



**National
College
Access
Network**

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NCAN-Member
Pulse Check

FAFSA Verification Flexibility

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I. Introduction

Following the suspension of the Internal Revenue Service Direct Retrieval Tool (IRS DRT), the U.S. Department of Education provided postsecondary institutions with flexibility to accept alternative documentation when verifying students who completed the Free Application for Federal Student Aid (FAFSA).¹ To understand the impact, NCAN asked its membership to complete a survey regarding the changes to the verification process.

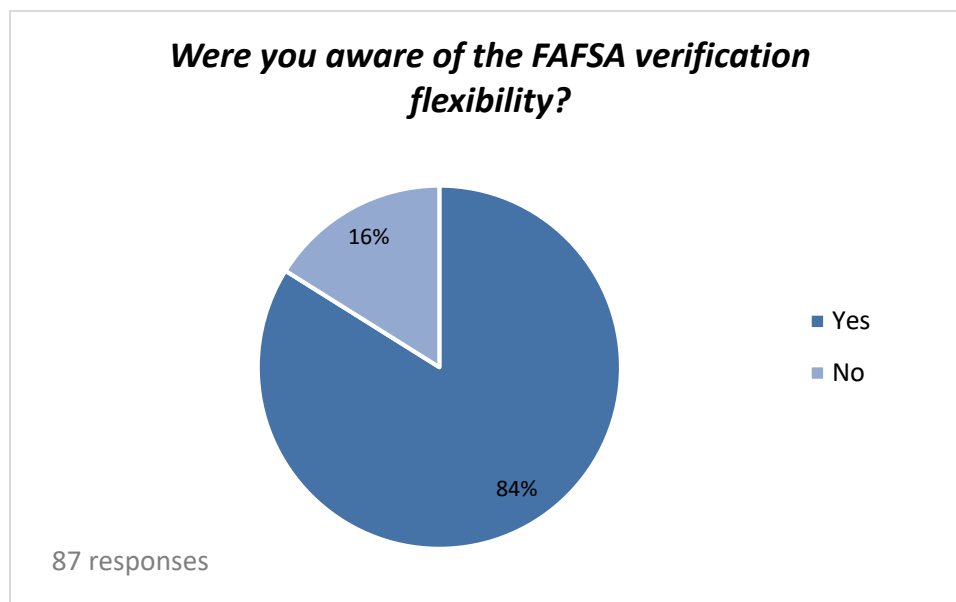
Specifically, the survey asked college access professionals: (1) About their awareness of the FAFSA verification flexibility; (2) Whether students were able to use the verification alternatives; and (3) Whether the new flexibility made the verification process easier or faster for students.

In total, 87 college access professionals responded to the survey, which comprised six multiple-choice questions and one open-ended question. This sample is not representative of NCAN’s entire membership; however, NCAN believes the survey data accurately reflect the impact of the verification changes that took place on April 24, 2017.

Each multiple-choice survey question is presented as a graph within Sections II-VII below. Section VIII summarizes the short-answer responses regarding the impact of verification alternatives.

II. Professionals’ Awareness of FAFSA Verification Flexibility

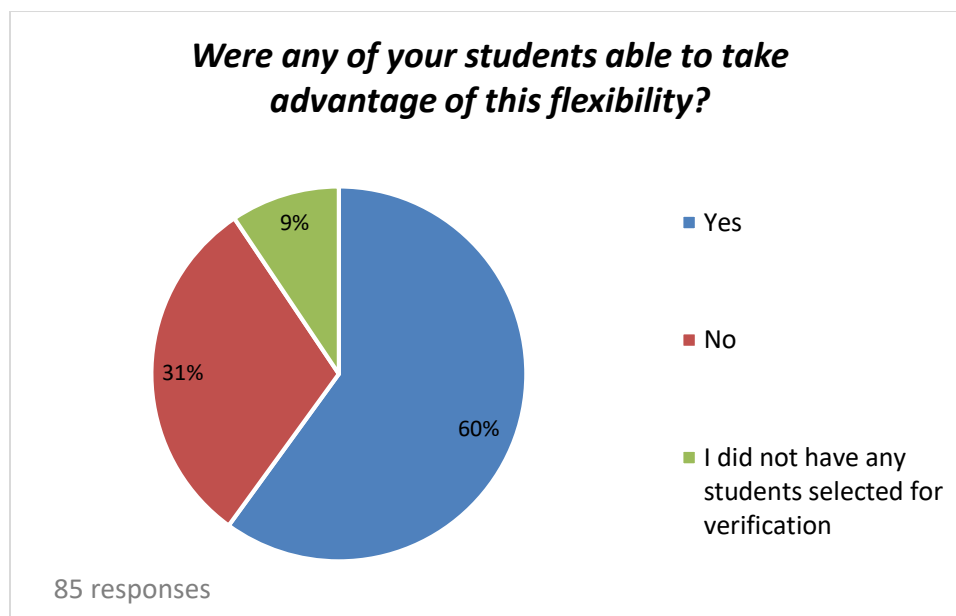
Generally, college access professionals were aware of the FAFSA verification flexibility. Approximately 84 percent (73 individuals) were aware, and 16 percent (14 individuals) were not aware.



¹ <https://www.ed.gov/news/press-releases/secretary-education-betsy-devos-announces-new-flexibilities-fafsa-filers-impacted-irs-drt-suspension>

III. Students' use of verification alternatives

The majority of individuals (60 percent) reported that their students were able to take advantage of verification alternatives. Roughly one-third (31 percent) said their students were not able to utilize verification alternatives, and 9 percent of respondents reported not having any students selected for verification.



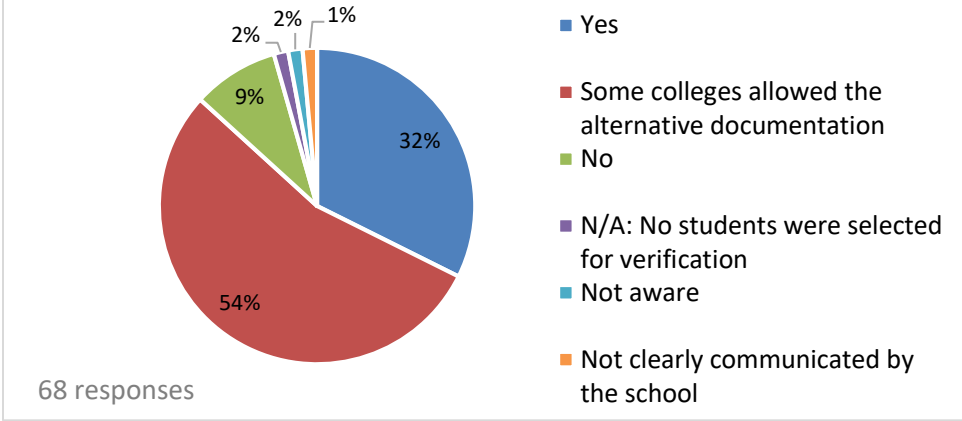
IV. Colleges' Allowance of Alternative Documentation

Not all postsecondary institutions accepted alternative documentation as part of their verification procedures. This inflexibility proved difficult for students (see Section VIII).

More than half of respondents (54 percent) said that only some colleges allowed alternative documentation, and 9 percent said no colleges allowed such flexibility. Roughly one-third (32 percent) said that in general, colleges did allow the alternative documentation.

One respondent reported that alternative documentation was allowed, yet this shift was not clearly communicated to students. Sections V and VIII (below) further detail institutions' communication of the new verification changes.

Did the colleges your students attend/will attend allow students to use the alternative documentation?

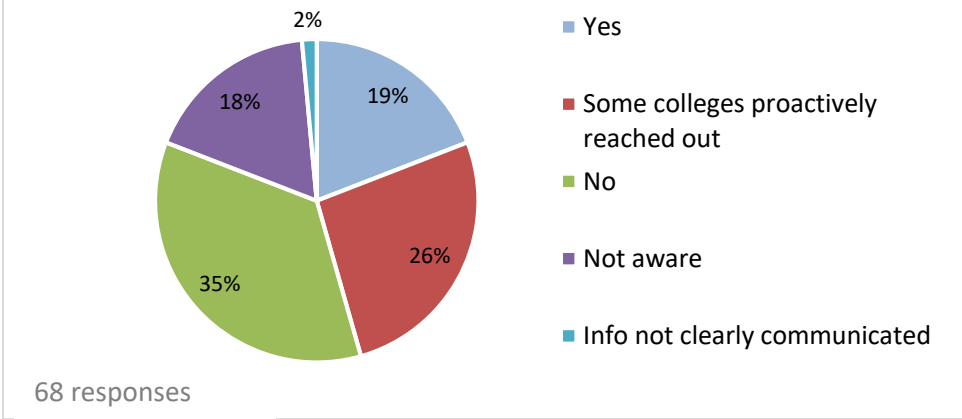


V. Colleges’ Communication of Verification Alternatives

Oftentimes colleges’ communication with students regarding the changes to their verification process was unclear or insufficient. Over one-third of respondents (35 percent) said colleges did not proactively notify students of the verification alternatives, and 26 percent said that only some colleges proactively notified students. One respondent noted that the information was available; however, “Many students did not know where to check.”

On the other hand, 19 percent of respondents said their students’ colleges proactively communicated verification alternatives.

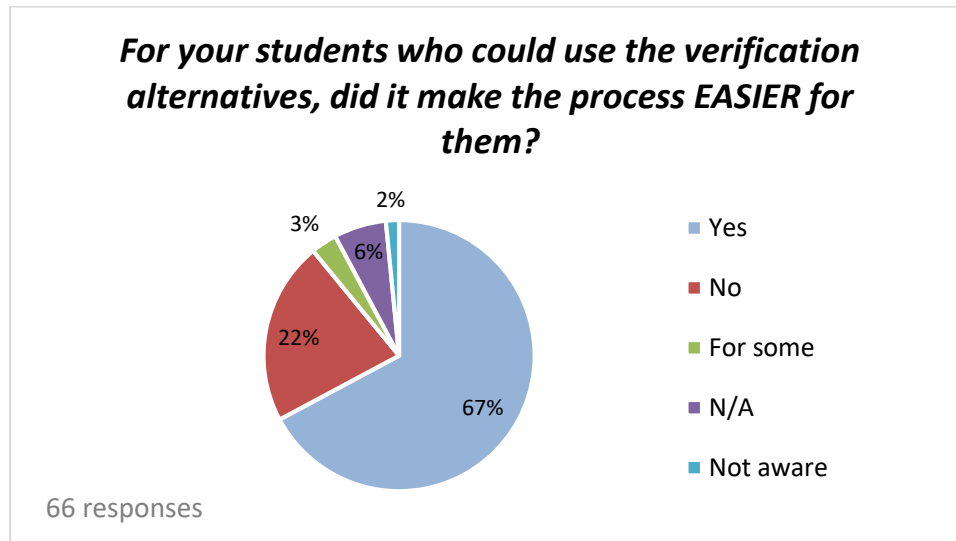
Did the colleges your students attend/will attend reach out proactively to notify students selected for verification of the changes?



VI. Impact of Verification Alternatives: Easier Process?

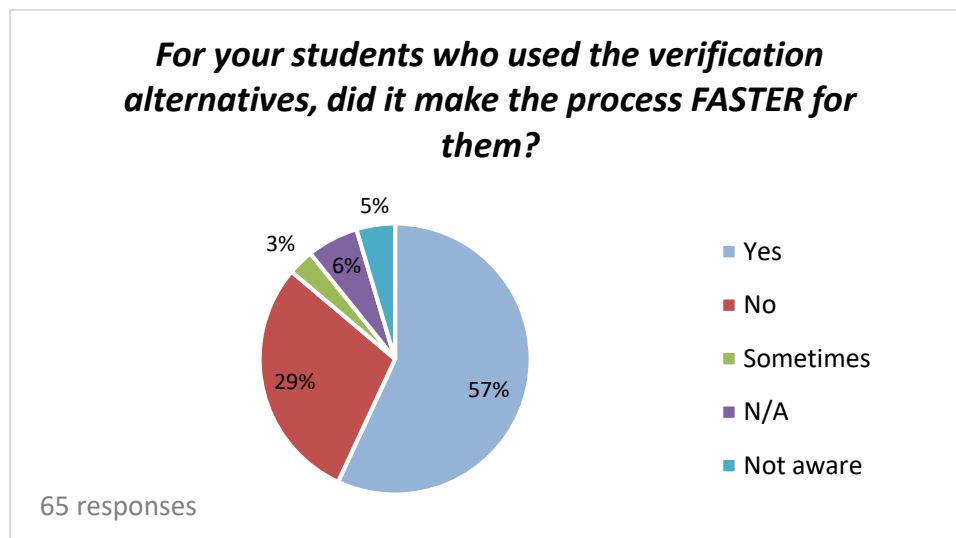
Despite the difficulties stemming from the IRS DRT outage, the majority of respondents (67 percent) felt that alternatives made the verification process easier for their students. Additionally, in the short-answer responses, six individuals noted that the verification flexibility was a good change (see Finding 1, Section VIII).

Twenty-two percent of respondents did not believe verification alternatives made the process easier for students.



VII. Impact of Verification Alternatives: Faster Process?

The majority of respondents (57 percent) felt that the use of alternatives made the verification process faster for their students. Still, a significant number (29 percent) disagreed. Three of these individuals elaborated about how the verification alternatives prolonged the verification time (see Finding 4, Section VIII).



VIII. Open-Ended Responses

Thirty individuals responded to the question, “Is there anything else you would like to share about the impact of the verification alternatives — allowing students to use tax returns or a signed letter for VONF [verification of non-filing] in place of tax transcripts — with the U.S. Department of Education?”

The responses are mixed because of the discretion allotted to institutions. When institutions accepted alternative documentation and communicated the verification changes clearly to students, the entire process was quicker and easier. However, many individuals expressed that the institutions their students hope to attend or do attend did not accept the alternative documentation or did not clearly communicate the verification changes — both of which burdened students. Additionally, many expressed how even with the verification flexibility, students faced difficulties because they or their parents were unable to access their tax returns from two years prior.

The VONF letter was another important theme in NCAN members’ responses. A significant number discussed how obtaining this letter is extremely difficult and time-consuming for students and parents. This is important to note in anticipation of the IRS DRT’s return for the 2018-19 FAFSA filing season.

Detailed below are the general themes from the short-answer responses. Each quote is from a different anonymous respondent. Some are lightly edited for clarity.

Finding 1: When institutions accept alternative forms of verification, the entire process is quicker and easier for students:

“I wish this wouldn't be the alternative but the main way verification is done.”

“Please continue this process for the coming years.”

“Signed tax returns and a signed letter for VONF are CRUCIAL for low-income students who don't always have access to their emails (especially over the summer) or have frequent changes of address or complicated addresses (they may know their apartment to be listed as "A," but it is registered as "1st Floor" with their tax documents). For my students whose schools cooperated with the flexibility, they are grateful to have the financial aid they deserve.”

“Verification alternatives eliminate steps and waiting times.”

“Allowing students to use verification alternatives made the FAFSA process many times easier and took less time for processing their financial aid package. If these measures had not be in place, it would have been very challenging to get students' aid processed in a timely manner.”

“It worked, but there is a need for consistency on the required documentation that does not keep changing year after year — a better process that will help students find the FAFSA application and verification easier and more friendly.”

Finding 2: Some institutions did not clearly communicate verification alternatives to their students or to college access professionals:

“Verification alternatives should have been more widely published/shared with colleges and students.”

“...None of the schools, however, notified any of my students that there were alternatives; it wasn't until I heard someone say that some schools allow for alternatives. I then had to call every school in Arizona (and some out-of-state) to verify if they were doing this.”

“There needs to be blanket instruction. If I can't figure it out as a higher education professional, how can my students figure it out?”

“This provided one more barrier for our students trying to further their education. There was such a mix-up in communication from the various colleges. If those of us that work with this daily have problems figuring out how to maneuver the system you can imagine how confusing and difficult it is for our students.”

“[Notification of verification changes] was in the student portal, but many students did not know where to check their portal for info without guidance.”

Finding 3: The verification process is burdensome for students whose institutions do not accept alternative documentation:

“No schools allowed the alternative documentation and I suspect it would have made verification easier and faster but since it was up to the schools to decide, I only encountered schools that still required the harder-to-access documents and it made the verification deadline a total headache as it always is. Letting the schools decide what they will accept wasn't helpful for my students.”

“It did not work...colleges just asked for the old style of verification, which is a disaster!!!!”

“Losing the DRT was very difficult for the low-income families I work with. Many had great difficulty finding hard copies of their tax returns or W2s. Because we were working with PPY [prior-year tax data] (which in most ways was helpful) it was difficult to get the information to complete the FAFSA as well as supply documents for verification...This process is very difficult for low-income families. They move a lot and lose records or a friend has done the tax form for them and didn't keep a hard copy.”

Finding 4: Some respondents felt that the verification changes came too late and made the entire process longer for their students:

“It prolonged the process because it was not clear and then by the time you find the documents and get them to the college it was a much longer process. We all know adding time is money.”

“The verification alternatives are much more of an undue hardship than the Data Retrieval Tool. The alternatives came too late, and most colleges my students attend have not mentioned the alternatives available. Verification has honestly been a disaster this year.”

“The verification process is already hard for students and [the change] has only been made more difficult and time-consuming.”

Finding 5: The VONF letter is still top-of-mind for college access professionals because it is a difficult and time-consuming process:

“Verification of non-filing should be done away with altogether. It needlessly hurts the low-income students who need financial aid most and causes delays that prevent students from receiving aid.”

“High school seniors completing FAFSA for 2015 income year should not be required to submit a verification of non-filing. Almost no students had taxable income when they were high school sophomores, so this requirement seems punitive. 15- and 16-year-old kids should not need to get IRS documentation. That just seems needless. I hope that this is not a requirement for future FAFSA years. I understand getting VONF for parents who do not file, but for minor children, this is not necessary.”

“Making students verify non-filing with official tax documents is unnecessarily burdensome for low-income students.”

“Many students had extreme difficulty obtaining VONF letters and/or past tax returns from the IRS. Online tools to access these options did not work for 5 out of 5 students that I assisted, and we ended up having to request the documents by fax. There was a significant delay as requests were processed and documents were eventually mailed to students. One student was still waiting for her financial aid to be confirmed as of our graduation ceremony on June 10.”

“In most cases it took longer for our students to receive VONF letters than tax transcripts. Since the majority of first-time FAFSA completers (high school seniors) do not file taxes, an easier way to fulfill non-filler proof requirements needs to be approved. It's delaying them receiving award letters from their colleges.”

Finding 6: Institutional staff also experienced difficulties reacting to the changes in the verification process:

“...One challenge that the school we work with most directly had was they had also implemented for the first time this year electronic verification options and could not react and update their system in a timely manner to make the verification alternatives run as smoothly.”

“Even when the Education Department sets a policy around financial aid, schools (especially public schools) do not feel that they have the flexibility to change their paperwork requirements or do not message it consistently to students, so more accommodating policies don't always reach the students that need them the most.”

IX. Conclusion

This survey provides preliminary insight into the benefits and challenges of verification flexibility granted to postsecondary institutions on April 24, 2017.

Importantly, many students benefited from the change (60 percent of respondents reported that their students took advantage of verification alternatives). However, a number of colleges did not allow alternatives or did not clearly communicate the changes with students: Only one-third of respondents said all colleges accepted alternative documentation, and even fewer — 19 percent — agreed that colleges clearly communicated the verification changes to their students. These two factors — institutional discretion to implement verification flexibilities, and poor communication of the changes — negatively affected many students.

Another great challenge with the verification flexibility is that many individuals could not access their tax returns or W2 forms from 2015. Oftentimes as a result, even with verification alternatives for both filers and non-filers, students needed to obtain official documents from the IRS. For those who were not able to take advantage of the verification flexibility, official tax documents and VONF letters are particularly difficult for students to obtain.

As the 2018-19 FAFSA season approaches, these findings should be considered. Verification alternatives provide a quicker and easier solution for students and families when the process is clearly communicated with students and college access professionals. While the DRT is expected to return for the next FAFSA cycle, not all students can access it based on their or their parents' tax filing status. For these students, submitting alternative documents for FAFSA verification is a much quicker and easier process than obtaining official tax transcripts. Additionally, for non-tax filers who are independent students, it is particularly important that the option to provide a signed letter remain available, as obtaining the VONF letter is burdensome and time-consuming.