

Justice Department launches investigation of universities for anti-trust violations

@ByName:

Prompted by public concern over the rising costs of education at America's top private universities, the Justice Department launched an investigation of 55 universities and colleges -- including MIT -- for possible anti-trust violations.

Last fall, the Justice Department began a study of the process used by the universities to make admissions and financial aid decisions for evidence of price-fixing and collusion to keep tuition artificially high.

The department has remained silent about exactly what it is looking for in its investigation, or what it intends to do if any conclusive evidence of collusion is secured.

According to James J. Culliton, vice president of financial operations at MIT, the investigation is "scary" because none of the schools involved "have any idea what the Justice Department wants with them."

Like several of the other schools under investigation, MIT has run a budget deficit for the past few years. MIT maintains that the deficit is the prime reason for its tuition hikes.

However, in an article in *The Chronicle of Higher Education*, The focus of the Justice Department investigation revolves around a 23-school consortium called the Overlap Group. Members of the Overlap Group -- including MIT -- meet after admissions decisions have been made to compare financial aid packages and other information on students. All 23 schools in the consortium -- including the Ivy League -- are under investigation.

Like the other institutions under investigation, MIT has had to keep a team of lawyers and hire special employees to sift through financial documents and decide which ones need to be sent to the Justice Department.

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