

Financial Aid Information Night



Detroit Lakes High School

October 21st, 2024



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Agenda

What is Financial Aid?

- Sources & Types

Applying For Financial Aid

- FAFSA

How much will college cost?

- Net Price vs Sticker Price

Extra Tidbits

- Stay tuned for some tips!

Financial Aid Sources

Where does aid come from?



Federal and/or State Government



Institutions of Higher Education



Private sources like foundations, businesses, civic, and charitable organizations



Employers if they have educational benefits/scholarships for their employees or children of employees

Financial Aid Sources

What types of aid are there?

Scholarships

FREE \$\$

Grants

FREE \$\$

Work-Study
(Student Employment)

EARNED \$\$

Loans

NOT FREE \$\$

Scholarships

FREE \$\$

- ◇ Do not need to be repaid
- ◇ Effort put forth by the student
- ◇ Competitive
- ◇ Academic, Performance, Skills & Talents
- ◇ Involve applications in most cases
- ◇ Many Colleges and Universities offer Scholarship Options
- ◇ Check with your High School Counselor
 - ◇ <https://hs.dlschools.net/student-services/guidance-office/scholarship-opportunities>
 - ◇ Detroit Lakes Dollars for Scholars provides amazing opportunities that Students can apply for so watch for applications to open this winter.
 - ◇ Don't skip applying or make assumptions that it isn't worth it because you think other students will just get it anyways.
- ◇ Search for opportunities year-round (Not just your 1st year!)
- ◇ Check with local businesses, churches, parents' employers, local, state, national organizations, free internet search tools
 - ◇ www.fastweb.com
 - ◇ US Department of Labor
<https://www.careeronestop.org/toolkit/training/find-scholarships.aspx>

Grants

FREE \$\$

- ◇ Do not need to be repaid
- ◇ Typically based on financial need
- ◇ Automatically evaluated by institutions after completion of FAFSA
 - ◇ Sources:
 - ◇ Colleges & Universities
 - ◇ Federal & State Government

Work Study

EARNED \$\$

- Do need to be earned
- Student must work to receive funds
- Colleges typically don't pre-pay work study funds on a students' bill
- Students earn an hourly wage
- Each college handles work study differently
- Many colleges have priority deadlines

Loans Federal **NOT FREE \$\$**

Federal Direct Student Loan Program

- Must be paid back
- Student is the Borrower
- Students automatically considered after completing the FAFSA
- No co-signer necessary
- Fixed Interest Rate each year currently 6.53% with a 1.057% origination fee 2024-25
- Subsidized (no interest during in-school time period)
- Unsubsidized (interest starts as soon as money disbursed to the school)

Federal Direct Parent PLUS Loan Program

- Must be paid back
- Parent is the Borrower
- Non-transferrable
- Credit Based
- Fixed Interest Rate each year currently 9.08% with a 4.228% origination fee 2024-25

Loans

Non-Federal

NOT FREE \$\$

- Must be paid back
- Schools may call these private or alternative student loans
- Loans made by banks/private student loan lenders
- Credit Based
- Usually require a co-signer
- Interest rate may be variable or fixed and rate is typically determined based on credit-worthiness after the completion of the application process with the lender

Applying for Financial Aid

- ◆ Step 1: Take a Deep Breathe
- ◆ Step 2: Create FSA ID Account for **BOTH** Student and Parent
- ◆ Step 3: Complete FAFSA
- ◆ Step 4: Work with Financial Aid Office if additional information needed
- ◆ Step 5: Receive Financial Aid Offer from school



FAFSA...FAFSA...FAFSA

(Free Application for Federal Student Aid)

- ◆ Completed at www.studentaid.gov
- ◆ Collects demographic and financial information
- ◆ Colleges use FAFSA results to award financial aid
- ◆ 2025-2026 FAFSA anticipated release date is December 1st, 2024
- ◆ 2025-2026 uses 2023 Tax Information
- ◆ Must refile a FAFSA each & every year
- ◆ Some colleges have priority deadlines to be considered for maximum financial aid eligibility

FAFSA

What are they going to ask about?

- ◇ Biographical/Demographic information for student and parent contributor(s)
- ◇ Marital Status
- ◇ Federal Benefits Received (if applicable)
- ◇ Tax Filing Status (ex. Married Filing Joint, Single, ect)
- ◇ Most income information pulled in automatically through the consent process
- ◇ Is your Family Size the same as it was on the 2023 Tax Return?
- ◇ TIP: Having your 2023 tax returns handy may be helpful
- ◇ May ask value of certain assets and or balance of cash/checking/savings based on the day the FAFSA is submitted
- ◇ Net Worth of Business or Farm
- ◇ What schools to send the FAFSA to

FAFSA Technical Tips

Browser Requirements from the Dept of Ed

- ◆ Complete the online *Free Application for Federal Student Aid* (FAFSA®) form using the latest release of one of the following browsers:
 - Chrome
 - Firefox
 - Safari
- ◆ If you use a browser other than the ones listed above, the site's pages may not display properly or the FAFSA can get hung up and not allow you to proceed.
- ◆ If you are having issues you may need to clear you cache and web browsing history and reopen the browser.



Create FSA ID Account

www.studentaid.gov

- ◇ BOTH Student and Parent(s) need to each set-up their own
 - ◇ Must use separate email addresses
 - ◇ Do Not use High School email addresses or email addresses that you may not have access to long term
- ◇ Double Check you are entering your biographical information correctly
 - ◇ Legal Name, Date of Birth, and Social Security (Please Don't Guess 😊)
 - ◇ ONLY say No I don't have SSN number ONLY if you really do not actually have an SSN.
 - ◇ If student or parent does not have an SSN number and you are having issues, you may want to connect with Financial Aid Office for guidance.
- ◇ Keep track of Username, Password, Security Questions (and security question answers)
- ◇ Used to complete & electronically sign the FAFSA
- ◇ Used to complete & electronically sign Federal Loan Documents

Apply for Aid Using the FAFSA Form

[Apply Now](#)

[Learn About Applying for Aid](#)

POPULAR TOPICS

[Learn About Public Service Loan Forgiveness >](#)

[Learn About Student Loan Debt Relief >](#)

[Complete a *Master Promissory Note* \(MPN\) >](#)

Create an Account

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

[Get Started](#)


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


Have Student Start the Process

FAFSA[®] FORM 2024–25

Welcome, Raya,
to the FAFSA[®] Form

I am starting the FAFSA form as a

Student 

Parent 

Previous Continue

The Term “Contributor” = Parent or Spouses

Understanding the FAFSA[®] Form

2 of 4

Contributors to the FAFSA[®] Form



Parents or Spouses

Your answers on the FAFSA form will determine if any contributors need to be identified. These contributors will complete their own sections of the form and are asked to provide personal and financial information, but will not become financially responsible for your education.



How to Invite

Contributors will need to log in with their own FSA ID to provide their information. To invite a contributor to your FAFSA form, you'll need to provide their name, date of birth, Social Security number, and email address.

Information or Documents You May Need

You might need the following information or documents as you fill out the FAFSA form:

- Tax returns
- Records of child support received
- Current balances of cash, savings, and checking accounts
- Net worth of investments, businesses, and farms

Previous

Continue

Invite Parents to your FAFSA[®] Form



You will need to provide information for your parents

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

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

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

Parent	Parent Spouse <small>optional</small>
<p>First Name Alcina</p>	<p>First Name </p>
<p>Last Name Tran</p>	<p>Last Name </p>
<p>Date of Birth Month Day Year 05 05 1973</p>	<p>Date of Birth Month Day Year </p>

- Double Check Contributor Biographical Information being entered. *Guessing (if you guess wrong) can cause you issues.*
- Email needs to match the FSA ID used by the Contributor
- Make sure you are using legal name and not nickname. *Ex: Jess vs. Jessica*
- If parents are married and filed a joint tax return, you will be asked to provide information for both as contributors, but only one needs to go in and complete.


Parent	Parent Spouse <small>optional</small>
<p>Social Security Number (SSN) [] SHOW ⓘ</p> <p><input type="checkbox"/> My parent doesn't have a SSN</p>	<p>Social Security Number (SSN) [] HIDE ⓘ</p> <p><input type="checkbox"/> My parent doesn't have a SSN</p>
<p>Email Address alcinatran@school.edu</p>	<p>Email Address </p>
<p>Confirm Email Address alcinatran@school.edu</p>	<p>Confirm Email Address </p>
<p>Invite Parent</p>	<p>Invite Parent</p>

Previous Continue

Dependent Student's Parent Contributor Email

Federal Student Aid

Help Complete [StudentFirstName]'s Form



[Contributor First Name],

[StudentFirstName] [StudentLastInitial] can't be eligible for federal student aid without your input. Help them complete the *Free Application for Federal Student Aid (FAFSA®)* form.

Providing information as a contributor does not make you financially responsible for [StudentFirstName]'s education costs. Completing the FAFSA form is how they qualify for student aid including

- Federal Pell Grants,
- federal student loans,
- state financial aid, and
- school financial aid.

[Log in with your FSA ID (account username and password) to complete your section.]

Note: Forms are deleted after 45 days of inactivity.

Don't recognize [StudentFirstname]? Read [\[Help topic title\]](#).



[Log In](#)

Why You Were Invited

Without your input, [StudentFirstName] won't be eligible for federal student aid.


Reasons To Finish Early


Here's why it's a good idea to finish as soon as possible:

-  States and schools have different deadlines for student aid. Check the ["FAFSA® Deadlines"](#) page for more information.
-  You may need extra time to make corrections after you submit.

Can't find [StudentFirstname]'s Form?

Read [\[help topic title\]](#).

 [Sign up for text alerts](#) to stay updated on our grant programs, loan forgiveness programs, repayment plans, and information about your loans.



This email was sent by: Office of Federal Student Aid
U.S. Department of Education
400 Maryland Ave, SW
Washington, DC, 20002, US

Please do not reply to this email. Messages sent to this email address are not monitored. If you wish to contact us, please use the [StudentAid.gov contact page](#). For more information about financial aid, visit [StudentAid.gov](#)

- If contributor doesn't complete this step the student will not be eligible for consideration of federal/state aid.
- Contributor must login to complete this process within 45 days of receiving the email or the student's application will be deemed inactive and the student will need to start the process over.
- If you can't find the email the contributor can login to the www.studentaid.gov to see if they have an pending invite.

Does a student really need to include parental income?

You need to meet the FAFSA criteria for being independent

- 24 or older (Born before Jan. 1, 2002) for the 25-26 school year
- Married
- Children of legal dependents other than spouse that student supports more than 50%
- Veteran on Active Duty
- An emancipated minor or legal guardianship by someone other than parent or stepparent as determined by the court in your state of residence (court custody differs from legal guardianship)
- At any time since turning 13 was/is an orphan, in foster care, or a ward of the court
- Unaccompanied Homeless Youth as documented by high school/district homeless liaison, authorized shelter administrator, financial aid administrator interview

*****Students filing independent on tax returns DOES NOT make them independent for financial aid purposes*****

Assets Reported on FAFSA

- ◇ Assets are reported as of the date you complete the FAFSA
- ◇ Assets should not be updated at a later date unless an error was made
- ◇ Cash, savings and checking accounts
- ◇ Investment Net Worth
 - ◇ Value of investments including Real Estate that is not your primary residence (Value minus Debt)
 - ◇ Does NOT include retirement accounts (values of 401k, 403b, pensions, non-education IRAs, Keogh plans, etc.)
- ◇ Business/Farm/Real Estate Net Worth
 - ◇ Value of Business or Farm minus any debts owed against them
- ◇ Annual Child Support Received

Special Circumstances

(Sometimes referred to as Financial Aid Appeals)

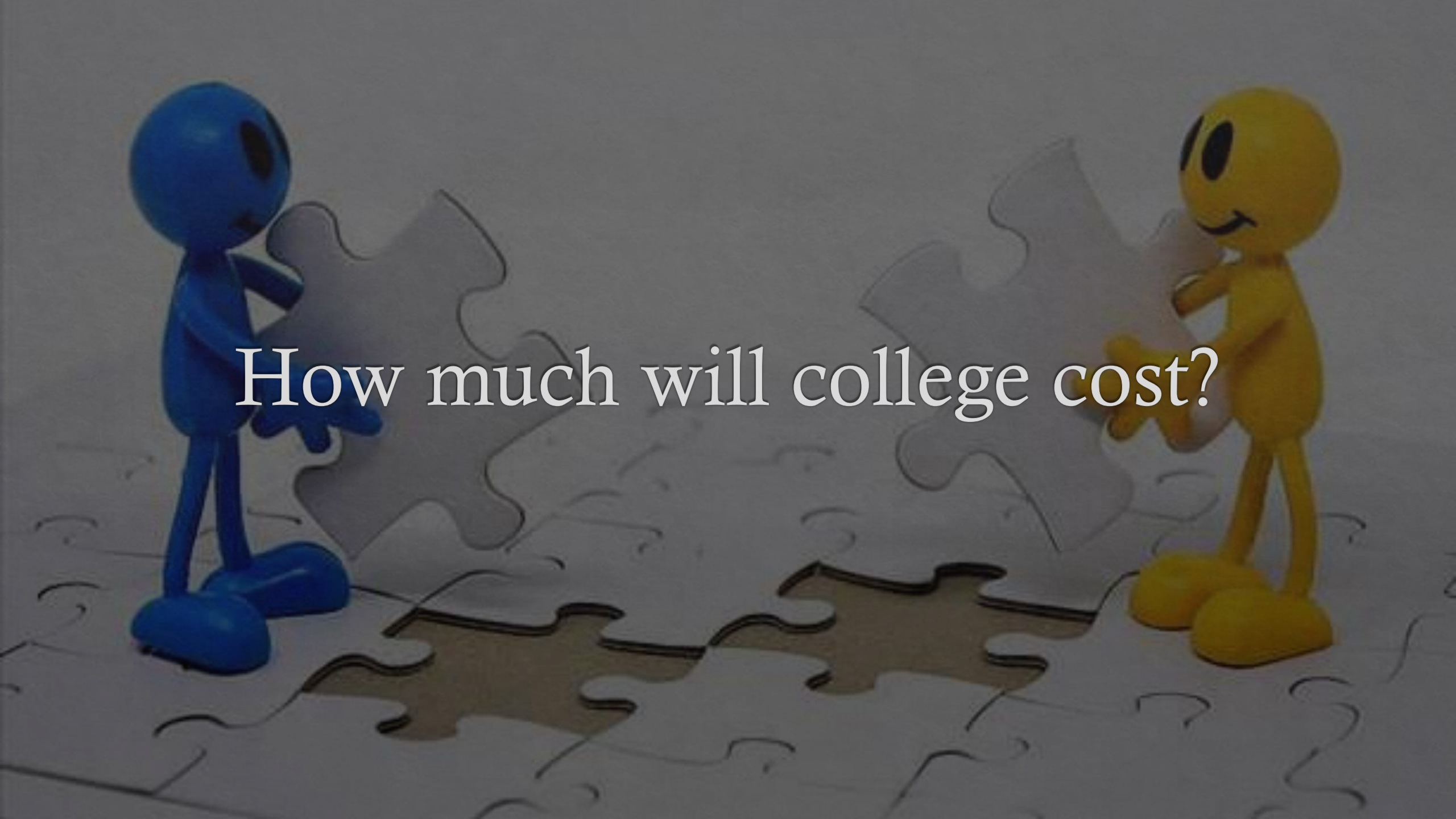
- ◆ Conditions that exist that cannot be documented with the FAFSA
- ◆ Contact the Financial Aid Office at the college/university to confirm their process for reviewing special circumstance appeals.
 - ◆ If applying to multiple schools, each school would have their own appeal process.
- ◆ College will review and request additional information if necessary
- ◆ Decisions are final and cannot be appealed to U.S. Department of Education

Special Circumstance Examples

- ◇ Homeless or Risk of Homelessness
- ◇ Unable to Provide Parent Info
 - ◇ **Does not mean** parents are unwilling to provide info or aren't paying for college
 - ◇ **Does not mean** student claims him/herself on federal income taxes
- ◇ Dependency Override
- Changes in family circumstances
 - Unemployment or income reduction
 - Marital status
 - Death of parent or spouse
 - Unusual uncovered medical/dental expenses paid out of pocket
 - Extraordinary Dependent Care Costs

Work with the Financial Aid Office

- ◇ Watch for requests from schools for any additional documents they may need to put together an Award Offer and submit as quickly as you are able.
- ◇ If you have questions about the process, contact the school so they can help walk you through what you need.

A blue stick figure on the left and a yellow stick figure on the right are standing on a light-colored surface covered with puzzle pieces. The blue figure is holding a large puzzle piece, and the yellow figure is also holding a large puzzle piece. In the center, a large puzzle piece is missing, creating a gap. The text "How much will college cost?" is overlaid in white serif font across the middle of the image.

How much will college cost?

Financial Aid Offer



Colleges will inform student of financial aid opportunities via an Award Offer

Depending on school the Award Offer may be provided via:

- Mail
- E-Mail
- Student may be advised to view on-line through the school's student portal


Timing of award offer will vary from college to college



Financial Aid Offer from each school will detail grants, scholarships, federal student loans and work-study opportunities available to the student at that school



Guide to determining your out-of-pocket costs (Net Price)



“Net Price” is the bottom line of what your education going to cost YOU.



Doing the Math

So...how do I figure out “Net Price”?

Published Price (Tuition, Fees, Housing, Food)

- Financial Aid (Scholarships, Grants)

= **Net Price**

Other Expenses to Consider



BOOKS AND
MATERIALS



SPECIAL COURSE
FEES



COMPUTER



EXTRA
ACTIVITIES OR
PRIVATE LESSONS

Don't Rule Out a
College Based on
Published Sticker Price!

North Star Promise Scholarship Program

Beginning Fall 2024, the North Star Promise Scholarship program provides tuition and fee-free pathway for eligible Minnesota Residents at eligible institutions as a "last-dollar" program by covering the balance of tuition and fees remaining after other scholarships, grants, stipends and tuition waivers have been applied.

North Star Promise-Who Is Eligible?

◆ Eligible students must:

- Be a Minnesota resident
- Have a family Adjusted Gross Income* (AGI) as reported on the Free Application for Federal Student Aid (FAFSA) or Minnesota Dream Act Application below \$80,000.
- Attend a Minnesota public higher education institution or Tribal College
- Not be in default on a state or federal student loan
- Be enrolled taking at least one credit
- Meet Satisfactory Academic Progress (SAP) standards
- Have not already earned a baccalaureate degree
- Be enrolled in a program or course of study that applies to a degree, diploma, or certificate
- For more information visit the MN Office of Higher Education Website
<https://www.ohe.state.mn.us/mPg.cfm?pageID=2590>

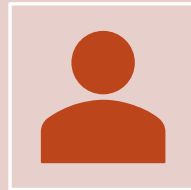
Do Private Colleges Qualify for the Northstar Promise?

- ◆ No, the Northstar Promise only applies to Public Institutions in MN
- ◆ However, some private colleges in MN are offering programs similar to the Northstar Promise so be sure to check with the colleges you are interested in.
- ◆ At Concordia College-Moorhead we have the Concordia Promise that covers 100% of standard full-time tuition for households with an Adjusted Gross Income under \$90,000 through a combination of federal, state, and Concordia Gift Assistance
 - ◆ This program applies to new incoming first-year or new transfer students who have not yet completed an undergraduate degree beginning in Fall 2025. Eligible students who apply for admission by Dec. 15, 2024, will automatically be in the program. After Dec. 15, 2024, qualified applications will be considered until May 1, 2025.
 - ◆ Must be eligible to file a FAFSA and have a FAFSA family Adjusted Gross Income (AGI) under \$90,000
 - ◆ The Concordia Promise does not cover housing, meal plans, fees, or any other additional costs outside of the standard full-time tuition.

Explore Options for “Fit & Feel”



Go on campus visits to get a feel for what the best college fit is



Submit Admissions Applications



Explore the colleges scholarship opportunities



Finish out the financial aid process to get the big picture on what the actual bottom line Net Price is.

EXTRA
Tidbits

The suspense is killing me.





- Make sure students are checking e-mails for correspondence from colleges
- Make sure that cell phones have voicemails set-up and voicemails are not full.
 - You don't want to miss important calls from Admissions Counselors & Financial Aid Staff.
 - If a college is contacting you for more information and you do not plan to attend that school, let their Admissions and/or Financial Aid Office know so they can discontinue following up for those items.

Student Loans are kind of like JoJo ...

They don't go away...No Matter how much you would like them too!




Communicate open and honestly as a family about finances including expectations and/or limitations.




Make sure to utilize the things that you are already paying for.

For example: If a student is attending a campus where they have a prepaid food plan: make sure to take advantage of that food plan and limit going out to restaurants to dine. By doing so they will eliminate doubling up on food expenses.



Talk as a family about cost effective or creative ways to live like a college student while being a college student.

For example: Thrift store shopping, taking advantage of student discounts, exploring public transportation versus bringing a car to campus, investing in a cheap coffee maker instead of trips to the local coffee shop, ramen is not that bad



Keep needs versus wants at the financial forefront including being mindful of the little luxuries that can really add up fast.



It all adds up!

Think about cost savings by breaking it down into reasonable scenarios

SUMMER EARNINGS

They are a difference maker!

EXAMPLE

$\$3000/\text{summer saved} = \12000 over a 4-year period





What Does It
Take To Get
There?

$\$3000$ over a 3-month summer break =
 $\$1000.00/\text{month}$

$\$1000$ divided by 4 weeks in a month = $\$250.00$
week

$\$250.00$ divided by $\$10.59/\text{hour}$ = 24 hours per
week estimate

24 hours/week divided by 8 hours/day = 3 days of
work a week estimate

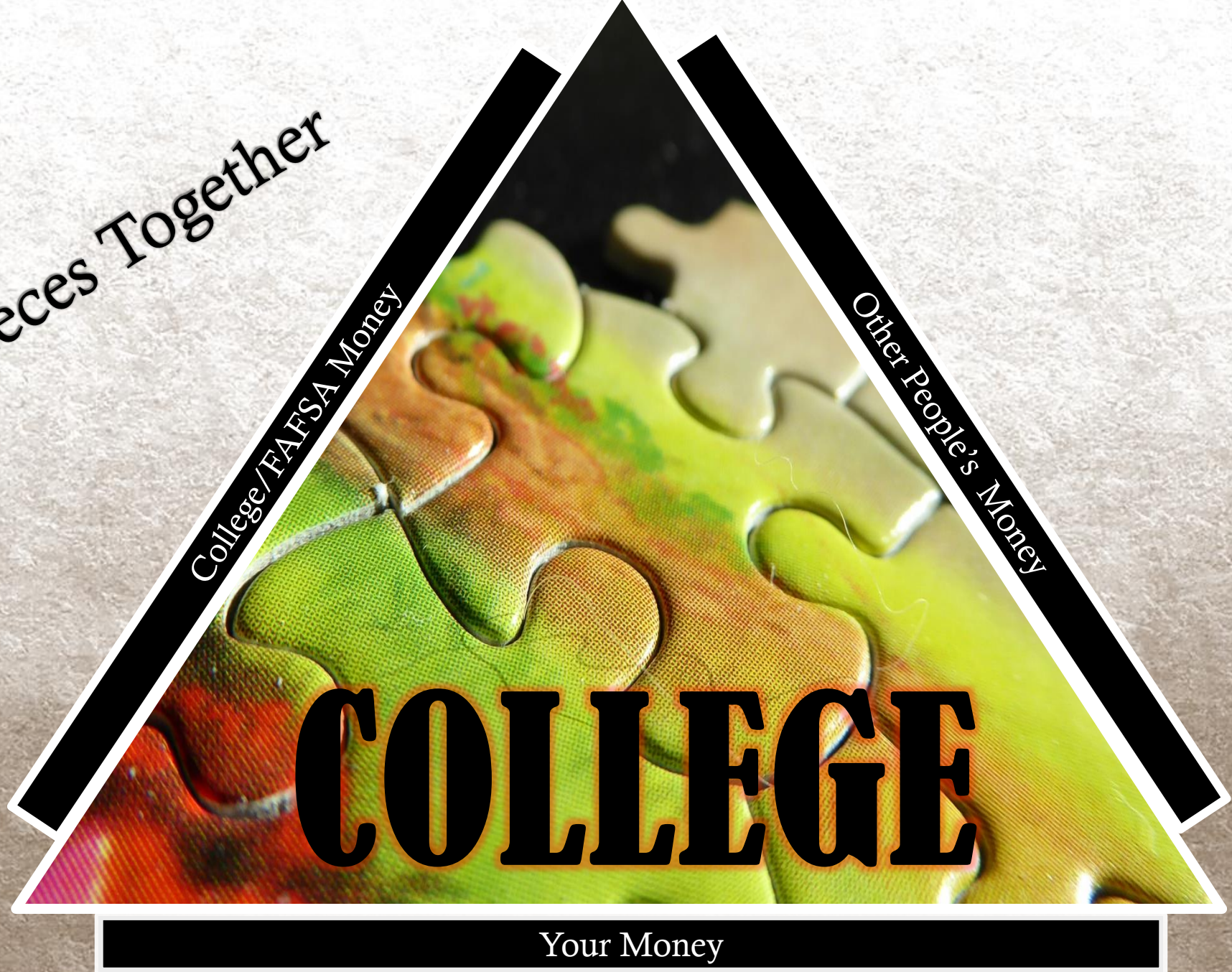
Putting the Pieces Together

College/FAFSA Money

Other People's Money

COLLEGE

Your Money



Q & A

