



February 20, 2018

---

## MADIGAN CALLS ON EDUCATION SECRETARY DEVOS TO REJECT ACCREDITING AGENCY THAT APPROVED FRAUDULENT FOR-PROFIT SCHOOLS

**Chicago** — Attorney General Lisa Madigan today joined a coalition of states in opposing an application by the Accrediting Council for Independent Colleges and Schools (ACICS) to regain its status as a nationally recognized college accreditor, noting the accreditor’s “extreme and far-reaching oversight failures” and the serious harm it caused students and taxpayers across the country by enabling fraud and abuse by predatory for-profit schools.

Madigan and 19 other attorneys general submitted [comments](#) to the U.S. Department of Education urging it to reject ACICS’s application for recognition. In the comments, Madigan and the other attorneys general note that the Department terminated ACICS’s recognition due to ACICS’s pervasive oversight failures, and any attempt by ACICS to become nationally recognized once again “should be treated with great skepticism.” Under the Department’s regulations, the attorneys general assert that ACICS cannot meet the threshold eligibility requirements for receiving national recognition.

“The Department of Education must maintain high standards for accreditors to prevent predatory colleges from defrauding students and taxpayers,” Madigan said. “ACICS’ accreditation gave a ‘seal of approval’ to many of the worst predatory colleges that enabled them to defraud millions of students across the country.”

Madigan and the other attorneys general noted that accreditors serve a critical role in ensuring schools provide students with an education that meets minimum standards of quality. They also noted that accreditors should function as gatekeepers, protecting students from abuse by institutions that offer education of little-to-no value. The attorneys general said that when accreditors fail to fulfill this responsibility, they enable abusive schools to engage in misconduct that can be devastating to students.

Madigan and the other attorneys general said an example of ACICS’s oversight failure was its failure to identify serious compliance problems at the now-defunct Corinthian Colleges Inc., which operated Everest College campuses in Illinois. ACICS continued accrediting Corinthian after 20 state and federal agencies – including Madigan’s office – initiated investigations for fraud and up until Corinthian declared bankruptcy.

Madigan and the other attorneys general state in their comments:

*“ACICS’s previous stint as a nationally recognized accreditor provides a stark illustration of the damage done to both students and taxpayers when accreditors fail to fulfill their oversight responsibilities. During these years, ACICS willingly accredited predatory schools that left students across the country mired in debt and without the quality education they were promised.”*

Joining Madigan in submitting the comments were attorneys general from California, Connecticut, the District of Columbia, Delaware, Hawaii, Iowa, Kentucky, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Virginia and Washington.

Attorney General Madigan is a national leader in investigating and enforcing consumer protection violations in the higher education field, including in the for-profit schools industry.

Madigan’s investigation into Corinthian Colleges Inc., which operated Everest Colleges in Illinois, revealed widespread misrepresentations made to prospective students, supporting the Department of Education’s own findings of fraud. In December 2017, Madigan, and the attorneys general of Massachusetts and New York, filed a lawsuit against the U.S. Department of Education alleging it violated federal law by failing to process the Borrower Defense loan discharge application made by Madigan on behalf of more than 6,000 Illinois students who attended Everest Colleges.

In addition to her investigation of Everest, Madigan reached a \$15 million settlement in 2015 with Westwood College that forgave private debt owed by students of Westwood's criminal justice program. Under the settlement, more than 3,600 former Westwood College students in Illinois received an average of more than \$4,200 in relief, in addition to federal loan relief called for by Madigan. After resolving Madigan's lawsuit, the college announced its closure. Madigan also reached a settlement with Education Management Corporation (EDMC), which operates five Illinois Institute of Art and Argosy University campuses in Illinois, requiring EDMC to provide disclosure to students about the true cost of the school and expectations for job placement after graduation.

Madigan created a free Student Loan Helpline to provide student borrowers with free resources about repayment options, avoiding default or to file a complaint about loan servicing at (800) 455-2456 (TTY: 1-800-964-3013). More information can also be found on her [website](#).

-30-

[Return to February 2018 Press Releases](#)

