

Contact:

Ana Cobian - 323.360.1827

MEDIA ADVISORY - LEGAL/VETERAN EXPERT AVAILABLE FOR COMMENT/CONTEXT

***LETTER FROM VETERAN & HIGHER ED ADVOCATES ASKS UNIVERSITY OF ARKANSAS
TO RECONSIDER UNIVERSITY OF PHOENIX PURCHASE
IN LIGHT OF THE BUSINESS' CONSUMER PROTECTION LEGAL LIABILITIES***

Concerns that Public University Take on Legal Risks that Can Impact System & Lead to Poor Outcomes Students

WHO: Vice President for Legal Affairs of non-profit advocacy group, Veterans Education Success and former Assistant Attorney General for Kentucky, [Della Justice](#), who led multi-state investigations into predatory for-profit colleges, and who is leading a letter from legal experts warning about risks to the University of Arkansas from taking on University of Phoenix's legal liabilities and history of consumer protection violations.

She now helps lead the fight at the nation's top student veteran protection nonprofit, Veterans Education Success, which is dedicated to protecting veterans from being scammed out of their GI Bill benefits by predatory colleges.

As has been reported, the University of Arkansas System (UA System) is currently in talks to purchase the for-profit University of Phoenix (UOP) and transition the entity into a nonprofit affiliate of the UA System.

[Della Justice](#) is available to speak to the long history of UOP misleading students, targeting veterans, and the potential legal liabilities for the UA System in taking on such a documented bad actor.

WHY/WHAT: A group of veteran, student, consumer, civil rights, labor, and faculty higher education advocates will submit a letter to the UA System Board of Trustees on Wednesday, February, 15 encouraging the Board to reconsider their plan, citing certain issues for consideration—evidence of unfair and deceptive practices by the University of Phoenix, **potential liability for hundreds of millions of dollars in federal loans, and poor outcomes for students.**

[READ THE LETTER HERE](#)

WHAT DELLA JUSTICE CAN SPEAK TO:

The University of Phoenix has a **documented history of and long-running allegations from veterans, students, former employees, and findings by government agencies that the University of Phoenix has engaged in unfair and deceptive trade practices**, including:

- The University of Phoenix's potential liability for discharged federal loans could attach to any purchaser or successor, putting the UA System at risk.
 - The University of Phoenix faces significant potential liability to the Department of Education. According to publicly available information, thousands of former University of Phoenix students have filed applications to have their federal student loans discharged.
- Charges from the Federal Trade Commission ("FTC") that the University of Phoenix specifically "targeted active duty servicemembers, veterans, and military spouses" with deceptive advertising;

- The Department of Education’s determination that there are “strong indicia regarding substantial misconduct” by the University of Phoenix, warranting its inclusion on a list of schools whose students will receive automatic federal loan discharges;
- Allegations from whistleblower(s) that the University of Phoenix certified students who did not have a high school diploma or GED, and deceptively inflated job placement statistics;
- Student veterans’ allegations that the University of Phoenix misled them about the cost of their education and job opportunities, and provided low quality education.
- In a settlement with the FTC in 2019, UOP will pay \$50 million in cash as well as cancel \$141 million in debts owed to the school by students who were harmed by deceptive ads. At the time, it was the largest settlement the Commission had obtained in a case against a for-profit school.
- The most recent Department of Education data for the University of Arkansas, for instance, show a retention rate for first-time students returning for a second year of 87% and a graduation rate of 70%. The most recent data for University of Phoenix, in contrast, show only a 39% retention rate and just a 14% graduation rate. Only 48% of University of Phoenix former students earn more than a high school graduate.

MORE ABOUT DELLA JUSTICE

[Della Justice](#) currently serves as the Vice President for Legal Affairs for Veterans Education Success. She previously worked as Assistant Attorney General in the Commonwealth of Kentucky Attorney General’s Office for Consumer Protection. There she became a state and national leader on unfair, false, misleading, and deceptive trade practices in the for-profit college industry. She served as the lead negotiator representing the interests of state attorneys general in a U.S. Department of Education negotiated rulemaking and presented on consumer protection concerns in higher education at several law enforcement conferences.

Veterans Education Success is a nonpartisan organization whose mission is 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. The organization offers free help, advice, and college and career counseling to servicemembers, veterans, and their survivors and families using federal education benefits, and helps them participate in their democracy by engaging with policymakers. Veterans Education Success also provides non-partisan policy expertise to federal and state policymakers, and conducts non-partisan research on issues of concern to student veterans. Additional information is available at www.vetsedsuccess.org.