

November 21, 2022

William Clarke, Veterans Program Manager Bureau of Veterans Education New York State Division of Veterans' Services Via email

Joshua Jacobs, Senior Advisor for Policy Performing the Delegable Duties of the Under Secretary for Benefits Veterans Benefits Administration Via email

Re: ASA College

Dear Mr. Clarke and Mr. Jacobs,

We write to bring to your immediate attention information about ASA College and to request that the US Department for Veterans Affairs (VA) and the New York Bureau of Veterans Education as the designated State Approving Agency (NYSAA) act without delay to protect student veterans and GI Bill funds. Further, the GI Bill Comparison Tool entry for ASA College should be corrected and updated.

On November 11, ASA's accreditor, Middle States Commission on Higher Education (MSCHE), withdrew ASA's accreditation and notified ASA that its accreditation will not extend beyond March 1, 2023 and may end sooner. ASA's current accreditation status is "Accreditation Withdrawn Subject to Appeal." MSCHE's Notification of Adverse Action to ASA College contains a long list of ASA College failures, including, among others:

- failing "to demonstrate that it can provide a quality student learning experience" 3
- failing "to demonstrate the capacity to make required improvements"⁴
- failing "to prove it is operational, with students actively enrolled in its degree programs"⁵

MSCHE explained that it has withdrawn accreditation because ASA College "failed to provide evidence and analysis in written reports conducive to Commissioner review... and despite repeated requests" since December 2021, ASA failed "to submit a comprehensive and implementable teach-out plan and signed teach-out agreements...."

¹ Notification of Adverse Action to Jose F. Valencia, Executive Vice President, from Middle States Commission on Higher Education, (Nov. 11, 2022) https://www.msche.org/institution/0837/ (last accessed 11/18/22)

² Middle States Commission on Higher Education, ASA College Directory Listing, https://www.msche.org/institution/0837/ (last accessed 11/18/22)

³ Notification of Adverse Action, p. 1

⁴ Id.

⁵ <u>ld</u>.

^{6 &}lt;u>ld</u>.

Although MSCHE's decision to withdraw accreditation is new, the many concerning indicators for ASA College have been accumulating for some time. According to the information available from the US Department of Education's Database of Accredited Postsecondary Institutions and Programs (DAPIP), ASA College has been labeled in "Probation or Equivalent or a More Severe Status" for more than a year. Further, ASA College was placed on the Heightened Cash Monitoring 2 (HCM 2) payment method with the US Department of Education on or before March 1, 2022.8

Other matters include ASA's <u>settlement</u> with the New York City Department for Consumer and Worker Protection (DCWP) and decisions by ASA in regards to its continuing operations. In October, the DCWP obtained a settlement of \$112,500 in civil penalties from ASA College "for deceptive and misleading advertising that violated the City's Consumer Protection Law." Also in October, ASA College informed the Florida licensing authority that it would not seek renewal of its licensure and instead would close down its operations in Florida. While the Florida campus does not appear to have VA approval, the decision is yet another indicator of worrying operating conditions at ASA College. ASA College now has appended to its <u>webpage</u> for all locations the alert: "Currently, ASA College is not accepting new applications for enrollment."

We urge NYSAA and VA to act quickly to protect GI Bill funds and student veterans from a school that is no longer a safe investment. Specifically, we urge you to review the accreditor's findings, the New York City settlement, and the lack of state licensure in Florida and to act immediately to protect veterans' GI Bill benefits by suspending or revoking approval as provided in 38 U.S.C. § 3679(f)(4)(A) for loss of accreditation. Pursuant to 38 U.S.C. § 3673(e)(1)(C), a risk-based survey is required under these circumstances. Specifically, subsection (e)(3)(D) requires a survey in the event of "loss, or risk of loss, by an educational institution of an accreditation from an accrediting agency or association...." and subsection (e)(3)(A) requires a risk-based survey in the event of "receipt by an educational institution of payments under the heightened cash monitoring level 2 payment method." 14

Of additional concern is that the <u>Comparison Tool caution flags</u> for ASA College do not reflect ASA's HCM 2 status or provide information about the settlement with the DCWP.¹⁵ The Tool does not have a caution flag that ASA College is subject to HCM 2

⁷ US Department of Education, Database of Accredited Postsecondary Institutions and Programs (DAPIP), *ASA College*, https://ope.ed.gov/dapip/#/institution-profile/159382 (last accessed 11/18/22)

⁸ Federal Student Aid Heightened Cash Monitoring, "Institutions on HCM by quarter", March 1, 2022 https://studentaid.gov/data-center/school/hcm (last accessed 11/18/22)

⁹ New York City Department of Consumer and Worker Protection, Department of Consumer and Worker Protection Settles with ASA College for Deceptive Advertising Targeting Immigrants and Other Vulnerable New Yorkers, Press Release (Oct. 3, 2022) https://www.nyc.gov/site/dca/media/pr100322-DCWP-Settles-With-ASA-College-for-Deceptive-Advertising.page (last accessed 11/18/22)

¹⁰ David Halperin, *ASA College Withdraws Bid to Stay Licensed in Florida*, Republic Report (Oct. 26, 2022) https://www.republicreport.org/2022/asa-college-withdraws-bid-to-stay-licensed-in-florida/ (last accessed 11/18/22)

¹¹ ASA College, https://www.asa.edu/ (last accessed 11/18/22)

¹² 38 U.S.C. § 3679(f)(3), §3679(4)(A)

¹³ 38 U.S.C. § 3673(e)(3)(D)

¹⁴ 38 U.S.C. § 3673(e)(3)(A)

¹⁵ The Comparison Tool for ASA College has a caution flag for "accreditor issues," describing in a dropdown that the school has either lost its accreditation which is under appeal or is on probation. To learn the actual current status, the user needs to click a link to the DAPIP Homepage and conduct a fresh search for ASA

method of payment, and, while the Comparison Tool includes a caution flag labeled "Settlement with a Government or State Agency," the link to learn about this flag leads to a <u>Comparison Tool error page</u>. ¹⁶ The GI Bill Comparison Tool needs to provide a caution flag about ASA's HCM 2 status and include a working link to information about the settlement. ¹⁷

Given the prolonged period of serious concerns and the loss of accreditation by ASA College, we urge NYSAA and VA to act quickly and exercise your authority under 38 U.S.C. § 3679(f)(3) and (4)(A) to suspend or revoke approval for ASA College, and to take all appropriate action to protect the veterans' hard-earned GI Bill benefits.

Sincerely,

Della M. Justice

Della M. Justice

Vice President for Legal Affairs

College. The GI Bill Comparison Tool generally would be improved if accreditation status did not require the user to visit the DAPIP Homepage or at least linked to the school specific data.

¹⁶ GI Bill Comparison Tool, Institution Details, https://www.va.gov/education/gi-bill-comparison-tool/institution/pr100322-DCWP-Settles-With-ASA-College-for-Deceptive-Advertising%20(nyc.gov) (last accessed 11/18/22)

¹⁷ GI Bill Comparison Tool, https://www.va.gov/education/gi-bill-comparison-tool/institution/24907432 (last accessed 11/18/22)