# EXECUTIVE SUMMARY

Mohamed Atta and Marwan Alshehhi were 2 of the 19 terrorists who hijacked and crashed 4 airplanes on September 11, 2001, resulting in the deaths of over 3,000 individuals, the complete destruction of the World Trade Center Towers in New York City, and extensive damage to the Pentagon. Atta is believed to have been the pilot who flew the plane into the Trade Center's North Tower. Alshehhi is believed to have flown the plane into the South Tower. Both terrorists died in the attack.

Six months later, on March 11, 2002, Huffman Aviation International, a small flight training school in Venice, Florida, received official documents sent by the Immigration and Naturalization Service (INS) relating to Atta and Alshehhi. Both had taken pilot lessons at the flight school. In the spring of 2000, both had entered the United States legally using visitor visas, and in September 2000 had requested that the INS change their status from that of "visitor" to that of "vocational student" so they could attend the flight training school. They did so by filing an I-539 "change of status" application with the INS. The documents opened by the flight school on March 11, 2002, were INS I-20 forms, which informed the school that Atta's and Alshehhi's applications had been approved more than seven months earlier – Atta's in July and Alshehhi's in August 2001. Within a day, media across the country were reporting the story, and the INS came under intense criticism.

On March 13, 2002, President George Bush directed the Attorney General to investigate why the student status notifications were mailed to the flight school six months after the terrorist attacks. The Attorney General requested that the Office of the Inspector General (OIG) investigate the circumstances surrounding the INS's sending of the I-20 forms to Huffman Aviation, including the source of the delay in the processing of the forms and the failure to stop their delivery.

## I. The OIG Investigation, Scope of the Report, and Conclusions

At the time the OIG received the Attorney General's request, we had already begun two reviews that were substantively related to the Huffman Aviation incident. First, the OIG was examining the INS's admissions of Atta into the United States on three separate occasions. In addition, the OIG had initiated a review of the process by which the INS tracks and monitors foreign students who enter the United States.

In order to provide greater context to the investigation requested by the Attorney General, the OIG accelerated our review of Atta's entries into the

United States and broadened that inquiry to include a review of Alshehhi's entries into the United States. In addition, the OIG completed its review of the INS's foreign student tracking system. The results of both of those reviews are incorporated into this report along with the results of the OIG investigation requested by the Attorney General.

To conduct our review, we assembled a team of three attorneys, four special agents, and three program analysts. The OIG team conducted almost 100 interviews of personnel from INS Headquarters; the INS Texas Service Center in Dallas, Texas; and the INS's Miami, New York, Newark, and Atlanta Districts, including inspectors at airports in these districts. We also interviewed personnel from the Federal Law Enforcement Training Center (FLETC); the Federal Bureau of Investigation (FBI); Huffman Aviation; and two INS contractors involved in the processing of I-20 forms, Affiliated Computer Services, Inc. (ACS) and Uniband Enterprises.

This report contains three main sets of findings. First, with regard to all but one of Atta's and Alshehhi's entries into the United States, we concluded that the evidence does not show that the inspectors who admitted them acted in violation of INS policies and practices. We were unable to reach any definitive conclusion whether Atta's admission in January 2001 was improper, given the limited record relating to the admission and the inspector's inability to remember the specifics of what was said at the time. However, our review illustrated that, before September 11, the INS did not closely scrutinize aliens who were entering the United States to become students or consistently require them to possess the required documentation before entering the United States.

Second, with regard to the INS's processing of Atta's and Alshehhi's change of status applications and the I-20 forms associated with those applications, we found the INS's adjudication and notification process to be untimely and significantly flawed. Because the INS assigned a low priority to adjudicating these types of applications, a significant backlog existed. As a result, Atta's and Alshehhi's applications were adjudicated and approved more than 10 months after the INS received them, well after both men had finished their flight training course. Even after adjudication, there was another significant delay before the I-20 forms were mailed to the flight school notifying it of the approved applications. This delay occurred because the INS contractor who data entered the information from the forms after approval held onto them for 180 days before mailing them to the school. We found that the contractor handled these forms consistently with its handling of other I-20 forms and its interpretation of the requirements of its contract with the INS.

The evidence suggests, however, that the contract was written so that the I-20 forms would be returned to the schools within 30 days, and we criticize the INS for failing to monitor adequately the requirements and performance of the contract.

We also criticize INS personnel for failing to consider the I-20s and thereby failing to make the FBI aware of the I-20s. No one in the INS took responsibility for locating the forms or notifying the FBI of their existence. While we recognize that the I-20 forms were not significant to the FBI's investigation, no one from the INS told the OIG that they did not pursue the documents for this reason. Rather, everyone we interviewed said that they did not even consider the I-20s. This oversight was a failure on the part of many individuals in the INS.

Third, with regard to our review of the INS's system for monitoring and tracking foreign students in the United States, it is clear that the INS's current, paper-based system is antiquated and inadequate. The INS is developing and will soon implement an automated computer tracking system – the Student and Exchange Visitor Information System (SEVIS). SEVIS will be a significant advance and will help address many of the failings of the current system. But SEVIS alone will not solve the problems of the INS's tracking of foreign students. For example, the INS must review and properly re-certify the thousands of schools that are currently certified to enroll foreign students, must ensure that its employees and schools timely and accurately enter information into SEVIS, and must ensure that the information from SEVIS is analyzed and used adequately. We also believe that it is unlikely that the INS will be able to meet the January 30, 2003, deadline for full implementation of SEVIS.

At the end of the report, we provide 24 systemic recommendations to help address the deficiencies in INS practices and procedures that we found in our review and in the INS's proposed implementation of SEVIS.

## II. Background

### A. Immigration processes

Because immigration regulations are complex, we first set forth in the report a description of basic immigration terminology and processes relevant to the issues we investigated. In particular, we describe the processes through which foreigners who want to study in the United States can enter the country legally.

To enter the United States, an alien must present a valid passport and valid visa to an immigration inspector at designated land, sea, and air ports of

entry (POEs). Visas are issued by the U.S. Department of State and authorize aliens to enter the United States for specified purposes. When an alien arrives at a POE, an INS immigration inspector reviews the alien's documents and seeks to determine, based on the alien's answers to questions posed by the inspector, whether the alien's purpose for entering the country matches the purpose associated with the visa.

According to immigration regulations, aliens may enter the United States and attend school full time or part time through several different procedures. Aliens who intend to take classes but who do not intend to pursue full-time schooling may enter as visitors using a B-1/B-2 visitor visa provided the classes are "incidental" to the alien's primary purpose of pleasure (B-2) or are part of a business-related purpose (B-1).

Aliens who want to engage in a full-time course of study in the United States can obtain legal permission to do so in two ways. The first method, used by the majority of foreign students, is the student visa process in which the applicant requests a student visa in the applicant's country of residence. The State Department screens the applicant and determines whether to issue the visa.

In the second method, aliens who already have entered the United States through other legal means, such as with a visitor visa, may ask the INS to change their status to students. To do so, aliens must file INS form I-539 requesting a change of status, establish that they are enrolled in school full time, establish that they are in a valid status at the time of application, and demonstrate their financial ability to pay for the schooling. This method – the one pursued by Atta and Alshehhi – does not involve the State Department nor does it involve the issuance of a new visa.

### B. Chronology of Atta's and Alshehhi's entries into the United States and change of status applications

Atta and Alshehhi both possessed valid passports and visitor visas, issued at United States consulates abroad, which were valid for multiple entries into the United States. Atta first entered the country through Newark International Airport as a visitor in June 2000. Alshehhi first entered the country as a visitor also through Newark International Airport in May 2000. INS immigration inspectors routinely admitted them and authorized them to remain in the country for six months, which was the typical period of admission for aliens holding visitor visas.

Atta and Alshehhi enrolled in the professional pilot's course at Huffman Aviation in July 2000. In September 2000, they applied to change their status from visitors to that of vocational students by submitting I-539 applications to the INS's Texas Service Center in Dallas, Texas. The Texas Service Center is one of five INS Service Centers that process and adjudicate many types of INS applications. Atta and Alshehhi also submitted the required INS form I-20, the Certificate of Eligibility for Nonimmigrant Student Status, which is issued by schools certified by the INS to enroll foreign students once students have been accepted to the school. The I-20 form includes two parts that reflect identical information about the school and the student's proposed course of study, including the dates of the course of study. Once the INS approves the application, the adjudicator stamps both parts of the I-20. One part of the I-20, the student copy, is sent to the student and eventually the other part, the school copy, is sent to the school. After adjudication of the application, the school copy of the I-20 is mailed to ACS in London, Kentucky. This INS contractor data enters information from the I-20s for eventual uploading into an INS database and later mails the I-20s to the schools. The INS does not retain copies of the I-20s in its files.

In December 2000, while their change of status applications were pending, Atta and Alshehhi finished their flight training at Huffman Aviation. Both separately left the country in January 2001 and separately returned a few days later. Each was admitted into the United States by INS inspectors after being referred to secondary inspection. Each later left and re-entered the country a third time. Alshehhi left in April 2001 and returned in May 2001; he was admitted this last time on a visitor visa for six months, until November 2001. Atta left in July 2001 and returned a few days later; he was admitted on a visitor visa until November 2001.

On July 17, 2001, the INS approved Atta's I-539 change of status application that had been filed 10 months earlier. On August 9, 2001, the INS approved Alshehhi's I-539 change of status application. As noted previously, Atta and Alshehhi had finished their flight training program at Huffman Aviation more than six months earlier.

After the INS adjudicated Atta's and Alshehhi's change of status applications, it sent ACS the school copy of their I-20 forms, which ACS received on September 24, 2001. Consistent with its interpretation of its contract, ACS data entered information from the school copy of Atta's and Alshehhi's I-20 forms and retained the forms. After waiting approximately

180 days, ACS mailed the school copy of the I-20s to Huffman Aviation in March 2002.

## III. The INS's Handling of Atta's and Alshehhi's Entries and Change of Status Applications

The OIG investigated several different but interrelated aspects of Atta's and Alshehhi's contacts with the INS. First, we examined their three entries into the United States to determine whether the INS inspectors who admitted them acted in accord with INS policies and policies. We also investigated the INS's processing of Atta's and Alshehhi's change of status applications to determine why the INS took over 10 months to adjudicate the applications and why it took another 7 months for Huffman Aviation to receive its copies of the I-20 forms. In addition, we examined whether the INS adjudicator who approved Atta's and Alshehhi's change of status applications did so appropriately. Finally, we investigated why the INS failed to retrieve the I-20s from the contractor after September 11 and before they were sent to Huffman Aviation.

### A. Atta's and Alshehhi's Entries into the United States

Atta and Alshehhi each entered the United States three times. We reviewed each of these entries, the decisions made by the INS inspectors who handled their entries, and the INS policies that relate to these entries.

On each occasion, Atta and Alshehhi entered the United States with valid passports and visitor visas that were good for multiple entries. The primary immigration inspectors who admitted them during their first and third entries did so routinely, without referring them to the more intensive inspection process known as secondary inspection. We found no indication that the primary inspectors were presented with or were aware of any information that would have caused them to refer Atta and Alshehhi to secondary inspection. The evidence indicates that, given the information available to the inspectors at the time of the admissions, the primary inspectors did not violate INS policies and practices by admitting them.

However, during each of their second entries – Atta on January 10, 2001, through the Miami International Airport and Alshehhi on January 18, 2001, through the John F. Kennedy Airport – both were referred to secondary inspection. After interviews in secondary inspection, INS secondary inspectors admitted Atta and Alshehhi as visitors. Because the secondary inspectors knew that Atta and Alshehhi had filed change of status applications, the inspectors should have questioned them about their intent with respect to taking flight

training courses and whether they were seeking to re-enter the United States to go to flight school full time. If the inspectors determined that Atta and Alshehhi intended to be full-time students, the inspectors should have required them to present student visas, which they did not have, rather than their visitor visas.

On the other hand, if Atta and Alshehhi stated that they intended to attend classes on a part-time basis only, the inspectors could have admitted them based on their visitor visas. However, because the available record with respect to Atta is limited and the inspector had only a vague recollection of his interview of Atta, we were not able to conclude whether the inspector properly or improperly admitted Atta. The evidence with respect to Alshehhi suggests that the inspector's admission of Alshehhi was not in violation of INS practices.

We also considered whether Atta's and Alshehhi's departures while their I-539 applications for change of status were pending should have had an effect on their ability to re-enter the country. The INS's policy is that an alien who leaves the country while his change of status application is pending abandons that application. However, abandonment of a change of status application does not automatically mean that an alien is inadmissible when he returns to the United States and seeks re-entry. The INS inspector is required to assess the alien's purpose at the time of re-entry. If Atta and Alshehhi stated that they intended to attend school part time, they would have been admissible again with their multiple-entry visitor visa, regardless of their abandonment of their change of status applications.

Yet, Atta's and Alshehhi's admissions highlighted that INS inspectors lack important information when assessing aliens' eligibility for admission into the United States. For example, primary inspectors do not learn through automated checks whether an alien has a change of status application pending. Also, although both Atta and Alshehhi had completed their flight schooling by the time they sought to re-enter the country in January 2001, the inspectors who admitted them were not aware of that fact, since the INS did not collect this information about foreign students.

Our review of Atta's and Alshehhi's admissions also illustrated another troubling INS practice. We were consistently told by INS inspectors at the POEs we visited that aliens who intended to enter the United States to become full-time students and who lacked the required student visa would likely have been admitted through the waiver process. Although Atta and Alshehhi were not admitted through the waiver process, we found that INS managers,

supervisors, and inspectors believed incorrectly that they have broad discretion to admit aliens who do not have the required passport and visa through this process. In fact, the law and INS policy limit the circumstances in which an alien who lacks the proper passport or visa can be admitted with a waiver to "unforeseen emergencies." But the INS's prevailing philosophy in dealing with foreign students at the POEs before September 11 was that students were not a concern or a significant risk worthy of special scrutiny. Therefore, INS inspectors and supervisors would admit students through the waiver process when they appeared at POEs without the proper documentation if they did not appear to have a criminal record or disclose any other evidence of inadmissibility. Thus, although the INS had clear policies on when a waiver was appropriate, those policies were not followed or enforced.

### B. Atta's and Alshehhi's change of status applications and I-20 forms

We examined several aspects of Atta's and Alshehhi's applications for change of status. Specifically, we investigated the length of time INS took to process Atta's and Alshehhi's I-539 applications and I-20 forms, whether the change of status was properly granted, and why the I-20s were mailed after September 11.

#### 1. Delay in processing

Huffman Aviation received its copies of Atta's and Alshehhi's I-20 forms in March 2002, more than a year and a half after the forms were submitted to the INS in September 2000, and approximately seven months after the I-539 change of status applications were approved. We found that these lengthy delays were due to two primary causes: a significant backlog in processing I-539s at the INS's Texas Service Center and the contractor's storage of the I-20s for 180 days before mailing them to the schools.

First, Atta's and Alshehhi's applications were not adjudicated in a timely fashion. Historically, processing I-539 applications has been a low priority for the INS. By July 2001, at the Texas Service Center, which handled Atta's and Alshehhi's applications, the processing time for I-539 applications reached 282 days. Therefore, Atta's and Alshehhi's applications were not adjudicated until 10 months after the INS received them, and many months after they had completed their flight training course.

Second, after the INS adjudicated the two men's change of status applications, it mailed the school copy of the I-20 forms to ACS, the contractor that data entered information from the forms for inclusion in INS databases.

ACS did not mail the forms to Huffman Aviation for almost 180 days after receiving them in September 2001. ACS's handling of Atta's and Alshehhi's forms was consistent with its understanding of its contractual obligations and with its handling of other I-20 forms it processed at that time. We found some evidence, however, that the INS had intended for the I-20s to be mailed to schools within 30 days after data entry, not 180 days. But the evidence showed that INS officials were not familiar with the terms of the contract and exercised minimal oversight of the contract. We fault the INS for failing to pay more attention to the performance of this contract.

### 2. Adjudication of the change of status applications

We found that the adjudicator who approved Atta's and Alshehhi's change of status applications did so in accord with INS policies and practices. But we also found that these policies and practices were flawed. Most important, the adjudicator did not have complete information about Atta and Alshehhi before adjudicating their applications. If the adjudicator had full information, he should have denied their applications. For example, the adjudicator did not learn that Atta and Alshehhi had already completed their flight training because the INS did not collect that information. The adjudicator also did not learn that Atta and Alshehhi had departed the United States twice while their change of status applications were still pending, which the INS deems to be an abandonment of the applications. Although INS databases contained this information, adjudicators were not required to check the databases before making a decision.

However, it is important to note that even if the adjudicator had denied their change of status applications, Atta and Alshehhi were admitted into the United States as visitors during their third entries in July and May 2001 and were authorized to stay until November 2001. Therefore, even if the adjudicator had denied their change of status applications, that denial would not have invalidated Atta's and Alshehhi's status as visitors entitled to remain in the United States through September 11.

### 3. Failure to stop the processing and mailing of the I-20s

We do not believe that ACS was at fault for not stopping Atta's and Alshehhi's forms from being mailed to Huffman Aviation. As a contractor, ACS takes its direction from the INS. It handled these forms consistent with other forms, and in accord with its understanding of the requirements of the contract. No one at the INS asked ACS to identify or locate Atta's and Alshehhi's I-20s. Absent instructions from the INS, ACS managers had no independent responsibility to check its records to verify whether it possessed

documents related to any September 11 terrorists. Moreover, ACS's handling of I-20s is a clerical process that is mostly automated. For these reasons, we concluded that ACS bears no responsibility for failing to stop delivery of the I-20 forms.

Rather, the fault lies with many INS employees who could have, and should have, considered the existence of the I-20 forms and brought them to the attention of the FBI. On September 11, two industrious Texas Service Center personnel had determined through database searches that the Texas Service Center had adjudicated Atta's and Alshehhi's change of status applications. The next day they retrieved the Texas Service Center files on Atta and Alshehhi faxed copies of the documents to the FBI. Soon thereafter, the FBI requested the originals of these files, and the INS provided them to the FBI.

These files did not contain the I-20s because the student copies had been returned to the applicants months earlier and the school copies had been sent to ACS for processing. Yet, no one in the INS took any action to locate the school copies of the I-20s, inform the FBI of their existence, or even consider where these forms were in the process. We believe that managers and personnel from the Texas Service Center where the applications had been processed, managers in the Immigration Services Division in INS Headquarters who supervised the service centers, and managers in the Enforcement Division in INS Headquarters who were involved in the terrorism investigation were at fault for failing to inform the FBI about the existence of the I-20s.

When interviewed by the OIG, these INS personnel acknowledged that they were aware that I-20s were part of the change of status process and acknowledged that they did not inquire about the school copies of the I-20s associated with Atta's and Alshehhi's change of status file. They conceded that they did not think about trying to obtain the I-20s for the FBI, and they never informed the FBI about the existence of the I-20s before they were mailed in March 2002.

Several of these INS managers told the OIG that they instructed their subordinates to ensure that the FBI had what it needed and suggested that their inaction was attributable to the fact this was an FBI case, not an INS case. Several individuals also stated that they were not aware that the contractor stored the I-20s for 180 days and therefore, even if they had thought about the I-20s, they would have assumed that the forms already had been mailed to the school.

These arguments are unpersuasive. While we recognize that the INS's failure to provide the I-20s did not hinder the FBI's investigation, it was the INS's responsibility to ensure that all its documentation relating to the terrorists was identified for the FBI. No one at the INS assessed whether all information associated with Atta's and Alshehhi's change of status files – which was information that only the INS had knowledge of – might be useful to the FBI. No one thought to even inquire about the I-20s related to Atta's and Alshehhi's change of status applications or find out where they were. In our view, this was a widespread failure on the part of many individuals in the INS.

## IV. The OIG's Evaluation of the INS's Foreign Student Program

In response to concerns about how the INS tracks foreign students, we evaluated the INS's processes for admitting foreign students and for certifying schools as eligible to receive foreign students. We also evaluated the INS tracking systems for foreign students – the paper system that exists now as well as SEVIS, the computer system the INS is developing.

The State Department is responsible for issuing student visas to foreign students who want to study in the United States. It is the responsibility of the INS, however, to determine which schools are entitled to accept foreign students, to inspect the documentation of persons arriving with student visas, to keep track of the entries and exits of foreign students, to know whether students are continuing to maintain their status once in this country, to facilitate the removal of students once their status ends, and to approve appropriate requests by aliens who are in the country through some other classification to acquire student status. Responsibility for each of these obligations is divided among several different offices, divisions, and branches within the INS, as well as among private contractors.

In the past, the INS has not adequately handled these responsibilities. The INS's foreign student program historically has been dysfunctional, and the INS has acknowledged for several years that it does not know how many foreign students are in the United States. In addition, the INS lacks accurate data about the schools that are authorized to issue I-20s, the students who obtain student visas and student status, the current status of those students, and whether fraud is being perpetuated in the foreign student program.

For example, an important component of the foreign student program is the school certification process, which allows the INS to ensure that the school is legitimate and not simply an operation designed to assist foreigners to enter or remain in the country fraudulently. Yet, INS district offices assign the

responsibility for approving and re-certifying schools to adjudicators or inspectors only as a collateral duty. We found that these inspectors and adjudicators – called "schools officers" – do not adequately review the schools' applications for certification or re-certification. In addition, the INS rarely conducts site visits of schools prior to or after certification and relies primarily on written representations from the schools.

An example of the result of this deficiency was the INS's certification of Huffman Aviation. As part of our review we obtained and reviewed the INS's file on Huffman Aviation, which was certified by the INS in 1990 to accept foreign students. We concluded that based on the available evidence, Huffman Aviation did not then nor does it currently meet the INS's certification requirements because its students do not appear to be enrolled in a full course of study, as required by INS regulations. We believe that a site visit, which never occurred, would have provided the INS more accurate information with which to make its determination about Huffman's certification.

In addition, INS investigators and adjudicators consistently reported to us that they believe that fraud with I-20 forms is prevalent. The current forms contain few security features and are relatively easy to counterfeit. Schools receive multiple blank forms, and many schools that are no longer approved to issue such forms still retain a supply of them.

The INS's current database for recording information about the status of foreign students and schools relies on information from paper forms that are supposed to be sent to the INS and uploaded into a database. But the information that is inputted into this database is incomplete and unreliable. Thus the database is riddled with inaccuracies.

The INS's implementation of its new automated system to track foreign students – SEVIS – will help solve some of the problems the INS has had tracking foreign students. SEVIS will improve the data collection on students and schools. Schools will no longer be required to fill out forms that must be mailed to the INS and then sent by the INS to a contractor for data entry. Instead, the schools will enter information about students directly into SEVIS or into its own computer systems that will then upload to SEVIS. Through SEVIS, the INS and schools also will be able to identify more easily when a student's change of status has been approved because the student's SEVIS record will be electronically updated by the INS service centers once processing is complete. SEVIS will eliminate the current manual process in which the paper I-20 is returned to the school after adjudication of the change

of status form. In addition, the INS and schools will be able to determine easily through SEVIS when and where a student entered the United States.

SEVIS also should help the INS detect I-20 fraud by schools and students. Only INS-approved schools with access to SEVIS will be able to create I-20 forms for students. The INS will be able to automatically decertify schools that violate program requirements by invalidating the school's password, thereby preventing the schools from issuing I-20s. Since I-20s will be generated only through SEVIS, fraudulent or expired I-20s will be more difficult to use. In addition, any I-20s not used by the student can be automatically invalidated through SEVIS, preventing others from fraudulently using them. INS investigators also will be able to identify useful information through analyses of SEVIS data, such as identifying schools that have significant numbers of students who have been admitted longer than typical degree programs require.

Yet, despite the improvements anticipated with the implementation of SEVIS, there are many problems in the INS's student program that SEVIS alone will not solve. First, the INS still must manually review and approve the applications of schools seeking certification or re-certification to enroll foreign students. To properly certify, recertify, and monitor schools, we believe that the INS should assign full-time personnel to these tasks. Unless INS personnel conduct on-site visits and follow up on questionable information submitted by schools, many current deficiencies will continue to exist.

The INS still has no formal, mandated training program for the officials at each school who have the responsibility for complying with INS record-keeping and reporting requirements, for monitoring violations of student requirements to the INS, and for notifying the INS of material changes in the schools' programs, accreditation, and level of education offered. While school associations provide some training, particularly for the larger public and private universities, the training is not geared toward smaller schools. INS officials told us that many school employees who deal with the foreign student program are untrained and unaware of INS regulations.

Similarly, INS personnel assigned to approve and monitor schools also are not provided formal training. We learned that many are uncertain as to what they are supposed to be looking for when certifying schools. These INS employees also commented on the lack of clarity in the regulations and INS guidelines for the approval process. The INS needs to develop a training program for INS and schools officers, and provide clear guidelines describing their responsibilities and INS requirements.

Furthermore, for SEVIS to be effective the INS must ensure that the schools are complying with the requirement to timely and accurately input data into SEVIS. To date, the INS has not formulated any concrete plans for conducting or requiring verifications of the accuracy of the data that the schools enter into SEVIS.

Also, while SEVIS should improve data collection, the information only will be useful if the INS monitors and analyzes the information and investigates instances of potential fraud. The INS has not determined who, if anyone, would perform these analyses. Enforcement to uncover school fraud historically has been a low priority at the INS, and investigative resources devoted to this issue have been limited. Although better information will be available on student and school fraud, it is not clear that the INS will use this information any more fully than in the past.

We also have serious concerns about the INS's ability to fully implement SEVIS by January 30, 2003, as required by recent regulations proposed by the INS. Although the INS plans to have the system operating by July 1, 2002, the INS intends to re-certify all of the approximately 70,000 schools currently authorized to issue I-20s and is requiring re-certification as a prerequisite to schools gaining access to SEVIS. The INS plans to start the re-certification process this summer, but it is still in the process of determining how to do this and must publish new regulations before this re-certification process will begin. In addition, the INS still has to assign and train personnel to perform the re-certifications and notify all the schools of the re-certification procedures. We question whether the INS will be able to complete this huge undertaking before January 30, 2003.

Unless the INS addresses these and other critical issues, the impact of SEVIS will be minimal.

## V. Recent Changes in the INS's Foreign Student Program

Since September 11, 2001, the INS's focus on foreign students has changed dramatically. In the past, the INS's philosophy has strongly favored admitting foreign students, viewing them as relatively low risk. After September 11, tighter regulatory controls have been proposed to make it more difficult for aliens to obtain student status and to more closely scrutinize persons entering the country who might later attempt to become students. In addition, on March 15, 2002, the INS implemented procedural changes that will result in closer examination of change of status applications for persons who want to become students.

We discuss some of these proposed regulatory and processing changes in the report. We believe that many of these changes that address issues raised by Atta's and Alshehhi's cases will be beneficial. For example, additional database checks are now required to be conducted before change of status applications can be approved, students may not begin a course of study until the I-539 petition has been approved, and the INS data entry contractor now must send the school copy of the I-20 to the school in less than 30 days.

In some cases, however, we do not believe that INS has fully considered how the changes will be implemented and the consequences of the changes on the INS. For example, the INS now requires adjudicators to check all I-539 change of status applications against certain lookout databases before rendering a final decision. We found that at the time that INS Headquarters issued this policy change, service center adjudicators did not have access to those databases at their workstations. In the last few weeks, we determined that adjudicators in the TSC have acquired access to and training on how to use IBIS. However, the INS has not provided guidance about what to do with the information learned from the checks. In addition, the INS has not analyzed how the new requirement will affect the length of time service center adjudicators are expected to take processing each application. If this is not adjusted, adjudicators will continue to face time pressure that will discourage them from conducting thorough searches or following up on possible leads.

## VI. Recommendations

At the end of the report, we make 24 systemic recommendations concerning various aspects of the INS's foreign student program that were implicated by our review of the INS's contacts with Atta and Alshehhi and our evaluation of the INS's tracking of foreign students. Our recommendations address the overall management of the INS's foreign student program, resource issues, SEVIS, and other program areas.

Our review found that the INS functions without vital information about foreign students and aliens who have applied to change their status to that of students. Inspectors, adjudicators, and investigators make critical decisions about aliens without having access to fundamental information that could affect their decisions. While we recognize that the INS is a large agency handling many different programs and missions, the result of the fragmentation of the foreign student program is that there is not sufficient accountability for a program that admits approximately 500,000 aliens into the country every year. Despite implementing major changes in the foreign student program since September 11, however, the INS continues to operate the program without an

overall coordinated plan. For this reason, we believe that the INS should consider appointing a foreign student program manager to coordinate, and be accountable for, immigration issues affecting foreign students.

We also make several recommendations concerning SEVIS and the foreign student program. We recommend that the INS more closely review the schools that will be permitted to accept foreign students, including the approximately 70,000 that must be reviewed prior to the implementation of SEVIS. In addition, we recommend that the INS conduct re-certifications of those schools at regular intervals. The INS should develop a plan for training both INS employees and school employees on how to use SEVIS. The INS should ensure that schools are entering timely and accurate information into SEVIS and that specific and sufficient INS personnel are responsible for analyzing the data collected in SEVIS and acting on cases of suspected fraud. The information is only useful if it is accurate and is used by the INS.

We also set forth recommendations related to the INS's proposed regulatory and processing changes aimed at increasing scrutiny of foreign students. As one example, the INS has proposed to require that aliens who apply to change their status to that of students be approved before they are eligible to enroll in classes. For this to work the INS must maintain a fast processing time for student change of status applications, which historically it has not been able to do, in order to avoid penalizing students. The INS also should determine how it will handle aliens who have applied to become students but whose applications have not been adjudicated prior to the start of their classes. The INS should advise I-539 applicants for student status of the requirement that their applications must be adjudicated prior to beginning school and also advise the schools of the procedure to be followed if the INS has not adjudicated the application prior to the start of school.

The INS policies and guidance necessary to implement these changes should be expeditiously and clearly communicated to INS employees across the country. We have noted in this report, as well as in many other OIG reports, problems with INS policies not being known, written, widely disseminated, or uniformly enforced throughout the INS. Although INS Field Manuals are a logical repository for policies and procedures, the Inspector's Field Manual and the Adjudicator's Field Manual are not comprehensive or complete. In addition, in this and other OIG reviews, we found that adjudicators and inspectors often are not made aware of changes to the manuals because policies distributed via memoranda often never reach line inspectors

and adjudicators. As a result, field offices develop their own practices that are sometimes inconsistent with INS policy or the law.

The INS must improve its systems for disseminating policy memoranda and for ensuring that line employees become aware of and follow these policies. We recommend that the INS expeditiously complete and update its field manuals. In addition, it should implement a more effective system for disseminating policies and procedures other than sending the documents to the head of an INS field office. Only if the INS has a system in place that ensures that policies and changes are received and understood can employees be held accountable for following them.

We believe that implementation of these recommendations will help address significant problems with the INS's foreign student program, which has been dysfunctional for many years. Although the INS is revising many of its processes and implementing a new computer system to track and monitor foreign students, these changes will result in minimal improvement if the INS does not improve its overall management of the foreign student program.