

1 TITLE 23: EDUCATION AND CULTURAL RESOURCES
2 SUBTITLE A: EDUCATION
3 CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION
4

5 PART 2700
6 GENERAL PROVISIONS
7

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20

21 AUTHORITY: Implementing the Higher Education Student Assistance Act [110 ILCS 947];
22 Title IV of the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq., as amended
23 by P.L. 105-244); and authorized by Section 20(f) of the Higher Education Student Assistance
24 Act [110 ILCS 947/20(f)].
25

26 SOURCE: Adopted at 9 Ill. Reg. 20783, effective January 1, 1986; amended at 11 Ill. Reg.
27 3167, effective January 29, 1987; amended at 11 Ill. Reg. 14099, effective August 10, 1987;
28 amended at 12 Ill. Reg. 11510, effective July 1, 1988; amended at 13 Ill. Reg. 8626, effective
29 July 1, 1989; transferred from Chapter IX, 23 Ill. Adm. Code 1700 (State Scholarship
30 Commission) to Chapter XIX, 23 Ill. Adm. Code 2700 (Illinois Student Assistance Commission)
31 pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17854; amended at 14 Ill. Reg.
32 10538, effective July 1, 1990; amended at 16 Ill. Reg. 11206, effective July 1, 1992; amended at
33 17 Ill. Reg. 10541, effective July 1, 1993; amended at 18 Ill. Reg. 10282, effective July 1, 1994;
34 amended at 19 Ill. Reg. 8343, effective July 1, 1995; amended at 20 Ill. Reg. 9170, effective July
35 1, 1996; amended at 21 Ill. Reg. 11066, effective July 18, 1997; amended at 22 Ill. Reg. 11072,
36 effective July 1, 1998; amended at 23 Ill. Reg. 7550, effective July 1, 1999; amended at 24 Ill.
37 Reg. 9121, effective July 1, 2000; amended at 25 Ill. Reg. 8383, effective July 1, 2001; amended
38 at 26 Ill. Reg. 9980, effective July 1, 2002; amended at 27 Ill. Reg. 10320, effective July 1, 2003;
39 amended at 29 Ill. Reg. 9884, effective July 1, 2005; amended at 30 Ill. Reg. 11600, effective
40 July 1, 2006; amended at 31 Ill. Reg. 9478, effective July 1, 2007; amended at 32 Ill. Reg.
41 10269, effective July 1, 2008; amended at 33 Ill. Reg. 9742, effective July 1, 2009; amended at
42 34 Ill. Reg. 8543, effective July 1, 2010; amended at 37 Ill. Reg. 9497, effective July 1, 2013;
43 amended at 38 Ill. Reg. 13356, effective July 1, 2014; amended at 39 Ill. Reg. 8390, effective

44 July 1, 2015; amended at 40 Ill. Reg. 1963, effective January 7, 2016; amended at 43 Ill. Reg.
 45 7269, effective July 1, 2019; amended at 43 Ill. Reg. 15003, effective January 1, 2020; amended
 46 at 44 Ill. Reg. 20164, effective January 1, 2021; amended at 45 Ill. Reg. 8430, effective July 1,
 47 2021; peremptory amendment at 45 Ill. Reg. 10794, effective August 16, 2021; amended at 46
 48 Ill. Reg. 12048, effective July 1, 2022; emergency amendment at 46 Ill. Reg. 14572, effective
 49 August 8, 2022, for a maximum of 150 days; emergency expired January 4, 2023; amended at 47
 50 Ill. Reg. 1020, effective January 5, 2023; amended at 47 Ill. Reg. 9433, effective July 1, 2023;
 51 amended at 48 Ill. Reg. _____, effective _____.

52

53 **Section 2700.20 Definitions**

54

55 "Academic Level" – The classification of a student as a freshman, sophomore,
 56 junior, senior, or graduate student.

57

58 "Academic Year" – In relation to scholarship and grant programs, a 12 month
 59 period of time, normally from August or September of any year through August
 60 or September of the ensuing year. In relation to the Federal Family Education
 61 Loan Program, academic year is defined at section 481(d)(2) of the Higher
 62 Education Act of 1965, as amended (HEA), and at 34 CFR 668.3.

63

64 "Alternative Application for Illinois Financial Aid" or "Alternative Application" –
 65 The FAFSA substitute application for State student aid and benefits under the
 66 Retention of Illinois Students and Equity (RISE) Act that may be used only as an
 67 alternative to the FAFSA, when appropriate, and shall be substituted accordingly
 68 for the FAFSA when FAFSA is referenced in ISAC rules. This application is
 69 appropriate for use by an applicant *who is an Illinois resident and who is not*
 70 *otherwise eligible for federal financial aid, including, but not limited to, an*
 71 *eligible noncitizen applicant as defined in this Section.*

72

73 "Alternative Application for Illinois Financial Aid Receipt Date" – The date upon
 74 which ISAC receives an applicant's initial Alternative Application for an
 75 academic year. For a paper Alternative Application sent through the U.S. Postal
 76 Service, the receipt date will be the postmark date.

77

78 "Alternative Loan" – Any educational loan made or purchased by ISAC other
 79 than a loan made pursuant to Title IV of the Higher Education Act of 1965, as
 80 amended (20 U.S.C. 1071), or any other federal statute providing for federal
 81 insurance of education loans to borrowers.

82

83 "Applicant" – Any individual who requests ISAC consideration for a scholarship,
 84 grant, tuition waiver, or guaranteed or alternative loan.

85

86 "Approved High School" – *Any public high school located in this State; and any*

87 *high school, located in this State or elsewhere (whether designated as a high*
88 *school, secondary school, academy, preparatory school, or otherwise) which in*
89 *the judgment of the State Superintendent of Education provides a course of*
90 *instruction at the secondary level and maintains standards of instruction*
91 *substantially the equivalent of those public high schools located in this State.*
92 (Section 10 of the Higher Education Student Assistance Act [110 ILCS 947/10])

93
94 "Armed Forces" – The United States Army, Air Force, Navy, Marines and Coast
95 Guard.

96
97 "Blanket Certificate of Loan Guaranty" – A process that permits an eligible lender
98 to make loans without receiving prior approval from ISAC for individual loans to
99 eligible borrowers enrolled in eligible programs at eligible institutions, as
100 authorized by section 428(n) of the HEA.

101
102 "Chargeback" – Payment of tuition by the community college district of a
103 student's residence to the community college district of a student's attendance.
104 (See 110 ILCS 805/6-2.)

105
106 "Citizen" – One who, under the Constitution and laws of the United States, is a
107 native-born or naturalized citizen of the United States of America.

108
109 "College Savings Bond" – A State of Illinois general obligation, zero coupon
110 bond, issued pursuant to the Baccalaureate Savings Act [110 ILCS 920] as a long-
111 term education savings instrument.

112
113 "Co-maker" – One of the 2 individuals who are joint borrowers either on a
114 Federal PLUS Loan (parent borrowers) that was certified prior to January 1, 1995
115 or on any Federal Consolidation loan (married borrowers) and who are equally
116 liable for repayment of the loan. (See 34 CFR 682.200.)

117
118 "Commission" – The 10 member Illinois Student Assistance Commission created
119 by Section 15 of the Higher Education Student Assistance Act [110 ILCS 947].

120
121 "Compound Accreted Value" – An amount equal to the original amount plus an
122 investment return accrued to the date of determination at a semiannual
123 compounding rate that is necessary to produce the yield at maturity indicated on
124 the Official Statement that was issued when the college savings bonds were sold.
125 The "Compound Accreted Value at Maturity" will be equal to \$5000 or an
126 integral multiple thereof.

127
128 "Concurrent Registration" – The simultaneous enrollment at 2 or more higher
129 education institutions.

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"Consolidation" – A federal program under which a borrower may receive a single new loan that refinances one or more outstanding qualified education loans under new terms and conditions, as authorized by section 428C of the HEA.

"Consortium Agreement" – The written agreement between two or more ISAC-eligible institutions whereby the host institution provides part of the education program of students enrolled at the home institution, as codified in Section 2700.80.

"Consumer" – *Any person who purchases or contracts for the purchase of educational planning services.* [815 ILCS 616/15]

"Contractual Agreement" – The written agreement between an eligible institution and a school or organization that is not eligible for participation in ISAC-administered programs whereby the non-eligible institution serving as the host institution provides part of the education program of students enrolled at the ISAC-eligible home institution, as codified in Section 2700.80.

"Correctional Officer" – An employee of the Illinois Department of Corrections (DOC) who is assigned to a security position with the Department, and who has responsibility for inmates of any correctional institution under the jurisdiction of the Department.

"Correspondence Course" – A home study course provided by an institution under which the institution provides instructional materials, including examinations on the materials, to students who are not physically attending classes at the institution, as defined at 34 CFR 600.2.

"Co-signer" – A person who is secondarily liable for the repayment of an Alternative Loan.

"Cost of Attendance" – For the purposes of ISAC's rules, this term is defined at section 472 of the HEA (20 U.S.C. 1087*ll*).

"Cumulative Grade Point Average" – The average grade earned throughout a student's applicable secondary or postsecondary educational program. The calculation shall be consistent with the institution's established policy or practice and shall be the same as that completed for admission, placement or other similar purposes.

"Default Status" – The failure of a borrower or endorser (if any) to make an installment payment when due or to meet other terms of the promissory note as

173 defined at 34 CFR 682.200.

174

175 "Delinquency" – For the purposes of ISAC's rules, this term is defined at 34 CFR
176 682.411(b).

177

178 "Dependent Student" – A scholarship, loan, tuition waiver or grant applicant or
179 recipient who is not classified as an independent student.

180

181 "Disbursement" – In relation to scholarship and grant programs, a disbursement
182 occurs on the payment voucher date. In relation to the Federal Family Education
183 Loan Program, disbursement is the process of transferring loan proceeds as
184 defined at 34 CFR 682.200.

185

186 "Displaced Energy Worker" – *An energy worker who has lost employment due to*
187 *the reduced operation or closure of a fossil fuel power plant or coal mine. [20*
188 *ILCS 735-10/30]*

189

190 "Distance Education" – A type of education that meets the definition of distance
191 education found at 34 CFR 600.2 that uses one or more technologies to deliver
192 instruction to students who are separated from the instructors and that provides
193 substantive interaction between the students and the instructors.

194

195 "ED" – The acronym for the United States Department of Education.

196

197 "Educational Institution" – Unless otherwise qualified, any secondary or
198 postsecondary educational organization that enrolls students who participate in
199 ISAC programs.

200

201 "Educational Lender" – An institution that meets the lender eligibility criteria
202 outlined in 23 Ill. Adm. Code 2720.25 for FFELP Loans and 2721.40 for
203 alternative loans.

204

205 "Educational Planning Service Provider" – *Any person or entity engaging in or*
206 *holding itself out as engaging in the business of providing educational planning*
207 *services in exchange for any fee or compensation or any person who solicits or*
208 *acts on behalf of any person or entity engaging in or holding itself out as*
209 *engaging in the business of providing educational planning services in exchange*
210 *for any fee or compensation. "Educational Planning Service Provider" does not*
211 *include any of the following:*

212

213 *~~An~~ not for profit or public institution of higher learning, as defined in*
214 *the Higher Education Student Assistance Act, and the individuals*
215 *employed by that institution where educational planning services are*

216 *provided as part of the financial aid or career counseling services offered*
217 *by the institution,*

218
219 *Public entities and their officers while acting in their official capacities, or*

220
221 *Persons acting on behalf of a consumer under court order or as a legal*
222 *representative. [815 ILCS 616/15]*

223
224 "Educational Planning Services" – *College and career preparatory planning*
225 *services, including, but not limited to, advice regarding and assistance with*
226 *college and career searches; college application preparation or submission;*
227 *financial aid application planning, preparation, or submission; and scholarship*
228 *searches and applications. [815 ILCS 616/15]*

229
230 "EFT" – The acronym for electronic funds transfer.

231
232 "Eligible Noncitizen" – A noncitizen who is eligible for federal student assistance
233 pursuant to section 484 of the HEA (20 U.S.C. 1091); or a noncitizen or person
234 who is not a permanent resident of the United States, who does not meet the
235 eligibility criteria for federal student assistance pursuant to section 484 of the
236 HEA but who meets all of the following criteria:

237
238 the individual resided with a parent or guardian while attending a public or
239 private high school in this State;

240
241 the individual graduated from a public or private high school or received
242 the equivalent of a high school diploma in this State;

243
244 the individual attended school in this State for at least 3 years as of the
245 date the individual graduated from high school or received the equivalent
246 of a high school diploma in this State;

247
248 the individual provides an affidavit stating that the individual will file an
249 application to become a permanent resident of the United States at the
250 earliest opportunity the individual is eligible to do so; and

251
252 the individual has not established a residence outside of this State.

253
254 "Endorser" – A person fitting the definitions found at 34 CFR 682.200 or 34 CFR
255 685.102(b) who is secondarily liable for the repayment of a federal student loan.

256
257 "Enrolled" – The status of a student who has completed the institution's
258 registration requirements and is attending classes.

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"Executive Director" – The chief executive officer of ISAC.

~~"Expected Family Contribution" – The amount the student and the student's family may be reasonably expected to contribute toward the student's postsecondary education. Expected Family Contribution as defined at section 474 of the HEA (20 U.S.C. 1087nn) is used to determine a student's eligibility for need-based programs administered by ISAC.~~

"FAFSA®" – The acronym for the Free Application for Federal Student Aid.

"FAFSA Receipt Date" – The date reported by ED's processor as the date upon which it receives an applicant's initial FAFSA for an academic year. For paper FAFSA's sent through the U.S. Postal Service, this is the date of physical receipt at the processor, not the postmark date.

"Federal Regulations" – Refers to regulations promulgated by ED and codified at 34 CFR 600.

"FFELP" – The acronym for the Federal Family Education Loan Program, as authorized by section 421 of the HEA, including subsidized and unsubsidized Federal Stafford Loans, Federal PLUS Loans, Federal SLS Loans and Federal Consolidation Loans.

"Fire Officer" – For the purposes of ISAC's rules, this term means a firefighter who is employed by, or in the voluntary service of, this State or any public entity in this State.

"Foreign Missionary" – An individual who is assigned duty outside of the United States by an organization that engages in educational, philanthropic, humanitarian or altruistic works. The missionary organization must be exempt from the payment of federal taxes and must have been engaged in placing foreign missionaries for at least 5 years. Examples of such missionary organizations include, but are not limited to, the following: Peace Corps, Evangelical Alliance Mission, etc.

"Full-time Student" – In relation to scholarship and grant programs, an individual enrolled for 12 or more credit hours, for either a semester or quarter term. In relation to the Federal Family Educational Loan Program, full-time student is defined at 34 CFR 668.2(b).

"Gift Assistance" – Student assistance funds in the form of a scholarship, grant or tuition waiver, including, but not limited to, federal, State, institutional and

302 private aid.

303

304 "Golden Apple Scholars of Illinois" – A private, not-for-profit program under the
305 auspices of the Golden Apple Foundation that recruits, prepares and provides
306 financial assistance to high school graduates to pursue postsecondary education
307 for careers as teachers for particular Illinois schools.

308

309 "Good Moral Character" – An applicant is of good moral character if the applicant
310 will benefit from postsecondary instruction and is allowed to enroll at an
311 approved postsecondary institution.

312

313 "Graduating Class" – The students who will complete the high school's program
314 of instruction and graduate within an academic year.

315

316 "Guaranteed Loan" – Loan assistance through the Federal Family Education Loan
317 Program (FFELP) that includes the subsidized and unsubsidized Federal Stafford
318 Loan, the Federal PLUS Loan, the Federal Supplemental Loans for Students
319 (SLS), and the Federal Consolidation Loan programs.

320

321 "Half-time Student" – In relation to scholarship and grant programs, an individual
322 enrolled for 6 or more credit hours (but fewer than 12 credit hours) for either a
323 semester or quarter term. In relation to the Federal Family Education Loan
324 Program, half-time student is defined at 34 CFR 668.2(b).

325

326 "HEA" – The acronym for the Higher Education Act of 1965, as amended (20
327 U.S.C. 1070).

328

329 "Holder" – An organization authorized by ED and ISAC to purchase or retain
330 possession of guaranteed loans. These organizations operate as commercial and
331 educational lenders or secondary markets and may purchase ISAC-guaranteed
332 loans from approved lenders.

333

334 "Home Institution" – The institution of higher learning where the student is
335 enrolled in a degree or certificate program and is the institution of record in a
336 consortium or contractual agreement.

337

338 "Host Institution" – The institution where part of a student's program
339 requirements is being taken through either a consortium or contractual agreement
340 with a home institution.

341

342 "IBHE" – The acronym for the Illinois Board of Higher Education, the
343 administrative agency created by the Board of Higher Education Act [110 ILCS
344 947/205].

345
346 "IDAPP" – The acronym for ISAC's Illinois Designated Account Purchase
347 Program as authorized by the Education Loan Purchase Program Law [110 ILCS
348 947/125 through 170].
349

350 "Independent Student" – For the purposes of ISAC's rules, this term is defined at
351 34 CFR 668.2(b).
352

353 "Institution" – Unless otherwise qualified, any secondary or postsecondary
354 educational organization that enrolls students who participate in ISAC programs.
355

356 "Institution of Higher Learning" – An educational organization whose main
357 campus is physically located in Illinois that provides:
358

359 at least a 2-year program of collegiate study in liberal arts or sciences
360 directly applicable toward the attainment of a baccalaureate degree;
361

362 an associate degree directly applicable toward the attainment of a
363 baccalaureate degree;
364

365 a program that is directly applicable toward the attainment of a certificate
366 or other credential; or
367

368 a program in health education directly applicable toward the attainment of
369 a certificate, diploma, or an associate degree; and
370

371 is operated:
372

373 by the State;
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375 publicly or privately, not for profit; or
376

377 for profit, provided it:
378

379 offers degree programs that have been approved by the
380 IBHE for a minimum of 3 years under the Academic
381 Degree Act [110 ILCS 1010];
382

383 enrolls a majority of its students in these degree programs;
384 and
385

386 maintains accredited status with the Higher Learning
387 Commission of the North Central Association of Colleges

388 and Schools.

389
 390 For otherwise eligible educational organizations that provide academic
 391 programs for incarcerated students, the term "institution of higher learning"
 392 shall specifically exclude academic programs for incarcerated students
 393 (Section 10 of the Higher Education Student Assistance Act). For eligible
 394 institutions with campuses in multiple states, the term "institution of higher
 395 learning" shall include only those campuses located in Illinois.

396
 397 "Institution of Record" – The postsecondary institution at which a student is
 398 enrolled and seeking a degree or certificate. This institution assumes primary
 399 responsibility for certification of eligibility for ISAC-administered programs and
 400 for requesting payment from ISAC.

401
 402 "ISAC" – The acronym for the Illinois Student Assistance Commission, the
 403 administrative agency created by Section 15 of the Higher Education Student
 404 Assistance Act [110 ILCS 947] to administer student assistance programs.

405
 406 "ISBE" – The acronym for the Illinois State Board of Education, the
 407 administrative agency created by the School Code [105 ILCS 5].

408
 409 "Lender" – An organization authorized by ISAC to make educational loans to
 410 students.

411
 412 "Mandatory Fees" – The charges assessed by an institution that are required to
 413 deliver educational services to students for each term, regardless if a student is
 414 attending either on campus or through distance education. Application,
 415 graduation, laboratory, breakage, and add/drop fees, as well as program
 416 administrative fees for out-of-state or foreign study are specifically excluded. For
 417 the purposes of ISAC's rules, tuition is not a mandatory fee.

418
 419 "MAP" – The acronym for the Monetary Award Program administered by ISAC,
 420 as authorized by Section 35 of the Higher Education Student Assistance Act and
 421 codified at 23 Ill. Adm. Code 2735.

422
 423 "Master Check" – A single check representing the loan proceeds for more than
 424 one borrower.

425
 426 "Minority Student" – *A student who is either Black (a person having origins in*
 427 *any of the black racial groups in Africa); Hispanic (a person of Spanish or*
 428 *Portuguese culture with origins in Mexico, South or Central America, or the*
 429 *Caribbean Islands, regardless of race); Asian American (a person with origins in*
 430 *any of the original peoples of the Far East, Southeast Asia, the Indian*

431 *subcontinent, including Pakistan, and the Pacific Islands, including, among*
432 *others, Hawaii, Melanesia, Micronesia and Polynesia); or Native American (a*
433 *person who is a member of a federally or state recognized Indian tribe, or whose*
434 *parents or grandparents have such membership) and to include the native people*
435 *of Alaska (Section 50(a) of the Higher Education Student Assistance Act).*
436

437 "Occupational or Career and Technical Certificate" – A credit award for
438 satisfactory completion of a prescribed curriculum intended to prepare an
439 individual for employment in a specific field.
440

441 "Parent" – For the purposes of ISAC's rules, this term is defined at 34 CFR
442 668.2(b).
443

444 "Pell Grant" – A federal gift assistance program administered by ED in
445 accordance with section 401 of the HEA (20 U.S.C. 1070a).
446

447 "PLUS" – The federal program that provides loans to graduate students or parents
448 of certain undergraduate students, as authorized by section 428B of the HEA (20
449 U.S.C. 1078-2) and Sections 80 through 175 of the Higher Education Student
450 Assistance Act [110 ILCS 947].
451

452 "Police Officer" – For the purposes of ISAC's rules, this term means a law
453 enforcement officer who is employed by, or in the voluntary service of, this State
454 or any public entity in this State.
455

456 "Qualified Applicant" – An individual who meets the eligibility requirements of
457 the gift assistance program for which the applicant is applying.
458

459 "Qualified Bilingual Minority Applicant" – *A qualified student who demonstrates*
460 *proficiency in a language other than English by:*

461 *receiving a State Seal of Biliteracy from the State Board of Education or*
462 *receiving a passing score on an educator licensure target language*
463 *proficiency test (Section 50(a) of the Higher Education Student Assistance*
464 *Act).*
465
466
467

468 "Regular School Year" – An 8 to 9 month period of time that includes 2 semester
469 terms or 3 quarter terms. The regular school year excludes summer terms. Terms
470 that begin after April 15 and end before September 16 are considered summer
471 terms.
472

473 "Remedial Courses" – The course work that prepares a student for study at the

474 postsecondary level and is necessary for the student to pursue the eligible
475 postsecondary program.

476
477 "Resident of Illinois" –

478
479 A dependent student is a resident of Illinois if the parent of the dependent-
480 applicant, who is required by the instructions to complete the FAFSA or
481 the Alternative Application for Illinois Financial Aid, physically resides
482 within the State of Illinois, and Illinois is the parent's true, fixed and
483 permanent home.

484
485 An independent student is a resident of Illinois if the applicant physically
486 resides within the State of Illinois (at the time of application), and has so
487 resided for a period of 12 continuous, full months immediately prior to the
488 start of the academic year for which assistance is requested and Illinois is
489 their true, fixed and permanent home.

490
491 When an applicant does not qualify as a resident of Illinois under the
492 preceding 2 paragraphs and the applicant is a member of the U.S. Armed
493 Forces or a foreign missionary, or is the dependent or the spouse of an
494 individual who is a member of the U.S. Armed Forces or a foreign
495 missionary, or is a dependent student required to list an out-of-state parent
496 contributor on the FAFSA form, then the applicant's residency shall be
497 determined in accordance with the following:

498
499 An applicant who is a member of the U.S. Armed Forces will be a
500 resident of Illinois if the applicant physically resided in Illinois
501 immediately prior to entering the U.S. Armed Forces, returned (or
502 plans to return) to Illinois within 6 months after and including the
503 date of separation and can demonstrate (pursuant to Section
504 2700.50(f) and (g)) that the applicant's domicile was the State of
505 Illinois throughout such enlistment.

506
507 An applicant who is a foreign missionary will be a resident of
508 Illinois if the applicant physically resided in Illinois for 6
509 continuous months immediately prior to entering missionary
510 service, returned (or plans to return) to Illinois within 6 months
511 after the conclusion of missionary service, and can demonstrate
512 (pursuant to Section 2700.50(f) and (g)) that the applicant's
513 domicile was the State of Illinois throughout the missionary
514 service.

515
516 The dependent-applicant shall be a resident of Illinois

517 notwithstanding the parents' temporary physical absence from
518 Illinois provided the parents would be a resident of Illinois under
519 the preceding 2 paragraphs.

520
521 The spouse-applicant shall be a resident of Illinois immediately
522 upon physically occupying a dwelling within the State of Illinois
523 provided it can be demonstrated that the applicant's absence from
524 the State was the result of residing with the spouse during
525 enlistment or missionary service outside of Illinois and that the
526 spouse-applicant's domicile continues to be the State of Illinois.

527
528 [An applicant who is a dependent student and physically resides in](#)
529 [the State of Illinois with a parent but is required to list an out-of-](#)
530 [state parent contributor on the FAFSA form may be considered a](#)
531 [Resident of Illinois for the purpose of State financial aid programs.](#)
532 [See Section 2700.50\(e\)\(3\).](#)

533
534 "Rules" – The rules of ISAC codified at 23 Ill. Adm. Code: Subtitle A, Chapter
535 XIX.

536
537 "Satisfactory Academic Progress" – An institutional policy that establishes
538 minimum standards of academic performance. For purposes of ISAC-
539 administered programs, the standards must be at least as stringent as those
540 required by ED pursuant to section 484 of the HEA (20 U.S.C. 1091).

541
542 "Service Academy" – *The U.S. Air Force Academy, the U.S. Coast Guard*
543 *Academy, the U.S. Military Academy or the U.S. Naval Academy* (Section 30(a) of
544 the Higher Education Student Assistance Act).

545
546 "SLS" – The acronym for the federal Supplemental Loans for Students Program,
547 as authorized by section 428A of the HEA (20 U.S.C. 1078-1). No SLS loans
548 have been made for periods of enrollment beginning on or after July 1, 1994.

549
550 "Special Education" – A postsecondary educational program designed to teach
551 persons how to meet the needs of all children designated as physically disabled,
552 with specific learning disabilities, or requiring extraordinary special education
553 services and facilities. (See 105 ILCS 5/14-1.02 and 7.20a.) These programs
554 prepare persons for meeting the needs of children who exhibit disabilities or
555 exceptional characteristics ranging from very mild to very severe. (See 23 Ill.
556 Adm. Code 226, Special Education.) Such a program prepares a student to teach
557 children with disabilities or children with learning disabilities. (See 105 ILCS
558 5/14-1.02 and 1.03a.)

559

560 "Stafford" – The federal subsidized and unsubsidized loan programs as authorized
561 by sections 427, 428 and 428H of the HEA (20 U.S.C. 1078).

562
563 "State of Illinois High School Diploma" – A diploma received after successfully
564 completing high school equivalency testing or an alternative method of
565 credentialing as defined in Section 3-15.12 of the School Code [105 ILCS 5].

566
567 "Student Aid Index" – An eligibility index number used to determine a student's
568 eligibility for some financial aid programs. Student Aid Index as described at
569 Section 474 of the HEA (20 U.S.C. 1087oo) is used to determine a student's
570 eligibility for ISAC programs that have a need component.

571
572 "Student Beneficiary" – An individual designated as the recipient of a College
573 Savings Bond Bonus Incentive Grant.

574
575 ~~"State of Illinois High School Diploma" – A diploma received after successfully~~
576 ~~completing high school equivalency testing or an alternative method of~~
577 ~~credentialing as defined in Section 3-15.12 of the School Code [105 ILCS 5].~~

578
579 "Teacher Education Program" – An undergraduate postsecondary course of study
580 that, upon completion, qualifies a student to be certified as a pre-school,
581 elementary or secondary teacher by a state board of education or its equivalent
582 (including the Illinois State Board of Education). For a student who has
583 completed less than 4 semesters/6 quarters of postsecondary study, this includes a
584 postsecondary course of study that leads to a teacher education program.

585
586 "Teacher Shortage Discipline" – An academic discipline in which a shortage of
587 teachers exists in Illinois, as designated by the Illinois State Board of Education.

588
589 "Term" – A unit of time for student attendance, including, but not limited to, a
590 quarter or semester.

591
592 "Tuition" – The charge for instruction assessed by an institution.

593
594 "Verification" – Procedures implemented by postsecondary institutions to verify
595 the eligibility of applicants. The procedures are established by subpart E of 34
596 CFR 668 and by ISAC's rules.

597
598 (Source: Amended at 48 Ill. Reg. _____, effective _____)

599
600 **Section 2700.50 Determining Applicant Eligibility**

601

- 602 a) The evaluation of applicant eligibility is the responsibility of both ISAC and the
603 institution.
604
- 605 b) No applicant is announced eligible for assistance by ISAC unless the application
606 establishes prima facie eligibility. ISAC consults with other appropriate State and
607 federal agencies in the process of reviewing application data.
608
- 609 c) Institutions shall determine (in accordance with ISAC's rules or federal
610 regulations) whether an applicant is eligible for ISAC gift assistance based upon
611 enrollment in a particular academic program and the eligibility criteria of the
612 ISAC gift assistance being sought.
613
- 614 d) Specific eligibility criteria for each ISAC gift assistance program can be found in
615 its respective Section of this Part.
616
- 617 e) The institution is required to verify the residency of all applicants to ISAC gift
618 assistance programs for which Illinois residency is a requirement.
619
- 620 1) An institution is not required to verify residency if:
621
- 622 A) The applicant received payment of a MAP award during the
623 previous academic year; or
624
- 625 B) The applicant was enrolled in an ISAC-approved MAP institution
626 or an ISAC-approved Illinois high school (see [Sections 2700.20](#)
627 [and Section 2700.30](#)) for the preceding consecutive 12 months prior
628 to the start of the academic year for which assistance is requested.
629
- 630 2) Notwithstanding the exceptions named in subsection (e)(1), the institution
631 shall verify residency:
632
- 633 A) When an applicant has changed dependency status during the
634 academic year to become an independent student; or
635
- 636 B) If the institution has any information that indicates the applicant
637 may not be a resident of Illinois.
638
- 639 3) [The institution may review applicant residency eligibility for State](#)
640 [financial aid programs when a dependent student physically resides with a](#)
641 [parent within the State of Illinois, but the parent contributor listed on the](#)
642 [FAFSA physically resides in another state. The institution shall have the](#)
643 [authority to make a residency override on a case-by-case basis to allow a](#)

644 dependent student's residency eligibility for State gift assistance to be
645 based on the Illinois resident parent.

646
647 A) Residency eligibility consideration may be given to applicants
648 following review of adequate documentation as outlined in Section
649 2700.50(e)(4) to confirm the Illinois parent with whom the student
650 lives resides in the State and Illinois is the parent's true, fixed and
651 permanent home.

652
653 B) The institution shall notify ISAC of the determination through an
654 electronic process established by the agency.

655
656 C) A student's maximum annual MAP award amount shall be based
657 on the need analysis calculation using the data of the parent who is
658 required to provide their financial information on the FAFSA or
659 alternative application, according to the instructions provided on
660 the respective applications.

661
662 43) Data from one or more of the documents listed in this subsection (e)(3)
663 may provide proof that an applicant (or parent) is an Illinois resident, as
664 defined in Section 2700.20. The institution may choose to request
665 documents that are in addition to, or instead of, those listed. For an
666 independent student applicant, the dates recorded on the documents must
667 indicate the applicant has resided in Illinois for the relevant 12 continuous,
668 full months.

669
670 A) A valid State of Illinois tax return or federal tax transcript

671
672 B) Illinois high school or college transcript

673
674 C) Illinois driver's license

675
676 D) Utility or rent bills in the applicant's (or parent's) name

677
678 E) Illinois auto registration card

679
680 F) Residential lease in the applicant's (or parent's) name

681
682 G) Wage and tax statements (IRS Form W-2)

683
684 H) Statement of benefits history from the Illinois Department of
685 Healthcare and Family Services

686

- 687 D) State of Illinois identification card issued by the Secretary of State
688
689 J) Statement of benefits from the Illinois Department of Employment
690 Security
691
692 K) Statement of benefits from the Social Security Administration
693
694 L) Illinois voter's registration card
695
696 M) Property tax bill
697
698 N) IRS Form 1099-Miscellaneous Income Statements
699
700 54) If an applicant is a resident of Illinois, but the institution cannot document
701 this fact, the applicant or the institution may verify residency through
702 ISAC's appeal process. (See Section 2700.70.)
703
704 f) For all other eligibility criteria, if the institution has any information that indicates
705 that the applicant does not meet the eligibility requirements of ISAC-administered
706 programs; or if an applicant is selected for verification in conjunction with federal
707 student assistance, that applicant shall be verified for ISAC-administered
708 programs. A selected applicant must be verified for ISAC programs even if the
709 applicant is ineligible for federal student assistance.
710
711 g) By requesting payment for ISAC gift assistance programs, the postsecondary
712 institution is certifying that the applicants are eligible for the assistance being
713 sought.
714
715 h) If an institution subsequently determines a student is no longer eligible for all or
716 part of the awarded assistance, the institution must inform ISAC and submit the
717 appropriate refund within 60 days after the receipt of payment or the end of a
718 term, whichever is later.
719
720 i) Institutions may request first term payment even though verification is not yet
721 complete. If, after verification, an ISAC payment adjustment is appropriate,
722 institutions must submit the appropriate refund. If verification is not completed
723 within 60 days after the conclusion of the regular school year, the institution shall
724 return the first term payment to ISAC. For other than the first term of eligibility in
725 an academic year, the verification process must be completed before the
726 institution may request payment.
727
728 j) When an institution adjusts an applicant's eligibility pursuant to Title IV, Part F,
729 of the Higher Education Act of 1965, as amended (20 ~~U.S.C.~~ ~~USE~~ 1087kk et seq.),

730 the institution shall retain documentation that demonstrates the appropriateness of
731 the adjustment.

732

733 k) If an institution erroneously certifies an applicant to be eligible, or a student is
734 otherwise determined to be ineligible for ISAC gift assistance programs, ISAC
735 will recover the erroneous payment from the institution.

736

737 (Source: Amended at 48 Ill. Reg. _____, effective _____)

738

739 **Section 2700.90 Consumer Protection Requirements**

740

741 a) *The primary purpose of the Educational Planning Services Consumer Protection*
742 *Act (the Act) is to protect consumers who enter into agreements with educational*
743 *planning service providers*~~*and to regulate educational planning service*~~
744 ~~*providers.*~~ [815 ILCS 616/~~1040(d)~~]

745

746 b) No entity shall act as an educational planning service provider unless it remains in
747 compliance with~~except as authorized by~~ the Act.

748

749 c) All entities acting as educational planning service providers shall be expected to
750 know and comply with all provisions of the Act.

751

752 d) ISAC will make available on its Internet website the most current disclosure of
753 free support.

754

755 e) *ISAC may, in the name of the people of the State of Illinois, through the Attorney*
756 *General, file a complaint for an injunction in the circuit court to enjoin such*
757 *person from engaging in unlawful violations of the Act.* [815 ILCS 616/40(d)]

758

759 (Source: Amended at 48 Ill. Reg. _____, effective _____)