



# Administrative Policy

## Financial Aid Verification (528.7.1)

**Approved By:** President

**Date Approved:** February 21, 2024

**Effective Date:** February 21, 2024

- 1. Summary:** This policy establishes responsibilities, criteria, and procedures for the verification of student information submitted through the Free Application for Federal Student Aid (FAFSA).
- 2. Rationale:** This policy is necessary to ensure that the College disburses federal student aid in accordance with all requirements of the Department of Education.
- 3. Entities Affected:** students
- 4. Definitions:** Definitions are included in the body of the policy.
- 5. Policy:**

### Overview

To apply for federal financial aid, students submit a **Free Application for Federal Student Aid (FAFSA)** to the **FAFSA Processing System (FPS)**. FAFSA applications with inconsistent information may be selected for verification. Verification is a quality-control method used by the **U.S. Department of Education (DOE)** to verify the accuracy of information submitted on the FAFSA. All schools that disburse federal Title IV funds are required to participate in the verification process. For a comprehensive listing of regulations, it is encouraged that one view the Code of Federal Regulations Title 34 – Part 668 – Subpart E, the current award year *Application and Verification Guide*, and Sec. 479A of the **Higher Education Act (HEA)**.

In accordance with the provisions of Subpart E, the College has established a policy to ensure consistency and accuracy in the verification of an applicant's FAFSA information. This policy includes:

- The time within which an applicant must provide any documentation requested by the College;
- The consequences of an applicant's failure to provide the requested documentation within the specified time;
- The method by which the College notifies an applicant of the results of its verification;
- The procedures the College will follow to correct FAFSA information;
- The procedures the College will require an applicant to follow to correct FAFSA information;
- Conditions under which a student may be eligible for exclusion from the verification process; and
- The procedures the College will follow for making referrals to the Office of Inspector General for investigation should suspected fraud occur.

***Institutional Responsibility:*** The College must require an applicant whose FAFSA information is selected for verification to submit defined documentation to verify specified data elements (defined by the DOE Secretary) of the FAFSA, unless the applicant qualifies for a federal exclusion. (See Exclusions from Verification.)

***Applicant Responsibility:*** If the College requests documents or information from an applicant under Subpart E, the applicant must provide the specified documents or information within an established timeframe.

### 7.1.1 Selection of Applicants to be Verified

**Standard Selection:** Verification selection is indicated by the verification flag being set to a value of “Y” on the student’s **Institutional Student Information Record (ISIR)**. The corresponding tracking group (V1, V4, or V5) is listed as well.

**Customized Selection:** The U.S. Department of Education’s long-range goal for verification is a customized selection approach based on the data provided by each FAFSA applicant. When fully implemented, verification data will be customized by each applicant’s data. Transition to a customized verification process is expected to continue over multiple award years.

**Update or Correction Selection:** An aid applicant should be aware that an update or correction to his or her FAFSA may trigger the FPS to select the application or additional data elements for verification. In this case, the College must require the applicant to submit any additional documentation needed to complete the verification process.

**Institutional Selection:** Criswell College has the authority and responsibility to select an application for verification if there is reason to believe that an applicant’s FAFSA information is inaccurate and/or contains conflicting information. The student is required to submit documentation to verify the accuracy of the FAFSA data to resolve conflicting information or verify specific data elements.

**Exclusions from Verification:** Federal regulations stipulate that the College need not verify an applicant's FAFSA information if:

1. the applicant dies;
2. the applicant does not receive assistance under Title IV HEA programs for reasons other than failure to verify FAFSA information;
3. the applicant is eligible to receive only unsubsidized student financial assistance; or
4. the applicant who transfers to the institution had previously completed verification at the institution from which he or she transferred, and applies for assistance based on the same FAFSA information used at the previous institution, if the current institution obtains a letter from the previous institution:
  - a. stating that it has verified the applicant's information; and
  - b. providing the transaction number of the applicable valid ISIR.

Further, unless the College has reason to believe that the information reported by a dependent student is incorrect, it need not verify the applicant's parents' FAFSA information if:

1. both parents die, or the only parent on the FAFSA dies;
2. the parents are residing in a country other than the United States and cannot be contacted by normal means of communication;
3. the parents cannot be located because their contact information is unknown and cannot be obtained by the applicant; or
4. both of the applicant's parents are mentally incapacitated.

Lastly, unless the institution has reason to believe that the information reported by an independent student is incorrect, it need not verify the applicant's spouse’s information if:

1. the spouse is deceased;
2. the spouse is mentally incapacitated;
3. the spouse is residing in a country other than the United States and cannot be contacted by normal means of communication; or
4. the spouse cannot be located because his or her contact information is unknown and cannot be obtained by the applicant.

**Criswell College policy regarding federal exclusions:** Verification requirements will be waived for the federal exclusions listed above provided the College receives supporting documentation pertaining to the applicable exclusion by the College's published verification deadlines.

### **Notification**

A student whose FAFSA is selected for verification will be notified of his or her selected status as follows:

1. FPS will notify the student on his or her **FAFSA Submission Summary**
2. Criswell College will send an email notification to students that includes:
  - a. Documents needed
  - b. A link to the "forms" section of the student's financial aid portal
  - c. A deadline along with consequences of failure to meet that deadline

### **Deadlines and Failure to Submit Documentation**

Criswell College has established a priority deadline of April 15 for financial aid applicants to complete the FAFSA. If a student misses this deadline, he or she is encouraged to complete the FAFSA as soon as possible but no later than June 30.

A student whose FAFSA is selected for verification must submit documentation to the Financial Aid Office within 14 calendar days of notification. Failure to meet this requirement results in delayed financial aid awarding. The Financial Aid Department does not begin processing financial aid until all necessary documentation is submitted. If the student does not provide the verification documentation by the deadline or the College does not receive a valid processed FAFSA by the deadline:

- Aid could be canceled for the award year (or term if the student is enrolling in one term only).
- Students will not receive a financial aid award or any disbursement until verification is complete.
- Students will lose eligibility for institutional aid.

If the student provides the documentation after the deadline, Criswell College will reevaluate the student's eligibility for aid on a case-by-case basis.

#### **7.1.2 Acceptable Documentation**

The documentation required for verification varies according to the specific FAFSA information being verified. A student selected for verification will need to submit the following acceptable documentation to the College to complete the verification process:

1. Dependent or Independent Worksheet for the appropriate selection group (all groups)
2. Relevant Year Income Tax Data via the **FUTURE Act Direct Data Exchange (FA-DDX)** or Tax Return Transcript from the IRS if FA-DDX is not available
3. Income from work documents (W-2s or 1099s)
4. Other documents as requested

If a student is unable to submit any of the required documents, he/she should contact the Financial Aid Office to discuss possible alternative acceptable documentation.

#### **FUTURE Act Direct Data Exchange (FA-DDX)**

The **Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE)** Act amended Section 6103 of the **Internal Revenue Code (IRC)** to allow the **Internal Revenue Service (IRS)** to disclose certain **Federal Tax Information (FTI)** to **Federal Student Aid (FSA)**. The IRS and FSA worked together to develop the FUTURE Act Direct Data Exchange (FA-DDX) solution, which establishes a secure connection between both agencies through an application programming interface that will process requests in near-real time. The FA-DDX replaces

the **IRS Data Retrieval Tool (IRS-DRT)** and will be used beginning with the 2024-25 award year to import certain FTI into an applicant's FAFSA form.

### ***Consent and Approval***

The student and each contributor to the FAFSA form must provide consent and approval to the access, disclosure, and use of FTI in evaluating the applicant's eligibility for *Title IV* aid. Consent and approval are required regardless of the application method (online or paper).

The *FUTURE Act* authorizes a direct data exchange – the *FUTURE Act Direct Data Exchange (FA-DDX)* – with the Internal Revenue Service (IRS) to facilitate completing the FAFSA form. The previous tool to transfer U.S. income and tax information from the IRS – the *IRS Data Retrieval Tool (DRT)* – where applicants initiated the electronic transfer of U.S. federal tax return information into their FAFSA form, will no longer be used. Implementation of the *FA-DDX* eliminates the need for most applicants (and their spouse or parents) to self-report their income and tax information reported to the IRS. Also, FTI that is transferred via the *FA-DDX* to the FAFSA form is considered verified for *Title IV* purposes.

Unlike with the *IRS-DRT*, which allowed applicants to opt in, the *FA-DDX* **requires** applicants to provide consent for the Department of Education (DOE) to obtain FTI via the *FA-DDX*. Spouses and parents, as appropriate, will also be **required** to consent to the new data transfer for federal student aid eligibility.

### ***Federal Tax Information***

The following data received by the DOE from the IRS are considered FTI, starting with award year 2024-2025 data:

- Tax Year (ex. Award year 2024-25 is based on 2022 tax year information from the IRS)
- Tax Filing Status
- **Adjusted Gross Income (AGI)**
- Number of Exemptions and Number of Dependents
- Income Earned from Work
- Taxes Paid
- Educational Credits
- Untaxed IRA distributions
- IRA deductions and payments
- Tax exempt interest
- Untaxed pension amounts
- Schedule C net profit/loss
- Indicators for Schedules A, B, D, E, F, H
- IRS response code

In some limited circumstances, the student or contributor may need to manually provide data if it is unavailable through the *FA-DDX* or does not reflect their current personal circumstances. In these cases, manually entered data will be used in the SAI calculation. For example, a contributor would be required to manually report income and tax data if they were married and filed their 2022 U.S. tax return jointly with their spouse but are now divorced.

### ***Response Codes***

The following IRS Response Codes are used when the *FUTURE Act Direct Data Exchange (FA-DDX)* transfers or attempts to transfer federal tax information (FTI) from the Internal Revenue Service (IRS) into the FAFSA for a contributor (student, spouse, parent):

200	Successful Request	FTI was successfully transferred into the FAFSA	<p>FTI is considered verified if manual entry of tax return information is not required and <b>Professional Judgment (PJ)</b> flag is not set</p> <p>If manual entry of tax information is required, it will appear in the Manually Entered Financial Information ISIR block; follow verification requirements for tax filers in <a href="#">September 19, 2023 Federal Register</a></p> <p>If tax information is manually entered and not needed, it will be removed</p>
203	<b>Personally Identifiable Information (PII)</b> Match Failed	Contributor identifiers do not match IRS records (IRS error code; unable to confirm tax identity)	<p>FTI cannot be retrieved; manual entry of tax information is required</p> <p>FTI cannot be used to complete verification; follow verification requirements for tax filers in <a href="#">September 19, 2023 Federal Register</a></p>
206	Partial Delivery of Content	FTI transfer incomplete (IRS error code)	<p>FTI cannot be retrieved; manual entry of tax information is required</p> <p>FTI cannot be used to complete verification; follow verification requirements for tax filers in <a href="#">September 19, 2023 Federal Register</a></p> <p>There will be no partial FTI and partial manual entry</p>
212	Cannot Verify Return Data	Unable to confirm tax return data (IRS error code)	<p>FTI cannot be retrieved; manual entry of tax information is required</p> <p>FTI cannot be used to complete verification; follow verification requirements for tax filers in <a href="#">September 19, 2023 Federal Register</a></p>
214	No Return on File	Contributor did not file a tax return	<p>No FTI to be retrieved; manual entry of tax information is not required for U.S. nonfilers; manual entry is required for foreign nonfilers</p> <p>Follow verification requirements for nontax filers in <a href="#">September 19, 2023 Federal Register</a></p> <p>Only confirms contributor did not file a tax return, not whether they were required to file a tax return</p>

**IRS Tax Return Transcript:** If a student or parent cannot use the FA-DDX, he or she must provide the Tax Return Transcript and Wage & Income Transcript from the IRS.

A student or parent may request an IRS Tax Return Transcript and the Wage and Income Transcript from the IRS, free of charge, in one of the following ways.

1. Online by downloading an immediate PDF at <http://www.irs.gov/Individuals/Get-Transcript>;
2. By mail after submitting an online request at <http://www.irs.gov/Individuals/GetTranscript>; or after
3. Calling the IRS at 1-800-908-9946.

The IRS DRT is NOT available for the following conditions (all apply to both students and parents):

- a) the person did not indicate on the FAFSA that the tax return has been completed;
- b) the applicant or applicant's parents had a change in marital status after the end of the IRS tax year on December 31;
- c) the first three digits of the SSN are 666;
- d) the person has been a victim of identity theft (See Victim of Identity Theft below);
- e) the tax return was amended (See Filing an Amended Return below);
- f) the person filed a tax filing extension with the IRS (See Tax Filing Extensions below);
- g) the person filed a Puerto Rican or foreign tax return (See Foreign Tax Filers below);
- h) the person is married and filed the tax return either as head of household or married filing separately;
- i) in all instances, when the dependent student's legal parents are unmarried and living together;
- j) neither married parent entered a valid SSN on the FAFSA;
- k) a non-married parent, or both married parents, entered all zeroes for the SSN on FAFSA; or
- l) the person filed the tax return as married and has now separated, divorced, married someone else, or been widowed.

### ***Special Tax Filing Circumstances***

#### ***Identity Theft***

If the applicant and/or applicant's parent(s) are victims of identity theft and therefore unable to use the FA-DDX or request an IRS Tax Return Transcript, they can submit a **Tax Return DataBase View (TRDBV)** along with a signed statement indicating they are victims of tax-related identity theft. The TRDBV can be requested by calling the IRS's **Identity Protection Specialized Unit (IPSU)** at 1-800-908-4490.

#### ***Filing an Amended Return***

A student or parent who files an amended return cannot use the IRS FUTURE Act Direct Data Exchange (FA-DDX) process. Instead, he/she may submit to the Financial Aid Office:

- Copy of the original IRS Tax Return Transcript
- Signed copy of the amended tax return (1040X) that was filed and stamped by the IRS or done with a tax preparer and has the tax preparer's PTIN (Preparer's Tax Identification Number) on the form
- Tax Account Transcript
- Wage and Income Transcript

#### ***Extensions***

A student or parent who is granted a tax filing extension is required to turn in the following:

- A copy of IRS Form 2350 extension approval (or) IRS Record of Account Transcript dated after the automatic 6-month extension ending date
- Copies of all W-2 forms or the equivalents for the appropriate tax year

#### ***Relationship Status with Extenuating Circumstances***

If an applicant or applicant's parent(s) is/are married, but separate tax returns were filed, an IRS Tax Transcript will be needed for both individuals.

If an applicant or applicant's parent(s) was/were married during the tax year and filed a joint return, but are now separated or divorced, an IRS Tax Transcript of the original joint return will need to be provided along with signed W-2's for the applicant or parent the applicant is using on the FAFSA (in the case of a dependent student)

for that same tax year. At that point, the Financial Aid Office may separate the income and determine tax liability under professional judgment (additional documentation may be needed).

In the case of a dependent student, if the parent signing the FAFSA selects “Unmarried and both parents living together” as the marital status, IRS Tax Transcripts will need to be provided for both parents.

### Foreign Tax Filers

In the case of a dependent student, if the parent(s) is considered to be a nonresident alien (not a U.S. citizen or permanent resident), the income earned may still be subject to tax in the same manner as a U.S. citizen or permanent resident. In these cases, a Form 1040NR or 1040NR-EZ will serve as acceptable documentation.

If the applicant and/or applicant’s parent(s) file taxes in a U.S. territory or commonwealth, he or she must submit a transcript of his or her tax return if it is available for free from the taxing authority. U.S. territories include Guam, American Samoa, and the U.S. Virgin Islands. Commonwealths include Puerto Rico and the Northern Mariana Islands. A signed copy of the applicable tax return will be acceptable, but only if the applicant is unable to obtain a free copy of the transcript from the relevant taxing authority.

Nontax filers in the Freely Associated States, a U.S. territory or commonwealth, or a foreign country must submit a copy of their Wage and Tax statement for each source of employment income for the required tax year and a signed statement identifying all income and taxes for that same year. Please see the preceding paragraph for a listing of U.S. territories and commonwealths. Freely Associated States include the Republic of the Marshall Islands, the Republic of Palau, and the Federated States of Micronesia.

### Non-Tax Filers

If the applicant and/or applicant’s parent(s) did not file and were not required to file a tax return, W-2s will need to be provided for jobs held in the tax year to be verified, and the applicant will need to complete the appropriate section on the *Verification Worksheet Independent Student* or *Verification Worksheet Dependent Student*, depending on the applicant’s dependency status.

If W-2s cannot be obtained from the employer(s), the applicant and/or applicant’s parent(s) may submit a signed statement listing the amount of income earned from work, source of that income, and why the W-2 is not available. This applies to all positions held during the tax year for which a W-2 cannot be provided. A section for this information is included on the *Verification Worksheet Independent Student* and *Verification Worksheet Dependent Student*. If the Financial Aid Office has reason to believe the applicant or applicant’s parent(s) claim that they are not required to file a tax return is inaccurate, a “Verification of Nonfiling Letter” must be submitted. This can be obtained online through the IRS website at [www.irs.gov](http://www.irs.gov) or by completing Form 4506-T and checking box 7. The “Verification of Nonfiling Letter” is generally not available until after June 15 of each year.

If no income was earned in the tax year to be verified, an applicant and/or applicant’s parent(s) can indicate this on the *Verification Worksheet Independent Student* or *Verification Worksheet Dependent Student*, depending on the applicant’s dependency status. Additionally, if the Financial Aid Office has reason to believe the applicant or applicant’s parent(s) claim to not have to file is inaccurate, a “Verification of Nonfiling Letter” will be required to be submitted.

### **7.1.3 Data Elements to be Verified and Groups**

For each award year, the Secretary of Education publishes a notice in the Federal Register announcing the FAFSA information that an institution is required to verify. The notice also specifies what documentation is acceptable for verifying FAFSA information.

The individual verification items that an applicant must verify are based upon the *Verification Tracking Group* to which the applicant is assigned as listed in the chart below:

Tracking Flag	Verification Tracking Group Name	FAFSA Information Required to be Verified
V1	Standard Verification Group (Tax Filers)	Adjusted Gross Income Income Earned from Work U.S. Income Tax Paid Untaxed Portions of IRA Distributions Untaxed Portions of Pensions and Annuity IRA, Pension, and Annuity Rollovers IRA Deductions & Payments Tax Exempt Interest Income Education Credits Foreign Income Exempt from Federal Taxation Family Size
V1	Standard Verification Group (Non-Tax Filers)	Income Earned from Work Family Size
V2	Reserved – N/A	For future use by the Department of Education
V3	Reserved – N/A	For future use by the Department of Education
V4	Custom Verification Group	Identity/Statement of Educational Purpose
V5	Aggregate Verification Group (Tax Filers)	Adjusted Gross Income Income Earned from Work U.S. Income Tax Paid Untaxed Portions of IRA Distributions Untaxed Portions of Pensions and Annuity IRA, Pension, and Annuity Rollovers IRA Deductions & Payments Tax Exempt Interest Income Education Credits Foreign Income Exempt from Federal Taxation Family Size Identity/Statement of Educational Purpose
V5	Aggregate Verification Group (Non-Tax Filers)	Income Earned from Work Family Size Identity/Statement of Educational Purpose
V6	Reserved – N/A	For future use by the Department of Education

### **Data Elements**

Financial data elements are derived from the Tax Return Transcript Information as listed below:

- Adjusted Gross Income
- Income Earned from Work
- U.S. Income Tax Paid
- Untaxed Portions of IRA Distributions
- Untaxed Portions of Pensions and Annuity
- IRA, Pension, and Annuity Rollovers
- IRA Deductions and Payments
- Tax Exempt Interest Income



- Education Credits
- Foreign Income Exempt from Federal Taxation
- Household and identity data are derived from the verification worksheet and supporting documentation.

### ***Family Size***

The number of family members includes anyone who is receiving more than half of their support from the student, spouse, or the parent listed on the FAFSA from July 1 to June 30. This includes unborn children.

### ***Identity/Statement of Educational Purpose***

Applicants must appear in person to complete the *Identity and Statement of Educational Purpose* form in the presence of a Financial Aid staff member with a valid, unexpired, government-issued photo ID, such as a driver's license or passport, to identify they are the individuals applying for federal financial assistance. The Financial Aid staff member must make a copy of the ID.

The *Statement of Educational Purpose* portion of the form certifies who they are and that the federal student aid they may receive will only be used for educational purposes.

If an applicant is unable to appear in person, she or he will need to sign the form in front of a notary public and have the notary complete the section titled, "Notary's Certificate of Acknowledgement." The document must then be mailed into the Financial Aid Office along with a copy of the same ID presented to the notary. *Faxed or emailed forms are not accepted.* Identity Verification Results are reported through FAA Access.

### ***Reporting results for groups V4 and V5***

Schools must report the verification results of identity for any student for whom you (1) receive an ISIR with tracking flag V4 or V5—*as selected by the CPS, not your school*—and (2) request verification documentation. You report this information on the FAA Access to CPS Online website: select the Identity Verification Results option from the main menu, enter your school identifiers, the award year, and the student identifiers. For the 2023–2024 award year, you will then enter one of the following numeric codes that most applies:

- 1-Verification completed in person, no issues found
- 2-Verification completed remotely, no issues found
- 3-Verification attempted, issues found with identity. (You did not receive acceptable documentation for the SEP or identity.)
- 5-No response from applicant or unable to locate
- Note: Numeric codes 4 and 6 are not valid for 2022-2023 and beyond. These codes were used to report issues with high school completion status, which is no longer a required verification item. For more information regarding the implementation of the removal of high school completion status beginning with the 2022–2023 verification process, please see the [September 1, 2021 electronic announcement](#).

The school is required to report results no more than 60 days following your first request to the student for documentation of identity. Inaccurate and untimely reporting may subject schools to findings because of an annual compliance audit or a program review. If there is a change in a result the College has already submitted, the College can submit the new code using the above process within 30 days of becoming aware that a change occurred. The most recent submission will supplant prior award year submissions. The FSA Partner website does not store a list of these verification results for you to retrieve, so it is considered a best practice to print and keep the confirmation page for the school's records.

## **Changing Tracking Groups**

A student may move from Verification Tracking Group V1 or V4 to group V5 based on corrections made to his or her FPS record or on other information available to the DOE. If verification was already completed for the previous group, the student is only required to verify the V5 information that was not already verified. If verification was not completed for the previous group, the student needs to verify all of the V5 information.

No disbursements of Title IV aid may be made until the V5 verification is satisfactorily completed. If the student doesn't complete verification, the school is not liable for any Title IV aid it disbursed prior to receiving the group V5 ISIR. The student is liable for the full amount because without verification there is no evidence he or she was eligible for that aid. See the [October 31, 2016, announcement](#) for more information about disbursements and potential return of funds when students are selected for verification.

### **7.1.4 Conflicting & Inaccurate Information**

If the Financial Aid Office has any conflicting information on an application, or believes an applicant's application information is in error, it must resolve the discrepancies prior to disbursing any federal aid. The requirement to resolve conflicting data is separate and distinct from verification and supersedes any verification policies. If conflicting data is discovered after federal aid has disbursed, it must be corrected and awards updated. The student is required to repay any amount of aid received in excess of her or his eligibility.

In accordance with 34 CFR 668.16(g), if after conducting a review of an application the Financial Aid Office discovers credible information indicating an applicant for federal financial aid may have engaged in fraud or other criminal misconduct in connection with her or his application, Criswell College must refer the applicant to the **Office of the Inspector General (OIG)** of the Department of Education for investigation.

The type of information that an institution must refer is that which is relevant to the eligibility for federal financial aid program assistance, or amount of said assistance. This may include, but is not limited to:

- False claims of student dependency status;
- False claims of citizenship;
- Use of false identities;
- Forgery of signatures or certifications;
- False statements of income; and
- Any credible information indicating that any employee of Criswell College who works in a capacity involving Title IV administration may have engaged in fraud, misrepresentation, or any other illegal conduct.

To submit a referral, visit <https://oighotline.ed.gov/Hotline/Instruction.aspx> or contact by phone at 1-800-647-8733.

### **7.1.5 Student Notification of Verification Changes**

If the verification process produces an SAI change, the Financial Aid Office will notify the student via email to explain the changes in SAI. Students are not awarded Title IV aid until the verification process is completed to remedy a large volume of award changes. The verification process is completed when the award letter is generated and emailed to the student. The award notification is available in the student's portal for immediate review.

The College is able to submit most updates to FAFSA information, but, on occasion, it may be necessary for the student to submit changes directly to the FPS. One of several examples would be the update of biographical information. In such cases, the College will notify the student by phone, mail, or email as to which data items must be corrected. The verification process is completed when the corrected ISIR is received and reviewed to

ensure all information is accurate. If no further corrections are needed, the student is emailed an award letter with notification that the awards are available for review via the student portal.

### ***Applicant Verifications with No Corrections Necessary***

Some applicants selected for verification have no errors on their application and need no further processing prior to the awarding process. These applicants are awarded upon the completion of the verification review checklist. Notification is completed by emailing the student to notify them the awards have been updated and are available for review in their financial aid portal.

#### **7.1.6 Interim Disbursements**

Interim disbursements are allowed either prior to or after verification but prior to receiving the corrected ISIR. If Criswell College has no reason to question the accuracy of FAFSA information after the verification process is completed, the College's policy allows the FAA to:

- Make one disbursement of Pell funds for the applicant's first payment period; and
- Originate – but not disburse – a Direct Subsidized Loan.

In the event an interim disbursement made from Pell funds results in an overpayment, Criswell College is fully responsible. If this overpayment cannot be eliminated by reducing subsequent disbursements or having the student return the funds, Criswell College must use its own funds to reimburse the appropriate program the earlier of 60 days after the student's last day of attendance or last day of the award year.

If an interim disbursement is made after completing verification, but the Financial Aid Office fails to receive the corrected ISIR, Criswell College must use its own funds to reimburse the appropriate program.

#### **7.1.7 Professional Judgments**

Professional Judgment is the discretionary action available to a financial aid administrator to address unusual circumstances that affect a student's ability to pay for education expenses and change data elements to reflect more accurately the student's ability to pay. Financial aid administrators may make adjustments on a case-by-case basis. The Director of Financial Aid reviews Professional Judgments. Professional Judgment documentation is available via the College's website along with the Professional Judgment Policy. The forms must be completed and accompanied by appropriate documentation at the request of the Director of Financial Aid. The Professional Judgment process takes up to six weeks depending on the student's/parents' situation and the documents needed to complete the Professional Judgment. The school is required to complete verification on selected applicants before processing the Professional Judgment request from the student.

#### **7.1.8 Definitions of Common Terms**

**FAFSA Processing System (FPS):** The primary business function of the FPS is student application processing and eligibility determination for federal student financial assistance for postsecondary education.

**Student Aid Index (SAI):** An evaluation of the financial resources that may be available to contribute toward a student's education expenses. Note: The College determines a student's eligibility for need-based federal aid based on the student's SAI.

**Institutional Expected Family Contribution (IM SAI):** An evaluation of the financial resources a student and his or her family may have available to contribute towards the student's education expenses for the award year. Note: The College determines a student's eligibility for need-based institutional aid based on a student's IM SAI.

**Institutional Student Information Record (ISIR):** One of two output documents created by the FPS after processing a student's FAFSA. The ISIR is made available electronically to the institutions listed on the

student's FAFSA and his or her state agency.

**FAFSA Privacy Act Consent** – Formal consent provided by an applicant and any applicable contributor(s) for a given FAFSA cycle (e.g., December 2023 to September 2025 for the 2024-25 FAFSA form) that meets the statutory requirements of collecting and using an individual's personally-identifiable information (PII) under the Privacy Act, as amended (5 U.S.C. § 552a). PII provided on the FAFSA form (e.g., name, date of birth, Social Security number) with consent of the individual, will be provided to the IRS to conduct a match for the Department to receive FTI for purposes of determining an applicant's federal financial aid eligibility and permit further redisclosure of FTI by the Department.

**FAFSA FTI Approval** – Formal approval granted by an applicant and any applicable contributors for a given FAFSA cycle (e.g., December 2023 to September 2025 for the 2024-25 FAFSA form) to retrieve and use FTI to determine an applicant's federal financial aid eligibility as well as permit the redisclosure of FTI by the Department to an eligible institution; state higher education agency; or a designated scholarship organization for the application, award, and administration of student aid programs. An applicant and contributor (if applicable) must provide approval once each year. If FAFSA FTI approval is not provided, the student will not be eligible for any *Title IV* aid until the approval is provided by each contributor.

**Federal subsidized student financial assistance programs:** Title IV, HEA programs for which eligibility is determined on the basis of an applicant's SAI. These programs include the Federal Pell Grant and Direct Subsidized Loan program.

**Federal unsubsidized student financial assistance programs:** Title IV, HEA programs for which eligibility is not based on an applicant's SAI. For students attending Criswell College, these programs include the Direct Unsubsidized Loan and Direct PLUS/Graduate PLUS Loan programs.

**FAFSA Submission Summary:** One of two output documents created by the FPS after processing a student's FAFSA. The Submission Summary is made available electronically to the student.

**6. Procedure:**

- a. Implementation:** The Director of Financial Aid is responsible for maintaining and implementing procedures necessary for compliance with this policy.
- b. Responsibility for Compliance:** Vice President of Student Affairs and Communications
- c. Notification:** This policy will be posted on the College's website and will be published in its entirety or in summary in the College's *Catalog*.
- d. Policy Review:** This policy will be regularly reviewed according to the College's policy review procedure.

For the Office of the President only:

Policy version: 3.0	Policy number: 2.038
Related policies: Financial Aid Satisfactory Academic Progress, Institutional Aid, Return to Title IV	

**Policy History**

Version 1.0	Not Available
Version 2.0	October 23, 2017
Version 3.0	February 21, 2024