

# PROFESSIONAL JUDGMENT, DEPENDENCY STATUS, AND VERIFICATION CHANGES

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**BETTER  
FAFSA<sup>®</sup>  
BETTER FUTURE**

**Federal Student Aid**  
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# BETTER FAFSA® BETTER FUTURE SERIES

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- ✓ 6/6: Better FAFSA® Better Future Overview and Timeline
- ✓ 6/8: Protecting Federal Tax Information (FTI) at Your Institution
- ✓ 6/13: ISIR vs. ISIR
- ☐ 6/15: Professional Judgment, Dependency Status, and Verification
- ☐ 6/20: Q&A Session 1
- ☐ 6/22: Student Aid Index Part 1
- ☐ 6/27: Student Aid Index Part 2
- ☐ 7/6: Pell Minimum, Maximum, and In Between
- ☐ 7/11: The FAA's Role in FAFSA Simplification
- ☐ 7/13: Q&A Session 2
- ☐ Summer: FAFSA Demonstration

# AGENDA

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1. Professional Judgment Changes
2. Dependency Determination Changes
3. Verification Changes
4. Scenarios
5. Resources

# PROFESSIONAL JUDGMENT (PJ) CHANGES

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# 2024–25 TERMINOLOGY CHANGE

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1

## **Adjustment**

Change made by FAA or applicant to applicant's family size or number in college

2

## **Professional Judgment**

Change made by FAA to reflect applicant's special or unusual circumstances

3

## **Correction**

Change made by applicant or FAA to information on applicant's FAFSA® form

# NEW PJ POLICIES

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May not  
maintain  
blanket policy of  
denying all PJ  
requests

Must develop  
policies and  
processes for  
reviewing PJ  
requests

Must publicly  
disclose ability  
for applicants  
to request PJs  
for special or  
unusual  
circumstances

# PJ CATEGORIES

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## SPECIAL CIRCUMSTANCES

Financial situations leading to changes to data elements in COA or EFC calculation

Changes to family income, assets, etc.

Recent unemployment

Dislocated worker

Housing change due to homelessness

## UNUSUAL CIRCUMSTANCES

Conditions leading to changes to student's dependency status (a.k.a. dependency override)

Human trafficking

Refugee or asylee status

Parental abandonment, incarceration, etc.

Unable to contact parents

Contact with parents poses risk

# DOCUMENTING SPECIAL CIRCUMSTANCES

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## EXAMPLES

- Documented interview between student and FAA
- Statements from students, parents, spouses, or third parties
- Statements from school staff
- Court/legal documents
- Other supplementary information on applicant's financial status or personal circumstances

# DOCUMENTING UNUSUAL CIRCUMSTANCES

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## EXAMPLES

- Documented interview between applicant and FAA
- Submission of court order or official Federal or State documentation showing that students' parents or legal guardian(s) are incarcerated
- Documented phone call or written statement from attorney, guardian ad litem, court-appointed special advocate (or similar), or representative of TRIO or GEAR UP confirming applicant's circumstances and person's relationship to student
- (NEW) Documented determination of independence made by FAA at another institution in same or prior award year

# PJ IN DISASTER, EMERGENCY, ECONOMIC DOWNTURN

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With proper documentation FAA may:

- Reduce applicant's income earned from work to zero
- Make changes to income earned from work for student, parent, or spouse



# DOCUMENTING PJ DURING DISASTER



Applicants submit unemployment documentation within 90 days of issue date



Schools use discretion in accepting documentation older than 90 days



Department adjusts review selection model to account for increased number PJs during years with qualifying emergencies

# DEPENDENCY DETERMINATION CHANGES

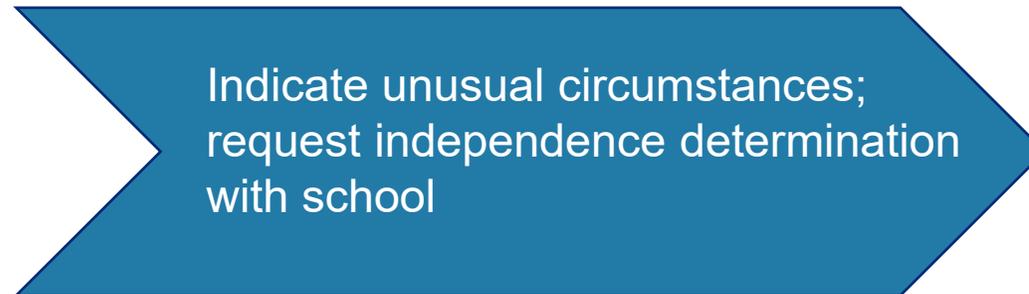
Unusual Circumstances, Unaccompanied Homeless Youth, and Foster Care Youth

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# UNUSUAL CIRCUMSTANCES ON FAFSA® FORM

Phased implementation

**2023-24**



**2024-25**



# PROCESS AND COMMUNICATION REQUIREMENTS

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Beginning 2023–24 and beyond

Provide information on process, requirements, and reasonable timeline for reviewing dependency determination requests

Provide final determination of dependency status and financial aid award ASAP after reviewing documentation

Retain all documentation, related to determinations for at least 3 years after student's last period of enrollment

Presume any student who obtained determination of independence to be independent for each subsequent award year at same institution

# DECISION TIMING

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Schools must review all requests for dependency determination ASAP; no later than 60 days after the student enrolls



# DOCUMENTING HOMELESSNESS (1 OF 2)

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## SOURCES

- ✓ Homeless liaison for local educational agency
- ✓ Director/designee
  - Emergency/transitional shelter
  - Street outreach program
  - Homeless youth drop-in center
  - Other program serving homeless individuals
  - Program supported by Federal TRIO or GEAR-UP grant
- ✓ FAA from different school that documented student circumstance for same/prior award year

# DOCUMENTING HOMELESSNESS (2 OF 2)

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## ADDITIONAL SOURCES

Written statement/documented interview with student confirming status

- Unaccompanied homeless youth
- Unaccompanied, at risk of homelessness, and self-supporting

Note: Reasons for status not a factor in determination



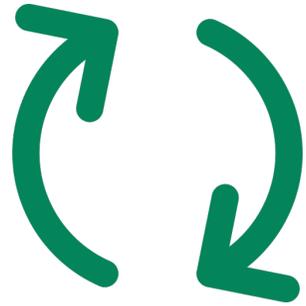
# DOCUMENTING FOSTER CARE YOUTH

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## EXAMPLES

- Submission of a court order/official State documentation that student received Federal or State support in foster care;
- Documented phone call/written statement from attorney, guardian ad litem, or Court Appointed Special Advocate;
- Verification of student's eligibility for education and training voucher; or
- Documented phone call/written statement from FAA who documented student's circumstance in the same or a prior award year.

# DEPENDENCY DETERMINATIONS FOR RENEWAL APPLICANTS



22–23 flags carried over and prepopulated for 23–24:

- homeless youth
- foster care youth
- orphan
- ward of the court
- emancipated minor
- legal guardianship



No carry over from 23–24 to 24–25; must affirm previous answers to dependency questions are correct and still applicable

# VERIFICATION CHANGES

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# 2024–2025 VERIFICATION

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Use current selection methodology



No major changes to verification



FAFSA Partner Portal (FPP) will have identity verification results feature



Evaluating verification for confined or incarcerated applicants

# VERIFICATION AND PROFESSIONAL JUDGMENTS

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1

Complete  
verification before  
exercising PJ

2

Not required to verify  
any information  
removing because of PJ

3

Not required to  
select student for  
verification to  
process PJ

# ANNUAL REPORT ON VERIFICATION

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Department required to issue public report on verification at least annually. Report includes:



Number and percentage of applicants subject to verification



Whether or not applicants selected for verification received aid disbursements



Extent EFC/SAI changed for applicants as result of verification



Extent eligibility changed as result of verification

# SCENARIOS

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# SCENARIO 1: JANICE

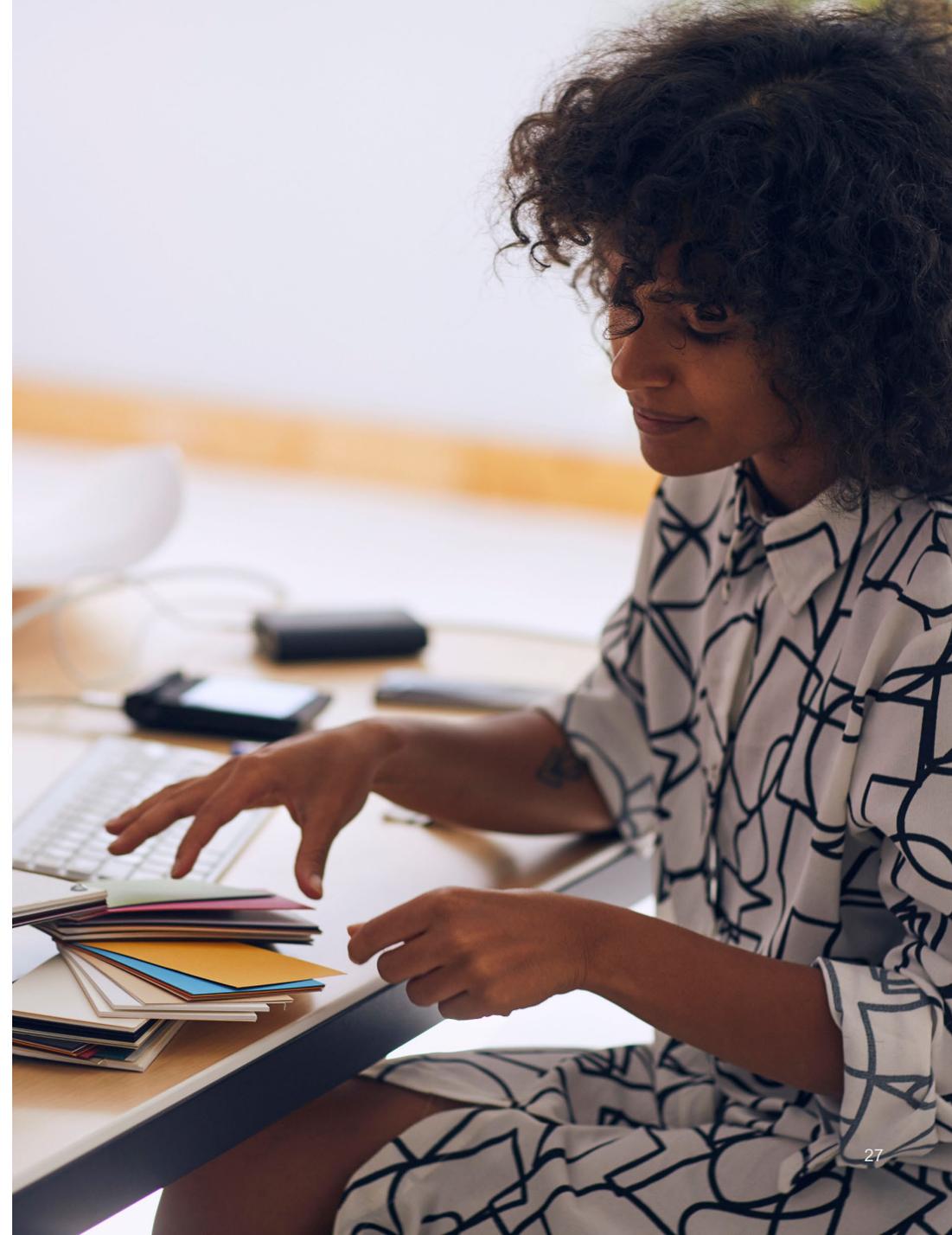
*Updated PJ Guidance*

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Janice works for Blue College. A **student** submitted a request to consider a **documented out-of-pocket medical expense** for a recent surgery. **Janice rejects** the student's request because Blue College has a **policy to deny all PJ requests**.

**Q: Is Blue College's policy to deny all requests for PJs valid?**

**Q: Is the student's request an example of a special or an unusual circumstance?**



# SCENARIO 1: ANSWERS

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**Q: Blue Policy Correct?**

A: No. Schools may not maintain a policy of denying all PJ requests. Janice must review the student's request and determine if the student provided sufficient supporting documentation.

**Q: Type of circumstance?**

A: Special circumstance

# SCENARIO 2: MEGAN

## *Documenting PJ During Disaster*

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Megan also works at Blue College. An **independent student lost his job** in April 2023 due to economic downturn in his state. He requests that Megan consider his request for a PJ for the 2023–24 award year. The student **submitted** his **unemployment paperwork** to Blue College **120 days after** it was **issued**.

**Q: Can Megan accept the student’s unemployment documentation?**

**Q: What is one change that Megan can make to the student’s FAFSA® form as part of her PJ determination?**



# SCENARIO 2: ANSWERS

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**Q: Accept student's documentation?**

A: Megan can use her discretion in accepting the student's documentation because the student submitted his documents over 90 days past when they were issued.

**Q: One change?**

A: Megan can make a PJ determination that the student's income earned from work is zero.

# SCENARIO 3: REGGIE

## *Dependency Override*

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Reggie is reviewing the FAFSA® form for a **dependent** student who reported that he was **unable to provide parental information** on his FAFSA® form.

**Q: What three pieces of information must Reggie provide the student?**

**Q: What is a reasonable timeline for his review?**

**Q: If the student receives a determination of independence this year, can they be considered independent next year?**



# SCENARIO 3: ANSWERS

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**Q: Three pieces of information?**

A: Reggie must provide Blue College's processes, requirements, and reasonable timeline for reviewing PJ requests.

**Q: Reasonable timeline?**

A: The school should make their determination as soon as practical, but no later than 60 days after the student's enrollment.

**Q: Independent next year?**

A: Yes, unless the student informs the school that their circumstances changed or if the school has conflicting information.

# SCENARIO 4: OSCAR

## *PJ and Verification*

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Oscar is a dependent student at Blue College. He is **requesting a PJ** for a high, unexpected medical expense that was not covered by his insurance. He provided supporting documentation. Oscar was also **selected for verification** by the Department.

**Q: Which must Blue College complete first, PJ or verification?**

**Q: If Oscar had not been selected for verification, would Blue College need to select him for verification to process the PJ?**



# SCENARIO 4: ANSWERS

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**Q: Which first?**

A: Blue College must complete verification before exercising a PJ.

**Q: Need to select Oscar for verification?**

A: No, Blue College is not required to select Oscar for verification just to process a PJ.

# RESOURCES

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# REFERENCES

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- [The FAFSA Simplification Act](#)
- [\(GEN-22-15\) FAFSA<sup>®</sup> Simplification Act Changes for Implementation in 2023–24](#)
- [2023–2024 Federal Student Aid Handbook: Application and Verification Guide](#), Chapter 5 Special Cases
- [2023–24 Professional Judgment and Dependency Status Determinations](#) Learning Track on FSA Training Center

# KNOWLEDGE CENTER

## [FAFSA Simplification Information](#)

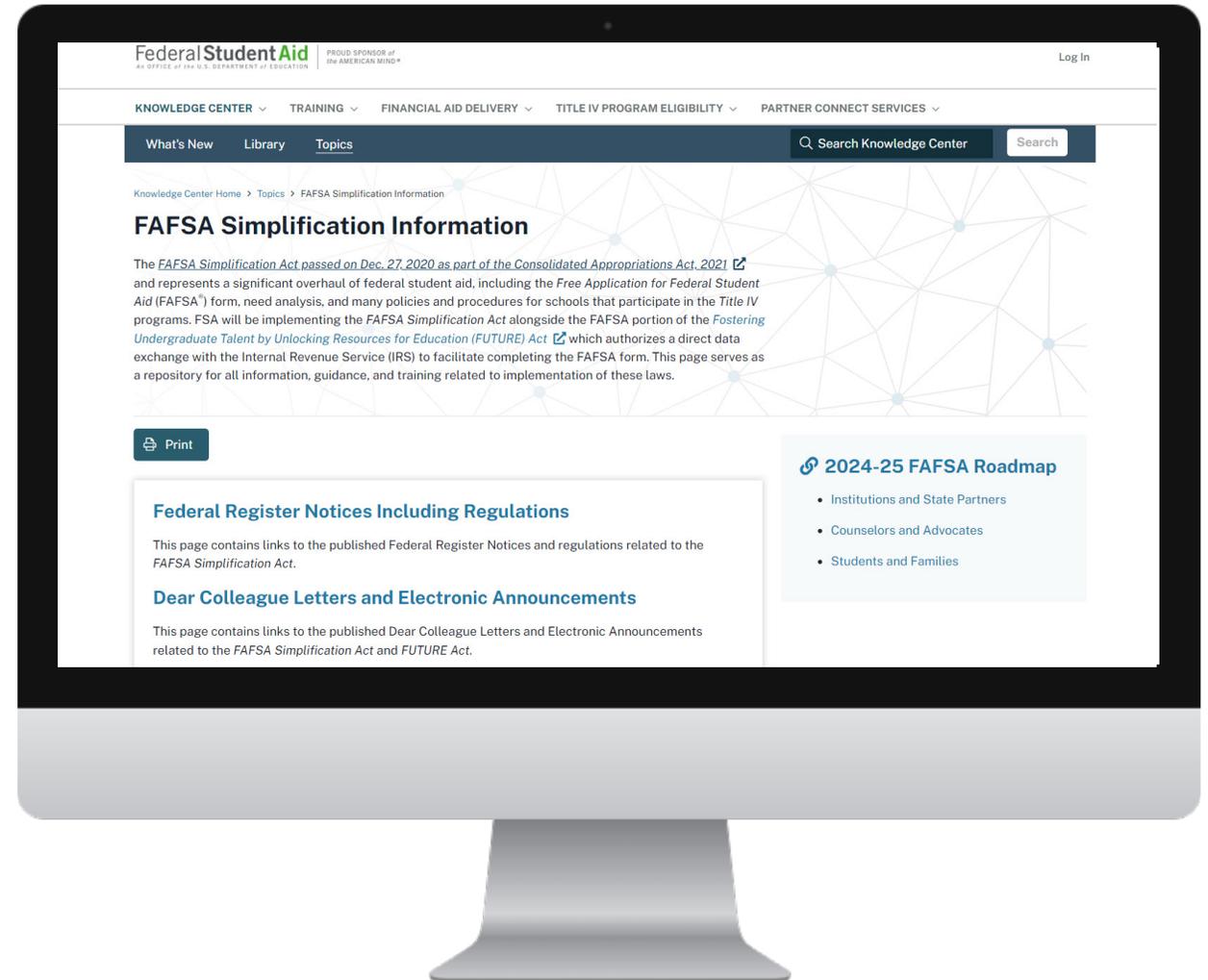
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# NEXT WEBINAR: Q&A SESSION 1

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**TUESDAY, JUNE 20**

Join us for Q&A Session 1 when we will answer questions from previous sessions, and field additional questions about Better FAFSA® Better Future.

For a complete list of upcoming webinars, visit [FSA Training Center](#).



# FEEDBACK SURVEY



<https://www.surveymonkey.com/r/SMTYNSR>

*Survey open until June 15, 2024*

# QUESTIONS?

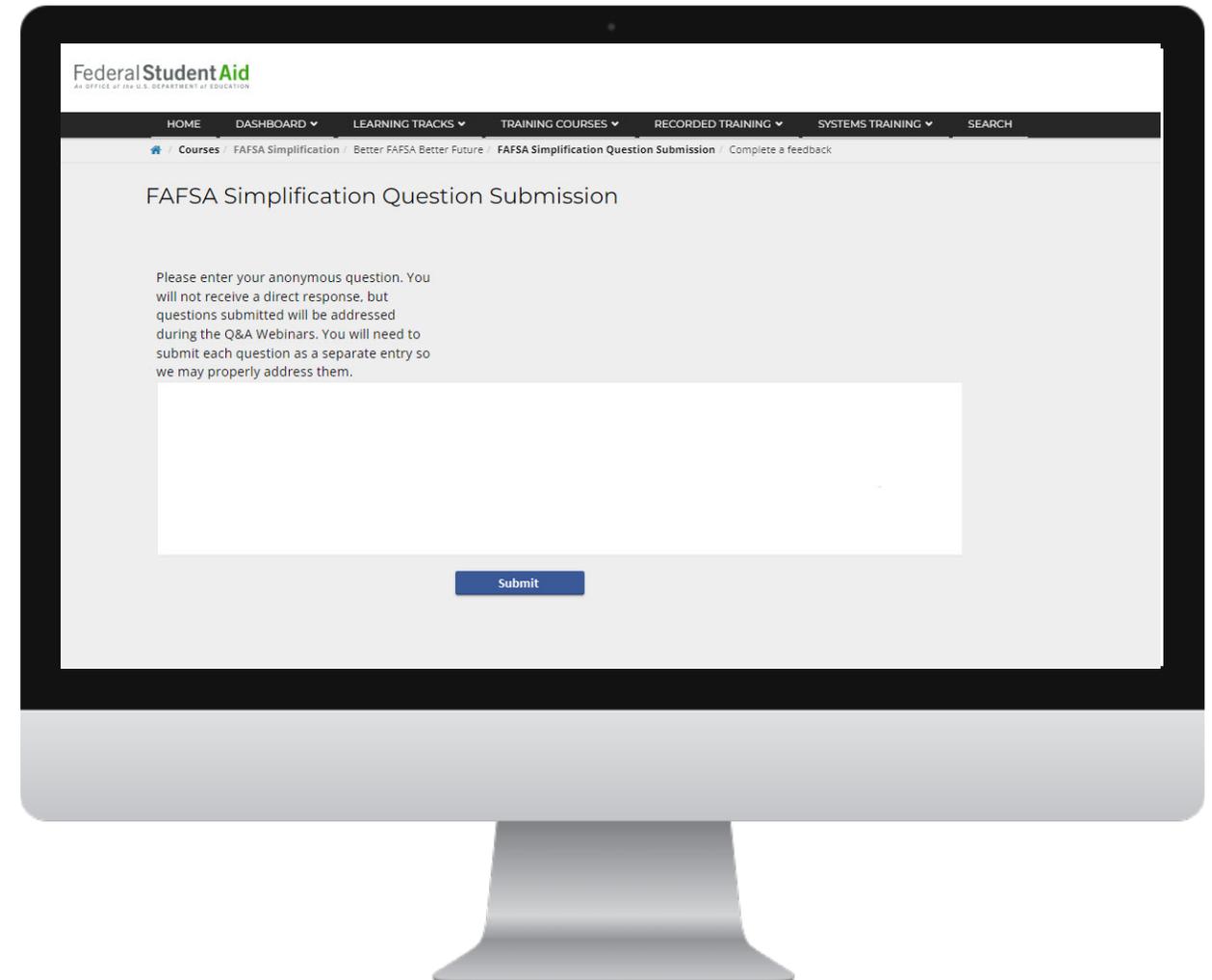
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# HAVE MORE QUESTIONS?

You may submit questions not answered during today's webinar on the FSA Training Center's [FAFSA Simplification Training and Resources page](#).

We will address as many submitted questions as possible during our dedicated Q&A webinars on June 20 and July 13.



**THANK  
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