

For-Profit Colleges Facing Lawsuits

By Scott Travis, *Sun Sentinel*, Fort Lauderdale, Fla. (MCT)

As the state and federal governments investigate for-profit colleges, the industry is being hit with a series of lawsuits by former students and employees.

And at least a dozen law firms have announced they are also conducting investigations of the sector and are asking people who have been victimized to contact them.

"There's been an awful lot of negative attention on the sector, and not much positive, even though we have a lot of amazing success stories to tell," said Kathy Mizereck, executive director of the Florida Association of Postsecondary Schools and Colleges, an industry lobbying group. "A lot of attorneys are saying, 'If you have any complaints, contact us.' Many of the complaints are baseless."

Others say the media spotlight has simply empowered more people to come forward.

"So many students come into the situation upset, overwhelmed, thinking they're at fault, and their situation is unique, and they are too embarrassed to come forward," said Jillian Estes, a Tampa lawyer who represents former for-profit students. "Now they realize it's not them."

Here are some of the lawsuits:

Kaplan University recruiters would use any means to enroll students, a federal lawsuit filed in Miami by three former employees alleges.

Kaplan, owned by the Washington Post Co., has a large presence in South Florida, including call centers in Fort Lauderdale and Boca Raton.

The suit alleges recruiters could earn as much as \$100,000 a year if they enrolled enough students, but if their performance dropped, they faced major pay cuts and would get fired or feel pressured to quit.

"It is not unusual for the paramedics to be called to the boilerplate call centers that Kaplan runs in Fort Lauderdale and Boca Raton," the lawsuit alleges.

Recruiters would tell "at-risk students" they could use their government loans for anything they wished after they paid tuition, the suit alleges. Students would then buy a car and never attend class, according to the complaint.

Kaplan stopped tying admissions officers' pay to enrollment shortly after an Aug. 4 federal

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Government Accountability Report found recruiters making misrepresentations at the Pembroke Pines and Riverside, Calif., campuses of Kaplan College, owned by the same company as Kaplan University.

The suit alleges professors were forced to inflate student grades or risk losing their jobs.

The plaintiffs in the suit are Jude Gillespie, a former course developer and associate professor; Carlos Urquilla-Diaz, a former high-level employee and professor; and Ben Wilcox, a former dean.

Kaplan spokesman Ron Iori called the allegations baseless.

"These former employees-turned-plaintiffs have made outlandish claims against Kaplan in numerous forums over the last several years, and they all have been repeatedly rejected," he said.

Iori said Wilcox hacked into company computers and will stand trial this month on U.S. Justice Department cybercrime charges.

Six students say MedVance Institute promised them recession-proof jobs in the health care industry, but left them unemployed and in heavy debt.

MedVance is a private career college focusing only on health care professions, such as medical billing and coding. It was owned by West Palm Beach-based KIMC Investments before being sold in December 2009 to Baltimore-based Education Affiliates. Both companies are named in a suit filed last month by six former students at MedVance's Palm Springs and Stuart locations.

The suit alleges MedVance made false statements regarding its cost, education quality, graduates' abilities to pass certification exams and job prospects. A second suit from a former instructor claims he was fired for complaining about MedVance's procedures and for dropping students from his roll who didn't show up for class.

The suits say students were subjected to disinterested professors and disruptive classes. Two students described classes "so out of control it was nothing short of a riot scene."

Medical assistants at the Stuart site were angry when the school failed to provide needed supplies, Diana Meyer, 44, a student in the medical coding program, said.

"There were no syringes. They couldn't draw blood," Meyer said.

Students said instructors prepared them for a medical coding certificate exam by giving them crossword and find-a-word puzzles. The puzzles came from a test prep company that specializes in learning activities for elementary and middle school students.

Officials from MedVance couldn't be reached, despite repeated attempts by phone and e-mail.

Students at Westwood College were enticed by promises of high-paying jobs at Disney, the FBI or the fashion industry, but instead found themselves working at fast food restaurants and retail stores, according to a suit filed in Colorado by a Tampa law firm.

Colorado-based Westwood offers degrees in areas such as animation, video game software development, computer forensics and medical assisting. It has 192 online students in Florida.

"The admissions representative or 'bounty hunter' uniformly and knowingly misrepresents to the

student that he or she is capable of addressing any of the student's concerns about the school," the suit alleges. "However, admissions representatives are undeniably recruiters who are tasked with selling a product."

Job ads for admissions officers require only sales experience, not a financial or educational background, according to the suit.

One admissions representative told a potential student that Westwood credits would be transferable to the University of Florida or Florida State University as long as the course descriptions were the same, the lawsuit alleges. In fact, neither school accepts the credits.

Officials say Westwood is clear on its forms and website that credits may not transfer.

The lawsuit said the school is also creative with its job placement data, characterizing a copy assistant at a print shop as a job in graphic design, or a shift manager at fast food restaurant as a business management job.

"We are proud of the hard work by our 40,000 students and graduates, many of whom are working at businesses throughout the country," Westwood spokeswoman Kristina Yarrington said. "We will continue to defend their hard work, and the opportunities we provide them through our programs."

Everest University's online program is based in Florida and offers programs in such areas as accounting, criminal justice and paralegal studies. It has 14 locations in the state, most of which were formerly known as Florida Metropolitan University. The online programs are run out of Tampa.

While the Everest online program operates legally in Florida, it's not an approved distance education program in Texas, according to a federal lawsuit filed in Austin by former Texas student Jeffrey Reed.

He had an associate's degree from an Everest campus in Dallas, and his goal was to go to law school, according to the suit. Everest admissions officials encouraged him to receive a bachelor's from the Everest online program, without disclosing that it wasn't licensed in Texas and the degree wasn't valid in the state, according to the lawsuit. Admissions officers enrolled hundreds of other students in Texas as well, the lawsuit alleges.

Reed graduated with \$51,000 in debt and rejection letters from law schools, the suit alleges.

Everest online diplomas are valid in Texas, because the program is accredited and meets all the licensing requirements of Florida, its home base, company spokesman Ken Jenkins said. But that's still no guarantee that a particular university will accept the credits.

"We work very hard on behalf of students to help them get credits transferred, but ultimately the decision of whether an individual school accepts course credits is their decision and theirs alone," Jenkins said.

Staff researcher Barbara Hijek contributed to this report.

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