

# UNDERSTANDING YOUR PACKAGE NOTIFICATION

Below, we've offered some clarification on the terms you'll see in the Cost Estimate.

## **Additional Costs to Anticipate**

Includes additional items that can factor in as part of attending college. Amounts will vary by student, but the Cost Estimate shows the average costs for an AU student.

## **Cost of Attendance**

The cost of attendance (COA) includes direct costs (expenses paid directly to the college), and any indirect costs (expenses the student may pay to a third party, other than the college).

## **Estimated Net Cost**

The amount of direct and indirect costs remaining after all gift aid is deducted.

## **Federal Loan Options**

Options to bridge the gap if you are unable to pay the estimated net cost in full. Since loans require repayment, we represent these amounts separately from scholarships and grants. While you are eligible to receive the listed federal loans, you can accept or decline them.

## **Federal Direct Student Loan**

A subsidized or unsubsidized loan provided to the student by the U.S. Department of Education. The government pays the interest on a subsidized loan, whereas interest accrues on an unsubsidized loan. The student must submit the FAFSA annually, and complete Entrance Loan Counseling and the Master Promissory Note to be eligible. Repayment begins six months after the student graduates.

## **Federal Parent Loan (PLUS)**

A federal loan program that allows parents who have no adverse credit history to apply for up to the COA each year, minus any financial aid. PLUS loans must be repaid with interest.

## **Federal Pell Grant**

A federal grant for students who demonstrate exceptional financial need and have an Expected Family Contribution (EFC) below the U.S. Department of Education's designated threshold. Program funds are appropriated by Congress. You must complete the FAFSA annually for renewal consideration.

## **Federal Supplemental Educational Opportunity Grant (FSEOG)**

A grant provided by the federal government to qualified undergraduate students who demonstrate exceptional financial need. Priority is given to Pell Grant recipients. Awarding is contingent upon funding and may not be renewed year to year.

## **Federal Work Study (FWS)**

Provides part-time employment to students who need help meeting their cost of postsecondary education. Awarding is contingent upon funding and may not be renewed year to year.

## **Gift Aid**

Funds that do not have to be repaid, unless the student fails to meet certain terms, specified as a condition of the grant.

## **Remaining Cost**

The amount of direct and indirect costs remaining after all funding sources are deducted.

## **Remaining Need**

The amount remaining after the student's EFC is deducted from the institution's COA.

## **Satisfactory Academic Progress (SAP)**

To be eligible for federal funds, students must make SAP, meaning they are continuing to complete courses and maintain the required GPA based on credit level.

## **Scholarship**

A type of gift aid that doesn't require repayment, that is typically based on merit, major, and/or need. To be eligible for renewal, maintaining a specific grade point average (GPA) or enrollment status may be required. Please reference [anderson.edu/scholarships](http://anderson.edu/scholarships) regarding specific scholarship guidelines.

## **Self-Help Aid**

Financial aid in the form of loans or student employment, used to pay the remaining net cost after gift aid is deducted.

## **State Grant**

A state-funded grant awarded to in-state residents who demonstrate the highest level of financial need as determined by the results of the FAFSA.

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Additional renewal requirements and aid information is available at [anderson.edu/fin-aid](http://anderson.edu/fin-aid).