

How Does It Work?

Financial aid, in its federal design, is designed to cover the gap between what your family can afford to pay and what Northland costs. A family's ability to pay is determined by the FAFSA (Free Application for Federal Student Aid). Almost all Northland students receive some sort of assistance (work study, scholarships, grants, gift aid, etc.) Some colleges will use an Institution Methodology (IM) to calculate their scholarships and programs. Northland uses the Federal Methodology (FM) as calculated in the FAFSA. If this calculation is inaccurate, please work with the aid office so we can understand your true financial need.

How is the family contribution calculated?

We refer to this as the EFC (Expected Family Contribution). The FAFSA calculates this for us. However, we realize there are sometimes extenuating circumstances that must be taken into account. We will rely on students and/or parents to communicate these circumstances to us using the Special Circumstances form located on our website. There are strict parameters that govern the way we use federal funds.

The EFC does not reflect current money in the bank. For most families, that would be a very small number considering the demands on a family's finances. The EFC is a reflection of the family's ability to finance the education through cash contribution and borrowing options. Please understand the various types of aid that could be included in your aid package:

1. Scholarships/Grants

This is free money that is not to be repaid. You do not need to do anything to "earn" these funds. Some will come from the federal government, while other programs are funded through the state or Northland.

2. Work Study

This is earnings a student is paid for employment on campus. There are two options for the work study program. The first is Northland Work Study, paid at the Northland contracted rate. A student is hired to work on campus, and they are paid at a sub-minimum wage rate. (Please contact the work study coordinator for specific rate information as it varies for each job and student.) The second option is the Federal Work Study (FWS) program which is identical to Northland Work Study except for the pay rate. This is a federally subsidized program that allows Northland to pay students \$8.50-\$13 per hour. A student is granted a FWS award for \$1,000. This means the student's first \$1,000 of earnings is 75 percent subsidized through the federal government program. Once the \$1,000 is earned, the remainder of the year will be paid at the Northland contracted rate.

3. Loans

These are the last resort for all aid packages. Northland currently works with four loan programs. They include:

- Stafford Subsidized Loans
- Stafford Unsubsidized Loans
- PLUS (Parent Loans for Undergrad Students)
- Private/Alternative Loans

The loan programs would be packaged in this order with the least expensive program offered first. Please read our Loans article on our website for a complete description of these programs and their availability to you.

How do I receive the money?

For federal aid, the money is sent to Northland and we apply it directly to your student account. The money is handled electronically using your social security number as the identifier. You will see this posted as a credit to your student account.

For loan funds, these are sent electronically from the lender to Northland's account. We then post these to you in the same manner as the federal earnings.

For work study, these are paid to you every other Friday in the form of a credit to your student account. Once your account is paid in full, you (student) may request to receive your work study earnings in a check.

What if my circumstances change throughout the year?

There are times when a parent is laid off for a time or other financial obligations must be met. The number one suggestion is to communicate. Talk with the Financial Aid Office staff or Business Office staff to make a plan.