

2018-2019 Verification Policy

Each year the US Department of Education selects students for verification of the information provided on the student's FAFSA. The regulations in Subpart E (sections 51 to 61 of Part 668 of the Title 34 of the Code of Federal Regulations) govern the verification by institutions of information submitted by applicants for student financial assistance under the subsidized student financial assistance programs.

In accordance with the provisions of Subpart E, Susquehanna University has established and uses written policies and procedures for verifying a student's FAFSA information.

These policies and procedures include:

- Time period within which a student must provide any documentation requested by SU
- The consequences of a student's failure to provide the requested documentation within the specified time period
- The method by which SU notifies the student of the results of its verification if, as a result of verification, the student's EFC changes and results in a change in the amount of the student's assistance under title IV HEA programs
- The procedures SU will follow itself or the procedures SU will require a student to follow to correct FAFSA information determined to be in error
- The procedures SU will follow for making referrals to the Office of the Inspector General

Institutional Responsibility: Susquehanna University must require a student whose FAFSA is selected for verification to submit supporting documentation to verify specified data elements of his/her FAFSA unless the student qualifies for a federal exclusion.

Verification must be completed prior to any professional judgement review.

Applicant Responsibility: If Susquehanna University requests documents or information from a student, the student must provide the specified documents or information if they wish to receive federal aid. If a student selects not to complete federal verification, the student also rescinds eligibility for Susquehanna need-based funding.

SELECTION OF APPLICANTS

Standard Selection: As stated previously, to apply for federal financial aid a student must submit a FAFSA to the Central Processing System. CPS selects which applications are selected for verification. Data-based statistical analysis is used to select for verification those applicants with the highest probability of error on their FAFSA submissions. The CPS sets a verification flag on the student's processed FAFSA report to indicate that the student's record has been selected for verification.

Customized Selection: The US Department of Education's long range goal for verification is a customized selection approach based on the data provided by each applicant on the FAFSA. When fully implemented, this process will identify, for a selected applicant, only the FAFSA information that

requires verification based upon that applicant's data. Transition to a customized verification process is expected to continue over multiple award years.

Update or Correction Selections: Students should be aware that an update or correction to his/her FAFSA may trigger the CPS to select the application or additional data elements for verification at any time during the award year, even if the initial FAFSA was not chosen. In this case, SU must require the student to submit any additional documentation needed to complete the verification process.

Institutional Selection: SU has the authority to select an application for verification if there is reason to believe that a student's FAFSA is inaccurate and/or contains conflicting information. The student will then be required to submit documentation to clarify the accuracy of the FAFSA data and/or to resolve the conflicting information.

Exclusions from Verification: Federal regulations stipulate that SU need not verify a student's FAFSA information if:

- The student dies
- The student does not receive assistance under the title IV, HEA programs for reasons other than failure to verify FAFSA information
- The student is eligible to receive only unsubsidized student financial assistance
- The student who transfers to the institution had previously completed verification at the institution from which he or she transferred, and applies for assistance based on the same FAFSA information used at the previous institution, if the current institution obtains a letter from the previous institution stating it has verified the student's information, and provides the transaction number of the applicable valid ISIR

Note: SU does not accept verification completed by another institution for transfer students. These students are required to submit all required documentation and go through the verification process by SU.

Unless SU has reason to believe that the information reported by a dependent student is incorrect, it need not verify the student's parents' FAFSA information if:

- The parents are residing in a country other than the US and cannot be contacted by normal means of communication
- The parents cannot be located because their contact information is unknown and cannot be obtained by the student
- Both of the student's parents are mentally incapacitated

Lastly, unless the institution has reason to believe that the information reported by an independent student is incorrect, it need not verify the student's spouse's information if:

- The spouse is deceased
- The spouse is mentally incapacitated

- The spouse is residing in a country other than the US and cannot be contacted by normal means of communication
- The spouse cannot be located because his or her contact information is unknown and cannot be obtained by the student

Susquehanna University policy regarding federal exclusions: Verification requirements will be waived for the federal exclusions listed above (with the exception of accepting another institution’s verification results) provided SU receives supporting documentation pertaining to the applicable exclusion by our published verification deadline.

NOTIFICATION

A student whose FAFSA information is selected for verification will be notified of his/her selected status as follows:

- The CPS will notify the student on his/her Student Aid Report (SAR). Next to the EFC will be an asterisk referring to a comment in the student section of the SAR that tells the student that he/she will be asked by the school to provide documents for verification; and
- SU’s Student Financial Services Office staff will send an email to the student and parent notifying them to complete the verification process. The email includes the verification form with instructions for completion.

INFORMATION TO BE VERIFIED

For each award year, the Secretary of Education publishes in the Federal Register a notice announcing the FAFSA information that an institution and a student may be required to verify. The notice also specifies what documentation is acceptable for verifying FAFSA information.

The individual verification items that a student must verify are based upon the Verification Tracking Group to which the student is assigned as listed in the chart below:

Verification Tracking	Verification Tracking	FAFSA Information Required
V1	Standard Verification Group (tax filers) Documentation required: <ul style="list-style-type: none"> • IRS DRT; • 2016 Tax return transcripts; • Alternate documentation where allowed, i.e. amended returns, foreign returns, etc. 	<ul style="list-style-type: none"> • Adjusted gross income • US income tax paid • Untaxed portions of IRA distributions • Untaxed portions of pensions • IRA deductions and payments • Tax exempt interest income • Education credits • Number of household members • Number in college

V1	<p>Standard Verification Group (Non-Tax Filers)</p> <p>Documentation:</p> <ul style="list-style-type: none"> Signed statement certifying the following: Individual has not filed and not required to file 2016 Sources of income Copy of W-2 for each source of income Verification of non-filing from the IRS 	<ul style="list-style-type: none"> Income earned from work Number of household members Number in college Confirmation of non-filing from the IRS or other relevant taxing authority dated on or after October 1, 2017. If individual never filed a return before, a letter of nonfiling must be retrieved from the IRS using 4506-T.
V2	Not currently in use	
V3	Not currently in use	
V4	Custom Verification Group	<ul style="list-style-type: none"> High school completion status Identity/Statement of Educational purpose
V5	Aggregate Verification Group	<ul style="list-style-type: none"> All items in V1 and V4
V6 "ELIMINATED in 17-18" Schools retain authority to select and choose items for verification.	Household Resources Verification Group (Tax Filers)	<ul style="list-style-type: none"> Adjusted gross income US income tax paid Untaxed portion of IRA distributions Untaxed portion of pensions IRA deductions and payments Tax exempt interest income Other untaxed income: payments to tax deferred pension savings, child support received, housing, food, and other living allowances, veterans non-education benefits, money received or paid on the applicant's behalf, other untaxed income Education credits Number of household members Number in college SNAP Child support paid, if included on the ISIR
V6 "ELIMINATED in 17-18" Schools retain authority to select and	Household Resources Verification Group (Non-tax filers)	<ul style="list-style-type: none"> Income earned from work Other untaxed income: payments to tax deferred pension savings, child support received, housing, food, and other living allowances, veterans non-education benefits, money received or paid on the applicant's behalf, other untaxed income

choose items for verification.		<ul style="list-style-type: none"> • Education credits • Number of household members • Number in college • SNAP • Child support paid, if included on the ISIR
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Note: Federal regulations stipulate that an institution may require a student to verify any FAFSA information that is specifies. On occasion, SU may therefore require a student to verify any FAFSA information and to provide any reasonable documentation.

ACCEPTABLE DOCUMENTATION

The documentation required for verification varies according to the specific FAFSA information being verified. A student selected for verification will need to submit the following acceptable documentation to SU to complete the verification process. If a student is unable to submit any of the required documents, he/she should contact Student Financial Services staff member to discuss possible alternative acceptable documentation.

FAFSA Information	Acceptable Documentation
Household size	Verification worksheet
Number in college	Verification worksheet
SNAP benefits	Verification worksheet and agency documentation
Child support paid	Verification worksheet and other documentation as requested by SU
AGI and US taxes paid	IRS DRT* or IRS tax return transcript**
Untaxed income (tax return data)	IRS DRT* or IRS tax return transcript**
Untaxed income (FAFSA questions 45, 94)	Verification worksheet; W2; other documentation as requested
Non-filer work income	Verification worksheet and 2014 IRS W2
High school completion	High school diploma or transcript; GED certificate or transcript; homeschooled credential or transcript
Identity/Statement of Educational Purpose	Original valid (unexpired) government issued photo ID such as a passport or driver license and 2015-16 Identity and Statement of Educational Purpose
Other information	Other documentation as specified by CPS or SU

*The **IRS DRT** (data retrieval tool) is the fastest, easiest and most secure method of meeting verification requirements. To verify tax data, the US Department of Education and SU encourage students and parents to use the IRS DRT to import data from their tax return directly to the FAFSA, either at the initial FAFSA filing or through the FAFSA correction process. For the retrieved data to be acceptable documentation of tax data, it is necessary that neither the student nor the parents change the data after it is transferred from the IRS.

Under the following conditions the IRS DRT is NOT available:

- The person did not indicate on the FAFSA that the tax return has been completed
- The applicant or applicant's parents had a change in marital status after the end of 2016 IRS tax year on December 31, 2016
- The first three digits of the SSN are 666
- The person has been a victim of identity theft
- The tax return was amended
- The person filed a tax filing extension with the IRS
- The person filed a Puerto Rican or foreign tax return
- The person is married and filed the tax return either as head of household or married filing separately
- In all instances when the dependent student's legal parents are unmarried and living together
- Neither married parent entered a valid SSN on the FAFSA
- A non-married parent or both married parents entered all zeros for the SSN on the FAFSA

****The IRS Tax Return Transcript** is required if the student or parent cannot or will not use the IRS DRT. The IRS Tax Return Transcript must be obtained from the IRS and lists the tax account information for the tax filer for tax year 2016.

Requesting a tax return transcript: a student or parent may request an IRS tax return transcript from the IRS, free of charge, in one of the following ways:

- Online by downloading an immediate PDF at <http://www.irs.gov/Individuals/Get-Transcript>
- By calling 1800/908-9946
- By using the IRS2Go mobile app
- By mailing or faxing the paper Form 4506-T, which can be printed from the IRS website

Victims of identity theft: a victim of IRS identity theft who has been unable to obtain a 2016 IRS tax return transcript or use the IRS DRT must call the IRS's Identity Protection Specialized Unit (IPSU) toll-free at 1800/908-4490. After the IPSU authenticates the tax filer's identity, he or she can ask the IRS to mail them an alternate paper tax return transcript, known as the TRDBV (transcript database view). Students must submit this documentation to SU. A statement signed by the tax filer indicating that they were victims of identity theft and the IRS is aware of the tax related identity theft.

Tax filers who cannot obtain a TRDBV transcript may instead submit another official IRS transcript or equivalent document provided by the IRS if it includes all of the income and tax information to be verified.

Filing an amended return: a student or parent who files an amended return cannot use the IRS DRT process. Instead he or she may submit to Student Financial Services the following:

- A signed copy of the original tax return that was filed, or a tax return transcript (which does not have to be signed), or any IRS transcript that includes all the income and tax information required to be verified;

- A transcript obtained from the IRS that lists tax account information of the tax filer for tax year 2016; and
- A signed copy of the IRS form 1040X (amended return) that was filed

NOTE: SU students who failed to include 2016 federal work study earnings in their 2016 federal income tax returns will be required to file an amended return as part of verification.

Tax filing extensions: If an individual has been granted a filing extension by the IRS, they must provide the following documents:

- Copy of IRS form 4868 Application for automatic extension of time to file US individual tax return
- Copy of IRS form W2 for each source of employment received for tax year 2016
- If self-employed, a signed statement certifying the amount of the individual's AGI and US income tax paid for tax year 2016
- Non-filing letter from the IRS

Foreign tax filers: A student or parent who filed an income tax return other than an IRS form, such as a foreign or Puerto Rican tax form, must use the income and tax information (converted to US dollars) from the lines of that form that correspond most closely to the income information reported on a US income tax return to complete the FAFSA. Foreign tax filers cannot use the IRS DRT process and, therefore, must submit signed copies of their 2016 foreign tax returns translated into English with US dollar equivalencies to Student Financial Services.

Non-filers: A student or parent who is not required to file a US tax return is required to submit all 2016 IRS W2 forms to verify income earned from work. A non-filing letter must be retrieved from the IRS.

DEADLINE AND FAILURE TO SUBMIT DOCUMENTATION

A student whose FAFSA information has been selected for verification must submit all documentation required for verification to Student Financial Services by specific deadlines according to the type of federal aid received and the period of enrollment.

For subsidized federal aid programs including campus based aid and direct loan aid (but excluding the federal Pell Grant program): Students must provide verification documentation prior to the last day of the student's enrollment.

For the Federal Pell Grant program: For Pell Grant applicants, Student Financial Services must have verification documents and a valid output document no later than 120 days after the last day of enrollment or August 1, 2019, whichever is earlier.

Failure to submit required documents by the deadline will result in the student's ineligibility for financial aid for the award year.

UPDATING FAFSA INFORMATION

Generally, a student cannot update FAFSA information that was correct as of the date the application was signed because the FAFSA is considered to be a “snapshot” of the family’s financial situation as of that date. For example, if a student’s family sold some stock after signing the FAFSA and spent the proceeds on an automobile or home improvement, the student cannot update the FAFSA to reflect a change in assets. After the FAFSA is signed, only certain items can be updated under the conditions listed below:

- Dependency status change: If a student’s dependency status changes at any time during the award year, the student must update FAFSA information, except when the update is due to a change in the student’s marital status.
- Verification of household size or number in college: A student whose FAFSA information is selected for verification of household size or number in college must update those items to be correct as of the date of verification, except when the update is due to a change in the student’s marital status
- Marital Status Change: SU may require a student to update FAFSA information for a change in the student’s marital status if SU determines that the update is necessary to address an inequity or to reflect more accurately the student’s ability to pay. These decisions will be made on a case-by-case basis and the reason documented in the file.

CORRECTING ERRORS ON FAFSA INFORMATION

If discrepancies are found between the documents submitted for verification and the information on the ISIR, the following procedures will be used for making corrections:

- ISIR – corrections to any items. SFS staff will recalculate the EFC in PowerFaid and submit the corrections to CPS within 2 business days upon review of the file
- Award changes – If corrections to the ISIR due to verification results in a change to the student’s award, the student will be sent a revised award letter via US mail.

Although SU will be able to submit most changes to the FAFSA information, on occasion it may be necessary for the student to submit changes themselves. In such cases, SU will notify the student by email as to which data items must be corrected by the student or parent and resubmitted to CPS.

SUBSEQUENT ISIR TRANSACTIONS

If the Student Financial Services Office receives a subsequent ISIR transaction that is flagged for verification after the student’s file has already been awarded, the new ISIR must be verified. Any changes to data elements that result in a change to the EFC must be verified by requesting additional documentation and placing a hold on financial aid disbursement until resolved.

REFERRAL OF FRAUD CASES

The Susquehanna University Student Financial Services Office will report any suspected fraud or falsified information (on the part of the student, the parent, and preparer of financial aid applications or related parties) to the US Department of Education and all other related parties for immediate action. Examples of such information include false claims of independent status, false claims of citizenship, use of false identities, forgery of signature or certificates, and false statements of income. This information will be forwarded to authorized agencies in addition to the US Department of Education for investigation such as the Office of Inspector General at 1800/MIS-USED, by email at oig.hotline@ed.gov, or online at <http://www.ed.gov/about/offices/list/oig/hotline.html>. Anyone who suspects fraud or abuse may make a confidential report contacting the Office of Inspector General.