Student Financial Aid Verification and File Review Policies 2024-25

The Office of Student Financial Aid (OSFA) at Montgomery College verifies all files selected by the U.S. Department of Education (ED) processor. OSFA may also select other students for verification whom the Department of Education has indicated a discrepancy and/or on a case-by-case basis to correct other discrepant information or possible fraud. OSFA may also select other students for verification as part of the professional judgment process.

Initial File Review

OSFA imports Institutional Student Information Records (ISIRs) from the federal processor. The College's student information system, Banner, uses the flags and comment codes imbedded in the ISIR to review each record and determine which documents students must submit to complete their files. Financial aid staff, as part of file review, may also request documentation. Types of documentation include:

- Proof of High School Graduation or its Equivalent
- Student and or Parent Tax Filing Extension
- Student and or Parent Federal Income Tax Documentation
- Student and or Parent Puerto Rican Tax or Foreign Tax Documentation
- Student and or Parent Amended Tax Return Documentation
- Student and or Parent W2 or other Wage and Earnings Documentation
- Student or Parent IRS Rollover Documentation
- Student and or Parent explanation or proof of non-filing
- Independent and Dependent Family Size
- Independent and Dependent Household Resource Form
- Identity and Statement of Educational Purpose
- Enrollment History Verification
- Household Asset Information or Discrepancy Resolution Form
- Independent Status Confirmation
- Dependency Status Change Worksheet
- Ability to Benefit Documentation

Other documents requested, based on ED-generated comment codes, may include copies of prior college transcripts, social security cards, copies of alien registration cards, citizenship documentation, copies of DD-214s, copies of social security benefits forms, and default/overpayment clearance letters. A Cash Management Form is presented to students at the time they initially apply for aid. This form stays on file for the student's entire enrollment at the college. It can, at the student's request, but does not need to be updated.

All students and their contributors are required to give their consent to obtain Federal Tax Information (FTI) from the IRS, directly through the Future Act Direct Data Exchange (FA-DDX) process to upload FTI to their FAFSA. When information is not transferred from the IRS; for Foreign Income Exempt from federal taxation; or if both federally transferred and manually input income data are present on a same transaction and the circumstances are not warranted, the following documentation may be required to complete verification:

    (1)   A transcript obtained at no cost from the IRS or other relevant tax authority of a U.S. territory (Guam, American Samoa, the U.S. Virgin Islands) or commonwealth (Puerto Rico and the Northern Mariana Islands), or a foreign government, that lists 2022 tax account information of the tax filer; or

    (2)   A signed copy of the income tax return and the applicable schedules that were filed with the IRS or other relevant tax authority of a U.S. territory, or a foreign government that lists 2022 tax account information of the tax filer.

Document Request (Tracking) Letters

OSFA emails each student a notification to their personal email requesting additional documents after the initial receipt of the ISIR, the college copy of the FAFSA. The FAFSA must be received prior to the students last day of enrollment. The email tells the student how to obtain the required documents and to submit them to OSFA within two weeks of the date of the notification. It also informs students of their rights regarding electronic signature and delivery of information. A duplicate notification, but also addressing student loan information, is sent to their college email. Unless otherwise requested by the student, subsequent notifications are done through MC official college email addresses. Documents required for verification should be submitted prior to the students last day of enrollment, but must be submitted no later than 120 days after their last date of enrollment or earlier published date.

Documents required to complete students' financial aid files can be viewed and accessed on MyMC, the college's secure internal portal which links the student to Banner's self- service website. Forms are completed and submitted electronically or downloaded to be printed and submitted by mail or in-person.

Verification Items

Verification items may include 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
- Identity
- Statement of educational purpose (SEP).

File Review/Verification Checklist

When a verified file is reviewed OSFA staff complete a Banner Verification Form for those students selected for verification. We record corrections made to data items and actions taken on the file. A copy of this electronic form is then placed in the student's permanent financial aid record in our imaging system. Additional file comments may be found on the comments screen in Banner, as well as noted on the documents or in the comment sections of the imaging system.

Files not Selected for Verification/Discrepant Information

Files not selected for verification go through an additional electronic review process programmed into the Banner student information system. This process screens for discrepant or inconsistent information that might need further review. If no further review is needed the file is electronically approved. If further assessment is needed, OSFA staff review to determine if all needed information has been submitted, the need for collection of documentation to satisfy the discrepant or inconsistent information, and or the need to select the file for verification.

Corrections

OSFA makes corrections to student ISIR data electronically through the Banner system.* The status of the changes to the student's Student Aid Index (SAI) due to verification and or discrepant information corrections may be viewed by the student via the secure student portal, MyMC. OSFA does not award financial aid to the student until all requested documents and corrections, if needed, are received and reviewed, and the verification process is complete.

Ability to Benefit Review

In order to receive federal financial aid, students must have graduated from high school, have a GED or its equivalent. Students who do not have a high school diploma, GED, or its equivalent will not be eligible for federal financial aid unless they qualify under the "Ability to Benefit Alternatives". Students who received aid as "ability to benefit" prior to July 1, 2012, will keep their aid eligible status. Students who were enrolled in college or career school prior to July 1, 2012, or students currently enrolled in an eligible career pathway program, may also qualify for federal financial aid. Montgomery College currently has no eligible career pathway programs, but students who meet the enrolled prior to July 1, 2012 criteria, should check with the financial aid office regarding documentation to verify their specific eligibility.

Referral of Fraud Cases

Students submitting documentation suspected to be and or deemed fraudulent will be referred to the Office of Inspector General (OIG).

* The Department of Education has announced it currently cannot accept batch corrections for 2024-25. As directed, we are making corrections directly in the FAFSA PARTNER PORTAL.