



Financial Aid Verification Policy

Reference: 34 CFR 668.51-61

Because students sometimes make errors on their FAFSA application, there is a process for verifying applications and making corrections. The Department of Education's Central Processing System (CPS) selects which applications are to be verified. The University of Maryland Office of Financial Aid also has the authority to verify students.

In accordance with 34 CFR 668.51-61, the University of Maryland Office of Financial Aid has established and uses written policies and procedures for verifying an applicant's FAFSA information. These policies and procedures include—

1. The time period within which an applicant must provide any requested documentation.
2. The consequences of an applicant's failure to provide the requested documentation within the specified time period;
3. The method by which the Office of Financial Aid notifies an applicant of the results of its verification if, as a result of verification, the applicant's EFC changes and results in a change in the amount of the applicant's assistance under the Title IV, Higher Education Act (HEA) programs;
4. The procedures the Office of Financial Aid will follow itself or the procedures it will require an applicant to follow to correct FAFSA information determined to be in error; and
5. The procedures the Office of Financial Aid will follow for making referrals to the Office of Inspector General.

Institutional Responsibility

The University of Maryland Office of Financial Aid must require an applicant whose FAFSA was selected for verification to submit supporting documentation to confirm specified data elements on his or her FAFSA application, unless the applicant qualifies for a federal exclusion (See Exclusions from Verification).

Applicant Responsibility

If requested, a FAFSA applicant must provide the specified documents or information necessary to complete the verification process.

Verification Selection Types

Standard Selection:

To apply for federal financial aid a student must submit a FAFSA application. CPS selects which applications are selected for verification. Data-based statistical analysis is used to select applicants with the highest probability of error. CPS will set a verification flag on a student's processed FAFSA application to indicate the student record has been selected for verification.

Customized Selection:

The Department of Education's long-range goal is a customized selection approach based on the data provided by each FAFSA applicant. When fully implemented, this process will identify, for a

selected applicant, only the FAFSA information that requires verification based upon that individual applicant's data. Transition to a customized verification process is expected to continue over multiple award years. For the 2020-2021 award year, CPS will use a Verification Tracking Flag to place an applicant selected for verification into one of three verification tracking groups. (See information to be verified).

Update or Correction Selection:

Aid applicants should be aware that an update or correction to his or her FAFSA application may trigger CPS to select their application or additional elements for verification. In this case, the Office of Financial Aid must require the applicant to submit any additional documentation needed to complete the verification process.

Institutional Selection:

The University of Maryland Office of Financial Aid has the authority and responsibility to select a FAFSA application for verification if there is reason to believe that an applicant's FAFSA information is inaccurate and/or contains conflicting information. The student will then be required to submit documentation to clarify the accuracy of the data provided on his or her FAFSA application and/or to resolve the conflicting information.

Exclusion from Verification

Verification requirements will be waived for the federal exclusions listed below provided the Office of Financial Aid receives supporting documentation pertaining to the applicable exclusion by our published verification deadlines.

Federal regulations stipulate that the University need not verify an applicant's FAFSA information if—

1. the applicant dies;
2. the applicant does not receive assistance under the Title IV programs for reasons other than failure to verify FAFSA information;
3. the applicant is eligible to receive only unsubsidized financial aid; or
4. the applicant was selected for verification after ceasing to be enrolled at the University of Maryland and all (including late) disbursements were made.

Further, unless the Office of Financial Aid 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. both parents or the custodial parent has died;
3. the parents cannot be located because their contact information is unknown and cannot be obtained by the applicant; or
4. both applicant's parents are mentally incapacitated.

Lastly, 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.

Notification

Student's whose FAFSA application is selected for verification will be notified of his or her selected status as follows:

1. CPS will notify the student on his or her student aid report (SAR). An asterisk will be placed next to the applicant's EFC referring to a comment in the student section of the SAR explaining that the applicant will be asked by their college or university to provide additional documentation for verification; and
2. the University of Mary Office of Financial Aid will mail letters to the applicant's home address provided on their FAFSA application on a monthly basis regarding their verification status. The University will begin notifying the student once their FAFSA application has been received and they've been accepted for admission. These monthly notifications will continue until either the student has submitted all requested information or the deadline for submission has been reached.

Letters sent to students whose FAFSA application is selected for verification will include:

1. An explanation of the documentation required to clear verification including where the student and, if dependent, parent may access the requested documentation;
2. All applicable worksheets; and
3. The student's responsibilities with respect to the verification process, including the deadlines for completing any actions required and the consequences of failing to complete any required action.

Information to be Verified

For each award year, the Secretary of Education publishes in the Federal Register a notice announcing the FAFSA information that an institution and an applicant may be required to verify. This notice specifies what documentation is acceptable for verifying FAFSA information. The Federal Register dated May 24, 2019 lists these items for the 2020-21 award year. The individual verification items that an applicant must verify are based upon the Verification Tracking Group to which the applicant is assigned as listed in the chart below:

Verification Tracking Flag	Verification Tracking Group Name	FAFSA Information Required to be Verified
V1	Standard Verification Group (Tax Filers)	<ul style="list-style-type: none"> • Adjusted Gross Income • U.S. Income Tax Paid • Untaxed Portions of IRA Distributions • Untaxed Portion of Pensions • IRA Deductions and Payments • Tax Exempt Interest Income • Education Credits • Number of Household Members • Number in College
V1	Standard Verification Group (Non-Tax Filers)	<ul style="list-style-type: none"> • Income Earned from Work • Number of Household Members • Number in College
V2	Not currently in use	N/A
V3	Not currently in use	N/A
V4	Custom Verification Group	<ul style="list-style-type: none"> • High School Completion Status • Identity/Statement of Educational Purpose
V5	Aggregate Verification Group	<ul style="list-style-type: none"> • All items in V1 and V4
V6	Not currently in use	N/A

NOTE: Federal regulations stipulate that an institution may require an applicant to verify any FAFSA data that it specifies. On occasion, the Office of Financial Aid may require a student to verify specified FAFSA information and to provide reasonable documentation.

Acceptable Documentation

The documentation required for verification varies according to the specific FAFSA information being verified. A student selected for verification will need to submit the following acceptable documentation to the University to complete the verification process. If a student is unable to submit any of the required documents, he or she should contact the Office of Financial Aid to discuss possible alternative acceptable documentation.

FAFSA Information	Acceptable Documentation
Household Size*	University of Mary Verification Worksheet
Number in College	University of Mary Verification Worksheet
AGI and U.S. Tax Paid	IRS DRT**; IRS Tax Return Transcript***, or a signed copy of IRS 1040
Untaxed Income (Tax Return Data)	IRS DRT**; IRS Tax Return Transcript***, or a signed copy of IRS 1040
Non-Filer Work Income	University of Mary Verification Worksheet, IRS Non-filing letter & 2018 IRS W-2 Forms
High School Completion	High School Diploma or transcript; GED certificate or transcript; homeschooled credential or transcript; or academic transcript showing two-year program completion
Identity/Statement of Education Purpose	Original government-issued photo identification (ID) such as a passport or a driver's license and Identity and Statement of Educational Purpose document
Other Information	Other documentation as specified by the CPS or the University

*Household Size: For 2020-21, the number of household members for dependent students must include both of a dependent student's legal (biological or adoptive) parents if the parents live together, regardless of the marital status or gender.

****IRS Data Retrieval Tool (DRT):** The IRS DRT is the fastest, easiest and most secure method of meeting verification requirements. To verify tax data, the U.S. Department of Education and the University encourage students and parents to use the IRS DRT to import data from their tax return directly to the FAFSA, either at the initial FAFSA filing or through the FAFSA correction process. For the retrieved data to be acceptable documentation of tax data, it is necessary that neither the student nor the parents change the data after it is transferred from the IRS.

Under the following conditions the IRS DRT is NOT available (all apply to both students and parents):

1. The person did not indicate on the FAFSA that the tax return has been completed;
2. The applicant or applicant's parents had a change in marital status after the end of the 2018 IRS tax year on December 31, 2018;
3. The first three digits of the applicant's social security number (SSN) are 666;
4. The person has been a victim of identity theft (See Victim of Identity Theft below);
5. The tax return was amended (See Filing an Amended Return below);
6. The person filed a tax filing extension with the IRS (See Tax Filing Extensions below);
7. The person filed a Puerto Rican or foreign tax return (See Foreign Tax Filers below);
8. The person is married and filed the tax return either as head of household or married filing separately;
9. In all instances, when a dependent student's legal parents are unmarried and living together;
10. In all instances, when a dependent student's legal parents are unmarried and living together;
11. Neither married parent entered a valid social security number (SSN) on the FAFSA;
12. A non-married parent or both married parents entered all zeros for the SNN on the FAFSA; or
13. The person filed the tax return as married and has now separated, divorced, or married someone else, or been widowed.

If a student or parent cannot or will not use the IRS DRT, they must provide a transcript obtained from the IRS that lists tax account information for the tax filer for tax year 2018.

Occasionally, a student or, if dependent, their parents may experience a situation that warrants special treatment. Those instances are identified below.

Victims of Identity Theft:

When the IRS determines a tax filer has been or likely was a victim of identity theft, it will not allow him/her to use the IRS DRT process or get a tax return transcript until the matter has been resolved, which can take up to a year for complex cases. For a tax filer who is a victim of identity theft, the University will accept for verification:

1. A Tax Return Database View (TRDBV) transcript obtained from the IRS by calling the IRS's Identity Protection Specialized Unit (IPSU) toll-free number at 800-908-4490; and
2. A statement signed and dated by the tax filers indicating that they were victims of IRS tax-related identity theft and that the IRS has been made aware of the tax-related identity theft.

Filing an Amended Return:

A student or parent who files an amended return cannot use the IRS DRT process. Instead he or she may submit to the Financial Aid Office:

1. An IRS Tax Return Transcript (that will only include information from the original tax return and does not have to be signed), or any other IRS tax transcript(s) that include all of the income and tax information required to be verified; and
2. A signed copy of the amended 2018 tax return (IRS Form 1040X) that was filed with the IRS.

On occasion, the University may also require that the student or parent submit an IRS tax account summary of the amended 2018 tax return.

Tax Filing Extensions:

A student or parent who has been granted a tax filing extension must provide a copy of IRS Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return. The tax filer must also provide copies of all 2018 IRS W-2 Forms and a signed draft copy of the 2018 federal tax return to the Office of Financial Aid by the verification deadline (see Deadlines & Failure to Submit Documentation)

Foreign Tax Filers:

A student or parent who filed an income tax return other than an IRS form, such as a foreign or Puerto Rican tax form, must use the income and tax information (converted to U.S. dollars) from the lines of that form that correspond most closely to the income information reported on a U.S. income tax return to complete the FAFSA. Foreign tax filers cannot use the IRS DRT process and, therefore, must submit signed copies of their 2018 foreign tax returns translated into English with U.S. dollar equivalencies to the Office of Financial Aid.

Non-filers:

A student or parent who is not required to file a U.S tax return is required to submit a Verification Worksheet, an IRS Non-Tax letter from submission of the IRS form 4506-T, and copies of all 2018 IRS W-2s to verify income earned from work. If an individual who is required to submit an IRS W-2s is unable to obtain one in a timely manner, the University may permit that individual to provide a signed statement that includes:

1. the amount of income earned from work.
2. the source of that income; and
3. the reason that the IRS Form W-2 is not available in a timely manner.

If the University questions a claim that the tax filer has not, will not, and is not required to file a 2018 IRS income tax return, the University must require the applicant to submit a "Verification of Non-filing Letter" from the IRS that the tax filer did not file a 2018 IRS income tax return. The request for "Verification of Non-filing Letter" can be obtained by the tax filer requesting an IRS Tax Return Transcript as outlined above.

If the University proves that the student or parent was required to file a tax return, they must do so and receive a tax transcript before Federal Financial Aid will be disbursed.

Deadlines and Failure to Submit Documentation

A student whose FAFSA information has been selected for verification must submit all documentation required for verification to the Office of Financial Aid by specific deadlines according to the type of subsidized federal aid received and his or her period of enrollment.

For subsidized federal aid programs, excluding the Federal Pell Grant Program:

A student enrolled in the fall 2020 term must submit required verification documentation by November 2, 2020. A student who begins enrollment in the spring 2021 term must submit required verification documentation by March 1, 2021. A student who begins enrollment in the summer 2021 term must submit required verification documentation by July 1, 2021.

If the student does not provide the verification documentation by the deadline, the University will cancel his or her subsidized federal aid (excluding the Federal Pell Grant Program) for the award year.

If the student then provides the documentation after the deadline, the University will reevaluate the student's eligibility for subsidized aid and will award aid based on the availability of federal funds at the time of documentation submission.

For the Federal Pell Grant Program:

A Pell applicant selected for verification must complete the verification process by the deadline published in the Federal Register. For the 2020-21 award year, the deadline is September 12, 2020 or 120 days after the last day of the student's enrollment, whichever is earlier. The verification process is complete when the University has received all requested documentation and a valid processed FAFSA is on file including any necessary corrections. If the student does not provide the verification documentation or the University does not receive the valid processed FAFSA by the deadline, the student forfeits his or her Pell grant for the award year.

Updating FAFSA Information

Generally, a student cannot update FAFSA information that was correct as of the date of the application was signed because the FAFSA is a "snapshot" of the family's financial situation as of that date. For example, if a student's family sold some stock after signing the FAFSA and spent the proceeds on an automobile or home improvement, the student cannot update the FAFSA to reflect a change in assets. After the FAFSA is signed, only certain items can be updated under the conditions listed below.

1. **Dependency Status Change:** If a student's dependency status changes at any time during the award year, the student must update FAFSA information, except when the update is due to a change in the student's marital status.
2. **Verification of Household Size or Number in College:** An applicant whose FAFSA information is selected for verification of household size or number in college must update those items to be correct as of the date of verification, except when the update is due to a change in the student's marital status.
3. **Marital Status Change:** The University may require a student to update FAFSA information under paragraph (1) or (2) of this section for a change in the student's marital status if the University determines that the update is necessary to address an inequity or to reflect more accurately the student's ability to pay.

Correcting Errors on FAFSA Information

Although a student cannot update FAFSA information that was filed correctly, except under limited conditions as listed above, errors made on the original FAFSA must be corrected.

As stated previously, to apply for federal aid a student submits a Free Application for Federal Student Aid (FAFSA) to the Central Processing System (CPS). Generally, the FAFSA is submitted through the online process and the student receives from the CPS an electronic summary of his or her processed FAFSA known as the Student Aid Report (SAR).

Upon receipt of the SAR, the student should review all information listed on the SAR and submit for processing any errors reported on the original FAFSA to the CPS. In addition, customized University of Mary Verification Worksheets will be sent via email or mailed to the home address of students selected for verification. The student and parent(s) should complete the documentation upon receipt and return it to the UMary Office of Financial Aid by U.S. mail, fax or secure file upload. For enrollment beginning in the fall 2020 term, all verification documents must be received by the University prior the final deadline for submitting verification documents to avoid cancellation of the student's financial aid award (see Deadlines and Failure to Submit Documentation).

An electronic summary of a student's original FAFSA and any corrected FAFSA information will be sent from the CPS to the University. Once received, all FAFSA data, University of Mary Verification Worksheets, and any supplemental verification documents will then be reviewed by the Office of Financial Aid to verify the accuracy of the student's FAFSA information and to calculate his or her eligibility for need-based financial aid.

If a student's FAFSA information changes as a result of the University's verification process, the Office of Financial Aid will:

1. Submit for processing changes to the FAFSA information determined to be in error*;
2. Recalculate the student's Federal Pell Grant based on the recalculated EFC;
3. Adjust the student's financial aid package based on the recalculated EFC; and
4. Notify the student in writing (by U.S. mail or email) of any change to his or her financial aid offer.

**Note: Although the University will be able to submit most changes to FAFSA information, on occasion it may be necessary for the student to submit changes directly to the CPS. In such cases, the University will notify the student in writing (by U.S. mail or email) as to which data items must be corrected by the student and submitted for processing to the CPS.*

Referral of Fraud Cases

Students and parents are advised that the University must and will refer to the Office of Inspector General (OIG) any credible information indicating that an applicant for Federal Student Aid may have engaged in fraud or other criminal misconduct in connection with FAFSA applications. Common misconduct includes false claims of independent status, false claims of citizenship, use of false identities, forgery of signatures of certifications, and false statements of income. Note that fraud is the intent to deceive as opposed to a mistake on an application.