

FRAUDGRAM

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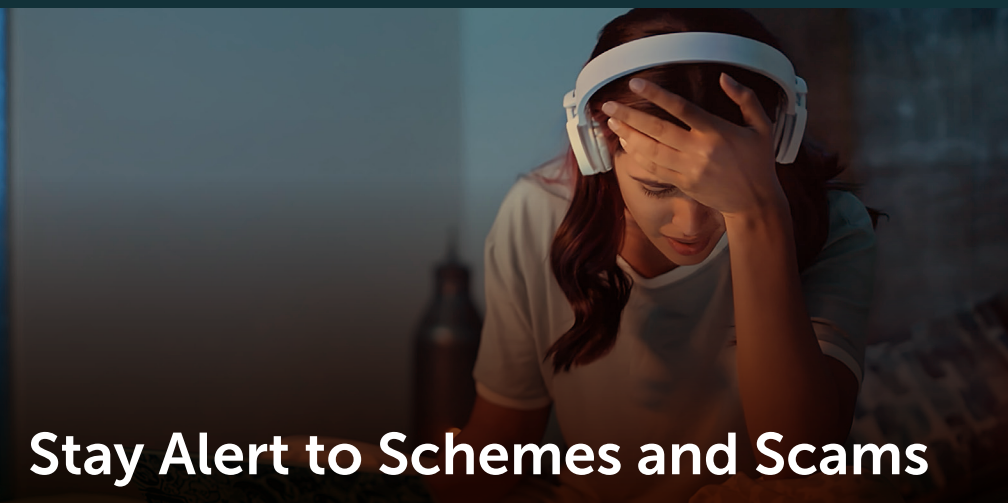
Welcome to the *ED OIG FraudGram Newsletter*, providing you with fast facts from the U.S. Department of Education (ED) Office of Inspector General (OIG) on Federal education-related schemes and scams and tips to avoid them, the latest on OIG's criminal and civil investigations, and what you can do to help identify and report fraud, waste, and abuse involving ED funding, programs, and operations.

Most people with student loans would like to consolidate their loans, pay them down, or when possible, eliminate that debt altogether. And most people planning to or attending college are looking for help to pay for it. Dishonest companies, cyber criminals and fraudsters know this, too. That's why they've targeted students and student loan holders with schemes and scams aimed at separating you from your money, stealing your personal information, or both. Here is information on scams that are operating right now with tips on how to avoid falling victim to them!

Stay Alert to Schemes and Scams

Student Loans. Do not respond to offers via email, text, phone, or pop-up ads on social media offering to help consolidate your student loans, reduce your payments, forgive or eliminate your student debt altogether for a fee – as it's a sure sign of a scam as these are services you can do on your own through the Federal Student Aid office for free! And, if someone asks you for your FSA ID or other password, don't share it! No one needs that information but you.

Scholarships. Be wary of unsolicited scholarship offers, as no legitimate organization will award an unsolicited scholarship through email, text, or phone. Scholarships with little to no requirements, asks you to pay a fee to apply, or an application that takes less than 5 minutes, or that ask you for your bank or school account information to wire the funds to you are signs it's likely fraud.



Calls Claiming to be From an Inspector General. Scammers are calling people claiming to be an Inspector General or from the Council of the Inspectors General on Integrity and Efficiency (CIGIE) telling them that they are facing money laundering charges and needed to mail large sums of money to remove the charges from their record. [This is a scam!](#) Neither CIGIE nor an OIG would ever call you with claims like this

or other pending charges or ask you to pay money over the phone, via text or email. Hang up immediately!

Student Housing. If you're looking for off-campus housing online, be cautious! Don't pay a deposit or fee without visiting the property or having a person you trust see it, and don't respond to requests to wire any money directly to anyone. [Spot the scam before you pay!](#)

Don't Lie on Your FAFSA. Lying on your Free Application for Federal Student Aid (FAFSA) is a crime. If you lie, you will be caught, which could result in criminal and/or civil penalties like prison, probation, or fines. Learn more about [why it's important to be truthful and what can happen if you submit false information.](#)

Get the facts on student loan forgiveness, repayment, and consolidation directly from the source: the U.S. Department of Education [Federal Student Aid office](#). And check out our latest [public service announcement](#), [infographics](#), and [podcasts](#) on student loan scams with more tips on how to identify and avoid them.



Recent Investigative Cases

Each year, unscrupulous people steal or intentionally misuse ED funds, including Federal student aid, special education funding, or Title I funds to school districts with low-income families. OIG's criminal investigators work tirelessly to stop them, carrying an annual caseload of some 200 investigations. Cases come to the OIG in a number of ways, including self-initiated investigations based on our audit-related or previous investigative work, reports from schools, grantees, contractors, other State or Federal law enforcement agencies, ED employees, or Congressional staff. But perhaps most importantly, many of our cases started with a call to the OIG by a person who suspected fraud. Here are some examples of our recent investigations.

- Four people, including three former charter school operators, were charged for their alleged roles in a \$44.6 million enrollment fraud scheme (Indiana). [Learn more.](#)
- A former Orange County education official was arrested for alleging embezzling more than \$14 million from the Magnolia School District (California). [Learn more.](#)
- A woman was sentenced for using her deceased husband's identity to obtain Federal student aid (Oregon). [Learn more.](#)
- A financial aid advisor and former Department of Defense employee ran a 15-year student aid fraud scam, bilking innocent students and the Federal student aid programs out of nearly \$6 million (Maryland). [Learn more.](#)
- A former employee at the Silver River Mentoring and Instruction, an alternative school for middle and high school students, was indicted in alleged \$616,000 fraud scam (Florida). [Learn more.](#)
- Two people, company pled guilty to theft involving more than \$200,000 (Puerto Rico) [Learn More.](#)

Report Fraud, Waste or Abuse to the OIG Hotline



1-800-MIS-USED
(1-800-647-8733)

oighotline.ed.gov



Identify and Report Fraud

The OIG works tirelessly to identify and stop those who seek to line their pockets with ED funds – and we don't do this alone: we work with our law enforcement partners at the Federal, State, and local levels and we rely on information shared with us by everyday people—like you—who know of or suspect fraud, waste, abuse, mismanagement, or violations of laws and regulations involving ED funds or programs. That's why we operate an OIG Hotline—available 24/7—for anyone to report their suspicions.

The OIG Hotline accepts tips, complaints, and allegations from all sources about possible theft, fraud, waste, abuse, mismanagement, public corruption, or whistleblower reprisals involving ED programs, operations, or funds. This includes suspected wrongdoing by ED employees, contractors, grantees, schools and school officials, lending institutions, collection agencies, recipients of financial assistance, and people who engage in student aid fraud.

Not sure what education-related fraud looks like? Information available here on [our website](#) can help, be it at your K–12 school, college, after school program, in your community, or through identity theft—like someone taking out a loan in your name. Future ED OIG FraudGram Newsletters will provide more in-depth information on fraud indicators—clues and warning signs that tell you something may be amiss—but in the meantime, check out our information and if you notice one or more of them, report your suspicions to the [OIG Hotline](#). Reports can be made in confidence or anonymously.

As the independent arm within ED, the OIG works to ensure that Federal education funds are used as required and reach the intended recipients. This includes investigating misuse, theft, fraud, public corruption, and other civil and criminal activity involving ED programs and funds. Coordinating this work is OIG's Investigation Services—our team of law enforcement professionals with decades of experience in conducting education-related investigations and stopping education-focused fraud schemes. Learn more about OIG Investigation Services on [our website](#).

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