

PAYING FOR YOUR STUDY ABROAD TRIP

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Complete your Study Abroad Financial Aid Questionnaire online (in order to determine the specific costs of your trip) through your Study Abroad Student Portal: www.ndsu.edu/international/studyabroad. Students participating in faculty-led programs may meet directly with a Financial Aid Counselor in Student Financial Services, 202 Ceres Hall. Please call Bison connection at 231-6200 to schedule an appointment for the meeting.

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Are you planning to use federal (FAFSA-based) financial aid and/or alternative loans to fund your trip?

Yes...

- ✓ If you have not completed a current year FAFSA, you should do so immediately at www.fafsa.gov.
- ✓ Call Bison Connection at 231-6200 to schedule a meeting with a Financial Aid Counselor in Student Financial Services, 202 Ceres Hall. In this meeting, you will discuss options available to help assist you with paying your study abroad expenses. Note: Most students have already been awarded the maximum amount of aid they are eligible for through FAFSA. However, many students opt to borrow an alternative student loan to fund their trip abroad. The Financial Aid Counselor will help you determine how much to borrow.
- ✓ If you choose to borrow an alternative loan to fund your study abroad, you will be required to complete a separate application online. You will also need to secure a co-signer with good credit prior to applying for the loan. The Financial Aid Counselor will give you more information on the different alternative loans available.
- ✓ If you are working with a Study Abroad Provider, they may ask for pre-payment of program cost and/or fees. Your Financial Aid Counselor may be able to give the Provider an estimate of your financial aid award, along with NDSU's projected disbursements date so you can defer payment of up-front costs. Generally, the Provider will give you a "Verification of Awards" form for your Financial Aid Counselor to complete.
- ✓ If you are borrowing a high amount in alternative loan(s) to fund your trip, it will increase your monthly payments after you graduate! Check out the impact here: www.finaid.org/calculators/loanpayments.phtml.

No...

- ✓ If your program is an NDSU or ISEP program, please contact Bison Connection (main level of the Memorial Union) to be certain that your payment will be received when any semester charges at NDSU are due, particularly if you will be abroad when the charges are due!
- ✓ If your program is not an NDSU or ISEP program, be certain you contact the Program Provider to make sure any payments due are received by their deadline.

While abroad, remember to...

- Complete your FAFSA for next year!
- Register for the upcoming semester!



Financial Aid for Study Abroad: Questions & Answers

Q: Will I be able to afford a trip abroad?

A: The answer to this question varies depending on each student's situation. If you plan to pay for most, if not all, of your expenses through loans, then you will be able to afford the trip as long as you meet the criteria to get an alternative loan, which includes a co-signer with good credit.

Q: What kind of financial aid is available to help me pay for a trip abroad?

A: Students studying abroad fall and/or spring semester typically utilize loans, both federal and alternative, to fund their trip. Students interested in a study abroad trip during the summer are often limited to alternative loans because most have already utilized their full federal loan eligibility during the prior fall and spring semesters.

Q: What's the difference between a federal loan and an alternative loan?

A: A federal loan does not require a co-signer or a credit check – it is awarded after the student completes the FAFSA at www.fafsa.gov. There are two types of loans, subsidized (non-interest bearing) and unsubsidized (interest bearing). An alternative loan on the other hand does require a credit check and a co-signer for approval and they are all interest bearing. Additionally, alternative loans require the FAFSA be completed, as well as a separate online loan application through the lender/bank's website.

Q: Are there scholarships available?

A: General and departmental scholarships are available but limited, and most are awarded by April prior to the term(s) of study abroad. Scholarship options specifically for studying abroad should be discussed with your Study Abroad Advisor.

Q: What if I have early costs associated with my trip? How do I pay for them?

A: Often times, students use savings or help from parents to cover early costs. Borrowing an alternative loan the semester prior to studying abroad may also be an option. A Financial Aid Counselor will help you determine what your options are.

Q: When should I meet with a Financial Aid Counselor to discuss my financing options for studying abroad?

A: If you plan to use federal financial aid and/or alternative loans to help pay your expenses, you should have a preliminary meeting with a Financial Aid Counselor after you have met with your study abroad advisor. Unless your trip is faculty-led, you will need to complete the online Study Abroad Questionnaire as well. After that, contact Bison Connection to schedule an appointment with a Financial Aid Counselor. The first meeting typically entails discussion of the costs, along with what resources are available to pay for them (i.e. savings, parental contribution, federal/alternative aid). A second meeting to go over costs and payment in more detail should be scheduled approximately two months prior to your departure. Generally, a follow-up meeting is scheduled prior to your departure to ensure you have completed all steps necessary for your aid to disburse on time.

Note: If your study abroad is during the summer term and you have early costs such as airfare, you may wish to borrow an alternative loan during the spring semester. In this case, you will need to meet with a Financial Aid Counselor at least one month prior to the end of the spring term.

Q: What if additional costs come up while I'm abroad and I'm unable to pay?

A: You will need to contact both your Financial Aid Counselor and your Study Abroad Counselor in order to see if these costs can be considered. If so, you would most likely be borrowing another alternative loan to cover the added costs.

Q: How will the increased costs of study abroad impact my loan debt?

A: Once you know both how much you need to borrow and what the interest rate is, you can use a loan calculator to estimate your monthly payments after graduation: <http://www.finaid.org/calculators/loanpayments.phtml>. Additionally, it is important to evaluate your overall federal student loan debt – you can do this on-line: www.nsls.ed.gov.

Q: How will I be able to access my financial aid once I'm out of the country?

A: If you are relying on financial aid to support you (in part if not entirely), you have two options:

1. Complete a Direct Deposit Form (available at Bison Connection) – this form allows your financial aid refund to transfer automatically from your NDSU student account to a personal bank account. Also be certain you will be able to access your personal bank account while abroad.
2. Grant POA (Power of Attorney) to a close family member – this will allow your family member to sign a paper financial aid refund check in your absence and deposit it into a personal bank account that you specify.