

# **BISHOP STATE COMMUNITY COLLEGE**

## **Verification Policies and Procedures**

In compliance with CFR668, Subpart E, Bishop State Community College will verify that the data reported on the Free Application for Federal Student Aid (FAFSA) is accurate by obtaining documentation to support the financial data reported on the FAFSA.

The college will verify all of the students selected for verification by the U.S. Department of Education and those students selected for verification under the institution's verification selection criteria.

Applicants selected for verification must submit the required documentation within 2 weeks of notification or forfeit their federal student aid.

### **Verification Criteria**

The primary items that are verified are:

- Household size
- Number in college.
- Adjusted Gross Income(AGI)
- U.S Taxes paid.
- Untaxed income which includes
  - Social Security benefits
  - Child Support
  - IRA/Keogh Exclusions
  - Foreign Income Exclusions
  - Earned Income Credit
  - Welfare benefits
  - Additional child tax credit
  - Child support paid out to another individual that has been reported on work sheet 'C'.

### **ADDITIONAL INFORMATION CRITERIA**

The College reserves the right to require students to submit additional information if the following conditions exist:

1. Students who are only independent because they indicate on the FAFSA that they have a dependent that they support but have zero income.
2. Students and/or parents of dependent students who report zero or very little income.
3. Students and/or parents who indicate they did not file a federal tax return but are

required to file based on the Internal Revenue Services tax filing requirements.

4. Married students and/or parents who have filed as head of household.
5. All ISIRS that are flagged for discrepant information.
6. Documentation submitted that is conflict with the data on the FAFSA or reveals income that should have been reported on the FAFSA.

## **REQUIRED DOCUMENTAION**

Students selected for verification will be notified that they have been selected for verification and will be asked to provide the following documentation by a certain date:

1. Verification Worksheet.
2. Copies of the student's and/or parents federal tax return for the most recent tax year.
3. Explanation of any income reported of worksheets A and B on the FAFSA. Students and parents may report untaxed income on verification worksheets. The FAO will only ask for documentation of untaxed income and benefits if there is reason to believe that there is a discrepancy.
4. Documentation of any monetary value reported on worksheet C.
5. Any other documentation needed to resolve discrepant information on the FAFSA.

## **Notification to Students**

Once the Financial Aid Office receives the ISIR the system will generate a request for additional information to those students who are selected for verification. The students will be required to submit the required documentation within 2 weeks from the date of the request for additional information.

## **The Verification Process**

Once the Financial Aid Office determines that the student and/or parents have submitted all of the required and requested documents the Financial Aid Office will compare the documentation with the data reported on the FAFSA by:

1. Verifying that there are no issues of 'concern' or 'C' code issues.
2. Confirming that the following data reported on the FAFSA agrees with the tax return or other financial documentation for anyone's income reported on FAFSA:
  - \* Adjusted Gross Income
  - \* Taxes paid
  - \* Untaxed income and benefits:
    - Child support received and paid out

- IRA/Keogh deductions
  - Earned Income Credit
  - Foreign Income
  - Number in household
  - Number in college.
3. Ensure that the Verification Worksheet is completed correctly and that the income data, household size and number in college reported on the Verification Worksheet agrees with the data reported on the FAFSA. If not, conflicts will be resolved and corrections will be submitted.
- a) Only those person's in the student's parent's household that are under the age of 24 will be counted in the household unless the parent can document that they are truly providing 50% of the person's support or have legal guardianship.
  - b) Independent students will have to prove that they provide 50% support to a person listed in the household who is not the student's biological or adoptive child unless the student can document they are providing 50% or more of the person's support or have legal guardianship.

### **VERIFICATION EXCLUSIONS**

A student's application may be exempt from the verification process if some or all of the verification requirements due to certain unusual circumstances exist. Except in the case of a student's death, however, none of these verification exclusions excuses the College from the requirement to resolve conflicting information.

- An applicant selected for verification does not have to be verified if the applicant was in jail or prison at the time of verification.
- A recent immigrant does not have to be verified if the student is an immigrant that arrived in the United States during the calendar years that are representative of the academic year.
- The student's spouse is deceased or mentally/physically incapacitated.
- The spouse is residing in a country other than the U.S and can't be reached by normal means of communication.
- Student's parents are deceased or physically incapacitated.
- The parents' are residing in a country other than the U.S. and cannot be contacted by normal means of communication.

- The applicant is a legal resident of Guam, American Samoa or the Commonwealth of the Northern Mariana Islands.
- The applicant is a citizen of the Republic of the Marshall Islands, the Federated States of Micronesia or the Republic of Palau.

## **WITHDRAWALS**

Students who withdrew before completing the verification process have 120 calendar days after the withdrawal date to complete the verification process to be eligible to receive a post withdrawal disbursement for the financial aid year.

## **RESOLVING CONFLICTING INFORMATION**

Before an award can be made to a student all conflicting information will be resolved whether the conflict is within the Financial Aid Office or with other offices on campus.

For example: In checking the NSLDS database the FAO discovers that the student has attended another college but failed to inform the Admissions Office. The Financial Aid Office will notify the Admissions Office of the conflict and place a processing hold placed on the student's record and the student will be informed that in order to be awarded financial aid the student will to submit the academic transcript to the college.

As conflicts arise they will be addressed and any other offices involved will be notified.

## **MECELLANEOUS VERIFICATION**

The Financial Aid Office will resolve and verify the following conflicts by obtaining the appropriate documentation from the student and/or parent:

1. Married couples filing as head of household- students and/or parents will be informed that they must refile taxes as 1) married filing jointly; 2) married filing separately or obtain a letter from the IRS that says that they were legally eligible to file as head of household.
2. Persons have filed their taxes correctly or filed according to IRS regulations.
3. Tax return reveals other income, benefits and assets that were not reported on the FASFA.

## **FINANCIAL AID AWARDS**

The Financial Aid Office will not award any financial aid to students until verification is performed, all conflicts have been resolved and corrections have been received from the U.S. Department of Education's Central Processing System.

## **CHANGES TO FINANCIAL AID AWARD**

Students will be notified, in writing, of any changes to their original award and the reason for the change.

## **FINANCIAL AID DEADLINES**

Students are required to submit verification documents to the Financial Aid Office within 2 weeks of being notified of the need to submit additional information.

## **DISBURSEMENTS**

Students selected for verification will not have their aid disbursed to them until all required documents have been received and the reprocessing completed.

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