

Dear GI Bill student,

I am sending you this email because our records show you are a current or recent GI Bill student attending an ITT Educational Services, Inc. (ITT) campus that is approved for Department of Veterans Affairs' (VA) education benefits.

The Department of Education (ED) [announced today](#) that they are imposing new and significant requirements on ITT's continued participation in Title IV, Higher Education Act (HEA) programs (i.e., federal student aid programs such as Pell Grants and Federal Direct Loans) that includes the GI Bill.

What did ED announce?

First, ED has placed ITT on what is known as, Heightened Cash Monitoring 2 (HCM2). It is the highest level of financial monitoring. Under HCM2 the named school will no longer receive Title IV funds from ED in advance. You can learn more about HCM2 and the restrictions it places on a school by visiting ED's website [here](#).

Next, ED also announced it is requiring that ITT post an additional \$150 million of "surety," which means the school needs to put up cash or a letter of credit from a financial institution as an insurance policy with ED in case the institution's financial situation worsens. You can learn more about what, why and when ED requires a letter of credit by visiting their website [here](#). According to ED, "the most common reason why an institution is required to remit a letter of credit is because they are not deemed financially responsible."

Finally, in order for ITT to continue to receive Title IV funds, ED has required a number of reporting and operational requirements, such as restricting campuses from enrolling new Title IV students and requiring ITT to provide "teach-out agreements" – an arrangement that identifies other institutions where students can continue their education programs if that becomes necessary.

What is the Impact on your GI Bill Benefits?

At this point ED's actions do not directly affect your GI Bill benefits. However, these actions do raise significant concerns about the financial viability of ITT. It's important that you understand that if ITT goes out of business before you complete your education, you will not be able to use your GI Bill benefits to keep attending that school and under this scenario, you would no longer be able to pursue your education at that school. As you know, finding another school where you can complete your educational objectives may take time as not every school offers the same programs as ITT. Also, it is not guaranteed that another school offering the program you are pursuing will accept transfer credits from ITT.

Bottom line, while ED's actions do not directly affect your ability to use your GI Bill benefits at ITT at this time, you should carefully consider the potential impact that ED's actions may have on whether you can achieve your educational goals by continuing to attend ITT.

Please keep in mind that VA cannot restore your GI Bill benefits used at ITT if for some reason ITT closes its doors before you achieve your educational goals there.

What is VA doing?

First, VA is actively monitoring this situation and continues to work with ED to assess any further developments regarding ITT and any associated impact on our delivery of GI Bill benefits to you.

Next, we aren't just notifying current ITT students like you directly, we are also reaching out to prospective students by placing a caution flag for the affected institution on the [GI Bill Comparison Tool](#). If you search for "ITT" today you'll notice a caution flag for Heightened Cash Monitoring and more. These caution flags are intended to alert potential students of a school's status and encourage them to carefully consider the school's status before enrolling in its education program. Technically, a caution flag means VA or other federal agencies like ED or the Department of Defense have applied increased regulatory or legal scrutiny or additional requirements to an education program.

As always, please feel free to contact our Education Call Center at 1-888-442-4551 (Monday – Friday, 7 a.m. – 6 p.m. CST). While we cannot counsel you on which school to attend and why, please call with any questions about your GI Bill benefits and remaining entitlement. Also, please join the conversation on our [Facebook page](#) and [Twitter](#) pages.

I will be sure to stay in touch and update you as necessary so you can be aware of the choices available to you with the best information available. You earned this important benefit, and VA is working hard to protect it. As in all situations like this, it is important that you carefully consider all possible outcomes.

Please feel free to forward this to a classmate that may have not gotten the word.

As always, thank you for your service,

Curtis L. Coy
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VA Core Values: Integrity, Commitment, Advocacy, Respect, Excellence ("I CARE")