WHAT ARE THE CONTRACT CLAIMS?
HYPOTHETICAL 7

After seeing an ad displayed on the side of a bus for several days straight, one morning Joshua called a number for Yoncalla University to enroll in a nursing program that the ad said would "Open the door to a professional career in the medical field." The person who answered the phone took Joshua's name, address and a few other details and said she would mail some information about enrolling in the program within a couple of days. Joshua thanked her, hung up and caught his usual ride to school with his friend. This time, however, he and his friend were practicing for their high school graduation ceremony that weekend. That, coupled with the game later that evening and a party the next day caused Joshua to forget about the call for a couple of days until he saw an envelope waiting for him at home a few days later.

Opening the envelope, Joshua was surprised to discover a letter that said that he was admitted to the nursing program at Yoncalla University for the fall term, beginning in August. "Congratulations!" the letter read "You are taking the first steps into a rewarding professional career in the medical field! The overwhelming majority of Yoncalla University graduates find jobs as nurses in some of the top-tiered hospitals and medical practices in your area within one to six months after getting their degrees -- you could be joining them in as little as three terms of study!" The letter also had enclosures that set out the course schedule for the term, that specified the credit hours and price per credit hour for classes and specified the textbooks and other materials required for study. It appeared to Joshua that, all told, the entire program would cost about $15,000 -- $5,000 per term -- and that he would be able to graduate in a little over a year and a half if he applied himself and attended full time. A separate enclosure, titled "Financial Aid Offer" set out a "financial aid package" that included "discounts for early enrollment," "access to key financial aid resources" and a few required disclosures and guidelines for obtaining federal student financial aid. Under a line titled "Representative Award" the enclosure set out a package that included a total of $1,500 in "discounts," $3,000 in "grants," $5,000 for "school-based loans" and the remainder as "federally guaranteed student loans." The letter also had a printed form contract with spaces for Joshua's signature. As far as Joshua was able to make out, the contract enrolled him in the program and provided him with the financial aid package outlined in the Financial Aid Offer enclosure.

For more than three months, Joshua had listened to his father repeatedly ask him what he wanted to do with his life. Each time, he said he wasn't sure and wanted some time to think about it. But after seeing the letter, he thought "This will show Dad that I have a direction in life! It will get him off my back and I can get out of here and get on with my life!" He signed the form contract, returned it and told his father the next day that he was enrolling in nursing school. His father, relieved to hear that he had finally found a career direction, said nothing more but encouraged him to "study hard, and be a success!"

That fall, Joshua enrolled in the Yoncalla program and went to downtown Beaverton to attend his first classes in a building situated in the middle of what looked, disappointingly, like a strip mall. He was also surprised to discover that the school wanted a number of payments to complete and process enrollment, for "activity fees" and "lab fees" and other incidentals, all of which totaled $750 per term. Because Joshua had the impression that his "financial aid offer" would pay for all of his school expenses, he immediately looked around for ways to pay these unexpected fees. He discovered a representative from a credit card company that was offering "starter" credit cards to students who enrolled in the program and could offer evidence of a financial aid offer from the school. Seeing no real alternative, Joshua signed up for the credit card and immediately used it to pay his outstanding fees so he could enroll.

Apart from having to pay the $750 in fees each term, Joshua's financial aid package appeared to take care of the remaining tuition expenses for the school. After two terms of study in which he learned a lot about human anatomy, drug interactions and the usual curriculum for a nursing program and having attained a near perfect grade point average in his studies, Joshua logged onto an online forum for nursing students three days after the second term ended and a week after his 19th birthday. There he discovered that not only were all of the nursing students discussing "internships" and "practicums" and something called the NCLEX, which he later discovered was a national licensing exam for nurses, they also discussed what they thought were good nursing programs and bad ones. To his shock and disappointment, most of the students sneered at what they called "Don't Calla" University and said that it was a "ripoff," that they had never talked to anyone in nursing who had heard about a graduate of that program working in the field and that most of the classes were conducted online. Joshua reflected that it did seem odd that most, though not all, of his classes had a very high number of "classroom" hours that took place online, that most of the lectures were either recorded or delivered on the school's webcasting application and that most of the examinations were also online. After reading more on the online forum, he also determined that a "practicum" was a class that involved simulated patient care and other "real world" experiences that were supposed to prepare nursing students for actual medical practice. Consulting his schedule for the remaining term in the Yoncalla program, Joshua noticed that there were no practicum sessions offered or any preparation classes for the licensing exam.

After feeling more and more annoyed with himself for falling for what he now thought of as a scam, the next day later he worked himself up into a fury and wrote an email message to his instructor and the dean of the program, saying that he wanted to drop out and transfer to a better nursing program. He said he would not enroll in the coming term and was thinking about consulting a lawyer about what he said was Yoncalla's "rip off" program. Later that same day he got a very intimidating reply from the dean threatening legal action for "breach of contract" and stating that he had signed a "legal agreement" to complete his studies in the program. The dean also enclosed a copy of the form contract he had signed, a partial printout of his transcript and a "statement of account" that showed he had already paid $11,500 in tuition and fees to date, with a further payment of $5,750 scheduled for next month. The dean concluded the letter by saying that his high performance in classes to date was a credit to him and showed that he had bright prospects for becoming successful in the medical field. "Why not just complete your studies here?" the dean asked. "You've put in so much work already, it would be a shame to waste it all."

Thinking this over further, Joshua went back to the online nursing student forum and looked around for other schools offering nursing programs. He discovered that his local community college was offering a two-year Associate's degree in an accredited nursing program for a price of about $11,000 for two years' study for state residents. Researching further, Joshua saw that the community college curriculum included both a practicum and a preparation class for the licensing exam. After writing a brief email message to the chair of the community college program asking about application and enrollment requirements and about the possibility of transferring credits from his Yoncalla program, he was disappointed to learn that the program was usually oversubscribed and therefore selective, that there were a number of prerequisite classes he would need to take and that the school would consider whether he might be able to transfer any credits he earned at Yoncalla, but would not guarantee anything until they were able to see his transcript, evaluate the Yoncalla program and make a determination.

Finally turning to his father for advice, Joshua laid out the situation, telling his father that he feels like he made a huge mistake. His father, alarmed to see the trouble his son seems to have gotten into, immediately calls you, an attorney he's known socially for five years and asks for a consultation. You agree.

What do you tell Joshua's father about what Joshua should do, what possible claims the school might bring against him if he fails to enroll again in the fall and what claims Joshua might have against the school?