

VERIFICATION 2021–22 AND 2022–23

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*IASFAA
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Federal Student Aid
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AGENDA

Federal Student Aid
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1. Hot Topics
2. 2021–22 Verification
3. 2022–23 Verification
4. V4/V5 Verification Reminders

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HOT TOPICS

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FUTURE ACT

- Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act— Passed December 19, 2019
- Amends Section 6103 of the Internal Revenue Code to allow direct data sharing between the Internal Revenue Service (IRS) and Federal Student Aid (FSA)
- FSA and IRS are collaborating to explore use of the amendments to Section 6103 of the Internal Revenue Code

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COVID-19 – VERIFICATION TIMEFRAME

[December 11, 2020 Federal Register \(HEROES\) Notice and January 15, 2021 Electronic Announcement](#)

- Verification waivers and flexibilities are applicable through the end of the payment period that *begins after* the date on which the Federally-declared national emergency related to COVID-19 is rescinded
- Verification waivers and flexibilities apply to any award year for which an institution may be completing verification
- Verification waivers and flexibilities are not award-year specific

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COVID-19 – PROFESSIONAL JUDGMENT

[March 5, 2020, April 3, 2020, July 9, 2020, January 15, 2021 Electronic Announcements, and DCL GEN-21-02](#)

- FAAs have existing authority to use professional judgement
- FSA encourages FAAs to use professional judgment where students/families have been affected by COVID-19
- Professional judgment authority exists in statute and not limited to COVID-19 circumstances
- No COVID-19 expiration date

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VERIFICATION WAIVERS FOR 2021–22

- Published July 13, 2021 ([DCL GEN-21-05](#))
- Reflects changes for 2021–22 Verification requirements
 - Waiver begins July 13, 2021, and applies for the remainder of the 2021–22 FAFSA® processing and verification cycle
 - Verification not required for V1
 - Verification required for V4 and V5 is only for Identity/Statement of Educational Purpose and High School Completion status

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CONFLICTING INFORMATION

34 C.F.R. § 668.16(f): Develops and applies an adequate system to identify and resolve discrepancies in the information that the institution receives from different sources with respect to a student's application for financial aid under Title IV, HEA programs...

If an institution has reason to believe that an applicant's FAFSA information is inaccurate, it must verify the accuracy of that information

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2021-22 VERIFICATION

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2021-22 VERIFICATION

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SAME DATA ITEMS
AS 2020-21

NO CHANGES TO THE
VERIFICATION TRACKING
GROUPS

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2021–22 VERIFICATION TRACKING GROUPS

- V1 – Standard Verification Group
- *V2 – Reserved*
- *V3 – Reserved*
- V4 – Custom Verification Group
- V5 – Aggregate Verification Group
- *V6 – Reserved*

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2021–22 VERIFICATION ITEMS

- 2019 income information to be verified (V1 and V5) – Tax Filer
 - Adjusted gross income (AGI)
 - U.S. income tax paid
 - Untaxed portions of IRA distributions and pensions
 - IRA deductions and payments
 - Tax-exempt interest income
 - Education credits
- 2019 income information to be verified (V1 and V5) – Nontax Filer
 - Income Earned from Work

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2021–22 VERIFICATION ITEMS

- Household size (V1 and V5)
- Number in college (V1 and V5)
- High school completion status (V4 and V5)
- Identity (V4 and V5)
- Sign Statement of Educational Purpose (V4 and V5)

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2021–22 VERIFICATION OF NONFILING

Verification of Nonfiling (VNF) unavailable

- Individual may submit signed statement in lieu of VNF if:
 - Individual cannot obtain VNF from IRS, and
 - Institution has no reason to question student's or family's good-faith effort to obtain required documentation
- Signed statement must include:
 - Assertion that individual attempted but unable to get VNF
 - Non-tax filers must confirm nonfiling status, and list 2019 sources and amounts of income earned from work
 - Extension filers must confirm nonfiling status to date and list 2019 sources and amounts of income
 - Self-employed extension filers must list 2019 AGI and U.S. income tax paid

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2021–22 VERIFICATION OF NONFILING

Unable to obtain Verification of Nonfiling (VNF)

- Some individuals do not have:
 - Social Security Number (SSN),
 - Individual Taxpayer Identification Number (ITIN), or
 - Employer Identification Number (EIN)
- These individuals must submit a signed and dated statement:
 - Certifying that individual does not have SSN, ITIN, or EIN; and
 - Listing sources and amounts of earnings, other income, and resources that supported individual for tax year 2019

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2021–22 VERIFICATION – AUTOMATIC ZERO EFC

Dependent students

- Tracking group V1 or V5
 - Parents' AGI if tax filers, or
 - Parents' income earned from work if nontax filers
- Tracking group V4 or V5
 - High school completion status
 - Identity
 - Sign Statement of Educational Purpose



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2021–22 VERIFICATION – AUTOMATIC ZERO EFC

Independent students with dependents other than spouse

- Tracking group V1 or V5
 - Student and spouse’s AGI if tax filers, or
 - Student and spouse’s income earned from work if nontax filers;
 - Household size
- Tracking group V4 or V5
 - High school completion status
 - Identity
 - Sign Statement of Educational Purpose

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2021–22 VERIFICATION – ROLLOVERS

- IRS Data Retrieval Tool (DRT) and tax transcript do not identify rollovers
- Tax filers must submit documentation of retirement account rollovers
 - Signed statement with rollover amount
 - “Rollover” notation by tax filer on tax transcript
 - Tax transcript must be signed and dated by filer
- Written statement acceptable for DRT users if only retirement information changed on application
 - Applicant must submit tax transcript if other tax information changed

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2021–22 VERIFICATION – AMENDED RETURNS

- Individuals filing amended tax return (IRS Form 1040X):
 - Signed copy of Form 1040X, and
 - IRS DRT information on ISIR record with all tax information from original income tax return, *or*
 - Tax transcript that includes all income and tax required to be verified, *or*
 - Signed copy of tax return and applicable schedules originally filed with IRS

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2021–22 VERIFICATION – AMENDED RETURNS

- IRS amending information on tax return:
 - Documentation from IRS listing changes, and
 - IRS DRT information on ISIR record with all tax information from original income tax return, *or*
 - Tax transcript that includes all income and tax required to be verified, *or*
 - Signed copy of tax return and applicable schedules originally filed with IRS

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2021–22 TAX TRANSCRIPTS

- Reflects changes for 2019 Federal Tax Return/Transcripts and 202122 FAFSA® line references
- Federal Tax Form line numbers changed to show numerical order instead of maintaining original 1040 tax line
- IRS Tax Return Transcripts allow for the presentation of information from both old (pre-2018) and new (2018 and after) Form 1040, therefore some data fields may appear duplicated where there is no data for one field, but data for the other

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2022–23 VERIFICATION

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2022–23 VERIFICATION



NO CHANGES TO THE
VERIFICATION TRACKING
GROUPS



SMALL CHANGE TO
DATA ITEMS

[Federal Register Notice – September 1 2021](#) and [DCL GEN-21-06](#)

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2022–23 VERIFICATION TRACKING GROUPS

- V1 – Standard Verification Group
- V2 – *Reserved*
- V3 – *Reserved*
- V4 – Custom Verification Group
- V5 – Aggregate Verification Group
- V6 – *Reserved*

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2022–23 VERIFICATION ITEMS

- Federal Register Notice – September 1, 2021 and DCL GEN-21-06
 - Household size (V1 and V5)
 - Number in college (V1 and V5)
 - ~~High school completion status (V4 and V5)~~
 - Identity (V4 and V5)
 - Sign Statement of Educational Purpose (V4 and V5)

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V4/V5 VERIFICATION REMINDERS

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V4/V5 Tracking Results

The V4 and V5 tracking process in FAA Access to CPS online that began in the 2014–15 processing year continues

Schools need to select the proper award year for which they are providing results

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V4/V5 TRACKING RESULTS

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FAFSA.gov FAA Access to CPS Online

Help FAQs

FAA Access to CPS Online

NEED HELP?

Welcome to the FAA Main Menu

Select an option from the following menu. It will be necessary to provide the TG# for your Destination Point and your Federal School Code:

- [Student Inquiry](#)
View a student's Student Aid Report (SAR) information, including the Expected Family Contribution (EFC), NSLDS information, and SAR Comments. Compare two ISIR transactions for the same student using ISIR Compare. Submit a signature flag for an application in a signature hold status using the Standalone FAA Signature feature.
- [Application Entry](#)
Enter a student's FAFSA/Renewal Application or Correction data and submit it to the CPS for processing.
 - [FAFSA/Renewal Application](#)
 - [Corrections](#)
- [Restore a Saved Application](#)
Restore a partially completed and saved FAFSA/Renewal Application or Correction and submit it to the CPS for processing.
 - [FAFSA/Renewal Application](#)
 - [Corrections](#)
- [Identity Verification Results](#)
Provide the required results of identity and high school completion status verification efforts.
- [ISIR Request](#)
Request ISIR data.

NEED HELP? EXIT

Site Last Updated: Sunday, September 12, 2021

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<https://faaaccess.ed.gov>

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V4/V5 TRACKING RESULTS

- ***Whom to report:*** Students 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
- ***When to report:*** Within 60 days following the institution's first request for documentation
 - Changes to previously submitted verification results must be updated within 30 days

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V4/V5 Tracking Results

1. Verification completed in person; no issues found
2. Verification completed remotely; no issues found
3. Verification attempted; issues found with identity
4. Verification attempted; issues found with high school completion (no longer valid in 2022-23)
5. No response from applicant or unable to locate
6. Issues with both identity and high school completion (no longer valid in 2022-23)

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RESOURCES



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RESOURCES – KNOWLEDGE CENTER

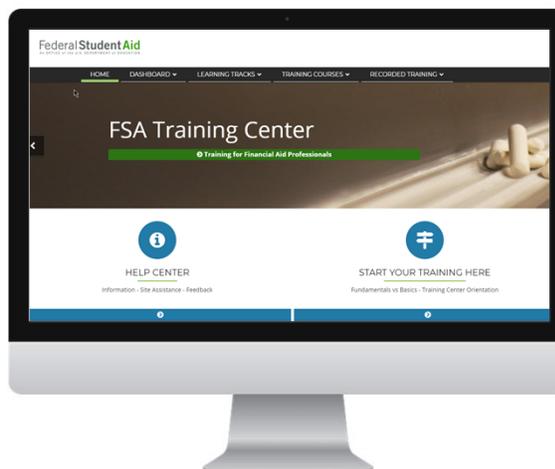
- [FSA Handbook](#)
 - Application and Verification Guide
 - Volume 1: Student Eligibility
 - Volume 2, Chapter 3: School Eligibility and Operations
- [FSA Assessments](#)
 - Verification, Activity 1: Resolving Conflicting Data
 - Verification, Activity 3: File Review
- [ISIR Guide and SAR Comment Code and Text Guide](#)

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FSA TRAINING CENTER

fsatraining.ed.gov

Check out learning tracks, software training, recorded policy videos here, and register for *FSA Fundamentals Training* series or *FSA Basics for New Staff* course. Take the *Verification* learning track!

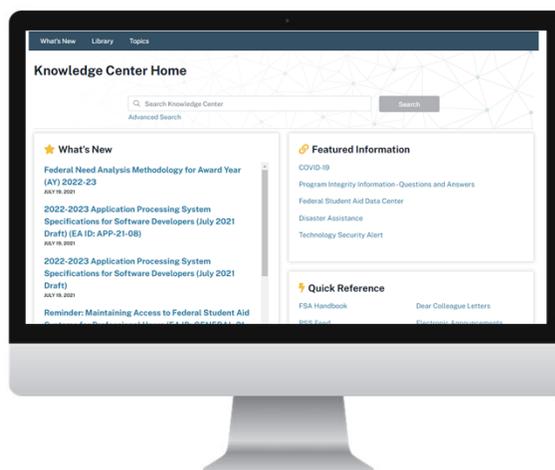


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KNOWLEDGE CENTER

fsapartners.ed.gov/knowledge-center

IFAP is now the Knowledge Center!
Subscribe for daily or weekly email updates.

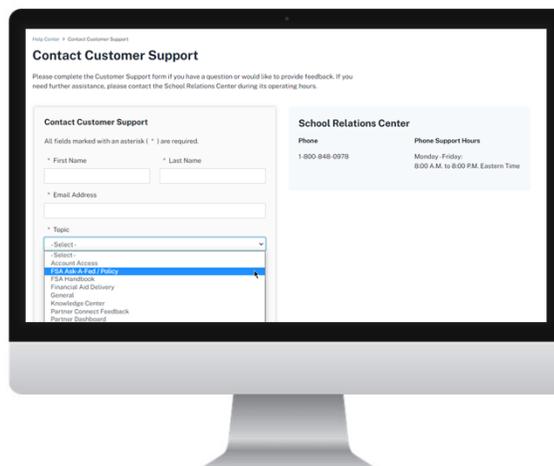


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GETTING HELP

fsapartners.ed.gov/help-center/

For policy questions, use *Contact Customer Support Form* in Help Center on FSA Partner Connect. Choose “Ask A Fed/Policy” in Topic dropdown list.



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TRAINING FEEDBACK

- All attendees receive email from FSA with link to online evaluation
 - Helps ensure quality training
 - Informs FSA of areas for improvement
 - Serves as effective tool for “listening” to our school partners

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