

HUMPHREY FARRINGTON & McCLAIN, P.C.

ATTORNEYS AT LAW

TEL: (816) 836-5050 FAX: (816) 836-8966

221 WEST LEXINGTON, SUITE 400

P. O. BOX 900

INDEPENDENCE, MISSOURI 64051

WEBSITE: www.hfmlegal.com

SCOTT A. BRITTON-MEHLISCH
NICHELLE L. CLOSSON
STEVEN E. CRICK
BUFORD L. FARRINGTON
ABRAHAM L. FORTH
JOSEPH S. GALL
W. BENJAMIN KASEY*
MICHAEL S. KILGORE*
PNAN C. KIMAK*
TIMOTHY J. KINGSBURY

COLIN W. McCLAIN
KENNETH B. McCLAIN
LAUREN E. McCLAIN
JONATHAN M. SOPER
ANDREW K. SMITH**
KEVIN D. STANLEY
DANIEL A. THOMAS

* Admitted in Missouri & Kansas
** Admitted in Missouri & Nebraska

March 23, 2018

Via Federal Express Delivery:

Ms. Betsy DeVos
Secretary of the U.S. Department of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary DeVos:

Jennifer Florez was a 24-year-old single mother stuck in a minimum-wage job. She had dreams of becoming a registered nurse, which would allow her to buy a dependable car, move to a safer neighborhood and ensure a better life for her infant daughter.

John McCoy was seeking a mid-life career change from a surgical sales representative to a job that would actually place him in an operating room.

Jennifer's desire to reverse her fortunes and John's dreams of becoming a surgical tech made them perfect targets for the unscrupulous owners and managers of Wright Career College, an Overland Park, KS-based "non-profit" school that scammed several thousand students while under the oversight of the U.S. Department of Education.

The school, which also had campuses in Wichita, KS, Omaha, NE, Tulsa, OK and Oklahoma City, OK, closed on April 15, 2016 after its parent company Mission Group Kansas filed for Chapter 7 bankruptcy protection.

Jennifer and John are among 264 students who in 2014 sued this predatory business and its board of directors for fraud and misrepresentation. Many students were unable to complete their programs but were still left having to pay back their loans.

Through a settlement, reached with Mission Group Kansas' insurance company, the plaintiffs were able to recover just pennies on the dollar of their total damages. It was not nearly enough to pay back the loans that they were coerced into taking out. On average, they incurred \$28,980 in student loan debt to go to this "school", yet only recovered a few thousand dollars.

After agreeing to the settlement, 181 of the 264 clients retained this law firm to seek forgiveness of the entire amount of loans they took out to attend Wright Career College. That is why the law firm of Humphrey, Farrington & McClain is submitting this petition for loan forgiveness.

In accordance with §685.206 of the U.S. Department of Education's Rules and Regulations, this petition includes the petitioners' Borrower Defense to Loan Repayment applications. Some of them include narratives of their terrible experience at Wright Career College and how they are worse off than they would be had they never attended this school. Each narrative tells of an individual horrible experience with the school. However, the common thread of profit over education, systematic abuse of federal funding, and violations of the letter and spirit of applicable regulations and laws is evident.

We ask the Department of Education to reimburse these petitioners for all amounts they have paid toward the debt and to instruct credit reporting agencies to remove all information regarding the loans.

Recently, Ms. DeVos, you announced a new discharge process for Borrower Defense to Loan Repayment claims that would only provide partial relief to most claimants.

This proposal of yours is unacceptable because these petitioners were deceived every step of the way during their time at Wright Career College. They were not people who were trying to game the system. They were victims of a purposeful scheme that was specifically designed to maximize the school's receipt of federally guaranteed student loans and grants while neglecting even the most basic duties of an educator.

The owners and managers made millions of dollars off of this scheme. They ordered employees to recruit and sign up students regardless of their qualifications or eligibility to attend college. Because of their deceitful actions, total loan forgiveness is proper.

HIGH PRESSURE RECRUITMENT

In her Borrower Defense to Loan Repayment application, Jennifer Florez tells how the school relentlessly pursued and tricked her into enrolling. In 2008 she saw a commercial for Wright Career College and called to see if it had a nursing program. The lady on the phone said the school did not have a nursing school (it added one in 2013) but that it had a surgical tech program that was comparable to nursing.

Jennifer asked for more details about the surgical tech program, but the woman on the phone insisted that she come to the school and meet with an "enrollment advisor".

She went to the school where the enrollment advisor gave her an aggressive and purposely deceptive sales pitch. She_ as was all the other petitioners_ was promised quality teachers many of which had master's degrees; job placement assistance, and employment with guaranteed high salaries.

The enrollment advisor repeatedly told Jennifer that her credits would transfer to other colleges and that the school was accredited. He gave her no time to think or ask questions. Instead, he rushed Jennifer into the financial aid department to fill out paperwork.

“There was a big sense of urgency,” Jennifer said. “Like you have to do this now or else. Like don’t think about it, don’t research it, just do it. We are offering the best possible solution to your needs and just get started now.”

All the other plaintiffs were subjected to the same type of high pressure to enroll. For enrollment advisors, letting people leave without signing up was not an option. They often reminded prospective students of their unlucky lots in life.

“They sold the idea of life change,” Jennifer said, “but only left us worse off than we started.”

THE WHEEL

The most common ruse that enrollment advisors used was warning prospective students that classes were filling up fast and that it could be months before they could enroll again.

John McCoy fell for that trick but quickly learned that new students were being enrolled every three weeks.

“They used an enrollment model called “The Wheel”, he said. “When a student enrolled, they were placed in classes that were already in progress. My enrollment date placed me in the last quarter of every class.”

“The Wheel”, as opposed to traditional semesters or quarters, provided Wright Career College with a steady stream of revenue drawn from federal school loans.

Once these petitioners enrolled, they found out that much of the enrollment advisors’ promises were false. Teachers rarely had expertise in the subjects they were teaching, and they quit or were fired so often that it was common for students to have two or three teachers during the course of their semester

Wright Career College actually gave teaching jobs to students who had just graduated just to fulfill required employment quotas under federal loan regulations.

Those who completed their schooling found that the career services promised by the enrollment advisors were non-existent. After waiting more than six weeks for the externship that he was supposed to have been assigned, John McCoy personally contacted an orthopedic surgeon who he had business dealings with in his former job as a surgical sales representative.

That surgeon got John a job in the surgery department at a hospital in Olathe, KS. At the first surgery that he was allowed to work on, he quickly learned how utterly unprepared he was to be a surgical tech. John actually worried that the patient being operated on would be harmed due to his lack of skills.

“It became apparent that Wright Career College courses had not prepared me for even the most rudimentary tasks of a surgical technologist,” John said.

WHAT THEY REALLY LEARNED

Upon graduating, many of these petitioners called or visited prospective employers. Much to their dismay, they were told that employers would not hire people from Wright Career College and that their association with the school actually hurt their employability.

When students contacted other schools about transferring their credits, they were told that Wright Career College credits, despite guarantees to the contrary, would not transfer.

And the accreditation? That was a sham too. The Accrediting Council for Independent Colleges and Schools, which accredited Wright Career College and numerous other proprietary schools, had its accrediting authority stripped in 2016 because of the poor employment outcomes among students at their schools. And with proprietary school officials comprising most of ACICS's board of directors, it was basically an accreditation agency set up by the proprietary school industry to create a false sense of legitimacy.

To add insult to injury, Wright Career College kept contacting students after they graduated and coerced many of them into enrolling into more expensive "bachelor's degree" programs.

CULTURE OF DECEIT AND INTIMIDATION

Former employees of Wright Career College have told Humphrey, Farrington & McClain attorneys that the school routinely falsified records to inflate the actual employment and graduation numbers.

For example, a student with a business administration degree could have been working at a McDonald's and the school would have counted that as gainful employment.

Former employees also reported being fired or reprimanded for refusing to falsify documents or complaining to management.

John McCoy shares a story in his narrative that speaks volumes about the people who ran Wright Career College. Frustrated over the school's failure to get him the externship that he was promised, John demanded to see the school's campus director and externship coordinator.

During that meeting, Wright Career College President John Mucci stormed into the room and bragged about his accomplishments. Before he left the room, he boastfully told John "If you don't like this situation, you are welcome to sue me. We get sued all the time, but nothing ever comes of it."

When Wright Career College was open, Mr. Mucci was earning \$300,000 a year as president, driving a Lexus and living in a lavish apartment atop the Wright Career College headquarters. That salary is almost equal to what the chancellor of The University of Missouri-Kansas City made last year.

On the flip side, almost all of these petitioners are still mired in dead-end jobs that pay nowhere close to an amount needed to pay off the loans that they were tricked into taking out. Some cannot find work at all. Paying their monthly rent, feeding their children and keeping utilities from being shut off are constant struggles.

Many of these petitioners told us how excited they were about changing their lives and making a brighter future for themselves and setting an example to the young people in their families. Their dreams and economic well-being were equally crushed by expenses at Wright Career College and the crippling debt they incurred from the school. They were sold a dream that quickly became a nightmare.

“Wright Career College preyed on those who were the most in need,” Jennifer said. “They preyed on low-income families with children because they were the ones that could get the most in federal aid to attend school.”

While Mission Group Kansas simply wiped out its debt by filing for bankruptcy, its students _ and the U.S. taxpayers_ are left to pay the bill. This is unjust and contrary to the very purpose of the federal student loan program.

So on behalf of these defrauded students, Madame Secretary, we present this petition and the Borrower Defense to Loan Repayment applications of our 181 clients. We respectfully request that you take the action that we are requesting.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew K. Smith', written in a cursive style.

Andrew K. Smith

enc.