

Feds Drop Historic Fine Against Nation's Largest Christian University

After years of legal wrangling and accusations that threatened to tarnish its reputation, Grand Canyon University is walking away from a \$37.7 million fine, the largest ever handed down by the U.S. Department of Education, with a clean slate.

"There are no findings against GCU, or any of its employees, officers, agents or contractors, and no fine is imposed," stated the Joint Stipulation of Dismissal order from the department's Office of Hearings and Appeals, according to a press release by the university on Friday.

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As reported by The Christian Post, the fine stemmed from a 2023 investigation that claimed GCU misrepresented the cost of its doctoral programs. The DOE accused the Arizona-based university of advertising a \$40,000 to \$49,000 price tag for degrees that often ended up costing \$10,000 to \$12,000 more due to required continuation courses, costs which the department said were buried in fine print and thus constituted "substantial misrepresentations."

GCU President Brian Mueller didn't mince words when reacting to the decision. "The facts clearly support our contention that we were wrongly accused of misleading our doctoral students and we appreciate the recognition that those accusations were without merit," he said in a statement to The Christian Post. "GCU is a leader in innovation, transparency and best practices in higher education and we look forward to working cooperatively with the Department in the future – just as we have with all regulatory agencies."

But Mueller had already voiced his concern in 2023 that the fine was less about facts and more about targeting faith-based schools. “To come in and fine any amount to a university that is recognized within the industry as setting the gold standard for transparency, there’s no logic to that,” he said.

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He also pointed out the staggering contrast between the penalty against GCU and fines issued for serious misconduct at public universities: \$2.4 million against Penn State in the Sandusky abuse scandal and \$4.5 million against Michigan State for mishandling the Larry Nassar case. “We’ve presented at seven major conferences because of our level of transparency,” Mueller noted.

Following the Education Department’s initial actions, GCU found itself under siege from other federal agencies. The Federal Trade Commission filed a lawsuit, and the Department of Veterans Affairs initiated a financial audit. But in March, the U.S. District Court of Arizona threw out the FTC’s case, citing lack of jurisdiction.

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A 2023 report by the American Principles Project raised eyebrows with its findings: Christian institutions make up less than 10% of U.S. college students but receive 70% of penalties from the Department of Education’s Office of Enforcement. The average fine for Christian schools was \$815,000 – more than triple the \$228,571 average for secular counterparts.

Even the Trump administration commented through a department spokesperson, telling The Washington Times, “Unlike the previous administration, we will not persecute and prosecute colleges and universities based on their religious

affiliation.”

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Grand Canyon University, founded in 1949, has grown into the largest Christian university in the country by enrollment, graduating more than 31,000 students just last month. While the legal clouds appear to be clearing, Mueller and others remain watchful.

For now, one of America’s largest Christian schools has won a major legal battle, and with it, perhaps, a broader conversation on how faith-based institutions are treated by federal agencies.

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