

United States Senate

Washington, DC 20510-1304

May 2, 2016

Dear Teacher:

As I have each of the past two academic years, I write to ask for your help to ensure that your students are receiving honest and accurate information about their higher education options.

Every day, your students are bombarded by flashy advertisements from for-profit colleges offering a quick and easy enrollment process, federal financial assistance, flexible schedules, and a promised path to high-paying jobs and a better life. But too often it doesn't work out that way. I have heard too many stories of Illinois students, often low-income or minority students, who thought they were doing the right thing by enrolling in a for-profit college. Instead, they're left with a worthless degree that employers don't recognize as a legitimate credential, credits that don't transfer, and almost twice the average debt of their fellow students who attended traditional public schools. For-profit colleges account for a staggering 40 percent of all federal student loan defaults despite enrolling only ten percent of all college students. Those two numbers – 10 percent of the students, 40 percent of student loan defaults – tell a heartbreaking story of student exploitation.

In recent years, widespread fraud and abuse by for-profit colleges has been exposed and gained national attention. Nearly every major for-profit college is facing increased scrutiny from federal and state agencies for a variety of abuses including fraudulent marketing and recruiting practices, falsifying job placement rates, and predatory lending practices. In January, the Department of Education took action to deny Computer Systems Institute, which operates in the Chicagoland area, continued participation in the federal Title IV program for falsifying job placement rates and other misconduct. According to a chart published by the *Chronicle of Higher Education* and other publicly available information, the following for-profit companies that operate campuses or programs in Illinois are facing active investigations or lawsuits by the Illinois Attorney General, other state Attorneys General, and/or federal agencies:

- Apollo Group – operates the University of Phoenix
- Bridgepoint Education – operates Ashford University
- Career Education Corporation – operates American Intercontinental University, Colorado Technical University
- DeVry, Inc.
- ITT Educational Services, Inc. – operates ITT Technical Institutes
- Kaplan – operates Kaplan University Online
- Universal Technical Institute

What's more, when students are misled or taken advantage of, a tactic called mandatory arbitration – widely employed by the for-profit college industry but unheard of in traditional higher education – prevents them from suing the school in court. Instead students are forced into a secret dispute resolution process where the deck is stacked against the victim and which hides the school's wrongdoing.

In addition, a number of for-profit companies operating in Illinois are part of the Department of Education's most recent Heightened Cash Monitoring (HCM) list, which means they are under stricter scrutiny by the Department for financial or compliance issues. This list serves, in the words of Under Secretary of Education Ted Mitchell, as a "caution light" for students. Companies operating in Illinois with schools on HCM include:

- Career Education Corporation – operates American Intercontinental University, Colorado Technical University
- Education Management Corporation – operates The Illinois Institutes of Art, Argosy University, Brown Mackie
- ITT Educational Services, Inc. – operates ITT Technical Institutes
- Laureate Education, Inc. – operates Kendall College
- Taylor Business Institute
- Vatterott Educational Centers, Inc. – operates Vatterott College

I ask you to use your professional position to ensure your students have the knowledge to protect themselves from colleges and universities with records of exploiting students, including information on investigations and lawsuits by government agencies. You should also help your students access data on student outcomes, like graduation and default rates, through resources like the President's College Scorecard.

Finally, it is important that students understand there are alternatives to for-profit colleges. Unfortunately, a recent survey by Public Agenda found that 75 percent of for-profit college students didn't consider public or non-profit colleges before enrolling in a for-profit school. Community colleges often offer similar programs as for-profits and at a fraction of the cost with credits that will transfer to other schools. I encourage you to work closely with your local community colleges and other not-for-profit institutions and organizations to ensure students have information on quality, low-cost higher education options.

I hope you will give serious consideration to my request. I look forward to working with you on behalf of Illinois students.

Sincerely,



Richard J. Durbin
United States Senator