



Professional Judgement Determinations and Homeless Youth with FAFSA Simplification Changes

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Session Overview

- Professional Judgement Changes from FAFSA Simplification Act
 - Timeline
- Special Circumstances
- Unusual Circumstances
- Unaccompanied Homeless Youth
- Final thoughts



FAFSA Simplification and Professional Judgement

- FAFSA Simplification Act distinguishes between different categories of Professional Judgement by amending section 479A of HEA
- FAA authority from amended Section 479A
- [Federal Register](#)
- [AVG Special Cases](#)

Special vs. Unusual Circumstances

Special Circumstances - refer to the financial situations (loss of a job, etc.) that justify an aid administrator adjusting data elements in the COA or in the EFC calculation.

Unusual Circumstances - refer to the conditions that justify an aid administrator making an adjustment to a student's dependency status based on a unique situation (e.g., human trafficking, refugee or asylee status, parental abandonment, incarceration), more commonly referred to as a dependency override.

Couple of Reminders

- A student may have both a special circumstance and an unusual circumstance
 - Deal with the unusual circumstance first and then the special circumstance
- FAAs may make adjustments that are appropriate to each student's situation with appropriate documentation

What Stays the Same?

- Institutions must make and document professional judgment determinations on a case-by-case basis without regard to how broadly an event may affect its student population.
- In making case-by-case determinations, the FAA must substantiate the student's circumstance with supporting documentation.
- Previous reasons for exercising professional judgment (e.g., unemployment, dislocated worker, school tuition expenses) are still allowable.
- A dependency override for unusual circumstances is considered unique from a determination of independence for homeless youth or at-risk homeless youth.



What is Changing?

- Institutions may not maintain a policy of denying all professional judgment requests but must consider all such requests. Therefore, institutions must develop policies and processes for reviewing those requests
- Institutions must publicly disclose that students may pursue an adjustment based on special or unusual circumstances
- Institutions may use a dependency override determination made by a financial aid administrator at another institution in the same **or a prior** award year



Deadline for Review - Important

- Notify students of school's process, requirements and reasonable timeline to review adjustment requests after FAFSA is submitted
- Provide students with a final determination of their dependency status and financial aid award as soon as practicable after reviewing all requested documentation
- For determinations of independence, schools must review all requests as quickly as practicable but no later than 60 days after the 60 days after the student enrolls

Timeline – What Goes into Effect When

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2023-2024

- Must notify students of Special Circumstance process
- Provide students with determination of dependency as soon as practical – within 60 days of enrollment
- Students who obtain determination of independent are independent for subsequent award years

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2024-2025

- Provisional Independent Status
 - Students will be provided provisional dependency determination, SAI and
- Unusual Circumstance language added to FAFSA



Special Circumstances

Special Circumstances

- Special Circumstances refer to the financial situations (loss of a job, etc.) that justify an aid administrator adjusting data elements in the COA or in the EFC calculation
 - **Cost of Attendance Appeal** - request to increase your estimated cost of attendance due to educational costs that exceed your standard cost of attendance.
 - **Estimated Family Contribution Appeal** - request for students/families to address income changes in the current calendar year. Income change may result in change in EFC
- Documentation required!



Acceptable Documentation

- Written Statements
- Signed tax returns (current or prior years) and/or w-2s
- Paystubs
- Letter of resignation/termination
- Medical receipts
- Death certifications
- Divorce Decrees

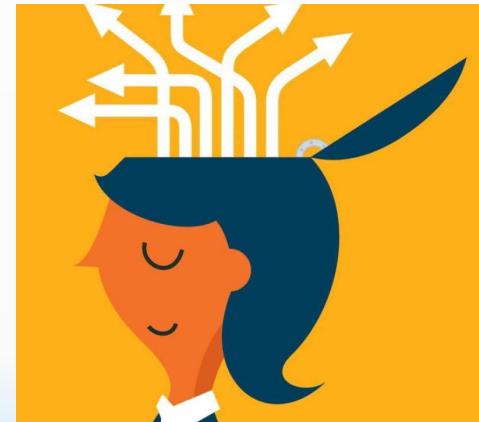
Process

- Students self-identify or institutions identify students
- Submit documentation to support change to EFC or COA
 - Medical expenses
 - Current paystub, termination/ separation letter
 - Child or dependent expenses



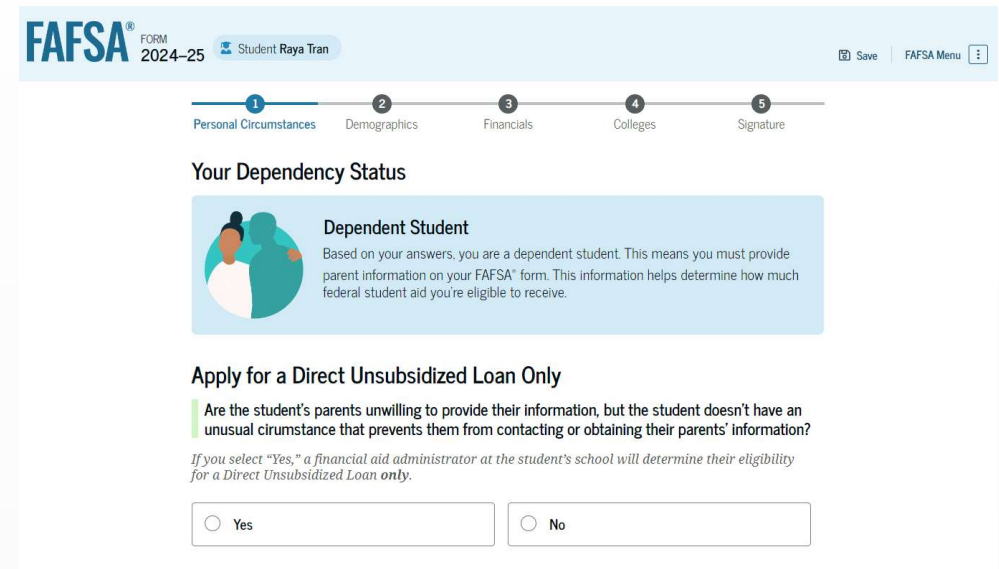
Decision

- The reason for your decision to approve or deny a request for professional judgment and any subsequent adjustments must be documented
- Resolve any inconsistent or conflicting information before making any adjustments
- Making a PJ adjustment? Set the FAA Adjustment flag
- Student notification
 - Email explanation
 - Award Letter



Parent Unwilling to Provide Information

- Dependent students whose parents refuse to support them are not eligible for a dependency override, but they may be able to receive a dependent level Direct Unsubsidized Loan only
- Rejected FAFSA with no EFC, document the following:
 - The student's parents refuse to complete the FAFSA; or
 - The student's parents do not and will not provide any financial support to him or her (include the date support ended)



FAFSA[®] FORM 2024-25 Student Raya Tran Save FAFSA Menu

1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

Your Dependency Status

Dependent Student
Based on your answers, you are a dependent student. This means you must provide parent information on your FAFSA[®] form. This information helps determine how much federal student aid you're eligible to receive.

Apply for a Direct Unsubsidized Loan Only
Are the student's parents unwilling to provide their information, but the student doesn't have an unusual circumstance that prevents them from contacting or obtaining their parents' information?
If you select "Yes," a financial aid administrator at the student's school will determine their eligibility for a Direct Unsubsidized Loan only.

Yes No

Previous

Continue



Unusual Circumstances

Dependency Override 2.0



Student Unusual Circumstances

This information will help us evaluate the student's ability to pay for school.

Do unusual circumstances prevent the student from contacting their parents or would contacting their parents pose a risk to the student?

A student may be experiencing unusual circumstances if they

- left home due to an abusive or threatening environment;
- are abandoned by or estranged from their parents;
- have refugee or asylee status and are separated from their parents, or their parents are displaced in a foreign country;
- are a victim of human trafficking;
- are incarcerated, or their parents are incarcerated and contact with the parents would pose a risk to the student; or
- are otherwise unable to contact or locate their parents.

If the student's circumstances resulted in not having a safe and stable place to live, they may be considered a homeless youth and should review the answer to the previous question about being unaccompanied and homeless.

Yes

No

Previous

Continue



Provisional Independent Status

- Beginning with the 2024-25 award year, otherwise dependent students who indicate that they have unusual circumstances that prevent them from providing parent data will **no longer receive a rejected application** but will instead have their application processed with a **provisional independent status**.
- Student will receive provisional SAI and an estimate of federal student aid eligibility.
 - FAAs will need to make a final determination whether these students should receive a dependency override.



Documentation for Unusual Circumstances

- Documented Interviews
- Court Orders
- Documented determination by another school
- Written Statements
- Documented Phone Calls
- Statements from specific Agencies



Renewal



“Presume that any student who has obtained an adjustment for unusual circumstances and a final determination of independence to be independent for **each** subsequent award year at the **same** institution unless the student informs the institution that their circumstances have changed or the institution has conflicting information about the student’s independence. “

From DCL [GEN 22-15](#)



Renewal Applications

- Students will be asked to confirm their circumstances haven't changed on subsequent FAFSA
- Schools will have to find ways in their systems to identify renewals to ensure they aren't asking students for documentation again



Unaccompanied Homeless Youth Determinations



Student Other Circumstances

At any time on or after July 1, 2023, was the student unaccompanied and either (1) homeless or (2) self-supporting and at risk of being homeless?

Yes No

Did any of the following determine the student was homeless or at risk of becoming homeless?

Select all that apply.

Director or designee of an emergency or transitional shelter, street outreach program, homeless youth drop-in center, or other program serving those experiencing homelessness

The student's high school or school district homeless liaison or designee

Director or designee of a project supported by a federal TRIO or GEAR UP program grant

Financial aid administrator (FAA)

None of these apply.

Previous

Continue





Independent Student Status and Homelessness

Youth who are determined to be unaccompanied homeless youth, or unaccompanied youth who are self-supporting and at risk of homelessness meet the definition of an independent student for financial aid purposes

Unaccompanied

Not in the physical custody of a parent or guardian

+

Homeless

Lacking fixed, regular and adequate housing

or

Self-supporting AND at risk of being homeless

When a student pays for his own living expenses, including fixed, regular and adequate housing AND when a student's housing may cease to be fixed, regular and adequate: for example, a student who is being evicted and has been unable to find fixed, regular and adequate housing

Where Does it Say That?

- [GEN-23-06](#) – Unaccompanied Homeless Youth Determinations – Update

“Regardless of their age, applicants who are unaccompanied and homeless, or self-supporting and at risk of being homeless, qualify for a homeless youth determination and will be considered independent students on the FAFSA.”

- Updates guidance provided in [GEN-22-15](#)



Documentation Outlined in GEN-23-06

FAAs must consider documentation from the following entities—provided through a documented phone call, written statement, or verifiable electronic data match—to be adequate:

- A local educational agency homeless liaison, as designated by the *McKinney-Vento Homeless Assistance Act*;
- The director of an emergency or transitional shelter, street outreach program, homeless youth drop-in center, or other program serving individuals who are experiencing homelessness, or a designee of the director;
- The director of a Federal TRIO program or a Gaining Early Awareness and Readiness for Undergraduate program (GEAR UP) grant, or a designee of the director; or
- A financial aid administrator at another institution who documented the student's circumstance in the same or a prior award year

In the absence of documentation from any of the individuals described above, FAAs must make a case-by-case determination:

- Based upon a written statement from, or a documented interview with, the student that confirms that they are an unaccompanied homeless youth, or unaccompanied, at risk of homelessness, and self-supporting; and
- Made without regard to the reasons that the student is unaccompanied and/or homeless



Key Changes to UHY Determinations

- More programs and officials are authorized to verify unaccompanied homeless youth
- No Documentation from Student?
 - FAA must still review the student's circumstances
 - Use the definitions contained in the McKinney-Vento Act
 - Written statement from, or documented interview with the student
- Renewals will be automatic
 - Beginning with the 2024-25 FAFSA form, applicants with a UHY determination will have their answer to homeless question carried over to subsequent award years



Unaccompanied Homeless Youth Determinations: A Template for Financial Aid Administrators (2023-2024 Award Year)

DETERMINATIONS BY AUTHORIZED ENTITIES

Financial aid administrators must accept documentation from any of the entities who are authorized to verify a youth's status as an unaccompanied homeless youth, or as a youth who is unaccompanied, self-supporting, and at risk of homelessness, unless there is "specific documented conflicting information."

Does the youth have documentation from any of the following authorized entities that attests that the youth has experienced homelessness as an unaccompanied youth, or was unaccompanied, self-supporting, and at risk of homelessness, any time since July 1, 2022?

- School district homeless liaisons or their designee;
- The director or a designee of a director of an emergency or transitional shelter, street outreach program, homeless youth drop-in center, or other program serving individuals who are experiencing homelessness
- The director or a designee of a director of a program funded under a TRIO or Gaining Early Awareness and Readiness for an Undergraduate program ("GEAR UP") grant;
- A financial aid administrator at another institution who previously made a determination.

IF STUDENT HAS DOCUMENTATION FROM ANY OF THESE ENTITIES, A FAA MUST ACCEPT IT UNLESS THERE IS "SPECIFIC DOCUMENTED CONFLICTING INFORMATION." FAAs should not ask more questions or ask for additional documentation.

DETERMINATIONS BASED ON DOCUMENTED INTERVIEWS OR WRITTEN STATEMENTS

If a youth is not able to obtain documentation from at least one of the parties listed above, a FAA is required to make a determination based on a documented interview or a written statement from the student. The determination must be made based on the legal definitions of homeless and unaccompanied contained in the education subtitle of the McKinney-Vento Act, and independently from the reasons that the student is an unaccompanied homeless youth, or is a youth who is unaccompanied, at risk of homelessness, and self-supporting.

The following questions may be used to document an interview or assess a written statement.

- Temporarily staying with others due to loss of housing, economic hardship, or a similar reason
2. If the student is staying with another household, check the circumstances that apply:
- Loss of housing
 - Economic hardship resulting in inability to secure and maintain fixed, regular, and adequate housing
 - Other (including, for example, when it is not safe for a youth to live with a parent or guardian, when a parent or guardian has forced a youth to leave home, and other situations of abuse or conflict):

It may be helpful to ask students who are staying with others where they would live if they could not stay at their current location. If students reply that they would be living in one of the situations listed above (motel, car, etc.), or are not sure where they would stay, then they do not have fixed, regular, and adequate housing, and therefore meet the definition of *homeless*.

If students are living in any of these situations, and are not under the care of a parent or guardian, then they meet the definitions of *homeless* and *unaccompanied*, and qualify as an independent student. According to [federal guidance](#), youth fleeing abuse and living in one of these situations may be considered homeless, even if the parent would provide support and a place to live.

FAA DETERMINATION: CONSIDERATIONS FOR STUDENTS WHO ARE SELF-SUPPORTING AND AT RISK OF HOMELESSNESS

1. Is the student self-supporting? (Self-supporting means the student is responsible for his or her own living expenses, including fixed, regular, and adequate housing.)
 - Yes
 - No
2. Is the student's housing likely to cease to be fixed, regular, and adequate? Is the student at-risk of homelessness due to eviction or other loss of housing?



Importance of Policies & Procedures



Importance for Public & Students

- Details the process from start to finish for students
- Outlines what is required for approval or review of special or unusual circumstance
- Provides examples of circumstances
- Outlines how long it will take for a decision
- Addresses if a student can appeal the decision or submit additional documents
- Consumer Information

Importance Internally

- Policies and procedures addresses institutions professional judgement policies
- What is allowed under institutional policy
- What is not allowed under institutional policy
- What documentation an institution requires and where it will be stored
- Who is authorized to exercise professional judgement
- Can the decision be appealed?
- Review of data and review process for the PJ

Documentation is a MUST!

- FSA handbook outlines that professional judgement must be documented
- The reason for the decision to approve or deny a request and subsequent adjustments must be documented
- The documentation must relate to the special circumstances that differentiate the student – not a whole class of students



Final Thoughts

Remove Barriers

- Believe your students
- You have the authority to assist students
- You don't need to know why a student is in a certain situation
 - You just need to document what the situation is





Thank You!

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