Accredited institutions: Entities that meet specific standards for educational programs, as determined by regional or national accrediting associations.

Assets: Students’ and students’ parents’ cash on hand in checking, savings, trusts, stocks, bonds, other securities (i.e., real estate, income-producing property, business equipment, and business inventory) is considered in determining expected family contribution (EFC).

Award Letter: A letter notifying financial aid applicants of the assistance being offered. The award letter usually provides information on the types and amounts of aid offered, as well as specific program information, student responsibilities, and the conditions which govern the award. The award letter generally provides students with the opportunity to accept or decline the aid offered. The acceptance form and the award letter are often the same document or combined in the same notification.

Budget: The estimated cost of attendance for an institution; usually includes tuition, fees, books, supplies, room and board, personal expenses, and transportation. Other expenses may be included depending on circumstances. (See Cost of Attendance)

Campus-Based Programs: The Federal Perkins Loan, the Federal Supplemental Educational Opportunity Grant (FSEOG), and the Federal Work Study Program (FWS). These three programs are called “campus-based” because the funds are administered directly by the school’s financial aid office, which awards these funds to students using federal guidelines.

Citizen/Eligible Non-Citizen: Students must be one of the following to receive federal student aid: U.S. Citizen; U.S. National (includes natives of American Samoa or Swain’s Island); U.S. permanent resident who has an I-151, I-551, or I-551C (Alien Registration Receipt Card).

Commuter Student: A student who is not a resident student; typically, “commuter” refers to a student living at home with his or her parents.

Cost of Attendance: The amount it should cost the student to attend a particular institution for a specific academic and award period. The student’s cost of attendance includes tuition and fees, books and supplies, and the student’s living expenses while attending school. The cost of attendance is estimated by the school within a set of guidelines established by federal regulation. The cost of attendance is compared to the student’s expected family contributions to determine the student’s need for aid. Also known as cost of education or budget.

Eligible Institution: An institution of higher education, a vocational school, a postsecondary vocational institution, or a proprietary institution of higher education which is approved for participation in the federal student aid programs by the U.S. Department of Education and/or in state programs offered by the state education departments.

Eligible Program: A program of education or training leading to a degree or certificate at a school participating in one or more of the student aid programs, that complies with the procedures established in regulations governing the Title IV programs. The eligibility of a program determines whether a student in that program can receive federal financial assistance.

Employee-related scholarship/student loans: Scholarships and student loans to current or former company employees and/or their families.
**Expected Family Contributions (EFC):** This is the amount the federal government has determined to be the student’s/parent’s contribution toward the student’s educational expenses. It is calculated based on data provided on the Free Application for Student Financial Aid (FAFSA).

**Exchange program:** A program that sends students to study in other countries and allows students from those countries to exchange places with its participants.

**Fellowships:** Programs that award stipends to individuals for tuition, travel, books, and other costs of research and study.

**Federal Stafford Loan (subsidized and unsubsidized):** Low interest loans that are made to students attending school at least half-time. Loans are made by a lender such as a bank, credit union, or savings and loan association. These loans are insured by the guaranty agency in each state and reinsured by the federal government. If the loan is unsubsidized, the student will be responsible for paying the interest while enrolled in school. Repayment rates will vary between the subsidized and unsubsidized loans under this program.

**Federal Pell Grant:** A federal award to help undergraduates with exceptional financial need pay for their education after high school. Maximum award for the 1998–99 award year is $3,000. An undergraduate is defined as one who has not earned a bachelor’s or professional degree.

**Federal Perkins Loan:** A low-interest (5%) loan to help students pay for their education after high school. These loans are for both undergraduate and graduate students with exceptional financial need as determined by the school. For undergraduate students, priority is given to Federal Pell Grant recipients. Federal Perkins Loans are made through a school’s financial aid office.

**Federal Supplemental Educational Opportunity Grants (FSEOG):** One of the campus-based programs. Grants to undergraduate students of exceptional financial need who have not completed their first baccalaureate degree and who are financially in need of this grant to enable them to pursue their education. Priority for FSEOG awards must be given to Federal Pell Grant recipients. Maximum awards are $4,000 per award year.

**Federal Work-Study (FWS):** Provides part-time employment to students attending institutions of higher education who need the earnings to help pay the costs of their postsecondary education. FWS gives students an opportunity to earn money to help pay their educational expenses. The program typically is administered by the college itself.

**Fellowship:** A grant or money for postgraduate study, which may require teaching for research.

**Financial Aid Award:** An offer of financial or in-kind assistance to a student attending a postsecondary educational institution. This award may be in the form of one or more of the following types of financial aid: Repayable loan, a non-repayable grant and/or scholarship, and/or student employment.

**Foundation (private):** A nongovernmental, nonprofit organization with funds (usually from a single source, such as an individual, family, or corporation) and a program managed by its own trustees or directors. Private foundations are established to maintain or aid social, educational, religious, or other charitable activities serving the common welfare, primarily through the making of grants.

**Foreign Student:** A student belonging to or owing allegiance to another country. Foreign students are not eligible for the basic federal programs, although there are categories of non-U.S. citizens who owe permanent allegiance to the United States and are eligible for student aid.

**Free Application for Federal Student Aid (FAFSA):** This is a form that every scholarship seeker will need to fill out. Colleges and many non-institutional programs will use the data on this form to determine entitlement for financial aid.

**Graduate support:** Funds awarded to individuals for graduate work through programs administered by the grantmaker.

**Grants:** Awards for which there is no expectation of repayment or services to be performed.

**Loans:** Awards made with a formal agreement for repayment with interest. Funds for educational expenses, which usually must be repaid to the lending foundation, often with a predetermined interest percentage added to the loaned amount.

**Permanent resident:** Non-U.S. citizens who have gained this status from the U.S. Immigration and Naturalization Service.

**Postdoctoral support:** Funds for the pursuit of advanced research or study after receiving a doctoral degree.

**Postgraduate study:** Funds for the pursuit of advanced research or study after receiving a graduate degree.
**Resident Student:** A student who does not live at home (with parents or guardian) during the academic year. An off-campus resident is one who does not live in the institutionally-provided housing. An on-campus resident student is one who lives in housing facilities owned and/or maintained by the institution.

**Scholarship:** A form of financial assistance which does not require repayment or employment and is made to a student who demonstrates or shows potential for distinction at an institution, usually in academic performance, the arts, or athletics.

**Technical/Vocational school:** Postsecondary institution that offers certificates in education directly related to preparation for specific careers, and which require no more than two years of study.

**Verification:** A procedure whereby the school checks the information the student reported on the financial aid application, usually by requesting a copy of the tax returns filed by the student, and if applicable, the student’s spouse and/or parent(s).

**Work-study grants:** Grants for educational expenses given to students who engage in part-time work arrangements. A work commitment of 10 –15 hours per week is usually required.