

Thank you for the opportunity to speak with you again. As I shared earlier, I am Allison Muth, and I am a Senior Attorney with Veterans Education Success. We work on a bipartisan basis to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill® and other federal education programs.

We would like to draw your attention to a few matters.

In the last few years, some students from Bryant & Stratton College, one school accredited by Middle States, have complained to us that they had student loans they did not expect and that the costs were much higher and program completion times much longer than promised during recruitment. And as we recounted in our written comment last year, Bryant & Stratton student outcomes have been of concern, including low graduation rates and the high cost compared to other schools.

In 2020, Middle States approved the transition of Bryant & Stratton to nonprofit status, and may have done so without conducting a thorough review to ensure that students and taxpayers are protected. While Middle States requested a supplemental report addressing the financial impact of the long term lease agreements on the surviving institution, that report does not appear to have been made public, and it is unclear what steps were taken in light of that report. This conversion should have been especially scrutinized because the family that owned the school transferred it to a non-profit entity that was solely owned by the same family's charitable foundation.

We urge the Department to examine whether Middle States and other accrediting agencies are strictly following their policies with regard to substantive change and are providing sufficient review of proposed conversions before granting approval. Accrediting agencies should serve to confirm to the public and the Department that schools are fairly and ethically converting to nonprofit status. Otherwise, schools could avoid the level of oversight and regulations, such as the 90/10 rule, that is required to protect students and taxpayers with regard to for-profit schools.

In addition to the concerns around Bryant & Stratton, as of January 20, 2022, 706 programs offered by schools accredited by Middle States leave their students earning less than high school graduates with no college course work. We urge the Department to inquire whether Middle States is enforcing its Standard II, Criteria 7 for schools to demonstrate that they “enable students to understand funding sources and options, value received for cost, and methods to make informed decisions about incurring debt.”

Finally, we appreciate that Middle States acted to withdraw the accreditation of ASA College when it determined its standards were not being met. However, we would

encourage Middle States and the Department to examine whether Middle States could have acted sooner to protect students, based on its policies and on what it has learned after a year of warning, probation, and show cause notifications.

I appreciate your time and the opportunity to comment today. Thank you.