

FINANCIAL AID LITERACY

PRESENTED BY
MICHIGAN STATE UNIVERSITY
OFFICE OF FINANCIAL AID



Free Application for Federal Student Aid (FAFSA)

- Available December 2024 for the 25/26 year
- Helps determine financial need for college
- Confirms eligibility for certain requirements
- Necessary step for consideration for need-based scholarships and Grants
- No reason not to complete it

The 2025-26 aid year covers Fall 2025, Spring 2026, Summer 2026
MSU's school code is **002290**





Registering Your FSA ID

Necessary for anyone required
to access the FAFSA form

- If parent/guardian has FSA ID from previous FAFSA it will be the same
- Create security/lock out questions

You can create an FSA ID
without an SSN

- Dependent contributors: student, students' parent, and parent's spouse (if they did not file jointly with parent)
- Independent Contributors: student and student's spouse (if they did not file jointly with student)
- Contributors must provide the required information and sign their respective section for a FAFSA form to be considered complete



Key Features of the FAFSA

- Student, parent, and preparers need to complete and submit a new FAFSA every year
- Dependent students must invite their parent(s) via email to contribute to their form if parent information is required
- Independent students must invite their spouse to contribute to the student's form if spouse information is required
- Student and contributors must provide consent to retrieve and disclose federal tax information from the IRS for the student to be eligible for federal student aid



What Makes a Student Independent?

MUST SAY YES TO AT LEAST ONE OF THE FOLLOWING:

- Were you born before Jan. 1, 2002?
- As of today, are you married? (answer “No” if you are separated but not divorced)
- At the beginning of the 25-26 school year, will you be working on a master’s or doctorate program?
- Are you currently serving on active duty in the U.S. armed forces for purposes other than training?
- Are you a veteran of the U.S. armed forces?
- Do you have children or other people (excluding your spouse) who live with you and receive more than half of their support from you?



What Makes a Student Independent?

[continued]

- At anytime since you turned 13, were you an orphan (no living biological or adoptive parent)?
- At any time since you turned 13, were you a ward of the court?
- At any time since you turned 13, were you in foster care?
- Are you or were you a legally emancipated minor, as determined by a court in your state of residence?
- Are you or were you in legal guardianship with someone other than your parent or stepparent as determined by a court in your state of residence?
- At any time on or after July 1, 2023, were you unaccompanied and either (1) homeless or (2) self-supporting and at risk of being homeless?
- **PLEASE NOTE: Tax filing status has NO impact on dependency.**





Is My Parent a Contributor?

Parent's Marital Status	Provide Information for:
Married	One or both of your parents, depending on tax filing status (jointly or separately)
Unmarried, but parents living together	Even if they are not currently married to each other, if your biological/adoptive parents reside together, you must provide both parents' information on the FAFSA
Widowed	Your surviving parent
Remarried (after being widowed or divorced)	Parent and Stepparent
Divorced or separated	The parent that provided more financial support over the past 12 months. If parents provided 50/50 financial support, you would report the parent who has the greater income or assets
Single	Your parent



What Happens After I Complete the FAFSA?

If you are not selected for verification, your file will be packaged with aid

What if you are selected for verification?

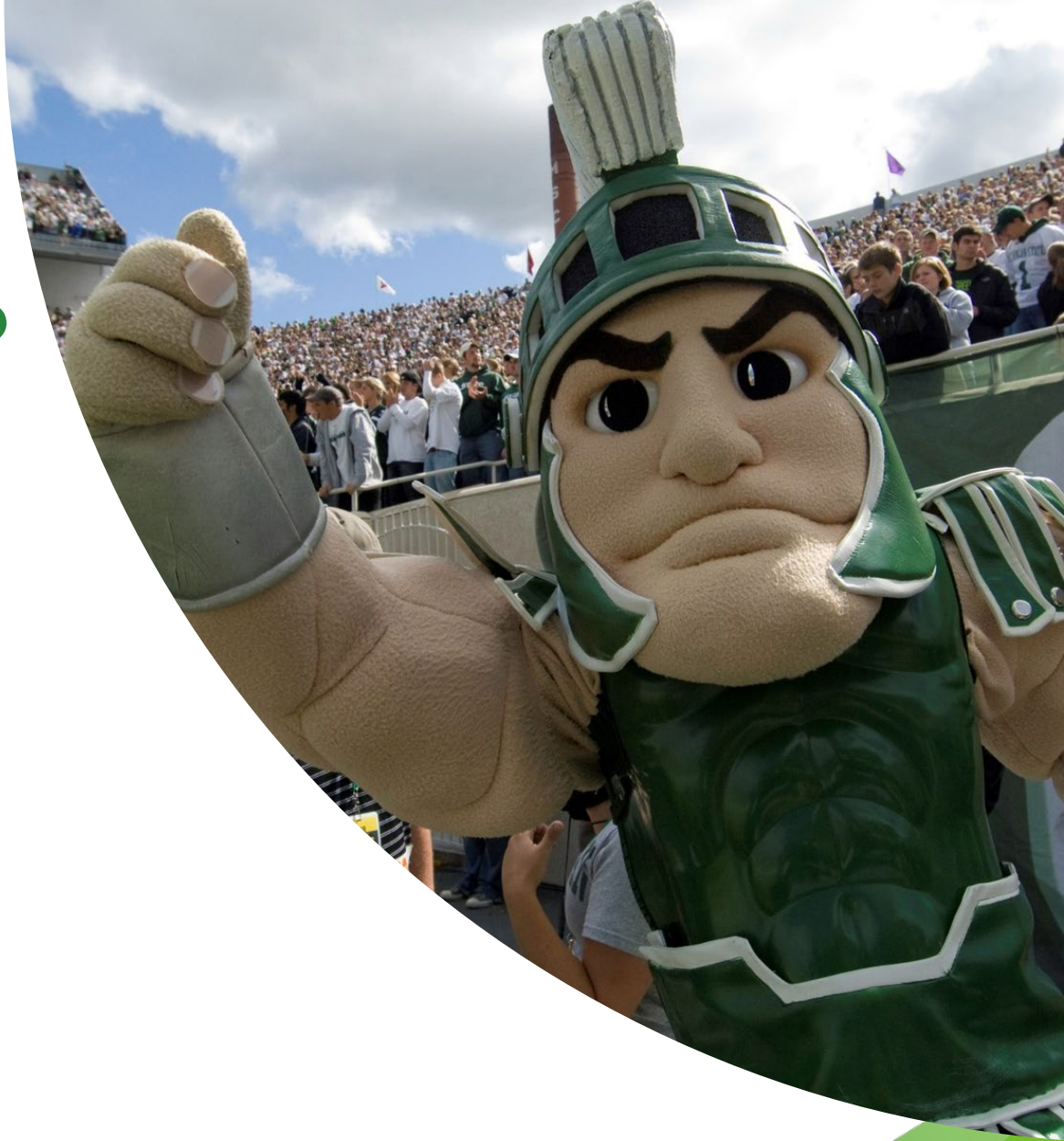
Most common documents requested

- Verification worksheet
- 2023 tax return \$ schedules
- 2023 W-2's

Most common documents request

- Tax preparer
- Tax preparation program
- Request a transcript on the IRS Website

After verification is complete, your file will be packaged with aid





What is Cost of Attendance?

Cost of Attendance (COA/Budget)	Direct Costs (Non-negotiable, set by and paid to the university)	Tuition (30 credits per year) Fees Food and Housing
	Indirect Costs (Needed but prices vary per student)	Books Personal Expenses



Types of Financial Aid

- Scholarships/Grants
- State of Michigan Aid
- Federal Aid
- Private Loans



Gift Aid

- Automatically accepted
- Typically split equally between Fall and Spring Semesters
- In most cases, does not need to be paid back

Scholarships

- Talent, merit, application based
- May be renewable
- Awarded by departments, organizations, private donors

Grants

- Eligibility based
- Requires yearly FAFSA
- Awarded by Office of Financial Aid



Gift Aid at MSU

01 SPARTAN TUITION
ADVANTAGE
Need based scholarship

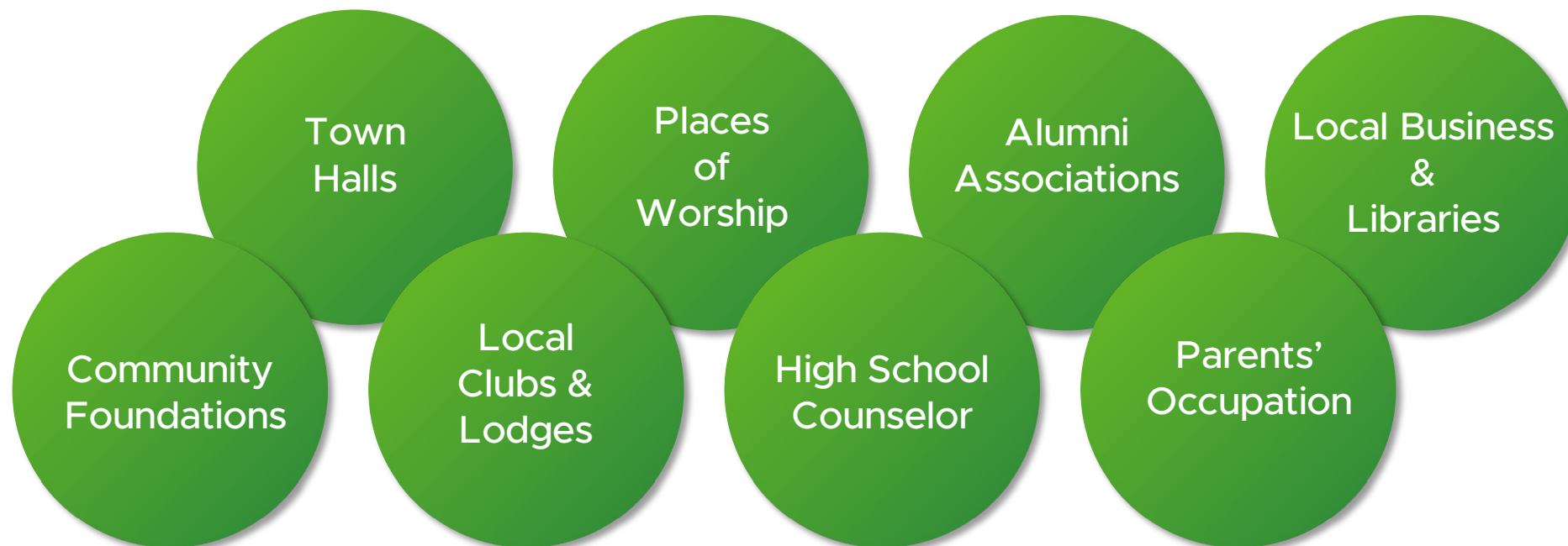
02 STUDENT AID GRANT
Need based scholarship

03 COLLEGE/DEPARTMENT
Varies

04 ADMISSIONS
Merit based awards



Where to Find Scholarships



Visit scholarships.msu.edu



Aid From State of Michigan & Federal Aid

STATE OF MICHIGAN AID

- Michigan Achievement Scholarship
- Tuition Incentive Program (TIP1, TIP2)
- Michigan Future Educator Stipend
- Michigan Future Educator Fellowship

Register and select MSU as school of choice by scanning the QR code:



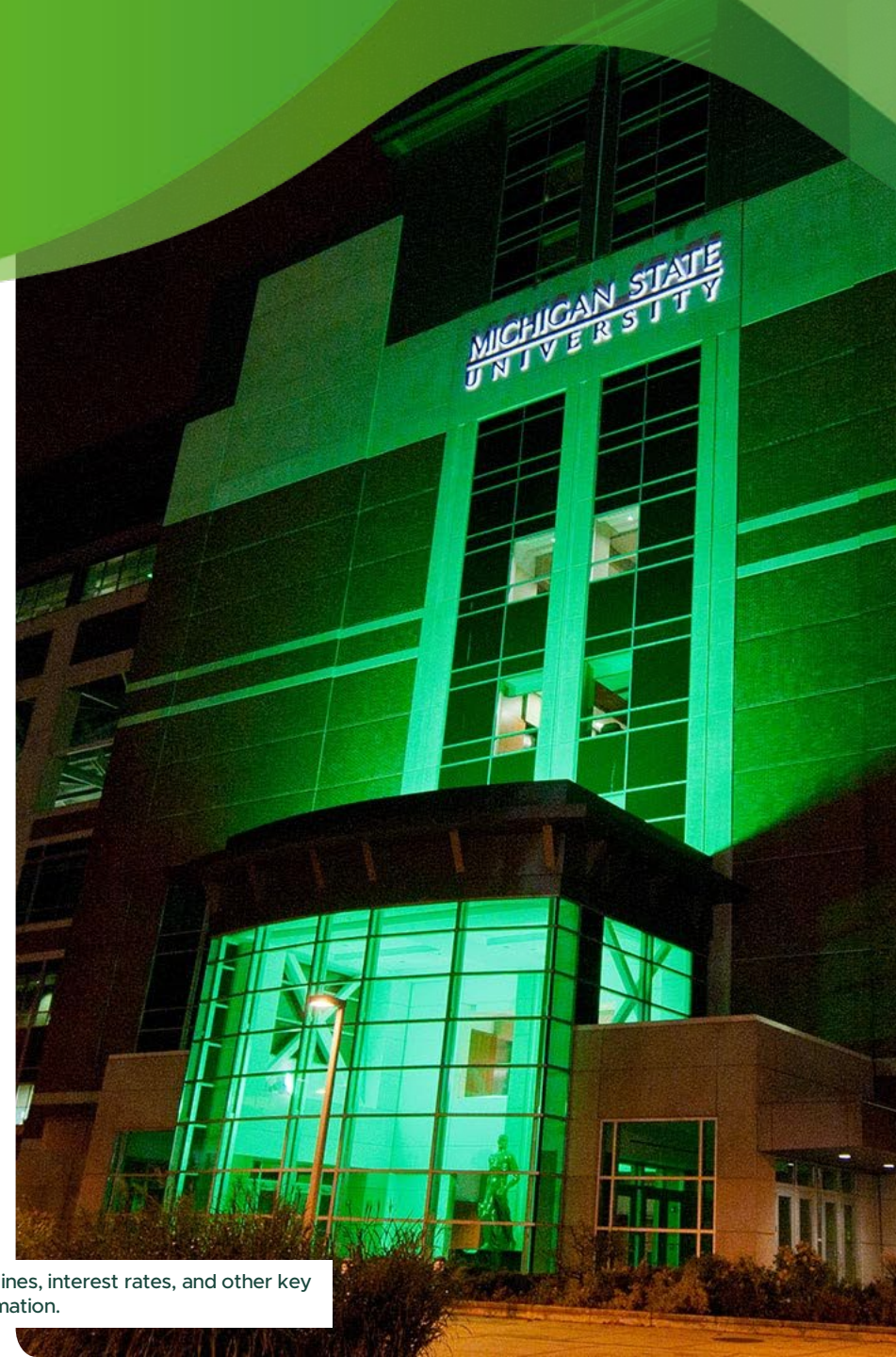
FEDERAL AID

- Pell Grant
- Supplemental Educational Opportunity Grant
- Direct Loans
- Work-Study
- TEACH Grant



Work-Study

- Helps to organize time and pay bills
- Pays directly to student, not to MSU account
- Resume builder
- Limit hours to between 10-15 per week
- Higher GPA among those who work



Federal Loans

Types of federal loans

- Subsidized
- Unsubsidized
- Direct Plus (Parent PLUS loan, requires separate application, completed by parent)

Accept subsidized/unsubsidized loans in student portal

Loans split equally between fall and spring semester

Do not need to be paid back until after graduation

- Only subsidized Loan defers interest; other two federal loans begin accruing interest upon disbursement





Comparing Loans

Undergraduate Subsidized	Undergraduate Unsubsidized
Interest free until 6 months after graduation or if you drop below half time for 6 months	Interest starts right away
Based on need	Not based on need
Requires a yearly FAFSA	
Do not have to start paying on loans until after 6 months of graduation	
Same interest rates- 6.533% (July 1, 2024-July 1, 2025)	

Parent PLUS
Parent applies
Interest 9.083% (July 2024-June 2025)
Credit based



Private Loan Options

Visit your local bank/credit union

Usually has the lowest interest rates compared to other private loan lenders

Investigate private lenders

Visit ELMSelect.com

Differences between federal and private loan options

- Interest rates usually higher with private loans
- Subject to credit approval
- Interest rates vary from lender to lender
- Repayment terms not as flexible as federal loans
- FAFSA is not required for private loans





Professional Judgment Applications

If any of the following has occurred, please contact our office to request the review worksheet

- Change in income (job loss, divorce, change in job status)
- One-time financial gain (inheritance, retirement)
- Death of parent or spouse
- Significant medical or dental expenses
- Other unusual circumstances

Typically, tax information and other documentation is required to be submitted for review





THANK YOU!

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Introducing: The Spartan One-Stop

Beginning October 28, phone and email advising will be handled by the new **Spartan One-Stop**. They will offer services related to student accounts, financial aid, and the registrar via phone, email, and the One-Stop website.

517.355.3300

onestop@msu.edu



Information in this presentation from the MSU Office of Financial Aid is accurate as of [DATE]. Deadlines, interest rates, and other key details will vary over time. Visit finaid.msu.edu for the most current information.