



AMERICAN INSTITUTES FOR RESEARCH

Monitoring Verification Among Quality Assurance Program Participants

Prepared by:
David Rhodes
American Institutes for Research

for:
Federal Student Aid
U.S. Department of Education

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1000 THOMAS JEFFERSON STREET, NW | WASHINGTON, DC 20007-3835

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INTRODUCTION

Federal, state, and private financial aid programs exist to help students and their families finance college education. Many of these aid programs are “need based”; that is, they target their assistance toward students with the least ability to pay for college themselves. This targeting of aid is based on student and parental self-reports about their financial condition. Therefore, ensuring the accuracy of the information plays an important role in equalizing the educational opportunities available to all Americans. Colleges and universities routinely check the accuracy of a subset of aid applications during a process called “verification.” This report looks at the outcomes of verification at schools participating in the Quality Assurance (QA) Program of the U.S. Department of Education (ED).

BACKGROUND

In lieu of following the federally prescribed verification of the information students supply on their Free Application for Federal Student Aid (FAFSA) form schools participating in the QA Program are empowered to develop their *own institutional* process of verifying the accuracy of these data. When the QA Program began, federal verification was designed to spread the burden of verification evenly over all types of students and higher education institutions. The basic idea behind the QA Program was that schools could devise their own school verification procedures to target effectively applicants who, when verified, were likely to experience a change in eligibility for financial aid.

The information submitted by students on their FAFSAs is sent electronically to schools on Institutional Student Information Records (ISIRs). Schools use ISIR data to calculate students’ expected family contribution (EFC) toward their postsecondary expenses. The difference between the total cost of attending a specific college or university and a student’s EFC determines his or her eligibility for need-based Federal Student Aid (FSA) programs.

To correctly identify changes and their effect on aid awards for the 2004-05 award year, QA Program institutions completed the federal verification worksheets for a random sample of at least 350 aid applicants, including those students whom they normally would not verify before disbursing 2004–05 aid. We used this pool of verified records to conduct a program-wide analysis to identify what types of students with over-awards and under-awards are most likely not selected by current Central Processing System (CPS) and/or school verification criteria, as well as those selected by one or the other.

OVERVIEW OF THE REPORT

This report describes the accuracy of various data elements that students and their parents submit on their FAFSAs. We also examine the tendency of federal and institutional verification criteria to select applicants whose corrections to information initially supplied lead to a change in aid eligibility.

Our analysis of 2004–05 sample data has four main threads:

- Production of ISIR Analysis Tool reports using data from all QA Program participants,
- Analysis of the students who experienced an over- or under-award and either were or were not selected for verification by CPS or school criteria,
- Additional student-level analysis demonstrating how to further improve verification efforts, and
- Discussion of the challenges schools experienced.

We devote the majority of the report to the first thread: program-wide versions of the ISIR Analysis Tool’s (a) dashboard reports (b) field change report, (c) field increment report, and (d) reports on eligibility for Pell Grants by student dependency status. These analyses serve two purposes. First, they provide FSA with program-level information about the effectiveness of school verification criteria used by schools participating in the QA Program. Second, they serve as a guide to colleges and universities interested in using ISIR Analysis Tool reports for their own analysis.

We follow these analyses with an examination of the percentages of potential over- and under-awards to students who are verified by institutional and/or federal selection criteria. These data provide a measure of how well institutional and federal verification processes are working at schools participating in the QA Program.

Next, we give simple illustrations of how the percentages of over- and under-awards would change if insights stemming from the ISIR Analysis Tool information were applied to verification criteria.

Finally, we discuss whether QA Program schools were able to comply with the request to have their data available for analysis. We use the percentage of schools with usable data and feedback provided by schools to address how well they met the challenges associated with verifying a sample and using the new ISIR Analysis Tool. The high percentage (94%) of participants able to supply usable information reflects both the relative ease of using the ISIR Analysis Tool and the strong partnership between FSA and QA Program schools. Even the schools whose data were not usable performed verification. They were excluded from the analysis due to problems with their random sample.

We conclude with a discussion of the implications of our findings for: verification, training, and future versions of the ISIR Analysis Tool (in 2006–07 and beyond).

DATA AND METHODS

This section describes the data and analytic methods used in this report.

DATA

We compiled the data collected by QA Program schools that completed the prescribed sample verification. This report uses a subset of the ISIR data verified by QA Program schools during the spring and summer of 2004. We focused on the data elements that were confirmed on the federal verification worksheet. Schools participating in the QA Program were required to verify this information for all applicants drawn into their random sample.

We collected a total of 42,309 ISIRs from 133 QA Program schools.

Before conducting the analysis, we performed a number of quality control steps. First, we made sure that all schools used in the analysis had at least one record that experienced a change in EFC. Schools without a change in EFC were contacted and asked to make sure that they had uploaded their data properly. All schools were eventually able to satisfy this criterion.

Second, schools without a single indication of an institutionally verified record were contacted and asked to populate this information within the Tool. Four schools were not able to comply or had mistakenly sampled only applicants who were not subject to their school verification efforts. These four schools were excluded from further analysis.

Finally, any school that indicated 100% institutional verification was asked to confirm that it did, in fact, conduct 100% verification in its student aid population (not just its sample). Another four schools did not confirm 100% verification or had mistakenly sampled only applicants from their institutionally verified student pool. These four schools were also excluded from the analysis.

After applying the data-inclusion rules, we were left with 39,095 ISIR records collected from 125 schools participating in the QA Program. Therefore, we were able to analyze 92% of the records and include 94% of the schools with data in our analysis. Because the number of sample records from these schools varied, we used a weighting factor to equalize the contribution of each school to the overall results.

METHODS

Our primary “method” was producing the reports available from the Web-based ISIR Analysis Tool (the Tool) application, using data from all schools that satisfied the quality control steps described in the data section above. The Tool was created by FSA to help schools gain a better understanding of how verification is working on their individual campuses. Specifically,

the Tool compares two ISIR transactions—the initial and the paid-on—to identify changes to ISIR fields. Schools can then use the Tool to analyze these changes in terms of their effect on EFC and Pell Grant eligibility. By identifying ISIR data fields and the types of students most likely to experience a change in EFC, schools obtain information that helps them fine tune their verification selection criteria.

The Tool produces a number of standard reports for schools to use in their analysis. Exhibit 1 describes the names and functions of the five types of reports we will reproduce.

Exhibit 1.

Summary of ISIR Analysis Tool Reports

Report name	Description	Questions addressed
Sample Summary	Displays descriptions of records currently being analyzed	What students are in my database? What was the aggregate impact of change on eligibility?
Verification Summary	Displays records graphically by their verification and EFC change status	Which records were selected for CPS verification? Which records were selected for school verification? Which verified records experienced an increase or decrease to EFC? Which nonverified records experienced an increase or decrease to EFC?
Field Change	Displays records with changes to ISIR fields, the percentage of EFC and Pell Grant increase or decrease, and CPS or school verification summary data	Which ISIR fields were most likely to be corrected? Which corrections were most likely to be associated with a change to aid eligibility? Which corrections were most likely to be selected by school and CPS verification criteria?
Field Increment	Displays the distribution of changes to an ISIR field and the effect of those changes on EFC across a range of values for that or some other ISIR field	Are changes to a particular field concentrated within a particular value range of that or some other field? Are corrections to a particular field that affects aid eligibility concentrated within a particular value range of that or some other field?
Pell Grant Eligibility by Dependency Status	Displays data on dependent and independent students and their Pell Grant eligibility	Are changes to the selected field related to Pell Grant eligibility and dependency status? What percentages of students with changes to a specific field are verified by CPS and school criteria?

In addition to producing these reports, we will examine the extent to which CPS and school verification criteria select students with changes to eligibility and the level of burden each verification system places on students. A few caveats should be kept in mind for these analyses. First, each QA Program participant has its own, somewhat unique school criteria. Therefore, the aggregate results we report may be quite different from the situation on any individual QA campus. Second, all records “flagged” for verification by the CPS would not necessarily have been verified had schools not been in the QA Program. Generally, ED requires non-QA schools to verify the applications that the CPS selects for verification; however, ED cannot require schools to verify more than 30% of their applicants. Schools can choose to verify records in excess of 30%, but they do not have to do so. As we will see, more than half the schools used in our analysis had more than 30% of their random sample of applicants selected for CPS verification. Therefore, our analysis addresses the effectiveness of CPS flags, not necessarily the effectiveness of federal verification as implemented.

We examine changes to both EFC and Pell Grant awards. In the EFC analysis, we ignore changes of less than \$400. Therefore, our examination of award accuracy will include any Pell Grant award change, but we examine only EFC changes of \$400 or more. We will use the field increment report, described above, to help describe the types of students most likely to not be selected by CPS or school selection criteria.

We also examine the burden imposed by verification. We report the percentage of records that were selected by both CPS and school criteria. We pay special attention to the percentage of records that were selected by the verification criteria and did NOT experience change in Pell Grant amount or EFC change of at least \$400.

We report the dollar amount change in particular ISIR data elements and the dollar change in the EFC. This information, together with the proportion of records experiencing each change from the Field Change reports, will help identify which ISIR elements are most likely to contribute to an over- or under-award.

Finally, we estimate the effect of making simple illustrative changes to CPS and school verification criteria. Specifically, we determine the change to over-awards and under-awards if verification criteria were adjusted in light of the analysis presented.

RESULTS

We begin with the two ISIR Analysis Tool reports that are part of the online Tool’s dashboard: the Sample Summary Report and the Verification Summary Report. Users view these two dashboard reports immediately when launching the analysis component of the Web application. We then proceed to the Field Change, followed by Field Increment, and finish with the Pell Grant Eligibility by Dependency Reports. After presenting program-wide versions of the Tool reports, we take up the additional topics described above.

DASHBOARD REPORTS

The Sample Summary and Verification Summary Reports provide users with an overview of the data they are analyzing with Tool. Likewise, the replications here provide an overview of the ISIR records included in this program-wide analysis.

Exhibit 2 presents a Sample Summary report for the 39,095 ISIR records included in our analysis. This report provides counts of the number of specific types of records. For example, 12,099 of the records were those of dependent students who were eligible for Pell Grants. The Sample Summary Report also includes counts of the number of ISIR fields that changed (102,669), and of records having a change in EFC (19,569) and a change in Pell Grant award (8,778).

Exhibit 2.
Sample Summary Report

Total Sample Size	39,095
Total Dependent Pell Eligible	12,099
Total Dependent Pell Ineligible	12,211
Total Independent Pell Eligible	8,131
Total Independent Pell Ineligible	6,654
Total Fields Changed	102,669 ¹
Total EFC Changes	19,569
Total Pell Changes	8,778
Total Initial Pell Award	\$61,427,550
Total Paid On Pell Award	\$59,163,988
Total Pell Award Increases	3,293
Average Pell Award Increase	\$1,104
Total Pell Award Decreases	5,485
Average Pell Award Decrease	\$1,075
Total Initial Pell Eligible	20,230
Percentage of Initial Pell Eligible	52%
Total Initial Pell Ineligible	18,865
Percentage of Initial Pell Ineligible	48%
Total Paid On Pell Eligible	19,781
Percentage of Paid On Pell Eligible	51%
Total Paid On Pell Ineligible	19,314
Percentage of Paid On Pell Ineligible	49%

Source: QA Program sample data from 2004–05 award year.

¹ As our analysis concentrated exclusively on information collected on federal verification worksheets, this count reflects changes to those fields only.

In addition to providing counts of the particular types of students and changes to ISIR information, the Sample Summary Report describes changes to eligibility for Pell Grants observed between the initial and the paid-on transaction. In the program-wide data analyzed here, we see that the total amount of money delivered through the Pell Grant program in the paid-on transactions (\$59 million) was \$2 million less than the dollar amount that would have been awarded (\$61 million) based on the initial transaction information. Because QA Program schools verified 100% of the records in their samples, we know that the paid-on dollar amounts are correct. We can use this information to calculate a potential “net error rate” for Pell Grants. This rate is based on the difference between what would have been disbursed using the information students initially supplied on the FAFSA and what was disbursed based on verified information. Dividing the difference in Pell Grant dollars awarded using initial and paid transaction data by the amount that students would have received based on initial transaction yields a potential net Pell Grant over-payment rate of 3.7% for the schools participating in the QA Program.

This potential net over-payment rate of 3.7% reflects initial Pell Grants that are both too big and too small. The Sample Summary Report provides counts of the records experiencing an increase (3,293) and decrease (5,485) to the Pell Grant award calculated from initial transaction information. It is important to note that potential inaccuracy in Pell Grants runs in both directions. Indeed, of the records experiencing a change in Pell Grant, 38% would have received too little assistance if their award had been based on the initial FAFSA information.

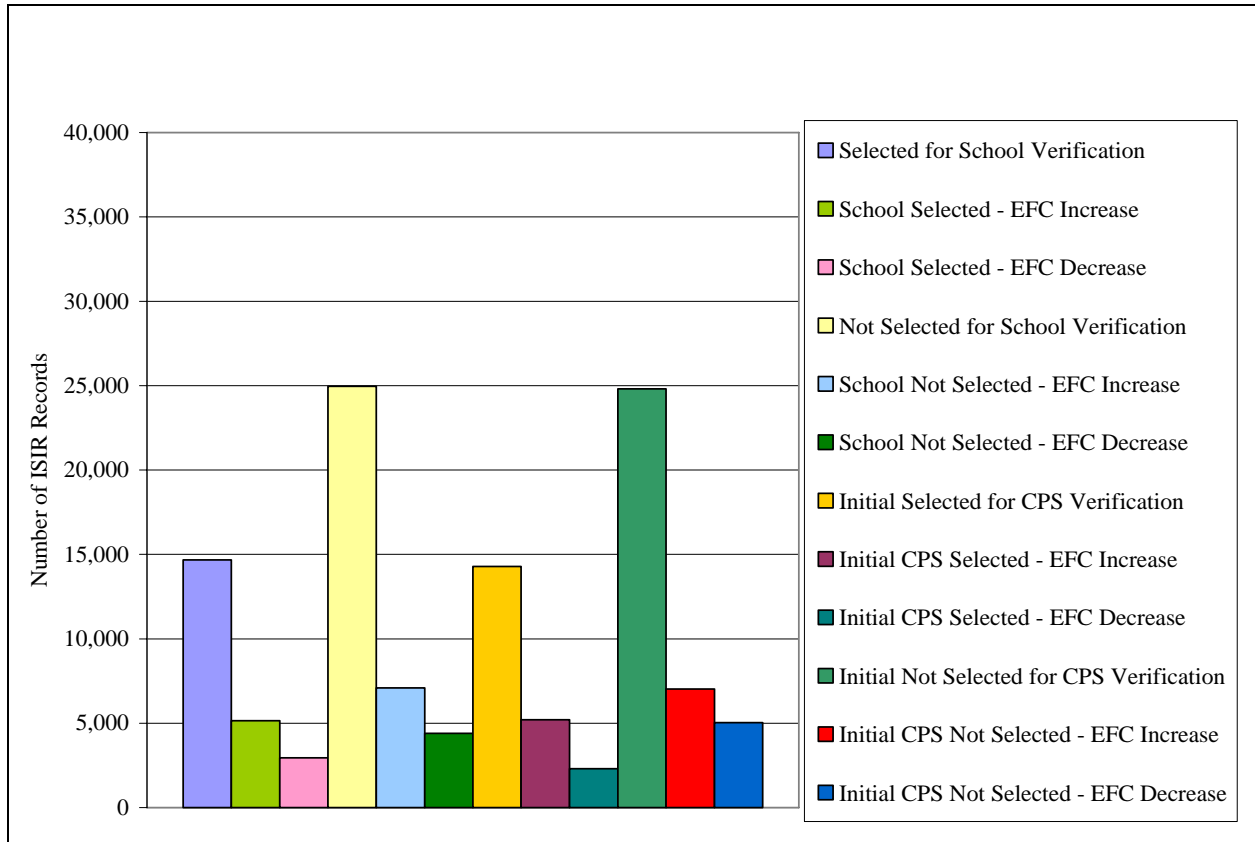
The final eight rows of the Sample Summary Report provide counts and percentages for Pell Grant eligibility status for both the initial and the paid-on transactions. Despite the relatively large number of Pell Grant changes observed (8,778), there was a relatively modest decrease in the number of applicants eligible for a Pell Grant between the initial (20,230) and the paid-on (19,781) transaction. The net loss of only 449 from the Pell Grant-eligible population reflects the counterbalancing of over- and under-payments of Pell Grants as well as reductions to Pell Grant amounts among students who remain eligible for a smaller award.

The second dashboard report, the Verification Summary Report, is presented in Exhibit 3. In this bar chart, the height of the bars reflects the number of records in groups, defined by their verification status and the type of change to EFC the record experienced between the initial and the paid-on transactions. The main purpose of this report, for users of the Tool, is to restrict further analysis to a specific subpopulation of records represented by one of the bars. Users can “drill down,” by simply clicking on one of the bars and generating reports that restrict analysis to only the desired subpopulation of records.

Although the online version of the Verification Summary Report is used primarily to focus further analysis, the report itself does provide some analytical insights. By comparing the relative heights of the bars, users can get a sense of whether school and CPS verification are finding relatively more EFC increases or decreases on their campus. In the program-wide version of the Verification Summary Report, we see that both school and CPS verification found a greater number of records with an EFC increase than records with an EFC decrease. However, this disparity in bar height was more pronounced among CPS-selected records than school-selected records. The Verification Summary Report also enables the user to see the proportion of

EFC increases and decreases among the applicants not selected for CPS or school verification. All of the ISIR information we are examining here was confirmed through the QA Program sample activity. Thus, the EFC increases and decreases shown in Exhibit 3 represent changes that CPS and School verification did not capture. Usually, changes to EFC in the non-verified groups would reflect only how changes students themselves made on the FAFSA affected EFC.

Exhibit 3.
Verification Summary Report (N = 39,095 ISIRs)



Source: QA Program sample data from 2004–05 award year.

FIELD CHANGE REPORTS

The Field Change Report answers a number of key questions:

- Which ISIR fields were most likely to be corrected?
- Which corrections were most likely to be associated with a change to aid eligibility?
- Which corrections were most likely to be selected by CPS or school verification criteria?

Using sample verification data from QA schools, we were able to identify Adjusted Gross Income (AGI), Federal Income Tax Paid, and Worksheet B as the items on the FAFSA most likely to change after an initial application. Changes to these data fields were associated with changes to EFC and Pell Grant awards. However, neither CPS nor school verification criteria seem to be targeting the majority of records that experienced changes to these problematic fields.

The Field Change Report displays data about the records that experienced a change from the initial to the paid-on transaction. For each ISIR field listed, we supply the percentage of records that had a change to that field, the percentage of EFC and Pell Grant increase or decrease, and CPS and school verification summary data. We concentrate on ISIR fields that reflect the information confirmed by the federal verification worksheets.

We present two sets of Field Change Reports. The two sets present results separately for dependent and independent students. Each set includes three versions of the report. The first version includes all records of the indicated dependency status. The second includes only those records that were NOT flagged for CPS verification. The third includes only those records that were NOT subject to school verification. For clarity's sake, we present abridged versions of the Field Change Reports below that focus exclusively on the most the problematic ISIR data elements. Unabridged versions of the Field Change Reports are presented in the appendix.

Exhibit 4 presents the results for all dependent records. The three most commonly changed ISIR fields for dependent students are Parents' AGI, Parents' Federal Income Tax Paid, and Parents' Worksheet B. Approximately 30% of the records experienced a change to each of these fields. Not only are these the fields that are the most likely to change, but adding together the entries in the EFC increase and EFC decrease columns indicates that more than 90% of the records with a change to one of these fields also experienced a change to EFC. Performing the analogous addition for Pell Grant increases and decreases, we find that more than one third of the records with changes to any one of these fields also experienced a change to a Pell Grant award. Changes to these fields were both relatively common and associated with changes to eligibility for need-based aid.

Exhibit 4.

Abridged Field Change Report: All Dependent Applicants (N = 24,310)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Parents' AGI	7,524	30.95%	58.21%	32.58%	14.61%	26.92%	50.05%	45.51%
Parents' Federal Income Tax Paid	7,487	30.80%	63.74%	30.99%	12.12%	27.59%	47.94%	41.80%
Parents' Total from Worksheet B	7,025	28.90%	62.37%	30.34%	10.90%	23.72%	47.06%	37.92%

Source: QA Program sample data from 2004–05 award year.

The final two columns in Exhibit 4 indicate the percentage of records with the specified change that were selected for CPS and school verification, respectively. Nearly one half of these changes were to records selected by school verification criteria, and roughly 4 in 10 were flagged by the CPS. These percentages are neither particularly high nor low in comparison with other entries in these columns.

Exhibits 5 and 6 display patterns of ISIR changes among records NOT selected for either CPS or school verification respectively. Among both of these “non-verified” populations, the same three ISIR fields were the most likely to register a change between the initial and paid-on transaction. Remember that because all records in the QA samples were verified, we can use these data to investigate what the two types of verification may not be capturing and at what cost to the accuracy of aid awards.

Exhibit 5.

Abridged Field Change Report: Dependent Applicants Not Selected for CPS Verification (N = 13,761)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Parents' AGI	4,140	30.09%	56.55%	40.41%	10.33%	2.49%	42.59%	0.00%
Parents' Federal Income Tax Paid	4,392	31.92%	60.99%	37.81%	8.05%	2.18%	40.30%	0.00%
Parents' Total from Worksheet B	4,407	32.03%	61.40%	34.86%	6.24%	2.76%	39.90%	0.00%

Source: QA Program sample data from 2004–05 award year.

Looking at changes among records not flagged by the CPS, in Exhibit 5, it is noteworthy that, although changes to EFC seem fairly similar to the total dependent population, changes to Pell Awards are much less common. For example, among those not selected by the CPS, less

than 3% of the records that had a change in Parents’ Federal Income Tax Paid experienced a decrease in Pell Grant awards, compared to more than 27% of changes to this field in the total dependent student population. Non-CPS-verified records were also less likely to experience an increase in Pell Grant awards, but these differences were not as stark. Also note that school verification selected roughly 40% of the records that experienced a change in each of the three problematic fields that were not selected by CPS.

Exhibit 6.

Abridged Field Change Report: Dependent Applicants Not Selected for School Verification (N = 13,994)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Parents’ AGI	3,821	27.30%	57.72%	33.58%	12.32%	21.52%	0.00%	37.37%
Parents’ Federal Income Tax Paid	3,978	28.43%	63.70%	31.73%	9.96%	21.69%	0.00%	33.25%
Parents’ Total from Worksheet B	3,878	27.71%	62.74%	30.38%	8.42%	18.33%	0.00%	29.53%

Source: QA Program sample data from 2004–05 award year.

Exhibit 6 displays changes among those not selected by a QA school’s verification criteria. It is important to remember that these criteria differ from school to school. Hence, results for individual QA Program participants may differ dramatically from the aggregate information presented here. Still, the same three fields—Parents’ AGI, Parents’ Federal Income Tax Paid, and Parents’ Worksheet B—are the most likely to change. Among those records not selected for school verification, these changes are slightly (roughly 3 percentage points) less likely to change than in the total dependent population. Once a change occurs, however, the percentages with EFC and Pell Grant award changes are similar to the overall population. Approximately one third of the changes to the three problematic fields not detected by school verification were selected for CPS verification.

Before moving on to the results for independent students, the percentage of records that registered a change to EFC and Pell Grant amounts provides insight into the different focus of CPS and school verification. Among all dependent students, 60% of the records experienced a change to EFC and 26% experienced a change to a Pell Grant award. Among the records not selected by the CPS, the percent with a change to EFC goes up slightly (to 63%) and the percent with a change to Pell Award drops dramatically (to 8%). This suggests a primary focus of federal verification on the dependent students initially eligible for Pell Grants, and emphasizes the Department’s focus on reducing Pell Grant overpayments. Among records not selected for school verification, the percentage of records with a change to both EFC (58%) and Pell Grants (20%) went down modestly. This suggests a broader school verification focus among dependent students.

Exhibits 7 through 9 display results for independent students. Exhibit 7 includes all independent records, while Exhibits 8 and 9 limit results to those records not selected by the CPS and records not selected by school criteria, respectively.

Exhibit 7.

Abridged Field Change Report: All Independent Applicants (N = 14,785)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Adjusted Gross Income	2,834	19.17%	41.39%	29.16%	16.11%	20.72%	34.79%	31.90%
Student's Federal Income Tax Paid	2,642	17.87%	51.27%	27.93%	13.24%	24.80%	32.93%	36.96%
Student's Total from Worksheet B	2,111	14.28%	45.44%	26.32%	11.08%	22.56%	32.32%	29.57%
Student's Total from Worksheet C	1,918	12.97%	46.74%	29.21%	14.53%	22.50%	33.10%	30.74%

Source: QA Program sample data from 2004–05 award year.

The first thing to notice about ISIR changes among all independent students (Exhibit 7) is that they were much less common than changes among dependent students (Exhibit 4). Only one third of all independent students experienced a change to EFC, and only one sixth had a change to a Pell Grant award. In comparison, 60% of dependent students had a change to EFC and 26% experienced a change to a Pell Grant award (Exhibit 4). Perhaps the financial situation of independent students is easier to report accurately than the often more complicated finances of dependent students and their parents.

The three most commonly changed ISIR fields among independent records were student versions of the three parental fields that were problematic among dependents' records. Student's AGI, Student's Federal Income Tax Paid, and Student's Worksheet B were the most commonly changed fields. Changes were also common for Student's Worksheet C. From 13% to 19% of the records experienced a change to each of these fields. Although fewer than one in five records experienced changes to these records, adding together the entries in the EFC increase and EFC decrease columns indicates that more than 70% of the records with a change to one of these fields did experience a change to EFC. Performing the analogous addition for Pell Grant increases and decreases, we find that more than one third of the records with changes to any one of these fields also experienced a change to a Pell Grant award. Changes to these fields were relatively uncommon, but when they did occur, they were strongly associated with changes to eligibility for need-based aid.

The final two columns in Exhibit 7 indicate the percentage of records with the specified change that were selected for CPS and school verification. Both CPS and school criteria selected approximately one third of the cases with a change to each of the four most problematic fields for verification.

We found very similar results when we restricted the analysis to only those independent records not selected for either CPS verification (Exhibit 8) or school verification (Exhibit 9).

Exhibit 8.

Abridged Field Change Report: Independent Applicants Not Selected for CPS Verification (N = 11,047)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's AGI	1,949	17.64%	38.43%	31.82%	13.84%	9.21%	29.98%	0.00%
Student's Federal Income Tax Paid	1,690	15.30%	48.57%	33.44%	11.76%	8.26%	26.96%	0.00%
Student's Total from Worksheet B	1,503	13.61%	42.98%	30.60%	10.54%	12.36%	26.79%	0.00%
Student's Total from Worksheet C	1,343	12.16%	43.74%	33.00%	12.85%	9.66%	28.38%	0.00%

Source: QA Program sample data from 2004–05 award year.

Exhibit 9.

Abridged Field Change Report: Independent Applicants Not Selected for School Verification (N = 10,435)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's AGI	1,826	17.50%	40.69%	29.38%	15.07%	18.67%	0.00%	26.88%
Student's Federal Income Tax Paid	1,757	16.84%	50.85%	28.08%	12.15%	22.02%	0.00%	31.34%
Student's Total from Worksheet B	1,432	13.72%	45.44%	28.21%	10.54%	19.73%	0.00%	23.82%
Student's Total from Worksheet C	1,283	12.30%	45.71%	31.47%	14.71%	19.36%	0.00%	25.86%

Source: QA Program sample data from 2004–05 award year.

The similarity in the percentage of records changed to the results for all independent students (Exhibit 7) suggests that neither verification system is targeting changes to the most problematic fields among independent applicants. As we saw among dependent students' records, the CPS verification criteria did seem to be concentrating on independent students eligible for Pell Grants. The percentage of changes to the three most problematic fields that result in decreases in Pell Grants among the records not selected for CPS verification was less than half the comparable percentages among all independent students. School verification seems focused

less exclusively on Pell Grant eligibility, but rather more broadly focused on all Title IV and institutional aid.

The program-wide versions of the Field Change Report provided answers to the three questions we began this section with.

- Which ISIR fields were most likely to be corrected? Adjusted Gross Income (AGI), Federal Taxes Paid, and Worksheet B were the ISIR fields most likely to change between initial and paid-on transactions. The difficulty applicants have in supplying this information may be related to the need to apply for aid before they complete their tax returns.
- Which corrections were most likely to be associated with change to aid eligibility? Changes to these same fields (AGI, Federal Taxes Paid, and Worksheet B) were strongly associated with changes to EFC, especially among dependent students.
- Which corrections were most likely to be selected by CPS or school verification criteria? Both CPS and school verification criteria selected roughly a third of the ISIR records with changes to any particular data element. Differences by the type of correction were negligible. However, neither CPS nor school verification targeted the majority of records that experienced changes to the three most problematic fields (AGI, Federal Taxes Paid, and Worksheet B). The percentage of records with changes to these fields selected for both CPS and school verification was on a par with the percentage of records with changes to other ISIR fields.

FIELD INCREMENT REPORTS

The Field Increment Report answers two related questions:

- Are changes to ISIR fields concentrated within a particular value range?
- Are corrections to fields that affect aid eligibility concentrated within a particular value range?

Our analysis of sample verification did not detect a concentration of changes to ISIR fields within particular income groups.

Within the ISIR Analysis Tool, the Field Increment Report displays the distribution of changes to selected ISIR fields and the effect of those changes on EFC across a range of values for that or some other ISIR field. This display allows users to identify value ranges where corrections are most common. This information can be used to pinpoint groups of students most likely to supply initially incorrect information. We use AGI to define applicant value ranges.

Our Field Increment Reports are somewhat different from the online version that schools generate. Our report provides the general picture. We include all records in most calculations. In the online version, the focus is on the records that experienced a change to a specified ISIR field. We have changed the focus here to maximize the benefit to a general audience. An individual school may want to focus analysis exclusively on a single problematic field, e.g., Parent's Total from Worksheet B. Given the different needs of different schools and the global needs of FSA, we decided to focus on all records. Although most columns in the following exhibits are based on the entire population indicated, the "Percentage of corrected records" column provides the distribution of only those records that experienced at least one change in the up to 14 ISIR fields confirmed by the federal verification worksheets.

As we did for the Field Change Reports, we present two sets of results based on dependency status. Within each set, we examine in turn: all records, those records not selected by the CPS, and those records not selected by school criteria. Exhibits 10 through 12 present results for dependent students by level of Parents' AGI. Exhibits 13 through 15 present results for independent students by level of Student's AGI. For readability, we present abridged version of the Field Increment Reports that exclude the relatively few records in the highest income groups. Unabridged versions of the Exhibits are available in the appendix.

Within each of the income categories examined, we found only minor differences between the percentage of all records and the percentage of records with a correction to one of the fields as confirmed by federal verification worksheets. That is, the tendency to make a correction to ISIR information was unrelated to the income level of an applicant. We found, however, that an applicant's income level did have implications for the consequences of correcting ISIR information. These relationships are explored as we work through the various Field Increment Reports in turn.

Exhibit 10 presents a Field Increment Report for all dependent applicants. Among all dependent applicants, changes to ISIR information were more likely to influence EFC as income level increased. The lowest income categories (less than \$0 and \$1–\$10,000) were particularly

unlikely to experience a change in EFC between the initial and paid-on transactions. Many of these low-income students had automatic “zero” EFCs on both transactions. The tendency to experience an EFC change increased gradually as income levels rise, but this relationship reached a plateau around \$40,000.

Exhibit 10.

Abridged Field Increment Report: All Dependent Applicants (N = 24,310)

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.59%	0.59%	18.63%	4.08%	4.08%	14.57%	64.36%	89.27%
Zero	1.48%	1.67%	30.11%	9.66%	7.67%	26.76%	56.38%	66.72%
1–10,000	4.28%	3.99%	16.77%	6.45%	5.56%	14.48%	45.40%	48.84%
10,001–20,000	9.90%	9.09%	20.14%	13.06%	11.46%	17.90%	41.07%	73.12%
20,001–30,000	12.18%	12.53%	37.13%	22.66%	18.19%	30.48%	51.17%	79.73%
30,001–40,000	12.02%	12.30%	42.39%	24.26%	17.61%	31.08%	53.97%	72.28%
40,001–50,000	11.81%	12.28%	43.07%	25.60%	13.74%	24.17%	48.56%	49.60%
50,001–60,000	10.19%	10.58%	43.26%	25.03%	7.85%	15.31%	40.81%	29.80%
60,001–70,000	8.28%	8.71%	43.03%	26.03%	4.63%	6.52%	36.56%	12.87%
70,001–80,000	6.79%	6.72%	41.37%	23.07%	1.95%	2.91%	35.22%	6.88%

Source: QA Program sample data from 2004–05 award year.

Because Pell Grants are targeted to low-income families, the effect of ISIR changes for Pell Grant eligibility exhibited a different pattern. Here, the effect of ISIR changes also gradually increased as income categories moved up from the lowest income categories. Above \$40,000, however, the effect on Pell Grant eligibility began to decline gradually. For records with initial parental incomes above \$70,000, changes to Pell Grant eligibility became extremely rare. Applicants in these higher income categories were unlikely to be eligible for Pell Grants either before or after corrections were made.

The final two columns in Exhibit 10 indicate different relationships between income levels and CPS and school verification. Both CPS and school verification criteria were more likely to target applicants in lower income groups than applicants with higher incomes, but this difference was much more pronounced for the CPS edits. CPS verification of dependent students reporting initial parental AGI in excess of \$80,000 was quite rare. In contrast, school verification selected at least one third of students in all income categories.

The different focus of the two verification systems has consequences for what corrections normally go undetected. Exhibits 11 and 12 display the changes that the verification sample uncovered but were not captured by CPS and school verification.

Exhibit 11.

Abridged Field Increment Report: Dependent Applicants Not Selected for CPS Verification (N = 13,761)

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.10%	0.11%	39.89%	13.00%	13.00%	5.20%	36.98%	0.00%
Zero	0.67%	0.65%	12.92%	20.02%	13.85%	1.55%	47.18%	0.00%
1–10,000	3.76%	3.75%	10.84%	7.46%	6.49%	7.30%	40.43%	0.00%
10,001–20,000	4.52%	4.64%	14.30%	16.99%	13.96%	7.71%	34.90%	0.00%
20,001–30,000	4.01%	4.00%	31.51%	35.95%	22.21%	13.92%	41.56%	0.00%
30,001–40,000	5.59%	5.44%	32.11%	31.75%	14.45%	3.62%	44.75%	0.00%
40,001–50,000	10.47%	10.16%	34.50%	29.94%	9.44%	1.69%	40.61%	0.00%
50,001–60,000	12.61%	12.49%	39.87%	28.04%	5.24%	1.69%	36.53%	0.00%
60,001–70,000	12.83%	12.80%	41.93%	27.60%	3.67%	0.66%	34.51%	0.00%
70,001–80,000	11.23%	11.40%	42.10%	24.24%	1.45%	0.30%	33.51%	0.00%

Source: QA Program sample data from 2004–05 award year.

Among dependent students not selected by the CPS (Exhibit 11), we see a reduced relative chance of an over-award of aid and a higher chance of under-awards of aid than in the total dependent population. With the exception of the \$20,000–\$30,000 income category, undetected decreases to Pell Grant eligibility (Pell over-awards) are quite rare among those records not selected for federal verification. However, undetected increases to Pell Grant eligibility (Pell under-awards) were fairly common among applicants with parental incomes that were less than \$50,000. Among applicants with incomes under \$50,000 not selected by CPS, we saw ISIR changes leading to EFC decreases as often, if not more often, as they resulted in EFC increases. This finding contrasts with the tendency of EFC increases to outpace EFC decreases by roughly 15 percentage points among all dependent students (see Exhibit 10) in these income categories.

Among dependent students not selected for school verification (Exhibit 12), a slightly reduced potential was found for both under-awards and over-awards of aid. The percentages in each income category with changes, and the percentage of those changes resulting in an EFC increase and decrease, were slightly lower among dependent students not selected for school verification than the percentages among all dependent students (Exhibit 10). This finding suggests that school verification improves the accuracy of aid awards in general, but it does not focus on reducing Pell Grant over-awards as exclusively as CPS verification does. Looking at the three parental income intervals between \$10,001 and \$40,000, we see that CPS verification is selecting a high percentage of records with changes that school verification criteria are not selecting.

Exhibit 12.

Abridged Field Increment Report: Dependent Applicants Not Selected for School Verification (N = 13,994)

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.37%	0.38%	12.04%	1.47%	1.47%	8.21%	0.00%	83.04%
Zero	1.03%	0.96%	29.44%	6.25%	3.51%	24.26%	0.00%	65.66%
1–10,000	4.16%	4.02%	13.32%	5.26%	4.30%	10.91%	0.00%	45.86%
10,001–20,000	10.43%	10.18%	17.82%	12.07%	11.22%	15.86%	0.00%	71.60%
20,001–30,000	10.59%	10.40%	35.88%	23.10%	17.78%	28.91%	0.00%	77.72%
30,001–40,000	9.76%	9.42%	40.62%	24.07%	16.16%	28.26%	0.00%	68.13%
40,001–50,000	10.77%	10.65%	42.54%	24.43%	11.25%	20.42%	0.00%	41.83%
50,001–60,000	10.74%	10.63%	42.14%	24.09%	5.96%	12.51%	0.00%	24.91%
60,001–70,000	9.36%	9.49%	42.37%	26.15%	3.25%	3.99%	0.00%	9.54%
70,001–80,000	7.87%	8.22%	42.02%	24.17%	1.27%	1.69%	0.00%	4.38%

Source: QA Program sample data from 2004–05 award year.

Turning now to independent students (Exhibit 13), again no relationship is found between a student’s initial report of AGI and the tendency to make changes to ISIR information. The percentage of independent students’ records experiencing changes in both EFC and Pell Grants awards was lower among independent students than it was among dependent students. Furthermore, the likelihood of experiencing a change to EFC was not strongly related to independent students’ income levels.

Exhibit 13.

Abridged Field Increment Report: All Independent Applicants Verification (N = 14,785)

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.55%	0.41%	16.96%	14.88%	1.58%	6.04%	45.60%	16.85%
Zero	2.60%	2.93%	29.91%	12.49%	8.03%	19.49%	47.30%	50.77%
1–5,000	13.49%	12.99%	34.29%	19.34%	8.15%	14.69%	41.23%	37.69%
5,001–10,000	16.12%	15.64%	31.18%	18.81%	8.63%	12.96%	37.36%	32.74%
10,001–15,000	13.28%	13.08%	24.55%	16.52%	7.61%	10.13%	30.72%	24.17%
15,001–20,000	9.77%	10.02%	25.02%	18.40%	9.13%	11.34%	32.31%	27.34%
20,001–25,000	8.01%	8.56%	25.52%	20.58%	9.71%	12.59%	30.62%	33.08%
25,001–30,000	6.32%	6.70%	28.20%	20.00%	8.98%	13.28%	28.82%	26.18%
30,001–35,000	4.58%	4.86%	33.20%	18.81%	6.24%	16.23%	32.60%	24.70%

Source: QA Program sample data from 2004–05 award year.

The final two columns in Exhibit 13 indicate the percentage of records within an income category that were selected for school and CPS verification, respectively. As for dependent students, both verification systems tend to select a greater percentage of lower income students than higher income students. As was also the case for dependent students, this pattern is more pronounced for the CPS edits. The CPS selected only a small percentage of the two highest independent income categories for federal verification. What differs from the findings for dependent students is that school verification targets a relatively high percentage of independent students in most of the income categories. Only two income categories were exceptions to this pattern (Zero and \$20,001–\$25,000), and the percentages verified by school and CPS criteria in these two income categories were similar.

Exhibits 14 and 15 display the changes among independent students not captured by CPS and school verification but uncovered by the verification sample.

Among independent students not selected by the CPS (Exhibit 14), the verification sample detected a disparity in the tendency of federal verification to select records with a potential over- and under-award. In income categories above \$15,000, the percentage of records not verified by CPS with an EFC decrease was often quite close to the corresponding percentage among all independent students. This means that CPS edits were not targeting potential under-awards. In contrast, the percentage of EFC increases left in the non-CPS-verified group was consistently lower (often dramatically so) than the corresponding percentage of increases to EFC in the total population. This means that CPS edits were effectively capturing potential over-awards.

Exhibit 14.

Abridged Field Increment Report: Independent Applicants Not Selected for CPS Verification (N = 11,047)

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School- selected verification	CPS- selected verification
Less than 0	0.68%	0.71%	5.05%	5.32%	1.25%	2.53%	43.26%	0.00%
Zero	2.84%	2.73%	11.30%	4.06%	4.93%	8.35%	44.57%	0.00%
1–5,000	15.15%	15.33%	5.76%	2.72%	1.87%	3.08%	29.11%	0.00%
5,001–10,000	16.05%	16.25%	12.14%	10.21%	5.64%	5.29%	25.32%	0.00%
10,001–15,000	13.79%	13.72%	14.57%	13.73%	7.85%	5.36%	24.28%	0.00%
15,001–20,000	9.61%	9.46%	20.58%	17.76%	8.38%	6.14%	25.34%	0.00%
20,001–25,000	7.31%	7.21%	21.89%	21.13%	7.93%	4.52%	24.75%	0.00%
25,001–30,000	6.37%	6.30%	23.63%	19.13%	5.76%	5.26%	23.71%	0.00%
30,001–35,000	4.63%	4.65%	29.09%	19.76%	4.99%	8.52%	30.31%	0.00%

Source: QA Program sample data from 2004–05 award year.

Among independent students not selected for school verification (Exhibit 15), the verification sample reveals something different. Reductions occurred in the percentage of both EFC increases and decreases. However, most of the improvement stemming from school

verification occurs among students with incomes of less than \$30,000. The percentages of EFC increases and decreases among the applicants not selected for school verification with higher incomes were similar to changes among all independent students. Changes to EFC for students with incomes above \$30,000 may or may not be sufficient to influence eligibility for need-based aid. Whether such changes matter would depend on the cost of attendance and the student’s family situation (e.g., single, spouse also in college, number of children supported).

Exhibit 15.

Abridged Field Increment Report: Independent Applicants Not Selected for School Verification (N = 10,435)

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.45%	0.45%	6.07%	6.67%	0.00%	1.95%	0.00%	7.03%
Zero	2.11%	1.96%	12.31%	4.81%	5.57%	10.52%	0.00%	20.78%
1–5,000	13.21%	13.50%	5.97%	2.31%	1.50%	3.47%	0.00%	13.41%
5,001–10,000	16.16%	16.43%	15.09%	9.75%	5.62%	9.21%	0.00%	21.04%
10,001–15,000	13.82%	13.68%	17.35%	11.61%	6.98%	9.86%	0.00%	19.52%
15,001–20,000	9.76%	9.64%	21.65%	16.15%	8.89%	9.72%	0.00%	21.72%
20,001–25,000	8.22%	8.01%	23.64%	18.98%	8.82%	10.30%	0.00%	28.76%
25,001–30,000	6.58%	6.49%	26.11%	19.28%	7.10%	10.36%	0.00%	21.29%
30,001–35,000	4.43%	4.44%	32.34%	21.02%	7.20%	15.81%	0.00%	22.32%

Source: QA Program sample data from 2004–05 award year.

The Field Increment Reports provide insight into the two questions at the beginning of this section.

- Are changes to ISIR fields concentrated within a particular value range? Changes to ISIR fields did not seem to be concentrated at any one income level. Within each income category (of parents and student), the proportion of records with changes closely mirrored the proportion of all records in that category.
- Are corrections to fields that affect aid eligibility concentrated within a particular value range? Given the targeted nature of the Pell Grant program, changes among lower income applicants were more likely to influence eligibility for Pell Grant awards. However, EFC changes extended to the very highest income categories examined. When both the initial and paid-on EFC exceeds the cost of attendance at the college or university the student attends, changes to EFC are, of course, moot. However, in 2004–05, the average total charges at private 4-year colleges exceeded \$27,000, and the total cost of attending a public 4-year college exceeded \$11,000.² Therefore, changes in EFC experienced by even relatively affluent students have the potential of influencing their eligibility for need-based aid.

² College Board, *Trends in college pricing 2004*. www.collegeboard.com, 2004.

PELL GRANT ELIGIBILITY BY DEPENDENCY

The Pell Eligibility by Dependency Status Report answers two questions:

- Are changes to the selected field related to Pell Grant eligibility and dependency status?
- Are there Pell Grant eligibility and dependency status-based differences in the ability of CPS or discretionary/school criteria to detect changes to the selected field?

The Pell Eligibility by Dependency Status Reports available from the online Tool display data by dependency and Pell Grant eligibility status. The reports divide records into four categories: Dependent and Pell Eligible, Dependent and Pell Ineligible, Independent and Pell Eligible, and Independent and Pell Ineligible. For each of these categories, the online report displays the percentage of records corrected, the percentage of EFC and Pell Grant increases and decreases, and percentage selected by CPS or school verification.

Because we have already segregated our analysis by dependency status, each of the two exhibits below, inspired by the Pell Eligibility by Dependency Status Reports, presents results for only a single dependency status.

Exhibit 16 displays information for dependents' records that experienced a change to each of three problematic fields identified in Exhibits 4, 5, and 6: Parents' Adjusted Gross Income (AGI), Parents' Federal Income Tax Paid, and Parents' Total from Worksheet B. To demonstrate how to read Exhibit 16, we will discuss the first field examined, Parents' AGI, in great detail. The same type of interpretation holds for other entries. The reader is referred to Exhibit 16 as a more efficient method of directly communicating the findings.

First, note that nearly all (93%) the changes to Parents' AGI occur among applicants not initially eligible for Pell Grants. This finding should be interpreted in light of the fact that only 51% of the dependent students in the verification sample were not initially eligible for Pell Grants. Therefore, this is quite an overrepresentation. Second, changes to Parents' AGI were more likely to result in an increase than a decrease in EFC for both those eligible (59% vs. 22%) and ineligible (57% vs. 42%) for a Pell Grant. Still, the percentage of records where AGI was corrected that experienced a decrease in EFC (increase in eligibility for aid) was by no means trivial, especially among those not initially eligible for Pell Grants.

In terms of changes to Pell Grant awards among those who had a correction to Parents' AGI, decreases outnumbered increases by three to one (57% to 20%) among those initially eligible for Pell Grants. After correcting Parents' AGI, 10% of the initially ineligible population became eligible. None of the applicants initially ineligible for Pell had an award to reduce, thus the percentage that experienced a Pell Grant decrease was zero.

Exhibit 16.

Pell Eligibility Status of Dependent Applicants with Identified ISIR Corrections

Type of ISIR	Pell Grant eligibility	Percentage corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Records with changes to Parents' Adjusted Gross Income								
All dependent students N = 7,524	Eligible	7.3%	59.4%	22.1%	19.8%	56.7%	58.8%	92.8%
	Ineligible	92.7%	57.1%	42.1%	10.0%	0.0%	42.1%	2.7%
Dependent not verified by CPS N = 4,140	Eligible	6.2%	43.1%	20.3%	18.5%	39.9%	48.4%	0.0%
	Ineligible	93.8%	57.4%	41.8%	9.8%	0.0%	42.2%	0.0%
Dependent not verified by school N = 3,821	Eligible	3.9%	57.6%	21.8%	19.3%	55.0%	0.0%	91.0%
	Ineligible	96.2%	57.8%	41.2%	7.8%	0.0%	0.0%	2.8%
Records with changes to Parents' Federal Income Tax Paid								
All dependent students N = 7,487	Eligible	30.5%	67.7%	20.5%	18.1%	64.7%	58.6%	94.5%
	Ineligible	69.6%	60.8%	38.8%	7.6%	0.0%	40.0%	2.6%
Dependent not verified by CPS N = 4,392	Eligible	37.4%	57.5%	22.1%	20.1%	54.5%	48.1%	0.0%
	Ineligible	62.6%	61.1%	38.5%	7.5%	0.0%	40.0%	0.0%
Dependent not verified by school N = 3,978	Eligible	32.2%	67.0%	20.6%	17.9%	64.0%	0.0%	93.2%
	Ineligible	67.8%	62.0%	37.4%	5.9%	0.0%	0.0%	2.6%
Records with changes to Parents' Total from Worksheet B								
All dependent students N = 7,025	Eligible	39.9%	61.7%	21.4%	18.4%	58.3%	58.1%	88.7%
	Ineligible	60.1%	62.8%	36.5%	5.7%	0.0%	39.5%	3.1%
Dependent not verified by CPS N = 4,407	Eligible	46.9%	10.8%	8.4%	7.5%	9.6%	38.8%	0.0%
	Ineligible	53.1%	27.9%	22.9%	4.7%	0.0%	35.0%	0.0%
Dependent not verified by school N = 3,878	Eligible	42.1%	24.3%	12.7%	11.1%	22.2%	0.0%	78.9%
	Ineligible	57.9%	28.2%	22.1%	3.7%	0.0%	0.0%	3.1%

Source: QA Program sample data from 2004–05 award year.

The final two columns provide the percentage of records selected by CPS and schools for verification. Note that CPS selected nearly all of the records from students who experienced a change to Parents' AGI and who were eligible for Pell Grants (93%) and nearly none of these records from the applicants ineligible for Pell Grants (3%).

Looking at the other two problematic fields, we see that changes to Parents' Federal Income Tax Paid and to Total from Worksheet B are more evenly divided between those who

were eligible and ineligible for Pell Grants. Changes are still more common among those initially ineligible for Pell, but this difference is not nearly as dramatic as was the case for Parents’ AGI. Again, CPS verification finds nearly all of the corrections among the dependent Pell-eligible population and nearly none of the changes outside of this group. Nearly all of the records of Pell-eligible students with corrections to Parents’ Federal Income Tax Paid (95%) and Parents’ Total from Worksheet B (89%) were selected for CPS verification, but only a handful of the changes to records of persons ineligible for Pell Grants were selected.

In contrast, school verification selected records with the identified corrections in both populations—those eligible and ineligible for Pell Grants. There was a slight tendency for school verification to address corrections among those initially eligible for Pell Grants, but school verification also selected about 40% of the records with corrections among those ineligible for Pell Grants.

In Exhibit 17, which displays the results for independent students, we once again found that CPS was concentrating its verification efforts almost exclusively on those initially eligible for Pell Grants. For example, CPS verification selected 57% of the Pell-eligible ISIRs that had a correction to Student’s AGI, but only 3% of the Pell-ineligible ISIRs with a change to Student’s AGI were selected. As was the case for dependent students, school verification was more balanced in targeting records from the populations that were both eligible and ineligible for Pell Grants.

To see whether or not eligibility for Pell Grants was related to the tendency of records to have a correction to any one of the three fields, recall that of the records we examined, 55% of the independent students were initially eligible for Pell Grants. Therefore, we see only a mild under-representation of those records of persons initially eligible for Pell Grants among the records with corrections to Student’s AGI (52%), Student’s Federal Income Tax Paid (50%), and Student’s Total from Worksheet B (47%), but fairly substantial under-representation among changes to Student’s Total from Worksheet C (33%). If there were no relationship between Pell Grant eligibility status and changes to the fields, the percentage of corrected records would have been 55% across the board.

Exhibit 17.

Pell Eligibility Status of Independent Students with Identified ISIR Corrections

Type of ISIR	Pell Grant eligibility	Percentage corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Records with changes to Student’s Adjusted Gross Income								
All independent students N = 2,834	Eligible	52.4%	40.1%	21.3%	20.1%	38.7%	40.1%	57.0%
	Ineligible	47.6%	42.8%	38.3%	11.5%	0.0%	28.7%	2.9%
Independent not verified by CPS N = 1,949	Eligible	54.1%	29.2%	20.1%	18.8%	27.2%	32.5%	0.0%
	Ineligible	45.9%	43.2%	37.8%	11.3%	0.0%	28.7%	0.0%
Independent not verified by school N = 1,826	Eligible	51.0%	39.1%	19.9%	18.6%	37.9%	0.0%	51.6%
	Ineligible	49.0%	42.2%	38.6%	11.7%	0.0%	0.0%	2.9%

Exhibit 17
Pell Eligibility Status of Independent Students with Identified ISIR Corrections
 (Continued)

Type of ISIR	Pell Grant eligibility	Percentage corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Records with changes to Student's Federal Income Tax Paid								
All independent students N = 2,642	Eligible	49.9%	50.4%	19.4%	17.0%	48.6%	38.8%	69.7%
	Ineligible	50.1%	52.1%	36.9%	9.3%	0.0%	26.8%	2.9%
Independent not verified by CPS N = 1,690	Eligible	24.1%	37.4%	23.5%	19.5%	33.7%	28.1%	0.0%
	Ineligible	75.9%	52.2%	36.7%	9.2%	0.0%	26.6%	0.0%
Independent not verified by school N = 1,757	Eligible	44.6%	49.3%	18.7%	15.6%	47.2%	0.0%	64.3%
	Ineligible	55.4%	52.2%	36.3%	9.2%	0.0%	0.0%	2.5%
Records with changes to Student's Total from Worksheet B								
All independent students N = 2,111	Eligible	33.0%	42.9%	15.7%	13.3%	40.5%	39.1%	50.6%
	Ineligible	67.0%	48.7%	39.7%	8.3%	0.0%	23.8%	3.2%
Independent not verified by CPS N = 1,503	Eligible	37.6%	34.5%	16.4%	13.8%	31.6%	30.9%	0.0%
	Ineligible	62.4%	48.5%	39.7%	8.4%	0.0%	24.2%	0.0%
Independent not verified by school N = 1,432	Eligible	31.2%	41.7%	16.3%	13.2%	39.3%	0.0%	43.9%
	Ineligible	68.8%	49.2%	40.2%	7.8%	0.0%	0.0%	3.6%
Records with changes to Student's Total from Worksheet C								
All independent students N = 1,918	Eligible	47.4%	44.2%	23.4%	21.1%	42.8%	38.9%	57.1%
	Ineligible	52.6%	49.6%	35.6%	7.3%	0.0%	26.7%	1.6%
Independent not verified by CPS N = 1,343	Eligible	47.4%	31.7%	27.5%	24.6%	29.7%	31.7%	0.0%
	Ineligible	52.6%	49.5%	35.7%	7.2%	0.0%	26.8%	0.0%
Independent not verified by school N = 1,283	Eligible	45.9%	42.0%	25.7%	22.6%	40.3%	0.0%	52.1%
	Ineligible	54.1%	49.2%	36.8%	7.5%	0.0%	0.0%	1.7%

Source: QA Program sample data from 2004–05 award year.

To summarize we return to the questions we started this section with.

- Are changes to the selected fields related to Pell Grant eligibility and dependency status? For dependent students there was an over-representation of changes to the three most problematic data elements (AGI, Federal Taxes Paid, and Worksheet B) among the Pell-ineligible population. This was particularly pronounced for

changes to Parents' AGI. Among independent students there was a substantial over-representation of changes to Worksheet B, but only a minor over-representation of changes to other fields among the Pell ineligible population.

- Are there Pell Grant eligibility and dependency status-based differences in the ability of CPS or discretionary/school criteria to detect changes to the selected field? CPS verification did an effective job of detecting changes among the Pell eligible population. School verification was more balanced in targeting records from the populations that were both eligible and ineligible for Pell Grants.

ADDITIONAL ANALYSIS

The reports available in the Tool examine the relative tendency of specific ISIR fields to change and describe the consequences of those changes in relation to eligibility for financial aid. We supplement these findings by examining the:

- Direction of corrections to information supplied on the FAFSA
- Percentage of records selected for CPS and school verification
- Consequences of CPS and school verification efforts
- Budgetary projections based on our findings from QA Program sample data

DIRECTION OF CORRECTIONS

When reporting the percentage of records corrected, the Tool’s reports combine increases and decreases from the initial transaction. In Exhibit 18, we disaggregate these changes by indicating whether the change involved an increase or decrease. These desegregations allow us to see whether or not changes to a particular item are more likely to result in students’ getting more or less aid. The average changes to the item and the average change in EFC for records experiencing a change in the indicated direction are also reported.

Exhibit 18.

Description of Changes to Problematic Data Fields

Problematic item	Type of change	Percentage with type of change	Average change to item (in dollars)	Average change to EFC (in dollars)
Parents' AGI	Decrease	45.3%	-11,037	-1,200
	Increase	54.7%	12,145	2,861
Parents' Federal Income Tax Paid	Decrease	67.5%	-4,309	885
	Increase	32.5%	1,660	2,797
Parents' Total from Worksheet B	Decrease	29.4%	-3,682	-788
	Increase	70.7%	4,400	2,005
Student's AGI	Decrease	45.1%	-10,811	-1,960
	Increase	54.9%	5,565	1,176
Student's Federal Income Tax Paid	Decrease	74.6%	-1,180	446
	Increase	25.4%	498	1,161
Student's Total from Worksheet B	Decrease	34.5%	-3,000	-1,236
	Increase	65.5%	3,287	1,037
Student's Total from Worksheet C	Decrease	44.3%	-2,991	368
	Increase	55.7%	1,416	185

Source: QA Program sample data from 2004–05 award year.

Note that changes to data elements included in Exhibit 18 tended to be in the direction of reducing rather than increasing eligibility for need-based aid. Both AGI and the Total from Worksheet B (additions to income) were more likely to increase than decrease. Values of both Parents' and Student's Federal Taxes Paid were more likely to decrease than increase. Only changes to values of Student's Total from Worksheet C (subtractions from income) were more likely to be in the direction (increase) of making the applicant eligible for more aid.

Because the parents of dependent students tend to have higher incomes and tax liabilities than independent students, it is not surprising that changes to parents' information fields usually involved larger dollar amounts.

PERCENTAGE OF RECORDS VERIFIED BY CPS AND SCHOOL VERIFICATION

The average percentages of records flagged for CPS verification and school verification were remarkably similar. School verification selected 38% while CPS selected 37% of records. In one sense, these percentages represent the aggregate burden that verification places on institutions. It is important to point out that QA schools, on average, are choosing to verify a larger percentage of cases than they would "have to" if they were not participating in the program. Furthermore, the average percentage of records selected by the CPS is in excess of 30% of applicants. ED cannot require Title IV schools to verify more than 30% of their applicants.

Although the overall "burden" of school-developed and CPS-mandated verification was similar, Exhibit 19 indicates much more variation in the percentage of ISIRs that QA schools chose to verify than in the percentage of records selected by CPS criteria. Twenty schools (16%) had school verification criteria that selected less than 10% of their applicants, while 35 schools (28%)³ selected more than half of their records for verification. The percentage selected by the CPS was much more uniform across schools. Fifty schools (40%) had between 30% and 40% of their ISIRs flagged by the CPS. Two-thirds of the QA schools had CPS-selected records beyond the 30% cutoff.

³ 8.8% + 6.4% + 8.0% + 1.6% + 3.2% = 28%

Exhibit 19.
*Distribution of CPS and School Verification Rates
 Across Schools (N = 125)*

Percentage of records verified	CPS verification	School verification
Less than 10%	0.0%	16.0%
10–20%	5.6%	12.8%
20–30%	28.0%	19.2%
30–40%	40.0%	14.4%
40–50%	12.8%	9.6%
50–60%	7.2%	8.8%
60–70%	2.4%	6.4%
70–80%	2.4%	8.0%
80–90%	1.6%	1.6%
90–100%	0.0%	3.2%

Source: QA Program sample data from 2004–05 award year.

When interpreting the consequences of verification, it is important to remember that FSA cannot require a school to verify more than 30% of its applicants, regardless of how many the CPS flags. We have no way of knowing which schools would choose to verify records beyond the required 30% if they had not been in the QA Program. The figures below simply assume that all records flagged by the CPS would in fact be verified. Therefore, the results for CPS should be treated as a “best-case scenario”, as they assume schools’ willingness to verify beyond the level mandated by law. FSA is “encouraging” schools to verify all CPS-selected records, but unless the law changes, it cannot require schools to verify more than 30% of their ISIRs. In contrast, QA Program schools verify 100% of the applicants selected by their school criteria.

EFFECTIVENESS OF CPS AND SCHOOL VERIFICATION

The effectiveness of verification can be measured either by changes to EFC or changes to Pell Grant awards. Changes to EFC affect eligibility for all need-based aid programs: subsidized loans, campus-based awards, state grants, private scholarships, and Pell Grants. Due to the entitlement nature of the Pell Grants, the accuracy of these awards is of special interest. Exhibit 20 provides the percentage of applicants with the indicated change selected by both CPS and school verification.

Exhibit 20.

Effectiveness and Burden of School and CPS Verification (N = 39,095)

Description of ISIRs in row	Percentage of all records	Percentage selected by school verification	Percentage selected by CPS verification
All records	100%	38%	37%
EFC changes >\$400	21%	43%	41%
EFC changes <-\$400	11%	42%	25%
Pell Grant over-awards	14%	53%	86%
Pell Grant under-awards	8%	49%	58%
Absolute value change to EFC of at least \$400 or change to Pell Grant award	50%	42%	39%
No change to Pell Grant and absolute value change to EFC of \$399 or less	50%	35%	35%

Source: QA Program sample data from 2004–05 award year.

Looking first at changes to EFC, we found that CPS and school verification detected a similar percentage of potential over-awards, but school criteria were much more likely to detect potential under-awards. Among records that experienced an EFC increase in excess of \$400, 43% were selected for school and 41% for CPS verification. School verification was equally adept at detecting decreases in EFC, flagging 42% of records with a decline of at least \$400 to EFC. In contrast, CPS verification only selected one quarter of these potential under-awards.

CPS verification did, however, do a better job of selecting records with a change in Pell eligibility, particularly over-awards. CPS verification selected 86% of records that would have experienced a Pell Grant over-award had aid been disbursed on the basis of initial application information. CPS verification also selected over half (58%) of potential under-awards of Pell Grants. In contrast, school verification selected 53% of potential Pell Grant over-awards and 49% of Pell Grant under-awards.

The next row in Exhibit 20 combines any change to EFC exceeding \$400 in absolute value and any change to a Pell Grant award. School verification performs slightly better on this summary measure of effectiveness than CPS verification, verifying 42% versus 39% of these records.

The final row in Exhibit 20 provides a measure of unnecessary verification. Records included in these calculations experienced neither a change to EFC of more than \$400 nor a change to a Pell Grant award. Half of the records (50%) fell into this category. Unfortunately, both CPS and school verification selected 35% of these records for verification.

Since all of the FAFSA information in the QA verification sample was confirmed, we can conduct “what if” exercises to estimate how the effectiveness of school and CPS verification would change if we modified the selection criteria. Remember that we could have perfect award accuracy if we verified all aid applicants, but that would mean verifying many students unnecessarily. The idea is to find groups of students where changes to eligibility for need-based aid are most likely.

Our analysis of field increment reports failed to detect a concentration of changes to FAFSA information within specific income levels. If we had found such a concentration, then we could attempt to target records within these ranges to add to verification selection criteria. However, we did find that changes to ISIR information were more likely to affect aid awards among dependent than independent students (see Exhibits 10 and 13). Therefore, we decided to concentrate expansion of current verification criteria among dependent students to improve accuracy while minimizing burden.

The way to improve verification is to look at the changes to ISIR information the verification sample uncovered among records not typically verified by CPS and school verification. Among dependent students not selected for CPS verification (Exhibit 11), we saw a concentration of undetected changes to EFC in parental income levels between \$20,000 and \$50,000. CPS verification did not perform well at catching potential Pell Grant under-payment among these records. Among records not normally selected for school verification (Exhibit 12), we saw the highest levels of changes to Pell Grant awards for students with parental incomes between \$10,000 and \$40,000. Within this income band of records not selected by schools, CPS verification selected roughly 70% of records that experienced an ISIR change.

Applying the insights from analysis of the Field Increment Reports, we “modified” CPS verification by adding all dependent students with Parental Adjusted Gross Incomes between \$20,000 and \$50,000 to the records normally selected by the CPS. We added all dependent students with Parental Adjusted Gross Incomes between \$10,000 and \$40,000 who were selected by the CPS to the records currently being selected for school verification. Exhibit 21 illustrates how these modifications would have affected the accuracy of awards.

Exhibit 21.

Accuracy and Burden of “Modified” School and CPS Verification (N = 39,095)

Description of ISIRs in row	Percent of all records	Percent selected by modified school verification	Percent selected by modified CPS verification
ALL records	100%	45%	43%
EFC changes > \$400	21%	50%	48%
EFC changes < -\$400	11%	47%	39%
Pell over-award	14%	70%	88%
Pell under-awards	8%	63%	69%
Absolute value change to EFC of at least \$400 or change to Pell award	50%	49%	47%
No change to Pell and absolute value change to EFC of \$399 or less	50%	41%	39%

Source: QA Program sample data from 2004–05 award year.

As we added records that met the specified criteria, we increased the burden of both CPS and school verification to 43% and 45%, respectively. Whether schools would be willing to verify the additional students is an open question. The simulated increased level of verification did, however, improve the accuracy of aid awards. For example, current CPS verification detected 25% of EFC changes less than -\$400, but adding dependent students with parental incomes that are between \$20,000 and \$50,000 would increase this to level of detection to 39%. Current school verification detected only 53% of potential Pell Grant over-awards. Adding to school verification, applicants who are selected by the CPS and who have parental incomes between \$10,000 and \$40,000, would raise this detection of over-awards to 70%.

BUDGETARY IMPLICATIONS

Using the ISIR data from QA Program schools, we can demonstrate the importance of verification efforts in ensuring the accuracy of Pell Grant disbursements. Exhibit 22 presents the dollar amounts of potential Pell over- and under-awards going to the students included in our analysis. The “potential” qualifier is necessary because we are looking at all changes from the initial application. Some of these changes would have been made even if the student was not verified. By disaggregating these dollar amounts according to whether the individual applicants were slated for CPS and school verification, we can see the degree to which both verification systems target potential inaccuracies in Pell Grant awards. Keep in mind that many of the CPS-selected records were in excess of the 30% mandate, and analysis of the effectiveness of CPS verification assumes that all CPS-flagged records would have been verified.

Exhibit 22.

Dollar Amount Implications for Pell Grant Disbursements

Sum of Pell Grant awards that would have been disbursed based on initial transaction information	\$61,427,550	
Sum of Pell Grant awards based on verified information	\$59,164,000	
	Dollar amount	Percentage of initial Pell Grant awards
Net difference in Pell Grant awards based on initial and verified information	\$2,263,549	3.68%
Sum of all potential Pell Grant over-awards	\$5,898,399	9.60%
Potential Pell Grant over-awards to records selected by CPS	\$5,077,950	8.27%
Potential Pell Grant over-awards to records not selected by CPS	\$820,450	1.34%
Potential Pell Grant over-awards to records selected by school	\$3,305,851	5.38%
Potential Pell Grant over-awards to records not selected by school	\$2,592,550	4.22%
Sum of all potential Pell Grant under-awards	\$3,634,850	5.92%
Potential Pell Grant under-awards to records selected by CPS	\$1,340,500	2.18%
Potential Pell Grant under-awards to records not selected by CPS	\$2,294,350	3.74%
Potential Pell Grant under-awards to records selected by school	\$1,695,600	2.76%
Potential Pell Grant under-awards to records not selected by school	\$1,939,251	3.16%

Source: QA Program sample data from 2004–05.

The first row in Exhibit 22 indicates that if all aid awards had been based on initial application information, more than \$61 million in Pell Grant awards would have gone to the students included in our analysis. This dollar amount fell to \$59 million after all of the students' FAFSA information was verified. Although the net reduction in Pell dollars was somewhat modest, it reflects larger and somewhat counterbalancing over- and under-payments of Pell Grant awards to individual students. In our sample, \$5.9 million—or nearly 10%—of the total Pell Grant disbursement was in excess of the amount recalculated with the benefit of verified information. Absent any changes in student initial application data, students in our sample would have also missed out on \$3.6 million in Pell Grant assistance they were entitled to after corrections to their aid applications were made. Combining both potential over- and under-awards, we see that verification efforts need to address potential errors that might equal nearly 16% of Pell Grant disbursements. How effective were CPS and school verification in finding these potentially misallocated dollars?

First, with CPS verification, nearly all of the potential over-award dollars went to records selected by CPS. Only \$820,450 went to records not selected for verification by the CPS. This yielded an over-payment rate of only 1.3% after CPS verification. CPS verification was less successful at detecting potential under-awards of Pell Grants. The under-payments of Pell Grant awards to applicants not selected by CPS verification constituted 3.7% of initial disbursements. Combining the rates of over- and under-awards after CPS verification indicates that CPS verification cuts potential misallocations of Pell Grant dollars by two-thirds, from 16% to 5% of initial awards.

School verification did not target over-award dollars as effectively as CPS verification. Over-payments of Pell Grants to students not selected for school verification still constitute 4.2% of initial Pell Grant awards. School verification does, however, do a slightly better job of preventing under-awards, reducing that rate to 3.2%. Combining both over-and under-award rates suggests that school verification reduces potential errors in delivery of Pell Grant awards in half, from 16% to 7.4%.

Our program-wide data were collected from a random sample of ISIRs at individual QA Program schools. Therefore, the findings we present here are not strictly generalizable to all colleges and universities that deliver Title IV financial aid. Still, the variety of schools participating in the QA Program makes our finding at least illustrative of patterns likely to be occurring elsewhere. Applying nationwide the over- and under-payment rates of Pell Grant awards, remaining after CPS verification among the QA schools, is illustrative to the degree that the following three assumptions are true. First, changes to ISIR data observed in the QA sample are representative of changes elsewhere. Second, all records selected by the CPS for verification are in fact verified, even if it meant a school had to choose to verify records of more than 30% of its population. Finally, verifying students' information does not discourage them from seeking financial assistance.

Applying our rates to national dollar amounts reveals a somewhat surprising result. Applying the 3.8% rate of increase observed to date (May 13, 2005) in Pell Grant disbursement during the current 2004–05 academic year to total disbursements in 2003–04, we estimate FSA will disburse approximately \$13.3 billion in Pell Grants this year. Applying the effectiveness rates of CPS verification from the QA sample data, we see that, after current CPS verification is

carried out, only 1.3% (\$173 million) would constitute over-payments. Attempts to reduce this dollar amount further, by expanding the scope of CPS verification or through an IRS match, could improve the accuracy of Pell Grant awards, but these attempts are very unlikely to decrease total Pell Grant expenditures. The reason is that any effort to find the relatively few Pell Grant over-payments is more likely to detect the more prevalent under-payments that remain after CPS verification. Among the records not selected for CPS verification in the QA sample, we found a potential under-payment rate of 3.7%. This translates to \$492 million when applied to the \$13.3 billion base of total Pell Grant expenditures in 2004–05. Correcting both the over- and under-payments not captured by CPS in awarding Pell Grants together would net a \$319 million increase in Pell Grant disbursements.

SCHOOL COMPLIANCE AND USABILITY ISSUES

The fact that 125 of 133 QA schools were able to successfully fulfill the requirements of the verification sample is testimony to the partnership between FSA and participating institutions. This partnership has been the cornerstone of the QA Program since its inception. Misunderstandings, especially among schools that were unable to attend the Electronic Access Conferences in the fall of 2004, were a contributing factor for the relatively few schools that drew their sample incorrectly. FSA will continue to look for ways to further clarify their instructions to schools in the future, paying additional attention to schools that are unable to attend future EAC conferences or training.

The schools had little trouble navigating the online ISIR Analysis Tool. Users appreciated the intuitive nature of analyzing data with the online application. They particularly liked the drill-down features of the Tool that allowed them to progress from one report to another. Compared to the former PC software product, the online ISIR Analysis Tool was much easier for schools to learn and use.

Schools did make some suggestions for improvements that are being addressed in the next (2005–06) version of the ISIR Analysis Tool. Many users voiced the need for additional filtering capacity. They often want to focus their analysis on a relatively restricted subpopulation of students. For example, schools may want to analyze only records not selected by school verification, with incomes between \$10,000 and \$40,000 that were selected by the CPS for verification. The 2005–06 version of the Tool expands the number of ISIR fields that users can use to filter standard reports. The 2005–06 version of the Tool also allows users to apply these filters to all standard reports. Schools also expressed some dissatisfaction with the limited number of records they could analyze in the Tool. The limit of 500 records imposed in 2004–05 will be increased to 1,500 in 2005–06.

To use the Tool, schools must upload an ASCII text file containing student identifying information. Although this represents a major step forward from the PC software of a few years ago, which required schools to actually import the ISIR data, the need for schools to identify a subset of their records for analysis still constitutes a barrier to using the Tool. This barrier is especially problematic for FSA's efforts to encourage non-QA schools to use the Tool. Therefore, FSA is looking at ways to incorporate the analytic features of the Tool into ADvance.

ADvance will be a fully integrated system that consolidates and streamlines common functions and offers an end-to-end, online view of financial aid information for customer service representatives, schools, and students. ADvance will be transitioned in over the next 3 years.

CONCLUSION

In conclusion, we provide a summary of our major findings and offer several recommendations for moving forward.

MAJOR FINDINGS

- Analysis of QA verification sample data has identified that the three most problematic FAFSA data elements in QA schools are Adjusted Gross Income, Federal Income Taxes Paid, and Worksheet B.
- Changes to Adjusted Gross Income, Federal Income Taxes Paid, and Worksheet B and other ISIR fields were more likely to affect the aid eligibility of dependent students than independent students.
- In comparing the effectiveness of CPS and school verification, we found that CPS focused more exclusively on the subpopulation eligible for Pell Grants and, therefore, detected changes in Pell Grant overawards. School verification cast a wider verification net, and therefore was much more likely than CPS verification to detect potential under-awards of Title IV aid.
- CPS and school verification could both improve effectiveness in selecting all potential over- and under-awards of aid. This finding suggests the need to expand verification criteria to maintain program integrity. But both CPS and schools selected more than 30% of the ISIRs in the QA sample. By law, FSA cannot require colleges and universities to verify more than 30% of their applicants.
- Both CPS and school verification selected relatively high percentages of records that did not register either a Pell Grant change or an EFC shift of more than \$400. In fact, the percentages of such records selected by both CPS and school criteria were only a few percentage points lower than the percentage of all records selected for verification.

Based on these findings we offer the following recommendations.

RECOMMENDATIONS

This is the first time that QA Program schools have collected and reported this type of information. Now that QA Program participants and FSA see the large number of changes to initial ISIRs that are not selected for verification that need to be, and the large number of ISIRs that are selected for verification and experience no substantive change, they should renew efforts to improve both school and CPS verification by:

- Expanding verification to include students with substantive changes currently not captured by verification.
- Fine-tuning verification to exclude students currently being flagged for verification with no resulting change to aid eligibility.

The continuous improvement component of the management philosophy behind the QA Program facilitates the type of experimentation necessary to find the right balance between verifying records with changes and excluding records without changes from verification. QA schools can improve the accuracy of aid awards without increasing the percentage of records verified by more effectively targeting verification. Likewise, reducing the number of applicants' records selected by CPS that result in no change to aid awards could allow FSA to improve the accuracy of aid awards without relying on institutions to voluntarily verify more than 30% of their applicants. By eliminating students currently flagged for CPS verification who are unlikely to have a change in aid eligibility, FSA could "make room" for the additional verification needed to improve the accuracy of aid awards.

As FSA begins the next award year, there are some specific next steps to consider.

- Develop training that assists QA schools in reducing non-consequential school verification. Participants in the QA Program will not be drawing a verification sample in 2005–06. Instead they will use the 2005–06 version of the ISIR Analysis Tool to analyze changes in their current school verification population.
- Encourage non-QA schools that have more than 30% of their records selected to use the Tool to prioritize which of the records selected to actually verify. Using the reports available in the Tool, non-QA schools can seek to identify types of students selected by the CPS who are less likely to experience a change in aid eligibility after verification.
- Share data and analysis findings across all FSA initiatives dealing with verification, improper payments, and ADvance.
- FSA has recently emphasized Pell Grant over-awards in its verification efforts and may be overlooking changes, particularly under-awards among those not initially eligible for Pell Grants. It will be important to continue to analyze subsequent QA Program sample data to watch for changes, particularly the ability of CPS and school verification to detect changes that affect Pell Grants. The next QA Program sample is scheduled for 2006-07.
- FSA and Congress are also considering moving toward an IRS match, where the information stemming from a student's and their parents' tax returns reflected on the ISIR could be cross-checked with tax records. If this comes to pass, the capacity of ISIR Tool to monitor the accuracy of non-tax return items (e.g., number in college, number in household, etc.) will need to be given additional focus.

APPENDIX

Unabridged Exhibit 4.

Field Change Report: All Dependent Applicants (N = 24,310)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	1,326	5.45%	47.38%	31.26%	13.67%	19.94%	37.26%	41.84%
Student's Number in College	1,214	4.99%	49.43%	29.89%	13.48%	20.60%	37.61%	42.33%
Student's AGI	4,480	18.43%	57.28%	29.17%	12.15%	24.99%	46.67%	44.25%
Student's Federal Income Tax Paid	3,508	14.43%	61.31%	28.13%	11.40%	25.63%	44.89%	42.46%
Student's Tax Return Filed?	4,166	17.14%	55.78%	28.89%	11.99%	23.95%	49.56%	44.16%
Student's Total from Worksheet A	502	2.06%	29.99%	46.74%	28.48%	17.18%	48.98%	41.98%
Student's Total from Worksheet B	629	2.59%	44.39%	38.14%	14.85%	16.97%	53.13%	37.80%
Student's Total from Worksheet C	1,915	7.88%	48.59%	33.18%	15.87%	24.77%	50.64%	49.31%
Parents' Number of Family Members	2,404	9.89%	56.04%	23.26%	15.03%	32.45%	46.52%	56.94%
Parents' Number in College	1,824	7.50%	58.51%	22.46%	13.58%	30.73%	44.63%	55.18%
Parents' Tax Return Filed?	5,708	23.48%	57.53%	30.43%	12.94%	25.75%	52.22%	45.68%
Parents' AGI	7,524	30.95%	58.21%	32.58%	14.61%	26.92%	50.05%	45.51%
Parents' Federal Income Tax Paid	7,487	30.80%	63.74%	30.99%	12.12%	27.59%	47.94%	41.80%
Parents' Total from Worksheet A	3,391	13.95%	44.68%	27.98%	19.41%	32.27%	51.56%	66.91%
Parents' Total from Worksheet B	7,025	28.90%	62.37%	30.34%	10.90%	23.72%	47.06%	37.92%
Parents' Total from Worksheet C	3,240	13.33%	62.59%	34.70%	14.18%	28.75%	47.19%	43.81%
EFC	14,632	60.19%	63.39%	36.61%	15.84%	27.74%	45.98%	41.69%
Pell Award amount	6,320	26.00%	63.60%	36.18%	36.42%	63.58%	56.37%	83.65%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 5.

*Field Change Report: Dependent Applicants Not Selected for CPS Verification
(N = 13,761)*

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	775	5.63%	46.23%	36.53%	9.21%	1.86%	27.62%	0.00%
Student's Number in College	701	5.09%	48.74%	34.26%	8.61%	1.91%	27.48%	0.00%
Student's AGI	2,521	18.32%	56.90%	35.63%	7.79%	2.09%	39.37%	0.00%
Student's Federal Income Tax Paid	2,037	14.80%	61.07%	33.88%	7.36%	2.39%	38.15%	0.00%
Student's Tax Return Filed?	2,348	17.06%	54.98%	34.89%	7.49%	2.09%	41.51%	0.00%
Student's Total from Worksheet A	297	2.16%	23.25%	58.86%	28.07%	2.59%	41.52%	0.00%
Student's Total from Worksheet B	397	2.88%	43.38%	44.54%	8.85%	2.33%	46.56%	0.00%
Student's Total from Worksheet C	977	7.10%	47.58%	41.49%	10.06%	4.30%	42.63%	0.00%
Parents' Number of Family Members	1,058	7.69%	56.12%	31.09%	12.79%	3.34%	36.48%	0.00%
Parents' Number in College	827	6.01%	63.42%	27.31%	8.81%	4.65%	35.15%	0.00%
Parents' Tax Return Filed?	3,122	22.69%	57.29%	37.19%	7.74%	2.13%	44.07%	0.00%
Parents AGI	4,140	30.09%	56.55%	40.41%	10.33%	2.49%	42.59%	0.00%
Parents' Federal Income Tax Paid	4,392	31.92%	60.99%	37.81%	8.05%	2.18%	40.30%	0.00%
Parents Total from Worksheet A	1,136	8.26%	38.61%	39.45%	17.42%	8.30%	41.98%	0.00%
Parents' Total from Worksheet B	4,407	32.03%	61.40%	34.86%	6.24%	2.76%	39.90%	0.00%
Parents' Total from Worksheet C	1,848	13.43%	57.48%	41.65%	8.39%	1.31%	38.01%	0.00%
EFC	8,616	62.61%	59.31%	40.69%	8.88%	3.25%	37.99%	0.00%
Pell Award amount	1,049	7.62%	27.32%	71.73%	73.29%	26.71%	48.63%	0.00%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 6.

*Field Change Report: Dependent Applicants Not Selected for School Verification
(N = 13,994)*

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	852	6.09%	47.55%	30.56%	11.40%	15.17%	0.00%	32.90%
Student's Number in College	772	5.52%	48.41%	30.16%	11.10%	15.12%	0.00%	32.97%
Student's AGI	2,432	17.38%	56.06%	30.37%	10.65%	19.57%	0.00%	36.61%
Student's Federal Income Tax Paid	1,973	14.10%	60.98%	29.05%	9.71%	20.91%	0.00%	35.41%
Student's Tax Return Filed?	2,133	15.24%	54.63%	30.13%	10.29%	18.32%	0.00%	35.26%
Student's Total from Worksheet A	262	1.87%	27.75%	49.14%	27.63%	13.51%	0.00%	33.49%
Student's Total from Worksheet B	307	2.19%	43.21%	37.06%	8.72%	13.05%	0.00%	29.08%
Student's Total from Worksheet C	974	6.96%	49.81%	32.75%	13.27%	21.20%	0.00%	41.09%
Parents' Number of Family Members	1,297	9.27%	55.46%	23.93%	14.69%	26.49%	0.00%	48.86%
Parents' Number in College	1,011	7.22%	59.59%	22.06%	11.91%	26.09%	0.00%	47.51%
Parents' Tax Return Filed?	2,768	19.78%	57.88%	31.32%	10.54%	19.63%	0.00%	36.42%
Parents' AGI	3,821	27.30%	57.72%	33.58%	12.32%	21.52%	0.00%	37.37%
Parents' Federal Income Tax Paid	3,978	28.43%	63.70%	31.73%	9.96%	21.69%	0.00%	33.25%
Parents' Total from Worksheet A	1,654	11.82%	42.65%	28.25%	17.95%	28.29%	0.00%	60.37%
Parents' Total from Worksheet B	3,878	27.71%	62.74%	30.38%	8.42%	18.33%	0.00%	29.53%
Parents' Total from Worksheet C	1,755	12.54%	62.80%	35.02%	11.05%	22.56%	0.00%	34.04%
EFC	8,130	58.10%	63.13%	36.87%	13.12%	22.05%	0.00%	33.07%
Pell Award amount	2,762	19.74%	62.58%	37.10%	37.42%	62.58%	0.00%	80.76%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 7.

Field Change Report: All Independent Applicants (N = 14,785)

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	951	6.43%	35.67%	20.94%	16.95%	26.07%	29.83%	37.62%
Student's Number in College	712	4.82%	37.66%	20.83%	15.36%	23.93%	27.88%	35.39%
Student's Adjusted Gross Income	2,834	19.17%	41.39%	29.16%	16.11%	20.72%	34.79%	31.90%
Student's Federal Income Tax Paid	2,642	17.87%	51.27%	27.93%	13.24%	24.80%	32.93%	36.96%
Student's Tax Return Filed?	1,979	13.39%	38.59%	22.36%	11.42%	18.16%	38.39%	30.95%
Student's Total from Worksheet A	1,393	9.42%	31.06%	21.39%	15.33%	22.92%	35.53%	39.26%
Student's Total from Worksheet B	2,111	14.28%	45.44%	26.32%	11.08%	22.56%	32.32%	29.57%
Student's Total from Worksheet C	1,918	12.97%	46.74%	29.21%	14.53%	22.50%	33.10%	30.74%
EFC	4,937	33.39%	60.42%	39.58%	19.33%	30.89%	32.19%	31.23%
Pell Award amount	2,458	16.62%	60.99%	36.26%	39.77%	60.23%	38.23%	54.04%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 8.

*Field Change Report: Independent Applicants Not Selected for CPS Verification
(N = 11,047)*

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	597	5.40%	31.16%	22.66%	17.54%	16.49%	25.47%	0.00%
Student's Number in College	467	4.23%	35.83%	20.62%	14.50%	15.80%	24.57%	0.00%
Student's AGI	1,949	17.64%	38.43%	31.82%	13.84%	9.21%	29.98%	0.00%
Student's Federal Income Tax Paid	1,690	15.30%	48.57%	33.44%	11.76%	8.26%	26.96%	0.00%
Student's Tax Return Filed?	1,382	12.51%	36.26%	24.06%	9.01%	7.62%	34.38%	0.00%
Student's Total from Worksheet A	858	7.77%	23.37%	23.60%	14.71%	11.02%	29.77%	0.00%
Student's Total from Worksheet B	1,503	13.61%	42.98%	30.60%	10.54%	12.36%	26.79%	0.00%
Student's Total from Worksheet C	1,343	12.16%	43.74%	33.00%	12.85%	9.66%	28.38%	0.00%
EFC	3,442	31.16%	55.71%	44.29%	17.36%	15.22%	27.43%	0.00%
Pell Award amount	1,126	10.19%	46.55%	47.85%	55.19%	44.81%	31.81%	0.00%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 9.

*Field Change Report: Independent Applicants Not Selected for School Verification
(N = 10,435)*

Field	Number of records corrected	Percentage of records corrected	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Student's Number of Family Members	647	6.20%	35.17%	20.60%	15.70%	24.16%	0.00%	33.74%
Student's Number in College	496	4.75%	35.54%	19.54%	14.13%	22.26%	0.00%	32.43%
Student's AGI	1,826	17.50%	40.69%	29.38%	15.07%	18.67%	0.00%	26.88%
Student's Federal Income Tax Paid	1,757	16.84%	50.85%	28.08%	12.15%	22.02%	0.00%	31.34%
Student's Tax Return Filed?	1,201	11.51%	37.45%	22.50%	9.62%	15.76%	0.00%	26.45%
Student's Total from Worksheet A	875	8.39%	29.08%	21.59%	14.95%	20.20%	0.00%	33.83%
Student's Total from Worksheet B	1,432	13.72%	45.44%	28.21%	10.54%	19.73%	0.00%	23.82%
Student's Total from Worksheet C	1,283	12.30%	45.71%	31.47%	14.71%	19.36%	0.00%	25.86%
EFC	3,345	32.06%	59.28%	40.72%	18.20%	27.26%	0.00%	26.40%
Pell Award amount	1,487	14.25%	59.25%	37.40%	41.53%	58.47%	0.00%	49.26%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 10.

Field Increment Report: All Dependent Applicants (N = 24,310)

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.59%	0.59%	18.63%	4.08%	4.08%	14.57%	64.36%	89.27%
Zero	1.48%	1.67%	30.11%	9.66%	7.67%	26.76%	56.38%	66.72%
1–10,000	4.28%	3.99%	16.77%	6.45%	5.56%	14.48%	45.40%	48.84%
10,001–20,000	9.90%	9.09%	20.14%	13.06%	11.46%	17.90%	41.07%	73.12%
20,001–30,000	12.18%	12.53%	37.13%	22.66%	18.19%	30.48%	51.17%	79.73%
30,001–40,000	12.02%	12.30%	42.39%	24.26%	17.61%	31.08%	53.97%	72.28%
40,001–50,000	11.81%	12.28%	43.07%	25.60%	13.74%	24.17%	48.56%	49.60%
50,001–60,000	10.19%	10.58%	43.26%	25.03%	7.85%	15.31%	40.81%	29.80%
60,001–70,000	8.28%	8.71%	43.03%	26.03%	4.63%	6.52%	36.56%	12.87%
70,001–80,000	6.79%	6.72%	41.37%	23.07%	1.95%	2.91%	35.22%	6.88%
80,001–90,000	5.15%	5.14%	43.55%	21.49%	1.39%	1.37%	35.51%	3.91%
90,001–100,000	4.01%	4.05%	41.86%	23.19%	0.59%	1.04%	34.05%	3.63%
100,001–110,000	2.64%	2.53%	37.05%	25.07%	1.32%	1.38%	36.43%	3.43%
110,001–120,000	1.82%	1.80%	42.30%	20.79%	1.50%	0.98%	34.57%	5.16%
120,001–130,000	1.18%	1.17%	37.42%	28.04%	1.98%	0.43%	36.81%	4.69%
130,001–140,000	0.78%	0.87%	47.21%	21.68%	0.59%	1.07%	41.19%	4.10%
140,001–150,000	0.49%	0.55%	48.55%	22.96%	0.79%	0.79%	34.37%	7.32%
150,001–999,999	1.67%	1.57%	34.96%	21.05%	1.37%	0.64%	37.98%	5.47%
Blank	4.73%	3.88%	19.69%	13.05%	6.81%	10.36%	31.29%	28.28%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 11.

*Field Increment Report: Dependent Applicants Not Selected for CPS Verification
(N = 13,761)*

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School- selected verification	CPS- selected verification
Less than 0	0.10%	0.11%	39.89%	13.00%	13.00%	5.20%	36.98%	0.00%
Zero	0.67%	0.65%	12.92%	20.02%	13.85%	1.55%	47.18%	0.00%
1–10,000	3.76%	3.75%	10.84%	7.46%	6.49%	7.30%	40.43%	0.00%
10,001–20,000	4.52%	4.64%	14.30%	16.99%	13.96%	7.71%	34.90%	0.00%
20,001–30,000	4.01%	4.00%	31.51%	35.95%	22.21%	13.92%	41.56%	0.00%
30,001–40,000	5.59%	5.44%	32.11%	31.75%	14.45%	3.62%	44.75%	0.00%
40,001–50,000	10.47%	10.16%	34.50%	29.94%	9.44%	1.69%	40.61%	0.00%
50,001–60,000	12.61%	12.49%	39.87%	28.04%	5.24%	1.69%	36.53%	0.00%
60,001–70,000	12.83%	12.80%	41.93%	27.60%	3.67%	0.66%	34.51%	0.00%
70,001–80,000	11.23%	11.40%	42.10%	24.24%	1.45%	0.30%	33.51%	0.00%
80,001–90,000	8.80%	9.03%	44.13%	22.07%	1.32%	0.00%	34.79%	0.00%
90,001–100,000	6.88%	6.81%	42.67%	24.34%	0.63%	0.00%	33.78%	0.00%
100,001–110,000	4.54%	4.59%	37.42%	25.67%	1.23%	0.36%	36.36%	0.00%
110,001–120,000	3.08%	3.11%	45.91%	21.69%	1.34%	0.29%	33.06%	0.00%
120,001–130,000	2.00%	2.03%	39.60%	28.45%	2.15%	0.00%	37.81%	0.00%
130,001–140,000	1.33%	1.37%	50.19%	22.88%	0.66%	0.00%	40.26%	0.00%
140,001–150,000	0.82%	0.90%	51.16%	24.09%	0.90%	0.00%	34.66%	0.00%
150,001–999,999	2.83%	2.86%	35.51%	22.71%	1.57%	0.00%	39.04%	0.00%
Blank	3.96%	3.88%	12.56%	10.07%	4.31%	1.80%	40.65%	0.00%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 12.

Field Increment Report: Dependent Applicants Not Selected for School Verification (N = 13,994)

Parent AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.37%	0.38%	12.04%	1.47%	1.47%	8.21%	0.00%	83.04%
Zero	1.03%	0.96%	29.44%	6.25%	3.51%	24.26%	0.00%	65.66%
1–10,000	4.16%	4.02%	13.32%	5.26%	4.30%	10.91%	0.00%	45.86%
10,001–20,000	10.43%	10.18%	17.82%	12.07%	11.22%	15.86%	0.00%	71.60%
20,001–30,000	10.59%	10.40%	35.88%	23.10%	17.78%	28.91%	0.00%	77.72%
30,001–40,000	9.76%	9.42%	40.62%	24.07%	16.16%	28.26%	0.00%	68.13%
40,001–50,000	10.77%	10.65%	42.54%	24.43%	11.25%	20.42%	0.00%	41.83%
50,001–60,000	10.74%	10.63%	42.14%	24.09%	5.96%	12.51%	0.00%	24.91%
60,001–70,000	9.36%	9.49%	42.37%	26.15%	3.25%	3.99%	0.00%	9.54%
70,001–80,000	7.87%	8.22%	42.02%	24.17%	1.27%	1.69%	0.00%	4.38%
80,001–90,000	5.97%	6.25%	41.55%	21.24%	1.04%	0.60%	0.00%	3.04%
90,001–100,000	4.75%	4.89%	43.95%	24.35%	0.52%	0.38%	0.00%	3.46%
100,001–110,000	2.99%	3.14%	36.56%	27.15%	1.33%	0.33%	0.00%	2.49%
110,001–120,000	2.16%	2.24%	47.58%	19.72%	1.06%	0.41%	0.00%	3.84%
120,001–130,000	1.32%	1.40%	34.97%	31.96%	2.29%	0.00%	0.00%	5.40%
130,001–140,000	0.83%	0.89%	49.47%	22.85%	0.00%	0.00%	0.00%	3.68%
140,001–150,000	0.57%	0.64%	54.58%	19.49%	0.00%	0.00%	0.00%	5.81%
150,001–999,999	1.82%	1.97%	41.43%	21.22%	0.64%	0.43%	0.00%	4.73%
Blank	4.50%	4.24%	11.81%	8.41%	5.41%	6.11%	0.00%	47.40%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 13.

Field Increment Report: All Independent Applicants Verification (N = 14,785)

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.55%	0.41%	16.96%	14.88%	1.58%	6.04%	45.60%	16.85%
Zero	2.60%	2.93%	29.91%	12.49%	8.03%	19.49%	47.30%	50.77%
1–5,000	13.49%	12.99%	34.29%	19.34%	8.15%	14.69%	41.23%	37.69%
5,001–10,000	16.12%	15.64%	31.18%	18.81%	8.63%	12.96%	37.36%	32.74%
10,001–15,000	13.28%	13.08%	24.55%	16.52%	7.61%	10.13%	30.72%	24.17%
15,001–20,000	9.77%	10.02%	25.02%	18.40%	9.13%	11.34%	32.31%	27.34%
20,001–25,000	8.01%	8.56%	25.52%	20.58%	9.71%	12.59%	30.62%	33.08%
25,001–30,000	6.32%	6.70%	28.20%	20.00%	8.98%	13.28%	28.82%	26.18%
30,001–35,000	4.58%	4.86%	33.20%	18.81%	6.24%	16.23%	32.60%	24.70%
35,001–40,000	3.53%	3.85%	37.69%	18.50%	8.48%	16.45%	31.99%	24.60%
40,001–45,000	2.65%	3.06%	34.31%	21.33%	11.63%	15.25%	25.90%	23.79%
45,001–50,000	2.09%	2.40%	33.97%	25.66%	10.26%	12.90%	26.59%	21.78%
50,001–55,000	1.43%	1.42%	28.63%	24.28%	10.24%	7.22%	27.21%	17.77%
55,001–60,000	1.23%	1.35%	33.13%	23.34%	5.48%	5.40%	24.50%	9.82%
60,001–999,999	3.50%	3.96%	29.15%	28.93%	4.90%	2.55%	21.21%	4.56%
Blank	10.83%	8.77%	29.83%	16.77%	8.73%	15.98%	44.85%	49.77%

Source: QA Program sample data from 2004–05 award year.

Unabridged Exhibit 14.

*Field Increment Report: Independent Applicants Not Selected for CPS Verification
(N = 11,047)*

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School- selected verification	CPS- selected verification
Less than 0	0.68%	0.71%	5.05%	5.32%	1.25%	2.53%	43.26%	0.00%
Zero	2.84%	2.73%	11.30%	4.06%	4.93%	8.35%	44.57%	0.00%
1–5,000	15.15%	15.33%	5.76%	2.72%	1.87%	3.08%	29.11%	0.00%
5,001–10,000	16.05%	16.25%	12.14%	10.21%	5.64%	5.29%	25.32%	0.00%
10,001–15,000	13.79%	13.72%	14.57%	13.73%	7.85%	5.36%	24.28%	0.00%
15,001–20,000	9.61%	9.46%	20.58%	17.76%	8.38%	6.14%	25.34%	0.00%
20,001–25,000	7.31%	7.21%	21.89%	21.13%	7.93%	4.52%	24.75%	0.00%
25,001–30,000	6.37%	6.30%	23.63%	19.13%	5.76%	5.26%	23.71%	0.00%
30,001–35,000	4.63%	4.65%	29.09%	19.76%	4.99%	8.52%	30.31%	0.00%
35,001–40,000	3.56%	3.56%	33.69%	18.71%	6.75%	6.64%	30.33%	0.00%
40,001–45,000	2.78%	2.67%	29.24%	21.12%	9.32%	5.65%	19.11%	0.00%
45,001–50,000	2.16%	2.20%	28.75%	26.19%	9.58%	2.68%	21.74%	0.00%
50,001–55,000	1.58%	1.58%	26.68%	20.72%	4.68%	1.38%	21.07%	0.00%
55,001–60,000	1.46%	1.48%	32.04%	22.17%	3.65%	1.19%	22.96%	0.00%
60,001–999,999	4.32%	4.49%	29.22%	26.71%	4.66%	0.25%	19.28%	0.00%
Blank	7.71%	7.66%	6.96%	4.68%	4.58%	3.11%	30.13%	0.00%

Source: QA Program sample data from 2004-05 award year.

Unabridged Exhibit 15.

Field Increment Report: Independent Applicants Not Selected for School Verification (N = 10,435)

Student AGI (in dollars)	Percentage of all records	Percentage of corrected records	EFC increase	EFC decrease	Pell Grant increase	Pell Grant decrease	School-selected verification	CPS-selected verification
Less than 0	0.45%	0.45%	6.07%	6.67%	0.00%	1.95%	0.00%	7.03%
Zero	2.11%	1.96%	12.31%	4.81%	5.57%	10.52%	0.00%	20.78%
1–5,000	13.21%	13.50%	5.97%	2.31%	1.50%	3.47%	0.00%	13.41%
5,001–10,000	16.16%	16.43%	15.09%	9.75%	5.62%	9.21%	0.00%	21.04%
10,001–15,000	13.82%	13.68%	17.35%	11.61%	6.98%	9.86%	0.00%	19.52%
15,001–20,000	9.76%	9.64%	21.65%	16.15%	8.89%	9.72%	0.00%	21.72%
20,001–25,000	8.22%	8.01%	23.64%	18.98%	8.82%	10.30%	0.00%	28.76%
25,001–30,000	6.58%	6.49%	26.11%	19.28%	7.10%	10.36%	0.00%	21.29%
30,001–35,000	4.43%	4.44%	32.34%	21.02%	7.20%	15.81%	0.00%	22.32%
35,001–40,000	3.44%	3.48%	36.53%	19.15%	8.12%	15.05%	0.00%	23.27%
40,001–45,000	2.88%	2.82%	32.77%	20.98%	10.02%	13.05%	0.00%	17.09%
45,001–50,000	2.18%	2.20%	30.95%	25.87%	10.32%	10.69%	0.00%	17.19%
50,001–55,000	1.49%	1.49%	26.74%	25.46%	8.39%	4.89%	0.00%	10.76%
55,001–60,000	1.31%	1.38%	34.04%	22.55%	4.49%	5.40%	0.00%	8.89%
60,001–999,999	3.90%	4.08%	30.07%	26.97%	5.37%	2.26%	0.00%	4.79%
Blank	10.08%	9.95%	9.04%	4.87%	4.79%	6.98%	0.00%	43.12%

Source: QA Program sample data from 2004–05 award year.