



Sacred Heart
UNIVERSITY

Office of Student Financial Assistance

2025-2026 Verification of Assets Form

Student Name: _____ Student ID Number: _____

Information on your 2023 U.S. tax transcripts indicates some income and/or loss from savings, investments, or business, but the related asset information was not listed on your 2025-2026 FAFSA, or the amount provided is considerably lower than what one would expect it to be in order to generate the income listed on the tax return. This discrepancy between income from assets and their net worth is considered to be conflicting information by the U.S. Department of Education which must be resolved by the Office of Student Financial Assistance before any funds can be applied to your account.

Instructions:

1. Please review the information in **Part 1**.
2. If the asset information provided on the FAFSA at the time your application was originally submitted is incorrect, complete **Part 2**.
3. If the information in **Part 1** is correct, please provide a detailed explanation in **Part 3** regarding why the income on the tax return is different from the net worth of the corresponding asset at the time your FAFSA was originally submitted. Please include any documents that will support your explanation.
4. Please refer to **Part 4** for additional information regarding the net worth of investments and businesses. ***NOTE:** If you and/or your family own and control more than 50% of a business, please complete Part V on the back of this form.
5. Complete **Part 5** by signing and dating this form, and return it to the Sacred Heart Financial Assistance Office. Please include any additional documents that are necessary to complete the processing of your application.



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Part 1: Conflicting Information

Table 1: Conflicting Information on 2024-2025 FAFSA

Type of Income	Amount on U.S. Tax Return	Asset Type per FAFSA	Amount on FAFSA
Taxable Interest 1040: line 2b	\$	Cash, savings & checking	\$
Dividends 1040: line 3b	\$	Net Worth of Investments	\$
Rents, royalties, partnerships, estates, trusts, etc. 1040: Schedule 1 line 5	\$		
Business and/or investment farm 1040: Schedule 1 line 3 & 6	\$	Net worth of business and/or investment farm	\$

Part 2: Correct Information

(Please report the correct amount, as of the date you submitted your FAFSA).

Table 2: Correct Information as of the date you submitted your FAFSA

Type of Asset	Correct Amount	Additional Information to Include (if required to complete for U.S. tax return)
Cash, savings, & checking	\$	
Investments, including real estate	\$	
Business (if Part V applies, enter '0')	\$	Include Schedule C or IRS Form 1120
Partnership S Corp	\$	Include Schedule K-1
Investment Farm	\$	Include Schedules E and/or F
Annual Child Support Received	\$	
Education Savings Account	\$	

Important: Please report the market value or net worth of all assets; not the 2022 net income/profits.



Part 3: Explanation of Conflicting Information/Additional Comments

(Please attach an additional page in needed.)

Part 4: Net Worth of Investments and/or Businesses

- Net worth means the value at the time of application minus any debt
- Investments include real estate, trust funds, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, Coverdell savings accounts, college savings plans, installment and land sale contracts (including mortgages held), commodities, etc.
- Investment value includes the market value of these investments as the date of application.
- Investment debt means only those debts that are related to the investments as the date of application.
- Investments do not include your home (only your principal place of residence), a family farm if it is the principal place of residence and you or your spouse materially participated in the operation of it, the value of life insurance, retirement plans (pension funds, annuities, non-education IRAs, Keogh plans, etc.), prepaid tuition plans, or cash, savings, and checking accounts already reported on the FAFSA.
- Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, livestock. Unharvested crops, etc.
- Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.
- If you are divorced or separated and you and your (ex-) spouse have jointly owned assets, report only your portion of the assets and debts.
- If you and/or your spouse are not the sole owner(s) of the business, report only your share of its value and debt.

Valuing a business is difficult, but the following are some guidelines to help you determine an accurate and honest assessment of the net worth of a business:

- An extremely well-established and steady business with an excellent market position whose continued earnings are not dependent on a strong management team: a multiple of eight to ten times current profits plus the liquidation value of any assets minus any debt secured by the business. **Example: The only movie rental store or pharmacy in a smaller town that would have the same customers no matter who owned the business.
- An established business with a good market position but has some competitive pressures and swings in earnings that requires continual management attention: a multiple of five to seven times current profits plus the liquidation value of any assets minus any debt secured by the business. **Example:



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One of a handful of gas stations in a specific region that has a limited number of competitors in the area, but still needs steady management to be profitable.

- An established business with no real competitive advantages, stiff competition, few hard assets, and a heavy dependence on the management's skills for continued success: a multiple of two or four times current profits plus the liquidation value of any assets minus any debt secured by the business.

****Example:** A general contractor who specializes in residential construction and repair.

- A small personal service business where the owner is the only or one of the only professional service providers: a multiple of one time's current profits plus the liquidation value of any assets minus any debt secured by the business. ****Example:** A beautician (or artist, photographer, translator, etc.) who relies on established relationships with customers for business.

The net worth of a business is not only how much money the business can be sold for, but also takes into consideration how much money the buyer can expect to earn in the future once it has been bought.

Part 5: Certification

(We) certify that my family has more than 50% ownership and control of a business.

Parent or Spouse's Signature: _____ Date: _____

Student Signature: _____ Date: _____

Part 6: Certification

I certify that the information on this form is true and accurate to the best of my knowledge.

Student Signature: _____ Date: _____

Parent or Spouse's Signature: _____ Date: _____

(Typed or e-signatures are not acceptable. Please print, and actually sign and date this document.)

This document may be submitted to the Office of Student Financial Assistance ONLY via SHUAwards (Menu > Documents & Messages > Upload it now!), secure fax, mail, or in-person as it contains personally identifiable information.

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