

Here's What You Need To Know About the FAFSA and CSS Profile

by Jeff Levy in *Grown & Flown*

September 29, 2020

October 1 is an important day in the financial aid process. It's the first day students can access and submit the FAFSA and CSS Profile for the 2021-2022 academic year. If you're not sure what these forms are and whether or not to submit them, look no further. All the basic information you will need is right here.

Filling Out the FAFSA and CSS Profile

Who Should Submit the CSS Profile and the FAFSA?

Any U.S. citizen or eligible non-citizen who is seeking need-based aid from post-secondary institutions must submit the FAFSA, the acronym for [Free Application for Federal Student Aid](#). The first thing to understand about the FAFSA is that it is the student's form, not yours. Many parents complete it on behalf of their child, and if the student is under 18 the parent will be required to co-sign. But when the questions refer to "you" or "your" they are addressing the student, not the parent.

Before beginning the FAFSA, the student must initiate the process by creating their Federal Student Aid Identification number, or FSA ID. It is their electronic signature. Once that's created, the parent can create their own FSA ID if they expect to co-sign the FAFSA or want access to it. To create your FSA ID, go here: <https://fsaid.ed.gov/npas/index.htm>.

With FSA ID in hand, [you can begin the FAFSA here](#). You can list up to ten colleges on this online form before submitting it. If the student is applying to more than ten colleges, they will need to wait several days after submitting until they receive an email that their FAFSA has been processed. You would then log back in to their form, delete the number of colleges necessary, and add the remaining institutions.

What you need to know about the CSS Profile

About 150 institutions and programs require a second form called the CSS Profile. It's owned and operated by the College Board, the same non-profit that brings you the SAT, the AP, and SAT Subject Test exams. For sure, your intelligence will be tested as you complete this far more complex form that asks about your financial information from multiple angles. Both the FAFSA and CSS Profile are submitted online. [You can find the list of schools that require it here](#).

[You can begin the CSS Profile here](#).

A small number of institutions require that an applicant wishing to be considered for merit (non-need) aid submit the FAFSA, the Profile, or both. It is best to check on the college website or financial aid office to learn their policy.

The biggest factor in need eligibility is **income**. These forms will look at the income you reported on your federal tax returns **two years prior** to the year your child will enroll in college.

So if your child is currently a senior in high school and will be entering college in the fall of 2021, 2019 will be the “base year.”

They also ask about your **assets**—checking and savings accounts, investments, trust funds, 529 college savings plans, real estate you own other than your primary residence, and the value of the businesses you own. The assets you report are those **you own at the time you are completing the form**, not from the income-reporting year.

Art, jewelry, cars, and **retirement accounts are not considered assets** in the needs methodologies. The FAFSA and Profile also input such demographic information as the **size of your family**, number of **dependent children**, **state** of residence, and **age of the older parent** before determining what it is you will be expected to pay towards your child’s college education.

A few days after submitting the FAFSA, the student will receive an email from the Department of Education with a link to their **Student Aid Report**. Practically hidden in this one-page report is a six- or seven-digit number usually beginning with several zeroes and no dollar sign. It looks more like a serial number than a heartbreakingly large dollar amount. This is your “**Expected Family Contribution**,” or EFC.

It is the number upon which your child’s financial aid award is determined at schools using the FAFSA. **The CSS Profile does not generate such a number**, making it more difficult (but not impossible) to begin to estimate what your costs will be at those schools.

What are the Differences Between the FAFSA and the CSS Profile?

First, you’ll need to know a couple of definitions that will be useful in understanding the differences between the two forms:

Home equity is defined as the difference between the current fair market value of a home and the remaining balance on the mortgage.

When parents have separated or divorced, the custodial parent is defined as the one with whom the student spends at least 50% of the year.

Home equity: The FAFSA doesn’t ask about the equity in your primary residence, but the Profile does.

Business: The FAFSA doesn’t ask about the value of a family-owned business with fewer than 100 employees, but the Profile does.

Divorce or separation: On the FAFSA, only the custodial parent’s household income and assets are reported. The Profile, however, does ask the student to name both biological parents and any current stepparents. Most Profile colleges will require the noncustodial parent to complete and submit their own Profile and will use that financial data in the calculation of need.

Which Form Will Yield a Bigger Award?

It is the differences I’ve just mentioned between the two forms that can skew their results and make one seem more generous than the other. In general, the FAFSA advantages divorced or separated parents if neither has remarried. The FAFSA advantages homeowners since it doesn’t

look at home equity in the primary residence, but the Profile can be friendlier to renters for the same reason.

The Profile penalizes assets at a slightly lower rate than the FAFSA. And many Profile schools because of their prestige and large endowments are committed to meeting the full need, or close to the full need, of their students, yielding very generous need-based financial aid awards. In other words, it depends completely on your particular financial situation.

What are the Deadlines for the CSS Profile and FAFSA?

Institutions have varied financial aid deadlines. These may be the same as the institutional application deadline, or very different. For high school seniors applying during the Early Decision or Early Action rounds, the financial aid deadline may be as early as **November 1**, allowing less than a month to complete and submit the forms.

The University of California system has a FAFSA submission deadline of **March 2**. It's necessary that students or their parents consult each college's website, or call the financial aid office, to verify the required forms and deadlines. Create a spreadsheet or other simple document to keep track. Missing a deadline can seriously jeopardize your child's eligibility for financial aid.

You Might Also be Interested in Reading:

Top FAFSA and Financial Aid Mistakes to Avoid

Link to article: <https://grownandflown.com/what-need-know-fafsa-css-profile/>