

# Financial Aid Vocab Cheat Sheet

Financial aid has a language all its own—one with lots of acronyms and industry-specific terms that can sound intimidating. This glossary will take some of the mystery out of these terms and help you make the best decisions about your financial aid awards.



## **Expected Family Contribution (EFC):**

The amount that the federal government believes your family can contribute to one year of college. Colleges use this, among other things, to determine financial need.

## **Cost of Attendance (COA):**

An estimate of how much it costs to attend a college. The COA includes the price of tuition and fees, room and board, books and supplies, and other expenses associated with attending that school.

## **Financial Need:**

The difference between Expected Family Contribution (EFC) and a college's Cost of Attendance (COA).

## **Net Price:**

How much it will cost you to attend a college for one year after your scholarships and grants, loans, and work-study are subtracted from the COA.

## **Student Aid Report (SAR):**

This report shows you what data is on your FAFSA, some information about the aid for which you're eligible, and your Expected Family Contribution (EFC).

[See a sample SAR here.](#)

You can contact your school's financial aid office at any time if you need some help understanding terms like these. They'll be happy to help you translate them!

For additional terms you'll see throughout the financial aid process, [check out this glossary](#) from the Department of Education.

## **Subsidized Loan:**

A need-based loan which is interest-free while you're in school.

## **Unsubsidized Loan:**

A loan for which you don't have to demonstrate financial need, but on which interest will accrue while you are in school. You are not required to make payments while you are enrolled, but you may choose to do so.

## **Scholarship/Grant:**

A monetary gift that doesn't have to be repaid. It is provided by the federal or state government, the institution, and/or private organizations. It can be one-time or renewable, and based on grades, talents, or other criteria.

## **Work-study:**

A part-time job for students with financial need.

[Find out more about federal work-study.](#)