



# **ALERT: Predatory Educational Institutions Targeting Soldiers**

**A Warning Message from the MNARNG J1 Education & Incentives Office**

**Recently, various media organizations have highlighted educational institutions which have targeted Soldiers solely for their GI Bill and FTA funding. These schools often leave veterans with minimal remaining education benefits, mountains of student loan debt, and marginal employability in the workforce. Soldiers in the Minnesota Army National Guard have fallen victim to various predatory business practices by these schools.**

**The stories below are from MNARNG Soldiers within the past 5 years.**

- College Recruiter showed up at National Guard Armory and signed Soldiers up for an online locksmithing course. Soldiers were promised a \$500 Best Buy gift card and a free laptop for signing up. Soldiers received three deadbolts, a manual key cutter, a handful of key blanks and a block of wood as training materials. Cost of program \$4500.00 (the annual max for FTA at the time.) Training included online "Youtube style" instructional videos. The school concealed that while the college was accredited, the certificate program was not. Soldiers who signed up for this course were later recouped for the \$4500.00 tuition due to program's unaccredited status.
- Veteran claims college recruiter told him he could get a job as a police officer with the school's Criminal Justice program. Veteran completed 3 1/2 years of education at the college. Veteran then realized that MN law enforcement agencies do not recognize training from this school. The Veteran had used all his GI Bill benefits, took out student loans and none of the credits would transfer to another approved program. The Veteran has no remaining education benefits to become a police officer and is paying out of pocket to fund his tuition and remaining student loans.
- Students awaiting determination of FTA and GI Bill eligibility were pressured into taking out private loans to cover cost of tuition until funding was cleared. The private loans had 15%-25% interest rates. The loans were owned by same school which students were attending. Students were eventually approved for federal funding but then were stuck with the bill to cover interest from private loans during the determination period.

Identifying what behaviors and practices predatory schools have used when targeting veterans will protect yourself from falling into a trap. Common tactics include targeted advertising, enrollment quotas, high pressure recruiting tactics, and outright lies about credit transferability, employment and salary prospects. Frontline created an eye opening 18 minute report on the higher education industry's exploitation of veterans which can be seen here:

<http://www.pbs.org/wgbh/pages/frontline/educating-sergeant-pantzke/>



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**It is best to research schools before making your selection. Below are some tactics to watch out for and strategies to make the best choice when picking a school.**

## **Marketing:**

Keep an eye out for schools that advertise themselves as "Military Friendly". Each time you see these ads, they were funded by tuition that could have been spent directly on your education. Many times this is a ploy to get students with guaranteed DOD federal aid. Find out if the school has a well-established veteran's organization. Do they have vets working as faculty and admin staff? Do they have a dedicated Veterans' Services Office or space on campus? The Student Veterans of America organization can provide additional information on specific campuses <http://www.studentveterans.org/>

## **High Pressure Recruiting Tactics:**

Some colleges will use high pressure sales tactics to get you to sign up for classes. Recruiters have made exaggerated claims regarding job placement and expected salary in these pitches. Some Soldiers have complained of getting daily calls at all hours from recruiters for these schools. If you are being bombarded with recruiting pitches, stop and remember you hold the power. Choosing a school is an important choice which should not be taken lightly. It is better to take time to research a program rather than diving into the wrong school for you. Report any continued harassment by recruiters to your education office and the VA.

## **Cost of Attendance:**

The cost of higher education can vary greatly. Annual tuition for a full time student can be as low as \$3,000 per year or as expensive as \$50,000 or more! Never start a program you cannot afford. It is also important to consider your expected income after graduating vs. the resulting student debt. You won't be able to pay \$100,000 in student loans back on a \$25,000 annual salary. This does not mean you should disregard an expensive school. Many institutions offer discounts, scholarships, and grants for veteran students.

MNSCU (Minnesota State Colleges and Universities system) schools allow students to begin their education at cheaper community colleges then transfer those credits to university level programs. You can also find out if the school you are considering accepts credit for your previous military experience through this link: <http://www.mnscu.edu/collegesearch/index.php/vets/search>



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## Federal and Private Student Loans:

Student loan debt is one of the greatest financial burdens a Soldier may take on. Too often young Soldiers take out loans and cannot afford to pay them back. While loans may be considered “easy money” they accrue interest while you are attending school. Student Loans cannot be discharged in bankruptcy and falling behind in payments can result in garnishments, lost eligibility for federal benefits and potential loss of your security clearance. You should avoid student loans if at all possible.

There are two types of loans available to students: federal student loans and private student loans. Federal loans may be subsidized or unsubsidized. Subsidized loans have lower interest rates than unsubsidized loans. Private Loans may be offered by banks or schools and will always have higher interest rates than subsidized loans. Private loans are NOT ELIGIBLE for the ARNG Student Loan Repayment Program. ALWAYS use your education benefits before considering student loans. If you must take out a student loan, try to take out subsidized federal loans first.

## Accreditation:

One of the most misunderstood aspects of higher education is accreditation. Some “diploma mills” have created fraudulent accreditation agencies which are not recognized by any legitimate organization. These programs are not eligible for any state, federal or veteran benefits and are likely scams! Legitimate schools will only be accredited regionally or nationally. To find out if your program is properly accredited visit <http://inquiry.vba.va.gov/weamspub/buildSearchInstitutionCriteria.do> or <http://www.chea.org/>.

- A regionally accredited school usually guarantees that a student’s diploma will be recognized for transfer between educational institutions and acceptance by organizations which require licensing for employment. Regionally accredited schools make up the majority of accredited schools across the nation and are generally less expensive than nationally accredited schools.
- Nationally accredited schools are generally focused on providing an education based on preparing students for a specific profession and usually do not have a high emphasis on liberal education. These schools are better known than regionally accredited programs for offering online training. Nationally accredited credits WILL NOT transfer to any other program. This often means bachelor degrees will not meet pre-requisites for regionally accredited graduate programs. If you start training in a nationally accredited program you MUST COMPLETE the program at that school!



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## **Graduation Rates:**

An important point of consideration is graduation rates. Graduation rates will provide a good indicator of how likely you are to complete your degree once you start an education program. Many MNARNG Soldiers are attending schools with graduation rates lower than 20 percent and don't even know it! While a disciplined Soldier will likely have more drive and motivation than a civilian student, the nature of constant deployments and training obligations can interfere with successful completion of college. Research your school's graduation rate by using the VA School Comparison Tool at: <http://department-of-veterans-affairs.github.io/gi-bill-comparison-tool/#>

## **College Reputation in the Workforce:**

The MNARNG Education Office has seen a startling increase in Soldiers returning to school because they could not get a job with their previous degrees. It is very important to consider whether a degree from your school will make you employable in your chosen field. Some schools knowingly offer degree programs which are worthless in oversaturated job markets. Other times, a school's reputation will not go very far in the real world. Before starting a program, contact employers in the field to find out what schools they have hired from. How do they rank your school compared to others? Do they have "blacklisted" schools? Keep in mind, many employers use automated systems to weed out applicants and have been known to toss applications based on school alone.

## **Online Colleges:**

Online colleges are both a blessing and a curse. They provide Soldiers the flexibility to complete classes at their own pace even from a remote location. On the other hand students MUST have self-discipline to complete courses on their own. If you are a procrastinator, a set weekly schedule at a local campus may be a better fit for you. Be aware of overloading yourself with online classes when deployed. Deployment is always mission first and your mission schedule may interfere with your college courses.

Be especially vigilant if your degree requires hands on training or skills which cannot be easily replicated through online training. Also, if you are using your Post 9/11 GI Bill, you must attend at least one class at a physical campus to receive the housing allowance.

MNSCU now offers online classes. You can graduate college with a degree from one of your local state colleges or universities. To find out what online courses MNSCU offers visit: <http://www.mnscu.edu/collegesearch/index.php/onlineprogram>



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## Identifying and Reporting Predatory Schools:

A quick Google search can reveal a lot about a school's reputation. If you have concerns about a particular school you first need to attempt to solve it internally at the school. If this does not work and you still have concerns, REPORT IT. This protects other Soldiers from falling into similar situations. You can report concerns in three ways:

- If your school has a Higher Education Veterans Program (HEVP) representative, they will often go above and beyond to resolve the issue by working with you and the school. Select your school to find out who your local HEVP rep is here: [http://www.mnveteranservice.org/documents/Veterans\\_Coordinators.html](http://www.mnveteranservice.org/documents/Veterans_Coordinators.html)
- You may file an anonymous complaint with the VA at the following link: <http://www.benefits.va.gov/gibill/feedback.asp>.
- Let the MNARNG Education Services office know if you are having issues with your school so we can warn the force about any reoccurring problems. You may contact us by phone at: 651-282-4589 or email at [nq.mn.mnarng.mbx.assets-education@mail.mil](mailto:nq.mn.mnarng.mbx.assets-education@mail.mil)

The purpose of this message is not to discourage you from attending any specific school. It is to empower you by giving you the tools to remain vigilant and know what to watch out for when researching colleges. Many students have successfully graduated from online for-profit universities and gotten great jobs. Individual experiences may make one student consider a school great while another student absolutely hate it. Speak with multiple sources and research on your own before making your final decision.

**\*The Minnesota Army National Guard does not endorse any specific college or university.**