

Veterans feel ripped off by Colorado for-profit college

By David Olinger - January 26, 2017



Mark Glogouski has a bad heart. He relies on a pacemaker and defibrillator to keep it pumping.

His doctors have repeatedly told him to avoid heavy labor if he wants to stay alive.

So Glogouski, a professional airplane painter, decided to pursue a business degree and management position in the same field.

He enrolled in 2011 at Colorado Technical University, a for-profit online college with campuses in Colorado. It was time, he figured, to put his veterans' benefits to use toward a safer and better-paying career.

"They told me I could get all kinds of grants and scholarships because I was a veteran," he said.

During the next two years, he kept asking why he wasn't being offered more business courses. He also worried about his teachers. Some "were so unprepared that they just read from the textbook," he said. Then he learned that he had been enrolled not in a business program, but in a general studies program with a "focus" on business.

Next, he said, the college persuaded him to pursue a bachelor's degree in business, assuring him that he had enough veterans benefits for two more years of study.

The money ran out one year later, and he learned that grants and scholarships had not covered his college costs. "So now I have two associates' degrees that aren't in the field I wanted, an unfinished bachelor's degree, no more veteran benefits and \$65,000 in federal student loan debt," he said.

That has left Glogouski, 54, still painting airplanes for a living, and hoping his cardiologist is wrong.

Nationally, hundreds of thousands of students have been left with heavy debts and no degrees since two large for-profit college chains collapsed and closed their doors in the last two years. Many are appealing to a federal program that offers debt relief to students lured by false promises concerning costs and jobs. Others joined in filing a multibillion-dollar lawsuit.

In Colorado, an investigation by *The Colorado Independent* found that Colorado Tech has generated more complaints from veterans using GI Bill benefits than any other college in the country except for two large for-profit chains, University of Phoenix and ITT Tech.

According to new [U.S. Department of Education data](#), Colorado also performs poorly in a regulation that distinguishes between affordable career education programs that lead to well-paying jobs and those that don't based on the debt-to-income ratios of their graduates. Nationally, one-fourth of these programs did not achieve a passing grade, nearly all of them run by for-profit colleges. But in Colorado, the problem is worse. One of every three career education programs fell below a passing grade.

Glogouski is one of eight veterans who agreed to talk to *The Independent* about their experiences with Colorado Tech.

Some appreciated the flexibility of its online courses, which let them hold a daytime job and study at night in pajamas. Some praised their teachers. But only one said he had completed a degree program and found a job in his field of study.

Their most common complaints: pressure to enroll, misleading job promises and heavy debts.

David Stiemke, a 26-year-old Afghan war veteran, enrolled at the university's main campus in Colorado Springs and took online courses as well.

"Unfortunately it didn't work out too well. I really didn't feel the instructors cared about my personal success," he said. "They seem very disconnected from the students."

On campus, one instructor refused to leave the classroom door open for a vet suffering from post-traumatic stress, he said. Online, his email questions about assignments sometimes "were returned after the assignment was due or on the day the assignment was due."

For him, the last straw was a dispute over a class he had to drop for war-related medical reasons two years ago. He said the college misinformed him about the withdrawal deadline, then billed him \$1,550 for the class.

He transferred to Pikes Peak Community College and asked Colorado Tech for his transcript.

"They never got back to me," he said, "so I pretty much had to start over at square one."

In a statement, Colorado Tech said privacy laws prevent it from discussing individual student records. But student experiences are "highly nuanced," and "there are many factors which can impact financial aid, degree selections and interactions with our faculty members," spokeswoman Melissa Balsan said.

She described the college as sensitive to student medical needs and noted that it recently received an award from a college military education council.

"We're proud that many of our faculty members have military backgrounds, which we believe helps them better understand our military student's unique needs," she said.

While most for-profit college programs meet new U.S. Department of Education standards, two large chains have collapsed with disastrous consequences.

Corinthian Colleges Inc. went down in 2015, followed by ITT Tech last year. Both had Colorado campuses. Taxpayers are sure to pick up part of multi-billion dollar claims through a federal student debt relief program, and students have filed a \$2.5 billion lawsuit against Corinthian.

Another controversial for-profit college, Trump University, settled lawsuits with a \$25 million payment just before its founder, Donald Trump, took office as president. Most of the money went to students who alleged in class action lawsuits that the now-defunct school misled them into believing it was a legitimate university teaching real estate success skills.

Investigations and hearings unearthed some disturbing recruiting tactics at the failed chains.

At Corinthian, according to an internal document, the target student was "isolated," "impatient," feeling "stuck," with "low self-esteem," "unable to see and plan well for future" and with "few people in their lives who care about them."

At ITT, a former recruiting director, Laura Brozek, described its goals as "asses in classes" or "kiss 'em and sit 'em" – meaning signing up as many students as possible, regardless of whether the programs fit their needs or the tuition met their budgets. She said staff salaries and jobs depended on meeting recruitment goals.

Walter Ochinko, policy director for the group Veterans Education Success, used veteran complaints and attorney general investigations to look at 300 degree programs approved for GI Bill money. He told Congress last year that 20 percent of those programs "did not lead to jobs because they lacked the appropriate accreditation or failed to meet state-specific criteria required for licensure or accreditation. These schools recruit students by misleading them about their accreditation and the ability of graduates to get a job in their field of study."

He also called his research "the tip of the iceberg" because it studied only a small number of degree programs.

Colorado Technical University programs were not part of his study. But he noted that in a database of complaints from veterans using GI benefits, the Colorado-based school drew more complaints than any others except the University of Phoenix, the nation's largest for-profit college, and ITT Tech.

"I think that's rather telling," he said.

In a rare show of unanimity in December, Congress passed and President Obama signed a law promising veterans that GI benefits will be limited to colleges that make them "career ready" upon graduation.

The new federal Department of Education report examined performances of colleges offering career education programs in everything from criminal justice to culinary arts. Nationally, 76 percent of colleges met standards that compared student debts to graduate job incomes. Nine percent failed, and the remainder scored in a zone between success and failure.

In Colorado, just 66 percent of the career programs achieved a passing grade, according to Jennifer Wang, Washington policy director for The Institute for College Access and Success.

"That is concerning for Colorado," she said.

Nationally, "98 percent of the failing programs are at for-profit colleges, which is incredibly troubling," Wang added.

Failing programs get a year to demonstrate better outcomes for their students. "If they don't improve," she said, "those programs will lose financial aid eligibility."

Importantly, schools with failing marks must notify students and student applicants.

According to data Wang provided, 10 different career education programs at Colorado Tech fell short of success. Three failed outright, and seven fell in the zone between success and failure.

The failed programs enrolled students to become legal assistants, medical office specialists and medical insurance billers. The median earnings of graduates in all three programs ranged between \$17,000 and \$19,000 a year – not much above the annual federal minimum wage of \$15,080 for a full-time job.

Associate's, bachelor's and master's degrees in the criminal justice field all fell between success and failure at Colorado Tech. Median incomes of graduates with bachelor's degrees actually exceeded those with master's degrees, \$30,251 to \$28,717.

Those were not the worst marks among Colorado colleges. The Art Institute of Colorado in Denver had 14 unsuccessful programs, according to data Wang provided. Five fell in the zone between success and failure. Nine failed outright.

The failing programs ranged from associate's degrees in baking and culinary arts to degrees in commercial photography, interior design and cinematography.

The Art Institute "will comply with all of the Department of Education's requirements to notify students in failing programs," spokeswoman Devra Pransky said. Beyond that, "we are not able to provide information about ongoing business operations."

A coalition of Colorado consumer advocates led by the Denver-based Bell Policy Center is working on legislation to better protect students attending four-year programs at for-profit colleges. The bill, which is still being drafted, is expected to be introduced this legislative session.

When ITT Tech shut down, Colorado's community college system tried to help by holding open houses on its campuses and offering a chance to transfer credits.

"Turnout was very low," said William Tammore, the system's provost. Federal education officials cautioned that transferring "may make you ineligible for loan forgiveness," he said. "That turned out to be an important issue."

In Colorado Springs, the main campus of Colorado Tech is a red-and-white block of concrete, glass and metal off the busy corporate retail and fast-food corridor of Garden of the Gods Road a few miles north of downtown. It draws a diverse cross-section of students – young and old, black, white and brown – to its classrooms. But the vast majority of its students enroll online from homes across the country.

In Greencastle, Pa., airplane painter Mark Glogouski has managed to reduce his monthly college debt payments with the help of a student debt relief group.

Unhappily, "my story is not an isolated example," he said.

Another of those stories is close to home. His wife Christine also enrolled at Colorado Tech after the college told her she would qualify for benefits as a veteran's spouse. One course became her curse. At first the college wouldn't let her change her degree program when she kept failing it, Mark said, and when the college finally did, she exhausted her loan money a few credits shy of a bachelor's degree.

"She ended up almost \$70,000 in debt," he said.

Christine was laid off from her job six months ago and remains unemployed.

Meanwhile, "I'm still out there painting airplanes," Mark said. "It's a lot of wear on me, but you gotta make a living."

Colorado Independent reporter Corey Hutchins contributed to this report.

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