

READING HOSPITAL SCHOOL OF HEALTH SCIENCES POLICY NO. 634

SUBJECT: Verification

Responsibility of: Director of Financial Aid and Budget
Originated: July, 2011 Revised: July, 2014 Reviewed: July, 2014

SCOPE: Students enrolled at the Reading Hospital School of Health Sciences (RHSHS) who receive Title IV aid.

PURPOSE: Verification is the process by which the Financial Aid Office checks the accuracy of information submitted on the Free Application for Federal Student Aid (FAFSA). Each year the U.S. Department of Education selects applicants for verification. All students selected for verification from the Central Processing Center (CPS) are verified by RHSHS. Additional students may be selected for verification by RHSHS at its discretion to resolve conflicting information or due to concerns that data may not be accurate or complete.

POLICY: The RHSHS policy outlines the requirements for Verification as required by Title IV regulations. These requirements include deadlines to submit documentation, consequences of the failure to meet deadlines, a method of notifying students of award changes due to verification, required correction procedures for students, and standard procedures for referring overpayment cases to the Department.

DEFINITIONS: N/A

PROCEDURE:

1. When a student is selected for verification, the Financial Aid Office will send a Verification Selection letter to the student's home address, along with a list of documents that must be submitted including the Verification Worksheet. Students who are selected for verification are categorized by CPS into one of five groups to be verified for Title IV. The Verification Group determines which FAFSA/ISIR information must be verified for the student:
 - a.) Standard Verification Group (V1)
 - b.) Child Support Paid Verification Group (V3)
 - c.) Custom Verification Group (V4)
 - d.) Aggregate Verification Group (V5)
 - e.) Household Resources Verification Group (V6)

2. FAFSA information required to be verified may include:
 - a.) Adjusted Gross Income (AGI)

- b.) U.S. Income Tax Paid
- c.) Education Credits
- d.) Untaxed IRA Distributions (exclude rollovers)
- e.) Untaxed Pensions (exclude rollovers)
- f.) Tax-Exempt Interest Income
- g.) Number of Household Members
- h.) Number in College
- i.) Supplemental Nutrition Assistance Program (SNAP) formerly food stamps
- j.) Child Support Paid
- k.) Earned Income from Work
- l.) High School Completion Status
- m.) Identity/Statement of Education Purpose
- n.) Other Untaxed Income

3. Documents requested may include:

- a.) Verification Worksheet signed by student (and one parent, if the applicant is dependent)
- b.) Information obtained through IRS Data Retrieval Tool (DRT) or Tax Return Transcript (obtained from IRS)
 - a. There are several instances when an a student (and/or spouse or parent) cannot use the DRT:
 - i. Married independent student and spouse filed separate tax returns
 - ii. Married parents of dependent student filed separate returns
 - iii. When dependent student's parent are unmarried and living together
 - iv. When student or parent had a marital status change after 12/31(last day of the tax year)
 - v. When student, spouse, or parent filed an amended tax return (1040X)

- c.) Documentation of wages, untaxed income and benefits
- d.) Government-issued photo identification
- e.) Transcript or home school certification credential
- f.) Note: Paper tax return may be requested and is acceptable **only** if the applicant amended a tax return that was filed, is a victim of IRS identity theft, or has filed a non-US tax return.
- g.) IRA Rollover – a written and signed statement from the tax filer indicating the amount of the distribution that was excluded; and a signed and dated notation indicating ROLLOVER on the IRS Tax Return Transcript
- h.) Tax Filing Extension documentation which may include a copy of the IRS form 4868 (Application for Automatic Extension of Time to File U.S. Individual Income Tax Return) and all copies of W-2's.
 - a. If self- employed, a signed statement with Adjusted Gross Income (AGI) and U.S. taxes paid for the tax year may be required.
 - b. Once the tax return has been filed, either the DRT must be used or the Tax Return Transcript must be submitted to complete verification.
 - c. Note: the deadline for filing taxes in the case of an extension is October 15th. The deadline for providing the above documentation to RHSHS is October 31st.

4. Verification Exclusions

- a) Death of the student
- b) Not an aid recipient
- c) If applicant is eligible to receive only unsubsidized loans (note: student cannot opt out of verification as a means to get only unsubsidized loans)

5. Deadlines – All applicants are requested to submit the required forms and documentation within 30 days of notification from the Financial Aid Office. Submitting the required documents by the due date facilitates the school's ability to verify all information in a timely manner, ensures that financial aid awards and reconciliation of funds are accurate, and that financial aid is posted to a student's account in a timely manner. As a courtesy, the Financial Aid Office may contact students via email, letters and phone calls to give reminders and request updates on the status of requested verification documents. RHSHS follows the Federal guidelines of deadline

dates for the submission of verification documents published in the Federal register or 120 days from the last day of the student's enrollment, whichever is earlier.

6. The Financial Aid Office will submit corrections electronically to the Central Processor resulting from verification. The student will receive an updated Student Aid Report (SAR) and RHSHS will receive an updated ISIR. If applicable, a revised Award Letter reflecting updated award amounts will be sent to the student by mail.
7. Overpayments – If it is determined that a student has received funds that they were not eligible to receive, the Financial Aid Office will return the funds and will invoice the student for any account balance that may occur as a result.
8. If any individual has misreported information or altered documentation to fraudulently obtain federal funds, the suspicion and any evidence will be reported to the ED's Office of Inspector General.

Consequences if Verification is Not Completed

A Financial Aid Award letter will not be sent nor will aid be disbursed to those selected for verification until all documents required are submitted and the verification process is completed. If financial aid has already been disbursed and the student is subsequently selected for verification, further disbursements are stopped until the verification process is completed. Failure to submit the required documentation (or submit it in a timely manner) may eliminate the eligibility for federal and institutional financial aid funds.

EDUCATION AND TRAINING: N/A

REFERENCES: CFR 668.53, DCL ID: GEN -13-16, 2014-2015 Federal Register Notice

COMMITTEE AND COUNCIL APPROVALS: SHS Director's Meeting, 9/22/14

CANCELLATION: Reading Health System policies directly related to this topic shall supersede this RHSHS policy. This policy supersedes all previous policies, memoranda, and/or other communications pertaining to this policy.