



# Department of Defense

## Postsecondary Education Complaint System Summary Report Fiscal Year 2015

Office of the Assistant Secretary of Defense for Readiness  
10/1/2014 - 9/30/2015

The estimated cost of this report or study for the Department of Defense is approximately \$690 for the 2015 Fiscal Year. This includes \$10 in expenses and \$680 in DoD labor.

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# POSTSECONDARY EDUCATION COMPLAINT SYSTEM

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## Executive Summary

In January 2014, the Department of Defense (DoD) in collaboration with the Departments of Veterans Affairs (VA) and Education (ED) launched the DoD Postsecondary Education Complaint System (PECS), and electronically capturing complaints about educational institutions. This fulfilled a key provision of the President's Executive Order on Principles of Excellence for Educational Institutions and created consumer protection measures for beneficiaries of education benefits (which include tuition assistance). This report is reflective of complaint actions received in Fiscal Year 2015.

## Purpose

The purpose of this report is to provide information about DoD's administration of the PECS and to report on complaint findings for Fiscal Year 2015. The report discusses the complaint intake process and analytics. This report may be quoted or cited without restriction. Institutional-level data about the number of complaints received, and by what type, may be reviewed using the DoD TADECIDE tool at: <https://www.dodmou.com/TADECIDE/>

## Presidential Executive Order 13607 - Understanding the Principles of Excellence

The Principles of Excellence (PoE) were established with the signing of Presidential Executive Order 13607 in April 2012. The PoE focus is on preventing misleading and predatory behavior towards Service members, veterans, and adult family members pursuing higher education at educational institutions. The goal is to strengthen policy enforcement, accountability and oversight within federal education benefit programs. Implementation is a joint effort between the DoD, ED, VA, and the Department of Justice (DoJ), the Consumer Financial Protection Bureau (CFPB), and the Federal Trade Commission (FTC).

The PoE helps to ensure military students receive relevant information that assists them in planning, budgeting, and in making informed educational choices and holds educational institutions to the highest standards. The PoE initiative sets forth guidelines for educational institutions participating in the federal Tuition Assistance (TA) program, thus requiring them to provide information on:

- Financial cost and quality of the school.
- The prevention of abusive and deceptive recruiting practices.
- High-quality academic and student support services available to military students.
- Re-admittance if the individual is temporarily unable to attend classes or has to suspend studies due to service obligations.
- The approval from the educational institution's accrediting agency for new course and program offerings prior to enrollment of students.

- The school’s policy for the return of any unearned tuition assistance funds as set forth by Title IV.
- Educational plans for individuals using federal military and veteran educational benefits.
- Designated points of contact for academic and financial advising.

## **Introduction to the Postsecondary Education Complaint System (PECS)**

On January 30, 2014, the DoD implemented the PECS in response to the “Principles of Excellence”. The PECS provides an efficient, fair, and timely submission and resolution process that empowers Service members and Spouses to report their experiences with schools they feel demonstrate deceptive, fraudulent, or misleading practices.

The PECS addresses complaints directly related to the “*Principles of Excellence*”. These issues may include:

- Program quality – misrepresentation of degree programs
- Recruiting—multiple unsolicited calls or high pressure recruitment tactics
- Marketing materials make claims that are not truthful
- Tuition/fees not found on website
- Total cost of the program is not clear in marketing materials or on website
- School does not return any unused TA funds when a military TA recipient withdraws
- School encourages service members and spouses to take out costly private or institutional loans, though the GI Bill or federal financial aid is available
- Accreditation – misleading statements concerning accreditation
- Courses requiring hands-on training and/or licensing are overwhelmingly online

PECS also serves as a mechanism for receiving, processing, and referring complaints about educational institutions across the DoD and to DoD’s federal partner agencies (i.e., VA, ED, CFPB, DoJ, FTC) as deemed appropriate.

Issues specific to a Service or program level policy and administration (e.g. eligibility, tuition assistance request form or payment) that are submitted in PECS are managed at the installation level.

## **PECS Intake Analytics**

The DoD PECS landing page was developed to help expand upon the purpose, credibility and value of PECS to our military members participating in the TA program and Spouses participating in the Spouse Education & Career Opportunities (SECO) My Career Advancement Account (MyCAA). The DoD landing page provides the user with detailed information on how to submit a complaint, examples of PoE complaint types, and what the user can expect to occur once a complaint has been submitted. The landing page tracks the activity of our users and represents the combined number of visits for both TA and MyCAA. Figure 1 below reflects the total number of DoD PECS landing page views and the number of unique visitors for reporting

period October 1, 2014 – September 30, 2015. Approximately fifteen (15) percent of unique visitors follow through by actually filing a complaint.

REPORTING DATA	
Reporting Period	Oct 1, 2014 – Sept 30, 2015
Landing-Page Views	3571
Landing-Page Unique Visitors	3142

Figure 1

## Filing a PECS Complaint

When filing a PECS complaint, Service members and Spouses (hereinafter referred to as complainant) can access PECS at: <http://www.militaryonesource.mil/voluntary-education/complaint>. The user-friendly PECS screens will lead the complainant through the process by first asking them to:

- Identify which education benefit is being used (TA or MyCAA)
- Select an issue category(s)
- Populate the form with their complaint narrative, and desired outcome
- Identify the school
- Populate the form with their contact information

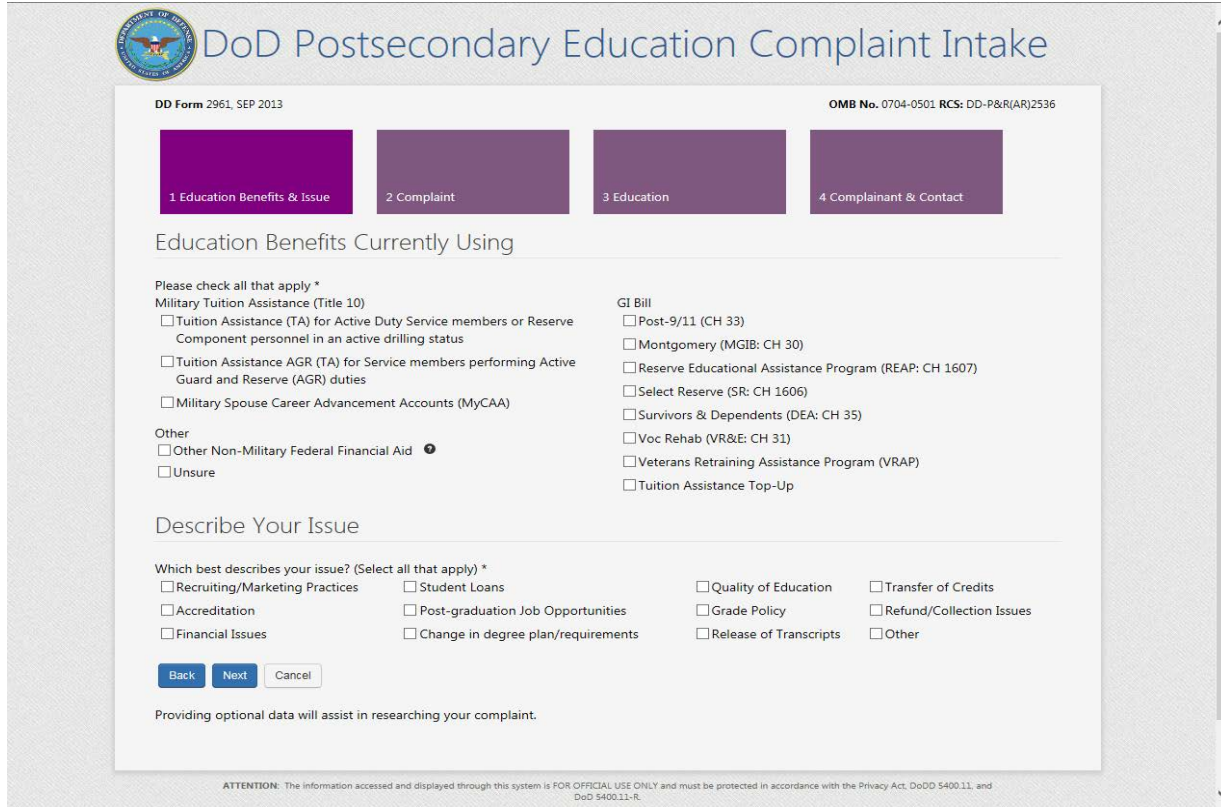


Figure 2

DD Form 2961, SEP 2013 OMB No. 0704-0501 RCS: DD-P&R(AR)2536

1 Education Benefits & Issue    2 Complaint    3 Education    4 Complainant & Contact

### Complaint Information

Describe what happened so we can better understand the issue. Please state what steps you have taken to first resolve this issue yourself. If you are submitting on behalf of someone else and would like this complaint resolved, please provide the name of the person who experienced the issue. \* (1000 / 1000 characters remaining)

What do you think would be a fair resolution to your issue? (1000 / 1000 characters remaining)

Providing optional data will assist in researching your complaint.

ATTENTION: The information accessed and displayed through this system is FOR OFFICIAL USE ONLY and must be protected in accordance with the Privacy Act, DoOD 5400.11, and DoD 5400.11-R.

Figure 3

DD Form 2961, SEP 2013 OMB No. 0704-0501 RCS: DD-P&R(AR)2536

1 Education Benefits & Issue    2 Complaint    3 Education    4 Complainant & Contact

### Filing Information

I am filing on behalf of \*

Myself     Someone Else

### Complainant Information

Your Service Affiliation \*  
-- Select --

Your Branch \*    Your Pay Grade \*  
-- Select --    -- Select --

Your Age  
-- Select --

### Your Contact Information

Pay Grade / Salutation \*    First Name \*    Last Name \*  
-- Select --       

Street 1

Street 2

Figure 4

Complaints received via PECS are distributed, tracked, and managed based on the category of the complainant (i.e., military member or spouse). Each complaint is reviewed to determine

whether: (1) the complaint is PoE related, (2) the case warrants further review by Office of the Secretary of Defense, or (3) the complaint should be referred to another agency. An Education case manager/SECO counselor will take ownership of cases deemed to be a valid PoE-related case. Notes are entered into the PECS case as it progresses and automated emails are sent via PECS to provide the complainant with updated information throughout the process until the case is resolved.

A case manager/SECO counselor will reach out to the educational institution identified in the complaint to discuss the issue(s). The educational institution is asked to respond via email to the complainant and to provide a copy of the response to the DoD. Upon receipt of the school's response, the case manager/counselor reviews it to ensure all issues have been addressed, then forwards the response to the complainant via the PECS system to ensure receipt. The time to respond to complaints depends on the severity of the case, but should not exceed 60 days.

Complaints that are related to issues such as Title IV financial aid or Post 9/11 GI Bill education benefits are referred to the appropriate agency (i.e., ED, VA). If a complaint is determined not to be PoE-related (see Figure 5), the case will be “Closed,” assigned a resolution code of “Invalid” and an email provided to the complainant advising them of such. In these instances, complainants are instructed to submit their issue: (1) to their respective military service’s education advisors, (2) through their education service portals, or (3) through their respective MyCAA Spouse Education & Career Opportunities (SECO) counselors.

Serious or egregious complaints are given increased scrutiny by DoD as explained in Figure 5 below. PoE-related complaints are routed to the Federal Trade Commission’s Law Enforcement Consumer Sentinel System, which serves as a centralized complaint repository for each agency (i.e., DoD, VA). The transmission process allows for further review/investigation, monitoring, and potential enforcement efforts by state and federal agencies as well as law enforcement agencies (i.e., DoJ, CFPB).

<b>Not PoE-Related</b>	<b>Serious or Egregious Complaints</b>
Focuses on DoD’s handling of basic TA or MyCAA benefits (e.g., TA or MyCAA requests)	The complaint indicates serious or significant fraud or abuse
Does not involve the educational institution	As determined by the Complaint Manager
Is incoherent or spam or a duplicate	

**Figure 5**

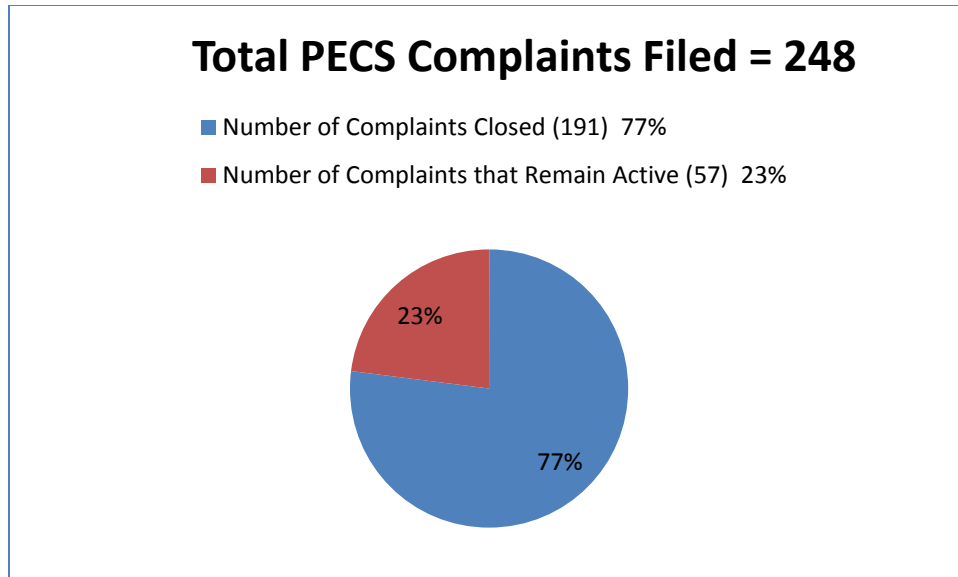
As complaint resolutions are reached, the complaint’s status is changed to “Resolved” and the complaint is closed in the PECS system with the noted resolution. Upon resolution, the complaint is again transmitted to the FTC Consumer Sentinel System as noted in the paragraph above.

## **Complaint Data Reporting**

The data and information provided in the following sections represents complaints received between October 1, 2014 and September 30, 2015. DoD views the data obtained from PECS to be vitally important as it is representative of the issues military students are faced with in the

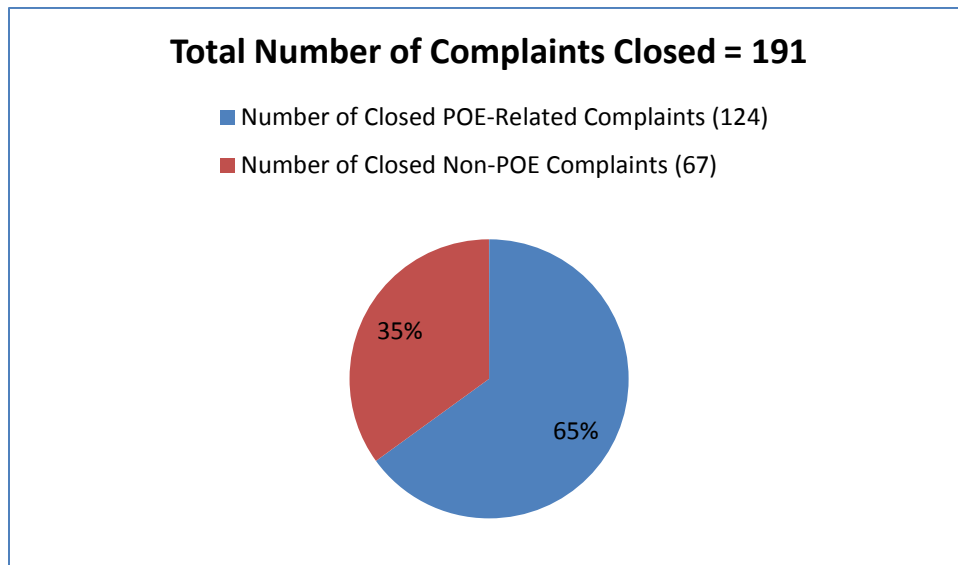
academic community while pursuing their respective educational goals. DoD uses these statistics as a means for improving the overall educational experience for Service members.

The following pie chart (Figure 6) reflects the total number of PECS complaints filed for FY 15 and, the total number closed and the total number that remain active.



**Figure 6**

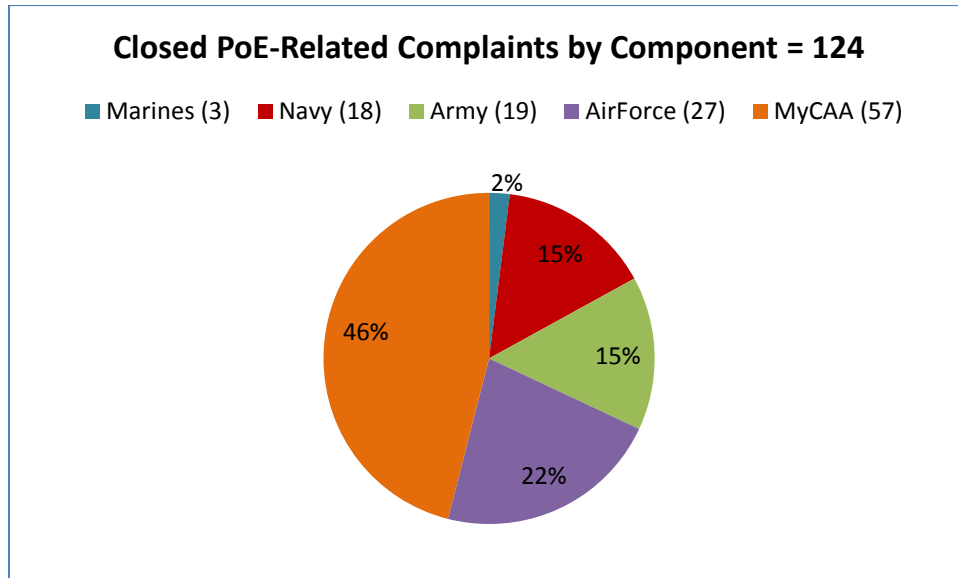
In FY15, 191 complaints of the total 248 filed are now closed. Figure 7 below shows the percentage of the 191 closed complaints that were PoE-related and the percentage that were non-PoE-related. The non-PoE-related complaint cases were closed in PECS and referred to the applicable military service or MyCAA SECO counselor.



**Figure 7**

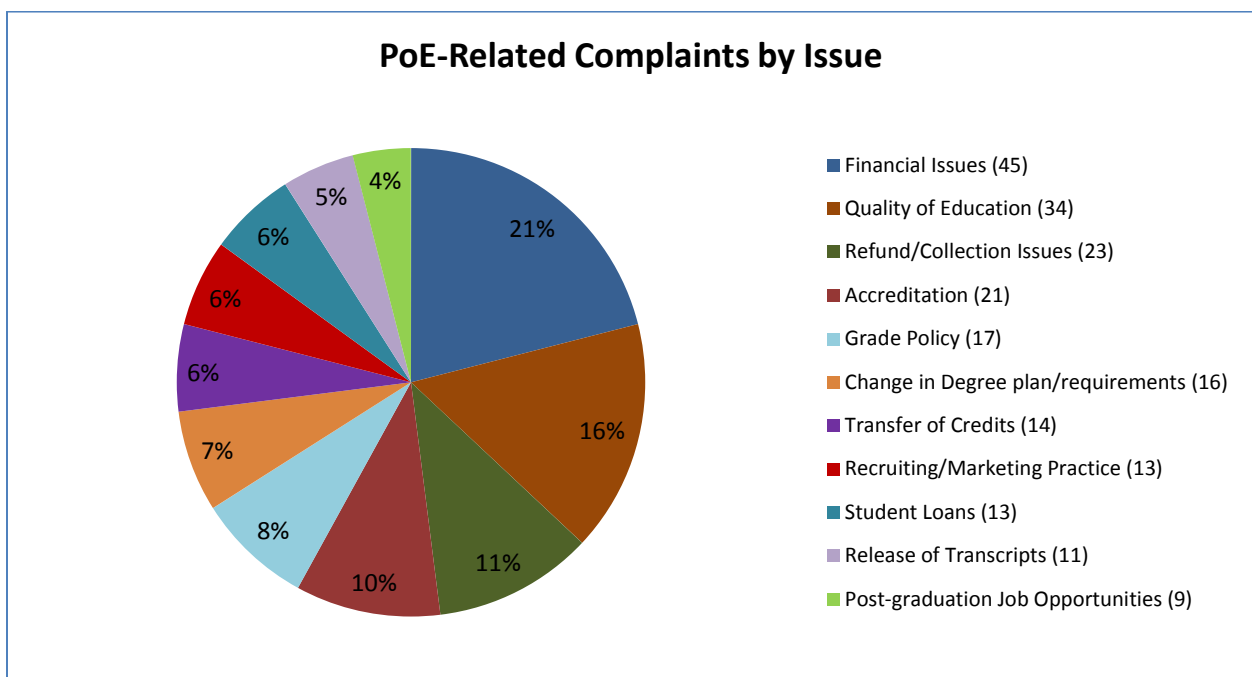


Figure 8 depicts the number of “closed” PoE-related complaints by percentages per DoD component (TA and MyCAA).



**Figure 8**

Figure 9 depicts PoE-related cases by Issue. The PECS complainant has the option of selecting several issues they feel best represent their case at the time the complaint is submitted; therefore, the issues presented are not a one-for-one count.



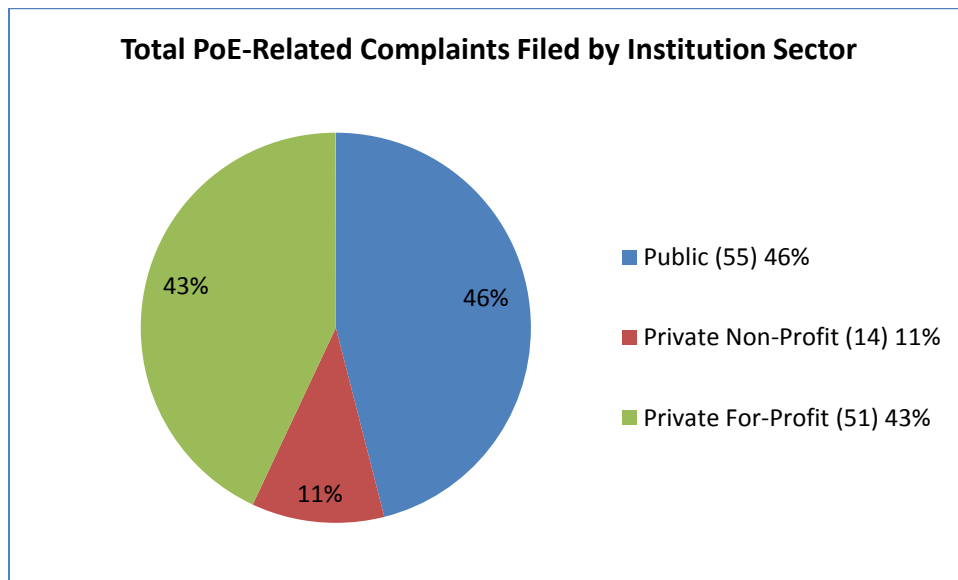
**Figure 9**

The top five (5) ranking issues reported by TA and MyCAA complainants are reflected in the chart below (Figure 10).

Financial Issues (e.g., tuition and fees charges)
Quality of Education
Refund or Collection Issues
Accreditation
Grade Policy

**Figure 10**

Figure 11 depicts the total number of PoE-related complaints that were filed by institution sector, for institutions with one or more complaint(s).



**Figure 11**

Figure 12 depicts the number of PoE-related cases by institution sector for institutions with no less than two (2) complaints. Institutions with multiple locations/campuses have been combined. The data presented in Figure 12 includes: 1) Active Duty, 2) Reserves, 3) National Guard, and 4) Spouses participating in the MyCAA program. *Note: All complaints were filed in Fiscal Year 15; however, some complaints may concern courses taken in a prior fiscal year.*

Type	School	# of PoE-Related Complaints	# of Participants
Private For-Profit	University of Phoenix	12	8,352
Private For-Profit	Colorado Technical University	7	1,117
Private For-Profit	Kaplan University-Online	7	5,817
Private For-Profit	Southern University at Shreveport	4	2
Public Not-For-Profit	University of Maryland University College	4	29,224
Public Not-For-Profit	University of Oklahoma	4	1,229
+Public Not-For-Profit	Martinsburg College	4	1,004
*Private For-Profit	360 Training	4	1,202
Private For-Profit	American Public University	3	50,536
Private For-Profit	Ashford University	3	15,651
Private For-Profit	ITT Technical Institute	3	35
Public Not-For-Profit	Central Texas College	3	15,137
*Private For-Profit	Career Step	3	2,318
*Private For-Profit	Lakewood College	3	214
Private Non-Profit	Park University	2	6,272
Private For-Profit	Post University	2	2,869
Private For-Profit	Devry University	2	1,932
Public Not-For-Profit	Florida State College at Jacksonville	2	1,018
+Private For-Profit	Fayetteville Technical Community College	2	285
Public Not-For-Profit	University of South Florida	2	81
Private Non-Profit	University of New England	2	77
+Private For-Profit	Manhattan Area Technical College	2	13
Public Not-For-Profit	University of Louisiana at Monroe	2	9

**Figure 12**

\*Institution does not participate in the DoD TA program and therefore solely contains counts for the MyCAA program.

+ Institutions participate in both DoD TA and MyCAA programs, but contain solely MyCAA counts.

## **Limitations**

The information discussed within this report is not representative of the entire military TA and SECO (MyCAA) cohorts.

## **Conclusion**

The DoD PECS is a proven and purposeful tool that is contributing immensely to the oversight of the DoD Tuition Assistance and Voluntary Education programs. DoD will continue to use PECS' documented and archived data to help fortify its information sharing capabilities with partner agencies. PECS serves as DoD's connective conduit into a much larger interagency network, which facilitates the monitoring and managing of information concerning postsecondary institutions that provide educational programs and services to active duty military, reserve component, veteran, and military spouse students. In the past year, PECS has been instrumental in helping to identify issues in instances where postsecondary institutions failed to meet the requirements of the Change 3 to the Department of Defense Instruction 1322.25 and the MOU as well as the Principles of Excellence.

## **Information and Questions**

- DoD recipients (TA or MyCAA) can obtain additional information concerning the Department of Defense Postsecondary Education Complaint System (PECS) at: <http://www.militaryonesource.mil/voluntary-education/complaint>.
- GI Bill recipients (Montgomery or Post-9/11) can provide feedback and direct questions to the Department of Veterans Affairs at: <http://www.gibill.va.gov/feedback.asp>.
- Federal financial aid recipients (e.g., Pell grants and federal loans) can provide feedback and direct questions to the Department of Education at: [Compliancecomplaints@ed.gov](mailto:Compliancecomplaints@ed.gov).
- Private student loan recipients can direct questions to the Consumer Financial Protection Bureau at: <http://www.consumerfinance.gov/complaint>.