



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

April 5, 2016

GEN-16-07

Subject: 2017–2018 Award Year: FAFSA[®] Information to be Verified and Acceptable Documentation

Summary: This letter provides information that supplements the 2017–2018 award year verification information provided in the *Federal Register* notice published on April 1, 2016.

Dear Colleague:

On April 1, 2016, we published a *Federal Register* notice (Vol. 81, No. 63 p. 18843 –18847) announcing the 2017–2018 Free Application for Federal Student Aid (FAFSA) items that may require verification for an applicant selected for verification by the Department, as well as the acceptable documentation for those items. To reduce burden on institutions and families, we have made changes to the 2017–2018 Verification Tracking Groups and to the 2017–2018 verification information that were included in the *Federal Register* notice. The specifics of these changes are discussed below.

Departmental Verification Selection

As with prior years' verification selection, data-based statistical analysis will continue to be used by the Department to select for verification the 2017–2018 FAFSA applicants with the highest statistical probability of error and the impact of such error on award amounts. The Central Processing System (CPS) will set a Verification Tracking Flag on a selected applicant's Institutional Student Information Record (ISIR) indicating that the applicant was selected by the Department for institutional verification. The ISIR will also indicate the Verification Tracking Group for the applicant. See below for a listing of the 2017–2018 Verification Tracking Groups.

2017–2018 Verification Tracking Groups

Based on our analysis of the results of prior years' verification requirements, we have made some Verification Tracking Group changes for 2017–2018:

- **Verification Tracking Group V6** – Based on our analysis of the results of assigning some applicants to Verification Tracking Group V6 (Household Resources Verification Group), we have determined that the burden on families selected for Verification Tracking Group V6 far outweighed the benefits. Therefore, beginning with the 2017–2018 FAFSA, we will no longer assign applicants to Verification Tracking Group V6. However, because Verification Tracking Group V6 was initially added to address concerns raised by some institutions that

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many applicants who report very low incomes compared to the size of their households are not selected for verification by the Department, institutions with continuing concerns are reminded of their option to require applicants, including those selected by the Department, to verify additional FAFSA information that the institution chooses.

- **Supplemental Nutrition Assistance Program (SNAP) and Child Support Paid –** Consistent with the removal of Verification Tracking Group V2 (SNAP Verification Group) for 2014–2015 and Verification Tracking Group V3 (Child Support Paid Verification Group) for 2016–2017, those two items will no longer be included in Verification Tracking Groups V1, V4, or V5 because our analysis shows no significant changes to applicants' expected family contributions (EFCs) due to SNAP or Child Support Paid being verified.

FAFSA Items that May Need to be Verified

The 2017–2018 FAFSA items that may need to be verified are the same items that may need to be verified for the 2016–2017 award year, except for the following FAFSA items that are removed for 2017–2018, as noted above:

- Other Untaxed Income, because applicants will no longer be assigned to Verification Tracking Group V6.
- SNAP, as it was previously included in Verification Tracking Groups V1, V4, and V5.
- Child Support Paid, as it was previously included in Verification Tracking Groups V1, V4, and V5.

Suggested Verification Text

As in the past, we will not provide verification worksheets for the 2017–2018 award year. However, we will, in a subsequent Information for Financial Aid Professionals (IFAP) posting, provide suggested verification text for each of the required 2017–2018 FAFSA items.

Acceptable Documentation

We have made modifications (and are providing additional clarification and guidance) to some of the acceptable documentation requirements for 2017–2018. While specific information on the acceptable documentation for all 2017–2018 FAFSA verification items is included in the April 1, 2016 *Federal Register* notice, the following are the significant modifications:

Use of Documentation from the 2016–2017 Award Year

To further reduce burden, any of the FAFSA items in the following table that were verified for the 2016–2017 award year, the documentation used for that verification may be used to satisfy a 2017–2018 verification requirement if that documentation meets the acceptable documentation requirements for 2017–2018, as noted in the April 1, 2016 *Federal Register* notice.

2015 Income Information for Tax Filer	2015 Income Information for Nontax Filer
Adjusted Gross Income (AGI) U.S. Income Tax Paid Untaxed Portions of IRA Distributions Untaxed Portions of Pensions IRA Deductions and Payments Tax Exempt Interest Income Education Credits	Income Earned from Work
Documentation of high school completion obtained prior to the 2017–2018 award year is also acceptable.	

Please note that you must obtain new documentation each award year for:

- Number of Household Members
- Number in College
- Identity/Statement of Educational Purpose

Confirmation of Nonfiling

Nontax filers and tax filers who received an extension but still have not filed their income tax return must provide confirmation of nonfiling dated on or after October 1, 2016. A confirmation of nonfiling can be obtained from the IRS using Form 4506-T and checking box 7. If appropriate, a similar confirmation from another taxing authority (e.g., a U.S. territory or a foreign government) is also acceptable.

High School Completion Status

For a former member of the military who is unable to obtain documentation of his or her high school diploma (or its recognized equivalent), or of a secondary school education in a homeschool setting, an institution may accept as alternative documentation a DD Form 214—Certificate of Release or Discharge From Active Duty—if the DD Form 214 indicates the individual is a high school graduate or equivalent.

A refugee, an asylee, or a victim of human trafficking unable to obtain documentation of his or her completion of a secondary school education in a foreign country should follow the guidance provided in [FHD-Q2/A2](#).

Table of 2017–2018 Verification Tracking Groups

The individual FAFSA items from the 2017–2018 *Federal Register* notice that an applicant must verify are based upon the Verification Tracking Group to which the applicant is assigned as outlined in the following chart.


2017–2018 Verification Tracking Groups
FAFSA Information Required to be Verified

Verification Tracking Flag	Verification Tracking Group Name	FAFSA Information Required to be Verified
V1	Standard Verification Group	<p><u>Tax Filers</u></p> <ul style="list-style-type: none"> ▪ Adjusted Gross Income ▪ U.S. Income Tax Paid ▪ Untaxed Portions of Individual Retirement Account (IRA) Distributions ▪ Untaxed Portions of Pensions ▪ IRA Deductions and Payments ▪ Tax Exempt Interest Income ▪ Education Tax Credits <p><u>Nontax Filers</u></p> <ul style="list-style-type: none"> ▪ Income Earned from Work <p><u>Tax Filers and Nontax Filers</u></p> <ul style="list-style-type: none"> ▪ Number of Household Members ▪ Number in College
V2	Reserved	N/A
V3	Reserved	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	<p><u>Tax Filers</u></p> <ul style="list-style-type: none"> ▪ Adjusted Gross Income ▪ U.S. Income Tax Paid ▪ Untaxed Portions of IRA Distributions ▪ Untaxed Portions of Pensions ▪ IRA Deductions and Payments ▪ Tax Exempt Interest Income ▪ Education Tax Credits <p><u>Nontax Filers</u></p> <ul style="list-style-type: none"> ▪ Income earned from work <p><u>Tax Filers and Nontax Filers</u></p> <ul style="list-style-type: none"> ▪ Number of Household Members ▪ Number in College ▪ High School Completion Status ▪ Identity/Statement of Educational Purpose
V6	Reserved	N/A

***Note:** We estimate that the technical specifications for the 2017–2018 ISIR record layout, which includes the Verification Tracking Flag values (V1–V6), will be available on the IFAP website this coming June.*

With your support, we are confident that together we can continue to reduce the burden of verification on applicants, their families, and institutions while maintaining the integrity of the Title IV federal student aid programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn B. Mahaffie", with a long horizontal flourish extending to the right.

Lynn B. Mahaffie
Deputy Assistant Secretary for
Policy, Planning, and Innovation
Delegated the Duties of Assistant Secretary
for Postsecondary Education