

2023



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# Diagnosis PJ

Three Areas of Professional Judgment

July 13, 2023



# Foundation of the Student Financial Aid Eligibility

- The responsibility for educating students rest with their families.
- Neither the student nor the family can absolve the other from that responsibility
  - Effective 2024-2025 the Expected Family Contribution calculation is replaced with a Student Aid Index
- The need analysis formula is not a cash-flow analysis, but an attempt to measure the relative financial strength of families to meet education expenses over time.



# Principles of Need Analysis

- Aid based on relative ability to pay (not willingness)
- Formula establishes relative economic strength to meet costs over time
- Ability to pay is independent of cost and independent of family lifestyle
- Snapshot of general financial situation at point of application.



# General Guidelines of PJ

## Can establish criteria to categorize students for possible PJ adjustments, however.....

The determination must be made on a case-by-case basis

The reason for the action must be documented and provided in written form to the student

The school must not discriminate on the basis of race, national origin, religion, sex, marital status, age or disability status

FAA may not assume the circumstance exists for all members of a group or class of students even if they display similar attributes

It is a violation of the law to generalize conditions or situations for a population of students and make across the board adjustments

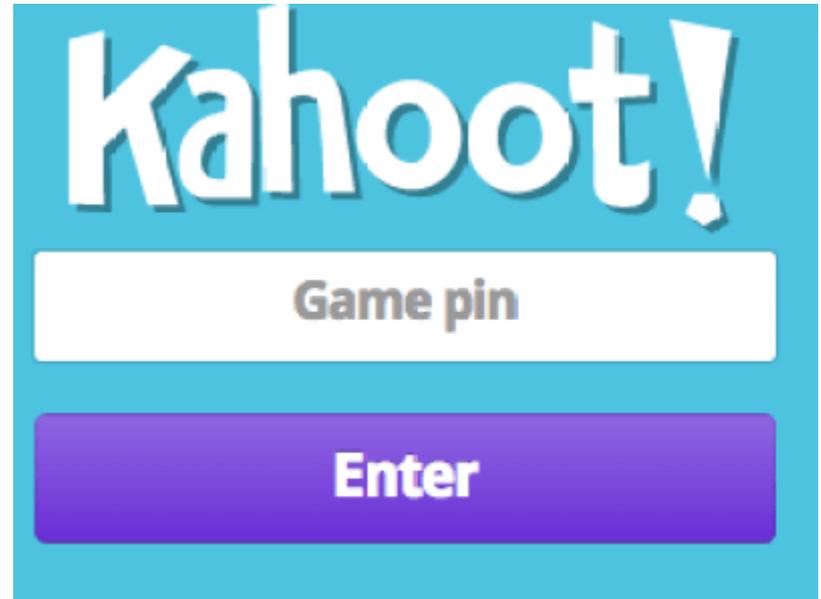
Special circumstances are conditions that differentiate an individual student from a whole class of students.



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# Basic PJ Principles

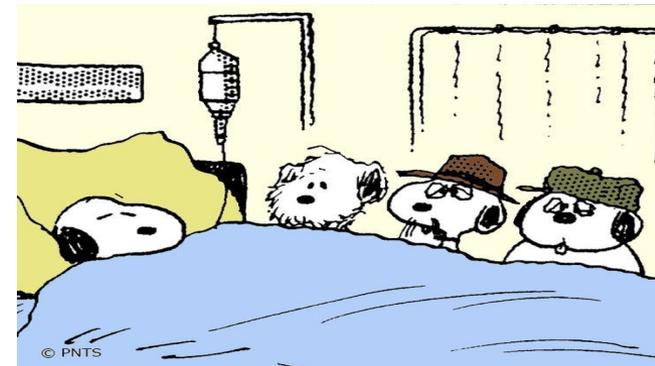


- Providing Access to At-Risk Students
  - Unlocking At-Risk Student potential
- An aid administrator may use professional judgment, on a case-by-case basis - only after a careful evaluation of a student's unique circumstances - to alter the data elements used to calculate the EFC
- The reason for the adjustment must be documented in the student's file AND it must differentiate the individual student from a class of students, as opposed to conditions that exist across a class of students.
- You must resolve any inconsistent or conflicting information shown on the Student Aid Report (SAR) or output document *before* making any adjustments.



# Professional Judgment Restrictions

- May not use professional judgment to make an otherwise ineligible student eligible – *no PJ to waive general student eligibility criteria*
- Cannot add post-enrollment costs such as professional licensing examination fees. *Expenses must be incurred by the student for the current period of enrollment*
- Make an independent student (via standard criteria) dependent



# Access & Unlocking Potential of At Risk



- Listen carefully
- Show them you care with visual cues
- Give them a task in steps
- Take note of negative statements without reacting in front of the student
- Use 'when-then' statements when outlining processes and possible delays
- Summarize expectations – give them '3'



# Professional Judgment - The Basics

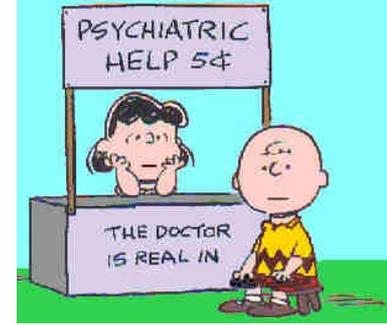
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- Use PJ to Adjust:
  - COA budget
  - EFC/SAI – including but not limited to changes in income, parent marital status, medical expenses
  - Loan Eligibility
  - Dependency status
  - SAP Determinations

- **YOU MAY ADJUST DATA ELEMENTS THAT IMPACT EFC/SAI BUT NOT THE EFC/SAI ITSELF**



# Diagnosing the PJ



- To encourage consistency of applying PJ for similar cases, authority to exercise professional judgment is as follows:
  - Changes in financial situation
  - Dependency override
  - Standards of Academic Progress
    - Internal review committee of Associate Director and Coordinators
    - External review committee of faculty and advisors w/Director of Scholarships serving as ex-officio





# Special Condition Requests



# Treating Changes in Financial Situations

- Commonly called: Special Conditions
- Full verification required – regardless of whether ISIR is selected by federal processor
- Request Form must be complete and appropriate documentation attached
- Change in financial situation must take place between January and October 15 of the current year (fall)
  - Income Protection Allowance
  - Medical and Dental expenses that could not be itemized on base year tax return
  - Additional members or loss of wage earner in household size
  - Loss of employment or reduction in hours



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***A written request  
from the student and***

- Letters of Termination
- Benefits received
- Receipts
- Pay stubs
- Other third party documentation

***A clear record of:***

- Decision made and how it was reached
- Decision date
- Description and date of actions taken
- Institutional policy and procedure citation
- Name and title of decision maker



# Documentation of Income

- Death of the wage earner – certificate
- Divorce/separation – rent receipts, attorney letter
- Loss of job – could include severance or other termination benefits. Request copy of termination agreement.
- Unemployment benefit
- Changing jobs – employer’s letter listing salary and positions (commissions, bonus)



# Got the symptoms?



- Answered yes to being a ‘Dislocated’ or ‘Displaced’ worker on the FAFSA
  - Simplified 2425 FAFSA Draft removes this question
  - Institutions may require an additional form or question in student portal
- Change in finances totals \$7,600 for dependents or \$11,820 for independents
- Relatives moved into the house, use additional utilities and cost more in food
- Parent and/or student must pay for special examination or professional licensing
- Parent chooses to send younger sibling to private schooling
- Death in immediate family
- Separation or divorce after FAFSA completed





# Dependency Overrides



# Treating Dependency Override



- Commonly called: Dependency Appeals
- Regulatory reference: Special circumstances
- Appeal must accompany cover sheet and must be typewritten appropriate documentation
  - Unaccompanied/homeless youth
  - Orphan/ward of the State
  - Household abuse/police intervention
- Renewal Appeal instructions mailed every fall



# Got the Symptoms?



- Student has been supporting him/herself for past two years, claiming themselves on their federal tax returns
- Parents refuse to provide income information for FAFSA completion
- Student is 19 years of age, lives on his/her own and was Ward of the State at age 13
- One parent is deceased
- One parent is incarcerated





# Minimum Standards of Academic Progress



# Treating Standards of Academic Progress



- Commonly called: SAP
- Typewritten appeal must be attached to petition and include support documentation
  - Reviewers must complete cover sheet with previous 3 decisions and summary of appeal
  - Cover sheet should include reason for termination
- Students exceeding maximum time frame must provide degree audit or graduation checklist
  - Maximum time frame appeals should be routed to External Committee of faculty and advisors (DFAO)



# Treating Satisfactory Academic Progress II



- Qualitative Standard I: Cumulative Grade Point Average
  - Development Coursework counts!
  - Reviewed every term including summer for those institutions with a warning status
  - Warning statuses allow first time students ‘grace’
- Quantitative Standard I: Completion Ratio
  - Developmental Coursework counts!
  - Calculation based on home institution hours only
    - Total earned hours / Total attempted hours
  - Institutional policies on withdrawals may vary
    - Official and Unofficial



# Treating Satisfactory Academic Progress III



- Quantitative Standard II: Maximum Time frame
- Appeals along with degree audit and/or graduation checklist should be referred to External Committee (often faculty and academic advisors)
- Includes transfer coursework
- Reviewed every term including summer for institutions with a warning status



# Got symptoms?



- Student stopped out from Spring 2021 until Summer 2023
- Student working on 2<sup>nd</sup> bachelors degree after receiving a masters degree at another institution
- Student approved additional hours beyond Maximum Timeframe the previous term
- Student completing a program in Interdisciplinary studies
- Student missing grades for full term due to studying abroad
- Acknowledgement of 'AI' (ChatGBT) usage, why & how? Did it meet learning outcomes outlined in course syllabus?



# Follow-up Visits to PJ



- Changes in financial situation for 2021 forward should not require a new request until 2023-2024
  - Changes in 2023-2024 have little impact after October 15, 2023
    - Example: Marital separation in February, 2024
  - Does the institution have a policy for underestimated resources from prior year?
- Dependency overrides are renewable
  - Does institution send instructions for previous overrides during the renewal process?
  - Separate from homelessness or unaccompanied youth! No override necessary or documentation every year.



# Follow-up Visits to PJ Pg2



- Standards of Academic Progress reinstatements
  - If approved term-by-term (probation): follows student every term until minimum Standards are met
    - Each term: review term GPA and term completion ratio
  - If approved with conditions: conditions must be articulated to student
    - Same as term-by-term – CONDITIONS are additional
  - If approved additional hours beyond Maximum Timeframe: follows student every term
    - Approved maximum must be articulated to student
    - Each term: review cumulative GPA, completion ratio and attempted hours (up to approved amount of attempted hours)



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Are there PJ instances that keep  
you up at night?  
Let's talk about it!



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