Heritage Christian University Verification Policy 2014-15

Federal Verification Selection Compliance

In compliance with CFR 668, Subpart E, Heritage Christian University completes verification for all financial aid applicants selected for verification by the CPS. HCU also has the option to select additional applicants for verification including those it has reason to believe are inaccurate or have conflicting information.

A financial aid applicant at HCU is defined as a recipient of Federal Title IV Aid who enrolled during the award year. If a student’s FAFSA application is selected for verification, he/she must complete the verification process or forfeit all federal student aid.

Disbursement for Applicants Selected for Verification

Federal regulations prohibit the disbursement of need based federal student aid until the verification process is complete. However, it is the policy of HCU that no federal financial aid will be paid for students selected for verification until the process is completed.

A completed verification process includes discrepancies are resolved, the necessary corrections are submitted by the student and processed by the Office of Financial Aid, and the student’s file has been coded as federal verification complete.

All students selected for verification at any time while being enrolled in an award year must complete verification in order to establish or maintain eligibility for federal aid award disbursements.

Submission of Verification Documents

All verification documents must be submitted to the Office of Financial Aid in one of the following ways:
- Mail to: Heritage Christian University, P.O. Box HCU, Florence AL 35630, Attn: Mechelle
- FAX: (256) 716-98021
**Student Verification Notification**

As soon as an ISIR is received, the Office of Financial Aid will immediately issue an email request for Verification documentation if a student is selected for verification. The notification will:

- Provide a clear explanation of the documents required for verification
- Inform students of their responsibility and all requirements that must be met for federal verification in order to receive a timely award with all possible funding.
- Inform students that documents should be submitted within 15 days of the request.
- Inform students how to submit that documentation
- Inform students that if verification results in required changes to the applicant information, it may also result in changes to the student’s financial aid package
- Direct students to the University Verification Policy and encourage them to read the document in its entirety

If the data reported on the FAFSA is confirmed, the Office of Financial Aid can determine eligibility for financial aid. The student’s Populi Financial Aid account will be updated to indicate the Verification Process is complete. Students selected for verification will be notified by email if any changes are to be made and if applicable, provided with clear instructions on how to make those changes.

**Verification Deadline**

Those selected for verification should submit their required verification documents as soon as reasonably possible (preference is within 15 days of being selected, but this is simply a guideline, not a fixed deadline).

If documentation is not submitted within the recommended 15 day period, the OFA will follow up with a final request two weeks prior to the first scheduled disbursement for the semester. Financial aid applications of students who fail to submit verification documents prior to the first disbursement will be considered inactive; however, the student's file will automatically re-open if the verification information is submitted after this date.

The Office of Financial Aid must have all verification documents and a valid output document no later than 120 days after the last day of enrollment.
Failure to submit all requested verification documentation will result in the forfeiture of all financial aid eligibility.

NOTE: If verification is not completed within 30 days after the first day of class, a student’s offer of supplemental grants and work-study may be cancelled; however, the student may still be considered for Federal Pell Grant (if eligible) and may still apply for Federal Stafford loans and Federal PLUS loans after the completion of the verification process.

**Notification of Re-Calculation of Federal Aid**

If verification results in required changes to the applicant information and subsequent changes to the student’s financial aid package, the OFA will notify the student by email to access their processed FAFSA and correct the information found to be inconsistent as a result of the verification process.

The email notification to the student will include the following information:

- Changes to his/her FAFSA are required.
- What changes are required
- Detailed explanation of why the changes are required
- Instructions on how to make those changes and how to re-submit the FAFSA
- The verification process is not considered complete during the period of corrective procedures. Corrective procedures include a re-calculation of the student's EFC and re-submission through the Central processor.
- A valid output document must be received by the Office of Financial Aid prior to any disbursement of federal funds.

Once the valid output document must be received by the Office of Financial Aid and if the student's eligibility for aid changes due to the verification process, a new award notification will be sent to the student.

**Verification Tolerance**

Verification can uncover minor errors that will not significantly affect the student’s eligibility. Regulations provide a tolerance for verification changes. A change that is less than $25 per item (defined as the verification tolerance option) between the incorrect and correct data elements is allowable and corrections are not required.
Students Selected for Verification After Aid Has Paid

If a student is selected for verification after aid has paid, s/he will not receive any additional disbursements until the verification is complete. Such students will have 30 days to submit all verification documents.

If the verification results do not justify aid already disbursed, the student is responsible for repaying all aid for which s/he is not eligible. Failure to meet the repayment obligation will result in the student being referred to the U.S. Department of Education. If verification is not completed, then the student will have failed to meet the verification deadline. The student will be responsible for repaying all aid for which s/he is not eligible. Failure to meet the repayment obligation will result in the student being referred to the U.S. Department of Education. Both actions may cause a balance owed to the University.

Students, who fail to comply with verification requirements, will not have Federal Title IV funds disbursed and may have Federal Title IV funds cancelled. Heritage Christian University considers the student to be the responsible party for providing information and completing the verification process.

Withdrawn Students

Students who withdraw from HCU before completing the verification process have 14 calendar days after withdrawing to complete the verification process to be eligible for a post-withdrawal disbursement. If the student does not complete the process no aid will disburse in the post withdraw process. If a student withdraws from HCU and is subsequently selected, required verification needs to occur within 120 days or loss of aid will occur.

Financial Aid Fraud Policy

Institutions must refer applicants who are suspected of having engaged in fraud or other criminal misconduct in connection with Title IV aid programs to the Department of Education's (ED's) Office of Inspector General (OIG). The regulations require only that the institution refer the suspected case for investigation, not that it reaches a firm conclusion about the propriety of the applicant's conduct.
As stewards of Title IV funds, HCU is obligated to assure that processes are developed to protect against fraud by either applicants or staff. All of the financial aid staff is responsible for detecting and reporting fraud. If, in the financial aid administrator’s judgment, the applicant and his/her family has provided a fraudulent application or documentation, it must be reported immediately to the Director of Enrollment Services and Financial Aid.

The Office of Financial Aid must identify and resolve discrepancies in the information received from different sources with respect to a student's application for Title IV aid. Some of these areas include but are not limited to:

1. All student aid applications (e.g., federal, state, institutional, etc.)
2. Need analysis documents [e.g., Institutional Student Information records ISIRs) and Student Aid Reports (SARs)]
3. When applicable, copies of federal and state income tax returns
4. Information regarding a student's citizenship
5. Previous educational experience (e.g., school credentials such as a high school diploma, college credentials)
6. Documentation of the student's Social Security Number (SSN)
7. Other factors relating to the student's eligibility for funds under Title IV aid programs (e.g., compliance with the Selective Service registration requirement)

In the context of the Office of Financial Aid, fraud is the willful misrepresentation or falsification of information for the purpose of securing financial aid that the individual is not eligible for or not eligible to the extent received. Title IV fraud can take many forms, including, but not limited to the following:

1. Falsified documents or forged signatures on an application, verification documents, or loan promissory notes
2. False statements of income
3. False statements of citizenship
4. Use of false or fictitious names or aliases, addresses, or SSNs, including the deliberate use of multiple SSNs
5. False claims of independent status
6. Patterns of misreported information from one year to the next

**Referrals to the Office of Inspector General (OIG)**

If the school suspects that an employee or other individual has misreported information and/or altered documentation to increase student aid eligibility or
to fraudulently obtain federal funds, it will immediately report those suspicions and provide any evidence to the Department of Education's Office of Inspector General (OIG).

**Institutional Policy for Fraud**

Students and parents who willfully submit fraudulent information will be investigated to the furthest extent possible. All cases of fraud and abuse will be reported to the proper authorities, including the Department of Education's Office of Inspector General (OIG).

**Procedures for Fraud**

If, in the Aid Administrator's judgment, there has been intentional misrepresentation, false statements, or alteration of documents which have resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the case shall be referred to the Director of Enrollment Services and Financial Aid for possible disciplinary action.

The Director of Enrollment Services and Financial Aid will review the student's aid file with the appropriate financial aid staff member and if the decision is made to pursue the possibility of denying or canceling financial aid, a written request to make an appointment is sent to the student via their HCU email account. If the student does not make an appointment, the Office of Financial Aid may:

1. Not process a financial aid application until the situation is resolved satisfactorily;
2. Not award financial aid;
3. Cancel financial aid;
4. Determine that financial aid will not be processed for future years.

After investigating the situation, if the Director believes there is a fraudulent situation, all information will be forwarded to the Vice President of Administration, the Office of the President, and the Office of Inspector General of the US Department of Education. At the discretion of the University President, all information may also be forwarded to the University Legal Consul and the local law enforcement agency.

All processing of the student’s application or disbursement of funds shall be suspended until the Office of Financial Aid has made a determination as to
whether the student shall be required to make an appointment. Fraudulent situations will be reported to the hotline of the US Department of Education Inspector General at (202) 755-2270 or 1-800-MIS-USED