

Completing the FAFSA: Everything You Should Know

The FAFSA is the financial aid form for accessing grants, federal student loans and work-study funds.



FILLING OUT THE FREE [Application for Federal Student Aid](#), or FAFSA, is one of the most important steps students and their families can take to pay for college. In recent years, some states have even made completing the FAFSA a high school graduation requirement..

The U.S. Department of Education awards more than \$122.4 billion in federal grants, loans and work-study funds, according to the most recent Federal Student Aid annual report. The agency reports that federal funds assist nearly 13 million students in completing their education.

Federal financial aid can be awarded, such as with a grant; borrowed; or earned through work experience.

"The FAFSA is the application that is required to be used by all schools in awarding federal student aid," says Brad Barnett, financial aid director at James Madison University in Virginia. "So if you want federal loans, federal grants, federal work-study, you have to do the FAFSA."

Nearly all students who apply qualify for some form of federal financial aid. "It's very easy to qualify for aid based on the FAFSA," Barnett says.

But filling out the FAFSA can be a confusing, complex process for most families. The paper version of the FAFSA has more than 100 questions – that's twice as long as the standard federal income tax form.

The online FAFSA, however, uses skip-logic technology to present applicants with relevant questions. The amount of time it will take to complete the FAFSA can vary. Completion time is typically longer for dependent students, because they must provide both their own information and their parent's information. It also typically takes longer to complete the FAFSA the first time, compared with subsequent submissions as students progress through college.

According to the Department of Education, during the 2019-2020 FAFSA cycle, from Oct. 1, 2018, to Aug. 31, 2019, it took dependent students 47 to 58 minutes on average to complete a new form and 32 to 42 minutes to complete a renewal; the average completion time among independent students was 18 to 24 minutes for a new form and 14 to 19 minutes for a renewal form.

While the agency has streamlined the FAFSA process over the past two decades, students and parents often have questions about the form. Here's what to know about the FAFSA.

Where Do I Find the FAFSA?

Students can fill out the online FAFSA application using their computer or mobile phone. Alternatively, the paper version, known as the PDF PDF, can be printed and filled out manually or filled in on the screen prior to printing and mailing.

The mobile version of the FAFSA launched last year and will continue to be available when the 2020-2021 FAFSA opens on Oct. 1. The Department of Education's phone-friendly version aims to increase FAFSA completion rates. According to the Pew Research Center, around 96 percent of Americans own a cellphone of some kind.

"(This) will be a great help to low-income families because some may not have access to computers, but most people do have mobile phones. Due to a lack of computer availability, many low-income families were not able to complete the online FAFSA forms. And they are the people that need the

most help from the government grants," says Richard Sorensen, president of Tuition Funding Sources, a website focusing on financial aid and scholarships.

To complete the form via mobile phone or a tablet, families will need to download the myStudentAid app from either the Apple App Store or Google Play.

According to the Education Department, students and parents can start filling out the FAFSA on one device, like a cellphone, and complete the form on another, like a desktop. Parents and students don't have to complete the FAFSA at the same time when they're applying for financial aid.

What Is an FSA ID and How Do I Get One?

The first step, before filling out the FAFSA, is to create an FSA ID, which serves as an electronic signature. Parents and students can find a link to obtain an FSA ID through the Federal Students Aid website. To create a unique ID, applicants will need their Social Security number, date of birth and their name as it appears on official documents.

The FSA ID is required in order to sign the FAFSA online and to log in to the myStudentAid mobile app. "That FSA ID will take a little bit of time to set up; it'll take a couple of days to be active so you can actually use it. And then when you have the FSA ID, then I would sit down and do the FAFSA," Barnett says.

Parents and students will need to generate their own specific IDs, since applicants aren't allowed to create one on someone else's behalf. A parent who does not have a Social Security number cannot create an FSA ID. On the online FAFSA form, a student can enter all zeros where it asks for the parent's Social Security number, and then select the option to print a signature page at the end of the application.

For students age 24 and under who are seeking an associate or bachelor's degree, both a student and parent FSA ID are required unless the student is considered independent on the FAFSA.

To be considered independent on the form, the student must be married; a veteran or current member of the armed forces; an orphan; an emancipated minor; a homeless youth or one at risk of being homeless; a parent who provides more than half of the financial support for a child or dependent; or

have received foster care or been a ward of the court for any period after age 13.

Graduate and professional students are considered independent on the FAFSA.

Who Is Eligible to Receive Federal Student Aid?

U.S. citizens, nationals, legal permanent residents and individuals who have an Arrival-Departure Record from U.S. Citizenship and Immigration Services showing certain designations, including refugees, are eligible to apply for federal student aid. Students need to be enrolled in a Title IV-eligible program, meaning one that can receive federal financial aid funds, to qualify.

The FAFSA asks for information about income, assets and demographic factors, such as household size and number of children enrolled in college at the same time. This information is used to calculate the expected family contribution, often referred to as EFC, which determines eligibility for federal student aid. For instance, if the EFC is zero, then the student will most likely qualify for a Pell Grant – a federal award based on financial need.

Families that earn \$26,000 or less annually are calculated as an automatic zero for the EFC in the 2020-2021 award year.

But even families with higher incomes qualify for some type of aid. "There is no explicit income cutoff. And different types of aid have different awarding criteria," says Mark Kantrowitz, publisher and vice president of research for Savingforcollege.com. Students who aren't eligible for a federal grant, for instance, may still qualify for work-study or federal loans, which typically carry lower interest rates compared with private education loans.

"All families should submit a FAFSA whether they think they will qualify for aid or not," says Ilyan Nunez, director of college and career placement at KIPP New Jersey who advises students on the college process. "Dependent undergrads can qualify for unsubsidized Stafford loans over four years regardless of their family's income."

What Type of Information Do I Need to Complete the FAFSA?

There's a list of a paperwork needed to complete the FAFSA. Students will need their Social Security number, driver's license number or state ID, tax information, records of untaxed income, current bank statements and investments – if any – along with the list of schools where they are interested in attending. Parents will need their tax information, records of untaxed income, net worth and investment information and current bank statements.

The FAFSA uses tax information from the prior prior year – verified tax returns from two years ago. A family completing the FAFSA for the 2020-2021 academic year, for instance, will use the 2018 tax return. The use of verified tax returns from the prior prior year reduces the need to use estimates on the form.

What Do I Need to Know About the IRS Data Retrieval Tool?

Students and their families can save time with the IRS Data Retrieval Tool, called DRT, which automatically transfers tax information to the online application. This feature is also available on the mobile app.

To use the tool, income tax returns from the prior prior year need to have been filed electronically two to three weeks prior to completing the FAFSA. If the tax returns were filed via mail, then applicants need to allow at least eight weeks before using the tool.

Under the financial information section of the FAFSA, an applicant can click "Link to IRS" to prefill the form with the prior prior tax year details. When using the tool, the applicant will be transferred to the IRS website. After the information transfers, the site will direct the user back to the FAFSA application.

"Whatever you submit to the federal government for tax returns is going to prepopulate on the form," says Pam Andrews, founder of The Scholarship Shark, a Delaware-based college coaching company that helps students and parents maximize awards.

What Is the Deadline for the FAFSA?

The FAFSA is available on Oct. 1. That's the first day an applicant can complete the form for the upcoming academic year. While deadlines vary for

each school, the federal due date is June 30. But schools often establish priority filing dates, which can be as early as Dec. 1.

"If you miss a priority filing date, you may miss out on grant money," Barnett says, especially when it comes to institutional aid since many schools award their need-based grants based on information submitted on the FAFSA. "If you're interested in four or five schools, then it's advisable to find out the priority filing date for each one of those schools, and then get the FAFSA in by each one of those filing dates."

Andrews says there are three deadlines to observe. "I find the school deadlines are typically the earliest deadline. Then there's maybe state deadlines that drive state grants and some state scholarships, so you need to know that deadline. And then there's the hard-fast deadline, the June 30th deadline when the FAFSA closes."

Deadlines for state aid vary, but there are a few that distribute awards on a first-come, first-served basis. Kantrowitz says 13 states have adopted this policy, including Alaska, Illinois, Kentucky, North Carolina, Oklahoma, South Carolina, Vermont, Washington and West Virginia.

"If your child is in one of those states, it really pays to file the FAFSA sooner," says Kantrowitz, who advises filing the FAFSA close to the Oct. 1 release date.

What Happens After I Submit the FAFSA?

After submitting the FAFSA, the applicant will receive a Student Aid Report, or SAR. The report includes the applicant's responses to the form's questions as well as the federal EFC if the application is complete. The Department of Education sends this report via email or postal mail.

The SAR is a summary of the FAFSA data submitted, so applicants should review it carefully for any mistakes, Andrews says. "Once you submit it, you can always make changes. You have to wait a day or two, but a family can go back in and update their FAFSA."

Some FAFSA forms are selected by the Department of Education for verification. About one-third of individuals who submit the form are asked to provide proof of their information through the verification process.

Who Do I Contact if I Need Help With the FAFSA?

Students and families with questions about the FAFSA can contact the Federal Student Aid Information Center, known as the FSAIC, which provides support on behalf of the Department of Education. The FSAIC is available at 800-433-3243, or 800-730-8913 for applicants who are hearing-impaired. Questions can also be submitted via email, webchat or through the agency's social media platforms on Twitter and Facebook.

"I've used the help line – it is helpful. There are times when it is busy, but eventually you will get through to an operator who can provide assistance, whether it's technical assistance with your ID, the form or if it's a question on a question. They understand all the questions on the form," Andrews says.



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