

# uaspire Financial Aid Terminology

Award Letter Term	Also Referred to as:	Student Friendly Explanation
EFC	Parent contribution &/or Student contribution	The minimum amount of money that you and your parents will be expected to pay for this year of college. Colleges and scholarship organizations will use your EFC to figure out how much financial aid you are eligible for.
Cost of Attendance	Sticker Price	The full estimated price of this college (direct costs + indirect expenses), before any financial aid is applied. It will be different for every school, and keep in mind there are ways to lower this cost, such as living off campus.
Direct Costs	Billable Expenses	Charges that will come directly from the college. Things like paying for your classes are part of your tuition and fees, and paying for your dorm room and meal plan is considered your room and board.
Indirect Expenses	Miscellaneous Costs	Additional costs, such as your textbooks, are things you will need to pay for throughout the year. The college will not buy these things for you; rather you will need to plan ahead and purchase them yourself.
Net Cost	Net Price	The net costs are what you owe by August (before fall semester) and before spring semester in addition to your loans for this year. Even though you won't pay those loans this year, it is important to understand the total amount you are responsible for.
Estimated Bill	Unmet Need, Gap, Out of Pocket costs	The estimated bill is what you will owe your college to attend college for one year. ½ will likely be due in August, the other ½ due before spring semester.
Gift Aid	Scholarships, Grants, Free Money	Scholarships and grants are free money that never needs to be repaid. You will not see this money, as it will go straight to the college and be applied to your account.
Self Help		An overarching term referring to both loans and work study. Loans must be repaid once you graduate or drop below half-time status, and work-study money must be earned from working at an on campus job.

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Subsidized & Unsubsidized Federal Direct Stafford Loans		These two loans are a form of federal financial aid. These loans are very similar except that the federal government will pay for the interest on the subsidized loan while you are in college. As for the unsubsidized loan, the interest will accumulate on the loan and be added to the principal or total amount you owe after graduate.
Work-Study	Work Options	Work-study jobs are a great way to earn extra cash throughout the year to help pay for your indirect expenses like travel home for school breaks. Work-study jobs are usually on campus and offer flexible schedules around your classes. You must look for and apply for the jobs when you get to the campus – they will not reach out to you! Also important to note that this money does NOT go directly to your account to cover your bill. You will receive a paycheck and it will be up to you as to how you spend this money.
PLUS Loan	Federal Parent Loan	The PLUS loan is one option that your parents may look into in order to cover your estimated bill. It is not guaranteed, so even if you see it on your award letter, remember that you parent must apply and be approved in order to receive this loan.