, sign for, or authorize any other loans outside of the Stafford Federal Loans. Here it is, I've been trying to resolve this and resume my educational program, but it's been stalled and delayed because of this, since 2011, my drive towards earning my degree has been, so far, denied to me, and I strongly feel this institution misrepresented themselves in their recruiting sales and advertising pitch."

Withdrawals and Changes in Enrollment Intensity

Colleges have substantially different rules for refunds of tuition to students and refunds of their federal aid to the Education Department when a student withdraws or changes their enrollment intensity (e.g., goes from full-time to part-time). Along with predatory and unauthorized loans, withdrawals and changes in course-loads are major drivers of unplanned and unaffordable debt for students. Not surprisingly, the students most affected by such unplanned balances are the lowest-income recipients of federal aid, who would have incurred no charges had they maintained full-time enrollment. These same students, however, are at much higher risk of having to drop courses or withdraw altogether for academic or unexpected personal reasons. Modifying federal rules on tuition refunds could significantly remedy this underlying driver of unplanned debt and withheld transcripts.

Some institutions have stopped the practice of indefinitely carrying balances on student accounts altogether and have implemented their own debt forgiveness programs to encourage students to return and finish their degrees.⁴ Other institutions have implemented grant programs for students in good academic standing who have small unpaid balances.

But most institutions continue to bill students to recover as much as possible of the Title IV aid that the institutions are required to return to the Education Department. Federal law accommodates this practice by requiring institutions to honor only their accreditor's refund requirements. The gap between the return of Title IV funds, in accordance with Title IV law, and the various accreditors' refund rules is a major cause of unpaid balances and withheld transcripts following student withdrawals, as shown by student veteran H.J.'s experience:

"I attended Davenport University in Michigan ... I was not able to attend classes so I dropped them. Davenport said I dropped the classes too late and are charging me full tuition for the classes. \$6,461. I am unable to pay that amount and now they are holding my transcript for the classes I actually took and that were paid for in full."

This practice is particularly problematic for students who are deployed by the U.S. military and whose schools – especially predatory colleges – fail to honor their deployments (a violation of federal statute). The institutions wrongly charge these servicemembers full tuition for classes the servicemembers had properly informed their schools they could not attend because they were deployed as part of the U.S. Armed Forces. For example, student veteran R.F. explains:

"I serve in the military. I had informed the University of Phoenix that I wanted to change degree plans and was told it wasn't possible. I then had to take a break between classes as we were going to the field [for military duty] for the next couple of weeks, and I informed them of this. They still enrolled me and I failed the class for lack of attendance. Now that I am switching schools, they will not release my transcripts and they say I have an outstanding bill with some courses I didn't even take and withheld my FAFSA."

⁴ See The City University of New York Press Release, *CUNY Will Stop Long-Held Practice of Holding Transcripts for Students with Outstanding Debt; Will Lift Financial Holds for Students Impacted by the Pandemic* (Aug. 11, 2021), <https://www1.cuny.edu/mu/forum/2021/08/11/cuny-will-stop-long-held-practice-of-holding-transcripts-for-students-with-outstanding-debt-will-lift-financial-holds-for-students-impacted-by-the-pandemic/>.

Closed Schools

Many large for-profit college chains have shuttered precipitously without warning to students in recent years, leaving tens of thousands of students stranded and prompting state legislation requiring transcript access and more orderly closure processes.⁵ In April 2019, the Chronicle of Higher Education published an article that concluded that the majority of the 1,218 closures from 2014-2018 were for-profit schools.⁶ The article contains a [link](#) to a data set that identifies all schools that closed from 2014-2018. The text box below identifies major for-profit chain closures since 2015 that affected thousands of veterans, eligible family members, and servicemembers.

Major For-Profit Chain Closures Since 2015

For-Profit chain	Campus brands
Corinthian Colleges, Inc.	Heald and Everest campuses in California
ITT Educational Services	ITT Technical Institute
Education Corporation of America	Brightwood College, Virginia College, Ecotech Institute, and Golf Academy of America
Former Education Management Corporation campuses	Argosy University and most Art Institute campuses
Vatterott Educational Centers, Inc.	Vatterott College
Educational Futures Group, LLC	Vista College

When a school suddenly closes, the students discover too late that they cannot access their transcripts. Nearly 9,000 veterans were enrolled at about 70 schools that closed between 2013 and 2016, including almost 7,000 veterans at ITT Tech.⁷ When campuses close and staff are laid off, there are often no arrangements for third-party retention of records and no provision of transcript or degree verification services. As a result, it can be nearly impossible for students to obtain their transcripts and continue their education.

Yet holders of debt issued to the students of most of these shuttered schools, including (until recently) the federal government itself, still zealously collect from the very borrowers whose transcripts are lost or unavailable due to institutional malfeasance or gross negligence. As student veteran J.A. explained:

“I’m having to pay for my transcripts because ITT-Tech closed. To me they should be free since I’m unable to continue going there because they closed.”

Recently, the U.S. Consumer Financial Protection Bureau (CFPB) announced it will be examining institutional lending practices by colleges, including the practice of transcript withholding.⁸ The CFPB specifically stated in its

⁵ Maryland orderly school closure law: SB 446 (enacted May 7, 2020), <http://mgaleg.maryland.gov/mgawebsite/Legislation/Details/SB0446?ys=2020RS>.

⁶ Michael Vasquez and Dan Bauman, *How America’s College-Closure Crisis Leaves Families Devastated*, Chronicle of Higher Education (Apr. 4, 2019), <https://www.chronicle.com/article/how-americas-college-closure-crisis-leaves-families-devastated/>.

⁷ See U.S. Senate Committee on Homeland Security and Governmental Affairs, *Education Denied: The Importance of Assisting Veterans Harmed By Closed Schools*, Staff Report Prepared for Ranking Member Tom Carper (Oct. 21, 2016), <https://www.hsgac.senate.gov/imo/media/doc/Education%20Denied%20-%20Staff%20Report%20Prepared%20for%20HSGAC%20Ranking%20Member%20Tom%20Carper.pdf>.

⁸ U.S. Consumer Financial Protection Bureau Press Release, *Consumer Financial Protection Bureau to Examine Colleges’ In-House Lending Practices* (Jan. 20, 2022), <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-to-examine-colleges-in-house-lending-practices/>.

press release that it is concerned about “the borrower experience with institutional loans because of past abuses at schools, like those operated by Corinthian and ITT, where students were subjected to high interest rates and strong-arm debt collection practices.”⁹

III. Policy Issues

Regulatory Landscape

At the outset, it is important to remember that colleges are first-party creditors and generally sit outside the debt collection oversight and protection regimes, unlike debt buyers and third-party collectors.¹⁰ Although of course the CFPB regulates colleges’ private loans, as explained above, and as exercised when the CFPB sued ITT Tech in 2014 over ITT’s predatory loan schemes,¹¹ what is not regulated is a college’s debt collection efforts.

The policy of transcript withholding because of unpaid institutional charges is normally up to an institution’s discretion. However, the Education Department released a Dear Colleague letter in 1998 encouraging schools to withhold transcripts for defaulted Title IV student loans.¹² The Trump Administration further promoted transcript withholding by amending the Department’s student loan page to include language asserting that institutions had the right to withhold transcripts.¹³

The 1992 reauthorization of the Higher Education Act addressed the narrow topic of tuition owed for student withdrawals by governing the pro rata amount of tuition and fee charges that institutions had to refund when a student withdrew. In 1998, however, after heavy lobbying by institutions, Congress changed the law to regulate only institutional refunds to the federal government, prioritizing the recovery of funds for the Education Department ahead of any refunds to affected students.¹⁴ Essentially, this change left students at the mercy of institutions and their accreditors, and, along with undisclosed loans, it has since emerged as a major driver of unpaid balances for students. Changes to Title IV federal student assistance provisions could address the root cause of unpaid balances due to enrollment changes by ensuring that low-income students do not incur charges as a result of withdrawing or changing their course loads.

While many state laws allow for transcript withholding for institutional debts, the following states have either passed or introduced legislation to curtail the practice:

- California: Legislation enacted that prohibits public and private institutions in the state from withholding transcripts for debt repayment.¹⁵
- Washington: Legislation enacted stating transcripts cannot be withheld except for debt related to tuition, room and board, or financial aid charges. Transcripts must be released for a job interview, military activity, or other postsecondary endeavor.¹⁶

⁹ *Id.*; see also Rebecca Mauer, *Accounts Receivable and Withheld Transcripts: The Quiet Higher Ed Crisis that States Could be Tackling*, Student Borrower Protection Center (Mar. 29, 2019), <https://protectborrowers.org/accounts-receivable-withheld-transcripts-the-quiet-higher-ed-crisis-that-states-could-be-tackling/> (for a discussion on ITT Tech’s \$600 million in accounts receivables at the time of its bankruptcy proceeding).

¹⁰ See U.S. Consumer Financial Protection Bureau, *Are There Laws That Limit What Debt Collectors Can Say or Do?* (Jan. 30, 2017), <https://www.consumerfinance.gov/ask-cfpb/are-there-laws-that-limit-what-debt-collectors-can-say-or-do-en-329/>.

¹¹ U.S. Consumer Financial Protection Bureau Press Release, *Consumer Financial Protection Bureau and Multiple States Enter Into Settlement with Owner of ITT Private Loans for Substantially Assisting ITT in Unfair Practices* (Sept. 15, 2020), <https://www.consumerfinance.gov/about-us/newsroom/cfpb-multiple-states-enter-settlement-itt-private-loans-owner-assisting-itt-unfair-practices/>.

¹² Withholding Academic Transcripts and Diplomas, <https://finaid.org/educators/withholdingtranscripts/>.

¹³ *Supra* note 1 at 5-6.

¹⁴ 34 CFR 668.22.

¹⁵ AB-1313 Higher education: prohibited debt collection practices (2019), https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1313.

¹⁶ HB 2513 - 2019-20 Prohibiting the practice of transcript withholding and limiting the practice of registration holds at institutions of higher education as debt collection practices, <https://app.leg.wa.gov/billsummary?BillNumber=2513&Year=2019&Initiative=false>.

- Louisiana: Legislation enacted allowing public college management boards to implement policies that would prohibit their schools from withholding transcripts if they choose.¹⁷
- Other states such as New York, Maine, Maryland, Massachusetts, Ohio, and Virginia are working on similar proposals.¹⁸

Institutional Practices

Even in cases when student debts are not disputed, institutional withholding of transcripts is a rather heavy-handed means of debt collection. Institutions put forth many arguments – concerns about lost revenue and moral hazard chief among them – to justify the practice.¹⁹ It is important to note that even if these justifications are true, withholding the entire transcript, including the transcript of academic work that students have already paid for, is rather disproportionate as a tool for collecting on unpaid charges. Student veteran J.A. explains frustration over being unable to access his transcript (showing 92 credits) and unable to enroll in a new school to complete his degree, over a small \$300 debt:

“I did all my work on time and was a very good student. I fell behind on classes due to post-deployment personal issues and was dropped. Ashford wasted no time in garnishing my wages as well as withholding federal taxes, and I am actually one last \$300 payment away from being completely student loan debt free. However, I called and repeatedly asked for payment options as well as ways to get re-enrolled. The operators would say things like I was too far behind or I was already considered a liability due to my student loan debt. I then attempted to get my transcript so that I may continue my degree pursuit with another school, to which I was told I would have no access to my transcript until the debt was paid off. I was totally without any options with Ashford. I have 92 credits in limbo and have no way to show that to any other college. I had given up all hope and called it a loss. I hope to, at the very least, get access to my transcript with the final payment.”

Similarly, student veteran A.M. explains his transcript is being held up over book fees, which he disputes:

“I was told by another service member to apply to University of Phoenix; the University told me the criminal justice program was accredited, and I would be able to transfer all credits to the University of Michigan. I found out they were going to close the Flint campus and I would have to travel a great distance to continue my education at Phoenix and I had some family issues, so I took some time off school. I tried to enroll at the University of Michigan and when I spoke to the University of Michigan rep, I was informed not all my credits were eligible to transfer. Then when I tried to get my transcripts so I could enroll at the University of Michigan, I was told by University of Phoenix reps that since I owed book fees for a class or two that I would not get them until I paid them. There were never any hard copy books; the books were only available to view online.”

As a general rule, institutions have access to many other potent debt-collection tools of the modern credit ecosystem and do not need to utilize transcript withholding to collect debts. Policymakers would be well advised to consider the deleterious consequences of withholding transcripts on socio-economic mobility and to ban the practice altogether for institutions participating in federal programs, because the practice essentially locks low-income individuals out of the most likely path to economic advancement.

Some institutions might argue that removing transcript withholding as a tool would potentially change their payment policies or force them to shift the costs onto students by increasing tuition, under the rationale that

¹⁷ LA HB 676 Prohibits a postsecondary education institution from withholding certain student services for financial reasons, <http://www.legis.la.gov/legis/BillInfo.aspx?s=20rs&b=HB676&sbi=y>.

¹⁸ See Ayelet Sheffery, *Student-Loan Forgiveness for Borrowers in New York Just Got Easier*, Business Insider (Jan. 6, 2022), <https://www.businessinsider.com/student-loan-debt-forgiveness-easier-new-york-borrowers-kathy-hochul-2022-1>.

¹⁹ *Supra* note 1 at 5-7.

registering students with unpaid balances from previous terms is a form of leniency that institutions might discontinue if they are unable to withhold transcripts. But withholding transcripts is a generally passive collection practice that operates primarily as a punitive rather than an effective debt collection tool, as evidenced by its very low collection rates. The inefficacy of the practice reflects the financial circumstances of the individuals it targets: Typically, former students are unable – rather than unwilling – to retire their balances, making harsher and more expensive debt collection tactics, like the retention of debt-collection agencies, uneconomical in practice, as institutions are aware.

Transcript withholding has particularly adverse consequences for students with outstanding balances who are encouraged to continue to enroll for subsequent terms without adequate aid to cover the additional costs. These students end up investing time and effort while running higher balances that may prove unpayable. In 2014, for example, a prominent public HBCU disenrolled 25 percent of its students because it had allowed them to accrue multiple semesters of unpaid charges. These students were suddenly confronted with the potential loss of multiple years of academic work because they would be unable to transfer without transcripts.

“I AM UNABLE TO PAY THAT AMOUNT AND NOW THEY ARE HOLDING MY TRANSCRIPT FOR THE CLASSES I ACTUALLY TOOK AND THAT WERE PAID FOR IN FULL.”

Even if policymakers were to continue allowing institutions to withhold transcripts, a middle-ground policy could prohibit institutions that participate in various federal tuition assistance programs from withholding transcripts for charges associated with more than the last term of attendance. This would not prevent institutions from extending leniency under various circumstances, but it would preclude the withholding of transcripts for more than the very last term. Institutions should be limited in their ability to accrue multiple terms of unpaid balances, and the withholding of transcripts as a technique for the collection of often small unrelated charges such as parking fines, bookstore purchases, or extracurricular activity fees should generally be prohibited as nongermane and entirely disproportionate to the adverse effect of withholding transcripts.

“The VA Counselor said I had everything paid for, but when I wanted to take the next courses I needed to take to get closer to my degree, they said I owe \$692 to release my transcripts.” - Student veteran M.A.

IV. Policy Recommendations

Recommendation 1: Federal and state policymakers should prohibit the withholding of transcripts as a tool for collecting outstanding debt from former students.

The only justification for withholding transcripts for financial reasons is their utility as a collections tool, but, for low-income students who are the ones most often affected by this practice, the withholding of transcripts essentially blocks the path to further education and, ironically, the most effective path to advance economically and repay the debt.

Institutions have access to a broad range of collections tools beyond withholding transcripts, and prohibiting the use of this tactic does not preclude them from utilizing the standard techniques that are otherwise available to them. If an outright prohibition proves difficult to legislate, more limited alternatives could include the next three recommendations.

Recommendation 2: Federal policymakers should modify the current “Return of Title IV Funds” provisions of the Higher Education Act to ensure that low-income students do not incur institutional charges as a result of changes in enrollment status.

Transcript withholding disproportionately affects the neediest students from families with no realistic ability to contribute out-of-pocket funds for their cost of attendance. Withdrawals and changes in enrollment intensity are more likely for low-income students, for both academic and socio-economic reasons. Yet, when these students either withdraw or change their course loads, federal law allows institutions to bill them for balances that represent insurmountable barriers to further pursuit of education – and often their ability to obtain employment. Institutions should not be allowed to bill such students for unaffordable charges and withhold transcripts, effectively putting an end to their dreams of accessing higher education.

Recommendation 3: Federal and state policymakers should prohibit transcript withholding for balances that are in dispute.

It is also clear that a significant number of students are prevented from pursuing their educational goals because of transcript holds associated with incorrect billings or outright predatory practices. The most obvious policy remedy for the plight of many students, most particularly student veterans, would be to root out deceptive and fraudulent practices that generate debt that students did not knowingly take on. It is an unfortunately common complaint by former student veterans that they were falsely told that their GI Bill benefits would cover all institutional costs, but later found out that the institution had misrepresented its GI Bill eligibility or the total cost of its programs, generating unpaid charges on their accounts. Allowing transcript withholding in such cases only adds insult to injury. While the solution to this problem would consist of better gatekeeping and oversight to prevent fraud, states and the federal government should at least prohibit transcript withholding for balances that are in dispute.

“THEY WOULD NOT RELEASE MY TRANSCRIPTS UNTIL I PAID AN AMOUNT OF MONEY THAT I HAD NEVER RECEIVED A BILL FOR OR A PHONE CALL OR EMAIL ABOUT. THEY HAVE YET TO OFFER ANY KIND OF EXPLANATION.”

Recommendation 4: Federal and state policymakers should prohibit the withholding of transcripts for non-academic balances due.

A transcript is intended as a factual recording of a student’s academic performance. Students who properly paid their tuition and properly completed their academic work should not find their transcripts withheld over parking fees or library fines. Institutions should not be able to withhold a transcript for unrelated, and often negligible, balances that originate in any non-academic services they may have provided, such as parking fees, bookstore charges, or even room and board.

Recommendation 5: Federal and state policymakers should prohibit the withholding of transcripts for periods of enrollment for which students have already paid.

Even if one were to concede the propriety of allowing transcripts to be withheld for academic terms that have not been fully paid for, there is no logic to allowing the practice to extend to the entire transcript – especially for academic records for prior terms that have been fully paid for. A student who owes tuition for one semester but fully paid for, and fully completed the academic work for, three full prior years should be able to access those three

years of academic progress. Indeed, there is reason to suggest that, in allowing students with carryover balances to register and enroll in subsequent terms, institutions knowingly took on the risk of account delinquency, and they should therefore only be allowed to withhold the records of the very last term of attendance regardless of arrears associated with previous terms.

Recommendation 6: Federal and state officials must act to require all at-risk institutions, particularly for-profit entities without adequate capitalization, to implement satisfactory record retention plans with qualified third parties to ensure permanent or long-term availability of transcript and degree verification services if the entity ceases to operate.

Our interactions with student veterans on the topic of transcripts suggest that all students, particularly those from under-served communities with limited resources, face severe consequences as a result of losing access to transcripts. That loss of access has a disparate effect on students, including student veterans, who attend for-profit schools that are at far greater risk of precipitous closure.

V. Conclusion

While the root causes of circumstances triggering transcript withholding are complex and should be addressed directly, policymakers can mitigate the impact of those systemic dysfunctions by curtailing the ability of institutions to withhold transcripts and essentially hold the students' future hostage. Our conversations with student veterans have amply demonstrated the negative consequences of the practice on them, which should provide additional cause for alarm in view of the nation's commitment to educational advancement for veterans.

APPENDIX - Student Veteran Complaints About Transcript Withholding (organized by the reason for the transcript withholding)

Student Veteran Complaints About Transcript Withholding Over Inaccurate Billings and Disputed Debts

M.A.

The VA Counselor said I had everything paid for, but when I wanted to take the next courses I needed to take to get closer to my degree, they said I owe \$692 to release my transcripts.

S.A.

I was enrolled at Sanford Brown College Northloop campus from August 2012 until May of 2014. I incurred \$26,000 in student loans because my GI Bill funding ran out. I am currently unable to receive my diploma because one of my payments from VA was rejected and I currently owe \$1,500 just to receive transcripts for a degree that won't transfer. No one told me the degree was worthless after graduation.

A.B.

I attended Colorado Technical University (CTU) with hopes to get a BS in Homeland Security. I later decided to transfer to the University of Oklahoma, but they wouldn't accept a list of credits from CTU. Prior to this, when I asked for my transcripts to be sent to Oklahoma, CTU refused, requiring that I had to pay off the balance on my account for classes I hadn't taken yet. I had to disenroll from CTU to zero out my balance before they would send the transcripts.

M.B.

When I applied at AIU, I was told that their career department would be there to help me get a job and that they had a very high success rate, something like 90%. Well, to no avail, they didn't help me get a job, and trying to find quality jobs was a waste of time. Next I haven't been able to get an official copy of my transcript, they stated I owed money, but I used my GI Bill the entire time. Finally, I feel they just wanted my GI Bill to get money for them. I never received the attention they described when applying to their school.

T.B.

Every time I requested transcripts they would block my account as soon as I hit 90 credit hours they block my account saying it was financial but my payment wasn't due for two days. Every new period the price goes up and there's a new bogus fee, like a web access fee. I'm going to be swimming in debt by the time I graduate. I started with them in 2010 [and] had to drop out. They wouldn't release my transcripts, so in 2015 I started back just so I could finish up and not have to start over – with that I had to pay back \$1,800 that I could take.

A.D.

Hello. I have been dealing with St Louis Community College. Their campus did not submit paperwork to the VA for classes I took ... and now claim I owe them money in return for the transcripts. I have attempted to speak with them multiple times on this issue and even requested they send me official letterheads where they claim the VA refused to pay them. They have not sent me anything of that nature and continue to claim that I owe them. I really need help because this is going to affect my nursing school applications if I cannot produce the transcripts. It was a mistake on behalf of their office and they are trying to pin it on me instead of working with the VA.

“I WAS ELIGIBLE FOR GI BILL BUT WAS CONVINCED TO TAKE OUT MULTIPLE STUDENT LOANS WHICH I DID NOT NEED. WHEN I ATTEMPTED TO TRANSFER, I WAS TOLD THEY CANNOT RELEASE MY TRANSCRIPTS BECAUSE I OWED MULTIPLE THOUSANDS OF DOLLARS.”

L.F.

When I spoke to student services with DeVry prior to enrolling, I was told that my GI Bill along with federal aid would cover my four year degree. The last semester I received a bill prior to graduation in the amount of \$2,000, saying that this amount would not be covered and in order to get access to my official transcripts I would have to pay this amount out of pocket.

R.F.

I was enrolled at DeVry Keller Graduate School of Management. I was recruited through Internet ads. They were very accommodating in getting me enrolled. I earned a Master of Human Resource Management with a 4.00 GPA and elected to complete additional classes to get a Master of Public Administration. The VA team at DeVry screwed up the calculations on my GI Bill and instead of receiving funds for my education, they said I ended up owing them over \$1,500. As such, I was unable to complete my final class for the MPA and a financial hold was placed on my transcripts. My account was turned over to a collection agency without Keller acknowledging the mistake. Overall, between CTU and Keller, I ended up with over \$99,000 in student loans.

R.F.

I serve in the military. I had informed the University of Phoenix that I wanted to change degree plans and was told it wasn't possible. I then had to take a break between classes as we were going to the field [for military duty] for the next couple of weeks, and I informed them of this. They still enrolled me and I failed the class for lack of attendance. Now that I am switching schools, they will not release my transcripts and they say I have an outstanding bill with some courses I didn't even take and withheld my FAFSA.

T.F.

I was enrolled in the University of Phoenix and withdrew from a class because things came up. I was still charged the tuition even though I withdrew within the first week of class. Then they held my transcripts until I paid that balance off. I also had to use student loans to pay for my classes up front even though I had the GI Bill and tuition assistance from being an active duty soldier.

S.F.

The cost is outrageous and then they come up with charges that were covered by financial aid and won't release transcripts.

K.G.

Teachers in classes didn't know how to answer questions. They only assigned busy work. I can't transfer credit to a four-year school due to lack of accreditation. I paid them up to date and they will not release my transcripts.

M.G.

While attending the University of Phoenix online, I was in my last semester before graduating and my financial advisor assured me that my last student loan disbursement completely covered all remaining classes and fees, with even a little bit of funds left over. A few weeks before graduation, I was told that I owed the school just shy of \$3,500 and that I would not receive my diploma until paid in full. I argued this with my financial advisor and he said it was a mistake by the school but there was nothing he could do about it. I was able to attend graduation ceremonies but was not issued my diploma. The school also refused to give me an official copy of my transcripts to prove completion of my program. Because of this, I have been unable to obtain a teaching position anywhere. I worked hard for my degree and graduated with honors, but cannot even get an official copy of my transcripts so that I can teach...even though the debt is entirely the school's fault. What can I do??

H.H.

I am dealing with Trident on getting my transcript issued, they say I owe them \$3,000. Had a family issue and tried to withdraw and they would not let me without me paying for a class.

R.H.

DeVry admits to sending me refunds then stating for some reason I was not entitled to the refund, and requesting me to repay. I used FASFA [and] my GI Bill and still they say I owe them an est. \$2,500 to get my transcripts. Also I ended up with over \$11,000 in student loan debt.

M.H.

I am a active duty soldier who is trying to finish school but the school won't give me my transcripts without paying more money, and I already owe after I wanted to get out of the school; once I realized the school wasn't going to help me and was overcharging me I dropped out by the deadline and they said that now I owe all this money back and I have to pay the school.

H.J.

I attended Davenport University in Michigan. I was not able to attend classes, so I dropped them. Davenport said I dropped the classes too late and are charging me full tuition for the classes. \$6,461. I am unable to pay that amount and now they are holding my transcript for the classes I actually took and that were paid for in full.

T.J.

I got a student loan and Pell Grant, but the school still says I owe them \$4,000 and won't release a transcript until paid.

A.I.

DeVry made a couple of mistakes on their part with invoicing and even though they acknowledged they were indeed their mistakes, I graduated in 2005 and it took until 2013 for them to release my transcripts. They actually had me in default and on my credit report, so I couldn't start on my master's because of their mistake. They had my transcripts hostage.

“I THEN HAD TO TAKE A BREAK BETWEEN CLASSES AS WE WERE GOING TO THE FIELD [FOR MILITARY DUTY] FOR THE NEXT COUPLE OF WEEKS, AND I INFORMED THEM OF THIS.... THEY WILL NOT RELEASE MY TRANSCRIPTS AND THEY SAY I HAVE AN OUTSTANDING BILL WITH SOME COURSES I DIDN'T EVEN TAKE.”

C.M.

I feel that even with the military discount on my tuition that the cost was not actually discounted. I felt pressured to enroll. I can't get a transcript until I pay \$2,000 in tuition which the student loans should have covered. The quality of the education was not what I expected from them. The quality is the same as local community colleges.

H.M.

I went to school at CTU and when I went to transfer the credits to UMUC here in Virginia, CTU told me they would not release my transcripts until I paid an amount of money that I had never received a bill for or a phone call or email about. They have yet to offer any kind of explanation.

R.M.

I am hoping that you can help me. I am not a veteran, I am a military spouse. So I understand if this service is strictly for Veterans. I attended American Intercontinental University (owned by Career Education Corp.) There was a major lawsuit against them for unfair practices. I was unfortunately one of their victims and am having an extremely hard time having my student loans from them discharged [and] they are claiming that I owe them money for tuition money... My loan has still not been discharged and they now withhold my transcripts which in turn hold up my application to the graduate program. I have been in contact with the school to dispute the amount and have the hold released, which they did twice and now are refusing. When I attended their school ...I fell on hard times and needed to withdraw from the school. The advisor never withdrew me from the classes in

time causing me to be charged for the classes. The school claims that because this was so long ago, they no longer have records of the emails and I am responsible for the amount owed. I have sent them the California legislation that states that they cannot withhold my transcripts and I have also filed for student loan discharge showing the violations that they committed as well as the information showing that I was not aware or informed of the student loans that I was taking out; it was presented to me as a financial hardship grant because I was a single mother at the time and could not afford to attend school. This school continuously committed unfair and predatory practices. It has caused me enormous emotional distress as well as been hindering me furthering my education and career goals. This has been ongoing for years and I am desperate for help.

W.M.

Years ago, I considered attending classes at the University of Maryland Global Campus. I applied and began the process of enrolling in courses, all online. I was seeking to enroll in a biotechnology program, but was told by the University that I did not meet the prerequisites to do so. At that point, I stopped seeking any sort of education with the University and considered my involvement with them to be finished. Years went by and I did not hear from the University, and I assumed that I did not, in fact, enroll in any courses. However, last month, I found out that the University did charge me for the course that I was interested in, even though they said I was not qualified for it, and sent my bill to collections. It turns out, I was enrolled in these courses, and I received failing grades for each course, despite me having no idea that I was even enrolled. They are asking for \$7,000 for courses that I never attended, nor realized that I was actually enrolled in. I never received any communication in the mail regarding this bill.

C.N.

I was never notified until I finished my master's that I owed \$6000. They let me complete the entire program only to find out that they said the VA didn't cover my entire tuition. Now I don't have transcripts for what I finished ... Colorado Technical University

R.P.

[After serving in Iraq and Afghanistan, RP retired from the military and began using her GI education benefits to pursue a degree in accounting. She completed the coursework for an associate degree at Everest University, but the for-profit withheld her diploma and transcript saying that she owed them approximately \$5,000. Her own records showed that her GI benefits and student loan (approximately \$7,000) had covered all of her costs. Over a three-year period, she repeatedly called Everest but was bounced from one department to the next. Finally, she requested a formal investigation, which showed that the school had not included her benefits in their records. Finally, her account was zeroed out and her diploma and records made available to her.]

V.R.

I knew, as well as UOP, that my GI Bill was running low. I explained to the financial aid office months in advance to use my Pell Grant for my current and last class. UOP sent me all my money plus a loan. The worst part is none was paid to my course. Now, I am stuck with an \$800 debt to get my BS and transcripts for employees, plus paying back a loan for \$10,000 [but for] which I only agreed to \$5,000.

J.S.

I have been trying for years to retrieve my official transcripts. I'm unable to due to fees and costs that should have been paid by the university and Army ROTC.

S.R.

I'm not a vet but my husband is. I attended University of Phoenix and they refuse to release my transcripts. They charged me for a class I did not attend and then sent me to collections. I filed bankruptcy and specifically filed on them but they refuse to pull my account back from the collection agency and will not release my transcripts. I have been trying to resolve this for years and only get the run-around from them. I am still paying on my loan from 2001 and have nothing to show for it.

D.S.

The school CTU refuses to release my transcript. I've been told by PPCC that none of my credits will transfer, and they want me to pay for a class i didn't even take.

T.W.

When I applied at UoP, I took classes for over 4 years. It seemed as if none of my classes were related to my program course but just to drain my GI Bill. Then they began shutting down campuses and classes I needed were only available online. I tried the online courses but was unable to learn that way. I was advised that if I withdrew, that my only remaining balance would be \$75, but when I withdrew, it wasn't reported and they kept me on their roster and when I applied to a other school, I was told I had a balance of \$1200 and they wouldn't release my transcript. I don't feel that I should owe them anything since the VA was paying them already.

Student Veteran Complaints About Transcript Withholding Over Debts for Loans the Veterans Did Not Authorize

E.N.

Upon showing interest in the school, I was guaranteed a high-paying job right out of school. Not only did this turn out to be false (it took me one year to find an entry level job as a temporary contractor) they also signed me up for \$30,000 in student loans that I was unaware of until after graduation. They provided incorrect information about using either my GI Bill or Post 911 Bill, running up the unsubsidized \$30,000 in student loans. They will not release my transcripts because they claim I owe \$600, but with as much student debt as was accumulated while I was enrolled I don't see how I can possibly owe any additional money. Additionally, while I was enrolled in the Surgical Technician program, my campus lost their accreditation for that program...Not to mention the cost of attendance and tuition was absolutely astronomical. I would estimate the cost to be five times that of a public university. Everest University stole the government's money and burdened me with tens of thousands of dollars of debt in return for a useless and meaningless degree. I will continue to fight these outrageous for profit schools, in hopes that none of my brothers and sisters in arms will fall victim to them like me.

K.C.

First of all, for the tuition cost at ITT, I was under the impression that I would be getting a first-rate education taught by real instructors and professors. They were neither. Having been a computer technician and engineer for approximately 25 years at the time, I knew more about them than he did, and became sort of a student assistant. As for the loan, I signed up for and applied for Pell Grants, and the federal Stafford subsidized and unsubsidized loans, and nothing else. After two semesters there, I didn't feel I was getting what I was paying \$58,000 for, so I started the process of transferring and continuing my education at Seminole State College. I enrolled there, started my classes, thinking everything was fine and progressing well until I finished the first semester there. I was signing up for my classes for my second semester, all to find out I had an academic hold placed on my account. Investigating the reason why, I was informed that ITT had not, and was not releasing my transcripts for the courses I'd taken, passed and received credit for there. One of the things I was told at ITT was that I could transfer my credits if I decided to switch schools, and that the courses would transfer directly. Well, that was a lie, and after talking to counselors at Seminole State, they informed me that they would have to see and review the courses taken to determine if they qualified and whether or not they were accredited courses. Plus, to add to all this, in going back to ITT to inquire about the denial of transferring my transcripts, they say

“I WAS NEVER NOTIFIED UNTIL I FINISHED MY MASTER’S THAT I OWED \$6000. THEY LET ME COMPLETE THE ENTIRE PROGRAM ONLY TO FIND OUT THAT THEY SAID THE VA DIDN’T COVER MY ENTIRE TUITION.”

they would check my account records and get back to me. After several days, they contacted me and explained that there was a residual on my account. When I inquired from what, they claimed it was from a loan the school signed me up for and gave me. I didn't ask for, sign for, or authorize any other loans outside of the Stafford Federal Loans. Here it is, I've been trying to resolve this and resume my educational program, but it's been stalled and delayed because of this, since 2011, my drive towards earning my degree has been, so far, been denied to me, and I strongly feel this Institution misrepresented themselves in their recruiting sales and advertising pitch.

S.L.

I was told my credits would transfer. When I tried to apply to Cleveland State, I was told there was an accreditation issue and none of my credits would transfer. Through my research, I found that the credits will transfer to 3 schools: Tiffin, Indiana Wesleyan, and Kent. I was told none of this at any time during my attendance at ITT. However only about half the credits would transfer. Not only that, but ITT refuses to release any transcripts until I pay back my loans. I had no idea they completely used ALL federal student loan money because of their outrageous prices. I have 2 classes left to receive my associate degree in paralegal studies, but now they won't let me take those last two classes until I pay over \$5,000 out of pocket TO THE SCHOOL! This is ridiculous! \$54,000 for an associate degree that they won't even let me finish? Something needs to be done! I only make about \$500 every two weeks and my loan repayment is expected between \$500-700 a month!

Student Veteran Complaints About Transcript Withholding Associated With Deceptions and Predatory Practices

F.A.

I dropped out of Kaplan University due to a death in my family. I applied for grievance forgiveness. They said instead of admin drop to just let my courses run till the classes were over I didn't need to pay my GI Bill back... I registered for the term with Kaplan and they said I had to pay \$2,800 back. I had to quit my job due to my wife being on active duty and on PCS [military relocation] orders to a new state. They aren't releasing my transcripts until I pay the debt off.

S.B.

CTU did not wait for my Army tuition to kick in before starting my classes while I was deployed and continued to issue me classes when I was stateside again. I owe \$6,000 in tuition and cannot get my transcripts to attend another college until it is paid.

D.B.

I signed up and they were more than helpful getting my GI Bill rolling to pay them. After that was set up, I could barely get any help. I failed the first class because I had a very hard time using the computer... Come to find out it was because my computer was not compatible with their system... After buying a newer, more suitable computer, I retook the class and used my own original work for that class... The last day of the course I tried to log in to turn in some work and it would not let me at all; I just kept getting an error message. I took screenshots and sent them in an email to find out what I could do. Well, 'it's too late now you failed,' was the response I got. So I emailed and called someone else who told me that they could request an exemption and take my work, though it may take a couple of days... Well a week goes by and nothing... Now I'm out of classes and not getting my GI Bill which I desperately needed so I continue to call and email only to be told, 'oh yeah they rejected it'; well that would've been nice to know... Now I owe money to the VA, AND University of Phoenix for a class I technologically COULD not complete for whatever reason... They will not release my transcripts and I cannot go to a local college until I pay them for a class that I literally was not able to finish because of the error I kept getting. I cannot afford a lawyer to fight them... I don't care about getting money from them... All I want is to be able to use my GI Bill and continue my education and I refuse to pay them thousands of dollars for their lies, and absolute inability to work with me at all. But I don't know what to do...

E.C.

I went to ITT [from] August of 1999 to January 2001. I was told that my credits were transferable and I spent \$26,000 in financial aid with a 3.23 GPA and student loans that I could not transfer when I tried to go to a junior college to get a dual degree in engineering and CAD drafting (but was unable to transfer my credits). Then [I] registered at the University of Phoenix, passed my first quarter with a 4.0 in my class, [but] could not continue because registration lied and said that my financial aid was not completed in a timely [manner] so I cannot continue school, so they took my student loan money and financial money [and] told me I owe \$1,500 for my class and I could not attend until that debt is rectified. Then in Fall of 2009, after completing two semesters at Olive Harvey City College and a GPA of 3.625, [the] DeVry University recruiter came to the school recruiting students [and] saying that I can transfer all [my] credits from ITT Tech and Olive Harvey College, but when I transferred it was during the end of spring term, thinking that I was transferring during the summer term, and they only took some of my credits totaling only 15 out of 54 credits from ITT Tech and Olive Harvey, and they did not tell me that I was transferring during the spring term still because they were on quarter hours while Olive was on semester hours – which messed up my financial aid again. I even passed the class and they said because the other school used all of your financial aid up for the spring term, you cannot continue until the first quarter class is paid for. Another scam. None of the schools gave me my official transcript and claim I owe combined, with DeVry, \$54,000 in tuition. Taking over \$35,000 in financial and student loans, which I've been fighting for. I want all my money back for being misled and their deceptive practices.

“VERY, VERY EXPENSIVE AND AFTER I COULDN'T TAKE THE NEEDED TIME TO FINISH A COUPLE CLASSES, I WITHDREW TEMPORARILY. FOR A COUPLE CAREER LEADS, I NEEDED MY TRANSCRIPTS, BUT BECAUSE I HAD AN OPEN BALANCE, THEY WOULD AND STILL WILL NOT RELEASE MY TRANSCRIPTS UNTIL THE BALANCE IS PAID.”

M.C.

Student loans were given and I acquired a debt of almost \$100,000 dollars and can't even find a job that pays over \$40,000 with a master's degree. My degree level should be compensated as they spoke so highly of having a master's-level education for me to stand out in the job market. They held my transcripts for owing them even more money and right now they currently are holding my transcripts hostage because they paid out \$2,000 of my supposed loan reimbursement before the actual money came in.

A.E.

Enrolled in ITT Tech under the false pretenses that it was an accredited university. I was eligible for GI Bill but was convinced to take out multiple student loans which I did not need. When I attempted to transfer, I was told they cannot release my transcripts because I owed multiple thousands of dollars. I eventually enrolled in Full Sail University, where pretty much the same thing happened except I did use my VA benefit and wasted several months for 12 credits. Now I was recently at Strayer university which has charged me another fee to re-enroll after taking a break to pursue a certification.

D.F.

I took out school loans to pay the remainder of the tuition that the VA and [military] tuition assistance did not cover. The process was confusing and I was misadvised about the portions I owed and loan amounts. In the end, they said I owed the school a part of the loan they had refunded me already. They refused to release my transcripts and sent the account to collections.

H.H.

While I was enrolled at University of Phoenix, I was going for the Doctorate program in Organizational Psychology. Before starting the program, I was constantly reassured by the staff there that everything was good and there were no issues. Two classes into the program, they tell me that not only the program that I applied and got accepted for was not available, but that the cost had increased. I was not going to be able to get the refund that I was told I would receive from my Title IV loans. I then withdrew from the university and enrolled in my current one, but I had to wait because UOP would not release the funds even after I officially withdrew from the university and they withheld my transcripts because they said I had a balance.

M.L.

I have been enrolled at Colorado Technical University for the last few years. I was told that my tuition would have been fully covered. Then when I was medically hospitalized due to an injury, I failed classes because I wasn't allowed to disenroll. Then when I tried to get my transcripts I was told that I am not allowed to get my transcripts because of my outstanding tuition balance even though I am on a payment plan. This school has been a nightmare, and I was told the accreditation was the same as all the other schools, but then when I get an estimate on what classes will transfer, I am finding out that they won't. I was told this school was affordable and would give me great job opportunities, and I am frustrated because I feel like I've wasted my time and money.

M.L.

I was enrolled at Full Sail University and I was about to take a creative writing class. They never sent me the book for the class but still made me take it. Needless to say I failed the class due to not being able to do any of the work. They ended up sending the book after the class ended. The VA didn't pay for the class and the school is now saying I owe them almost \$3,000 and I can't even get my transcripts unless I pay them.

D.M.

I had trouble getting my transcripts transferred to Bellevue University. In fact, I still haven't gotten them to transfer my credits over. I attended ITT Tech from '05-'07. Tried to get transcripts released in '09; they never would release them. I had to get student loans in addition to using my GI Bill.

D.M.

I felt totally screwed by DeVry University. As a disabled veteran I was misled on costs and my benefits. Tried to transfer and take my degree to another college; couldn't get my transcripts and my degree wasn't worth the paper it was written on.

N.M.

I was recruited through a mail flyer; during the interview process I was told the credits I earned at ITT Tech would transfer to other local colleges. After graduating, I found this out to not be true. Currently they will not release my transcript until I pay a student loan off with them that they were not able to get the VA to cover. So \$40,000 later my degree is useless.

S.M.

I was misled by them thinking they were a premier university. They owe me transcripts, used up all my GI Bill and still had \$15,000 in loans. Wasted two years of my life with the University of Phoenix.

S.S.

I was told that the accreditation was good and now I am in student debt when I thought my GI Bill was paying for my school. They also held on to my transcript saying I owed \$600. Then a few months later they were closing the school.

A.S.

I was told it was a good quality education, with the same degree program as other colleges, at half the price. Later when I went to continue my education at another college, I couldn't get my transcript released, and found out that none of the credits would transfer over. Also nobody wants to hire somebody when their education is from Brown Mackie.

B.W.

I attended DeVry University and obtained my master's degree. I am being billed for classes that were covered by my G.I. Bill and Financial Aid! This school refuses to give me my transcripts after I have requested them several times! One of the worst universities as far as student support and their finance department is no better.

Student Veteran Complaints About Transcript Withholding Due to School Closures

J.A.

I'm having to pay for my transcripts because ITT Tech closed. To me they should be free since I'm unable to continue going there because they are closed.

A.M.

I was told by another service member to apply through Phoenix University; the university told me the criminal justice program was accredited, and I would be able to transfer all credits to the University of Michigan. I found out they were going to close the Flint campus and I would have to travel a great distance to continue my education at Phoenix and I had some family issues, so I took some time off school. I tried to enroll at the University of Michigan and when I spoke to the University of Michigan rep, I was informed not all my credits were eligible to transfer. Then when I tried to get my transcripts so I could enroll at the University of Michigan, I was told by University of Phoenix reps that since I owed book fees for a class or two that I would not get them until I paid them. There were never any hard copy books; the books were only available to view online.

R.P.

Was told that I'd be given a job opportunity in my field of criminal justice. When I went to career services, they directed me to Craigslist. I had post 9/11 GI Bill and was refused stipend checks numerous times. I have been refused my degree and transcripts. My campus also closed. I had money on my account but they refused to send me the check.

A.S.

Upon my overseas move... I received a notice stating that I owe the campus \$6,000. My degree program was paid in full by the Post 9/11 GI Bill completely. I was unaware of this until I completed my degree and requested my diploma... Today I received an email stating that ALL Art Institutes were permanently closed as of today. My understanding is the schools are operating until the final class graduates, but they are not accepting any more students. I am afraid that they will close without awarding my degree and transcripts.

H.R.

State board of nursing shut down the program right after I graduated in December. We have yet to show as passed/ graduated and cannot sit for our boards. Transcripts are being withheld as well.

“STATE BOARD OF NURSING SHUT DOWN THE PROGRAM RIGHT AFTER I GRADUATED IN DECEMBER. WE HAVE YET TO SHOW AS PASSED/GRADUATED AND CANNOT SIT FOR OUR BOARDS. TRANSCRIPTS ARE BEING WITHHELD AS WELL.”

K.W.

I enrolled at Vista College to earn my certificate in Medical Insurance Coding and Billing. I chose this school over others because I was promised a clear pipeline to get a job. I have a family to consider, so I did this to support them and our future. Leading up to the shut down, I had no idea it was coming. No one gave the impression it was happening or prepared us for what would happen after it closed. I attended classes up until the very last day, just a few weeks from graduating. Then on a Saturday afternoon, I got a text message that said the school was shutting down, telling me “it’s over.” No other information was given to us, no resources or contact information. The change in plans has really impacted my life and my family’s. I felt like I had the rug cut from under me. It’s heartbreaking and discouraging. The process was poorly handled and left students hanging. One of the most difficult things about this is that I was so close to finishing. But now, I’ve lost over 20 months of my GI Bill, no degree, and I can’t get a hold of my transcripts. I requested to have my GI Bill restored by the VA, but it hasn’t been approved yet. I reached out to the Texas Higher Education Coordinating Board to get a copy of my transcripts but haven’t heard back from them either.

Unspecified Student Veteran Complaints About Transcript Withholding

E.G.

I am currently taking college online and utilizing my military educational benefits [Chapter 33]. However, I am not allowed to register for next semester because they need official transcripts from my previous college so I can register for classes. When I contacted my previous college, they said there’s a balance of \$4,200 for the last 3 semesters.

A.H.

They’re holding my transcripts hostage, saying that I owe them, personally, \$13,000 on top of my Federal Loans which are over \$98,000. I just need guidance or told who to talk to in order to get my transcripts. What steps should I take? I honestly don’t know what to do because I feel as though as I am thwarted at every turn.

J.H.

I wanted to do something different. They said they would help me get a job. They wouldn’t give me official transcripts because I still owed them money, and I need official transcripts for a job. ITT Tech was a regret.

E.A.

I paid for school since the beginning of college. The Post 9/11 did help out but school got really expensive and I used loans. I tried to finish my bachelor’s degree from Boise State University. But money became an issue and I couldn’t continue. I did not want to get anymore student loans so I stopped shy of graduating. I want to finish, but the University will not release my transcripts until I pay off my debt. Please help. Thank you

J.A.

I was a student between 2009-2012. I did all my work on time and was a very good student. I fell behind on classes due to post-deployment personal issues and was dropped. Ashford wasted no time in garnishing my wages as well as withholding federal taxes, and I am actually one last \$300 payment away from being completely student loan debt free. However, I called and repeatedly asked for payment options as well as ways to get re-enrolled. The operators would say things like I was too far behind or I was already considered a liability due to my student loan debt. I then attempted to get my transcript so that I may continue my degree pursuit with another school, to which I was told I would have no access to my transcript until the debt was paid off? I was totally without any options with Ashford. I have 92 credits in limbo and have no way to show that to any other college. I had given up all hope and called it a loss. I hope to at the very least get access to my transcript now that the final payment.

N.A.

University of Phoenix told me all of my credits would transfer to Mercy Hurst and none of them did, plus they refused to give up my transcripts to anyone until I paid them.

K.A.

Cost - was charging me out of state tuition [and] wouldn't release [the] transcript, then was charging way too much for classes.

C.C.

Now, even though I have begged for a payment plan and the release of my transcripts; I have been told that my transcripts won't be released until the original \$10,000 amount, which now has climbed to \$16,000, is paid in full. I am desperate for help.

M.C.

In 2002 thru 2004 I attended an ITT campus working toward an associate degree. I had to drop out as I could no longer afford schooling. 2016 I'm still paying debt off. I used the VA benefits afforded to me post DD214 [military discharge papers]... The school was taking all of the money the VA was sending. I have two loans still outstanding out of five that were Stafford subsidized and unsubsidized. I was told I could not get a copy of my transcripts until I paid them another \$6,000. At this point, I do not want any transcripts but am looking for relief of the remaining loans, and inquiring if any of monies paid in loans I'm entitled to, or any of the VA funds - or If I'm responsible for paying those back that the school used?

“I WAS TOLD BY UNIVERSITY OF PHOENIX REPS THAT SINCE I OWED BOOK FEES FOR A CLASS OR TWO THAT I WOULD NOT GET THEM UNTIL I PAID THEM. THERE WERE NEVER ANY HARD COPY BOOKS; THE BOOKS WERE ONLY AVAILABLE TO VIEW ONLINE.”

A.D.

I would like to get my loans forgiven and I also spoke with someone about getting my transcripts and they told me I had a balance of \$3,000 I would have to pay back to the school in order to get my transcripts.

J.D.

University of Phoenix Axia campus (Online). I did not finish my degree due to losing my job and home and moving. Now five years later, the student loans are due, my tax returns are being taken, and they won't release my transcripts until I pay.

C.E.

I was given grants. I had withdrawn from a class and received a failing grade. I quit taking classes due to personal problems. Two years later, I received a call to repay the Pell Grant because I failed a class. I am now looking at going back and they have a hold on my transcripts as well as me attending there. I also pay a double payment and VERY little comes off of my loans.

M.F.

Had to take out large loans. Holding transcripts. Credits not transferable.

K.F.

Brown Mackie talked their programs up. I was then put in a law ethics class instead of medical ethics. Teachers would say they would email me and never did or it took 3 or 4 times and then going to the registrar to get anything done. I also [received] approved time out of class for my daughter's wedding as long as I kept up with my work, which I did, and they dropped me from the school. I had to then write a letter asking for re-acceptance to the school. The more I thought about things, credits that wouldn't transfer even to another Brown Mackie, the high cost of the education, the crazy rules, I realized they didn't care about me or my education, they cared about what money they could get. So now, they are holding me up from going to any college because they won't release my transcript due to them saying I owe them money.

C.L.

My vocational rehabilitation [counselor] from the [VA] told me about the school. I asked the school about credits being transferred to other schools and they said they were an [accredited] school. I finished up my bachelor's there and started on a master's degree at the school. I told the school adviser that I wanted to drop the class and the whole master's MBA degree. She went nuts, saying, "I'm not going to let you." I told her that you're not going to tell me what I'm going to do. She hung the phone up on me. She waited a day after the cutoff so I had to pay for the class. I gave the school notifications, so I wouldn't have to pay for it. But she waited the day after that [and] made me have to pay. I was hired for a job and I requested my school transcripts to be sent to my employer. The school sent me a letter saying they won't release my transcripts because I owe money for that one class. I told the employer the school won't release them to me, and the employer hired someone else. It cost me a \$35,000 a year job. I had to do an internship and wait a few years to get a job. Because I couldn't produce transcripts, it took me five years to find a job that would hire me. I'm a disabled vet that has a handicap in the workplace. Now I'm in default on student loans. I won't be able to pay it back. Screwed for life. The school said I would be able to find a job around \$60,000.

H.L.

I attended the University of Phoenix for eight years having to change my program and take additional classes because the program changed, etc. I have had to pay multiple times for transcripts and have even had them held hostage when I threatened to attend another university. The promise of job opportunities upon completion are laughable at best, as most consider the quality of education to be lacking.

M.L.

I was shuffled through three campus locations and had issues with the class structure. When a team member of a group assignment cost me my passing grade, I dropped the entire program. I later got a bill for over 900 bucks saying my FAFSA was denied. Now they won't release my transcripts so that I can go somewhere else.

D.M.

I was receiving tuition directly but ran into financial hardship. They ended my enrollment and I was left with a \$5,500 debt to AIU-Online. I am preparing once again to return to school, I have to clear the debt to get my transcripts or start all over. With 68 credits out of 90 total credits needed to finish Associate's in Business Administration, I just want to finish. I plan to [go to] George Washington University to finish my education, where their graduation and retention rates are impeccable.

R.P.

I went to the University of Phoenix for my associate degree. I completed it in 2009. The school said they would help in job placement but never did. I recently went to get my transcript transferred to another college to finish my bachelor's degree. University of Phoenix is telling me that I still owe them money so I can't get my transcripts.

J.P.

The veterans rep at [Heald] would not reverify me because of needing my transcripts from the University of Phoenix which I owe money to, so they won't release my transcript. When I had to drop out of school, they said I owe them \$1,400 for the classes that I took.

C.R.

I attended University of Phoenix for three years. It was extremely expensive and now I have student loans I can't afford. I didn't even learn anything, so I can't use my degree either. I'm trying to change my field of study, but they won't release my transcripts, so I'll have to start over with a \$25,000 balance on my student loans.

J.R.

Very, very expensive and after I couldn't take the needed time to finish a couple classes, I withdrew temporarily. For a couple career leads, I needed my transcripts, but because I had an open balance, they would and still will not release my transcripts until the balance is paid.

M.R.

I'm still paying DeVry over \$10,000 out of pocket after obtaining my bachelor's degree and still cannot gain access to my degree completion transcripts.

E.S.

I attended Scottsdale Community College in Scottsdale, Arizona. I took 2 semesters of classes there I then transferred to Seminole State College of Florida. ... I left Scottsdale with a debt but was allowed to attend Seminole State College for the spring 2015 term. At the end of that term, my housing benefits ended and I found myself homeless as well as in debt to two schools..., I got back into my college off-campus dormitory housing and am currently looking for work and eager to start school again. The problem is, Scottsdale Community College is the only prior college which will not release my transcripts due to the debt with them, coupled with the debt at Seminole State from last semester which is roughly 2 courses worth. Seminole State will not allow me to continue with a debt and missing transcripts.

S.S.

I was heavily marketed/pressured to attend the University of Phoenix and use my GI Bill to pay a rescued fee. It turns out it was far more expensive than I was led to believe. I did earn an AA degree, but the cost ended up being too much to bear and I couldn't complete my BS. I still directly owe the school over \$2,500 before I can even get my transcript released.

L.T.

[L.T. is working out a deal with his college and his loan servicer to release his transcript. The servicer is willing to accept \$9,000 for LT's \$18,000 institutional loan balance.]

D.W.

After my honorable discharge in 2009... I called numerous times to get student resource help and never received it. Now I am unable to even apply for the available military program that will help me without my transcript being released by UOP.

C.W.

I was enrolled in the Master of Education program. I was told I had enough financial aid to cover the classes. I started a class and then was dropped from it. It was then explained to me that there were not enough funds to cover it and I owe the school \$900! Now I can't go to any school because my transcripts will not be released until I pay Ashford \$900 I don't have.

M.Z.

I have been in two schools at University of Phoenix, [which] at the end would not release my transcripts or full breakdown of fees requested last time attended ...With Trident they changed their name many times and no support, I dropped that school ... and went to DeVry: the courses in the other two schools were not fully transferable, yet I was told I would be given credit for them.