



VETERANS EDUCATION SUCCESS

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**Ashford's Fight to Maintain GI Bill Access
Raises Questions about the Enforcement and the Adequacy of
Statutory Requirements**

Today, Veterans Education Success is releasing a [report](#) on Ashford's fight to maintain its eligibility to enroll veterans and receive GI Bill payments from the Department of Veterans Affairs (VA). Based on a FOIA request, publicly available documents, and interviews, our report carefully documents evidentiary holes and conflicting claims by Ashford and the Arizona State Approving Agency (SAA) and sets out the chronology of Ashford, VA, and SAA actions. More importantly, it raises questions about the enforcement and adequacy of statutory requirements governing the GI Bill participation of online degree programs such as Ashford's.

Also today, after learning about the evidence documented in our [report](#) and of [additional evidence gathered](#) by a senior investigative reporter at *The Chronicle of Higher Education*, VA [alerted](#) Ashford that its attempt to claim Arizona as its main campus did not comport with federal statutory requirements.

Veterans Education Success also today published a [sampling of complaints](#) by student veterans about Ashford.

Our report documents that, as a result of Ashford's decision to close its Iowa brick and mortar campus, the Iowa State Approving Agency (SAA) notified Ashford that it would have to seek approval for its online operations from the SAA where its main campus was located. State SAAs work for VA and are tasked with reviewing and approving a school's application to participate in the GI Bill. The SAA's notification launched Ashford's more than year long quest to maintain its GI Bill eligibility. After applying for approval in California—the location of its designated main campus for online operations—Ashford withdrew its application in June 2016 after the California SAA asked for additional information. According to the California SAA, the information request reflected the fact that current regulations were not written to address online-only institutions.

Ashford sought and received an expedited approval from the Arizona SAA in July 2017. VA maintains that Arizona SAA lacks the statutory authority to approve the school's application to enroll GI Bill beneficiaries and to receive GI Bill payments for tuition and fees. The Arizona SAA's justified its approval

by asserting that Ashford's accreditor recognized the school as having "an online program which is *based in the State of Arizona* and covered as such" (emphasis added). This assertion lacks credibility because:

- Ashford's accreditor has documented the company's decision to transfer its *main campus* and the locus of its online operations from Iowa to California. It is worth pointing out that Ashford's accreditor approves schools located in California, Washington, Oregon, Hawaii, and the Pacific territories—not Arizona.
- In December 2016, the Iowa licensing authority for proprietary schools retroactively renewed Ashford's 2015 application to operate in the state, noting that the location of Ashford's online operations was its *main campus* in California.
- As of November 2nd, the Education Department's database of participating schools showed that Ashford's *main campus* was in California, with no Arizona location whatsoever.
- The Arizona state licensing entity for for-profit schools approved Ashford's application *as an out-of-state entity* whose educational programs are not delivered from within the state of Arizona, an implicit acknowledgement that Ashford's *main campus* was in California.

The Arizona SAA has failed to provide VA with any evidence that Ashford's main campus is located in Arizona.

In addition, the chronology of the Arizona SAAs approval raises several intriguing questions.

- Did Ashford apply for state licensure in Arizona as an out-of-state entity in order to expedite its approval by the Arizona SAA? Licensure to operate in Arizona was a prerequisite for SAA approval and this approval was sought and received *contemporaneously* with Ashford's successful application to the Arizona SAA.
- Why was there an almost 3-week delay between the Arizona SAA's approval of Ashford's application on July 6th and Ashford's July 25th announcement that it had received notice of the approval? Did the SAA really wait 3 weeks to notify Ashford?
- Why did Ashford only announce the approval on July 25th—after an adverse ruling by the Iowa District Court, which upheld the Iowa SAA's decision to withdraw Ashford's GI Bill eligibility on July 17th? Was the Arizona approval sought as an insurance policy against such an adverse decision?
- Was the July 6th approval withheld but then announced on July 25th because Ashford and the Arizona SAA knew that they lacked the evidence to support the assertion that it had moved its main campus from California to Arizona?

Today's decision by the VA requiring Ashford to seek approval in California, the location of its main campus, comports with federal statute and regulation. VA also must hold the Arizona SAA accountable for adhering to federal statutory, regulatory, and VA contract terms governing the school approval process. Maintaining the integrity of the GI Bill approval process demands no less.