



## POLICY STATEMENT

### How Applications Are Selected for Verification

- All files selected by CPS will be verified according to the verification level assigned by the processor.
- Additionally, files will be institutionally selected for verification when:
  - A petition to adjust the EFC is submitted;
  - It is deemed appropriate to change a student's marital status after the FAFSA has been filed;
  - An application meets predetermined criteria for fraud prevention measures.
- Files may be selected for verification to resolve conflicting information between ISIR data and other data known to the Financial Aid office.

### Document Submission Deadlines & Notifications

- Students must submit all required documents prior to the last day of the period of enrollment for which they are seeking financial assistance.
- NSC will notify all students selected for verification by ED or NSC of the deadline for submitting documents via a separate verification instructions email.
- In some special circumstances the deadline for submission may be extended. A financial aid administrator must review a student's special circumstances to determine if a deadline extension will be granted.
- Notifications regarding verification will be sent by e-mail.
- Students will be notified of award changes by a revised award letter within 24 hours of any modifications to their award package.

### Confirmation of Independent Status and Required Correction Procedures for Students

Students who are considered independent because they answered "yes" to a dependency question other than age, regardless of whether the student was selected for verification, will be required to submit documentation relating to that response as follows:

- Marital status – copy of marriage certificate;

- Children – copy child’s birth certificate;
- Dependents other than children or spouse – evidence of the dependency relationship and support;
- Emancipated minor – court documentation of the emancipation;
- Guardianship – court documentation relating to legal guardianship status;
- Orphan/Ward of Court – death certificates or court documentation relating to Ward of Court status;
- Homeless – see Homeless Youth Determination section of this policy.

In certain circumstances a student may be required to correct information previously submitted on the FAFSA. In these cases the student will be notified by email of the exact information that must be corrected and that the processing of their financial aid application will be suspended until the corrected data is processed by CPS. Examples of these situations include, but are not limited to: corrections to dependency status and provision of parent information due to insufficient documentation of veteran status, proof of dependents or children, or to correct graduate/professional status.

The following relates to determination of the dependency of a student who is independent solely based on answering yes to the child and/or dependent questions. The purpose is to determine if there is sufficient income to support themselves, their child and the household in which their child is living.

If the student is living with their parent(s) OR with the parent of the child, but not married (ex. boyfriend/girlfriend), NSC will request the student submit a completed income/expense form.

If on the prior year’s ISIR the student was dependent and reported as living with parent and the address remains the same on the ISIR for this year, NSC will request the student submit a completed income/expense form.

If the student is living on their own and there is no conflict with prior year information regarding their housing situation, NSC will review income reported on the FAFSA and compare to the U.S. Department of Health & Human Services poverty guidelines that were available as of the date the ISIR became available for that financial aid year. In order for students to meet the criteria for independent status by having children or other dependents, the student must demonstrate that they are providing more than half the support for those individuals. If the income reported on the FAFSA is not sufficient to support the student and the number of children/dependents reported based on the poverty guidelines, and they are unable to provide any other documentation or reasonable explanation for how they are supporting themselves and their dependent/s, they will be asked to update their FAFSA to indicate they are dependent and provide parent information.

NSC may request documentation of payments reported on the Income/Expense form. Documentation submitted must indicate it is the student who paid the expense. Documentation of current bills (bills dated within the last 60 days) in the student's name will be required.

## Standard Procedures for Referring Overpayments to ED

If a student is selected for verification after initial disbursement of awards and the verification results in a reduction of eligibility, this may result in an overpayment that must be reported to ED. The steps below will be followed.

1. Complete and submit a Debt Resolution Services Referral form and mail to the address on the form, a copy of which will be saved to the student's file.
2. Report the overpayment on NSLDS.
3. Send notification to student of referral to Dept. of Ed for collection, save a copy to the student's file.

## When Verification is NOT Required

There are times when it is not necessary to verify a student's application; however, none of the exemptions excuse you from the requirement to resolve conflicting information except the student's death. The basis for exclusion must be documented and all other information not excluded must still be verified as required. It is not necessary to verify FAFSA information of a student in the following situations:

- **The applicant is eligible to receive only unsubsidized student financial assistance.** A student may not avoid verification by accepting only unsubsidized aid.
- **Post enrollment.** The student was selected for verification **after** ceasing to be enrolled at NSC and all (including late) disbursements were made.
- **Although regulations permit a school to accept the verification results of another institution, NSC does not accept verification completed at another school.** Students who have submitted verification documents to another school will still need to submit required verification documents to NSC and the verification process will be completed through NSC.
- **Death of the student.** The institution is not required to continue verification if an interim disbursement was made and the student died before verification was completed. No additional disbursements can be made, except for FWS funds already earned, to any of the student's beneficiaries. No federal loan may be originated or

disbursed, nor may any interim disbursement made of Pell or FSEOG funds or provisional FWS employment be reported as an overpayment.

Unless there is reason to believe the information reported on the FAFSA is inaccurate, NSC will not verify the parental data of a dependent student if any of the following apply:

- Both of the parents are mentally incapacitated.
- They are residing in a country other than the United States and cannot be contacted by normal means.
- They cannot be located because the student does not have and cannot get their contact information.

Unless there is reason to believe the information reported on the FAFSA is inaccurate, NSC will not verify the data of the spouse of an independent student if any of the following apply:

- The spouse has died.
- The spouse is mentally incapacitated.
- The spouse is residing in a country other than the United States and cannot be contacted by normal means.
- The spouse cannot be located because the student does not have and cannot get their contact information.

## **Items to Be Verified**

Each year the US Department of Education will publish in the Federal Register the items required to be verified and the method of determining which items to verify for any particular student who has been selected for verification.

When an applicant's information changes as a result of verification, NSC will submit any changes to:

1. A non-dollar item; or
2. A single dollar item of \$25 or more.

## **Documentation**

### **Verification Worksheet**

NSC will create verification worksheets each year as necessary to capture the information required of each verification selection group as published annually in the Federal Register. These forms will be published on the Financial Aid website and also saved in the Forms folder on the Common drive.

### **Signatures**

Tax transcripts do not need to be signed by the tax filer.

Student (and parent if student is dependent) must sign any required verification worksheets except in special circumstances as noted in the “When Verification is NOT Required” section above.

### **Tax Filing Extension**

Tax filers who have been granted an extension must submit a copy of IRS Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, or a copy of the IRS’s approval of any further extensions. They must also provide a copy of all their earnings statements or, if they are self-employed, a signed declaration of the amount of their annual earnings. NSC will not require applicants to submit tax return transcripts after the filing extension deadline; however, if an applicant does submit a tax return after filing, the file will be re-verified based on the tax information and award adjustments made if necessary.

### **Amended Return**

Students or parents who file an amended return cannot use the IRS Data Retrieval process. Instead, they must request a *tax return transcript*, but because that document only contains the information on the original return, they must **also** submit a 1040X.

### **Confirmation of Non-filing**

Beginning with the 2017/2018 year, nontax filers and tax filers who received an extension but still have not filed their income tax return must provide confirmation of non-filing dated on or after October 1, 2016. A confirmation of non-filing can be obtained from the IRS. If appropriate, a similar confirmation from another taxing authority (e.g., a U.S. territory or a foreign government) is also acceptable. (DCL ID: GEN-16-07)

In the event that one or both of the parents of a dependent student or the spouse of an independent student does not have a Social Security Number, an Individual Taxpayer Identification Number, or an Employer Identification Number and therefore is unable to obtain a verification of non-filing from the IRS, and has income is below the IRS filing threshold, the following must be submitted to NSC Financial Aid:

1. A signed and dated statement—
  - a. Certifying that the individual(s) does not have a Social Security Number, an Individual Taxpayer Identification Number, or an Employer Identification Number; and
  - b. Listing the sources and amounts of earnings, other income, and resources that supported the individual(s) for the appropriate tax year; and
2. If applicable, a copy of IRS Form W–2 for each source of employment income received for the appropriate tax year or an equivalent document.

Note: Individuals who submit W-2s that total a gross income that equals or exceeds the IRS tax filing threshold must request a Social Security Number, an Individual Taxpayer Identification Number, or an Employer Identification Number and file an income tax return before the student is eligible to receive Title IV aid. (U.S. Department of Education (ED) Program Integrity Q&A website--Verification DOC-Q29/A29)

## **Homeless Youth Determination**

NSC will enter a “Dependency Override” flag value of ‘4’ after verifying a student’s status as homeless when they would otherwise be considered dependent.

If a student indicates on the FAFSA she or he is an unaccompanied homeless youth, NSC must collect documentation substantiating this fact prior to submitting the “Dependency Override” flag value of ‘4’ to verify a student’s status as homeless when they would otherwise be considered dependent. The student is independent if at any time on or after July 1 of the year listed for that financial aid year (irrespective of whether he is currently homeless or at risk thereof), he or she is determined to be an unaccompanied homeless youth by a school district homeless liaison or the director (or designee) of an emergency shelter program funded by the Department of Housing and Urban Development (HUD). The director (or designee) of a runaway or homeless youth basic center or transitional living program can determine this as well, plus whether a student is independent because he is an unaccompanied youth who is self-supporting and at risk of being homeless. These authorities make this determination if the student is receiving their programs’ services or if, in the case of a school district homeless liaison, the student is in high school. An FAA may also determine this using Professional Judgment if no such documentation is available (see Sec.3.6 of NSC Financial Aid Policies and Procedures).

## **Marital Status Change after Filing the FAFSA**

As per CFR 668.55(c), NSC will require an applicant to update his/her marital status even if it results in a change in the applicant’s dependency status, if the institution determines the update is necessary to address an inequity or to reflect more accurately the applicant’s ability to pay. When applicants update their marital status after submission of FAFSA, their EFC will NOT be calculated and Reject 21 gets set which only an FAA can override.

When receiving an ISIR with Reject 21, NSC Financial Aid and Student Employment will conduct an interview with the student to determine the documentation required to support the change in marital status. The student will also be institutionally selected for standard verification if not already selected by CPS. Once the marital status documentation and verification documents have been received and verification has been performed, they will be reviewed to determine if a change in marital status is warranted to address an inequity or to reflect more accurately the student’s ability to pay. If the FAA determines a change is warranted, the marital status will be updated as well as all other pertinent information related to the new marital status, such as spousal income and taxes paid.

If a student states their marital status has changed but has not updated the FAFSA with this information, the counselor will review the ISIR and information the student provides to

determine if an update is necessary to address an inequity or to reflect more accurately the student's ability to pay. If it is determined an update is necessary, documentation of the change in marital status and verification documents will be required in order to perform standard verification and update the marital status as well as all other pertinent information related to the new marital status, such as spousal income and taxes paid.

NSC will accept documentation to consider such updates until six weeks prior to the student's last date of enrollment in the academic year or until June 1st, whichever is earlier. Decisions to make changes to marital status as described above must be on a case-by-case basis, and the FAA must document the reasons for performing the change.

### **Selected for Verification after Disbursements Were Made and While Student Is Still Attending**

In the event a student is selected for verification either by CPS or the institution after disbursements have been made to the student, the following action will be taken:

- NSC will notify the student according to the Document Submission Deadlines & Notifications processes mentioned earlier in this document;
- All additional disbursements will be cancelled pending verification of the application;
- NSC will return to the U.S. Department of Education and bill to the student's NSC account any disbursed Federal Grant funds, including Pell and FSEOG, for which the student is not eligible based on the results of the verification, or if the student fails to provide documentation by the deadlines established earlier in this policy;
- Students will not be required to return disbursed Federal Direct Loans, earned work-study wages, or disbursed Nevada State Access Grant or Nevada State College Grant funds;

### **Selected for Verification after Student Stopped Attending**

NSC will not verify ISIR transactions received after a student is no longer enrolled.

### **Verification Completed at another School**

NSC will not accept the results of verification performed at another institution.

## Reporting Verification Results of an Applicant's Identity and High School Completion Status Using FAA Access to CPS Online

NSC will report through FAA Access to CPS Online the verification results of identity and high school completion status for applicants whose ISIR had a Verification Tracking Group of V4 or V5. Reporting verification results for groups V4 and V5 is required only when the institution has received an ISIR that indicates that the Department has placed the applicant in Verification Tracking Group V4 or V5 AND the institution has requested that the applicant submit the required V4 and V5 documentation. NSC will report this information no later than 60 days after the date the institution requested that the applicant provide the required documentation. For any V4 and V5 results that change, NSC will submit another record for the applicant with the updated status.

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### REASON FOR POLICY

This section is required 34 CFR [668.53](#)

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### FORMS/INSTRUCTIONS

Verification worksheets posted on <http://nsc.edu/643.asp>

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### CONTACTS

SUBJECT	CONTACT	PHONE	EMAIL
Primary Contact(s)	Anthony Morrone	702-992-2156	<a href="mailto:Anthony.Morrone@nsc.edu">Anthony.Morrone@nsc.edu</a>
Subject	Jenna Eastman	702-992-2155	<a href="mailto:Jenna.Eastman@nsc.edu">Jenna.Eastman@nsc.edu</a>

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### DEFINITIONS

- CPS: Central Processing System, the Department of Education division responsible for processing the FAFSA.
- ED: U.S. Department of Education.
- EFC: Expected Family Contribution, the amount of resources a student and their family is expected to contribute to their annual education expenses as determined by the FAFSA.
- FAA: Financial Aid Administrator.
- FAFSA: Free Application for Federal Student Aid.
- ISIR: Institutional Student Information Record, a transcript of the information submitted by a FAFSA applicant and the results of processing by CPS.



- NSLDS: National Student Loan Data System, a database of all federal student loan, grant, and related enrollment information.
- Verification: a process by which institutions confirm information submitted by FAFSA applicants in connection with the calculation of their EFC.

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## HISTORY

Updated June 6, 2014

Revised November 25, 2014:

Deleted: “There is no tolerance when verifying items, any discrepant information must be adjusted.” (p.3)

Replaced with: “When an applicant’s information changes as a result of verification, NSC will submit any changes to:

1. A non-dollar item; or
2. A single dollar item of \$25 or more.” (p. 3)

Added: “NSC will notify all students selected for verification by ED or NSC of the deadline for submitting documents via a separate verification instructions email.” (p.1)

Updated February 19, 2015:

Added section: Selected for Verification after Disbursements Were Made and While Student Is Still Attending

Updated July 15, 2015:

“Items To Be Verified,” sections 7 & 9 amended to include guidance for 2015-2016.

Updated June 17, 2016:

- Required Correction Procedures for Students, now titled Confirmation of Independent Status and Required Correction Procedures for Students, was updated to specifically indicate how NSC will determine what additional information will be requested of students in relation to being dependent only because of children and/or dependents.
- “Items To Be Verified, removed information specific to a particular year
- Homeless Youth Determination, removed reference to specific year
- Reporting Verification Results of an Applicant’s Identity and High School Completion Status Using FAA Access to CPS Online, removed reference to specific year

Updated June 27, 2016:

- Updated “Confirmation of Independent Status and Required Correction Procedures for Students” section to clarify documentation requested from students to demonstrate they pay for their own and at least 50% of their dependents’ expenses.

Updated November 4, 2016

- Added “Confirmation of Non-filing section based on new requirements starting with 2017/2018 year.

Revised May 24, 2017

- Combined “Dependency Status” section with “Confirmation of Independent Status and Required Correction Procedures for Students”
- Also in that section, deleted “(excluding financial aid received)” and “Income from financial aid (scholarships, loans, grants, etc.) will not be considered when making this determination” and added “and they are unable to provide any other documentation or reasonable explanation for how they are supporting themselves and their dependent/s”