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## Pandemic Professional Judgments

*Balancing Student Needs, Compliance,  
and Administrative Burden*

April 2022

Trusted Advisors to the Financial Aid Community

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**Materials and Limited Rights**

Training participants agree not to distribute materials to anyone who is not an active participant at the time the materials are shared. Permission to share materials outside of the training session must be obtained in writing from Blue Icon Advisors.

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## Agenda

- What is Professional Judgment?
- Common PJ Requests and Best Practices
- The Impact of COVID-19 on PJ
- Discuss PJ Processing Today

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## What is Professional Judgment?

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## Statutory Authority

HEA Section 479A establishes authority for the financial aid administrator to exercise professional judgment (PJ) discretion to make adjustments on a case-by-case basis in a number of areas when an applicant, parent, or spouse has special or unusual circumstances.



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## Consolidated Appropriations Act

The CAA makes PJ  
**MANDATORY**  
beginning 2023-24

No institution of higher education or financial aid administrator shall maintain a policy of denying all requests for adjustments under this section. (479A(2))

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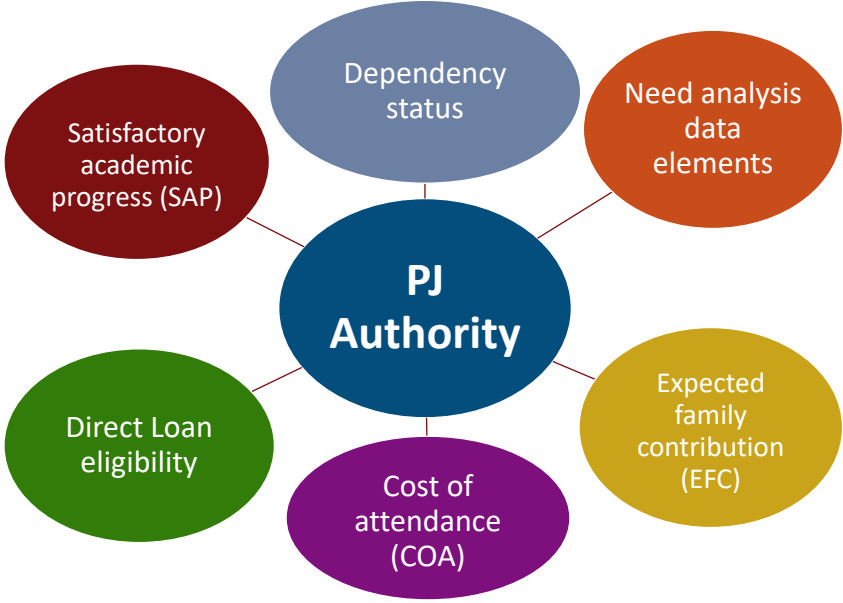

## Principles of PJ



- Subjective in nature
- Made on case-by-case basis
- Must be fully documented and free
- Financial aid administrator's own decision

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**PJ Authority**

- Satisfactory academic progress (SAP)
- Dependency status
- Need analysis data elements
- Expected family contribution (EFC)
- Cost of attendance (COA)
- Direct Loan eligibility

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Prohibited Through PJ

Change independent to dependent	Create new COA category	Make "bottom-line" EFC adjustment
Adjust Federal Methodology formula or tables	Make across-the-board changes	Make otherwise ineligible student eligible
Circumvent intent of law or regulations	Circumvent FSEOG award criteria	Include post-enrollment costs in COA (1 exception)

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Common PJ Requests

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## Special Circumstances

The diagram features a row of house icons on a green hill. Above them are several thought bubbles containing the following text: 'Unusual uncovered medical/dental expenses', 'Secondary school tuition', 'Parent/spouse death', 'Divorce', 'Extraordinary dependent care', and 'Loss of employment'. The blueicon advisors logo is in the top right corner.

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## Satisfactory Academic Progress

The list includes three items, each with an icon in a circle: a grave for 'Death of student's relative', an ambulance for 'Student's personal injury or illness', and a question mark for 'Special circumstances determined by institution'. The blueicon advisors logo is in the top right corner.

- May use PJ to waive SAP standards due to undue hardships on case-by-case basis:

- Death of student's relative
- Student's personal injury or illness
- Special circumstances determined by institution

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## Cost of Attendance

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Address special circumstances

One approach is to compare expenses to the IPA

- Adjust for full amount of expenses or only for amounts above the IPA

Adjust either the COA or data elements that affect EFC, not both

- Relevant and allowable COA components only

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## IPA Changes in FAFSA Simplification

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One approach is to compare expenses to the IPA

- Adjust for full amount of expenses or only for amounts above the IPA

Effective 2024-25

- Include family size only; not number in college
- IPAs higher for 1 in college

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## PJ Policies and Procedures

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### PJ Policies and Procedures

Framework and guidelines for identifying circumstances that may trigger a PJ review

Road map for FAA

Provide examples of circumstances which may be considered

In writing

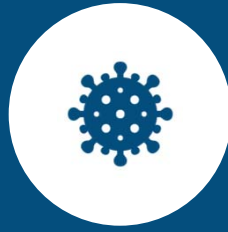
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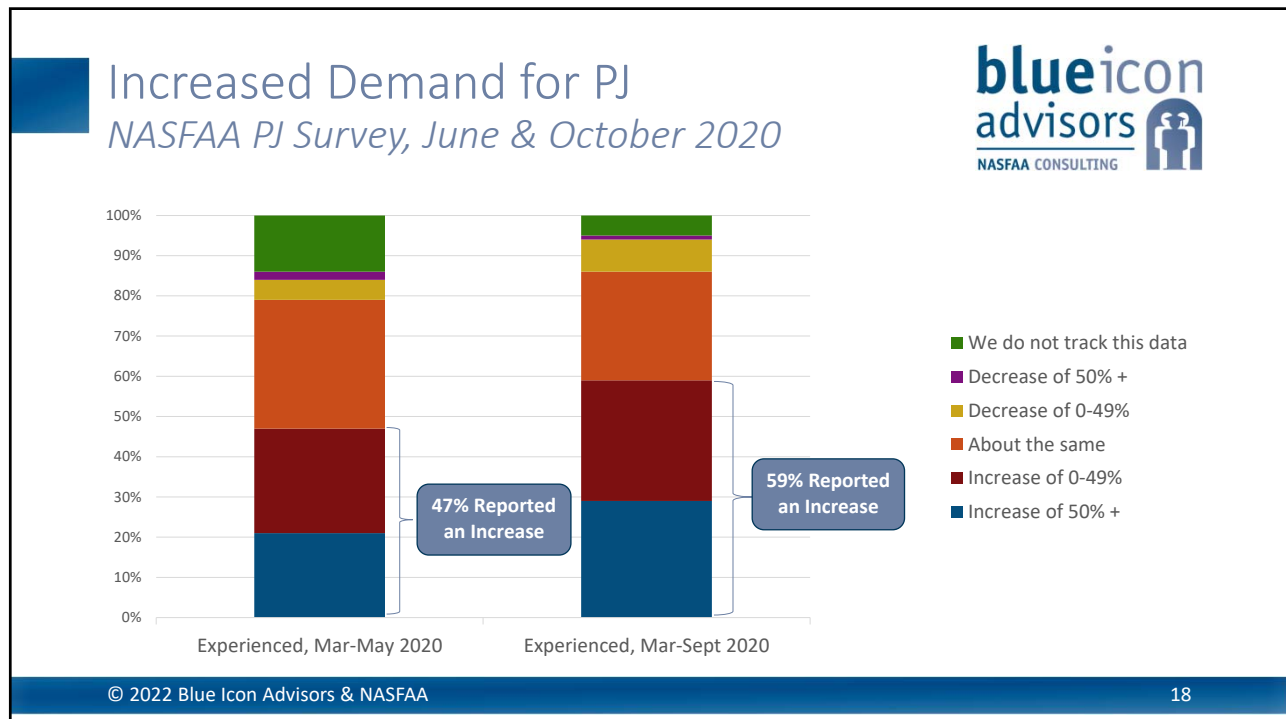


## The Impact of COVID on PJ

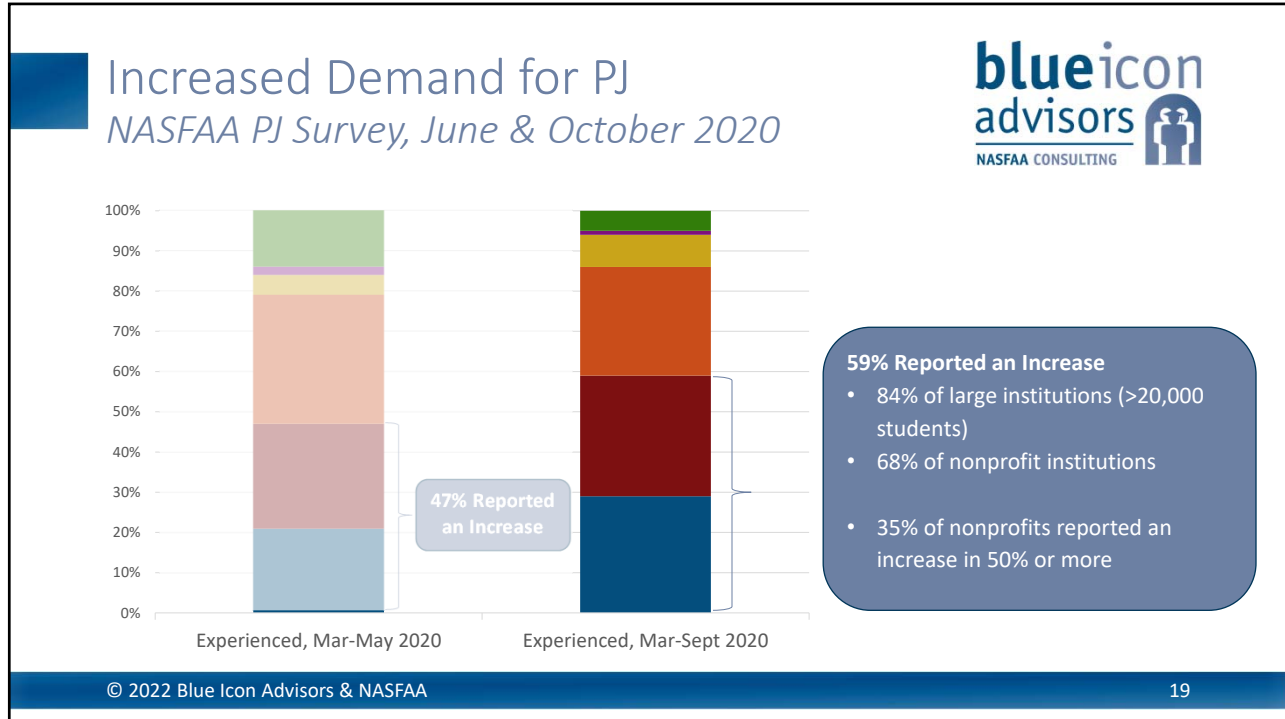
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## Institutional Response to Demand


NASFAA PJ Survey, June & October 2020

	June 2020		October 2020	
	Considering	Began after COVID-19	Considering	Began after COVID-19
Proactively reach out to students	28%	22%	15%	23%
Altering staff review policies & procedures	37%	25%	13%	27%
Altering student documentation requirements	32%	23%	12%	29%
Increasing appeal committee meetings	27%	26%	10%	26%

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## U.S. Department of Education Response



**COVID-19 Flexibilities Chart**

- No change to PJ authority

**American Rescue Plan (HEERF III)**

- Requires schools to use a portion of funds to conduct direct outreach about PJ

**January 29, 2021**

- Encourage the use of PJ

**July 9, 2020 and Aug. 16, 2021**

- Adjusting program review selection models



**FSA Handbook**

- Removes guidance in GEN-09-04 and GEN-09-05
- Can reduce or eliminate unemployment compensation
- Must document

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## What Blue Icon Heard



- Reducing waiting periods before changes to data elements
- Increased frequency of decisions
- Proactive outreach to students/families to determine need for support
- Hiring seasonal assistance to manage volume of PJ requests
- New virtual FA workshops focused on PJ and SAP appeals

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## Contact Blue Icon

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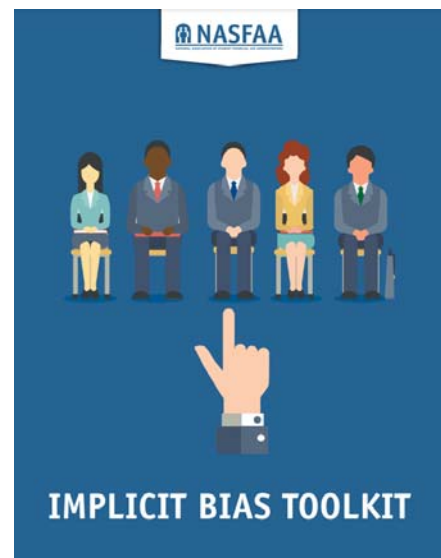
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# NASFAA Implicit Bias Toolkit

[https://www.nasfaa.org/implicit\\_bias\\_toolkit](https://www.nasfaa.org/implicit_bias_toolkit)



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