

WHAT ARE *UNUSUAL* FINANCIAL CONDITIONS?

Financial conditions that may be used in a special circumstance review include those that are both **unusual** (i.e., the typical family would not face this situation in a normal year) and **non-discretionary** (i.e., there is not much you can do about it).

NOTE: According to *Webster's Dictionary*, "unusual" means rare, extraordinary, uncommon, unexpected, distinctive.

Expenses that **reflect lifestyle choices do not** warrant a review. Examples include:

- Payment of routine living expenses (house payment, car, credit card, etc.)
- Debt repayment*
- Bankruptcy*

*NOTE: Debt repayment and/or declaring bankruptcy alone do not warrant a special circumstances review, but families in these circumstances may qualify for a review by documenting unusual financial conditions as described in the examples below.

The following are some of the more common unusual, non-discretionary financial conditions used in reviews:

- **Unusual medical expenses paid to date** (example: expenses greater than \$2,600 for a family of four with one student in college would be considered unusual; the calculation of this threshold varies depending on family size and number in college).
 - Choose either calendar year 2011 or 2012. Document expenses by reporting the amount from Line 1, Schedule A of your 2011 federal tax return OR report money you paid out-of-pocket (not reimbursed by insurance or by employer's pre-tax cafeteria plan) for doctor, dentist, hospitalization, medication, etc. Include only amounts paid within that year. Do not include outstanding medical bills.
- **Children in private K-12 schools** in 2012-2013.
 - Give name of school, reason for enrollment, gross tuition bill for year, and any discounts or scholarships anticipated.
- **Parent (of a dependent student) in college** in 2012-2013.
 - Give name of college, reason for attendance, enrollment level (i.e. full-time) and degree or credential sought. Also list annual tuition and book costs. Please note any scholarships, discounts, or employer reimbursement expected.
- **Unusual increase in income** in 2011
 - Please send filed federal 1040 forms for tax years 2009, 2010, 2011, and any other supporting schedules to show usual amount of gross income. Please explain why income cannot be used for educational expenses.
- **Loss of Untaxed Income** in 2012 (child support)
 - Please submit verification of court ordered child support with monthly amount and date that support will cease.

The above list is not exhaustive. These are only examples. Your special circumstance review may relate to other unusual financial situations that strain payments toward college. When writing your explanation, be sure to give specific dollar amounts. Include copies of supporting documents that you feel help explain your situation, but keep the number of sheets to a minimum.