



**Falling Prey on the Home Front:
Post 9/11 GI Bill Spending at Mississippi's For-Profit Colleges**
Mississippi Center for Justice
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Introduction

With the last troops leaving Iraq in late 2011 and the projected end of operations in Afghanistan by 2014, a new generation of veterans is returning home for good.¹ Having travelled the world and served alongside men and women from all corners of the United States, veterans who decide to return to Mississippi are well aware that their state lags behind most others, that employment opportunities are limited and economic prosperity is a reality for far too few Mississippians.²

Yet, these men and women decide to come back home, plant roots in their community and start a life after war. Returning to a stagnant state and national economy in which a college education is vitally important to financial success, our veterans' need for postsecondary education has never been more pronounced. Making sure that veterans get quality educational opportunities is fundamental to the fabric of communities across the state and the nation.

Post-9/11 veterans are now using the Post-9/11 Veterans Educational Assistance Program (Post-9/11 GI Bill) to get the education they need for a career after military service. But for the current generation, new challenges exist in the realm of higher education. The increased demand for postsecondary education coincides with a booming for-profit college industry that has been found to target groups likely to use government-based educational benefits.³ Such for-profit institutions have also been found to produce worse student outcomes, often at higher costs, compared to public not-for-profit institutions.

Mississippi is already chronically plagued by high rates of poverty, low educational success, last-in-the-nation health outcomes, and rampant use of predatory financial services. Data obtained by the Mississippi Center for Justice from the Department of Veterans Affairs (VA) shows that Mississippi's Post-9/11 Veterans attending for-profits spent 2 to 3 times more of their GI Bill benefits than those veterans attending traditional public colleges and universities during the same interval.

The Post 9/11 GI Bill

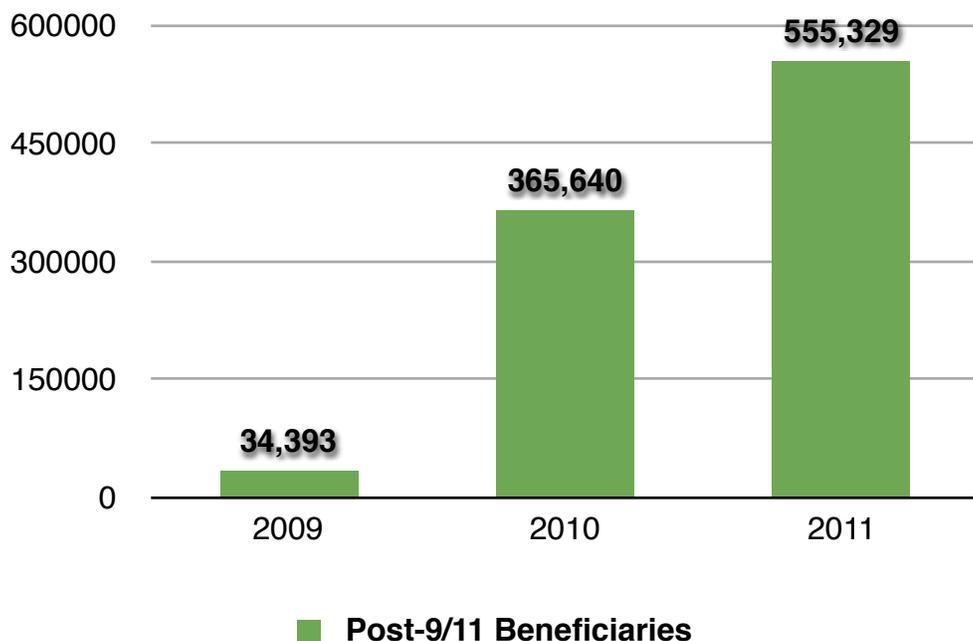
In 1944, the GI Bill was signed into law as the single most comprehensive education benefit package to date. Substantial growth in the American middle class is

attributed to Post-World War II (WWII) veterans acquiring formal and technical educations through benefits provided by the GI Bill.⁴ This historic legislation helped veterans “readjust”⁵ to society, while bettering the national economy.

Similar needs exist for the new generation of veterans. In 2009, the Post 9/11 GI Bill went into effect.⁶ Benefits generally include tuition, fees, housing allowances and supplies stipends for a period of up to 36 months of equivalent full-time education.⁷ Veterans have a period of 15 years to use their benefits, which are also extended to eligible family members.⁸

An overwhelming demand for post-9/11 educational benefits is evident. In the first three years of the program, the number of beneficiaries increased by over half a million (See Figure 1).⁹

Figure 1. Number of Post-9/11 GI Bill Beneficiaries, U.S. Total



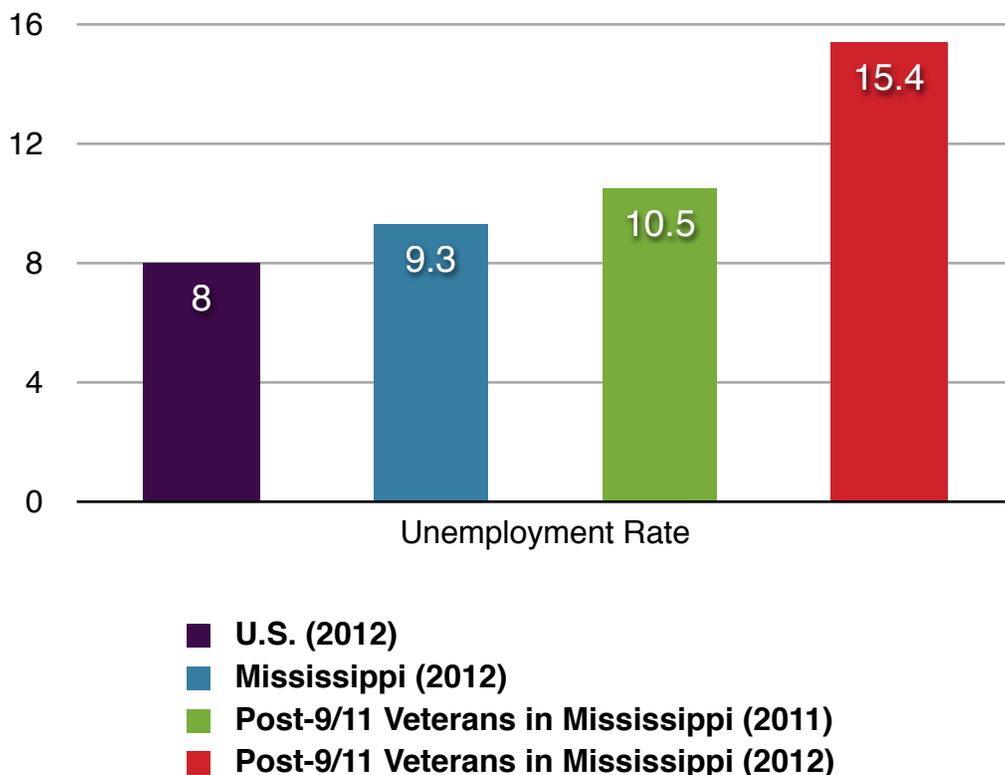
The massive increase of beneficiaries from 2009 to 2011 amounted to a total payment from federal taxpayers of \$8.1 billion.¹⁰ Such a significant upward trend is indicative of the huge demand from our veterans for postsecondary education.

A Changing Landscape

Despite the broad societal benefits that GI Bill assistance ushered in for post-WWII generations, post-9/11 veterans are coming home to starkly different circumstances. In the past 3 years, unemployment among post-9/11 veterans has been higher than both statewide and national averages.¹¹ Additionally, the post-9/11 veteran

unemployment rate has sharply increased since 2011. According to the most recent annual report from the Bureau of Labor Statistics, unemployment among Mississippi's Gulf War II era veterans has nearly doubled from 2012 to 2013, reflecting one of the highest post-9/11 veteran unemployment rates among states.¹²

Figure 2: Post-9/11 Veteran Unemployment Rate versus Overall Unemployment (%)



Available options for education are also starkly different. For-profit colleges have grown dramatically in recent years, owing to their focus upon non-traditional learners seeking jobs in health care, information technology and other fast growing fields. Growth led to intense competition, “highly aggressive and even fraudulent recruiting techniques” that preyed upon minority and disadvantaged students, according to a 2011-2012 Harvard study. This study framed the issue with a simple question backed by complex research: are these for-profit schools “nimble critters” or “agile predators”?¹³

“Nimble Critters”

When for-profits provide niche training to students who are underserved by traditional schools they are “nimble critters,” filling a need that traditional schools are too underfunded to meet. Most for-profit schools claim to retain students for the duration of programs and to offer generous transfer credits. Also, they provide non-traditional accommodations, including day-care and comprehensive online degrees. Moreover, for-

profits take the burden off of state schools and reach disadvantaged populations with robust services, filling a gap in higher education.¹⁴ In light of recent evidence, however, these services often touted by for-profit schools are more likely used for initial enticement than long-lasting benefit.

“Agile Predators”

As “agile predators,” for-profit schools prey upon African Americans and other minority groups. The Harvard study reveals that low-income minority students are much more likely to enroll in for-profit schools than any other demographic. Sixty-five percent of enrollees are women. Harvard researchers found that 1 in 4 for-profit students default on loans within 3 years, that six years after graduating more are unemployed than 4-year in-state college students, and the cost of tuition is nearly double the average yearly cost of a traditional institution.¹⁵

90/10 Rule

For-profit schools heavily recruit students who are eligible for Title IV funding. By law, for-profits are allowed to take up to 90% of their revenue in the form of Title IV or other subsidized aid. Thirty percent of for-profit schools derive more than 80% of their revenue from Title IV federal loans.¹⁶ This dependence on Title IV funds massively strains the education budget, the taxpayer and the future indebted worker (See Appendix tables for Title IV trends among selected for-profit colleges in Mississippi).¹⁷

Many of these institutions make special efforts to reach veterans using the Post-9/11 GI Bill. For-profit colleges have fallen under criticism by Senator Tom Harkin’s (D-Iowa) investigations through the Health, Education, Labor and Pensions (HELP) committee, in addition to academic research, for failure to provide quality educations that lead to gainful employment. One year into the post-9/11 GI Bill, “serious questions” arose “...about the share of the benefit pool going to for-profit schools with questionable outcomes.”¹⁸ According to a 2010 HELP Committee report, the Post-9/11 GI Bill presents an enticing opportunity for proprietary colleges. Some for-profits are inching closer and closer to 90% maximum revenue from Title IV funds, but have not been required to include Post-9/11 GI Bill benefits within the Title IV maximum.¹⁹ These funds were instead counted in the “10%” as non-Title IV. Indeed, Sen. Harkin’s report argues that the new GI Bill resulted in a veteran population that is “...critical for the type of growth required by investors in for-profit colleges.”²⁰

...because the new GI Bill benefits are not counted toward the maximum 90 percent federal revenues for-profit schools are permitted, the benefits provide a new tool to help for-profit schools manage this increasingly challenging regulatory requirement. As a result, servicemembers, veterans, spouses, and family members are highly attractive prospects to for-profit schools, and many schools appear to have made significant resource investments to recruit and enroll students eligible for these benefits.²¹

In August 2013, a U.S. Senate panel passed a rider to the defense appropriations bill that would count federal spending on tuition assistance for members

of the military and their spouses – including the Post-9/11 GI Bill – toward the maximum 90 percent federal revenue, or the 90/10 rule.²² Up to this point, the 90/10 loophole created an incentive for proprietary schools to attract veterans. This has led to the targeting of veterans and their families by for-profit colleges, including those returning Afghan and Iraqi War Vets with traumatic brain injury.²³ Senator Dick Durbin (D-Illinois) sponsored the legislation, which also prevents proprietary schools from spending revenue drawn from veterans' educational benefits on marketing or advertising.

The benefits paid to for-profits through the Post-9/11 GI Bill are disproportional to the beneficiary group being served. Nationally, for-profits were paid 36.5% of total benefits during the program's first year, but enrolled only 23.3% of the beneficiary group.²⁴ Trends among Mississippi's Post-9/11 GI Bill beneficiary group mirror the rule, not the exception.

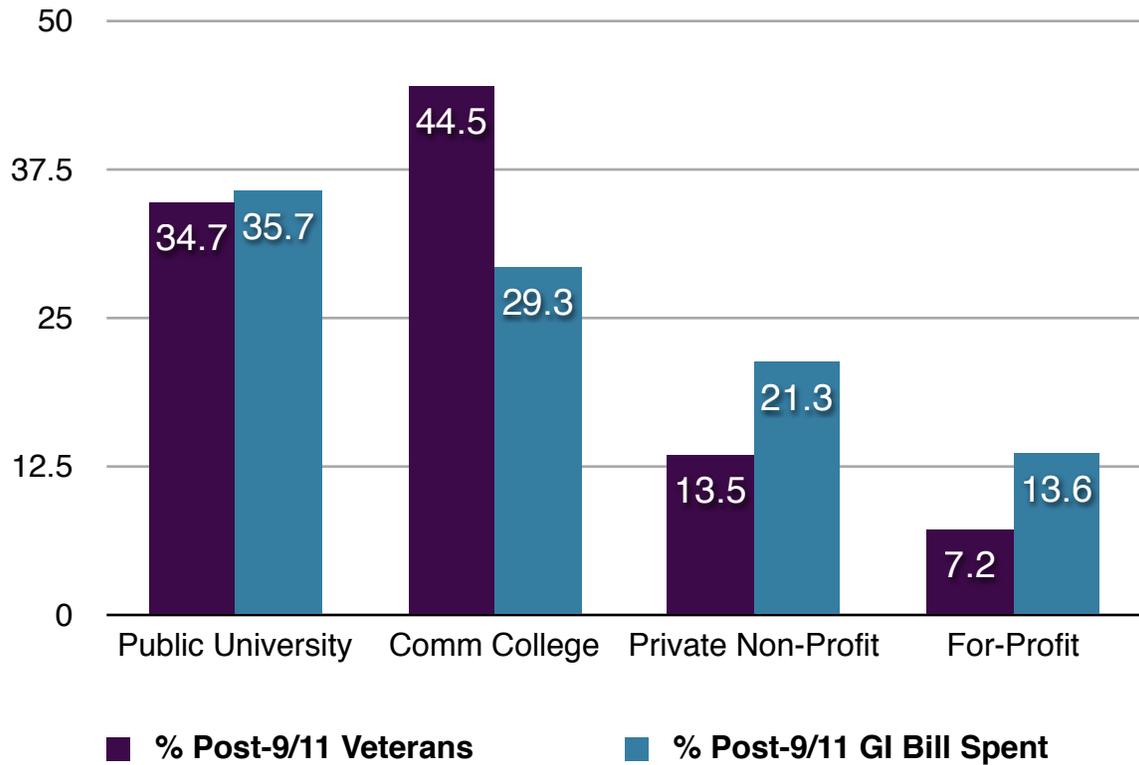
Post-9/11 GI Bill Spending in Mississippi's For-Profit Colleges, August 2009 to January 2013

According to data obtained from the VA through a Freedom of Information Act request (FOIA), from August 2009 to January 2013, a total of 8,561 post-9/11 veteran students or trainees spent \$83,575,033.86 of Post-9/11 GI Bill funds at Mississippi's public, private and for-profit universities, colleges or schools.²⁵

A total of 32 for-profit colleges in Mississippi enroll veterans using the Post-9/11 GI Bill. Approximately 7.2% (619) of post-9/11 veteran students attended for-profit institutions during this period. Federal taxpayers sent a total of \$11,351,591.95 to Post-9/11 GI Bill beneficiaries attending Mississippi's for-profit colleges. Out of the total amount of Post-9/11 GI Bill monies paid by federal taxpayers to Mississippi's beneficiaries, 13.6% went to for-profits (\$11.3 million out of \$83.6 million total).²⁶

In Mississippi, as in much of the nation, the cost to the federal taxpayer at for-profits is disproportional to the number of veterans served. While for-profits collected 13.6% of Post-9/11 GI Bill funds, they enrolled only 7.2% of post-9/11 veterans using such funds.²⁷ This finding mirrors the national trend that Senator Harkin's investigation uncovered. The reverse trend exists nationally for public colleges and universities which received 40% of benefits, but trained 59% of veterans.²⁸ Evidence suggests that Mississippi's public institutions display similar trends as those found nationally (See Figure 3).

Figure 3. Beneficiaries vs. Spending by Profit Status, Mississippi 2009-2013



As Figure 3 indicates, public universities in Mississippi are evenly proportional in the share of attending post-9/11 veterans and benefits paid through the Post-9/11 GI Bill. These institutions enrolled approximately 34.7% of veterans and collected 35.7% of Post-9/11 GI Bill benefits from August 2009 to January 2013.²⁹

Public community colleges served a higher share of post-9/11 veterans relative to the amount of Post-9/11 GI Bill benefits received. These institutions educated 44.5% of Mississippi’s veterans using the GI Bill, yet received only 29.3% of Post-9/11 GI Bill benefits.³⁰

Private non-profit institutions collected higher proportions of federal tax dollars relative to the share of post-9/11 veterans served. Private non-profit colleges and universities served 13.5% of veterans, yet received 21.3% of benefits.³¹

Taken together, public universities and colleges educate a higher proportion of veterans than Post-9/11 GI Bill benefits received. Mississippi’s public institutions educated approximately 79% of veterans during this interval, yet received 65% of Post-9/11 GI Bill funds.³²

Trends in Mississippi also confirm Senator Harkin’s finding that for-profits are much more expensive than their traditional counterparts. In fact, on a per trainee basis, the federal taxpayer spends 3 times more for veterans attending for-profits in

Mississippi than those attending public community colleges and more than twice as much as those attending all public institutions (See Table 1).³³

Table 1. GI Bill Spending, 2009-2013, Per/Student or Trainee, by Institutional Type

Institutional Type	Per Trainee/Student
For-Profit	\$18,338
Community College	\$6,438
All Public	\$8,017
Private Non-Profit	\$15,405
All Non-Profit	\$9,093

It is no surprise that private non-profit institutions cost the student and the taxpayer more than public institutions. The private for-profit higher education sector, however, is a newer industry and its impact on postsecondary education is still unfolding. Immediately evident, however, is that for-profits cost more than even traditional private non-profit schools. Post-9/11 veterans attending Mississippi's most exclusive private colleges or universities still spend less GI Bill benefits than they would at a for-profit school that produces negative student outcomes (See Tables 3 and 8). When compared to traditionally higher-cost private non-profit institutions, post-9/11 veterans spent \$2,933 more per-student at for-profits.³⁴ Individually, post-9/11 veterans attending for-profits from 2009-2013 spent \$11,900 more than those attending community college and \$10,321 more than those attending all traditional public colleges or universities. Multiplied by hundreds of Post-9/11 veterans, it is clear that for-profits impose a proportionally larger financial impact on veterans than public institutions. Of the available postsecondary options, for-profits are not only the most expensive, but also yield low rates of loan repayment and graduation (See Tables 3 and 4). For instance, while the Jackson, MS campus of Virginia College has a 3-year graduation rate of 25.6%, Millsaps College, a private non-profit school in Jackson, has a much more successful rate of completion at 66%.³⁵ Spending differences at for-profits may be linked to program duration and type, but veterans obtain similar rewards at community colleges, while spending 3 times less than they would at a typical for-profit. This savings allows veterans to apply benefits to further education, while those attending for-profits exit with limited benefits to apply elsewhere.

Trends in Mississippi veterans' Post-9/11 GI Bill spending are just beginning to unfold. To assess nuances in spending within Mississippi's for-profit sector, the following analyzes data from the state's biggest users of the Post-9/11 GI Bill.

The Biggest Users: Post-9/11 Veteran Attendance and Benefit Spending at For-Profits, August 2009-January 2013

While 32 for-profit institutions received Post 9/11 GI Bill funds between August 2009 and January 2013, the distribution of these funds is highly concentrated to a handful of institutions in Mississippi.

Twenty-five of these institutions enroll only 16% (174) of post-9/11 veterans attending for-profits and account for 28% of Post-9/11 GI Bill funds spent at for-profits. These 25 institutions largely provide discrete technical training programs, such as cosmetology, truck driving and law enforcement training.³⁶

The remaining 7 for-profit locations from the 32 receiving Post 9/11 GI Bill funding received 84% of allotments to for-profits and schooled 72% of veterans attending for-profits, as Table 2 illustrates.³⁷ Though 7 total locations are isolated in Table 2, only 5 for-profit companies are represented. Both Virginia College and Antonelli College have 2 locations each that account for high proportions of attending post-9/11 veterans using benefits. These 7 institutions provide both technical programs and traditional coursework.

Table 2. Biggest Users of Post 9/11 GI Bill, August 2009 to January 2013

School	Post 9/11 GI Bill Funding Per Student	Number of Trainees	Total Post 9/11 GI Bill Amount
Virginia College - Jackson	\$16,877	66	\$1,113,944.81
Virginia College - Biloxi	\$22,491	155	\$3,486,165.55
Strayer University - Jackson	\$20,390	34	\$693,271.56
ITT Tech - Madison	\$29,323	60	\$1,759,438.58
Blue Cliff	\$17,377	42	\$729,872.83
Antonelli - Jackson	\$19,883	33	\$656,139.76
Antonelli - Hattiesburg	\$20,091	55	\$1,105,046.26
Total	\$21,447	445	\$9,543,879

In total, 445 Post-9/11 veterans used \$9.5 million over 4 years to pay for schooling at these 7 for-profit college locations. Individually, these for-profits significantly vary in cost. At one of Mississippi’s “biggest user” for-profits, 60 trainees spent nearly \$1.8 million from 2009-2013 in GI Bill funds for their schooling, equating to \$29,323 per trainee. This institution also dedicates a separate website to veterans and includes a linking tab described as “Military Benefits” at the top of its main landing page.³⁸ In fact, a common trend among for-profit websites is a landing page link targeted to active-duty and former military personnel, with specific mention of “military benefits.” In the Spring of 2012, President Obama responded to this targeting trend with an Executive Order that, among other things, trademarked the term “GI Bill” to halt usage of the name by the for-profit site “GIBill.com” and created greater disclosure requirements for 6,000 proprietary schools.³⁹

GI Bill benefits represent only a portion of federal aid awarded to students at these institutions. Combined, the total student cohort at these 7 institutions was awarded \$58.5 million in federal aid over three years (2009-2011). Though, a portion of this data went unreported, suggesting the total amount of federal aid could exceed this total.⁴⁰

A majority of students at these for-profit locations rely on federal, state and local aid. On average, 8 out of 10 students attending these institutions receive federal loans and/or grants (80.14%).⁴¹ One for-profit reported that 100% of students received federal aid.⁴² Across all of these for-profits, the lowest reported share of students receiving federal aid was 54%. Though, this same institution reported a jump to 86% the very next year.⁴³

The “biggest users” display weak loan repayment rates. Table 3 shows national averages for these institutions across all programs and degree levels.

Table 3. Loan Repayment and Median Title IV Loans, Selected For-Profit Institutions

School	Repayment Rate	Median Title IV Loans
Antonelli College	23.1%	\$23,000
Blue Cliff	40%	\$8,750
ITT Tech	33.1%	\$15,041
Strayer University	31.4%	\$24,349
Virginia College	24.1%	\$18,000

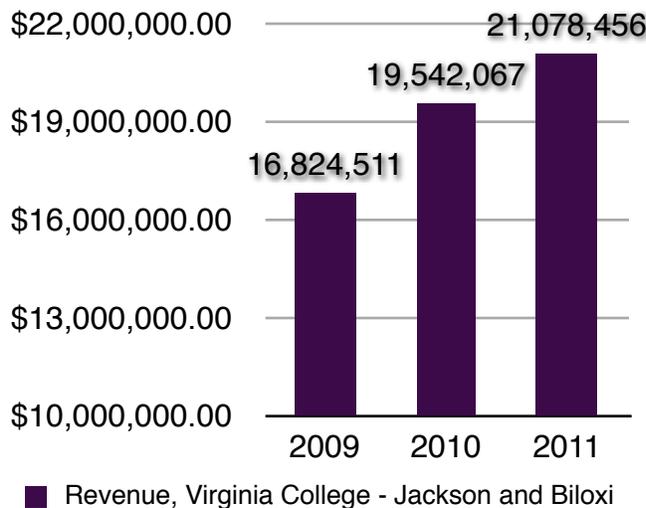
Though veterans using educational benefits are not required to repay, the overall rate of repayment on federal loans is often used as an indicator of degree quality. A low repayment rate is linked to lower employment after program completion. Table 3 indicates that 2 out of 3 students attending these 7 for-profits will likely struggle to repay

loans.⁴⁴ This is unsurprising when one considers the outcome of the *Deming* study, which found that students "...from for-profits are more likely to be unemployed and to have experienced substantial unemployment (more than three months) since leaving school. For-profit students no longer enrolled in 2009 have earnings from work that are \$1,800 to \$2,000 lower (or 8 to 9 percent of their predicted mean earnings) than had they gone to another type of institution."⁴⁵ Also, degrees or certificates conferred at some for-profits lack the necessary components to gain entry in certain fields of work.⁴⁶

Whatever the cause of their underemployment, most for-profit students do not feel their education was worth the cost, according to survey data analyzed by Harvard researchers.⁴⁷

This is what thousands of civilian Mississippians, and hundreds of post-9/11 veterans and their families, are experiencing right now - the road to prosperity that became the road to nowhere.

Figure 4. Revenue at Virginia College, Jackson/Biloxi Campuses



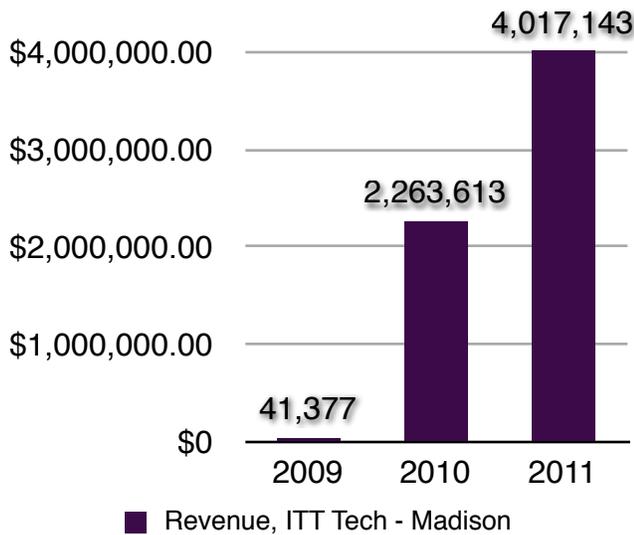
While these for-profits are producing negative outcomes for their graduates, their revenues are steadily soaring. On an individual basis, for-profits enroll hundreds, yet receive millions in revenue. On average, the "biggest users" enrolled about 404 students per year individually from 2009 to 2011, and a little over 2,800 together. Given that data reporting is uneven among these institutions, Figures 4, 5 and 6 illustrate revenues at selected institutions for which data are available.⁴⁸

Upward trends in revenue do not necessarily correspond to upward trends in enrollment. For instance, while Virginia College displays steady revenue increases, enrollment at the Biloxi, MS campus increased by 82 from 2009 to 2010, but decreased by 89 from 2010 to 2011. The Jackson, MS campus enrolled an estimated 779 students in 2009, but showed a steady decrease over the next two years to 408 in 2011.⁴⁹ Both campuses, however, show steady revenue and Title IV increases.

Data indicate that virtually all new full-time, first-time degree-seeking students enrolling in selected for-profits receive some form of Title IV federal aid (See Appendix Table 4). Across the board, Pell grants dramatically increased among students attending selected Mississippi for-profits from 2009 to 2010 (See Appendix Table 6).⁵⁰

With 30% of for-profit institutions deriving over 80% of their revenues from Title IV, many for-profits depend on the massive flow of federal money to their students in

Figure 5. Revenue at ITT Tech, Madison

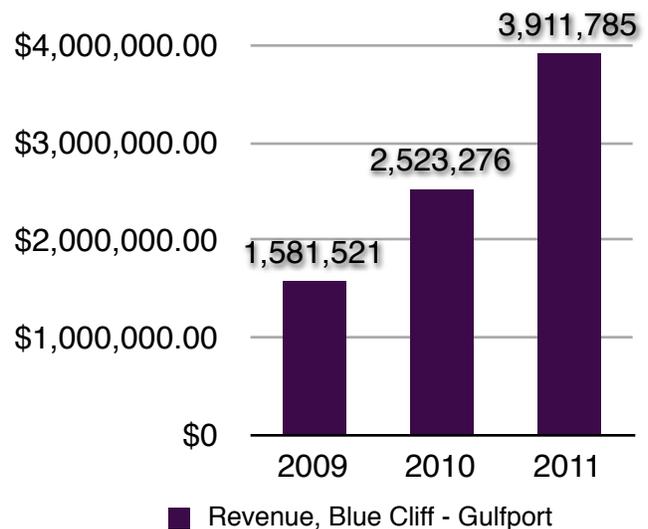


information that would disqualify a student from federal aid (program cost, duration of programs, graduation rates and post-graduation employment).⁵²

Upwards of \$32 billion per year in Title IV funds and Pell grants are provided to students attending for-profit schools across the nation. Over one school year, Virginia College's Title IV funding increased by almost \$89 million (2008/2009 to 2009/2010).⁵³ These abrupt increases and new trends bring for-profits under closer scrutiny, leading to serious questions about their sustainability.

order to remain profitable. A 2010 Government Accountability Office (GAO) investigation into the practices of 15 major for-profit institutions exposed four instances of admissions representatives instructing undercover applicants to falsify financial aid forms to qualify for federal aid.⁵¹ In one alarming instance, an undercover GAO investigator claiming to have \$250,000 in savings was told to remove that from the application to qualify for \$9,500 in federal aid. Not all for-profits investigated were found to be entirely misleading, but overall findings suggest a systemic pattern of fraudulent claims regarding federal aid eligibility (the trend is encouragement to remove from applications any financial

Figure 6. Revenue at Blue Cliff, Gulfport



Conclusion: Public Interest versus Private Interest

In addition to the limitations students graduating from for-profits experience, many of the “biggest users” in Mississippi display low rates of completion.⁵⁴

Table 4. Graduation Rates, Total Cohort, Selected For-Profits, 2009-2011 Average

For-Profit	Graduation Rate - 3 year Average
Virginia College - Biloxi	41%
Virginia College - Jackson	25.6%
Blue Cliff - Gulfport	36.6%
Antonelli - Jackson	51%
Antonelli - Hattiesburg	39%

In these cases, students are stuck without a degree or certificate, but still bear the debt burden, along with the federal taxpayer. For-profits, however, are motivated more by profit than educational success. The for-profit issue presents a conflict between private and public interest. Privately, for-profits legally implement a corporatized business model which holds central the motive of profit. Students at for-profits, however, are spending massive amounts of public tax dollars, while yielding little to no return on investment when employability suffers as a result of degree quality, or simply when their peers with traditional degrees get favored by employers.

Greater accountability is needed, and could be accomplished through regulatory change to both the U.S. Department of Education and the state Commission of Proprietary Schools and College Registration. Federal tax dollars are being spent to “pay for failure,” but for-profits evade regulations through strong and intricate lobbying support, according to Senator Harkin’s investigation and to the Harvard study. Senator Harkin emphasized that findings are systemic and show very little difference from school to school. Both the private and public sector have now concluded that government funding allows for-profit schools to stay alive while they drain the student and the taxpayer with little to no return on investment.

The new for-profit target is the returning post-9/11 veteran. The burden to shield them from predatory systems is now on the civilian policymaker. False enticements glimmered by for-profit colleges increase the risk that our post-9/11 veterans face in falling prey on the home front.

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APPENDIX

To assess the rate of first-time enrollees attending school full-time who received Title IV funds (all forms), IPEDS identifies Group 2 and Group 4 students. Group 2 students are defined as the portion of all undergraduate students who are “full-time, first-time degree/certificate seeking”, and Group 4 students are those Group 2 students who were awarded Title IV federal student aid. In the last three years of reported data, virtually all new full-time, first-time students (Group 2) enrolling in these selected for-profits received Title IV funds (Group 4). As Table 4 indicates, on average, more than 9 out of 10 full-time traditional students entering selected for-profits receive some form of Title IV federal aid.⁵⁵

Percent and Number of Full-time, First-time Undergraduates Receiving Title IV Federal Aid

For-Profit	2009	2010	2011
Virginia College - Biloxi	98.3%	100%	85%
Total First-Time, Full-Time Undergrads	59	33	20
Total Receiving Title IV Federal Aid	58	33	17
Virginia College - Jackson	99.5%	92.9%	96%
Total First-Time, Full-Time Undergrads	209	464	353
Total Receiving Title IV Federal Aid	208	431	339
ITT Tech - Madison		96.8%	92.7%
Total First-Time, Full-Time Undergrads	Not Reported	63	41
Total Receiving Title IV Federal Aid	Not Reported	61	38
Blue Cliff - Gulfport	94.1%	100%	78.5%
Total First-Time, Full-Time Undergrads	86	86	214
Total Receiving Title IV Federal Aid	81	86	168

Total Amount of Federal Student Loans Received by Undergraduate Students, Selected Institutions

For-Profit	2009	2010	2011
Virginia College - Biloxi	\$2,214,139	\$3,269,605	\$4,118,416
Virginia College - Jackson	\$6,820,086	\$9,674,761	\$5,538,128
ITT Tech - Madison	Not Reported	\$1,100,925	\$1,540,948
Blue Cliff - Gulfport	\$981,710	\$1,967,854	\$2,392,439

Total Amount of Pell Grants Received by Undergraduate Students, Selected Institutions

For-Profit	2009	2010	2011
Virginia College - Biloxi	\$596,665	\$2,334,526	\$2,160,000
Virginia College - Jackson	\$1,212,416	\$5,263,468	\$4,142,159
ITT Tech - Madison	Not Reported	\$626,020	\$653,862
Blue Cliff - Gulfport	\$497,867	\$987,368	\$1,485,918

Total Amount of Grant or Scholarship Aid from Federal, State/Local and/or Institutional Sources Received by Undergraduate Students, Selected Institutions

For-Profit	2009	2010	2011
Virginia College - Biloxi	\$596,665	\$2,475,000	\$3,427,889
Virginia College - Jackson	\$5,212,030	\$5,277,255	\$6,162,875
ITT Tech - Madison	Not Reported	\$702,444	\$687,728
Blue Cliff - Gulfport	\$497,867	\$999,154	\$1,485,918

ENDNOTES

¹ Tim Arango and Michael S. Schmidt, "Last Convoy of American Troops Leaves Iraq," *New York Times* (December 2011), Online, <http://www.nytimes.com/2011/12/19/world/middleeast/last-convoy-of-american-troops-leaves-iraq.html?pagewanted=all&r=0> and Jake Tapper, "Obama Announces 34,000 troops to come home," *CNN Politics* (February 2013), Online, <http://www.cnn.com/2013/02/12/politics/obama-sotu-afghanistan-troops>.

² Mississippi is chronically ranked the poorest state in the nation, see Meg Handley, "The 10 Poorest States in the Union," *U.S. News and World Report* (2011), Online, <http://money.usnews.com/money/personal-finance/articles/2011/09/23/as-economy-stalls-personal-income-takes-a-hit>. The most recent U.S. Census Bureau, 2011 American Community Survey (ACS) estimates median household income is \$38K (U.S. \$54K).

³ Tom Harkin, "Benefitting Whom? For-Profit Education Companies and the Growth of Military Educational Benefits," *United States Senate, Health, Education, Labor and Pensions Committee (HELP)*, (December 2010), Online, <http://www.harkin.senate.gov/documents/pdf/4eb02b5a4610f.pdf>. Also see, Tom Harkin, "Senators Unveil New Data Detailing Alarming Trend of Misguided Use of America's Veterans' Education Benefits," (September 2011), Online, <http://www.harkin.senate.gov/press/release.cfm?i=334149>.

⁴ Suzanne Mettler, *Soldiers to Citizens: The GI Bill and the Making of the Greatest Generation* (Oxford University Press, 2005). For a brief history, See, "How the GI Bill Built the Middle Class and Enhanced Democracy," *Scholars Strategy Network*, http://www.scholarsstrategynetwork.org/sites/default/files/ssn_key_findings_mettler_on_gi_bill.pdf.

⁵ Ibid. The formal name of the GI Bill is the "Servicemen's Readjustment Act of 1944," (Mettler, 2005).

⁶ "Annual Benefits Report: Fiscal Year 2011," *U.S. Department of Veterans Affairs, Veterans Benefits Administration*, pgs. 37-47.

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ "Memorial Day 2012: Combatting High Unemployment Among Young Veterans" *U.S. Congress Joint Economic Committee* (May 2012), pg. 4, Online, http://www.jec.senate.gov/public/?a=Files.Serve&File_id=66855d34-376b-4a0a-a11e-e6d862182540. See also, "Building Job Opportunities for Returning Veterans," *U.S. Congress Joint Economic Committee* (May 2013), pg. 13, Online, http://www.jec.senate.gov/public/?a=Files.Serve&File_id=368731bc-cc81-48ea-915d-abd605064b51. For U.S. 2012 unemployment rate, see <http://data.bls.gov/timeseries/LNS14000000>, and for Mississippi overall 2012 unemployment rate, see <http://www.bls.gov/news.release/pdf/laus.pdf>.

¹² Bureau of Labor Statistics (BLS), 2013 Annual Report, "Table 6. Employment status of the civilian non-institutional population by state and veteran status, October 2013, not seasonally adjusted" (October 2013), pg. 268. As of October 2013, the unemployment rate among Gulf War II era vets was 29.5% in Mississippi.

¹³ Deming, D., Goldin C., Katz LF, "The For-Profit Postsecondary School Sector: Nimble Critters or Agile Predators?" *Journal of Economic Perspectives* (Winter 2012), 26 (1): 139-64.

¹⁴ Ibid.

¹⁵ Ibid, pgs. 29-30.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Harkin (2010), pg. 1.

¹⁹ Ibid, 1-5. From the report's executive summary, "Because neither DoD nor VA benefits originate through Title IV of the Higher Education Act, money received through these programs is not counted as federal financial aid, and is not subject to the key regulatory requirement governing for-profit schools that no more than 90 percent of revenues come from federal financial aid. The Department of Education's 90/10 rule effectively considers DoD and Veterans funds as non-federal aid by allowing these funds to be counted in the 10 percent of the calculation, despite the fact that the money comes from federal taxpayers," pg. 2.

²⁰ Ibid.

²¹ Ibid, pg. 3.

²² Inside Higher Ed. "Senate Panel Votes to Include Military Tuition". Retrieved 8/7/2013 at: <http://www.insidehighered.com/quicktakes/2013/08/06/senate-panel-votes-include-military-tuition-9010-rule>.

²³ Frontline. "For Profit Colleges Under Scrutiny, Again". Retrieved 8/7/2013 at: <http://www.pbs.org/wgbh/pages/frontline/education/educating-sergeant-pantzke/for-profit-colleges-under-scrutiny-again/>.

²⁴ Ibid.

²⁵ "VA Data" (2013). Data based on documents provided to Mississippi Center for Justice by the Department of Veteran's Affairs (VA) via Freedom of Information Act Request (FOIA) in February 2013. Data was delivered in Excel format and included the number of trainees, the institutional code and name, the profit status, the type of payment and the amount of Post-9/11 GI Bill funds spent. Data reflected an aggregate total from August 1, 2009 to January 17, 2013, of all post-9/11 veteran students using Post-9/11 GI Bill benefits across all institutional types. Data reflects benefit disbursement for the 2009/2010, 2010/2011, and 2011/2012 full academic year, and half of the 2012/2013 academic year. All calculations are based on these data. Year to year data was not provided.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Harkin (2010).

²⁹ VA Data (2013).

³⁰ Ibid.

³¹ Ibid.

³² Ibid.

³³ Ibid.

³⁴ Ibid.

³⁵ IPEDS, institutional data.

³⁶ Ibid.

³⁷ Ibid.

³⁸ This information is based on extensive review by the authors of this report of selected institutions' website and various landing pages. This is an observational assertion and does not suggest any conclusions regarding intent. For the primary Mississippi landing page, See http://www.itt-tech.edu/campus/school.cfm?lloc_num=121. For the institution's "Military Benefits" page, See <http://military.itt-tech.edu>. Upon a comparative review, authors of this report found that links targeted to active-duty or former military personnel explaining the use of military benefits are present on the main landing pages of major for-profits operating in Mississippi, including Virginia College (<http://www.vc.edu/college/biloxi-colleges-mississippi.cfm>), ITT Tech, and Strayer University (See, <http://www.strayer.edu/mississippi/jackson>). A cursory review of 3 public institutions revealed no such finding. Authors reviewed the landing pages of Mississippi Gulf Coast Community College (MGCCC), Pearl River Community College and the University of Southern Mississippi and found no visible links directed to veterans using veteran educational assistance benefits. See, University of Southern Mississippi, <http://www.usm.edu>, Mississippi Gulf Coast Community College, <http://www.mgccc.edu>, and Pearl River Community College <http://www.prcc.edu>.

³⁹ Helderman, Rosalind S. "Obama Signs Executive Order to Protect Troops from For Profit College Deception" *Washington Post*. Retrieved 08/7/13 at: http://www.washingtonpost.com/blogs/44/post/2012/04/27/gIQAYV3iIT_blog.html.

⁴⁰ Integrated Postsecondary Education Data System (IPEDS), <http://nces.ed.gov/ipeds/datacenter/>. All data extracted through IPEDS via individual reported institutional data and year to year trends for individual institutional variables. Data reflects selected for-profit institutions indicated within the report text. Most calculations are based on data from the 7 institutions represented in Table 2. Due to reporting inconsistency, however, some of the analysis selects institutions for which relevant data is available.

⁴¹ IPEDS. This figure reflects Table 2 institutions and reflects an average of the entire student body.

⁴² IPEDS. The institution in question is Antonelli College in Jackson, MS, which reported 100% of students were receiving federal aid in 2009/2010.

⁴³ IPEDS. The institution in question is Virginia College in Biloxi, MS, which reported a rate of 54% in 2008/2009 to 86% in 2009/2010.

⁴⁴ "2011 Gainful Employment Informational Rates," *U.S. Department of Education*, <http://studentaid.ed.gov/about/data-center/school/ge>. Rates in Table 3 reflect the comprehensive average repayment rate and median Title IV loan rate across all programs and all student cohorts at selected for-profit institutions.

⁴⁵ Deming, et al., 2012.

⁴⁶ Marsha Thompson, "Students Sue Virginia College for \$14million," *MSNewsNow* (February 2011), <http://www.msnewsnow.com/Global/story.asp?S=14008994>.

⁴⁷ Deming, et al., 2012.

⁴⁸ IPEDS, Data reflects “Total Revenues and Return on Investment” for the respective year. IPEDS Data Center explains that such variables reflect net assets from all major and central revenue-generating operations of the institution. IPEDS explains in detail:

“The inflow of resources or other enhancement of [net assets](#) (or fund balance) of an institution or settlements of its [liabilities](#) (or a combination of both) from delivering or producing goods, rendering services, or other activities that constitute the institution's ongoing major or central operations. Includes revenues from fees and charges, appropriations, auxiliary enterprises, and contributions and other nonexchange transactions. Revenues are reported net of discounts and allowances (that is, the revenue reported is reduced by the amount of [discounts and allowances](#)) for [FASB](#) institutions and for [GASB](#) institutions that have implemented GASB Statement No. 34.”, See, <http://nces.ed.gov/ipeds/glossary/?charindex=R>.

⁴⁹ IPEDS, selected institutional data.

⁵⁰ IPEDS. Data in Tables 5 and 6 reflect the total amount of federal student loans and Pell grants, and excludes the total amount of grants or scholarships from the federal government, state/local government, the institution and other sources known to the institution. This data is available in Table 7. These data reflect the totals awarded to Group 1 students, which refers to all undergraduate students, new and currently enrolled.

⁵¹ Gregory D. Kutz, “For-Profit Colleges: Undercover Testing Finds Colleges Encouraged Fraud and Engaged in Deceptive and Questionable Marketing Practices,” *Government Accountability Office* (2010), <http://www.gao.gov/new.items/d10948t.pdf>.

⁵² Ibid.

⁵³ “Proprietary School 90/10 Revenue Percentages from Financial Statements,” *U.S. Department of Education, IPEDS Data System* (2010), <http://studentaid.ed.gov/sites/default/files/fsawg/datacenter/library/1105579010report.pdf>.

⁵⁴ IPEDS. Graduation rates reflect an average of reported data from selected institutions, academic years 2008/2009, 2009/2010 and 2010/2011.

⁵⁵ Ibid. Institutionally reported data.