

FAFSA Primer

The Free Application for Federal Student Aid (FAFSA) is the form used by the government to determine an amount of money called the Expected Family Contribution (EFC) which you “should” be able to provide toward the cost of higher education. The EFC is based on parent’s income & assets, family size, number in college, state of residency, and student’s income & assets. You may not agree with the amount of the EFC, but remember that in the United States, you are guaranteed a free education up through high school. After that point, it is your responsibility to pay for additional schooling.

On the FAFSA, you direct the FAFSA processors to send the EFC to the colleges you want to have that information. After establishing their Cost of Attendance (COA), they subtract your EFC to arrive at your financial “need”. Your need varies from school to school depending on the individual school’s COA. The level of institutional grants/scholarships will determine the true cost of your attendance at a specific school so don’t assume that the one with the highest “sticker” price will end up being the most expensive at the end of the financial aid process.

You have the choice of 3 filing methods for the FAFSA (online, PDF, paper) but almost everyone files online. You can also “sign” your form electronically using the new FSA ID by going to <https://fsaid.ed.gov>. You can still complete the FAFSA on-line, but without a FSA ID, you’ll have to print out a signature page and send it in. This does slightly slow down the processing time. Note that the student will also need a FSA ID.

When you file, make sure you select the **FAFSA for the upcoming year** since the previous year’s form may still be available for those students still filing for this current school year.

For 2015-16 (college year 2016-17) you can file your FAFSA beginning on January 1. From 2016-17 and beyond, you will file your FAFSA as early as October 1 of the student’s senior year. No matter which filing date, you always use the last full calendar year’s tax information. You want to file ASAP. It is quite acceptable and even advised to use estimates on the FAFSA. Just recognize that any changes you make are likely to change your EFC. Also note that 30% of all FAFSA filers will be flagged for verification. This means that a school you’re applying to will ask you for supporting tax forms to verify the accuracy of what you submitted on the FAFSA.

Random FAFSA info:

- If you are in a divorced situation, the parent who housed the student more than 50% of the year is the one who’s name must appear on the FAFSA.
- When determining EFC, the parent’s **assets** are partially protected but the student’s are not. The parent’s **income** is protected based on size of family and state of residence, but only about \$2,500 of the student’s income is protected.
- The reason the FAFSA asks for the age of the older parent is that the older the parent, the more assets and income are protected.