

Spring 2019



CONFLICTING INFORMATION


IOWA Koby R. Carrell, MSW
 Assistant Director, Processing & Verification
 Office of Student Financial Aid
 The University of Iowa
 208 Calvin Hall
 Iowa City, IA 52242
 319.335.1446
 Fax 319.335.2080
 financialaid.uiowa.edu

Stoney Creek Hotel & Conference Center
 Johnston, Iowa

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Conflicting Information Outline

- Administrative Capability
- Sources & Examples
- 400/401 Comment Codes
- Initial & Subsequent ISIRs
- What's not conflicting information
- Resolution and Documentation
- Office of Inspector General
- Questions/Discussion




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Administrative Capability

✓ A school must have a system of identifying and resolving discrepancies in all FSA-related information received by any school office. A school must resolve discrepancies for all students, not just those selected for verification. Resolution includes determining what information is correct and documenting the school's findings in the student's file.

FSA HB February 2019, Chapter 3, V2-47



Administrative Capability

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Must include a review of:

- ◆ All student aid applications, need analysis documents, multiple reporting records, potential overawards from COD, statements of educational purpose, statements of registration status, and eligibility notification documents presented by or on behalf of each applicant.
- ◆ The Student Aid Report/ISIR for a student. Even if a school has already verified the information on a student's SAR/ISIR, it must review all information on subsequent SARs/ISIRs.
- ◆ Any documents, including copies of federal tax return and tax account transcripts, that are normally collected by the school to verify information received from the student or other sources.
- ◆ Any other information submitted or normally available to the school regarding a student's citizenship, previous educational experience, or Social Security number or other factors relating to the student's eligibility for FSA funds. For instance, if a student receives an academic scholarship through one school office, that office must notify the aid administrator of these benefits to ensure that the amounts are correctly reported on the student's aid application and are counted as estimated financial assistance for the Campus-based and Direct Loan programs.

FSA HB February 2019, Chapter 3, V2-47



A Few Sources

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Sources of conflicting information include:

- tax returns or schedules
- Federal tax transcripts
- other information provided by the student to the financial aid office
- supplemental financial aid applications
- other offices within the school
- offices at other educational institutions (not just aid offices)
- scholarships and information from outside sources
- state agencies such as scholarship and vocational rehabilitation agencies, Workforce Investment Act offices, etc.
- transcripts from other colleges
- SARs or ISIRs
- verification
- C flags
- reject codes
- comment codes.



Examples

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Examples of conflicting information include:

- default or overpayment status
- changes in student's academic status and/or program of study
- other student financial assistance or resources
- inconsistent information used in calculating the student's EFC.
- parent paying child support
- both parents filed Head of Household
- parent claimed student on the tax return, but return indicated that student did not live with him/her
- student and parent claimed student as an exemption
- family switched FAFSA parent(s)
- incoming first year student's PAFSA parent resides in a different state than the student's high school.
- parents indicated SSI payments, but assets were too high to qualify.
- Other?




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Resolution & Documentation

- Must be resolved for all award years, even retroactively, unless:
 - Student dies during the award year; or
 - Conflicting data received after the student is no longer enrolled at the school and does not intend to re-enroll at the school in the future. If any disbursement is still pending, the pending aid (or post withdrawal aid) no further disbursements can be issued.
- If the student re-enrolls in the subsequent period of enrollment in the academic year, any aid disbursed must be counted as EFA in the subsequent period.

- Unless the Department of Education specifies, the school decides what documentation is needed to resolve conflicts.




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What's Not Conflicting Information

Conflicting information does not include:

- a household size that differs from the number of exemptions on a tax return
- dependency under IRS rules vs. ED definition of dependency
- a roster of candidates for an outside scholarship, as opposed to a list of recipients
- privacy-protected information, such as information from professional counselors, chaplains, doctors, etc
- assumptions made by the Central Processing System; and
- a student who has an expired immigration document but whose secondary confirmation match is successful.



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OFFICE OF INSPECTOR GENERAL

A school must refer to the Department's Office of Inspector General (OIG) any credible information indicating that an applicant for federal student aid may have engaged in fraud or other criminal misconduct in connection with his or her application.


Common misconduct includes false claims of independent student status, false claims of citizenship, use of false identities, forgery of signatures of certifications, and false statements of income.

Remember that fraud is the intent to deceive as opposed to a mistake. If you suspect such intent on the part of a student, report it to the OIG by phoning **1-800-MISUSED**.

Schools must also refer to the OIG any third-party servicer who may have engaged in fraud, breach of fiduciary responsibility, or other illegal conduct involving the FSA Programs.

It is always appropriate for a financial aid administrator to consult with a school's legal counsel prior to referring suspected cases of fraud or misconduct to an agency outside of the school. Referrals to the IG are also mentioned in the Application and Verification Guide.

FSA HB February 2019, Chapter 3, V2-47



Assessment Tool

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- ✓ Assess your school's compliance using the assessment in Activity Under "Conflicting Information" in the "Verification Assessment" at: <https://ifap.ed.gov/ifap/FSAAssessments.jsp>



QUESTIONS?

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Resources & References

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Federal Register - Department of Education/FAFSA Information to be Verified for 2018-2019:
<https://ifap.ed.gov/registers/attachments/FR050517EASFA1819.pdf>

Federal Register - Department of Education/FAFSA Information to be Verified for 2019-2020:
<https://ifap.ed.gov/registers/attachments/FR072019.pdf>

2018-2019 Application and Verification Guide:
<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVG.pdf>

2019-2020 Application and Verification Guide: Not available to date.



Resources & References

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2018-2019 SAR Comment Codes and Text:
<https://itap.ed.gov/sarcommcodestxt/attachments/1819SARCommCodesTxtOct2017.pdf>

2019-2020 SAR Comment Codes and Text:
<https://itap.ed.gov/sarcommcodestxt/attachments/1920SARCommCodesTxt.pdf>

FSA Handbook: FSA Administrative & Related Requirements:
<https://itap.ed.gov/Isahandbook/attachments/1819FSAHbkVol2Ch3.pdf>

NASFAA > AskRegs: <https://www.nasfaa.org/askregs>



Association Resources

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IASFAA: <https://www.iasfaa.com/>

Trainings with IASFAA: https://www.iasfaa.com/docs/toic_training.html

MASFAA (Check out the Summer Institute!): <https://www.masfaaweb.org/>

Check out all that NASFAA has to offer: http://www.nasfaa.org/About_NASFAA

NASFAA is a great resource on many levels: http://www.nasfaa.org/tools_resources

Today's News: <http://www.nasfaa.org/todays-news>

NASFAA Credentials: http://www.nasfaa.org/Earn_Professional_Credentials

Verification Credential: http://www.nasfaa.org/verification_pt

NASFAA U: http://www.nasfaa.org/NASFAA_U

AskRegs: <https://www.nasfaa.org/askregs>



Thanks for Attending

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Enjoy the rest of the conference!



Kelly R. Carrell, MSW
 Assistant Director, Processing & Verification
 Office of Student Financial Aid
 The University of Iowa
 220 Coburn Hall
 Iowa City, IA 52242
 319.335.1446
 Fax: 319.335.3050
financialaid@uiowa.edu