

**Bay Shore High School Guidance Department**  
**Additional Glossary Terms**

**Ability-to-Benefit**

One of the criteria used to establish student eligibility in order to receive Title IV program assistance is that a student must have earned a high school diploma or its equivalent. Students who are not high school graduates (or who have not earned a General Education Development (GED) Certificate) can demonstrate that they have the "ability to benefit" from the education or training being offered by passing an approved ability-to-benefit (ATB) test.

**Academic Year**

up to three semesters or the equivalent at the institution, but no more than two of those semesters or the equivalent may be consecutive. Talk to the financial aid administrator at the school you are planning to attend if you have any unusual expenses that might affect your cost of attendance.

### **Direct Loan**

William D. Ford Federal Direct Loan (Direct Loan) Program. Loans made through this program are referred to as Direct Loans. Eligible students and parents borrow directly from the U.S. Department of Education at participating schools. Direct Loans include subsidized and unsubsidized Direct Stafford Loans (also known as Direct Subsidized Loans and Direct Unsubsidized Loans), Direct PLUS Loans, and Direct Consolidation Loans. You repay these loans directly to the U.S. Department of Education.

### **Eligible Noncitizen**

You 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 (Permanent Resident Card)

If you are not in one of these categories, you must be an eligible noncitizen, and you must have an Arrival-Departure Record (I-94) from U.S. Citizenship and Immigration Services (USCIS) showing one of the following designations:

- "Refugee"
- "Asylum Granted"
- "Cuban-Haitian Entrant, Status Pending"
- "Conditional Entrant" (valid only if issued before April 1, 1980)
- Victims of human trafficking, T-visa (T-2, T-3, or T-4, etc.) holder
- "Parolee" (You must be paroled into the United States for at least one year and you must be able to provide evidence from the USCIS that you are in the United States for other than a temporary purpose and that you intend to become a U.S. citizen or permanent resident.)

If you have only a Notice of Approval to Apply for Permanent Residence (I-171 or I-464), you aren't eligible for federal student aid.

If you are in the United States on certain visas, including an F1 or F2 student visa, or a J1 or J2 exchange visitor visa, you are not eligible for federal student aid.

Also, persons with G series visas (pertaining to international organizations) are not eligible. For more information about other types of visas that are not acceptable, check with your school's financial aid office.

Citizens and eligible noncitizens may receive loans from the Direct Loan Program at participating foreign schools. Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible only for Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, or Federal Work-Study. These applicants should check with their school's financial aid offices for more information.

### **Eligible Program**

A program of organized instruction or study that leads to an academic, professional, or vocational degree or certificate, or other recognized educational credential. To receive federal student aid, you must be enrolled in an eligible program\*, with two exceptions:

\* If a school has told you that you must take certain course work to qualify for admission into one of its eligible programs, you can get a Stafford Loan for up to 12 consecutive months while you are completing that preparatory course work. You must be enrolled at least half-time\*, and you must meet the usual student aid eligibility requirements.

\* If you are enrolled at least half time in a program to obtain a professional credential or certification required by a state for employment as an elementary or secondary school teacher, you can get a Federal Work-Study, Federal Perkins Loan, a Stafford Loan, or your parents can get a PLUS Loan, while you are enrolled in that program.

### **Financial Aid Administrator (FAA)**

An individual who works at a college or career school and is responsible for preparing and communicating information on student loans, grants or scholarships and employment programs. The FAA and staff help students apply for and receive student aid. The FAA is also capable of analyzing student needs and making professional judgment changes when necessary.

### **Financial Aid Package**

The total amount of financial aid (federal and nonfederal) a student is offered by the school. The financial aid administrator at a postsecondary institution combines various forms of aid into a "package" to help meet a student's education costs. Using available resources to give each student the best possible package of aid is one of the aid administrator's major responsibilities. Because funds are often limited, an aid package might fall short of the amount a student needs to cover the full cost of attendance. Also, the amount of federal student aid in a package is affected by other sources of aid received (scholarships, state aid, etc.).

### **FFEL**

Federal Family Education Loan (FFEL) Program. Loans made through this program are referred to as FFEL Loans. Private lenders provide funds that are guaranteed by the federal government. FFEL Loans include subsidized and unsubsidized FFEL Stafford Loans, FFEL PLUS Loans and FFEL Consolidation Loans. You repay these loans to the bank or private lender that made you the loan.

### **General Education Development (GED) Certificate**

This is a certificate students receive if they have passed a specific, approved high school equivalency test. Students who have a GED may still qualify for federal student aid. A school that admits students without a high school diploma must make available a GED program in the vicinity of the school and must inform students about the program.

### **Grace period**

After borrowers graduate, leave school, or drop below half-time enrollment, loans that were made for that period of study have several months before payments are due. This period is called the "grace period."

During the grace period, no interest accrues on subsidized loans. Interest accrues on unsubsidized loans during grace periods, and this interest is capitalized when borrowers' loans enter repayment.

### **Half-time**

At schools measuring progress in credit hours and semesters, trimesters, or quarters, "half-time" is at least six semester hours or quarter hours per term for an undergraduate program. At schools measuring progress by credit hours but not using semesters, trimesters or quarters, "half-time" is at least 12 semester hours or 18 quarter hours per year. At schools measuring progress by clock hours, "half-time" is at least 12 hours per week. Note that schools may choose to set higher minimums than these. You must be attending school at least half-time to be eligible for a Stafford Loan. Half-time enrollment is not a requirement to receive aid from the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study and Federal Perkins Loan programs.

### **Interest**

A loan expense charged by the lender and paid by the borrower for the use of borrowed money. The expense is calculated as a percentage of the unpaid principal amount (loan amount) borrowed.

### **National Student Loan Data System (NSLDS)**

NSLDS is our database for federal student financial aid where you can find out about the aid you've received. If you've only just applied for aid, you won't find any information on NSLDS yet. NSLDS receives data from schools, guaranty agencies and U.S. Department of Education programs. The NSLDS Web site is generally available 24 hours a day, seven days a week. By using your PIN, you can get information on federal loan and Pell Grant amounts, outstanding balances, the status of your loans and disbursements made. You can access NSLDS at [www.nsls.ed.gov](http://www.nsls.ed.gov).

### **Need Analysis**

The process of analyzing a student's financial need, known as need analysis, focuses on determining how much the family reasonably can be expected to contribute towards the student's education. Traditionally, determination of an applicant's need is achieved by collecting information about the family's income, assets, and living expenses. For the federal student aid programs, the law specifies a need analysis formula that produces the Expected Family Contribution (EFC). The EFC and the college's cost of attendance are used by the postsecondary school to establish

the student's need as well as to award grants, campus-based aid, and subsidized loans. The college might ask you to complete other paperwork to determine your need for non-federal aid.

### **Principal**

The amount of money borrowed by the student. Interest is charged on this amount.

### **Regular Student**

A regular student is one who is enrolled or accepted for enrollment at an institution for the purpose of obtaining a degree, certificate or other recognized education credential offered by that institution. Generally, to receive federal student financial aid from the programs discussed in this guide, you must be a regular student. There are exceptions to this requirement for some programs.

### **Satisfactory Academic Progress**

To be eligible to receive federal student financial aid, you must meet and maintain your school's standards of satisfactory academic progress toward a degree or certificate offered by that institution. Check with your school to find out its standards.

### **Selective Service Registration**

In order to be eligible for federal student aid you must register with the Selective Service if:

- You are a male born on or after Jan. 1, 1960, and
- You are at least 18 years old, and
- You are not currently on active duty in the U.S. Armed Forces.

Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands or the Republic of Palau are exempt from registering.

### **Student Aid Report**

Your Student Aid Report (SAR) summarizes the information you submit on your Free Application for Federal Student Aid (FAFSA) and provides you with your Expected Family Contribution (EFC).

After you apply for federal student financial aid, you'll get your FAFSA results in an e-mail report by the next business day after your FAFSA has been processed or by mail within 7-10 days. This report is called a Student Aid Report or SAR. Your SAR details all the information you provided on your FAFSA. If there are no corrections or additional information you must provide, the SAR will contain your Expected Family Contribution (EFC), which is the number that's used to determine your eligibility for federal student aid. Whether you applied online or by paper, we will automatically send your data electronically to the schools you listed on your FAFSA.

### **Subsidized**

A loan for which a borrower is not responsible for the interest while in an in-school, grace, or deferment status. Subsidized loans include Direct Subsidized, Direct Subsidized Consolidation Loans, Federal Subsidized Stafford Loans and Federal Subsidized Consolidation Loans.

### **Unsubsidized**

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. Unsubsidized loans include: Direct Unsubsidized Loans, Direct PLUS Loans, Direct Unsubsidized Consolidation Loans, and Federal Unsubsidized Stafford Loans, Federal PLUS Loans, and Federal Unsubsidized Consolidation Loans.

### **Verification**

Verification is a process where your school confirms the data reported on your FAFSA. Your school has the authority to contact you for documentation that supports income and other information that you reported.