



PRESS RELEASE

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ATTORNEY GENERAL SUTHERS ANNOUNCES CONSUMER PROTECTION SETTLEMENT WITH ARGOSY UNIVERSITY

DENVER— [The Colorado Attorney General's Office](#) has filed a civil lawsuit and stipulated consent judgment against [Argosy University, Denver](#) and parent company [Education Management Corporation \(NASDAQ: EDMC\)](#). Argosy is accused of deceiving, misleading and financially injuring students seeking doctorate of education in counseling psychology degrees (EdD-CP) in violation of the Colorado Consumer Protection Act. Under the settlement terms, Argosy will pay approximately \$3.3 million in restitution and fines.

“Our investigation revealed a pattern of Argosy recklessly launching doctoral degree programs without substantiating or supporting that they led to the advertised outcomes,” explained Deputy Attorney General Jan Zavislan. “That is illegal under Colorado law and why we are holding Argosy accountable,” said Zavislan.

The Attorney General’s investigation based on student complaints found that beginning in 2007, Argosy deceptively marketed its EdD-CP program. Students were led to believe that Argosy was seeking to have the program accredited by the [American Psychological Association](#) (APA), which in fact was not the case. Upon graduating, students were moreover told they would be eligible to become licensed psychologists. In reality, the EdD-CP program’s curriculum and requirements were deficient and students were unlikely to obtain Colorado licensure. Among the deficiencies in Argosy’s EdD-CP program was a lack of adequate internships in Colorado where students were promised they could remain during their studies.

Even after Argosy modified the EdD-CP curriculum in 2010, students found it impossible to obtain local internships that met Colorado’s licensing standards because the EdD-CP program remained unaccredited by the APA. Many internship sites simply do not accept students enrolled in unaccredited degree programs. Students faced the prospect of having

to leave the state to find adequate internships or cobble together local internships not likely to meet the state's requirements for licensure.

“Many students withdrew from the EdD-CP program saddled with debt and to date, no Argosy-Denver EdD-CP student has become licensed as a psychologist in Colorado or any other state,” continued Zavislan. “Under the settlement, Argosy must reimburse 66 students for their tuition costs, stop advertising its Denver EdD-CP program as a psychology licensure-track program, and cease enrolling students in it,” concluded Zavislan.

The investigation by the Office's [Consumer Protection Section](#) revealed a long and elaborate pattern of deceptive behavior by the school. Even when Argosy realized that it could not deliver on its promise of licensure eligibility because of the internship requirement, the school deflected blame by attributing the situation to a recent state board of licensing rule change regarding the type of internships required for licensure. However, the particular rule had been in existence one year prior to the first students enrolling in the EdD-CP program.

On a going forward basis, any degree program Argosy offers – either at its Denver campus or online – must satisfy state requirements and programmatic accrediting standards so that students are eligible for certification or licensure and employment in Colorado. Argosy is enjoined from misrepresenting licensing and employment prospects and misleading students about any aspect of its degree programs.

The case was filed with the Denver District Court and the settlement awaits court approval.

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