

Types of Aid

- **Loan:** Borrowed money that must be repaid with interest. Students and/or parents are required to sign a promissory note when accepting an educational loan.
- **Merit-Based Aid:** Aid given based on a student's skill or ability. Example: A merit-based scholarship might be awarded based on a student's high grades.
- **Grants and Scholarships:** Financial aid that doesn't need to be repaid. Grants and scholarships are normally directly applied to your student account and may have certain conditions in order to maintain your eligibility.
- **Need-Based Aid:** Aid given based on a student's financial need. Example: A need-based grant or loan might be awarded based on a student's low income.

FAFSA Terms

- **FAFSA Form:** Stands for the Free Application for Federal Student Aid. Located at fafsa.gov, the FAFSA form is the free application used to apply for federal student aid, such as federal grants, loans, and work-study.
- **FSA ID:** The FSA ID is a username and password combination that serves as a student's or parent's identifier to allow access to personal information in various U.S. Department of Education systems and acts as a digital signature on some online forms.
- **Federal School Code:** An identifier that the U.S. Department of Education assigns to each college or career school that participates in the federal student aid programs. In order to send your FAFSA information to a school, you must list the school's Federal School Code on your application. A list of Federal School Codes is available at fafsa.gov. WashU's School Code is 002520.
- **Expected Family Contribution (EFC):** This is the number that's used to determine your eligibility for federal student financial aid. This number results from the financial information you provide in your FAFSA® form. Your EFC is reported to you on your Student Aid Report (SAR).
- **Student Aid Report (SAR):** A summary of the information you submitted on your FAFSA form. You receive this report (often called the SAR) via email a few days after your FAFSA form has been processed or by mail within 7-10 days if you did not provide an email address. If there are no corrections or additional information you must provide, the SAR will contain your EFC, which is the number that's used to determine your eligibility for federal student aid.
- **Verification:** The process your school uses to confirm that the data reported on your FAFSA form is accurate. Your school has the authority to contact you for documentation that supports income and other information that you reported.

Other Helpful Terms

- **Financial Aid Package:** The total amount of financial aid (federal and nonfederal) a student is offered by a college or career school. The school's financial aid staff combines various forms of aid into a "package" to help meet a student's education costs.
- **Financial Need:** The difference between the cost of attendance (COA) at a school and your Expected Family Contribution (EFC). While COA varies from school to school, your EFC does not change based on the school you attend.
- **Lifetime Eligibility Used (LEU):** The amount of all Federal Pell Grant aid (in percentage) awarded to you, divided by the amount of Pell Grant aid you would have been eligible to receive based on full-time enrollment. The amount of Federal Pell Grant funds a student may receive over his or her lifetime is limited by federal law to be the equivalent of six years of Pell Grant funding.
- **Disbursement:** Payment of federal student aid funds to the student by the school. Students generally receive their federal student aid in two or more disbursements.

Federal Student Aid

Financial aid from the federal government to help you pay for education expenses at an eligible college or career school. You must complete the FAFSA form to apply for this aid. Types of federal aid include:

- **Federal Pell Grant:** A federal grant for undergraduate students with financial need.
- **Federal Work-Study:** A federal student aid program that provides part-time employment while the student is enrolled in school to help pay his or her education expenses. The student must seek out and apply for work-study jobs at his or her school. The student will be paid directly for the hours he or she works and the amount he or she earns cannot exceed the total amount awarded by the school for the award year. The availability of work-study jobs varies by school.
- **Federal Student Loan:** A loan funded by the federal government to help pay for your education. A federal student loan is borrowed money you must repay with interest.
- **Subsidized Loan:** A loan based on financial need for which the federal government generally pays the interest that accrues while the borrower is in an in-school, grace, or deferment status, and during certain periods of repayment under certain income-driven repayment plans.
- **Unsubsidized Loan:** A loan for which the borrower is fully responsible for paying the interest regardless of the loan status. Interest on unsubsidized loans accrues from the date of disbursement and continues throughout the life of the loan.
- **Direct PLUS Loan for Graduate or Professional Students:** A loan available to graduate students and parents of dependent undergraduate students for which the borrower is fully responsible for paying the interest regardless of the loan status.

Additional Loan Terms

- **Entrance Counseling:** A mandatory information session that takes place before you receive your first federal student loan that explains your responsibilities and rights as a student borrower.
- **Exit Counseling:** A mandatory information session that takes place before you graduate or drop below half-time enrollment that explains your loan repayment responsibilities and when repayment begins.
- **Master Promissory Note (MPN):** A binding legal document that you must sign when you

get a federal student loan. The MPN can be used to make one or more loans for one or more academic years (up to 10 years). It lists the terms and conditions under which you agree to repay the loan and explains your rights and responsibilities as a borrower. It's important to read and save your MPN because you'll need to refer to it later when you begin repaying your loan or at other times when you need information about provisions of the loan, such as deferments or forbearances.

Dependency Status

- **Dependent Student:** A student who does not meet any of the criteria for an independent student and is therefore considered a dependent of their parent(s) for the purposes of financial aid awarding.
- **Independent Student:** An independent student

is one of the following: at least 24 years old; married; a graduate or professional student; a veteran; a member of the armed forces; an orphan; a ward of the court; someone with legal dependents other than a spouse; an emancipated minor; someone who is homeless or at risk of becoming homeless.

- *In some rare cases, a student may request a dependency override to receive independent status. These are granted on a case-by-case basis. Some examples of unusual circumstances can include: death of a parent; incarceration or institutionalization of both parents; parental drug use; parental mental incapacity; parent whereabouts unknown; student voluntary and involuntary removal from parents' home due to abuse that threatens the student's safety and/or health; student abandonment by parents. For additional information visit, studentaid.gov/apply-for-aid/fafsa/filling-out/dependency.*

More information at: <https://studentaid.gov/help-center/answers/topic/glossary/articles>.