



The Financial Aid and College Application Process



Col·lege \kä-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

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	
= Cost of Attendance (COA)	

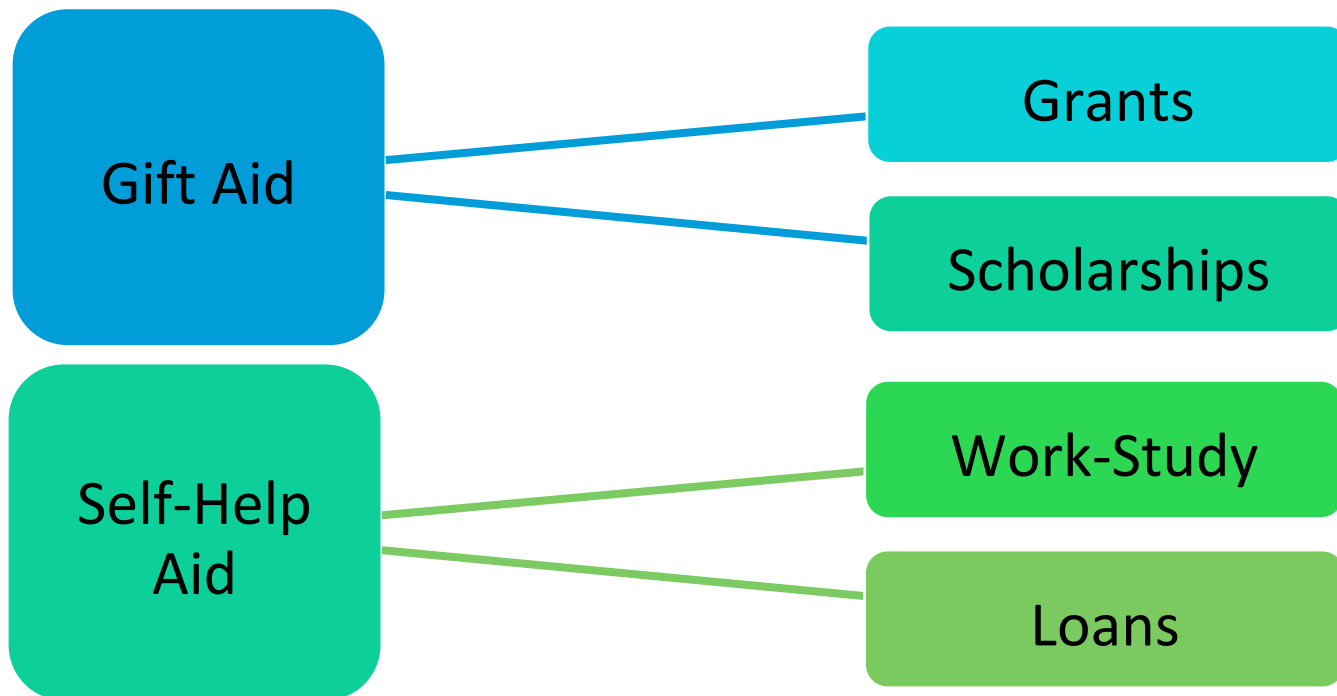
What is Financial Aid?

- 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



Sources of Financial Aid

- Financial aid comes from a variety of sources

Federal
Government

State
Government

College
(Institutional Aid)

Outside/
Private
Sources



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

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 2018-19

Loan	Type	Interest Rate	Grace Period
Direct Subsidized (Undergraduate)	Need-based	5.05% Fixed	6 Months
Direct Unsubsidized (Undergraduate)	Not need-based	5.05% Fixed	6 Months
Direct Unsubsidized (Graduate)	Not need-based	6.60% Fixed	6 Months
Direct PLUS (Parent/Graduate)	Unsubsidized Credit-based	7.60% Fixed	Repayment Starts Within 60 days

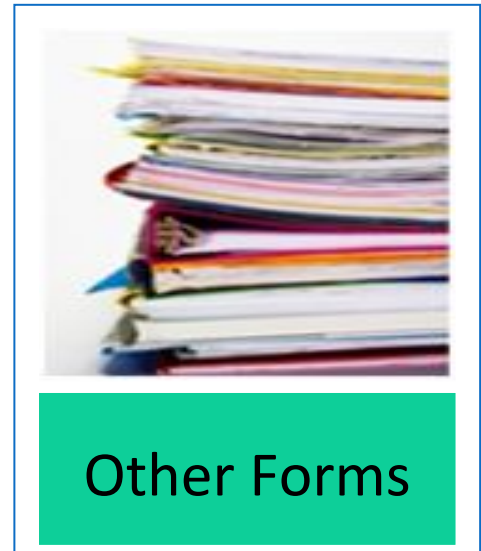


Maximum Direct Loan Amounts

Year	Dependent Students	Independent Students
1 st Year	\$5,500 Max. \$3,500 subsidized	\$9,500 Max. \$3,500 subsidized
2 nd Year	\$6,500 Max. \$4,500 subsidized	\$10,500 Max. \$4,500 subsidized
3 rd 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. It 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 cost.



2019-20 FAFSA

WHEN

- As soon as possible after October 1st (First day to submit FAFSA)

WHO

- High school seniors and college students
- U.S. citizens and eligible non-citizens

HOW

- Available on-line at www.fafsa.gov

WHY

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

Important Dates 2019-20

FAFSA

- October 1, 2018
(first date to submit FAFSA)

College

- Dates vary by college/university
(check with each college)

MAP Grant

- As soon as possible after October 1, 2018

Federal Pell Grant

- June 30, 2020
(end of the academic year)

Information Needed for the FAFSA

What information is needed?

- **Social Security Number** – Be sure it is correct!
 - **Alien Registration Number** – if not a U.S. citizen.
 - **Records of income** – 2017 Federal Income Tax Return (1040, 1040A, or 1040EZ), W-2s, other records of income earned from work, business, child support paid or received, and any other untaxed income.
 - **Information about assets** – Savings, certificates of deposit, stock options, bonds, 529 plans and other college savings programs, and investment real estate, business, and farms
 - **An FSA ID to sign electronically**
-

Note: A student must report parental information until the age of 24 unless they meet the criteria to file as an independent student as determined by the FAFSA.

Expected Family Contribution (EFC)

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

What?	Why?	Where?
The amount a family can be expected to contribute in one academic year	Used to determine a student's eligibility for most federal and state aid programs	Shown on the Student Aid Report (SAR)

Financial Need

- How much aid can a student receive?



Three Examples

	COA		EFC		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.
- Use ISAC's Financial Aid Comparison Worksheet at: **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?

Other Things to Know

Complete the FAFSA as soon as possible 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

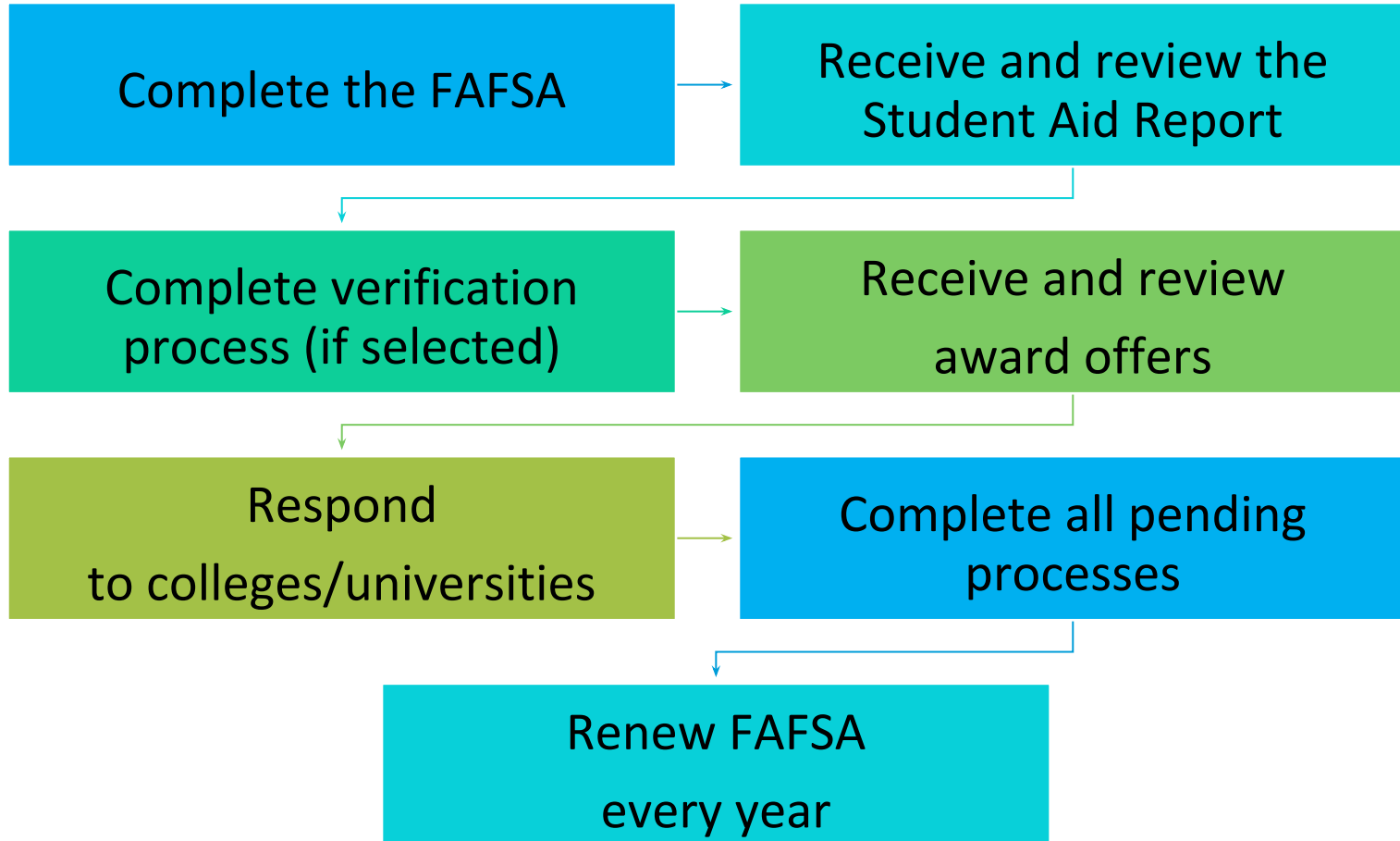
Supplemental applications or forms may be required

Keep track of application DEADLINES!

Keep a copy of everything you submit

You must reapply every year

The Financial Aid Process



ISAC College Q & A

- Questions about financial aid?
- Questions about getting 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?

Thank you!

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