The Financial Aid Office Informs

SUMMARY OF THE 2025-2026 VERIFICATION PROCESS POLICY AND PROCEDURES

INTRODUCTION

The U.S. Department of Education (USDE) selects for verification the applications with a greater likelihood of having inaccurate data submitted in the Free Application for Federal Student Aid (FAFSA®), which may affect the student's eligibility to receive financial aid. The FAFSA® verification regulations for Title IV funds recipients are established in the Code of Federal Regulations 34 CFR Part 668 Subpart E (34 CFR 668.51-668.61).

The Inter American University of Puerto Rico (UIPR, in Spanish) verifies 100% of the applications selected by the U.S. Department of Education to ensure compliance with federal regulations. The UIPR will request the student to submit a copy of the financial documents and other forms required to verify their and/or their parents' FAFSA® information. The student must submit the documents within the established time period. The verification process must be completed before the UIPR authorizes the disbursement of financial aid.

For the purpose of verification, ***applicant*** is defined as an enrolled student who completed the FAFSA®, for whom we have a valid Student Acknowledgment Record (SAR) or Institutional Student Information Record (ISIR) with an Student Aid Index range from -1,500 to 999999. An SAR or ISIR is valid if the applicant's FAFSA® information is exact and correct at the time when the application was signed.

WHO IS AFFECTED BY THE VERIFICATION PROCESS

The verification process applies to all applicants selected for verification by the USDE, who will include comments in the Institutional Student Information Record (ISIR) that indicate:

1. that the USDE has selected the applicant for verification; and
2. the Verification Tracking Group in which the applicant has been placed.

The Verification Group indicates which **FAFSA®** information must be verified for the applicant and, if necessary, the applicant's parents or spouse. The Student Acknowledgment Record (SAR) will indicate that the **FAFSA®** was selected for verification and will direct the applicant to contact the academic institution for further instructions on how to complete the verification process. The UIPR will also solve comments included in the ISIR and conflicting information. The Financial Aid Officers may ask about any data submitted on the **FAFSA®** to correct any conflicting information.

WHAT IS VERIFIED

To comply with the regulation that allows applicants to use the income of two years prior (Prior-Prior Year income, PPY), the 2023 income will be used for verification during the 2025-2026 academic year. Each year, the USDE publishes the information to be verified during the current award year in the Federal Register (https://www.federalregister.gov).

The 2025-2026 academic year verification tracking groups are:

V1 - Standard Verification Group

- Adjusted Gross Income (AGI)
- Income Earned from Work
- U.S. Income Tax Paid
- Untaxed Portions of Pensions
- Untaxed Portions of IRA Distributions
- IRA Distributions
- Tax Exempt Interest Income
- Education Tax Credits
- Foreign Income Exempt from Federal Taxation
- Number of Household Members

Non-Tax Filers

- Income Earned from Work.

Tax Filers and Non-Tax Filers

- Family Size.

V4 - Custom Verification Group

- Identity/Statement

V5 - Aggregate Verification Group

- All the information verified in V1 and V4

GENERAL REQUIREMENTS

- The student must complete and sign the Verification Form (VF) corresponding to the verification tracking group to which they were assigned. The VF of dependent applicants requires the signature of one of their biological or adoptive parents. In the case of married applicants, the spouse's signature is optional.
- Photocopies, fax and digital images of the Verification Form and the supporting documents for the corresponding verification tracking group are acceptable unless otherwise specified as requiring wet signatures.
- If the student receives state funds, they must complete the verification process.

EXCLUSIONS FROM VERIFICATION

Some applications are excluded from verification due to unusual circumstances; however, any conflicting information must be corrected. The institution need not verify an application if it meets the following exclusions, but the unusual circumstance must be evidenced with the necessary documentation:

1. The **FAFSA®** was selected for verification after the student dropped their courses and all funds (including late disbursements) were disbursed.
2. The applicant was in prison at the moment of verification.
3. The institution need not verify the applicant's spouse's income if:
    a. The spouse is deceased or is mentally incapacitated.
    b. The spouse is residing in a country other than the United States and cannot be contacted by normal means of communication.
    c. The spouse cannot be located.
4. The institution need not verify a dependent student's application if:
    a. The applicant's parents are deceased or both parents are mentally incapacitated (if both parents are deceased, the student is independent). If both parents die after the **FAFSA®** was completed, the applicant must update their dependency status.
    b. The parents are residing in a country other than the United States and cannot be contacted by normal means of communication.
    c. The parents cannot be located and their contact information cannot be obtained by the applicant.
5. It is not necessary to complete the verification process if the applicant dies, even if a disbursement was already made. Additional funds will not be disbursed, with the exception of the Work-Study program, which corresponds to the beneficiaries.
6. The applicant completed verification in another institution from which they transferred. The applicant must request a letter from the previous institution that includes:
    a. a statement saying that the verification was completed;
    b. the transaction number of the verified application; and
    c. if relevant, include the reasons why the recalculation of the SAI was not requested.

    Note: The Inter American University of Puerto Rico may accept another institution's or UIPR campus' determination, as long as there is no reason to believe that there is any conflicting information. If there is conflicting information, it must be corrected. A subsequent verification may result in a recalculation of the SAI and the financial aid package for the award year, according to the applicant's new eligibility. The applicant is responsible for reimbursing any amount received in excess, according to their new financial aid eligibility (CFR 34 668.61).

7. The applicant is not receiving federal funds for reasons other than not completing the verification process. This category includes students that are ineligible for Title IV for reasons such as not having Satisfactory Academic Progress (SAP), having an unresolved C-FLAG, being admitted to the university as a special student, among others.

8. Students who are only eligible for Title IV programs funds and whose eligibility is not based on a financial need and the Student Aid Index (SAI), such as Unsubsidized Loans, Parent PLUS Loan, Grad PLUS Loan, TEACH Grant, and Iraq and Afghanistan Service Grant, do not have to complete the verification process if the U.S. Department of Education assigns them to verification tracking group V1. However, if the USDE assigns them to groups V4 and V5,

the identity must be verified before any disbursement. If the student wishes to skip the verification process by accepting only unsubsidized funds, they must continue with the verification process and Title IV funds may not be disbursed until the student has completed the verification of identity in groups V4 and V5 (34 CFR 668.52).

APPLICANT'S RESPONSIBILITIES

The applicant is responsible for providing correct information on the Free Application for Federal Student Aid (FAFSA®). To comply with the verification process, the applicant is responsible for submitting all the required documents and forms with the corresponding signatures before the established time period.

ACCEPTABLE DOCUMENTATION ACCORDING TO THE VERIFICATION GROUPS

The required documentation must be submitted with all the necessary information and the corresponding signatures.

The USDE guides tax filing applicants and, if necessary, the applicant's parents or spouse to use the IRS Data Retrieval Tool through the FAFSA®. This will ease the verification process in cases where amendments to the reported income have not been made.

The FAFSA® Simplification Act requires that, whenever possible, the Department use data received directly from the IRS to calculate a student's SAI and federal Pell Grant. The Fostering Undergraduate Talent by Unlocking Resources for Education Act (FUTURE) Act requires the Department of Education to access tax information held by the IRS for FAFSA® applicants and, where applicable, their parents and spouses through a secure method. The FUTURE Act Direct Data Exchange (FA-DDX). The FUTURE Act amended the Internal Revenue Code (IRC) to require disclosure of Federal Tax Information (FTI) directly from the IRS to the Department with the individual's consent and approval. The FUTURE Act also states that consent and approval for the FTI exchange is a requirement to receive federal student aid.

Applicants and taxpayers will need to provide consent and approval to retrieve the FTI directly from the IRS. When an FTI is received from the IRS through the FA-DDX, the FTI received is considered verified and no additional documentation is needed, except when is required validate other incomes not transferred from IRS.

Verification tracking group V1 - Standard verification Applicants in this group must verify the following:				
	IRS Tax Transcript or IRS Forms 1040 and 1040 SE for tax year 2023 and the applicable schedules and Form W-2	**Puerto Rico tax form for tax year 2023 with applicable attachments and Form W-2**	**Verification Form**	**Other documentation**
Tax Filing Applicants or Parents ➢ Adjusted Gross Income ➢ Income from work ➢ Tax Paid ➢ Untaxed Portions of IRA Distributions ➢ Untaxed Portions of Pensions ➢ IRA Deductions and Payments ➢ Tax Exempt Interest Income ➢ Education Tax Credits ➢ Foreign Income Exemption	X When information is not transferred from the IRS and Exempt Foreign Income is included	X	X	Any taxpayer who pays taxes in Puerto Rico or other territories of the United States (Guam, American Samoa, US Virgin Islands, Northern Mariana Islands), must submit the 2023 Income Tax Return filed in that country.
Non Tax Filing Applicants or Parents ➢ Income earned from work			X	a) Signed statement with: 2020 IRS Form W-2, Employment Certificate, or any other proof; and b) IRS Form 4506-T no older than October 1, 2024, to indicate that you did not file a return for 2023 (Verification of Nonfiling).
Tax exempt income			X	a) Signed statement; and b) ASUME Certification of Compliance, Certification from the Federal Veterans Administration, etc.; and c) Certification from the Puerto Rico Department of Treasury or IRS Form 4506-T no older than October 1, 2024, to indicate that you did not file a return for tax year 2023.
Number of household members			X	

Verification tracking group V4 - Custom Verification Group Applicants must complete the Identity and Statement of Educational Purpose				
	IRS 2023 Tax Transcript with applicable schedules and Form W-2	**Puerto Rico tax form for tax year 2023 with applicable attachments and Form W-2**	**Verification Form**	**Other documentation**
Identity			X	Original photo identification issued by the state (driver's license, United States passport, valid voter ID, etc.)

Verification tracking group V5 - Aggregate Verification Group Applicants must complete the Identity/Statement of Educational Purpose, as well as the documentation requested in Verification tracking group V1.				
	IRS 2023 Tax Transcript and Forms 1040 and 1040 SE with applicable schedules and Form W-2	**Puerto Rico tax form for tax year 2023 with applicable attachments and Form W-2**	**Verification Form**	**Other documentation**
Tax Filing Applicants or Parents ➢ Adjusted Gross Income ➢ Tax Paid, Untaxed Portions of IRA Distributions ➢ Untaxed Portions of Pensions ➢ IRA Deductions and Payments ➢ Tax Exempt Interest Income ➢ Education Tax Credits	X When information is not transferred from the IRS and Exempt Foreign Income is included	X	X	Any taxpayer who pays taxes in Puerto Rico or other territories of the United States (Guam, American Samoa, US Virgin Islands, Northern Mariana Islands), must file the 2023 Income Tax Return filed in that country.
Non Tax Filing Applicants or Parents ➢ Income earned from work			X	a) Signed statement with: 2023 IRS Form W-2, Employment Certificate, or any other proof; and b) IRS Form 4506-T no older than October 1, 2024, to indicate that you did not file a return for 2023 (Verification of Nonfiling).
Tax exempt income			X	a) Signed statement; and b) ASUME Certification of Compliance, Certification from the Federal Veterans Administration, etc.; and c) Certification from the Puerto Rico Department of Treasury or IRS Form 4506-T no older than October 1, 2024, to indicate that you did not file a return for tax year 2023.
Number of household members			X	
Identity			X	Original picture identification issued by the state (driver's license, United States passport~~,~~ valid voter ID, etc.)

Income Documentation for Tax Filers

a. Signed copy of the income tax return and the applicable schedules, and a copy of IRS Form W-2. The Puerto Rico tax form is submitted electronically and the confirmation number or seal of the Puerto Rico Department of Treasury (if filed using SURI) is the evidence that it was submitted;
b. IRS Tax Transcript and/or signed IRS Form 1040 and 1040 SE and its applicable schedules and Form W-2.

SPECIAL CIRCUMSTANCES

Tax filers with special circumstances must contact the Financial Aid Office to inquire about the required documents. Special circumstances related to the income tax return are:

- changes in the marital status when completing the FAFSA®
- the tax filer was granted a filing extension for tax year 2023
- identity theft
- individuals who filed an amended income tax return

EXEMPT INCOME AND TAX CREDITS

The verification of a selected application includes the verification of exempt income. Some of these exempt incomes are included in the Puerto Rico and IRS tax forms or on Form W-2; other incomes are not included in the income tax return but must be informed on the **FAFSA®**. The following qualify as exempt income:

a. Untaxed portions of IRA distributions and pensions (in Puerto Rico, the untaxed portion of pensions is $11,000 for people under 60 years of age, and $15,000 for people 60 and older.)
b. Untaxed interest (in Puerto Rico, the first $2,000 received in interest are exempt)
c. Child support received for any underage children.
d. Educational Credits - this information is obtained from the Puerto Rico and the IRS tax return forms.

IDENTITY

The Identity verification requires the applicant to present a valid picture identification issued by the government (driver's license, any other state-issued identification, valid voter ID, United States passport, among others), in the presence of a Financial Aid Officer.

If the applicant studies **remotely** and cannot appear in person, they must sign the Identity Verification Form in the presence of a Notary and submit it by mail with the valid state-issued photo identification.

PROCESS TO COMPLETE VERIFICATION

- The Department of Education will notify the applicant through the Student Aid Report (SAR) that they were selected for verification.

- The Financial Aid Office will send a letter to the applicant via e-mail requesting the necessary documents, which must be submitted within 10 days of the notification.

- The applicant must submit the required documents and forms within the established time period to complete the verification process. The verification process may include making corrections, submitting the corrections to the FAFSA Processing System (FPS), and receiving the corrected Institutional Student Information Record (ISIR) in the institution. Once this process is finished, the applicant's verification will be certified as completed.

- The applicant may send the encrypted documents digitally through their campus' or professional school's Upload Documents section in http://www.inter.edu/aeuploaddoc, The applicant may also send the documents via mail, addressed to the Financial Aid Office of their campus.

- The Financial Aid Office will review the supporting documentation for the sections selected for verification. If there is any conflicting information, the university is required to process any necessary corrections in the **FAFSA®**. Once the information has been verified and any correction has been received with a valid SAR/ISIR, the Financial Aid Office will certify the applicant's verification process as completed.

- The student will know the status of the verification process though the Student's University Portal (Interweb). Student must login using their student credentials. When the verification requirements are pending to review, the status will be E "Established". When the verification is completed, all the requirements are S "Satisfied".

- The Inter American University of Puerto Rico will authorize the disbursement of Financial Aid only when the applicant completes the verification process within the established time period. **Disbursements will not be authorized before the applicant completes the verification process.**

- If the applicant is selected for verification after funds were disbursed, they must complete the process before the next disbursement. If, after verification, the applicant is determined to be ineligible to receive part or any of the funds, the applicant must reimburse any received funds, except those corresponding to a Loan or the Work-Study Program (34 CFR 668.61).

- If the errors in the application are minor and do not affect the applicant's eligibility, the verification tolerance may be applied as provided by regulation. The verification tolerance is a difference of $25.00 between the correct data and the incorrect data. The use of the verification tolerance is optional, for which the applicant may be asked to correct the error, even if the difference is less than $25.00. All errors that may affect the applicant's eligibility or their SAI must be corrected. The verification tolerance is only applied in the financial sections and does not apply to the number of household members and other sections selected for verification.

CORRECTION, UPDATE AND NOTIFICATION OF CHANGES

All FAFSA® information presented by the applicant must be precise at the time when they completed the application. Corrections and updates processed by the university will be based on trusted documentation in their possession to support the changes in the application, or documents signed by the applicant or their parents, in the case of dependent students.

If the applicant submits the required documentation within the established time period and information needs to be corrected, the university will send the changes to the U.S. Department of Education and the applicant will receive a Student Aid Report (SAR) informing them of the changes.

Generally, an applicant cannot update information that was correct when they signed the application, because the FAFSA® is considered to be an "x-ray" of the applicant's family's financial situation at that time. After having submitted the signed FAFSA®, only certain elements can be updated under the following conditions:

1. Applicants whose dependency status changes during the academic year, must update the information in the FAFSA®, **except** when the update is due to a change in the applicant's marital status.

2. Applicants selected by the USDE or the institution to verify the number of household members enrolled in an eligible post-secondary institution must update the data so that the numbers are correct at the time of verification, **except** when the update is due to a change in the applicant's marital status.

3. If an applicant's eligibility to receive financial aid changes, the university will notify the applicant via e-mail or mail, informing them of a new revised financial aid offer. The applicant must check with the Collections Office the result of the revision in their student account with the university.

DEADLINES

To receive disbursements on time, applicants who receive financial aid must submit all the documents and forms required for verification within 10 days after being notified by the Financial Aid Office. The disbursement dates are published in the academic calendar for every academic term on the corresponding campus' website.

Applicants whose verification process has been certified as completed by the Financial Aid Office 10 days before the start of the academic term and who have any left-over amount award total, will receive an anticipated stipend or book voucher.

The U.S. Department of Education allows Title IV financial aid participants to submit verification documents no later than 120 days after their last day of enrollment or until the date published by the USDE in the Federal Register, whichever date comes first. This includes making any corrections, submitting the corrections to the FAFSA Processing System (FPS), and receiving a corrected ISIR in the institution within the established time period. **Verification is only complete once all the documentation has been received and all corrections have been processed.**

Applicants selected for verification under verification tracking groups V4 and V5 must present documentation that validates their identity and educational purpose within 60 days after having received the first notification.

To approve disbursements for applicants who receive a federal Direct Loan, the verification process must be completed and the loan must be accepted and originated before their last day of enrollment. For the loan to be originated, the applicant must have completed a program entrance interview, a master promissory note (for first-time participants) and the university's loan orientation.

Applicants who participate in the federal Work-Study Program can only begin working once they have submitted all the documents necessary for verification and the Financial Aid Office has reviewed and certified the verification process as complete.

If a student's application is selected for verification after federal financial aid has been disbursed and while the applicant is enrolled, the applicant may keep the disbursement of the Direct Loan and the payment received for the Work-Study Program (but will be required to stop working until they submit the necessary documentation and completes the verification process). All other federal and state funds grants will be canceled on the student's account if they do not complete the verification process; the applicant is responsible for the debt. Future disbursements will also be canceled.

CONSEQUENCES OF FAILURE TO PROVIDE DOCUMENTATION WITHIN THE SPECIFIED TIME PERIOD

If the applicant does not submit the required documentation or information within the specified time period, they will not receive Title IV, state and institutional funds disbursements.

The applicant must pay for enrollment on the dates established in the corresponding academic term's deferred payment plan. If the applicant does not pay on the corresponding dates, the institution will place a restriction on the applicant in the student system, which will limit some services they may request, such as complete future enrollment process, among others.

LATE DISBURSEMENTS

Normally, the applicant becomes ineligible when the academic term ends and they are no longer enrolled. However, the applicant can submit verification documents and receive a **late disbursement** if the U.S. Department of Education processed a valid SAR/ISIR with an EFC while the student was enrolled. The documentation required for the verification process and any necessary corrections must be received by the institution within 120 days from the last day of the applicant's enrollment or by the date published by the USDE in the Federal Register, whichever date comes first.

Different federal financial aid programs establish different acceptable conditions for late disbursements. The verification process must be completed in order for the funds to be disbursed. Federal loans must be accepted and originated before the applicant's last day of enrollment for the disbursement to be authorized.

REFERRALS TO THE OFFICE OF THE INSPECTOR GENERAL

The Inter American University of Puerto Rico will refer any student, personnel or other persons to the Office of the Inspector General (OIG) for investigation regarding any suspicion of knowingly submitting erroneous information or altering documents to obtain federal funds by means of fraud. (Note: fraud is the intent to commit deceit, not making an error).

Before notifying the OIG, the Financial Aid Office will confer with the Legal Aid Office of the UIPR regarding any suspicion of fraud. If the Legal Aid Office determines that there was intent to commit fraud, they will refer the perpetrator to the Office of the Inspector General (OIG).

If it is determined that the applicant has received funds to which they were not entitled, the applicant must reimburse the full amount. If the applicant does not complete the reimbursement, the overpayment may be informed to the U.S. Department of Education.

VALIDITY

This Summary of the Verification Process Policy and Procedures is valid for the academic year 2025-2026 and will be updated as required by the U.S. Department of Education.

Revised OCT 24, 2025