

## CEC students get big financial break

Written by Staff Reports  
Friday, 18 January 2019 09:41

---



### Settlement with New Mexico AG brings \$1.8 million in debt relief

ALBUQUERQUE – For-profit education company Career Education Corp. CEC has agreed to forgo collecting about \$1.8 million in debts owed by 709 New Mexico students, and millions more nationally, in a settlement with New Mexico Attorney General Hector Balderas and 48 other attorneys general.

The settlement follows an investigation which revealed evidence of unfair and deceptive practices employed at some of CEC's schools. CEC agreed to resolve claims against it, but denied the allegations that it:

Used emotionally charged language to pressure students into enrolling in CEC's schools;

- Deceived students about the total costs of enrollment by instructing its admissions representatives to inform prospective students only about the cost per credit hour, without disclosing the total number of required credit hours;
- Misled students about the transferability of credits into CEC from other institutions and out of CEC to other institutions, by promising on some occasions that credits would transfer;
- Misrepresented the potential for students to obtain employment in the field by failing to adequately disclose the fact that certain programs lacked the necessary programmatic accreditation; and,
- Deceived prospective students about the rate that graduates of CEC programs got a job in their field of study, thereby giving prospective students a distorted and inaccurate impression of CEC graduates' employment outcomes. For instance, CEC inaccurately claimed that its graduates were "placed" when they worked only temporarily or worked in unrelated jobs.

## CEC students get big financial break

Written by Staff Reports

Friday, 18 January 2019 09:41

---

As a result of this settlement, CEC agrees to forgo any and all efforts to collect debts owed by former students in New Mexico.

CEC has agreed to forgo collection of debts owed to it by students who either attended a CEC institution that closed before Jan. 1, 2019, or whose final day of attendance at AIU or CTU occurred on or before Dec. 31, 2013.

CEC has also agreed to pay \$5 million to the states, with New Mexico receiving about \$75,000.

CEC has closed or phased out many of its schools over the past 10 years. Its brands have included Briarcliffe College, Brooks Institute, Brown College, Harrington College of Design, International Academy of Design & Technology, Le Cordon Bleu, Missouri College, and Sanford-Brown.

**For more information contact:** <http://www.careered.com/About-Career-Education/Contact-Us>  
or [dcarl@nmag.gov](mailto:dcarl@nmag.gov)