#### Trends among Servicemember and Veteran Complaints about ITT Tech

What follows is a public version of a "trends analysis" document Veterans Education Success prepared detailing the types of harm observed by us in our work providing free legal services to service members, veterans, and their dependents who brought to our attention their complaints about ITT Technical Institute.

The military and veteran students we assist allege significant consumer fraud by ITT. Their allegations are supported by ITT whistleblowers who approached us seeking to share their concerns about wrongs being done to student veterans. For example, a recent campus president for ITT came to us with significant concerns, including that ITT's recruiting practice was to "Do Anything and Say Anything" behind closed doors (despite "clean" recruiting documents) in order to meet enrollment numbers. Another ITT whistleblower, who was a longtime recruiter and elevated to "Master Recruiter," explained that his fellow recruiters regularly lied to and deceived prospective students.

### Accreditation

One trend we've noticed among our complainants is the allegation that ITT lied to or misled students about its accreditation. Some students claimed ITT outright lied about the type of accreditation it has; more often, students were told that ITT's accreditation was sufficient for the type of work the students want to do, when in reality, it wasn't. Our recent campus president whistleblower explained that "on the books' [ITT] had statements and disclaimers the admissions advisors have to make. But 'off the books,' the approach was to sell the accreditation we had – that it had value to the student and would be of value to the employers. This was always only in a private room or when the admissions advisor was not in earshot of another admissions advisor." The impact on students is significant: Students report that employers won't hire them because they do not recognize ITT's accreditation or that they are not eligible to sit for licensing exams they did not even know they needed. For example, one student, Robert Auten, was told that "all law enforcement agencies would accept his degree," which has proved to be untrue. Another student, Brandon Bilagody, wanted to be an engineer. ITT told him they were accredited, which was true; but they failed to mention that their engineering program did not have ABET accreditation. Without that specific accreditation, it is impossible to get an engineering job.

# **Transfer of Credits**

Another issue our students reported, which is related to accreditation, concerns the transfer of credits. Our victims routinely complained about ITT lying or misrepresenting the transferability of its credits. Students were told time and again that "a degree is a degree" and that all degrees are treated the same. Some students were even promised that their credits would

transfer to the local community college or state university of their choice, when it would be clear to any education professional that the likelihood of ITT credits transferring to a public university or college would be extremely low. For example, student Matthew Bickford was told that "the credits and the degree that I got from ITT Tech was transferrable." But when he looked into transferring to a Maryland state school, none of his credits would transfer and he was going to have to start all over. And Matthew's case is very typical, with every single person in this list being promised that their credits would transfer, and then finding out they would not.

#### Quality of Education

In commercials and in person, ITT often promises a "high quality education" with "hands-on learning experiences." Students reported to us that after they enrolled, they discovered the teachers were under-qualified or unqualified to teach the courses they had signed up for. Students report the equipment and software are years out of date; the books used in courses are riddled with errors; everyone passes classes, whether they deserve to or not; and students looking for a true collegiate experience end up teaching themselves. In short, students told us ITT lures students in with the promise of a "cutting edge" education, when that is rarely the case. For example, student Chris Weatherford told us that his programming teacher informed the class "that she had no clue about programming and that she would be learning alongside [us] throughout the course." Another student, Billie Weaver, was told when he was recruited that "90% of the classes were hands-on." He got to class and found that all of his classes were power points and book work. There were no hands-on classes. These types of complaints were repeated across class years and campuses.

#### Program Changes and Degree "Bait & Switch"

Many ITT students reported they were lured in with the promise of a specific degree program, but then were switched into a different program without their knowledge. Students reported they often didn't find out about this switch until they had started classes. For example, student Roberto Ortiz transferred from online campus to an in-person campus. After starting at the campus in Cary, North Carolina, he discovered he had been dropped from the Cyber-Security program and into the Network System Administrator program.

Similarly, a number of students – and the recent campus president whistleblower – report that ITT engages in program "bait and switch." Students find out, after signing up for a program, that they are only eligible for that program if they complete a different course of study first. One student, Robert Fidder, was told he had to complete an Associates program before he could get into the Bachelors program he wanted to study. By the time he was done with the Associates, ITT had dropped the Bachelors program and he was left with an Associate's degree

he didn't want. Similarly, students Patrick Imrie and Chris Blank were also coaxed into an Associates program with the promise that it would lead to a specific Bachelor's degree. Once the Associates degree was completed, they found out that the Bachelor's degree they wanted was not offered. The recent campus president whistleblower explained that these tactics were "a way to capture students who would go elsewhere to get the Bachelor's degree that ITT didn't offer. The driver for the student was to enroll in a Bachelors program. Students wanted the Bachelors and were willing to do the Associates program only as a way to get the Bachelors. 90% of the time our recruiters told them they would have to enroll in the Associates first. Then the school would cancel or not offer the Bachelors' degree."

Another common issue students reported is a change in degree requirements: Suddenly classes are added to a program or the program changes slightly, and the student is forced to stay enrolled at ITT longer than promised.

## <u>Post-Graduation Employment Assistance</u>

Another issue students reported was that ITT promised, during the recruiting phase, that it would provide substantive post-graduation assistance and job placement. But students found this not to be the case after graduation. Instead, they found job placement consisted of minimum wage temp jobs not in the student's field of study. Post-graduation assistance, the students claim, is a cursory resume review and the forwarding of links to monster.com. Some of our students even said they were only eligible for jobs that made the same amount of money or less than the jobs they had previously been working. One student, Jonathan Johnson, tried to work with the Career Services Department, but the only jobs they could find him were sales positions at Best Buy or Fry's – which they pressured him into applying for just so they could boost their job placement numbers. Another student, Timothy Fox, was told when he applied that Boeing regularly came to ITT Tech to recruit; yet in his two years there he never saw a Boeing recruiter. In fact, he only ever saw one employer on campus during the two years he attended school there. The recent campus president whistleblower stated it was common to hear that his students were getting temporary jobs for "just two weeks, maybe four weeks, or paid internships, but they were counted as job placements." This overly broad definition of "job placement" allowed his campus to claim that there was a 70% job placement rate for last year, while that number was untrue.

#### Student Loans

Students who use the GI Bill and other related military benefits are in a unique position, because they usually do not need student loans to complete their schooling, given the generosity of the GI Bill. But VA is notoriously slow at processing and distributing GI Bill funds. This can be an issue for schools facing a cash flow shortage, especially many for-profit colleges.

For-profit colleges appear to mitigate this issue by taking out student loans to "bridge the gap" until the VA funds arrive, even if the veteran ultimately doesn't need loans in light of his GI Bill benefits. Sometimes schools force the student to take out loans in order to be allowed to start classes. Often, students report to us they were pressured to complete the FAFSA form to see if they are eligible for any grants. They are promised that any money they get will be from grants only, not loans. But many students report to us that they discover after graduation that these are not grants; they find out that ITT has taken out substantial loans that the students will have to pay back. Student Fred Coker was told he "had to apply for a student loan so ITT can get their money right away." He was promised that when the GI Bill money came in, ITT would immediately pay off the loan. That never happened. The recent campus president whistleblower explained that ITT's "financial aid office overwhelmed [students] with massive pages of documents." Financial aid officers reportedly had to get a certain number of students to sign up for loans each week or face termination. ITT incentivized advisors to get students to take out loans, whether the student needed it or not.

ITT has also reportedly lied to students about the amount of a loan or the type of loan. For instance, student David Brooks found out after he graduated that ITT, unbeknownst to him, had maxed out his student loans, when he thought they were taking out only small amounts, leaving him now unable to afford even local community college.

More worrisome, many students report that the school took out loans in their names without telling the students, allegedly even "forging" the student's electronic signature on Master Promissory Notes (by obtaining the student's number or pincode and filling out the MPN without the student's knowledge or permission). Another ITT whistleblower told us was a fairly common occurrence in her ITT region, even though she knew it was wrong. She said her financial aid colleagues alleged it wasn't "forgery" because it was an electronic signature and not a real signature. Many students claim they never signed up for any loans. For example, student Matthew Barnes was promised that his GI Bill benefits would pay for everything, but instead found out he had been signed up for student loans he never authorized.

Similarly, students complained that private loans were taken out on their behalf, without their consent, instead of federal loans. Students who experienced that type of deception have had their names italicized for easy identification as compared to the students with federal loans. Lies concerning private loans are especially problematic because those loans are often higher interest and do not have the same deferment and forbearance rules. If a school lies about loans, a student can experience major credit damage, which harms students and their families for decades to come.