

# Policy and Procedure for Fraud or Suspected Fraud

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There are situations where students and/or parents willfully falsify or misrepresent information for the purpose of obtaining financial aid that a student is not eligible for. As administrators of Title IV programs and funds, Albany State University is obligated to ensure processes are in place to protect against fraud by applicants or staff. The Office of Financial Aid is required to have a policy of referral when confronted with actual or suspected cases of fraud and abuse [34 CFR 668.53(a)(5), 668.14(g)].

## Policy for Fraud

Individuals (students and/or parents) who willfully submit fraudulent information and/or documentation to obtain financial aid funds will be investigated to the fullest extent possible. All cases of fraud and abuse will be reported to the proper authorities.

## Procedures for Fraud

If a financial aid officer suspects or determines intentional misrepresentation of facts, false statements, or alteration of documents which resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the information shall be reported to the Executive Director of Student Financial Services for further review and possible referral for disciplinary action. If the Director or Compliance Officer determines or suspects fraud, all allegations will be forwarded to the Office of Inspector General of the Department of Education, and/or the local law enforcement agency(ies).

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. These items include, but are not limited to:

- Student aid applications
- Need analysis documents (e.g., Institutional Student Information Records (ISIRs) and Student Aid Reports (SARs))
- Federal income tax returns, tax transcripts or account transcripts
- Documents and information related to a student's citizenship
- School credentials (e.g., high school diploma)
- Documentation of the student's Social Security Number (SSN)
- Compliance with the Selective Service registration requirement and other factors related to students' eligibility for Title IV funds

Some forms of financial aid fraud include, but are not limited to, the following:

- Forged signatures on an application, verification documentation or master promissory notes
- Falsified documents - including reporting members that are not part of your household
- False statements of income
- False statements of marital status
- False statements of citizenship
- Use of fictitious names, addresses, SSNs
- False claims of independent status
- Knowingly filing taxes using the incorrect tax filing status
- Using family members other than biological parents as applicants on the FAFSA or for a Parent PLUS Loan

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**Please Note:** The regulations require that the University refer the suspected case for investigation to the Office of Inspector General of the Department of Education. The University also reserves the right to deny any further financial aid if fraud is suspected.

Cases of fraud (suspected or proven) will be reported to the Office of Inspector General (OIG):

Inspector General's Hotline: 1-800-MIS-USED  
<http://www.ed.gov/about/offices/list/oig/hotline.html>

Office of Inspector General  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202-1510

- Cases of tax fraud (suspected or proven) will also be reported to the Internal Revenue Service (IRS)