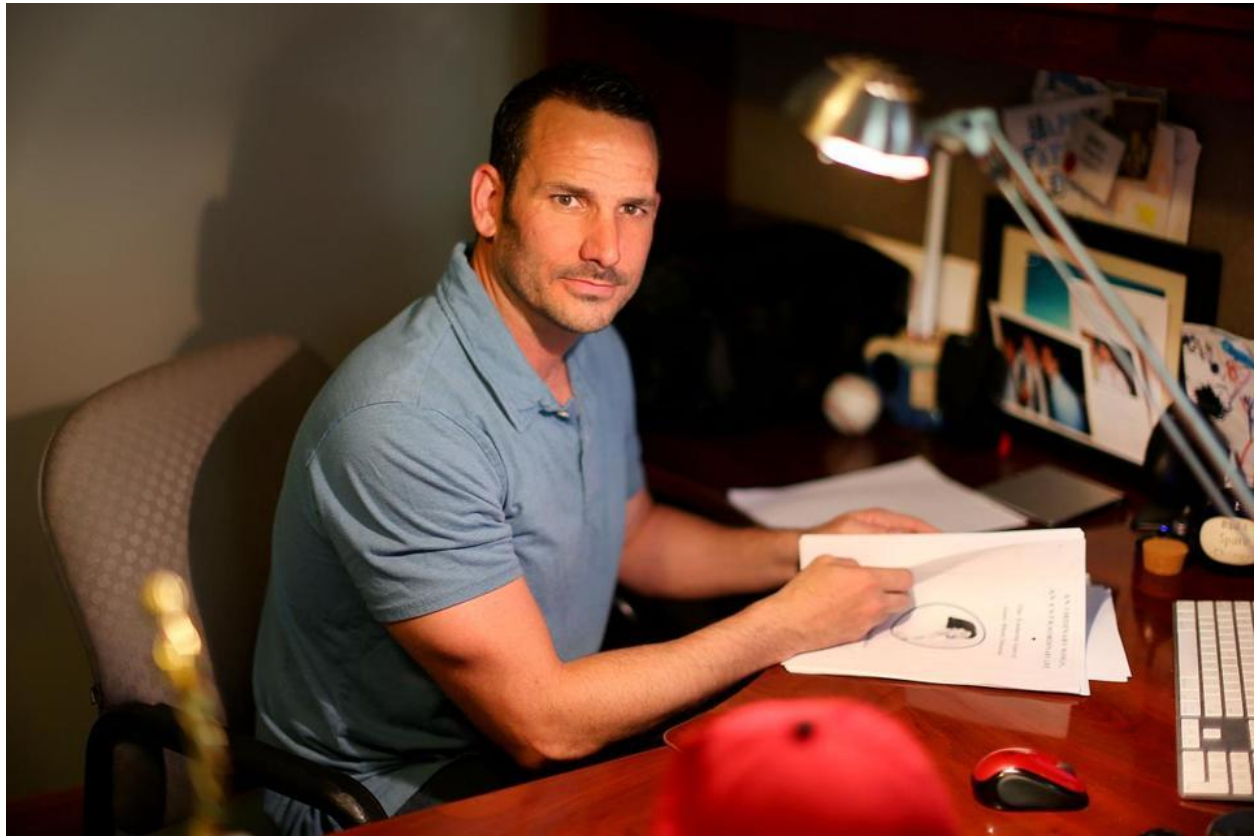


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John Burrows says ACI tried to give him a certificate in Web design without teaching him even the basics.

By [Dan Adams](#) Globe Staff June 06, 2016

A defunct for-profit “career institute” has acknowledged it illegally tricked thousands of Massachusetts residents into signing up for mostly worthless classes — paid for with more than \$30 million in federal loans — by lying about its graduates’ success rates, falsifying records, and admitting unqualified applicants.

American Career Institute, or ACI, admitted the conduct in a consent judgment accepted by a state judge Thursday. The judgment clears the way for Massachusetts prosecutors to ask the US Department of Education to forgive about \$30 million in debts for 4,400 former students.

“Our office has achieved an unprecedented result against a predatory for-profit school that we hope will yield long-overdue relief for thousands of ACI students in Massachusetts,” Attorney

General Maura Healey said in a statement. “We . . . will continue to pursue institutions who engage in this illegal and unfair conduct.”

The judgment is the latest development in an ongoing state and federal crackdown on for-profit schools, a number of which have been accused of peddling worthless degrees while saddling students with onerous debts.

Healey’s office recently sued ITT Tech and has reached settlements with Kaplan Career Institute, Lincoln Tech, and other schools it accused of similar practices.

Massachusetts prosecutors are also involved in the case against Corinthian Colleges Inc., a massive for-profit chain that once operated more than 100 campuses under the Everest, Heald, and WyoTech brands. It collapsed in 2015. Federal officials have so far approved discharges of \$130 million in loans owed by Corinthian students.

ACI offered courses on everything from Web design to medical billing at campuses in Braintree, Cambridge, Framingham, Springfield, and Woburn. The company closed in 2013, having collected \$30 million in federal student loan money the previous year. The judgment calls for more than \$25 million in penalties, fees, and restitution, but ACI is insolvent and not expected to pay.

Prosecutors said ACI attracted students by boasting that a large percentage of its graduates found work in the fields they had trained in. In reality, they said, the school artificially inflated its success numbers by excluding students who had withdrawn from classes and counting those who got jobs in fields unrelated to their training at ACI or were hired by the school itself.

The institute also altered grades so failing students appeared to be passing, forged student signatures on enrollment forms, and created fake “employment verification forms” showing job placements with nonexistent companies, court records indicate.

According to a copy of the judgement, students who visited ACI campuses were pressured to sign up on the spot and to apply for federal loans, which constituted nearly 90 percent of the company’s revenue. They were then immediately seated in ongoing courses so the school could receive the loan proceeds as soon as possible, prosecutors said.

ACI charged up to \$23,000 a year, but admitted in court that many classes were taught by unqualified instructors. The company also acknowledged it failed to provide books and software students had paid for and sent students to internships that involved little more than photocopying and other unskilled administrative work.

By the time ACI closed, it was in debt and had few assets, officials said. Prosecutors also said the assets of ACI’s two primary owners, Andree Fontaine and Robert Payne, were not worth enough to justify pursuing them through a prolonged trial, during which time students would have needed to continue paying off their loans. Under the judgment, the two denied any personal knowledge of wrongdoing but are permanently barred from operating or managing a career or vocational school in the state.

Fontaine and Payne did not respond to phone messages Friday.

John Burrows, a 39-year-old resident of Hanson, said he signed up for a Web design certificate at ACI's Braintree campus in 2011, after losing his job doing computer-aided design for construction projects. He said the school was recommended by his unemployment officer.

'The teachers . . . couldn't answer any questions. They had no idea what they were teaching.'

*John Burrows, former ACI student*

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“They had all these monitors on the wall showing the different programs,” Burrows said. “It was a wonderful facade. It was like Disney or Universal Studios. Little did you know, these were just cardboard cutouts with nothing behind them.”

Burrows took out around \$16,000 in federal loans to pay for classes. After six months, he said, the school wanted to give him a certificate — but he hadn't even studied HTML, a foundational programming language for Web design.

“All of us were looking at each other like, ‘We're not ready for anything,’ ” Burrows recalled. “The teachers would read out of these little books, but they couldn't answer any questions. They had no idea what they were teaching.”

Burrows said ACI even invited him to teach a class after he learned HTML on his own. By then, he was skeptical of the company, but accepted anyway, figuring he could make a little money while looking for work. ACI never paid him, he said.

Burrows ultimately found work again in construction, but said the ACI experience wasted his time and left him in debt and feeling humiliated. He cheered the judgment, saying any debt relief from the Department of Education would be a big help to his finances. He also called for stricter regulations to ensure others don't fall victim.

“I got bamboozled, and I don't want it to happen to anyone else,” he said. “They're taking advantage of people who are putting in the time and effort, and ultimately, it's the taxpayers' money.”

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