



VERIFICATION BASICS

Regulations define....

- Whose application MUST be verified
- FAFSA information to be verified
- Documentation used to verify data elements
- Regardless of whether a student is selected for verification or not, you MUST always resolve discrepancies and conflicting information.

VERIFICATION BASICS

Who must be verified?

You must verify applications, selected by CPS, of students who will receive (or have received) SUBSIDIZED financial assistance. Title IV programs for which eligibility is determined by the EFC:

- Federal Pell Grant
- FSEOG
- Federal Work Study
- Federal Perkins Loan
- Direct Subsidized Loan Program

VERIFICATION BASICS

Who must be verified?

Verification is not required if the student will only receive **UNSUBSIDIZED** student financial assistance – Title IV programs for which eligibility is NOT based on the EFC:

- TEACH Grant
- Direct Unsubsidized Loan Program
- Direct PLUS Loan Program
- Iraq and Afghanistan Service Grant (this is a non-need based grant and not subject to verification)

VERIFICATION 2016-2017

Students are selected based on a risk model that ED has developed

We have 6 verification groups

- V1 – Standard
- V2 – Reserved – NOT USED IN 2016-2017
- V3 – Reserved – NOT USED IN 2016-2017
- V4 – Custom
- V5 – Aggregate
- V6 – Household Resources

In limited circumstances, an applicant's Verification Tracking Group could change

VERIFICATION 2016-2017

Applicants may be moved from previously assigned Groups V1, V4, and V6 to Verification Tracking Group V5

- Applicant is only required to verify the additional items in V5 that were not previously verified
- If the applicant is moved to Verification Tracking Group V5, no additional disbursements of any Title IV aid may be made until verification is satisfactorily completed
- If verification is not satisfactorily completed, the student is liable for the full amount of Title IV aid disbursed. The institution is not liable.

VERIFICATION 2016-2017

V1 – Standard Verification Group

- adjusted gross income
- U.S. income tax paid
- untaxed portions of IRA distributions
- untaxed portions of pensions
- IRA deductions and payments
- tax-exempt interest income
- education credits
- household size
- number in college
- Supplemental Nutrition Assistance Program (SNAP) benefits
- child support paid

VERIFICATION 2016-2017

V1 – Standard Verification

Tax filers

- adjusted gross income
- U.S. income tax paid
- untaxed portions of IRA distributions
- untaxed portions of pensions
- IRA deductions and payments
- tax-exempt interest income
- education credits

Documentation

- IRS DRT
- Tax Return Transcripts
- Alternative documentation where allowed (e.g. amended returns, foreign returns, etc.)

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VERIFICATION 2016-2017

V1 – Standard Verification

Non-Tax filers

- Income earned from work

Documentation

- Signed statement certifying:
 - Individual has not filed and is not required to file a 2015 tax return
 - List sources of income earned from work with amounts of income from each source
- AND**
- Copy of IRS Form W-2 for each source of employment for the 2015 tax year

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VERIFICATION 2016-2017

V1 – Standard Verification

All Applicants

- Household size
- Number in college
- SNAP-if reported on ISIR
- Child Support Paid –if reported on ISIR

Documentation

- **Household size** - signed statement (Name, age and relationship)
- **Number in college** - signed statement (Name, of household member attending at least ½ time and name of eligible institution)
- **SNAP**-signed statement affirming SNAP benefits received by someone in the household during 2014 and/or 2015
- **Child Support Paid** - signed statement certifying:
 - Amount of child support paid
 - Name of the person who paid the support
 - Name of the person to whom child support was paid
 - Names and ages of the children for whom child support was paid

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VERIFICATION 2016-2017

V2 – not currently used for anything

V3 – not currently used for anything

ED is holding onto them for some scary and yet unknown reason

VERIFICATION 2016-2017

V4 – Custom Verification

- High school completions status
- Identity Statement of Education Purpose
- SNAP Benefits - if reported on ISIR
- Child Support Paid – if reported on ISIR

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VERIFICATION 2016-2017

V4 – Custom Verification

- High school completions status

Documentation

- **High school completion**
 - High school diploma
 - Final official high school transcript showing date awarded
 - Secondary leaving certificate (for those in a foreign country who are unable to get the above documentation)

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VERIFICATION 2016-2017

V4 – Custom Verification

- High school completions status

Documentation

- **Recognized equivalent of a HS diploma**
 - GED certificate
 - Certificate demonstrating a passed state-authorized HS equivalent certificate (eg. HiSET, TASC)
 - An associate's degree
 - Academic transcript of a student who has successfully completed a 60 semester credit hours that is acceptable for full credit toward a bachelor's degree
 - Enrollment in a bachelor's degree where at least 60 semester credit hours have been completed and transferred into the program
 - Student excelled academically in HS...meets your written policy for admitting such students.
 - A secondary school credential for homeschool provided for under state law

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VERIFICATION 2016-2017

V4 – Custom Verification

- High school completions status

When a student incorrectly states their diploma status, for example, stating one year that they had a high school diploma, and in a subsequent year either notifying you that the previous submission was a mistake, or simply answering "no" to the question of whether or not they have a high school diploma, then the student was ineligible for all TIV aid, and is ineligible for all TIV aid going forward, and must also return the aid they previously received when ineligible, even if it was for an award year which has been completed.

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VERIFICATION 2016-2017

V4 – Custom Verification

- Identity/statement of educational purpose

Documentation

- **Identity/Statement of education purpose-in person**

- A valid (unexpired) government-issued ID
- An unmodified signed statement of education purpose provide by ED

AND

- Maintain the annotated copy with the date the document was received and the name of the institutionally-authorized individual that obtained the documentation

- **Identity/Statement of education purpose-unable to appear in person**

- A copy of a valid (unexpired) government-issued photo identification

AND

- An original, notarized statement of educational purpose signed by the applicant (no fax or scan)
- Maintain a copy in the file (may convert the *original* to an electronic record)

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VERIFICATION 2016-2017

V5 - Aggregate Verification Group

- High school completion status
- Identity/statement of educational purpose

AND

- All items in Tax filer or non- Tax filer V1

VERIFICATION 2016-2017

V6 – Household Resources

- All items in Tax filer or non- Tax filer V1

AND

- Other untaxed income from 2016-2017 FAFSA
 - Payments to tax-deferred pension and savings
 - Child support received
 - Housing, food and other living allowance paid to member of the military, clergy and others
 - Veterans noneducation benefits
 - Other untaxed income
 - Money received or paid on the applicant's behalf

Documentation

- **Other untaxed income** -signed statement listing sources and amounts of income for tax year 2015

AND

- Copy of IRS W-2s for sources of employment income received for tax year 2015, where applicable

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VERIFICATION 2016-2017

- If institution determines amounts provided do not appear to provide sufficient support for family members reported, the applicant (and parent/spouse) must:
 - Provide additional signed statement listing other resources used to support family (may include items not required to be reported on FAFSA or other verification forms)
 - Explain how they were financially supported during 2015 calendar year
- Institutions should use reasonable judgment when evaluating the validity of the income information provided by students and parents who are placed in Verification Tracking Group V6
- "Reasonable" may differ among institutions
- Institutions may choose to accept a signed low-income statement, an income-to-expenses comparison, or other documentation as determined by the institution

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VERIFICATION 2016-2017

V4 and V5 have an additional obligation by the institution as well:

- You must update the record on CPS as to the status of the verification:
 - 1—verification completed in person, no issues found
 - 2—verification completed using notary, no issues found
 - 3—verification attempted, issues found with identity
 - 4—verification attempted, issues found with HS completion
 - 5—no response from applicant or unable to locate

VERIFICATION: 2017-2018

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VERIFICATION 2017-2018

Still using the risk assessment model to select students

Still have 6 categories, but only 3 will be used

- V1
- V4
- V5

- Not using V2, V3, or V6

VERIFICATION 2017-2018

V1 – Standard Verification Group

Tax filers

- adjusted gross income
- U.S. income tax paid
- untaxed portions of IRA distributions
- untaxed portions of pensions
- IRA deductions and payments
- tax-exempt interest income
- education credits
- household size
- number in college
- Supplemental Nutrition Assistance Program (SNAP) benefits
- child support paid

VERIFICATION 2017-2018

V1 – Standard Verification Group

Non-Tax filers:

- income earned from work
- household size
- number in college
- SNAP benefits
- child support paid

Documentation

Additional documentation

- Nontax filers and tax filers who received an extension but still have not filed their income tax return must provide confirmation of nonfiling dated on or after October 1, 2016. A confirmation of nonfiling can be obtained from the IRS using Form 4506 and checking box 7

VERIFICATION 2017-2018

V4 - Custom Verification Group

- High school completion status
- Identity/statement of educational purpose
- SNAP benefits
- Child support paid

VERIFICATION 2017-2018

V5 - Aggregate Verification Group

- High school completion status
 - Identity/statement of educational purpose
- AND**
- All items in Tax filer or non- Tax filer V1

VERIFICATION 2017-2018

Additional leniency for 17/18

- Can "reuse" documentation collected for 16/17 verification
 - Remember this is the double 2015 year
 - Tax transcripts, W2s, 1099's, etc. can be reused
 - Important to note that income will be the same but NOT the household necessarily. Income is from 2015 but household composition is for current school year.
 - Can NEVER reuse identity/statement of purpose
 - You may not reuse the documentation for students/families who are not able to obtain a 2015 transcript and you are using the exception outlined in electronic announcement 2016-10-21 (Verification)


