



Policy: Professional Judgment

Professional judgment (PJ) decisions are made by Caris College's Financial Aid Office on a case-by-case basis as the result of examining a student's unique circumstances, as allowed by Section 479A of the Higher Education Act of 1965, as amended (HEA).

Only the Director of Financial Aid will have the authority to exercise professional judgment. Professional judgment will only be exercised after any required verification has been completed (except for unusual circumstances, formerly known as dependency overrides), all required institutional forms have been completed, and any conflicting or inconsistent information has been resolved.

The professional judgment decision of the Financial Aid Office is final and cannot be appealed to the Department of Education.

The student should complete the applicable form that corresponds with the reason they are requesting professional judgment, as well as provide a signed, written statement in order to be considered for professional judgment. In addition to completing the form and statement, the student and parents (if applicable) must provide supporting documentation to the Financial Aid Office. Such documentation includes but is not limited to:

- Tax Return Transcripts
- W2 and 1099 Forms
- Copy of unemployment payments
- Most recent pay stubs
- Disability award letter
- Notice of benefits determination
- Third party verification of the situation

In accordance with federal regulation, the HEA gives the authority to the Caris College Financial Aid Office to exercise professional judgment in the following areas:

- Dependency Status (dependent to independent ONLY)
- Certain data elements used to calculate the Expected Family Contribution (EFC)
- Cost of Attendance (COA)
- Satisfactory Academic Progress (SAP)

The circumstances outlined as "special circumstances" by Caris College include but are not limited to:

- Loss of employment due to termination, layoff, disability, retirement, company closing or plant shutdown
- Loss of income due to leaving or reducing hours at a job to return to school
- Loss of an untaxed benefit or income including worker’s compensation, child support, pensions and annuities or Social Security benefits
- Separation or divorce since filing the FAFSA
- Death of an individual whose information is reported on the FAFSA since the filing of the FAFSA
- Documented excessive medical expenses

It is Caris College policy to self-select every individual applying for professional judgment due to a change in income for verification to be completed in-house, even if that student was not selected for verification by CPS.

The documentation required for professional judgment can vary, but as a general guideline the following documentation is required in addition to the applicable form and signed written statement from the student (or parent, if applicable):

Professional Judgement Reason	Required Documentation
Unusual Circumstances (formerly known as dependency override)	<ul style="list-style-type: none"> • Third Party statements regarding the situation from a professional (counselor, pastor, etc) • Court documentation • Police Reports
Loss of Income	<ul style="list-style-type: none"> • Tax Return transcript for the base year • If married, all W2s from the base year • Letter from employer or benefits with termination information • Most recent check stubs • Verification of unemployment or other income
Excessive Medical Expenses	<ul style="list-style-type: none"> • Tax Return transcript for the base year • Documented proof of medical expenses paid, can be for the base year or the current year.
Separation, Divorce or Death of a Spouse or Parent	<ul style="list-style-type: none"> • Tax Return transcript for the base year • Student’s W2s and 1099s for the base year or a Wage and Income transcript from the IRS • Divorce Decree or Separation agreement or Death Certificate

Professional judgments regarding Satisfactory Academic Progress are covered in their own Standard Operating Procedure.

Once all documentation is collected, the Director of Financial Aid will evaluate the material for professional judgment consideration. If the professional judgment is approved, the student will be repackaged for financial aid. An award letter will be provided to the student indicating any new award amounts following the evaluation of the special circumstance.

If the professional judgment is denied, an email will be sent to the student explaining the reasons for denial and any options to appeal (additional documentation, etc.).

Unusual Circumstances

In order to process an unusual circumstances (formerly dependency override) professional judgment, the student must be able to prove that there has been a break in the normal parent/child relationship due to abuse, neglect, drug or alcohol abuse, abandonment or irreconcilable differences within the family. The parent's refusal or inability to pay for the student's education does NOT meet the requirements for a dependency override, even if the parent can no longer claim the student as a dependent for tax purposes and/or the student is financially self-sufficient.

The student will need to complete the following to have their dependency override professional judgment considered:

- PJ – Dependency Override form including detailed statement from the student explaining the extenuating circumstances, including the relationship with BOTH natural parents
- A letter from an independent 3rd party source (counselor, medical authority, clergy, court, CPS) who can attest first-hand to the student's extenuating circumstances. This letter must be detailed and include as much information about the student's situation as possible.
- If a letter from an independent 3rd party cannot be provided, the student must give the reason that it cannot be provided in their appeal letter. They may substitute for relevant documentation such as court records, medical records, and police reports. If none of these documents are available, the student must submit a signed letter from another source such as a family member, roommate or neighbor that explains the situation in detail.

Before dependency overrides can be processed, the student must have a FAFSA on file. In the dependency status section of the FAFSA the student will answer the dependency questions and then indicate that they have a special circumstance and cannot provide parental information. The FAFSA will not calculate an EFC in this case.

If the dependency override is approved, the FAFSA will be updated which will allow the calculation of a valid EFC.

Loss of Income

The FAFSA currently uses prior-prior year income to complete the needs analysis. If a student (spouse, or parent, if applicable) have had a change of income, they may request a professional judgment due to loss of income. This loss of income may be due to a job loss, termination, plant or office closing. It may also be due to a student leaving a job or reducing their hours to return to school. In some cases, the income is not related to employment, but the family may have had a loss in income due to child support, worker's compensation or other unearned income. The documentation that is needed will vary depending if the student is independent or dependent and if independent, the student's marital status.

Students who already have a 0 EFC will not be processed for a loss of income professional judgment as they are already eligible for a maximum amount of need-based aid.

Before the professional judgment can be processed, the student must have a FAFSA on file. If the student was selected for verification by CPS, verification must also be completed before the professional judgment can be processed. It is Caris College policy to self-select any student who applies for a professional judgment due to loss of income for verification, even if they have not been selected by CPS.

The student will need to complete and provide the following to have their professional judgment considered:

- PJ – EFC Review Request form
- Tax Return Transcripts for the student, spouse and/or parents, as applicable
- If a tax return was not filed, then the student, spouse, and/or parents will need to provide a Verification of Non-filing letter from the IRS. The only exception is that dependent students are not required to provide a Verification of Non-filing letter.
- If the student OR parent are married, then all W2s and 1099s for the married couple must be provided for the base year
- Current check stubs for the student, spouse, and/or parents as applicable
- Proof of unearned income such as unemployment or child support
- Letter from the employer, on letterhead, stating the date of termination. If for reduction of hours, the student should provide a letter from the employer, on letterhead, stating the approximate number of hours per week the employee works and their hourly wage. At the discretion of the Director of Financial Aid, current check stubs may be used to show the weekly hours worked and hourly wage.

The Director of Financial Aid will evaluate all provided information against the current FAFSA information to see if the change in income would be enough to give the student additional eligibility for need-based aid. If it would not, then an explanation will be emailed to the student and no changes will be processed. Otherwise, the information will be corrected on the FAFSA. The student will then be repackaged with their new aid eligibility once the update is processed.

Excess Medical Expenses

Students and their parents (if applicable) may sometimes incur excess medical and dental expenses which can affect their ability to pay for school. In cases where the student and/or parent are requesting a professional judgment based on excess medical expenses, the Director of Financial Aid must take into consideration the Income Protection Allowance (IPA) that is already built into the EFC calculation to determine if the medical expenses exceed that amount. The IPA for medical care is currently at 11% of the AGI.

Students who already have an EFC of 0 will not be eligible for an EFC adjustment for medical expenses as they are already eligible for the maximum amount of need-based aid. This does not preclude an adjustment to the Cost of Attendance for the student based on the excess medical expenses. It should be noted that due to the cost of attendance at Caris College, a cost of attendance adjustment would normally only have the effect of giving additional Parent PLUS loan eligibility for dependent students and no effect for independent students.

Before the professional judgment can be processed, the student must have a FAFSA on file. If the student was selected for verification by CPS, verification must also be completed before the professional judgment can be processed. It is Caris College policy to self-select any student who applies for a professional judgment due to excess medical expenses, even if they have not been selected by CPS.

Students requesting professional judgment for excess medical expenses will need to provide the following:

- PJ – EFC Review Request form including statement as to the medical expenses that have been or are currently being paid.
- Tax return transcript for student, spouse, and parents, as applicable, for the base year or IRS data retrieval from the FAFSA
- Federal income tax form, Schedule A – Itemized Deductions
- Receipts for payments, cancelled checks, or bank statements showing payments made.

Adjustments already made to the AGI through itemized deductions for medical care should not be considered as they have already reduced the family's income. In

addition, the out-of-pocket medical expenses must exceed the 11% income protection allowance (IPA) for medical care. Students and parents, if applicable, should be advised that only expenses paid, or expected to be paid in the current year can be included, regardless of when they were billed.

If the Director of Financial Aid determines that there are excess medical costs that exceed the IPA, they will complete the professional judgment and correct the FAFSA data.

Separation and Divorce

Students may have a change in marital status after their FAFSA has been submitted for the award year. If a student requests a professional judgment for separation or divorce, the Financial Aid Office must first determine if the student accurately reported their marital status on the date that they filed the FAFSA as they may have already been separated but reported married. If the marital status was incorrect for the student on the date the FAFSA was originally filed, then the student should be directed to complete a FAFSA correction, listing the date of the marital status change on the FAFSA and reporting only the portion of the income, taxes, dependents and household size that are attributable to them. If the student was, in fact, married on the date that they filed their FAFSA, but have since become separated or divorced, then a professional judgment may be granted.

Students who already have a 0 EFC will not be processed for separation or divorce professional judgment as they are already eligible for a maximum amount of need-based aid.

Before the professional judgment can be processed, the student must have a FAFSA on file. If the student was selected for verification by CPS, verification must also be completed before the professional judgment can be processed. It is Caris College policy to self-select any student who applies for a professional judgment due to separation or divorce, even if they have not been selected by CPS.

The student will need to complete and provide the following in order to have their professional judgment considered:

- PJ – EFC Review Request
- Completed and signed Form 9 if changes to the household size
- Signed and dated statement from the student as to why they are requesting a professional judgment
- Tax return transcripts for the base year
- All W2s and 1099s for the base year for the student (spouse not required).
Alternately, the student can provide a wage and income transcript for the base year which will show all their income.

- For any unearned income and credits, the student should indicate in their statement if it was attributable to themselves or their spouse.
- Divorce decree or separation agreement
- If the student and spouse are separated with no formal separation agreement, the student must prove that the two are residing at separate addresses by providing a copy of a lease agreement showing who is living with the student, or utility bills showing separate addresses for the student and spouse

The Director of Financial Aid will evaluate all provided information against the current ISIR to see if the change in marital would be enough to give the student additional eligibility for need-based aid. If it would not, then an explanation will be emailed to the student and no changes will be processed. Otherwise, the information will be corrected on the FAFSA. The student will then be repackaged with their new aid eligibility once the updates are processed.

Other Reasons for Professional Judgment

The above should not be considered an exhaustive list of special or unusual circumstances for a professional judgment and only outline the most common issues. If any student or prospective student believes they may have special or unusual circumstances that would change their financial aid eligibility, they should immediately reach out to the Director of Financial Aid via email at hlistco@cariscollege.edu.

Additional Documentation

Additional documentation may be needed to satisfy the true nature of the student's situation and can be requested before the professional judgment evaluation is completed.

Timeframes

From the time a student successfully completes all necessary forms and provides all documentation, the Financial Aid Office will review the professional judgment request within 14 business days. The student will be notified via email as to the outcome of their request. If the request for professional judgment was approved, the student will then be notified of the additional aid eligibility and will be scheduled to meet with the Financial Aid Office to sign their updated award letter.

Document Storage

Whether or not a professional judgment is granted, all documentation received from the student in regard to their professional judgment will be kept in the student's financial aid file with a note as to the outcome of the request.