

CFPB takes action against two for-profit schools



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Financial regulators took action against two for-profit colleges on Monday.

Bridgepoint Education Inc., which operates as Ashford University and the University of the Rockies, is being forced to forgive and refund more than \$23.5 million in loan payments, and it must pay an \$8 million penalty to the Consumer Financial Protection Bureau.

The CFPB claims the school has been duping students into taking out private loans that cost more than advertised.

Monday's actions are the latest in a crackdown on the for-profit sector of the higher education industry by the Obama administration. The CFPB sued ITT Technical Institute in 2014 and Corinthian College in 2015 over predatory lending practices, and the schools closed after subsequent actions were taken by the Education Department.

The CFPB claims Ashford University and the University of the Rockies allegedly tricked students into taking out private loans by telling them they could pay them off with monthly payments of as little as \$25. Students then discovered they were obligated to pay much more.

Most of the students at the two schools take courses online.

Tags: [For-profit higher education in the United States](#), [Higher education in the United States](#), [ITT Technical Institute](#), [Ashford University](#), [Corinthian Colleges](#), [Consumer Financial Protection Bureau](#), [Bridgepoint Education](#), [University of the Rockies](#)