
Introduction



This publication is intended for college financial aid administrators and counselors who help students begin the aid process—filing the Free Application for Federal Student Aid (FAFSA®), verifying information, and making corrections and other changes to the information reported on the FAFSA.

Throughout the Handbook we use “college,” “school,” and “institution” interchangeably unless a more specific use is given. Similarly, “student,” “applicant,” and “aid recipient” are synonyms. “Parents” in this volume refers to the parents of dependent students, and “you” refers to the primary audience of the Handbook: financial aid administrators at colleges. “We” indicates the U.S. Department of Education (Department, ED), and “federal student aid” and “Title IV aid” are synonymous terms for the financial aid offered by the Department.

We appreciate any comments that you have regarding the Application and Verification Guide (AVG), as well as all the volumes of the Federal Student Aid Handbook. We revise and clarify the text in response to questions and feedback from the financial aid community, so please contact us at fsaschoolspubs@ed.gov to let us know how to improve the Handbook so that it is always clear and informative.

CHANGES FOR 2016–2017

We added a sentence on page 14 about the change to using “prior-prior year” (where the base year is one prior to what is currently used) financial information on the FAFSA beginning next year in 2017–2018.

We added a margin note on page 15 emphasizing the importance of students and parents using the IRS Data Retrieval Tool for both the 2016–2017 and 2017–2018 award years. This will minimize conflicting information that can result because both years will use 2015 tax year data due to the advent of the use of prior-prior year data and the Early FAFSA, which, beginning in 2017–2018, will allow students to file the FAFSA three months earlier.

On page 22 we added a margin note on how to treat a recently enacted exemption to income taxation in the Puerto Rico Internal Revenue Code.

We removed the margin note on page 23 giving examples of in-kind support, which is typically excluded from the EFC calculation. Some of the examples appear elsewhere, and others were welfare benefits that were excludable on that basis.

On page 25 we moved the text about basic training, or boot camp, to another place in the paragraph to emphasize that for former members of the military who did not go beyond basic training, veteran status only accrues to those who were active duty members of the military—not to National Guard members or reservists, who, to count as veterans, must have been called up to active duty by presidential order for a purpose other than training.

On page 26 we added a section at the bottom of the page that gives examples of documentation of the former foster youth status that students might provide if they indicate on the FAFSA that they were foster children since the age of 13 and if you have reason to confirm that status.

We updated the guidance on page 29 about foster children and moved it into the margin of page 33. While most foster children still do not count in the household size, we note now that those in “kinship foster care” can count if they reside in the same household with the foster parents, who receive no benefits for them and pay more than half of their support.

On page 30 under dislocated worker, we added two new categories: spouses of active duty members of the U.S. Armed Forces in certain circumstances are considered dislocated workers.

In response to concerns that some schools used the list of colleges that students put on their FAFSA for purposes unrelated to awarding student aid, we now limit the school information on the ISIR. See the margin of page 33.

We added a clause in bold type on page 34 emphasizing that high school counselors or college aid administrators signing the FAFSA on behalf of a parent must give with their signature their title and a reason for serving as a proxy. If they do not take this step, the FAFSA will not be processed.

On page 78 we added guidance in the margin about cases when a student switches from one Verification Tracking Group to another.

We noted on page 79 that tracking group V3 is now reserved and is no longer the child support paid group. We determined that verifying only child support paid did not typically result in significant changes to the EFC.

We added a margin note on page 81 about the tax transcript matrix, which cross-references certain verifiable items from the FAFSA, the various tax returns, and the tax transcript. The matrix was initially released on March 23, then corrected and rereleased on May 4.

In the margin of page 82 we updated the note to show that the IRS has reinstated the Get Transcript Online service, which permits users to submit identifying information on the IRS’s website and get a PDF of their transcript at once.

On page 84 we give guidance that if a tax transcript is not available free of charge to someone who filed a non-IRS tax return, he or she may use a copy of the return.

On page 86 we noted in the paragraph on filers who did not keep a copy of their tax information that they must submit, in addition to W-2 forms or similar documentation, a signed statement that they did not keep a copy of their tax information and a statement from the relevant taxing authority affirming that it cannot find the filer's tax information.

We put a margin note on page 88 mentioning that there are rare occasions when a refugee, asylee, or victim of human trafficking who is unable to get high school documentation from her home country may self-certify completion of high school.

We added a sentence on page 89 noting that a school ID, even one issued by a state university or college, is not sufficient for verifying identity. Also on that page, we note that a self-certification is not acceptable documentation of student high school completion, though a copy of form DD 214 can be, and that if you verified high school completion for a student in a previous year, you do not need to do it again.

Also on that page, we modified the margin note about ATB alternatives to show the most recent relevant DCL, GEN-16-09. We cited GEN-12-09 for guidance about grandfathered ATB provisions and the electronic announcement from June 24, 2015, for the current list of ATB tests.

We changed the guidance in the margin note on page 91 pertaining to disbursing unsubsidized aid in certain cases. It now applies to verification for groups V1 and V6, and the treatment of the disbursed aid when verification is not completed is different.

On page 96 we put in the margin note that the Quality Assurance Program will conclude at the end of this award year on June 30, 2017.

In the electronic announcement on November 18, 2015, in which we provided the sample verification text for 2016–2017, we did not include a sample verification document, so there is no longer one at the end of *Chapter 4* either.

On page 122 we added an example of a dependency override to emphasize (1) that students who are refugees from war-torn or turbulent countries might present circumstances that warrant a dependency override and (2) that there might be challenges in obtaining documentation of such situations.

