THE EFC FORMULA, 2009-2010

What is the EFC?

The Expected Family Contribution (EFC) is the amount a family can be expected to contribute toward a student's college costs. Financial aid administrators (FAAs) determine an applicant's need for federal student aid from the U.S. Department of Education (the Department) and other sources of assistance by subtracting the EFC from the student's cost of attendance (COA).

The EFC formula is used to determine the EFC and ultimately determine the need for aid from the following types of federal student financial assistance: Federal Pell Grants, Academic Competitiveness Grants (ACGs), National Science and Mathematics Access to Retain Talent Grants (National SMART Grants), Teacher Education Assistance for College and Higher Education Grants (TEACH Grants), subsidized Stafford Loans (through the William D. Ford Federal Direct Loan [DL] Program or through the Federal Family Education Loan [FFEL] Program), and from the "campus-based" programs—Federal Supplemental Educational Opportunity Grants (FSEOGs), Federal Perkins Loans, and Federal Work-Study (FWS). The methodology for determining the EFC is found in Part F of Title IV of the Higher Education Act of 1965, as amended (HEA). Updated tables used in the computation of the EFC for the 2009-2010 award year were published in the *Federal Register* on May 29, 2008 (ifap.ed.gov/fregisters/FR05292008.html) (73 FR 30904).

What is the source of data used in EFC calculations?

All data used to calculate a student's EFC comes from the information the student provides on the Free Application for Federal Student Aid (FAFSA). A student may submit a FAFSA (1) through the Internet by using FAFSA on the Web, (2) by filing an application electronically through a school, or (3) by mailing a FAFSA to the Central Processing System (CPS). Students who applied for federal student aid in the previous award year may be eligible to reapply using a renewal FAFSA online. Applying for federal aid is free. However, to be considered for non-federal aid (such as institutional aid), a student may have to fill out additional forms.

We encourage applicants to complete the appropriate electronic version of the FAFSA because the electronic version contains additional instructions and help features, has built-in edits that reduce applicant errors, and allows the Department to send application results to the applicant and schools more quickly.

New for 2009-2010: The College Cost Reduction and Access Act (CCRAA), P.L. 110-84 mandates that we no longer collect the untaxed income information in Worksheet A of the FAFSA. Because we needed to eliminate Worksheet A, we decided to also delete Worksheets B and C and move the remaining data elements to the body of the FAFSA itself. These data elements have been grouped logically on the form as "Additinal Financial Information" (questions 46.a.-46.e. for the student and 94.a.-94.e. for the parent) and "Untaxed Income" (questions 47.a.-47.j. for the student and 95.a.-95.i. for the parent). The CPS will use the answers to these individual data elements to calculate total values for "Additional Financial Information" and "Untaxed Income." However, when using the EFC Formula Worksheet, enter the sum total of the "Additional Financial Information" lines and the "Untaxed Income" lines for both the student and parent, where appropriate.

New for 2009-2010: The CCRAA extends the time that an individual who received benefits from a means-tested Federal benefit program can qualify for a simplified EFC or automatic zero EFC calculation from 12 to 24 months.

Who processes the application, and how is a student notified of his or her EFC?

The CPS receives the student's application data, either electronically or on the paper application, and uses it to calculate an EFC. After the FAFSA has been processed, the CPS sends the student an output document containing information about his or her application results. This document, which can be paper or electronic, is called a Student Aid Report (SAR). The SAR lists all the information from the student's application and indicates whether or not the application was complete and signed. If the application is complete and signed and no data conflicts, the SAR also includes the student's EFC. Students are instructed to carefully check the information on the SAR to ensure its accuracy. All schools listed on the student's FAFSA receive application information and processing results in an electronic file called an Institutional Student Information Record (ISIR).

Which EFC Formula Worksheet should be used?

There are three regular (full-data) formulas—(A) for the dependent student, (B) for the independent student **without** dependents other than a spouse, and (C) for the independent student **with** dependents other than a spouse. Also, there is a simplified version of each formula with fewer data elements. Instructions for applicants who are eligible for the automatic zero EFC calculation are included in each worksheet. See page 5 for more information on which students qualify for an automatic zero EFC.

Note: Do __not__ complete the shaded areas in the simplified worksheets; asset information is not required in the simplified formulas.

What is the definition of an independent student?

Because the EFC formula for a dependent student uses parental data, and the two formulas for independent students do not, the first step in calculating a student's EFC is to determine his or her dependency status. For the 2009-2010 award year, a student is automatically determined to be an independent applicant for federal student aid if he or she meets one or more of the following criteria:

- Student was born before January 1, 1986.

- Student is married as of the date of the application (answer "Yes" if the student is separated but not divorced).

- At the beginning of the 2009-2010 school year, the student will be enrolled in a master's or doctoral degree program (such as MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.).

- Student is currently serving on active duty in the U.S. Armed Forces, or is a National Guard or Reserves enlistee called into federal active duty for other than training purposes.

- Student is a veteran of the U.S. Armed Forces (see the definition in the box on page 4).

- Student has children who receive more than half of their support from him or her between July 1, 2009 and June 30, 2010.

- Student has dependents (other than children or spouse) who live with the student and who receive more than half of their support from the student, now and through June 30, 2010.

- At any time when the student was age 13 or older, both of the student's parents were deceased, the student was in foster care, or the student was a dependent/ward of the court.

- Student was or is an emancipated minor as determined by a court in his or her state of legal residence.

- Student was or is in legal guardianship as determined by a court in his or her state of legal residence.

- Student was determined to be an unaccompanied youth who was homeless by a high school or school district homeless liaison on or after July 1, 2008.

- Student was determined to be an unaccompanied youth who was homeless by an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development on or after July 1, 2008.

- Student was determined to be an unaccompanied youth who was homeless or was self-supporting and at risk of being homeless by a director of a runaway or homeless youth basic center or transitional living program on or after July 1, 2008.

An FAA can make a determination of independence with documentation of special circumstances, even if the student initially filed as a dependent student.

Which students qualify for the simplified EFC formulas?

The following criteria determine which students have their EFCs calculated by a simplified formula. Assets are not considered in the simplified EFC formulas.

New for 2009-2010: Provisions in the CCRAA mandate that dislocated workers be considered for a simplified EFC if they meet the income threshold.

New for 2009-2010: The CCRAA extends the time that an individual who received benefits from a means-tested Federal benefit program can qualify for a simplified EFC formula calculation from 12 to 24 months.

For the 2009-2010 award year, a **dependent** student qualifies for the simplified EFC formula if both (1) and (2) below are true:

(1)   Anyone included in the **parents'** household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs: the Supplemental Security Income (SSI) Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the Temporary Assistance for Needy Families (TANF) Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); **OR**

the student's **parents** filed or are eligible to file a 2008 IRS Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040)[1], or the parents are not required to file any income tax return; **OR**

the student's **parent** is a dislocated worker.

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[1] One of the following 2008 income tax forms may be filed as an alternative to filing a Form 1040A or 1040EZ: the income tax return required by the tax code of the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau.

AND

(2) The 2008 income of the student's **parents** is $49,999 or less.

- For tax filers, use the parents' adjusted gross income from 2008 Form 1040A or 1040EZ[2] to determine if income is $49,999 or less.

- For non-tax filers, use the income shown on the 2008 W-2 forms of both parents (plus any other earnings from work not included on the W-2s) to determine if income is $49,999 or less.

For the 2009-2010 award year, an **independent** student qualifies for the simplified EFC formula if both (1) and (2) below are true:

(1) Anyone included in the **student's** household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs: the SSI Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the TANF Program, and WIC; **OR**

the student (and the student's spouse, if any) filed or is eligible to file a 2008 IRS Form 1040A or 1040EZ (he or she is not required to file a 2008 Form 1040)[3], or he or she is not required to file any income tax return; **OR**

the student (or the student's spouse, if any) is a dislocated worker.

AND

(2) The student's (and spouse's) 2008 income is $49,999 or less.

- For tax filers, use the student's (and spouse's) adjusted gross income from 2008 Form 1040A or 1040EZ[4] to determine if income is $49,999 or less.

- For non-tax filers, use the income shown on the student's (and spouse's) 2008 W-2 forms (plus any other earnings from work not included on the W-2s) to determine if income is $49,999 or less.

Which students qualify for an automatic zero EFC calculation?

Certain students are automatically eligible for a zero EFC.

New for 2009-2010: Provisions in the CCRAA mandate an increase in the income threshold for an automatic zero EFC from $20,000 to $30,000.

New for 2009-2010: The CCRAA extends the time that an individual who received benefits from a means-tested Federal benefit program can qualify for an automatic zero EFC calculation from 12 to 24 months.

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[2] See note 1 on page 4.

[3] See note 1 on page 4.

[4] See note 1 on page 4.

For the 2009-2010 award year, a **dependent student** automatically qualifies for a zero EFC if both (1) and (2) below are true.

(1) Anyone included in the **parents'** household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs: the SSI Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the TANF Program, and WIC; **OR**

the student's **parents** filed or are eligible to file a 2008 IRS Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040)[5], or the parents are not required to file any income tax return; **OR**

the student's **parent** is a dislocated worker.

AND

(2) The 2008 income of the student's **parents** is $30,000 or less.

• For tax filers, use the parents' adjusted gross income from 2008 Form 1040A or 1040EZ[6] to determine if income is $30,000 or less.

• For non-tax filers, use the income shown on the 2008 W-2 forms of both parents (plus any other earnings from work not included on the W-2s) to determine if income is $30,000 or less.

An **independent student with dependents other than a spouse** automatically qualifies for a zero EFC if both (1) and (2) below are true:

(1) Anyone included in the **student's** household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs: the SSI Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the TANF Program, and WIC; **OR**

the student (and the student's spouse, if any) filed or is eligible to file a 2008 IRS Form 1040A or 1040EZ (he or she is not required to file a 2008 Form 1040)[7], or he or she is not required to file any income tax return; **OR**

the student (or the student's spouse, if any) is a dislocated worker.

AND

(2) The student's (and spouse's) 2008 income is $30,000 or less.

• For tax filers, use the student's (and spouse's) adjusted gross income from 2008 Form 1040A or 1040EZ[8] to detemine if income is $30,000 or less.

• For non-tax filers, use the income shown on the student's (and spouse's) 2008 W-2 forms (plus any other earnings from work not included on the W-2s) to determine if income is $30,000 or less.

Note that the automatic eligibility criteria for a zero EFC is not applicable to a single or married **independent student without dependents other than a spouse.**

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[5] See note 1 on page 4.

[6] See note 1 on page 4.

[7] See note 1 on page 4.

[8] See note 1 on page 4.

Why might a calculation of an EFC using these worksheets differ from the EFC reported on a student's SAR?

When it appears that an applicant has reported inconsistent data, the CPS may make certain assumptions to resolve the inconsistency. These assumed values, which are reported on the student's SAR, are used to calculate the student's EFC. Therefore, in some cases, the EFC produced by these worksheets may differ from the EFC produced by the CPS if the assumed values are not used.

In addition, to help reconcile EFC Formula Worksheet calculations with those of the CPS, all calculations should be carried to three decimal places and then rounded to the nearest whole numbers—round upward for results of .500 to .999, round downward for results of .001 to .499. Rounding should be performed so that the intermediate value that is the result of each step does not have any decimal digits.

WORKSHEETS AND TABLES

*Note: Do **<u>not</u>** complete the shaded areas in the simplified worksheets; asset information is not required in the simplified formulas.*

2009-2010 EFC FORMULA **A** : DEPENDENT STUDENT

PARENTS' INCOME IN 2008

1. Parents' Adjusted Gross Income (FAFSA/SAR #86) If negative, enter zero.	
2. a. Father's/stepfather's income earned from work (FAFSA/SAR #89) _____ **2. b.** Mother's/stepmother's income earned from work (FAFSA/SAR #90) + _____ Total parents' income earned from work =	
3. Parents' Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Total untaxed income and benefits: (Total of FAFSA/SAR #95.a. through 95.i.) +	
5. Taxable and untaxed income (sum of line 3 and line 4) =	
6. Total additional financial information (Total of FAFSA/SAR #94.a. through 94.e.) −	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST PARENTS' INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #87) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero. +	
10. Father's/stepfather's Social Security tax allowance (Table A2) +	
11. Mother's/stepmother's Social Security tax allowance (Table A2) +	
12. Income protection allowance (Table A3) +	
13. Employment expense allowance: • Two working parents: 35% of the lesser of the earned incomes, or $3,500, whichever is less • One-parent families: 35% of earned income, or $3,500, whichever is less • Two-parent families, one working parent: enter zero +	
14. TOTAL ALLOWANCES =	

AVAILABLE INCOME

Total income (from line 7)	
Total allowances (from line 14) −	
15. AVAILABLE INCOME (AI) May be a negative number. =	

PARENTS' CONTRIBUTION FROM ASSETS

16. Cash, savings & checking (FAFSA/SAR #91)	
17. Net worth of investments** (FAFSA/SAR #92) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR #93) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table A4.) +	
20. Net worth (sum of lines 16, 17, and 19) =	
21. Education savings and asset protection allowance (Table A5) −	
22. Discretionary net worth (line 20 minus line 21) =	
23. Asset conversion rate ×	**.12**
24. CONTRIBUTION FROM ASSETS If negative, enter zero. =	

PARENTS' CONTRIBUTION

AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTION FROM ASSETS (from line 24) +	
25. Adjusted Available Income (AAI) May be a negative number. =	
26. Total parents' contribution from AAI (Calculate using Table A6.) If negative, enter zero.	
27. Number in college in 2009-2010 (Exclude parents) (FAFSA/SAR #76) ÷	
28. PARENTS' CONTRIBUTION (standard contribution for nine-month enrollment)*** If negative, enter zero. =	

*STOP HERE if the following are true:

Line 3 is $30,000 or less **and**

- The parents are eligible to file a 2008 IRS Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040) or they are not required to file any income tax return **or**
- Anyone included in the parents' household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs **or**
- Either one of the parents is a dislocated worker

If these circumstances are true, the Expected Family Contribution is automatically zero.

**Do *not* include the family's home.

***To calculate the parents' contribution for other than nine-month enrollment, see page 11.

STUDENT'S INCOME IN 2008

29. Adjusted Gross Income (FAFSA/SAR #36) If negative, enter zero.		
30. Income earned from work (FAFSA/SAR #39)		
31. Taxable Income (If tax filer, enter the amount from line 29. If non-tax filer, enter the amount from line 30.)		
32. Total untaxed income and benefits (Total of FAFSA/SAR #47.a. through 47.j.) +		
33. Taxable and untaxed income (sum of line 31 and line 32) =		
34. Total additional financial information (Total of FAFSA/SAR #46.a. through 46.e.) −		
35. TOTAL INCOME (line 33 minus line 34) May be a negative number. =		

ALLOWANCES AGAINST STUDENT INCOME

36. 2008 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.		
37. State and other tax allowance (Table A7) If negative, enter zero. +		
38. Social Security tax allowance (Table A2) +		
39. Income protection allowance +	**3,750**	
40. Allowance for parents' negative Adjusted Available Income (If line 25 is negative, enter line 25 as a positive number in line 40. If line 25 is zero or positive, enter zero in line 40.) +		
41. TOTAL ALLOWANCES =		

STUDENT'S CONTRIBUTION FROM INCOME

Total income (from line 35)		
Total allowances (from line 41) −		
42. Available income (AI) =		
43. Assessment of AI ×	**.50**	
44. STUDENT'S CONTRIBUTION FROM AI = If negative, enter zero.		

STUDENT'S CONTRIBUTION FROM ASSETS

45. Cash, savings & checking (FAFSA/SAR #41)		
46. Net worth of investments* (FAFSA/SAR #42) If negative, enter zero.		
47. Net worth of business and/or investment farm (FAFSA/SAR #43) If negative, enter zero. +		
48. Net worth (sum of lines 45 through 47) =		
49. Assessment rate ×	**.20**	
50. STUDENT'S CONTRIBUTION FROM ASSETS =		

EXPECTED FAMILY CONTRIBUTION

PARENTS' CONTRIBUTION (from line 28)	
STUDENT'S CONTRIBUTION FROM AI (from line 44) +	
STUDENT'S CONTRIBUTION FROM ASSETS (from line 50) +	
51. EXPECTED FAMILY CONTRIBUTION (standard contribution for nine-month enrollment)** If negative, enter zero. =	

*Do *not* include the student's home.

**To calculate the EFC for other than nine-month enrollment, see the next page.

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for other than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

REGULAR WORKSHEET Page 3 — **A**

Calculation of Parents' Contribution for a Student Enrolled LESS than Nine Months		
A1. Parents' contribution (standard contribution for nine-month enrollment, from line 28)		
A2. Divide by 9	÷	**9**
A3. Parents' contribution per month	=	
A4. Multiply by number of months of enrollment	×	
A5. Parents' contribution for LESS than nine-month enrollment	=	

Calculation of Parents' Contribution for a Student Enrolled MORE than Nine Months		
B1. Parents' Adjusted Available Income (AAI) (from line 25—may be a negative number)		
B2. Difference between the income protection allowance for a family of four and a family of five, with one in college	+	**4,380**
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table A6)		
B5. Number in college (FAFSA/SAR #76)	÷	
B6. Alternate parents' contribution for student (line B4 divided by line B5)	=	
B7. Standard parents' contribution for the student for nine-month enrollment (from line 28)	−	
B8. Difference (line B6 minus line B7)	=	
B9. Divide line B8 by 12 months	÷	**12**
B10. Parents' contribution per month	=	
B11. Number of months student will be enrolled that exceed 9	×	
B12. Adjustment to parents' contribution for months that exceed nine (multiply line B10 by line B11)	=	
B13. Standard parents' contribution for nine-month enrollment (from line 28)	+	
B14. Parents' contribution for MORE than nine-month enrollment	=	

Calculation of Student's Contribution from Available Income (AI) for a Student Enrolled LESS than Nine Months*		
C1. Student's contribution from AI (standard contribution for nine-month enrollment, from line 44)		
C2. Divide by 9	÷	**9**
C3. Student's contribution from AI per month	=	
C4. Multiply by number of months of enrollment	×	
C5. Student's contribution from AI for LESS than nine-month enrollment	=	

*For students enrolled more than nine months, the standard contribution from AI is used (the amount from line 44).

Use next page to calculate total EFC for enrollment periods other than nine months

Calculation of Total Expected Family Contribution for Periods of Enrollment Other than Nine Months

Parents' Contribution—use ONE appropriate amount from previous page: • Enter amount from line A5 for enrollment periods less than nine months **OR** • Enter amount from line B14 for enrollment periods greater than nine months		
Student's Contribution from Available Income—use ONE appropriate amount from previous page: • Enter amount from line C5 for enrollment periods less than nine months **OR** • Enter amount from line 44 for enrollment periods greater than nine months	+	
Student's Contribution from Assets • Enter amount from line 50	+	
Expected Family Contribution for periods of enrollment other than nine months	=	

2009-2010 EFC FORMULA **A**: DEPENDENT STUDENT

PARENTS' INCOME IN 2008

1. Parents' Adjusted Gross Income (FAFSA/SAR #86) If negative, enter zero.	
2. a. Father's/stepfather's income earned from work (FAFSA/SAR #89) _____	
2. b. Mother's/stepmother's income earned from work (FAFSA/SAR #90) + _____	
Total parents' income earned from work =	
3. Parents' Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Total untaxed income and benefits (sum total of FAFSA/SAR #95.a. through 95.i.) +	
5. Taxable and untaxed income (sum of line 3 and line 4) =	
6. Total additional financial information (sum total of FAFSA/SAR #94.a. through 94.e.) −	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST PARENTS' INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #87) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero. +	
10. Father's/stepfather's Social Security tax allowance (Table A2) +	
11. Mother's/stepmother's Social Security tax allowance (Table A2) +	
12. Income protection allowance (Table A3) +	
13. Employment expense allowance: • Two working parents: 35% of the lesser of the earned incomes, or $3,500, whichever is less • One-parent families: 35% of earned income, or $3,500, whichever is less • Two-parent families, one working parent: enter zero +	
14. TOTAL ALLOWANCES =	

*STOP HERE if the following are true:

Line 3 is $30,000 or less **and**

- The parents are eligible to file a 2008 IRS Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040) or they are not required to file any income tax return **or**
- Anyone included in the parents' household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs **or**
- Either one of the parents is a dislocated worker

If these circumstances are true, the Expected Family Contribution is automatically zero.

AVAILABLE INCOME

TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14) −	
15. AVAILABLE INCOME (AI) May be a negative number. =	

PARENTS' CONTRIBUTION FROM ASSETS

16. Cash, savings & checking (FAFSA/SAR #91)	
17. Net worth of investments** (FAFSA/SAR #92) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR #93) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table A4.) +	
20. Net worth (sum of lines 16, 17, and 19) =	
21. Education savings and asset protection allowance (Table A5) −	
22. Discretionary net worth (line 20 minus line 21) =	
23. Asset conversion rate × .12	
24. CONTRIBUTION FROM ASSETS If negative, enter zero. =	

PARENTS' CONTRIBUTION

AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTION FROM ASSETS (from line 24) +	
25. Adjusted Available Income (AAI) May be a negative number. =	
26. Total parents' contribution from AAI (Calculate using Table A6.) If negative, enter zero.	
27. Number in college in 2009-2010 (Exclude parents) (FAFSA/SAR #76) ÷	
28. PARENTS' CONTRIBUTION (standard contribution for nine-month enrollment)*** If negative, enter zero. =	

**Do *not* include the family's home.

***To calculate the parents' contribution for other than nine-month enrollment, see page 15.

Note: Do __not__ complete the shaded areas; asset information is not required in the simplified formula.

STUDENT'S INCOME IN 2008

29.	Adjusted Gross Income (FAFSA/SAR #36) If negative, enter zero.	
30.	Income earned from work (FAFSA/SAR #39)	
31.	Taxable Income (If tax filer, enter the amount from line 29. If non-tax filer, enter the amount from line 30.)	
32.	Total untaxed income and benefits (Total of FAFSA/SAR #47.a. through 47.j.) +	
33.	Taxable and untaxed income (sum of line 31 and line 32) =	
34.	Total additional financial information (Total of FAFSA/SAR #46.a. through 46.e.) −	
35.	**TOTAL INCOME** (line 33 minus line 34) May be a negative number. =	

ALLOWANCES AGAINST STUDENT INCOME

36.	2008 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
37.	State and other tax allowance (Table A7) If negative, enter zero. +	
38.	Social Security tax allowance (Table A2) +	
39.	Income protection allowance +	**3,750**
40.	Allowance for parents' negative Adjusted Available Income (If line 25 is negative, enter line 25 as a positive number in line 40. If line 25 is zero or positive, enter zero in line 40.) +	
41.	**TOTAL ALLOWANCES** =	

STUDENT'S CONTRIBUTION FROM INCOME

Total income (from line 35)		
Total allowances (from line 41)	−	
42.	**Available income (AI)** =	
43.	**Assessment of AI** ×	**.50**
44.	**STUDENT'S CONTRIBUTION FROM AI** If negative, enter zero. =	

STUDENT'S CONTRIBUTION FROM ASSETS

45.	Cash, savings & checking (FAFSA/SAR #41) +	
46.	Net worth of investments* (FAFSA/SAR #42) If negative, enter zero.	
47.	Net worth of business and/or investment farm (FAFSA/SAR #43) If negative, enter zero. +	
48.	**Net worth** (sum of lines 45 through 47) =	
49.	Assessment rate ×	.20
50.	**STUDENT'S CONTRIBUTION FROM ASSETS** =	

EXPECTED FAMILY CONTRIBUTION

PARENTS' CONTRIBUTION (from line 28)	
STUDENT'S CONTRIBUTION FROM AI (from line 44) +	
STUDENT'S CONTRIBUTION FROM ASSETS (from line 50) +	
51. EXPECTED FAMILY CONTRIBUTION standard contribution for nine month enrollment. If negative, enter zero.** =	

*Do not include the student's home.

**To calculate the EFC for other than nine-month enrollment, see the next page.

Note: Do __not__ complete the shaded areas; asset information is not required in the simplified formula.

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for other than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

<table>
<tr><td colspan="3">SIMPLIFIED WORKSHEET Page 3 A</td></tr>
</table>

Calculation of Parents' Contribution for a Student Enrolled LESS than Nine Months		
A1. Parents' contribution (standard contribution for nine-month enrollment, from line 28)		
A2. Divide by 9	÷	**9**
A3. Parents' contribution per month	=	
A4. Multiply by number of months of enrollment	×	
A5. Parents' contribution for LESS than nine-month enrollment	=	

Calculation of Parents' Contribution for a Student Enrolled MORE than Nine Months		
B1. Parents' Adjusted Available Income (AAI) (from line 25—may be a negative number)		
B2. Difference between the income protection allowance for a family of four and a family of five, with one in college	+	**4,380**
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table A6)		
B5. Number in college (FAFSA/SAR #76)	÷	
B6. Alternate parents' contribution for student (line B4 divided by line B5)	=	
B7. Standard parents' contribution for the student for nine-month enrollment (from line 28)	−	
B8. Difference (line B6 minus line B7)	=	
B9. Divide line B8 by 12 months	÷	**12**
B10. Parents' contribution per month	=	
B11. Number of months student will be enrolled that exceed 9	×	
B12. Adjustment to parents' contribution for months that exceed nine (multiply line B10 by line B11)	=	
B13. Standard parents' contribution for nine-month enrollment (from line 28)	+	
B14. Parents' contribution for MORE than nine-month enrollment	=	

Calculation of Student's Contribution from Available Income (AI) for a Student Enrolled LESS than Nine Months*		
C1. Student's contribution from AI (standard contribution for nine-month enrollment, from line 44)		
C2. Divide by 9	÷	**9**
C3. Student's contribution from AI per month	=	
C4. Multiply by number of months of enrollment	×	
C5. Student's contribution from AI for LESS than nine-month enrollment	=	

*For students enrolled more than nine months, the standard contribution from AI is used (the amount from line 44).

Use next page to calculate total EFC for enrollment periods other than nine months

Calculation of Total Expected Family Contribution for Periods of Enrollment Other than Nine Months

Parents' Contribution—use ONE appropriate amount from previous page: • Enter amount from line A5 for enrollment periods less than nine months **OR** • Enter amount from line B14 for enrollment periods greater than nine months	
Student's Contribution from Available Income—use ONE appropriate amount from previous page: • Enter amount from line C5 for enrollment periods less than nine months **OR** + • Enter amount from line 44 for enrollment periods greater than nine months	
Expected Family Contribution for periods of enrollment other than nine months =	

Table A1: State and Other Tax Allowance
for EFC Formula Worksheet A (parents only)

STATE	PERCENT OF TOTAL INCOME		STATE	PERCENT OF TOTAL INCOME	
	$0-$14,999	$15,000 or more		$0-$14,999	$15,000 or more
Alabama	3%	2%	Missouri	5%	4%
Alaska	2%	1%	Montana	5%	4%
American Samoa	3%	2%	Nebraska	5%	4%
Arizona	4%	3%	Nevada	3%	2%
Arkansas	4%	3%	New Hampshire	5%	4%
California	8%	7%	New Jersey	9%	8%
Canada and Canadian			New Mexico	3%	2%
Provinces	3%	2%	New York	9%	8%
Colorado	5%	4%	North Carolina	6%	5%
Connecticut	8%	7%	North Dakota	3%	2%
Delaware	4%	3%	Northern Mariana		
District of Columbia	7%	6%	Islands	3%	2%
Federated States			Ohio	6%	5%
of Micronesia	3%	2%	Oklahoma	4%	3%
Florida	3%	2%	Oregon	7%	6%
Georgia	5%	4%	Palau	3%	2%
Guam	3%	2%	Pennsylvania	6%	5%
Hawaii	5%	4%	Puerto Rico	3%	2%
Idaho	5%	4%	Rhode Island	7%	6%
Illinois	5%	4%	South Carolina	5%	4%
Indiana	4%	3%	South Dakota	2%	1%
Iowa	5%	4%	Tennessee	2%	1%
Kansas	5%	4%	Texas	3%	2%
Kentucky	5%	4%	Utah	5%	4%
Louisiana	3%	2%	Vermont	5%	4%
Maine	6%	5%	Virgin Islands	3%	2%
Marshall Islands	3%	2%	Virginia	6%	5%
Maryland	8%	7%	Washington	4%	3%
Massachusetts	7%	6%	West Virginia	3%	2%
Mexico	3%	2%	Wisconsin	7%	6%
Michigan	5%	4%	Wyoming	2%	1%
Minnesota	6%	5%	Blank or Invalid		
Mississippi	3%	2%	State	3%	2%
			OTHER	3%	2%

Multiply Parents' Total Income (EFC Formula Worksheet A, line 7) by the appropriate rate from the table above to get the "State and Other Tax Allowance" (EFC Formula Worksheet A, line 9). Use the parents' State of Legal Residence (FAFSA/SAR #72). If this item is blank or invalid, use the student's State of Legal Residence (FAFSA/SAR #18). If both items are blank or invalid, use the State in the Student's Mailing Address (FAFSA/SAR #6). If all three items are blank or invalid, use the rate for a blank or invalid state above.

Table A2: Social Security Tax

Calculate separately the Social Security tax of father, mother, and student.

Income Earned from Work*	Social Security Tax
$0 - $102,000	7.65% of income
$102,001 or greater	$7,803.00 + 1.45% of amount over $102,000

*Father's/stepfather's 2008 income earned from work is FAFSA/SAR #89.
Mother's/stepmother's 2008 income earned from work is FAFSA/SAR #90.
Student's 2008 income earned from work is FAFSA/SAR #39.
Social Security tax will never be less than zero.

Table A3: Income Protection Allowance

Number in parents' household, including student (FAFSA/SAR #75)	Number of college students in household (FAFSA/SAR #76)				
	1	2	3	4	5
2	$15,840	$13,130	———	———	———
3	19,730	17,030	$14,320	———	———
4	24,370	21,660	18,960	$16,250	———
5	28,750	26,040	23,340	20,630	$17,940
6	33,630	30,920	28,220	25,510	22,820

Note: For each additional family member, add $3,800.
For each additional college student (except parents), subtract $2,700.

Table A4: Business/Farm Net Worth Adjustment
for EFC Formula Worksheet A (parents only)

If the net worth of a business or farm is—	Then the adjusted net worth is—			
Less than $1	$0			
$1 to $115,000	40% of net worth of business/farm			
$115,001 to $340,000	$ 46,000	+	50%	of net worth over $115,000
$340,001 to $565,000	$158,500	+	60%	of net worth over $340,000
$565,001 or more	$293,500	+	100%	of net worth over $565,000

Table A5: Education Savings and Asset Protection Allowance
for EFC Formula Worksheet A (parents only)

Age of older parent as of 12/31/2009*	Allowance if there are two parents	Allowance if there is only one parent	Age of older parent as of 12/31/2009*	Allowance if there are two parents	Allowance if there is only one parent
25 or less ...	$0	$0	45	$48,700	$19,900
26	2,900	1,200	46	49,900	20,400
27	5,800	2,400	47	51,200	20,900
28	8,700	3,600	48	52,400	21,400
29	11,600	4,800	49	53,700	21,900
30	14,500	6,000	50	55,300	22,400
31	17,400	7,200	51	56,700	22,900
32	20,300	8,400	52	58,000	23,500
33	23,100	9,500	53	59,800	24,000
34	26,000	10,700	54	61,200	24,600
35	28,900	11,900	55	63,000	25,300
36	31,800	13,100	56	64,900	25,900
37	34,700	14,300	57	66,400	26,500
38	37,600	15,500	58	68,300	27,200
39	40,500	16,700	59	70,300	27,900
40	43,400	17,900	60	72,300	28,700
41	44,200	18,200	61	74,400	29,500
42	45,300	18,600	62	76,600	30,300
43	46,400	19,100	63	79,100	31,100
44	47,600	19,500	64	81,300	32,000
			65 or over ..	84,000	32,800

*Determine the age of the older parent listed in FAFSA/SAR #66 and #70 as of 12/31/09.
 If no parent date of birth is provided, use age 45.

Table A6: Parents' Contribution from AAI

If parents' AAI is—	The parents' contribution from AAI is—
Less than -$3,409	-$750
-$3,409 to $14,200	22% of AAI
$14,201 to $17,800	$3,124 + 25% of AAI over $14,200
$17,801 to $21,400	$4,024 + 29% of AAI over $17,800
$21,401 to $25,000	$5,068 + 34% of AAI over $21,400
$25,001 to $28,600	$6,292 + 40% of AAI over $25,000
$28,601 or more	$7,732 + 47% of AAI over $28,600

Table A7: State and Other Tax Allowance
for EFC Formula Worksheet A (student only)

State	Rate	State	Rate
Alabama	2%	Missouri	3%
Alaska	0%	Montana	3%
American Samoa	2%	Nebraska	3%
Arizona	3%	Nevada	1%
Arkansas	3%	New Hampshire	1%
California	5%	New Jersey	4%
Canada and Canadian		New Mexico	3%
Provinces	2%	New York	6%
Colorado	3%	North Carolina	4%
Connecticut	4%	North Dakota	1%
Delaware	3%	Northern Mariana Islands	2%
District of Columbia	6%	Ohio	4%
Federated States		Oklahoma	3%
of Micronesia	2%	Oregon	5%
Florida	1%	Palau	2%
Georgia	4%	Pennsylvania	3%
Guam	2%	Puerto Rico	2%
Hawaii	4%	Rhode Island	4%
Idaho	3%	South Carolina	3%
Illinois	2%	South Dakota	1%
Indiana	3%	Tennessee	1%
Iowa	3%	Texas	1%
Kansas	3%	Utah	4%
Kentucky	4%	Vermont	3%
Louisiana	2%	Virgin Islands	2%
Maine	4%	Virginia	4%
Marshall Islands	2%	Washington	1%
Maryland	5%	West Virginia	2%
Massachusetts	4%	Wisconsin	4%
Mexico	2%	Wyoming	1%
Michigan	3%	Blank or Invalid State	2%
Minnesota	4%	OTHER	2%
Mississippi	2%		

Multiply the student's total income (EFC Formula Worksheet A, line 35) by the appropriate rate from the table above to get the "state and other tax allowance" (EFC Formula Worksheet A, line 37). Use the student's state of legal residence (FAFSA/SAR #18). If this item is blank or invalid, use the state in the student's mailing address (FAFSA/SAR #6). If both items are blank or invalid, use the parents' state of legal residence (FAFSA/SAR #72). If all three items are blank or invalid, use the rate for a blank or invalid state above.

2009-2010 EFC FORMULA B : INDEPENDENT STUDENT
Without Dependent(s) Other than a Spouse

REGULAR WORKSHEET Page 1   **B**

STUDENT/SPOUSE INCOME IN 2008

1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #36) If negative, enter zero.		
2. a. Student's income earned from work (FAFSA/SAR #39) _____		
2. b. Spouse's income earned from work (FAFSA/SAR #40) + _____		
Total student/spouse income earned from work =		
3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)		
4. Total untaxed income and benefits (sum total of FAFSA/SAR #47.a. through 47.j.) +		
5. Taxable and untaxed income (sum of line 3 and line 4) =		
6. Total additional financial information (sum total of FAFSA/SAR #46.a. through 46.e.) −		
7. **TOTAL INCOME** (line 5 minus line 6) May be a negative number. =		

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.		
9. State and other tax allowance (Table B1) If negative, enter zero. +		
10. Student's Social Security tax (Table B2) +		
11. Spouse's Social Security tax (Table B2) +		
12. Income protection allowance:		
• $7,000 for unmarried or separated student;		
• $7,000 for married student if spouse is enrolled at least 1/2 time;		
• $11,220 for married student if spouse is not enrolled at least 1/2 time. +		
13. Employment expense allowance:		
• If student is not married or is separated, the allowance is zero.		
• If student is married but only one person is working (the student or spouse), the allowance is zero.		
• If student is married and both student and spouse are working, the allowance is 35% of the lesser of the earned incomes, or $3,500, whichever is less. +		
14. TOTAL ALLOWANCES =		

CONTRIBUTION FROM AVAILABLE INCOME

TOTAL INCOME (from line 7)		
TOTAL ALLOWANCES (from line 14) −		
15. AVAILABLE INCOME (AI) =		
16. Assessment rate ×	.50
17. CONTRIBUTION FROM AI May be a negative number. =		

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS

18. Cash, savings & checking (FAFSA/SAR #41)		
19. Net worth of investments* (FAFSA/SAR #42) If negative, enter zero.		
20. Net worth of business and/or investment farm (FAFSA/SAR #43) If negative, enter zero.		
21. Adjusted net worth of business/farm (Calculate using Table B3.) +		
22. **Net worth** (sum of lines 18, 19, and 21) =		
23. Asset protection allowance (Table B4) −		
24. Discretionary net worth (line 22 minus line 23) =		
25. Asset conversion rate ×	.20
26. CONTRIBUTION FROM ASSETS If negative, enter zero.		

EXPECTED FAMILY CONTRIBUTION

CONTRIBUTION FROM AI (from line 17) May be a negative number.		
CONTRIBUTION FROM ASSETS (from line 26) +		
27. **Contribution from AI and assets** =		
28. **Number in college in 2009-2010** (FAFSA/SAR #97) ÷		
29. **EXPECTED FAMILY CONTRIBUTION** for nine month enrollment. If negative, enter zero.** =		

*Do *not* include the student's home.

**To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 29 above).

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

REGULAR
WORKSHEET
Page 2

B

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 29)		
Divide by 9	÷	**9**
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the
  EFC for the standard nine-month enrollment (EFC Formula Worksheet B, line 29).

2009-2010 EFC FORMULA B: INDEPENDENT STUDENT
Without Dependent(s) Other than a Spouse

SIMPLIFIED WORKSHEET Page 1 **B**

STUDENT/SPOUSE INCOME IN 2008

1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #36) If negative, enter zero.

2. a. Student's income earned from work (FAFSA/SAR #39) _____

   b. Spouse's income earned from work (FAFSA/SAR #40) + _____

   Total student/spouse income earned from work =

3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)

4. Total untaxed income and benefits (sum total of FAFSA/SAR #47.a. through 47.j.) +

5. Taxable and untaxed income (sum of line 3 and line 4) =

6. Total additional financial information (sum total of FAFSA/SAR #46.a. through 46.e.) −

7. **TOTAL INCOME** (line 5 minus line 6) May be a negative number. =

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.

9. State and other tax allowance (Table B1) If negative, enter zero. +

10. Student's Social Security tax (Table B2) +

11. Spouse's Social Security tax (Table B2) +

12. Income protection allowance:
    - $7,000 for unmarried or separated student;
    - $7,000 for married student if spouse is enrolled at least 1/2 time;
    - $11,220 for married student if only the student is enrolled at least 1/2 time. +

13. Employment expense allowance:
    - If student is not married or is separated, the allowance is zero.
    - If student is married but only one person is working (the student or spouse), the allowance is zero.
    - If student is married and both student and spouse are working, the allowance is 35% of the lesser of the earned incomes, or $3,500, whichever is less. +

14. **TOTAL ALLOWANCES** =

CONTRIBUTION FROM AVAILABLE INCOME

TOTAL INCOME (from line 7)

TOTAL ALLOWANCES (from line 14) −

15. **AVAILABLE INCOME (AI)** =

16. Assessment rate × **.50**

17. **CONTRIBUTION FROM AI** May be a negative number. =

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS

18. Cash, savings & checking (FAFSA/SAR #41)

19. Net worth of investments* (FAFSA/SAR #42) If negative, enter zero.

20. Net worth of business and/or investment farm (FAFSA/SAR #43) If negative, enter zero.

21. Adjusted net worth of business/farm (Calculate using Table B3.) +

22. **Net worth** (sum of lines 18, 19, and 21) =

23. Asset protection allowance (Table B4) −

24. Discretionary net worth (line 22 minus line 23) =

25. Asset conversion rate × .20

26. **CONTRIBUTION FROM ASSETS** If negative, enter zero.

EXPECTED FAMILY CONTRIBUTION

CONTRIBUTION FROM AI (from line 17) May be a negative number.

CONTRIBUTION FROM ASSETS (from line 26) +

27. **Contribution from AI and assets** =

28. **Number in college in 2009-2010** (FAFSA/SAR #97) ÷

29. **EXPECTED FAMILY CONTRIBUTION** for nine-month enrollment. If negative, enter zero.** =

*Do *not* include the student's home.

**To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 29 above).

Note: Do __not__ complete the shaded areas; asset information is not required in the simplified formula.

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

SIMPLIFIED WORKSHEET Page 2 **B**

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 29)		
Divide by 9	÷	**9**
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

  *Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet B, line 29.)

Table B1: State and Other Tax Allowance

Alabama	2%	Missouri	3%
Alaska	0%	Montana	3%
American Samoa	2%	Nebraska	3%
Arizona	3%	Nevada	1%
Arkansas	3%	New Hampshire	1%
California	5%	New Jersey	4%
Canada and Canadian		New Mexico	3%
Provinces	2%	New York	6%
Colorado	3%	North Carolina	4%
Connecticut	4%	North Dakota	1%
Delaware	3%	Northern Mariana Islands	2%
District of Columbia	6%	Ohio	4%
Federated States		Oklahoma	3%
of Micronesia	2%	Oregon	5%
Florida	1%	Palau	2%
Georgia	4%	Pennsylvania	3%
Guam	2%	Puerto Rico	2%
Hawaii	4%	Rhode Island	4%
Idaho	3%	South Carolina	3%
Illinois	2%	South Dakota	1%
Indiana	3%	Tennessee	1%
Iowa	3%	Texas	1%
Kansas	3%	Utah	4%
Kentucky	4%	Vermont	3%
Louisiana	2%	Virgin Islands	2%
Maine	4%	Virginia	4%
Marshall Islands	2%	Washington	1%
Maryland	5%	West Virginia	2%
Massachusetts	4%	Wisconsin	4%
Mexico	2%	Wyoming	1%
Michigan	3%	Blank or Invalid State	2%
Minnesota	4%	OTHER	2%
Mississippi	2%		

Multiply the total income of student and spouse (EFC Formula Worksheet B, line 7) by the appropriate rate from the table above to get the "state and other tax allowance" (EFC Formula Worksheet B, line 9). Use the student's State of Legal Residence (FAFSA/SAR #18) reported on the FAFSA. If this item is blank or invalid, use the State in the Student's Mailing Address (FAFSA/SAR #6). If both items are blank or invalid, use rate for blank or invalid state above.

Table B2: Social Security Tax

Calculate separately the Social Security tax of student and spouse.

Income Earned from Work*	Social Security Tax
$0 - $102,000	7.65% of income
$102,001 or greater	$7,803.00 + 1.45% of amount over $102,000

*Student's 2008 income earned from work is FAFSA/SAR #39.
  Spouse's 2008 income earned from work is FAFSA/SAR #40.
  Social Security tax will never be less than zero.

Table B3: Business/Farm Net Worth Adjustment

If the net worth of a business or farm is—	Then the adjusted net worth is—			
Less than $1	$0			
$1 to $115,000	40% of net worth of business/farm			
$115,001 to $340,000	$ 46,000	+	50%	of net worth over $115,000
$340,001 to $565,000	$158,500	+	60%	of net worth over $340,000
$565,001 or more	$293,500	+	100%	of net worth over $565,000

Table B4
Asset Protection Allowance

Age of student as of 12/31/09*	Allowance for—	
	Married Student	Unmarried Student
25 or less ...	$0	$0
26	2,900	1,200
27	5,800	2,400
28	8,700	3,600
29	11,600	4,800
30	14,500	6,000
31	17,400	7,200
32	20,300	8,400
33	23,100	9,500
34	26,000	10,700
35	28,900	11,900
36	31,800	13,100
37	34,700	14,300
38	37,600	15,500
39	40,500	16,700
40	43,400	17,900
41	44,200	18,200
42	45,300	18,600
43	46,400	19,100
44	47,600	19,500
45	48,700	19,900
46	49,900	20,400
47	51,200	20,900
48	52,400	21,400
49	53,700	21,900
50	55,300	22,400
51	56,700	22,900
52	58,000	23,500
53	59,800	24,000
54	61,200	24,600
55	63,000	25,300
56	64,900	25,900
57	66,400	26,500
58	68,300	27,200
59	70,300	27,900
60	72,300	28,700
61	74,400	29,500
62	76,600	30,300
63	79,100	31,100
64	81,300	32,000
65 or over ..	84,000	32,800

*Determine student's age as of 12/31/09 from student's date of birth (FAFSA/SAR #9).

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2009-2010 EFC FORMULA C: INDEPENDENT STUDENT
With Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2008

1. Student's and spouse's Adjusted Gross Income
(FAFSA/SAR #36) If negative, enter zero.

2. a. Student's income earned from work
(FAFSA/SAR #39) _____

2. b. Spouse's income earned from work
(FAFSA/SAR #40) + _____

Total student/spouse income earned from work =

3. Student/spouse Taxable Income
(If tax filers, enter the amount from line 1 above.
If non-tax filers, enter the amount from line 2.)

4. Total untaxed income and benefits
(sum total of FAFSA/SAR #47.a. through 47.j.) +

5. Taxable and untaxed income
(sum of line 3 and line 4) =

6. Total additional financial information
(sum total of FAFSA/SAR #46.a. through 46.e.) −

7. TOTAL INCOME
(line 5 minus line 6) May be a negative number. =

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #37)
(tax filers only) If negative, enter zero.

9. State and other tax allowance
(Table C1) If negative, enter zero. +

10. Student's Social Security tax (Table C2) +

11. Spouse's Social Security tax (Table C2) +

12. Income protection allowance (Table C3) +

13. Employment expense allowance:
- Student and spouse both working: 35% of the lesser of the earned incomes, or $3,500, whichever is less
- One-parent families: 35% of earned income, or $3,500, whichever is less
- Student or spouse working (not both): zero +

14. TOTAL ALLOWANCES =

*STOP HERE if the following are true:

Line 3 is $30,000 or less **and**

- The student (and the student's spouse, if any) are eligible to file a 2008 IRS Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040) or they are not required to file any income tax return **or**
- Anyone included in the parents' household size (as defined on the FAFSA) received benefits during 2007 or 2008 from any of the designated means-tested Federal benefit programs **or**
- The student (or the student's spouse, if any) is a dislocated worker

If these circumstances are true, the Expected Family Contribution is automatically zero.

AVAILABLE INCOME

TOTAL INCOME (from line 7)

TOTAL ALLOWANCES (from line 14) −

15. AVAILABLE INCOME (AI)
May be a negative number. =

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS

16. Cash, savings & checking (FAFSA/SAR #41)

17. Net worth of investments**
(FAFSA/SAR #42)
If negative, enter zero.

18. Net worth of business and/or investment farm
(FAFSA/SAR #43)
If negative, enter zero.

19. Adjusted net worth of business/farm
(Calculate using Table C4.) +

20. Net worth (sum of lines 16, 17, and 19) =

21. Asset protection allowance (Table C5) −

22. Discretionary net worth (line 20 minus line 21) =

23. Asset conversion rate × .07

24. CONTRIBUTION FROM ASSETS
If negative, enter zero.

EXPECTED FAMILY CONTRIBUTION

AVAILABLE INCOME (AI) (from line 15)

CONTRIBUTION FROM ASSETS (from line 24) +

25. Adjusted Available Income (AAI)
May be a negative number. =

26. Total contribution from AAI
(Calculate using Table C6.) If negative, enter zero.

27. Number in college in 2009-2010
(FAFSA/SAR #97) ÷

28. EXPECTED FAMILY CONTRIBUTION for nine month enrollment. If negative, enter zero.***

**Do *not* include the student's home.

***To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 28 above).

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

REGULAR WORKSHEET Page 2 **C**

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 28)		
Divide by 9	÷	**9**
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet C, line 28).

2009-2010 EFC FORMULA **C** : INDEPENDENT STUDENT
With Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2008

1. Student's and spouse's Adjusted Gross Income
   (FAFSA/SAR #36) If negative, enter zero.

2. a. Student's income earned from work
   (FAFSA/SAR #39) _____

   b. Spouse's income earned from work
   (FAFSA/SAR #40) + _____

   Total student/spouse income earned from work =

3. Student/spouse Taxable Income
   (If tax filers, enter the amount from line 1 above.
   If non-tax filers, enter the amount from line 2.)

4. Total untaxed income and benefits
   (sum total of FAFSA/SAR #47.a. through 47.j.) +

5. Taxable and untaxed income
   (sum of line 3 and line 4) =

6. Total additional financial information
   (sum total of FAFSA/SAR #46.a. through 46.e.) –

7. **TOTAL INCOME**
   (line 5 minus line 6) May be a negative number. =

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8. 2008 U.S. income tax paid (FAFSA/SAR #37)
   (tax filers only) If negative, enter zero.

9. State and other tax allowance
   (Table C1) If negative, enter zero. +

10. Student's Social Security tax (Table C2) +

11. Spouse's Social Security tax (Table C2) +

12. Income protection allowance (Table C3) +

13. Employment expense allowance:

   • Student and spouse both working: 35% of the
   lesser of the earned incomes, or $3,500,
   whichever is less

   • One-parent families: 35% of earned income,
   or $3,500, whichever is less

   • Student or spouse working (not both): zero +

14. **TOTAL ALLOWANCES** =

*STOP HERE if the following are true:

Line 3 is $30,000 or less **and**

• The student (and the student's spouse, if any) are eligible to file a 2008 IRS
Form 1040A or 1040EZ (they are not required to file a 2008 Form 1040)
or they are not required to file any income tax return **or**
• Anyone included in the parents' household size (as defined on the
FAFSA) received benefits during 2007 or 2008 from any of the designated
means-tested Federal benefit programs **or**
• The student (or the student's spouse, if any) is a dislocated worker

If these circumstances are true, the Expected Family Contribution is automati-
cally zero.

AVAILABLE INCOME

TOTAL INCOME (from line 7)

TOTAL ALLOWANCES (from line 14) –

15. **AVAILABLE INCOME (AI)**
   May be a negative number. =

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS

16. Cash, savings & checking (FAFSA/SAR #41)

17. Net worth of investments**
   (FAFSA/SAR #42)
   If negative, enter zero.

18. Net worth of business and/or investment farm
   (FAFSA/SAR #43)
   If negative, enter zero.

19. Adjusted net worth of business/farm
   (Calculate using Table C4.) +

20. **Net worth** (sum of lines 16, 17, and 19) =

21. Asset protection allowance (Table C5) –

22. Discretionary net worth (line 20 minus line 21) =

23. Asset conversion rate × .07

24. **CONTRIBUTION FROM ASSETS**
   If negative, enter zero.

EXPECTED FAMILY CONTRIBUTION

AVAILABLE INCOME (AI) (from line 15)

CONTRIBUTIONS FROM ASSETS (from line 24) +

25. **Adjusted available income (AAI)**
   May be a negative number. =

26. **Total contribution from AAI**
   (Calculate using Table C6.) If negative, enter zero.

27. **Number in college in 2009-2010**
   (FAFSA/SAR #97) ÷

28. **EXPECTED FAMILY CONTRIBUTION** for
   nine month enrollment. If negative, enter zero.***

**Do *not* include the student's home.

***To calculate the EFC for less than nine-month enrollment, see the
next page. If the student is enrolled for more than nine months, use
the nine-month EFC (line 28 above).

*Note: Do __not__ complete the shaded areas;
asset information is not required in the
simplified formula.*

Note: *Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG, or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.*

SIMPLIFIED
WORKSHEET
Page 2

C

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 28)		
Divide by 9	÷	**9**
Expected Family Contribution per month	=	
Multiply by number of months enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet C, line 28).

Table C1: State and Other Tax Allowance

STATE	PERCENT OF TOTAL INCOME		STATE	PERCENT OF TOTAL INCOME	
	$0-$14,999	$15,000 or more		$0-$14,999	$15,000 or more
Alabama	3%	2%	Missouri	5%	4%
Alaska	2%	1%	Montana	5%	4%
American Samoa	3%	2%	Nebraska	5%	4%
Arizona	4%	3%	Nevada	3%	2%
Arkansas	4%	3%	New Hampshire	5%	4%
California	8%	7%	New Jersey	9%	8%
Canada and Canadian Provinces	3%	2%	New Mexico	3%	2%
Colorado	5%	4%	New York	9%	8%
Connecticut	8%	7%	North Carolina	6%	5%
Delaware	4%	3%	North Dakota	3%	2%
District of Columbia	7%	6%	Northern Mariana Islands	3%	2%
Federated States of Micronesia	3%	2%	Ohio	6%	5%
Florida	3%	2%	Oklahoma	4%	3%
Georgia	5%	4%	Oregon	7%	6%
Guam	3%	2%	Palau	3%	2%
Hawaii	5%	4%	Pennsylvania	6%	5%
Idaho	5%	4%	Puerto Rico	3%	2%
Illinois	5%	4%	Rhode Island	7%	6%
Indiana	4%	3%	South Carolina	5%	4%
Iowa	5%	4%	South Dakota	2%	1%
Kansas	5%	4%	Tennessee	2%	1%
Kentucky	5%	4%	Texas	3%	2%
Louisiana	3%	2%	Utah	5%	4%
Maine	6%	5%	Vermont	5%	4%
Marshall Islands	3%	2%	Virgin Islands	3%	2%
Maryland	8%	7%	Virginia	6%	5%
Massachusetts	7%	6%	Washington	4%	3%
Mexico	3%	2%	West Virginia	3%	2%
Michigan	5%	4%	Wisconsin	7%	6%
Minnesota	6%	5%	Wyoming	2%	1%
Mississippi	3%	2%	Blank or Invalid State	3%	2%
			OTHER	3%	2%

Multiply the total income of student and spouse (EFC Formula Worksheet C, line 7) by the appropriate rate from the table above to get the "state and other tax allowance" (EFC Formula Worksheet C, line 9). Use the student's State of Legal Residence (FAFSA/SAR #18) reported on the FAFSA. If this item is blank or invalid, use the State in the Student's Mailing Address (FAFSA/SAR #6). If both items are blank or invalid, use the rate for blank or invalid state above.

Table C2: Social Security Tax

Calculate separately the Social Security tax of student and spouse.

Income Earned from Work*	Social Security Tax
$0 - $102,000	7.65% of income
$102,001 or greater	$7,803.00 + 1.45% of amount over $102,000

*Student's 2008 income earned from work is FAFSA/SAR #39.
 Spouse's 2008 income earned from work is FAFSA/SAR #40.
 Social Security tax will never be less than zero.

Table C3: Income Protection Allowance

Number in student's household, including student (FAFSA/SAR #96)	Number of college students in household (FAFSA/SAR #97)				
	1	2	3	4	5
2	$17,720	$14,690	———	———	———
3	22,060	19,050	$16,020	———	———
4	27,250	24,220	21,210	$18,170	———
5	32,150	29,120	26,100	23,070	$20,060
6	37,600	34,570	31,570	28,520	25,520

Note: For each additional family member, add $4,240.
         For each additional college student, subtract $3,020.

Table C4: Business/Farm Net Worth Adjustment

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than $1	$0
$1 to $115,000	40% of net worth of business/farm
$115,001 to $340,000	$ 46,000 + 50% of net worth over $115,000
$340,001 to $565,000	$158,500 + 60% of net worth over $340,000
$565,001 or more	$293,500 + 100% of net worth over $565,000

Table C5: Asset Protection Allowance

Age of student as of 12/31/09*	Allowance for—		Age of student as of 12/31/09*	Allowance for—	
	Married Student	Unmarried Student		Married Student	Unmarried Student
25 or less ...	$0	$0	45	$48,700	$19,900
26	2,900	1,200	46	49,900	20,400
27	5,800	2,400	47	51,200	20,900
28	8,700	3,600	48	52,400	21,400
29	11,600	4,800	49	53,700	21,900
30	14,500	6,000	50	55,300	22,400
31	17,400	7,200	51	56,700	22,900
32	20,300	8,400	52	58,000	23,500
33	23,100	9,500	53	59,800	24,000
34	26,000	10,700	54	61,200	24,600
35	28,900	11,900	55	63,000	25,300
36	31,800	13,100	56	64,900	25,900
37	34,700	14,300	57	66,400	26,500
38	37,600	15,500	58	68,300	27,200
39	40,500	16,700	59	70,300	27,900
40	43,400	17,900	60	72,300	28,700
41	44,200	18,200	61	74,400	29,500
42	45,300	18,600	62	76,600	30,300
43	46,400	19,100	63	79,100	31,100
44	47,600	19,500	64	81,300	32,000
			65 or over ..	84,000	32,800

*Determine student's age as of 12/31/09 from student's date of birth (FAFSA/SAR #9)

Table C6: Contribution from AAI

If student's AAI is—	The student's contribution from AAI is—
Less than -$3,409	-$750
-$3,409 to $14,200	22% of AAI
$14,201 to $17,800	$3,124 + 25% of AAI over $14,200
$17,801 to $21,400	$4,024 + 29% of AAI over $17,800
$21,401 to $25,000	$5,068 + 34% of AAI over $21,400
$25,001 to $28,600	$6,292 + 40% of AAI over $25,000
$28,601 or more	$7,732 + 47% of AAI over $28,600

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