

2014-2015 EFC FORMULA A : DEPENDENT STUDENT

REGULAR
WORKSHEET
Page 1

A

PARENTS' INCOME IN 2013	
1. Parents' Adjusted Gross Income (FAFSA/SAR #85) If negative, enter zero.	
2. a. Parent 1 (father/mother/stepparent) income earned from work (FAFSA/SAR #88)	
2. b. Parent 2 (father/mother/stepparent) income earned from work (FAFSA/SAR #89) +	
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 #94a through #94i) +	
5. Taxable and untaxed income (sum of line 3 and line 4)	=
6. Total additional financial information (Total of FAFSA/SAR #93a through #93f) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number	=

ALLOWANCES AGAINST PARENTS' INCOME	
8. 2013 U.S. income tax paid (FAFSA/SAR #86) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero.	+
10. Parent 1 (father/mother/stepparent) Social Security tax allowance (Table A2)	+
11. Parent 2 (father/mother/stepparent) Social Security tax allowance (Table A2)	+
12. Income protection allowance (Table A3)	+
13. Employment expense allowance: <ul style="list-style-type: none"> • Two working parents (Parents' Marital Status is "married" or "unmarried and both parents living together"): 35% of the lesser of the earned incomes, or \$4,000, whichever is less • One-parent families: 35% of earned income, or \$4,000, whichever is less • Two-parent families, one working parent: enter zero 	+
14. TOTAL ALLOWANCES	=

*STOP HERE if the following are true:

Line 3 is \$24,000 or less **and**

- The parents are eligible to file a 2013 IRS Form 1040A or 1040EZ (they are not required to file a 2013 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 2012 or 2013 from any of the designated means-tested federal benefit programs **or**
- Either of the parents is a dislocated worker.

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

The EFC Formula, 2014-2015

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 #90)	
17. Net worth of investments** (FAFSA/SAR #91) If negative, enter zero.	
18. Net worth of business and/or investment firm (FAFSA/SAR #92) If negative, enter zero.	
19. Adjusted net worth of business/firm (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 2014-2015 (Exclude parents) (FAFSA/SAR #74)	-
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 11.

continued on the next page

STUDENT'S INCOME IN 2013

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 above. If non-tax filer, enter the amount from line 30.)		
32. Total untaxed income and benefits (Total of FAFSA/SAR #45a through 45j.)	+	
33. Taxable and untaxed income (sum of line 31 and line 32)	=	
34. Total additional financial information (Total of FAFSA/SAR #44a through 44f.)	-	
35. TOTAL INCOME (line 33 minus line 34) May be a negative number.	=	

ALLOWANCES AGAINST STUDENT INCOME

36. 2013 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	+	6,260
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 firm (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, or a Federal Direct Subsidized Loan. 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.

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	+	4,820
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 #74)	+	
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	=	

Table A1: State and Other Tax Allowance
for EFC Formula A Worksheet (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.....	2%	1%	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.....	2%	1%	New Mexico.....	3%	2%
Colorado.....	4%	3%	New York.....	9%	8%
Connecticut.....	8%	7%	North Carolina.....	6%	5%
Delaware.....	5%	4%	North Dakota.....	2%	1%
District of Columbia.....	7%	6%	Northern Mariana Islands.....	2%	1%
Federated States of Micronesia.....	2%	1%	Ohio.....	5%	4%
Florida.....	3%	2%	Oklahoma.....	3%	2%
Georgia.....	5%	4%	Oregon.....	7%	6%
Guam.....	2%	1%	Palau.....	2%	1%
Hawaii.....	4%	3%	Pennsylvania.....	5%	4%
Idaho.....	5%	4%	Puerto Rico.....	2%	1%
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.....	6%	5%
Marshall Islands.....	2%	1%	Virgin Islands.....	2%	1%
Maryland.....	8%	7%	Virginia.....	6%	5%
Massachusetts.....	7%	6%	Washington.....	4%	3%
Mexico.....	2%	1%	West Virginia.....	3%	2%
Michigan.....	5%	4%	Wisconsin.....	7%	6%
Minnesota.....	6%	5%	Wyoming.....	2%	1%
Mississippi.....	3%	2%	Blank or Invalid State.....	2%	1%
			OTHER.....	2%	1%

Multiply Parents' Total Income (EFC Formula A Worksheet, line 7) by the appropriate rate from the table above to get the "State and Other Tax Allowance" (EFC Formula A Worksheet, line 9). Use the parents' State of Legal Residence (FAFSA/SAR #70). 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 – \$113,700	7.65% of income
\$113,701 or greater	\$8,698.05 + 1.45% of amount over \$113,700

*Parent 1 (father/mother/stepparent) 2013 income earned from work is FAFSA/SAR #88.
 Parent 2 (father/mother/stepparent) 2013 income earned from work is FAFSA/SAR #89.
 Student's 2013 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 #73)	Number of college students in household (FAFSA/SAR #74)				
	1	2	3	4	5
2	\$17,440	\$14,460	————	————	————
3	21,720	18,750	\$15,770	————	————
4	26,830	23,840	20,870	\$17,890	————
5	31,650	28,670	25,700	22,710	\$19,750
6	37,020	34,040	31,070	28,090	25,120

Note: For each additional family member, add \$4,180.
 For each additional college student (except parents), subtract \$2,970.

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

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$125,000	40% of net worth of business/farm
\$125,001 to \$375,000	\$ 50,000 + 50% of net worth over \$125,000
\$375,001 to \$620,000	\$175,000 + 60% of net worth over \$375,000
\$620,001 or more	\$322,000 + 100% of net worth over \$620,000

Table A5: Parents' Education Savings and Asset Protection Allowance

for EFC Formula A Worksheet (parents only)

<i>Age of older parent as of 12/31/2014*</i>	Allowance if there are two parents**	Allowance if there is only one parent	<i>Age of older parent as of 12/31/2014*</i>	Allowance if there are two parents**	Allowance if there is only one parent
25 or less	\$0	\$0	45.....	\$30,700	\$7,100
26.....	1,800	400	46.....	31,500	7,200
27.....	3,600	800	47.....	32,200	7,400
28.....	5,500	1,300	48.....	33,000	7,600
29.....	7,300	1,700	49.....	33,800	7,800
30.....	9,100	2,100	50.....	34,600	8,000
31.....	10,900	2,500	51.....	35,700	8,100
32.....	12,700	2,900	52.....	36,500	8,300
33.....	14,600	3,400	53.....	37,600	8,500
34.....	16,400	3,800	54.....	38,500	8,700
35.....	18,200	4,200	55.....	39,700	9,000
36.....	20,000	4,600	56.....	40,600	9,200
37.....	21,800	5,000	57.....	41,800	9,400
38.....	23,700	5,500	58.....	43,000	9,700
39.....	25,500	5,900	59.....	44,200	9,900
40.....	27,300	6,300	60.....	45,500	10,200
41.....	27,900	6,500	61.....	46,800	10,400
42.....	28,500	6,600	62.....	48,100	10,700
43.....	29,200	6,800	63.....	49,500	11,000
44.....	30,000	6,900	64.....	50,900	11,300
			65 or over..	52,600	11,600

*Determine the age of the older parent listed in FAFSA/SAR #64 and #68 as of 12/31/2014. If no parent date of birth is provided, use age 45.

**Use the two parent allowance when the Parents' Marital Status listed in FAFSA/SAR #59 is "married or remarried" or "unmarried and both parents living together."

Table A6: Parents' Contribution from AAI

If parents' AAI is—	The parents' contribution from AAI is—
Less than -\$3,409	-\$750
-\$3,409 to \$15,600	22% of AAI
\$15,601 to \$19,600	\$3,432 + 25% of AAI over \$15,600
\$19,601 to \$23,500	\$4,432 + 29% of AAI over \$19,600
\$23,501 to \$27,500	\$5,563 + 34% of AAI over \$23,500
\$27,501 to \$31,500	\$6,923 + 40% of AAI over \$27,500
\$31,501 or more	\$8,523 + 47% of AAI over \$31,500

Table A7: State and Other Tax Allowance

for EFC Formula A Worksheet (student only)

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

Multiply the student's total income (EFC Formula A Worksheet, line 35) by the appropriate rate from the table above to get the "state and other tax allowance" (EFC Formula A Worksheet, 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 #70). If all three items are blank or invalid, use the rate for a blank or invalid state above.