

Carnegie Mellon University

Student Financial Aid Office

Carnegie Mellon University Federal Title IV Verification Policy and Procedural Statement

Policy Reason

The U. S. Department of Education requires that Federal Title IV applicants provide documentation to verify the accuracy of the information submitted on the Free Application for Federal Student Aid (FAFSA) each year. Federal regulations include verification as part of the Federal Student Aid (FSA) program requirements, and it is required for applicants for most FSA programs with the exception of students receiving only a parent or graduate PLUS loan or an unsubsidized Stafford loan. In addition, certain verification groups may also require verification of identity and statement of educational purpose. Each university is required to have policies for verifying the reported information. Federal regulations can be found at:

[Federal Student Aid Handbook](#)
Application & Verification Guide
Chapter 4: Verification, Updates, and Corrections
34 CFR 668.51-61

Policy and Procedural Statement

Federal verification guidelines require that applicants are selected for verification by the FAFSA Processing System (FPS) or by the school. At Carnegie Mellon, federal verification is performed on all applicants selected by the FPS and any application that the university has reason to believe is incorrect or has conflicting documentation.

Under certain circumstances an FPS selected application may be excluded from some or all of the federal verification requirements due to the following unusual circumstances including: death of the student, not an aid recipient, applicant is eligible to receive only unsubsidized student financial assistance, applicant verified by another school or post enrollment (the student was selected for verification after ceasing to be enrolled). With the exception of the death of the student, however, none of these exemptions excuse the university from the requirement to resolve conflicting information.

Federal verification must typically be completed prior to the end of the academic year or before the student ceases enrollment, whichever occurs first. Students, who fail to comply with verification requirements, including submitting documentation within required timelines, will not have Federal Title IV funds disbursed and may have Federal Title IV funds cancelled. Carnegie Mellon considers the student to be the responsible party for providing information and completing the verification process.

Carnegie Mellon identifies the students selected for verification during the financial aid application process by viewing the FAFSA output document called the Institutional Student Information Record (ISIR). A review of the student's financial aid application occurs after ISIR data is received and data entry of required information is completed. The ISIR will provide information about the student and family including a

calculated Student Aid Index (SAI), comment codes and verification tracking group. Messages are provided directly to the student on their FAFSA Submission Summary if they have been selected for verification. The federal verification message for the student reads: “Your FAFSA has been selected for a review process called verification. Your school has the authority to request copies of certain financial documents from you and your parent(s).” In addition, students selected for verification will see any required documents on their My Student Aid portal with the ability to upload them directly (<https://www.cmu.edu/sfs/my-student-aid/index.html>). The verification activity will initially compare applicant data for accuracy and completeness and continue to resolve conflicting information.

Depending on the verification tracking group, Carnegie Mellon requires verification of the following items:

V1—Standard Verification Group

Tax filers (student, student spouse, parent, and parent spouse/partner, as applicable) must verify the following:

- Adjusted gross income
- Income earned from work
- U.S. income tax paid
- Untaxed portions of IRA distributions
- Untaxed portions of pensions
- IRA deductions and payments
- Tax-exempt interest income
- Education Credits
- Foreign income exempt from federal taxation
- Family size

Non-tax filers (student, student spouse, parent, and parent spouse/partner, as applicable) must verify the following:

- Income earned from work
- Family size

V4—Custom Verification Group

Students must verify the following:

- Identity & Statement of educational purpose (SEP)

V5—Aggregate Verification Group

This group is essentially a combination of V1 and V4. Tax filers and non-tax filers must verify the items listed in the Standard Verification Group (V1). Students must also verify their identity and sign a statement of educational purpose.

To complete the verification process acceptable documentation may include IRS Tax Transcripts, IRS Tax Forms (1040, 1040A, 1040E, and requested tax schedules), W-2's and data provided through the FUTURE Act - Direct Data Exchange (FA-DDX). These tax documents (or in the situation of updating/correcting Family Size a Verification of Household Information Form) will be used to confirm or correct any FAFSA income information. To resolve discrepancies in reported information students may be required to submit additional documentation. Any required documents are requested and available to view/upload via the

student's My Student Aid portal.

Verification results that require changes to the applicant information and subsequent changes to the student's financial aid package will be made prior to final disbursement of federal funds. For all students eligible for subsidized Title IV aid the university will make appropriate changes to the student information electronically through the Department of Education's FPS to ensure each student has a correct valid ISIR. The student will be notified of this adjustment through a revised financial aid offer and email notification. A student's financial aid offer is available online via their My Student Aid portal.

If the verification results do not justify aid already disbursed, the student is responsible for repaying all aid for which they are not eligible. Failure to meet the repayment obligation will result in the student being referred by Carnegie Mellon to the U.S. Department of Education.

Verification results that reveal possible fraud or criminal misconduct in connection with the financial aid application or verification processes will result in the matter being referred by Carnegie Mellon to the Office of the Inspector General of the U.S. Department of Education for investigation.

In the event that individual circumstances and unusual situations are not addressed or defined through standard verification procedures, additional review is necessary. These cases must be sufficiently documented and may be processed in accordance with regulations as defined in Professional Judgment and Dependency Overrides Statute: HEA Sec.479A(a)(7) and Sec. 480 (d)(7).

Federal Title IV Funds Disbursements

Carnegie Mellon completes federal verification for selected applicants as a requirement of completing a student's financial aid application. Federal Title IV funds will not be disbursed until federal verification is completed. In some instances, the institution can make an interim disbursement of funds if it has no reason to believe that the application information is inaccurate. If the institution makes an interim disbursement, the verification process must be completed prior to the disbursement of any additional funds. In all instances, the institution is liable for an interim disbursement if verification identifies an overpayment or the student fails to complete verification.

Contact

Questions regarding this policy or its intent should be directed to the Student Financial Aid Office at 412-268-1353.