

**Guidance Memorandum**

To: Minnesota North Star Promise Campus and System Administrators

From: Meghan Flores, State Financial Aid Program Manager  
Tara Winchester, North Star Promise Administrator

Subject: Updates to the 24-25 and 25-26 North Star Promise (NSP) Program

Date: February 20, 2025

On February 6, 2025, the MN Office of Higher Education (OHE) published State Grant and North Star Promise spending projections for FY25, FY26, and FY27.

**In FY25**, for the Office of Higher Education to address the projected shortfall for North Star Promise Base in FY26, there are insufficient funds available for North Star Promise **Plus** awards for the summer 2025 term. Therefore, campuses are instructed to only award North Star Promise Base awards and no North Star Promise Plus awards for the summer 2025 term.

**In FY26**, the North Star Promise program is projecting a spending deficit when compared to available resources. To address this deficit, the following guidance is being issued for 2025-2026:

- The NSP Plus match will be set at 0%. There will be no NSP Plus awards for the fall 2025, spring 2026, or summer 2026 terms.
  - Align “mandatory fee” with the State Grant Program’s definition. Beginning in 2025-2026, mandatory fees for North Star Promise will only include the fees in the institution’s State Grant budget. If a fee is not included in the institution’s budget for State Grant, it is not considered mandatory for the purposes of the North Star Promise award calculation.
  - Amend eligible “tuition” for purposes of calculating North Star Promise base awards. Beginning 2025-2026, the tuition considered will only include *resident\** undergraduate tuition charged to students who began attendance in *aid eligible* courses. North Star Promise will not cover non-resident or graduate tuition rates, tuition charged for non-aid eligible courses, or tuition charged to students who never began attendance in a class or classes. North Star Promise will continue to include differential tuition rates in the award calculation (except study abroad).
    - Tuition for Study Abroad/Away programs can still be included in the North Star Promise award calculation; however, it will be capped at the institution’s resident undergraduate tuition rate, or the rate the student would have been charged if they remained on campus. Mandatory fees remain included in the award calculation for study abroad/away.
- \*Pending approval of proposed technical amendment in 2025 MN Legislative session.**
- If an enrollment change (after census/add-drop date) causes an NSP award re-calculation, and the NSP award has already disbursed, the NSP award amount will not increase.

**Action steps for NSP eligible institutions:**

- Share this information with other department across your campus and make the appropriate updates to web content, communication materials, and communication flow to students.
- Take necessary steps to refrain from packaging North Star Promise Plus awards for Summer 2025 term, or remove any Plus awards already packaged for Summer 2025.
- Collaborate with your IT provider, on-campus or system level IT staff to modify software accordingly.

**In the coming weeks, OHE will take steps to:**

- Update web content, and North Star Promise toolkit, and publications.
- Answer your questions related to these changes.
- Work to update the 2025-2026 NSP Program Manual (final version available in summer 2025).

Our understanding has been significantly broadened during this first year of the North Star Promise Program. We will continue to assess, improve and refine the program administration and align the program to spend within available resources.

This memo is serving as a point-in-time update on the North Star Promise program. OHE is committed to sharing information and updates as readily as they become available. There may be additional updates as we progress through the semester and summer term. Upon the conclusion of the 2025 legislative session and the public systems setting final tuition rates, OHE plans on providing final North Star Promise guidance by way of the 2025-2026 program manual.