

Section 10: Professional Judgment (PJ)

10.1 PJ Authority and Individuals Who May Exercise It

Resources: [HEA 479A](#), [Electronic Announcement, 3/5/20](#), [P.L. 117-2](#), [2022-23 FSA Handbook, Vol. AVG, Ch. 5](#), [November 2021](#), [Electronic Announcement, 7/9/20](#), [GEN-21-02](#)

Policies

Resources: [668.53\(c\)](#), [2022-23 FSA Handbook, Vol. AVG, Ch. 5](#), [November 2021](#)

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NCMC recognizes sometimes families experience special or unusual circumstances which merit recalculation of their financial aid eligibility. Changes to income and household size (among other changes) may affect the original results of the student's FAFSA. Federal regulations allow NCMC to review special or unusual circumstances on a case-by-case basis, and allow limited adjustments to be made to the components of the EFC, the cost of attendance, dependency status, and other financial aid data originally reported on the FAFSA; consequently, the amount and types of financial aid the student is eligible to receive may change.

All decisions must be documented and made for each award year, although past documentation may apply for more than one year. In some instances the Director of Financial Aid may base a PJ decision on a calendar year if it better reflects the student's ability to pay for their education. The FAO's decision is final and cannot be appealed to ED.

The authority to conduct professional judgment (PJ) reviews is granted by sections 479A and 480(d) (7) of the Higher Education Act of 1965. Section 479A is concerned with the authority to adjust data elements of the FAFSA application and the authority to refuse to certify a student loan. Section 480(d) (7) is concerned with the authority to override a student's dependency status.

The purpose of PJ is to ensure that no student will be denied an education because of special or unusual family circumstances beyond their control. In order to reflect the unique circumstances of each family, the campus aid administrator may review *both* the objective and subjective situations involved. To render a decision about the family's ability to pay for postsecondary education the FAO is allowed to use its professional judgment.

Procedures

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Students and/or parents may request a review by submitting a Professional Judgment Appeal Form, along with required documentation. Regardless if a student is selected, verification will be performed, based on the student's current dependency status, and changes transmitted to the CPS prior to professional judgment changes.

The Director of Financial Aid will conduct a review and document the circumstances and judgment outcomes in individual student files. The student's record should reflect what additional documents are required (if any), what specific data elements are to be changed, and the reason for the changes. Documentation and sufficient notes should be made in the file allowing

another individual reviewing the file to easily understand the reason(s) changes were made. Once a PJ decision has been finalized, the Director submits a PJ change electronically to CPS through PowerFAIDS. A letter and/or revised award notification will be sent to notify the student of the results of this evaluation. Processing time is approximately 4-6 weeks.

The College will adhere to the following:

1. Professional judgment will be applied on a case-by-case basis.
2. Professional judgment will be documented.
3. Generally, changes to the expected family contribution for campus-based aid and Direct Loans will also be applied to Pell Grants and institutional aid.
4. Adjustments made to a student's expected family contribution at another institution will *not* be accepted at NCMC without re-evaluation and documentation.

Disclaimer: Nothing written in these policies and procedures shall limit the FAO from exercising PJ in areas not covered or from requesting different documentation than that listed. Before requiring any specific documentation, the FAO will determine why it is specifically needed and how it will assist in making a PJ decision.

10.2 Circumstances for Which PJ Adjustments are Allowed and Resulting Actions Taken

Resources: [GEN-08-12](#), [HEA 479A](#), [GEN-17-08](#), [Federal Register](#), 9/29/17, p. 45466, [Electronic Announcement](#), 5/15/20, [GEN-15-06](#), [GEN-16-03](#), [Electronic Announcement](#), 9/30/21 (APP-21-18), [GEN-11-15](#), [GEN-21-02](#), [GEN-03-07](#), [HEA 480\(d\)\(1\)\(I\)](#), [HEA 479A\(c\)](#), [HEA 480\(d\)\(2\)](#), [HEA 484\(c\)\(3\)\(C\)](#), [668.34\(a\)\(9\)\(ii\)](#), [685.301\(a\)\(8\)](#), [GEN-08-01](#)

Policies

Resources: [GEN-21-02](#), [Electronic Announcement](#), 3/5/20, [Electronic Announcement](#), 7/9/20

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NCMC will consider exercising professional judgment on a case-by-case basis for the following categories of special or unusual circumstances:

- Loss or reduction of employment for a minimum of ten consecutive weeks
- Reduction in income
- Separation or change in marital status
- Dependency status change
- Loss or reduction of untaxed income and/or benefits
- Death of a parent (or spouse)
- Unusually high medical expenses
- Other special or unusual circumstances

Adjustments to these categories may affect eligibility for both need-based and non-need-based financial aid. The FAO will document all PJ decisions, such that any adjustments made to the student's need are clearly understandable to a third-party (e.g., auditor or ED).

Circumstances in which the FAO does *not* use PJ, include:

- An independent student cannot be made dependent
- Changes cannot be made to the FM need analysis formula
- Bottom-line EFC adjustments cannot be made
- No new cost components may be added to the COA, and
- Costs incurred after students are no longer enrolled cannot be added to the COA

Additionally, and only in very rare circumstances, the FAO *may* refuse to certify or originate a loan. If this situation arises, the decision will be documented on a case-by-case basis, will not be discriminatory, and will be made by the FAO directors.

Procedures

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If it is determined that a student does have special or unusual circumstances that allow for changes to be made to the student's FAFSA those changes are made through PowerFAIDS by the Director of Financial Aid. Once the changes are made the Director will mark that the changes are a result of PJ. The updated ISIR is then released through Edconnect for processing. Once the ISIR is processed it is pulled back into PowerFAIDS through the normal ISIR load process.

The Director of Financial Aid will also send an email to the student once a decision on the appeal has been made.

Within the FAO's Professional Judgment Appeal Form are all the specific circumstances it will consider for PJ as well as the required documentation for each situation. Beginning with the 22-23 award year students can now complete the PJ appeal E-form through [myCOMPASS](#).

Dependency Override is to ensure that no student will be denied an education because of unusual family circumstances. To render a decision about the student's independence, NCMC will evaluate *both* objective and subjective situations and request impartial third-party documentation.

NCMC will consider exercising dependency override on a case-by-case basis for the following categories of special or unusual circumstance:

- Dependency status change (dependent to independent)

Students may request a review by submitting a Dependency Status Appeal Form, along with required documentation. Regardless of selection, verification will be performed, based on the student's current dependency status, and changes transmitted to the CPS prior to a dependency override.

For consideration of PJ, for the purpose of a dependency override, the student must be able to document the details of the estrangement with at least two references familiar with the family situation. At least one of the references must be from a third-party who is not a family member. Dependency overrides are performed only by the Director of Financial Aid and only in the case of the parents' inability and/or unwillingness due to estrangement to complete the FAFSA.

Dependency overrides performed at another institution will *not* be accepted at NCMC without re-evaluation and documentation. Once a professional judgment decision has been finalized, the Director submits a dependency override change electronically to CPS through PowerFAIDS.

The Director of Financial Aid will also send an email to the student once a decision on the appeal has been made.

10.3 Requests for PJ Consideration

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On a case-by-case basis and consistent with ED guidance, the FAO may consider a student's special or unusual circumstances to either increase or decrease data elements used to calculate a student's EFC for educational expenses, or to add expenses to a student's budgeted cost of attendance.

Before requesting a PJ, in general, students may first communicate with the FAO to discuss any special or unusual circumstances. Alternatively, students may also view the webpages previously listed and decide to appeal on their own. Student appeal requests are considered as long as students are enrolled for the academic year at NCMC.

Each Professional Judgment Appeal must include the following information for consideration:

- The Professional Judgment Appeal Form, thoroughly complete, signed and dated by student (and spouse or parent, if applicable).
- A personal letter signed and dated by the student (and spouse or parent, if applicable) describing the situation, timeline of employment and/or events, and future plans.
- Completed Verification Worksheet V1 (supplied by the Financial Aid Office)
- Copies of all income information: 2020 Federal Tax Return Transcript and W-2(s).
- A copy of all income information: 2021 Federal Tax Return Transcript and W-2(s).
 - If this request is being submitted after January 1, 2023, also submit 2022 Federal Tax Return Transcript and W-2(s).

Refer to subsection 10.4 for additional information on required documentation from the student.

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The process of how students and parents submit requests for PJ consideration to the FAO, and possible actions taken once the PJ requests are received, are described in subsection 10.2.

10.4 PJ Documentation

Resources: [GEN-08-12](#), [HEA 479A](#), [GEN-17-08](#), [2022-23 FSA Handbook, Vol. AVG, Ch. 5, November 2021](#), [GEN-16-03](#), [GEN-11-15](#), [GEN-03-07](#)

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For the most part, required documentation from students is described in the particular appeal form the student has submitted (see subsections 10.2 and 10.3). However, below is additional detail for each PJ category.

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For each category listed on the PJ appeal form the following additional documentation is requested of the student:

- Loss of Employment for a Minimum of Ten (10) Consecutive Weeks
 - Letter or notification from employer, on company's letterhead, concerning the loss of job.
 - Copy of last pay stub.
 - Is there a severance package?
 - Yes – Provide documentation and amount.
 - No – Provide letter from employer indicating no severance package is to be given.
 - Will there be Unemployment Benefits?
 - Yes – Provide documentation of approval and amount.
 - No – Provide documentation.
- Reduction in Income (Current Income is less than that which was reported on 2020 Tax Return)
 - Letter or notification from employer addressing the change in job status.
 - Copy of last pay stub at prior rate.
 - Copy of current pay stub.
 - In your personal letter, you must include your new salary or hourly wage and your hours scheduled per week.
- Separation or Change in Marital Status (Only if the change has occurred since you filed the 2022-2023 FAFSA)
 - Copy of divorce decree; OR copy of marriage license; OR court documentation of legal separation.
 - In your personal letter, also include a list of current household members, their relationship to student, and their age.
- Loss or Reduction of Untaxed Income and/or Benefits
 - Unemployment Benefits
 - Attach an official statement including termination of unemployment compensation, stating the ending date and monthly amount received.
 - Child Support

- Attach a copy of Court or Child Service Agency documents stating benefit ending date and monthly amount received.
- Attach a copy of divorce decree.
- Social Security
 - Attach a copy of the notification you received concerning your loss of social security income stating the benefit ending date and monthly amount received.
- Other
 - Attach supporting documentation from the resource, describing the benefit, the timeline it was received, the reason(s) it is no longer available, the ending date and monthly amount received.
- Death of a parent (or spouse)
 - Copy of the death certificate.
 - Are there survivor benefits (social security, life insurance, etc.)?
 - Yes –Provide documentation.
 - No –Provide statement in your letter indicating benefits are to be received.
- Healthcare Expenses: May only be considered if the expenses were required by a Physician (not elective healthcare) and if they exceed 11% of the family's 2021 AGI.
 - Documentation of non-reimbursed healthcare expenses
 - Copies of PAID receipts incurred through 2021, not paid by insurance
- Other Special or Unusual Circumstances
 - Any additional documentation you want the Financial Aid Office to consider.

10.X - Reserved for Institution Use

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A student is considered homeless if he or she lacks fixed, regular, and adequate housing. This is broader than just living "on the street". It includes living:

- with other people temporarily because he or she had nowhere else to go;
- in substandard housing (if it doesn't meet local building codes or the utilities are turned off, it is generally not adequate);
- in emergency or transitional shelters, for example, trailers provided by the Federal Emergency Management Agency after disasters;
- in motels, campgrounds, cars, parks, abandoned buildings, bus or train stations, or any public or private place not designed for humans to live in; and
- in the school dormitory if the student would otherwise be homeless.

A student living in any of these situations and fleeing an abusive parent may be considered homeless even if the parent would provide support and a place to live.

The documentation for the FAO's evaluation of the living arrangements of a student must demonstrate that he or she meets the definition of this category of independent student. The determination may be based on a documented interview with the student if there is no written documentation available.

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When making the determination of homeless the FAO may:

- Ask for help from local school district homeless liaisons, state homeless education coordinators, the National Center for Homeless Education <https://nche.ed.gov/>, or the National Association for the Education of Homeless Children and Youth www.naehcy.org.
- Use school district homeless liaisons and shelter providers to help develop and implement procedures for verification.
- Remember that relevant information can come from recognized third-parties such as private or publicly funded homeless shelters and service providers, financial aid administrators

from another college, college access programs such as TRIO and GEAR UP, college or high school counselors, other mental health professionals, social workers, mentors, doctors, and clergy.

- Use discretion when gathering information, and respect the student's privacy. Some information, such as that protected by doctor-patient privilege, is confidential. Also, documents such as police or Child Protective Services reports are not necessary. Don't focus on why the student is homeless or unaccompanied but on whether the evidence shows he or she is an unaccompanied homeless youth as defined in section 725 of the McKinney-Vento Homeless Assistance Act.
 - Determine eligibility based on the legal definitions provided.
 - Recall that unaccompanied homeless youth may use the address of NCMC as their own on the FAFSA form.
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