Professional Judgment/Dependency Override

- Student is technically dependent
- Student can still complete FAFSA by answering that they cannot provide parental information
- FAFSA will allow student to complete data on self BUT THEN IT WILL REJECT AND DIRECT STUDENT TO COLLEGE FINANCIAL AID OFFICE
- Financial Aid Office will ask student to document reason parent(s) information cannot be retrieved
- College evaluates documentation and MAY, not MUST, submit DEPENDENCY OVERRIDE decision to FAFSA Central Processing System (CPS) so eligibility can be calculated for student as independent because of special circumstances
- Student who does not receive dependency override but cannot/will not provide parent information qualifies only for unsubsidized loans
Professional Judgment/Income Reduction

- Student MUST provide information for required tax year on FAFSA
- College may request updated tax returns OR pay stubs for current year-to-date as documentation
- Student may petition Financial Aid Office to consider significant decreases in income from one tax year to the next OR from tax year to current circumstances
- If college determines FAFSA year income is not representative of student circumstance, Financial Aid Office will do FAFSA correction of income and re-process application with new information
➢ Verification/Conflicting Information

➢ Student may be selected for verification by FAFSA processor
  ▪ Verification includes documentation of reported income and household information
  ▪ Each college or university will have its own verification process although verification items are standard as set by federal government

➢ Each college or university on FAFSA has right to request documentation of any reported information if conflicting information is noted

➢ Most schools will not award financial aid until verification is complete or conflicting information is resolved
The “EFC” Revisited

EFC is theoretical

| Cost of attendance minus expected family contribution = financial need |
| -0 - EFC means maximum financial aid |
| Lower EFCs typically mean lesser loan amounts in financial aid offer |

EFC dictates eligibility for federal grants, loans, and work-study.

EFC is also the primary indicator for institutional “need-based” aid.
Who’s the parent?
- ONLY natural of adoptive parents if they live together whether married or not
- If parents are separated or divorced, parent who completes FAFSA is one who student lived with most in last 12 months (custodial parent)
- If custodial parent is remarried, step-parent’s income information must be included regardless of marriage date

Household size
- Includes all people parent or student is financially supporting
- Parent may be supporting student and student’s child
Most common FAFSA issues, mistakes, & myths continued

➢ Tax issues
  • Undocumented parents who had earned income did not file federal taxes
  • Taxes submitted under incorrect filing status
  • Incorrect income and tax information filed for separated/divorced/recently re-married parents

➢ FAFSA myths and misconceptions
  • “I know I won’t qualify for a grant so I am not going to bother filling out the FAFSA”
  • “My parent is undocumented and doesn’t want to fill out a government application”
  • I need to add to my household size or number in college although I already have a -0- EFC
FAFSA Dates Past, Present, and Future

<table>
<thead>
<tr>
<th>TAX YEAR</th>
<th>MARITAL STATUS as of today</th>
<th>HOUSEHOLD SIZE for upcoming year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past</td>
<td>Present</td>
<td>Future</td>
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</tbody>
</table>
Scenarios and Questions!

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