

Financial Aid Terms

Award Notification Letter: A letter notifying financial aid applicants of the types and amounts of aid offered, as well as the responsibilities and conditions of each award. The letter will include the method and dates of payment.

California Aid Report (CAR): Correspondence you receive from the California Student Aid Commission regarding your Cal Grant eligibility after you file the FAFSA and GPA Verification form.

Cost of Attendance (COA): The total estimated cost of college for the school year, also referred to as the student budget; includes tuition, fees, books, supplies, transportation, food, housing, and personal expenses.

Default: Failure to make loan payments or otherwise honor the terms of a loan; reported to credit bureaus and can influence future credit and ability to receive financial aid.

Expected Family Contribution (EFC): The amount that you and your family are expected to contribute toward your education, assessed from resources such as employment and assets.

Financial Need: This amount is determined by subtracting your EFC and other financial resources from your cost of attendance. Financial aid awards are offered to meet your financial need based on program requirements and available funds.

Federal Processor: The federal government's computer system, also referred to as the "central processor", that analyzes the information on your FAFSA, calculates your EFC, and sends you a Student Aid Report.

Free Application for Federal Student Aid (FAFSA): The FAFSA is the official financial aid application used to determine federal and state aid. There is no charge to have your FAFSA processed.

Grant: A grant is a form of financial aid that does not have to be paid back. It is a gift.

Loan: A loan is a form of financial aid that must be repaid with interest over a period of years.

Renewal FAFSA: This application simplifies the process of reapplying for financial aid. Some information from the previous application is preprinted on the Renewal FAFSA making the application process faster. Students must re-apply every year.

Residency: This is a determination of a student's status as a California resident. This determination is made by the Admissions Office and will affect which financial aid programs a student may be eligible for.

Return of Title IV Funds: If a student receives federal student aid funds, including grants, and withdraws from all classes before 60% of the enrollment period has passed, the student could owe money back to the federal government or the college. Contact the Financial Aid Office before withdrawing from classes.

Satisfactory Academic Progress (SAP): To be eligible to receive federal and state financial aid, a student must be progressing satisfactorily toward completion of an approved educational program.

Selective Service Registration: By law, certain students are required to register, or arrange to register, with the Selective Service in order to receive federal student aid. This includes males born on or after January 1, 1960, who are at least 18 years old, citizen or noncitizen, and not currently on active duty in the Armed Forces.

Student Aid Report (SAR): The report summarizing the information you provided on your FAFSA. The Financial Aid Office will receive this same information electronically and begin the process to determine your eligibility.

Untaxed Income: All income received that is not taxed or may not be reported to the IRS, including Social Security Benefits, Earned Income Credit, Additional Child Tax Credit, clergy and military allowances, Disability benefits, tax sheltered income reported on W-2 forms, welfare and child support payments, any cash income not reported to the IRS, bills and support paid on your behalf, or any other income received not reported on your tax form.

Verification: A federal process in which the college checks the accuracy of the information you submitted on the FAFSA. Documents will be requested such as 1040 tax returns and W-2 forms. Quick response to any request for documentation will help expedite the process.

Veteran: For the FAFSA, a person who has engaged in active duty or was a cadet or midshipman at one of the service academies, and who was released under a condition other than dishonorable.