



Illinois Student Assistance Commission
KnowHow2GOIllinois.org



POWERED BY
ILLINOIS COLLEGE ASSISTANCE FOUNDATION

The Financial Aid Process



Paying for College



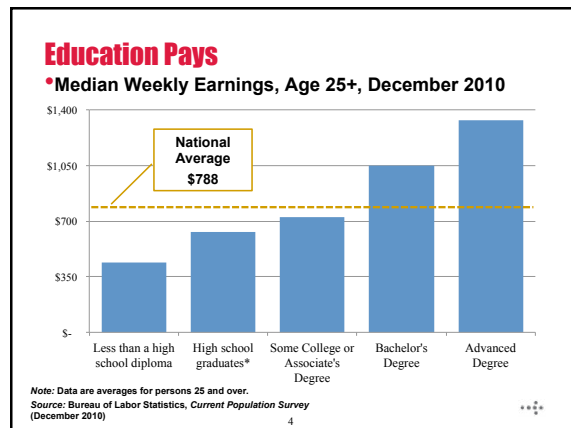
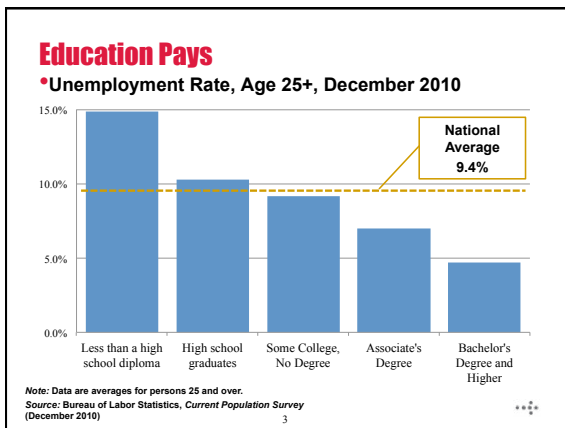
“Making college accessible and affordable for all Illinois students.”

- Mission Statement

The Illinois Student Assistance Commission (ISAC) is the financial aid agency in the state of Illinois that administers scholarship, grant, and prepaid tuition programs.


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Plan to go to college

There are lots of things to *think* about and many questions you need to ask.

- How much will it cost?
- Can I afford college?
- What is financial aid?
- What is a FAFSA?
- When and how do I apply?
- Where can I get help?



Ask questions...

Ways to Finance College

- Financial Aid Programs
- 529 Savings & Prepaid Tuition Programs
- Employer Tuition Benefits
- Tuition Payment Plans



Know your options...

What is financial aid?

Financial aid makes college affordable for you.

- Financial aid refers to specific *borrowed*, *given*, or *earned* money that can be obtained from various sources to help pay for college.

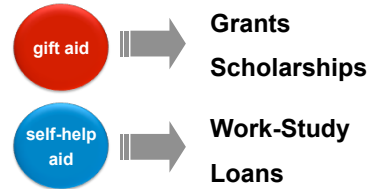
- It is intended to make up the difference between what your family can afford to pay and what college costs.

If you think you can't afford college, think again. There's lots of aid out there.



Types of Financial Aid

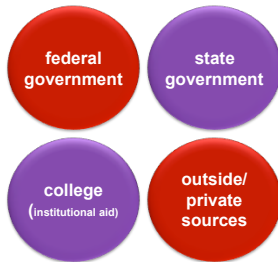
There are many types of financial aid.



These funds may be merit-based, need-based, or non need-based.

Sources of Financial Aid

Financial aid comes from a variety of sources.



Sources of Financial Aid

The "Must-Get-To-Know" Financial Aid Sources



Illinois Student Assistance Commission
www.collegeillinois.org

The agency in the State of Illinois that administers state and federal grant, scholarship, work-study and prepaid tuition programs.

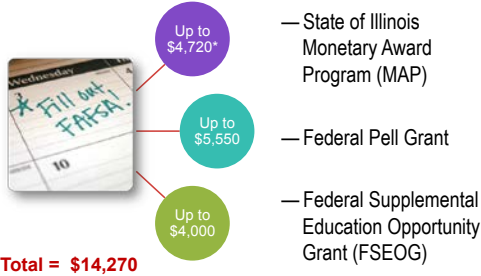


U.S. Department of Education's Office of Federal Student Aid
www.FederalStudentAid.ed.gov

The federal agency that provides college funding in the form of grant, scholarship, work-study and educational loan programs.

The Big Three

Maximum Award Amounts for 2011-12



* Best estimate as of publication date, includes 5% MAP reduction

Illinois Student Assistance Commission


Grant and Scholarship Programs

Program	Type of Aid	2011-2012 Benefit
Monetary Award Program	MAP Grant, Need-based; Appropriation	up to \$4,720
Silas Purnell II Incentive for Access	IIA Grant, Need-based; Appropriation	up to \$1,000 (Not funded)
Illinois Veteran Grant	IVG Grant, Entitlement	maximum 12 units per term, up to 120 units cumulative
Illinois National Guard Grant	ING Grant, Entitlement	maximum 12 units per term, up to 120 units cumulative
Grants for Dependents of Police, Fire & Correctional Officers	Grant, Appropriation	up to 8 semesters or 12 quarters
Bonus Incentive Grant (BIG) Program	BIG Grant, Appropriation	\$40 to \$440
Illinois State Scholars Program	ISSP Certificate of Achievement, Scholarship, Appropriation	\$1,000 (Not funded)
Ment Recognition Scholarship	MRS Scholarship, Merit-Based; Appropriation	\$1,000 (Not funded)

Teacher Programs

Program	Type of Aid	2010-2011 Benefit
IL Future Teacher Corps Program	IFTC Scholarship; Appropriation	up to \$5,000 or \$10,000
Minority Teachers of Illinois Scholarship	MTI Scholarship; Appropriation	up to \$5,000
IL Special Ed. Teacher Tuition Waiver	SETTW Waiver	up to 4 yrs

U. S. Department of Education




Federal Grant Programs

Program	Acronym	Type of Aid	2011-2012 Award
Federal Pell Grant		Grant, Need-based	up to \$5,550
Iraq and Afghanistan Service Grant		Grant	up to \$5,550
Federal Academic Competitiveness Grant	ACG	Grant	up to \$750 yr1; up to \$1300 yr2
Federal TEACH Grant Program	TEACH	Grant	up to \$4,000 a yr; total amount may not exceed \$16,000.

Campus-Based Programs

Program	Acronym	Type of Aid	2010-2011 Award
Federal Supplemental Education Opportunity Grant	FSEOG	Grant Exceptional Need	\$100-\$4,000
Federal Work-Study	FWS	Need-based Employment	no annual minimum or maximum amounts; at least minimum wage
Perkins Loans		Need-based Loan	up to \$5,500 for undergraduates and up to \$8,000 for graduate students

Federal Work-Study



A need-based employment program that provides on- and off-campus jobs to students.

A completed FAFSA is required

It is a campus-based financial aid program; funds are limited and available only at *participating* postsecondary institutions

Priority deadlines may apply

Compensation is at least the current federal minimum wage

A student must earn these funds

Loan Programs

When evaluating loan options, consider the following:

Source of Loan

Subsidized vs. Unsubsidized


Interest Rate

Repayment Options & Grace Period

Start by knowing your rights and responsibilities.

U. S. Department of Education

Federal Loan Programs, 2011-12



	Type	Rate	Grace
Perkins	Subsidized	5%	9 Months
		Fixed	
Stafford* (2011-2012)	Subsidized	3.4%	6 Months
		Fixed	
	Unsubsidized	6.8%	6 Months
	fixed		
PLUS Graduate PLUS	Credit-based	7.9%	Within first 60 days
		fixed	

*Note: New Stafford Loans (both subsidized and unsubsidized) for Graduate students have a fixed interest rate of 6.8% through 2013.


Subsidized vs. Unsubsidized

To understand the difference between the two, consider this: *When will interest begin to accrue?*


Type	Need or No Need	Interest
Subsidized Stafford Loan	A need-based loan	Interest is paid by the federal government while a student is in school at least 1/2 time, during grace period and during authorized periods of deferment
Unsubsidized Stafford Loan	NOT a need-based loan	A student is always responsible for paying interest

How to Apply


To be considered for student aid, a student must complete all forms required by a college.



Free Application for Federal Student Aid (FAFSA)



Institutional Forms



Other as required

Note: Communicate with each college to inquire about steps to a complete application.

Free Application for Federal Student Aid (FAFSA)

What is a FAFSA?

It is the first step in the financial aid process. A FAFSA is used to apply for state and federal financial aid programs. In addition, some colleges use it to award institutional aid. The application is available at *no fee*.

Three Ways to Access a FAFSA



Paper FAFSA 1-800-4-FED-AID	FAFSA on the Web www.FAFSA.gov	.pdf FAFSA www.FAFSA.gov
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When to Apply for the 2012-2013 Academic Year

Important Dates

FAFSA	• January 1 (First date to submit FAFSA)
College	• Dates vary by college (Check with each college)
MAP Grant	• As soon as possible after January 1, 2012. Awards made until funds are depleted.*
Federal Pell Grant	• June 30, 2013 (at the end of the academic year)

* **Note:** In Illinois, grants and dollar amounts are subject to appropriations by the Illinois General Assembly and approved by the Governor.

Completing the FAFSA

What information is needed?

- **Social Security Number.** Be sure that it is correct!
- **Records of income,** such as income earned from work and business, child support paid or received and any other untaxed income. If available, refer to the W-2 Forms and the Federal Income Tax Return IRS 1040, 1040A, or 1040EZ.
- **Information about assets,** such as savings, certificates of deposit, stock options, bonds, 529 plans and other college savings programs, and investment real estate, business and farm.
- **Driver's license number,** if the student has one.
- **Alien Registration Number,** if not a U.S. citizen.

NOTES:

- * Parental information is required unless a student is at least 24 years of age or meets the criteria for filing as an independent student as described on the *Free Application for Federal Student Aid*. Refer to www.FAFSA.gov.
- * A student must report his or her income and assets and those of the parents (if a dependent student) or spouse (if married).
- * Use income records for the year prior to the academic year for which a student is applying; for instance, if filling the 2012-2013 FAFSA, refer to 2011 tax information.

Personal Identification Number (PIN)

A **PIN**, along with other identifiers, gives Internet access to information on the Federal Student Aid systems.

- Serves as an *electronic signature* and provides access to personal records
- Go to www.pin.ed.gov
 - Option 1: Create a four-digit PIN
 - Option 2: Have the site create PIN
- PIN is **conditional** until relevant information is verified with the *Social Security Administration* (1-3 days)
- PIN will not expire at the end of the year

PIN Checklist

- Social Security Number
- Last Name
- First Name
- Middle Initial
- Date of Birth
- Street Address
- e-Mail address (optional)

What are the costs?

Tuition & Fees
Room & Board
Transportation
Books & Supplies
Miscellaneous Living Expenses
+
Cost of Attendance (COA)

Expected Family Contribution



A need analysis formula established by Congress determines a student's **Expected Family Contribution**; using information reported on the FAFSA.

What?	Why?	Where?
A comparative measure of how much a family can be expected to contribute over the course of an academic year	Used to determine a student's eligibility for most federal and state assistance	Shown on the Student Aid Report (SAR)

Financial Need

How much aid can a student receive?



Three Examples

	COA (Cost of Attendance)	-	EFC (Expected Family Contribution)	=	Financial Need
College A	\$10,000	-	\$3,000	=	\$7,000
College B	\$20,000	-	\$3,000	=	\$17,000
College C	\$35,000	-	\$3,000	=	\$32,000

Financial Aid Awards

The financial aid administrator at the college will **package** all available aid and send an **award offer** for consideration.

Goal: To meet a student's need.

- What is the total cost of attendance?
- What is the Expected Family Contribution?
- What is a student's financial aid eligibility?
- What types of financial aid are included?
- Was financial need met?
- What is the out-of-pocket cost?



Other Things to Know

- Apply early
- Information reported on the FAFSA is confidential and is used ONLY to determine financial aid eligibility
- You may be asked to submit documentation to the financial aid office for **verification** purposes
- Supplemental applications or forms may be required
- Keep track of application DEADLINES!
- Keep a copy of everything you submit
- You must reapply every year

Avoid Scholarship Scams

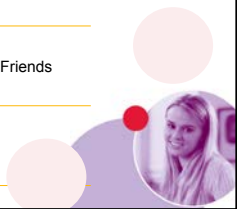
View with **caution** any service that requires you to pay.

While most scholarship services are legitimate, some may be fraudulent and could charge a lot of money for little information.

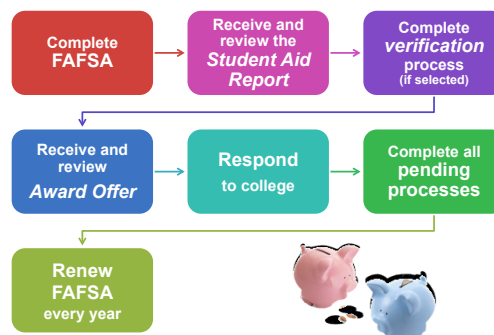
Report Scams

Better Business Bureau High School Counselor Financial Aid Office Friends

Federal Trade Commission
www.ftc.gov/scholarshipscams










The Financial Aid Process



Trusted Web Sites

Get your hands on up-to-date, accurate and trusted sources of information to learn what you need to know.

	Collegellinois.org
	KnowHow2GOIllinois.org
	WhatsNextIllinois.org
	FederalStudentAid.ed.gov
	FAFSA.gov
	PIN.ed.gov
	CollegeNavigator.ed.gov

Find answers to your questions



Illinois Student Assistance Commission

800 899 ISAC (4722)

collegezone.com

isac.collegezone@isac.illinois.gov

collegeillinois.org



U.S. Department of Education

800 4 FED AID

FederalStudentAid.ed.gov

ISAC FAFSA_072011

FAFSA Completion Night

- February 8, 2012 at 6:00 PM
- (snow date 02/11/12)
- RVC Student Center Atrium
- Have PINs and 2011 taxes for student & parents
- Presentation by ISAC representatives & open RVC computer lab for FAFSA completion