

# Verification Policy

## ROWAN UNIVERSITY POLICY

**Title:** *Applicant FAFSA Data Verification Policy*

**Subject:** *Student Financial Aid*

**Policy No:** *SEM: 2017:01*

**Applies:** *Office of Student Financial Aid, all Campuses*

**Issuing Authority:** *President*

**Responsible Officer:** *Senior Vice President, Student Enrollment Management*

**Adopted:** *07/01/2015*

**Last Revision:** *05/18/2017*

**Last Reviewed:** *10/01/2016*

### I. PURPOSE

Except as provided under the exclusions clause, an institution must require an applicant whose FAFSA information is selected for verification by the Secretary, to verify the information specified by the Secretary pursuant to 34 CFR §668.56.

Further, if our office has reason to believe that an applicant's FAFSA information is inaccurate, it must verify the accuracy of that information.

### II. ACCOUNTABILITY

Under the direction of the President, the Sr. VP SEM shall ensure compliance and implementation of this policy.

### III. APPLICABILITY

The policy applies to the staff within the office of Student Financial Aid, all campuses.

### IV. DEFINITIONS

1. **Expected Family Contribution (EFC):** The amount a student and the student's family may be reasonably expected to contribute toward the student's postsecondary education for the academic year.
2. **Free Application for Federal Student Aid (FAFSA):** The student aid application provided for under section 483 of the HEA, which is used to determine an applicant's eligibility for the federal student aid programs.
3. **IRS Data Retrieval Tool (DRT):** The feature that allows students and parents who are using FAFSA on the Web and who have already submitted their federal tax return to electronically retrieve certain tax data from the IRS database for entry on their FAFSA.
4. **IRS Request Flags:** The Student IRS Request Flag and Parent IRS Request Flag on the SAR/ISIR indicate whether the IRS data retrieval process was used and the result if used.
5. **Institutional Student Information Record (ISIR):** An electronic record that the Department transmits to an institution that includes an applicant's FAFSA information; personal identification information; and EFC.
6. **Interim Disbursement:** A disbursement made prior to verification by a school to an applicant selected for verification, when the school believes the applicant's FAFSA information is accurate. A school is liable for any overpayment the student receives as an interim disbursement for which the student is later determined to be ineligible and any subsidized student financial aid the student received if the school does not receive a valid SAR/ISIR within the timeframe established under 34 CFR 668.60, that is not eliminated by adjusting other financial assistance or recovered from the student.

7. **Student Aid Report (SAR):** A report provided to an applicant by the Department showing the applicant's FAFSA information and the amount of his or her EFC. SARs are the paper or electronic (eSAR) output documents that are sent to students or printed from the FAFSA on the Web and FAA Access to CPS Online Web sites. SARs and ISIRs contain the same processed student information in different formats.
8. **Verification:** The process under which an applicant's FAFSA information is selected by the Department or a school and determined to be accurate (true and complete within certain parameters) or inaccurate.
9. **Verification Flag:** Code on a SAR/ISIR transaction indicating that a student has been selected for verification. After the student is selected, he or she is always selected for the current processing year. This data comes from the Student Is Selected for Verification field in the ISIR record layout.
10. **Verification Selection Flag:** The field on the SAR/ISIR that identifies a correction transaction that is selected for verification when the transaction being corrected was not initially selected for verification. This field is always blank on an initial transaction. This flag is set to Y only on the correction transaction that is initially selected for verification. If the Verification Selection Flag is set from the previous transaction, this field is blank.

## V. REFERENCES

1. [Federal Regulations](#), 34 CFR §668.51 through §668.61, govern the verification by institutions of information submitted by applicants for student financial assistance under the subsidized student financial assistance programs.
2. Each year, the Secretary publishes information regarding the data that must be verified. The information is available in the Federal Register. For the 2015-16 award year, the data is found in the [Federal Register Volume 79, Number 122](#), published on Wednesday, June 25, 2014. For the 2016-17 award year, the data is found in [FR062615](#), published on Friday, June 26, 2015.
3. Additional federal guidance is available in the [QA website](#) of Program Integrity Rules, and in the FSA Handbook, Application and Verification Guide (AVG). The AVG is available on the [IFAP](#) website.
4. [HESAA](#) publishes its State Verification requirements in the TAG Policy and Procedure Manual. This manual is available online under the financial aid professionals secure login.

## VI. POLICY

1. Selection of Applicants to be Verified
  - a. Rowan University verifies every record selected by the federal processor, as required. In addition, if our office has reason to believe that an applicant's FAFSA information is inaccurate; the applicant will be selected to verify the accuracy of that information.
  - b. While Rowan is required verify the data elements indicated by the verification group assignment (V1, V3, etc); in cases where we identify possible errors, Rowan may require an applicant to verify any FAFSA information that our office specifies.
2. Students Exempted from Verification
  - a. The only exceptions to this requirement are those enumerated in the regulation 34 CFR 668.54 (b):
    - i. *An institution need not verify an applicant's FAFSA information if—*
      1. *The applicant dies;*
      2. *The applicant does not receive assistance under the title IV, HEA programs for reasons other than failure to verify FAFSA information;*
      3. *The applicant is eligible to receive only unsubsidized student financial assistance; or*
      4. *The applicant 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 that it has verified the applicant's information; and*
        - *Providing the transaction number of the applicable valid ISIR.*
    - ii. *(2) Unless the institution has reason to believe that the information reported by a dependent student is incorrect, it need not verify the applicant's parents' FAFSA information if:*

1. *The parents are residing in a country other than the United States and cannot be contacted by normal means of communication;*
2. *The parents cannot be located because their contact information is unknown and cannot be obtained by the applicant; or*
3. *Both of the applicant's parents are mentally incapacitated.*
- iii. *Unless the institution has reason to believe that the information reported by an independent student is incorrect, it need not verify the applicant's spouse's information if—*
  1. *The spouse is deceased;*
  2. *The spouse is mentally incapacitated;*
  3. *The spouse is residing in a country other than the United States and cannot be contacted by normal means of communication; or*
  4. *The spouse cannot be located because his or her contact information is unknown and cannot be obtained by the applicant.*
- b. In these cases, documentation must be submitted to the Associate Director-Compliance for review and approval. If approved, the processing system (Banner) will be updated and documentation will be scanned into the imaging system. The approval for the award year only and may not exempt the student in future award years.
- c. As noted above, verification is not required if the student will only receive unsubsidized student financial assistance, though a student can't avoid verification by accepting only unsubsidized aid.
- d. The Higher Education Relief Opportunities for Students (HEROES) Act provides for the modification and waiving of some statutory and regulatory provisions related to students who receive financial aid and who are on active duty during a war or other military operation or who reside or are employed in a declared disaster area. These adjustments apply to return of funds and signature requirements for verification and application, among other things. The most recent update to the HEROES Act authorized its provisions through September 30, 2017. See [FR092712](#). Eligible applicants include persons:
  - Serving on active duty during a war or other military operation or national emergency;
  - Performing qualifying National Guard duty during a war or other military operation or national emergency;
  - Residing or employed in an area that is declared a disaster area by any Federal, State, or local official in connection with a national emergency; **or**
  - Who have suffered direct economic hardship as a direct result of a war or other military operation or national emergency, as determined by the Secretary.
- e. In these cases, documentation must be submitted to the Associate Director-Compliance for review and approval. If approved, the processing system (Banner) will be updated and documentation will be scanned into the imaging system. The approval for the award year only and may not exempt the student in future award years.
3. Verification must be Completed Prior to Professional Judgment
  - a. A student whose FAFSA information is selected for verification is required to complete verification before the institution exercises any authority under section 479A(a) of the HEA to make changes to the applicant's cost of attendance or to the values of the data items required to calculate the EFC.
4. Deadline for Student to Submit Required Documentation
  - a. Students are encouraged to submit documentation as soon as possible. Students selected for verification must submit all required documentation and signatures before the last day of the academic year OR within 30 days after the students last date of enrollment in that academic year; whichever is earlier.
5. Consequences of Missing the Deadline to Submit Documentation
  - a. Students who fail to submit timely the documentation necessary to complete verification may forfeit his financial aid (both federal and state) and may be required to pay back any interim disbursements that may have been made.
6. Notifications
  - a. Student Selected for Verification
    - i. The federal processor indicates the verification group selection with codes contained in the ISIR. When the student's ISIR is loaded to the Banner system, the tracking program runs

and places codes for the required documents. The types of documents required vary based on the verification group assigned by the CPS. Refer to the FSA Handbook, AVG for specific group requirements.

- ii. Outstanding requirements on the tracking screen (RRAAREQ) trigger an email immediately to the student. This email is repeated twice every two weeks.
- b. Corrections or Changes to EFC Made
  - i. The results of verification are communicating to the student via an email from the CPS notifying the student of changes to FAFSA data elements. If, as a result of verification results in a change in the amount of the student's financial aid package, a new award notice email will be generated.