

Fresno's Heald College to close, company says

By Andrea Castillo



Heald College, located along Bullard Avenue just west of Blackstone Avenue, is facing difficult times as a private for-profit college. Photographed Saturday, Aug. 2, 2014 in Fresno, Calif.

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Heald College in Fresno is closing after efforts to find a buyer for the career college fell short, the school's parent company announced Sunday.

Corinthian Colleges said it has ceased substantially all operations and discontinued instruction at its remaining 28 campuses, including Heald's 10 California locations. Heald's campuses in Hawaii and Oregon also will close.

The company said in a statement it is working with other schools to provide continuing education for its approximately 16,000 students. Corinthian said those efforts depend on cooperation with partnering institutions and regulatory authorities.

Heald College in Fresno was founded in 1906 and currently has around 900 enrolled students through the campus at 255 W. Bullard Ave. On Sunday, the campus building was closed and there were no signs indicating that the school was folding.

Heald was historically a nonprofit institution, said Heald's Fresno president, Carolyn Pierce. She said private investors purchased it in 2007 before Corinthian purchased it in early 2010.

Earlier this month, Pierce warned students that the campus could be closed if Corinthian could not find a buyer for

Heald. She blamed California Attorney General Kamala Harris, whose office has sued Corinthian.

Reached by phone Sunday, Pierce said she received the news in an email that morning.

“It’s sad after 152 years this institution that gave so much to the community is closing its doors,” she said. “It’s a shame.”

Victor Griffin, 34, just started his last quarter at Heald for an Associate of Arts degree. The aspiring attorney graduated in February from the college’s paralegal program. He planned to transfer in August to Fresno Pacific University.

With a baby on the way, Griffin said he is trying to figure out what to do next. He receives income from the federal Department of Veteran Affairs to attend school. If he can’t transfer quickly enough to Fresno Pacific, he will have to figure out how to make ends meet.

Griffin said it’s not fair for Heald to take the heat for allegations aimed at Corinthian.

“It feels like a punishment to regular people,” he said. “I don’t think the attorney general realizes she’s actually punishing us for something probably some billionaires (did). It’s not going to affect them. The people it’s going to affect the most are people like myself and the workers. I’m not angry but just really sad.”

The majority of Corinthian’s schools were sold last year to a nonprofit student loan servicer after Harris sued Corinthian for allegedly misleading students about the value of their education and a federal inquiry effectively cut off much of the company’s revenue flow.

Corinthian’s announcement comes less than two weeks after the U.S. Department of Education announced it was fining the for-profit institution \$30 million for misrepresentation.

Of the lawsuit, Pierce said, “They are allegations. Everyone should be given the right to prove their innocence. We are obviously not going to have that chance.”

[In a letter to students](#), the company said that Heald and several other schools operated by Corinthian Colleges would cease operations. The company said it would be hosting meetings on Tuesday and Wednesday at Heald campuses to let students obtain copies of their transcripts and explore options for continuing their education.

The letter went on to say that “we made every effort to find a qualified buyer to purchase our remaining campuses and keep your school open and several had expressed interest in doing so. Unfortunately, largely as a result of recent state and federal regulatory actions, we were unable to complete a sale, and our only option was to close our schools.”

Corinthian had been in “advanced negotiations” with several parties to sell the 150-year-old Heald College and to arrange for teach-out partners to allow its Everest College and WyoTech students in California to continue their education.

The company said those efforts faltered and it blamed federal and state regulators for seeking to impose financial penalties and conditions on buyers and teach-out partners.

Earlier in April, Harris called on the federal government to forgive student loan debt for those who attended the chain’s schools.

“Through their predatory practices, these unscrupulous for-profit schools have co-opted a public loan program intended to increase access to higher education and left hundreds of thousands of students in financial ruin,” Harris wrote in a letter to U.S. Secretary of Education Arne Duncan. “Students and families should not be left to bear the costs.

Students enrolled in the Corinthian schools when the campuses are closed may be eligible for a full discharge of their debts, according to a U.S. Department of Education policy that allows 100% dissolution of debt for students who cannot complete the program they enrolled in due to a school's closure.

Last summer, the department restricted Corinthian's ability to receive federal financial aid amid concerns that the company had falsified its graduates' job-placement rates, which the company used in advertisements to recruit prospective students.

Despite that, the company Sunday continued to tout its graduation and job placement rates, saying they compared favorably with community colleges.

Pierce said Heald leaders tried everything they could to stop the closure from happening. Students protested in front of the offices of the attorney general in San Francisco and Sacramento. Nearly 10,500 people [signed an online petition](#) to remove impediments to the sale of the college.

"The thing we're trying to say to all the students is, 'Continue your education,' " she said. "There's a reason they came to Heald. We will work with other institutions so they can finish."

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