



Financial Aid Appeals



LIKE US ON FACEBOOK: FAME Education
for weekly scholarship and financial aid information
JOIN OUR MAILING LIST: [FAMEmaine.com/join](https://www.famemaine.com/join)

- Laying the Foundation
- Appeal Scenarios
- Timing of Appeals
- Process to Appeal
- COVID's Impact



Laying the Foundation

- The FAFSA represents a snapshot in time.
 - Income required is for a designated year (for the 2020-2021 FAFSA, 2018 income is required).
 - Martial status and assets are as of the day the FAFSA is filed.



Laying the Foundation

- Appeal terminology:
 - **Appeal** is the term I'll be using for today.
 - **Professional Judgment** (PJ) is often used by financial aid offices.
 - This is the language used in the Higher Education Act that allows financial aid administrators to make adjustments after the FAFSA has been filed.
 - **Special circumstances** is sometimes used as well (though more commonly when discussing dependency status determination when the FAFSA is being filed).
- Though I'll refer to a "student" appealing, when parent information has changed, the parent will often take the lead.

- Appeals can be requested when:
 - **Scenario A** - On the day the FAFSA was filed, income situation is already different and FAFSA does not reflect current situation.
 - **Scenario B** - After the FAFSA is filed, income changes or other selected items on the FAFSA change.
 - **Scenario C** - There are items not on the FAFSA that impact the family's ability to pay for school.
 - **Scenario D** - There are no changes in circumstances but the student needs additional funding.
 - **Scenario E** - Student has cost of attendance expenses that are higher than in the cost of attendance the school is using.

■ Scenario A

- On the day the FAFSA is filed, the income information is already different and FAFSA does not reflect current situation.
 - For example, the 2021-2022 FAFSA will require 2019 tax information. When the FAFSA is filed, income changes may have already occurred.

■ Scenario A

- FAFSA is submitted with required information.
- Once FAFSA is submitted, student follows up with the financial aid office to let them know information has changed.
- If appeal is approved, the financial aid office will make adjustments to the FAFSA.

■ Scenario B

- After the FAFSA is filed, selected information changes.
 - Income changes due to job loss or reduction in hours occurs after the FAFSA is filed.
 - Selected other changes occur, such as parent divorce/separation or parent death.
 - However, asset information never gets updated.

■ Scenario B

- Student follows up with financial aid office to let them know information has changed.
 - Students do not update the FAFSA. The only time changes should be made to the FAFSA after it is submitted is to make corrections (but not updates).
- If appeal is approved, the financial aid office will make adjustments to the FAFSA.

■ Scenario C

- Items not on the FAFSA that impact the family's ability to pay for school.
 - Examples include significant out of pocket medical expenses, significant non-discretionary expenses, parents educational loan payments, or parent enrollment in college (parents should not be listed in # in college when completing the FAFSA).
- Student should let financial aid office know about these additional expenses.
- If appeal is approved, the financial aid office will make adjustments to the FAFSA.

Appeal Scenarios

- What do all of these types of appeals have in common?
 - Students start by reaching out to the financial aid office to discuss the situation.
 - Never should the student go back into the FAFSA and make updates.



- Having the conversation with the Financial Aid Office...
 - When having the conversation, financial aid administrators are trying to identify what “data element” to adjust.
 - Items that may be adjusted: Income, taxes paid, and/or household size.
 - Usually the goal is to reduce the Expected Family Contribution (EFC).

- Typical “data element” adjustments that result in a reduced the EFC:
 - If there has been a job loss, income and taxes paid are reduced.
 - If there is a parent divorce, income and taxes are reduced and household size is adjusted.
 - If there are significant non-discretionary expenses, the income is reduced to reflect recognized amount of non-discretionary expense.

- Reducing the EFC can:
 - Make students eligible for aid (Pell Grant and Maine State Grant) that is based on EFC
 - Create additional need
 - $(\text{Cost of Attendance} - \text{EFC} = \text{Need})$
 - Additional aid depends on whether the school has appeal funding set aside.
- If EFC is already 0, there is no sense in doing this type of appeal.

■ Scenario D

- The EFC is already 0 or there are no changes in circumstances.
- However, the student still needs additional funding, likely because the school wasn't originally able to fill all of the student's need.
- Appeal being granted will depend on school have appeal funding set aside.

■ Scenario E

- Student has cost of attendance expenses that are higher than in the cost of attendance the school is using.
- Appeal being granted will depending on school have appeal funding set aside.



Timing of Appeals

- **Scenario A** - If change has already occurred when FAFSA has filed, contact FA as soon as possible.
 - Keep in mind, if filing FAFSA early, school may not be ready to deal with appeals for a while.
 - Some schools want to get an award based on initial information prior to considering an appeal.

- **Scenario B** - If change occurs during the year, contact FA as soon as possible.
 - If job was recently lost, school may want to hold off on appeal until situation stabilizes.
- **Scenario C** – When items that are not on the FAFSA that impact the family’s ability to pay for school, contact FA as soon as possible.

Timing of Appeals

- **Scenario D** - The EFC is already 0 or there are no changes in circumstances; or
- **Scenario E** - Student has cost of attendance expenses that are higher than in the cost of attendance the school is using.
 - Contact the FA Office as soon as possible, but here are three good times to follow up:
 - Early June
 - Late September
 - Early January

- What is the process to appeal?
 - Specific Appeal Form - In some cases, schools will have a form to complete.
 - Write an Appeal Letter - Other times, the school will want the student to write a letter outlines the situation.
 - If writing a letter, there is a new, free online service called SwiftStudent that can help students write appeal letters.
<https://formswift.com/swift-student>
 - It is helpful to write a letter, even if a standard form is required.

- When writing an appeal letter
 - Summarize the situation and the impact on the family.
 - Emphasize when the special circumstance was beyond the family's control.
 - Include documentation of the situation; letter and documentation are kept confidential in the student's file
 - Provide contact information in case the financial aid office has follow up questions.
 - Keep the letter concise - no more than a page or two.

- Example of information to include:
 - Change in income:
 - What happened and when: “I lost my job on 3/20/2020 when my place of business permanently closed” or “I was furloughed from my job on 4/2/2020 when my place of business closed but hope to return during the summer when the business reopens.” When possible, indicate whether the job loss appears to be temporary or permanent, and include letters from your employer.
 - Document income prior to job loss or income reduction (copy of 2019 tax return or paystubs prior to job loss or income reduction).
 - Document current income, including unemployment or other work sources.
 - Predict, to the best of your ability, what the rest of the year looks like, as well as any anticipated income (severance or unused vacation pay).

- Example of information to include:
 - Unusually high out-of-pocket medical expenses
 - What happened and when: “My mother had a stroke on 10/15/2019.”
 - What have you paid out of pocket for what time period: “We have paid the following out of pocket from 10/15/2019 until 3/2/2020: St. Joe’s Hospital \$X,XXX, Ambulance service \$XXX, follow up visits \$XXX, physical therapy \$XXX, medications \$X,XXX.
 - Document these expenses. Contact you medical provider if you don’t have all of your statements.
 - If medical condition resulted in lost wages, provide details and documentation.
 - Indicate if medical situation requires travel, include gas, food, and any housing.



STEPS TO APPEAL A FINANCIAL AID OFFER

When it comes to appeals, students and families should plan to discuss their circumstances openly, even when it is difficult, and work together with the financial aid office to find solutions.

1. **EVALUATE YOUR SITUATION.** What situation is impacting your ability to pay for school? Though you can simply ask for more money, most of the time you will need to identify a "special circumstance" or change in situation to be considered for more financial aid.
 - Special circumstances may include: loss of job, reduction in income, parental divorce or separation, death of a parent, significant out-of-pocket medical expenses, parent out-of-pocket tuition payments for their own education or education loan repayment, or other significant non-discretionary expenses.
 - Determine how much you (the family) can contribute ("here's what we can do") and how much more is needed. Wait to see what the school is able to offer, but it is helpful to have an amount in mind in case they ask how much you need.
2. **CONTACT THE FINANCIAL AID OFFICE TO ASK ABOUT THE APPEAL PROCESS.** Provide a quick overview of your situation. If a specific form is required, ask how to obtain the form. Also ask the appeal response time once submitted. If you call, be sure to make a note of when you called and the name of who you spoke with on the phone. You can use a free online service called SwiftStudent that will help you write your appeal letter. This website will guide you through your circumstances and prefill an appeal letter to send to your college's financial aid office. This is a free and easy-to-use service. Go to FormSwift.com/swift-student
3. **COMPLETE REQUIRED FORMS AND/OR WRITE AN APPEAL LETTER.** It is helpful to write a letter, even if a standard form is required.
 - Summarize the situation (see the back of this page for more specifics) and the impact on the family.
 - Emphasize when the special circumstance was beyond the family's control.
 - Include documentation of the situation; letter and documentation are kept confidential in the student's file.
 - Provide contact information in case the financial aid office has follow up questions.
 - Keep the letter concise—no more than a page or two.
4. **THANK THE FINANCIAL AID OFFICE FOR CONSIDERING THE APPEAL.** The decision whether or not to make adjustments is ultimately up to the financial aid administrator. However your appeal is handled, make a good impression with a thank you. You never know if more assistance might become available in the future.

HAVE QUESTIONS? Watch our informational videos, search for scholarships and learn more about comparing financial aid offers at FAMEMaine.com/Education.



TIPS FOR DESCRIBING YOUR SITUATION

CHANGE IN INCOME

- For example, share what happened and when: "I lost my job on 3/20/2020 when my place of business permanently closed" or "I was laid off from my job on 4/2/2020 when my place of business closed but hope to return to work during the summer when the business reopens." When possible, indicate whether the job loss appears to be temporary or permanent, and include letters from your employer.
 - o Document income prior to job loss or income reduction (copy of 2019 tax return or paystubs prior to job loss or income reduction).
 - o Document current income, including unemployment or other work sources.
 - o Predict, to the best of your ability, what the remainder of the year looks like, as well as any anticipated income (severance or unused vacation pay).

UNUSUALLY HIGH OUT-OF-POCKET MEDICAL EXPENSES

- For example, share what happened and when: "My mother had a stroke on 10/15/2019." And what have you paid out of pocket for what time period: "We have paid the following out of pocket from 10/15/2019 until 3/2/2020: St. Joseph Hospital \$X,XXX, Ambulance service \$XXX, follow up visits \$XXX, physical therapy \$XXX, medications \$X,XXX."
 - o Document these expenses. Contact your medical provider if you don't have all of your statements.
 - o If medical condition resulted in lost wages, provide details and documentation.
 - o If medical situation requires travel, include gas, food, and any housing, if needed.

OTHER SIGNIFICANT "NON-DISCRETIONARY" EXPENSES

- For example, share what happened and when: "The furnace in our house stopped working on 1/3/2020, resulting in our pipes bursting and flooding our house."
 - o Document expenses you paid out of pocket, any payment plans you have set up and what expenses were covered by insurance.
- Or another example, share what happened and when: "My grandmother lives alone on a fixed income, but my parents help support her financially on a monthly basis."
 - o Document expenses covered and amount of support.
 - o Document expenses covered by your family and amount of support (example: a copy of a statement from the visiting nurse showing amount family paid).
- Or another example, share what happened and when: "My Mom makes a \$300 monthly payment on her student loan or pays \$750 per month for her school tuition."
 - o Document monthly payment.

PARENTS SEPARATION OR DIVORCE AFTER FAFSA WAS FILED (if separation or divorce happened prior to filing the FAFSA, the student would have only provided information for the parent they lived with more than 50% of the time in the last 12 months)

- Share what happened and when: "My parents separated on 2/2/2020 and they are no longer living together" (Note: it's important to note that they are not living in the same household. If they are living in the same household but consider themselves separated, this will not affect the student's FAFSA).
 - o Explain which parent student is now living with and document that parent's income. State whether or not any child support is being received or paid out.
 - o Some schools may want you to document that parents are not living together. If this is the case, provide utility bill in name of non-custodial parent living at different address.



Process to Appeal

- Work collaboratively with the financial aid office
 - Only financial aid administrators have the authority to make adjustments (this is called using professional judgement).
 - Best scenario is for students and families to discuss their circumstances openly and work together with the financial aid administrator to find solutions.

- Keep good notes
 - When calling, make a note of date and name of person you talked to in the FA Office.
 - When emailing, make an electronic folder to keep all financial aid related emails.
 - Ask about anticipated response time, as that will help with planning.



COVID's Impact on the Future

- Preparing for next year
 - The 2021-2022 FAFSA will become available on October 1, 2020 and will required 2019 income information.
 - Families must provide 2019 income information even if their financial situation has changed.
 - The only way to address the change is to contact the financial aid office to request an appeal.

COVID's Impact on the Future

- Preparing for next year
 - Students must do an appeal with each school the student has applied to – assuming the student needs more financial aid.
 - Financial aid offices will be doing a tremendous number of appeals for the upcoming year.
 - Check with each school to see when they will do appeals based on income.
 - Many will want to do initial offers based on 2019 income.
 - Most will not want to consider income appeal until end of 2020 tax year.



COVID's Impact - Emergency Funds

- In case you've heard about emergency funds being provided through the CARES Act.....
 - Half of the money provided must be awarded to students.
 - Student emergency funds are to be awarded to students for expenses related to the disruption of campus operations due to coronavirus.
 - Funds are not to be used for prior outstanding balances or for appeals due to parent job losses.
 - Each school has their own process for distributing.

Works for ME ✓





Wishing You a Great Day!



Works for ME ✓





Finance Authority of Maine

5 Community Drive

P.O. Box 949

Augusta, ME 04332

1-800-228-3734

TTY: 207-626-2717

education@FAMEmaine.com

FAME-education.com

Questions?



FAME.Education



Fame.education



@FAME_Education



FAMEMaine

Works for ME ✓