

FINANCIAL AID GLOSSARY



Cost of Attendance (COA) – The estimated cost of attending Baylor for one academic year. This amount includes direct costs of tuition, fees, room and board (meal plan) as well as indirect costs of books, supplies, transportation and personal expenses. It is important for students to budget and make wise decisions regarding utilization of the financial aid funds they receive.

2015-2016 COA for Undergraduate On-Campus Student

Direct costs reflected on your Baylor bill:

Tuition	\$36,360
Fees (estimated)	\$4,038
Room (average)	\$6,760
Board (average meal plan)	\$4,380
Direct costs subtotal	\$51,538

Indirect non-billed costs:

Books and Supplies	\$1,276
Transportation	\$1,174
Personal Expenses	\$2,788
Indirect costs subtotal	\$5,238

Total Estimated COA	\$56,776
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Dependent Student – Students required to provide parental data when completing the Free Application for Federal Student Aid (FAFSA). The responses to questions in Step 3 of the FAFSA determine dependency status.

Direct Lending – Borrowing directly from the federal government in the form of subsidized, unsubsidized, PLUS and Grad PLUS loans. The lender is the U.S. Department of Education, which will assign a loan servicer to keep students informed of debt totals and repayment.

Enrollment Level – Level of the degree-granting program in which a student is enrolled. There are three basic levels of enrollment at Baylor: undergraduate (students seeking a baccalaureate degree); graduate (students working on a master's degree or professional degree); and post-graduate (students enrolled in a doctoral program). The amounts and types of financial aid a student is eligible for is determined, in part, by their enrollment level.

Enrollment Status – Academic workload (or course load) that a student is carrying for a defined academic period. This normally relates to the number of credit hours taken by a student during a given academic period. For Baylor, undergraduate full-time status = at least 12 hours, three-quarter time status = 9-11 credit hours, and half-time status = 6-8 credit hours.

Expected Family Contribution (EFC) – A measure of how much the student/family can be expected to contribute to the cost of the student's education for the year. The EFC is calculated using a formula specified in federal law and is based upon the information provided by the student and his/her family on the FAFSA. It is used to determine eligibility for most need-based student aid programs.

Financial Need – The basis for awarding most student aid programs. Financial need is determined by the following equation:

$$\begin{array}{r} \text{COA} \\ - \text{EFC} \\ \hline \text{Financial Need} \end{array}$$

Financial Aid Award Notification – Document detailing the amount and types of financial aid that have been offered to you. This notification combines various forms of aid to help meet your educational costs using the available resources for which you are eligible. Because funds are often limited, the amount offered may fall short of meeting all of your costs. If this is the case, please review the alternative loan information on page 8 of this booklet.

Gift Aid – Educational funds such as grants or scholarships that do not require repayment. Gift aid can be based on financial need, merit or a combination of both.

Independent Student – Students not required to provide parental data when completing the Free Application for Federal Student Aid (FAFSA). The responses to questions in Step 3 of the FAFSA determine dependency status.

Loan Entrance Counseling – An online tutorial and quiz to inform student-borrowers of their responsibilities and relationship to their lender. First-time Direct Loan borrowers at Baylor are required to complete entrance counseling before loan funds can be disbursed. Students complete entrance counseling at studentloans.gov.

Loan Exit Counseling – An online tutorial and quiz about student-borrowers' rights and responsibilities, loan repayment, and the consequences of default. Direct Loan borrowers who leave school or drop below half-time enrollment must complete exit counseling. During the exit counseling, students are required to provide updated personal information such as address, telephone number and employer name. Students complete exit counseling at studentloans.gov. Students who do not comply will be provided with written information by our office at the time of graduation/less than half time enrollment.

Master Promissory Note (MPN) – The legally binding document signed when applying for education loans. The promissory note is a contract between the student and the lender that details the conditions under which monies were borrowed and the repayment terms. Baylor prefers students to complete and sign the MPN electronically.

National Student Loan Data System (NSLDS) – The U.S. Department of Education's central database for student aid. NSLDS contains information about federal aid received, enrollment status, and loan servicer(s). Students can access NSLDS at nslds.ed.gov.

Net Cost – Amount of direct and indirect costs remaining after all gift aid (scholarships and grants) is subtracted.

Out-of-Pocket Cost – Difference between the cost of attendance and all gift aid. Out-of-pocket cost can be covered through a variety of sources, including savings, income and education loans.

Satisfactory Academic Progress (SAP) – The minimum academic standards a student must maintain in order to be eligible to receive state and federal aid. These standards require you to progress toward a degree in a timely manner and maintain a minimum cumulative grade point average (CGPA). Baylor's SAP policy is located at baylor.edu/sfs/SAP.

Self-Help Aid – Financial aid in the form of loans or student employment. Loans are used to help pay the remaining net costs after gift aid is deducted. Student employment earnings are not deducted from billed costs but can be used to help cover indirect costs and are paid as wages to the student.

Tax Return Form – A document that includes the IRS 1040 form and all attached schedules. A copy of this may be requested if you submit a special circumstances appeal, but it cannot be used for verification purposes. This document must be signed to be valid.

Tax Return Transcript – A document that may be required for verification. It shows most line items from your tax return (Form 1040, 1040A or 1040EZ) as it was originally filed, including any accompanying forms and schedules. The tax return transcript can be requested online at irs.gov/transcript, or by phone at 800-908-9946.

Texas Core Residency Questionnaire – A form required by the State of Texas to certify residency. All Texas residents who file a FAFSA must complete and submit this form regardless of financial aid status. This form can be found at baylor.edu/sfs/txres.

Verification – Process to confirm the accuracy of data provided by the applicant on the FAFSA. In order to complete the verification process, students are required to provide certain documents to Baylor for review. Students will receive notification from our office if they are chosen for verification. Baylor strongly encourages students to complete the process by May 1 to help ensure their aid is finalized before fall bills are generated. For additional information on completing verification, visit baylor.edu/sfs/verification.