

Financial Aid Dictionary

Here are some frequently used terms that relate to the college financial aid process:

Cal Grants

A Cal Grant is money for college you don't have to pay back. To qualify, you must apply for the Free Application for Federal Student Aid (FAFSA) or CA Dream Act Application (CADAA) by the deadline and meet the eligibility and financial requirements as well as any minimum GPA requirements. Cal Grants can be used at any University of California, California State University or California Community College, as well as qualifying independent and career colleges or technical schools in California.

California Dream Act Application (CADAA)

The California Dream Act allows undocumented students, Deferred Action for Childhood Arrivals (DACA) recipients (valid or expired), U Visa holders and students under Temporary Protected Status (TPS), who qualify for a non-resident exemption under Assembly Bill 540 (AB 540), Senate Bill 2000 (SB 2000) and Senate Bill 68 (SB 68), to receive certain types of financial aid such as: private scholarships funded through public universities, state administered financial aid, university grants, community college fee waivers, and Cal Grants.

Contributor

For the 2024-25 FAFSA, a contributor refers to anyone (student, the student's spouse, biological or adoptive parent, or the parent's spouse) who is required to provide information on the FAFSA. The answers to the FAFSA will determine which contributor will be required to provide their information and consent.

Cost of Attendance

An estimate of each year's total college costs that includes tuition and fees, housing and food, books and supplies, personal expenses, and transportation.

CSS Profile

The CSS Profile collects information about you and your family's financial circumstances to help those universities that require it offer institutionally based funding in the form of need-based or merit-based scholarships.

Demonstrated Need

Demonstrated financial need is essentially how much financial assistance a family will need to cover the cost of attending college, based on information found on the financial aid applications.

Free Application for Federal Student Aid (FAFSA)

This financial aid application collects information about the financial circumstances of your family to determine eligibility for federal aid programs, including loans, grants and work study. It is a yearly application that students complete starting their senior year of high school. Students either complete the FAFSA or CADAA based on their citizenship status.

FAFSA Primary or Custodial Parent

For a dependent student whose parents are divorced or separated, the primary or custodial parent is the parent who provides the greater portion of the student's financial support and is required to provide their information (and if applicable their spouse's information) on the FAFSA form.

FAFSA Submission Summary

This is the report the student will receive once they have successfully submitted the FAFSA. It contains information about your application and the Student Aid Index.

Federal Pell Grant

Free money from the Federal Government, usually awarded only to undergraduate students who display exceptional financial need and have not earned a bachelor's, graduate, or professional degree. File a FAFSA in order to be eligible for a Pell Grant.

Federal Verification

Federal verification is a process in which the U.S. Department of Education requires a university to verify the information provided on a student's FAFSA. If you are selected for verification, the Office of Financial Aid is required to request additional documentation. The U.S. Department of Education selects students either randomly or if their FAFSA data were incomplete, estimated, or inconsistent.

Financial Aid

Money from grants, scholarships, or loans used to pay the cost of college.

Financial Aid Direct Data Exchange

The Financial Aid Direct Data Exchange, replacing the IRS Data Retrieval Tool starting with the 2024–25 FAFSA form, will transfer contributors' federal tax information from the IRS directly into your FAFSA form.

Grants

Money used to pay for college that does not have to be repaid.

IDOC

The College Board's Institutional Documentation Service. This is the document processing center used by some colleges to manage financial aid application materials for prospective students. If your college accepts the CSS Profile, keep an eye on your applicant portal because there will be a checklist of documents colleges require you to upload through your IDOC portal.

Independent Student

Federal regulations require that all students under the age of 24 be considered a dependent of the parent for the purposes of financial aid. Only when a student has been declared a ward of the court, has been in foster care after the age of 13, is considered an unaccompanied

(homeless) youth, or has experienced other similar circumstances may a student be considered independent for financial aid purposes.

Loans

When you apply for financial aid, you might be offered loans as part of your school's financial aid offer. A loan is money you borrow and must pay back with interest. Student loans can come from the federal government, from private sources such as a bank or financial institution, or from other organizations.

Merit-based Financial Aid

Merit aid is a form of college financial aid that does not consider a student's financial need, but rather is awarded based on academic, athletic, artistic, leadership or special-interest merit.

Need-based Financial Aid

The term "need-based" is a designation that is based on a student's financial need. For example, a need-based grant might be awarded based on a student's low income.

Net Price

The amount that the family pays for one year of college. This is calculated by subtracting the total amount of grants and scholarships from the Cost of Attendance.

Outside Scholarships

Free money students may receive that comes from private organizations that are not connected with any college/university. AWHHS maintains a list of outside scholarships on Naviance based on information received from folks in our local or national community.

Student Aid Index

The SAI replaces what is formerly known as the Expected Family Contribution (EFC). The SAI is calculated from the information on your FAFSA to determine your family's ability to pay for college and is used to determine aid eligibility.

Work-Study

Federal Work-Study provides part-time jobs for undergraduate and graduate students with financial need, allowing them to earn money to help pay education expenses.