

Paying for college: financial aid vocabulary

Objective: Students will gain an understanding of basic financial aid vocabulary.

Grade level: 10–12

Teacher prep time: 10 minutes

Class time: 15–20 minutes

Materials

- 4" x 6" index cards
- printout of the attached list of financial aid terms
- tape or glue stick

Format: group setting within the classroom

Procedure

1. Print out the list of financial aid terms on pages 3–4 of this file. Write each term on an index card. Do not create repeat cards; there should be only one card for each vocabulary word.
2. Cut all of the definitions into separate strips. On the back of each card, attach the definition of a *different* vocabulary word.
3. Review the financial aid terms with students.
4. Hand out your index cards to random students throughout the room.
5. Have a student stand and read the definition on the back of his or her card; in response, have any two students stand up and show the words on the front of their cards. Does either word match the definition that was read aloud? If so, which one is a match? If not, have two different students stand up and show their words. Continue the process until all of the definitions and words have been matched.

NCDA guidelines for educational achievement and lifelong learning

- attain educational achievement and performance levels needed to reach your personal and career goals

Vermont's Framework of Standards vital results

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| Section 2 | Reasoning and Problem-Solving Standards |
| 2.2 | Students use reasoning strategies, knowledge, and common sense to solve complex problems related to all fields of knowledge. |
| Section 3 | Personal Development Standards |
| 3.7 | Students make informed decisions. |



VTSCA career standards

Academic Development Domain, Standard A: Students will acquire the attitudes, knowledge, and skills that contribute to effective learning in school and across the life span.

A:A2.1 apply time-management and task-management skills

A:A2.2 demonstrate how effort and persistence positively affect learning

Personal/Social Domain, Standard B: Students will make decisions, set goals, and take necessary action to achieve goals.

PS:B1.1 use a decision-making and problem-solving model

PS:B1.9 identify long- and short-term goals

PS:B1.12 develop an action plan to set and achieve realistic goals

financial aid terms to know

Award letter/financial aid award letter

A letter that outlines the terms and requirements of the financial aid that a college is willing to offer you; sometimes sent via e-mail.

Bursar's office

The office on campus that's responsible for collecting all students' tuition and fees.

Cooperative education

An educational approach that combines classroom study with paid and supervised work experiences. This approach involves a part-time or full-time job and may lead to academic credit.

Cost of attendance/college budget

The total amount it will cost a student to attend a school for one year. This figure includes tuition and fees, on-campus room and board, cost of books and supplies, transportation, and miscellaneous expenses. The cost of attendance (which is sometimes referred to as the "college budget") will be different for every school.

CSS Profile

A financial aid form used by a number of colleges to collect additional financial data beyond the Free Application for Federal Student Aid (FAFSA). It is not required by all schools. There is a fee to submit the form, and students must register with the Profile service before receiving the form.

Expected family contribution (EFC)

The result of a federal formula that uses a family's income and assets to determine whether that family has "financial need." The EFC is a measure of the family's financial strength and is used to determine eligibility for financial aid.

Financial aid office

The office that helps students obtain funds for their education and determines financial aid awards/packages.

Financial aid package/award

The total amount of financial aid a student receives to attend college. Packages typically consist of scholarships, grants, loans, and work-study. These packages are designed to fill the gap between what the family is expected to contribute and the actual cost of attending the institution.

Free Application for Federal Student Aid (FAFSA)

A form completed by families of financial aid applicants. It is processed free of charge by the federal government. The FAFSA is required by every college and is often also required when applying for different kinds of financial aid (for example, a Vermont grant through VSAC or a VSAC-assisted scholarship).



Grants

Financial aid awarded to a student, for the purpose of attending college or an eligible training program; generally, does not have to be paid back.

Loans

Money borrowed by students and/or parents to pay for school; must be repaid, with interest.

PIN (personal identification number)

An electronic access code that serves as a personal identifier. A Department of Education PIN allows students and parents to sign a FAFSA electronically on the Web, access Student Aid Reports, and make online corrections.

Room and board

The cost of a student's on-campus housing and meals for the academic year.

Scholarships

Financial aid awarded for the purpose of attending college or an eligible training program; generally, does not have to be paid back. Students must apply, meet specific eligibility requirements, and compete against other applicants for the award.

Student Aid Report (SAR)

A report of information from the FAFSA; it may be sent by postal mail or e-mail; it shows what was included on the FAFSA and it lists the schools to which you want the information to be sent. The student must check this report for accuracy.

Subsidized Stafford loan

A federal loan based on financial need and borrowed for the purpose of attending college or an eligible training program. The federal government pays the loan's interest while the student is enrolled at least half time.

Tuition

The amount of money charged to students for instructional services. Tuition may be charged per term, per course, or per credit. This is only one part of the cost to attend college. Other costs include required fees, room and board, and books.

Tuition payment plan

A payment plan for college tuition that enables families to pay in installments throughout the year instead of paying one huge sum at the beginning of the year; in this way, it can reduce a family's need for education loans.

Unsubsidized Stafford loan

A federal loan that is available to students, regardless of financial need; borrowed for the purpose of attending college or an eligible training program. The federal government does not pay the interest for you while you're in school, but you also don't need to demonstrate financial need.

In a survey conducted by the National Association of Independent Colleges and Universities, more than 90 percent of private colleges that participated said they would increase financial aid in 2010. The association surveyed about 200 institutions and found that although tuition was estimated to increase by about 4 percent, financial aid was expected to increase by 9.8 percent, according to the Associated Press.

The 4-1-1 on financing college

What you've heard is true: College is expensive. Don't let that harsh your mellow, though. What you may not have heard is that two out of every three students attending four-year colleges in the United States receive some form of financial aid to help meet college expenses. In addition to financial aid, there are some planning strategies and programs that may make college or training after high school more affordable than you may have thought.

Consider "swirling"

"Swirling" is the growing phenomenon of attending multiple institutions on your way to a degree. The most popular swirling strategy is to begin at a less expensive two-year community college and then transfer to a four-year school to complete a bachelor's degree. In a 2008 National Survey of Student Engagement, more than 40 percent of all college seniors that responded said they'd started their education at a different school. This likely saved them tens of thousands of dollars, especially if they began at local community colleges.

In Vermont, the Community College of Vermont (CCV) has agreements with at least 14 Vermont colleges (including the University of Vermont; Saint Michael's College; Lyndon, Castleton, and Johnson state colleges; and Vermont Technical College) that make transfer hassle-free.

A degree in three?

How motivated are you? If you're willing to work year-round, you may be able to save yourself a year's worth of room and board, travel costs, and other expenses by accelerating your studies.

Look into accelerated classes held during the summer. These classes fit a semester's worth of material into six- or eight-week sessions. The work can be intensive, but these programs can help to move up your graduation date.

One option is to stay on campus at your own college to take summer courses, which are often less expensive than courses offered during the normal academic year.

If you need to return home for the summer, find out if local colleges offer classes for additional credits that will transfer back to your own school. **Note:** You'll have to take at least a half-time course load in order to remain eligible for federal financial aid.

In Vermont, state grants for students used to be available only for the fall and spring semesters. Now they're available for year-round study. Learn more about Vermont grants at www.vsac.org/grants.

Take a tuition break

Say you want to major in marine biology, but you know it isn't offered as a major at any public college in Vermont. You may think your only options are either to choose a new major or to consider an expensive out-of-state school. Not true!

Take advantage of the New England Tuition Break program that allows you to attend a public college in another New England state, without having to pay full out-of-state tuition, for any major not offered by Vermont state schools.

All 82 New England public colleges and universities participate in the Tuition Break program. Check out the catalog and the online database at www.nebhe.org (click on "Programs" in the menu bar at the top). You can search for:

- all colleges and degree programs available to Vermont residents
- colleges and the majors offered to Vermont residents, by degree level
- all available majors and the colleges that offer them