

SMC makes offer to ITT students

By HP STAFF
and THE ASSOCIATED PRESS

The for-profit college chain ITT Technical Institute is shutting down all 130 of its U.S. campuses, saying Tuesday it can't survive recent sanctions by the U.S. Department of Education.

Meanwhile, Southwestern Michigan College says it will welcome ITT students from the company's South Bend/Mishawaka, Ind., campus.

"SMC has reached out to ITT Tech to determine what courses would be of the most benefit to students looking to complete a degree," the college announced Tuesday. There will be a 5-7

p.m. Sept. 14 open house at SMC's Niles campus.

SMC is further offering "mid-semester" course sections starting in October and through the winter on its Niles Campus.

In a letter to more than 35,000 students, the Indiana-based parent company ITT Educational Services announced campuses won't open for the fall term, which was scheduled to begin Sept. 12 – leaving students scrambling for last-minute options because many U.S. colleges already have started fall classes. ITT also cut more than 8,000 jobs immediately.

The chain was banned

Aug. 25 from enrolling new students who used federal financial aid because, Education Department officials said, the company had become a risk to students and taxpayers. The department ordered ITT to pay \$152 million within 30 days to help cover student refunds and other liabilities if the chain closed.

Days before those sanctions were announced, ITT's accreditor reported the chain had failed to meet several basic standards and was unlikely to comply in the future. It had also been investigated by state and federal authorities who accused ITT of pushing students into

risky loans and of misleading students about the quality of programs.

ITT Educational Services CEO Kevin Modany told reporters on a conference call Tuesday that ITT was the victim of a "regulatory assault" and never had the chance to defend itself.

"For what appears to be political reasons, there seemed to be an outcome in mind that was going to be forced here," Modany said.

Department Undersecretary Ted Mitchell, however, said ITT never made a formal proposal, and that the department's "informal conversations" with potential buyers had failed.