

Redacted

From: Redacted
Sent: Monday, April 27, 2009 8:45 PM
To: GrievanceResolution
Subject: This is my formal complaint

Hello,

My name is Redacted and I completed a degree with Ashford University in the summer of 2008. Because of a miscalculation on the part of Ashford University when I began my program, I have been put in a precarious position that I am seeking a resolution to that would be agreeable for both sides.

For some reason when I began my program, the number of classes I would be taking in conjunction with the funds I would be eligible to receive in student loans was miscalculated on the part of Ashford University. To my knowledge, I was never informed of this miscalculation, even when it was discovered and "resolved" on the part of the school. Throughout my time at Ashford, I was given several stipend checks to assist with my college expenses. I was told that these checks were the excess amount that I was receiving through my loans that weren't needed to pay my tuition, and the money was mine to keep and use for school expenses.

I received a final check at the end of my program in the amount of \$3,281. This check came in the same way the previous checks had, and I was never informed that this amount was any different than the stipends I had previously received that were already being covered through my student loans. As with the previous amounts, I put this money toward paying for school expenses and higher-interest school-oriented loans.

Approximately seven months later, on April 9, 2009, I received a "15 day notice" saying that I had an unpaid balance from the University of this same amount, and my only options were to immediately pay the balance in full, or to take out a private loan to cover this amount.

After some investigating, I was finally informed of the miscalculation that had occurred at the beginning of my program. Ashford University had initially taken out a larger amount from a government lending program, and when this miscalculation of the number of classes I was taking was discovered, they were left with an excess amount that I was not authorized to receive as a student loan. Again, I was not informed of any of this. Instead of simply returning this amount to the lender, Ashford sent the check to me, and then immediately expected me to give it right back as a payment on a "balance owed".

I have no idea why the money was sent to me instead of being sent back to the lender, but regardless--when it was sent to me, it should have been explicitly explained that this check was not like the other checks I had received in the same manner. Rather, this amount was not available to me to take out as a student loan, and I was expected to immediately pay it back.

Had this information been explained to me, I would have been able to make a more well educated decision. Additionally, at this time, I may have had other options at my disposal as well--including taking one more class during this disbursement period to make me eligible to receive that money in a government student loan. Again, none of these options were communicated to me. I had no idea any of this was going on until I received my 'balance due' notice on April 9.

4/28/2009

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BPI-HELP_00028217

Another point that should be considered is that near the end of my program, both my Academic Advisor and Financial Advisor were changed. This didn't matter a whole lot to me at the time, because I was nearing the end of my program and felt I had received all the information I needed already. Obviously this was not the case, and I assume that this unexpected change in both of my advisors contributed toward the lack of communication of these matters to me on behalf of the University.

I implore you to speak with my current financial advisor and get a clearer understanding of this matter, including exactly what was miscalculated at the beginning of my program on the University's part. I have been left in a very unfortunate and stressful position because of this miscalculation, and a lack of communication from the financial aid department to me regarding my options all throughout my program.

I have no problem paying back any balances I owe in a way that we can agree upon. However, I still would like to have this matter fully investigated. If it is found that the University could have done a better job in ensuring I was able to make the best decisions possible using all the information available at the time, then I would like to request some leeway in the length of time I can be allowed to pay this balance back to the school.

I was told that in order to pay this amount back, I would be required to put 5% down initially, and then would need to make payments of approximately \$90 a month until this amount was paid back. What I would like to request as a resolution to this issue is to allow me to make more modest payments on this loan for a longer period of time. I have not budgeted for another \$90 a month bill, and I feel that if I would have been properly informed by the school of all these circumstances as they came to light, I would either have been able to budget for this amount or not have accepted the money in the first place. If I could come to an agreement with the school to make \$30 a month automatic payments from my bank account until the balance is paid off in full, that would be an adequate resolution on my part, and the school would still receive the full amount they are entitled to.

Please take this matter into careful consideration, and I again ask that you speak with my financial advisor for verification of the unusual circumstances that I have been put in based on some mistakes and a lack of communication on the part of the University.

I thank you very much for your time and consideration.

Regards,

Redacted

4/28/2009

Confidential Treatment Requested

BPI-HELP_00028218

May 6, 2009

Redacted

Dear Redacted ;

The Office of the Ombudsman received your formal grievance on April 27, 2009, via an email to your student grievance resolution coordinator. Your grievance stated;

- Throughout your time at Ashford, you were given several stipend checks to assist with your college expenses;
- You were told that these checks were the excess amount of financial aid received after tuition costs were covered;
- You received a final stipend check at the end of your program in the amount of \$3,281.00;
- That you were never informed that this amount was different than the stipends you had previously received;
- That you are not sure why these funds were sent to you and not returned to the lender.

From your grievance we are advised;

- That you have no problem paying back the balance due;
- That you would like a more modest payment plan that would allow you additional time for repayment.

The University has completed a thorough investigation into your claims by reviewing your financial records. Our findings indicate that your financial aid account was properly packaged. When a student graduates, the University has 45 days to review the aid received in an academic year to ensure the aid received was earned by the student. This calculation was completed on September 16, 2008, and determined that you were not eligible to keep your second disbursement for that academic year. Unfortunately, a stipend check was sent four days before the eligibility calculation was completed. While this is unfortunate, the University would also like to point out that you had received stipend checks previously, as follows;

Date	Stipend Amount
11/5/2007	\$378.00
12/26/2007	\$1,290.00
6/12/2008	\$312.00
9/12/2008	\$3,281.00

The stipend you received in September 2008 was well over twice the amount of stipends you had previously received. In addition, this check was sent out two months after your graduation. These factors should have been an indicator for you to contact the University to ensure this stipend check was not received in error.

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Based on this information the University finds you financially responsible for the \$3,281.00 balance on the account.

The University has reviewed your request for a special terms payment plan. The University can only offer a maximum of 36 month payment plan. Therefore, the University is unable to grant your request for a special terms payment plan. The initial interest free payment plan of 5% down, \$164.05 with \$89.91 monthly payments stands. Since the University is unable to grant you the requested special terms payment plan we have decided to waive the \$30.00 late fee. Please contact [Redacted] at 866.974.5700 [Redacted] or [Redacted] by May 22, 2009, to schedule your payment plan.

Please be advised that this decision may be appealed to the President of the University. Refer to page 23 of the 2008-2009 University Catalog and submit your appeal to [Redacted] by HELP

It is always the intention of Ashford University and our employees to provide excellent student services and an excellent learning experience. We wish you all the best of luck in your future endeavors.

Sincerely,

[Redacted]

[Redacted]

Vice President of Online Student Services

Redacted

From: Redacted
Sent: Wednesday, May 06, 2009 10:47 AM
To: Redacted
Subject: RE: This is my formal appeal

Hi Redacted

The Office of the Ombudsman is in receipt of your formal appeal. This information has been sent to the President of Ashford University, Dr. McAuliffe for review. Dr. McAuliffe has 20 business days to issue her formal response. If you have any questions or concerns feel free to contact me at the information below.

Best regards,

Redacted

Student Grievance Resolution Coordinator
Ashford University

Redacted by
HELP

Redacted
Fax

Redacted

Higher education made affordableSM

www.ashford.edu

From: Redacted
Sent: Wednesday, May 06, 2009 10:30 AM
To: GrievanceResolution
Subject: This is my formal appeal

Please see attached, starting with "*To Whom It May Concern.doc*".

Regards,

Redacted

5/6/2009

May 27, 2009

Redacted

Dear Redacted :

Ashford University's Ombudsman's Office received your formal grievance on April 27, 2009. On May 6, 2009, you were notified of the University's determination via email that outlined the investigation and its findings in response to your grievance. On May 6, 2009, I received your formal appeal, disputing the outcome of your formal grievance.

Following my review of your appeal, I have reached the following findings:

- (1) You stated, "While the response to my grievance readily states that mistakes were potentially made on both the part of the school and on my part, their resolution only takes into account what is in the best interest of the school";
- (2) That if you had known that you would be responsible for repaying these funds you would have been able to make an informed decision about accepting the funds;
- (3) Since mistakes were made on both sides you believe there should be some flexibility in payment terms.

Based on my review of your formal grievance, formal appeal, and student record, it has been determined that you are responsible for the balance due in accordance with your Enrollment Agreement and consistent with the following endorsement disclaimer notification printed on endorsement area on the back of the stipend check you received and signed:

By endorsing this check the payee agrees to maintain eligibility for all Financial Aid funds awarded, including but not limited to federal Title IV funds awarded under the Higher Education Act of 1965-present, and agrees to repay to Ashford University any and all amounts for which the payee is not eligible, regardless of cause or the date of determination.

Since these were loan funds, not grants, the money would have otherwise been repaid to the lender beginning within six months following your date of separation from the University. At this time, which is eight months following disbursement of the excess funds in question, we have developed the following options for you (from which you may select one):

- (1) A \$226.00 initial payment within 20 days and balance repaid INTEREST FREE over 4 years in equal monthly payments of \$65.00 per month. You must remain current on this payment plan or the remaining amount will become immediately due and payable. If you would like, we can take more upfront to reduce your monthly payment. Or,

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BPI-HELP_00028222

May 27, 2009

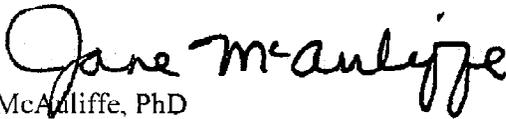
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- (2) We will provide a stipulated credit of \$300.00 upon full and immediate payoff of the net balance of \$2,981.00 (\$3,281-\$300). This will allow you to finance the payment however you wish without having to provide us with any additional supporting documentation and the \$300 will help cover your financing costs. Payoff must occur within 20 days. Or,
- (3) You may obtain an alternative loan and we will offer to assess the loan terms to determine how much of a credit to provide in order to cover the interest above the Stafford loan rates. However, this option will require additional documentation on the formal loan product you select. This must be completed within 20 days.

We hope that you find one of these flexible options suitable. If we cannot reach an agreement within 14 days, your account will be assessed a \$30.00 late fee and will be sent to an outside collection agency and this review will be closed.

This matter has been considered at the highest level in the University and the decision is final. I wish you the best of luck in your continued studies.

Sincerely,



Jane McAuliffe, PhD
President and CEO