

2009-10 Financial Aid General Information for the Honors College

Office of Student Financial Aid
University of Illinois at Chicago

FAFSA

- Application for Federal, State & UIC funds
- FAFSA on the Web: Quickest and easiest way to file: www.fafsa.ed.gov
- A PIN allows you and a parent to sign on-line
- Obtain a PIN at www.pin.ed.gov for each person

FAFSA (what it does)

- Collects financial information about both the *student* and the *parent*
- Looks at the size of the family and how many are in college
- Analyzes all of the data to determine EFC
- (Complete the FAFSA after January 1 of your senior year in high school)

Basic Eligibility Requirements

- Be accepted in a degree-program by an eligible college
- Be a Citizen or Permanent Resident of U. S.
- Enroll at least half-time (6 credits/term)
- Demonstrate financial need
- Maintain Satisfactory Academic Progress (Completing courses/maintaining GPA)

Financial Need

- Financial Need is based on Cost of Attendance minus Expected Family Contribution
- Need changes each year
- Therefore, you must file the FAFSA annually

Cost of Attendance

- Varies from School to School
- Is the total ESTIMATE of student expenses at the particular institution
(Much more than just tuition and is not your bill)
- Tuition and Fees
- Room and Board
- Transportation
- Books and Supplies
- Miscellaneous Living Expenses

EFC

- The FAFSA determines the EFC
- Is used only to determine financial need

Types of Financial Aid

- Gift Aid
- Student Loans
- Employment

Gift Aid

Grants

- Based on financial need
- Can come from Federal, State, Institutional or Private Sources
- Usually require FAFSA

Scholarships

- Based on talent, skill, interest, academic merit, sometimes need, etc.
- Might require separate application process from the FAFSA

Student Loans

- Must be paid back
- Can come from Federal, Institutional, or Private sources
- Some are based on need, while others are not
- Benefits may include lower interest, deferred payments, sometimes subsidized interest or even forgiveness

Student Employment

- Federal Work Study
- FWS based on financial need
- Earnings used to pay the cost of college
- Benefits include working on-campus
(no extensive transportation needed),
can work around class schedule

Federal Pell Grant

- Awarded to eligible undergraduates pursuing first bachelor's degree
- Actual award amount based on COA, EFC, & enrollment status
- Maximum award for 2008-09 = \$4,968

Academic Competitiveness Grant

- 1st & 2nd year college students
- Completed a Rigorous High School program
- Be a U S Citizen or Permanent Resident*
- Be Pell Grant eligible
- Be enrolled at least Half-Time*
- \$750 first year; \$1,300 second year
- 3.0 GPA second year

* Effective January 2009

National SMART Grant

- 3rd & 4th year students only
- Major: math, science, technology, engineering, critical foreign language*
- Be a U S Citizen or Permanent Resident**
- Eligible for Pell Grant
- Be enrolled at least Half-Time**
- 3.0 GPA
- \$4,000 annually

*Majors are specifically determined by the U S Dept of Education

**Effective January 2009

Monetary Award Program (MAP)

- Awarded by State of Illinois
- Need-based grant; eligibility determined by the Illinois Student Assistance Commission (ISAC)
- Must be enrolled 15 hours for maximum grant (Pro-rated: 13 hours gets 13/15 MAP)
- 2008-09 maximum MAP: \$4,968

Federal Perkins Loan

- Need-based loan program
- Interest rate: 5%
- Interest subsidized during school and 9 month grace period
- Repayment may be up to 10 years
- Deferment & cancellations provisions are available

Federal Stafford Loan

Subsidized

- Need-based
- Federal government pays the interest while student is in college and during grace/deferment periods
- Fixed Interest:
 - 2008-09: 6.0%
 - 2009-10: 5.6%

Unsubsidized

- Not based on financial need
- Payment of the interest is always the student's responsibility
- Fixed Interest: 6.8%

Stafford Loan (cont.)

Annual Loan Limits for Dependent Undergraduates

	Subsidized	+ Add'l Unsub	= Total
Freshman	\$3,500	\$2,000	\$5,500
Sophomore	\$4,500	\$2,000	\$6,500
Junior	\$5,500	\$2,000	\$7,500
Senior	\$5,500	\$2,000	\$7,500
Total UG Limit	\$23,000	\$8,000	\$31,000

(Changes effective 2008-09)

Federal PLUS Loan Program

- Parent Loan for dependent Undergraduate Students
- Annual loan limit: COA minus other aid
- Fixed interest rate: 7.9% for Direct Loan Program
- Repayment begins 60 days after loan is fully disbursed; or parent can capitalize (*add interest to loan and defer payments until student ceases to be at least half-time*)

Private Loan Programs

- Credit Checks
- Co-signer
- Higher Interest Rates
- Borrow Cautiously
- Read all of the fine print

Steps

- File FAFSA after Jan. 1 of Senior year in HS
- You receive Student Aid Report
- May be selected for Verification Process
- If so, submit required documents
- Financial Aid Award Letter sent to student
- Accept/Decline aid
- Loans: MPN, Entrance Counseling

Scholarships

Free Internet scholarship search engines:

- FinAid.org: www.finaid.org
- The College Board:
www.collegeboard.com
- FastWeb.com: www.fastweb.com
- Scholarship Resource Network Express:
www.srnexpress.com
- GoCollege.com: www.gocollege.com

Check with High School Guidance Office or
UIC Honors College

Avoid Being Scammed

Possible indicators:

- Notified of scholarship for which you never applied
- Scholarship application requires a fee
- Guarantee receipt of a scholarship
- Free seminar by a company

Awarding Examples follow for ...

- Tuition Restricted Awards
- Outside Scholarships

Financial Aid Package Rules

- Aid from all sources must be coordinated
- Certain limits cannot be exceeded (Need, in most cases)
- Restricted scholarships must be monitored

Tuition Restricted Aid

- Cannot exceed amount of tuition
- Examples: Honors College Waiver
General Assembly, MAP Grant
- One or more scholarships/waivers may have to be reduced (or even eliminated)

Tuition Restricted Aid (cont.)

- Tuition = (example only) \$7700

- MAP Grant = \$4700
- Smith Tuition Scholarship = \$1000
 \$5700

- Honors Coll Tuit Waiver = \$2000
(Waiver would be more if there were no
other tuition-restricted aid, but total
cannot exceed \$7700)

Outside Scholarship Impact

- Student's Need = \$10,600

Aid Package:

MAP Gr	\$4900
UIC Award	\$2200
Sub Loan	<u>\$3500</u>
	\$10,600

\$1000 outside scholarship reduces Loan to \$2500. Total remains same; more gift.

Outside Scholarships

Because they must be coordinated with all other aid, they must be reported

- Send copy of award letter to OSFA
- Clarify if annual or semester amount
- Instruct agency to send check to OSFA

OSFA Contact Information

**Office of Student Financial Aid (MC 334)
Room 1800, Student Services Building
1200 West Harrison Street
Chicago, Illinois 60607-7163**

Phone: (312) 996-3126

E-mail: money@uic.edu

Web Site: www.vcsa.uic.edu

(Select “Financial Aid” option)

Questions?

