

GLOSSARY OF FINANCIAL AID TERMS

ACADEMIC YEAR

Begins Fall semester and ends the following Spring/Summer semester (i.e., Fall, Winter and Spring/Summer). Students must apply for financial aid (including scholarships) each academic year.

APPLICATION FOR ADMISSION

All students are required to apply for admission to the college. Students cannot be processed for financial aid until they submit the admission application.

APPLICATION PACKET FOR FINANCIAL AID

A packet available from the Financial Aid Office or the College's Information Center that contains the Free Application for Federal Student Aid (FAFSA) and general information on how to apply for financial aid at Macomb Community College.

AWARD LETTER

A notice to the student of financial aid funds awarded. The student must return the award letter to accept/decline work-study or loan funds. Once the student receives the award letter, he/she should not make any changes to the FAFSA data or the award may no longer be valid.

COLLEGE WORK-STUDY

Federal program providing the opportunity for students to earn part of their educational expenses. Eligible students (as determined by the FAFSA) may work part-time either on or off campus. The placement of work-study students is coordinated through the Career and Employment Services Office. Students must be enrolled at least half-time.

COST OF ATTENDANCE

The total amount it will cost a student to attend Macomb Community College. This figure includes average costs for tuition, fees, room, board, books, supplies, transportation and child care costs. All expenses do not apply to all students.

DEFAULT

Failure to repay a student loan according to the terms agreed to when the promissory note was signed. Default means the student cannot receive any further financial aid until the default is satisfactorily resolved.

DEFERMENT

A postponement of the repayment of student loans if the student meets certain criteria set by the federal government (i.e., enrolled at least half-time, etc).

DEPENDENCY OVERRIDE

A change in dependency status of the student, based on special circumstances. Unmarried students under the age of 24 may be considered independent of their parents if an unintentional, involuntary or uncontrollable break in the family relationship has occurred. Documents to verify the student's family situation must be submitted. Requesting a dependency override does not always guarantee approval.

DROP CLASSES

A "drop" is when the student notifies the College's Enrollment Office (in person, via telephone registration or on WebAdvisor) he/she will no longer attend class. A drop occurs during the College's 100% refund period. The refund period is designated in the Schedule of Classes and on the student's registration statement. If the student drops classes which changes enrollment status after financial aid has been paid to his/her account or paid to the student in a refund, the student will be billed for the amount received and for which the student was not eligible.

E GRADES When a student receives an E grade for all classes during a semester, the instructor indicates the last date of attendance for the class(es) to determine if the student attended the entire semester or part of the semester, but did not officially withdraw. Federal regulations require the College to recalculate the amount of Federal financial aid funds earned and unearned, based on the last date of attendance. The result of this calculation may require the student to pay money back to the financial aid program from which he/she received funds.

ELIGIBILITY FOR FINANCIAL AID

The Financial Aid Office makes final determination of the student's eligibility for financial aid funds. Even though the student receives notification from the Federal processor that they may qualify, the final amount of the awards and terms and conditions of the awards are made by Macomb Community College.

ENROLLMENT See Registration for Classes.

ENROLLMENT STATUS

The number of credit hours for which the student is registered for each semester. The enrollment status determines the amount of the student's financial aid award, based on the following categories:

Full-time	12 credit hours or more
$\frac{3}{4}$ time	9-11 credit hours
$\frac{1}{2}$ time	6-8 credit hours
Less than $\frac{1}{2}$ time	1-5 credit hours

ENTRANCE/EXIT LOAN COUNSELING

Required counseling to inform students of their rights, responsibilities, and borrower options under the Federal Direct Stafford Loan Program.

EXPECTED FAMILY CONTRIBUTION (EFC)

An amount, determined by a formula established by Congress, that indicates how much of the student's and family's financial resources are available to help pay for college. The EFC is used to determine the student's eligibility for federal, state and institutional student aid.

FINANCIAL NEED

Financial need is the cost of attendance minus expected family contribution. This is used to determine grant, work-study, loan and scholarship eligibility.

FORBEARANCE

A time period in which students can stop making payments on their student loan due to unexpected personal problems, poor health or serving in a medical or dental internship or residency. Forbearance can be requested from the lender of the loan.

FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

The application form used to apply for various federal, state and institutional need based financial aid programs. The *FAFSA on the Web Worksheet* is available from the College to assist students in filling out the FAFSA, but the FAFSA itself must be submitted to the Federal government for processing on the Internet at www.fafsa.gov. The application for the coming year is available after January 1 but should not be completed until student and parent (if applicable) taxes are complete. After filing the FAFSA, the student should print a copy and confirmation number from the FAFSA website.

GRANT

Grants are forms of financial aid the student does not have to pay back, unless the student receives grant money and does not attend classes or withdraws from all classes during a portion of the semester.

LOAN

A loan is the type of aid that requires repayment. The Federal Direct Stafford Loan is a program with a fixed interest rate of 4.5% subsidized and 6.8% unsubsidized and deferred repayment options. There are two types of loans: subsidized and unsubsidized. The subsidized loan is based on financial need. The student does not pay interest or principal as long as he/she is a half-time student (6 credit hours or more). The unsubsidized loan is not based on need. The student can defer the principal, but must pay the interest on a quarterly basis.

MASTER PROMISSORY NOTE (MPN)

The promissory note the student signs when borrowing a loan from the Federal Direct Stafford Loan program. When the student signs a Federal Direct Stafford promissory note, a binding legal document, he/she promises to repay the student loan(s). The note also includes important language about rights and responsibilities as a borrower. The Master Promissory Note covers both the Subsidized and Unsubsidized Direct Stafford Loans.

NO NEED

Students who do not demonstrate financial need are classified as no need. This means they cannot receive funds based on financial need. Students who are no need can apply for the unsubsidized Federal Direct Stafford Loan. They can also apply for private scholarships that are not need based.

NO SHOW

If the student does not attend class(es) and does not officially drop or withdraw prior to the third week of class, the student will be assigned an NS grade. The student cannot receive financial aid funds for a class or classes he/she does not attend and will be responsible for repaying to the College the aid or the cost of tuition/fees for the class.

OVERPAYMENT

The amount of financial aid a student receives for which he/she is not eligible due to not attending classes, dropping classes during the semester or withdrawing from classes during the 60% point of the semester. Overpayments of federal financial aid funds will prevent a student from receiving future financial aid until the financial obligation has been paid in full or satisfactory payment arrangements have been made.

PRIVATE EDUCATION LOAN

A private loan is a non-federal educational loan provided by a private lender to help pay educational expenses. Private loans are certified by the Financial Aid Office at Macomb Community College.

REGISTRATION FOR CLASSES

The process when the student signs up for specific classes. Registration can be done on WebAdvisor, telephone or on campus during scheduled time periods. Registration and enrollment are the same thing.

SATISFACTORY ACADEMIC PROGRESS

A policy the student must meet to be eligible to receive financial aid. This policy defines the minimum cumulative grade point average the student must maintain, the minimum number of cumulative credits the student must complete and the cumulative maximum number of classes/credit hours the student can take to receive financial aid.

SCHOOL CODE

A Federal code assigned to each college or university that participates in financial aid programs. The code number for Macomb Community College is 008906. By listing this code on your Free

Application for Federal Student Aid (FAFSA), Macomb Community College will receive the results of your application.

SPECIAL CONDITION APPEAL FORM

A form the student may complete (at his/her option) if his/her financial situation changes significantly from the previous year, based on special circumstances (i.e., death in the family, divorce, separation, loss of employment). This form is filed only after the student's file has been reviewed and received a determination of eligibility.

STUDENT AID REPORT (SAR)

A summary of the financial information submitted on the Free Application for Federal Student Aid (FAFSA). The SAR is sent by the Federal processor (approximately 7-10 days after the FAFSA is filed online) to the student at the mail or email address reported on the FAFSA.

VERIFICATION

A process by which Macomb Community College compares information reported on the Student Aid Report against tax returns and all supporting financial documents (i.e., Social Security, unemployment, etc). Students are randomly selected for verification by the U.S. Department of Education or by Macomb Community College, based on certain criteria.

WITHDRAWAL

A "withdrawal" from a class or classes is when the student notifies the College's Enrollment Office (in person, via telephone registration or on WebAdvisor) he/she will no longer attend the class or classes. A withdrawal is after the College's refund period. The student will not receive a refund and will be charged for the class or classes. If the student withdraws from all classes in the semester, he/she may owe money back to the financial aid program from which he/she received funds. The Federal government requires colleges to calculate the amount of financial aid earned and unearned, based on the date of withdrawal. Students will be billed for the amount owed