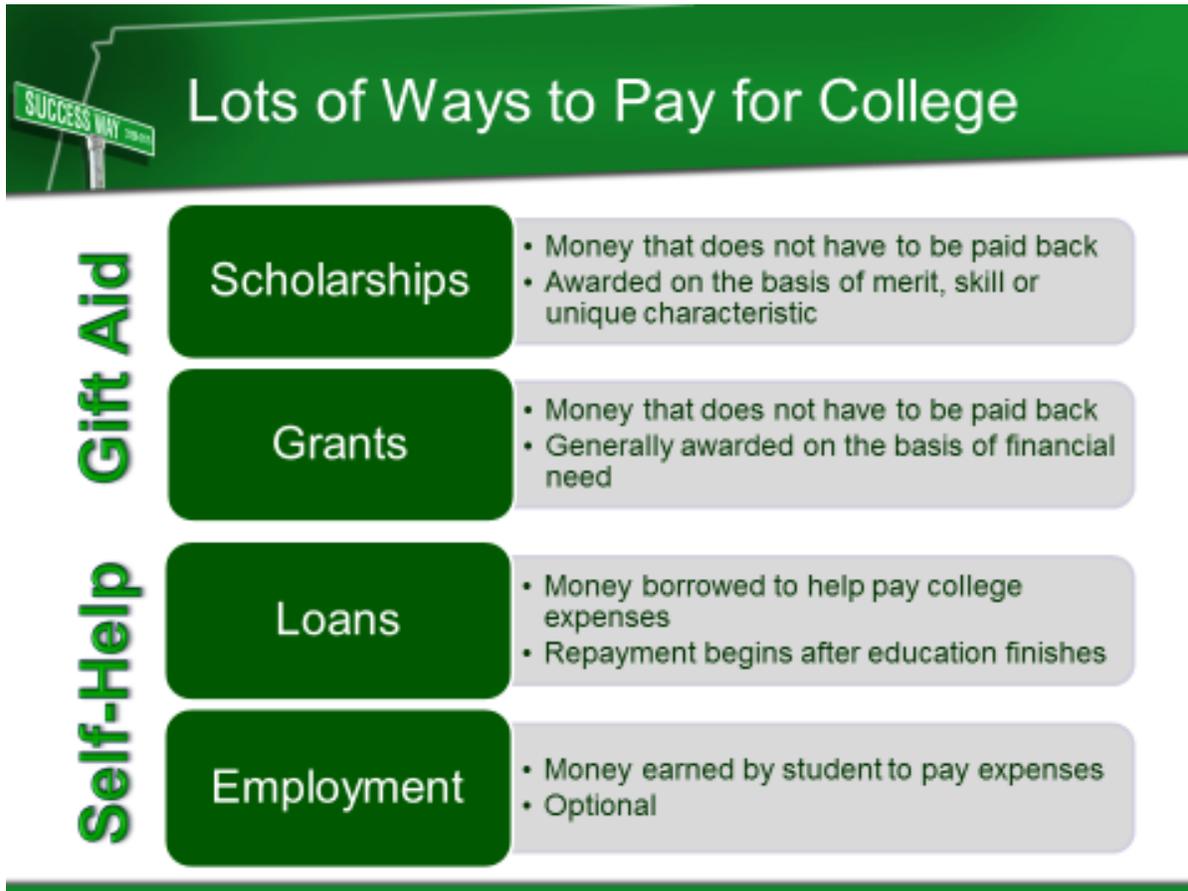


Financial Aid 101

Financial Aid consists of *scholarships, grants, loans, and employment* opportunities which are available to help students pay for the cost of attending the postsecondary institution of their choice.



Grant programs: Students *cannot apply directly* to these grant programs. Students are automatically reviewed for eligibility when they complete the Free Application for Federal Student Aid (FAFSA).

Federal Pell Grant

The Pell Grant is a federally-funded program for undergraduate students with exceptional financial need. Award amounts range from \$643 to \$6,345 for the 2020-2021 academic year, and are available for full-time, half-time, and less-than-half-time enrollment. Eligibility is *automatically* evaluated annually, based on your FAFSA results.

Federal Supplemental Educational Opportunity Grant (SEOG)

SEOG is a federally-funded program for undergraduate students with exceptional financial need. Award amount ranges from \$100 to \$4,000, depending on your financial need, when you complete your FAFSA, the amount of other aid you receive and funding appropriations. Eligibility is *automatically* evaluated annually, based on your FAFSA results.

Illinois Monetary Award Program (MAP) Grant

The MAP Grant is a state-funded program for undergraduate students who demonstrate financial need and are Illinois residents, attending an Illinois school. Award amounts are based on the number of credit hours for which you are enrolled (minimum of three credit hours per term) with award amounts ranging from \$534 to

\$5,340 for the 2020-2021 academic year, subject to state appropriations. Eligibility is *automatically* evaluated annually, based on your FAFSA results.

Federal Direct Stafford Loans

Federal Direct Loans are low-interest loans for students to help meet the cost of higher education. Eligible students borrow directly from the U.S. Department of Education. Federal Direct Loans are subsidized and/or unsubsidized, depending on financial need.

Subsidized loans are for undergraduate students and are awarded based on financial need, as determined by the results of your FAFSA. The interest rate for loans borrowed for the 2019 to 2020 academic year is fixed at 4.53%, effective July 1, 2019. Repayment of the principal is deferred until six months after you graduate or cease half-time enrollment. *The interest is paid by the government while you are enrolled at least half-time.*

Unsubsidized loans are available to all students who file the FAFSA, regardless of financial need. The interest rate for 2019 to 2020 loans is fixed at 4.53% for undergraduates as of July 1, 2019. Repayment of the principal is deferred until six months after you graduate or cease half-time enrollment. *Interest accrues* while enrolled. Deferment is available for interest payments.

Federal Direct Stafford loan amounts vary depending on grade level and dependency status.

Federal Work Study (FWS)

This is money you earn by working on campus part-time, while enrolled in school that will help pay your educational expenses.

Wages are paid jointly by federal funds and the University. FWS earnings are *not* deducted from your tuition bill, unless you elect to do so. The amount you are paid from FWS is dependent upon how much you work. Commonly, students will split their checks-1/2 towards their balance and 1/2 for spending money.

To determine if you qualify to participate in Federal Work Study, review your financial aid award letter. You will then need to contact the Career Office at the college and learn how to start to apply for jobs. **DO NOT** wait. These jobs are highly sought after and often are on a first come first serve basis.

Federal Direct PLUS Loan for Parents

This is a credit-based loan that parents may borrow on behalf of their dependent undergraduate students. Students must be enrolled at least half-time in a degree program to utilize this loan option.

The interest rate for the 2019 to 2020 Parent PLUS Loan was fixed at 7.08%. Federal Parent PLUS loans are subject to a 4.248% loan origination fee at disbursement.

Repayment on the PLUS loan begins within 60 days of the final disbursement, unless the option to postpone repayment until six months following the student's graduation is selected.

The maximum amount a parent can borrow in a PLUS loan is the total cost of attendance (comprised of tuition and fees, room and board or living costs, books and personal expense allowance) minus all other financial aid. It is recommended to contact the Financial Aid Office for guidance on the amount that is required and what the maximum loan amount would be.

Application tips for Federal Direct PLUS loans:

- Apply for the total amount needed for the entire academic year
 - 50% of the loan will be disbursed in August and 50% in January
 - Repayment would begin after January disbursement
- Remember to account for a 4.248% loan origination fee in determining your loan amount
- Have your and your student's Social Security numbers available when you are applying
- To Apply, *parents* will login: <https://studentaid.gov/app/launchPLUS.action?plusType=parentPlus>

Private Loans

Private loans are credit-based loans, applied for through individual banks, lenders and credit unions, that help students "bridge the gap" between the financial aid they have been awarded and any additional amount they feel may be needed to help achieve their educational goals. A student, parent or other individual may be the borrower of a Private Loan, depending on the design of the loan product. Being approved for a Private Loan depends largely on the credit score of the borrower (and co-signer). With the continuation of tightened credit markets, the largely held belief is that the majority of students applying for Private Loans will need co-signers on the application in order to get approved. Interest rates are typically variable. It is recommended to research a variety of lenders before selecting one.

Accepting Financial Aid

Accepting a loan or grant listed in the aid offer may involve additional steps, which vary depending on the type of loan or grant you're receiving. Saying yes may be as simple as signing a promissory note—a contract between you and the lender* that specifies the terms and conditions of the loan—or it may include entrance counseling if this is your first federal loan.

By signing the promissory note, you are promising to repay your student loan. The financial aid office will guide you through the paperwork or direct you to the online Master Promissory Note if appropriate.

*If you take out a loan from the Direct Loan Program, the U.S. Department of Education will be your lender.

College Cost Comparison Worksheet-This is a great tool to help you break down financial aid offers and ultimately decipher which offer best suits you.

	College 1	College 2	College 3	College 4	College 5
College Name					
Tuition					
Room & Board	+	+	+	+	+
Fees	+	+	+	+	+
Books & supplies	+	+	+	+	+
Transportation	+	+	+	+	+
Other expenses	+	+	+	+	+
Total Cost of Attendance	=	=	=	=	=

Gift Aid (does not have to be paid back)					
Scholarships	-	-	-	-	-
Federal Grant	-	-	-	-	-
State Grant	-	-	-	-	-
Institutional Grant	-	-	-	-	-
(Aid below must be paid back)					
Work-study	-	-	-	-	-
Subsidized Loans	-	-	-	-	-
Unsubsidized Loans	-	-	-	-	-
Private Loans	-	-	-	-	-
Out-of-pocket Cost for family	=	=	=	=	=