Understanding Misleading Websites and "Lead Generators":

A Case Study: Victory Media's "Military Friendly Schools"

August 2016 (updated February 2017)

Introduction

Too often, veterans and servicemembers are misled and deceived by websites and "lead generators" that steer the veterans and servicemembers to colleges that pay the websites, as part of a grand scheme by the colleges to get access to the GI Bill and military student programs. (The colleges that pay for such leads are almost all for-profit colleges, which dedicate considerable sums to marketing and recruiting, in contrast to public colleges and non-profits. "Lead generators" is a technical term referring to companies that gather and sell prospective students' personal information and sell them as "leads" to colleges.)

Although fairly obscure, the problem of deceptive websites' targeting veterans has garnered some federal and media attention. The U.S. Federal Trade Commission (FTC) hosted a workshop in October 2015 and published a paper in late 2016 on this phenomenon of "lead generators," and raised concerns about the lack of transparency and disclosure at most such websites and the aggressive and deceptive marketing.[i]

Victory Media and "Military Friendly Schools" list of schools and website provide a useful exploration of the larger problem of misleading websites and lead generators targeting veterans and servicemembers. Indeed, the problems at Victory Media were discussed in the FTC's October 2015 panel discussion. Similarly, in the news media, a Huffington Post report, "Military-Branded Websites push Veterans to Troubled For-Profit Colleges," noted that Victory Media's website was deceiving veterans and, in particular, pushing them towards colleges characterized by the worst student outcomes and under law enforcement action for deceptive practices.[ii]

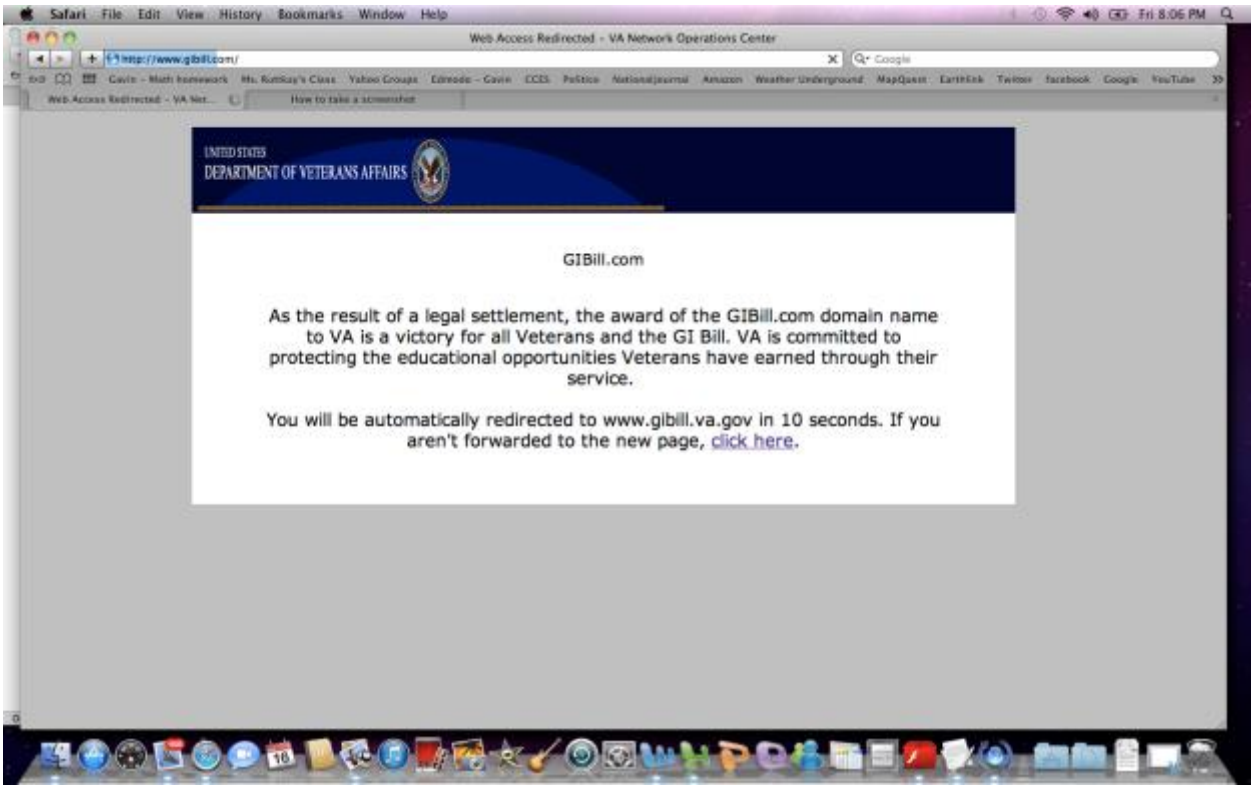
Veterans Education Success thanks the officials at several federal government agencies who brought to our attention the deceptions at Victory Media and thanks veterans who stepped forward to share their experience, concerns, and their research about the company's practices.

Victory Media is a private, for-profit company that publishes several magazines (most notably, *GI Jobs)*, a website (militaryfriendly.com/schools), and a list promoting what it calls "Military Friendly Schools." These publications, website, and list of schools lead veterans and servicemembers to believe that the colleges promoted by Victory Media are good for military members. Unfortunately, the opposite is too often true. Many of the schools Victory Media pushes are characterized by the worst student outcome measures and by legal action by federal and state law enforcement on behalf of defrauded students.

As a "lead generator," Victory Media captures and sells to colleges the personal information of veterans and service members, unbeknownst to most veterans and servicemembers. Victory Media also makes money a second way: It operates a "pay for play" scheme in which it promotes the colleges that pay Victory Media the most. Of particular concern to federal government officials, Victory Media also promotes as "military friendly" schools that the U.S. Defense Department does not approve for its federal education programs. Federal officials have raised further concerns that they hear from non-profit and public colleges that Victory Media attempts to shake them down for money to join the "Military Friendly Schools" list of schools. Victory Media's efforts to "own" the military friendly designation even include its having trademarked the phrase "Military Friendly" - although the Defense Department does not agree with the company's determinations.

Why have veterans and servicemembers been a frequent target of these deceptive websites? Largely for two reasons: First, because for-profit colleges have often, throughout the history of the GI Bill, preyed on the GI Bill, with deceptive marketing scams targeting veterans after WWII[iii] and occurring again after the Vietnam War.[iv] Second, because of the 90/10 loophole in the Higher Education Act,[v] which failed to include the GI Bill and military student benefits in a federal revenue cap and which many for-profit colleges manipulate to use GI Bill and military funds to offset the cap the schools otherwise face on federal funds. This loophole has led many for-profit colleges to view veterans and servicemembers "as nothing more than dollar signs in uniform and to use aggressive marketing to draw them in," as Holly Petreaus, the recent head of Service Member Affairs at the U.S. Consumer Financial Protection Bureau (CFPB) wrote.[vi]

Deceptive websites are one mechanism by which predatory companies seek to target the GI Bill. One of the worst websites, www.GIBill.Com, was closed down and its domain handed to the U.S. Department of Veterans Affairs (VA) as part of a settlement with multiple state Attorneys General, as the screenshot below shows:



[Image above: Screenshot of GIBill.Com, which had served as a deceptive website that pushed veterans to bad actor for-profit colleges, but now redirects visitors to VA's GI Bill webpage.]

What Victory Media is doing may not be illegal, but by engaging in misleading and deceptive practices, it could run afoul of FTC and state consumer protection laws.

A key question for government and veterans & military service organizations – who are aggressively lobbied by Victory Media – isn't whether Victory Media has the right to make money in the ways it does. Instead, the question is whether it is a proper role for veterans & military service organizations to help any lead generator company make money by accessing veterans, and whether it is a proper role for the Federal Government (including VA) to promote any lead-generator company, given FTC concerns about lead generators.

The report that follows carefully analyzes Victory Media's list and pay to play scheme in 2016, but a review of its 2017 list of schools and scheme shows little has changed. For example, Victory Media's 2017 "Military Friendly Schools" list includes many schools that are unaccredited, accredited by ACICS (which was de-recognized by the U.S. Education Department in Fall 2016), or on heightened cash monitoring by the U.S. Education Department. In addition, its pay to play scheme now promotes a "Gold Top 10" ranking that schools can purchase from Victory Media.

Summary

Victory Media is a "service-disabled, veteran-owned business" that distributes magazines (*GI Jobs*, *Military Spouse*, *Vetrepreneur*, *STEM Jobs*) to transitioning soldiers, military spouses, veteran entrepreneurs, and high school students. The company distributes tens of thousands of copies of its *"Military Friendly Schools"* edition to military posts where service members are planning their transitions into civilian life, and in VA hospitals and centers.

A number of Victory Media's "Military Friendly Schools" offer below-average education at a high cost to veterans, their families, and the U.S. government. In turn, these subprime colleges have used the "Military Friendly" designation to pitch their schools. Recent efforts to improve the program appear to be superficial.

In addition to its magazines, Victory Media also hosts a webpage and college search engine, captures veterans' personal information and sells it to schools, and sends emails to veterans to influence their college choices. The company has used a ***pay-to-play*** system to promote schools that pay Victory Media for marketing, advertising, and access to the personal information of service members and veterans.

The concerns about Victory Media's Military Friendly Schools list can be summarized as follows:

(1) Victory Media's list of "military friendly schools" is a pay-to-play list that Victory Media pushes on military bases, even in TAP classes, and in VA hospitals and centers.

(2) According to a DOD Army INCOM HQ contractor analysis, the list of "military friendly schools" last year included 257 schools that aren't even approved for DOD Tuition Assistance. If these schools aren't good enough for DOD TA, how are they military friendly?

(3) Victory Media makes money off veterans' and service members' personal information. Specifically, its website induces service members and veterans to submit their personal information, which Victory Media then uses to urge schools to purchase Victory Media packages of e-mails and other methods pitching service members and veterans with aggressive, deceptive recruiting.

(4) Victory Media accepts money from schools to promote the schools. Schools can buy "packages" of email blasts and branding, including promotion on the Military Friendly Schools list and website, and banners and stars proclaiming how military friendly they are. Some of the worst quality schools under a law enforcement cloud for consumer fraud pay the most for the biggest stars and banners and the highest promotion on the website, and the most email blasts to veterans and service members. This leads veterans and service members to feel deceived

because they think the “Military Friendly” ratings, rankings, stars, and banners are legitimate, especially since they’re handed out on military bases and in VA hospitals and centers.

Impact on Veterans who are Deceived

“I was in the Navy for 20 years and every month a new copy of GI Jobs printed magazine would show up in the work center! It always had good job seeker information in it for after service.

So when I retired and went to check out colleges, the for-profit college Brown Mackie had a 3x5 foot vinyl banner hanging on the front of the building touting it as one of GI jobs top 100 military friendly colleges! I saw it and it had a major impact on me before I even went inside to inquire.

***Little did I know it was a scam school**.*

*I never ever heard of a for-profit college? I thought all colleges being funded by the VA were vetted and screened before funding was approved by the GI Bill....**I trusted GI Jobs and the VA.***

I would have never signed up if I knew the truth ahead of time. Now 3 years later this college is out of business! My credits don't transfer to Disney World. It was a hard lesson and I am shocked that I got taken a sucker.”

Rodney Liptak, U.S. Navy Veteran

Concerns from Victory Media Employees

"Victory is a completely money-driven company, and it doesn't at all surprise me that it finally slipped out about the pay-to-play scheme…. What started out as, presumably, an actual mission to help veterans has become a soulless cash grab. This is one of the many reasons why I left." - Former Victory Media employee

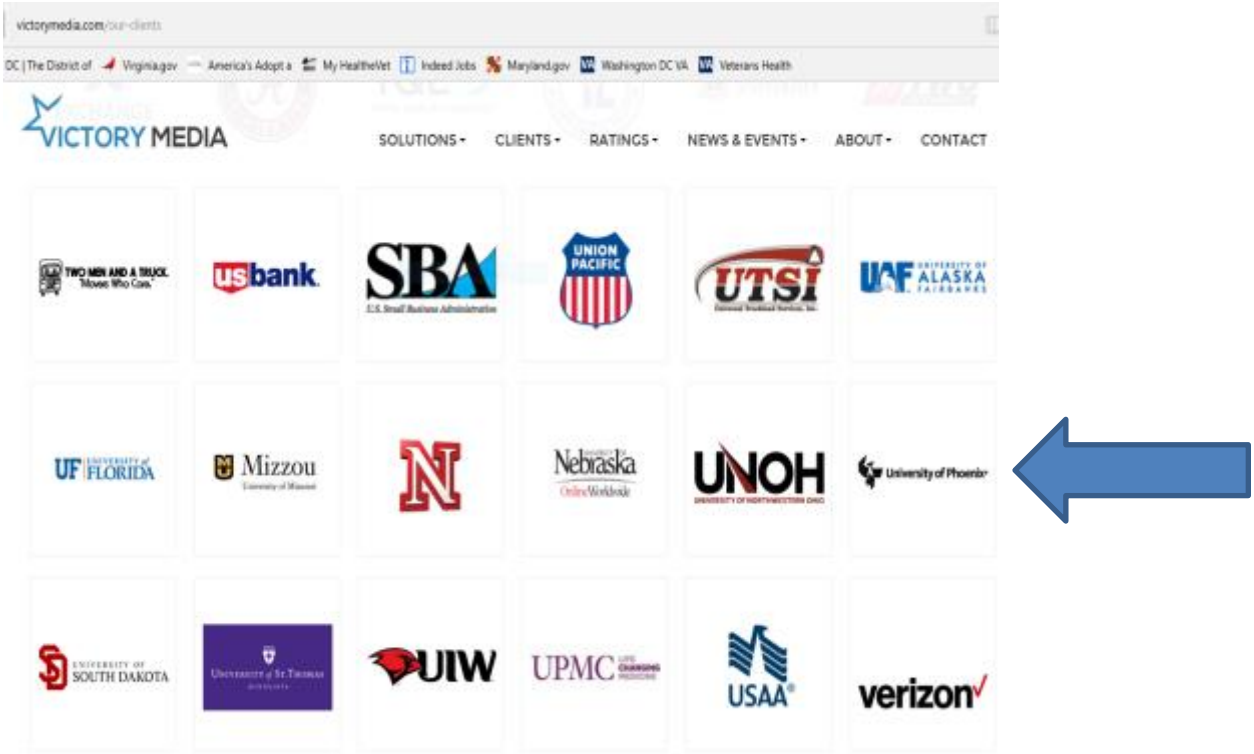
"Victory sells this "helping students and vets" jargon to fleece corporations and education institutions for solutions that either don't work or don't work well…Once you get past the facade, you see it for what it is: toxic, shady, greedy, dishonest..." - Former Victory Media Employee[vii]

"Do not be fooled by the positive nature of the business venture - helping veterans and students will always be a noble cause - but at Victory Media the manner of that help defeats the purpose." - Former Victory Media Employee

Victory Media History, Organization, and Operations

According to Victory Media, the company is "a platform that connects young talent from where they come to where they learn and work."[viii] In practice, Victory Media distributes magazines, sells advertising for its products and services, and operates websites.

In 2016, Victory Media's clients include many legitimate companies, as well as schools under law enforcement cloud for predatory practices towards veterans. [ix]



Victory Media was founded in 2001 by three veterans: ***Chris Hale***, ***Rich McCormack***, and ***Scotty Shaw.*** [x]

Victory Media Inc. has gained government contracts as a "Service-Disabled Veteran-Owned Business." Since 2003, the company has received at least 90 U.S. government contract actions for products and services.[xi]

List Of Contract Actions Matching Your Criteria — Results 1 - 30 of 102 as of Aug 12, 2016 10:52:51 AM

Award ID (Mod#):	ACBBD200308CB90350130GS23F0222N (0) (View)	Award Type:	DELIVERY ORDER
Vendor Name:	VICTORY MEDIA, INC.	Contracting Agency:	VETERANS EMPLOYMENT AND TRAINING SERVICES
Date Signed:	August 15, 2003	Action Obligation:	$252,384
Referenced IDV:	GS23F0222N	Contracting Office:	DEPT OF LABOR/VET EMPLOY AND TRAIN SVCS
NAICS (Code):	MARKETING RESEARCH AND PUBLIC OPINION POLLING (541910)	PSC (Code):	PUBLIC RELATIONS SERVICES (R708)
Vendor City:	CORAOPOLIS	Vendor DUNS:	101486996
Vendor State:	PA	Vendor ZIP:	151081886
Global Vendor Name:	VICTORY MEDIA INC	Global DUNS Number:	101486996

Award ID (Mod#):	AG3142P070170 (0) (View)	Award Type:	PURCHASE ORDER
Vendor Name:	VICTORY MEDIA INCORPORATED	Contracting Agency:	USDA, OFFICE OF THE CHIEF FINANCIAL OFFICER
Date Signed:	April 18, 2007	Action Obligation:	$15,000
Referenced IDV:		Contracting Office:	USDA, DM / MS, PROCUREMENT OPERATIONS DIVISION
NAICS (Code):	( )	PSC (Code):	NEWSPAPERS AND PERIODICALS (7630)
Vendor City:	CORAOPOLIS	Vendor DUNS:	101486996
Vendor State:	PA	Vendor ZIP:	151081649
Global Vendor Name:	VICTORY MEDIA INC	Global DUNS Number:	101486996

Award ID (Mod#):	AG3142P080186 (0) (View)	Award Type:	PURCHASE ORDER
Vendor Name:	VICTORY MEDIA INC	Contracting Agency:	USDA, OFFICE OF THE CHIEF FINANCIAL OFFICER
Date Signed:	August 05, 2008	Action Obligation:	$16,500
Referenced IDV:		Contracting Office:	USDA, DM / MS, PROCUREMENT OPERATIONS DIVISION
NAICS (Code):	OTHER SERVICES RELATED TO ADVERTISING (541890)	PSC (Code):	NEWSPAPERS AND PERIODICALS (7630)
Vendor City:	CORAOPOLIS	Vendor DUNS:	101486996
Vendor State:	PA	Vendor ZIP:	151081649
Global Vendor Name:	VICTORY MEDIA INC	Global DUNS Number:	101486996

Award ID (Mod#):	DOLB069523071 (0) (View)	Award Type:	PURCHASE ORDER
Vendor Name:	VICTORY MEDIA INCORPORATED	Contracting Agency:	OFFICE OF THE ASSISTANT SECRETARY FOR ADMIN AND MANAGEMENT
Date Signed:	January 30, 2006	Action Obligation:	$99,691
Referenced IDV:		Contracting Office:	DEPT OF LABOR/OFF ASST SEC ADMIN AND MGMT
NAICS (Code):	PERIODICAL PUBLISHERS (511120)	PSC (Code):	BOOKS AND PAMPHLETS (7610)
Vendor City:	CORAOPOLIS	Vendor DUNS:	101486996
Vendor State:	PA	Vendor ZIP:	151081886
Global Vendor Name:	VICTORY MEDIA INC	Global DUNS Number:	101486996

Award ID (Mod#):	DOLB069523071 (1) (View)	Award Type:	PURCHASE ORDER
			OFFICE OF THE ASSISTANT SECRETARY FOR ADMIN AND

Chairman Chris Hale also founded the *National Veterans Owned Business Association* (*NaVOBA*) in 2007.

Victory Media currently operates five brands: *G.I. Jobs*, *NaVOBA*, *Vetrepreneur*, *Military Spouse*, and *STEM Jobs*.

In 2016, Dun & Bradstreet reported that Victory Media had $830,000 in annual sales and sales between $1 million and $9 million. According to GSA documents from 2015, Victory Media's reported annual revenues are $3.2 million. The company also has 50 employees.

Victory Media's Customers Are Vulnerable Targets

Victory Media reports that 75,000 copies of its "Military Friendly Schools" edition of GI Jobs are distributed to military posts, *including* ***TAPS classes for service members leaving the military and transitioning to civilian life.***

> Victory Media asserts that "new veterans look to us for advice and tools to find the right jobs, education, and vocational training after leaving the military."

VICTORY MEDIA

SOLUTIONS CLIENTS RATINGS

Since 2001, **G.I. Jobs®** has been the premier brand in military recruitment, offering articles, tips and online tools to help military transitioners explore different career and post-secondary education options. We give specific, how-to advice on everything from choosing a college to writing a resume and interviewing.

G.I. Jobs® serves the needs of the nation's 400,000 service members who leave the military every year and enter the civilian workforce. These new veterans look to us for advice and tools to help them find the right jobs, education, and vocational training during and after leaving the military.

400,000

Number of troops leaving the service annually (transitioners)

Reading the latest issue in transition class.

G.I. Jobs® Distribution

Each month we distribute 75,000 issues of ***G.I. Jobs®*** magazine to service members through the military's mandatory transition program, and nearly half of all military transitioners visit **GIJobs.com**. This reach and our trusted voice make us the cornerstone of any company's or school's recruiting efforts.

See Editorial Calendar

[Image from Victory Media website, August 12, 2016 indicating that Victory Media distributes GI Jobs in mandatory transition (TAPS) classes. Victory Media also claims that half of all transitioning service members visit GI Jobs.]

*"Their newest sales product is a transition kit (a box of posters and materials) for the **TAP classrooms**. But it requires a company or a school to pay an insane amount of money (up to $50k per base) to be the sponsor which means the company or school's logo is on the box and on the cover of every magazine for the entire year."* —Former Victory Media Employee

Sponsorship: Be part of the transition conversation.

As the premier post-military resource for the last 15 years, G.I. Jobs® and Military Friendly® serve as the preferred resource for transitioning military personnel worldwide. As the only provider of college and career resources with localized distribution, we are seeking exclusive partners to join us in extending the impact of our resources at the local level.

G.I. JOBS
MILITARY HIRING COMMITMENT
2016 SPONSOR

Field Kit Components

Your sponsorship will be highly positioned as a custom sticker on all Transition Field Kit components including:

- ALL *G.I. Jobs®* Magazines
- ALL Military Friendly® Schools Guides
- ALL Military Friendly® Employers Guides
- ALL Transition Instructor Field Kits
- ALL Transition Instructor Portfolios
- ALL Hot Jobs Posters*
- ALL Hot Majors Posters**

In addition, your digital sponsor banner will be featured in the header and sidebar locations of your sponsored community resource page.

Transition Field Kit Sponsor Rates

G.I. Jobs® Sponsor Rates Per Year

Division	Site Size	Locations	Monthly Circ.	Annual Circ.	Price
I	Micro Site	66	50	600	CONTACT US FOR DETAILS VictoryMedia.com 412-269-1663 x198
II	Small Site	24	100	1,200	
III	Medium Site	97	200	2,400	
IV	Large Site	60	400	4,800	
V	Joint Site	12	800	9,600	

*Additional distribution locations are available for sponsorship upon request

G.I. Jobs Field Manuals

Transition Field Kit Industry Features

Hot List Posters

Military Friendly® Employers Guide

Military Friendly® Schools Guide

Distribution Locations

With a monthly print circulation of over 75,000, including distribution at military transition locations worldwide, G.I. Jobs® Sponsorship offers access to transitioners at:

- 255 military transition (TAP) centers worldwide.
- VA and military hospitals.
- Military base educational assistance offices worldwide.
- Thousands of military base locations worldwide, officer and enlisted clubs, barber shops, MWR offices, and USO centers.
- Thousands of active duty commands, including Navy ships and submarines, Army and Air Force security, transportation, recruiting commands and more.
- Forward deployed troops.

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MILITARY FRIENDLY®

There's a lot of talk about supporting military students on campus. But what does it *really* take to be a Military Friendly® School?

Now in its eighth year, the Military Friendly® Schools survey has delivered trusted ratings to service members and military spouses looking to go back to school, and to the 8,000 Post-9/11 GI Bill-approved colleges and trade schools that want to know where they stand in the eyes of military students—and what they need to do better for our veterans.

"Military friendly" isn't just a term to us or to you; it's a commitment.

[Image above: Victory Media claims to offer a rating system that is "trusted" and committed to help veterans with their college decisions.]

Victory Media's Pay to Play System

Part of Victory Media's revenue comes from a system that rewards colleges and employers that subscribe to a multi-tiered pay-to-play ***"star"*** system. Details of the system have changed over

time, but the intent is the same: schools pay to be highlighted as military friendly and to receive "preferred search results" in the college search tool, and pay as well for access to veterans' personal information ("lead generation"), including paying for email blasts to students. In 2015, the price schedule ranged from $4,900 to $59,900 (see chart, and image on next page).

Basic Membership $4,900

Full Membership $9,900

1-Star $14,900

2-Star $19,900

3-Star $29,900

4-Star $39,900

5-Star $59,900

For $29,900, colleges that purchased the 3-star package received ads in GI Jobs and Military Spouse, and targeted email "blasts" to veterans from whom they gathered personal information. In 2015, the cost of the 5-star package was $59,000.

"Current for-profit clients at Victory Media are: Academy of Art, Grantham, Lincoln Tech and Kaplan. Each of them have spent close to $100k each with Victory Media for 2016."—former Victory Media Employee

Concerns from School Administrators about the Pay to Play System

"Looks like a racket to me…. Borders on extortion really. Where's the press release informing our student veteran population that they've decided to soak the institutions that they've been praising? My gut reaction is to advise my higher ups not to pay on ethical grounds. It would be nice to see the big schools that can afford to pay for this to tell Victory Media to go take a hike." - Joseph Hannon, Military Outreach and Support Specialist, Granite State College

"GI Jobs has always been pushy about upselling schools once they make the list, but it seems to me this new business model is a new low in "capitalizing" on veterans. I am hoping it will backfire on them." - Reda Chambers, Veterans Services Coordinator, Chandler-Gilbert Community College

"I'm not pleased with the potential costs as we are a small, public University with limited funds. My reporting fees are way less than the Basic membership cost so that is not an option." - Janice Nordin, Veterans Coordinator, UW-Whitewater

Membership Packages offer the Greatest Reach and Value

2015 Solutions	Basic Member	Full Member	1-Star	2-Star	3-Star	4-Star	5-Star
Full Logo & Digital Publishing License	✓	✓	✓	✓	✓	✓	✓
Training (4 sessions)	2 Seats	2 Seats	2 Seats	2 Seats	2 Seats	2 Seats	4 Seats
Commerative MFS Plaque	✓	✓	✓	✓	✓	✓	✓
Assessment Scorecard	✓	✓	✓	✓	✓	✓	✓
Benchmarking Report	✓	✓	✓	✓	✓	✓	✓
Member Newsletter	✓	✓	✓	✓	✓	✓	✓
School Web Profile	✓	✓	✓	✓	✓	✓	✓
Social Promotions Package		✓	✓	✓	✓	✓	✓
Education Newsletter Sponsor		✓	✓	✓	✓	✓	✓
Meet-A-Student Profiles (#)		1	1	2	3	4	5
Preferred Search Results				✓	✓	✓	✓
Custom e-Newsletter Blasts (#)					1	1	1
Custom Benchmarking Reports (#)							1
Featured School on GIJobs.com (12mos)							✓
Military Friendly Schools Guide print ad	1/16 pg	1/8 pg	1/4 pg	1/2 pg	Full	Full	Full
Enhanced Print Guide Listing		✓	✓	✓	✓	✓	✓
G.I. Jobs / Military Spouse print ads			(3x) 1/3 pg	(3x) 1/2 pg	(6x) 1/2 pg	(12x) 1/2 pg	(12x) FP
Á-LA-CARTE PRICE	~~$8,480~~	~~$16,820~~	~~$26,176~~	~~$34,651~~	~~$53,682~~	~~$78,494~~	~~$119,878~~
MEMBER PRICE	$4,900	$9,900	$14,900	$19,900	$29,900	$39,900	$59,900

- Use of MFS intellectual property license (logo and HTML code) in any form is valid for term of 2015 Military Friendly® cycle, September 2014-August 2015.
- 3-Star package may opt for 3x full pg ads in G.I. Jobs or Military Spouse magazine in lieu of 6x 1/2 pg ads.
- 4-Star package may opt for 6x full pg ads in G.I. Jobs or Military Spouse magazine in lieu of 12x 1/2 pg ads.
- Terms for all web items are one year (September 2014-August 2015).
- All print ads are full color (4C). Full and half page G.I. Jobs or Military Spouse magazine ads are bleed. All rates are net.

[Image above: Victory Media's membership package schedule for 2015. For $59,900, a college could become a "Featured School on GI Jobs.com"]

victorymedia.com/wp-content/uploads/2016/04/Admissions-Partner-Packages-2016.png

DC Metro | My HealtheVet | USAJOBS | Virginia.gov | Maryland.gov | DC.gov | Washington DC VA

	1 Star	2 Star	3 Star	4 Star	5 Star
Develop Programs	Level 1	Level 1	Level 2	Level 2	Level 2
Training Materials Subscription	✓	✓	✓	✓	✓
Webinar Subscription	✓	✓	✓	✓	✓
Benchmark Report Subscription			✓	✓	✓
Build Presence	Level 1	Level 2	Level 3	Level 4	Level 5
Web Profile: Basic Module	✓	✓	✓	✓	✓
Web Profile: Ratings Module	✓	✓	✓	✓	✓
Web Profile: Video Module			✓	✓	✓
Web Profile: Success Profile Module			✓	✓	✓
Web Profile: Lead Referral Module				✓	✓
Print: 1/2 Page		3	6	12	
Print: Full Page					12
MFS Guide	1/4 page	1/4 page	1/2 page	Full page	Full page
Drive Response	Level 1*	Level 2*	Level 3*	Level 4*	Level 5*
# of Monthly Digital Campaigns*	1	1	1	2	3
Digital Banner: ROS Banners (50,000)	✓	✓	✓	✓	✓
Web Profile: Inline Category Highlight	✓	✓	✓	✓	✓
Digital: Incoming Email Listing (4 insertions/month)		✓	✓	✓	✓
Digital: E-Blast (one targeted insertion)			✓	✓	✓
Digital Banner: Newsletter (1 insertion)				✓	✓
Digital Inline: ROS Inline (50,000)					✓
Pre-Discounted Price	**PLEASE CONTACT US FOR RATES.** 412-269-1663 x198 or victorymedia.com/contact-us				
Discounted Price					

*Indicates product level; higher product levels include more components.

[Image above: Membership package schedule. Schools must call for rates, presumably to upsell them.]

Victory Media's "Military Friendly" Survey

Victory Media says that it bases its Military Friendly program on "public data," "proprietary data," and a self-administered "survey assessment." The latest "Military Friendly Schools" formula is described below. [xii]

According to Victory Media:

"The list of Military Friendly® Schools and Military Friendly® Schools ratings are assessed through the evaluation of both public data about an institution and proprietary data gathered through our free Military Friendly® Schools survey. The annual, data-driven Military Friendly® Schools survey assessment is offered at no cost to more than 8,800 institutions nationwide. Each year, schools taking the survey are held to a higher standard than in previous years via improved methodology, criteria and weightings developed with the assistance of an independent research firm and our Advisory Council."

Academic Policies & Compliance (21%)

Complying with government laws and regulations.

Developing military-friendly policies and academic credibility.

Understanding military structure, culture, occupations and training.

Training employees to understand and support military staff and students.

Admissions & Orientation (11%)

Providing academic credit for military service.

Sourcing and recruiting military students. (highlighted for emphasis)

Marketing and branding to military students. (highlighted for emphasis)

Orienting and assimilating military students.

Culture & Commitment (16%)

Creating a culture of collaboration, service and philanthropy.

Benchmarking best practices and establishing program goals.

Identifying and nurturing military-friendly partnerships. (highlighted for emphasis)

Accommodating disabled military students.

Financial Aid & Loan Repayment (18%)

Understanding financial aid benefits for military students. (NB: No tracking of debt levels or loan default rates)

Graduation & Career Outcomes (21%)

Achieving retention and graduation goals for military students.

Improving career outcomes for military student graduates.

Measuring and evaluating program success.

Military Student Support & Retention (22%)

Creating academic programs and services for military students.

Retaining, supporting and developing military students.

EY, a global leader in assurance, tax, transaction and advisory services, independently tested the validity and consistency of this year's survey results using the scoring methodology developed by Victory Media for the Military Friendly® Schools list.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited. The methodology review was performed by EY Assurance Business Services.

Victory Media touts on its website and in its materials that its survey is validated by Ernst & Young auditors. This can deceive veterans and service members, as it appears to lend legitimacy to Victory Media's survey and list. However, when contacted, Ernst & Young's global head of communications denied any relationship to Victory Media or its Military Friendly Schools list. Later, Victory Media produced a single partner of EY Pittsburgh who admitted they had a contract with Victory Media, but EY clarified EY "cannot vouch" for the "methodology" of "Military Friendly Schools" survey and list. Specifically, EY did not engage in any analysis of Victory Media's methodology, but instead had simply checked that Victory Media followed its own methodology. In other words, there was no assessment of the usefulness or validity of Victory Media's methodology.

Student Veterans of America similarly heard the same answer from EY: Its service to Victory Media did not include any validation of whether the methodology used was appropriate.

Student Veterans of America analyzed the survey methodology and expressed concern that, although Victory Media claims transparency, there really is very little transparency in the rankings and no way to assess if the rankings are beneficial. SVA noted that accreditation and

student outcomes – which are critical to student veterans – are not factored into the methodoloy rankings.

"Military Friendly Schools" List is Deceptive

In 2016, 1400 to 1600 schools were designated as "Military Friendly Schools" and ***questionable subprime schools remained on the "Military Friendly" list.*** In its own presentations, Victory Media acknowledges that only a minimum standard is needed in crucial categories to get the status. [xiii]

Student Veterans of America analyzed the list in the summer of 2016. Victory Media at that time claimed that it had surveyed 8,800 schools and had dropped any that did not meet its basic requirements, including not being listed on the U.S. Department of Education's **Heightened Cash Monitoring** list. (Heightened Cash Monitoring is a measure that the U.S. Department of Education takes with schools to provide additional oversight for a number of financial or federal compliance issues. A current list of the schools may be downloaded at https://studentaid.ed.gov/sa/about/data-center/school/hcm).

SVA found Victory Media's claim not to be true. Of the 1,540 schools on the "Millitary Friendly Schools" list, SVA found:

- 3 schools that had closed,
- 139 schools under accreditor scrutiny,
- 49 schools profiled in Sen. Elizabeth Warren's 2016 report regarding consumer fraud practices by bad actor schools,
- 54 schools profiled in the U.S. Senate HELP Committee's 2012 report raising concerns about poor student outcomes and consumer fraud schools, and –
- At least 139 schools on Heightened Cash Monitoring. (SVA looked at the list in alphabetical order, and found 139 schools on Heightened Cash Monitoring among schools starting with the letter A, B, or C. SVA stopped looking after the letter C in the alphabetical order, because it was clear there were so many schools on Heightened Cash Monitoring.)
- SVA also expressed concern about the number of schools with high student loan debt and high proportion of student loan defaults – as student loan debt is a concern of student veterans.

A list of some of the Victory Media's worst "Military Friendly" schools is provided at the end of this report.

The bar has been set so low for "Military Friendly" status that ***Colorado Technical Institute*** could pass this test, and that school has the highest percentage of complaints from the VA's GI Bill Feedback System and significant law enforcement concerns: Multi-State Attorneys General investigation[xiv] ; Florida Attorney General investigation[xv]; New York Attorney General settlement[xvi]; U.S. Securities and Exchange Commission investigations[xvii]; U.S. Federal Trade Commission investigation[xviii]; U.S. Department of Education inquiries and audits[xix]

Rather than steering veterans to VA's GI Bill Comparison Tool or the Education Department's College Navigator or College Scorecard, Victory Media promotes its own, more questionable comparison tool:

Inside Information About Victory Media's 2016 Survey

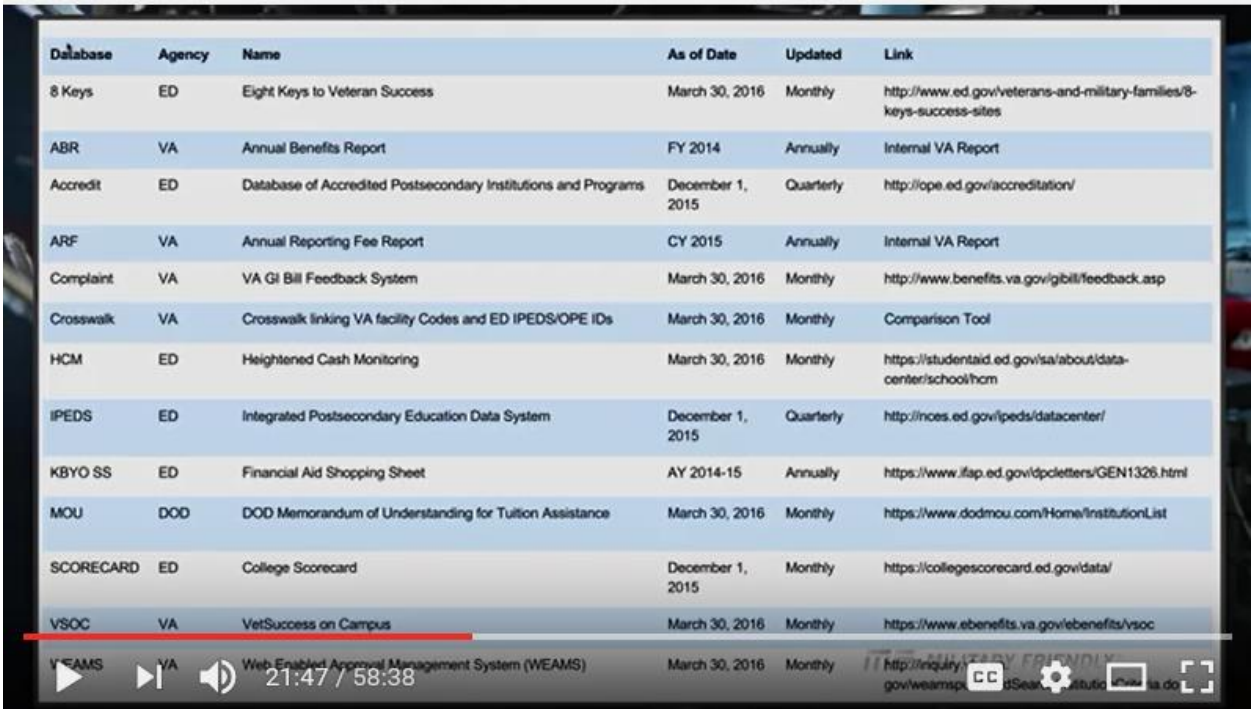
A former Victory Media employee stated:

"When the window closed last year (2015), a number of schools failed. So the leadership had the sales reps reach out to those schools to have them resubmit past the deadline. Schools that failed were chosen to resubmit based on business partnerships, pending partnerships or potential prospects for business partnerships. **This is in direct contradiction of part of Victory Media's sales pitch: that the survey is third party via Ernst and Young and that the company has no influence over the survey results."**

Victory Media's Questionable 2017 Survey

Chief Products Officer Dan Nichols promises that Victory Media's 2017 Military Friendly Schools program is remarkably different than previous efforts. He claims that the new program is

meant to reward schools that are leading the way for veterans and that the new program will include selection criteria used key government data.[xx]



Database	Agency	Name	As of Date	Updated	Link
8 Keys	ED	Eight Keys to Veteran Success	March 30, 2016	Monthly	http://www.ed.gov/veterans-and-military-families/8-keys-success-sites
ABR	VA	Annual Benefits Report	FY 2014	Annually	Internal VA Report
Accredit	ED	Database of Accredited Postsecondary Institutions and Programs	December 1, 2015	Quarterly	http://ope.ed.gov/accreditation/
ARF	VA	Annual Reporting Fee Report	CY 2015	Annually	Internal VA Report
Complaint	VA	VA GI Bill Feedback System	March 30, 2016	Monthly	http://www.benefits.va.gov/gibill/feedback.asp
Crosswalk	VA	Crosswalk linking VA facility Codes and ED IPEDS/OPE IDs	March 30, 2016	Monthly	Comparison Tool
HCM	ED	Heightened Cash Monitoring	March 30, 2016	Monthly	https://studentaid.ed.gov/sa/about/data-center/school/hcm
IPEDS	ED	Integrated Postsecondary Education Data System	December 1, 2015	Quarterly	http://nces.ed.gov/ipeds/datacenter/
KBYO SS	ED	Financial Aid Shopping Sheet	AY 2014-15	Annually	https://www.ifap.ed.gov/dpcletters/GEN1326.html
MOU	DOD	DOD Memorandum of Understanding for Tuition Assistance	March 30, 2016	Monthly	https://www.dodmou.com/Home/InstitutionList
SCORECARD	ED	College Scorecard	December 1, 2015	Monthly	https://collegescorecard.ed.gov/data/
VSOC	VA	VetSuccess on Campus	March 30, 2016	Monthly	https://www.ebenefits.va.gov/ebenefits/vsoc
WEAMS	VA	Web Enabled Approval Management System (WEAMS)	March 30, 2016	Monthly	http://inquiry.[illegible] gov/weamsp[illegible]

There is no way of knowing how effective this new program is until we get the results. There are several indications that make one question the reliability and validity of the survey for helping vets make good educational choices.

(1) Victory Media is using information from previous surveys, not new information.
(2) Giving positive credit for "recruiting" costs is actually the opposite of what's best for students and is self-serving as it rewards schools that pay Victory Media for ads & veterans' contacts.
(3) The new standards may disqualify a few schools, but the bar has been set very low. For example, to be disqualified, a school must have more than 5% of its veterans make a complaint in the GI Bill Feedback System. However, there is no school in the U.S. that have received that high of a percentage of complaints, despite serious law enforcement concern and lawsuits over consumer fraud, including schools that deceived students about their accreditation.
(4) Some superior schools may be disqualified because they do not complete the survey.
(5) Student surveys may be used to satisfy missing data. There is no indication that these student surveys will be random samples, which is needed for validity.

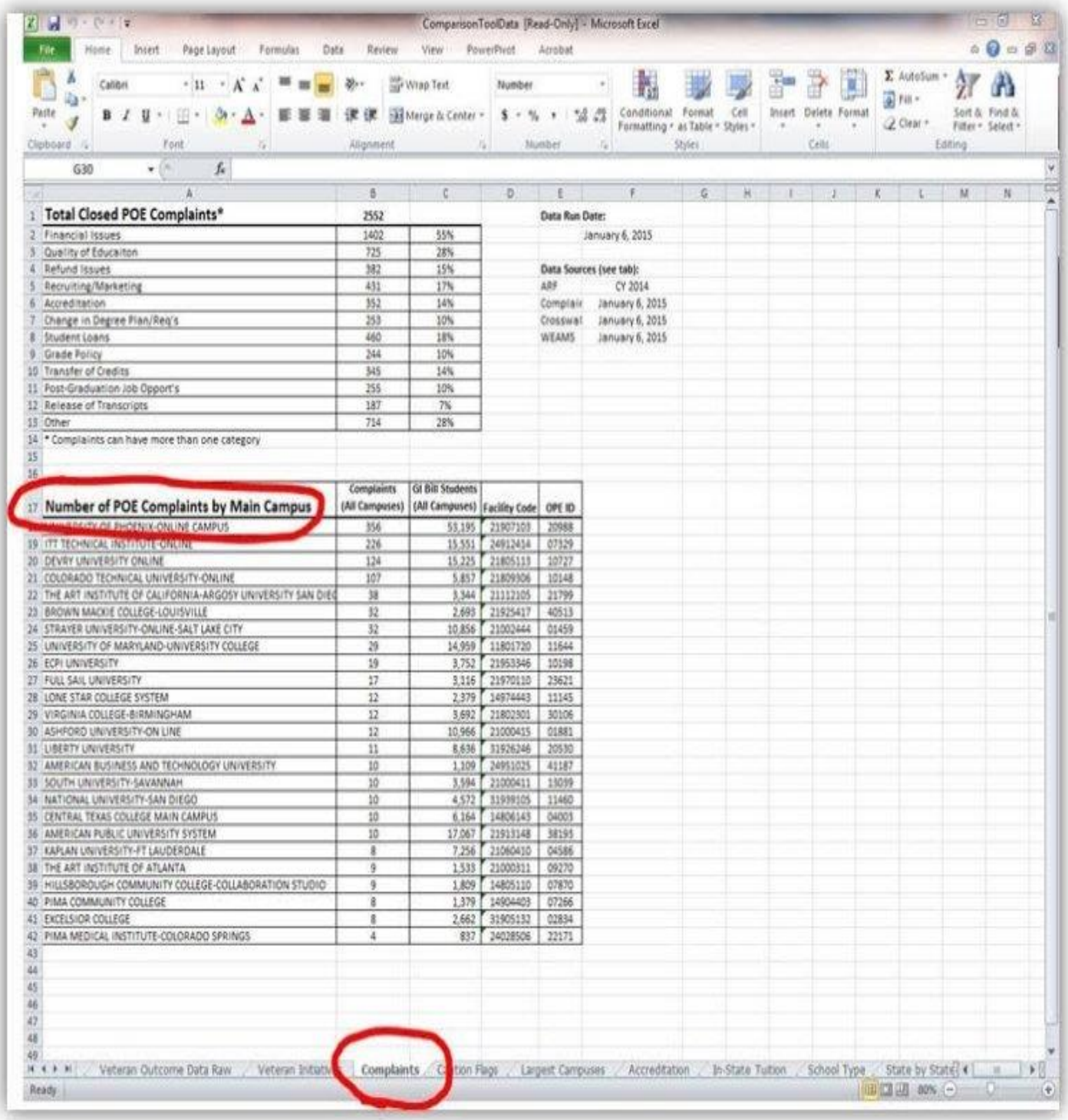
(6) The presentation is very vague about job placement numbers and their calculation. Job placement numbers have been a major point of contention and company self-reports can be fraudulent.
(7) The "weightings" for the military friendly formula are questionable (see weighting image).
(8) Many variables are based on self-reporting, which may not be valid, or even reliable.

Academic Policies & Compliance	Academic Credibility	50%
Academic Policies & Compliance	Government Programs	50%
Academic Policies & Compliance Total		12%
Admissions & Orientation	Admissions Policies	30%
Admissions & Orientation	Orientation Supports	30%
Admissions & Orientation	Persistence Outcomes	20%
Admissions & Orientation	Student Sourcing	20%
Admissions & Orientation Total		11%
Culture & Commitment	Institutional Commitment	40%
Culture & Commitment	Military Policies	30%
Culture & Commitment	Personnel & Facilities	20%
Culture & Commitment	Training	10%
Culture & Commitment Total		16%
Financial Aid & Loan Repayment	Financial Outcomes	60%
Financial Aid & Loan Repayment	Tuition Assistance	40%
Financial Aid & Student Debt		18%
Graduation & Career Outcomes	Career Outcomes	35%
Graduation & Career Outcomes	Career Supports	30%
Graduation & Career Outcomes	Graduation Outcomes	35%
Graduation & Career Outcomes Total		21%
Military Student Support & Retention	Military Spouse Policies	20%
Military Student Support & Retention	Military Student Supports	20%
Military Student Support & Retention	Retention Outcomes	60%
Military Student Support & Retention Total		22%

The VA's GI Bill Feedback System

The VA ***GI Bill Feedback System*** is a place for veterans to submit complaints if a school or employer is failing to follow the *Principles of Excellence* outlined in Executive Order 13607. Complaints are sent to the school or employer for review and response. Anonymous complaints are submitted for the record to the Federal Trade Commission's Consumer Sentinel Network.

The only schools to have more than 100 complaints in the GI Bill Feedback System are University of Phoenix, ITT Tech, Devry, and Colorado Technical Institute. All are designated "Military Friendly" by Victory Media and promoted by Victory Media's survey, search engine, and e-mail blasts.



Total Closed POE Complaints*	2552	
Financial Issues	1402	55%
Quality of Educaiton	725	28%
Refund Issues	382	15%
Recruiting/Marketing	431	17%
Accreditation	352	14%
Change in Degree Plan/Req's	253	10%
Student Loans	460	18%
Grade Policy	244	10%
Transfer of Credits	345	14%
Post-Graduation Job Opport's	255	10%
Release of Transcripts	187	7%
Other	714	28%

* Complaints can have more than one category

Data Run Date:
January 6, 2015

Data Sources (see tab):

ARF	CY 2014
Complair	January 6, 2015
Crosswal	January 6, 2015
WEAMS	January 6, 2015

Number of POE Complaints by Main Campus	Complaints (All Campuses)	GI Bill Students (All Campuses)	Facility Code	OPE ID
UNIVERSITY OF PHOENIX-ONLINE CAMPUS	356	53,195	21907103	20988
ITT TECHNICAL INSTITUTE-ONLINE	226	15,551	24912414	07329
DEVRY UNIVERSITY ONLINE	124	15,225	21805113	10727
COLORADO TECHNICAL UNIVERSITY-ONLINE	107	5,857	21809306	10148
THE ART INSTITUTE OF CALIFORNIA-ARGOSY UNIVERSITY SAN DIEG	38	3,344	21112105	21799
BROWN MACKIE COLLEGE-LOUISVILLE	32	2,693	21925417	40513
STRAYER UNIVERSITY-ONLINE-SALT LAKE CITY	32	10,856	21002444	01459
UNIVERSITY OF MARYLAND-UNIVERSITY COLLEGE	29	14,959	11801720	11644
ECPI UNIVERSITY	19	3,752	21953346	10198
FULL SAIL UNIVERSITY	17	3,316	21970110	23621
LONE STAR COLLEGE SYSTEM	12	2,379	14974443	11145
VIRGINIA COLLEGE-BIRMINGHAM	12	3,692	21802301	30106
ASHFORD UNIVERSITY-ON LINE	12	10,966	21000415	01881
LIBERTY UNIVERSITY	11	8,636	31926246	20530
AMERICAN BUSINESS AND TECHNOLOGY UNIVERSITY	10	1,109	24951025	41187
SOUTH UNIVERSITY-SAVANNAH	10	3,594	21000411	13099
NATIONAL UNIVERSITY-SAN DIEGO	10	4,572	31939105	11460
CENTRAL TEXAS COLLEGE MAIN CAMPUS	10	6,164	14806143	04003
AMERICAN PUBLIC UNIVERSITY SYSTEM	10	17,067	21913148	38193
KAPLAN UNIVERSITY-FT LAUDERDALE	8	7,256	21060410	04586
THE ART INSTITUTE OF ATLANTA	9	1,333	21000311	09270
HILLSBOROUGH COMMUNITY COLLEGE-COLLABORATION STUDIO	9	1,809	14805110	07870
PIMA COMMUNITY COLLEGE	8	1,379	14904403	07266
EXCELSIOR COLLEGE	8	2,662	31905132	02834
PIMA MEDICAL INSTITUTE-COLORADO SPRINGS	4	837	24028506	22171

[Image: GI Bill Feedback System results show four schools with more than 100 complaints: University of Phoenix online, ITT Technical Institute online, Devry University online, and Colorado Technical University online. “POE” stands for Principles of Excellence.]

U.S. Department of Defense Approval of Schools for Military Education Benefits

The U.S. Department of Defense authorizes schools to participate in DOD Tuition Assistance. All schools participating must sign an MOU.

In 2015, a Defense Department contractor compiled a list of Victory Media's advertisers and "Military Friendly Schools" that were not approved by DOD for Tuition Assistance. More than 257 schools highlighted by Victory Media as "military friendly" are in fact not approved by the Pentagon to participate in Tuition Assistance and voluntary military education programs.

How can a school be "military friendly" if it is not approved by the Pentagon to participate in U.S. military education programs?

The Art Institute of California – Orange County	Y	N	
The Art Institute of California – San Diego	Y	N	
The Art Institute of Charleston	Y	Y	
The Art Institute of Dallas	Y	Y	
The Art Institute of Fort Worth	Y	Y	
The Art Institute of Jacksonville	Y	N	
The Art Institute of New York City	Y	Y	Probation- DoD
The Art Institute of Ohio – Cincinnati	Y	Y	
The Art Institute of Philadelphia	Y	Y	
The Art Institute of Phoenix	Y	Y	
The Art Institute of Pittsburgh – Campus Division	Y	Y	
The Art Institute of Pittsburgh – Online Division (v)	Y	N	
The Art Institute of Raleigh-Durham	Y	N	
The Art Institute of Tampa	Y	N	

[Image: From Spreadsheet provided by anonymous DOD contractor. Victory Media has listed questionable schools like the Art Institutes as "Military Friendly." As of August 12, 2016, The Art Institutes are still found in Victory Media's school finder.]

Victory Media's Online School Finder

According to Victory Media, their online school finder is designed to make a veteran's life easier, helping them discover the best school for each person's interests and needs. But the online tool is more of a scheme to help "featured schools."

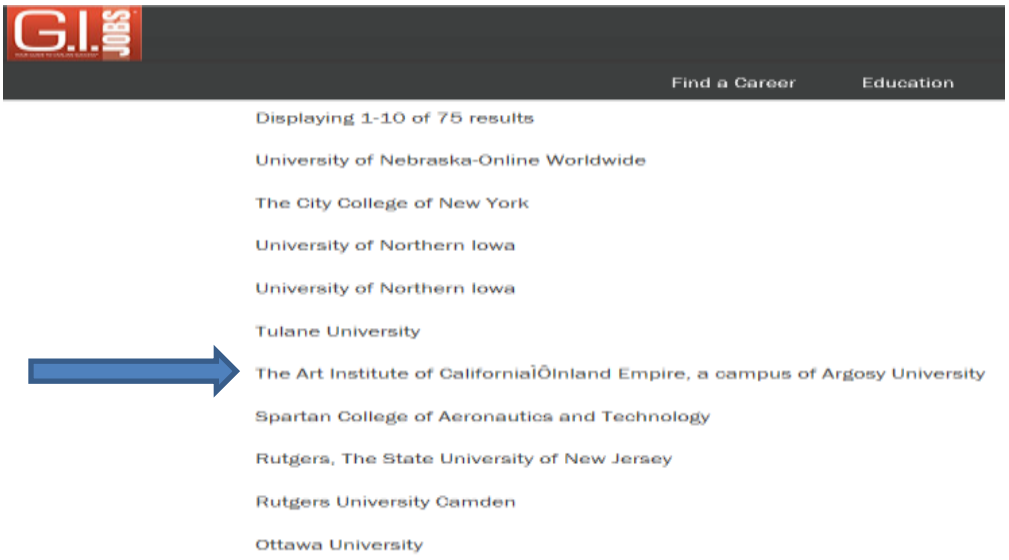
Finding a School

Finding a school that fits your needs is no easy task. Are you looking for a college with a unique program? How about a university in a tropical climate? Or maybe you want to get a technical education alongside other veterans?

Never fear: we've made your life easier. Our unique school discovery tool will allow you to find an education you'll love and get you started on the path to success. Click below to check it out.

FIND A SCHOOL

The school finder search results mix highly-ranked schools with subprime schools, like ***The Art Institutes***, successfully sued last year for consumer and taxpayer fraud by U.S. Department of Justice for $95 million and by dozens of state Attorneys General for another $105 million.



A former Victory Media employee who chose to remain anonymous because of fears of harassment and retaliation explained how certain "featured schools" appeared as a match:

> ***"I was a developer, and our task was (among other things) to design and implement a system that allowed users to search for schools using various criteria; however, schools that paid us were "featured" and moved to the top of the list. "Military Friendly Schools" was the label that was applied to schools that met certain criteria levels.***
>
> ***While I was not part of the meetings that determined if payment improved a school's score, that was generally believed to be the case."***
>
> ***"As far as featured schools getting to the top of the list, it was very simple. Schools were marked with a true/false flag designating whether they were a "featured" school. Regardless of what sorting method the user chose, the sorting algorithm that we were instructed to implement included an extra factor that would always sort featured schools that met the user's criteria to the top of the list."***

In a previous image showing the 2015 membership package, only schools paying for the $59,900 package were "featured schools."

"...We thrive on business from for-profit schools and basically give them a "Military Friendly Schools" title so they'll buy ad space from us."—

Former Victory Media employee

Lead Generator: Victory Media's Email Blasts

A "lead generator" is a company that makes money by capturing personal information and then selling that information to schools that want to buy it. In other words, the company generates potential student leads. The U.S. Federal Trade Commission is actively concerned about lead generators because they do not inform website visitors that their information is being captured and sold for profit.[xxi]

Victory Media captures service members' and veterans' information and then urges schools to pay Victory Media to promote paying school with service members and veterans in e-mail contact.

As part of the Star Package Plans that schools can purchase, schools can buy e-mail blasts to veterans and service members touting their school. Victory Media sends frequent email updates to sell selected Military Friendly schools. One email is titled **"You're not alone-we can help!"** and lists five colleges. One school, Miller-Motte is a questionable choice because it has student loan default rates approaching 20%.[xxii]

You're not alone - we can help! Inbox x

G.I. Jobs newsletter@gijobs.com via mail203.suw18.rsgsv.net
to me

Hey, G.I. Jobs team here.

After talking among ourselves we realized that, while you're looking for a job or looking to go back to school, you need up-to-date information on the best jobs and schools available.

We've got what you need to know, right here:

Schools:

1. Borough of Manhattan Community College
   - Borough of Manhattan Community College is a vibrant, pluralistic learning community, offering more than 40 academic progams, committed to the intellectual and personal growth of students. --> Click Here
2. Drexel University
   - Drexel is proud to offer Yellow Ribbon eligible veterans and military dependents the opportunity to attend Drexel free, with no enrollment caps. --> Click Here
3. Miller-Motte College
   - Miller-Motte values their students' military service and will be there for them from enrollment, providing tutoring assistance to graduation and beyond. --> Click Here

Subprime "Military Friendly" Schools

Note: Two subprime schools, University of Phoenix and the Art Institutes, are not listed as "Military Friendly", but they still have a presence in current Victory Media online information.

Victory Media labels the following schools as "Military Friendly" in 2016. However, their business practices and student outcomes suggest otherwise. All of these schools get most of their money from the federal government through Title IV funds and GI Bill funds. All of these schools are overpriced, when compared to similar public options, and have been subject to state and federal investigations for deceptive business practices. Frequently, their credits do not transfer to their colleges. Several of these companies have campuses under "heightened cash monitoring" to ensure that they can compensate the government if the campus closes.

University of Phoenix is listed as one of Victory Media's corporate sponsors. University of Phoenix has received an enormous amount of scrutiny for deceptive business practices toward veterans. It has lost contracts on military posts and has been sanctioned by the State of California and was put on probation last year by the U.S. Department of Defense. It has also been fined several times for tens of millions of dollars by the U.S. Department of Education for violating rules and misleading students.

Florida Attorney General investigation[xxiii]

Delaware Attorney General investigation[xxiv]

Massachusetts Attorney General investigation [xxv]

California Attorney General investigation[xxvi] [xxvii]

Securities and Exchange Commission inquiry [xxviii]

Department of Education Inspector General investigation [xxix]

Federal Trade Commission investigation [xxxxxxi]

Department of Defense actions[xxxiixxxiii]

Department of Education fine [xxxiv]

Art Institutes are not listed as a military friendly school but show up in the online school matchmaker. "Ai" and its parent company **Education Management Corporation** (**EDMC**) have received a great deal of criticism for their poor student outcomes, have been the subject of a lawsuit by U.S. Department of Justice and dozens of State Attorneys General, and EDMC had to pay out $200 million to settle those suits last year, and at least 17 of their 50 campuses have been closed or will be closing.[xxxv]

State Attorneys General investigation[xxxvi]

Colorado Attorney General lawsuit and settlement[xxxvii]

Massachusetts attorney general investigation[xxxviii]

Settlement of State Attorneys General investigations[xxxix]

City Attorney of San Francisco settlement[xl]

Justice Department False Claims Act lawsuit[xli]

American Intercontinental University is a division of **Career Education Corporation**. AIU's parent company has been under investigation by Attorneys General from several states and the U.S. Federal Trade Commission for deceptive recruiting and lying about accreditation and job placement rates. AIU has an open-enrollment policy and, in the past, critics have scrutinized the university's student recruiting practices. One anonymous professor told The Chronicle of Higher Education: "If you can breathe and walk, you can get into the school." In July 2008, former employees filed a lawsuit alleging that the school's admissions practices defrauded federal grant and loan programs. The lawsuits against enrollment practices were dismissed in 2012. [xlii] AIU is currently under heightened cash monitoring. (See investigations and lawsuits below Colorado Technical University's paragraph.)

Colorado Technical University is a division of **Career Education Corporation**. According to VA data, CTU has received more GI Bill complaints as a percentage of its student veteran population than any other school. According to the National Center for Education Statistics, Colorado Tech's online graduation rate is 24%. The Colorado Springs campus graduation rate is 27%. The school is currently under heightened cash monitoring. The Center for Investigative reporting found that CTU received $3.6 million in DOD funds and $33.6 million in GI Bill funds in 2011.

Multi-State Attorneys General investigation[xliii]

Florida Attorney General investigation[xliv]

New York Attorney General settlement[xlv]

Securities and Exchange Commission investigations[xlvi]

Federal Trade Commission investigation[xlvii]

Department of Education inquiries and audits[xlviii]

Argosy University is a division of ***Education Management Corporation*** (EDMC). According to the National Center for Educational Statistics, Argosy online's 6-year graduation rate is only 7 percent. Argosy and EDMC have been the subject of multiple lawsuits and government investigations. The school is currently under heightened cash monitoring. [xlix] (See list of lawsuits against EDMC above, under Art Institutes). In particular, Argosy was caught deceiving students about the accreditation of its graduate program in psychology. The graduates were not eligible to become licensed psychologists because the school was not properly accredited.

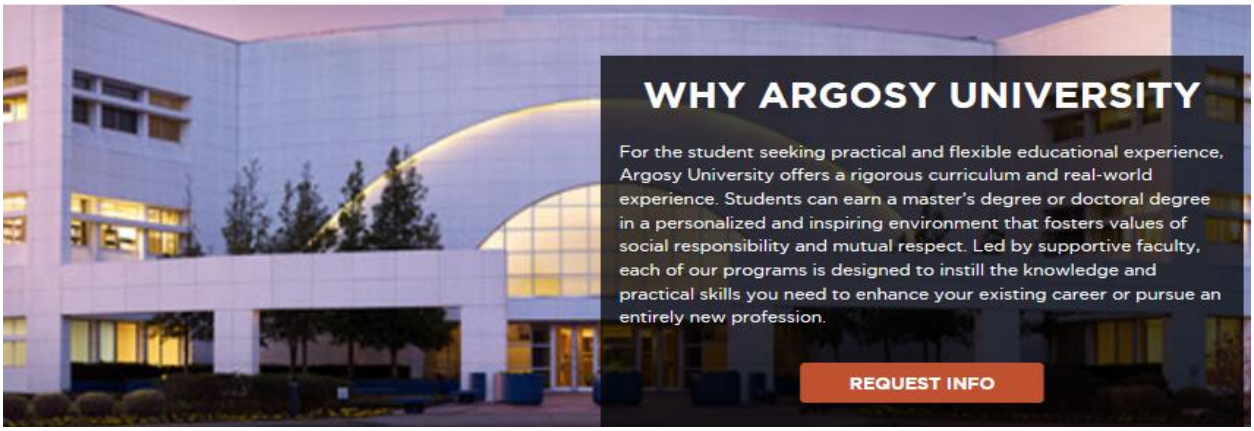
DR. DAVID F. THARP

Lieutenant Colonel in the United States Air Force Reserve

Doctorate of Psychology in Clinical Psychology - 2000

Dr. David F. Tharp is a Lieutenant Colonel in the United States Air Force Reserve—and he uses his military experience to help returning combat veterans suffering from Post Traumatic Stress Disorder (PTSD).

READ MORE



Ashford University is a division of **Bridgepoint Education**. The school has been the subject of multiple investigations and lawsuits. A *Bloomberg News* report revealed that Ashford was recruiting disabled soldiers at the Wounded Warrior Battalion at Camp Lejeune, North Carolina, including a Marine with a traumatic brain injury. Ashford's physical campus closed in 2016 due to lack of enrollment. In 2016, the Iowa Department of Education notified Ashford that it would discontinue approval for GI Bill benefits after June 30, 2016.[l] A Center for Investigative reporting analysis found that Ashford received approximately $41 million in DOD funds and $26 million in GI Bill Funds in 2011. [li]

California Attorney General investigation[lii]

North Carolina Attorney General investigation[liii]

New York Attorney General investigation[liv]

Massachusetts Attorney General investigation[lv]

Iowa Attorney General settlement[lvi]

Department of Justice investigation[lvii]

Securities and Exchange Commission investigation [lviii]

Consumer Financial Protection Bureau investigation[lix]

Department of Education actions[lx][lxi][lxii]

Devry University includes DeVry University, and a number of other brands including **Chamberlain College of Nursing**. Devry has faced increasing scrutiny and criticism from the U.S. government, state Attorneys General in Illinois and Massachusetts, the Pew Foundation, and the *Mississippi Center for Justice* (representing former students). Devry is currently being sued for by the *Federal Trade Commission* for deceptive advertising and false claims about its job placement rates. [lxiii]

Illinois and Massachusetts Attorneys General investigations[lxiv]

New York Attorney General investigation[lxv]

Federal Trade Commission lawsuit[lxvi]

Justice Department investigation[lxvii]

Department of Education actions[lxviii]

Department of Veterans Affairs action[lxix]

Kaplan College is a division of **Graham Holdings.** It has been the subject of multiple investigations and lawsuits. According to *the New York Times*, 23% of Kaplan's programs fail the proposed gainful employment regulations, and an additional 10% are close to failing. This means that a significant number of Kaplan graduates are unable to pay back their student loans. Kaplan's enrollment has declined from 119,000 to 65,000 amid these controversies. In 2015, The Miami Herald revealed "a trove" of information about Kaplan's questionable business practices. [lxx]

Delaware Attorney General investigation[lxxi]

Florida Attorney General investigation[lxxii]

Illinois Attorney General investigation[lxxiii]

Massachusetts Attorney General investigation[lxxiv]

North Carolina Attorney General investigation[lxxv]

Justice Department False Claims Act lawsuit[lxxvi]

Department of Education actions[lxxvii]

Lincoln Tech is a division of **Lincoln Educational Services**. The company has faced numerous financial problems and lawsuits. In 2014, The New York Times reported that 50% of all Lincoln schools failed proposed gainful employment regulations. Several Lincoln schools are under heightened cash monitoring by the U.S. Department of Education.[lxxviii]

Massachusetts Attorney General lawsuit[lxxix]

Universal Technical Institute is a technical school that is facing serious financial difficulties. A certificate at UTI costs almost 20 times more at UTI than it does at the public college. ***Universal Technical Institute has limited access to military bases for student recruitment because its programs have not complied with federal government oversight measures.***[lxxx]

Massachusetts Attorney General investigation[lxxxi]

Walden University is a division of **Laureate Education.** According to the National Center for Education Statistics, **Walden's retention rate for its online bachelor's programs is 18%.** [lxxxii] In 2015, three Walden University graduate students sued the school for lack of supervision and teacher turnover.[lxxxiii] The school uses the Military Friendly Schools ***"Top 15%"*** logo to sell its graduate programs to veterans (see image below).

Victory Media's Military Friendly Advisory Council

Victory Media claims that its advisory council of more than 40 members "provides objective and independent guidance about our various surveys and ratings programs, associated product releases and opportunities for advocacy and sharing of best practices in the markets we collectively serve."[lxxxiv] However, we have no evidence that body provides significant input to the Military Friendly Schools program. Council members we contacted in 2015 have since left the council.

In 2015, the council included:

- ***Michael Dakduk***[lxxxv] of ***APSCU*** (The Association of Private Sector Colleges and Universities), a lobbying group for for-profit colleges. APSCU has been criticized for its promotion of subprime schools and its attempts to stop government regulations that would improve transparency and accountability of colleges that have vocational programs. In 2015, APSCU lost many of its largest clients[lxxxvi] and changed its name to Career Education Colleges and Universities; and
- ***Barb O'Reilly*** of ***Education Management Corporation***. EDMC is a system of subprime colleges that includes Argosy, the Art Institutes, and Brown Mackie.[lxxxvii] Many EDMC schools are in the process of closing.

Additional Employee Concerns

Although all of the respondents on Glass Door[lxxxviii] are anonymous, Victory Media's reviews from employees paint a pattern of conduct unbecoming of a veterans-owned business. We have heard from former employees who are not anonymous to us who confirm these allegations.

Selections from Glass Door

https://www.glassdoor.com/Reviews/Victory-Media-Reviews-E840888.htm

Jul 25, 2016

"Deep Seated Issues Here"

"...There are a few people here with integrity that make working here bearable, most others are a slimy sort.'''

"**That wouldn't even be so bad if it weren't for the deception that is so apparent once you peek behind Oz's curtain.** If you've ever told a lie and realize the panic that ensues once you realize it may be found out, you have a pretty good picture of what it is like to work here. **Clients are misled** and kept in the dark about what we actually can do for them. We do a great job of selling what we "could" do for them, but once it becomes apparent that the company's claims are about to be found false we hit the panic button internally to try to "save the client." We wouldn't have to save them if we did what we promised in the first place!"

"As a sales organization, you need to get a handle on what you can deliver on and sustain because the shell game will end. And when it does it will end badly. Also, if you choose not to

fire the people who are a lawsuit waiting to happen, at least make sure they refrain from behavior that puts the company at risk of one WHILE AT WORK. The lack of professionalism is exceeded only by the lack of professionalism in too many of the employees here...is it really that hard not to make racist/sexist/harassing remarks and jokes while at work?"

****

Jun 1, 2016

"Not a good place for women or minorities"

"Women are constantly sexually harassed and the company only hires a few minorities in remote sales positions to say they have a diverse company culture."

"If you're a woman and you work at Victory Media a certain member of senior leadership will tell his cronies of the perverted sexual acts he'd like to do to you. Even after some employees were accused of sexual harassment, it was never properly handled or reported."

"It's a culture built around a clear lack of respect for women and no regard for people of color. One of the few minorities that worked at Victory Media was labeled as "ghetto" and the term was used in a derogatory manner."

****

May 20, 2016

"...soon found that company management, particularly sales management, is pompous, distrustful, and care only about themselves and revenue. **The ends (revenue) justify the means and would make Machiavelli look pious.** A "rep" from another territory described to me how their manager, during a team web meeting, used a profanity-laden video as some sordid and apparently intimidating form of motivation. Under the guise of self-learning, and time management, senior "leadership" discouraged and frowned upon the posing of questions and private discussion among teammates….

"…placed my integrity in question as one of their representatives."

"**Working for Victory Media was akin to a living nightmare only to wake up and relive it every day.** I struggled to enjoy holidays, paid time off and weekends because of the dread of going back. Leaving was one of the most relieving and liberating sensations I have ever experienced. It is disconcertingly ironic that a company which describes itself as an expert in workforce development is at best a curious amateur with its own."

****

May 4, 2016

“There is only one manager who actually cares about both his employees and his clients. **All others, including the owner who is a borderline sociopath, do not see employees or clients as people but simply means to their end. That end is only money. No matter what they say, what propaganda they write, or what they tell you or your clients and prospects let me be clear: they. do. not. care. They will lie, and condone lying. They are experts in spinning the truth since most of their products are ineffective.**

“First, I hope the fact that the CEO wrote a response to the negative reviews speaks volumes. Check any glassdoor page and you won't see that anywhere. The reason is simple-damage control. He knows the truth in these reviews and he has refused to change. The only other option is to pop smoke and hope it will confuse those who are using glassdoor to research his company. Second, it must be said that leadership encourages positive reviews on here. Actively encourages them. So take the positive reviews with a few grains of salt.”

“Finally, **for a company who champions the veteran community, the way they have treated their own veteran employees is hypocritical to an infuriating degree. This is not a good company.”**

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Apr 20, 2016

"There's nothing positive about Victory Media"

"...We thrive on business from for-profit schools and basically give them a "Military Friendly Schools" title so they'll buy ad space from us."

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Feb 1, 2016

"Victory sells this "helping students and vets" jargon to fleece corporations and education institutions for solutions that either don't work or don't work well."

"once you get past the facade, you see it for what it is: toxic, shady, greedy, dishonest...."

"the environment here is one that will have you wincing at the lack of professionalism exhibited by many. I've had many situations where I think "it's not that I'm offended by what just happened but wow! I'd never even dream of saying something like that in the workplace."

"we do not deliver on the promises we make them."

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Jan 26, 2016

"Lies to employees. Lies to prospective clients. Lies to actual clients. Products are ineffective and the only way to sell them is to fabricate a "pie in the sky" situation and sell that. The actual products on their own do not hold up.

“Leadership has zero regard for truth telling.”

"Do not be fooled by the positive nature of the business venture - helping veterans and students will always be a noble cause but at Victory Media the manner of that help defeats the purpose."

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Jan 30, 2016

"Work here only if you don't have any other option"

"...this place is worse than used car sales before carfax. one more thing, like everyone before me has said the mission of the company is a great mission. I wish it were true."

"at the end of each day I feel like I need to shower or something. **the level of manipulation of both their employees and their clients/prospective clients is so much more than I have ever experienced.** the goal is to make everyone see things that are only figments of the owners' imagination. data is not evaluated based on what is really happening, but is twisted and interpreted to say what the owners want it to say."

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Sep 22, 2015

"The company is a mess from the top down. When I left, everyone in technology followed, that was 1/3 of the company!"

"The internal infrastructure is a complete nightmare in and of itself, Management would not upgrade and would not allow the IT department to listen to recommendations, instead they used friend to make a decision. In the end the friend got them to go with the upgrade that was absolutely needed for security. Then the servers at a remote site with no connection home and facing the world were another nightmare in itself. Databases of customer data, addresses, names, hell even the companies financials all open the world because the management did not want to spend an extra hundred or so on a VPN tunnel back home."

"This company is a walking data breach for our veterans waiting to happen because they lack any care of fixing it. Management cares about one thing with all of the "brands" they own, that is more money, remember they are for profit. Think I am lying? Look at the twitter feed for the brands they own, they have negative remarks all over them about how this company is not for the vet's, but for the wallets."

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Sep 15, 2015

"Don't Buy the Propaganda"

1. "The mission is good, until you realize that it's only a means to an end for making the owners money. The decisions aren't made with 'what is best for the student/veteran' in mind, but 'what is best for the stakeholders'. That's any business owner's prerogative, but it comes across as talking out both sides of your mouth when you're lauding the mission all while riding it to the bank at the expense of those you're supposed to be helping."

2. Intrinsic dishonesty:

"They lie about everything. Everything. They inflate distribution and metrics. They lie about promotions and raises. They lie to people in interviews. They lie during reviews. They lie to clients. They lie to the consumers. Etc."

"Complete internet-snake-oil salesman."

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[iii] See The Century Foundation, "Truman, Eisenhower, and the First GI Bill Scandal," (2017) available at https://tcf.org/content/report/truman-eisenhower-first-gi-bill-scandal/

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