

November 4, 2024

Third-Party Comment on DeVry University Higher Learning Commission 230 South LaSalle Street, Suite 7-500 Chicago, IL 60604-1411

RE: Third-Party Comment on DeVry University

Dear Sir or Madam,

We are writing to provide the Higher Learning Commission (HLC) with information to help with the "Mid-cycle Comprehensive Evaluation" that DeVry University is undergoing this year.¹ We understand HLC's evaluation requires a peer review team to review DeVry's Assurance Filing and conduct a site visit on December 9 to determine whether DeVry is in compliance with HLC's Accreditation Criteria.² We believe the information below, summarizing student veteran complaints and law enforcement actions, illustrates the importance of not relying on DeVry's Assurance Filing or written policies. We urge the peer review team and HLC to conduct a thorough review of DeVry's assurances by talking with students, asking follow-up questions, and requesting information to verify DeVry's compliance with accreditation criteria.

I. <u>Complaints from student veterans</u>

To date, more than 350 student veterans³ have contacted us about DeVry University. Common complaints among DeVry student veterans include concerns about student loans and finances, low-quality education, issues with accreditation, and misconduct during marketing and recruiting.

The following are some excerpts of student veteran complaints we have received about DeVry:

• I saw advertisements that made it look like a good school and a good program. I couldn't have been more wrong. I graduated from DeVry after 5 years, and in all that time, I never had a real-time conversation or interaction with a single teacher, not in a group or one-on-one. The way the courses were taught was totally ineffective. We would be assigned a bunch of stuff to read, and we were required to provide just two comments on an online discussion board. Occasionally, we were given assignments to complete, but the teachers never gave us feedback on the assignments.

¹ In 2021, HLC reaffirmed accreditation for DeVry University through 2030-31. *See* <u>https://www.hlcommission.org/wp-content/uploads/DeVry-University-Reaffirmation-Action-Letter-9-03-21.p</u>

² Higher Learning Commission, Assurance Review, *available at*

https://www.hlcommission.org/accreditation/cycles-and-processes/comprehensive-evaluation/assurance-r eview/

³ The term "student veterans" can include veterans, service members, and military dependents.

- DeVry recruiters said I would get a job as a cop within 6 months of graduating from the criminal justice program. I felt strong-armed to sign up immediately, and recruiters had me pose for photos in a cap and gown as if I already graduated. They made it sound like graduating and getting a job was guaranteed. I soon realized this wasn't true. When I looked at the school's job board, none of the jobs had anything to do with my degree. I never heard from anyone in the career office. Someone did help with my resume, but they gave such bad advice that I had to look for assistance outside the school.
- They convinced me that a degree in computer game programming would make all my hopes and dreams come true. They told me the program had a 95% job placement rate and that their contacts at big-name companies like Activision would get me a job paying over \$200K. They said companies loved DeVry graduates, so their students had many offers before they finished their degrees.... Every single one of those claims was a lie.
- The school's representatives told me a degree from DeVry would guarantee a job in my field within six months and that I'd be earning a salary over \$60,000 — much higher than a bachelor's degree from other colleges or universities could yield. They bragged about how they take care of veterans and how my GI Bill would pretty much take care of all costs. They said their hands-on career advisors and their connections would help guide me to the perfect career. Why wouldn't I enroll? This all sounded great. Unfortunately none of it was true.
- \$80,000 in student loan debt later, I realized I'd been taken for a ride by this for-profit university which provided me with two worthless degrees and a poor education that has not yielded the gainful employment their recruiters promised. Without a regular paycheck, I was forced to default on my loans, which at \$1,200 a month were already double my rent. I had to take on three to four jobs at a time just to make ends meet and found them through my own efforts and network. DeVry's so-called "career services" never lifted a finger to help me, despite my outreach.
- I saw that the quality of course materials and equipment used for instruction were subpar and not as advertised, and that standards varied from branch to branch. When I realized the dramatic reduction in quality, I alerted my professors, and then school staff members. Although DeVry was more than happy to cash in all of my GI Bill benefits, my complaints about the quality of materials and instructions fell on deaf ears.

Additionally, the U.S. Department of Veterans Affairs' GI Bill Comparison Tool shows 6 student complaints about DeVry in the most recent 24 months. The type of complaints student veterans submitted include the following: financial concern, quality of education, recruiting/marketing practices, change in degree plan/requirements, and other issues.⁴

These complaints from student veterans should remind the team and HLC about the importance of verifying the information in the school's Assurance Filing.

⁴ U.S. Department of Veterans Affairs, GI Bill Comparison Tool entry for DeVry University - Lisle, *available at* <u>https://www.va.gov/education/gi-bill-comparison-tool/institution/21805113</u> (last accessed October 29, 2024)

II. Law enforcement actions

DeVry has also contended with federal, state, and private legal actions alleging unfair and deceptive recruitment practices.

In 2022, the U.S. Department of Education (ED) <u>announced</u> that approximately 1,800 former DeVry students would receive student loan discharges, in the amount of approximately \$71.7 million. ED found that "from 2008 to 2015 DeVry repeatedly misled prospective students across the country with claims that 90 percent of DeVry graduates who actively seek employment obtained jobs in their field of study within six months of graduation... In fact, the institution's actual job placement rate was around 58 percent. The Department found that more than half of the jobs included in the claimed 90 percent placement rate were held by students who obtained them well before graduating from DeVry and often before they even enrolled."⁵ ED notified DeVry that it is "liable to the Department for nearly \$24 million for approved borrower defense claims."⁶ DeVry challenged the recoupment, and it has been temporarily blocked by an administrative law judge.⁷

The student loan discharge followed several law enforcement actions involving allegations of post-graduation employment misrepresentations. In 2016, DeVry and its parent company settled a <u>Federal Trade Commission</u> (FTC) lawsuit for \$100 million. The FTC alleged that "DeVry misled consumers in violation of the FTC Act by claiming that 90 percent of graduates actively seeking employment landed jobs in their field within six months of graduation [and] graduates with bachelor's degrees, on average, had 15 percent higher incomes one year after graduation than the graduates with bachelor's degrees from all other colleges or universities."⁸ That same year, DeVry and ED reached a <u>settlement</u>, requiring DeVry to "cease publishing or otherwise using" representations "stating or suggesting the graduate employment outcomes for [DeVry] graduates since 1975."⁹

https://www.highereddive.com/news/education-department-recoupment-devry-blocked/698793/

⁵ Education Department Approves \$415 Million in Borrower Defense Claims Including for Former DeVry University Students, U.S. Department of Education Press Release (Feb. 16, 2022), *available at* <u>https://www.ed.gov/about/news/press-release/education-department-approves-415-million-borrower-defense-claims</u>

⁶ Education Department approves \$3.9 billion group discharge for 208,000 borrowers who attended ITT Technical Institute, U.S. Department of Education Press Release (Oct. 31, 2023), *available at* <u>https://www.ed.gov/about/news/press-release/education-department-approves-39-billion-group-discharge-208000-borrowers</u>

⁷ Natalie Schwartz, Education Department temporarily blocked from seeking \$23M recoupment from DeVry (Nov. 3, 2023), *available at*

⁸ DeVry University Agrees to \$100 Million Settlement with FTC, Federal Trade Commission Press Release (Dec. 15, 2016), *available at*

https://www.ftc.gov/news-events/news/press-releases/2016/12/devry-university-agrees-100-million-settle ment-ftc

⁹ Settlement Agreement between Robert Paul (President, DeVry University) and Robert S. Kaye (Chief Enforcement Officer, Federal Student Aid, U.S. Department of Education), *available at* <u>https://www.ed.gov/sites/ed/files/documents/press-releases/devry-settlement-agreement.pdf</u>

A year later, the New York Attorney General <u>settled</u> with DeVry following "an investigation that revealed that DeVry lured students with ads that exaggerated graduates' success in finding employment at graduation and contained inadequately substantiated claims about graduates' salary success."¹⁰ DeVry paid \$2.25 million in consumer restitution and \$500,000 in penalties, fees, and costs. Also, the Massachusetts Attorney General <u>settled</u> with DeVry for \$455,000 after allegations that the school "unfairly and deceptively convinced students to take on federal loan debt and enroll with the promise of careers in their field of study."¹¹

In 2020, DeVry and its parent company settled a <u>class action lawsuit</u> for \$44.95 million after claims that "DeVry was able to recruit students and charge higher tuition between 2008 and 2016 by making misleading and deceptive statements about the income and employment statistics of DeVry graduates."¹²

III. <u>The Commission should conduct the Mid-cycle Comprehensive Evaluation to</u> <u>ensure that any concerns about education quality and misconduct are brought to</u> <u>light.</u>

Considering the student veteran complaints and law enforcement actions, the peer review team and HLC should pay close attention to DeVry's information and assurances that relate to HLC standards governing recruitment practices, financial aid practices, and educational quality, including the following:

<u>Criterion 2.A</u>: The institution establishes and follows policies and processes to ensure fair and ethical behavior on the part of its governing board, administration, faculty and staff.

<u>Criterion 2.A.2.</u>: The institution operates with integrity in its financial, academic, human resources and auxiliary functions.

<u>Criterion 2.B</u>: The institution presents itself clearly and completely to its students and to the public.

<u>Criterion 2.B.1</u>: The institution ensures the accuracy of any representations it makes regarding academic offerings, requirements, faculty and staff, costs to students, governance structure and accreditation relationships.

Massachusetts Office of Attorney General Press Release (Jul. 5, 2017), *available at* <u>https://www.mass.gov/news/ag-healey-secures-455000-in-refunds-for-students-deceived-by-online-for-profit-school?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=</u> ¹² McCormick v. Adtalem Global Education, 2022 IL App (1st) 201197-U (*Order* at para. 2), *available at*

¹⁰ A.G. Schneiderman Obtains Settlement With Devry University Providing \$2.25 Million In Restitution For New York Graduates Who Were Misled About Employment And Salary Prospects After Graduation, New York State Attorney General Press Release (Jan. 31, 2017), *available at* <u>https://ag.ny.gov/press-release/2017/ag-schneiderman-obtains-settlement-devry-university-providing-225-</u>

million?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term= ¹¹ AG Healey Secures \$455,000 in Refunds for Students Deceived by Online For-profit School,

https://www.classaction.org/media/mccormick-et-al-v-adtalem-global-education-inc-appellate-court-affirm. https://www.classaction.org/media/mccormick-et-al-v-adtalem-global-education-inc-appellate-court-affirm.

<u>Criterion 3.A</u>: The rigor of the institution's academic offerings is appropriate to higher education.

<u>Criterion 3.C</u>: The institution has the faculty and staff needed for effective, high-quality programs and student services.

<u>Criterion 3.C.7</u>: Staff members providing student support services, such as tutoring, financial aid advising, academic advising and cocurricular activities, are appropriately qualified, trained and supported in their professional development.

<u>Criterion 3.D</u>: The institution provides support for student learning and resources for effective teaching.

<u>Criterion 3.D.2</u>: The institution provides for learning support and preparatory instruction to address the academic needs of its students. It has a process for directing entering students to courses and programs for which the students are adequately prepared.

Criterion 4.A: The institution ensures the quality of its educational offerings.

<u>Criterion 4.A.6</u>: The institution evaluates the success of its graduates. The institution ensures that the credentials it represents as preparation for advanced study or employment accomplish these purposes. For all programs, the institution looks to indicators it deems appropriate to its mission.

Conclusion

We urge HLC to look beyond DeVry's paperwork to conduct this comprehensive evaluation of DeVry. Please ask questions, meet with students, and request information to verify DeVry's assurances that it is in compliance. HLC should pay particular attention to representations made to students and evaluate the quality of education being provided, including that there is regular and substantive interaction between students and instructors. We appreciate your careful consideration of our comments.

Sincerely,

Della M. Justice

Della M. Justice Vice President for Legal Affairs

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