

Verification



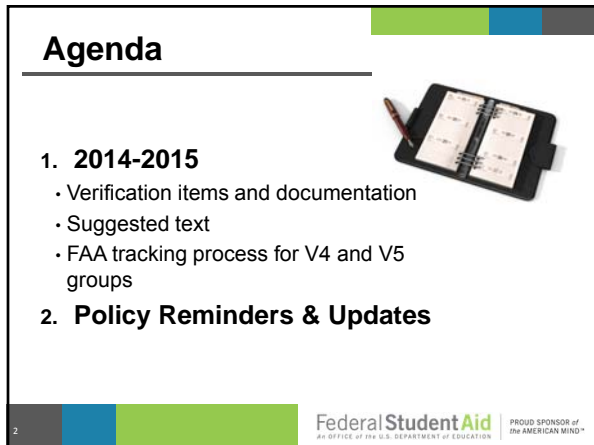
Verification

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U.S. Department of Education

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

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The slide features two circular logos of the U.S. Department of Education at the top corners. The background has a decorative header with green and blue blocks.



Agenda

1. 2014-2015
 - Verification items and documentation
 - Suggested text
 - FAA tracking process for V4 and V5 groups
2. Policy Reminders & Updates

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Verification for 2014-2015:
What's New?



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Verification

2014-15 Verification

Verification Tracking Groups Summary


- Kept V1, V3, V4 and V5
- Eliminated Group V2 – SNAP
 - SNAP still an item under V1, V4, V5 and V6
- Added Group V6 – Household Resources
 - Income appears not sufficient to support family size


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V1– 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;
 alternate documentation where allowed (e.g. amended returns, foreign returns, etc.)


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V1 – Non-Tax Filers

- Income earned from work

Documentation:
 1. Signed statement certifying –
 a) Individual has not filed and not required to file 2013 tax return;
 b) Sources of income earned from work and amounts of income from each source for tax year 2013;
 2. Copy of IRS Form W–2 for each source of employment income received for tax year 2013;


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V1 – Non-Tax Filers

- If an institution questions a claim that the tax filer is not required to file, must require applicant to submit a “Verification of Nonfiling”
 - Obtained by the tax filer using IRS Form 4506-T and checking box 7
 - “Verification of Nonfiling” for 2013 tax year not issued until after June 15, 2014

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V1– All Applicants

- # in Household & # in College

Documentation:

- Household size** – signed statement (name, age, relationship)
 - Not required if:
 - Dependent student household size reported is 2 and parent is unmarried or 3 if the parents are married or unmarried and living together
 - Independent student household reported is one and applicant is unmarried or two if the applicant is married
- # in College** – signed statement (name of household member attending at least half-time and eligible institution name)
 - Not required if reported number is one (student)

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V1- All Applicants

- SNAP Benefits (if reported on ISIR)
- Child Support Paid (If reported on ISIR)

SNAP Documentation:

- Statement signed by applicant/parent affirming SNAP benefits received by someone in household during 2012 and/or 2013
- If school has concerns with accuracy of information, the institution must obtain documentation from the agency that issued the SNAP benefits

Child Support Paid Documentation:
Explained under V3 slide

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V3—Child Support Paid

Documentation:

(1) Statement signed by the applicant/parent certifying—


- (a) Amount of child support paid;
- (b) Name of the person who paid the child support;
- (c) Name of the person to whom child support was paid; and
- (d) Names of the children for whom child support was paid


(2) If the institution has reason to believe that the information provided in the signed statement is inaccurate, the applicant must provide the institution with supporting documentation, such as—divorce decrees, checks, signed statements, etc.

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V4—Custom

- High School Completion Status
- Identity/Statement of Educational Purpose
- SNAP Benefits (if reported on ISIR)
- Child Support Paid (if reported on ISIR)




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High School Completion Status

Documentation:

- High school diploma; or
- Final official high school transcript showing date diploma awarded; or
- “Secondary school leaving certificate” for students who completed secondary education in foreign country and unable to get copy of high school diploma/transcript

• **Note:** If, prior to being selected for verification, an institution already obtained HS completion status records for other purposes, the institution may rely on those records as long as it meets ED HS completion criteria

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High School Completion Status

Documentation: Recognized equivalent of a high school diploma

- Copy of the student's General Educational Development (GED) certificate, an official GED transcript that indicates the student passed the exam, or a state-authorized high school equivalent certificate; or
- Academic transcript of a student who has successfully completed at least a two-year program that is acceptable for full credit toward a bachelor's degree; or
- Student excelled academically in HS and met all criteria to be admitted into a 2-year degree program or higher

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High School Completion Status

- Documentation: Homeschooled
 - Transcript, or the equivalent, signed by the parent or guardian, that lists the secondary school courses completed by the applicant and documents the successful completion of a secondary school education;
 - OR
 - A secondary school completion credential for home school provided for under State law

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Identity/Statement of Educational Purpose

- Documentation: students that appear in person
 - Present to an institutionally authorized individual
 - A valid government-issued photo identification; and
 - A signed statement of educational purpose
 - *Provided by ED, cannot be modified*
 - Maintain, an annotated copy of the identification:
 - The date documentation was received; and
 - The name of the institutionally-authorized individual that obtained the documentation

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Verification

Identity/Statement of Educational Purpose

Documentation: student unable to appear in person

- Must provide the institution—
 - A copy of a valid government-issued photo identification
- AND
- An *original*, notarized statement of educational purpose signed by the applicant
 - Cannot be faxed or scanned
 - After examining the *original* Statement of Educational Purpose for accuracy and completeness, the institution may convert it into an electronic record


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V5—Aggregate

- High School Completion Status
- Identity/Statement of Educational Purpose

AND

- All items indicated-Tax Filer (V1)
- All items indicated-Non-Tax Filer (V1)


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V6 – Household Resources

- All items indicated-Tax Filer (V1); or
- All items indicated-Non-Tax Filer (V1);

AND

- Other untaxed income from 2014-2015 FAFSA:
 - Payments to tax-deferred pension and savings
 - Child support received
 - Housing, food and other living allowances paid to members of the military, clergy and others
 - Veterans noneducation benefits
 - Other untaxed income
 - Money received or paid on the applicant's behalf

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V6 – Household Resources

Other Untaxed Income Documentation:


1. Signed statement listing –
 - Sources and amounts of income for tax year 2013
2. Copy of IRS W2s for sources of employment income received for tax year 2013 where applicable

- If school 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 financially supported during 2013 calendar year

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2014-2015 Verification

Suggested Text



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Electronic Announcement – 11/8/13

- Contains 4 appendices to assist with crafting school verification documents to gather required verification data
- To remove unnecessary burden on all parties, ED urges institutions to use a targeted approach to request only required verification information from students and families
 - Schools still allowed to select additional items based on school selection policy

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Electronic Announcement – 11/8/13

- Appendix A – Suggested text
 - Not required to use ED’s suggested text and formats
 - **ONE EXCEPTION - institutions must use the exact language provided in the “Statement of Educational Purpose” (Groups V4 & V5)**
 - Includes a signature block
 - Ensure document collects student’s name and other identifying information, and that each page is identified as belonging to that student
 - Should contain any special instructions for where, when, and how documents are to be submitted

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Electronic Announcement – 11/8/13

Statement of Educational Purpose

I certify that I _____ am the individual signing
(Print Student’s Name)

this Statement of Educational Purpose and that the federal student financial assistance I may receive will only be used for educational purposes and to pay the cost of attending _____ for 2014-2015.
(Name of Postsecondary Educational Institution)

(Student’s Signature) (Date)

(Student’s ID Number)

Student’s identification number is optional if collected elsewhere on the same page as the statement.

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Electronic Announcement – 11/8/13

- Appendix B – Verification item table listing important aspects of each item and groups each item according to verification tracking group
- Appendix C – Table of all items in each verification tracking group

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Electronic Announcement – 11/8/13

- Appendix D – Example of institutional verification document
- Example is for a dependent student selected for Verification Tracking Group V4 whose ISIR indicates child support paid but no receipt of SNAP benefits
 - Example of ONLY including text for items required to verify (no SNAP language included)
- Provides a sample verification requirements introductory paragraph, possible headings and a sample student demographic section

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V4/V5 Tracking Results: 2014-2015

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V4/V5 Tracking Results – 2014-2015

Issue:
Provide an efficient method for FAAs to report the verification results for records selected with the V4 and V5 Verification Tracking Groups

Solution:
FAA Access will be updated to add **Identity Verification Results** functionality to allow FAAs to enter results individually or by file upload starting January 1, 2014

Electronic Announcement November 13, 2013

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V4/V5 Tracking Results – 2014-2015

FAA Access will be updated to add Identity Verification Results to the home page

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V4/V5 Tracking Results – 2014-2015

Whom to report: student for whom school received an ISIR with a Verification Tracking Group of V4 or V5 AND for whom school requested verification documentation

- Do NOT include students the school selected for verification of identity or high school completion status

When to report: on a regular basis with all reporting for 2014-2015 submitted within a short time after the end of the 2014-2015 award year

- Future Federal Register Notice will provide specific deadlines to submit all documentation for 14/15

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V4/V5 Tracking Results – 2014-2015

- The FAA will enter SSN, Name ID (first two letters of the last name), and Verification Results from a dropdown menu on this page
- Click "Add SSNs" and enter additional ones

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V4/V5 Tracking Results – 2014-2015

- Dropdown options will be:
 1. Verification completed in person, no issues found
 2. Verification completed remotely, 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

If issues found with BOTH identity and HS completion, school will indicate issues found with identity (#3)



V4/V5 Tracking Results – 2014-2015

FAA Access to CPS Online – Identity Verification Results

NEED HELP?

Load Results File


TGA for your Destination Point: T099999
Federal School Code: 001002
School Year: 2013-2014

Enter the location of the file you want to load:

PREVIOUS UPLOAD RESULTS

NEED HELP? RETURN TO FAA MENU EXIT

FAAs will be able to create and upload a flat file "available in April 2014"



V4/V5 Tracking Results – 2014-2015

FAA Access to CPS Online – Identity Verification Results

NEED HELP?

Confirmation

TGA for your Destination Point: T099999
Federal School Code: 001002
School Year: 2013-2014

Your Identity Verification Results have been submitted for the following record(s):

xxx-xxx-xx	aa	Verification completed in person, no issues found
xxx-xxx-xx	aa	Verification attempted, issues found with identity
xxx-xxx-xx	aa	No response from applicant or unable to locate


Select PRINT THIS PAGE to print this page for your records.

PRINT THIS PAGE

NEED HELP? RETURN TO FAA MENU EXIT

FAAs will get a confirmation page with the results submitted and can print the page for their records

If a student's results change after they have been submitted, the school would simply resubmit the student's information



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Verification

2014-15 Verification

References & Resources

- Federal Register Notice - June 13, 2013
- DCL GEN-13-16 - June 13, 2013
- 14/15 FSA HDBK, AVG Section, Chapter 4
- EA dated 11/8/13 – suggested text
- EA dated 11/13/13 – FAA Access tracking V4 & V5
- Program Integrity Q & A Website (verification topic)
 - <http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/integrity-qa.html>

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Policy Reminders & Updates

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Verification & PJ

- For applicants **selected** for verification (by ED or school), *must complete verification before PJ adjustments made [HEA section 479A(a)]*
- But...all PJ adjustments do **NOT** require verification
 - *Does school require?*
- **Must** mark ISIR as PJ! An ISIR with PJ **coded correctly** will **not** be subject to ED's verification selection

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Tax Filers - Extensions


- Person is required to file, but obtained **extension**, must submit:
 - IRS form 4868 or IRS approval to extend beyond October 15 deadline
 - W-2 for each source of employment income
 - Signed statement by a self-employed individual certifying amount of AGI & US income tax paid
 - *When above documentation reviewed, verification is considered complete*
- School may request transcript/IRS DRT when taxes are filed; must re-verify income information

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October 23, 2013 Electronic Announcement

- Alternative documentation allowed when tax filer unable to obtain an IRS Tax Return Transcript using the IRS *paper or on-line* request process
- No alternative documents for telephone requests

EA only applicable to 2013-2014
Similar EA dated 11/2/12 for 12/13



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2013-2014 – Transcripts Unavailable

- In instances where tax filer attempted to request a recent IRS Tax Return Transcript and was unsuccessful:
 - Signed copy of relevant 2012 IRS tax return
 - AND**
 - Communication from IRS stating request unsuccessful
 - Letter from IRS (*SIGNED BY TAX FILER*); or
 - Screen shot print (*SIGNED AND DATED BY TAX FILER*)
 - AND**
 - Completed and signed IRS Form 4506 T-EZ or 4506-T listing institution as third party
 - Send to IRS only if doubt paper tax return accuracy

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Amended Tax Returns

If the institution is aware that an amended tax return was filed, to complete verification, the applicant must submit—

- Either a signed copy of the original tax return, an IRS Tax Return Transcript, IRS Record of Account Transcript or a Return Transcript for Taxpayer (RTFTP) (Program Integrity Q&A DOC-Q10)

AND

- Signed copy of the Amended 1040X that was filed with the IRS

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Identity Theft – 2013-2014

To complete verification for victims of identity theft—

- Signed copy of 2012 IRS income tax return


AND


- One of the following—
 1. IRS Form 14039, “Identity Theft Affidavit”
 - Unless not required to file form or did not keep copy
 2. Signed, dated statement indicating victim of identity theft and IRS is investigating
 3. Copy of the police report filed by the tax filer

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Identity Theft – 2014-2015

- Beginning with the 2013 tax year, a tax filer who is not able to request an IRS Tax Return Transcript because of *identity theft*, will be able to call a special IRS toll-free number (1-800-908-4490)
- Upon verification of identity, the tax filer can request the IRS provide a paper copy of an alternative document unique to identity theft issues (Tax Return Data Base View - TRDBV)




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Transcript Requests – 2014-2015


- *Online IRS Transcript requests*
 - Beginning with tax year 2013, once an online transcript request is validated, the IRS will return in real-time, a transcript in portable document format (pdf)
 - Tax filer can print/save/forward pdf transcript as needed
- *Telephone Requests*
 - In the 2013 tax year, the IRS will no longer provide a phone request process where tax filers can speak to an IRS representative to request Tax Transcripts
 - Only phone option will be an automated request process

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QUESTIONS?

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Training Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation

- Go to <http://s.zoomerang.com/s/DavidBartlett>
 - Evaluation form is specific to David Bartlett
- This feedback tool will provide a means to educate and inform areas for improvement and support an effective process for “listening” to our customers
- Additional concerns about training can be directed to joann.borel@ed.gov

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