

STUDENT HANDBOOK TO USE BENEFITS

COLLEGE ILLINOIS! PREPAID TUITION PROGRAM



Illinois Student Assistance Commission
877.877.3724 | COLLEGEILLINOIS.ORG

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Getting Started

Using your prepaid tuition plan is easy. When your account is available for use, the College Illinois! Prepaid Tuition Program will send you (the beneficiary) a letter and this handbook. To get started, follow the steps on this checklist:

- Confirm the beneficiary/student Social Security Number (SSN) and permanent address are correct as listed on your College Illinois! account. Please notify our office immediately if there is a discrepancy with this information.
- Make sure your College Illinois! account is paid in full, including payment of all outstanding fees.
- Be certain that the school you plan to attend is an eligible institution. See page 2 of this handbook to determine if prepaid tuition benefits may be used at your school.
- Verify your College Illinois! plan type. See page 2 of this handbook to determine which type of prepaid tuition plan you have available to use.
- If you are attending an Illinois public university or community college, notify the school's billing office of your intent to use your prepaid benefits each semester of attendance. Follow the instructions in the section about using benefits at an Illinois public university or community college.
- If you are attending a private institution or a college or university located outside Illinois, at least 60 days before classes begin, notify the College Illinois! Prepaid Tuition Program by submitting your *Intent to Enroll*. See the section of this handbook about using benefits at a private or out-of-state school and follow the instructions.
- If you are not starting college or you do not intend to use your prepaid tuition benefits right away, you do not need to notify the Program. Your College Illinois! benefits can stay in place for up to ten years from your projected college enrollment date before they expire.
- College Illinois! does not pay tuition until the school sends the Program an itemized bill after each semester begins. Payments to schools typically take 30-45 days to process after schools submit a tuition bill.

School Eligibility

You can use your College Illinois! prepaid tuition benefits at any Illinois public university, community college or any in-state or out-of-state eligible institution. An eligible institution is defined in Section 529 of the federal Internal Revenue Code as any school that is eligible to participate in federal student financial aid programs under Title IV of the Higher Education Act of 1965. These schools will have a Federal School Code and will be listed on the U.S. Department of Education's website, https://fafsa.ed.gov/spa/fsc/#/SEARCH?locale=en_US

College Illinois! benefits do not affect the admissions process of any school. You must meet the normal admission requirements for any school you plan on attending.

Prepaid Tuition Plan Types

These College Illinois! plans were established before October 2008. If you have one of these plans, your prepaid tuition account number starts with 198, 199, 100, 101, 102, 103, 104, 105, 106, or 107.

Community College Plan

Provides in-district tuition and mandatory fees for each semester (15 credit hours) purchased at an Illinois Community College.

University Plan

Provides undergraduate in-state tuition and mandatory fee coverage for each semester (15 credit hours) purchased at any of the following eligible institutions: Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University Carbondale, Southern Illinois University Edwardsville, University of Illinois Chicago, University of Illinois Springfield, University of Illinois Urbana Champaign, Western Illinois University.

Combination Plan

Provides four semesters (60 credit hours) of in-district tuition and mandatory fees at an Illinois Community College and four semesters (60 credit hours) of undergraduate in-state tuition and mandatory fees at any of the following eligible institutions: Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University Carbondale, Southern Illinois University Edwardsville, University of Illinois Chicago, University of Illinois Springfield, University of Illinois Urbana Champaign, Western Illinois University.

Choice Plans were established after October 2008. If you have a Choice plan your prepaid tuition account number starts with 108, 109, 110, 112, 113, 114, 115, or 116.

Choice 1 Community College Plan

Provides in-district tuition and mandatory fees for each semester (15 credit hours) purchased at an Illinois Community College.

Choice 2 University Plan

Provides undergraduate in-state tuition and mandatory fee coverage for each semester (15 credit hours) purchased at any of the following eligible institutions: Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University Carbondale, Southern Illinois University Edwardsville, University of Illinois Chicago, University of Illinois Springfield, Western Illinois University.

Choice 3 University Plus Plan

Provides undergraduate in-state tuition and mandatory fee coverage for each semester (15 credit hours) purchased at the University of Illinois Urbana Champaign.

Choice 2 Combination (4 Community College Semesters and 4 University Semesters) Plan

Provides four semesters (60 credit hours) of in-district tuition and mandatory fees at an Illinois Community College and four semesters (60 credit hours) of undergraduate in-state tuition and mandatory fees at any of the following eligible institutions: Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University Carbondale, Southern Illinois University Edwardsville, University of Illinois Chicago, University of Illinois Springfield, Western Illinois University.

Choice 3 Combination (4 Community College Semesters and 4 University Plus Semesters) Plan Provides four semesters (60 credit hours) of in-district tuition and mandatory fees at an Illinois Community College and four semesters (60 credit hours) of undergraduate in-state tuition and mandatory fees at University of Illinois Urbana Champaign.

Attending an Illinois Public University or Community College

- Your College Illinois! account includes a specific number of tuition credit hours and mandatory fee payments with each semester equivalent to 15 credit hours of undergraduate in-state or in-district tuition and one mandatory fee payment.
- Your account is maintained by credit hours so you may enroll for the number of credit hours you choose each semester.
- Each semester, the credit hours you take are depleted from your prepaid tuition account leaving the remaining credit hours available for future use.
- One mandatory fee payment will be deducted from your account each semester you enroll in college and use your prepaid tuition benefits.
- College Illinois! does not pay orientation fees or enrollment deposits. If your school applies your deposit to your tuition and mandatory fees when payment from College Illinois! is received, it may result in a credit to your student account.

Instructions

If you are attending an Illinois public university or community college, **you must notify your school's billing office** to instruct them to request payment from the Program. You do not need to notify College Illinois! or submit an *Intent to Enroll Form*. Schools may require you to notify them online or to sign some type of authorization form each semester. College Illinois! provides a list of eligible students to each Illinois public university and community college so the school can verify your eligibility and then bill the Program for your tuition and fees. Since each school requests payments differently, please check with your school's billing office or website for specific details on how to arrange payment from the Program. Payment will be made directly to your school from the Illinois Student Assistance Commission (ISAC), the state agency that administers College Illinois!.

College Illinois! does not pay tuition and mandatory fees until the school sends the Program an itemized bill after each semester begins. Payments to schools typically take 30-45 days to process after an itemized tuition bill is received by College Illinois!. Since tuition notices you receive from the school during the semester may not reflect the payment from your prepaid tuition benefits, please check with your school's billing office for the most current status of your student account.

Your school will bill the Program for your tuition and mandatory fees after the add/drop date (the last day students are entitled to a full refund). Please verify this date with your school because schools are required to bill College Illinois! for the number of credit hours you are taking as of that date.

Coverage at Illinois Public Universities or Community Colleges

The College Illinois! Prepaid Tuition Program will pay tuition and mandatory fees based on your type of prepaid tuition plan. Mandatory fees are those fees required as a condition of enrollment for all students. College Illinois! will **not** pay any other charges such as room and board, books, course-specific fees, lab fees or other expenses.

- **Community College Plan or Choice 1 Community College Plan**

The Program covers in-district tuition and mandatory fees at an Illinois community college for each semester purchased. If you attend an Illinois community college, the actual number of credit hours for which you enroll is billed to the Program and then deducted from your College Illinois! account.

Using Community College Benefits at a University

Community college benefits may be used towards the tuition and fee charges at a university. If you wish to use community college benefits at a university, the school will bill College Illinois! for the actual tuition and mandatory fee charges for the number of credit hours you take that term.

College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for community colleges. Your prepaid tuition account will be depleted for the number of community college credit hours equal to the dollar amount actually paid. The community college hours may deplete from your prepaid tuition plan at a quicker rate since College Illinois! will be paying the tuition and mandatory fee charges at the university level.

You or the College Illinois! account owner can instead instruct the school to bill College Illinois! for the community college rate to be used toward the tuition and mandatory fee charges at the university. The Program would pay the appropriate community college rate for the actual number of credit hours you are taking at the university and then deplete those credit hours from your prepaid tuition plan. All remaining prepaid tuition benefits would stay in place for use in a future term. Your out-of-pocket costs would likely increase since the Program would not be covering the full tuition and mandatory fees charged by the university.

- **University Plan (purchased prior to October 2008)**

The Program covers undergraduate in-state tuition and mandatory fees at all Illinois public universities for each semester purchased. If you attend an Illinois public university, the actual number of credit hours for which you enroll is billed to the Program and then deducted from your College Illinois! account.

- **Choice 2 University Plan**

If you are going to a public university that is included in Choice 2 University schools, the College Illinois! Prepaid Tuition Program will pay the undergraduate in-state tuition and mandatory fees for the number of credit hours covered by your Choice 2 prepaid tuition plan. The actual number of credit hours for which you enroll is billed to the Program and then deducted from your College Illinois! account.

If you attend the University of Illinois Urbana Champaign – the designated institution for the Choice 3 University Plus Plan - the Program will pay the total tuition and mandatory fee amount billed and then convert the dollar amount paid to the corresponding rate for your Choice 2 University Plan. Your prepaid tuition account will be depleted for the number of Choice 2 University credit hours equal to the dollar amount actually paid. In this situation, the Choice 2 University credit hours may deplete from your prepaid tuition plan at a faster rate since College Illinois! will be paying the tuition and mandatory fee charges at the Choice 3 University Plus level.

- **Choice 3 University Plus Plan**

If you are going to the University of Illinois Urbana Champaign, the College Illinois! Prepaid Tuition Program will pay the undergraduate in-state tuition and mandatory fees for the number of credit hours covered by your Choice 3 prepaid tuition plan. The actual number of credit hours for which you enroll is billed to the Program and then deducted from your College Illinois! account.

If you attend an Illinois public university designated for the Choice 2 University Plan, the Program will pay the total tuition and mandatory fee amount billed and then convert the dollar amount paid to the corresponding rate for your Choice 3 University Plus plan. Your prepaid tuition account will be depleted for the number of Choice 3 University Plus credit hours equal to the dollar amount actually paid. The Choice 3 University Plus credit hours may deplete from your prepaid tuition plan at a slower rate since College Illinois! will be paying the tuition and mandatory fee charges at the Choice 2 University level.

Using University or University Plus Benefits at a Community College

If you have a College Illinois! prepaid tuition plan that includes university-level benefits, those benefits may be used towards the tuition and fee charges at a community college. If you wish to use university-level benefits at a community college, the school will bill College Illinois! for the actual tuition and mandatory fee charges along with the number of credit hours you take for that term. College Illinois! will pay the total tuition and mandatory fees billed and convert the dollar amount paid to the corresponding rate for your university plan. Your prepaid tuition account will be depleted for the number of university-level credit hours equal to the dollar amount actually paid. The university-level credit hours may deplete from your prepaid tuition plan at a slower rate since College Illinois! will be paying the tuition and mandatory fee charges at the community college level. Since one mandatory fee term is deducted from your College Illinois! account each time you enroll and use your benefits, you may want to pay the mandatory fees from your own funds while you are attending a community college to reserve your mandatory fee coverage from College Illinois! for a regular term or semester at a university.

- **Combination Plan**

The Combination Plan is 4 Community College semesters and 4 University or University Plus semesters equal to 60 community college credit hours and 60 university-level credit hours. If you attend a community college, your prepaid tuition benefits will cover the in-district tuition and mandatory fees for 60 credit hours. Then when you continue on to a university, your university-level credit hours will be available for payment of your tuition and fees.

If you are enrolled at a community college for more than 60 credit hours the Program will begin applying the university-level credit hours of your College Illinois! account towards your tuition and fee charges. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for your University or University Plus plan. Your prepaid tuition account will be depleted for the number of university-level credit hours equal to the dollar amount actually paid. The university-level credit hours may deplete from your prepaid tuition plan at a slower rate since College Illinois! will only be paying the tuition and mandatory fee charges at the community college level.

Using Combination Plan Benefits at a University

You can use your Combination Plan to pay your tuition and fees if you start at a university. College Illinois! will use your community college credit hours first. The school will bill College Illinois! for the actual tuition and mandatory fee charges from the university along with the number of credit hours you take for that term. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for community colleges. Your prepaid tuition account will be depleted for the number of community college credit hours equal to the dollar amount actually paid. The community college hours may deplete from your prepaid tuition plan at a quicker rate since College Illinois! will be paying the tuition and mandatory fee charges at the university level. The Program will continue paying the tuition and fee bills from the university and then eventually start depleting the university-level credit hours from your prepaid tuition account once the community college credit hours are depleted. As a result, a Combination Plan could be fully depleted before you complete 8 semesters at a university.

You or the account owner of a Combination Plan can instead instruct the school to bill College Illinois! for the community college rate to be used toward the tuition and mandatory fee charges at the university. The Program would pay the appropriate community college rate for the actual number of credit hours you are taking at the university and deplete those credit hours from the prepaid tuition plan. All remaining prepaid tuition benefits would stay in place for use in a future term. Your out-of-pocket costs would likely increase since the Program would not be covering the full tuition and mandatory fees charged by the university.

Block/Range Tuition Charges

An account owner of a College Illinois! prepaid tuition contract purchases college tuition on a per credit hour basis and mandatory fees on a per semester basis. Each College Illinois! semester is equivalent to 15 credit hours. For example, if an account owner buys 1 university semester in the Program, the price of that contract takes into consideration the average cost of 15 credit hours and 1 semester of mandatory fees at Illinois public institutions covered by your plan. When the beneficiary attends an Illinois public institution, College Illinois! pays prepaid tuition benefits based on the number of credit hours the student is actually taking each term and the actual cost of all mandatory fees for that semester. If a student in the above example who has a 1 semester contract takes 12 credit hours in a semester, the Program will deduct 12 credit hours from their 15 credit hour purchase and will pay 1 semester of mandatory fees. There will be 3 credit hours but no mandatory fee units available for that student to use in a subsequent semester.

This is also the practice for payment to any Illinois public institution, such as the University of Illinois, that may assess tuition and fees based on a range or category instead of the specific number of credit hours ("block pricing"). In a block pricing school, the same tuition can be charged for a range of credit hours (such as 12 through 18). The treatment is the same for the block pricing school student in that, if the student takes 12 credit hours, College Illinois! will deduct 12 hours from their prepaid tuition benefits and the student will have 3 credit hours available for a subsequent semester. As above, mandatory fees will be paid for only 1 semester. If however, the student in the block pricing school takes 18 credit hours in the first semester instead of 12, the Program will pay the actual tuition and mandatory fee charges and will deduct 18 credit hours from the College Illinois! contract.

There can be instances when a contract is purchased and the student takes more than a normal course load (15 credit hours per semester) when utilizing prepaid tuition benefits. In these instances the credit hours purchased may be depleted in fewer semesters than listed in the contract resulting in payment of fewer total semesters for which mandatory fees were purchased. In this situation the contract purchaser will be entitled to a refund of the mandatory fees for the unused semester. **If a student is in this situation and does not have enough College Illinois! benefits to satisfy the number of semesters purchased by the contract because they are attending a block pricing school, he or she can have the account owner send a signed written appeal to College Illinois! during the final semester of attendance and request that the last semester tuition be paid. While the Program generally is obligated only to pay benefits for the total credit hours provided by the contract, depending upon the student's unique circumstances College Illinois! may also pay tuition for that final semester. Appeals will be reviewed by College Illinois! and a response will be provided to the account owner and the school you are attending.**

Attending a Private or Out-of-State College

- Your College Illinois! account includes a specific number of tuition credit hours with each semester equivalent to 15 credit hours.
- Your account is maintained by credit hours so you may enroll for the number of credit hours you choose each semester.
- The actual number of credit hours for which you enroll is billed to the Program and then deducted from your College Illinois! account. For example, if you have an 8 semester prepaid tuition plan (equal to 120 credit hours), and you enroll for 12 credit hours your first semester, 12 credit hours will be depleted from your prepaid tuition account and 108 hours would remain for future use.
- College Illinois! does not pay orientation fees or enrollment deposits. If your school applies your deposit to your tuition and mandatory fees when payment from College Illinois! is received, it may result in a credit to your student account.

Instructions

If you decide to attend a private institution or college located outside Illinois, you must notify College Illinois! so the Program can provide the school with the information needed to request payment on your behalf. At least 60 days before classes begin, please notify the Program by **one** of the following methods:

- The account owner or you, if authorized, can access your account online at collegeillinois.org. After you log in and select your account, go to the Benefits tab and select the Intent to Enroll option to indicate which out-of-state or private school you are attending.
- Download our *Intent To Enroll Form* from collegeillinois.org and upload the completed form through the Upload Documents option through online account access or mail it to College Illinois!. This form can be mailed to you by requesting it through a customer service representative at 877.877.3724. Fax the completed *Intent to Enroll Form* to College Illinois! at 800.519.4652 or mail it to College Illinois!, PO Box 44030, Jacksonville FL 32231-4030.

College Illinois! will send you a confirmation of the school selected via email or mail. We also will contact your school so they have the information they need to submit a tuition bill to the Program on your behalf. You only need to notify College Illinois! once if you continue to attend the same school. If you change schools, you will need to notify College Illinois! each time you enroll at a new private institution or college located outside Illinois.

Schools may require you to notify them online or to sign some type of authorization form each semester. Since each school requests payments differently, please check your school's website or contact the billing office for specific details on how to arrange payment from College Illinois!. Payment will be made directly to your school from the Illinois Student Assistance Commission (ISAC), the state agency that administers College Illinois!.

College Illinois! does not pay tuition and mandatory fees until the school sends the Program an itemized bill after each semester begins. Payments to schools typically take 30-45 days to process after an itemized tuition bill is received by College Illinois!. Since tuition notices you receive from the school during the semester may not reflect the payment from your prepaid tuition benefits, please check with your school's billing office for the most current status of your student account.

Some schools will not bill College Illinois! directly for your tuition and fees. **If your school will not submit a bill to College Illinois! on your behalf, please contact us at 877.877.3724 for assistance.** Only in these cases will the Program accept a signed, written request from the account owner asking for payment to the school. Requests must include an itemized billing statement from the school outlining the tuition, mandatory fees and the number of credit hours for which you are enrolled.

Coverage at Private or Out-of-State Schools

College Illinois! prepaid tuition may not cover the full tuition and fees at private institutions or colleges located outside Illinois. At these schools, the amount paid to the school will be based on the current "mean-weighted average tuition and mandatory fees" at Illinois public institutions. A definition and explanation of how these amounts are calculated is included in Article II of the Program's Disclosure Statement and Master Agreement available at collegeillinois.org. Each year the payout amount (the mean-weighted average) changes to keep pace with the tuition and fee rates at the Illinois public universities and community colleges. The mean-weighted average is calculated each year prior to the start of the school year and is reported on a credit hour basis.

The amount paid on your behalf will depend on the type of prepaid tuition plan you have. A different mean-weighted average amount is calculated for these different plan types:

- Community College Plan / Choice 1 Community College Plan
- University Plan
- Choice 2 University Plan
- Choice 3 University Plus Plan

To determine the amount that College Illinois! will pay for your tuition and fees, you can multiply the current mean-weighted average amount for your plan type by the number of credit hours you take each term.

The payout rates for each academic year are posted on our website, collegeillinois.org as soon as they are available in mid-summer, before the fall term begins.

A \$15 processing fee will be deducted from the payment to each private or out-of-state school the first semester you attend.

You will be responsible for any remaining tuition and fee costs that exceed the amount covered by College Illinois!. If you pay the full tuition amount due to the school in advance but would like to use College Illinois! benefits towards those costs, your school will need to request payment from the Program. After the payment from College Illinois! is received, the school will be responsible for refunding any excess amount to you.

If the account owner would like to make a special request to pay a lesser or greater amount to cover the cost of tuition and mandatory fees, or to pay for a specific number of credit hours as long as it does not exceed the tuition and mandatory fee costs at an out-of-state institution, he or she would need to submit a signed, written request to College Illinois!. This request can be made on a semester-by-semester basis for the life of the contract.

If tuition and fees at a private or out-of-state institution are less than the amount payable from College Illinois!, the Program will pay the total tuition and mandatory fee amount billed by the school and convert the dollar amount paid to the corresponding number of credit hours based on the type of prepaid tuition plan you have. Your prepaid tuition account will be depleted for the number of credit hours equal to the dollar amount actually paid. Any excess amounts can be used in future terms until no longer needed.

Scholarship Refunds and Tuition Waivers

Scholarship Refunds

College Illinois! can issue a refund for each term you receive a scholarship that covers your tuition and mandatory fees. Federal grants are not scholarships. To request a scholarship refund, the prepaid tuition account owner must download the *Scholarship Refund Form* from collegeillinois.org and submit it to the Program. Proof of scholarship and an itemized bill or statement from your school that includes tuition and fee charges and the number of credit hours you are taking for each term must be submitted along with the *Scholarship Refund Form* to College Illinois!.

If you receive a **full scholarship** which covers your tuition and mandatory fees, the account owner can request a scholarship refund. You have other options available if you receive a full scholarship and will not need your prepaid tuition benefits. Your College Illinois! prepaid tuition account can remain in place and be held for future use. Or, your account can be transferred to another eligible member of your family by having the account owner designate a new account beneficiary. The account owner may request this change by downloading the *Change of Beneficiary Form* from collegeillinois.org and sending it to the Program.

If you receive a **partial scholarship** for tuition and fees, your College Illinois! benefits can be used to cover the tuition and fees not paid by the scholarship. Your school can submit a bill to College Illinois! for the reduced amount of tuition and fees not covered by the scholarship, and the purchaser can request a scholarship refund for the amount covered by the scholarship.

The amount of a scholarship refund depends on the type of school you are attending and your prepaid tuition plan type. If you are enrolled at an Illinois public institution, the refund is based on the current cost of in-state or in-district tuition and fees at your school. If you are attending a private or out-of-state institution, the refund is based on mean-weighted average tuition and fees at Illinois public institutions or the amount the Program would have paid to the school for tuition and fees for your plan type.

Please allow 30-45 days after College Illinois! receives a complete scholarship refund request for processing of the refund. The *Scholarship Refund Form* and required documentation must be submitted each term the scholarship is awarded for any refund to be paid. For students attending an Illinois public institution, scholarship refund requests should not be submitted until after the 100% add/drop date. Refunds are always issued to the account owner.

Tuition Waivers

Tuition waivers and Illinois Monetary Award Program (MAP) grants administered by ISAC work similar to scholarships. College Illinois! benefits can be used to cover any tuition and fees not paid by the waiver or grant and the remaining prepaid tuition benefits can then be used in future semesters. Or, the purchaser can submit the *Scholarship Refund Form* to College Illinois! for a refund of the tuition and fees for the current semester covered by the tuition waiver. The *Scholarship Refund Form* and required documentation must be submitted to College Illinois! on a semester-by-semester basis for any refund to be paid.

Delaying College or Withdrawing

Delaying College or Use of Benefits

If you are not starting college or you do not intend to use your prepaid tuition benefits right away, you do not need to notify the Program. Your College Illinois! prepaid tuition benefits can stay in place until you are ready to use them. If you later decide to start using your benefits, you should follow the instructions outlined in this handbook. You have up to 10 years from your planned date of college enrollment to begin using your prepaid tuition benefits. Or, unused prepaid tuition benefits may be transferred to an eligible member of your family or the account can be cancelled by the prepaid tuition account owner and a refund will be issued.

For any years you serve as an active-duty member of any branch of the United States Armed Services, the account owner may request an extension of the 10-year limit equal to the number of years served. Requests should be made in writing after your military service is complete and must include military documentation showing the number of years of service.

Withdrawing, Adjustments or Transfers

Your school will bill the College Illinois! Prepaid Tuition Program for your tuition and mandatory fees after the financial add/drop date (the last day students are entitled to a full refund). Please contact your school's billing office for this date. If you drop classes after your school's financial add/drop date, those credit hours will not be added back to your prepaid tuition account. No adjustments will be made to your College Illinois! account for failed courses or courses dropped after the Program has paid for your tuition and fees. If you withdraw from school after registration closes, you must notify the school's billing office so they don't bill College Illinois! for your tuition and fees. If you withdraw after a College Illinois! payment has been made, no adjustments will be made to your College Illinois! account but your school may send you a refund depending on the school's refund policy.

College Illinois! pays benefits for each term or semester you attend so if you transfer to a new school, your unused prepaid tuition benefits should be available for use at your new school. You must notify your new school's billing office to direct them to request payment from College Illinois!. If your new school is a private institution or a college or university located outside Illinois, you must also then notify College Illinois!.

Summer School, Online Courses and Graduate School

Summer School

You can use your prepaid tuition benefits for summer school or special sessions. If you are attending an Illinois public university or community college, the College Illinois! Prepaid Tuition Program will pay the tuition and mandatory fees for the summer/special session and deduct the number of credit hours you take from your prepaid tuition account. **Since one mandatory fee term is deducted from your College Illinois! account each time you enroll and use your benefits, you may want to pay the mandatory fees for the summer/special session from your own funds to reserve your mandatory fee term coverage from College Illinois! for a regular term or semester.** Payment for summer school or special sessions at a private institution or college located outside Illinois is based on the credit hour payout rate for the preceding school year (the current mean-weighted average tuition and mandatory fees for your plan type).

Online Courses

You can use your prepaid tuition benefits for online courses at an eligible institution (see page 2 of this handbook about eligible institutions). The payment from College Illinois! will be limited to the amount that would be paid if you were taking courses on campus. The Program will not pay for any premium charged by the school above the on-campus rate.

Graduate / Professional School

Your prepaid tuition benefits can be used toward tuition and fee costs if you enroll in graduate or professional courses at an eligible institution. However, the College Illinois! Prepaid Tuition Program only covers undergraduate charges so the graduate/professional school tuition and fees will not be paid in full. College Illinois! is not intended to cover the full cost of graduate-level or professional courses. The Program will pay the undergraduate base tuition and mandatory fee rate charged for a new student for the current academic year if you are attending an Illinois public institution. If you enroll in graduate or professional courses at a private institution or a school located outside Illinois, College Illinois! will pay “the mean-weighted average tuition rate” for your plan type multiplied by the number of hours enrolled, as long as it does not exceed the tuition and mandatory fee costs at that school.

Study Abroad and Foreign Institutions

Study Abroad

If you intend to study abroad you can use your prepaid tuition benefits. If the tuition invoice for study abroad is generated by an eligible school located in the United States, College Illinois! will pay benefits directly to the U.S. school, equal to the undergraduate tuition and mandatory fees charged to a student attending courses on campus. No fees associated with the study abroad program will be covered. **Payments to schools typically take 30-45 days to process after an itemized tuition bill is received by College Illinois!.**

College Illinois! will deduct 15 credit hours from your prepaid tuition account (equivalent to a normal course load) in situations where the actual number of credit hours earned may not be determined until after the semester ends or the credit earned for your study abroad courses may vary from your school's normal course credits.

Attending a Foreign Institution

College Illinois! prepaid tuition benefits can be used if you are attending an eligible school located outside of the United States. Please see page 2 of this handbook for more information to help determine if a foreign institution is an eligible school. If you are attending an eligible foreign institution, you should notify College Illinois! and you should notify your school's billing office.

If your tuition invoice is generated by an eligible foreign institution or a third party, College Illinois! benefits will be paid directly to the prepaid tuition account owner. Payments cannot be issued to a foreign institution. The account owner must complete and submit the *Foreign Institution Refund Form* to College Illinois! along with a copy of the itemized billing statement and class schedule. **Refunds typically take 30-45 days to process after the request is received by College Illinois!** The account owner is responsible for sending those funds to your school and maintaining records that the funds were used for qualified higher educational expenses.

Financial Aid and the FAFSA

Financial Aid

If you receive partial payment of tuition and mandatory fees from other financial aid, you can use your prepaid tuition benefits to cover the unpaid portion of your tuition and fees. The school can request College Illinois! pay the remaining amount due after the financial aid is applied to your student account. College Illinois! will pay the amount billed by the school and then convert the dollar amount paid to the corresponding number of credit hours for the payment made. Your prepaid tuition account will be depleted for the number of credit hours equal to the amount actually paid.

Free Application for Federal Student Aid (FAFSA)

College Illinois! prepaid tuition contracts must be reported on the Free Application for Federal Student Aid (FAFSA) if the contract is owned by your parent(s) whose assets are reported on the FAFSA. Parents should report the value of all prepaid tuition plans they own for all dependent children. If someone other than your parent(s), such as a grandparent, aunt or uncle owns the College Illinois! contract, it does not need to be reported on the FAFSA. The College Illinois! annual statement available to the purchaser each year in January shows the amount that should be reported on the FAFSA. The FAFSA value also is available in the Benefits section when you access the account online at collegeillinois.org.

Tax Information

Each year there is a distribution from your prepaid tuition account, an IRS Form 1099-Q will be issued. Forms are available for download through online account access in late January each year.

Current federal tax law allows all prepaid tuition benefits paid directly to an eligible public or private institution nationwide to be exempt from federal income tax. If a payment was made directly to your school, the 1099-Q will be addressed to you, the student. Since the tuition payment was made directly to a school on your behalf, assuming no other withdrawals occurred, you do not need to report this information on your tax return. If a refund from the prepaid tuition account was issued, the 1099-Q will be addressed to the account owner. The refund may or may not be considered state and federal taxable income, depending if the refund was used for qualified education expenses.

If you are a resident of Illinois, all College Illinois! prepaid tuition benefits are exempt from Illinois income tax.

College Illinois! cannot provide legal or tax advice. Please see IRS Publication 970 Tax Benefits for Education for specific information. You can download this Publication from irs.gov or call the IRS toll-free at 800.829.1040.

Other Information

Schools Operating on Quarters or Trimesters

College Illinois! prepaid tuition benefits can be converted into quarter hours and trimester hours for those institutions operating on these schedules. The payout rate (the “mean-weighted average”) is calculated and posted on the Program’s website for both semester credit hours and quarter credit hours. If the school you are attending operates on a quarterly schedule, you should use the quarter school payout rate to estimate the amount covered by College Illinois!.

Living or Moving Outside Illinois

If you live outside Illinois, or you will be moving outside Illinois while you are attending college, you can use your College Illinois! prepaid tuition benefits. Each school has their own tuition and fee policy for students who are out-of-state or out-of-district students. College Illinois! does not have any impact on the tuition policy of any school.

If you are attending an Illinois public university but are not considered an official resident of the state, the Program will pay the **in-state or in-district** (for community colleges) tuition and fees for your plan type on your behalf. The Program will not cover any additional amounts that you are charged for being an out-of-state or out-of-district resident. If you are living outside Illinois and attending a school located outside Illinois, the amount paid to the school will be based on the current “mean-weighted average tuition and mandatory fees” at Illinois public institutions.

Remaining or Unused Benefits

If you finish school and have remaining prepaid tuition benefits, those benefits may be transferred to a member of your family, as defined by the IRS as nearly any member of your family. (Please see the Disclosure Statement and Master Agreement for details and restrictions.) The account owner must request a change of beneficiary for the account by downloading the *Change of Beneficiary Form* from collegeillinois.org and sending it to College Illinois!.

The College Illinois! account also can be cancelled and a refund for any remaining benefits will be issued to the account owner. To cancel the prepaid tuition account, the account owner can download the *Cancellation Form* from collegeillinois.org to send to the Program. Cancellation fees will apply and be deducted from the refund. Refund amounts depend on the amount of remaining contract benefits.

Other Refunds

After a prepaid tuition account is depleted, if the total prepaid tuition benefits paid by College Illinois! is less than the amount paid for the contract, the account owner may submit a signed, written request to College Illinois! for the difference and a refund will be issued. Mail the request to College Illinois!, PO Box 44030, Jacksonville FL 32231-4030 or send it via fax at 800.519.4652.

Account Expiration

According to the terms of the Disclosure Statement and Master Agreement for the prepaid tuition contract, you have 10 years from your projected college enrollment date to enroll in an eligible institution and begin using prepaid tuition benefits. Then you have ten years from the date of enrollment to use all benefits or the contract will expire.

Questions about Benefit Usage

The College Illinois! Prepaid Tuition Program is administered by the Illinois Student Assistance Commission (ISAC), not the educational institution you attend. Therefore, questions, comments or concerns regarding the payment of contract benefits must be directed to the College Illinois! staff at the following address: College Illinois!, ISAC, 500 West Monroe, 3rd Floor, Springfield IL, 62704.

Monitor Your Account Online

Visit the Benefits section when you access your account online at collegeillinois.org.

- Track when College Illinois! receives a tuition bill from your school.
- See when the tuition bill is paid by College Illinois!.
- Send information securely to College Illinois! through the Upload Documents page.

Contact Us

Phone Toll-Free: 877.877.3724

Fax: 800.519.4652

Email: isac.529help@illinois.gov

Write: College Illinois!, PO Box 44030, Jacksonville FL 32231-4030