

# PAYING FOR COLLEGE

INTRODUCTION TO FINANCIAL AID

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COLLEGE

# YOU ARE GOING TO COLLEGE...



## NOW WHAT?

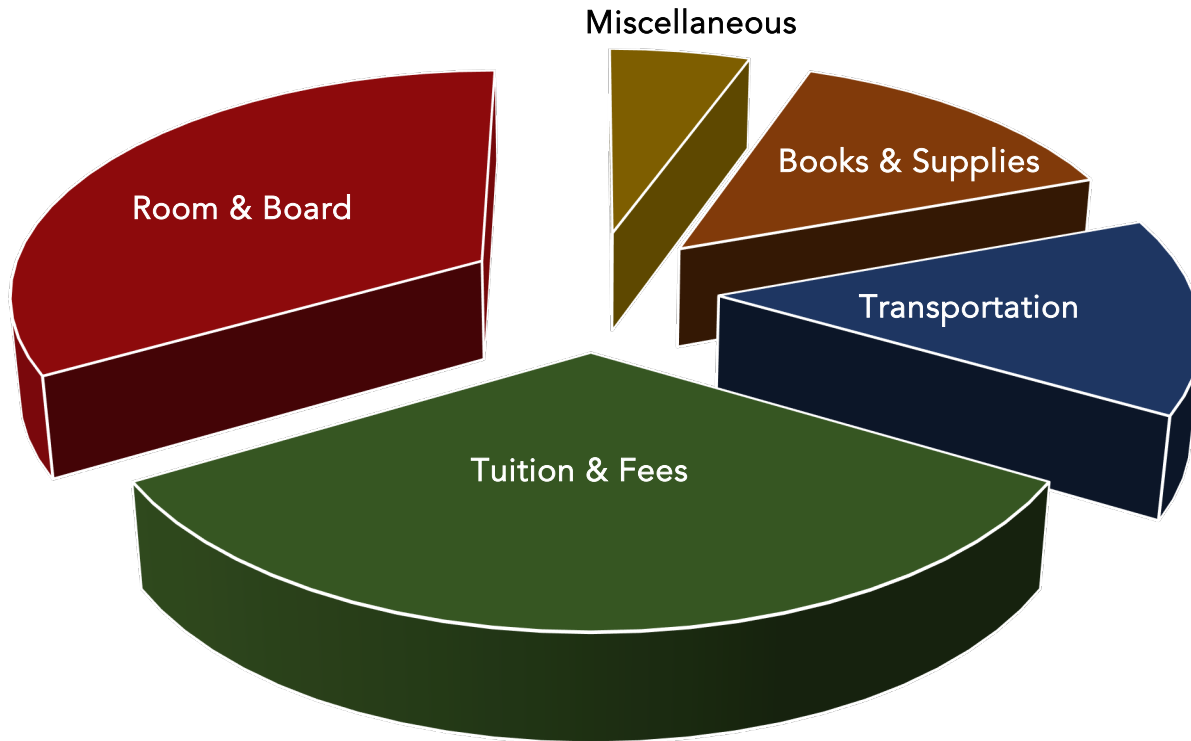
- ◆ How much will it cost?
- ◆ What is financial aid?
- ◆ What is the FAFSA?
- ◆ When and how do I apply?
- ◆ What types of aid are available?
- ◆ Where can I get help?

# FAFSA

- ◆ Free Application for Federal Student Aid
- ◆ Free! Be sure to use [studentaid.gov](https://studentaid.gov)
- ◆ Must be completed annually
  - ◆ As soon after **OCTOBER 1** as possible
- ◆ Application for all federal and state grants
  - ◆ Loans and most scholarships also require a completed FAFSA.



# COST OF ATTENDANCE



- ◆ Actual costs of attendance will vary according to the school you attend, number of credit hours for which you register, residency status, living arrangements, transportation costs, and your lifestyle.
- ◆ The total financial aid package may not exceed your cost of attendance.

# STUDENT AID INDEX (SAI)

- ◆ The data provided on the FAFSA is used to calculate the Student Aid Index (SAI).

## What is it?

- ◆ A measure of your family's financial strength and ability to contribute toward  
the cost of college for an academic year.

## Why does it matter?

- ◆ Used to determine student eligibility for most federal and state assistance.

## Note:

- ◆ Does not change based on the school you attend.
- ◆ Subtracted from Cost of Attendance (COA) to determine Financial Need

# FINANCIAL NEED SCENARIOS

	COA	-	SAI	=	Financial Need
College A	\$10,000	-	\$3,000	=	\$7,000
College B	\$20,000	-	\$3,000	=	\$17,000
College C	\$40,000	-	\$3,000	=	\$37,000

# FINANCIAL AID

- ◆ Funding intended to help students pay educational expenses at colleges and universities.
- ◆ Financial aid helps make up the difference between what you can afford to pay and the cost of college.
- ◆ Funding Sources:
  - ◆ Federal Government
  - ◆ State Government
  - ◆ College/University
  - ◆ 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.



# TYPES OF FINANCIAL AID

Grants

Gift Aid

Scholarships

Work Study

Self-Help Aid

Student Loans

# GRANTS

Program	Annual Amount**	Notes
Federal Grants**		
Federal Pell Grant (PELL)	\$650 - \$7395	Prorated based on enrollment
Federal Supplemental Education Opportunity Grant (FSEOG)	\$100 - \$4,000	Award amounts vary by institution
Federal TEACH Grant Program	Up to \$4,000	Not all colleges participate
State of Illinois Grants*		
Monetary Award Program (MAP)	Up to \$7,200	Prorated based on enrollment

\*These are the main State and Federal grant programs. Other programs may be available.

\*\*Annual amounts are subject to change and may vary from school to school.

# FEDERAL WORK STUDY

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

A completed FAFSA is required.

Funds are limited. Priority deadlines may apply.

Compensation is at least the current federal minimum wage.

The student is paid by the college.

# SCHOLARSHIPS

## WHERE CAN I FIND SCHOLARSHIPS?

- ◆ High School Counselor
- ◆ College/University
- ◆ Banks
- ◆ Libraries
- ◆ Charitable Organizations
- ◆ Churches
- ◆ Civic Organizations
- ◆ Employers
- ◆ Local Businesses
- ◆ Online Scholarship Search Websites



[lakelandcollege.edu/financialaid/online-resources](http://lakelandcollege.edu/financialaid/online-resources)

# LAKE LAND COLLEGE FOUNDATION SCHOLARSHIPS

- ◆ Application available November 1.
- ◆ Deadline is February 1.
- ◆ Notification begins March 1.
- ◆ Apply online through student's Laker HUB
- ◆ One application for hundreds of scholarships with awards ranging from \$100 to \$5000 per academic year.



FOUNDATION OFFICE  
217-234-5363  
[lakelandcollege.edu/foundation](http://lakelandcollege.edu/foundation)

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# LAKE LAND COLLEGE PRESIDENTIAL SCHOLARSHIP

- ◆ Two-year tuition scholarship
- ◆ Guaranteed to students who meet one of the criteria
  - ◆ Rank in the top 15 percent of the senior class; or
  - ◆ Have an ACT composite score of 26 or higher or SAT total score of 1230 or higher.
- ◆ Contact your high school counselor to complete the Presidential Scholarship Acceptance Form.
- ◆ Must enroll full-time at Lake Land College the fall semester immediately following high school graduation.



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# Student Loans

- ◆ Borrow responsibly!
  - ◆ Only borrow what is absolutely needed.
  - ◆ You do not have to take the maximum loan amount offered.
- ◆ Borrowing is a serious financial commitment with the potential for very harsh consequences.
  - ◆ Read all documents carefully!
  - ◆ Understand rights and responsibilities.
  - ◆ Understand repayment options.
- ◆ Loans should be your LAST option!



# Student Loans

<b>Program</b>	<b>Type</b>	<b>Rate</b>	<b>Grace</b>
<b>Federal Direct Stafford Loan</b>	Subsidized	5.50%	6 months
	Unsubsidized	5.50%	6 months
<b>PLUS (Parents)</b>	Credit-based	8.05%	After loan is fully disbursed or request 6 month deferment

A completed FAFSA is required for all loans.



# Account Username and Password (FSA ID)

- Used as electronic signature
- All contributors to the FAFSA must have their own FSA ID
- Only the owner should create an FSA ID
- FSA ID takes up to 3 days before it can be used to complete the FAFSA

Apply at <https://studentaid.gov/fsa-id/create-account/launch>

## Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to manage the student loan journey.

[Get Started](#)

Already have an account? [Log In](#)

### What You Can Use Your Account For

- Filling out the *Free Application for Federal Student Aid (FAFSA®)* form
- Signing your *Master Promissory Note (MPN)*
- Applying for repayment plans
- Completing loan counseling
- Using the *Public Service Loan Forgiveness Help Tool*

### What You'll Need

- Social Security number
- Your own mobile phone number and/or email address

# Online FAFSA – studentaid.gov

An official website of the United States government. Help Center English | Español

Federal Student Aid AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION FAFSA Loans & Grants Repayment Loan Forgiveness

Get Money to Pay for School

Use the Free Application for Federal Student Aid (FAFSA®) form to apply for financial aid for college or graduate school.

2024-25 FAFSA Form

Start a New Form Edit Existing Form

Need to access last year's form? Start or Edit a 2023-24 Form

Check FAFSA® Deadlines for the State You Live In

Some states and colleges use FAFSA information to award their own grants, scholarships, and loans. Check your state's deadlines here!

School Year State of Residence Find Deadlines

View All FAFSA Deadlines

Who Should Complete This?

Any student, regardless of income, who wants to be considered for federal, state, and school financial aid programs, which includes scholarships, grants, loans, and Federal work-study.

How Long Will it Take?

It takes most people less than an hour to complete, including gathering any documents or data needed.

What Do I Need?

- Verified StudentAid.gov account
- Social Security Number
- Parent or spouse contributor email addresses
- Income and asset information, if required

*Note: Online FAFSA screenshots from U.S. Department of Education's 2024-25 FAFSA Form Preview Presentation, July 2023*

# Online FAFSA – cont.

FAFSA<sup>®</sup> FORM 2024-25

Welcome, Raya,  
to the FAFSA<sup>®</sup> Form

I am starting the FAFSA form as a

Student 

Parent 

Previous Continue

# FAFSA Contributors

**Contributor** is anyone asked to provide information on a student's FAFSA form:

- The Student
- The Student's Spouse
- A Biological or Adopted parent
- The Parent's Spouse (Stepparent)

A Contributor is **NOT** a grandparent, foster parents, legal guardian, brother or sister, aunt or uncle, even if they helped provide for or raise the student.

A Contributor on the FAFSA form doesn't mean they are financially responsible for the student's education costs.

The screenshot shows the FAFSA 2024-25 website interface. At the top left, it says 'FAFSA FORM 2024-25' and 'Student Raya Tran'. The main heading is 'Understanding the FAFSA Form' with a sub-heading '2 of 4 Contributors to the FAFSA Form'. There are two main sections: 'Parents or Spouses' and 'How to Invite'. The 'Parents or Spouses' section includes an icon of a couple and text explaining that contributors provide personal and financial information but are not financially responsible for the student's education. The 'How to Invite' section includes an icon of a person with a magnifying glass and text stating that contributors need to log in with their FSA ID and provide their name, date of birth, Social Security number, and email address. Below these sections is a box titled 'Information or Documents You May Need' which lists: Tax returns, Records of child support received, Current balances of cash, savings, and checking accounts, and Net worth of investments, businesses, and farms. At the bottom, there are 'Previous' and 'Continue' buttons.

# Future Act Direct Data Exchange (FA-DDX)

Allows FAFSA contributors to consent to the disclosure and use of their IRS federal tax information (FTI) for the purpose of determining a student's eligibility for Title IV federal student aid

Consent for the exchange of Federal Tax Information is a requirement for receiving Financial Aid

## FTI Data that will be retrieved by FADDX:


- Tax year
- Tax filing status
- Adjusted Gross Income (AGI)
- Number of dependents
- Income earned from work
- Taxes paid
- Education tax credits
- Untaxed IRA distributions
- Untaxed pension & annuity distributions
- IRA deductions and payments
- Tax-exempt interest
- Schedule C net profit/loss
- Indicators for Schedules A,B,D,E,F,H
- IRS response code

# Student Dependency Status

FAFSA<sup>®</sup> FORM 2024-25 Student Raya Tran Save FAFSA Menu

1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

## Student Dependency Status



### Dependent Student

Based on your answers, you're a dependent student, and since we assume parents of dependent students will help pay for your education if they are able, we need information about their finances and backgrounds. This information is used to determine how much financial aid you're eligible to receive.

### Apply for a Direct Unsubsidized Loan Only

Are the student's parents unwilling to provide their information, but the student doesn't have an unusual circumstance that prevents them from contacting or obtaining their parents' information?

Select "Yes" if the student wants a financial aid administrator at their school to determine their eligibility for a Direct Unsubsidized Loan only.

Yes  No

Previous Continue

# Inviting a Contributor

- The new FAFSA is student driven, so that means the student's answers on their section of the FAFSA will determine who is a contributor (in addition to the student).
- The information required when inviting a contributor (student, independent student's spouse, or dependent student's parent) to complete the FAFSA includes the contributor's:
  - Legal name (from their Social Security Card)
  - Date of birth
  - Social Security Number (SSN) if they have one
  - Mailing address if they don't have an SSN
  - Email Address

### Invite Parents to your FAFSA<sup>®</sup> Form

**You will need to provide information for your parents**  
Based on your answers in the previous section, you'll need to provide information about both of your parents on your FAFSA form. You can invite your family members to your form to help you complete all required sections.

Enter names of parents, identified on the prior page, and we'll send electronic requests on your behalf.

Please make sure to provide information that your parents would use to login to StudentAid.gov.

**Parent**

First Name  
Alcina

Last Name  
Tran

Date of Birth  
Month: 05 Day: 05 Year: 1973

**Parent Spouse**  
optional

First Name

Last Name

Date of Birth  
Month: Day: Year:

Social Security Number (SSN)  
SHOW ⓘ

My parent doesn't have a SSN

Email Address  
alcinatran@school.edu

Confirm Email Address  
alcinatran@school.edu

Invite Parent

Social Security Number (SSN)  
HIDE ⓘ

My parent doesn't have a SSN

Email Address

Confirm Email Address

Invite Parent

Previous

Continue



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# 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
- Legal guardians are not considered parents for financial aid purposes
- If parents are divorced, report information about the parent who provided the most financial support to the student in the past 12 months

# Student Section Completion

- College selection
- Review of information
- Signature

The screenshot shows the FAFSA 2024-25 Student Section Completion page for Student Raya Tran. The page features a blue header with the FAFSA logo and the student's name. A central banner reads "You're Almost There! The Student Section is complete!". Below this, a section titled "Parent Contributors" contains a message: "Requirements for Dependent Students: Your FAFSA form is not complete until your parents complete the contributor section of the form and sign it. Once completed, your FAFSA form will be submitted for processing." A table lists two parent contributors: Alcina Tran and Travis Tran, both with a date request sent of 07/13/2024 and a status of "Invite Sent". At the bottom, a dark blue footer contains the text "Track and Manage Your FAFSA Application and Your Contributors" and a "View Status" button. Below this, it states "This application has been added to My Activity in your StudentAid.gov account. Go there to:" followed by three bullet points: "Review, edit, or cancel any FAFSA application information.", "Revise your household size, contact your schools.", and "Start your state application to apply for state-based financial aid".

FAFSA<sup>®</sup> FORM 2024-25 Student Raya Tran FAFSA Menu

You're Almost There!  
The Student Section is complete!

Parent Contributors

Requirements for Dependent Students  
Your FAFSA form is not complete until your parents complete the contributor section of the form and sign it. Once completed, your FAFSA form will be submitted for processing.

Parent Contributors	Date Request Sent	Status
Alcina Tran	07/13/2024	Invite Sent Edit
Travis Tran	07/13/2024	Invite Sent Edit

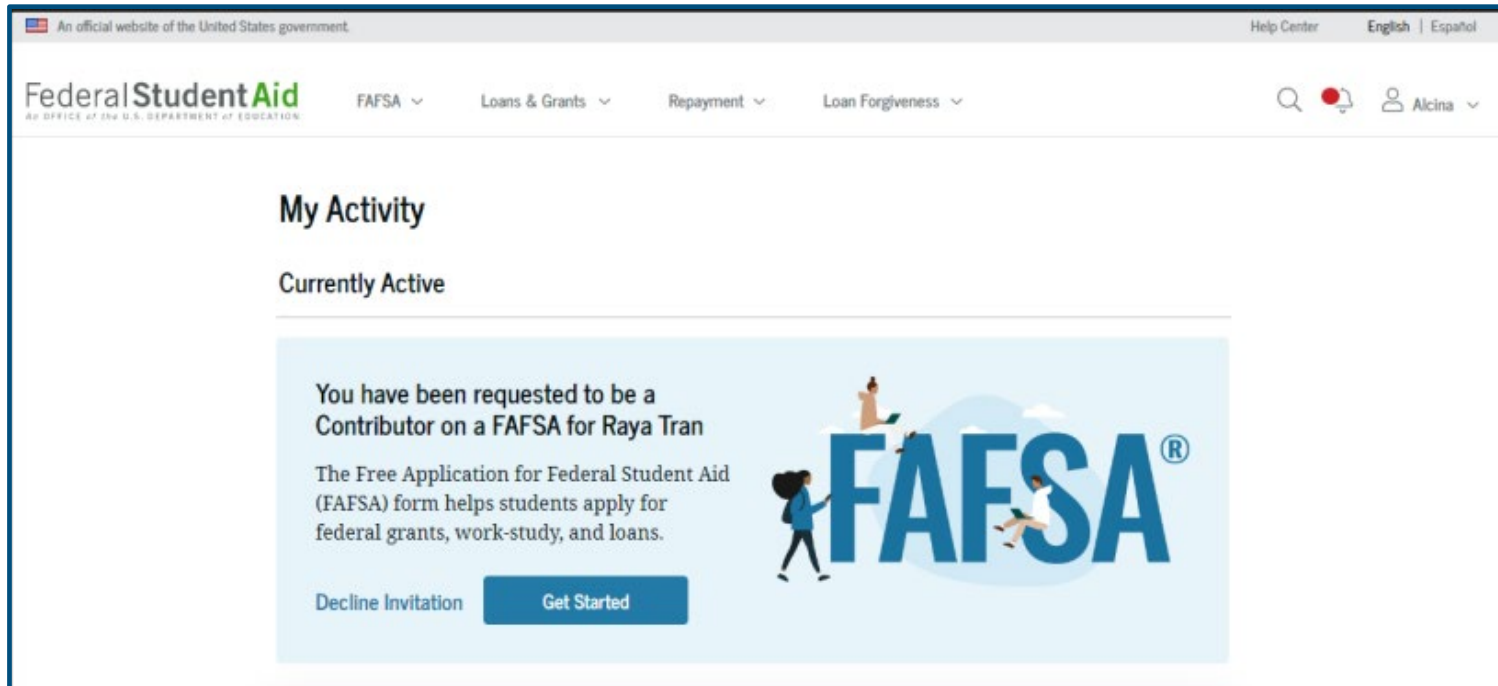
Track and Manage Your FAFSA Application and Your Contributors View Status

This application has been added to My Activity in your StudentAid.gov account. Go there to:

- Review, edit, or cancel any FAFSA application information.
- Revise your household size, contact your schools.
- Start your state application to apply for state-based financial aid

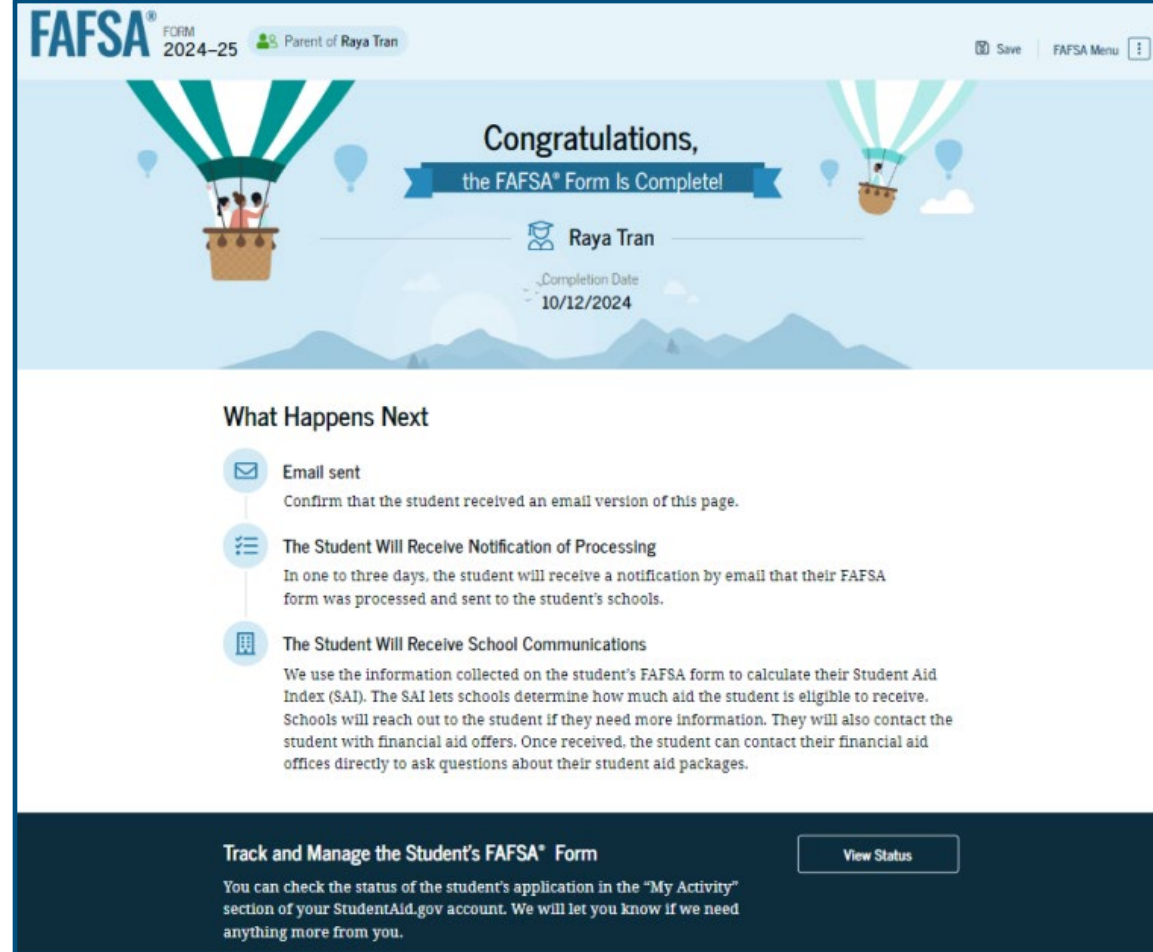
# Parent Invitation

- Email invitation to complete parent portion of student's FAFSA
- Parents must use FSA ID to access FAFSA



# Parent Section Completion

- Review of information
- Signature and submission of FAFSA



The screenshot shows the FAFSA 2024-25 Parent Section Completion page. At the top, it says "FAFSA FORM 2024-25" and "Parent of Raya Tran". There are "Save" and "FAFSA Menu" buttons. The main heading reads "Congratulations, the FAFSA Form Is Complete!" with a graduation cap icon and the name "Raya Tran". Below that, it shows the completion date as "10/12/2024".

**What Happens Next**

- Email sent**  
Confirm that the student received an email version of this page.
- The Student Will Receive Notification of Processing**  
In one to three days, the student will receive a notification by email that their FAFSA form was processed and sent to the student's schools.
- The Student Will Receive School Communications**  
We use the information collected on the student's FAFSA form to calculate their Student Aid Index (SAI). The SAI lets schools determine how much aid the student is eligible to receive. Schools will reach out to the student if they need more information. They will also contact the student with financial aid offers. Once received, the student can contact their financial aid offices directly to ask questions about their student aid packages.

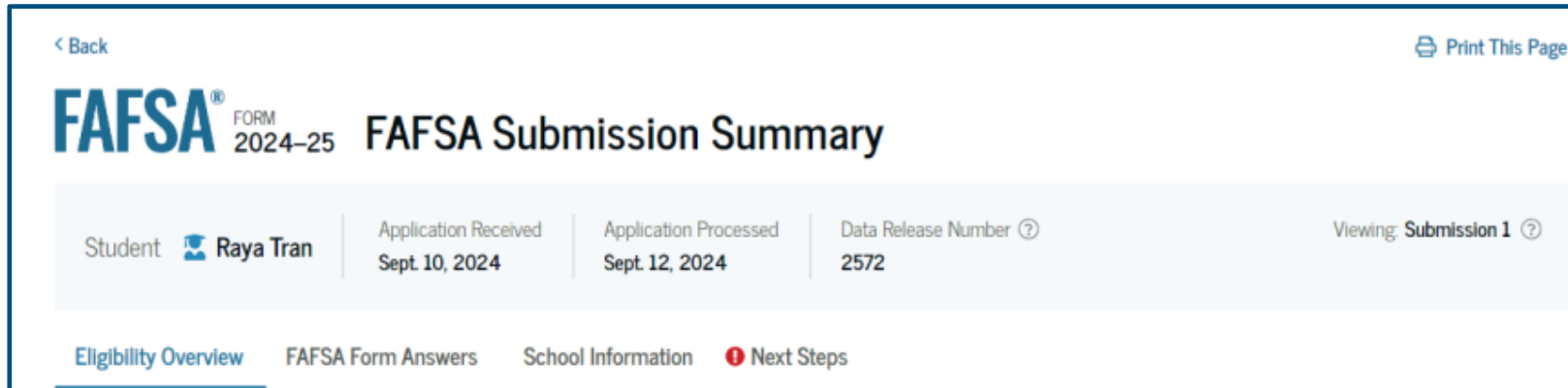
**Track and Manage the Student's FAFSA Form**

You can check the status of the student's application in the "My Activity" section of your StudentAid.gov account. We will let you know if we need anything more from you.

[View Status](#)

# FAFSA Submission Summary

- Four sections:
  - Eligibility Overview
  - FAFSA Form Answers
  - School Information
  - Next Steps
- Ability to print summary



The screenshot shows the FAFSA Submission Summary page for student Raya Tran. The page includes a navigation bar with a back arrow and a print icon. The main heading is "FAFSA FORM 2024-25 FAFSA Submission Summary". Below this, there is a table with four columns: Student (Raya Tran), Application Received (Sept. 10, 2024), Application Processed (Sept. 12, 2024), and Data Release Number (2572). The page is currently viewing Submission 1. At the bottom, there is a navigation menu with four items: Eligibility Overview, FAFSA Form Answers, School Information, and Next Steps (which is highlighted with a red dot).

Student	Application Received	Application Processed	Data Release Number
Raya Tran	Sept. 10, 2024	Sept. 12, 2024	2572

Viewing: Submission 1

Eligibility Overview | FAFSA Form Answers | School Information | **Next Steps**

# Reporting assets

## Assets you must include on the FAFSA®:



Vacation Home and/or Investment Property



Stocks and Bonds



College Savings Accounts



Adjusted Net Worth of a Business



Adjusted Net Worth of a Family Farm

## Assets not included on the FAFSA®:



Primary Home



Retirement Savings  
(Pensions, Annuities; 401(k))



Personal Possessions  
(Car, Furniture, Clothes, etc.)

Source: <https://www.congress.gov/bill/116th-congress/senate-bill/2667/text>

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# Adjusted Net Worth of Family Farm

- The value of the family's primary residence is excluded.
- The net worth of a farm may include the fair market value of land, buildings, livestock, unharvested crops, and machinery actively used in investment farms or agricultural or commercial activities, minus any debts held against those assets



# How to report the net value of a farm on which their principal place of residence also sits?

- Applicants should determine the total net value of all farm assets and subtract the net value of their principal residence to determine the final value of their farm assets.
- The principal residence may include the family's home, as well as structures and land adjacent to the home that are not being used, stored, or sold for farming or other commercial activities.
- Property values are generally assessed at a rate that considers the use of the property and the value of the land. Applicants and their families may refer to their property tax assessments from municipal, county, or state governments to help determine and separate the value of their principal residence from other property.
- Debts owed against the principal residence—such as a mortgage—should also be subtracted from the assessed value of the residence to determine the net value.



# YOUR FAFSA

- ◆ The data from your FAFSA will be sent electronically to the schools you indicated.
- ◆ You may be asked to submit additional documentation to the financial aid office for verification purposes.
- ◆ Respond to requests from each school before the deadlines.
- ◆ The College Financial Aid Office will package all available aid the student is eligible for and send a financial aid offer for consideration.

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

# WHERE CAN I GET HELP?

- ◆ Financial Aid Office at the college you plan to attend
- ◆ U.S. Department of Education
  - ◆ [FEDERALSTUDENTAID.ED.GOV](https://federalstudentaid.ed.gov)
  - ◆ (800) 4-FED-AID
- ◆ Illinois Student Assistance Commission
  - ◆ [ISAC.ORG](https://isac.org)
  - ◆ [isac.studentservices@isac.illinois.gov](mailto:isac.studentservices@isac.illinois.gov)
  - ◆ (800) 899-ISAC

## FINANCIAL AID & VETERAN SERVICES

217-234-5231

[financialaid@lakelandcollege.edu](mailto:financialaid@lakelandcollege.edu)

[lakelandcollege.edu/financialaid](https://lakelandcollege.edu/financialaid)

Danielle Downs

217-234-5255

[ddowns@lakelandcollege.edu](mailto:ddowns@lakelandcollege.edu)

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ANY QUESTIONS?



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