



Biden's Education Department Officially Declares War on Grand Canyon University

Miguel Cardona, secretary of the Department of Education (DE) in the Biden administration (and formerly head of Connecticut's Department of Education), and Rep. Rosa DeLauro, a far-left Democrat (also from Connecticut), tag-teamed lastFriday to allow Cardona to explicitly and directly target Grand Canyon University (GCU) for extinction.

During a hearing by the House Appropriations Committee, where DeLauro is a ranking member, Cardona was questioned by DeLauro:



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DeLauro: Predatory for-profit colleges have engaged in a range of deceptions designed to increase enrollment and student costs to drive more revenue for owners and shareholders.

How are you (Cardona, as head of ED) and your agency committing to increased oversight of these institutions, and are there any ways in which we can shut these folks down?

Cardona: Last year our department took action against Grand Canyon University, a predatory for-profit college, over the school's failure to accurately disclose its costs to students, driving up the true cost for those students, requiring them to pay for continuation courses before they could graduate — scam courses added about \$10,000 or more to the cost of education to these kids.

Cardona, enjoying his time in front of the microphone, expanded on his agency's planned takedown of GCU:

[We're] going after predatory schools preying on first generation students. They have flashy marketing materials, but the product is not worth the paper it is printed on. [We're using our] increased enforcement budget to go after these folks and crack down.

[We've already] levied [the] largest fine in history against a school [Grand Canyon University] that lied about costs....

We are cracking down not only to shut them down, but to send a message not to prey on students.

There are so many lies, misstatements and half-truths in this tag-team interview that this writer scarcely knows where to begin!

First, GCU is a nonprofit educational institution, despite Cardona's statement that it is for-profit. Numerous other government agencies, both federal and state, including the Internal Revenue Service,



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declare that GCU is a not-for-profit institution.

The only agency that treats GCU as a for-profit institution is Cardona's ED, and doing so allows it to harass the school.

In fact, it was that issue that brought GCU to Cardona's attention. When the university briefly reverted to for-profit status in order to save it from bankruptcy, it received sufficient private capital to allow it to survive. Once it became viable it requested, and received, nonprofit status once again from every agency involved — except, as noted above, Cardona's ED.

That allowed, and continues to allow, Cardona and his agency to continue to harass GCU. It submerged the school with endless requests for more and more detailed information about how it was handling and accounting for federal aid to its students. It was, plain and simple, a fishing expedition.

After spending thousands of hours and millions of taxpayer dollars on that expedition, the agency found that a few doctorate students paid more than advertised in order to get their degrees.

In an attempt to help those students estimate those costs, the school developed a cost-estimation program for them to use. The problem is that a doctorate degree is not a cut-and-paste program with fixed courses involving so many credit hours. Each course is custom designed for the student to complete his degree.

Estimates, according to college materials made available to incoming students into the doctoral program, ranged from \$40,000 to \$50,000. Some students invested more than that in order to get their degrees.

That was the "gotcha!" that ED was looking for.

Last September ED fined GCU nearly \$40 million for its alleged deliberate opacity concerning final cost for a doctorate.

<u>The New American</u> wrote about this at the time, noting that GCU was deliberately and intentionally being targeted, quoting from the university's October 5, 2023 press release following the levying of the outrageous fine:

The irony in these reviews, especially as it relates to ED's accusations, is that a 2022 report by the U.S. Government Accountability Office (GAO) found that 91% of colleges in America have misleading information or understate the net price in their financial aid offers to prospective students. That includes 41% of colleges that do not even provide a net price in their offers to students.

GCU provides greater levels of transparency than is legally required and is looked at by its peers as a leader in higher education transparency — yet these government agencies have chosen to single out GCU and threaten punitive actions in order to harm the university.

The school continued:

By intentionally mis-classifying GCU as a for-profit institution for purposes of federal student aid, ED is now able to target the university as part of a coordinated effort — outlined in this October 2021 statement from the FTC — to "pursue the full range of sanctions" against for-profit institutions that they frequently decry as bad actors due to the







disproportionate number of Americans who attended those schools and then defaulted on federal student loans.

GCU does not fit this profile because 1) it is legally a nonprofit entity, and 2) its high-quality students consistently have lower loan default rates than the national average at nonprofit universities.

Yet, we believe GCU is still being targeted by these agencies in an unprecedented manner for a regionally accredited 501(c)(3) designated nonprofit university.

The allegations ... refer to practices that are common in higher education, yet we know of no other traditional university that has received this level of scrutiny.

Further, GCU provides higher levels of transparency than is legally required and is considered a leader in higher education transparency, making it nonsensical that they would seek to impose penalties against a university that is going above and beyond what is required.

To further demonstrate the government's vendetta against GCU, the school noted:

To be frank, the substance of these claims is so frivolous that they could have easily been resolved in a 10-minute phone call had the agencies chosen to do so.

We would have disagreed with the agencies' conclusions but believe a reasonable accommodation could have been reached in each case in a spirit of cooperation.

Instead, the agencies have chosen to, quite literally, make a federal case out of what should be minor disagreements.

Because Cardona's agency remained determined to do everything it could, legally or extralegally, to bring down the school, GCU said:

The substance of these claims makes it clear that something more coordinated and agendadriven is occurring in an attempt to damage the reputation of a university that has created an innovative and nontraditional model to successfully address the challenges facing higher education today and is extremely important to the State of Arizona.

If further evidence were needed to prove Cardona's evil intentions, GCU added this:

Rather than applaud such efforts or get a better understanding of why so many students are choosing GCU (as many in higher education have done), individuals in the federal government — *for reasons we do not understand* [emphasis added] — have instead chosen to impose unprecedented levels of scrutiny aimed at GCU.

We believe in common sense government oversight that should apply to all universities, but not aggressive government overreach and we believe these claims are just that. It is clear that GCU, despite all of the positive outcomes benefiting our students and the community, has become their primary target.



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Why the attack on the country's largest private Christian university? It's all about the progressive, woke agenda. As Jon Schweppe, policy director of the conservative think tank American Principles Project, explained:

The federal government's education agenda is punishing schools that do not conform to their progressive ideology....

The scrutinize-and-penalize campaign against faith-based institutions is not about students' interests or well-being. Rather, it's part of a concerted effort to snuff out education choice and promote far-left values.

GCU's appeal of Cardona's agency's outrageous fine is pending.

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