

# Verification, Updating, and Corrections

**Time Estimate:**

Lecture 45 minutes

Exercise 15 minutes

Total Time: 60 minutes

*By the end of this session, you will be able to:*

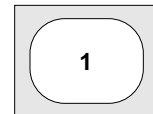
- *identify which students are subject to verification,*
- *perform verification,*
- *handle updating of and corrections to students' output documents, and*
- *handle conflicting information in a student's file.*

## VERIFICATION AND TITLE IV PROGRAMS

What is verification?

**PW 2**

- **Verification** is the process of checking the accuracy of information supplied on the Free Application for Federal Student Aid (FAFSA). (OH 1)
- This is important to reduce fraud and abuse and ensure the integrity of the federal student financial aid programs.
- The financial aid office handles verification.



What will you have to do?

- First, check the information from the student's Student Aid Report (SAR) or Institutional Student Information Record (ISIR) against key support documents—primarily tax returns and a verification worksheet.
- Then determine the total dollar value of any errors. Based on this amount, you may either then pay the student or require that corrections be made to the SAR or ISIR.

## Instructor's Notes

During this session, we're not going to cover all the aspects of verification in detail. Rather, I'm going to give you an idea of what verification is in general terms. This will allow you to accurately perform verification under "the best circumstances." That is to say—in a situation where a student brings you all the right documentation on time, you perform the verification, and find that everything is correct. And, in actuality, many financial aid administrators find this to be the case much of the time.

But because life isn't always perfect, **you will need to read *The Verification Guide* later.** There are a number of situations addressed there—such as when a student does not have a tax return—that you will need to know how to handle sooner or later. In your Workbook, we have listed the most important verification-related issues so that you know what you need to read about later. During breaks, feel free to look at the copy of *The Verification Guide* that we have on the reference table.

You can do a number of things to ensure that verification goes smoothly. First, counsel students well about the application process. If a student fills out the FAFSA correctly, the verification documents will match the student's output document, and verification can be completed in very little time. (OH 2)

Second, by informing students from their first visit to the financial aid office that they should be prepared to bring in tax returns, the process of actually getting documents turned in when you need them becomes a little easier.

Some schools that don't mind verifying every student require tax returns from anyone who wants to receive financial aid. This tends to solve the problem of getting tax returns submitted on time because you require them at the outset, and you make clear to students that without the appropriate tax forms they won't receive financial aid. It's amazing what a great motivator this is!

**Instructor's Notes**

However, if you take this approach it locks you into verifying everyone, since adding tax forms to students' files creates potential for conflicting information. In other words, with two different documents in the school's possession—even if the documents are in different offices—two different amounts of income could be listed on the documents. If this happened and was ignored, you could possibly end up having to return some federal money that you should not have paid to that student.

So, you see, there are a number of things to consider when deciding what approach you want to take with verification. As with many aspects of running a financial aid office, you might want to ask the financial aid administrators (FAAs) at some other schools what they do and what works for them.

Before I go on, do you have any questions?

Okay, without going into any more details right now, I'd like you to try a sample verification so you can understand the process. I think you'll see that verification is a relatively easy task. In fact, sometimes the hardest part about verification is getting your students to submit their tax returns. After you finish, we'll review what you found and then cover a few additional verification issues.

In your Workbook, beginning on page 8, you will find Chris's SAR and supporting documentation—her parents' tax return and a completed verification worksheet. Using this information, you will complete verification as you would if Chris were a student at your school. It might help to take pages 8 through 13 out of your Workbook to work on them. [IG, pgs. 15-21]

To make your job a little easier, we have created a "verification working paper" on page 7. This is an example of a type of financial aid office tool that financial aid administrators might use to make one of the many day-to-day financial aid tasks a little easier—in this case verification. [IG, pg. 15]

**PW 8****PW 8-13****PW 7**

**Instructor's Notes**

ED does not usually provide forms of this type for schools, as processes at schools can vary substantially, and it would be difficult to create one form that satisfies the needs at all schools. Nevertheless, you will soon find that you create a number of forms to help you run your financial aid office. Here, again, is a reason to visit other financial aid offices and take a look at the forms they use. Most FAAs would be glad to let you take some of their forms and modify them to suit your needs. In fact, some association meetings facilitate a way to share forms for this very reason.

Now, look at the verification working paper together with Chris's SAR on page 8. What you are going to do is find the line items entered on the SAR and write them on the corresponding lines in the center column of the verification working paper. Some SAR line items show two numbers separated by a slash on the verification working paper. The first number indicates the item as reported by the student or spouse; the second as reported by the parent(s). Remember, this parallels how the FAFSA is constructed.

Next, look for the corresponding item on the source document and enter that number in the right column of the verification working paper. If the two figures match, put a check mark in the narrow column for that item. The first line, household size, has been done for you.

Also, put a check mark for items that you don't have to verify for Chris. This way, you can quickly see those items that do not match, which will be those with no check marks, and calculate the total dollar difference of those items to see if corrections must be reprocessed for Chris. Notice at the bottom on the right there is a \$400 error allowance. I'll describe this more when we review Chris's verification, as well as the status codes that you see to the left.

Any questions? I'll check with you in 15 minutes to see if Chris passed verification.

» Allow participants 15 minutes to complete the verification working paper.

**PW 8**

**Note to Instructor:**  
Only pages 1 and 2 of Chris's SAR have been included. A complete SAR is found in Session 14.

**Instructor's Notes**

Reviewing Chris's worksheet allowed you to cover five major verification elements—required verification items, acceptable documentation, status codes, corrections, and the \$400 tolerance.\*

Did Chris pass verification? No. Let's review Chris's verification working paper and find out why she did not pass. [IG, pg. 22]

First, make sure you have completed the top part of the verification working paper. This will go in Chris's file to show that you did verification. Her name, SSN, and dependency status (dependent) should be filled in at the top. Circle "1040A" for her parents on the left, and draw a line through the returns for the student on the right to indicate that Chris did not file a tax return.

Now notice the items in the left column. These are the required verification items. There is a clarification for Social Security benefits and child support that you should note.\*\* In addition, *The Verification Guide* explains situations when, technically, you don't have to verify household size and number in college. It's usually just as easy to go ahead and verify these two items.

The only time that earnings for student, spouse, mother, and father have to be verified is when any of those individuals is not required to file a tax return but earned some money from work.

Do you have any questions on **what** you verify?

As far as **how** you verify—in other words, the acceptable documentation—you see that the right-hand column indicates that the main source documents are either signed tax return(s) or the verification worksheet. You may gather equivalent statements that confirm the same information without using the worksheet, but the worksheet is a convenient means of ensuring that you have obtained all necessary verification data.

\*Tolerance means if the net dollar amount of all items on the worksheet is \$400 or less, financial aid can be awarded on the basis of the application data supplied.

**PW 7**

\*\*Social Security benefits must only be verified if there is a comment on the SAR or the school has reason to believe that the reported benefits are incorrect or that benefits were received and not reported.

Child support must only be verified if reported or if there is reason to believe that the benefit was received and not reported.

## Instructor's Notes

- Blank verification worksheets—for dependent and independent students—are usually provided to you each year in a “Dear Colleague” Letter. The 1997-98 worksheets were provided in Action Letter #5 - (GEN 96-22), November 1996. We have included a set for you on pages 14 through 17 of your Workbook.

PW 14-17

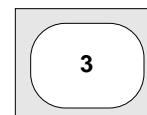
PW 7

Now, to determine if Chris passes or doesn't pass verification you look for items that do not match. What you should have found is that there is a \$200 discrepancy in the income reported on the SAR and the amount on the parents' 1040A. You also found that Chris reported \$369 as Income Tax Paid from the SAR, but Line 25 on the 1040A reported \$69 as actual Income Tax Paid. You found out, in talking to Chris, that she wrote the Income Tax amount withheld from her parent's W-2 form instead of the 1040A. After subtracting the Parent Income Tax Paid from the AGI in each column, you then compared the two totals and found there was a \$500 difference.

You cannot use the **tolerance option** because the difference is higher than \$400. Since corrections to her SAR were needed, you circled “R” (for reprocessed) for the verification status code at the bottom of the working paper.

The status code must also be indicated with the student's payment information that you submit to ED. All of the codes are explained in detail in *The Verification Guide*. You will need to carefully review this section so that the correct code is indicated for each student you verify. You would not be able to pay Chris until you receive the reprocessed SAR.

If there had been no errors in a non-dollar item (such as household size) and the net error of all dollar items was \$400 or less, you would have been able to leave Chris's SAR as it was and go ahead and process her financial aid. You would have circled the letter “T” on the working paper, which stands for tolerance option.

**Instructor's Notes**

If the student is receiving **campus-based aid** or a **Direct Loan** or **FFEL loan**, but not a Pell Grant, you may recalculate the EFC, determine the aid amounts on the basis of the new EFC, and pay accordingly. (OH 3)

If you don't choose to do a hand calculation, you may ask the student to make corrections and wait until a new EFC comes back from the processor, as you would for Chris. A major reason you might prefer this option is that if you do a hand calculation incorrectly and any aid is disbursed using the incorrectly hand-calculated EFC, the school would be liable for those funds.

If a **Pell Grant** is involved, you must have corrections processed and recalculate the Pell award, unless the hand calculation shows that the student's award will stay the same as the original amount.\* Again, you are liable for any awards made based on an incorrect calculation.

Finally, you would want the person who did the verification to sign and date the form before placing it in the student's file. Are there any questions?

Now that you have an understanding of what verification is, let's take a look at a few of the most important details concerning verification.

## **TITLE IV PROGRAMS SUBJECT TO VERIFICATION**

The programs that are subject to verification are:

- the Federal Pell Grant Program;
- the campus-based programs: FSEOG, Federal Perkins Loan, and FWS;
- the Federal Direct Subsidized Loan Program; and
- the subsidized Federal Stafford Loan Program.

For example, a student whose only Title IV aid is an unsubsidized loan would not be subject to verification.

\*If an award comes out higher, the school has the option of not correcting it and paying on the original (lower) amount.

**PW 2**

## Instructor's Notes

## HOW APPLICATIONS ARE SELECTED FOR VERIFICATION

There are two ways in which aid applications can be selected for verification:

- by ED's Central Processing System (CPS) or
- by you, the school.

When the CPS processes the FAFSA, it will show that an application has been selected for verification by placing an asterisk to the right of the Expected Family Contribution (EFC).

Asterisks also appear on ISIRs.

Even though Chris was not selected for verification by the CPS, she was chosen for verification by the school. Schools may select any application for verification, as long as it is done in accordance with consistently applied school policies and procedures.

If you select an application for verification, you may verify any data element you choose. This means that you may decide that you need to verify any one or any combination of the normally required or optional verification items.

### 30% VERIFICATION OPTION

Although I mentioned that you may choose to verify all of your Title IV recipients, the good news is that you only **have** to verify up to 30% of your total applicant pool. ED leaves the definition of "applicant pool" up to you, as long as you have your definition in writing and apply it consistently.

If more than 30% of your pool is selected by the CPS, you may stop verifying after you reach 30%. In fact, one of the verification status codes we mentioned is "S," for selected but not verified. You would use this code for those students you did not verify because it would have caused you to go beyond the required 30%.

**PW 2**



## Instructor's Notes

If fewer than 30% of your pool is selected, you only have to verify the number selected.

It is important to note that only students selected for verification by ED can count toward your 30%. Students you select do not count toward the 30% amount.

*The Verification Guide* explains this and includes some examples to help you understand.

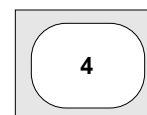
## VERIFICATION EXCLUSIONS

In certain extenuating circumstances, a selected application may be excluded from verification, or it may be exempt from some of the verification requirements. Be sure to look at that section later in *The Verification Guide*.

**PW 3**

## VERIFICATION VS. CONFLICTING INFORMATION

Schools must establish systems to ensure that information related to students' applications for federal student aid is consistent. (OH 4)



Schools **must** resolve any applicant data that are known to be in conflict or inconsistent with school records **before** any federal student aid is disbursed. Resolving conflicting information is separate from verification. You must resolve the conflict whether or not the student is selected for verification.

Schools are liable for any disbursements or delivery of Title IV funds made before conflicting information is resolved.

## DISCRETIONARY VERIFICATION ITEMS

In addition to the required data items, you may choose to verify any other information on the aid application, and you may require any documentation that seems reasonable.

## Instructor's Notes

- This must be done according to consistently applied, written school policies and procedures.

## HANDLING AWARDS WHILE VERIFICATION IS IN PROGRESS

When we say that a Title IV program is “subject to verification,” we mean that until verification is completed there are restrictions on delivering financial aid from that program.

You have the authority to withhold disbursement or delivery of **all** of a student's federal student aid funds until verification is complete.

- If schools choose to withhold funds, the chances of overpayments and school liabilities are reduced.

On the other hand, you may choose to disburse and deliver a student's aid before verification is completed **unless**:

- you have any reason to believe that the information on the application is inaccurate **or**
- you have conflicting or inconsistent information.

There are **specific disbursement limits** if you decide to disburse and deliver aid before verification is completed. These are fully explained in *The Verification Guide*.

If the required verification is never completed, or if the data on which the awards were based are incorrect, the school may be liable in various ways for any interim disbursements.

- For example, if you make a first Pell Grant disbursement to a student who never completes verification, you must repay the Pell funds, regardless of whether you can collect repayment from the student.

**PW 3**

## Instructor's Notes

**COMPLETING VERIFICATION**

For Pell recipients, a student has completed verification when the application data are proven correct or have been corrected. In addition to all verifying documentation, the school must have on file a final valid output document from ED's CPS showing the official EFC. (OH 5)

For campus-based and loan program recipients, a student has completed verification when all requested documentation is submitted to the school. But if the submitted data are contradictory, verification is **not** complete. In addition, the school must have on file an ED output document that shows the student's applicant data passed through the CPS at least once.

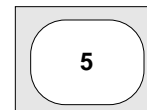
On completing verification, if you find no errors, you are free to begin delivering and disbursing aid to the student. If there are errors or conflicts, you proceed as we discussed earlier.

**DEADLINES AND THE 60-DAY VERIFICATION EXTENSION**

For Pell Grant recipients, final, valid output documents must be submitted to the school by students no later than 60 days after students' last day of enrollment or August 30, 1998, whichever is earlier.\*

For students to qualify for this "60-day extension," they must have submitted initial, valid output documents by August 30, 1998 or by their last day of enrollment, whichever is earlier. In addition, they must have been selected for verification but have been unable to complete it before finishing their classes.

However, you must pay the student on the basis of the highest EFC calculated for that student, even if it is the original, incorrect EFC.

**PW 4**

\*The actual date differs each award year according to the calendar. The specific date is published in the *Federal Register* each year.

**Instructor's Notes****PW 4**

- For example, let's say a student with an original EFC of 1000 reported more income than was required. If, based on the correct income, the EFC goes down to 300, but the student submitted the reprocessed SAR after the last day of classes, you must go back and calculate the Pell Grant award on the basis of the original EFC of 1000. In other words, a student cannot take advantage of the 60-day extension to get a higher Pell Grant award. I know this sounds unusual, but it is what the regulations specify.

A student who does not complete verification forfeits a Pell Grant award, including any interim disbursement that was made.

For the campus-based programs and subsidized loans, verification deadlines are set by the school. Schools must have written policies explaining their deadlines.

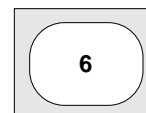
**UPDATING**

Some data items might have changed since the time the application was submitted. This is quite different from an error—it is solely a question of updating. (OH 6)

Selected students are required and allowed to update only three data items:

- dependency status,
- household size, and
- number enrolled in postsecondary institutions.

There is one major exception—none of these items may be updated as a result of a change in the student's marital status. In addition, dependency status cannot be updated for a previously certified Direct Loan or FFEL Program application.

**PW 5****Note to Instructor:**

If a student is not selected for verification, household size and number enrolled in postsecondary institutions cannot be updated.

## Instructor's Notes

**SIGNATURE REQUIREMENTS**

To help you with the various signature requirements that apply to verification-related documents, we have included a chart on page 6 of your Workbook. [IG, pg. 23]

**PW 6****BACK AT THE OFFICE**

Please turn to page 18 of your Workbook.

**PW 18**

We have identified several things that you should do later to continue learning about verification and to ensure that you handle this important part of the student aid process efficiently and correctly. As I go through the list of items, think of anything else that would be helpful and we'll add it to the list at the end.

1. Read *The Verification Guide*. This will be a good refresher for the things we covered in this session as well as providing important details and introducing some issues not directly related to verification.
2. Establish written verification policies and procedures. *The Verification Guide* specifies the areas that require consistent policies and procedures. This should be one of your priorities when you get back to your offices.
3. Contact financial aid administrators at a couple of other schools and discuss verification with them. Ask them how they manage this process and what problems they have had, if any. Look over any forms they use to make the process easier and adapt them for your own use.
4. Create forms to help you manage verification, such as the working paper we used in this session. You might find form letters helpful to send out to students asking that they provide missing verification documents. With forms and form letters, you can't always tell what you will need in advance. You'll find that

**Instructor's Notes**

periodically you need to modify the forms you use and create new ones as different needs arise.

5. Other things. Are there any other things that you plan to do when it comes to verification?

Are there any final questions on verification?

## 1997-98 VERIFICATION WORKING PAPER

Student: \_\_\_\_\_ SS#: \_\_\_\_\_ Dependency Status: \_\_\_\_\_  
 Type of return (parent/s): 1040 1040A 1040EZ      Type of return (student/spouse): 1040 1040A 1040EZ

Item Reported (Check box if match or not applicable)		Amount Reported & SAR Line Item	Amount Verified & Source Line Item
Household Size	✓	6      46/51	6      Worksheet
Number in College		47/52	Worksheet
Parent Adjusted Gross Income		67	1040-31; 1040A-16; 1040EZ-4
Parent Income Tax Paid		68	1040-46; 1040A-25; 1040EZ-10
Student/Spouse Adjusted Gross Income		55	1040-31; 1040A-16; 1040EZ-4
Student/Spouse Income Tax Paid		56	1040-46; 1040A-25; 1040EZ-10
Student Earnings		57	Worksheet Line items for reference only. 1040-7+12+18 1040A-7 1040EZ-1
Spouse Earnings		58	
Father Earnings		69	
Mother Earnings		70	
Untaxed Income:			
*Social Security Benefits		60/72	Worksheet or SSA statement
**Child Support		62/74	Worksheet
IRA / KEOGH Deductions		***63/75	1040-23a+23b+27; 1040A-15c
Foreign Income Exclusion		***63/75	IRS 2555-43; 2555EZ-18
Earned Income Credit		59/71	1040-57; 1040A-29c; 1040EZ-8
Interest on Tax-Free Bonds		***63/75	1040-8b; 1040A-8b

\* Verify if comment on SAR or reason to believe benefits were reported incorrectly or received and not reported.

\*\* Verify if reported or if reason to believe benefit was received and not reported.

\*\*\* Combined for this SAR item. Broken out on FAFSA worksheet #2.

Verification Status Code:    N   A   W   T   C   R   S

Net error of items not checked: \$  
(\$400 or less)

NOTES:



1997-98 Student Aid Report (SAR)  
Federal Student Aid Programs  
Part 1 - Information Summary

OMB No. 1845-0047  
Form Approved  
Exp. 12/31/98

503-01-0004  
JA-01 PIN: 2154

**IMPORTANT:** Read ALL information in Part 1 to find out what to do with this Report

000,001C001

CHRIS B. JACKSON  
2912 BLUEFIELD COURT  
ROCKVILLE MD 20806

Page 1 of 4

March 14, 1997  
EFC: 00000

Read this letter carefully and review each item on Part 2 of this Student Aid Report (SAR). Follow the instructions at the top of Part 2 and in the Free Application for Federal Student Aid (FAFSA) instruction booklet to help you make corrections. For additional help with your SAR, contact your Financial Aid Administrator (FAA).

If all the information on this SAR is correct, you may be eligible to receive a Federal Pell Grant and other Federal student aid in 1997-98. Your FAA will determine whether you meet all eligibility requirements to receive aid. The amount of aid will depend on the cost of attendance at your school, your enrollment status (full-time, three-quarter-time, half-time, or less than half-time), Congressional budget restrictions, and other factors.

HERE IS WHAT YOU NEED TO DO NOW: Review the information on Part 2. If any of the information is incorrect, follow the instructions at the top of Part 2 to make corrections. IF ALL THE INFORMATION IS CORRECT, you should submit a photocopy of this SAR to all the schools that you may be interested in attending. Submit the original to the school where you actually enroll.

ATTENTION: We were unable to find any schools you listed on our school file, or you did not list any schools on your application, or did not verify any schools on your renewal application. To receive Federal student aid, you must attend a school that participates in the Federal student aid programs. Check with each school you are considering in 1997-98 to find out if it participates in these programs. Contact your FAA for assistance to make the necessary corrections to your SAR.



This section contains information from your student aid application (based on the Student Aid Information Review Form (Part 2 of our SAR) to correct this information. Do not make corrections on this page.

1. LAST NAME	JACKSON
2. FIRST NAME	CHRIS
3. MIDDLE INITIAL	J
4. PERMANENT STREET ADDRESS	2312 BLUEFIELD COURT
5. CITY	ROCKYVILLE
6. STATE ABBREVIATION	MO
7. ZIP CODE	20906
8. SOCIAL SECURITY NUMBER	503-01-0004
9. DATE OF BIRTH	JULY 10, 1979
10. PERMANENT HOME PHONE NUMBER	301-111-0000
11. STATE OF LEGAL RESIDENCE ABBREVIATION	MO
12. DATE YOU BECAME A LEGAL RESIDENT	OCTOBER 01, 1993
13. DRIVER'S LICENSE STATE ABBREVIATION	
14. DRIVER'S LICENSE NUMBER	
15. CITIZENSHIP STATUS	U.S. CITIZEN
16. ALIEN REGISTRATION NUMBER	
17. MARITAL STATUS	UNMARRIED
18. DATE OF MARITAL STATUS	
19. FIRST BACHELOR'S DEGREE BY 7-1-1997?	NO
20. HIGH SCHOOL GRADUATION DATE	JUNE 1997
21. GED DIPLOMA DATE	BLANK
22. FATHER'S EDUCATIONAL LEVEL	HIGH SCHOOL
23. MOTHER'S EDUCATIONAL LEVEL	HIGH SCHOOL
24. ENROLLMENT STATUS SUMMER TERM 1997	NOT ENROLLED
25. ENROLLMENT STATUS FALL SEM/OTR 1997	FULL TIME
26. ENROLLMENT STATUS WINTER OTR 1997-98	NOT ENROLLED
27. ENROLLMENT STATUS SPRING SEM/OTR 1998	FULL TIME
28. ENROLLMENT STATUS SUMMER TERM 1998	NOT ENROLLED
29. COURSE OF STUDY	COMPUTER SCIENCE
30. TYPE OF DEGREE/CERTIFICATE	1ST BA
31. DATE EXPECT TO RECEIVE DEGREE	MAY 15, 2001
32. GRADE LEVEL IN COLLEGE IN 1997-98	1ST NEVER ATTENDED
33. INTERESTED IN STUDENT EMPLOYMENT?	YES
34. INTERESTED IN STUDENT LOANS?	YES
35. INTERESTED IN PARENT LOANS?	NO
36. ATTENDING SAME COLLEGE IN 1997-98?	BLANK
37. WILL PAY DEPENDENT CARE FOR HOW MANY?	00
38. MONTHLY VA BENEFITS AMOUNT	\$ 0
39. HOW MANY MONTHS RECEIVE VA BENEFITS?	00
40. BORN BEFORE 1-1-74?	NO
41. VETERAN OF U.S. ARMED FORCES?	NO
42. ENROLLED IN GRADUATE PROGRAM 1997-98?	NO
43. ARE YOU MARRIED?	NO
44. ORPHAN OR HARD OF HEARING?	NO
45. HAVE DEPENDENTS OTHER THAN SPOUSE?	NO
46. NUMBER OF FAMILY MEMBERS IN 1997-98	
47. NUMBER IN COLLEGE IN 1997-98	
48. PARENT(S) MARITAL STATUS	MARRIED
49. PARENT(S) STATE OF LEGAL RESIDENCE	MO
50. DATE PARENT(S) BECAME LEGAL RESIDENT	OCTOBER 01, 1993
51. NUMBER OF FAMILY MEMBERS IN 1997-98	06
52. NUMBER IN COLLEGE IN 1997-98	2
53. TYPE OF 1996 TAX FORM USED	NOT FILED
54. EXEMPTIONS CLAIMED	
55. ADJUSTED GROSS INCOME FROM IRS FORM	5

56. U.S. INCOME TAX PAID	5
57. STUDENT'S INCOME EARNED FROM WORK	5
58. SPOUSE'S INCOME EARNED FROM WORK	5
59. EARNED INCOME CREDIT	5
60. ANNUAL SOCIAL SECURITY BENEFITS	5
61. ANNUAL AFDC/ADC	5
62. ANNUAL CHILD SUPPORT RECEIVED	5
63. OTHER UNTAXED INCOME	5
64. 1996 AMOUNT FROM LINE 5, WORKSHEET #3	5
65. TYPE OF 1996 TAX FORM USED	COMPLETED 1040A/1041
66. EXEMPTIONS CLAIMED	06
67. ADJUSTED GROSS INCOME FROM IRS FORM	5 22,261
68. U.S. INCOME TAX PAID	5 363
69. FATHER'S INCOME EARNED FROM WORK	5 8,566
70. MOTHER'S INCOME EARNED FROM WORK	5 13,695
71. EARNED INCOME CREDIT	5
72. ANNUAL SOCIAL SECURITY BENEFITS	5
73. ANNUAL AFDC/ADC	5
74. ANNUAL CHILD SUPPORT RECEIVED	5
75. OTHER UNTAXED INCOME	5
76. 1996 AMOUNT FROM LINE 5, WORKSHEET #3	5
77. CASH, SAVINGS, AND CHECKING	5 350
78. OTHER REAL ESTATE/INVESTMENT VALUE	5
79. OTHER REAL ESTATE/INVESTMENT DEBT	5
80. BUSINESS VALUE	5
81. BUSINESS DEBT	5
82. INVESTMENT FARM VALUE	5
83. INVESTMENT FARM DEBT	5
84. AGE OF OLDER PARENT	48
85. CASH, SAVINGS, AND CHECKING	5 1,000
86. OTHER REAL ESTATE/INVESTMENT VALUE	5
87. OTHER REAL ESTATE/INVESTMENT DEBT	5
88. BUSINESS VALUE	5
89. BUSINESS DEBT	5
90. INVESTMENT FARM VALUE	5
91. INVESTMENT FARM DEBT	5
92. FIRST COLLEGE NAME	
93. FIRST HOUSING STATUS	WITH PARENT(S)
94. SECOND COLLEGE NAME	
95. SECOND HOUSING STATUS	(BLANK)
96. THIRD COLLEGE NAME	
97. THIRD HOUSING STATUS	(BLANK)
98. FOURTH COLLEGE NAME	
99. FOURTH HOUSING STATUS	(BLANK)
100. FIFTH COLLEGE NAME	
101. FIFTH HOUSING STATUS	(BLANK)
102. SIXTH COLLEGE NAME	
103. SIXTH HOUSING STATUS	(BLANK)
104. SHOULD DATA BE RELEASED TO STATE?	YES
105. REGISTER YOU FOR SELECTIVE SERVICE?	(BLANK)
106. SIGNED BY?	BOTH
107. DATE COMPLETED	JANUARY 24, 1997
108. PREPARER'S EIN	(BLANK)
109. PREPARER'S SOCIAL SECURITY NUMBER	(BLANK)
110. PREPARER'S SIGNATURE	(BLANK)

Form 1040A (99) Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** 1996

IRS Use Only—Do not write or staple in this space

Label (See instructions.) Use the IRS label. Otherwise, please print in ALL CAPITAL LETTERS

OMB No. 1545-0085

LABEL HERE	Your first name <b>SHELDON</b>	Int.	Last name <b>JACKSON</b>
	If a joint return, spouse's first name <b>ANNE</b>	Int.	Last name <b>JACKSON</b>
	Home address (number and street). If you have a P.O. box, see instructions. <b>2912 BLUEFIELD COURT</b>		Apt. no.
	City, town or post office. If you have a foreign address, see instructions. <b>ROCKVILLE,</b>		State ZIP code <b>MD 20906</b>

Your social security number

**987-65-4321**

Spouse's social security number

**876-54-3210**

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Presidential Election Campaign Fund (See instructions.)

Do you want \$3 to go to this fund?

Yes	No
	X

If a joint return, does your spouse want \$3 to go to this fund?

Yes	No
	X

Note: Checking "Yes" will not change your tax or reduce your refund.

- 1 ☐ Single
- 2 ☒ Married filing joint return (even if only one had income)
- 3 ☐ Married filing separate return. Enter spouse's social security number above and full name here. ▶
- 4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
- 5 ☐ Qualifying widow(er) with dependent child (year spouse died ▶ 19 ). (See instructions.)

6a ☒ Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a.

b ☒ Spouse

c Dependents. If more than six dependents, see instr.

(1) First name	Last name	(2) Dependent's social security number. If born in Dec. 1996, see instructions.	(3) Dependent's relationship to you	(4) No. of months lived at your home in 1996
CHRIS	JACKSON	503-01-0004	DAUGHTER	12
PAUL	JACKSON		SPN	12
SARAH	JACKSON		DAUGHTER	12
LOREN	JACKSON		DAUGHTER	12

No. of boxes checked on 6a and 6b

**2**

No. of your children on line 6c who: - lived with you

**4**

- did not live with you due to divorce or separation (see instr.)

Dependents on 6c not entered above

Add numbers entered in boxes above

**6**

d Total number of exemptions claimed

7 Wages, salaries, tips, etc. This should be shown in box 1 of your W-2 form(s). Attach Form(s) W-2.

7 \$ **22,461.00**

8a Taxable interest. If over \$400, attach Schedule 1.

8a \$

b Tax-exempt interest. DO NOT include on line 8a.

8b \$ **0**

9 Dividends. If over \$400, attach Schedule 1.

9 \$ **0**

10a Total IRA distributions. 10a \$ **0** 10b Taxable amount (see instructions). 10b \$ **0**

11a Total pensions and annuities. 11a \$ **0** 11b Taxable amount (see instructions). 11b \$ **0**

12 Unemployment compensation. 12 \$ **0**

13a Social security benefits. 13a \$ **0** 13b Taxable amount (see instructions). 13b \$ **0**

14 Add lines 7 through 13b (far right column). This is your total income. ▶ 14 \$ **0**

15a Your IRA deduction (see instructions). 15a \$

b Spouse's IRA deduction (see instructions). 15b \$

c Add lines 15a and 15b. These are your total adjustments. 15c \$ **0**

16 Subtract line 15c from line 14. This is your adjusted gross income. If under \$28,495 (under \$9,500 if a child did not live with you), see the instructions for line 29c. ▶ 16 \$ **22,461.00**

KIA Attach copy B of W-2 and 1099-R here.

1996 Form 1040A page 1

17 Enter the amount from line 16.	17	\$ 22,461.00
18a Check if: <input type="checkbox"/> You were 65 or older <input type="checkbox"/> Blind <input type="checkbox"/> Spouse was 65 or older <input type="checkbox"/> Blind Enter number of boxes checked ▶ 18a	0	
b If you are married filing separately and your spouse itemizes deductions, see instructions and check here ▶ 18b	<input type="checkbox"/>	
19 Enter the standard deduction for your filing status. But see instructions if you checked any box on line 18a or b OR someone can claim you as a dependent. • Single—4,000 • Married filing jointly or Qualifying widow(er)—6,700 • Head of household—5,900 • Married filing separately—3,350	19	\$ 6,700
20 Subtract line 19 from line 17. If line 19 is more than line 17, enter 0.	20	\$ 15,761.00
21 Multiply \$2,550 by the total number of exemptions claimed on line 6d.	21	\$ 15,300.00
22 Subtract line 21 from line 20. If line 21 is more than line 20, enter 0. This is your taxable income. If you want the IRS to figure your tax, see instructions. ▶ 22	22	\$ 461.00
23 Find the tax on the amount on line 22 (see instructions).	23	\$ 69.00
24a Credit for child and dependent care expenses. Attach Schedule 2. 24a \$	0	
b Credit for the elderly or the disabled. Attach Schedule 3. 24b \$	0	
c Add lines 24a and 24b. These are your total credits. 24c \$	0	
25 Subtract line 24c from line 23. If line 24c is more than line 23, enter 0.	25	\$ 69.00
26 Advance earned income credit payments from Form(s) W-2.	26	\$ 0
27 Household employment taxes. Attach Schedule H.	27	\$ 0
28 Add lines 25, 26, and 27. This is your total tax. ▶ 28	28	\$ 69.00
29a Total Federal income tax withheld from Forms W-2 and 1099. 29a \$	369.00	
b 1996 estimated tax payments and amount applied from 1995 return. 29b \$	0	
c Earned income credit. Attach Sched. EIC if you have a qualifying child. 29c \$	0	
Nontaxable earned income: amount ▶ \$ and type ▶		
d Add lines 29a, 29b, and 29c (do not include nontaxable earned income). These are your total payments. ▶ 29d	369.00	
30 If line 29d is more than line 28, subtract line 28 from line 29d. This is the amount you overpaid. 30	300.00	
31a Amount of line 30 you want refunded to you. If you want it sent directly to your bank account, see instructions and fill in 31b, c, and d. 31a	300.00	
b Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d Account number <input type="text"/>		
32 Amount of line 30 you want applied to your 1997 estimated tax. 32 \$	0	
33 If line 28 is more than line 29d, subtract line 29d from line 28. This is the amount you owe. For details on how to pay, including what to write on your payment, see instructions. 33	0	
34 Estimated tax penalty (see instructions). 34	\$	

**Sign here** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

<p>Your signature <i>Childen Jackson</i></p> <p>Spouse's signature (if joint return, BOTH must sign) <i>Anne Jackson</i></p>	<p>Date <i>4/1/97</i></p> <p>Date <i>4/1/97</i></p>	<p>Your occupation <i>Construction Worker</i></p> <p>Spouse's occupation <i>Secretary</i></p>
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<p><b>Paid preparer's use only</b></p> <p>Preparer's signature <i>[Signature]</i></p> <p>Firm's name (or yours if self-employed) and address <i>[Blank]</i></p>	<p>Date <i>[Blank]</i></p> <p>Check if self-employed <input type="checkbox"/></p> <p>EIN <i>[Blank]</i></p> <p>ZIP code <i>[Blank]</i></p>	<p>Preparer's SSN <i>[Blank]</i></p>
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KIA



U.S. Department  
of Education

## 1997-98 Verification Worksheet

### Federal Student Aid Programs

FORM APPROVED  
OMB NO. 1840-0132  
EXP. DATE 12/31/98

DEPENDENT  
STUDENT

Your application was selected for review in a process called "Verification." In this process, your school will be comparing information from your application with signed copies of your and your parent(s)' 1996 Federal tax forms, or with W-2 forms or other financial documents. The law says we have the right to ask you for this information before awarding Federal aid. If there are differences between your application information and your financial documents, you may need to send in corrections on your Student Aid Report (SAR), or your school may send corrections electronically, to have your information reprocessed.

Try to complete verification as soon as possible, so that your financial aid won't be delayed. Your financial aid administrator will help you.

#### What you should do

1. Collect your and your parent(s)' financial documents (signed Federal income tax forms, W-2 forms, etc.).
2. Talk to your financial aid administrator if you have questions about completing this worksheet.
3. Fill in and sign the worksheet—you and at least one parent.
4. Take the completed worksheet, tax forms, and any other documents your school needs to your financial aid administrator.
5. Your financial aid administrator will compare information on the documents. You may need to make corrections on your SAR and send it back to the application processor.

*Your school must review the requested information, under the financial aid program rules (CFR Title 34, Part 668).*

#### A Student Information

JACKSON, Chris B.  
Last name First name M.I.  
2912 BLUEFIELD COURT  
Address (include apt. no.)  
Rockville Maryland 20906  
City State ZIP code

503-01-0004  
Social security number  
July 10, 1979  
Date of birth  
(301) 111-0000  
Phone number (include area code)

#### B. Family Information

List the people that your parent(s) will support between July 1, 1997 and June 30, 1998. Include:

- yourself
- your parent(s)
- your parent(s)' dependent children (if your parent(s) provide more than half support, or if they would be required to give parental information when applying for Federal student aid.)

Include other people as part of your family only if:

- they lived with your parent(s) and got more than half their support from your parent(s) at the time you completed your student aid application
- AND
- they will continue to get more than half their support from July 1, 1997 through June 30, 1998.

Write the names of all family members. Also write in the name of the college for any family member who will be attending college at least half-time between July 1, 1997 and June 30, 1998, and will be enrolled in a degree or certificate program. If you need more space, attach a separate page.

Full Name	Age	Relationship	College
Janet Jones	51	Mother	Central University
Chris B. Jackson	18	Self	Chesapeake State U.
Sheeldon JACKSON	48	Father	
Anne JACKSON	47	Mother	
Paul JACKSON	20	brother	Loyola University
SARAH JACKSON	15	Sister	
Lucen JACKSON	12	Sister	

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0132. The time required to complete this information collection is estimated to average twelve minutes, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Application and Pell Processing Systems Division, U.S. Department of Education, 600 Independence Avenue, N.W., Washington, DC 20202-5455.

**C. Student's Tax Forms and Income Information****Dependent**

1. For non-tax filers and all tax filers (includes the 1996 IRS Form 1040, 1040A, 1040EZ, Telefile worksheet, a tax return from Puerto Rico or a foreign income tax return). If you did not keep a copy of the tax return, request an RTFTP printout or Letter 1722 from the Internal Revenue Service or a copy from your tax preparer.

- ☐ Check and attach signed tax return.  
☐ Check and complete: signed tax return will be mailed to the school by \_\_\_\_\_ (date).  
☐ Check here if you will not file and are not required to file a 1996 U.S. Income Tax Return.

2. Amounts received for child support and other untaxed income.

Sources of untaxed income	Amount

3. If you did not file and are not required to file a 1996 Federal income tax return, list below your employer(s) and any income received in 1996.

Sources (Use the W-2 form or other earnings statements.)	Amount

**D. Parent(s)' Tax Forms and Income Information**

1. For non-tax filers and all tax filers (includes the 1996 IRS Form 1040, 1040A, 1040EZ, Telefile worksheet, a tax return from Puerto Rico or a foreign income tax return). If your parent(s) did not keep a copy of the tax return, request an RTFTP printout or Letter 1722 from the Internal Revenue Service or a copy from the tax preparer.

- ☒ Check and attach signed tax return.  
☐ Check and complete: signed tax return will be mailed to the school by \_\_\_\_\_ (date).  
☐ Check here if your parent(s) will not file and are not required to file a 1996 U.S. Income Tax Return.

2. Amounts received for child support and other untaxed income.

Sources of untaxed income	Amount

3. If your parent(s) did not file and are not required to file a 1996 Federal income tax return, list below your parent(s)' employer(s) and any income received in 1996.

Sources (Use the W-2 form or other earnings statements.)	Amount

**E. Sign this Worksheet**

By signing this worksheet, we certify that all the information reported to qualify for Federal student aid is complete and correct. At least one parent must sign.

**WARNING: If you purposely give false or misleading information on this worksheet, you may be fined, be sentenced to jail, or both.**

Chris D. Jackson  
Student \_\_\_\_\_ Date \_\_\_\_\_  
Sheldon Jackson  
Father/Stepfather \_\_\_\_\_ Date \_\_\_\_\_

Anne Jackson  
Mother/Stepmother \_\_\_\_\_ Date 5/23/97

**Do not mail this worksheet to your application processor. Take it to your Financial Aid Administrator. Don't forget your tax forms.**

# 1997-98 VERIFICATION WORKING PAPER

Student: Chris Jackson SS#: 503-01-0004 Dependency Status: Dependent  
 Type of return (parent/s): 1040 (1040A) 1040EZ Type of return (student/spouse): 1040 1040A 1040EZ

Item Reported (Check box if match or not applicable)		Amount Reported & SAR Line Item	Amount Verified & Source Line Item
Household Size	X	6 46/51	6 Worksheet
Number in College	X	2 47/52	2 Worksheet
Parent Adjusted Gross Income		22,261 67	1040-31; 1040A-16; 1040EZ-4 22,461
Parent Income Tax Paid		369 68	1040-46; 1040A-25; 1040EZ-10 69
Student/Spouse Adjusted Gross Income	X	0 55	1040-31; 1040A-16; 1040EZ-4 0
Student/Spouse Income Tax Paid	X	0 56	1040-46; 1040A-25; 1040EZ-10 0
Student Earnings	X	0 57	0 Worksheet
Spouse Earnings	X	0 58	0 Line items for reference only.
Father Earnings	X	0 69*	0 1040-7+12+18
Mother Earnings	X	0 70	0 1040A-7
Untaxed Income:			0 1040EZ-1
*Social Security Benefits	X	0 60/72	0 Worksheet or SSA statement
**Child Support	X	0 62/74	0 Worksheet
IRA / KEOGH Deductions	X	0 ***63/75	0 1040-23a+23b+27; 1040A-15c
Foreign Income Exclusion	X	0 ***63/75	0 IRS 2555-43; 2555EZ-18
Earned Income Credit	X	0 59/71	0 1040-57; 1040A-29c; 1040EZ-8
Interest on Tax-Free Bonds	X	0 ***63/75	0 1040-8b; 1040A-8b

\* Verify if comment on SAR or reason to believe benefits were reported incorrectly or received and not reported.

\*\* Verify if reported or if reason to believe benefit was received and not reported.

\*\*\* Combined for this SAR item. Broken out on FAFSA worksheet #2.

Verification Status Code: N A W T C (R) S

Net error of items not checked: \$ 500  
(\$400 or less)

NOTES:

Student reported Income Tax Paid from W-2 instead of tax form.

Verification Performed By: Donis Jones

Date: 5/20/97

## 1997-98 Signature Requirements for Application and Verification Information

### *...general requirements for federal student aid*

	<b>Application</b> (FAFSA, Renewal Application, EDE, FAFSA Express)	<b>IRS FORMS</b> 1040 or other form submitted for verification	<b>Verification Worksheet</b>
<b>Student</b>	Must sign statement that data are accurate (on application, echo document, or signature page)	Tax return must be signed by student (or spouse) or by the tax preparer (or stamp)	Must sign worksheet
<b>Parent(s)</b> (of dependent student)	At least one parent must sign statement that data are accurate (on application, echo document, or signature page)	Tax return must be signed by at least one parent or by the tax preparer (or stamp)	At least one parent must sign
<b>FAA</b>	Must certify if dependency override is performed		

### *...additional requirements to receive a Federal Pell Grant*

	<b>SAR</b> to be submitted for corrections	<b>EDE</b> corrections	<b>Professional Judgment</b> SAR or EDE	<b>Valid SAR or ISIR</b>
<b>Student</b>	Must sign corrections statement on Part 2 of SAR	School must have signed documentation		No signature required
<b>Parent(s)</b> (of dependent student)	At least one parent must sign corrections statement on Part 2 of SAR	School must have signed documentation		No signature required
<b>FAA</b>			Must certify for adjustments or dependency override	

**Note:**

- Statements of Educational Purpose and Overpayment/Default are on the FAFSA and are considered signed when student signs the FAFSA.
- Student's spouse is not required to sign any of the student's financial aid documents.