

Verification 101

Summer ISFAA

June 13, 2017

Today's Agenda

- ▶ ED definition of Verification
- ▶ Regulations
- ▶ Groupings
- ▶ Policies and Procedures
- ▶ Conflicting Information
- ▶ Resources

What is Verification?

- ▶ Process of verifying accuracy of the Free Application for Federal Student Aid (FAFSA) data
- ▶ Students are selected for verification in one of two ways:
 - ▶ By CPS
 - ▶ Groups!
 - ▶ By institution
 - ▶ Institution can decide what items to verify & the documentation to gather
- ▶ Student may not opt out of the verification process if eligible for need-based aid

Rules to Live By - ED Regulations

- ▶ Federal regulations 34 CFR 668.51 - 61
 - ▶ These regulations govern the verification by institutions of information submitted by applicants for financial aid purposes
 - ▶ Provides instruction on:
 - ▶ The selection process
 - ▶ Acceptable documentation
 - ▶ Deadlines

Groupings - History

- ▶ Introduced in the 2013-2014 award year
 - ▶ Added high school completion and identity/statement of educational purpose
- ▶ Customized approach to verification
- ▶ FAFSA information that must be verified
 - ▶ Will vary from applicant-to-applicant
 - ▶ May be information that is not used in calculating applicant's EFC
 - ▶ May change from award year to award year
- ▶ ED publishes a notice in Federal Register each year detailing the FAFSA information subject to verification

Tracking Groups

- ▶ Determined each year by ED
 - ▶ Federal Register, generally in June each year
 - ▶ 1819 information released May 5th, Vol 82 No 86
- ▶ V1 - Standard Verification
- ▶ V2 - SNAP (retired in 1415)
- ▶ V3 - Child Support Paid (retired in 1617)
- ▶ V4 - Custom Verification Group
- ▶ V5 - Aggregate (combine V1 and V4 = V5 clever!)
- ▶ V6 - Household Resources (retired in 1718)

Group 1 Verification Items 1718

Tax Filers

- ▶ Adjusted gross income
- ▶ US taxes paid
- ▶ Untaxed portion of IRS distributions
- ▶ Untaxed portion of pensions
- ▶ IRA deductions and payments
- ▶ Tax-exempt interest income
- ▶ Education credits
- ▶ Household size
- ▶ Number in college

Non-Filers

- ▶ Income earned from work
- ▶ Household size
- ▶ Number in college
- ▶ Statement of non-filing

Group 4 Verification Items - 1718

- ▶ High school completion
- ▶ Identity/Statement of Educational Purpose
 - ▶ Must use language provided by ED for Statement. Language cannot be adjusted/changed in any way
 - ▶ Government issued ID must be presented and witnessed
 - ▶ Signature on Statement must be witnessed

Group 5 Verification Items - 1718

- ▶ Marriage of Group 1 and Group 4

The Future - 1819 Verification

- ▶ Federal Register vol. 82 No. 86
 - ▶ Issued May 5, 2017
 - ▶ Groups for 1718 carried forward to 1819
 - ▶ DRT (hopefully!) and TRT will be the acceptable documentation - acceptance of paper tax return goes away
- ▶ New!
 - ▶ Auto Zero EFC Verification requirements lessened

Verification Policies and Procedures

- ▶ 34 CFR 668.53
- ▶ Institution must establish and use written policies and procedures for verifying an applicant's FAFSA information. Must include
 - ▶ Time period within which applicant must provide documentation
 - ▶ How applicant will be notified of need for verification documentation
 - ▶ Consequences of failure to comply
 - ▶ Applicant notification procedures of verification results
- ▶ Need to be consistently applied
- ▶ Need to be reviewed and updated annually

Conflicting Information - Resolution

- ▶ Not to be confused with Verification, this is a separate ED requirement
- ▶ 34 CFR 668.16(f)
- ▶ 34 CFR 668.54(a)(2)
- ▶ Regardless of verification selection, must always resolve discrepancies and conflicting information
- ▶ Examples
 - ▶ Student files on FAFSA has HS diploma, but admissions says no diploma was earned
 - ▶ Student turns in tax transcript even though not selected for verification

Resources

- ▶ 34 CFR 668.51 - 61
- ▶ Federal Student Aid Handbook
 - ▶ Application and Verification Guide, Chapter 4
 - ▶ FA jargon known as AVG
- ▶ Federal Register Notice
- ▶ Dear Colleague Letters
- ▶ Electronic Announcements - Verification
- ▶ ED Program Integrity Information - Verification Q & A
 - ▶ <https://www2.ed.gov/policy/highered/reg/hearulemaking/2009/verification.html>

Questions?

▶ How to reach me

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