

Quick Reference Guide

How to Ask for More College Financial Aid Due to a Wildfire or Natural Disaster



Students can qualify for more college financial aid when they are affected by a natural disaster, such as wildfires, earthquakes, mud slides, floods, tornadoes and hurricanes.

Why Appeal for More Financial Aid?

- Families should appeal for more financial aid when their ability to pay for college is affected by special circumstances
- Natural disasters can be hazardous to your financial health
- Special circumstances focus on changes, such as changes in income, assets and expenses, as well as cash flow challenges and other circumstances beyond the family's control

Special Circumstances from Natural Disasters

- Job loss, furloughs or a decrease in income
- Catastrophic loss (including personal belongings)
- Rent for a temporary place to stay
- Death of a dependent student's parent
- High unreimbursed medical and dental expenses
- Hardship distributions from retirement plans

When to Appeal for More Financial Aid

- Appeal for more financial aid whenever the family's ability to pay is affected by special circumstances
- You can appeal at any time, even in the middle of the year
- File an appeal as soon as you know about the special circumstances

How to Appeal for More Financial Aid

- Ask the financial aid office about their appeals process
- Some colleges have an appeal form and others just ask the family to write a letter
- Identify the special circumstances that affect the family's ability to pay for college
- Attach *copies* of documentation of the special circumstances
- Mail the appeal letter with delivery confirmation or by certified mail, return receipt requested
- Confirm receipt by calling the financial aid office a week after mailing the letter and ask if they need more information

How to Write the Financial Aid Appeal Letter

- Keep the letter short, to one or two pages
- Summarize the special circumstances in a bulleted list, one special circumstance per bullet point
- Be specific as to the dates and the financial impact of the special circumstances, such as estimated replacement costs
- Don't ask for a specific amount of money, as it can cause you to get less money
- State whether you were uninsured or underinsured (e.g., you didn't have fire or flood insurance)
- Provide reliable contact information for the student and parents (if applicable)

What Is Adequate Documentation?

- Provide independent third-party documentation to the college financial aid office, not the admissions office
- Documentation should relate to the special circumstances, such as a layoff notice or unemployment notice for job loss
- Other documentation can include photos, bills, receipts, FEMA application, insurance paperwork, and letters from people who are familiar with the family's situation (e.g., teachers, social workers, school counselors, doctors and clergy)

How an Appeal Is Implemented

- After the college decides to make an adjustment, the process is formulaic, not subjective
- For example, a job loss or pay cut yields a reduction in income, which leads to a new Student Aid Index, which leads to a new determination of financial need, which yields a new aid offer
- Sometimes, a college will make an adjustment to the cost of attendance instead, when the appeal relates to a component of the cost of attendance (e.g., textbooks, computer, peripherals, transportation, or dependent care) or when the student already has a zero or negative Student Aid Index
- The review is holistic, taking all factors into account, including insurance payouts, not just losses

Treatment of Medical Expenses

- Adjustments are based on *unreimbursed* medical expenses, including insurance premiums, co-pays, and deductibles
- The adjustment will be reduced by 11% of the Income Protection Allowance (IPA) from the financial aid formula, an allowance for medical care built into the financial aid formula

Other Special Considerations

- The family home is not reported as the asset on the FAFSA, but colleges will use the losses to give the family the benefit of the doubt elsewhere in the appeal
- The family home is reported as an asset on the CSS Profile
- Colleges can consider the impact of a catastrophic loss of the family home for their own financial aid funds, even if their ability to make adjustments to federal and state aid is limited
- Mortgage, utilities, tax and insurance expenses may continue even after a total loss or the end of government assistance
- Some colleges will deduct the rent for temporary accommodations from income
- Cars are not reported as assets on the FAFSA, but colleges can consider the incremental cost of traveling between home, school and work
- Ask the college to ignore insurance proceeds as an asset, since they are a one-time event that are not reflective of the ability to pay during the academic year
- Colleges focus on actual expenses, not "speculative" future expenses, so provide copies of contracts and estimates
- Be polite, as there is no appeal beyond the financial aid office