



# The Financial Aid Process

*Talking Points for Counselors and Mentors*



**COLLEGEILLINOIS!**

# The Financial Aid Process

## *Paying for College*

### Ready-to-Use Presentation

Designed to communicate with high school students and their parents, this presentation outlines the financial aid process, identifies trusted sources of information, gives a summary of state and federal aid programs, and introduces the *2012-13 Free Application for Federal Student Aid (FAFSA)*.

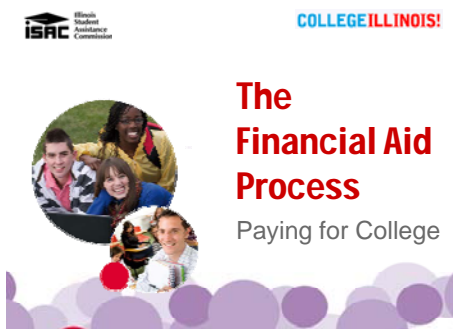
### ISAC printed materials

ISAC printed materials pertaining to career exploration and information about planning for, applying to, and paying for college in Illinois are available to order at *no cost* from [collegeillinois.org](http://collegeillinois.org), from the main page, at the bottom “quick links” select “counselors and mentors”. From there click on “e-library” and look down the page for “publications.” Some are also available in Spanish and Polish. Please allow approximately 10 days for delivery. Recommended for distribution to students and parents are (1) *The Financial Aid Process*; (2) *Financing College*; and (3) *College and Financial Aid Checklist*.

### Talking Points

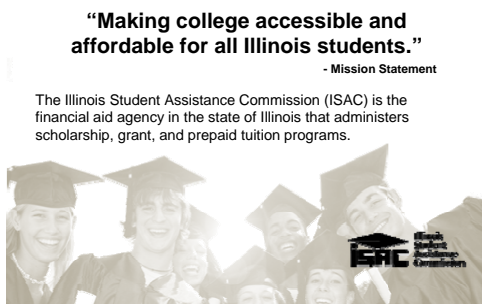
These talking points are intended to serve as an informational resource for counselors and mentors who are preparing to present *The Financial Aid Process PowerPoint*.

#### Slide 1



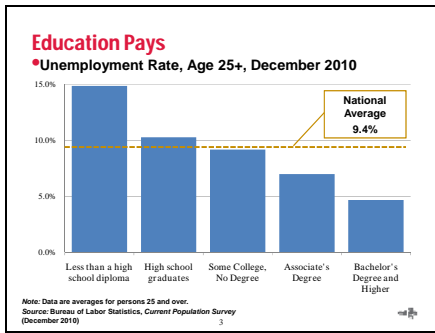
Welcome to *The Financial Aid Process*. This presentation is brought to you by the Illinois Student Assistance Commission.

#### Slide 2



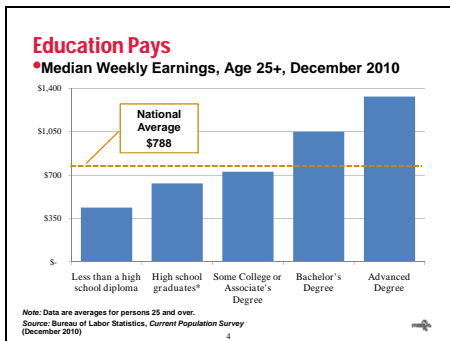
Today, as in 1957, the Illinois Student Assistance Commission (ISAC) is committed to making college accessible and affordable for all Illinois students. ISAC is a mission-driven, non-profit, agency of the state of Illinois that administers scholarship, grant, loan, and prepaid tuition programs.

### Slide 3



Almost any job or career you might choose will require some training after high school. Research also shows that jobs that require higher levels of education are growing faster and are leading to lower unemployment rates.

### Slide 4



Similarly, on average the more education you earn the more money you make. Students who go on to earn a bachelor's degree make significantly more money than students who do not complete high school.

### Slide 5

#### 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...

Now that you're planning to go to college, you and your family may have questions such as: *How much will it cost? Can I afford it? And Where do I go for help?* To assist you in finding the answers to these questions, you first need to learn some of the basics

### Slide 6

#### Ways to Finance College

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

Know your options...

When deciding where to go to college, money shouldn't be the first thing you think about. Yes, college can be expensive, but there are ways to pay for it.

- Financial Aid Programs: Financial aid for college refers to specific borrowed, given, or earned money that can be found through a variety of sources, including state, federal, institutional, and private financial aid sources. Improve your chances of receiving financial aid by researching your options, planning carefully, and applying for aid early.
- 529 Savings & Prepaid Tuition Programs: 529s are state-sponsored college funding programs designed to help families save for future college costs. In Illinois, explore the College Illinois!® 529 Prepaid Tuition Plan and the Bright Start 529 college savings plan.
- Employer Tuition Reimbursement and Benefit Plans: If you work while you're in college, inquire about a tuition reimbursement plan. These types of plans allow your employer to pay for part or all of your tuition.

Such plans are available at certain companies, and each company's policies are different. Research potential employers to learn about their unique plans. Some plans will pay tuition and fees upfront, while others may reimburse employees for expenses after a period of time. In certain cases, the benefit may even be transferrable to children and dependents of the employee.


- Tuition Payment Plans: Tuition payment plans provide you with an option to spread out college costs. Plans vary at each college. Some allow you to pay multiple installments over several months. These programs can help you avoid interest and finance charges that come with loans and borrowed money.

## Slide 7

**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.

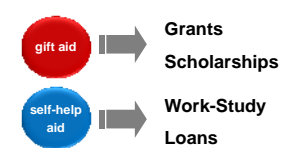
If you think you can't afford college, think again. There's lots of aid out there.



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.

## Slide 8

**Types of Financial Aid**  
There are many types of financial aid.



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

There are two basic types of financial aid: gift-aid and self-help.

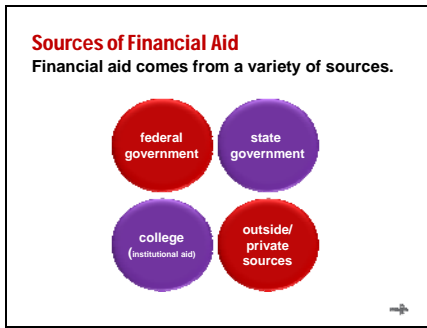
**Gift Aid** is usually awarded in the form of grants and scholarships. It is assistance that generally does not have to be repaid.

- **Grants** are usually awarded on the basis of a family's *financial need* or limited ability to meet the costs of college.
- **Scholarships** may be awarded to reward merit such as academic achievement, athletic ability, artistic talent, background, or other attributes you may possess.

**Self-Help Aid** requires you to take a bit more responsibility and includes work opportunities and loans.

- **Work-study** aid helps students pay for education costs such as books, supplies, and personal expenses. It is a federal program that provides students with part-time employment to help meet their financial needs and give the student work experience. All funds awarded must be *earned*.
- **Student loans** are financial aid that must be repaid. Most loans that are awarded based on financial need are low-interest loans sponsored by the federal government. There are other student loans that are not sponsored by the federal government and usually have higher fees and/or interest rates.

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Financial aid comes from a variety of sources.

- **Federal Government** - Federal financial aid programs are administered by the U.S. Department of Education.
- **State Government** - In Illinois, state and some federal financial aid is administered by the Illinois Student Assistance Commission (ISAC).
- **Colleges and Universities** - Colleges, universities, and other higher education institutions also offer financial aid assistance to their students. The financial aid office on campus is the best place to inquire about institutional financial aid options.

**Private Sources** - Many agencies, associations, corporations, and civic, religious, and philanthropic groups award scholarships to college students. To access these private funds, different eligibility requirements, award amounts, application forms, and deadlines apply. Be sure to research them early and carefully.

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

**ISAC**  
Illinois Student Assistance Commission  
www.CollegeIllinois.org

The agency in the State of Illinois that administers state and federal grant, scholarship, 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.

Although financial aid is available through many sources, the two main sources are the state and federal government.

The **Illinois Student Assistance Commission (ISAC)** is the financial aid agency in Illinois. It was created in 1957 by the Illinois General Assembly for the purpose of making college an accessible and affordable option for families. To learn about ISAC programs and services, visit [collegellinois.org](http://collegellinois.org) or dial 800.899.4722. *Hablamos Español.*

The **U.S. Department of Education (ED)** is the federal agency that provides college funding. ED is the nation's largest source of student aid. You will find lots of useful information on their web site, [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

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**The Big Three**  
Maximum Award Amounts for 2011-12

- State of Illinois Monetary Award Program (MAP) — Up to \$4,720\*
- Federal Pell Grant — Up to \$5,550
- Federal Supplemental Education Opportunity Grant (FSEOG) — Up to \$4,000

**Total = \$14,270**

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

The **Free Application for Federal Student Aid (FAFSA)** is required to determine a student's eligibility for federal and state grants as well as student loans, and other types of aid that may be administered by the college or university. By completing a FAFSA, students are considered and may qualify for some or all of the following need-based grants: Pell, FSEOG, and MAP.

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**Illinois Student Assistance Commission Grant and Scholarship Programs**

Program	Type of Aid	2010-2011 Benefit
Monetary Award Program	MAP Grant, Need-Based, Appropriation	up to \$4,720
Silas Purnell II Incentive for Access	SA 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	\$415-\$842
Illinois State Scholars Program	ISP Certificate of Achievement, Scholarship, Appropriation	\$1,000 (Not funded)
Merit Recognition Scholarship	MRS Scholarship, Merit-Based, Appropriation	\$1,000 (Not funded)

**Teacher Programs**

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

ISAC administers financial aid programs for residents of Illinois. Learn about them to decide which ones are best for you.

- The **Monetary Award Program** is one of the largest state programs in the country. It provides assistance to students demonstrating financial need and applies toward tuition and mandatory fees for undergraduate students at approved Illinois degree-granting institutions. A FAFSA must be submitted for consideration. Students may qualify for up to 135 MAP Paid Credit Hours of which no more than 75 MAP Paid Credit Hours may be used while enrolled at the freshman or sophomore level. Subject to appropriation of funds.
- The **Silas Purnell Illinois Incentive for Access Program** provides assistance to students who have a limited ability to pay for college. A qualified applicant with an EFC of \$0 (zero) may receive one grant, subject to appropriation. Recipients must be enrolled on at least a

half-time basis and be at the freshman level.

- The **IVG Program** is an entitlement program awarded to eligible applicants regardless of the funding level. It pays eligible tuition and mandatory fees at Illinois public colleges or community colleges. Qualified veterans may receive benefits at the undergraduate or graduate level for the equivalent of four academic years of full-time enrollment, up to 120 eligibility units.
- The **ING Program** is an entitlement program awarded to eligible recipients regardless of the funding level. It pays tuition and eligible fees at all Illinois public universities or public community colleges for undergraduate or graduate enrollment. Recipients may accumulate up to 120 eligibility units. There is no minimum enrollment requirement and non-credit courses are eligible. The program can be used for undergrad and graduate education.
- **Grants for Dependent of Police, Fire and Correctional Officers** - If a correctional officer employed by the Illinois Department of Corrections in a security position or an Illinois police or fire officer is killed or sustains an injury resulting in a permanent disability (at least 90%) in the line of duty, the officer's spouse and children may receive grant assistance toward tuition and mandatory fees. It may be used for an equivalent of 8 semesters or 12 quarters of undergraduate or graduate enrollment.
- The **BIG Program** provides a financial incentive to encourage the use of Illinois College Savings Bond proceeds from matured bonds at Illinois colleges and universities.
- The Illinois **State Scholars Program** provides a certificate of achievement to students who rank in the top 10% of all seniors in the state. There is no scholarship associated with this program currently. Similarly, the Merit Recognition Scholarship is also currently unfunded.
- The **IFTC Program** encourages academically talented students to pursue teaching careers in the State of Illinois. Recipients may receive up to 4 semesters or 6 quarters of assistance. Selection criteria include cumulative GPA, EFC, minority student status, and renewal status. Applicants may receive additional award dollars if they are studying in a teacher shortage discipline and agree to teach at a hard-to-staff school.
- The **MTI Scholarship Program** encourages academically talented minority students to pursue careers as teachers at nonprofit Illinois schools. It awards up to \$5,000 per academic year for a maximum of 8 semesters or 12 quarters of assistance. Recipients must sign an agreement promising to start teaching within one year for each year of scholarship assistance received. If the teaching obligation is not fulfilled, the scholarship converts to a loan at a 5% interest rate.
- **Illinois SETTW** exempts recipients from the payment of tuition and mandatory fees for up to four calendar years at any one of the 12 public four-year colleges in Illinois. It encourages current teachers (not certified in a special education discipline) and academically talented students to pursue careers at nonprofit Illinois public, private or parochial preschool, elementary or secondary school teachers in any area of Special Education.

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 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	2011-2012 Award
Federal Supplemental Education Opportunity Grant	FSEOG	Grant; Exceptional Need	\$100-64,000
Federal Work-Study	FWS	Need-based Employment	no annual minimum or maximum amount; at least minimum wage
Perkins Loans		Need-based Loan	up to \$5,000 for undergraduates and up to \$8,000 for graduate students


The U.S. Department of Education is the nation's largest source of student aid.

- The **Pell Grant** is available to undergraduate students and is the largest grant program administered on a federal level. It may be used for any educational expense, such as tuition and fees, room and board, and living expenses. Award amounts are dependent on funding approved by the federal government and are calculated by the college.
- The **Iraq and Afghanistan Service Grant** is available to students whose parent or guardian was a member of the U.S. Armed Forces and died as a result of service performed in Iraq or Afghanistan after September 11, 2001.
- **Teacher Education Assistance for College and Higher Education (TEACH)** grants reward undergraduates, post baccalaureate, and graduate level students who are or will be taking course work necessary to become elementary or secondary teacher; recipients must sign an Agreement to Serve saying they will teach full-time in designated teacher shortage areas for 4 years (within 8 years of completing an academic program).
- **Campus-Based Programs** are administered directly by the financial aid office at each participating school. Not all schools participate in all three programs, so check with a school's financial aid office to find out which programs they participate in. How much aid a student can receive from each of these programs depends on financial need, on the amount of other aid received, and on the availability of funds at a particular college. Unlike the Federal Pell Grant Program, which provides funds to every eligible student, the campus-based programs provide a certain amount of funds for each participating school to administer each year. When the money for a program is gone, no more awards can be made from that program for that year. Each school sets its own deadlines for campus-based funds.
- The **FSEOG** gives priority to exceptionally needy students (in lowest EFC order) and Federal Pell Grant recipients. It is available to undergraduate students. The award amount is calculated on the basis of the student's *need* and availability of funds at the college. The college determines eligibility and students are notified via the financial aid award letter.

To apply for state and federal financial aid programs, the FAFSA must be completed.

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

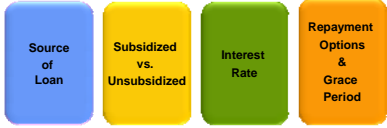


- A completed FAFSA is required
- It is a campus-based financial aid program; funds are limited and available only at participating postsecondary institutions
- Priority deadlines may apply
- Compensation is at least the current federal minimum wage
- A student must earn these funds

**Federal Work-Study** is a need-based financial aid program that allows eligible students to work part-time on- or off-campus. A Work-Study job is different from other jobs for the following two reasons: (1) the hours are flexible to ensure that students have enough time to study; and (2) when students apply for financial aid the following year, money earned through this program is not used to determine *financial need*. To be considered for Federal Work-Study you must indicate your interest on the FAFSA. Funds for this program are limited, so it is important to complete the FAFSA as soon as possible.

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**Loan Programs**  
When evaluating loan options, consider the following:




Start by knowing your rights and responsibilities.

Know the borrowing basics and be sure to research your loan options carefully.

- **What is a loan?**  
A loan is a type of “self-help” aid that lets students borrow money from the government, banks, or other lending institutions. However, loans must be paid back with added interest. Always borrow conservatively, accepting only the amount of money needed. After all, loans can be a lot of help, but the more money you borrow the more money you will have to pay back *with interest*.
- **How are loans awarded?**  
Know that loans can be awarded based on financial need (subsidized loans) or not on financial need (unsubsidized loans). Loan eligibility usually will be determined after grants, scholarships, and Federal Work-Study programs have been considered.
- **Types of loans...**  
As you start to evaluate loan options, keep in mind that there are student loans, parent loans, private/alternative loans, and consolidation loans. Know your options as well as your borrower rights and responsibilities.
- **Basics you should know...**  
To ensure proper management of your student debt, know: (1) the source of the loan; (2) whether it is subsidized or unsubsidized; (3) the interest rate; (4) repayment options; and (5) grace periods.

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**U. S. Department of Education**  
**Federal Loan Programs, 2011-12**



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

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

Borrow responsibly! Both you and your parents can borrow from a variety of loan programs to help with your educational expenses. These funds require repayment, usually with interest.

- The **Perkins Loan** is a subsidized loan. This means that the federal government pays the interest while you are in school at least half-time, and for 9 months after you separate from the school. The interest rate is 5% and a 10-year repayment period applies. The college acts as the lender and uses a limited pool of funds.
- The **Federal Stafford Loan** program allows students to borrow money with low interest for educational expenses. There are two types of Federal Stafford Loans available: subsidized and unsubsidized.
- **Federal PLUS Loans** allow parents to borrow on behalf of their dependent undergraduate students, or graduate and professional students to borrow on their own behalf.

Take note that federal student loans generally have the lowest interest rates and fees and the greatest repayment flexibility.

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**Subsidized vs. Unsubsidized**

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

Type	Need or No Need	Interest
<b>Subsidized Stafford Loan</b>	A need-based loan	Interest is paid by the federal government while a student is in school at least ½ time, during grace period and during authorized periods of deferment
<b>Unsubsidized Stafford Loan</b>	NOT a need-based loan	A student is always responsible for paying interest


To understand the difference between Subsidized and Unsubsidized, consider this: *When will interest start to accrue?*

- Eligibility for **Subsidized Federal Stafford Loans** is based on financial need. The federal government pays the interest on your behalf while you are enrolled at least half time, during your grace period, and authorized deferment periods.
- Eligibility for **Unsubsidized Federal Stafford Loans** is not based on financial need, and you are responsible for paying interest at all times. You may pay this interest while in school, or you can allow it to accrue and capitalize. If you allow it to accrue, the interest will be added to your principal balance to be paid off with the rest of your loan when you stop attending on at least a half-time basis.

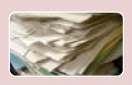
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**How to Apply**

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.

The first step in applying for federal and state financial aid programs is to complete the *Free Application for Federal Student Aid* (FAFSA). This application, which is available to complete online (preferred method) or in paper format, will use income, assets, and other factors to determine the amount that you and your family are expected to contribute to your college expenses.

Your eligibility for financial aid will be determined by your and your family's financial situation, and by filing your application on time. In some instances, colleges may use additional forms. The form used most often in this process (typically private colleges) is the CSS/Financial Aid PROFILE, which is administered by the College Scholarship Service (CSS), a division of the College Board organization. Be sure to communicate with each college to inquire about the steps you need to take to ensure that you submit a *complete application*.

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**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**

<b>Paper FAFSA</b> 1-800-4-FED-AID	<b>FAFSA on the Web</b> www.FAFSA.gov	<b>.pdf FAFSA</b> www.FAFSA.gov

You can complete the FAFSA on the Web at [www.fafsa.gov](http://www.fafsa.gov) or in paper form. Filing your FAFSA electronically requires a Personal Identification Number (PIN) that serves as an electronic signature, which can be obtained online at [www.pin.ed.gov](http://www.pin.ed.gov). Information reported on the FAFSA will be used to calculate your Expected Family Contribution (EFC) and *financial aid eligibility*.

By the way, if you file the FAFSA on the Web, you can list as many as ten colleges. This means that you can designate up to ten schools to have information sent to them. Only four colleges can be listed on the paper FAFSA.

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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.

Maximize on your financial aid eligibility by applying early and meeting deadlines. These deadlines apply to the Monetary Award Program (MAP) Grant and the Federal Pell Grant. Remember that the college's deadlines are also very important and will often be earlier. Last year the MAP Grant cutoff date was in March, so complete your FAFSA ASAP.

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**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](http://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.

Take some time to print the *FAFSA on the Web Worksheet* from [www.fafsa.gov](http://www.fafsa.gov). Gather all documents needed to fill out the form, using the list provided. Then, walk through the FAFSA and make notes of the questions you need help with. It's great practice, even if college is still a few years away!

When it's time to complete the FAFSA, visit [collegeillinois.org/students/before-college/outreach-activities-calendar.html](http://collegeillinois.org/students/before-college/outreach-activities-calendar.html) to locate a FAFSA completion workshop near your home or school. All workshops listed are open to the public at *no fee*.

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

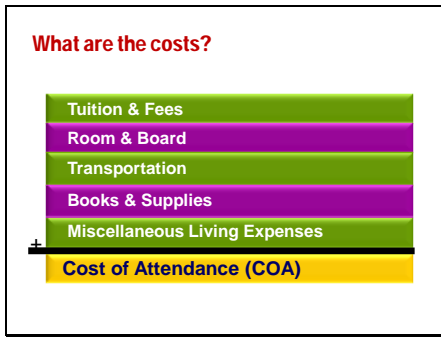
- Serves as an *electronic signature* and provides access to personal records
- Go to [www.pin.ed.gov](http://www.pin.ed.gov)  
 Option 1: Create a four-digit PIN  
 Option 2: Have the site create PIN
- PIN is **conditional** until relevant information is verified with the *Social Security Administration* (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)

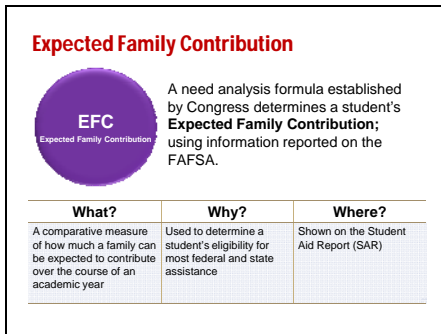
Filing your FAFSA electronically requires a Personal Identification Number (PIN) to serve as an electronic signature, which can be obtained online at [www.pin.ed.gov](http://www.pin.ed.gov). A student and a parent each need their own individual PIN.

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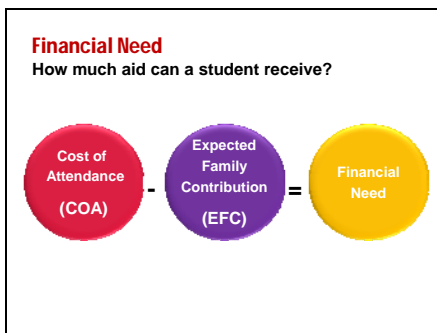
The staff in the financial aid office of the college(s) that you are considering will establish a Cost of Attendance (COA), which is an estimate of expenses that are usually incurred by students attending college. Common COA elements include things like tuition, fees, living expense (room and board), books and supplies, and transportation. Your COA will differ from college to college. In part, this is true because there are different types of colleges, programs they offer, and your preferred living arrangements.

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To determine your financial need, the U.S. Department of Education uses a formula established by Congress called Federal Methodology. This need analysis formula uses information from the FAFSA to determine the amount that you and your family are expected to contribute towards your college education, which is called the **Expected Family Contribution (EFC)**. Because it is based on family information, your EFC will remain the same regardless of the college you attend.

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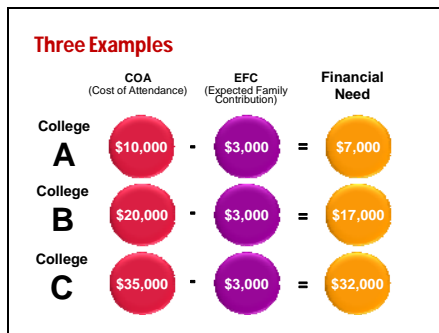
**COA – EFC = Financial Need**

At each college, the financial aid office will calculate your financial need by subtracting the EFC from the COA. The EFC will be the same at each college, but the COA will differ from college to college. Keep this in mind:

- COA (varies)
- EFC (remains constant)
- Financial Need (varies by college/university)

In many cases, the college may not be able to meet 100% of your financial need. The difference between the Financial Need and the amount of financial aid offered by the college is often known as the “*gap*” which the family also will be responsible for paying out-of-pocket.

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The examples on the screen show how *financial need* is calculated and how it will vary from college to college based on COA. Remember your EFC will be the same at each college, but your COA will be different. As a result your financial need will not be the same at every college.

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



Soon after you complete the financial aid application process, the financial aid administrators at each college that you are considering will "package" all available aid options and send an award offer for consideration. Because each college has its own packaging policy, the types of financial aid offered to you will probably vary from college to college. The financial aid offer may include a combination of financial aid programs from various sources, such as grants, scholarships, work-study, and student loans. As you review the award offers, consider the cost of attendance, the EFC, your financial aid eligibility, the types of financial aid programs offered, and your anticipated out-of-pocket cost.

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**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

As you make your way through the financial aid process, keep the following tips in mind...

- Apply early
- Information reported on the FAFSA is confidential and used only to determine your 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
- Make sure to reapply for financial aid every year

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**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 Financial Aid Office    Friends

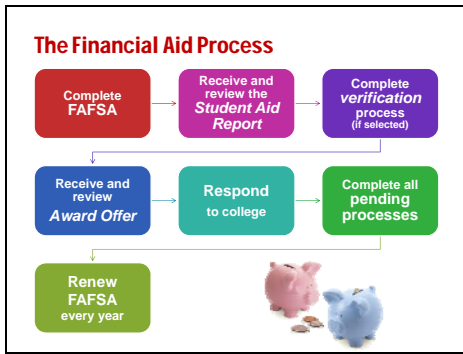
Federal Trade Commission  
[www.ftc.gov/scholarshipscams](http://www.ftc.gov/scholarshipscams)



Don't get scammed on your way to college! As you begin to look for scholarships it is likely you will find that most scholarship services are legitimate and can offer valuable information. However, some may be fraudulent and could charge a lot of money for little information. In fact, some search sites collect student information to advertise to the student or to sell information to another company. Always read the site's privacy statement before providing e-mail addresses or other information.

To access reputable scholarship search services, visit [collegeillinois.org](http://collegeillinois.org).

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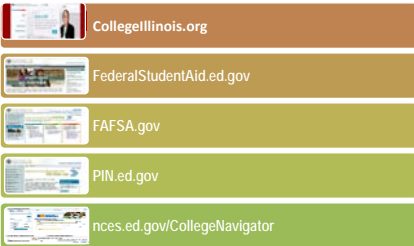
Do not become overwhelmed by the sticker price of a college, it may not be what it seems. Here are a few steps to remember...

- It is never too early to start planning for the future
- The first step in the financial aid process is the FAFSA
- Receive, review, and edit the *Student Aid Report* as appropriate - check with the financial aid office first.
- Consider *award offers*
- Respond to college offers by designated deadlines
- Advise school(s) of outside scholarships
- Renew the FAFSA every year

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**Trusted Web Sites**

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



At ISAC, we are committed to *making college accessible and affordable* for all Illinois students.

Take advantage of the information and interactive tools that are available – at *no cost* – at collegeillinois.org.

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**Find answers to your questions**

**Illinois Student Assistance Commission**  
 800-899-ISAC (4722)  
 CollegeIllinois.org  
 isac.studentservices@isac.illinois.gov

**U.S. Department of Education**  
 800-4-FED-AID (800-433-3243)  
 FederalStudentAid.ed.gov

We are here to help. If you have further questions, you can reach the Illinois Student Assistance Commission at 800- 899-ISAC (4722) or the U.S. Department of Education at 800-4-FED-AID (800-433-3243).









# Making college accessible and affordable for all Illinois students.

- *Mission Statement*

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[www.collegeillinois.org](http://www.collegeillinois.org)