

## NOTICE REGARDING FINANCIAL AID FRAUD

The Financial Aid Office reserves the right to withhold, limit, or deny federal and state-wide any student it believes to be engaging in fraudulent activity. Southern Crescent Technical College follows established guidelines for the prevention, identification of and response to indications of identity theft and financial aid fraud.

This notice provides a summary of student rights, responsibilities and preventative measures regarding financial aid fraud.

### WHAT ARE IDENTITY THEFT AND FINANCIAL AID FRAUD?

Financial Aid Fraud occurs primarily in two ways. The first is when unscrupulous individuals use personally identifying information of other people (identity theft) to apply for admission to college and to receive financial aid, and then enroll in classes. Often, the victimized "student" is not aware that they have been enrolled in classes, and the financial aid refunds in their name are sent to the individual who is perpetrating the fraud. This frequently results in the victimized student being left with unpaid debt at the institution and with their U.S. Department of Education due to student loans that were obtained in their name. These students must then go through the difficult and often expensive process of establishing that these debts are not legitimately theirs. Helpful tips, hints and preventative measures can be found at [www.ftl.gov](http://www.ftl.gov).

The second method by which Financial Aid Fraud occurs is when individuals use their own personal information to apply for admission to college, apply for financial aid, and enroll in college courses with no intention of completing those courses. The student's tuition and fees are usually paid by financial aid funds, and the student receives refunds of financial aid funds in excess of these costs. **Students and potential students should be aware that enrolling in classes and accepting financial aid based on enrollment with no intent to complete classes may be considered to be financial aid fraud.** Often these students continue to receive financial aid funds until they are no longer eligible due to their failure to meet Satisfactory Academic Progress Standards.

Based on guidance issued by the Office of the Inspector General at the U.S. Department of Education, Southern Crescent Technical College has instituted procedures designed to identify those students who may be committing financial aid fraud, or be at risk of being a victim of this crime.