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# United States Senate

COMMITTEE ON  
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS  
WASHINGTON, DC 20510-6250

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April 26, 2016

The Honorable Ash Carter  
Secretary  
Department of Defense  
1000 Defense Pentagon  
Washington, DC 20301

Dear Secretary Carter:

I write today to request information regarding the Department of Defense's (DOD) Tuition Assistance Program. Specifically, I seek to better understand DOD's efforts to protect the interest of taxpayers and service members who use this financial assistance to pursue professional development opportunities.

As you know, the Tuition Assistance Program was created to strengthen our military readiness, and it supports service members' transition to civilian careers by providing financial assistance for voluntary educational opportunities at more than 3,000 participating schools. Each military service is responsible for administering its own Tuition Assistance Program, and service members can generally receive up to \$250 in tuition assistance per credit hour, with a maximum of \$4,500 each year.<sup>1</sup> In fiscal year 2013, DOD provided \$540 million in tuition assistance to nearly 280,000 service members.<sup>2</sup>

DOD's Undersecretary of Defense for Personnel and Readiness is responsible for oversight of the Tuition Assistance Program. To ensure service members have access to quality programs, participating institutions of higher education must sign and adhere to memorandum of understanding with DOD. These schools are required to provide meaningful information to service members about their programs and costs; not engage in unfair, deceptive, and abusive recruiting practices; provide academic and student support services; and undergo an evaluation of the quality of their education programs through DOD's Third Party Education Assessment process when requested. In addition, DOD provides advisors and information and tools to help service members make informed choices about educational programs.

Recent developments with the Tuition Assistance Program have raised questions regarding the nature and extent of program oversight and the support provided to service members who participate. A 2014 review by the Government Accountability Office (GAO) found that—in awarding a third-party contract to evaluate participating schools—DOD did not fully consider

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<sup>1</sup> Government Accountability Office, *DOD Education Benefits: Action Is Needed to Ensure Evaluations of Postsecondary Schools are Useful*, GAO-14-855 (Sept. 2014).

<sup>2</sup> *Ibid*

what qualifications were needed to assess participating schools before awarding the contract, and the specifications DOD provided to the contractor were "often broad, not clearly defined, and lacked specificity."<sup>3</sup> DOD concurred with GAO's recommendation and stated that it would develop plans for future evaluations and continue ongoing efforts to strengthen oversight of its educational programs.

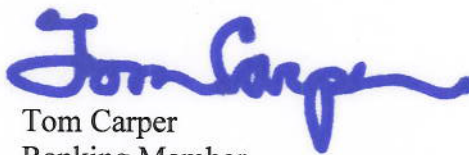
In October 2015, DOD placed the University of Phoenix on probation and prohibited it from enrolling new Tuition Assistance recipients for violating the terms of its memorandum of understanding. In its decision, DOD cited the unauthorized use of seals and other trademark insignia and failure to comply with requirements for accessing military bases. While DOD lifted the University of Phoenix's probationary status in January 2016, the university will be subject to a heightened compliance review for one additional year.<sup>4</sup>

It is important that DOD continues its commitment to strengthening protections in the Tuition Assistance Program for taxpayers and service members, including implementing GAO's recommendation. While recent efforts have shown DOD takes its oversight role seriously, DOD must ensure that service members receive high-quality training and that taxpayer funds devoted to voluntary educational programs are well spent.

Enclosed with this letter is a set of questions and requests for information for your response. I ask that you please respond by May 24, 2016. The Committee's minority staff is authorized to conduct this investigation under the authority of Senate Rule XXV and Senate Resolution 73 (114<sup>th</sup> Congress). [REDACTED]

With best personal regards I am,

Sincerely yours,



Tom Carper  
Ranking Member

Enclosure

cc: The Honorable Ron Johnson  
Chairman

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<sup>3</sup> *Ibid*

<sup>4</sup> Apollo Education Group, Inc. U.S. Securities and Exchange Commission, Form 8-K (Jan. 15, 2016).



**Questions for Secretary Carter  
Regarding DOD's Tuition Assistance Program**

1. In its response to the 2014 GAO review, DOD stated that it expected to complete “the development of a more efficient, focused, and all-encompassing quality review process” by March 2015.<sup>5</sup> Please describe the current status of DOD’s efforts to assess the educational quality of schools participating in the Tuition Assistance program, including compliance with the DOD Voluntary Education Partnership Memorandum of Understanding.
2. In 2014, DOD established an online system to allow service members to report negative experiences with educational institutions. How has DOD used the system to inform its oversight of educational institutions participating in the Tuition Assistance Program?
3. In addition to the University of Phoenix, has DOD ever limited, suspended, or withdrawn an educational institution’s ability to participate in the program for non-compliance with a Memorandum of Understanding?
4. DOD established an online tool to provide prospective students with the ability to compare educational institutions on a range of indicators, including tuition and fees, outcome measures, and complaint information.
  - a. How does DOD use the information in this tool to inform its oversight efforts?
  - b. What steps is DOD taking to ensure the tool includes consumer protection information, such as federal and state enforcement actions and actions by accreditors?
5. In January 2016, both the Department of Education and the Federal Trade Commission brought enforcement actions against DeVry University, based on allegations that it misled consumers about job placement and earnings potential.<sup>6</sup> In response, the Department of Veterans Affairs recently suspended DeVry University’s status as a Principles of Excellence institution, and posted warning flags about the suspension within the GI Bill Comparison Tool that veterans can use to compare educational institutions.<sup>7</sup> What actions is DOD taking with respect to DeVry in light of these serious allegations?
6. Please describe steps DOD has taken, working collaboratively with the Departments of Education and Veterans Affairs, to develop a comprehensive strategy for developing student outcome measures (e.g., graduation and retention rates) in accordance with Executive Order 13607?<sup>8</sup>

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<sup>5</sup> See Government Accountability Office, *supra* note 1.

<sup>6</sup> Federal Trade Commission, Press Release “FTC Brings Enforcement Action Against DeVry University,” (Jan. 27, 2016), and U.S. Department of Education, Press Release “Notice of Intent to Limit Issued to DeVry University,” (Jan. 27, 2016).

<sup>7</sup> Danielle Douglas-Gabriel, “VA suspends DeVry University from a key veterans program,” Washington Post, March 14, 2016.

<sup>8</sup> Executive Order 13607, *Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members*, (Apr. 27, 2012).

7. With more than 3,000 institutions participating in the Tuition Assistance Program, service members have the flexibility to select courses that best meet their needs and work with their schedule. However, the nature of active-duty service may make it difficult for service members to complete a credential before being reassigned to another location and credits may not be transferrable from one school to another.
  - a. What information or counseling does DOD provide to help service members consider transfer issues when selecting educational programs?
  - b. What is known about the extent to which service members are unable to complete a credential based on credit transfer issues?
8. Service members may also be eligible for educational benefits through the Post-9/11 GI Bill Program, which is administered by the Department of Veterans Affairs. Service members may elect to use Post-9/11 GI Bill benefits to pursue higher education after they separate from service, or in some cases while on active-duty service to pay tuition and fee charges above the amount paid by Tuition Assistance. This benefit, known as Tuition Assistance Top-Up, reduces future benefits available under the Post-9/11 GI Bill program.
  - a. How many Tuition Assistance recipients go on to use Post-9/11 GI Bill benefits?
  - b. How many Tuition Assistance recipients use Tuition Assistance Top-Up?
  - c. What information or counseling does DOD provide to help service members make the best use of these two programs, including the implications of using Tuition Assistance Top-Up benefits on their future Post-9/11 GI Bill eligibility?
9. How much did DOD spend on the Tuition Assistance Program and how many service members received funding in fiscal years 2014 and 2015?
10. If available, please provide information on the characteristics of the schools, courses and programs that service members who participated in the Tuition Assistance Program attended in fiscal years 2014 and 2015 by the:
  - a. Types of schools service members attended (e.g., public; private not-for-profit; private for-profit)
  - b. Stated educational goals of participating service members (e.g., high school diploma, degree, certificate, certification, licensure).
  - c. Level of coursework service members were undertaking (e.g., high school completion, vocational/technical, undergraduate, graduate)
  - d. Method of course delivery (distance learning, on-installation, off-installation).