



November 21, 2022

Betsy Wickham, Bureau Chief  
State Approving Agency  
Florida Department of Veterans' Affairs  
*Via email*

David Salgado, Director  
Veterans Education Program  
Texas Veterans Commission  
*Via email*

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

Re: Florida Career College

Dear Ms. Wickham, Mr. Salgado, and Mr. Jacobs,

We write to bring to your attention new information about Florida Career College and to request that the Florida Department of Veterans Affairs and Texas Veterans Commission (hereinafter collectively State Approving Agencies or "SAAs") and the U.S. Department of Veterans Affairs (VA) undertake a risk-based survey, as provided in 38 U.S.C. § 3673, of Florida Career College (FCC) due to the school's being placed on the Heightened Cash Monitoring 2 method of payment. Also, a caution flag should be added to the GI Bill Comparison Tool for FCC.<sup>1</sup>

On July 13, 2022, the U.S. Department of Education (ED) placed FCC on [Heightened Cash Monitoring 2](#) for method of payment.<sup>2</sup> According to ED's listing of [Institutions on HCM by quarter](#) in September, the "Method Reason Desc" for the status is "program review."<sup>3</sup>

Pursuant to 38 U.S.C. § 3673(e)(3)(A), a risk-based survey is required in the event of "receipt by an educational institution of payments under the heightened cash monitoring

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<sup>1</sup> GI Bill Comparison Tool <https://www.va.gov/education/gi-bill-comparison-tool/?search=name&name=Florida%20Career%20College> (last accessed 11/18/22)

<sup>2</sup> Letter to Fardad Fateri, Chief Executive Officer, Florida Career College, c/o International Education Corp., from Michael Frola, Division Chief, Multi-Regional and Foreign Schools Participation Division, U.S. Dept. of Education Office of Federal Student Aid (July 13, 2022), p. 1, *embedded at* <https://www.republicreport.org/2022/education-department-restricts-cash-flow-to-florida-career-college/>

<sup>3</sup> Federal Student Aid Heightened Cash Monitoring, "Institutions on HCM by quarter", September 1, 2022 <https://studentaid.gov/data-center/school/hcm> (last accessed 11/18/22)

level 2 payment method”.<sup>4</sup> The HCM 2 payment method has been required for FCC for three months. If the risk-based survey required by this statutory provision has not yet occurred, we respectfully request that the survey be undertaken.

Three additional areas of concern should also be reviewed during the risk-based survey: First, [it appears that since June 2021](#) “FCC has been on [Notification of Apparent Deficiency](#)<sup>5</sup> with its accreditor, the Council on Occupational Education”.<sup>6</sup> Second, former students [have sued](#) the school<sup>7</sup> and, third, there are allegations [reported in the media](#) of FCC engaging in deceptive and fraudulent practices.<sup>8</sup>

In addition to a risk-based survey, the GI Bill Comparison Tool should include a caution flag for heightened cash monitoring for **Florida Career College-Houston**. While the [entries](#) for the locations in Miami, Orlando, and Hialeah have a cautionary warning for “School placed on Heightened Cash Monitoring,” the Houston [location](#) does not have a cautionary warning.<sup>9</sup> ED’s HCM 2 determination is for **OPEID 02305800**.

Per ED’s [Database](#) of Accredited Postsecondary Institutions and Programs,<sup>10</sup> Florida Career College-Houston appears as an “Additional Location” of the FCC-Miami Institution and has the same **OPEID 02305800**. The HCM 2 notice from ED is addressed to the Florida Career College address in Irvine, California and makes no distinction among the FCC locations. Based on the foregoing, the **Florida Career College-Houston** Comparison Tool entry should include the cautionary warning for heightened cash monitoring.

Also, all locations in the GI Bill Comparison Tool should have caution flags about the accreditor’s notification and the student lawsuit. We urge VA and the SAAs to take all appropriate action to protect veterans’ hard-earned GI Bill benefits and ensure that Florida Career College is delivering the quality education promised to the veterans.

Sincerely,



Della M. Justice  
Vice President for Legal Affairs

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<sup>4</sup> 38 U.S.C. § 3673(e)(3)(A)

<sup>5</sup> Council on Occupational Education, Commission Actions, Notification of Actions taken—July 9, 2021 <https://council.org/wp-content/uploads/2021/07/Notification-of-Actions-Taken-July-9-2021.pdf> (last accessed 11/18/22)

<sup>6</sup> David Halperin, *Education Department Restricts Cash Flow to Florida Career College*, Republic Report (Oct. 26, 2022) <https://www.republicreport.org/2022/education-department-restricts-cash-flow-to-florida-career-college/> (last accessed 11/18/22)

<sup>7</sup> First Amended Class Action Complaint, *Brit v. Florida Career College*, Case No. 20-60814 (S.D.Fla.) <https://static1.squarespace.com/static/62d6e418e8d8517940207135/t/62fbe7452a24f731f35176b7/1660675909765/0066+-+First+Amended.+Compl..pdf> (last accessed 11/18/22)

<sup>8</sup> Halperin, *supra*

<sup>9</sup> GI Bill Comparison Tool <https://www.va.gov/education/gi-bill-comparison-tool/?search=name&name=Florida%20Career%20College> (last accessed 11/18/22)

<sup>10</sup> US Department of Education Database of Accredited Postsecondary Institutions and Programs, *Florida Career College OPEID 02305800* <https://ope.ed.gov/dapip/#/search-results> (last accessed 11/18/22)