

## MEMO

**To:** Reporters and Editors

**From:** Justine Sessions on behalf of Tom Harkin (D-IA), Chairman, Senate HELP Committee

**Re:** Daily Caller Shoots Self in Foot with “Smoking Gun”

**Date:** Wednesday, May 18, 2011

This morning, the Daily Caller published an irresponsible story in yet another attempt to distract from the disturbing practices of the for-profit education industry and our work to investigate their practices and protect students and taxpayers. The story boils down to nothing more than a “Hail Mary” attempt by the for-profit industry and their lobbyists to block the Gainful Employment rule as it is about to be finalized.

Despite enormous efforts by these lobbyists and their allies to discredit the findings of the August 2010 GAO report – that all 15 for-profit campuses they visited engaged in deceptive or outright fraudulent recruiting practices – the facts are indisputable. The report’s findings have been confirmed by an internal inspection by GAO, and even the email cited by the Daily Caller begins by stating:

*“Overall, I feel the message delivered by our testimony, video clips, and your oral statement was accurate, and did not in any way misrepresent the facts of our investigation.”*

Oddly, the Daily Caller didn’t run that quote.

If you’d like a refresher on the alarming practices uncovered by the GAO, the video tapes are available here: [http://www.gao.gov/multimedia/video/for-profit\\_colleges](http://www.gao.gov/multimedia/video/for-profit_colleges), and you’ll find even more examples of deceptive recruiting in the full audio recordings: <http://harkin.senate.gov/forprofitsound.cfm>

Attached, you will find the full text of the Daily Caller’s so-called “smoking gun” – an email from one member of GAO’s FSI team to another making recommendations about how to address systemic issues within FSI. The Daily Caller chose not to post the full text of the email and instead used highly selective excerpts, innuendo and half-truths to fabricate a story about political influence where there isn’t one. **As you’ll see from reading the attached email, neither Chairman Harkin nor the HELP Committee are mentioned, and “congressional staffers” are only mentioned once, in a reference to systemic problems – not specific to the for-profit college investigation.**

As is common when requesting GAO work and agreeing on a timeframe, HELP Committee staff asked the GAO if they could be ready to present their findings at a hearing prior to the August recess. The GAO agreed, and never requested an extension. While the internal email refers specifically to last minute requests for graduation and accreditation information, these requests were made by the GAO’s own internal Quality Control department. No such request was ever made by the HELP Committee. This is a fact that could have been confirmed by GAO had the reporter bothered to ask about it rather than relying on anonymous sources.

It's unfortunate that the Daily Caller decided to give the for-profit education industry another chance to drown out the facts about their companies: that they now take in \$30 billion taxpayer dollars a year while the majority of their students drop out with debt rather than a diploma. Stories like this one make it clear that the industry believes the best way to protect its profits is to attempt to undermine the validity of this GAO report, because it can't dispute the facts.