

## Financial Aid Glossary

### Common Terms

- **Cost of Attendance (COA)** – A college or university’s total estimated expenses for one academic year (typically the fall and spring terms). These expenses are also commonly referred to as a financial aid “budget” and include direct costs (those costs the student is likely to pay directly to the school) and indirect costs (those costs that the student may incur but not necessarily with the school). Elements of a COA include tuition & fees, food & housing, books & supplies, personal or miscellaneous expenses, transportation, and loan fees. A school’s COA is used to determine each student’s eligibility for financial aid but is not necessarily a reflection of what a student will actually pay to attend that school.

COA’s are calculated based on averages, such as the average number of credit hours in which students enroll, the average costs of food and housing (both on- and off-campus), and the average cost of various personal expenses. Because the COA is based on averages, each student’s actual expenses will vary based on choices such as number and type of courses taken, residence hall selected, etc. It’s important to remember that your COA is not what you will owe nor what you will be billed by the school. It’s simply a budget to help calculate a student’s aid eligibility.

- **Direct Costs** – Costs that a student is likely to incur, and which will be owed directly to the college or university the student is attending. The most common direct costs include tuition & fees and food & housing (if a student is utilizing on-campus housing). Direct costs are paid directly to the college or university and are often reflected on a student’s account balance with the school.
- **Indirect Costs** – Costs that a student may incur while in school, but not necessarily with the college or university. Examples of indirect costs can include transportation to-and-from campus, books & supplies (if purchased from a location other than the school’s bookstore), and various personal expenses such as clothing and hygiene products. Due to the nature of these costs, not all students may incur them. However, they are included in the cost of attendance to help students and families budget for school.
- **Estimated Direct Cost After Gift Aid** – This figure is intended to help families determine what may still be owed after only free/gift money is considered. This figure is calculated by subtracting all gift aid that the student has been awarded from their estimated direct costs at the school.
- **Estimated Direct Cost After All Aid** – This figure is intended to help families determine what may still be owed after all financial assistance that has been offered to the student, including loans. This figure is calculated by subtracting all gift aid and student loans that the student has been awarded from their estimated direct costs at the school.

- **Estimated Net Price** – Net Price is often referred to as a “sticker price” for a school. While a useful tool to compare institutions, it’s important for families to consider all costs (direct and indirect costs) together and separately, and not simply the net price. Net Price is calculated by subtracting all gift aid the student has been awarded from their total Cost of Attendance.
- **Subsidized Direct Loan** - Loans for students with financial need, as determined by your FAFSA results. Subsidized Loans do not accrue interest while you are in school at least half-time or during deferment periods. No payment is required while in school, but students may elect to do so if desired.
- **Unsubsidized Direct Loan** - Loans that are not based on financial need. Interest is charged during in-school, deferment, and grace periods. Unlike subsidized loans, students are responsible for the interest from the time the unsubsidized loan is disbursed until it’s paid in full. No payment is required while in school, but students may elect to pay toward the accruing interest if desired.
- **Parent PLUS Loans** - Loans for parents of dependent undergraduate students to borrow up to the student’s cost of attendance, minus other financial aid. Interest is charged during in-school, deferment, and grace periods. The borrower is responsible for the interest from the time the PLUS Loan is disbursed until it’s paid in full. Parent(s) can choose to pay the interest or allow it to accrue (accumulate) and be capitalized (that is, added to the principal amount of your loan). Capitalizing the interest will increase the amount you have to repay.
- **Alternative/Private Loans** - Alternative loans are available to certain students who are not eligible for financial aid or who need additional funds to meet educational expenses. The lender will look at your credit history as well as other factors to determine if it will lend to you. You may be denied by one lender and approved by another because of the different ways they interpret your information. Alternative loans are not for everyone. They can be expensive and should only be utilized after the family has thoroughly researched all options.

### What do you do if the aid you’re offered does not cover all your costs?

- **Review Your FAFSA** – If the information is no longer accurate (e.g., you’ve experienced changes in your family structure or finances) you may qualify for a Special Circumstance Review. This review can potentially qualify a student for more financial assistance.
- **Consider Part-Time Student Employment** – Many students work part-time jobs on-campus to help earn income while attending school. While typically not sufficient to cover a larger gap in college financing, working can help cover various expenses.
- **Consider an Alternative/Private or Parent PLUS Loan** - If you still need more funds to fill the tuition gap, taking out additional student loans may still be an option. We don’t include these loans on aid offers because we want the cost of college (and any financing gaps) to be transparent to our students. Alternative/Private Loans and Parent PLUS Loans can help fill these gaps, but it’s important to review all your options to ensure you’re choosing the right product for you. Information is available on our website and can also be explored with our counseling staff.