Friday, September 1, 2006

Education Dept. Shared Student Data With F.B.I.

By Jonathan D. Glater

The Federal Education Department shared personal information on hundreds of student loan applicants with the Federal Bureau of Investigation across a five-year period that began after the Sept. 11 terror attacks, the agencies said yesterday.

Under the program, called Project Strikeback, the Education Department received names from the F.B.I. and checked them against its student aid database, forwarding information. Each year, the Education Department collects information from 14 million applications for federal student aid.

Neither agency would say whether any investigations resulted. The agencies said the program had been closed. The effort was reported yesterday by a graduate student, Laura McGann, at the Medill School of Journalism at Northwestern University, as part of a reporting project that focused on national security and civil liberties.

In a statement, Mary Mitchelson, counsel to the inspector general of the Education Department, said, “Using names provided by the bureau, we examined the Department of Education's student financial aid databases to determine if the individuals received or applied for federal student financial assistance.”

Information collected on federal financial aid applications includes names, addresses, Social Security numbers, incomes and, for some students, information on parents’ incomes and educational backgrounds.

Generally, only United States citizens and permanent residents are eligible to apply for federal student financial aid.

An assistant director of the F.B.I., John Miller, said in a statement: “During the 9/11 investigation and continually since, much of the intelligence has indicated terrorists have exploited programs involving student visas and financial aid. In some student loan frauds, identity theft has been a factor.”

Mr. Miller said the Education Department was asked to “run names of subjects already material to counterterrorism investigations” to look for evidence of student loan fraud or identity theft.

“No records of people other than those already under investigation were called for,” he said. “This was not a sweeping program, in that it involved only a few hundred names. This is part of our mission, which is to take the leads we have and investigate them.”

Mr. Miller said that the effort was not concealed and that it was referred to publicly in briefings to Congress and the Government Accountability Office.

A spokeswoman for the bureau, Cathy Milhoan, said the Education Department had provided financial aid information on fewer than 1,000 names in connection with terrorism investigations.
The information sharing was disclosed as the Education Department examines a proposal by the Commission on the Future of Higher Education, established last year by Education Secretary Margaret Spellings, to create a national student database that would follow individual students’ progress as a way of holding colleges accountable for students’ success.

“This operation Strikeback confirms our worst fears about the uses to which these databases can be put,” said David L. Warren, president of the National Association of Independent Colleges and Universities, which represents 900 institutions. “The concentration of all this data absolutely invites use by other agencies of data that had been gathered for very specific and narrow purposes, namely the granting of student aid to needy kids.”

The Federal Bureau of Investigation would not discuss the specific criteria it used in seeking information on students but said the program was narrowly focused.

“People are trying to turn this into something that it wasn’t,” Ms. Milhoan said. “We are not out there arbitrarily running student records for the sake of running them.”

Ms. Mitchelson of the Education Department said a review of the files of the people named by the F.B.I. had not led to any cases that charged student loan fraud.

Ms. Mitchelson said the information sharing was possible under a law that permits a federal agency to release personal information to another agency “for a civil or criminal law enforcement activity.”

She said the department had spent fewer than 600 hours on the program, including 50 hours over the last four years.

Ms. McGann, the journalism student who reported on the program, said she saw data sharing mentioned, but not described, in a report by the Government Accountability Office that she reviewed in the spring as part of a research project after a seminar on investigative reporting.

“I thought that was pretty unexpected for the Department of Education,” said Ms. McGann, 24, who graduated this year from Medill. “So I decided I would try to look into that a little more.”

She said she found another mention of the program in a report from the inspector general’s office in the department.

In June, Ms. McGann went directly to the Education Department.

“Eventually, I did an on-camera interview with a deputy inspector general there who did comment on the program,” she said.

She said his name was Michael Deshields.

“After that,” Ms. McGann added, “I decided I should file a Freedom of Information Act request.”

Last month, she received documents in response to her request that were heavily redacted, she said. Among them were Education Department memorandums describing F.B.I. requests for information on specific people whose names were blocked out and an internal memorandum dated June 16, 10 days after her interview, stating that the data sharing program had terminated. The name of the author of that memorandum was also redacted, she added.
“I learned that getting information from a federal agency you need to be persistent,” Ms. McGann said. “And I learned that public documents are really a wealth of stories.”

She said she had accepted a position at Dow Jones Newswires in Washington.

Eric Lichtblau contributed reporting from Washington for this article.