

PROFESSIONAL JUDGMENTS- A WAY TO COMPLIANCE AND STUDENT SUCCESS

WHITE PAPER REPORT

The Higher Education Act provides authority for the Financial Aid Administrator to exercise discretion in several areas.

Allows the Financial Aid Administrator to treat a student individually when the student has special circumstances that are not specifically addressed by the traditional application process.



Special circumstances are individual to the specific student/family rather than conditions applies to all student or a group of students. Even if the a situation is similar to other students, all must be treated as an individual.

WHO CAN MAKE PROFESSIONAL JUDGMENTS?

- The authority to perform Professional Judgment lies solely with the Financial Aid Administrator listed on the school's Program Participation Agreement (name showing on the ECAR).
- The responsible individual can delegate authority to perform PJs to members of the staff under their direction.
- Professional Judgment authority cannot be delegated to a person outside the direct authority of the Financial Aid Administrator who is listed on the E-CAR.
- Regardless of who performs the PJ it must be made on an INDIVIDUAL student by student bases, and never across the board for a group or category of students.

DOCUMENTING THE JUDGMENT

The FAA's PJ authority extends to requesting and utilizing any additional information they feel necessary for making an informed decision based on the information provided by the individual student.

The special circumstances as presented by the student that lead to the request for a Professional Judgment by a student/family, as well as the review completed the FAA, must be fully documented and all documentation must be maintained in the student's file. If the FAA decides a Professional Judgment is not required, all documentation is still required to be maintained in the students file.

WHAT'S INSIDE

- Covid Professional Judgment
- Areas where PJ does not apply
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COVID PROFESSIONAL JUDGMENT

“Financial aid administrators (FAA) have statutory authority to use professional judgment to make adjustments on a case-by-case basis to the cost of attendance or to the data elements used in calculating the EFC to reflect a student’s special circumstances.

The use of professional judgment where students and/or their families have been affected by COVID-19 is permitted, such as in the case where an employer closes for a period of time as a result of COVID-19.

In making professional judgment determinations, FAAs must obtain documentation and retain it in each student’s file. This documentation must substantiate the reason for any adjustment.

Institutions are reminded that, regardless of how broadly an event may affect its student population, professional judgment determinations must be made and documented on a case-by-case basis.”

AREAS WHERE PJ DOES NOT APPLY

- Change a student’s dependency status from independent to dependent
- Create a new category of costs in the COA
- Make a “bottom-line” adjustment directly to the EFC
- Change the Federal Methodology (FM) formula itself or the values in the tables used to calculate the EFC
- Make an otherwise ineligible student eligible for Title IV aid, such as using PJ to waive general student eligibility requirements
- Circumvent the intent of the law or regulations
- Circumvent Federal Supplemental Educational Opportunity Grant (FSEOG) selection criteria
- Include expenses related to post-enrollment activities in the student’s COA, except on a onetime basis for the cost of obtaining a first professional credential for a student in a program requiring professional licensure or certification.
- Make across-the-board changes

TYPE OF PROFESSIONAL JUDGMENTS

Data Element Changes

- Divorce/Separation
- Death of Parent/Spouse
- Excessive Paid Medical/Dental Bills
- Unemployment
- Change in Employment/Income
- Parent in College

Dependency Override

“In unusual circumstances, a student who does not meet any of the dependency criteria may still be considered to be independent on the basis of the financial aid administrator’s professional judgment.” SFA Handbook

Cost of Attendance Adjustments

- Equipment/supplies/kit costs -
- Computer/Technology purchase
- Child care expenses
- Additional Transportation expenses
- Professional exam

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POLICIES, REGULATIONS AND GUIDANCE



- [Original NPRM: June 18, 2010](#)
 - [Final Regulations: October 29, 2010](#)
 - [Final Corrections: April 14, 2011](#)
 - [Federal Register notice: July 13, 2011](#)
 - [Dear Colleague letters:](#)
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- [GEN-03-07 – May 2003 \(Dependency Overrides\)](#)
 - [GEN-11-03, – February 2011 \(DRT\)](#)
 - [GEN-11-04 – February 2011 \(Combat Pay\)](#)
 - [GEN-11-07 – March 2011 \(Direct Loans\)](#)
 - [GEN-09-04 – April 2009 \(Professional Judgment\)](#)
 - [GEN-11-13 – July 2011 \(Verification\)](#)
 - [GEN-11-15 – July 2011 \(Dependency Overrides\)](#)
 - [GEN-16-03 – February 2016 \(Prior-Prior year\)](#)
 - [GEN-21-02, – January 2021 \(Professional Judgment\)](#)



QUESTIONS FOR FINANCIAL AID DIRECTORS

- How do you share professional judgments on your campus?
- What do you think is the benefit of professional judgments?

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