



Common Financial Aid Terms

Award Letter

The document you receive from a college that explains the terms of the financial aid that the college is offering you. The information includes the types and amounts of financial aid offered, what you're expected to do to keep the award and a deadline for accepting the award.

Bursar/Student Accounts

The college office responsible for handling billing and payments for tuition, fees, housing and other related expenses.

Cost of Attendance

The total amount of college expenses before financial aid. Cost of attendance includes money spent on tuition and fees, room and board, books and supplies, and living expenses.

CSS Profile

A financial aid application used by more than 300 colleges, universities and private scholarship programs to award their financial aid funds. The College Board offers this service..

Enrollment Status

A classification based on the number of credit-hours you're taking; for example, your enrollment status may be full-time or half-time. Some loans or aid may be available only to students with a certain enrollment status, usually half-time or more.

EFC

A measure of your family's financial strength. States and colleges use this number to help determine your financial aid award. The EFC is calculated using information you supply about your family's financial circumstances.

Financial Aid

Money given or loaned to you to help pay for college. Financial aid can come from federal and state governments, colleges, and private and social organizations.

Financial Aid Office

The college office responsible for processing all financial aid for students. This includes determining student eligibility, collecting required paperwork, developing award packages, notifying students, providing information and resources to assist students in paying their college costs.

FAFSA

The free application form you submit to apply for federal financial aid. It is required for all students seeking federal student grants, work-study programs and loans. Most colleges require it as well. The FAFSA may also qualify you for state-sponsored financial aid.

Grant

A kind of "gift aid" — financial aid that doesn't have to be paid back. Grants are usually awarded based on need.

Loan

Money you borrow from the government, a bank or another source. Loans need to be paid back, usually over an agreed period of time. You will most likely also have to pay interest on a loan — a fee for borrowing the money.

Merit Aid

Financial aid given to students based on their personal achievements. Most scholarships are considered merit aid, as they are generally awarded for success in school, the arts, athletics or another area.

Need

The difference between your expected family contribution (EFC) and the total cost of attendance for a particular college.

Net Price

The true amount a student will pay for a college:

A common definition of "net price" is the **full cost of attendance** at a college (including room and board, supplies, and other expenses) minus the gift aid and education tax benefits.

Net Price Calculator

An online tool that gives you a personalized estimate of what it will cost to attend a specific college. Most colleges are required by law to post a net price calculator on their websites.

Outside Scholarship

Also called "private scholarship." A scholarship offered by a private organization — not the government or a college. Outside scholarships are offered by all kinds of groups, individuals, corporations and nonprofit organizations.

Priority Date

The date by which your application — whether it's for college admission, student housing or financial aid — must be received to be given the strongest consideration. Since financial aid is often limited, meeting the priority date is important to be eligible to receive funds.

SAR (Student Aid Report)

The report sent to your family after you submit the Free Application for Federal Student Aid (FAFSA) that tells you the expected family contribution (EFC).

Scholarship

A kind of "gift aid" — financial aid that doesn't have to be paid back. Scholarships may be awarded based on merit or partially on merit. That means they're given to students with certain qualities, such as proven academic or athletic ability.

Work-Study

A program that allows students to take a part-time campus job as part of their financial aid package. To qualify for the Federal Work-Study Program, which is funded by the government, you must complete the Free Application for Federal Student Aid (FAFSA). Some colleges have their own work-study programs.