

Verification

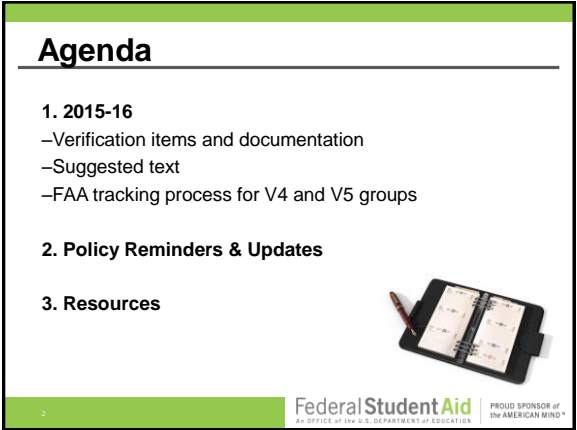


2015-2016 Verification

SASFAA Fall Conference
February 23-25, 2015


David Bartnicki
U.S. Department of Education

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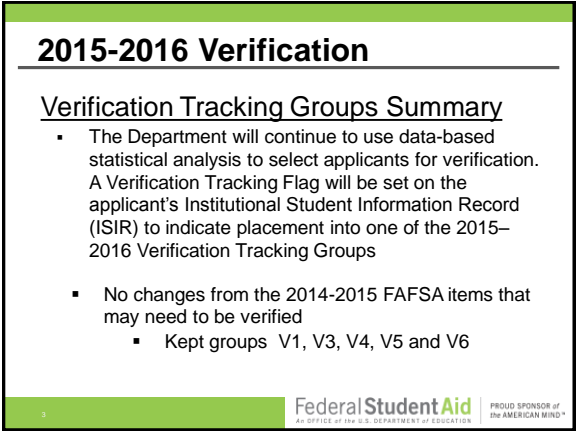


Agenda

- 2015-16**
-Verification items and documentation
-Suggested text
-FAA tracking process for V4 and V5 groups
- Policy Reminders & Updates**
- Resources**



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2015-2016 Verification

Verification Tracking Groups Summary

- The Department will continue to use data-based statistical analysis to select applicants for verification. A Verification Tracking Flag will be set on the applicant's Institutional Student Information Record (ISIR) to indicate placement into one of the 2015-2016 Verification Tracking Groups
- No changes from the 2014-2015 FAFSA items that may need to be verified
 - Kept groups V1, V3, V4, V5 and V6

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- An applicant will remain in the original 2015–2016 Verification Tracking Group for the entire 2015–2016 award year regardless of subsequent corrections to the applicant's record
- IRS Data Retrieval Tool February 1, 2015

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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 2014 tax return;
b) Sources of income earned from work and amounts of income from each source for tax year 2014;
2. Copy of IRS Form W–2 for each source of employment income received for tax year 2014;

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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 Letter"
 - Obtained by the tax filer using IRS "Get Transcript Online" tool at www.irs.gov/Individuals/Get-Transcript OR
 - Form 4506-T and checking box 7
 - A Verification of Nonfiling Letter for the 2014 tax year must be dated on or after June 15, 2015

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V1– All Applicants

• # in Household & # in College

Documentation:

1. **Household size** – signed statement (name, age, relationship)
 - a. 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
2. **# in College** – signed statement (name of household member attending at least half-time and eligible institution name)
 - a. 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:

1. Statement signed by applicant/parent affirming SNAP benefits received by someone in household during 2013 and/or 2014
2. 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 and ages 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 HS 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 HS 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

- Test transcripts of State-authorized examinations (e.g., GED test, HiSET, TASC, or other State-authorized high school equivalency examinations) are acceptable documentation of high school completion only if:
 - The official test transcript specifically indicates that a state has determined that the test results are considered by the State to meet its requirements of high school equivalency; OR
 - The official test transcript includes language that the final score is a passing score

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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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Verification

Identity/Statement of Educational Purpose

- Documentation: students that appear in person
- Present to an institutionally authorized individual
 - A valid government-issued photo identification; and
 - Does NOT have to be Real ID Act compliant (DOC-Q26)
 - 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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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
 - Does NOT have to be Real ID Act compliant (DOC-Q26)
 - AND
 - An *original*, notarized statement of educational purpose signed by the applicant
 - Cannot be faxed or scanned
 - After examining *original* Statement of Educational Purpose, institution may convert it to 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 2015-2016 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 2014
2. Copy of IRS W2s for sources of employment income received for tax year 2014 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 2014 calendar year

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2015-2016 Verification

Suggested
Text



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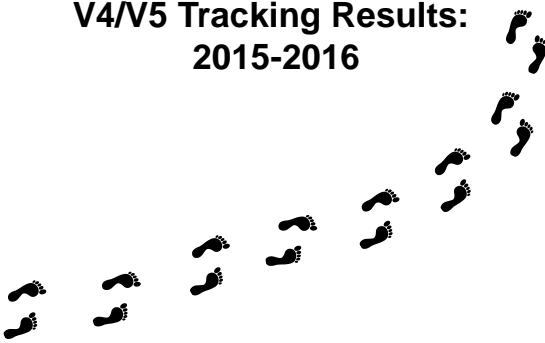
Electronic Announcement – 11/24/14

- Contains 6 appendices to assist with crafting school verification documents to gather verification data
- 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)**
 - "Notary's Certificate of Acknowledgement" section, does not require the use of the exact language provided, although it must include a copy or description of the identification presented by the applicant to the notary

Electronic Announcement – 11/24/14

- Appendix B – sample school verification document
- Appendix C – table of verification items
- Appendix D – verification tracking groups
- Appendix E – IRS tax return transcript request process
- Appendix F – IRS Tax return processing time frames for IRS DRT process
 - Explains when IRS DRT and transcripts will be available depending on whether the tax filer owes the IRS, when they paid the IRS in full and whether they filed electronically or by paper

V4/V5 Tracking Results: 2015-2016



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Verification

V4/V5 Tracking Results – 2015-2016

- The V4 and V5 tracking process in FAA Access that began in the 2014-15 processing year WILL CONTINUE for 2015-16.
- Schools need to select the proper award year for which they are providing results
 - 2014-15; 2015-16, etc.

<https://faaaccess.ed.gov>

V4/V5 Tracking Results – 2015-2016

Use the Identity Verification Results section on the FAA Access home page



V4/V5 Tracking Results – 2015-2016

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: 60 days following the institution's first request to the student to submit the required V4 or V5 identity and high school completion documentation

- changes to previously submitted Identity Verification Results must be updated within 30 days

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V4/V5 Tracking Results – 2015-2016

FAA Access to CPS Online – Identity Verification Results

NEED HELP?

Confirmation

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

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

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

111-11-1111	BB	Verification completed in person, no issues found
111-11-2222	CC	Verification attempted, issues found with identity
111-11-3333	DD	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**

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

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Policy Reminders & Updates



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October 17, 2014 Electronic Announcement

- Alternative documentation allowed when tax filer RECENTLY requested but unable to obtain an IRS Tax Return Transcript using the IRS *paper or on-line* request process
- No alternative documents for telephone requests
- Exception not permitted for transcripts unable to be obtained simply because the IRS has not had time to process the data due to a recent filing

For 2014-2015 award year

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2014-2015 – Transcripts Unavailable

- In instances where tax filer recently requested a IRS Tax Return Transcript and was unsuccessful:
 - Signed copy of relevant 2013 IRS tax return
 - AND**
 - Communication from IRS stating request unsuccessful
 - Letter from IRS (*SIGNED AND DATED 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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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:
- Program Integrity Q & A Website (DOC-Q16)
 - 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* (disbursements are valid)
- School may request transcript/IRS DRT when taxes are filed; must re-verify income information

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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 – 2014-2015

- A tax filer who is unable to request an IRS Tax Return Transcript because of *IRS identity theft*, calls a special IRS group at 1-800-908-4490
 - Upon verification of identity, the tax filer can request a paper copy of an alternative document unique to identity theft issues (Tax Return Data Base View - TRDBV)
 - The TRDBV is an official transcript that can be submitted to the school to meet verification requirements

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Resources

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References & Resources

- Federal Register Notice - June 25, 2014
- DCL GEN-14-11 - June 30, 2014
- Program Integrity Q & A Website (“verification”)
- <http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/integrity-qa.html>
- EA 11/24/14 – Suggested Text and Appendices
- EA 11/13/13 & 6/18/14 – V4/V5 Tracking Results
- Federal Register - 7/11/14 (V4/V5 tracking time frames)

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Contacts

- Atlanta School Participation Team
– MS, AL, FL, GA, NC, SC
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– Laura Hall (IIS) – 404-974-9293
– Cassandra Weems (IIS) 404-974-9305
- Atlanta Training Officers
– MS, AL, FL, GA, NC, SC, KY, TN
– David Bartnicki – 404-974-9312

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Contacts

- Kansas School Participation Team – KY, TN
– Main Number: 816-268-0410
– Jim Wyant (IIS) – 816-268-0431
- Philadelphia School Participation Team – VA
– Main Number: 215-656-6442
– Joe Kern (IIS) – 215-656-8566
- Philadelphia Training Officers - VA
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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/DavidBartnicki>
 - Evaluation form is specific to David Bartnicki
- 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 feedback about training can be directed to annmarie.weisman@ed.gov

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Questions?



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