

LIST OF *QUI TAM* EDUCATIONAL CASES

- *U.S. ex rel. Bowman v. Computer Learning Center* (S.D. Tex. 1999). Allegations of improper incentive compensation. Company forced out of business prior to resolution.
- *U.S. ex rel. Graves v. ITT Educational Services, Inc.* (S.D. Tex. 1999); 284 F. Supp. 2d 487 (S.D. Tex. 2003), aff'd, 2004 U.S. App. LEXIS 21799 (5th Cir. 2004). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, dismissal affirmed by Fifth Circuit, cert denied by Supreme Court.
- *U.S. ex rel. Mahmoud v. ITT Educational Services, Inc.* (C.D. Cal. 2002). Allegations of grades being inflated for purposes of Cal Grant eligibility. DOJ declined, case settled with California AG.
- *U.S. ex rel. Olson v. ITT Educational Services, Inc.* (S.D. Ind. 2004). Allegations of poor quality education, awarding of grades that were not deserved, shoddy facilities and equipment and poor placement opportunities. DOJ declined, dismissed by district court, not appealed.
- *U.S. ex rel. Bowan v. Education America* (S.D. Tex. 2000); 2004 U.S. App. LEXIS 24673 (5th Cir. 2004). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, dismissal affirmed by Fifth Circuit, cert denied by Supreme Court.
- *U.S. ex rel. Gay v. Lincoln Technical Institute* (N.D. Tex. 2001); 2003 U.S. Dist. LEXIS 25968 (N.D. Tex. Sept. 3, 2003), aff'd, 2004 U.S. App. LEXIS 21489 (5th Cir. 2004). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, dismissal affirmed by Fifth Circuit, cert denied by Supreme Court.
- *U.S. ex rel. Payne v. Whitman Education Group* (S.D. Tex. 2002). Allegations of improper incentive compensation. DOJ declined, dismissed by district court.
- *U.S. ex rel. Main v. Oakland City University* (S.D. Ind. 2003); 426 F.3d 914 (7th Cir. 2005). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, reversed by Seventh Circuit, cert denied by Supreme Court, case settled.
- *U.S. ex rel. Hendow v. University of Phoenix* (E.D. Cal. 2003); 461 F.3d 1166 (9th Cir. 2006). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, reversed by Ninth Circuit, cert denied by Supreme Court, case settled.
- *U.S. ex rel. Bott v. U.S. Education Corporation* (N.D. Cal. 2004); 262 Fed. Appx. 810, 2008 WL 59364 (9th Cir. 2008). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, affirmed by Ninth Circuit, cert denied by Supreme Court.

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- *U.S. ex rel. Ortiz v. University of Phoenix* (W.D. Tex. 2004). Allegations of noncompliance with regulatory requirements, improper incentive compensation and undue pressure to enroll and retain students. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Ector v. Axia College* (D.D.C. 2005). Allegations of improper incentive compensation. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Brazell v. Alta Colleges* (N.D. Tex. 2005). Allegations of improper incentive compensation and violations of state regulatory requirements. DOJ intervened on state regulatory claims, case settled.
- *U.S. ex rel. Gatsiopoulos v. Kaplan Higher Education* (W.D. Penn. 2006); 2011 WL 3489443 (S.D. Fla. 2011). Allegations of improper incentive compensation, noncompliance with regulatory requirements, and employment claims. DOJ declined, case transferred to Southern District of Florida. Motion to dismiss denied in part and granted in part (denying motion to dismiss the claims related to the incentive compensation ban and employment claims). Case transferred back to Western District of Pennsylvania. Employment claims settled, FCA *qui tam* claims voluntarily dismissed.
- *U.S. ex rel. Pilecki-Simko v. Chubb Institute* (D.N.J. 2006); 2010 WL 1076228 (D.N.J. Mar. 22, 2010). Allegations of improper incentive compensation and noncompliance with regulatory requirements. DOJ declined, motion to dismiss granted. Third Circuit affirmed.
- *U.S. ex rel. Goodstein v. Kaplan, Inc.* (E.D. Pa. 2007). Allegations of inadequate education program and financial aid fraud. DOJ intervened to commence settlement. Parties settled.
- *U.S. ex rel. Diaz v. Kaplan University* (M.D. Fla. 2007). Allegations of improper incentive compensation and noncompliance with regulatory requirements, including the Rehabilitation Act. DOJ declined, case transferred to Southern District of Florida, motion to dismiss granted in part, denied in part. Motion to dismiss granted “as to all claims except for Relators’ False Claims Act counts based on violations of the Rehabilitation Act and for Relator Diaz’s retaliation claim.” Discovery proceeding on Rehabilitation Act allegations. Diaz’s retaliation claim dismissed at summary judgment.
- *U.S. ex rel. Cruz v. Western Career College* (E.D. Cal. 2007). Allegations of improper incentive compensation. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Torres v. Kaplan Higher Education* (N.D. Ill. 2007). Allegations of improper incentive compensation. DOJ declined, case transferred to Southern District of Florida, motion to dismiss granted. Appeal dismissed.
- *U.S. ex rel. Jajdelski v. Kaplan, Inc.* (D. Nev. 2007). Allegations of financial aid requests for students never enrolled. DOJ declined, motion to dismiss granted. Appeal pending.
- *U.S. ex rel. Schultz v. DeVry, Inc.* (N.D. Ill. 2007). Allegations of improper incentive compensation. DOJ declined, dismissed by district court, case settled on appeal.

- *U.S. ex rel. Leveski v. ITT Educational Services* (S.D. Ind. 2007). Allegations of improper incentive compensation. DOJ declined, first motion to dismiss granted, second motion to dismiss granted in part and denied in part. Subsequent motion to dismiss based on public disclosure/original source bar granted, relator's attorneys sanctioned, appeals pending.
- *U.S. ex rel. Lee v. Corinthian Colleges* (C.D. Cal. 2007); 655 F.3d 984 (9th Cir. 2011). Allegations of improper incentive compensation. DOJ declined, dismissed by district court. Ninth Circuit, reversed and remanded the dismissal of the claims. Amended complaint filed, motions to dismiss amended complaint denied. Motion to dismiss based on the public disclosure bar pending.
- *U.S. ex rel. Fuhr v. Corinthian Colleges* (C.D. Cal. 2007). Allegations of improper incentive compensation. DOJ declined, dismissed by district court. Appeal voluntarily dismissed.
- *U.S. ex rel. Backhus v. Corinthian Colleges* (M.D. Fla. 2007). Allegations of improper incentive compensation. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Irwin v. Grand Canyon University* (D. Ariz. 2007); 2009 U.S. Dist. LEXIS 13832 (Feb. 10, D. Ariz. 2009). Allegations of improper incentive compensation. DOJ declined, motion to dismiss denied, case settled.
- *U.S. ex rel. Buchanan v. South University Online* (W.D. Pa. 2007). Allegations of improper incentive compensation. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Washington v. Education Management Corp. ("EDMC")* (W.D. Pa. 2007). Allegations of improper incentive compensation. DOJ intervened, motion to dismiss filed and granted as to how compensation plan was designed but denied as to how compensation plan was implemented. Discovery proceeding.
- *U.S. ex rel. Kalyanaram v. New York Institute of Technology* (S.D.N.Y. 2007). Allegations of improper incentive compensation on behalf of the United States and the state of New York. DOJ intervened, case settled.
- *U.S. ex rel. Brodale v. Apollo Group* (S.D. Cal. 2008). Allegations of financial aid fraud and improper incentive compensation. DOJ declined, dismissed by district court. Appeal voluntarily dismissed.
- *U.S. ex rel. Powell v. American Intercontinental University* (N.D. Ga. 2008). Allegations of improper incentive compensation and obtaining false accreditation. DOJ declined, motion to dismiss denied, motion for partial summary judgment and subsequent motion to dismiss granted in part and denied in part. Court dismissed incentive compensation claims for lack of subject matter jurisdiction on first to file grounds. False accreditation claim remains and discovery is proceeding.

- *U.S. ex rel. Lopez v. Strayer Education Inc.* (E.D. Va. 2008). Allegations of improper incentive compensation. DOJ declined, motion to dismiss on public disclosure grounds granted. Appeal dismissed.
- *U.S. ex rel. Jane Doe v. Princeton Review, Inc.* (S.D.N.Y. 2009). Allegations of billing for non-existent students, falsifying test papers, providing services to non-approved students, and retaliating against a whistleblower. DOJ intervened, New York declined to intervene. Lead defendant settled with the United States.
- *U.S. ex rel. Aldredge v. ATI Enterprises, Inc.* (N.D. Tex. 2009). Allegations of false statements about employment statistics, enrolling students who were ineligible, program deficiencies, accreditation violations, and financial aid fraud. DOJ intervened in part and filed an amended complaint.
- *U.S. ex rel. Walters v. Education Management Corp.* (“EDMC”), (E.D. Cal. 2010). Allegations of improper incentive compensation. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Davis v. Point Park University* (W.D. Pa. 2010); 2010 U.S. Dist. LEXIS 125867 (E.D. Pa. Nov. 30, 2010); 2011 U.S. Dist. LEXIS 81330 (W.D. Pa. July 26, 2011); 2011 U.S. Dist. LEXIS 119296 (W.D. Pa. Oct. 17, 2011). Allegations of financial aid fraud. DOJ declined, motion to dismiss granted in part and denied in part, motion to dismiss amended complaint denied, motion for summary judgment denied. Parties stipulated to dismissal.
- *U.S. ex rel. Hoggett v. University of Phoenix* (E.D. Cal. 2010). Allegations of improper incentive compensation on behalf of the United States and the state of California. State of California declined to intervene. Motion to dismiss denied. Motion for certification of interlocutory appeal has been fully briefed and is pending.
- *U.S. ex rel. Clark v. American Commercial Colleges, Inc.* (N.D. Tex. 2010). Allegations of violating the 90/10 rule and false statements about employment rates of graduates, attendance, and academic progress. DOJ partially intervened, motion to dismiss pending.
- *U.S. ex rel. Sobek v. Education Management, LLC* (“EDMC”) (W.D. Pa. 2010). Allegations of misrepresentations about accreditation, job placement, and costs of the program; inadequate tracking of student progress; improper incentive compensation; and attendance violations. DOJ declined, motion to dismiss filed. Magistrate Judge recommended dismissing with prejudice the claims regarding misrepresentations about the costs of the program, incentive compensation, and attendance violations; Magistrate Judge recommended denying the motion as to misrepresentations about accreditation and job placement and inadequate tracking of student progress. Defendant’s objection to Magistrate’s recommendations has been fully briefed and is pending.
- *U.S. ex rel. Carter v. Bridgepoint Education, Inc.* (S.D. Cal. 2010). Allegations of improper incentive compensation. DOJ declined, complaint recently unsealed.

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- *U.S. ex rel. Hinkle-Allin v. Ontario Health Education Co.* (C.D. Cal. 2011). Allegations of enrolling unqualified students, misrepresentations about the likelihood of gaining employment, misrepresentations about quality of education, failing to properly evaluate students, graduating students who failed to master the coursework, and misrepresentations to accrediting bodies. DOJ declined, voluntarily dismissed by relator.
- *U.S. ex rel. Jallali v. Nova Southeastern University, Inc.* (S.D. Fla. 2011); 2012 U.S. Dist. LEXIS 85660 (N.D. Ill. June 21, 2012). Allegations of changing class sizes and testing requirements without agency approval. DOJ declined, motion to dismiss granted, motion for reconsideration denied, affirmed by Eleventh Circuit. Sanctions imposed against plaintiff and plaintiff's counsel.
- *U.S. ex rel. Munoz v. Computer Systems Institute, Inc.* (N.D. Ill. 2011). Allegations of improper incentive compensation, including the enrollment of unqualified students, and alleged misrepresentations about job placement rates, post-graduation salary numbers, and the transferability of credits. DOJ declined, complaint recently unsealed.
- *U.S. ex rel. Ferguson v. Bridgepoint Education, Inc.* (S.D. Cal. 2011). Allegations of improper incentive compensation and alleged misrepresentations about the cost and quality of the education, post-graduation employment, and federal loan obligations. DOJ declined, complaint recently unsealed.
- *Sealed v. Sealed* (W.D. Tex.). Allegations relating to instructor qualifications.

See also:

U.S. ex rel. Vigil v. Nelnet, Inc., 639 F.3d 791 (8th Cir. 2011) (affirming dismissal of claim alleging, in part, that the defendant violated FFELP regulations by “offering Vigil and other loan advisors prohibited bonuses and commissions based on the number of borrowers they persuaded to complete consolidation-loan applications”).

U.S. ex rel. Jones v. Collegiate Funding Services, Inc., 2011 WL 129842 (E.D. Va. 2011) (granting motion to dismiss complaint alleging, in part, that the defendant “violated the HEA's anti-inducement provision by offering and making illegal bonus payments to its employees based on the number of FFELP student-loan applications initiated daily by the respective employee”).