

VERIFICATION POLICY/PROCEDURES BUENA VISTA UNIVERSITY

Verification procedures are governed by the Higher Education Act of 1965, as amended, and subpart E of 34 CFR part 668. The following is a description of Buena Vista University's procedures based on our interpretation of the regulations.

As indicated in the regulations, verification procedures apply to applicants for the following programs offered at BV:

- The Pell Grant Program
- The Federal Stafford Loan Program
- The Campus-Based Programs

Verification is not required for:

- The SSIG Program
- The Unsubsidized Stafford Loan Program
- The Federal PLUS Loan program
- The Robert C. Byrd Program
- The Paul Douglas Teacher Program
- The National Science Scholars Program (if ever funded)

All students who request to be considered for funds from any of the programs listed in the first category above are required to complete a federally approved needs analysis application (FAFSA).

It will be BV's policy to verify all applications selected through the central processor and flagged on the ISIR/SAR, regardless of the percentage of the federal student aid applicant pool that might represent. Also, since we require all applications from students requesting Title IV or state funds to go through the central processor, we would have no applications processed without edits.

BVU will send all selected student applicants a Verification Worksheet (VW) and a request for tax returns. If a tax return will not be filed, earned income will be reported and verified on the VW. If additional information will be needed, the necessary item will be indicated on an individual notification. We will require verification materials from ALL selected students, even if the student's application was previously verified at another institution. Returning and center students will normally not receive an award letter from BV until the verification process is completed and all discrepancies are resolved. If discretion is used (as with all new students) and an award is sent, it will indicate that the

offer is estimated. A new award notification will be sent if verification results in a different award, with an indication of the reason for the revision.

We may select applications other than those selected through the central processor to be verified. These applicants will be required to submit all requested verification materials. In other cases, we may only need answers to certain questions, so we may select only those pieces of documentation needed to rectify the discrepancy or question.

In addition, regardless of verification status (selected or not), all conflicting information will be resolved before federal funds are disbursed, unless the student applicant dies during the award year. Conflicting information could include, but is not limited to, cases where:

- Student and/or parent/spouse reported non-filing status but income is above the minimum required to file (see attached)
- Married student/parent filed separate tax returns, both claiming “Head of Household”
- Student and parent both claimed student as an exemption
- Net assets=\$0 but income generated from assets appears on tax return

If conflicting information is discovered after federal aid is disbursed, the student must repay aid received in excess of eligibility unless the student is no longer enrolled, in which case, overpayment regulations would need to be followed. In some cases, the overpayment can be resolved through adjustments in a subsequent semester in the same award year.

The following are examples of cases where selected applicants will be exempt from verification:

- Death of student (no further aid disbursements will be made nor will loan applications be processed)
- Incarceration if the student is in jail or prison at the time verification is being performed
- Immigration status if the student is an immigrant who arrived in the US during either of the years in the current award year
- parent/spouse information and/or signatures if:
 - parent/spouse is deceased
 - parent/spouse is mentally or physically incapacitated
 - the parent/spouse is residing in another country and can not be contacted by normal means of communication
 - parent/spouse can not be located

It should be noted that documentation of any of the above should be noted in file. These exclusions do not affect any other aspect of required verification. If only one parent meets any of the above, the other parent is still subject to all verification requirements.

- students with Pacific Island Residency status
- Applications that result in no federal funds being awarded; including:
 - students ineligible for federal or state funds
 - students who withdraw without receiving federal funds
 - students, who for any other reason, do not receive aid

REQUIRED VERIFICATION ITEMS

ACCEPTABLE DOCUMENT.

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| • Household size | * Completed, signed VW |
| • # enrolled in college (required unless all enrolled are verifiably enrolled at BV) | * Completed, signed VW |
| • AGI and/or income earned from work | * Signed federal tax return or relevant section of VW completed if no tax return is filed or IRS 1722 and W-2s or IRS Form 4868 |
| • US Income Tax paid | * Federal tax return |
| • Required untaxed income, including: <ul style="list-style-type: none"> • SS benefits • child support • IRA and KEOGH payments • foreign income exclusion • earned income credit • interest from tax-free bonds | * VW and/or tax return |
| • the following are not federally required but BV may require: <ul style="list-style-type: none"> • other untaxed income | * tax return/W-2s |

Other untaxed income might include untaxed portions of pensions, tax exempt interest, and federal tax allowance on special fuels (unless farmer).

ADDITIONAL COMMENTS:

BVU will accept a tax preparer stamp in lieu of an original signature of the tax filer on the return. If a parent/student filed an amended return, a copy of the amended return must be submitted with the original return.

The amount of college work-study the student earned in the calendar year in question should be reported in exclusion area on FAFSA. For those students employed by BV, we will have knowledge of amounts earned and this information will be verified using internal sources. If the student was employed at another institution (CWS) the prior year, he/she must complete the correct question on the FAFSA indicating the CWS amount (exclusion). If in question, we may request a copy of all W-2 forms.

All applicable W-2s will be requested in death, separation, or divorce situations, in addition to tax return(s) (those selected for verification). It should be noted that if divorce, separation, or death occurs after the original application filed, a Special Condition Form should be completed to correct only remaining/supporting parent/student income and asset information. If the situation occurred prior to FAFSA filing, information reported should reflect only relevant information.

If using a tax return to separate out income (in divorce, separation, death situations), any personal income and 50% of income on the tax return coming from joint ventures will be used to determine total income. Any adjustments to income that apply to applicant/parent will be acknowledged in reducing AGI. The proportional distribution method or tax calculation tool in EDEExpress software will be used to determine representative tax.

If a tax return is not available, an IRS form, signed by an appropriate IRS official and the filer, will be acceptable (1722 or RTFTP). Also, we may accept TELEFILE and 1040PC as long as confirmation code is reported (TELEFILE) and form has a signature. IRS form 8453 is not acceptable when a student/parent/spouse files the return electronically. If a filer files a 1040 or 1040A, only a signed copy will be acceptable. Also, no aid will be credited until a signed copy of 1040, 1040A, or 1040EZ (or signed form 1722, RTFTP or signed TELEFILE) is received, in cases where a filing extension is granted. An estimated award may be offered to NEW students only. Spouse/stepparent tax returns are needed if the student/parent is married/remarried at the time of original application. Two natural parent returns may be needed in cases where the parents file separate returns. The same is true for an independent student/spouse who may file separate returns. No aid will be credited to a student's account until all necessary documentation is received.

SUBMISSION DEADLINES

Selected applicants (Pell Grant) are required to complete verification no later than 120 days after the last day of enrollment or the last day allowed by law, whichever is earlier.

Buena Vista University policy will require all verification documents to be submitted by June 30th of the award year, unless a student withdrew after a semester/term began but before its completion. In the later case, we will require verification documentation be received prior to the withdrawal date. This policy will be followed for all federal and/or state aid. However, for federal Stafford Loan or Federal PLUS Loan consideration, all verification documentation must be received and the loan must be certified and signed, prior to the last day of attendance. If an applicant fails to complete verification by the deadline, he/she forfeits eligibility for federal and state aid.

In addition, to receive a Pell Grant payment, we must receive a valid SAR/ISIR with a processed date that is on or before the last day of attendance. However, for a student whose application is being verified, if we receive a corrected SAR/ISIR after the last day of enrollment or last day as specified by law, whichever is earlier, but within the

verification extension deadline, we MUST pay on the higher EFC calculated for the student.

UPDATING AND CORRECTING

All information a student supplies on a needs analysis form should be accurate as of the day it was completed. There are only three situations where the information reported should be changed (other than when a correction is made):

- 1) Dependency status should be changed any time during the school year, with the exception of changes due to student's marriage. (However, once a Stafford Loan is certified/originated, the application cannot be changed to reflect a change in dependency status.)
- 2) Household size should be updated to be correct at the time of verification (if selected) or SAR submission (not selected). Since most students no longer submit a SAR, we will assume that families have made any necessary corrections at the time of receipt of the ISIR/SAR. We will allow families to correct errors made, but we will not allow an update.
- 3) Number in college should be updated to be correct at the time of verification (if selected) or SAR submission (not selected-see above).

If, through verification, errors are detected, the information will be recalculated using the Department of Education web-based software. The verification code of "T" will be noted if there are no dollar amount item errors in excess of maximum tolerances written in law. If the recalculation of EFC will affect Pell Grant or Iowa Tuition Grant eligibility (either up or down), we will submit the corrections to the CPS and we will require a new ISIR. Also, corrections to resolve any inconsistent data match item will be submitted to the CPS.

REFERRING SUSPECTED CASES OF FRAUD

If it is suspected that information has not been reported correctly or if we suspect that altered documents have been received, to fraudulently obtain funds, our suspicions will be reported to the Office of Inspector General.

This policy is available upon request and a summary is available in the 10 Points Brochure.