

Durbin, Hassan call on Ashford University to halt new GI Bill enrollments amid questions of eligibility

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WASHINGTON - U.S. Senators Dick Durbin (D-IL) and Maggie Hassan (D-NH) today called on Bridgepoint Education – Ashford University's parent company – to immediately halt new GI Bill enrollments at Ashford until their eligibility is resolved with the Department of Veterans Affairs (VA). With its future GI Bill eligibility in doubt, Ashford University announced on November 14, 2017, that it would voluntarily "suspend new enrollment of veteran students utilizing GI Bill benefits." Stunningly, according to *The Chronicle of Higher Education*, Ashford resumed new GI Bill enrollments in early February and, in a call with investors, the company acknowledged that the suspension had "negatively impacted fourth-quarter performance."

"Despite the unchanged prospect that Ashford will ultimately lose GI Bill eligibility, the company made the decision that its profits are more important than student veterans – whose educations and lives you threaten to disrupt by enrolling them without certainty of continuing eligibility. We call on you to, instead, do the right thing for veterans – halt new enrollment of GI Bill beneficiaries so that not one additional veteran or taxpayer dollar is put at risk until this matter is resolved with the VA," Durbin and Hassan wrote in a letter to Andrew Clark, CEO of Bridgeport Education. "Failure to do so will lay bare Ashford's utter disregard for the students, and particularly veterans, that it claims to serve."

In order to be eligible to receive GI Bill education benefits, an institution of higher education must be approved by the State Approving Agency (SAA) for the state in which its main campus is located. Last year, when Ashford closed its Iowa main campus, the Iowa SAA withdrew its approval of Ashford citing its lack of jurisdiction. Ashford challenged Iowa's decision in court and lost earlier this summer.

In a bid to skirt review by California – where Ashford's parent company Bridgepoint is headquartered and being sued by the state Attorney General, Ashford sought and received approval from the Arizona SAA, which it asked the VA to recognize for purposes of GI Bill eligibility. In November 2017, VA rightfully found that Ashford's approval by the Arizona SAA is "legally insufficient because the Arizona SAA lacks jurisdiction to approve Ashford" and that Ashford would lose GI Bill eligibility in 60 days if it fails to get approved by the California SAA. That decision is currently the subject of a voluntary stay agreed to as part of a suit brought by Ashford against the VA. In February, the California State Approving Agency for Veterans Education (CSAAVE) denied Ashford University's application to be approved in the state of California.

In February, following CSAAVE's announcement that it denied Ashford University's application to be approved in the state of California, Durbin <u>pressed</u> the VA to quickly stop the flow of GI Bill funds to Ashford and ensure veterans currently enrolled at Ashford have information about their educational options.

Last month, Durbin, Hassan, and two other Democratic senators <u>wrote</u> to CSAAVE and shared their many concerns about Ashford University's predatory practices. In November, Durbin, Hassan and seven other Democratic senators <u>urged</u> the Department of Defense (DoD) and VA to take steps to protect service members using Tuition Assistance (TA) benefits and veterans using GI Bill benefits at Ashford University in light of the company's impending loss of VA Post-9/11 GI Bill approval.

In 2016, Ashford was the third largest recipient of TA benefits, enrolling 15,447 service members. According to DoD Instruction 1322.25, institutions of higher education must be approved for VA GI Bill funding in order to participate in DoD's Voluntary Education Programs, including Tuition Assistance.

Full text of the letter is avaible below:

March 15, 2018

Dear Mr. Clark:

We write today to express our outrage that Bridgepoint Education is putting more veterans and taxpayer dollars at risk by resuming new GI Bill enrollments at Ashford University. We call on you to immediately halt this practice until the status of the company's GI Bill eligibility is resolved with the U.S. Department of Veterans Affairs (VA).

We have long been concerned with Ashford's mistreatment of its students, including veterans, as documented by numerous state and federal investigations, lawsuits, and settlements. The company's latest stunt is just another example of putting profits ahead of students.

Since closing its Clinton, Iowa, campus in 2016, Ashford has faced losing GI Bill eligibility unless the company receives approval from the State of California where its operations are headquartered. Dubious attempts by the company to keep the millions of dollars in GI Bill funds flowing while skirting federal eligibility requirements landed the matter in court – with a VA decision to cut off GI Bill eligibility to Ashford the subject of an ongoing voluntary stay agreement.

With its future GI Bill eligibility in doubt, Ashford announced on November 14, 2017, that it would voluntarily "suspend new enrollment of veteran students utilizing GI Bill benefits". Stunningly, according to The Chronicle of Higher Education, Ashford resumed new GI Bill enrollments in early February. In a call with investors, the company acknowledged that the suspension had "negatively impacted fourth-quarter performance."

Despite the unchanged prospect that Ashford will ultimately lose GI Bill eligibility, the company made the decision that its profits are more important than student veterans – whose educations and lives you threaten to disrupt by enrolling them without certainty of continuing eligibility. We call on you to, instead, do the right thing for veterans – halt new enrollment of GI Bill beneficiaries so that not one additional veteran or taxpayer dollar is put at risk until this matter is resolved with the VA. Failure to do so will lay bare Ashford's utter disregard for the students, and particularly veterans, that it claims to serve.

We look forward to your prompt reply.

Sincerely,