



## Security Breach: ED site exposes private information

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A flaw during a software upgrade on the Department of Education's website exposed personal data of Direct Loan borrowers-including their names, Social Security numbers, and birth dates.

Affiliated Computer Services, Inc., was in charge of upgrading of the Federal Student Aid direct loan servicing website when the security breach occurred. It resulted in leaking the information of thousands of student borrowers. Persons who viewed one of the six pages of the site at the time of the lapse may have exposed their personal information to others viewing the pages at the same time. Taking no chances, the Department disabled the online payment option for the Federal Student Aid site.

Chief Operating Officer of the Federal Student Aid Terri Shaw has asked the service provider to investigate the glitch and said that so far no misuse of information was reported. Dallas-based Affiliated Computer Services has offered to pay for one year of credit-monitoring services for the affected borrowers

### 2006 Higher Education Price Index update

Commonfund Institute has released the 2006 update for the Higher Education Price Index (HEPI), its second yearly compilation of the index. Statistics laid down by the Institute show that there has been a significant 5-percent escalation in inflation for colleges and universities this year against a 3.5-percent increase in 2005.

In comparison to that, there has been a 3.8% increase in the Consumer Price Index against a rise of 3% in 2005. The HEPI index is taken as a more precise inflation index than the Consumer Price Index, when calculating the cost changes for higher education institutions.

The index is mainly utilized by the institutions to analyze future budget requirements to maintain their purchasing power. Established to accommodate the education and research works of Commonfund, the Commonfund Institute also offers nonprofit concerns with investment information and professional development programs. Since taking on responsibility for the index, the Institute oversees and distributes all new HEPI reports.

### Fitch wants more aid for Alabama

The Alabama Commission on Higher Education's new Executive Director, Gregory Fitch, said that he would urge the legislature to double the \$1.7-million grant for student aid funding.

According to Fitch, the current scenario for accessing higher education in the state is challenging for low-income students; and with the state's budding automotive and technology-based economy, attainment of postsecondary education by its students is necessary to compete within the global economy.

As he moved to Alabama in July to represent the education advisory and advocacy group, Fitch's prime function will be to prepare financial data and provide a combined higher education budget to the legislature every year. The Executive Director has stepped in at a time when the state is facing controversy over the functioning of its two-year college system. The board had recently fired its Postsecondary Education Chancellor, Roy Johnson, on allegations of unseemliness in operation of the two-year system.

Fitch brings with him 35 years of experience in the two-year college system and has worked in three states. He was commissioner of the Missouri Coordinating Board for Higher Education, has served as Executive Director of the Idaho State Board of Education, and was President of the Utah College of Applied Technology.