

## Financial Aid Narration for Orientation Video for 2008-2009

Welcome to Northern Illinois University. More and more students rely on financial aid to help finance their education. This presentation is designed by the Student Financial Aid Office to help families understand the financial aid process and how financial aid can help pay some of your educational costs.

### Applying for Financial Aid

The best time to apply for financial aid each year is after you have filed your federal tax returns. Some funds run out quickly so it is important to file as soon as possible, preferably in January or February prior to the academic year the student plans to attend. By applying early, you are doing two things, ensuring that financial aid will be available at the beginning of the school semester, and secondly, if you are not eligible for aid, allowing enough time to find other sources of funding such as Private Scholarships, a Parent Loan for Undergraduate Students (PLUS) or an Alternative Loan.

All students must complete the Free Application for Federal Student Aid, (FAFSA), each year. You can complete the FAFSA on the Internet at the address listed, or you can request the paper application by calling the central processor. You will need to supply NIU's school code, 001737 on this form. When completing the FAFSA online the student and parent must either use a Personal Identification Number (PIN), or print the signature pages and mail to the address supplied. It is recommended that you obtain your PIN prior to completing the FAFSA at the address listed [www.pin.ed.gov](http://www.pin.ed.gov). If you are completing a paper FAFSA, mail it in the envelope to the address provided with the form.

Once the FAFSA is received, NIU will send you an email. If additional information is needed to process your aid, the email will direct you to [MyNIU](#) for a list of required documents. If no additional information is needed, the email will direct you to [MyNIU](#) to view your financial aid package. All correspondence will be sent to the student's NIU Z-ID email address. Students can view their financial aid application status at any time on the web at [www.niu.edu/myniu](http://www.niu.edu/myniu).

## **Determining your Financial Aid**

Eligibility for all federal and state need-based aid is determined from the information you reported on the FAFSA and other documents as requested by our office. This information is used to calculate an expected family contribution or EFC.

The student's financial need is calculated by subtracting the family's EFC from NIU's cost of education. The cost of education is the total amount of tuition and fees, room and board, books and supplies, and travel and personal expenses for the academic year.

## **Financial Aid Programs**

By applying for financial aid, the student is considered for Federal and State Funds that can come in the form of grants (gift aid), work-study (money that is earned by working an on-campus job), and loans (money that has to be paid back).

## **Types of Financial Aid**

The types of gift-aid based on financial need include:

- **Federal Pell Grant**
- **Federal Supplemental Educational Opportunity Grant (FSEOG)**
- **Academic Competitiveness Grant (ACG)**
- **National Science and Mathematics Access to Retain Talent (SMART Grant)**
- **The State of IL Map Grant**

For more information on the ACG or SMART Grant visit the Federal Student Aid website

<http://studentaid.ed.gov/>

There is also self help aid, which requires work commitment or repayment.

These programs include:

- **Federal Work-Study** - Students work approximately 10 to 15 hours per week. The amount offered on the award notification is the maximum amount that can be earned by working. It is not a lump sum amount that is applied as payment towards the student's NIU account charges. Students will receive a paycheck for money earned every two weeks.

- **Federal Perkins Loan** – Low-interest (5%) loan for first-time undergraduates enrolled full-time. Eligibility depends on financial need, amount of other aid received, and the availability of funds. You must repay this loan.

- **Direct Subsidized and Unsubsidized Stafford Loan Amounts** - Freshmen can borrow \$3500, Sophomores can borrow \$4500, and Juniors and Seniors can borrow \$5500 per academic year.

Additional Unsubsidized Stafford Loans are also available:

- Undergraduate students can borrow up to \$2000.
- Independent undergraduate students and dependent students whose parents have been denied a Direct Parent (PLUS) Loan can borrow additional amounts as follows:
  - Freshmen and Sophomores can borrow an additional \$4000, and
  - Juniors and Seniors can borrow an additional \$5000.
- Other sources of funding may include:
  - **Private Scholarships**
  - **Direct Parent (PLUS) Loan**
  - **Alternative Loan – a cosigner may be needed to be approved for this type of loan through a lender or bank**

We hope this presentation has been helpful to you and encourage you to contact the Student Financial Aid Office or visit our website if you have any questions.