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May 9, 2018

Sent *via* E-Mail only:
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Dr. Arthur E. Keiser, Ph.D.
Chairman
National Advisory Committee on Institutional Quality and Integrity
U.S. Department of Education, Office of Postsecondary Education
400 Maryland Ave., SW., Room 6W250
Washington, D.C. 20202

Mr. Frank H. Wu, J.D.
Vice Chairman
National Advisory Committee on Institutional Quality and Integrity
U.S. Department of Education, Office of Postsecondary Education
400 Maryland Ave., SW Room 6W250
Washington D.C. 20202

Re: Oversight of For-Profit Institutions' Conversions to Non-Profit Entities

Dear Dr. Keiser and Mr. Wu:

We understand that the Department of Education's National Advisory Committee on Institutional Quality and Integrity (NACIQI) is considering the increasing attempts by for-profit schools to convert to not-for-profit status. We write in strong opposition to such conversions.

This is a practice that unscrupulous owners of proprietary schools have used for more than 20 years. It has allowed them to avoid regulatory scrutiny and make millions of dollars at taxpayers' expense all while swindling a countless number of students and gaming federal loan programs.

We appreciate NACIQI's decision to consider this issue at its upcoming meeting. It provides an apt platform for telling the horrific cautionary tale of Wright Career College. WCC was a "school" headquartered in Overland Park, KS. It is the poster child for the abuse of "not-for-profit" status.

Wright Career College operated as a not-for-profit entity from 1994 until it closed on April 15, 2016, the same day that its parent company Mission Group Kansas filed for Chapter 7 bankruptcy protection. It also had campuses in Wichita, Kansas; Omaha, Nebraska; Oklahoma City, Oklahoma; and Tulsa, Oklahoma.

Our law firm represented 264 students in a lawsuit against this predatory corporation and its board of directors for fraud and misrepresentation. Through a settlement, reached with Mission Group Kansas' insurance company, our clients were able to recover a fraction of their total damages. It was not nearly enough to pay back the loans that they were coerced into taking out and must still pay back. Yet, their recovery is far more than any relief most victims of such fraud can hope to see.

These students - and many others who attended WCC- were victims of a purposeful scheme specifically designed to maximize receipt of federally guaranteed student loans and grants while neglecting even the most basic duties of an educator.

WCC emphasized its not-for-profit status in its marketing and recruitment materials. Clearly this designation is believed to represent an institution with altruistic motives, as opposed to certain profit-driven competitors.

One our clients, Charlotte Ricks, of Tulsa, said the school's "admission representative" convinced her to enroll at Wright after she told Ms. Ricks that Wright was a "not-for-profit" school that would allow credits to transfer to other colleges. (*Exh 1: Letter from Charlotte Ricks, April 5, 2017*)

The business cards of the school's staff, including the admission and financial aid representatives who enrolled Ms. Ricks, also touted Wright's non-profit status. Stamped onto the bottom of those cards were "Private Not For Profit Education to meet community needs." (*Exh 2: Business cards of Wright Career College staffers*)

After enrolling, Ms. Ricks and other students found out that the teachers were unqualified, job placement was non-existent and the school's diplomas and certificates were essentially worthless. To make matters worse, those students - and taxpayers- were on the hook to pay back the student loans.

This scheme was made possible by the Internal Revenue Service's approval of Mission Group Kansas' application in 1994 to re-classify itself as a non-profit entity and facilitated by the Department of Education which not only failed to notice and correct it, but also continued to bankroll the school at an alarming rate.

Mission Group Kansas' owner, James Miller Jr., applied for this re-classification not for some altruistic cause but rather to avoid the federal "85-15 Rule" that required for–profit schools to show that at least 15 percent of their revenue came from sources other than federally funded Higher Education Act programs. In fact, he blatantly admitted to the scheme as early as 1994. (*Exh 3: Letter to Rita Zasuly of the IRS from attorney James M. Matthews, September 29, 1994)*

By getting non-profit incorporation, Mr. Miller freed Mission Group Kansas from that regulatory burden while reaping the personal financial benefits of for-profit ownership for himself and his board of trustees. This is contrary to the spirit and purpose of not-for-profit entities.

Non-profit schools are supposed to have a financially disinterested board of trustees, yet documents that Mission Group Kansas filed with the IRS show that Wright Career College's board consisted of highly paid staff members including Mr. Miller, his wife Gayle, and Mr. John Mucci, the president of Wright Career College until it closed. (*EXH 4: Spreadsheets showing revenue, expense and compensation figures for Mission Group Kansas as shown in IRS Form 990s)*

Specifically between 2008 and 2014, Mr. Miller paid himself nearly $7 million from Wright Career College revenues. Mrs. Miller's pay totaled more than $818,000 while Mr. Mucci collected more than $1.7 million. In other words, in only six years, these three individuals tasked with operating this "school" to "meet community needs" paid themselves more than 9.5 million dollars.

In 2014 alone, the last year in which the school filed with the IRS, the combined salaries of Mr. and Mrs. Miller and Mr. Mucci accounted for nearly 3 percent of the school's operating budget. And during WCC's most profitable years, 2011 and 2012, Mr. Mucci's salaries of nearly $347,000 each year was commensurate with the salary and benefits package of the chancellor at the nearby University of Missouri-Kansas City, a large public institution with an enrollment of more than 16,000 students in 2014 compared to a mere 1,300 at WCC that same year _ more than 12 times the number of students.

Even more tragic, by being exempt from the 85/15 rule, Mr. Miller's business was able to target almost exclusively low-income students who were eligible for federal funds in the form of grants and loans through Title IV of the HEA. As a result, Mission Group Kansas consistently received nearly all of its revenues from those financial aid funds. For example, in the 2013-14 schoolyear, a staggering 95 percent of first-time, full-time Wright students received federal Pell grants, compared to just a third on average at legitimate non-profit institutions, 38 percent at public institutions and 74-percent at for-profits. (Exh 5: *The Century Foundation "Was Wright Wrong? Early Warnings of Covert For-Profit Colleges and National Center for Education Statistics/ Department of Education*).

Under the direction of the Millers and Mucci, the school's recruiters signed up students without regard for their ability to succeed. Some students had no high school diplomas. Others had previous criminal convictions all of which were obvious disqualifiers for employment in the health-care fields in which Wright Career College claimed to offer guaranteed positions.

Many of our clients reported high-pressure tactics that the school's recruiters used to entice them. Recruiters would call them multiple times a day and refuse to provide information by phone, such as tuition costs and placement rates. Instead, recruiters pushed students to visit campuses where they pressured them into enrolling on the spot with threats of missing out on programs altogether or limited loan availability.

Recruiters were encouraged to identify and use prospective students' pain and vulnerability to pressure them to enroll. They preyed on the desires of students to find higher paying employment to provide better lives for themselves and their families.

We have attached testimonials from some of our clients that detail this ruthless recruiting process and what followed once they enrolled. Teachers were unqualified and often quit after a few weeks. Instructional equipment was often insufficient or out-of-date. Job placement assistance that had been so strongly promised by the recruiters was non-existent. (*Exh 6: Testimonials of students Carie Crim, Raegan Garey, Brian Hopkins, Brianne Jones, John McCoy, Molly Mendenhall, Patisha Randolph, Cierra Sauer)*

Recruiters also touted the school's accreditation. But Wright Career College's accrediting agency, Accrediting Council for Independent Colleges and Schools, was not legitimate. It was an accreditor set up by for-profit school officials and had a history of rubber-stamping schools with dismal graduating records and lax oversight. (*Exh 7: "Who's Regulating For-Profit Schools? Execs From For-Profit Colleges", February 26, 2016 article from Annie Waldman of Pro Publica*)

The Department of Education, under the Obama Administration, stopped formally recognizing ACICS as an accreditor but is reconsidering now that a more proprietary school-friendly administration is in office. We strongly oppose that reconsideration.

On average, our clients incurred $28,980 in student loan debt to go to this school. The majority of them are mired in dead-end jobs that pay nowhere close to an amount needed to pay off the loans that they were tricked into taking out. Attending Wright Career College has hurt so many students' job prospects so much that some have actually removed it from their resumes.

We realize that WCC is just one functionally proprietary school in a sea of many such institutions. But it is not unique. The predatory and unlawful conduct of proprietary schools has been well-documented. So have the abuses of not-for-profit schools, such as Everglades College and Remington College. And as Senators Warren, Brown, Murray, Durbin and Blumenthal noted, there are two large for-profit institutions of questionable repute that are currently seeking non-profit status. One of them, Education Management Corporation, which is being purchased by an entity called Dream Center, has been fined nearly $100 million by the U.S. Department of Justice for illegal and predatory recruiting practices. And it has among the highest amount of "borrower defense claims", or applications for loan relief, from defrauded students.

It is telling that when WCC lost its Title IV eligibility in 2016 and could no longer receive federally guaranteed loans, its parent company Mission Group Kansas filed for bankruptcy almost immediately with no warning to its students. Profit for its owners and management was always the sole motive of WCC's operation. Once the "cash cow" of federally guaranteed money was revoked, they closed their doors without regard to students, taxpayers or the communities which they preyed upon.

All of this demonstrates how this conversion to non-profit status is nothing but a masquerade by schools that wish to continue their profit-driven and predatory machines. And it will continue if Education Management Corporation and other for-profit schools are allowed to become not-for-profits. We ask NACIQI to send a message to the Department of Education by advising against this practice.

Thank you for your consideration.

Kenneth B. McClain
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Charlotte Kramer Ricks **April 5, 2017**

Section IV.

I went to Wright Career College because I was told by the Admission Representative, Jennifer Frazee, that my credits from Wright Career College would be transferrable. I was also told that Wright was a "Not for Profit," school. Not for profit schools credits were transferable. I was looking forward to having help obtaining a job with one of the many companies, which I was told, were involved with the school who were hiring their graduates. Jennifer also told me that when I was close to my graduation date I would be working with someone who would help with connecting a company who could use what I had learned. My goal was to be an office manager. My first day of school was October 29, 2012. I took off February 9, 2013 to April 14, 2013 for medical, but continued from there without any interruptions. I attended my last class on June 6, 2014.

I have accrued a substantial amount of student loans by going to Wright. It frustrates me that to get the education and degree that I wanted and needed to accomplish my goal now cost me even more. I had to go to another college to get an actual college education rather than a repeat of high school education which Wright called "college level." The "Not for Profit," statement was false and the school actually was a "For Profit," school.

I have repeated English to go into Comp 1, basic Math into college Algebra, and a computer course at Tulsa Community College so I could progress further into more advance courses. When I was at Wright and I was having questions about my math I Googled a problem just to find out that we were at Junior High level. We were at the hardest part of the book. I was so surprised and disappointed that I was spending this money just to get a lesser education than I thought I was. I did graduate with an Associates of Applied Science, emphasis in Business Administration but it means nothing because I do not have the education to back it up.

Each semester was planned out by an Advisor. My first advisor was fired and my new advisor was Lisa Orange. As student's we did not have any input as to what classes we were going take each semester. In my first semester, I found that they started new students every three weeks. I was told that at the start of the class for the new students the whole class would be doing the same chapters. The only

problem with this is that the students who were continuing in the class to the next chapter of the book had learned from the previous chapter so they knew more about the subject than the new students coming in. Each chapter builds on the other and coming into a class where they are in the middle of the book made it hard to make sense and understand the course. Eventually, the new student does complete the book. This did not work for the math course, the computer course, biology, accounting and psychology.

My first semester I had Computer Applications 1. I had three teachers for this semester. There were little records kept of assignments that were completed from teacher to teacher. The only way to have learned anything in this class was to have started it with previous computer experience because of the way the class was taught. In my Biology class more than half way through the semester, the teacher was replaced because it was determined that she didn't have the proper credentials to teach. My second semester was also problematic. I took Administrative Office Applications and Practices. In this class there were several different levels being taught simultaneously to the group of students. This was not conducive to learning. There was one instructor and her assistant. Depending on what course you were in depended on what chapter of the book you started in. I was not aware of this and I started at the beginning. When it was time to take the final I found out that I had not done the correct chapters in the book. I had two weeks to accomplish the entire semester of work to get a passing grade. This was very disappointing because I specifically asked where to start. I was given wrong information. In my third semester, I had another Computer Applications class. I spoke to the instructor again to make sure I was doing the right chapters. I completed the chapters and did the final with a good grade. I then found out it was the wrong course that I completed. I completed the correct course in my fourth semester. Still in my third semester I took US History. The instructor was a history major but it became problematic when it was test time. We went over the questions just before we took the test that day. We could write down the answers and use that paper for the test along with open book. We didn't have to learn anything. We just had to take quick notes at test time. I also had math this semester. I had two instructors for this class. The first one was a long time instructor for the school and when the school made some adjustments to there hours he quit. The next instructor, Steve Stanley, was a tax preparer with his own business and had never taught before. In my Psychology class I had two instructors. The first one was fired for associating socially with students outside of class time. The second instructor was a Psychology major but

was not sure where the first instructor left off. It was so confusing. In the accounting class we were not all on the same chapter. There was several students who were on a different level academically. The instructor taught all of us at the during the same hour, but on two different levels. I was also taking Professional Development and the first instructor left due to a conflict with administration. The replacement instructor stayed for only a month and left due to more conflict with the administration practices along with the nepotism going on in Human Resource part of the administration. In my fifth semester I was the only student in two of my four courses. In my US Government course there was several students in the classroom. There were three different courses being taken by these students. The instructor was not an instructor but an assistant in the medical portion of the school. He just babysat us. We all had to use our syllabus to know what we were doing. With all of the different instructors it was a surprise that I got any type of education at Wright Career College.

As far as getting our books and school supplies we did not get a refund from our loans to be able to buy our books anywhere but at the school at their price. We also earned "Wright Bucks," to be able to go the student book store so that we could buy pens, pencils, paper, folders and other miscellaneous items that we wanted. The way we were to obtain these Wright Bucks was to attend class and be rewarded for class participation and rewards. The instructors rarely participated in giving the Wright Bucks so it was not a complete success.

ADMISSIONS AND URGENCE TO ENROLL

I had made an inquiry on line and got a call from Jennifer Frazee the next day making arrangements for me to come in and talk to her about attending Wright. I went in a couple of days later and spoke with her. I had told her I wanted to check into what the school was about and how it worked. I had never been to any school prior to this to know how it worked. She had me fill out a bunch of paperwork and financial aid information. It was then all of the enrollment process was starting. I wasn't sure about it but Jennifer kept reassuring me that I would be an excellent student and not to worry. The Admission Representative keeps tabs on you the first few weeks and then you are on your own.

OTHER

When I applied to go to Tulsa Community College, I had to pass the student loan questions on understanding student loans. When I figured out that this was the right way to do it rather than the way Wright had us fill out the papers, I knew that they were not above board. We were given the student loan questions in orientation and we were also given an answer sheet. This was given to us my Melanie Knight. She told us to use the sheet because if we didn't get the answers right it may take longer for the student loans to be approved. So even if we really didn't understand the correct way student loans worked we got the answers right due to the cheat sheet.

Upon graduation, all of the promises of help for future employment did not materialize. There was no guidance or help to find jobs in my field of education.

Melanie Knight
Financial Aid Officer

Wright
CAREER COLLEGE

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Office (918) 628-7700
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Private Not For Profit training to meet community needs

Jennifer Frazee
Admission Representative
918-341-0017

Wright
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jfrazee@wrightcc.edu

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Private Not For Profit Education to meet community needs

Wright
CAREER COLLEGE

Mike Santilli
Vet. Tech Admission Representative

Merriam, KS
Wichita, KS
Topeka, KS
Great Bend, KS
Parsons, KS

Accredited by the Council for Independent Colleges and Schools

10700 Metcalf Avenue
Overland Park, KS 66212
msantilli@wrightcc.edu

Cell: (913) 787-4565
Fax: (866) 596-0058

Private Not For Profit Education to meet community needs

Chastity Seymour
Surgical Tech. Externship Coordinator

Wright CAREER COLLEGE

Accredited by the Accrediting Council for Independent Colleges and Schools

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Private Not For Profit training to meet community needs

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September 29, 1994

EP/EO DIVISION
DALLAS KEY DISTRICT
RECEIVED
SEP 29 1994
EO GROUP-7213
MC 4913 DAL

VIA FACSIMILE

Ms. Rita Zasuly
Internal Revenue Service
EP/EO Division - MC 4913 DAEA
1100 Commerce Street
Dallas, Texas 75242-0000

Re: Mission Group Oklahoma, Inc.
Mission Group Kansas, Inc.

Dear Ms. Zasuly:

This submission updates our progress in providing the additional information you requested. A good deal of the information you requested has been previously provided pursuant to our submission of September 16th. Other portions are being assembled, and we expect to provide same within the next two weeks.

We have been advised that the United States Congress, by joint resolution truly agreed to within the last week, has temporarily suspended the effectiveness of Rule 85-15 promulgated by U.S. Department of Education, which was scheduled to become effective on September 30, 1994.

This action delays, but does not change, the imposition of conditions which makes the formation and operation of the referenced applicants a necessity for the continuation of educational instruction and training originally conducted by Wright. The parties intend to complete and consummate the transactions described in Form 1023 as soon as possible so as to facilitate the operation of the applicants well before Rule 85-15 becomes effective. Thus, the urgency continues for expeditious handling of these applications.

We appreciate your attention to these matters. If you have any questions, or if you need additional information, please contact me at your earliest convenience.

Very truly yours,

SMITH, GILL, FISHER & BUTTS,
a Professional Corporation

By: James M. Matthews
James M. Matthews

JMM/rh

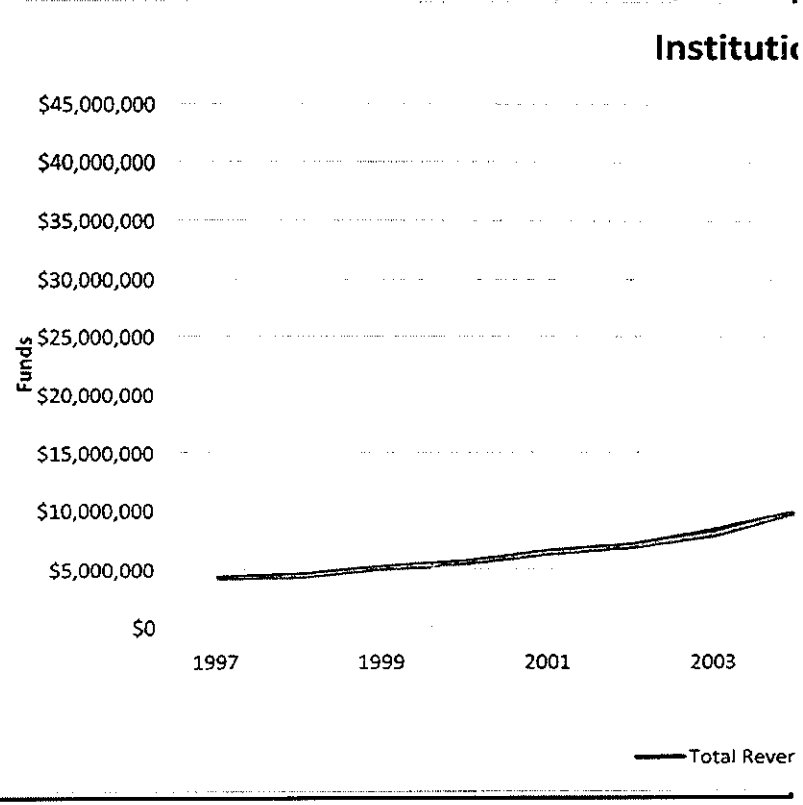
cc: Mr. James Miller, Jr.
P. Mitchell Woolery, Esq.

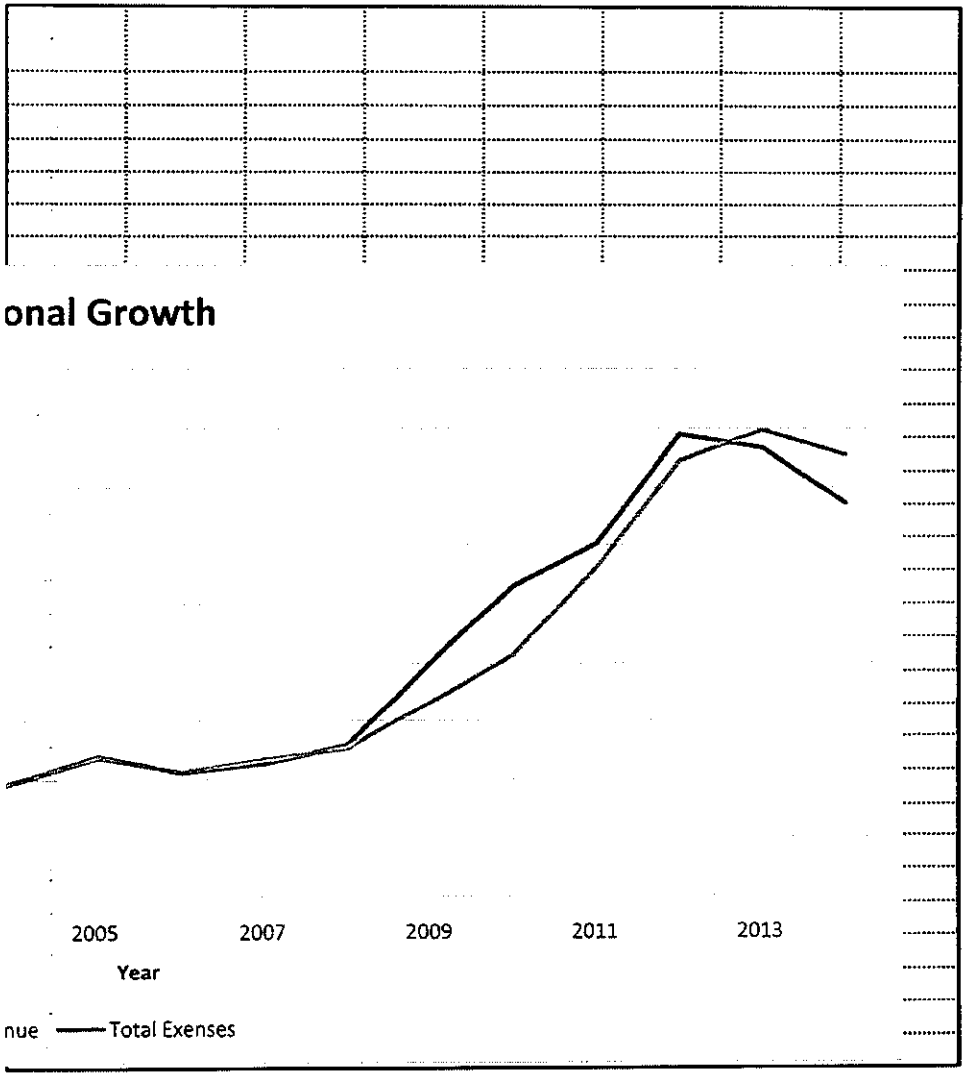
Year	Total Revenue	Total Exenses	Total assets	Total Liabilities	Net Assets	James Miller: Reportable Compensation from the organization	James Miller: Reportable compensation from related organizations	James Miller Total
1997	$4,294,603.00	$4,235,152.00			$513,588.00	$110,000.00		$110,000.00
1998	$4,503,289.00	$4,343,403.00			$673,474.00	$110,000.00		$110,000.00
1999	$5,206,131.00	$5,046,120.00			$836,303.00	$105,417.00		$105,417.00
2000	$5,671,963.00	$5,541,318.00			$966,948.00	$110,000.00		$110,000.00
2001	$6,573,021.00	$6,368,109.00			$1,171,860.00	$114,584.00	$54,500.00	$169,084.00
2002	$7,070,575.00	$6,946,165.00			$1,296,270.00	$160,000.00	$57,692.00	$217,692.00
2003	$8,314,165.00	$7,901,257.00			$1,709,178.00	$160,000.00	$519,642.00	$679,642.00
2004	$9,816,300.00	$9,803,362.00			$1,722,116.00	$177,500.00	$0.00	$177,500.00
2005	$11,981,379.00	$11,868,398.00	$4,089,745.00	$2,367,629.00	$4,089,745.00	$160,000.00	$0.00	$160,000.00
2006	$10,633,970.00	$10,685,259.00	$4,647,447.00	$2,863,639.00	$1,783,808.00	$148,554.00	$141,454.00	$290,008.00
2007	$11,405,903.00	$11,750,180.00	$4,647,447.00	$2,863,639.00	$1,439,531.00	$149,750.00	$231,006.00	$380,756.00
2008	$12,941,607.00	$12,671,423.00	$5,427,431.00	$3,717,713.00	$1,709,718.00	$156,658.00	$354,725.00	$511,383.00
2009	$20,064,710.00	$16,714,940.00	$11,252,227.00	$6,192,739.00	$5,059,488.00	$248,902.00	$567,138.00	$816,040.00
2010	$26,505,864.00	$20,738,029.00	$16,276,648.00	$5,449,325.00	$10,827,323.00	$446,240.00	$467,236.00	$913,476.00
2011	$30,126,316.00	$28,068,738.00	$26,964,767.00	$14,101,452.00	$12,863,315.00	$446,661.00	$487,819.00	$934,480.00
2012	$39,476,471.00	$37,251,367.00	$35,892,977.00	$20,663,634.00	$15,229,343.00	$446,669.00	$1,208,749.00	$1,655,418.00
2013	$38,336,818.00	$39,834,234.00	$35,262,484.00	$21,177,353.00	$14,085,131.00	$341,776.00	$1,016,034.00	$1,357,810.00
2014	$33,664,495.00	$37,739,724.00	$20,759,075.00	$10,616,511.00	$10,142,564.00	$303,014.00	$434,998.00	$738,012.00
	$28,068,738.00	$446,661.00						$0.00

	John Mucci: Reportable compensation from the organization	Gayle Miller: Reportable compensation from the organization	Gayle Miller: Reportable compensation from related organizations	Gayle Miller Total	Tuition Revenue	Ronald Holt (Attorney)	Media Resources Inc.
	$69,000.00	$40,000.00		$40,000.00	$4,246,071.00		
	$68,991.00	$44,000.00		$44,000.00	$4,314,028.00		
	$68,991.00	$42,117.00		$42,117.00	$5,147,048.00		
	$68,991.00	$44,000.00		$44,000.00	$5,671,963.00		
	$68,991.00	$45,833.00		$45,833.00	$6,573,981.00		
	$100,000.00	$52,000.00		$52,000.00	$7,070,575.00		
	$121,750.00	$52,000.00		$52,000.00	$8,314,165.00		
	$106,000.00	$58,522.00		$58,522.00	$9,806,853.00		
	$106,000.00	$52,000.00		$52,000.00	$11,965,318.00		
	$106,000.00	$35,154.00		$35,154.00	$10,574,874.00		
	$106,000.00	$34,376.00		$34,376.00	$11,359,654.00	$75,857.00	$739,340.00
2008	$102,658.00	$48,658.00	$70,000.00	$118,658.00	$12,929,082.00	$31,798.00	
	$190,331.00	$73,279.00	$55,562.00	$128,841.00	$20,006,901.00		$1,189,149.00
	$296,657.00	$81,116.00	$25,684.00	$106,800.00	$26,451,364.00		$1,574,324.00
	$346,948.00	$63,661.00	$42,900.00	$106,561.00	$30,104,175.00		$1,970,776.00
	$346,669.00	$41,594.00	$85,306.00	$126,900.00	$39,355,370.00		$3,208,088.00
	$260,939.00	$45,807.00	$67,893.00	$113,700.00	$38,069,803.00		$3,016,002.00
	$236,436.00	$2,787.00	$114,213.00	$117,000.00	$33,808,239.00		$2,394,559.00
				$0.00			

Professional Training Institute Inc.	Judith Marshall	Lisa Friederich	Brandon Friedrich	James Miller	Aggregate Salaries of Non-Staff Board Members
					$0.00
					$0.00
					$4,000.00
					$5,000.00
		$60,187.00			$0.00
		$67,090.00			$0.00
		$77,990.00			$0.00
		$76,310.00			$13,000.00
		$72,810.00			$13,000.00
		$73,960.00			$0.00
		$74,213.00			$6,000.00
$976,960.00		$79,554.00			$0.00
$404,946.00	$35,169.00	-		$1,235,450.00	$16,000.00
$502,835.00	$40,062.00	-			$40,687.00
$579,301.00	$40,147.00	$77,434.00			$110,283.00
$824,797.00	$37,548.00	$16,956.00			$131,304.00
$478,992.00	$38,875.00	-	-		$163,025.00
$227,500.00	$21,501.00	-	15801		$147,193.00
					$649,492.00

Year	Total Revenue	Total Exenses	Tuition Revenue
1997	$4,294,603	$4,235,152	$4,246,071
1998	$4,503,289	$4,343,403	$4,314,028
1999	$5,206,131	$5,046,120	$5,147,048
2000	$5,671,963	$5,541,318	$5,671,963
2001	$6,573,021	$6,368,109	$6,573,981
2002	$7,070,575	$6,946,165	$7,070,575
2003	$8,314,165	$7,901,257	$8,314,165
2004	$9,816,300	$9,803,362	$9,806,853
2005	$11,981,379	$11,868,398	$11,965,318
2006	$10,633,970	$10,685,259	$10,574,874
2007	$11,405,903	$11,750,180	$11,359,654
2008	$12,941,607	$12,671,423	$12,929,082
2009	$20,064,710	$16,714,940	$20,006,901
2010	$26,505,864	$20,738,029	$26,451,364
2011	$30,126,316	$28,068,738	$30,104,175
2012	$39,476,471	$37,251,367	$39,355,370
2013	$38,336,818	$39,834,234	$38,069,803
2014	$33,664,495	$37,739,724	$33,808,239

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nue
Total Exenses

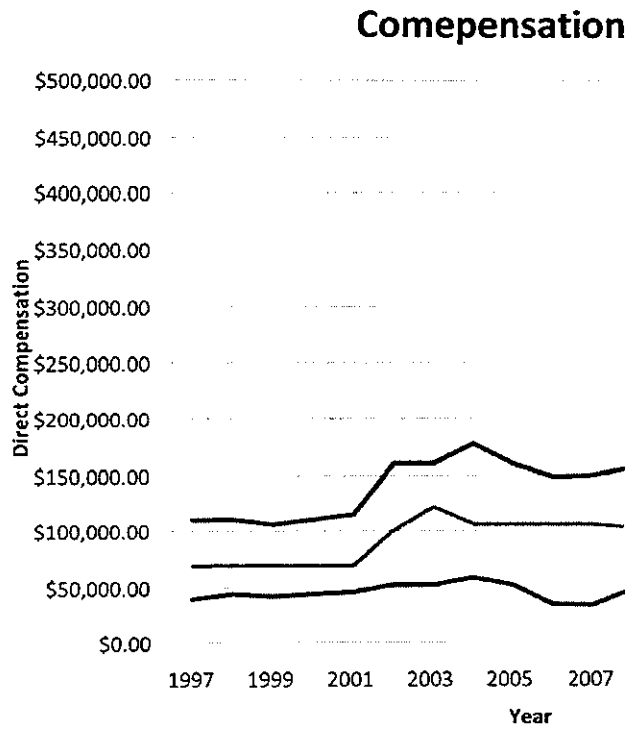
Year	James Miller: Reportable Compensation from the organization	James Miller: Reportable compensation from related organizations	John Mucci: Reportable compensation from the organization	Gayle Miller: Reportable compensation from the organization	Gayle Miller: Reportable compensation from related organizations
2014	$303,014.00	$434,998.00	$236,436.00	$2,787.00	$114,213.00
2013	$341,776.00	$1,016,034.00	$260,939.00	$45,807.00	$67,893.00
2012	$446,669.00	$1,208,749.00	$346,669.00	$41,594.00	$85,306.00
2011	$446,661.00	$487,819.00	$346,948.00	$63,661.00	$42,900.00
2010	$446,240.00	$467,236.00	$296,657.00	$81,116.00	$25,684.00
2009	$248,902.00	$567,138.00	$190,331.00	$73,279.00	$55,562.00
2008	$156,658.00	$354,725.00	$102,658.00	$48,658.00	$70,000.00
2007	$149,750.00	$231,006.00	$106,000.00	$34,376.00	
2006	$148,554.00	$141,454.00	$106,000.00	$35,154.00	
2005	$160,000.00	$0.00	$106,000.00	$52,000.00	
2004	$177,500.00	$0.00	$106,000.00	$58,522.00	
2003	$160,000.00	$519,642.00	$121,750.00	$52,000.00	
2002	$160,000.00	$57,692.00	$100,000.00	$52,000.00	
2001	$114,584.00	$54,500.00	$68,991.00	$45,833.00	
2000	$110,000.00		$68,991.00	$44,000.00	
1999	$105,417.00		$68,991.00	$42,117.00	
1998	$110,000.00		$68,991.00	$44,000.00	
1997	$110,000.00		$69,000.00	$40,000.00	
Total	$3,895,725.00	$5,540,993.00	$2,771,352.00	$856,904.00	$461,558.00

Ronald Holt: Reportable compensation from the organization	Ronald Holt (Attorney)			Employee	Direct Compensation	Indirect Compensation	Total Compensation
$15,000.00				James Miller Jr.	$3,895,725.00	$5,540,993.00	$9,436,718.00
$18,500.00				John Mucci	$2,771,352.00	$0.00	$2,771,352.00
$16,406.00				Gayle Miller	$856,904.00	$461,558.00	$1,318,462.00
$13,167.00				Ronald Holt	$89,073.00	$107,655.00	$196,728.00
$10,000.00							
$3,000.00							
$0.00	$31,798.00						
$2,000.00	$75,857.00						
$0.00							
$4,000.00							
$5,000.00							
$0.00							
$0.00							
$0.00							
$1,000.00							
$1,000.00							
$0.00							
$0.00							
$89,073.00	$107,655.00						

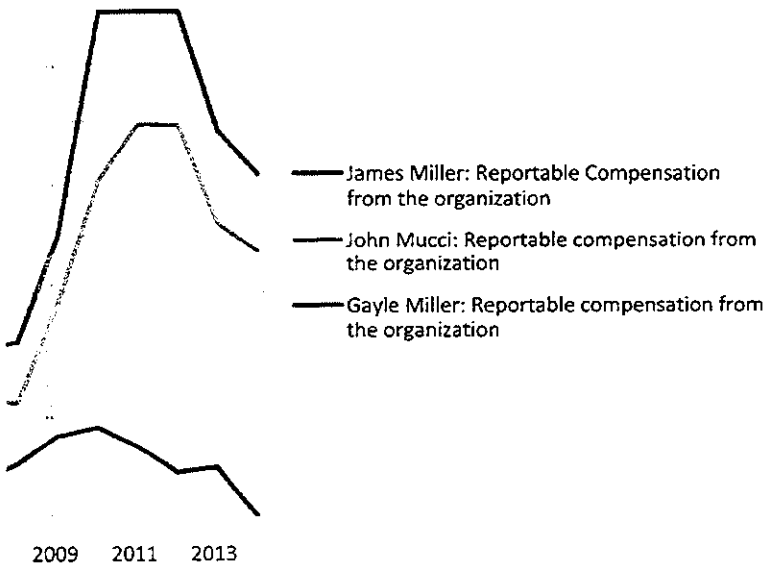
Members of Miller Family Paid By Wright
James Miller Jr.
Gayle Miller
Judith Marshall
Lisa Friederich
Brandon Friedrich

Year	Media Resources Inc.	Professional Training Institute Inc.
2007	$739,340.00	$0.00
2008	$0.00	$976,960.00
2009	$1,189,149.00	$404,946.00
2010	$1,574,324.00	$502,835.00
2011	$1,970,776.00	$579,301.00
2012	$3,208,088.00	$824,797.00
2013	$3,016,002.00	$478,992.00
2014	$2,394,559.00	$227,500.00
Total	$14,092,238.00	$3,995,331.00

Year	James Miller: Reportable Compensation from the organization	John Mucci: Reportable compensation from the organization	Gayle Miller: Reportable compensation from the organization
1997	$110,000.00	$69,000.00	$40,000.00
1998	$110,000.00	$68,991.00	$44,000.00
1999	$105,417.00	$68,991.00	$42,117.00
2000	$110,000.00	$68,991.00	$44,000.00
2001	$114,584.00	$68,991.00	$45,833.00
2002	$160,000.00	$100,000.00	$52,000.00
2003	$160,000.00	$121,750.00	$52,000.00
2004	$177,500.00	$106,000.00	$58,522.00
2005	$160,000.00	$106,000.00	$52,000.00
2006	$148,554.00	$106,000.00	$35,154.00
2007	$149,750.00	$106,000.00	$34,376.00
2008	$156,658.00	$102,658.00	$48,658.00
2009	$248,902.00	$190,331.00	$73,279.00
2010	$446,240.00	$296,657.00	$81,116.00
2011	$446,661.00	$346,948.00	$63,661.00
2012	$446,669.00	$346,669.00	$41,594.00
2013	$341,776.00	$260,939.00	$45,807.00
2014	$303,014.00	$236,436.00	$2,787.00



of Key Staff Members



Year	Aggregate Payments to Non-Staff Board Members	Net Assets	Total Reve
1997	$ -	$ 513,588.00	4294603
1998	$ -	$ 673,474.00	4503289
1999	$ 4,000.00	$ 836,303.00	5206131
2000	$ 5,000.00	$ 966,948.00	5671963
2001	$ -	$ 1,171,860.00	6573021
2002	$ -	$ 1,296,270.00	7070575
2003	$ -	$ 1,709,178.00	8314165
2004	$ 13,000.00	$ 1,722,116.00	9816300
2005	$ 13,000.00	$ 4,089,745.00	11981379
2006	$ -	$ 1,783,808.00	10633970
2007	$ 6,000.00	$ 1,439,531.00	11405903
2008	$ -	$ 1,709,718.00	12941607
2009	$ 16,000.00	$ 5,059,488.00	20064710
2010	$ 40,687.00	$ 10,827,323.00	26505864
2011	$ 110,283.00	$ 12,863,315.00	30126316
2012	$ 131,304.00	$ 15,229,343.00	39476471
2013	$ 163,025.00	$ 14,085,131.00	38336818
2014	$ 147,193.00	$ 10,142,564.00	33664495

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ments to Non-Staff Board
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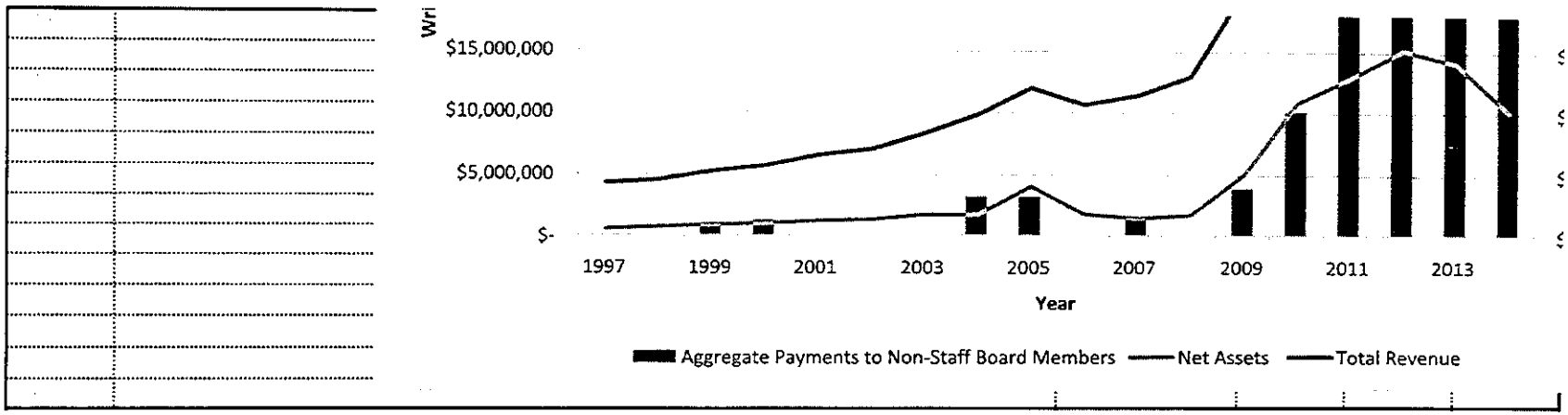
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Net Assets
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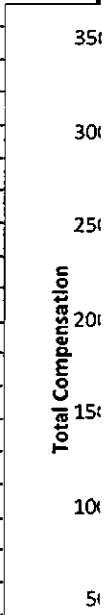
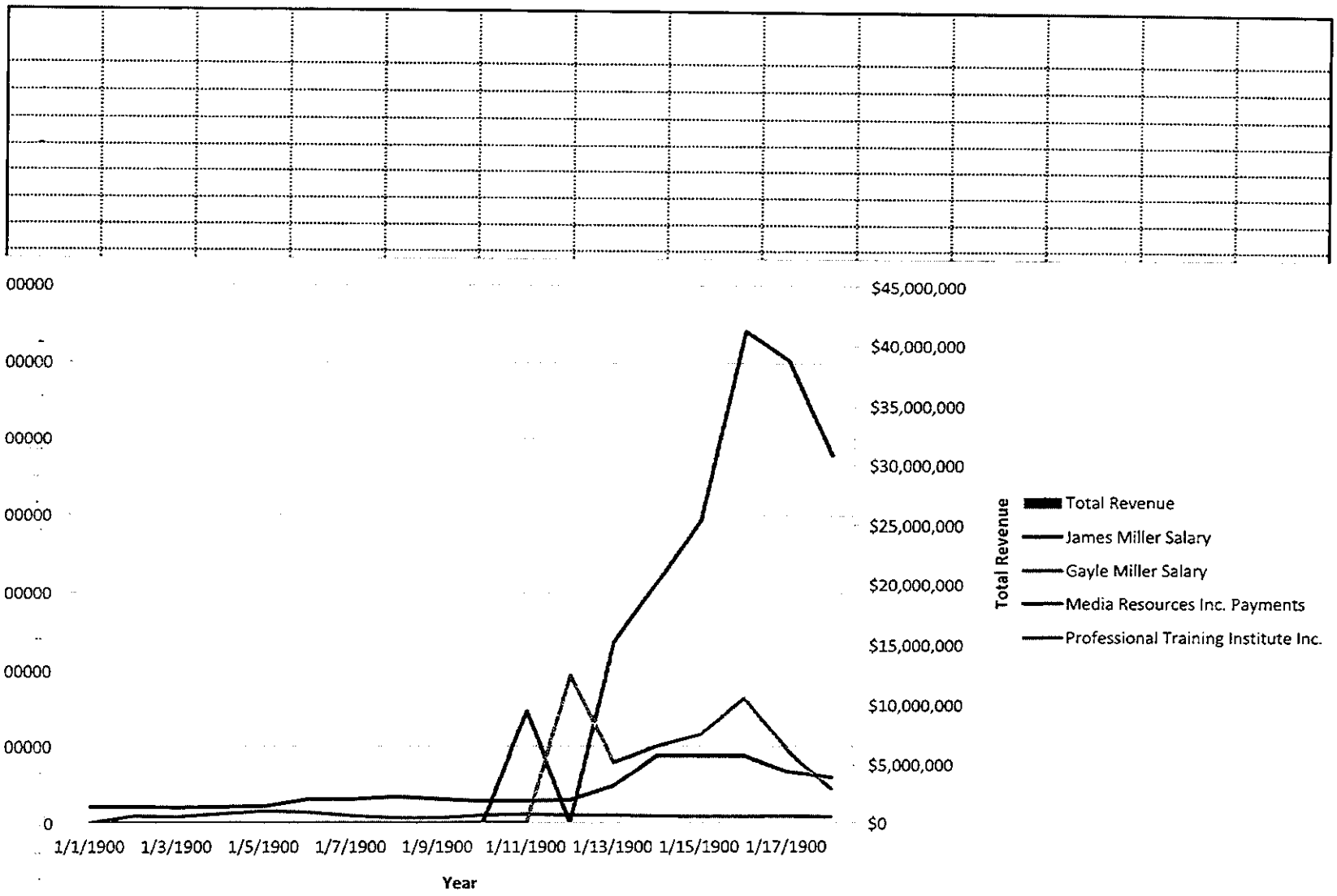
Aggregate Payr

Year	Total Revenue	James Miller Salary	Gayle Miller Salary	Media Resources Inc. Pa	Professional Training Institute Inc. Payments
1997	$4,294,603	$110,000.00	$2,787.00	0	0
1998	$4,503,289	$110,000.00	$45,807.00	0	0
1999	$5,206,131	$105,417.00	$41,594.00	0	0
2000	$5,671,963	$110,000.00	$63,661.00	0	0
2001	$6,573,021	$114,584.00	$81,116.00	0	0
2002	$7,070,575	$160,000.00	$73,279.00	0	0
2003	$8,314,165	$160,000.00	$48,658.00	0	0
2004	$9,816,300	$177,500.00	$34,376.00	0	0
2005	$11,981,379	$160,000.00	$35,154.00	0	0
2006	$10,633,970	$148,554.00	$52,000.00	0	0
2007	$11,405,903	$149,750.00	$58,522.00	739340	0
2008	$12,941,607	$156,658.00	$52,000.00	0	976960
2009	$20,064,710	$248,902.00	$52,000.00	1189149	404946
2010	$26,505,864	$446,240.00	$45,833.00	1574324	502835
2011	$30,126,316	$446,661.00	$44,000.00	1970776	579301
2012	$39,476,471	$446,669.00	$42,117.00	3208088	824797
2013	$38,336,818	$341,776.00	$44,000.00	3016002	478992
2014	$33,664,495	$303,014.00	$40,000.00	2394559	227500

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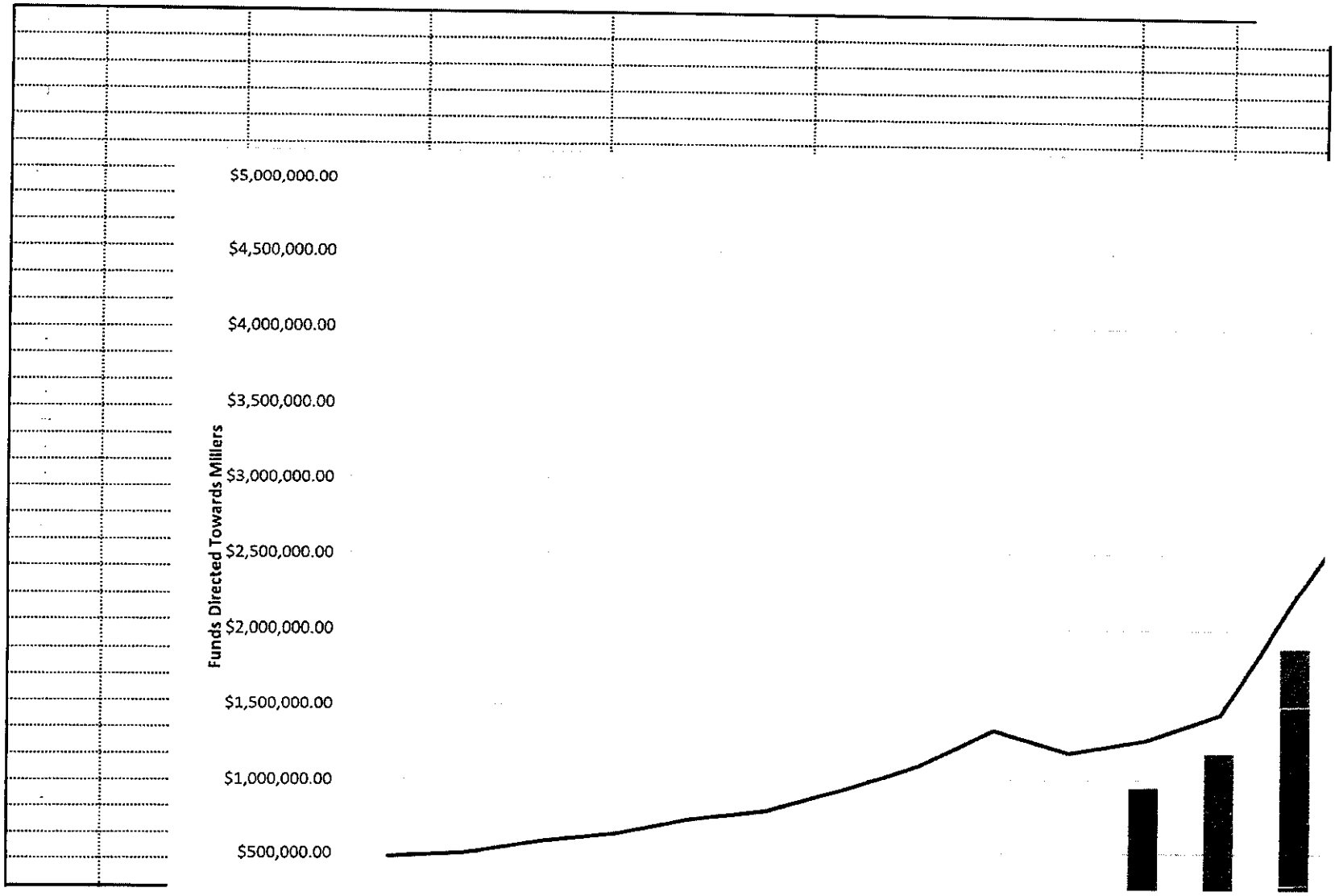
Year
Total Revenue
Total Revenue
James Miller Salary
Gayle Miller Salary
Media Resources Inc. Payments
Professional Training Institute Inc.

Payments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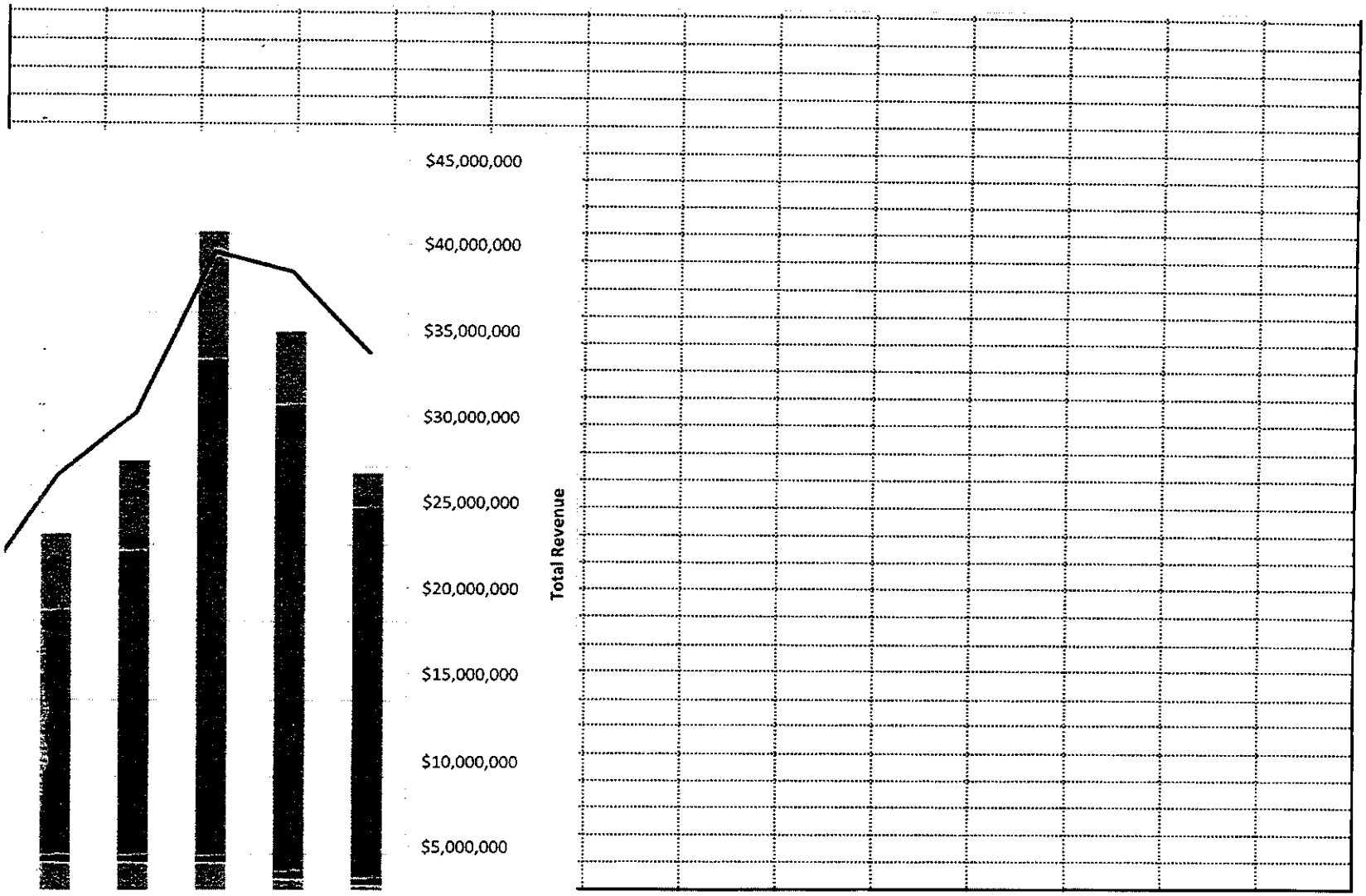
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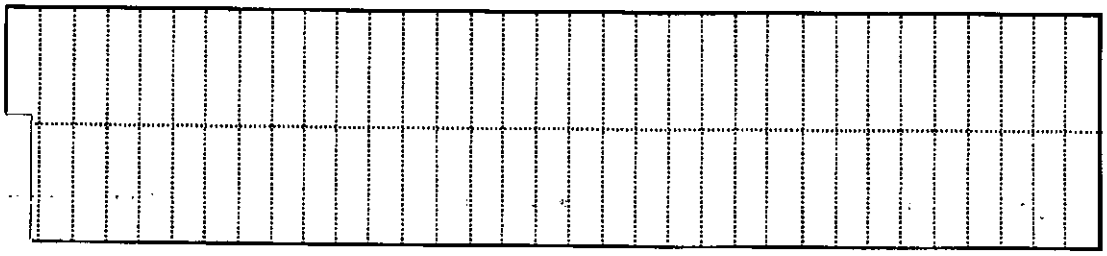

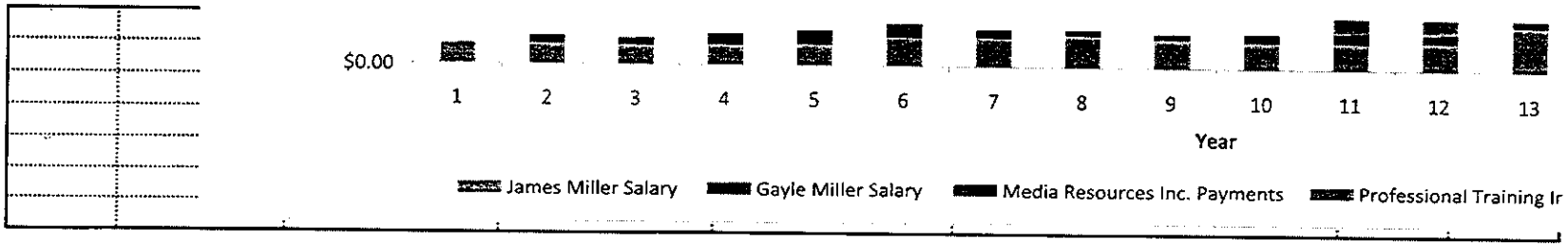
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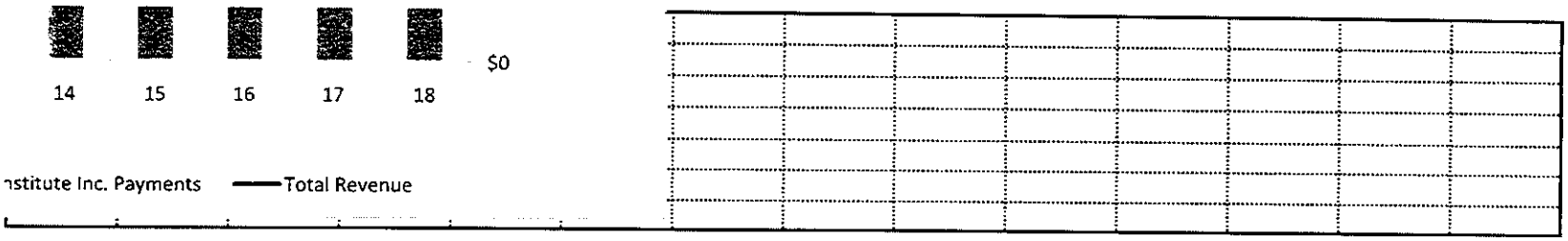
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Total Revenue

THE CENTURY FOUNDATION

COMMENTARY FOR-PROFIT EDUCATION

Was Wright Wrong? Early Warnings of Covert For-Profit Colleges

NOVEMBER 14, 2017

In last week's report from The Century Foundation (TCF) analyzing fraud complaints from student loan borrowers, Yan Cao and Tariq Habash identify the companies and colleges that have generated the most borrower requests for loan cancellation based on fraud by the school. Most of the complaints—more than 98 percent of them—are about for-profit colleges. And the schools with the most complaints are the for-profit colleges that have been on the radar screen of law enforcement and consumer advocates for some time, including Corinthian Colleges, ITT Tech, DeVry, the Art Institutes, University of Phoenix, Westwood, and Kaplan University.

Among the fifty-two companies with twenty complaints or more, there are five nonprofit institutions (no public ones). Some of those nonprofit schools were known bad actors, too, like Everglades College and Remington College, which were both featured in TCF's 2015 report, "The Covert For-Profit." Covert for-profit colleges claim to be nonprofit but continue to be controlled by people with a direct or indirect financial interest in maximizing the school's revenues. Remington College, for example, is controlled by an Arkansas investment firm, Stephens Inc., which uses offshore trusts and shell companies to dodge taxes, as the *New York Times* revealed last week as part of its ongoing investigation of the Paradise Papers.[1]

But Wright Career College—the nonprofit with the most borrower defense claims as of August 15, 2017—was a sleeper until it emerged in the complaint data.[2]

Wright Career College was the business name of Mission Group Kansas, Inc., a nonprofit corporation. Wright enrolled three thousands students at five campuses in Kansas, Nebraska, and Oklahoma in the 2014–15 academic year.[3] By October 2014, 199 its former students had come forward to sue the school, alleging that Wright "entices prospective students to enroll and apply for student loans they cannot pay back through a systematic, deceptive marketing scheme."[4] Wright initially denied wrongdoing, pointing to its accreditation by Accrediting Council for Independent Colleges and Schools (ACICS), which was then a government-recognized accreditor.[5] But then, in April 2016, the college shut its doors and sought bankruptcy protection.[6] Insurers for Wright and Mission Group Kansas eventually paid $3 million to settle the former students' claims.[7]

Our post-mortem research on the school reveals that while Wright claimed to be operating as a nonprofit, it may have actually been one of the earliest covert for-profit colleges participating in the federal student aid program.

While Wright claimed to be operating as a nonprofit, it may have actually been one of the earliest covert for-profit colleges participating in the federal student aid program.

Wright Career College got its start in 1989, when James Miller, Jr. gained a controlling interest in a school based in Kansas City, Missouri that he re-named Wright Business College, and later Wright Career College.[8] The environment for for-profit higher education at the time was hostile; the Ronald Reagan administration had sounded the alarm over the outsized role that for-profit schools had played in the dramatic rise in defaults on student loans in the 1980s. Calling the behavior of for-profit schools shameful and tragic, Secretary of Education William Bennett wrote in a letter to Senator Edward Kennedy that

investigations revealed stories of "semi-literate high school dropouts lured to enroll in expensive training programs with false promises of lucrative jobs, only to have their hopes for a better future cruelly dashed," as well as "falsified scores on entrance exams, poor quality training, and harsh refund policies."[9] The scandals eventually led to reforms adopted by Congress and signed into law by George H. W. Bush in 1992.

Among the 1992 reforms was a requirement aimed at ensuring that for-profit schools had at least some students who were affirming the value of the education by paying school costs out of pocket or with the help of employers. The so-called "85-15 Rule" required for-profit schools to show that at least 15 percent of their revenue came from sources other than federally funded Higher Education Act programs.[10] Just before the 85-15 rule was about to take effect in 1994, Miller, the owner of Wright Career College, filed an application with the IRS to convert the school—which relied heavily on federal grants and loans—into a nonprofit that would not be subject to the requirement.[11] In its application for tax-exempt status, the owners describe the impending 85-15 rule as the reason for their rush to convert. Word of this regulatory evasion tactic must have spread quickly, because Wright's lawyers noted, in the school's nonprofit application to the IRS, that they knew of "several other schools that recently converted."

A good-faith conversion to nonprofit control can be a good development for students and the public. Nonprofits commit all of their revenue to their educational or charitable purpose, and the adoption of nonprofit accountability is designed to eliminate the conflicts of interest that incentivize some for-profit school owners to overcharge students or under-invest in a school's educational programs. In a legitimate nonprofit, the controlling board lacks ownership-like financial interests. But from its earliest years, rather than a having a financially disinterested board of trustees, much of Wright Career College's board consisted of paid staff members, including James Miller himself, his former wife Gayle Miller, and John Mucci, all of whom continued to sit on the school's governing body until it closed last year. James Miller served as CEO, Gayle Miller as vice president and then trustee, and John Mucci as president. Tax filings from 2014, uncovered in Mucci's petition to reduce his alimony obligations, revealed that James Miller, Jr. ($743,295), Gayle Miller ($122,283), and John Mucci ($241,719) collectively paid themselves over $1 million from the budgets of Wright-related organizations, even as legal challenges mounted against the bankruptcy-bound school.[12]

Ronald Holt—a Missouri-based attorney who represents for-profit colleges and works closely with the national for-profit college lobbying organization[13]—also sat on the board continuously since 1997 and, in 1999, began intermittently receiving payment for both his time and legal guidance to Wright.[14] As board members and employees, the Millers and other Wright affiliates could direct institutional funds into their own salaries while claiming tax-exempt status for the organizations they closely controlled.

Wright Career College also contracted extensively with for-profit corporations owned by the college's trustees. Between 2007 and 2013, Wright paid $14 million to the Miller-owned corporation Media Resources Inc. reportedly for advertising expenses, on top of the over $2.6 million paid directly to the couple as salaries during this period. In 2012, approximately 10 percent of Wright's $37 million operating budget went into bank accounts the Millers controlled. In response to an inquiry from TCF, Wright's attorney insisted that these expenditures were at or below market rates.

In the 1994 back-and-forth between the IRS and Wright over the conversion, there was plenty of evidence that the owners were intent on maintaining ownership-like control. In three letters sent to Miller between September and November, specialist Rita Tasuly in the Dallas, Texas office of the IRS questioned the fairness of the financial appraisal Wright provided, pushed Miller to expand the nonprofit's four-person board, and inquired about the independence of Wright's outside contractors.

In response to the IRS's questions, Miller and his team made some changes to the organization's proposal and promised to improve, especially concerning independent oversight.[15] In particular, Miller's team said in 1994 that the bylaws had been changed to expand the board to at least nine members, and that the organization "was attempting to fill" the five vacancies on the board. After this promise, as well as additional letters and phone calls, the IRS approved the group's tax-exempt status. But it was not until 2011—seventeen years later—that Wright actually got around to meeting this promise.

Conversion to nonprofit status accomplished Wright's goal of skirting the 85-15 Rule, which would have limited the school's reliance on federal aid, and the school took maximum advantage of this freedom. During the 2013-14 school year, a whopping 95 percent of first-time, full-time Wright students received federal Pell grants, compared to just a third on average at nonprofit institutions, 38 percent at public ones, and 74 percent at for-profits.[16] Wright's student loan default rate of 21 percent reported last year far exceeds both the national average of 12 percent, as well as the 16 percent average among for-profit institutions.[17]

The experience of Brian Wroten, a former student, illustrates why Wright's default rates are high. Brian saw a television ad for Wright while he was recovering from cancer treatment. He enrolled after a recruiter told him that students graduated to starting salaries in the $60,000-$70,000 range, and that Brian would soon be making over $100,000. At Wright, Brian, who had worked as a certified electrician and in sales prior to enrolling, observed that many fellow students "couldn't write legibly or do basic math." After completing his courses, Brian learned that Wright recruiters had lied about his earning potential: medical employers were wary of Wright graduates, and even if he could find a medical technician job, starting salaries were actually in the range of $40,000—barely enough for Brian to stay current on his ballooning student debt. Brian fell back on his skills as a handyman, and describes Wright as "the biggest mistake of my life."[18] Based on data from the Department of Education and published by TCF, former Wright students like Brian filed forty-four fraud-based claims for debt relief as of August 15, 2017, making it the nonprofit school that has garnered the highest number of such claims. Humphrey, Farrington & McClain, the law firm that represented Wright students in a case against the school, is preparing material for an additional 182 students' borrower defense claims, including Brian's.

Based on data from the Department of Education and published by TCF, former Wright students like Brian filed forty-four fraud-based claims for debt relief as of August 15, 2017, making it the nonprofit school that has garnered the highest number of such claims.

When Wright closed in spring 2016, it left staff members suddenly unemployed and it stranded students in the midst of finals, unsure whether they would be able to transfer their credits to another institution, and uncertain whether they would be able to continue their educations. Before closing, Wright appeared on the U.S. Department of Education's list of colleges under scrutiny for financial reasons, but the department's heightened monitoring of Wright's cash flow did not protect unsuspecting students.[19] Neither did Wright's accreditor, ACICS, which subsequently lost recognition as a gatekeeper of federal funds in August 2016[20] after the Department of Education found that it consistently failed to protect students and taxpayers from problem schools.[21]

Now, as former Wright students seek relief in numbers that are unsurpassed among other nonprofit institutions, regulators should maintain a watchful eye on other known bad actors seeking to cloak themselves with nonprofit status.

Click here to view and download the full data received in response to TCF's public records request.

Editors' Note: In our original version of this article, we mistakenly referred to an alimony modification as James Miller's. The petition was John Mucci's. This has been corrected in the text. Furthermore, we have added new information that Brian Woten is among 182 Wright students currently working with Humphrey, Farrington & McClain to file additional borrower defense claims in the near future.

Notes

1. Max Brantley, "Warren Stephens' Offshore Investment Turns Up In Paradise Papers," *Arkansas Times*, November 7, 2017. https://www.arktimes.com/ArkansasBlog/archives/2017/11/07/warren-stephens-offshore-investment-turns-up-in-paradise-papers.
2. The other two nonprofit institutions with twenty or more fraud claims were Mountain State University and Dowling College, both of which have closed.
3. Based on 2015 data reported by institutions to the Integrated Postsecondary Data System, National Center for Education Statistics, https://nces.ed.gov/ipeds/datacenter/Default.aspx.
4. "Nearly 200 Students Sue Overland Park-based Wright Career College," *Kansas City Star*, October 12, 2014, http://www.kansascity.com/news/local/article2693742.html.
5. Ibid.
6. "Closure of Wright Career College," Federal Student Aid, United States Department of Education, https://studentaid.ed.gov/sa/about/announcements/wright.
7. Mará Rose Williams, "Wright Career College fraud lawsuit has paid out $3 million to former students," *Kansas City Star*, August 25, 2017, http://www.kansascity.com/latest-news/article169414932.html.
8. Miller had been part-owner of a school since 1979, and the shareholders divided the company in 1989, according to a response TCF received from the Sader Law Firm on behalf of the school.
9. Quoted in "Bennett Cites Abuses, Defaults at Proprietary Schools," *Higher Education & National Affairs*, American Council on cation, February 15, 1988.
10. This later became the 90–10 Rule, as the requirement was loosened.

11. In its application for tax-exempt status, the owners describe the impending 85–15 rule as the reason for their rush to convert. The application and other IRS documents, which were provided to TCF by the IRS, are available in the folder at this link: https://drive.google.com/open?id=0B-X_3zE34qTOcEc0SVFrZGRpZ1k.

12. Barbara Shelly, "Wright Career College is gone, but its students are still at the fringe of the job market — and so is Wright's former president, if you believe his alimony petition," *The Pitch*, June 12, 2017, http://www.pitch.com/news/article/20864381/wright-career-college-is-gone-but-its-students-are-still-at-the-fringe-of-the-job-market-and-so-is-wrights-former-president-if-you-believe-his-alimony-petition.

13. Holt's professional biography lists affiliations with the Association of Private Sector Colleges and Universities that date back to 2000. See, Ronald L. Holt, Dunn & Davison LLC, http://www.dunndavison.com/ronaldlholt.html.

14. Holt received payment for sitting on the board in 1999, 2000, 2004, 2005, 2007, 2009, 2010, 2011, 2012, 2013, and 2014, as well as payments for legal services in 2007 and 2008. The law firm representing the school points out, in a response to TCF, that Holt "was compensated for his separate legal services provided to the corporation at a lower rate than his standard published rate." Holt also presented at the Association of Private Sector Colleges and Universities conference in June 2016 on appeals schools may face regarding the newly enacted gainful employment regulation.

15. In 1994, the four board members were James Miller, Gayle Miller, John Mucci, and James Coyte, the latter two of whom were vice presidents of both Wright Career College and Mission Group Kansas Inc, and all of whom were officers in firms that Wright paid as contractors.

16. Based on 2013–14 data reported by institutions to the Integrated Postsecondary Data System, National Center for Education Statistics; National Center for Education Statistics, The Condition of Education, "Sources of Financial Aid," and 2014-2015 data for Wright Career College, http://nces.ed.gov/ipeds/.

17. Based on 2015 data reported by institutions to the Integrated Postsecondary Data System, National Center for Education Statistics; Department of Education, "Cohort Default Rate Continues to Drop Across All Higher Ed Sectors," September 30, 2015, http://www.ed.gov/news/press-releases/cohort-default-rate-continues-drop-across-all-higher-ed-sectors.

18. Barbara Shelley, "Wright Career College is gone, but its students are still at the fringe of the job market—and so is Wright's former president, if you believe his alimony petition," *The Pitch*, June 12, 2017, http://www.pitch.com/news/article/20864381/wright-career-college-is-gone-but-its-students-are-still-at-the-fringe-of-the-job-market-and-so-is-wrights-former-president-if-you-believe-his-alimony-petition.

19. The U.S. Department of Education consistently reported placing Wright under Heightened Cash Monitoring (HCM) since the Department began making this information publicly accessible in March 2015. HCM is a step federal regulators can take with institutions to provide additional oversight for a number of financial or federal compliance issues ("Heightened Cash Monitoring," United States Department of Education, https://studentaid.ed.gov/sa/about/data-center/school/hcm).

20. Lauren Camera, "Education Department Strips Authority of Largest For-Profit Accreditor," *U.S. News*, September 22, 2016, http://www.usnews.com/news/articles/2016-09-22/education-department-strips-authority-of-acics-the-largest-for-profit-college-accreditor.

21. ASICS appealed the Obama Department of Education's decision to strip the accreditor of recognition, and applied to the Trump Department of Education to be recognized once. Paul Fain, "Terminated Accreditor Applies for Recognition," *Inside Higher Education*, September 14, 2017, https://www.insidehighered.com/quicktakes/2017/09/14/terminated-accreditor-applies-recognition.

Margaret Mattes, Contributor

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Robert Shireman, Senior Fellow

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Carie Crim

Spring Hill, KS 66083

1/13/17

In the early Spring of 2010 I had decided to enroll in Wright Career College's Surgical Technician Diploma program in hopes of obtaining a better paying, more satisfying career in the medical field. I was currently working as a Pharmacy Technician. When I went in for the initial meeting with the recruiter (Her name was Leslie Lucito), she informed me that the average starting pay for Surgical Technicians was $18.00-$30.00 per hour. She then advised me how the program worked as far as 3 semesters, 15 weeks per semester, and an externship as well as job placement assistance. She gave me the course catalog which states the pricing for all of their various programs. Surgical Tech was in the $16,000.00 range.

Knowing I would need to obtain financial assistance, I applied for a Pell Grant. I was given just over $8000.00 from that which was the max I could qualify for based on the information I provided to them (i.e. tax records, income information...). I started classes in May of 2010. I never missed a class, was never late to class, and finished with a 4.0 GPA. Therefore, the pell grant should have been deducted from my loans. It wasn't. What did WCC do with that money they received on my behalf from the government??? My final loans came back over $17,000!!!

Throughout my time there, I have no complaints about the staff other than the Deans and the Externship Coordinator. (And the financial dept as well as stated above). There were constantly new deans. I can say for sure there were at least 3 different academic Deans through the time I was there. The instructors were all very nice and helpful. Later, I found out that the instructors they hired for this program were not teachers at all; rather they were just people with experience in the field. However, the "lab" classes I feel were not sufficient in the way that they did not have adequate equipment and supplies for us to utilize in practicing various surgeries. I know that they later moved their organization to a bigger place where they possibly had more things to use, but I attended WCC when they were at the previous location off of I-435 and Roe Ave. The lab was very small, and with 5 new students coming in every 3 weeks, it became very crowded and our time to use materials to practice was therefore very limited.

When it came time for the graduation ceremony, one of the Deans (I believe her name was Pat) called me and asked if I had planned to participate in the ceremony as it was optional. I told her

yes. She called again and asked me the same thing a couple weeks later. When I went in to pick up my cap and gown, they told me they had overpaid me by $50 on my last refund check (checks issued in the 10th week of each semester to help with living expenses while in school) and that I would have to pay them the $50 in order to graduate. I told them my lawyer will say otherwise. They gave me my cap and gown. My name was misspelled on the program. They also did not have me listed as an honor student and I had to argue with them the day of the ceremony to provide me with the extra gold rope that students graduating with honors were going to be wearing. They had to check their records at the school to verify I was supposed to be listed accordingly.

They (WCC) also made me pay just under $500.00 to "hold my seat for the second semester" or I couldn't continue. I paid that with a cashier's check in which the stub is in the rest of the supporting documents I have provided to the McClain Law Firm. Other students said they didn't pay it and the school did not keep them from continuing the program.

When I finished the classroom portion of the program in Dec 2010, I was then supposed to be set up on an externship site. WCC did not have enough sites for all of the students they enrolled. Finally, in March of 2012, I was placed at an oral surgeons office. (3 months after completing classroom requirements.) I felt cheated. I did not want my only externship experience to be pulling teeth! The coordinator at the time, Jodi Hovey, was never available. Always had the "Out on site visits, call me on my cell" note on her office door. Rarely returned phone calls. She never visited my site. Not once. After completing 150 hours of the 450 required, I was finally transferred to Research Medical Center to complete the remainder of my externship. Being that I worked really hard throughout school, I thought I was prepared to step in and assist with surgery. Come to find out, we just received a very basic amount of training. Only learned 200 instruments. There are many more that I was unaware what they were called so when the Doctor would ask for something, I didn't always know what they were asking for which lead to me feeling completely inadequate and stupid.

I tried to learn every day, however, a Surg Tech is shuffled between surgeons, and procedures so much that it was very difficult to remember everything. In one day I would be doing anything from a DNC, to Vascular surgery, then over to orthopedics etc.... Had I been better prepared with a better education, it may have been different.

So this program that was advertised as taking 10 months to complete, took me from May 2010 until June 2012 to complete! Just because they did not have enough sites to place all of the students post-classroom work. Job placement assistance? Ha! They would look over your resume for you but that was about it.

I did get a job at Shawnee Mission Surgery Center in October 2012. I quit in March 2013 due to severe anxiety which stemmed from not being adequately prepared beforehand. My starting pay was $15.32 an hour, not $18.00-$30.00 as was told to me prior to enrollment. I was working in all aspects of surgery from Plastics, Ortho, General, Urinary,.....never given the chance to stick in one aspect for a bit until I learned those physicians and how they do things. I was bounced back and forth constantly so I struggled to remember all of the foreign things I was not taught at WCC.

I am currently a Leasing Manager. I actually make better money than I did at Surgical Tech. My loans are current as we have paid on them continuously. As of my latest statement from the DOE, my balance is $12,060.33. My regular monthly payment amount is $132.02.

The impact that WCC had on my life....it was basically a complete lie from the beginning. They wasted my time, stole money, and provided a less than sufficient education. Their financial department was clearly scamming students, and the government, left and right. When students would apply for jobs and prospective employers would see WCC as the source of your education, they were not impressed. They knew that students coming from WCC were not prepared as they should be. I worked so hard to be in class EVERY day and complete assignments on time....I did my part. They just wanted someone else to scam money out of while also scamming money out of the government. I feel completely ripped off by WCC, and if I would have known how they operated, I would never have gone there. I would never have recommended anyone go there if I was asked. I wasted over 2 years of my life for a program that was advertised as a program in which was supposed to be completed within a 10 month time frame. Now, I am wasting my money paying back the loans that were not correct and for a service that was not provided as advertised by their recruiters.

Carie Crim 1-13-17

Carie Crim

01/17/2017

To whom it may concern,

I am writing to explain what my time at Wright Career College was like and why I am hoping my loans from that college will be forgiven. I am originally from a small town in Kansas. I went straight to Cloud County Community College in Concordia, KS after high school and majored in Elementary Education. After a year at CCCC, I got married to a member of the military and moved to Clarksville, TN. That's where I originally got interested in the medical field. I took a tour of Miller Motte Technical College and was immediately excited. I enrolled in the Surgical Technology program immediately. At Miller Motte, surgical technology is a 2 year program. I loved the program there and felt like it would really prepare me for the real world in that field. I completed 1 year there when my husband was going to get deployed.

We decided as a couple that it was best if I moved back to our home state of Kansas while he was overseas. I researched several schools in the state that had surgical technology programs. I came upon Wright Career College on the internet. I called and drove down to Overland Park to meet with the administrative personnel. I met with a member named Mike/Michael. He was very optimistic about the program and told me how good of a reputation the school had. He also said they would work with my MYCAA grant since I was married to a military member, guarantee a job after graduation, guarantee hands-on experience, and showed me the starting rates for a surgical technologist in the Kansas City area. I was very excited to begin the program at that point. (From what I have heard, Mike/Michael has since passed away.)

Soon after I enrolled, I began wondering if I had made the right choice. The environment at the school was very unwelcoming. I was very scared to even walk in the hallways alone. I had become friends with a few classmates, and we always walked in and out together to ensure safety. The parking lot was also a place that made me uncomfortable. There was an incident where I was walking out to my car when a stranger came running out from the building (a student) and proceeded to pull down my pants. I was humiliated and drove home as fast as I could.

The classroom was also not what I expected. The instructors did not seem like they were knowledgeable or had experience in the field. Students would often ask certain teachers tough questions just to see them flinch and not know the answer. I felt like the only thing I learned in school was a few surgical instruments. I debated on dropping out of the program, but I knew that either way I would have the school loans, so I decided to remain optimistic and make the most out of it. At times, I even emailed my old instructors from Miller Motte to get their opinion on things that our school or instructor was doing. They were very confused and not impressed with the things WCC was doing/teaching us.

Another aspect of my time at WCC that was very discouraging was the financial aid process. The fees highly exceeded what was expected, and the financial aid department constantly had a line out the door of people waiting to receive checks. I had many questions regarding the MYCAA grant that I was promised I would receive. I was in this department at least once a month during the first 6 months of school, and

probably once a week during the last few months of school. I normally dealt with an individual named Vivian. She must have been the supervisor of the department. Although I was promised when I enrolled that they would figure out this grant, the financial aid department had absolutely no idea what I was talking about. I had done lots of research on this grant, and I wanted to be 100% sure that I received it. After several months of checking up with Vivian, I became discouraged that I would ever receive this grant. The grant was usually based on semesters, and from what I understood you could receive up to a certain amount towards tuition for a certain amount of semesters or time in school. I attended WCC and graduated in approximately 10 months, and during this time I never once received clarity of the grant status. Vivian never followed through after I would email/call/go to her office to find out the status. I graduated thinking that I would never receive the MYCAA benefits. Even after I graduated, I continued to call Vivian at least once a week. I believed that I deserved this grant that I was promised. It was approximately 6 months after I graduated when I called Vivian and she told me that they finally got it all straightened out and I would receive a check. Due to their inexperience and lack of knowledge of the grant, I believe that I missed out on this opportunity and that I could have received payment of more and sooner than what I did. I needed this money the most when I was in school, not 6 months after graduation.

Although the previous mentions were very frustrating, none of them were what troubled me the most. When I enrolled, I was promised that we would get hands on experience in the operating room and that we would be prepared for the real world job. That is not at all what happened. I did my externship in the sterile processing department at a hospital. This is not what I went to school for. I went to school for surgical technology, which is preparing instruments in the operating room, using aseptic technique when passing instruments to surgeons, and cleaning up the operating room after surgeries. All I did during my externship was clean instruments in the sterile processing department. This gave me absolutely no preparation for a surgical technology job except handling instruments. I learned how bad WCC's reputation was from colleagues/superiors at the hospital where I completed my externship. While students from WCC were forced to stay in the sterile processing department, students from other schools in the area were allowed to actually practice surgical technology in the operating rooms. I had several colleagues at the hospital ask me if I knew how bad that school was and told me I would never find an actual surgical technology job due to the school's bad reputation.

I stuck it out during my externship in the sterile processing department. I was miserable and very unhappy with what I was doing. After graduation, my husband and I decided to move back closer to home as he recently returned home from overseas. I called hospitals near my home town and got an interview at Hays Medical Center in Hays, KS. They offered me the job without experience, and I was shocked. We moved there within a few weeks and I started my job a surgical technologist. This was the first time that I had actually scrubbed and set up OR rooms. This was a very tough time for me. Within a few weeks, I realized that I had absolutely no clue what I was doing. This is not a job where you can mess up. If you mess up or contaminate things in the operating room, you could give patients serious infections or even kill them. I went home almost every day in tears feeling like a failure, although deep down I knew it wasn't my lack of trying, but my lack of preparation from school. I stuck out the job for

about 2 ½ months when I decided it was no longer worth it to risk peoples' lives for my confidence.

At this time, I decided to move back home to Downs, KS. I took back my old high school job as a cashier at a gas station. This was a low point in my life. I didn't understand after how much debt I had in student loans, why I was working at a gas station. People constantly asked me why I was back working there when they knew I had graduated with a surgical technology degree. I continued working at the gas station for about a year when there was an opening at nearby hospital for a surgical technologist. I inquired to find out the details of the job. I interviewed and found out that this position was more of an office position for small procedures like lesion removals. I decided to give surgical technology another try. I checked patients back into rooms, and usually helped perform small lesion removals in the office and sometimes colonoscopies/esophagogastroduodenoscopies. I was able to maintain this position for about 2 months when I felt like I was continuing to put patients at risk. I talked to HR and since I was a good worker, they let me learn medical coding/billing in the office. I enjoyed this job a lot and didn't feel like I was endangering patients anymore. I worked as a medical/coder biller for nearly 3 years when I wasn't feeling satisfied.

I had nearly all of my gen-ed requirements completed for my elementary education degree that I had started years ago. I decided to finish this degree from Western Governors University. This program was completely online and allowed me to continue working full time as I could not afford any more pricey student loans or not working full time. I completed this degree in Dec, 2015. I found a job in Salina, KS for an adaptive special education teacher. I have nearly completed my first year of teaching and couldn't be happier. Although it is stressful at times, I feel that the online program through WGU was so much more comprehensive than the program at WCC. I feel that WCC has me buried in student loans that I will never get any use of. I will never be able to use my surgical technology degree. The program did not prepare me for any real world job in the field. The only thing it provided me was a huge amount of student loan debt and self-doubt as I never felt prepared in the field and constantly felt like I was putting patients' lives at risk. I have nearly $32,000 in student loans, majority of which is from WCC. These loans are useless to me. I think it was a blessing that this school was shut down. If my loans from Wright Career College were forgiven, it would change my life. Please take all of this into consideration and thank you so much for your time.

Sincerely,

Raegan Garey
Salina, Kansas

ADDENDUM

SECTION IV: BASIS FOR BORROWER DEFENSE

EMPLOYMENT PROSPECTS / CAREER SERVICES:

An enrollment specialist named Lindsay Morrical assisted me with the enrollment process including a brief campus tour and financial aid details. These few visits occurred before agreeing to attend. During these visits Ms. Morrical detailed how the school had a very high completion and graduation rate, I believe she stated 98% graduation rate. During the campus tour we passed an office that specialized in employment assistance. I inquired to what services they could provide and she responded to me that not only do they help with part-time job assistance during semester for students but also there was *job placement assistance* for graduate students upon program completion. She went on to explain that this service was to help graduate students transition from vocational academic studies into positions with various companies around the Wichita area who they partnered with. She explained that these companies resourced Wright College students near graduation to fill vacancies within their organizations and remarked that the school focuses on making sure every one of their graduating students are ready-to-hire or hired by the time they graduate. She didn't give exact percentage of this aspect, however stated that "virtually every student who graduates from Wright gets hired and 9 out of 10 are employed in their field of study." Thus, after more discussion it seemed very clear that Wright offered a fairly secure opportunity for me to obtain employment after studying and completing the academic studies with their school. As I continued to inquire how this worked, Lindsay explained that upon graduation that this particular department and faculty member would assist me in obtaining a job with one of many companies around the local area doing whatever particular degree or certificate I acquired and graduated with. I left that day with the understanding that if I were to complete the degree with Wright, that when I graduated Wright would be able to assign me into gainful employment with a company doing what I studied and trained to do with them. Lindsay said many companies have a temp-to-perm arrangement for these situations and she has seen where usually it is 90 days where you work for the company, get paid, and if perform satisfactorily then the company would hire the student on permanently. Fast-forward after enrolling and during attending class, there were numerous times where company representatives would appear in one of the classes and speak to the classroom about their company. One local Wichita computer IT business owner (sorry I don't remember his name or company) sat in for several days in one of the computer classes and remarked that his company had commonly hired Wright College students in the past and that the job assistance department would help any of us students with that. Also, there were several times where the school hosted a job fair where various local companies came and set up booth stations with representatives to talk to about employment opportunities. However, some of these representatives explained to me that they do not necessarily partner with Wright or have any type of arrangements, agreements, or contracts that are designed or intended to help any of their

students with employment with them. The hiring process would be the standard procedure for general hire of any applicants. On a different note, at one point a few months into my attendance, I began trying to visit with the employment assistance office and often found, regardless of time of day, the office door to be closed or a sign that the faculty member was not available. The first time that I actually caught the staff member and had a chance to talk to her (I don't remember her exact name), and approached the conversation with the details in mind that I had come to understand. including what Lindsay had told me during the pre-enrollment visits, she explained that none of that was what she did. She went on to explain that the main thing that she does is help students with preparation of resumes and mock interviews, but they weren't able to do any kind of actual job placement and that whoever told students that was incorrect or didn't know what they were talking about. This came as a substantial disappointment because I had been under the impression since prior to enrolling that completing a degree or certification at Wright would also help connect me with gainful employment making the degree I worked on even more valuable. However, later on into attendance in one of the first or second semester I learned that Wright College wasn't an accredited school so the credit hours or degrees from there were not that valuable at all. Yes, I definitely felt misled, misinformed, and deceived because the job placement assistance feature was ultimately one of the main aspects on my list of why I chose to go ahead and enroll and attend the school in the first place. It made me feel less trustworthy of the school. I found through conversations with other students during some of the classes that they were told they exact same thing by Lindsay and a handful of other enrollment advisors/reps. I felt duped. I had made a decision to borrow thousands of dollars to attend their school in hopes of learning a specific in-demand skill backed by a degree and yet when it all boiled down to it in the end, the degree was worthless, the academia curriculum was very poor, instructorship was very poor and implemented by low-qualified individuals, there was no realistic employment assistance which made it all more real that I wouldn't have anything more than a monthly payment toward the loans to pay without the income the school put into my mind I would have if I attended their school. I would in the least effort possible simply obtain an A and a paper certificate just for showing up to class on time. Very disappointed.

PROGRAM COST AND NATURE OF LOANS / TRANSFERRING CREDITS:

During the pre-enrollment visits, Lindsay Morrical, went over some of the various costs of the degree programs I had interest in and my education history. At that point in time I had not checked out very many colleges to compare, but she told me that Wright College was competitive and with the added bonuses of being able to start classes right away instead having to wait until August or January like most other colleges, the expedited semesters toward credit hours accumulation, and job assistance features for students that the costs justified their program very well. She insisted that the school has numerous ways to make it affordable to go there and at many times many students do not have to pay anything out of pocket up front to begin attending and that even some students somehow get money in their pocket after tuition so "it's

like getting paid to go to school." She walked me through how to complete application for FAFSA. I advised her that I had past college credits from Northeastern State University and East Central University (both accredited large colleges in Oklahoma) and she assured me that they would honor them, transfer them, and even award me credits for my prior military service. I also advised her I was a tribal member of the Chickasaw Nation Indians out of Oklahoma and that they offer a couple different scholarships and grants that I can use toward my education. Initially, I planned to work on my Associate's degree at a smaller school then transfer to a bigger school such as Wichita State University to work on my undergrad. So, the programs Lindsay and I discussed were Associate's degree programs, however, when she was on the phone with the Chickasaw Nation Department of Education, they informed her that there was a Higher Education Grant and a General Scholarship for undergrad and graduate college tuition, but these could not be applied for since the deadline had already passed on January 30, 2013, and we were in February at this point in time. So, if I were to utilize these then I would need to wait until either the Summer semester down the road several months or until regular Fall semester beginning in August. I was hoping to begin attending as soon as possible. Lindsay later explained that my tribe offered a Vocational Education tuition grant that I could receive right now in the middle of semester, but it could not be used for the purpose of undergrad or graduate degree studies and could only be used for vocational certification programs. Lindsay explained to me that she could simply enroll me into their Software Administration since it was one of the Certification programs and would qualify to receive some financial aid from the Chickasaw Nation. Now the Associate's degree program I originally chose to move forward with in working on at Wrights was named A.S. in PC Support & Administration and had around 60 credit hours of courses necessary to complete. Lindsay explained to me that many of the courses in the undergrad PC Support program were also part of the curriculum for the Software Admin certification program and in fact that the Software Admin program was composed of 36 credit hours and those same 36 credit hours were required in the PC Support A.S. program curriculum. She explained that what Wright would do is transfer those 36 credit hours I completed in the Software Admin certification program after I finished it and moved on into completion of the remaining 24 credit hours of courses for the A.S. in PC Support. She continued that this way I could begin classes right away with them and also receive financial aid from the Chickasaws and my Pell grant. She said anything else remaining could just be temporarily borrowed and I wouldn't ever have to pay it back until after I graduated at a low monthly payment of only $50. So, she had me come back in few days after she worked up my enrollment package. When I came back it showed the Chickasaws would be providing $2,000 per semester @ 3 semesters (12 credit hours x 3 semesters = 36 credit hours) totaling $6,000 altogether. Total tuition cost for Wright was $19,985.33. Less the Chickasaw Grant of $6,000 left $11,660 unmet need which was secured thru Federal Financial Aid funding sources such as Pell, Subsidized, and Unsubsidized Student Loans. Ms. Morrical told me that common practice was that most every student simply borrows the amount FAFSA offers them on their student loans that way there they for sure have enough to pay for their books and other related costs during attendance there. For all 3 semesters

I attended Wright College, Student Loans totaled $15,348 for the Stafford Sub and Unsub before any interest accumulated.

There were some major things that Ms. Morrical falsified to me. 1) The aspect that those 36 credit hours I would complete for the Software Administration Certificated program that were supposedly part of the A.S. PC Support program would change later on. After about 2 months into the first semester, I met with a female faculty member named Tracy, Student Advisor, when it was coming close to selecting which classes for my next semester, I brought up mention of my future plans and then she advised me that the curriculum for all of their Associate programs had actually changed. I explained to her what Lindsay had told me a few months ago, and then she printed a few pages off her computer and showed me that only a very few of the courses of the 36 credit hours in the Software Admin certification program were part of the A.S. PC Support program. What this meant was that even after completing this certificate, I would still have to attend nearly 40 more credit hours to obtain the A.S. I originally set out to do and still planned to. That would be additional semesters that would have to be funded later on somehow. Tracy printed off my grade sheet with perfect 100% A's in all classes and my transcript. I noticed that my transcript did not reflect my previous college credits from NSU and ECU. Tracy didn't know why so I pursued explanation and eventually ended up in the Campus Director, Diana Otis, office who told me she would look into the matter. Few weeks went by and I did not hear a response from her so I stopped in her office one day and she then explained to me that transferring prior credits are at the Campus Director's discretion and that per policy they weren't going to transfer my credits in, nor award any credits for my military service with the Army. This was odd because these credit hours were regular courses one would have to take as a Freshman or Sophomore at any major college such as Sociology, U.S. Government, English Comp 1 & 2, etc. How could they not be worth anything at another college? When I attended ECU in Ada, OK they happily transferred credits from NSU, both NCAA Division II schools. I was informed that the reason my transfer credits weren't honored was because Wright is not a nationally accredited secondary school like regular colleges such as the ones I had attended before or even planned on transferring to in order to finish my Bachelor's degree. This also meant that any and all courses taken with Wright were not going to be honored at those other schools either which I confirmed after contacting Butler Community College and WSU here in Wichita. I also found during this time that Wright College had also never obtained my High School Diploma even though Lindsay had me sign authorization permission form for them to obtain my educational records and transcripts from Byng High School, along with of course the colleges NSU and ECU. When I inquired Ms. Otis of this aspect she replied that "we generally just take student's word that they graduated High School." This also initiated another problem because some of the courses Wright had me enrolled in were classes I took early on in High School, such as Keyboarding. The Keyboarding instructor approached me one day and asked "What are you doing in this class? You type an average of 70 wpm without any mistakes. I have no idea why they put you in here. You should've tested out of this." I inquired about this testing

out feature to Tracy the advisor and she explained that only students in the Associate's or Bachelor's programs could test out of subjects.

Another aspect Lindsay, along with other staff members falsified, was how the difference between textbooks and tuition fees. She did not tell me that text books were added on top of a student's tuition. I received a textbook grant from the Chickasaws, $300, separately mailed directly to me to use for textbooks, but when requested a itemized list of the course textbooks so that I could either rent or purchase them, I kept getting the run-around. Wright required every student use the textbooks they supply and received through their bookstore. Because they had already deducted all 3 semesters' worth of textbooks from ledger account, I couldn't use my textbook grant from the Chickasaws, and their prices for the books were outrageous and significantly greater than other bookstores. Charges on my account reflected I was charged $425 in lab fees (although I never stepped foot in any laboratory), $600 in supplies fees (which I never got solid explanation as to what "supplies" this was), and $1,860 in book fees all adds on top of regular tuition but stands as part of student cost to attend. On top of that, with multiple courses, they double-charged my ledger account for same book 2 different semesters. One example, was in first semester the Gregg College Keyboarding & Document Processing book (ISBN: 9780077356620) used for BUS1012 (Sem-1) and BUS2022 (Sem-2) courses, charged $189.74 but then again in 2nd semester they deducted that same $189.74 amount out of my ledger account for same book, but here's the kicker – I only signed for receipt of the book once back in semester-1. I did follow up with the Financial Director, Linda, and they reluctantly corrected the problem and credited my account back, but after I had this taken care of many more other students in that class began noticing that Wright had done the same thing to them. This was only one class, I can't imagine the hundreds of other students and many more over who knows how long a period of time that they've gotten away with this terrible act of fraud (scam) on because no one had noticed before. This occurred with other textbooks, and the school would not buy back the books even if in pristine condition at the end of the semester. The books were not used at other colleges, so there wasn't any options except to just keep it. This was frustrating because I was having to use borrow funds to pay for these instead of my textbook grant I was entitled to as a benefit from my tribe.

EDUCATIONAL SERVICES / ADMISSIONS AND URGENCY TO ENROLL:

I believe several faculty members of Wright College misled me over several aspects. Even in the beginning, Lindsay Morrical made proclamations that the instructorship at Wright College were superior trained academic professionals and which most all held graduate degrees in their respective fields. However, I learned very soon into attending that she was not truthful. Some instructors who taught did not even have a undergraduate degree. When she took me on a tour she mentioned several times that she could arrange for me to sit on a few classes to see how they went. However, I attempted to make this happen but seemed to get occasional excuses such as

the class's primary teacher was out for an obligation or other similar. So, I never got to see a class function until after I agreed to enroll and attend. However, I can assert from first-hand perspective and experience that most every class I was ever in was, with all due respect, second-rate or poorly facilitated. Sometimes teachers would not arrive to teach their class. Sometimes students would overrun the teacher and commonly be loud, obnoxious, and immature so much to the point that it would be impossible for an instructor to teach anything. Sometimes the teacher would arrive and just say it was a "free day," which meant nothing planned and the students could sit around and socialize or "play" on their computers or cell phones. There's no need for me to go on with more examples, surely, the reader of this can form the applicable picture of what it was like a majority of the time. Also, coming from previous college level instructed courses, these classes were nothing like college and if in the least reminded me of a high school class. The material taught and method of teaching was premature of college level academia.

During enrollment, Lindsay Morrical did not openly express to me "urgency," rather it was more like she was displaying salesmanship with a sense of "you can start right away." She acted borderline "pushy" after my first visit by calling a couple times a day and leaving messages in my voicemail that she was "just checking in to make sure I was still interested." But, it only took less than 2 weeks before I began attending, so now looking back, it was an extremely quick process compared to getting accepted into regular accredited major colleges. Some classes were revolving door type classes meaning that about every 2 weeks new students would enter the classroom regardless of where we were in the textbook (if we used it). There were fellow students in classes with me who did not put forth any effort at all and some who never came to class who were still able to obtain a good grade of A or B. It actually seemed like the only thing a student really needed to do to obtain a good passing grade and a certificate with this school was authorize the applicable forms that promised them payment of tuition and fees. Lindsay had remarked that "9 out of 10 graduates are placed into employment in their field of study within 6 months of program completion."

OTHER:

Additionally, there were 3 major reasons why I enrolled into Wright College. The school representatives presented features and benefits that appeared promising to me as an older student and military veteran married with a family. The graduation rates they mentioned and the job placement assistance features they described depicted an ability they would have to help me get into a steady and secure career. They promised to transfer my previous college credits in the beginning and later refused to do so. They promised to honor military service with college credits and later refused to do so. They promised to teach and train me the skills for a high in-demand job and assist me with a position in a company which did not happen. The credits I earned there are nontransferable, nonaccredited, and nonrecognizable by any other institutions. The certification is nonaccredited and nonrecognizable as professional qualifications in the

standard work force. If I were to go back to February 2013, I would not have signed up to attend Wright College or any programs associated to such. I have felt taken advantage of and significant guilt and stress due to the related debt incurred. The 36 credit hours logged with FAFSA for studies at Wright College affected my Pell and other federal education assistance continuing education credit hour accumulation. From what I understand, this will affect my eligibility for assistance in the future with other accredited institutions as I pursue my goals of nationally accredited undergraduate and graduate degrees that will provide me the professional academic training to appropriately facilitate professional business with high ethical practices and excellent quality services in our society.

Respectfully,

Mr. Brian E. Hopkins

Hello my name is Brianne Jones, I am a single mother of an amazing five year old boy. I choose to go to Wright to get a degree in surgical technologies, to better our lives, by getting a degree in something that would be a career choice and not just a job. I was let go from my main job due to school hours. When I went to Wright, I was expecting to learn more than just the basics of how to be a great surgical technologist, I was expecting to learn every aspect of the job, so that when I graduated I would be able to gain a job right out of school.

When I went to sign up for school and see what needed to be done to enroll, I was greeted with a very friendly counselor who made Wright seem like the best school to attend. I was told about the great class atmosphere, the short program time of just 18 months, and how they help with job placement after graduation. I was told that Wright was an accredited school and if I was to go back to school at anytime that my credits would transfer. I was told by the counselor that she would be my go to person for anything I would need. I was then taken to the financial aid department, whom filled out all of the forms and told me they would submit everything for me. I was not informed of the cost of the program at the beginning, when I later asked how much each credit hour cost and the cost of supplies, they refused to provide a printout of the cost.

After enrolling in Wright and starting classes, I came to school one day to learn that all the counselors had been let go from their jobs and I know longer had anyone I could go to for questions about school or classes. Within a couple of weeks, Wright brought in two other people who were supposed to be liaisons for us to go to with questions. These people were either always busy or just not there. After a month, those people were also let go of their position. I was told that right out of school I would have a job and would be making between 16-20 dollars an hour.

The classroom and teachers were not much better; I went through three psychology teachers within the first three weeks of class. My main teachers for the surgical tech program were great at first, then I came to class one day and they were gone after my first semester. Teachers and staff were never consistent and that made learning hard. The clinical director who was the one who set up our clinical sites, was let ago and another lady Tami was brought in. We had an entire lab and supplies but we were unable to work in the lab after class hours and we were not allowed to be in the lab if a teacher was not present. I do not understand how they expected us to learn, if we did not have access to our lab to practice. I do not feel that they prepared us for the field we were going to be working in. Out of my class only one person took the certification test and passed. The homework involved writing reports on how a surgery was performed. The teachers were not prepared when class began therefore we would sit for long periods of time with nothing to do and we could not go in the lab without the teacher.

When I came time for me to go to clinical, no area hospitals would take students from Wright for clinical, therefore I had to set out for six months while waiting for a clinical site to finish my degree. I was finally able to shadow in the labor and delivery area for St. Lukes East and get to see a few surgeries that way. I have applied for many positions in the surgical tech fields and have not gotten then, due to lack of experience and have been told that because of the school that my degree came from they would not be able to hire me. As of today I am working as a medical assistant and making just above minimum wage. I owe $35,000 dollars to Wright for an education that does me no good, because I am not hirable due to the school I attended and the lack of knowledge Wright gave me.

Wright has had a large impact on my life by affecting my credit with the $35,000 dollar loan, the credit hours that now affect me to try and go to school for nursing because they say I have two many credit hours. I own money to loans I cannot repay due to I am not working for the amount of money they stated I would be making. The government loans that I am not eligible for because I used then for my degree with Wright. I feel that Wright has had a large negative impact on my life. Thank you for taking the time to read my account and to considering taking the amount owed from Wright off of my record.

Brianne Jones

January 26, 2017

Department of Education

400 Maryland Avenue

S.W. Washington, DC 20202

Dear Sir or Madam,

My name is John W. McCoy. I enrolled in the Surgical Technology program at Wright Career College on May 14, 2012. At the time of my enrollment I was 53 years old. Previous to enrolling, I worked as a Surgical Sales Representative for nineteen years. Over most of my career, I worked with surgeons and surgical staffs. I enjoyed attending and observing surgeries, but I was never able to actively participate in them. I was somewhat envious of the surgical technologists and I knew it was a job that I would love. I felt that enrolling in a surgical technology program would give me the education and credentials needed to pursue my dream career. I had a strong desire to work as a surgical technologist, specializing in orthopedic surgery. I also wanted to work with the surgical missionary teams of Heart to Heart, International. Those are dreams which apparently will never come to fruition. It is my sincerest hope, that this letter will illustrate the fraud perpetrated against the serious students of Wright Career College, as well as, the fraud I feel, was perpetrated against the Federal Government and the Department of Education.

I researched several of the Surgical Technology programs offered in the area. Wright Career College was the only school that had immediate openings. I went in for an initial interview. The recruiter applied very heavy pressure to enroll immediately. She encouraged me to sign up that day, because they would be moving to a new facility and she didn't know when they would have another enrollment. Wright Career College actually enrolled new students every three weeks. They used an enrollment model they called "The Wheel". When a student enrolled, they were placed in classes which were already in progress. My enrollment date placed me starting in the last quarter of every class. "The Wheel" model of enrollment provided the school with a steady stream of revenue via new student loans every three weeks. It was simply a money making machine for Wright Career College.

The Financial Department of Wright Career College was amazingly efficient. The Financial Advisor helped me fill out the student loan applications and they processed the paperwork themselves. They secured the student loans for me quickly, with no out of pocket expenses. It seemed too good to be true and I realize now, it was. At the time of my enrollment I was given two options. I could either receive the disbursement checks myself or I could have the funds applied directly to academic fees. I chose to have my disbursement checks applied to my school fees. I later learned that many of the students had the checks made out directly to them. These students would show up in large numbers on "check day". On that day, every class would be overflowing with students. However, as quickly as these students would appear, after that day, they would disappear. Wright Career College actually had Attendance Officers who kept up with these "drive by students" making sure they would attend at least the minimum

number of days to keep the student loan checks coming in. It is my firm belief that these students had no intention of seriously pursuing a career or of ever making payments on the student loan debts they incurred. To them, it was just free money. To Wright Career College, it was just free money.

From the very beginning, I was told that Wright Career College was a fully accredited school. They stated that their ACICS accreditation would allow us to sit for the CST certification test and that it was accepted in all 50 states. The only thing that ACICS accreditation did was allow "for profit" schools like Wright Career College access to Federal funds. I later learned, the only accreditation accepted by the Association of Surgical Technologies is ABHES accreditation. ACICS accreditation may be accepted on the state level, but no hospitals recognize it. I found out too late, that very few hospitals in the Kansas City area would accept Wright Career College students into their externship programs or even consider hiring a WCC student based on their education alone. Late in my academic career, the Surgical Technology Program Director held a meeting. In that meeting she informed the students that the school was applying for ABHES accreditation and that we would be allowed to sit for the CST exam, once they obtained the proper accreditation (see attachment). There were rumors that WCC had received ABHES accreditation, but I saw no evidence of it. As it stands now, I have no hope of becoming a certified Surgical Technologist.

I was promised by Wright Career College that, because of my experience and academic excellence, I would receive the best externship site they could offer. I worked very hard to maintain a 4.0 GPA throughout my school career. I felt that being at the top of my class would insure me a choice externship spot. I later learned that Wright Career College simply did not have credentials with any of the major hospitals in Kansas City. No one would accept me as an extern because I was a Wright Career College student. They continued to promise me an externship and asked that I wait patiently. While I waited, I made arrangements with the Surgical Procedures teacher to allow me to practice my scrubbing technique in their surgical suite. I went to school and practiced scrubbing on a regular basis. The teacher worked with me whenever he had free time. My presence was not appreciated by the Wright Career College administration and I was asked to not "hang out" at school. They were afraid that I would talk to the under classmen about Wright's inability to provide externship sites. One day, I had an appointment with the Externship Coordinator. I was standing in the hallway talking to other students while I waited for her. I was approached by an armed security guard and asked to leave the premises. I refused to leave, because I had an appointment. Moments later, the Campus Director approached me and informed me that the Externship Coordinator could not meet with me that day. By that time, I had been waiting for six weeks for an externship site. I was very frustrated, so I demanded a meeting with both the Campus Director and the Externship Coordinator. I was granted a meeting with them a week later. We were in the middle of that meeting, when the president of Wright Career College, John Mucci, barged into the meeting, uninvited and unannounced. He completely took over the conversation. He did not talk about the externship program or offer any solutions to the problem. He just bragged about his own accomplishments. Before he left the room, he suddenly turned to me and said, "If you don't like this situation, you are welcome to sue me. We get sued all of the time, but nothing ever comes of it." His calloused indifference was a real revelation to me. John Mucci was not concerned about my academic success. He did not care that Wright Career College had a contractual obligation to provide me an externship site. He just wanted me to give up and go away.

I decided to take matters into my own hands. I contacted two people. The first was an Orthopedic Surgeon who worked at Olathe Medical Center. I worked with him in my former career as a Surgical

Sales Representative. He intervened on my behalf and the Director of Surgery at Olathe Medical Center agreed to take me on as an extern. The second person I contacted was Chasity Seymour. Ms. Seymour was a former teacher of mine at Wright Career College. She resigned from WCC to take an educator's position in the Sterile Processing Department at The University of Kansas Medical Center. She convinced her Director to allow me to pursue an externship in the Sterile Processing Department. Although I was not working in the operating room at Kansas University Medical Center, the time there counted towards the 150 hours needed to complete my externship. On my own, I had successfully secured two externship sites. Wright Career College did nothing to participate in my externship or help me in any way. I worked in the Surgery Department at Olathe Medical Center two days a week. I worked in the Sterile Processing Department at The University of Kansas Medical Center three days a week.

After working a very short time in the surgery department at Olathe Medical Center, it became painfully obvious that I had been ill prepared to perform the duties of a Surgical Technologist. I discussed my concerns with the Director of Surgery. She agreed that the curriculum at Wright Career College was inadequate. She explained, it was the reason they did not take Wright students as externs. She offered to place me in their surgical fellowship program. It would mean beginning my education all over again. I had already gone without meaningful income for over a year while attending Wright Career College. Beginning again was simply not an option I could accept financially. I voluntarily withdrew myself from my externship at Olathe Medical Center. It was very disheartening, but it was the right thing to do. I decided to concentrate my remaining externship time in the sterile processing department at Kansas University Medical Center. I finished my externship at K.U.M.C. and was offered a position immediately after graduation.

John Mucci and the Board of Directors of Wright Career College willfully and knowingly committed egregious fraud against hundreds of unsuspecting students, including me. They used our hopes for a meaningful career to make themselves wealthy. They had contractual obligations to their students that they never intended to fulfill. The students of Wright Career College were merely tools to give them access to millions of dollars of Federal loan money. It took a lawsuit by two hundred and sixty four former students to shut down their fraudulent operation. When it became apparent that they would not win this lawsuit, they simply filed for bankruptcy and walked away with their ill-gotten gains.

I am fifty eight years old, now. I hold a meaningless associates degree in Surgical Technology from a bankrupt career college. Instead of assisting Surgeons in the operating room, I am working in a sterile processing department, cleaning and sterilizing surgical instruments. Wright Career College has utterly destroyed my dream of ever becoming a Certified Surgical Technologist. They have instead, saddled me with a Federal loan debt of $38,000.00. I have been faithfully making payments on my debt; However, I strongly feel it is a debt which was fraudulently incurred. I am writing to humbly request that you consider forgiving me of my debt. Anything you could do to assist me in this matter would be greatly appreciated. Thank you for your time and your consideration.

Sincerely,

John W. McCoy

SECTION IV: BASIS FOR BORROWER DEFENSE

PROGRAM COST AND NATURE OF LOANS:

As I went to financial aid to see what funds I would qualify for, Wright quoted me a price of $18,743 for the diploma program, and if I decide to come back to Wright to get my Associates Degree in Health Care it will cost $27,475.00. I began asking about purchasing my books from other students or from the internet yet they explain they will charge me for my books though financial aid weather I use them or not. When I got all the forms filled out for financial aid they would not allow me to pick my any of my classes for first semester.

After I finished my diploma program, I returned to financial aid and I was quoted a new price of $32,430.92 to complete my program and that prices have gone up and it does not matter what we quoted you when you first attended. Wight also offers a $1,000 scholarship for returning students with good academics. I wanted to take full advantage of the scholarship, that's when Wright decided they would charge me $33, 40.92 just so they could allow me to have the $ 1,000 scholarship.

Once I finally made the decision the start all back over and attended Mid America Nazarene University, I had troubles in financial aid. The financial advisor told me I only qualified for limited founds because none of my credits transferred. In other words, I had taken out the maximum loans for an associate's degree and the government would not allow me to any more funds to attend school. I had to pay for classes out of pocket while also having to pay down my student loan.

TRANSFERING CREDITS:

Becky had informed me wright was fully accredited, and I could get my associates degree at wright and then transfer my credits to any university of my choice. I spoke with Ashley Davis, as many other students did as well, and she informed us "Colleges only accept degrees, so for your credits to transfer you will need to get your associates degree". Since I completed my Administrative Medical Assistant diploma which classes would transfer to their Registered Nurse (ADN) Program? Tiffany told me only two of my classes transfer to the other program, which was sales and service, and career issues. I ask her about Anatomy and Philology classes that I had passed both of them with an A so why would I have to retake them. She said "Those two classes will have to be taken over, because they are for a different program. Tiffany Noble talked me into getting my associates degree in Health Care Administration saying all those classes will need to be taken if you plan on entering the nursing program in the future, and if you don't enter the nursing program you can always transfer your credits for a bachelors or a master's degree.

After completing my degree at Wright Career College in October of 2013, I had experience many problems at Wright, so I decided to go get my bachelors at a different college. I had contacted Avila University, Ottawa University, Kaplan University, Kansas University and Mid America University. All of these schools told me the same thing. They said "Wright Career College is nationally accredited and not regionally accredited, so they could not accept my credits. Finally they explained that the North Central Accreditations won't allow them to except my credits or they themselves will lose their accreditation.

EDUCATION SERVICES:

Admissions has first explained to me that the administrative medical assistant diploma was for a person to be a medical assistant and an administrative assistant. Becky said I would be able to clinically get the vitals of patients for the medical side and also be qualified to do administrative duties with this diploma. After I was half way through the program, Ashley Davis explained to me the reason I was not taking an internship was because I was not going to be a medical assistant. Ashley said an Administrative Medical assistant was a person who business work in a medical setting, which was not explained to me though the admissions process. At this point, I needed to know what my options were available for me in the medical field verses administration.

In March of 2013 I returned to Wright Career College to finish my Degree in Health Care Administration. I noticed several problems as I returned to get my degree with the classes I was taking. Unlike other classes, math classes was very difficult to start the class half way though the book on the first day. Classes are 15 weeks long but new people start every 3 weeks, so when I entered my math classes I was being taught chapters 7 and 8 and when I had not learned chapters 1 and 2. Most students needed to understand chapters 1 and 2 before they can understand chapters 7 and 8. In other classes, some instructors had a degree in English that taught history. Many times this would occur when an instructor got fired or quite without enough notice for rehire. On July 8, 2013 I entered my finial semester at Wright Career College. I was taking Reimbursement methodology with Christi Hampton and Lisa Hardman. We did not have an instructor at all for this class. When we attended class we walked in and there was an English instructor that told us "I am only here to take attendance". She would not answer any of our questions and said "do the chapter reviews at the end of your book". After two weeks of classes, I asked to seek to administration about getting an instructor and some help for class. Once I got nowhere, I got my mom involved. Ashley Davis and Preston sent up to meet with us. They both said "We are working on hiring someone for that class, so we will have an instructor in a couple of weeks". I asked them if there was a medical person I could ask questions to in the meantime and their response was "The book was changed in the past month so we do not have a teacher's addition and we cannot even tell you how you are doing in the class so far. After 13 weeks of our 15 week course a medical coding instructor was hired. She expressed she only knew how to do the coding part of the class but not the reimbursement. Unfortunately this problems was never solved.

Molly Mendenhall

ADMISSIONS AND URGENCY TO ENROLL

Once I called Wright Career College, the admissions people called me every day until I finally set up an appointment to start classes. The School bragged about how hard it was to be accepted and that I should join before classes filled. Before I could actually make a decision, the admission staff rushed my mom and me into the financial aid office that exact day. They told me this was just to see how many loans I would qualify for and that I have not made any commitment. After seeing what loans I qualified for, financial aid signed me up for school and said, "You have to sign up in admissions before we even start the financial aid process." I was also informed that I cannot open another FASFA with another school currently, since I had already opened one with Wright Career College. At this point I was upset, and the admissions people told me to just take a semester with them and that if I did not like it I could transfer my credits once the semester was over. This made me feel pressured to enroll.

To Whom It May Concern:
RE: U.S. Department of Education.

My name is Patisha Randolph. I attended Wright Career College from 2007 to 2008. My field of study was Information Technology Security Administration. As I sit here and look at my life signing up to attend Wright Career College ended up being the worse decision of my life. Before Wright I was working as a Contract Administrator for a company called Machinery Link, Inc. I had been there for several years. I made good money and had great benefits. This was a growing company and so I had opportunity for upward mobility within the company. I had a 4 year old daughter and had been happily married for several years. I really liked computers and dabbled with them in my leisure. From time to time I would have issues with my work computer and per prodical was instructed to reach out to the internal IT department to fix whatever issues we might have. Because there was only 2 IT people in this company many times by the time that the IT employee made it to my desk I had already fixed my issue and was well back to working.

After seeming to be fixing my computer at work more than not I talked to my IT rep and asked what I needed to do to do their job. We talked in detail abaout the schooling neded and by the time the conversation was over I was really considering going back to school. I looked up career colleges for Information Technology and Wright popped up so I called. I talked to an admissions rep really just trying to get some basic information, the price, length of the program, success rate. Instead of answering my questions over the phone the admissions rep said "Lets get you in to see the school. When are you available?" I advised her that I worked FT and that I just wanted basic info so I could talk to my husband about it. She again pressured me harder to make an appointment to come in to see her. I did want the information. I told her that I would call her back after I checked my schedule. Later that day she called back. I was busy so she left a vm, "Patisha, classes will be starting in the next week and classes are filling up very quickly. Lets get you in to get you enrolled." I didn't have any of the information that I called for but did enjoy computers and wanted to go back to school so I called back and she had me scheduled for the next day.

I took a long lunch and went to my scheduled appointment. I again asked the questions, "How much does it cost, the success rate, job placement, and how long the program took. Instead of advising me by talking and listening to me she turned on her sales hat. She sold me on wht she wanted me to hear so that she could get the sale so to speak and the commission that came with it. She told me how much money that I would make once I graduated. That with me being a minority that I would have no problem getting a job.

Sold! I signed the papers. I really wasn't even sure all that I was signing. Know I know that I was signing my life away. From signing the enrollment papers she quickly pushed me into the financial aid office. This is when I finally saw he cost of the program and all those extra fees. I remember it being a question that I told her that I needed to talk to my husband about it. She pressed me to sign the papers to get everything signed and talk to him about it later. If I could do it all over again. I was just sold on the idea of graduation, getting a great job and moving out of the city. The American Dream.

It seemed like I was there for hours. I had no idea all that I had signed I just knew that I was starting school that next Monday, to take a career change with hopes of getting in with a great company as an IT professional.

When I finally got home I asked my my husband and asked if I could go back to school. I regurgitated back to him what the admissions rep and financial aid rep had sold me on. A job with great pay and benefits that I could retire from. I knew that it was never too early to think about retirement. I sold my husband on the Big Dream of job security. Something that he couldn't say that he had even though he had been at General Motors for years They were on again off again strikes. I gave him peace of mine that he wouldn't have to work so hard and we could finally get our dream house because

I would be able to help. I was going to work hard and finish fast to graduate, get a job and make something out of myself.

I started school and I worked hard. I was great at computers, was exited, and learning a lot. The first 3 months were great. I was looking forward to moving up to the advanced classes with a teacher named Chris. He was the best. I was in his advanced part of my schooling for about 2 months when one day he made an announcement that he would be leaving Wright that he had a better job offer. We knew it wouldn't be the same however had no idea what our future would hold.

The first month after Chris left we were just reading the books and teaching ourselves. A few of the people that were weeks away from graduating helped some of the newer students. Many times we went to the dean or the adviser and was told that he didn't give notice so that they were looking for a replacement to bare with them. The next month a man came that sat in class and basically took role. We went through our text with each other and most times we had questions he didn't know the answer. All we knew about him was that he worked at UPs overnight which explained why he dozed off a lot during classes. Nobody even know if he even had an IT background at all because he didn't talk to you outside of calling role. He handed out test but when it was wrong per the sheet that he had with the answers he couldn't explain why. We assumed that this test was something that Chris left in the files. He lasted for about 1 month and a half. Then, there was the previous student that graduated about 2 months before the teacher Chris left. A previous student who had not even taken their certification tests and had not worked one job in the real world.. He was our teacher. He lasted the longest time however he taught him some things that he knew which was about 4 more months than what we knew. Many times we would as a class discuss how unfair it was and how we would still have this bill that we would have to make payments on a loan in a few months when we graduated.

I needed a job so I went to the job placement person of the school who was being paid to help students that wanted the assistance find a job while at school and after gradation. I had my resume I told her that I wanted to work close to home especially since it would probably be an overnight job. She sent me to an interview in Olathe, Ks which was almost an hour from my home for a job that would be overnight and would pay basically gas money. I drove all the way to Olathe for an interview and when I got there even though per her she had just spoken to them to schedule my interview. There was no position. The position had been filed a few weeks prior. I later went out on my own and found a seasonal job at H&R Block doing tech support This was the only job even minimally else to the IT field that I had ever and I got it myself and with assistance from fellow classmates was teaching ourselves IT.

I did graduate along with the rest of my class. I felt it was a complete waste of time and money. I didn't learn anything and so was not comfortable spending the money to take the certification tests. Many of us didn't we were in the same boat.

So by now I had a certificate and per the saleswoman the first meeting when I seemed to have signed my life away with the enrollment papers I was supposed to have no problem finding a job. I applied and applied and applied again. I ended up with customer service or clerical jobs that didn't even pay what I was making before I left my job to go back to school for a "better career."

I went back up to the school again after gradation to try to get assistance with job placement again and was told that I would have sissies because we were in a recession and even he people that had 20 plus years of experience were out of work. What she should have said your education and certificate isn't even worth the paper that it is printed on.

So as I said earlier I sold my husband on this dream of a better life. My happy marriage soon was happy no more. Daily it was thrown in my face how worthless my education at Wright was. Or I thought you would be making real money by now. Why do you keep getting those jobs that don't pay you anything? We struggled and struggled and our marriage was worse and worse. I was blamed because I told him the last time that his job went on strike to go ahead and leave because I was about to be making big money in IT. If I could do it all again.

We ended up losing our home to foreclosure. Every time we went to another couples house warming party we had more issues. This went on a for a few more years getting worse and worse. He resented me more and more with each passing day. During this time I was diagnosed with Multiple Sclerosis. I learned from always being sick that it was stressed endued. I lost my husband. I guess for him it was easier to maintain as a single man. He wouldn't have the stress of trying to provide for the family.

I have been out on my own for a year now. In the same place financially because of my lack of adequate education. About a 3 years ago before closing a rep from Wright called and offered me to come back to get my Associates Degree and tried to sell me on the fact that they would give me a laptop. I asked her the success rate of their graduates and she gave me some answer that I'm sure she was reading off of a script. I told her that I would never step back into that school even if I was paid to do so. That Wright failed me and that I would never recommend that school to anybody else in the future. Im staying in a home that I can barley afford, getting no support and I keep deferring my loan with Nelnet because of my income or lack there of. I cannot afford my current bills let a long my old student loan from my unless education. They sold me the dream and I did my part yet they bamboozled me. It hurt me. It damaged my relationships. When I tell my children to do good in school and go to college that the hard work will pay off. I don't know if she thinking to herself why you did and you don't even work on computers.

I have no way to pay back this student loan. I even tried to get in the student loan forgiveness program. Because I am still married although seperated for over a year with no support I cannot even have my loans forgiven because we filled joint taxes because we are legally married. I explained to the rep that that is his income and I was told after I have the divorce decree I can apply for the program.

I have always been a supporter of people continuing their education. I wanted people to go to school to better themselves. From my experience with Wright and how they destroyed my dreams, my family and my future I don't really know anymore what route a person should take after gradation. Right now I'm living pay check to paycheck and cannot afford to pay this loan off. It would take a portion of the stress off me to know that at least one of my big bills are forgiven. I simply don't have an extra 13,000 laying around anywhere.

I would appreciate whatever can be done to help my situation and anybody else that may also be experiencing this hardship. Thank you in advance for your time and consideration.

Sincerely
Patisha Randolph

March 20, 2017

To Whom It May Concern,

Starting my journey at Wright Career College was a life-changing event for my family and I. With the promises of a career and pay rate that would benefit our life tremendously, I left my decent paying job to stay home with our daughter during the day and attend school at night. This saved us a little money not having to pay for daycare, but in the end cost us so much.

I put everything into my education there- staying up late to study, missing family functions, losing my income even. But I was continuously promised it would pay off.

After almost a year of hard work and being treated terribly by some of the faculty and other students I finished my Medical Assisting certification with just short of a 4.0 GPA.
I was extremely lucky to have found an office that would take me for my externship as most places saw Wright on my resume turned me away before a full interview.

I had no idea there was a stigma attached to the school until trying to find my externship and then even more so job searching. I was called by the school faculty about jobs an hour or further away making what I was making before or even less! The jobs I found closer to home were all looking for people just out of high school to train at minimum wage.

I had thought I was doing something great for myself and my family, and now all I have to show for it is debt, struggle and a lack of trust for continuing education. The school seemed too good to be true, and I tried to ignore the lack of education the teachers showed each and every day in the hopes that I would have a certificate to show I deserved a good and well paying job. This was all a waste of time and money for us and now my little family is suffering still years later for the damage this "school" has done.

I hope one day these wrongs will be corrected, and that no others will be hurt by this so called educational system of people whom only took advantage of those trying to better themselves.

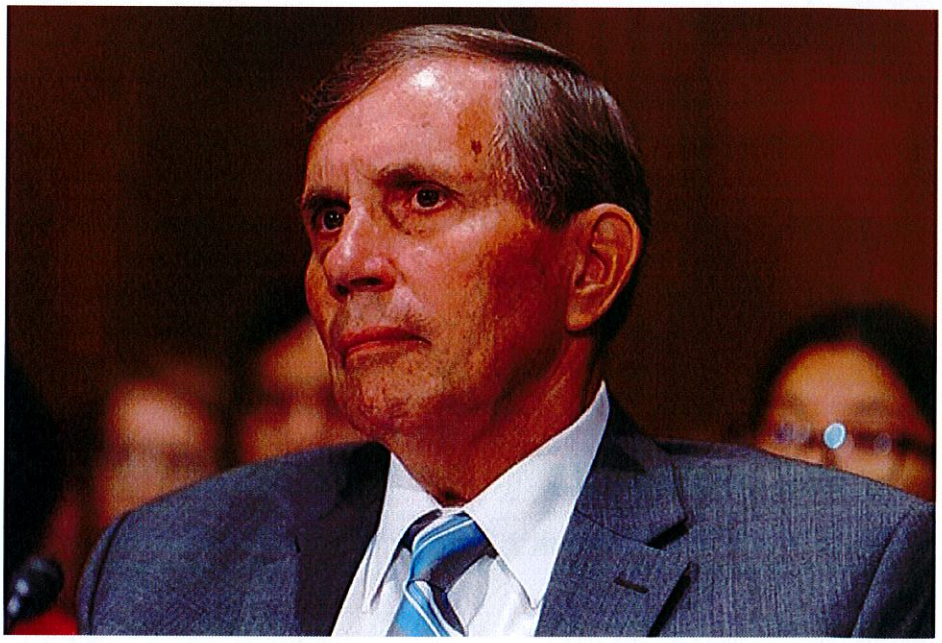
Thank you for your time,
Cierra Sauer

PROPUBLICA

Who's Regulating For-profit Schools? Execs From For-profit Colleges

And many of them come from schools that have been under investigation.

by **Annie Waldman**, Feb. 26, 2016, 5:55 a.m. EST



College accreditors have come under scrutiny recently for allowing for-profit schools to collect billions in federal aid despite low graduation and high default rates.

Accreditors are supposed to be watchdogs for college quality. They are not government agencies but colleges need an accreditor's seal of approval so students can qualify for federal loans.

The agency that has received the most heat is the Accrediting Council for Independent Colleges and Schools. ACICS allowed Corinthian Colleges Inc. to keep on operating right up until the for-profit college chain collapsed after evidence emerged that the schools had lured thousands of poor students into predatory loans. The accreditor placed a Corinthian campus on its "honor roll" just months before the Education Department forced the school to shut down.

ACICS, which oversees hundreds of for-profit colleges, is now the target of two government investigations. A ProPublica analysis also found that schools overseen by ACICS had the lowest graduation rates compared with other accreditors.

So who are the people behind the beleaguered accreditor? They include executives from some of the most scandal-plagued schools in the country.

We looked at all ACICS commissioners since 2010 and found that two-thirds of them have worked as executives at for-profit schools while sitting on the council. A third of the commissioners came from schools that have been facing consumer-protection lawsuits, investigations by state attorneys general, or federal financial monitoring.

Consider Beth Wilson. Wilson, the executive vice president of Corinthian Colleges, joined ACICS in 2014, less than three months after the California attorney general had filed a lawsuit against Corinthian for deceptive advertising and falsifying placement numbers. Wilson was no stranger to accreditation, as she had previously been the chair of another accreditor of primarily for-profit schools. And she was also no stranger to Corinthian's problems. According to the attorney general's ongoing suit, Wilson ordered employees to alter Corinthian's job-placement statistics.

Wilson did not respond to requests for comment.

Having the majority of commissioners be industry executives violates no federal rules. The Department of Education only requires a small fraction of commissioners to be from outside the industry, and accrediting agencies of both nonprofit and for-profit schools are largely composed of industry players.

However, some education experts argue that potential conflicts of interest in for-profit accreditation are especially troubling because of the heightened scrutiny within the industry.

Robert Shireman, a former deputy undersecretary with the Department of Education and currently a senior fellow at the Century Foundation, calls the accreditation process "a giant cesspool of corruption." Shireman, who has long worked to bolster regulation of for-profit colleges, said the accreditation process "needs to be independent" and not overseen by the industry itself. "It would be like getting the CEOs of the airlines together to review whether the airplanes are safe," he said.

"The scandals surrounding the for-profit college industry have thrown a spotlight on flaws in the accreditation system," said Stephen Burd, senior policy analyst at New America, a nonpartisan think tank. "These agencies turn a blind eye to abuses, and lobby on behalf of the industry."

ACICS' 15 commissioners, who are all unpaid, are the ultimate decision-makers about whether a school receives accreditation. ACICS, like other accrediting agencies, is funded through membership fees from the colleges it oversees, and its commissioners are mainly peer reviewers from member schools.

Al Gray, the executive director of ACICS, said the agency has a strict conflict-of-interest policy and recusal practices that do not allow commissioners to sit in on hearings that involve their own schools.

"It might appear that it's compromised by the fact that the peer reviewers are affiliated with the institutions," said Gray. "But while that may be an appearance, proper protections are put in place in the system to ensure that doesn't occur."

Here is a rundown of a handful of commissioners, their day jobs, and what their schools have been accused of:

Commissioners David Luce and Beth Wilson

When they served: Luce from 2008–2013 (his second term) and Wilson in 2014

Where they also worked: Corinthian Colleges, Inc. Luce was assistant vice president of accreditation and licensing; Wilson was executive vice president.

What their school was getting heat for: A whole lot, including deceptive marketing techniques and predatory loan practices. The list includes investigations from the Government Accountability Office, more than twenty state attorneys general, the Department of Education's inspector general, the Consumer Financial Protection Bureau, and the Securities and Exchange Commission. The Government Accountability Office investigation resulted in a congressional hearing and the Consumer Financial Protection Bureau secured a default judgment finding

Corinthian liable for over half a billion dollars. Many of the other investigations are ongoing.

What happened to their school's accreditation: Not much. In the years leading up to its collapse, the number of campuses that ACICS accredited increased from 35 in 2005 to 57 in 2013 _____. By the time the Education Department finalized a deal with Corinthian to close and sell its campuses, ACICS was the school's leading accreditor. In 2014, just months before the department took action, ACICS put a Corinthian campus on its honor roll _____. ACICS did not revoke _____ the accreditation of any of Corinthian's campuses before the department stepped in.

How much federal aid their school received: Around $1.4 billion annually _____.

What they say: David Luce and Beth Wilson did not respond to requests for comment. Luce left ACICS' council at the end of his term and Wilson resigned in mid-2014, according to ACICS officials.

Commissioners John Euliano and Richard Bennett

When they served: Euliano from 2011-current and Bennett started this January

Where they also worked: Southern Technical College. Euliano is the founder; Bennett is senior vice president of financial aid.

What their school was getting heat for: Accepting invalid high school diplomas and financial compliance. The Miami Herald reported last year that Southern Technical College and others had enrolled students without proof that they finished high school _____. Two Southern Technical College campuses have also been flagged by the Department of Education for issues of financial responsibility _____ as of December 2015. One campus received the government's lowest possible financial rating _____ for the 2012 school year (the most recent data), a score shared by only 40 of 3,400 colleges across the country. From 2011 to 2012, the college was subject to a Department of Education review to confirm that the school met Federal Student Aid requirements. In a review of two years of data, the department found over $200,000 in liabilities _____ because of compliance issues _____, including incorrect financial-aid calculations and invalid high-

school diplomas.

What happened to their school's accreditation: Again, not much. None of the college's campuses have had their accreditation suspended or revoked. And in 2012 three of the college's campuses were put on the accrediting agency's "honor roll."

How much federal aid their school received: $36 million during the 2013 school year.

What they say: Euliano told ProPublica in an email that there is no conflict of interest within ACICS' council. "Any insinuation that there is any 'home cooking' or that our peer review process is somehow 'the fox running the hen house' (it seems like that is where you are going) is absolutely 100% false," he said. (Read his email.) Euliano also described the department review as "not out of the ordinary" and the liabilities that were found "small compared to the amount of aid processed." Euliano sold the college in 2012, staying on for a year to help with the transition.

Bennett said in an email that the low financial score was a result of the sale and that it wasn't a good indicator of the company's fiscal viability. He also said that landing on the department's list of schools with financial-compliance issues is "not always representative of any wrongdoing/findings from the department." The Department of Education has described the list as a "caution light."

Commissioner Francis Giglio

When he served: 2009–2012

Where he also worked: Lincoln Educational Services. Giglio is vice president of compliance and regulatory services.

What his school was getting heat for: The New York attorney general opened an investigation into Lincoln Educational Services in 2011, to see whether the school misrepresented the quality of its education, tuition costs, program accreditation, and its ability to find jobs for students.

What happened to his school's accreditation: Yet again, nothing really: None of the college's campuses have had their accreditation suspended or revoked.

How much federal aid his school received: $200 million during

the 2013 school year.

What he says: "If, in fact, in that institution there was some type of conviction or determination that there was fraud, waste or abuse, then that person would no longer be on the commission," Giglio told ProPublica. "But in the meantime, there's always the opportunity for that person to say, This is fiction, these students have said these things, but this isn't truly what's happening." Giglio said that his company has not heard from the attorney general since the college sent in the requested documents. The attorney general's office declined to comment.

Commissioner Jeanne Herrmann

When she served: 2009–2015

Where she also worked: Globe University/Minnesota School of Business. Herrmann is chief operating officer.

What her school was getting heat for: Job-placement numbers and marketing tactics. In 2013, a former Globe University dean won a whistleblower lawsuit against the school. The dean said she had been fired after complaining about fraudulent job-placement numbers and misleading recruiting practices. The Minnesota attorney general filed a lawsuit against the school in 2014, accusing the colleges of misrepresenting job opportunities to students. That suit is ongoing.

What happened to her school's accreditation: Not much. None of the college's campuses have had their accreditation suspended or revoked.

How much federal aid did her school received: $74 million during the 2013 school year.

What she says: Jeanne Herrmann did not respond to request for comment.

Commissioner Gary Carlson and Edwin Colon

When they served: 2006–2011 and 2009–2014

Where they also worked: ITT Technical Institute. Carlson was vice president of academic affairs at ITT until his retirement in late 2010. Colon was director at an ITT Technical Institute Campus until May 2014, according to his online résumé.

What their school was getting heat for: Job placements and recruiting practices. An ongoing whistleblower lawsuit, brought in 2007, alleges that the school submitted false claims to the government to receive more financial aid. In 2010, a U.S. Senate committee

began an investigation into ITT, eventually finding that the company used aggressive recruiting tactics and that many of its students left without finishing their degrees. The Consumer Financial Protection Bureau also opened an investigation in 2013. It filed suit a few months later, accusing the company of predatory lending. In 2014, ITT was hit with a dozen investigations by state attorneys general. The suits from the Consumer Financial Protection Bureau and the attorneys general are ongoing, according to the company's most recent SEC filings.

What happened to their school's accreditation: And again ... not much. ACICS has not revoked or suspended any of the college's campuses.

How much federal aid their school received: $796 million during the 2013 school year alone.

What they say: "I don't think that everybody that's under investigation is always immediately guilty," said Gary Carlson. "When we paintbrush one whole industry as being bad because of some not following the rules, it's probably a mistake." Edwin Colon did not respond to request for comment.

In response to the list of commissioners from scrutinized schools, Anthony Bieda, vice president for external affairs at ACICS, described the council as "highly ethical" and "committed public servants who receive no pay for their service." Bieda said the commissioners were either nominated or appointed before the scrutiny of their companies occurred.

"If issues related to the commissioners' institution were raised in a council meeting, the commissioners always and diligently recuse themselves from the discussion and any subsequent decision," said Bieda. He added that "the commissioners themselves were not under scrutiny or accused of wrongdoing."

Ultimately, the makeup of the accreditation boards reflects the industry itself, warts and all.

"The way the agency commissioners are selected, it stands to reason that an agency that covers what we'll call at risk schools will have commissioners from at-risk places," said Susan Phillips, the chair of a Department of Education committee that reviews accreditors.

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