# Verification and Correction Process

Verification is the process required by the Department of Education to verify the accuracy of the information submitted by or on behalf of a student for the purpose of applying for financial aid. The purpose is to reduce errors in applicant reported data and to insure, to the maximum extent possible, that eligible applicants receive the financial aid they are eligible for.

The process of verification is separate than the requirement to resolve conflicting information. Discrepancies in a student's aid application must be resolved before aid can be disbursed, regardless of existing verification policies. The process of verification is also separate from the requirement to "document" certain application items. Unconfirmed selective service registration, unconfirmed eligible noncitizen status, and Veteran's Educational Benefits may be "documented" regardless of any existing verification policies.

Schools must verify all FAFSAs selected by Central Processing System (CPS), if student receives need-based aid such as Pell, FSEOG, FWS, and Direct Subsidized Loan programs. Students and parents are notified of required documents by missing document letters, by email or by regular mail. Students are required to submit all requested verification documents within two weeks of notification. If requested documents are not received, student's verification file will not be completed which may cause the student to forfeit the Pell grant for the award year.

Each award year, the Secretary will publish in the Federal Register a notice announcing the FAFSA Information that an institution will be required to verify.

Paul Quinn College also reserves the right to select students for verification at the college's discretion. Federal Verification Requirements and Exclusions must be verified, and can include the following:
- Applicants who go through a federally approved need analysis system and are selected by the edits.
- Applicants for whom the institution has inconsistent data and/or who are selected by institutional criteria.

Applicants not selected for the verification process (assuming no conflicting data) include the following:

- Incarcerated students at the time of verification;
- Deceased applicants (regardless of conflicting data);
- Recent immigrants (who migrated during one of the calendar years of the award year);
- Non-Title IV recipients;

**IRS Tax Return Transcript Process**
The preferred method for providing IRS tax return information is the IRS Data Retrieval Tool (IRS DRT). To use IRS DRT, students and parents must have filed a tax return three weeks prior electronically or 8-11 weeks prior to submitting a paper tax return to the request on the initial FAFSA application on FAFSA on the Web (FOTW) or using the FOTW corrections process. If for

any reason, IRS DRT cannot be obtained, students and parents must use the IRS Tax Return Transcript process.

Beginning with the 2013 tax year (the 2014-2015 FAFSA), the IRS has added a new, more efficient way that tax filers can request and receive Tax Return Transcripts. The new IRS 'Get Transcript Online' will now be available providing a PDF transcript online. The Financial Aid Office will inform students of this more efficient process for IRS DRT on the PQC webpage and by email.

Tax filers who are unable to use the IRS 'Get Transcript Online' tool will still be able to submit a transcript request online by using the online 'Get Transcript by Mail' option, or by using the IRS2GO mobile app, the automated phone tool at 800-908-9946, or by submitting a paper Form 4506 or 4506-T. These methods will provide a paper transcript mailed by IRS.

**Transcripts for Victims of IRS Identity Theft**
Beginning with the 2013 tax year, tax filers who, because of IRS identity theft, are denied an IRS Tax Return Transcript using one of the regular request processes will be referred to the Identity Protection Specialized Unit (IPSU) toll-free number at 800-908-4490. Filers who believe they are victims of identity theft do not need to be referred to the IPSU; they may call the number directly or go to the ID theft website on irs.gov. After the IPSU authenticates the tax filer's identity, the tax filer can request that the IRS mail to the tax filer an alternate paper tax return transcript.

The alternate transcript is known as the TRDBV (Transcript Database View), will look different from the regular IRS Tax Return Transcript provided as a result of the standard request methods.

**Noncitizen Verification without SSN and Tax Filing Requirements**
Noncitizens must file a U.S. federal income tax return for wages earned while working in the U.S. regardless of whether that income comes from U.S. or non-U.S. sources unless the only income received from a U.S. source is less than the personal exemption amount, according to IRS guidance. Not having a Social Security Number (SSN) does not prevent an individual from filing a federal tax return when otherwise required by the IRS, and it does not prevent a dependent student's parent or an independent student's spouse from completing the FAFSA.
If a resident or non-resident alien is required to file a federal tax return but does not have eligibility for a SSN, the IRS will issue an Individual Taxpayer Identification Number (ITIN). The ITIN is for federal tax purposes only and cannot be used in place of a SSN on the FAFSA.
If an individual (with an ITIN or SSN) was required to file a federal tax return, but did not file one, this constitutes conflicting information which must be fully resolved before processing the student's federal aid application continues.

**Correction to Data Elements after Verification**
Corrections of student ISIR/SAR records are processed and submitted online through the FAFSA Verification Tool.   Corrections may occur as a result of verification changes, C-code changes or any data element change to the student ISIR at the professional discretion of the financial aid administrator.

- If it is determined through the process of verification that the application must be reprocessed, corrections will be made directly through FAAccess. An adjustment may be made to the financial aid awards at the time verification is completed; however, the funds will not be disbursed until a corrected ISIR has been received.

- Interim Disbursements and Loan Certification Prior to Completion of Verification Interim disbursements are allowed either prior to verification or after verification before receiving a corrected ISIR. If there is no reason to question the accuracy of the information on the FAFSA, prior to completing verification, the Office of Financial Aid may, at its discretion:

  (1) make one disbursement of Pell, and FSEOG funds for the first payment period,
  (2) permit FWS employment for the first 60 consecutive days after the student enrolls for the award year, or
  (3) originate but not disburse a Direct Subsidized Loan.

## Conflicting & Inaccurate Information

It is the policy of the Office of Financial Aid at Paul Quinn College to submit all discrepancies to CPS. Conflicting information is any information that may be inaccurate in comparison with a previous or current year's application information. The student will be contacted by email and requested to resolve the conflicting information within two weeks. Federal Student Aid will not be disbursed to any student for whom conflicting application information has not been resolved. If a discrepancy is discovered after disbursement of Federal Student Aid, the information will be reconciled and the student may be required to repay any amount of aid received in excess of his or her eligibility. PQC will make all corrections in FAA Access to CPS online based on submitted documentation by student. PQC will notify the Bursar to charge the student's account for any funds owed and return the funds to the program account.

During the process of verification, discrepancies may be discovered between the dollar amount reported on the application and the dollar amount reported on the submitted documentation. The difference between the two amounts may or may not cause the application to be corrected. The following tolerance options may be used to determine whether or not corrections are necessary. The school will submit to CPS any changes to a non-dollar item or a single dollar item of $25 or more. Although the school is not required to do a correction for a change to a single dollar item of $25 or more, the financial aid office submits all discrepancies.

## Student Notification of Verification Changes

If a student's award changes due to verification that requires adjustments in their eligibility, it is the school's policy to send a revised Award Letter indicating the change in awarded or disbursed aid. Students may also be contacted by phone if a balance due exists due to the changes.

## Database Matches, Reject Codes, & and Subsequent Transactions

If any student applicant's ISIR has problems with database matches, subsequent transactions, reject codes and C codes, they must be resolved by the assigned Financial Aid staff. Students will be notified to submit the required documentation with two weeks. Students that have any of these problems may not receive any federal or state aid until resolved. If not cleared within two weeks of notification, the student will receive a second notification.

If the applicant does not comply with the request for additional documentation or submit an acceptable alternative, the application will not proceed further through the awarding process. Required Items to be documented: Though an application may not be chosen for verification, the applicant may have a situation that requires some type of confirmation or documentation before processing can continue. If the CPS was unable to make a satisfactory match with available resources, a "C" will appear by the student's EFC on the SAR. A comment explaining the flag (C) will be in Section I of the SAR.

The following items may cause a "C" to appear on the SAR:
1. Unconfirmed Selective Service Registration Status
2. Unconfirmed INS Eligible Non-Citizen Status
3. Title IV Default
4. Drug Abuse Hold
5. Social Security Number Discrepancy
6. Citizenship Status

Documentation must be secured by the Office of Financial Aid before further processing can continue. For information concerning appropriate documentation, refer to the current Federal Student Financial Aid Handbook In addition, if the applicant is a recipient of Veterans Educational Benefits, the amount of these benefits may be confirmed before processing can continue. If the student does not respond by the deadline of the second notification (one week), the student will not be awarded or any awarded aid will be cancelled.

**Overpayments, Fraud, and Abuse**
If corrections resulting from the verification process decrease an applicant's award and those funds have already been disbursed the funds will be returned (using institutional funds) to the appropriate aid program. The Business Office will bill the student for any balance now owed on his/her student account. The student is notified via their Paul Quinn College email of any changes.

The Office of Financial Aid at Paul Quinn College will report to the Office of Inspector
General all instances of suspected fraud where a financial aid applicant, employee, or other individual has misreported and/or altered documentation for the purpose of increasing aid eligibility or fraudulently obtaining federal funds.

**Notification of Verification Policy and Procedures**
This verification policy will be made available to all applicants via the Student Financial Aid website.

Refer any instance of suspected fraud or criminal conduct by an applicant to the Office of the Inspector General of the Department of Education or to the state or local authorities.

<div align="center">

Assistant Inspector General for Investigations
U. S. Department of Education
400 Maryland Avenue, SW
MES, Room 4122
Washington, D.C. 20202-1510
Phone: 202-205-8762
Fax: 202-205-9449

</div>