

## **Verification Policy & Procedure**

– Sec. 668.54 Selection of an applicant's FAFSA information for verification.

Verification is a process of certifying data reported on the Free Application for Federal Student Aid (FAFSA) or other documents submitted to the Office of Financial Assistance. Students that are selected for Verification are expected to submit documentation that supports income and any other information that is reported. The student's "To Do List" located in WaveNet will be updated as needed with the documents required for Verification. Therefore it is extremely important for the student to review the "To Do List" often. During the Verification process the student is expected to fully cooperate with requests in a timely manner, failure to do so may result in cancellation, reduction, and/or suspension of financial aid.

Completing Verification consists of a complete review of data and may require changing information as applicable as data is received. The purpose of Verification is to make sure correct and accurate data is used to determine eligibility. Conflicting data must be resolved before student aid will be processed.

Most financial aid applications are randomly selected for Verification by the U.S. Department of Education's Federal Processor. However, there are other potential reasons for being selected for Verification:

- The submitted FAFSA application had incomplete data
- The data on the FAFSA application appears to have conflicting data
- The FAFSA application may have estimated information
- The Office of Financial Assistance may select students for federal Verification in connection with the review of an appeal

All schools that award and disburse federal Title IV funds are required to adhere to this Verification process.

### **Federal Verification Process**

If the student is selected for Verification, they will be notified via the Institutional Student Information Record (ISIR) after completing the FAFSA. In addition, the Office of Financial Assistance will "initiate" all Verification documents on the "To Do List" in WaveNet.

After all required documents are submitted; the Office of Financial Assistance will compare them against the students' FAFSA information. If any discrepancies are discovered during the Verification process, the Office of Financial Assistance may request additional information to resolve the discrepancies. However, such discrepancies may be significant enough to cause the financial aid package to be different from the initial package received from the school. Therefore aid may be reduced and or cancelled if necessary to resolve the discrepancy.

If adjustments to the financial aid award are required, the Office of Financial Assistance will notify the student electronically via Pepperdine's email.

Federal funds cannot be disbursed until all requested documents are received and the accuracy of the information has been reviewed and verified. This may take two to three weeks to process

during peak periods, and during registration, therefore it is important that all verification documents are provided by the deadlines outlined.

**Deadlines** - Students selected for Verification, must submit all required documents by the following dates:

Fall admits - May 1

Spring admits -December 4

Returning Students -July 1

**Consequences if you do not submit Verification documents by the deadlines:**

Federal funds will not disburse to your student account until Verification documents have been received and reviewed, then processed. If you do not submit Verification documents by the above deadlines, your federal and state aid will not disburse, if applicable.

Note: Students eligible for the Federal Pell Grant must submit Verification requirements by the federal deadline, which is 120 days after the last date of enrollment to receive a Federal Pell Grant and 180 days for Federal loans for the current academic year.

**What happens if there are discrepancies between the data on the FAFSA and Verification documents?**

After all required documents are submitted; the Office of Financial Assistance will compare them with the Student Aid Report. If any discrepancies are discovered during Verification, the Office of Financial Assistance may require additional information to resolve the discrepancies. However, such discrepancies may be significant enough to cause the financial aid package to be different from the initial package received from the school. Therefore aid will be reduced and or cancelled if necessary to resolve the discrepancy.

If adjustments to the financial aid are required, the Office of Financial Assistance will notify the student electronically via Pepperdine's email.

Review of documents submitted for Verification usually takes two to three weeks, but it may take longer during the peak season. Because Verification must be completed in advance of disbursing any funds from any financial aid program, it is vital to send complete and accurate information as quickly as possible. This is a process that is required by the federal government. The Office of Financial Assistance may even determine errors in the process that may increase your eligibility for more aid.

**Conflicting Information**

The Office of Financial Assistance must resolve all conflicting information and discrepancies before disbursing Title IV funds. If we discover discrepancies after disbursing funds, we will reconcile the conflicting information and take appropriate action under the specific program requirements. This may require a request for specific documents which may require institutional

verification. If this is required specific documents will be requested via your “To Do List” in the portal. The deadline is typically ASAP, however, no later than 7-10 working days.

### **Professional Judgment**

We require Verification prior to exercising professional judgment (PJ) and we are required to wait on the new ISIR reflecting processed corrections from verification before making a PJ adjustment. We may exercise PJ on corrected data only.

**Unusual enrollment history (UEH)** – A resolution is required to respond to the unusual enrollment history (UEH) status for Federal Pell grant and/or Federal Direct Loans as described below. UEH flag of 2 or 3 require review and resolution on the ISIR- see below a description of the value.

**FAA Access** - V4-V5 Identity verification status results are reported on FAA access annually.

**Waiver** - The Department of Ed waived verification of most Free Application for Federal Student Aid/Institutional Student Information Record (FAFSA®/ISIR) information except for Identity/Statement of Educational Purpose and High School Completion Status under Verification Tracking Groups V4 and V5.

### **Suspected Fraud Cases**

Advisors /staff who believe they have discovered a case of suspected fraud should discuss the case including all facts with the Senior Associate Director and Director. If all are in agreement that fraud exists the case may be reported to the US Dept. of ED regional office. Cases must be reviewed by the General Counsel and the Dean of Enrollment Management prior to reporting.

Examples of this may include:

- 1). False claims of independent status
- 2). False claims of citizenship
- 3). Use of false identities
- 4). Forgery of signatures
- 5). False statements of income

6). Any credible information indicating that any employee, third- party servicer, or other agent of the institution that acts in a capacity that involves the administration of the Title IV, HEA program, or the receipt of funds under those programs, may have engaged in fraud, misrepresentation, conversion, or breach of fiduciary responsibility, or other illegal conduct involving the Title IV, HEA Programs.

**Cases of fraud should be reported to the Office of Inspector General by:**

Prior to reporting cases of fraud the FA Director and General Counsel should be notified.

1). Calling 1-800-MISUSED

2). Sending an email message to [oig.hotline@ed.gov](mailto:oig.hotline@ed.gov)

3). Mailing to: Inspector General's Hotline – Office of Inspector General – US Department of Education 400 Maryland Avenue, SW Washington, DC 20202-1510

**Questions?**

Contact the Office of Financial Assistance at [finaid2@pepperdine.edu](mailto:finaid2@pepperdine.edu) if you have any questions regarding Verification.

**Note:** All students requesting a review for Professional Judgment (PJ) Policy/Unusual circumstances must complete Verification.