

Additional Misleading and Deceptive Conduct by For-Profit Recruiters Documented on GAO Undercover Tapes

MedVance Institute, Scenario 2

- The representative leads the undercover applicant to believe that she will receive student loan forgiveness from any hospital employer: “You can step into a hospital tomorrow and say to HR, ‘I have 23,000 in student loans, can you pay it off?’ And they’ll say ‘Okay Terri, you have to work with us for a year a half and we’re going to pay it off.’”

Kaplan College Pembroke Pines, Scenario 1

- The college representative says “we will get you a job. I can’t promise you that just because I can’t say those words here, but I’m telling you right now, you will get a job.”
- A college representative asks if the applicant is Hispanic (applicant replies she is) and he tells her that Obama is giving millions to Hispanics and that it doesn’t matter what your income is. There is no federal student aid program directed at Hispanic students.

Kaplan College Pembroke Pines, Scenario 2

- The admissions representative told the applicant that the graduation rate was “very high” at about 78 percent. However the program was 18 months long and the campus had only been open for 7 months.

Potomac College, Scenario 1

- The applicant asks about the graduation and placement rates and the representative says “our graduation rate is good, but exactly what it is I don’t know because there is, is, something online about it, but I don’t think it is completely accurate.”

Everest University Phoenix, Scenario 1

- The school representative stated “I mean, right now all of the economy is slow, but we still place all of our graduates, you know that came through the last graduation that we had, they all had jobs.” Data gathered by the HELP Committee shows that at this campus at least 78.5 percent of associate degree seeking students, 67.5 percent of bachelor’s degree seeking students and 36.1 percent of certificate-seeking students withdraw without completing.

Westwood, Scenario 2

- The applicant asked how much Assistant Construction Managers earn, the representative responded, “I’m not supposed to say. I saw online they can make up to six figures, like \$100,000.”

University of Phoenix, Scenario 2

- The representative told the applicant that he would qualify for the full amount of subsidized loans, when in fact he was not eligible for any subsidized loans according to the applicant's FAFSA.

Westech, Scenario 2

- The admissions representative told the applicant that the school was the only one in the state that had received the accrediting body's "school of excellence" award. That statement is false.
- The financial aid representative told the student that the program's \$14,000 tuition, when compared to other schools, was "really low." The same certificate at a local community college would cost the student approximately \$520 – roughly 4 percent of the cost attending Westech.

Everest College Dallas, Scenario 2

- The financial aid representative told the student he would be eligible for \$1,783 in grants. However, the undercover applicant in this scenario had listed a \$250,000 inheritance on his FAFSA and thus his expected family contribution should have precluded grants from being awarded.

Kaplan College Riverside, Scenario 2

- In response to a question from the GAO undercover applicant about how many people graduate, admissions representative says "I want to say 90 percent." Data gathered by the HELP Committee shows that 45.7 percent of certificate-seeking students withdraw before completing their course of study.