



# The Financial Aid Process



“Providing Illinois students with information and assistance to help make education beyond high school accessible and affordable.” –ISAC Mission Statement

The Illinois Student Assistance Commission (ISAC) is the college access and financial aid agency in the state of Illinois that administers scholarship, grant, prepaid tuition, and student loan repayment/forgiveness programs.

# Col•lege \kă-lij\

- **Noun:** Any institution of higher education that awards a degree or credential post-high school graduation. This includes, but is not limited to, universities, community colleges, trade schools and more.

Vocational/Trade

• 2 years

Associate's Degree

• 2 years

Bachelor's Degree

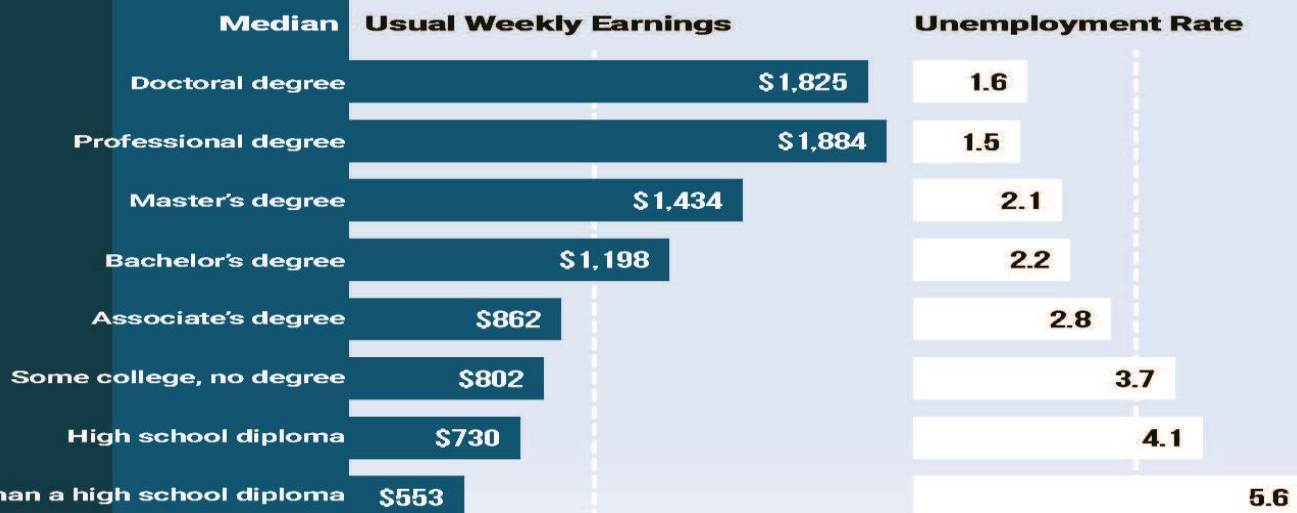
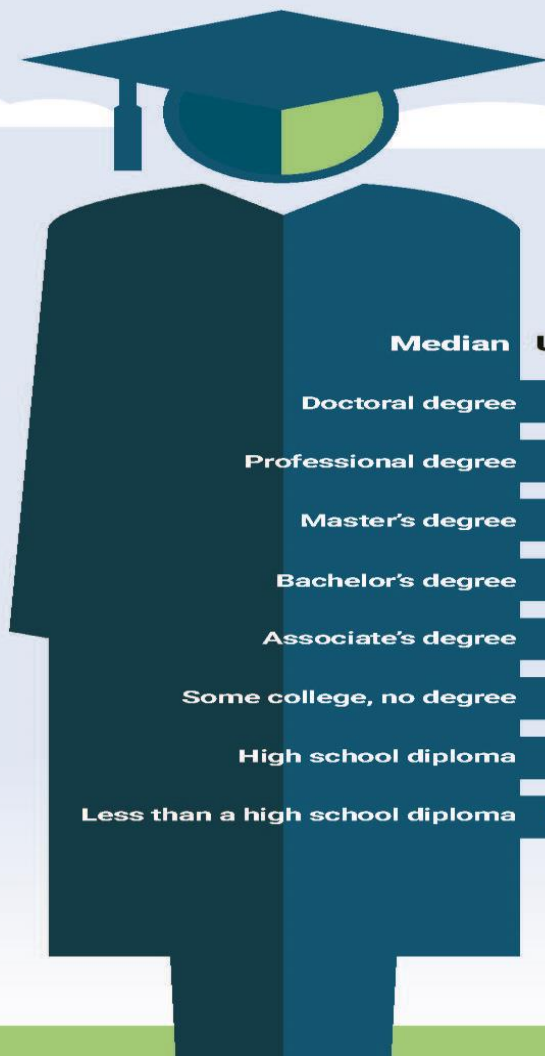
• 4 years

Master's Degree

• Bachelor's plus 1-3 years

# WHAT'S THE VALUE OF A COLLEGE DEGREE?

## Earnings and Unemployment Rates by Educational Attainment, 2018



All Workers: \$932

All Workers: 3.2%

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers. These education categories reflect only the highest level of education attained. They do not take into account completion of training programs in the form of apprenticeships and other on-the-job training, which may also influence earnings and unemployment rates. For more information on training, see: <http://www.bls.gov/emp/documentation/education-training-system.htm>.

# Planning for College

- There are lots of things to *think* about and many questions you need to *ask*.
- **Can I afford college?**
- **How much will it cost?**
- **What is financial aid?**
- **What is a FAFSA?**
- **When and how do I apply?**
- **Where can I get help?**

Ask questions...

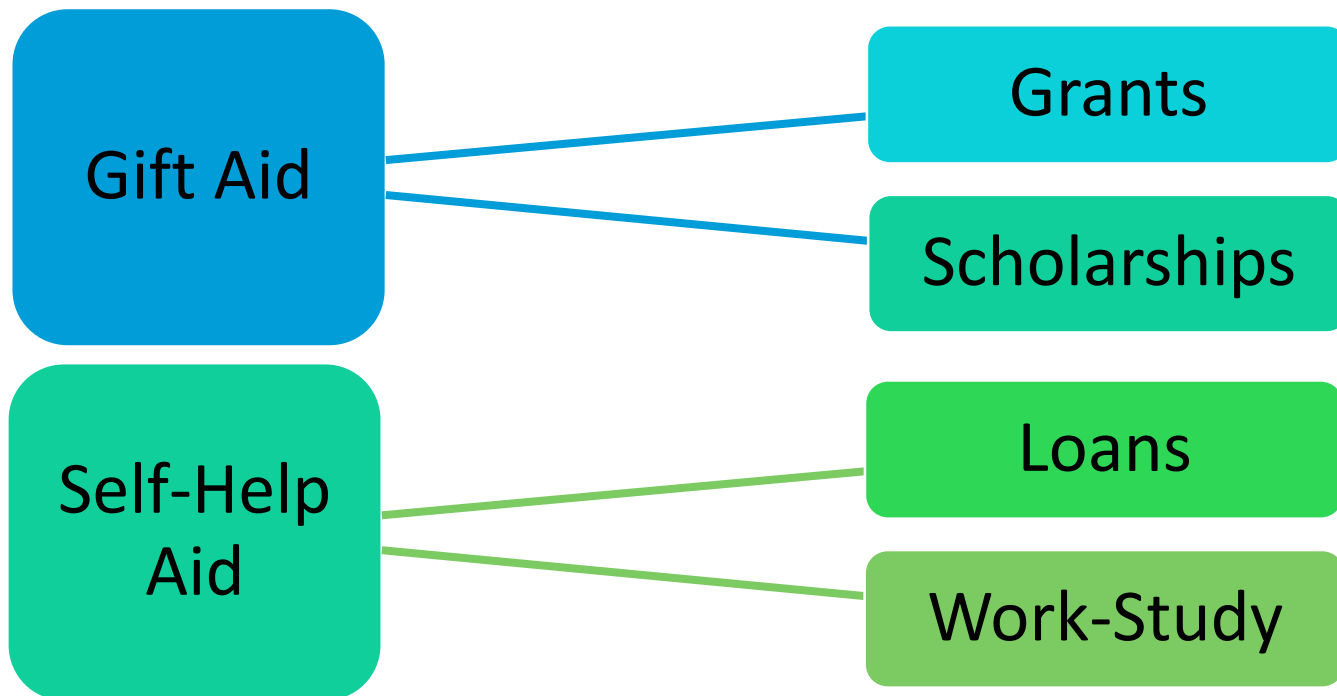
# What is Financial Aid?

- It is ***borrowed, given, or earned*** money that can be obtained from various sources to help pay for college
- Financial aid makes college affordable for you
- 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
- Funds may be merit-based, need-based, or non need-based





# Federal Work-Study

- It is 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

# Sources of Financial Aid

- Financial aid comes from a variety of sources

Federal  
Government

State  
Government

College  
(Institutional Aid)

Outside/  
Private  
Sources

# Sources of Financial Aid

- The “Must-Get-to-Know” financial aid sources



**Illinois Student  
Assistance Commission**

**[www.ISAC.org](http://www.ISAC.org)**

Agency in Illinois that administers state scholarship, grant, prepaid tuition, and student loan repayment and forgiveness programs.



**U.S. Department of Education's  
Office of *Federal Student Aid***

**[www.StudentAid.gov](http://www.StudentAid.gov)**

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

# The Big Grants

- Maximum award amounts for 2020-21



## MAP Grant

Up to \$5,340 (est.)

## Pell Grant

Up to \$6,345

- Total = \$11,685

# Illinois Student Assistance Commission



Grant Programs	2020-2021 Award
Monetary Award Program (MAP)	Up to \$5,340 (est.)
Illinois Veteran Grant (IVG)	Tuition & Mandatory Fees
Illinois National Guard Grant (ING)	Tuition & Mandatory Fees
Grant for Dependents of Police/Fire/Correctional Officers	Tuition & Mandatory Fees

Teaching Programs	2020-2021 Award
Minority Teachers of Illinois Scholarship (MTI)	Up to \$5,000
Special Education Teacher Tuition Waiver (SETTW)	No annual minimum or maximum amounts



# U.S. Department of Education

Federal Grant Program		2020-2021 Award
Federal Pell Grant		up to \$6,345
Iraq & Afghanistan Service Grant		up to \$5,970
TEACH Grant		up to \$3,764
Campus-Based Program		2020-2021 Award
Federal Supplemental Education Opportunity Grant (FSEOG)		\$100-\$4,000
Federal Work-Study		Colleges determine annual minimum or maximum amounts

# Loan Programs

- When evaluating loan options, consider the following:

Source of  
Loan

Subsidized vs.  
Unsubsidized

Interest Rate

Repayment  
Options &  
Grace Period

# Subsidized v. Unsubsidized

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

## Direct Subsidized Loan

- Need-based
- Interest is paid by the federal government:
  - While a student is in school at least ½ time
  - During grace periods
  - During deferment

## Direct Unsubsidized Loan

- Not need-based
- A student is always responsible for paying the interest



# Federal Loan Programs 2020-21

Loan	Type	Interest Rate	Grace Period
Direct Subsidized (Undergraduate)	Need-based	2.75% Fixed	6 Months
Direct Unsubsidized (Undergraduate)	Not need-based	2.75% Fixed	6 Months
Direct Unsubsidized (Graduate)	Not need-based	4.30% Fixed	6 Months
Direct PLUS (Parent/Graduate)	Unsubsidized Credit-based	5.30% Fixed	Repayment Starts within 60 days

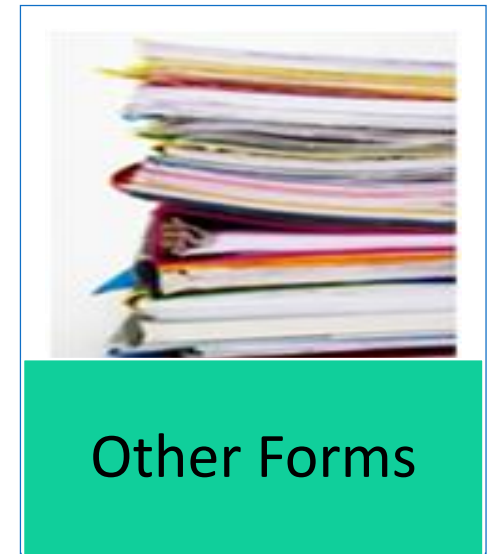


# Maximum Direct Loan Amounts

Year	Dependent Students	Independent Students
1 <sup>st</sup> Year	\$5,500 Max. \$3,500 subsidized	\$9,500 Max. \$3,500 subsidized
2 <sup>nd</sup> Year	\$6,500 Max. \$4,500 subsidized	\$10,500 Max. \$4,500 subsidized
3 <sup>rd</sup> Year and Beyond	\$7,500 Max. \$5,500 subsidized	\$12,500 Max. \$5,500 subsidized
Graduate or Professional	Not Applicable	\$20,500 (unsubsidized only)

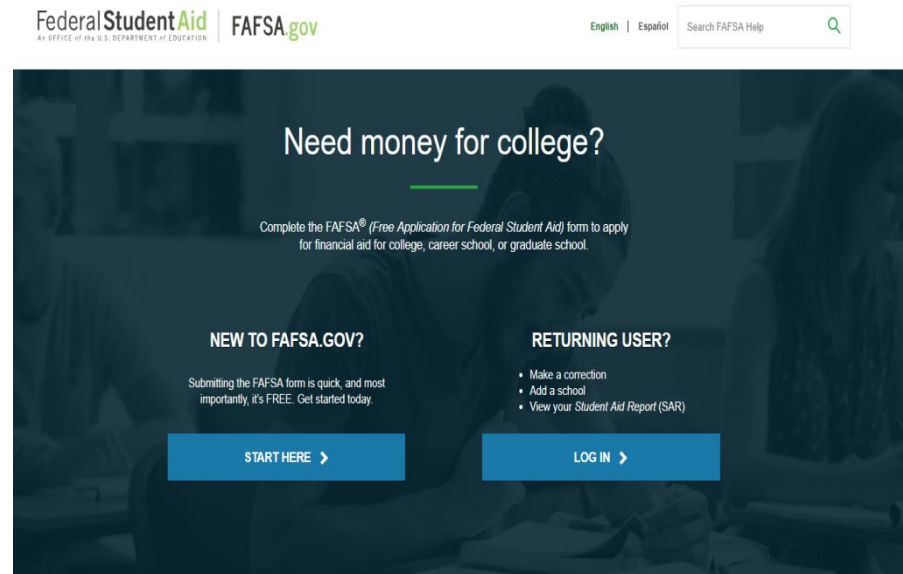
# How to Apply for Financial Aid

- To be considered for student aid, a student must complete all forms required by a college
- Communicate with each college to find out what is required for a complete application



# Free Application for Federal Student Aid (FAFSA)

- The FAFSA is the first step in the financial aid process for most students
- It is used to apply for **state and federal financial aid** programs
- Some colleges use it to award institutional aid
- The application is available at **no cost**



# Alternative Application for Illinois Financial Aid (Alternative App)

- This application is **only for state financial aid**
- It is open to qualifying undocumented students and transgender students who are not eligible to complete a FAFSA
- Some colleges use it to award institutional aid
- The application is available at **no cost**

The screenshot shows the homepage of the Alternative Application for Illinois Financial Aid. At the top, a green box contains the text "ALTERNATIVE APPLICATION FOR ILLINOIS FINANCIAL AID" and "Intended for qualifying undocumented and transgender students". To the right, a blue box titled "Alternative Application to apply for 2020-2021 Illinois MAP Grants" provides a brief description of the program and a link to the user guide. Below these, there are three columns: "First-Time Applicants" with a "START" button, "Returning Applicants" with a "LOGIN" button, and "Submit Parent Signature" with a "PARENT SIGNATURE" button.

**ALTERNATIVE APPLICATION FOR ILLINOIS FINANCIAL AID**  
Intended for qualifying undocumented and transgender students

**Alternative Application to apply for 2020-2021 Illinois MAP Grants**  
The Alternative Application for Illinois Financial Aid allows qualifying undocumented students and transgender students who are not otherwise eligible for federal financial aid to apply for Illinois Monetary Award Program (MAP) grants to attend eligible Illinois colleges, universities, and career education programs.  
The pre-screening questions in this application will help you determine if you are a qualifying undocumented or transgender student who is not eligible for federal financial aid.  
[See our User Guide & Resources for this program >>](#)

**First-Time Applicants**

- Click on the "Start" button to start a new 2020-2021 Alternative Application for Illinois Financial Aid
- Do not submit multiple applications for the same academic year

**START**

**Returning Applicants**

Complete or correct a 2020-2021 Alternative Application for Illinois Financial Aid

[Forgot Username?](#)  
[Forgot Password?](#)

**LOGIN**

**Submit Parent Signature**

Click on the "Parent Signature" button to provide your parent's signature (required for dependent students)

**PARENT SIGNATURE**

**Note:** Students should complete either the FAFSA or Alternative App, but **not both**

# 2021-22 Financial Aid Applications

## WHEN

- As soon as possible after October 1<sup>st</sup>  
(Check with colleges for specific deadlines)

## WHO

- High school seniors and college students

## HOW

- FAFSA: [www.fafsa.gov](http://www.fafsa.gov)
- Alternative App: [www.isac.org/alternativeapp](http://www.isac.org/alternativeapp)

## WHY

- Determine eligibility for federal and state aid programs
- Some institutions use these to award institutional aid

# Parent Information

- Most students must report parental information until the age of 24
- For financial aid purposes, there are only three types of parents:
  - Biological parents
  - Adoptive parents
  - Stepparents (if married to biological parent)
- No one else should provide information on the FAFSA or Alternative App
- Legal guardians are not considered parents for financial aid purposes
- If parents are divorced, report information about the parent the student lived with most in the past 12 months

# Information Needed

## **FAFSA Only**

- Social Security Number
  - Parents who do not have a SSN must enter 000-00-0000
- Alien Registration Number, if student is not a U.S. Citizen
- Federal Student Aid (FSA) ID to sign electronically

## **FAFSA & Alternative Application**

- 2019 federal tax returns, W-2s, and other records of income
- Banking statements and records of investments (if applicable)
- Records of untaxed income (if applicable)
- List of colleges student would like to attend

# Electronic Signature

## FAFSA

- An FSA ID is needed to sign the FAFSA electronically
- Students and parents must each have their own FSA ID
- The FSA ID is needed to renew the FAFSA every year
- **Note:** Parents who do not have a SSN cannot obtain an FSA ID but can print a signature page instead

## Alternative App

- A PIN is needed to sign the Alternative App electronically
- Students and parents must have their own PIN
- The PIN will be generated and sent via email by ISAC
- A PIN is needed every time you renew the Alternative App
- To obtain a PIN, parents only need to provide an email

# IRS Data Retrieval Tool

- Allows the transfer of individual tax data onto the FAFSA



Link to IRS

The screenshot shows the "Get My Federal Income Tax Information" form. It has a header with the IRS logo and navigation links: "Return to FAFSA", "Help", "Logout", and "Español". The main heading is "Get My Federal Income Tax Information". Below this, it says "Enter the following information from your 2018 Federal Income Tax Return." and "All fields are required unless marked otherwise." The form contains several input fields: "First Name", "Last Name", "Social Security Number", "Date of Birth", "Filing Status", "Street Address", "P.O. Box", "Apartment Number", "Country", "City, Town or Post Office", "State / U.S. Territory", and "ZIP Code". At the bottom, there is a "SUBMIT" button.

Look up tax data

The screenshot shows the "2018 Federal Income Tax Information" page. It has a header with the IRS logo and navigation links: "Return to FAFSA", "Help", "Logout", and "Español". The main heading is "2018 Federal Income Tax Information". Below this, it says "Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA questions." It then lists various tax information items in a table format: Tax Year, Type of Return Filed, Unearned Portion of IRA Distributions & Pensions/Annuities, Adjusted Gross Income, Tax-exempt Interest Income, Social Security Number, Income Earned from Work, IRA Deductions and Payments, Filing Status, Income Tax, and Status of Amended Returns Received. At the bottom, there are two buttons: "TRANSFER NOW" and "DO NOT TRANSFER".

Transfer to FAFSA

# Expected Family Contribution (EFC)

- The FAFSA/Alternative App will generate a number called the EFC

## What is it?

- The amount a student and family can be expected to contribute in one academic year

## Why does it matter?

- Used to determine a student's eligibility for most federal and state aid programs

# Verification

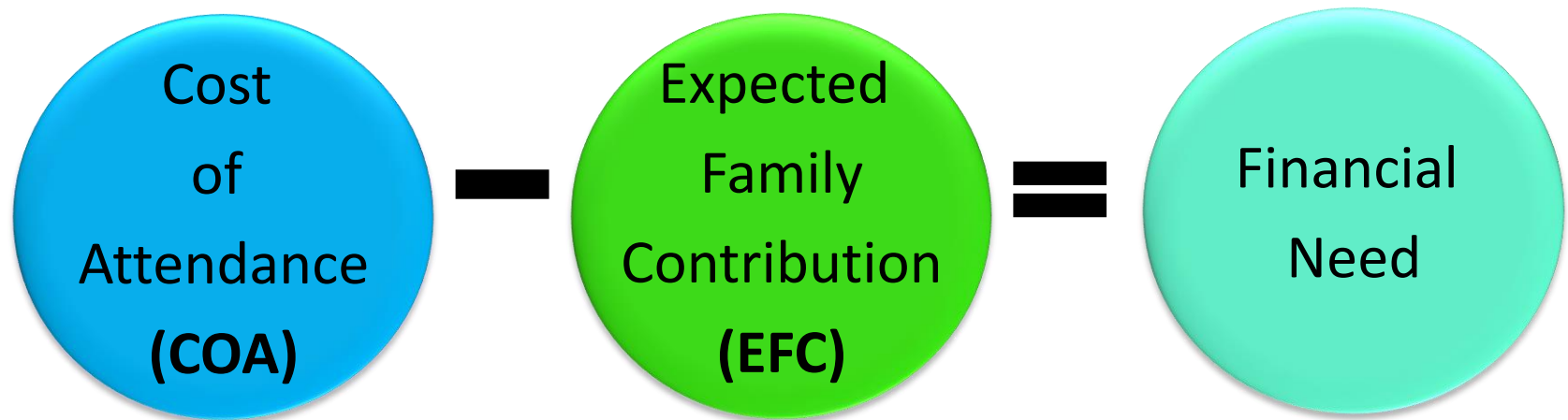
- This is a process used by schools to confirm that data reported on the FAFSA or Alternative App is accurate
- If you are selected for verification:
  - You may be asked to submit additional documentation
    - e.g., tax return transcripts, W-2s, income information, list of members of the household
  - Do not be alarmed – this is a common process
  - Provide only the information requested
  - Submit all documents **on time!**

# How Much Does College Cost?

Tuition & Fees	<i>Direct Expenses</i>
+ Room & Board	<i>Direct or Indirect Expenses</i>
+ Transportation	<i>Indirect Expenses</i>
+ Books & Supplies	
+ Miscellaneous Living Expenses	
<b>= Cost of Attendance (COA)</b>	

# Financial Need

- How much aid can a student receive?



# Three Examples

	COA		EFC		Financial Need
College <b>A</b>	\$10,000	—	\$3,000	=	\$7,000
College <b>B</b>	\$20,000	—	\$3,000	=	\$17,000
College <b>C</b>	\$35,000	—	\$3,000	=	\$32,000

# Financial Aid Offers

- The financial aid administrator at the college will package all available aid and send a financial aid offer for consideration.
  - Use ISAC's Financial Aid Comparison Worksheet at: **[studentportal.isac.org/finaid](http://studentportal.isac.org/finaid)** to make an informed decision.
- 
- What is the total cost of attendance?
  - What is a 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?
-

# FAFSA Tips and Reminders

Complete the FAFSA/Alternative App ASAP after October 1

Information reported on the FAFSA is confidential and only used to determine financial aid eligibility

You may be asked to submit documentation to the financial aid office for verification purposes

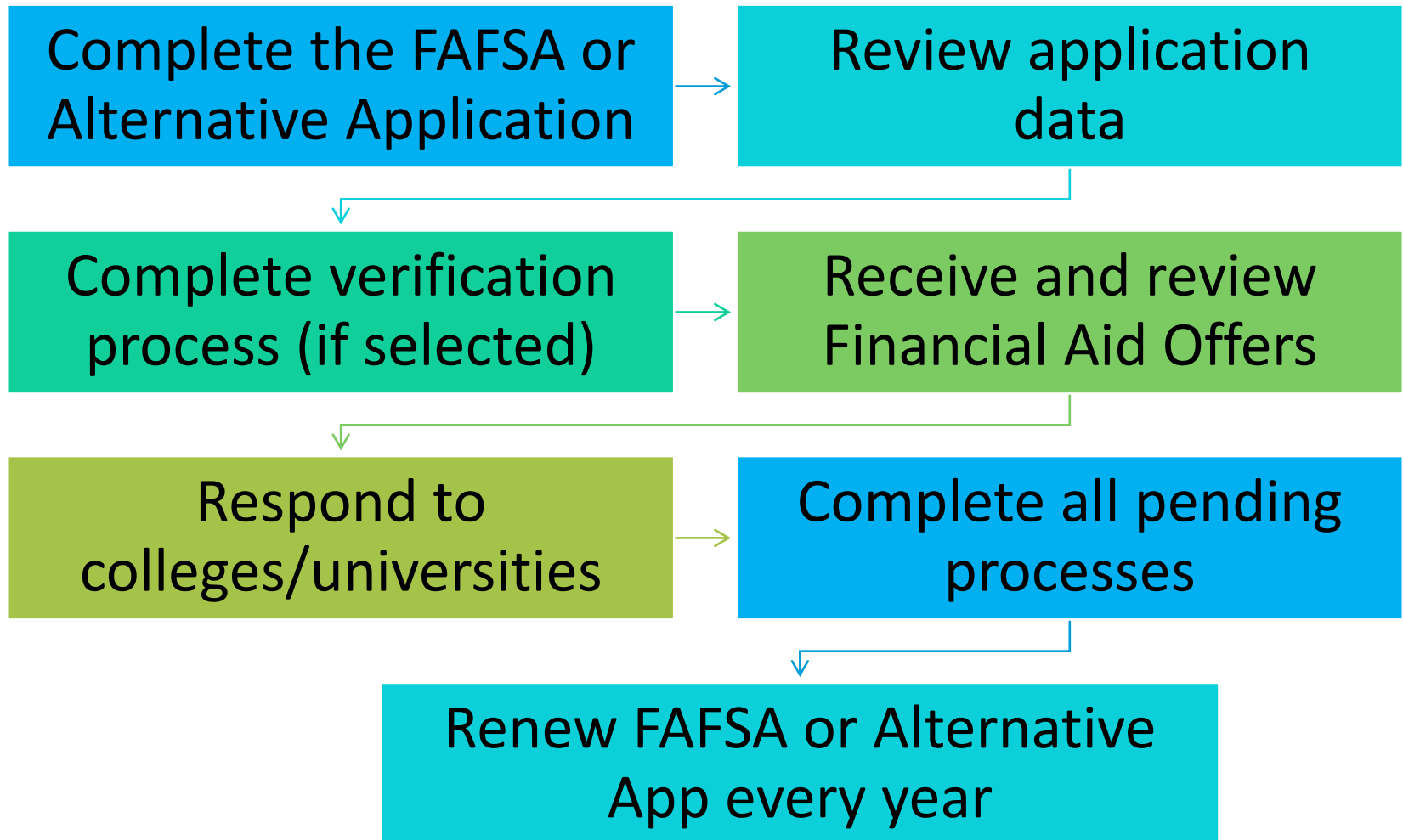
Supplemental applications or forms may be required

Keep track of application DEADLINES!

Keep a copy of everything you submit

You must reapply every year

# The Financial Aid Process



# ISAC Student Portal



## COLLEGE PLANNING MADE EASY.

**The ISAC Student Portal** has all the tools you need to help you with college planning, financial aid, student loans and money management, and even career exploration and job search—all free and just a click away!



### COLLEGE AND SCHOLARSHIP SEARCH

Check out ISAC partner **College Greenlight™** to search college profiles with student reviews, videos and more. Plus search a database of billions of dollars in scholarships.



### FINANCIAL AID

Need financial aid for college but not sure what's out there and how to apply? Learn about financial aid with the **FinAid Game**, use our **Calculators** to determine your eligibility for aid, and compare your **Financial Aid Award Letters** with our easy-to-use online tool.



### MONEY MANAGEMENT

Play **Claim Your Future®**, a game that lets you explore education and training after high school, future careers, and money management.



### CAREERS AND JOBS

With ISAC partner **Illinois workNet®** you can explore careers and salaries, build a resume and search for jobs. And if you are looking for a summer job or internship in Illinois, check out the regularly updated listings on the **Student Job Board**.



### COLLEGE PLANNING TIPS

In high school and just starting to think about the whole college process? Use our handy online **College Checklist** to stay on top of all the steps you need to take in planning for college.



**ISAC Program Applications/Status** Create a student profile on the Portal to apply for the Illinois Veteran Grant (IVG) and Illinois National Guard Grant (ING), and to check your IVG and ING units used. Are you a current MAP recipient? You can also use the Portal to check your MAP paid credit hours.



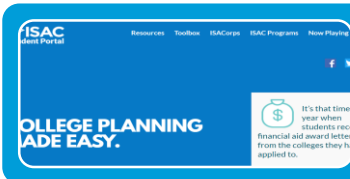
**Need some in-person help with the process?** Use the Portal to find a workshop in your area or to contact your local **ISACorps College Mentor** for free in-person assistance with the college-going and financial aid process.

**Make College Happen!**

Visit [isac.org/studentportal](https://isac.org/studentportal)

# Trusted Websites

- Learn what you need to know and stay up-to-date with accurate and trusted sources of information



[studentportal.isac.org](https://studentportal.isac.org)



[studentaid.gov](https://studentaid.gov)



[fafsa.gov](https://fafsa.gov)



[isac.org/alternativeapp](https://isac.org/alternativeapp)

# Find Answers to Your Questions

- Questions about financial aid?
- Questions about going to college?
- Text with our experts!

**Pick the area code closest to you and text us your name**

(217) 207-3265	(309) 306-7066
(618) 223-6450	(630) 216-4910
(708) 252-3890	(773) 453-9520
(815) 242-4630	(847) 243-6470

# Questions?

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