

FINANCIAL AID PROGRAMS
Long Beach City College

VERIFICATION POLICY – 2008-2009

Verification is the process by which the Financial Aid Office compares the information on the financial aid application with source documents provided by the student so as to verify the accuracy of the information on the application. Long Beach City College will verify the information on the Student Aid Report (SAR) or ISIR for all students who complete the application process for federal financial aid and who are selected for verification by the Department of Education edits. In addition LBCC may select files for verification to resolve conflicting information.

At Long Beach City College, financial aid will not be awarded to those selected for verification until all documents required for verification are submitted and verification is completed.

If a student withdraws from all of his or her classes before verification is completed, the student must provide the necessary documents for verification within 60 days of the withdrawal date in order to receive a post withdrawal disbursement.

VERIFICATION DEADLINES for 2008-2009 (subject to change by the Department of Education)

The following deadlines, regulated by the U.S. Department of Education, will be followed at LBCC.

All applications (FAFSA, Renewal FAFSA, EDEExpress, FAFSA Express) received at the processor site	June 30, 2009 (or last day of attendance)
SAR/ISIR corrections and duplicate requests received at the processor site (paper requests)	September 22, 2009
SAR/ISIR corrections and duplicate requests received at the processor site (electronic requests)	September 22, 2009
Valid SAR/ISIR received at institution	September 24, 2009
Verification completed	September 24, 2009
Final submission of payment information to ED	September 24, 2009

Students who fail to turn in all documents required to complete verification by the appropriate deadline, will be ineligible for financial aid.

CORRECTIONS

If discrepancies are found between the documents submitted for verification and the information on the SAR or ISIR, corrections will be made through FAA Access to CPS Online and the Electronic Data Exchange (EDE). Students will receive an “Acknowledgment” from the Central Processor.

CAL GRANT AWARDS

It is the responsibility of the Financial Aid staff to insure that students are eligible for Cal Grant at the time of disbursement of the award. Changes or corrections made during the verification process for new Cal Grant recipients must be analyzed to determine if the student continues to meet the income and asset criteria for Cal Grant.

AWARD CHANGES

If corrections to the SAR due to verification result in a change in the student's award, the student will be sent a revised Financial Aid Notification by mail. Financial Aid Notifications are produced each weekend for new awards and changes to awards made during the previous week.

NOTIFICATION OF VERIFICATION REQUIREMENTS

Students will be notified of the documents which must be submitted to the Financial Aid Office in order to complete verification by use of the "Missing Information Letter". The "Missing Information Letter" will list the required verification items, any other actions required to complete verification, and any other items required by the Financial Aid Office. These letters are generated weekly.

Students who fail to bring in the documents in a timely manner will lose their priority standing for campus-based awards.

ITEMS TO BE VERIFIED

Independent Status

An independent student will be required to verify his/her status by filling out the dependency status information on the Independent Student Verification Worksheet. In addition, the specific application item that makes the student independent will be verified as follows:

Ward of the court—official letter describing situation.

Legal dependent(s) other than a spouse—income information showing that the student has the resources to provide more than 50% of the dependents' support or the presence of TANF/CalWorks income on the SAR.

Base Year Income From Work

Income Tax returns for 2007 (must be signed by student or imprinted or signed by preparer), including all Schedules and Forms, are required of all students selected for verification who filed taxes. If the student did not file taxes and was not required to file taxes, (see "Who Must File"—Publication 17 from the Internal Revenue Service) copies of the student's W-2 forms are required. If a student was required to file taxes and did not, verification cannot proceed until the student completes the appropriate tax form. If the student worked but did not receive W-2 forms from his/her employer, the student must show the source and amount of that income on the Verification Worksheet.

Income Tax returns for 2007 (must be signed by parent or imprinted or signed by preparer), including all Schedules, W-2 and Forms, are required from the parents of all dependent students selected for verification, unless the parent did not file a tax return and was not required to file a tax return. If the parents did not file taxes and were not required to file taxes, copies of the parents' W-2 forms are required. If the parents worked but did not receive W-2 forms from his/her employer, the parents must show the source and amount of that income on the Verification Worksheet.

In the case where the student is unable to obtain his/her W-2 forms and, in the opinion of the professional staff member doing the verification, the W-2 form will not materially change the student's income situation, the W-2 form may be waived.

If a student or parent has filed a request for tax filing extension, a copy of IRS form 4868, "Application for Automatic Extension of Time to File U.S. Individual Income Tax Return" must be submitted to the Financial Aid Office. This form will be acceptable for first-priority status, but no funds will be disbursed to the student until the actual 1040 is submitted.

ACCEPTABLE COPIES OF TAX RETURNS

All tax returns for 2007 including 1040, 1040 PC, 1040 A and 1040EZ. TeleFile, is considered a tax return equivalent to the 1040 EZ. The TeleFile worksheet is acceptable for verification, provided the applicant signs the bottom of the worksheet. As the TeleFile Worksheet is not mailed to the IRS, no signature line appears on this form, you must have the applicant sign the space at the bottom of the form. The Worksheet must also contain the applicant's six digit IRS confirmation number in Line M.

Alternative Documentation - If a tax return is not available

Any IRS form, such as IRS Letter 1722 or RTFTP, that lists tax accounting information needed for verification. Such a form must be signed by the student or a parent, as is appropriate.

Child Support

Child support will be verified by self certification on the Verification Worksheet unless there is a discrepancy in the information submitted. In such a case, the student (or the students' parent, in the case of a dependent student) will be required to provide the Financial Aid Office with a copy of the divorce decree, or other appropriate document.

Unless there is evidence to the contrary, it will be assumed that anyone on TANF/CalWorks is not receiving child support.

Other Untaxed Income

The following will be verified from the student's or the student's parents' 1040. (If taxes were not filed, there is no need to verify these items.)

- Untaxed payments to IRA/Keogh
- Foreign income exclusion
- Earned income credit
- Child Care tax credit

The following will be verified from the student or parent's W-2 form:

- 401(K) Deferrals
- 403(b) Elective Deferrals
- 408(k) (6) Deferrals
- 457(h) Employee Deferrals
- 501(c) (18) (D) Deferrals
- Military Employee Basic Quarters and Subsistence and Combat Pay
- Business Income and Rental Properties

Household Size

If the student (and/or the student's parents) filed taxes in the previous year, household size will be verified by the number of exemptions on the tax return and by self certification on the Verification Worksheet. If the student (or the student's parents) did not file taxes in the previous year, household size will be verified by self certification on the Verification Worksheet.

Number in College

Number in college will be verified by self certification on the Verification Worksheet.

Discretionary Verification Items

The following sources of untaxed income will not be verified unless there is evidence of a discrepancy:

- TANF/CalWorks/AFDC
- General Relief/Other welfare grant
- SSI/Social Security
- Veteran's benefits
- Rehabilitation benefits
- Worker's Compensation
- Unemployment Insurance
- State Disability Benefits

In the case of TANF/CalWorks, General Relief, other welfare grants, and SSI, because the amounts of these benefits are standard amounts, if the financial aid counselor wishes to verify the amount that the student is receiving, the counselor may do so with a chart of benefits published by the appropriate agency.

Assets will not be verified unless there is evidence of a discrepancy. Note: The value of the asset cannot be negative.

The financial aid counselor or advisor in the process of completing verification has the discretion to verify any additional application items and to ask the student to supply any documentation that may be needed to substantiate the student's financial aid application.

If there is a legitimate discrepancy between the application information and the verification document, the counselor will note the reason for the discrepancy.

These policies will be made available to students at the Financial Aid Office upon request.

01/04/2008