



Durbin, others, seek response to allegations that Dept. of Education official advised misrepresentation of accreditation status

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WASHINGTON, D.C. - Today, U.S. Senators Dick Durbin (D-IL), Elizabeth Warren (D-MA), Richard Blumenthal (D-CT), and Sherrod Brown (D-OH) sent a letter to Secretary of Education Betsy DeVos regarding reports that the Department of Education was behind Dream Center Education Holdings' (DCEH) alleged misrepresentation of its accreditation status. A report published by David Halperin of the Republic Report alleges that Diane Jones, Principal Deputy Under Secretary delegated to perform the duties of Under Secretary and Assistant Secretary for Postsecondary Education, told DCEH officials in a meeting at Department headquarters to publicly represent that the Illinois Institute of Art and Art Institute of Colorado remained accredited after the Higher Learning Commission removed accreditation from the campuses.

"We have long been concerned about the acquisition by DCEH of institutions formerly owned by for-profit Education Management Corporation," the senators wrote. "If the allegations against Ms. Jones are true, the Department of Education could be complicit in the illegal deception of students – taking this deception of students under your leadership to an unimaginable level."

In June, Durbin wrote to the Higher Learning Commission, which accredits DCEH's Illinois Institute of Art and Art Institute of Colorado, following reports that the company misrepresented its accreditation status to students. In March 2017, former for-profit college operator Education Management Corporation announced it would transfer ownership of its Ai, Argosy, and South University campuses to Dream Center, which would convert them to not-for-profit entities and operate them under Dream Center Educational Holdings. The conversion is pending final approval by the Department of Education.

The letter poses a series of questions to Secretary DeVos to answer by September 13th in order to get to the bottom of this alleged meeting. A full copy of today's letter is available [here](#) and pasted below:

August 30, 2018

The Honorable Betsy DeVos
Secretary
U.S. Department of Education
400 Maryland Ave, SW
Washington, DC 20202

Dear Secretary DeVos:

We write today to call for an immediate response to troubling allegations made in a recent article that Diane Auer Jones, Principal Deputy Under Secretary delegated to perform the duties of Under Secretary and Assistant Secretary for Postsecondary Education, encouraged Dream Center Education Holdings (DCEH) to misrepresent the accreditation status of its Illinois Institute of Art and Art Institute of Colorado campuses. If true, Ms. Jones' actions would amount to a serious breach of the public trust.

We have long been concerned about the acquisition by DCEH of institutions formerly owned by for-profit Education Management Corporation. As part of the approval of that transaction, the Higher Learning Commission (HLC) removed accreditation from DCEH's newly acquired Art Institute of Colorado and the Illinois Institute of Art which included campuses in Chicago and Schaumburg, Illinois and Michigan – transitioning these institutions for “candidates for accreditation.” HLC noted that the loss of accreditation could have serious consequences for current and prospective students and that students “should know that their courses or degrees are not accredited by HLC and may not be accepted in transfer to other colleges and universities or recognized by prospective employers.” Because of these risks, HLC required the institutions to provide students with “proper advisement and accommodations.”

On June 26, Senator Durbin wrote to the Higher Learning Commission and copied Department of Education Chief Enforcement Officer Julian Schmoke, after the *Pittsburgh Post-Gazette* reported that DCEH failed to inform students of the loss of accreditation and disclose the potentially negative impact on students' ability to transfer credits or get a job. According to the *Post-Gazette*, DCEH continued to actively claim “in statements online and in school catalogs” that the campuses remained accredited by HLC despite the accreditor's clear statement to the contrary. These allegations demand the Department's immediate attention. If true, DCEH's actions would be a serious violation of law and appear to give Illinois and other students a legitimate basis for

federal student loan discharges under the Borrower Defense provision of the Higher Education Act.

But in an incredible twist, a new report alleges that Ms. Jones is behind the misrepresentation. According to the article, in a meeting at Department headquarters earlier this year a group of Department staff led by Ms. Jones told a delegation from DCEH, including CEO Brent Richardson, to publicly represent that the Art Institute of Colorado and Illinois Institute of Art continued to be accredited. If the allegations against Ms. Jones are true, the Department of Education could be complicit in the illegal deception of students – taking this deception of students under your leadership to an unimaginable level.

Please respond, no later than September 13, to the following:

1. Did Ms. Jones – verbally or in writing – direct or advise Dream Center Education Holdings to publicly represent that the Illinois Institute of Art and the Art Institute of Colorado “remain accredited” despite the schools’ accreditor telling DCEH that they were not accredited?
2. Did any other Department staff or official – verbally or in writing – direct, or advise Dream Center Education Holdings to publicly represent that the Illinois Institute of Art and the Art Institute of Colorado “remain accredited” despite the schools’ accreditor telling DCEH that they were not accredited? If so, please provide their names and positions and at whose direction the Department staff provided this guidance.
3. What was the stated purpose of the above referenced meeting between the Department and the DCEH delegation? Please provide a list of individuals present at this meeting.
4. Please provide all documents and communications pertaining to any directive or advice from Department officials to DCEH that the latter publicly represent that the Illinois Institute of Art and the Art Institute of Colorado “remain accredited” despite the schools’ accreditor telling DCEH that they were not accredited – including any notes from the above referenced meeting.
5. Has the Department’s Enforcement Unit opened an investigations into allegations that DCEH misrepresented the accreditation status of the Art Institute of Colorado and Illinois Institute of Art?

We look forward to your timely response. Thank you.