



Betsy DeVos Has Stacked The Department of Education With Executives From Shady For-Profit Colleges That Profit Off Student Borrowers

Since The 2012 Election Cycle, The For-Profit Education Industry Has Spent Over \$12.1 Million On Campaign Contributions, With Over \$8 Million Going To Republican Candidates.

TABLE OF CONTENTS

Education Secretary Betsy DeVos: She’s For Profit Not For Students	2
Principal Deputy Under Secretary Diane Auer Jones: Trump’s Top Higher Education Official Is A Former For-Profit Lobbyist	3
Chief Enforcement Officer Julian Schmoke: “Akin To Nominating Influenza To Be The Surgeon General”	10
Senior Counselor Robert Eitel: Industry’s Man On The Inside	12
Institute Of Education Sciences Director Mark Schneider: For-Profit Consultant Managing ED’s Policy Research.....	18
Senior Counsel Brandon Sherman: Represented For-Profit Colleges And Now Betsy DeVos... 	19
Deputy General Counsel Jed Brinton: For-Profit Industry Alum	21
The For-Profit Education Industry Has Spent Millions On Political Campaign Contributions ...	22

Education Secretary Betsy DeVos: She's For Profit Not For Students

Betsy DeVos Has A History Of Investing In Companies That Profit Off The Backs of Student Loan Borrowers Like For-Profit Colleges And Student Loan Refinancers.

For-Profit Colleges Account For a “Disproportionately Large Segment” Of The Student Loan Crisis.

For-Profit Colleges Are A “Disproportionately Large Segment” Of The Student Loan Crisis – Accounting For Half Of The Top 25 Schools Where Students Held The Most Student-Loan Debt In 2014. “A new report from the Brookings Institution shows that for-profit colleges aren't just part of the student-loan crisis—they're a disproportionately large segment, and one that has swelled in recent years. Between 2000 and 2014, the number of students holding education debt doubled to 42 million, their total debt outstanding quadrupling to over \$1 trillion. In 2000, there was only one for-profit institution among the 25 colleges and universities where students held the most student-loan debt. In 2014, there were 13, and University of Phoenix topped the list. The amount of debt owed by those attending for-profit colleges has grown from \$39 billion in 2000 to \$229 billion in 2014—which is more attributable to increases in the rate of borrowing at those schools than to increases in enrollment.” [Gillian B. White, “[The Empty Promises of For-Profit Colleges](#),” *The Atlantic*, 09/15/15]

Betsy DeVos Invested In Laureate Education, Which Operates Private For-Profit Colleges.

Betsy DeVos Has Investments Tied To Laureate Education, “A Private For-Profit College Operator.” “Pages 15 and 45 of [Betsy DeVos'] ethics paperwork list investments in Avery Point VII CLO. While the full investments of that fund are not clear, it does show up as a key investment in an amended loan agreement with Laureate Education—a private for-profit college operator. Laureate is also the company for which former president Bill Clinton served as an honorary chancellor.” [Ben Miller and Laura Jimenez, “[Inside the Financial Holdings of Billionaire Betsy DeVos](#),” Center for American Progress, 01/27/17]

- **Laureate Education Was The “Largest For-Profit College Company On The Planet” In 2017.** [Lauren Debter, “[The World's Biggest For-Profit College Company, Laureate Education, Raises \\$490 Million In Public Debut](#),” *Forbes*, 02/01/17]
- **Laureate Owns Walden University, “The Largest Recipient Of Federal Graduate Student Loans.”** “Laureate, which has a substantial international presence, also owns Walden University—the largest recipient of federal graduate student loans. Laureate is expected to produce an initial public offering soon, which could mean substantial windfalls for the company. Notably, the ethics agreement that DeVos signed in relation

to her nomination does not require her to divest her holdings in Avery Point VII.” [Ben Miller and Laura Jimenez, “[Inside the Financial Holdings of Billionaire Betsy DeVos,](#)” Center for American Progress, 01/27/17]

DeVos Also Invested In Delta Educational Systems, Which Operates Private For-Profit Colleges.

DeVos Has Investments Tied To Delta Educational Systems Inc., Which “Operates Several Dozen Private For-Profit College Campuses.” “DeVos has money in Apollo Investment Corp., which currently has investments in Delta Educational Systems Inc., a company that operates several dozen private for-profit college campuses. According to a spreadsheet of the first official gainful employment results from the Office of Federal Student Aid, Delta has 40 programs at risk of losing access to federal financial aid under the gainful employment regulation. Moreover, Delta also has accreditation through ACICS. DeVos’ investment in Apollo is also noteworthy because it is a subsidiary of Apollo Global Management, the company expected to purchase the University of Phoenix in the next few weeks.” [Ben Miller and Laura Jimenez, “[Inside the Financial Holdings of Billionaire Betsy DeVos,](#)” Center for American Progress, 01/27/17]

Principal Deputy Under Secretary Diane Auer Jones: Trump’s Top Higher Education Official Is A Former For-Profit Lobbyist

Diane Auer Jones, The Trump Administration’s “Top Higher Education Official,” Spent Nearly Five Years Lobbying For A For-Profit College Corporation That Drew The Fire Of Federal And State Regulators For Deceiving Students.

Diane Auer Jones Is The Trump Administration’s “Top Higher Education Official.”

Principal Deputy Under Secretary Of Education Diane Auer Jones Has Been Described As The Trump “Administration’s Top Higher Education Official.” “In an exclusive interview with *Inside Higher Ed*, the administration’s top higher education official described the philosophy behind the latest proposed regulatory overhaul, which the U.S. Department of Education unveiled Monday by introducing a wide-reaching rule-making session.” [Andrew Kreighbaum, “[DeVos to Announce New Push for Deregulation, Innovation,](#)” *Inside Higher Ed*, 07/30/18]

- **Jones Was Delegated The Duties Of The Under Secretary And Assistant Secretary For Postsecondary Education.** “Diane Auer Jones serves as principal deputy under

secretary at the U.S. Department of Education. In this role, she is delegated to perform the duties of under secretary and assistant secretary for postsecondary education.” [[“Diane Jones, Principal Deputy Under Secretary — Biography,”](#) U.S. Department of Education, 09/27/18]

For Nearly Five Years, Diane Auer Jones Was A Chief Lobbyist For Career Education Corporation.

From 2010 To 2015, Diane Auer Jones Worked On “Regulatory Operations” And “Government Affairs” As An Executive At Career Education Corporation. Diane Auer Jones was “SVP and Chief External Affairs Officer” of Career Education Corporation from October 2010 to March 2015. She said she, “[s]erved as the senior executive responsible for company-wide regulatory operations, licensure and accreditation, corporate communications, public relations, government affairs and centralized academic services.” [[LinkedIn Profile for Diane Jones](#), accessed 05/23/18]

Career Education Corporation Has Faced “Near Constant Scrutiny From Accreditors And Law Enforcement Entities,” Including The Senate, FTC, SEC, And 22 Attorneys General For “Misleading And Deceptive Recruiting Tactics.”

Career Education Corporation “Is One Of The Largest For-Profit Education Companies” That “Has Been Under Near Constant Scrutiny From Accreditors And Law Enforcement Entities.” “Career Education Corporation (‘CEC’) is one of the largest for-profit education companies offering many types of programs from certificate to Bachelor’s degrees. Like many for-profit education companies, in recent years CEC has experienced significant growth in student enrollment, Federal funds collected, and profit realized. At the same time, the company has been under near constant scrutiny from accreditors and law enforcement entities.” [[“For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success,”](#) U.S. Senate Health, Education, Labor and Pensions Committee, 07/30/12]

During Jones’ Tenure At CEC, A Senate HELP Committee Report Noted There Were “Allegations of Misleading And Deceptive” Recruiting Practices Against CEC. “The company appears to offer little in the way of student support services, and has struggled to address allegations of misleading and deceptive recruiting tactics as well as misrepresentations in its job placement rates.” [[“Career Education Corporation,”](#) U.S. Senate Committee on Health, Education, Labor, and Pensions, accessed 10/11/18 and [“FOR PROFIT HIGHER EDUCATION: The Failure to Safeguard the Federal Investment and Ensure Student Success,”](#) U.S. Senate Committee on Health, Education, Labor, and Pensions, 07/30/12]

Career Education Corporation Has Been Investigated By The FTC, SEC, And Twenty-Two Attorneys General. “In recent years the company has been under investigation for deceptive practices by the Federal Trade Commission; the Securities and Exchange Commission; and the attorneys general of Arkansas, Arizona, Connecticut, Idaho, Iowa, Kentucky, Missouri, Nebraska, North Carolina, Oregon, Pennsylvania, Washington, Illinois, Tennessee, Hawaii, New Mexico, Maryland, Florida, Massachusetts, Minnesota, New York, and the District of Columbia.”

[David Halperin, "[Another For-Profit College Lobbyist To Join DeVos Education Department](#)," *Republic Report*, 03/06/18]

In 2013 Career Education Corporation Had To Pay \$9.25 Million In Restitution And A \$1 Million Penalty For Having "Significantly Inflated Its Graduates' Job Placement Rates."

"Attorney General Eric T. Schneiderman today announced a \$10.25 million settlement with Career Education Corporation ('CEC'), a for-profit education company. The settlement resolves an investigation that revealed that in disclosures made to students, accreditors, and New York State, CEC significantly inflated its graduates' job placement rates. CEC will pay \$9.25 million in restitution to students, a \$1 million penalty, and has agreed to substantial changes in how the company calculates and verifies placement rates." [[Press Release](#), New York State Office of the Attorney General, 08/19/13]

In 2011 Career Education Corporation Settled A \$40 Million Class Action Lawsuit For Claiming Its Job Placement Rate Was 97% Without Noting That A "Substantial Majority" Of The Jobs Paid Less Than \$12 An Hour And Were Largely Entry-Level.

"In 2011, CEC agreed to pay \$40 million to settle a class action lawsuit involving another of one its subsidiaries, the California Culinary Academy in San Francisco. In that case, former students allege that the college's admissions representatives and catalog boasted a job placement rate of 97 percent, but that the college did not tell applicants that the statistics included graduates working as baristas, prep cooks, line cooks and waiters, jobs for which no degree was necessary. The complaint also contends that wages for a 'substantial majority' of the jobs included in the statistics paid \$12 an hour or less." [[Career Education Corporation](#)," U.S. Senate Committee on Health, Education, Labor, and Pensions, accessed 10/11/18]

Diane Auer Jones Is Intent On Loosening Accrediting Standards To Let More For-Profit Schools Feed On Federal Funding.

Diane Auer Jones Is Focusing On Loosening Oversight Of Accreditors, Giving Them A "Safe Space," Having Them "Tolerate Some Risk," And Arguing That They And Other Regulators Should "Stay In Their Lanes."

Under Diane Auer Jones And Betsy DeVos, ED's Higher Education Policy Is "A Stark Contrast To The Obama Administration's [...] Tougher Scrutiny Of Accreditors." "The broad plan from Education Secretary Betsy DeVos to 'rethink' higher education is a stark contrast to the Obama administration's approach, which made a signature policy of tougher scrutiny of accreditors, often citing oversight failures involving low-performing for-profit colleges. 'Accreditation is right at the crux of almost everything you do in higher ed,' Jones said last week. 'We're looking at every aspect of accreditation and saying, 'Does this make sense?'" [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

Diane Auer Jones "Said The [Trump] Administration's Goal Is To Reduce Compliance Requirements For Accreditors." "Diane Auer Jones, the department's principal deputy under secretary, delegated to perform the duties of under secretary and assistant secretary for

postsecondary education, said the administration's goal is to reduce compliance requirements for accreditors, freeing them up to focus on educational quality while more clearly defining the college oversight roles of those agencies, state governments and federal regulators." [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

Jones Is Working To Have Accreditors "Tolerate Some Risk" To More Easily Grant Title IV Funding To Schools. "Jones said DeVos wants to allow accreditors to 'tolerate some risk.' For example, she said, the administration is interested in encouraging colleges to offer degrees through new online models at more affordable prices. The federal government outsources much of its gatekeeping role for student aid to accreditors. Without their approval, colleges and universities can't maintain their access to Title IV federal funds." [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

Jones Has Argued That Accreditors, Federal Regulators, And State Regulators Should "Stay In Their Lanes," And That Accreditors Should Not Have Oversight Of For-Profits Converting To Nonprofits. "Part of the administration's goal with the accreditation overhaul, Jones said, is to better define oversight roles and to ensure that accreditors and state and federal regulators 'stay in their lanes,' focusing on their core strengths."

- "For example, she said, accreditors tend to be ill suited to properly scrutinizing the financial health of colleges or the specifics of complex financial interactions, including the wave of large for-profits that are seeking to convert to nonprofits. Those jobs are best left to the feds and state regulators, she said. "Their expertise is not in evaluating contract terms," Jones said of accreditors. "The role of the accreditor is to make sure the institution is well run." [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

Jones Said, "The Credit Hour Probably Interferes With Innovation Almost More Than Anything" While Issuing A "Controversial Proposal" To Undo Obama-Era Rules To Hold Accreditors More Accountable For Overseeing Credit Hours. "The credit hour probably interferes with innovation almost more than anything,' she said. 'I think most educators believe we should go back to the way we did it for 100 years where institutions determine what the credit hour should be and justify it to their accreditor.'" [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

- **Diane Auer Jones Described Plans To Drop The Obama Administration's "Standardized Definition For Academic Coursework."** "In what will be the one of the most controversial proposals, [Jones] said the department wants to drop a standardized definition for academic course work, known as the credit hour, that the Obama administration rewrote in 2010 to curb credit inflation." [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]
- "The Obama administration issued the credit-hour definition in 2010 after the inspector general found that colleges had inflated the value of credits to get more federal student aid." [Andrew Kreighbaum, "[DeVos to Announce New Push for Deregulation, Innovation](#)," *Inside Higher Ed*, 07/30/18]

Jones Argued In 2018 That “We Have To Give Accreditors A Safe Space To Support That Innovation. “We have seen some accreditors that want to be bold. Too many times they’ve done it with the department’s blessing and have gotten blindsided after the fact,’ said Jones, a former assistant secretary of education in the George W. Bush administration. [...] ‘If we really want innovation to take place, we have to give accreditors a safe space to support that innovation.” [Andrew Kreighbaum, “[DeVos to Announce New Push for Deregulation, Innovation](#),” *Inside Higher Ed*, 07/30/18]

- **However, in 2009, Jones Criticized A “Funding Model In Education That Favors Constant Change And Innovation.”** [Carol Iannone, “[Old Ills, New Remedies: A Conversation with Diane Auer Jones](#),” National Association of Scholars, 06/29/09]

Although Diane Auer Jones Acknowledged That Some Lenders “Behaved Badly,” She Defended Them, Claiming That They Have “Have Benefited Thousands If Not Millions Of Students.” “We must also acknowledge that while some FFEL lenders have behaved badly and all have enjoyed generous government guarantees for the non-secured loans they make, they have enabled millions of low- and middle-income individuals to attend college. These lenders have also achieved dramatic reductions in borrower default rates due to improved consumer counseling and customer service. In addition, many have used their profits to establish scholarship and college-readiness programs, which have benefited thousands if not millions of students.” [Carol Iannone, “[Old Ills, New Remedies: A Conversation with Diane Auer Jones](#),” National Association of Scholars, 06/29/09]

Senators Warned That Diane Auer Jones Could Restore An ED-Rejected Accreditor That “Rubber-Stamped” For-Profit Schools Like The Ones She Lobbied For...And Jones Went Ahead And Did Just That.

In April 2018, Senators Warned That Diane Auer Jones “Has A History Of Participating In The Revolving Door” And Voiced Specific Concern About Her Reinstating ACICS, An Accreditor That “Rubber-Stamped” For-Profit Colleges Like The Ones She Lobbied For.

In April 2018, Ten U.S. Senators Called For Answers About Diane Auer Jones' Conflicts Of Interest. “Ten Senate Democrats are questioning the role and potential conflict of interest of a recently hired official at the U.S. Department of Education who has ties to the for-profit college industry.[...] Senate Democrats say those relationships [with for-profit industry] color Jones’s objectivity in advising on policy and regulatory matters that affect her former employers and the for-profit industry.” [Danielle Douglas-Gabriel, “[Senate Democrats question the role of a former for-profit college lobbyist at the Education Department](#),” *The Washington Post*, 04/28/18]

The Senators Wrote, “Ms. Jones Has A History Of Participating In The Revolving Door.” The Senators wrote, “Ms. Jones has a history of participating in the revolving door of government and lobbying, including a position as the chief lobbyist for a for-profit education

company operating colleges accredited by ACICS.” [[Letter from Richard Blumenthal et. al to Betsy DeVos](#), 04/26/18]

The Senators Were Concerned About Jones' Authority To Reinstate An Accreditor That “Rubber-Stamped” For-Profit Schools, Like The Ones She Worked For. “Among the concerns raised in the eight-page letter: Lawmakers say they are suspicious of Jones having the power to recommend whether the Accrediting Council for Independent Colleges and Schools should be fully reinstated. The Obama administration stripped the organization of its power in December 2016, after deciding it was incapable of rectifying years of lax oversight. The organization accredited some of the biggest names in the for-profit college industry, including several once owned by Career Education, where Jones worked from 2010 to 2015.” [Danielle Douglas-Gabriel, “[Senate Democrats question the role of a former for-profit college lobbyist at the Education Department](#),” *The Washington Post*, 04/28/18]

- “I have significant, specific concerns regarding Ms. Jones’ ability to oversee a derelict accreditor that has rubber-stamped the flow of federal dollars to colleges and universities that engaged in widespread fraud and abuse — the very same colleges and universities she has worked for most of her career,” Sen. Richard Blumenthal (D-Conn.), one of the 10 lawmakers who signed the letter, said in an email to *The Washington Post*.” [Danielle Douglas-Gabriel, “[Senate Democrats question the role of a former for-profit college lobbyist at the Education Department](#),” *The Washington Post*, 04/28/18]

The Senators Noted That Jones Served As An Expert Witness For The Center for Excellence in Higher Education, A Chain Of For-Profit Schools That Tried To Gain Nonprofit Status But Was Rejected By ED. “The lawmakers said they also are wary of the senior policy adviser’s ties to the Center for Excellence in Higher Education, a Utah-based chain of career colleges that are seeking to convert from for-profit status to nonprofit for federal financial aid purposes. The Education Department in 2016 rejected the company’s bid to convert to nonprofit status. Jones served as an expert witness when the company sued the Education Department over its decision.” [Danielle Douglas-Gabriel, “[Senate Democrats question the role of a former for-profit college lobbyist at the Education Department](#),” *The Washington Post*, 04/28/18]

In September 2018, Diane Auer Jones Confirmed The Senators' Fears When She “Effectively Reversed” ED’s Prior Decision To Strip ACICS' Accreditor Status, Arguing That It Was A Victim Of “Government Strong-Arming” Although ED Has Found That ACICS Had Flouted “Nearly 60 Federal Regulations.”

In September 2018, Diane Auer Jones “Effectively Reversed” An Obama-Era Decision To End ED's Recognition Of ACICS' Accreditor Status. “Nearly two years ago, the U.S. Education Department finalized a decision to strip a controversial accrediting agency of its federal recognition, ending its ability to serve as a gatekeeper for federal student aid. However, following a court decision and review of more than 30,000 pages of documents, a senior official at the department [Diane Auer Jones] has now effectively reversed that decision. A letter to the Accrediting Council for Independent Colleges and Schools, dated September 28, concluded that

the council was now in compliance with all but two of the necessary standards for recognition.” [Eric Kelderman, [“Education Department Moves to Give Controversial Accreditor of For-Profits Another Chance,”](#) *The Chronicle of Higher Education*, 09/29/18]

Jones Argued That “ACICS Was Likely In Compliance” With ED Accreditation Standards. “In making her decision, Auer Jones largely faulted the department’s staff, its political appointees, and the federal panel that advises the secretary on accreditation decisions for not considering additional evidence and measures the accreditor had taken to meet the standards before the 2016 decision. ‘Acics was likely in compliance with many of these criteria in 2016 at the time of the secretary’s decision,’ Auer Jones wrote in her 77-page decision, which was completed without input from the staff in the department’s accreditation division.” [Eric Kelderman, [“Education Department Moves to Give Controversial Accreditor of For-Profits Another Chance,”](#) *The Chronicle of Higher Education*, 09/29/18]

Jones Argued That ACICS Was A Victim Of “Government Strong-Arming” And Suggested That ED Staff “Predetermined” Its Decision. “Not reviewing the additional documents ‘is an example of government strong-arming that is simply unacceptable and, in my opinion, is a strong sign that the department had predetermined’ the accreditor’s ‘destiny, whether or not the evidence provided did or did not justify the determination,’ Auer Jones wrote.” [Eric Kelderman, [“Education Department Moves to Give Controversial Accreditor of For-Profits Another Chance,”](#) *The Chronicle of Higher Education*, 09/29/18]

In 2018, ED Issued A Report Finding That ACICS Was “Out Of Compliance With Nearly 60 Federal Regulations. “The latest decision conflicts with a separate staff analysis, completed earlier this year, that found the accreditor out of compliance with nearly 60 federal regulations. Auer Jones dismissed that report, however, saying that it could not be considered because it was done for a different process, as the accreditor sought to reapply for recognition.” [Eric Kelderman, [“Education Department Moves to Give Controversial Accreditor of For-Profits Another Chance,”](#) *The Chronicle of Higher Education*, 09/29/18]

Diane Auer Jones Wouldn’t Say When The Trump Administration Would Start Processing Over 158,000 Outstanding Borrower Defense Claims – Leaving Thousands Of Student Borrowers Waiting On Debt Relief After Reporting They Were Defrauded.

Diane Auer Jones Was Unable To Give Congress A Timeline For Processing Over 158,000 Outstanding Borrower Defense Claims.

In May 2019, Diane Auer Jones Told A House Oversight Subcommittee That “She Could Offer No Timeline For The Review Of More Than 158,000 Outstanding Borrower-Defense Claims.” “A top Education Department official said Wednesday that she could offer no timeline for the review of more than 158,000 outstanding borrower-defense claims. Diane Auer Jones, the department’s principal deputy under secretary, said at a House oversight subcommittee hearing that the Trump administration hasn’t taken any action on the claims in close to a year because a federal judge in California blocked the use of a formula for awarding partial relief of loan forgiveness rolled out in 2017. ‘We are not able to determine the level of harm or level of

relief a borrower should get because the methodology we have used is being blocked by a California court,' she said." [Andrew Kreighbaum, "[Trump Official Says No Timeline for Review of Borrower-Defense Claims](#)," *Inside Higher Ed*, 05/23/19]

The Borrower Defense Rule Provides A Path To Debt Forgiveness For Students Who Were Defrauded By Their Colleges, Often For-Profit Institutions.

Borrower Defense To Repayment Is An "Obama-Era Rule" That "Allows Students Who Believe They Were Defrauded By Their College To Apply For Loan Forgiveness." "The Obama-era rule, known as Borrower Defense to Repayment, allows students who believe they were defrauded by their college to apply for loan forgiveness. The idea is that if they didn't get the education they were promised, they shouldn't have to pay back their debt. The number of these applications soared as the Obama administration cracked down on for-profit colleges. Sometimes nursing students, for example, found out after finishing their program that it didn't have the right accreditation -- keeping them from getting a job." [Katie Lobosco, "[Trump rollbacks leave more than 100,000 people waiting on student loan relief](#)," *CNN*, 03/26/19]

- **The Majority Of Borrower Defense Claims Are Filed Against For-Profit Colleges.** "As of last fall, more than 200,000 people had applied for loan forgiveness, a majority of whom went to for-profit colleges. Nearly 48,000 received debt relief and 9,000 have been denied." [Katie Lobosco, "[Trump rollbacks leave more than 100,000 people waiting on student loan relief](#)," *CNN*, 03/26/19]

Chief Enforcement Officer Julian Schmoke: "Akin To Nominating Influenza To Be The Surgeon General"

Julian Schmoke Was An Executive At DeVry University, A For-Profit College That Has Settled Allegations Of Deceptive Tactics With Federal Regulators

Julian Schmoke Is The Chief Enforcement Officer At The Department Of Education.

Julian Schmoke Has Been The Department Of Education's Chief Enforcement Officer Since August 2017 And Director Of Its Clery Act Compliance Division Since January 2019. [[LinkedIn Profile for Julian Schmoke](#), accessed 06/06/19]

Julian Schmoke Was A Professor And Associate Program Dean At DeVry University.

Julian Schmoke Was A Professor And Associate Program Dean At DeVry University.
[[Profile for Julian Schmoke](#), LinkedIn, accessed 06/06/19]

DeVry University Is A For-Profit College That Has Settled Allegations Of Deceptive Recruitment Tactics With Federal Regulators.

DeVry University Is A For-Profit College That “Has Faced Allegations That It Was Using Deceptive Recruitment Tactics, Misleading Students About Their Career Prospects, And Distorting Data Provided To The Federal Government.” “DeVry, a for-profit college, has faced allegations that it was using deceptive recruitment tactics, misleading students about their career prospects, and distorting data provided to the federal government. The institution’s parent company arrived at settlements with several government entities, including the New York attorney general earlier this year and the Federal Trade Commission in late 2016, the latter of which amounted to \$100 million. DeVry Education Group, the parent company, subsequently rebranded itself as Adtalem Global Education.” [Alia Wong, “[What a New Trump Administration Hire Could Mean for For-Profit Colleges](#),” *The Atlantic*, 08/31/17]

Julian Schmoke’s Appointment To Lead FSA’s Enforcement Unit Was Met With Complaints: “Basically Akin To Nominating Influenza To Be The Surgeon General.”

Julian Schmoke’s Appointment To Lead FSA’s Enforcement Unit Was Met With Complaints Who Noted That His Former Employer, For-Profit DeVry University, Has Settled Claims Of Abuse With Regulators

Julian Schmoke’s Appointment To FSA’s Enforcement Unit “Provoked Complaints From Critics Who Pointed Out That DeVry Recently Settled Several Claims” Alleging “Some Of The Very Abuses The Unit Is Charged With Eliminating.” “The Trump administration has tapped Julian Schmoke, a former DeVry University administrator, to lead the Education Department’s student-aid enforcement unit. The move provoked complaints from critics who pointed out that DeVry recently settled several claims brought against it by regulators alleging it had engaged in some of the very abuses the unit is charged with eliminating.” [Alia Wong, “[What a New Trump Administration Hire Could Mean for For-Profit Colleges](#),” *The Atlantic*, 08/31/17]

Sen. Chris Murphy: “This Is A Joke, Right? Basically Akin To Nominating Influenza To Be The Surgeon General.”

Sen. Chris Murphy (D-CT) Tweeted, “This Is A Joke, Right? [...] Basically Akin To Nominating Influenza To Be The Surgeon General.” “Democrats said the decision underscores the administration’s close ties to the for-profit sector, pointing to Trump University, President Donald Trump’s for-profit school which was sued for fraud. ‘This is a joke, right?’ tweeted Senator Chris Murphy, a Connecticut Democrat. ‘Basically akin to nominating influenza to be the Surgeon General.’ Murphy weighed in Tuesday after the story was first reported by

Politico.” [Maria Danilova, “[Ex-DeVry Dean to Probe For-Profit Colleges; Critics Pounce](#),” *Associated Press*, 08/31/17]

Sen. Elizabeth Warren: “Dr. Schmoke’s Résumé Raises Serious Red Flags.”

Sen. Elizabeth Warren (D-MA) Said, “Dr. Schmoke’s Résumé Raises Serious Red Flags, And His Experience As A Former For-Profit-College Executive Does Not Suggest That His Priorities Include Protecting Students, Consumers Or Taxpayers.” “Congressional Democrats roundly criticized the selection. ‘We need a strong, independent, and experienced higher-ed enforcement chief who is up to the task of protecting billions of dollars in taxpayer funds,’ said Sen. Elizabeth Warren, Democrat of Massachusetts. ‘Dr. Schmoke’s résumé raises serious red flags, and his experience as a former for-profit-college executive does not suggest that his priorities include protecting students, consumers or taxpayers.’” [Adam Harris, “[Education Dept. Appointee’s For-Profit Past Draws Flak, but It’s Complicated](#),” *The Chronicle of Higher Education*, 08/31/17]

Senior Counselor Robert Eitel: Industry’s Man On The Inside

Robert Eitel Worked At The Department Of Education For Two Months After Trump’s Inauguration While On A Leave Of Absence From A Troubled For-Profit College Company.

Robert Eitel Has Been Senior Counselor To Secretary Betsy DeVos At The Department Of Education Since April 2017.

Robert Eitel Has Been Senior Counselor To The Secretary At The Department Of Education Since April 2017. [[LinkedIn Profile for Robert Eitel](#), accessed 06/04/19]

Robert Eitel Was On The Trump “Beachhead Team” And Started Working For Betsy DeVos At The Department Of Education While On A Leave Of Absence From For-Profit Bridgepoint Education.

In March 2017, Robert Eitel Started “Working As A Special Assistant To The New Secretary Of Education, Betsy DeVos,” While On “An Unpaid Leave Of Absence” From Bridgepoint Education. “Today, Mr. Eitel — on an unpaid leave of absence — is working as a special assistant to the new secretary of education, Betsy DeVos, whose department is setting out to roll back regulations governing the for-profit college sector. The Education Department says Mr. Eitel has conferred several times with its ethics officer to avoid conflicts. But it says he is not precluded from having a voice on general issues and regulations that affect the for-profit

college sector.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

- **Bridgepoint Education Owns For-Profit Colleges Which Have Been “Accused Of Pressuring Students To Enroll In Schools They Can’t Afford.”** “Bridgepoint Education, which owns Ashford University, and other for-profit colleges have been accused of pressuring students to enroll in schools they can’t afford and aren’t prepared for so the schools can collect federal and state financial aid money in the name of boosting profit margins. The result, critics say: Shareholders and executives get rich at the expense of taxpayers, while many students drop out, deep in debt.” [Staci Hupp, “For-profit colleges: Too much profit, too little education?” *Des Moines Register*, 06/05/11]
- **Eitel Was Part Of A Trump Administration “Beachhead Team,” Which Helped Lead Federal Agencies In The Early Days Of The Administration But Did Not Require Senate Confirmation.** “A department spokesman, who requested anonymity, said Mr. Eitel is part of a ‘beachhead’ team, paid staff members who are temporarily helping to lead federal agencies as the Trump administration gets up and running but do not require Senate confirmation. The spokesman said Mr. Eitel would recuse himself from policy decisions or discussions related to Bridgepoint and another former employer, Career Education Corporation. While on unpaid leave from Bridgepoint, the spokesman said, Mr. Eitel has also volunteered to recuse himself from weighing in on the department’s ‘gainful employment’ regulation, which is intended to hold career schools accountable for their job placement records and is particularly despised by the industry.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

Robert Eitel “Remained Employed By Bridgepoint Education” For Two Months After Starting At The Department Of Education In 2017. “Among DeVos’ closest advisers is senior counselor Robert Eitel, a former vice president at two for-profit college operators. For two months, as the department made decisions affecting for-profits, Eitel remained employed by Bridgepoint Education, a for-profit where he was an attorney for regulatory legal services. Straddling both roles, Eitel worked on rewriting the so-called borrower defense to repayment regulations that make it easier for students to file for debt relief that was beneficial to his employer.” [Heidi Przybyla, “[DeVos goes deep with anti-regulatory mission at Education Department](#),” *NBC News*, 07/03/18]

Bridgepoint Education “Has Come Under Frequent Scrutiny By Federal And State Watchdogs,” Including The Justice Department.

Bridgepoint Education “Has Come Under Frequent Scrutiny By Federal And State Watchdogs.” “Bridgepoint — a publicly traded company that operates Ashford University and University of the Rockies, enrolls roughly 50,000 students, and primarily offers online degrees — has come under frequent scrutiny by federal and state watchdogs.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

- **As Recently As March 2018, The Justice Department Was “Investigating Whether The Company Violated Education Department Limits That Bar It From Receiving More Than 90 Percent Of Its Revenue In Federal Student Aid.”** “The Justice Department, according to a Bridgepoint filing with the Securities and Exchange Commission, is investigating whether the company violated Education Department limits that bar it from receiving more than 90 percent of its revenue in federal student aid. If a college is in violation for two years in a row, the Education Department can cut off further access to funds, the college’s lifeblood.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

The Security Exchange Commission Is Also Investigating Bridgepoint’s Accounting Practices.

As Recently As March 2018, The SEC Was “Investigating Bridgepoint’s Accounting Practices.” “In addition, the S.E.C. itself has been investigating Bridgepoint’s accounting practices. Attorneys general in California and Massachusetts are conducting separate investigations. And last month, Ashford received a final audit from the Education Department that said the company owed the agency \$300,000 as a result of the university’s miscalculation of federal student aid eligibility dating to 2006, an S.E.C. filing noted. The university has 45 days to appeal.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

Robert Eitel Played A Role In Dismantling “Borrower Defense” Regulations At ED, Something His Most Recent Employer – A For-Profit College Company – Lobbied On And Saw As A Threat To Their Business.

Robert Eitel Played A Role In Dismantling Borrower Defense at The Education Department – Something His Former Employer Had Lobbied On And Considered A Threat To Its Business.

Robert Eitel “Played A Role” In Suspending The “Borrower Defense” Rule At The Education Department, Even Signing Off “On The Official Delay Notice.” “Robert Eitel, who was hired by the Trump administration last year after four years as a for-profit college executive, played a role in suspending an Obama-era policy known as ‘borrower defense to repayment,’ according to documents obtained exclusively by ABC through the watchdog group Democracy Forward [...] When the Department decided to suspend the rule, Eitel – a former VP at for-profit college operators Bridgepoint Education and Career Education Corp. – circulated borrower defense talking points to staffers, edited background documents, and even signed off on the official delay notice, the documents obtained by ABC showed.” [Erin Dooley, “[Lawmakers demand review of Education Department ethics program after former for-profit college exec shapes policy](#),” *ABC News*, 06/14/18]

- **In a 2016 SEC Filing, Bridgepoint Education Saw The Borrower Defense Rule As A Threat To Its Business.** In Bridgepoint's 2016 SEC filing, certified on March 7, 2017, the company asserted, “Under the new regulations regarding borrower defense to repayment, our institutions could face claims by students based on the expanded circumstances in which students may assert a defense to repayment of their student loans, and the Department may be entitled to seek recoupment of student loans discharged pursuant to the regulations. [...] Any assertion by our institutions’ students of defenses to repayment, including any resulting liability to, or remedial action against, our institutions, and any significant restrictions imposed on us or our ability to operate resulting from a requirement to post a letter of credit or other security, could damage our reputation in the industry and have a material adverse effect on enrollments and our revenues, financial condition, cash flows and results of operations.” [[Bridgepoint Education, Inc., Securities and Exchange Commission Form 10-K](#), 2016]
- **In The First Quarter Of 2017, Bridgepoint Education Hired Lobbyists To Influence The Senate On The Borrower Defense Rule.** From January 2017 to March 2017, Bridgepoint Education hired Fierce Government Relations to lobby the Senate on “Borrowers Defense to Repayment Department of Education Regulation, Gainful Employment.” [[Fierce Government Relations LD-2 Disclosure Form](#), U.S. Senate Lobbying Disclosure Act Database, 04/20/17]

Bridgepoint Education Reached A \$31 Million Settlement With The CFPB For Deceiving Students About The Cost Of Their Loans.

Bridgepoint Reached A Settlement With The CFPB, Agreeing To Refund Students \$23.5 Million And Pay An \$8 Million Civil Penalty

In September 2016, Bridgepoint Education Inc. Reached A Settlement With The Consumer Financial Protection Bureau (CFPB), Agreeing To Refund Students \$23.5 Million And Pay An \$8 Million Civil Penalty. “For-profit college chain Bridgepoint Education Inc. will refund students \$23.5 million for allegedly tricking them into taking out loans that cost more than advertised, under a settlement with the Consumer Financial Protection Bureau announced Monday. The San Diego-based company, which neither admitted nor denied the allegations, will also pay an \$8 million civil penalty, the agency said.” [Aruna Viswanatha, “[For-Profit College Company to Refund Students \\$23.5 Million in CFPB Settlement](#),” *The Wall Street Journal*, 09/12/16]

The CFPB Found That Bridgepoint Deceived Students About The Costs Of Their Loans And Monthly Payments.

The CFPB Found That Bridgepoint “School Deceived Its Students About The Total Cost Of The Loans,” Falsely Telling Students That “Borrowers Normally Paid Off Loans Made By The School With Monthly Payments Of As Little As \$25.” “According to the CFPB order, from 2009 until recently, Bridgepoint offered private student loans to its students to help cover

the cost of tuition. The Bureau found that the school deceived its students about the total cost of the loans by telling students the wrong monthly repayment amount. As a result, students at Bridgepoint were deceived into taking out loans without knowing the true cost, and were obligated to make payments greater than what they were promised. Specifically, the CFPB found that Bridgepoint told students that borrowers normally paid off loans made by the school with monthly payments of as little as \$25, an amount that was not realistic.” [[Press Release](#), Consumer Financial Protection Bureau, 09/12/16]

Bridgepoint Has Faced Investigation By Attorneys General In Iowa, California, And Massachusetts.

In 2014, Bridgepoint Agreed To A Pay A \$7.25 Million Settlement With The Iowa Attorney General.

In 2014, Bridgepoint, And Ashford University, A For-Profit College It Operates, “Agreed To Pay \$7.25 Million To Settle Charges By The Iowa Attorney General That They Had Given Students In That State Incorrect Information About The University’s Program.” “In 2014, before Mr. Eitel joined the company, Bridgepoint and Ashford agreed to pay \$7.25 million to settle charges by the Iowa attorney general that they had given students in that state incorrect information about the university’s program. Bridgepoint denied the allegations at the time.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

Attorneys General In California And Massachusetts Are Conducting Separate Investigations Into Bridgepoint.

As Of March 2018, “Attorneys General In California And Massachusetts [Were] Conducting Separate Investigations” Into Bridgepoint. “In addition, the S.E.C. itself has been investigating Bridgepoint’s accounting practices. Attorneys general in California and Massachusetts are conducting separate investigations. And last month, Ashford received a final audit from the Education Department that said the company owed the agency \$300,000 as a result of the university’s miscalculation of federal student aid eligibility dating to 2006, an S.E.C. filing noted. The university has 45 days to appeal.” [Patricia Cohen, “[Betsy DeVos’s Hiring of For-Profit College Official Raises Impartiality Issues](#),” *The New York Times*, 03/17/18]

Before Working At Bridgepoint, Robert Eitel Worked At Career Education Corporation, A For-Profit College Company That Drew The Fire Of Federal And State Regulators For Deceiving Students.

Robert Eitel Was Vice President Of Regulatory Operations At Career Education Corporation, As Well As Director Of Its PAC.

From January 2013 To July 2015, Robert Eitel Was Vice President Of Regulatory Operations At Career Education Corporation. [[LinkedIn Profile for Robert Eitel](#), accessed 10/15/18]

- **Eitel Was Also Executive Director Of Career Education Corporation’s Political Action Committee.** [[LinkedIn Profile for Robert Eitel](#), accessed 10/15/18]

Career Education Corporation Has Faced “Near Constant Scrutiny From Accreditors And Law Enforcement Entities” For Misleading Student Borrowers.

Career Education Corporation Has Faced “Near Constant Scrutiny From Accreditors And Law Enforcement Entities,” Including The Senate, FTC, SEC, And 22 Attorneys General For “Misleading And Deceptive Recruiting Tactics.”

Career Education Corporation “Is One Of The Largest For-Profit Education Companies” That “Has Been Under Near Constant Scrutiny From Accreditors And Law Enforcement Entities.” “Career Education Corporation (‘CEC’) is one of the largest for-profit education companies offering many types of programs from certificate to Bachelor’s degrees. Like many for-profit education companies, in recent years CEC has experienced significant growth in student enrollment, Federal funds collected, and profit realized. At the same time, the company has been under near constant scrutiny from accreditors and law enforcement entities.” [[For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success](#), U.S. Senate Health, Education, Labor and Pensions Committee, 07/30/12]

In 2012, A Senate HELP Committee Report Noted There Were “Allegations of Misleading And Deceptive” Recruiting Practices Against CEC. “The company appears to offer little in the way of student support services, and has struggled to address allegations of misleading and deceptive recruiting tactics as well as misrepresentations in its job placement rates.” [[Career Education Corporation](#), U.S. Senate Committee on Health, Education, Labor, and Pensions, accessed 10/11/18 and [FOR PROFIT HIGHER EDUCATION: The Failure to Safeguard the Federal Investment and Ensure Student Success](#), U.S. Senate Committee on Health, Education, Labor, and Pensions, 07/30/12]

Career Education Corporation Has Been Investigated By The FTC, SEC, And Twenty-Two Attorneys General. “In recent years the company has been under investigation for deceptive practices by the Federal Trade Commission; the Securities and Exchange Commission; and the attorneys general of Arkansas, Arizona, Connecticut, Idaho, Iowa, Kentucky, Missouri, Nebraska, North Carolina, Oregon, Pennsylvania, Washington, Illinois, Tennessee, Hawaii, New Mexico, Maryland, Florida, Massachusetts, Minnesota, New York, and the District of Columbia.” [David Halperin, [“Another For-Profit College Lobbyist To Join DeVos Education Department,” Republic Report](#), 03/06/18]

In 2013 Career Education Corporation Had To Pay \$9.25 Million In Restitution And A \$1 Million Penalty For Having “Significantly Inflated Its Graduates’ Job Placement Rates.” “Attorney General Eric T. Schneiderman today announced a \$10.25 million settlement with Career Education Corporation (‘CEC’), a for-profit education company. The settlement resolves an investigation that revealed that in disclosures made to students, accreditors, and New York State, CEC significantly inflated its graduates’ job placement rates. CEC will pay \$9.25 million in restitution to students, a \$1 million penalty, and has agreed to substantial changes in how the company calculates and verifies placement rates.” [[Press Release](#), New York State Office of the Attorney General, 08/19/13]

In 2011 Career Education Corporation Settled A \$40 Million Class Action Lawsuit For Claiming Its Job Placement Rate Was 97% Without Noting That A “Substantial Majority” Of The Jobs Paid Less Than \$12 An Hour And Were Largely Entry-Level. “In 2011, CEC agreed to pay \$40 million to settle a class action lawsuit involving another of one its subsidiaries, the California Culinary Academy in San Francisco. In that case, former students allege that the college’s admissions representatives and catalog boasted a job placement rate of 97 percent, but that the college did not tell applicants that the statistics included graduates working as baristas, prep cooks, line cooks and waiters, jobs for which no degree was necessary. The complaint also contends that wages for a ‘substantial majority’ of the jobs included in the statistics paid \$12 an hour or less.” [“[Career Education Corporation](#),” U.S. Senate Committee on Health, Education, Labor, and Pensions, accessed 10/11/18]

Institute Of Education Sciences Director Mark Schneider: For-Profit Consultant Managing ED’s Policy Research

Mark Schneider Is In Charge Of The Research Informing The U.S. Department Of Education’s (ED’s) Policies—And Has Previously Consulted For-Profit Colleges.

Mark Schneider Is The Director Of The Institute Of Education Sciences, ED’s Research Arm.

Mark Schneider Is The Director Of The Institute Of Education Sciences, A Senate-Confirmed Position, At The Department Of Education. “Mark Schneider was confirmed by the U.S. Senate as director of the Institute of Education Sciences (IES) on March 23, 2018.” [“[Mark Schneider](#),” Institute of Education Sciences, accessed 06/05/19]

- **“The Institute Of Education Sciences (IES) Is The Statistics, Research, And Evaluation Arm Of The U.S. Department Of Education. We Are Independent And Non-Partisan.”** [“[About IES](#),” Institute of Education Sciences, accessed 06/06/19]

Mark Schneider Has Worked As A Consultant For Numerous For-Profit Colleges.

Mark Schneider Worked As An “Individual Independent Consultant” For The “Association Of Proprietary Colleges.” Mark Schneider worked as an “Individual Independent Consultant” for the “Association of Proprietary Colleges.” [[“Mark Schneider,” Pro Publica](#), accessed 06/05/19]

- **The Association Of Proprietary Colleges “Represents 12 For-Profit Institutions.”** The “Association of Proprietary Colleges [...] represents 12 for-profit institutions in New York.” [Ashley A. Smith, [“N.Y. For-Profits Get Piece of Scholarship Pie,” Inside Higher Ed](#), 04/03/18]

Mark Schneider Worked As An “Individual Independent Consultant” For “Monroe College.” Mark Schneider worked as an “Individual Independent Consultant” for “Monroe College.” [[“Mark Schneider,” Pro Publica](#), accessed 06/05/19]

- **Monroe College Is A “For-Profit School.”** Monroe College is “a large for-profit school in the Bronx.” [Rick Karlin, [“In New York, scrutiny of for-profit colleges will increase with key defender gone,” Times Union](#), 01/22/19]

Senior Counsel Brandon Sherman: Represented For-Profit Colleges And Now Betsy DeVos

Brandon Sherman, One Of Betsy DeVos’ Top Lawyers, Previously Provided Legal Services To Numerous For-Profit Colleges.

Brandon Sherman Is Senior Counsel For Secretary Betsy DeVos.

Brandon Sherman Is Senior Counsel In The Office Of The Secretary At The U.S. Department Of Education. [[LinkedIn Profile for “Brandon S.”](#) accessed 06/06/19]

Brandon Sherman Has Provided Legal Services To Numerous For-Profit Colleges.

Brandon Sherman Provided “Legal Services” To The “Aviator College Of Aeronautical Science And Technology.” Brandon Sherman provided “Legal Services” to the “Aviator College of Aeronautical Science and Technology.” [[“Brandon S. Sherman,” Pro Publica](#), accessed 06/05/19]

- **Aviator College Of Aeronautical Science And Technology Is A “For-Profit School.”** Aviator College Of Aeronautical Science and Technology “is a private, for-profit school.” [Keona Gardner, “[Aviator College plans \\$4M expansion at Treasure Coast International Airport in Fort Pierce](#),” *TC Palm*, 12/14/18]

Brandon Sherman Provided “Legal Services” To The “Center For Excellence In Higher Education, Inc.” Brandon Sherman provided “Legal Services” to the “Center for Excellence in Higher Education, Inc.” [“[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **Center For Excellence In Higher Education, Inc. Is A “For-Profit Chain.”** The “for-profit chain Center for Excellence in Higher Education (CEHE) [...]” [James Paterson, “[For-profit college chain sanctioned by accreditor](#),” *Education Dive*, 09/12/18]

Brandon Sherman Provided “Legal Services” To The “CollegeAmerica.” Brandon Sherman provided “Legal Services” to “CollegeAmerica.” [“[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **CollegeAmerica Is A “For-Profit College.”** “CollegeAmerica, a for-profit college based in Colorado [...]” [David Halperin, “[With CollegeAmerica Trial Underway, Someone Just Posted An Unhinged Attack On Colorado’s Attorney General](#),” *The Huffington Post*, 10/19/17]

Brandon Sherman Provided “Legal Services” To “Globe University.” Brandon Sherman provided “Legal Services” to “Globe University.” [“[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **Globe University Was Part Of “A Now-Defunct For-Profit College Chain.”** Globe University is a part of “a now-defunct for-profit college chain.” [Brian Lambert, “[Globe University students should get refunds over loans, court says](#),” *MinnPost*, 06/04/19]

Brandon Sherman Provided “Legal Services” To Laureate Education, Inc. And Walden University. [“[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **Laureate Education Was The “Largest For-Profit College Company On The Planet” In 2017.”** [Lauren Debter, “[The World’s Biggest For-Profit College Company, Laureate Education, Raises \\$490 Million In Public Debut](#),” *Forbes*, 02/01/17]
- **Laureate Owns Walden University, “The Largest Recipient Of Federal Graduate Student Loans.”** “Laureate, which has a substantial international presence, also owns Walden University—the largest recipient of federal graduate student loans. Laureate is expected to produce an initial public offering soon, which could mean substantial windfalls for the company. Notably, the ethics agreement that DeVos signed in relation to her nomination does not require her to divest her holdings in Avery Point VII.” [Ben Miller and Laura Jimenez, “[Inside the Financial Holdings of Billionaire Betsy DeVos](#),” *Center for American Progress*, 01/27/17]

Brandon Sherman Provided “Legal Services” To “Vatterott College.” Brandon Sherman provided “Legal Services” to “Vatterott College.” [[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **“Vatterott Education Centers” Were “For-Profit Trade Schools.”** “Vatterott Education Centers” were “for-profit trade schools.” [Katy Bergen, “[How could I get nothing? Vatterott students devastated by school’s abrupt closing](#),” *Kansas City Star*, 12/18/18]

Brandon Sherman Provided “Legal Services” To The “Western Technical College.”

Brandon Sherman provided “Legal Services” to the “Western Technical College.” [[Brandon S. Sherman](#),” *Pro Publica*, accessed 06/05/19]

- **Western Technical College Is A “Two-Year For-Profit” College.** Western Technical College is a “Two-year for-profit.” [[Western Technical College](#),” *The New York Times*, accessed 06/05/19]

Deputy General Counsel Jed Brinton: For-Profit Industry Alum

Jed Brinton, One Of ED’s Top Attorneys, Previously Worked For AmeriTech, A For-Profit College.

Jed Brinton Is A Deputy General Counsel At The U.S. Department Of Education.

Jed “Brinton Is Deputy General Counsel For Postsecondary Service In The Department Of Education’s Office Of The General Counsel.” Jed “Brinton serves as the Deputy General Counsel for Postsecondary Service in the Office of the General Counsel. Brinton advises senior agency leadership on legal issues relating to higher education. Brinton previously served in the Department as special counsel in the Office of the General Counsel.” [[Press Release](#),” U.S. Department Of Education, 01/08/19]

Jed Brinton Previously Worked For AmeriTech, A For-Profit College.

Jedediah Brinton Previously Worked At AmeriTech College, LLC. Jedediah Brinton previously worked at AmeriTech College, LLC where he advised them “on responding to requests for information.” [[Jedediah Brinton](#),” *Pro Publica*, accessed 06/05/19]

- **AmeriTech College Is A “Private, For-Profit College.”** “Headquartered near Salt Lake City, Utah, AmeriTech is a private, for-profit college focused on providing healthcare training programs such as nursing, medical assisting, medical billing and coding, surgical

technicians, and dental assisting.” [[“Main Street Capital Invests in AmeriTech College,” The PE Hub Network, 03/14/12](#)]

The For-Profit Education Industry Has Spent Millions On Political Campaign Contributions

Since The 2012 Election Cycle, The For-Profit Education Industry Has Spent Over \$12.1 Million On Campaign Contributions, With Over \$8 Million Going To Republican Candidates.

During The 2012 Election Cycle, The For-Profit Education Industry Contributed Over \$4.7 Million To Political Campaigns, With Over \$3 Million Going To Republican Candidates.

During The 2012 Election Cycle, The For-Profit Education Industry Donated A Total Of \$4,762,852 In Campaign Contributions. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2012 Election Cycle, The For-Profit Education Industry Donated A Total Of \$3,087,581 To Republican Candidates. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2014 Election Cycle, The For-Profit Education Industry Contributed Over \$2.8 Million To Political Campaigns, With Over \$1.7 Million Going To Republican Candidates.

During The 2014 Election Cycle, The For-Profit Education Industry Donated A Total Of \$2,805,352 In Campaign Contributions. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2014 Election Cycle, The For-Profit Education Industry Donated A Total Of \$1,779,959 To Republican Candidates. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2016 Election Cycle, The For-Profit Education Industry Contributed Over \$2.1 Million To Political Campaigns, With Over \$1.3 Million Going To Republican Candidates.

During The 2016 Election Cycle, The For-Profit Education Industry Donated A Total Of \$2,139,923 In Campaign Contributions. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2016 Election Cycle, The For-Profit Education Industry Donated A Total Of \$1,354,246 To Republican Candidates. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2018 Election Cycle, The For-Profit Education Industry Contributed Over \$2.2 Million To Political Campaigns, With Nearly \$1.7 Million Going To Republican Candidates.

During The 2018 Election Cycle, The For-Profit Education Industry Donated A Total Of \$2,287,818 In Campaign Contributions. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

During The 2018 Election Cycle, The For-Profit Education Industry Donated A Total Of \$1,690,634 To Republican Candidates. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

Since The Beginning Of The 2020 Election Cycle, The For-Profit Education Industry Has Contributed Nearly \$170,000 To Political Campaigns, With Over \$147,000 Going To Republican Candidates.

Since the Beginning Of The 2020 Election Cycle, The For-Profit Education Industry Has Donated A Total Of \$166,894 In Campaign Contributions. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]

Since the Beginning Of The 2020 Election Cycle, The For-Profit Education Industry Has Donated A Total Of \$147,352 To Republican Candidates. [[For-Profit Education Industry Long-Term Contribution Totals](#), OpenSecrets.org, accessed 07/03/19]