

# Special Circumstance

University of Illinois Urbana Champaign

# Director's Discretion

At the University of Illinois Urbana Champaign, our director has established policy that if we can establish AND **document** extenuating circumstances have happened since the family originally submitted the FAFSA, we will consider them for a special circumstance review. Our policy allows us to use the circumstances presented to justify re-evaluating the resources available from the family's **next** fiscal year income and resources.

# Policies and Procedure Manual

- We have established a policies and procedure manual that has examples of the more common situations we see and that we will consider for special circumstance evaluation.
- It also includes *guidelines* within those circumstances.

# Typical Situations

- Loss of employment
- Separation of Parents
- Reduction of overall income and resources
- Excessive medical expenses
- Catastrophic event

# Established Guidelines

- The circumstance must be out of the household's ability to control
- Loss of income must be a minimum loss of 20% of filing years AGI
- Unemployment must be a minimum of 10 weeks
- Medical expenses must reflect 10% of projected 2011 Income

# Complete Special Circumstance Form

- Used to declare the circumstance
- Guide to providing **documentation**
- Signed by both parent and student
- Expected income and benefits table must be completed in *ALL* situations
- Medical/Dental Expense form may need to be completed

# 2011-2012 Special Circumstance Form for Dependent Students



Office of Student Financial Aid  
University of Illinois at Urbana-Champaign  
620 East John Street - MC 303  
Champaign, IL 61820-5712  
Fax (217) 265-5516 Phone (217) 333-0100

STUDENT NAME: \_\_\_\_\_  
Last First M.I.

UIN: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_  
(University Identification Number on i-card and Admission letter)

ADDRESS: \_\_\_\_\_  
Street City State Zip

## Instructions for Completing this Form:

1. You must complete the 2011-2012 Free Application for Federal Student Aid (FAFSA) at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) and review the results before submitting this form to the Office of Student Financial Aid.
2. Please review this form thoroughly to determine if your situation meets the Special Circumstances criteria that will be considered at the University of Illinois at Urbana-Champaign. Parents and/or students must meet at least one criterion and be able to provide all documentation to be considered. Families are advised not to complete this form if you do not meet the criteria and/or cannot provide the documentation requested.
3. Parents and/or students should check the circumstance(s) that apply and provide the required documentation. *If you cannot provide the required documentation, provide a written explanation of why the documentation is not available.*
4. Parents and/or students must complete the Expected Total Income and Benefits Table no matter what their circumstances are, answering each line with an amount of "zero" if it does not apply.

## CIRCUMSTANCES THAT AFFECT PARENTS

Check the categories that apply to the parent/stepparent and complete the Expected Total Income and Benefits Table

- Unemployment:** Parent/Stepparent must have earned money in 2010 and lost his or her job and been unemployed for at least ten weeks during 2011. The reduction must be at least \$2,000 and reflect at least a 20% decrease from 2010 total income.
- Mother/Stepmother Name** \_\_\_\_\_ **Layoff/Termination Date:** \_\_\_\_\_  
Has Mother started another job? No: \_\_\_\_\_ Yes: \_\_\_\_\_ Date hired: \_\_\_\_\_
- Father/Stepfather Name** \_\_\_\_\_ **Layoff/Termination Date:** \_\_\_\_\_  
Has Father/Stepfather started another job? No: \_\_\_\_\_ Yes: \_\_\_\_\_ Date Hired \_\_\_\_\_

### Documentation Required:

- A copy of your parents letter of separation/termination or letter from an employer on company letterhead stating effective date and the circumstances under which they left their employment; and
- A copy of the last pay statement showing gross year-to-date income from each job worked for both mother and father; and
- Documentation of unemployment benefits from state agency stating start and end dates, weekly amount, and total amount of benefits; and
- Documentation of any severance pay received, or IRA's, stocks, bonds, pensions, etc. converted to cash.

- Reduction of income of at least 20% from 2010 total income.** Parent/Stepparent must have earned money in 2010 and experienced a significant decrease in resources that is the result of a disability, natural disaster, change in employment, or other catastrophic event. The reduction must be at least \$2,000 and reflect at least a 20% decrease from 2010 total income.

- Mother/Stepmother type of income lost: \_\_\_\_\_  
 Father/Stepfather type of income lost: \_\_\_\_\_

### Documentation Required:

- A statement and documentation of your situation.
- Documentation of amount and type of income lost in 2010.
- Please note: you may be required to file your 2011 Federal Tax Returns before this form will be processed.

- Loss of Child Support:** Child support ended on this date: \_\_\_\_\_

### Documentation Required:

- Document the amount of child support received in 2011 (copy of divorce decree, cancelled checks, etc)
- Provide legal document declaring the date the child support ended.

- Separation or Divorce of Parents in 2011:** Date of separation/divorce (mm/dd/yy): \_\_\_\_\_
- Who will provide the most support? \_\_\_\_\_
  - Which parent will the student live with? \_\_\_\_\_ \*complete household information for this parent

\*List the members of your parent's household that physically reside with your parent or for which your parent provides over 50% of their support. Use a separate sheet of paper if necessary.

Name	Age	Relationship to you	University Attending

**Documentation Required:**

- A copy of supporting parent's most recent pay statement that documents gross wages to date; and
- A copy of legal separation/divorce papers or a copy of each parent's rental lease or home mortgage payment as well as utility payments addressed to each parent at their residence.
- Documentation of spousal support and/or child support received and/or anticipated in 2011.
- Documentation that confirms your address is the same as the address of the parent with whom you live.
- Completed Parent Status letter (available at [www.osfa.illinois.edu](http://www.osfa.illinois.edu) in the FORMS section)

- Death of a Parent in 2011:** Mother \_\_\_\_\_ Father \_\_\_\_\_ Date of Loss: \_\_\_\_\_

**Documentation Required:**

- A copy of death certificate or obituary, and
- Surviving parent's 2010 income information.

- Medical or Dental Expenses paid by your family in 2011.** You must be able to document that your family paid at least 10% of their total income in medical and/or dental expenses from their personal resources in 2011. Only report those expenses that would qualify for itemization on a personal federal tax return.

**Documentation Required:**

- Complete the Medical/Dental Documentation Form at (available at [www.osfa.illinois.edu](http://www.osfa.illinois.edu) in the FORMS section) and submit copies of supporting documentation as proof of payments in 2011. Include a copy of any payment agreement with the hospital or health organization, if applicable.
- Do not include payments covered by insurance or other resources such as payments from business accounts.
- Do not submit notice of benefits or account statements unless they document personal payments made by your family.

- Other Catastrophic Event in 2011 Not Covered by this Form**

**Documentation Required:**

- Submit a letter explaining the situation; and
- Official reports, invoices, and receipts of expenses paid by the family not covered by insurance; and
- A copy of the statement(s) from the insurance company of any paid or denied claims.

**CIRCUMSTANCES THAT AFFECT STUDENT**

Check the categories that apply to the student and complete the Expected Total Income and Benefits Table

- Unemployment or loss of income in 2011.** Student must have worked full-time for at least 26 weeks in 2010 and been unemployed for at least ten weeks during 2011. The reduction must be at least \$2,000 and reflect at least a 20% decrease from 2010 total income.

**Student layoff/termination date:** \_\_\_\_\_

Has student accepted New Employment: Yes \_\_\_\_\_ No \_\_\_\_\_ Date employment began: \_\_\_\_\_

**Documentation Required:**

- A statement of your situation and current employment status.
- A letter from your prior employer indicating your current status with their company.
- A copy of your most recent payment statement showing gross year-to-date income from each job or disability verification or other documentation to support loss of income.
- Please Note: You may be required to file you 2011 Federal Tax Returns before this form will be processed

- Other Catastrophic event not covered by this form:**

- Statement and supporting documentation of your circumstance.

I BELIEVE YOU!

Auditors.....not so much!



# Document your decision

- **Document** the circumstances
  - Letter of separation
  - Divorce decree
  - Unemployment notice of benefits
  - Roth IRA 1099 T
  - Copy of 2010 federal tax return
- **Document** 2011 income
  - Special Circumstance form has projected income and benefits table.
  - Ask them to **document** wages to date, unemployment and all other taxable and untaxed income.

**EXPECTED TOTAL INCOME AND BENEFITS TABLE**

Please include all of your households projected income for 2011. If you have requested a parent's special circumstance, complete all lines in the Mother/Stepmother and Father/Stepfather columns. If you have requested a student's special circumstance, complete all lines in the Student column. If you have requested both a parent's and student's special circumstance, complete all lines in all columns. In either case, both parent and student must sign this form.

1. Answer **each** line with an amount or "zero" if it does not apply (the form is incomplete unless each line is answered).
2. Remember to submit the requested documentation, pay statements, etc. to support the special circumstance request. Documentation should show gross amounts.

**EXPECTED TOTAL INCOME AND BENEFITS**

January 1, 2011 through December 31, 2011

<b>TAXABLE INCOME FROM WAGES</b> <i>(do not include your unemployment as wages)</i>	<b>Father</b>	<b>Mother</b>	<b>Student</b>
Document gross wages earned through today's date: <i>Provide most recent pay statement</i>			
Estimate anticipated wages from today's date through December 31, 2011:			
<b>OTHER TAXABLE INCOME:</b>			
Unemployment Income to date and anticipated in 2011: <i>Provide monthly statement</i>			
Severance, Paid Time Off or Vacation Pay Out if not included in gross wages			
Social Security Income: <i>Provide monthly statement</i>			
Taxable Disability Income: <i>Provide monthly statement</i>			
Taxable Pension: <i>Provide monthly statement</i>			
Interest/Dividend Income: <i>You should anticipate any type of asset income you are required to report on your 2011 federal tax return.</i>			
Business Income, Rents, royalties, and/or annuities			
Maintenance/support from spouse in 2011 (if separation/divorce)			
Taxable income from 401K disbursements or other existing assets: <i>Include year to date gross disbursements and anticipated disbursements.</i>			
Other taxable incomes: <i>List the source</i>			
<b>TYPES OF UNTAXED INCOME</b>			
Housing allowance for military or clergy <i>Contract or LES Statement</i>			
Workers Compensation: <i>Provide monthly statement</i>			
Untaxed Disability Income <i>Provide monthly statement</i>			
Child Support Received for all members of your household			
Untaxed Pension <i>Provide monthly statement</i>			
Other Untaxed Income: <i>List the source</i>			

Please submit photocopies of your documents as we are unable to return the reviewed documents. Be sure to include the student's name and University Identification Number (UIN) on all submitted documents. You can fax or mail your form and documentation. You will be able to review receipt of faxed documents online within three business days and receipt of mailed documents within one week. To check the status of submitted documents go to [www.osfa.illinois.edu](http://www.osfa.illinois.edu) and click on "Check Your Status." If you have questions, please contact a member of our counseling staff at 217-333-0100 or email us at [finaid@illinois.edu](mailto:finaid@illinois.edu).

Both you (student) and your parent read and sign below: My signature and date below certifies that the information provided on this form and the contents of any and all attachments are true to the best of my knowledge.

Student Signature _____	Date _____	Parent Signature _____	Date _____
<a href="http://www.osfa.illinois.edu">www.osfa.illinois.edu</a>		<a href="mailto:finaid@illinois.edu">finaid@illinois.edu</a>	fax (217) 265-5516

# Defend your decision

- Remember the auditors??????
- Special circumstance worksheet
  - Shows 2011 income
  - **Documents** how we adjusted taxes paid
  - **Documents** our reasoning for making our decision
  - Imaged to student's file

**Student Name:** \_\_\_\_\_ **UIN** \_\_\_\_\_  
**EFC =**  **COA =** \_\_\_\_\_

**SPECIAL CIRCUMSTANCE:**

2011 Estimated Income:

Tax determination:

New AGI/ Old AGI \* Old taxes paid OR

\$11400 Standard Deduction Married \$9400 Head of Household \$5700 Single or Married filing separately: \$3650 x # of exemptions:  
 2 = \$7,300 3 = \$10,950 4 = \$14,600 5 = \$18,250 6 = \$21,900 7 = \$22,550

Previous AGI:	\$ _____	New AGI:	\$ _____
Previous Taxes:	\$ _____	tax per IRS tax tables	\$ _____
Fath/Stu Previous Wages:	\$ _____	New Fath/Stu New Wages:	\$ _____
Moth/Sps Previous Wages:	\$ _____	Moth/Sps New Wages:	\$ _____
education credit	\$ _____	untaxed income	\$ _____
child support received	_____	child support	\$ _____
untaxed income	\$ _____	untaxed unemployment	\$ _____

AGI	Income Exclusion	Adjusted AGI	Tax Per IRS Tables
_____	_____	_____	_____

\_\_\_\_\_  
 Administrator: Clarice Merriman Date: \_\_\_\_\_

# Send PJ and repackage

- Award aid once the ISAR returns
- Aid is based on our academic year packaging and policies procedures
- We do have a cut off point where we no longer award institutional aid

# Do or Do Not (Yoda says)



# University of Illinois

## Do or Do Not

- Do resolve all conflicting data
- Do review on a case by case basis
- Do not disregard lump sum
- Do not allow for private tuition for siblings
- Do allow budget increase directly related to STUDENT'S educational expense.
- MAY require filing of next years tax return in case of business loss.

# Questions?

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