

# FINANCIAL AID CHEAT SHEET

Financial aid has a language all its own – one with lots of acronyms and industry-specific terms that can sound scary. This glossary will take some of the mystery out of these terms and help you make the best decisions about your awards.

## ALTERNATIVE LOAN

A non-need based loan borrowed from a private lender. These loans are not federal loans.

## COST OF ATTENDANCE

The total estimated cost to attend school for one year, includes tuition, fees, food and housing, allowances for books and supplies, transportation, and personal and incidental expenses.

## DEFERMENT

A temporary suspension of a borrower's monthly loan payment.

## DATA RELEASE NUMBER (DRN)

A four-digit number assigned to all Title IV federal student aid applications and appears on the FAFSA Submission Summary (FSS). DRN's allow a school to access a student's application data if they were not originally listed on the FAFSA.

## ENTRANCE COUNSELING

A debt management session prior to the first disbursement of your federal loans to explain your rights and responsibilities regarding loan funding. This is done online at [www.studentaid.gov](http://www.studentaid.gov).

## MASTER PROMISSORY NOTE (MPN)

An MPN is a legal document that contains the Borrower's Rights and Responsibilities and Terms and Conditions for repayment. Direct PLUS and Direct Subsidized / Unsubsidized loans have different MPNs. Access the MPN at: <https://studentaid.gov/mpn>

## EXIT COUNSELING

A debt management session prior to graduation or withdrawal to review the terms and obligations of your student loans.

## FEDERAL METHODOLOGY

The formula used in determining a student's need for federal financial aid assistance.

## FINANCIAL AID

Any form of assistance including scholarships, federal and state grants, loans and work study employment.

## FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

The FAFSA is a standard federal application, which is used to determine your eligibility for financial aid. The FAFSA should be completed soon after it is available for the next academic year. The College of Idaho's federal code is 001617.

## GIFT AID

Grants, scholarships, or awards that do not have to be paid back.

## GRACE PERIOD

A period of time (six to nine months) after borrowers graduate, leave school, or drop below half-time enrollment, before payments are due on loans.

## LOAN

Money that is borrowed and has to be paid back.

## NEED

The difference between the Cost of Attendance and the Student Aid Index (SAI).

## OFFER LETTER

Financial Aid Letter detailing all eligible awards.

## FSA ID

An FSA ID consists of an account username and password that give you access to the U.S. Department of Education's online systems and can serve as your legal signature when completing electronic documents. Create an FSA ID: <https://studentaid.gov/fsa-id/create-account/launch>

## STUDENT AID INDEX (SAI)

Your SAI is an index number used by financial aid professionals when creating an aid offer. Your SAI is calculated using information that you (and other contributors, if required) provide on the Free Application for Federal Student Aid (FAFSA®) form.

## FAFSA SUBMISSION SUMMARY (FSS)

The FAFSA Submission Summary is produced after completing the FAFSA and includes: Eligibility Overview, FAFSA Form Answers, School Information, and Next Steps. It not only gives you information that can help you prepare to pay for school but also allows you to make corrections and find other resources you may need as you plan.

## SATISFACTORY ACADEMIC PROGRESS (SAP)

To be eligible to receive federal student aid, you must maintain satisfactory academic progress toward a degree or certificate. You must meet your school's written standard for satisfactory progress.

## FEDERAL DIRECT SUBSIDIZED LOAN

A need-based loan in which the government pays the interest for you while you are enrolled at least at half-time.

## FEDERAL DIRECT UNSUBSIDIZED LOAN

A non-need based loan. The borrower is always responsible for paying the interest on the loan. Interest accrues while the student is attending school. Interest can be paid or capitalized and accrued.

## VERIFICATION

The process of comparing the information on the FAFSA to certain documents such as federal tax returns. As well as, the process where you are identified as needing to correct information provided on the FAFSA. Students may be selected for verification by the processing center or by the College.

## WORK STUDY

A federal or state self-help program (with limited funding) that provides students with part-time employment during the school year. Eligibility is based on need and money earned is not counted as income for the subsequent year's need-analysis process.