

State Budget Impact on Your Financial Aid Questions & Answers

Q. How are the college financial aid programs administered by ISAC impacted by the fiscal condition of the State of Illinois?

- A. Because many of ISAC's programs are state-funded, the annual budget approved by the Illinois General Assembly and Governor determines the funding that will be available for each program. Unfortunately, many ISAC programs have been adversely affected in recent years due to limited funding from the state. Specific funding information about [scholarship](#) and [grant](#) programs that may be of particular interest to you is available through each program's page in the Types of Financial Aid Section.

Q. Are there other financial aid opportunities I may be able to take advantage of?

- A. As when you started the financial aid process, your best source of information is the financial aid office of your college. They have your FAFSA information on file and are able to determine from that whether you might be eligible for additional aid. Check with them to see if your [award letter](#) may have included some aid that you initially chose not to accept [i.e., work study, institutional aid, loans (both subsidized and unsubsidized and student and parent)]. If so, find out if that aid is still available and how to obtain it. Also ask if they are aware of other types of assistance you might qualify for, such as departmental scholarships in your field of study or private awards.

You may also want to consider using an online [scholarship search service](#) to locate available awards. (While most of these services are legitimate and can offer valuable information, others may be fraudulent and charge a lot of money for little information. View with [caution](#) any service that requires you to pay more than a nominal fee. Services available through collegeillinois.org are legitimate and free.) Pay close attention to the application deadlines so you don't miss out on aid you may qualify for. Additionally, look into awards that community organizations, associations or companies in your local area may provide for college students.

Q. Should I consider taking out a student loan?

- A. That's a question only you and your family can answer, but here are some facts that may help you decide.
- Most federal student loans don't need to be repaid until your enrollment drops below half time.
 - There are different kinds of student loans - [subsidized](#) (on which the federal government pays the interest while you're in school) are the most beneficial for students, but there are also [unsubsidized](#) loans that you might qualify for. Although you'll be responsible for paying the interest, the amount will likely be added to your loan balance and you won't have to start paying it back until after you're out of school.
 - Federal student loans have good [interest rates](#), several types of [repayment plans](#) (including [income based repayment](#) and income sensitive and forgiveness programs) and [deferral](#) and [forbearance](#) options for times when repayment is difficult.
 - There are no credit history requirements for students borrowing through the federal student loan programs

Q. Are there loans available for my parents?

- A. [PLUS loans](#) are available for parents of dependent students. These federal loans can be taken out in addition to whatever a student may borrow, because the [expected family contribution](#) (EFC) is not taken into consideration when a possible loan amount is determined. Like student loans, PLUS loans for parents probably won't need to be paid back until you've left school. There are some exceptions to this provision.

Q. What about private/alternative loans?

- A. There are also [private/alternative](#) loans available. Like all other loan programs, the amount you borrow should be no more than you actually need, and you should carefully research the terms and conditions of these types of loans. It is likely that interest rates and fees will be higher, and there may be less flexible repayment terms. However, alternative loans are an option to be considered.

More information about [private/alternative loans](#), including a [Comparison Chart](#) is accessible via the [FinAid Web](#) site.

Q. Is there anywhere else I can look for assistance?

- A. Local workforce development agencies sometimes have access to funds to provide financial assistance for college students. Find an [Illinois workNet Center](#) location through their Web site and ask whether they offer any programs for which you qualify. The agencies' services are free for Illinois residents.

The [Temporary Assistance for Needy Families \(TANF\)](#) program also provides support, including education programs, for qualified individuals and families who are working to become financially independent. Find out if you qualify by contacting the Illinois Department of Human Services at one of their [Family Community Resources Centers](#) or by calling the DHS Help Line at 1.800.843.6154.