

Differences Between the FAFSA and PROFILE Forms

The Free Application for Federal Student Aid (FAFSA) and the CSS/Financial Aid PROFILE (CSS PROFILE) are the main financial aid application forms. Each form uses a different needs analysis formula. The Free Application for Federal Student Aid (FAFSA) uses the Federal Methodology (FM) for determining financial need, while the CSS/Financial Aid PROFILE uses an Institutional Methodology (IM). The details of the institutional methodology may vary from college to college.

The CSS/Financial Aid PROFILE asks significantly more questions than the FAFSA. The questions on the PROFILE form are also more detailed and specific.

Key differences between methodologies are summarized in this table:

Financial Aid Formula Components	FM (FAFSA)	IM (CSS/Financial Aid PROFILE)
Net Worth of Family Home	Ignored	Capped, usually at 2-3 times income
Simplified Needs Test	Yes	No
Net Worth of Small Family Businesses	Ignored	Counted
Number of Years of Income	One	Three
Minimum Student Contribution or Summer Work Expectation	No	Yes
Paper Losses (Depreciation, capital losses, business/farm losses, NOL carry-forwards)	Counted	Ignored

Financial Aid Formula Components	FM (FAFSA)	IM (CSS/Financial Aid PROFILE)
Non-Custodial Parent Income/Assets	Ignored	Counted
Number of Children in College	Equal split of parent contribution	Smaller reduction in parent contribution
Assets Owned by a Sibling	Ignored	Counted, if sibling is under age 19 and not yet in college
Allowance for College Savings	None	Subtracted from assets
Allowance for Emergency Reserve	None	Subtracted from assets
Start of Application Season	October 1	October 1
Adjustment for Regional Cost of Living Differences	No	Yes
Assessment of Student Assets	20%	25%

The adjustments to the parent contribution based on the number of children in college at the same time are summarized in the next table. The calculated parent contribution is multiplied by the percentages listed in this table.

Number in College	FM (FAFSA)	IM (CSS/Financial Aid PROFILE)
1	100%	100%
2	50%	60%
3	33%	45%
4	25%	35%

The CSS/Financial Aid PROFILE also offers families the opportunity to provide a narrative to describe any extenuating circumstances that may impact their ability to contribute to college expenses. The FAFSA suggests families seek a professional judgment review from their college's financial aid administrator.