

APPENDIX A: ACRONYMS AND COMMON TERMS

This list provides acronyms and common terms that can assist with the preparation of Policies and Procedures.

Term	Acronym	Explanation
Ability to Benefit	ATB	One of the criteria used to establish student eligibility in order to receive Title IV program assistance is that a student must have earned a high school diploma or its equivalent. Student who are not high school graduates (or who have not earned a General Education Development [GED] certificate) can demonstrate that they have the “ability to benefit” from the education or training being offered by passing an approved ability-to-benefit (ATB) test.
Administrative Actions and Appeals Division	AAAD	Administers the Secretary’s authority to fine, limit, suspend, terminate and impose emergency actions against postsecondary educational institutions that participate in the FSA programs for which SEC has oversight.
Academic Competitiveness Grant	ACG	Grant created by the Higher Education Reconciliation Act (HERA) of 2005 (HERA) providing funds for students enrolled full-time as a first- or second-year student in a qualifying program of study. Funding for this grant program was first made available for the 2006-07 award year.
Campus-Based Programs	CB	Three federal student aid programs (Federal Perkins, Federal Work-Study and Federal Supplemental Educational Opportunity Grant), within Title IV, administered directly by the institution.
Central Processing System	CPS	The Central Processing System, or CPS, is ED’s application data processing facility. The CPS uses student information from the FAFSA processors to calculate the student’s official EFC. It returns the student’s eligibility information to the student and the schools the student indicated on his or her FAFSA.
Chief Executive Officer	CEO	The Chief Executive Officer of the institution who is authorized to enter into a contractual agreement with the Department of Education for participation in the Title IV Programs.
Code of Federal Regulations	CFR	The codification of the rules published in the Federal Register by agencies of the federal government. Each volume of the C.F.R. is updated once each calendar year and issued quarterly. The volume for Education, Title 34, is updated on July 1 of each year. Cited as 34 C.F.R.
Common Origination and Disbursement	COD	ED database that includes the process of origination and disbursement reporting for Federal Pell Grant, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent (SMART) Grant, Teacher Education Assistance for College and Higher Education (TEACH) Grant, and Federal Direct Loan funding as well as student-level reporting for Federal Campus-Based awards.
Eligibility and Certification Approval Report	ECAR	A summary of an institution’s eligibility/certification information (Title IV program participation, institution’s accreditor, state authorization, staff, additional locations and eligible vocational programs).
United States Department of Education	ED Department	A Federal agency of the US Government that regulates and enforces policies and procedures for the US Education System.
Electronic Application for Approval to Participate	E-APP	The Electronic Application used by schools to apply or re-apply for participation in the Title IV programs.

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English as a Second Language	ESL	A course administered to students whose native language is not English and who are not fluent in English.
Expedited Determination Letter	EDL	Serves as both the preliminary report and final determination letter to the institution regarding findings identified during the program review. Used only under conditions described in the procedures.
Family Educational Rights and Privacy Act	FERPA	FERPA restricts the disclosure of student records to other parties and requires the school to give a student the opportunity to review his or her records.
Final Program Review Determination	FPRD	Follows institution's response to the PRR. Serves to inform the institution of ED's final determination regarding each of the findings in the PRR and identifies liabilities, if any; provides instructions for payment of liabilities; notifies the institution of its right to appeal the existence of an amount of liabilities; and closes the program review if appropriate.
Financial Aid Administrator	FAA	FAA An individual employed by an institution to administer and coordinate student financial aid programs.
Fiscal Operations Report and Application to Participate in Campus-Based Programs	FISAP	An annual report of expenditures in the Campus-Based programs during an award year, combined with an application to participate in Campus-Based programs in the upcoming award year. Must be submitted to ED via the web by any school receiving Campus-Based funds.
Free Application for Federal Student Aid	FAFSA	An application completed by students and parents to apply for federal student aid.
Federal Direct Loan	DL	A federally subsidized, low-interest student loan, awarded on the basis of financial need. As part of the Direct Loan Program, these loans are made directly by the federal government (rather than by a private lender) through participating institutions. The program offers four types of loans: Federal Direct Subsidized Stafford Loan Federal Direct Unsubsidized Stafford Loan Federal Direct PLUS Loan Federal Direct Consolidation Loan
General Educational Development Certificate	GED	Students who are beyond the age of compulsory attendance, but who do not have a high school diploma or General Educational Development Certificate (GED), must pass a written test to be eligible for Title IV..
Guaranty Agency	GA	An organization that administers the Federal Family Education Loan (FFEL) Program in all states
Federal Pell Grant Program	Pell Grant	A federal program that provides grants for (1) undergraduate students with the greatest financial need and have not received a bachelor degree or a first professional degree and (2) eligible students with baccalaureate degrees who are enrolled in state-required teacher certification programs.

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Education Loan	FFEL	A federal loan program under which commercial lenders provide education loans to student and parent borrowers. The program offers four types of loans: Federal Stafford Loan (subsidized, for students) Federal Unsubsidized Stafford Loan (for students) Federal PLUS Loan, and Federal Consolidation Loan (for students and parents)
Federal Perkins Loan	Perkins Loan	A campus-based loan program that provides low-interest student loans to students with financial need.
Federal Student Aid	FSA	Financial help to those enrolled in an eligible program as a regular student at an institution participating in our federal student aid programs. (An “institution” is a four-year or two-year public or private college, university, career institution, or a trade school.)
Federal Supplemental Educational Opportunity Grant	FSEOG	A campus-based program that provides grant assistance to undergraduate students with need. Priority is given to students who have exceptional financial need and are Federal Pell Grant recipients.
Federal Work-Study	FWS	A Federal funded, campus-based employment program providing jobs for students with financial need.
G5	G5	A central repository for payment transactions of institutions that receive full financial management support to facilitate and support activities (i.e., award authorizations, disbursing and refunding and final grant close out) from the ED's Office of the Chief Financial Officer (OCFO).
Grant Administration and Payment System	GAPS	System in which flags are added to and removed from award authorizations. These flags include, HCM2, Reimbursement, and Stop Pay.
Heightened Cash Monitoring 1	HCM1	A method of payment under which an institution is required to disburse funds to a student, before drawing down funds from ED, by crediting the student's account or issuing a check to the student directly. (Cash Monitoring Payment Method – Refer to 34 C.F.R. § 668.162 (e)).
Heightened Cash Monitoring 2	HCM2	A method of payment under which the institution requests funds from ED after disbursement. This payment method is similar to the Reimbursement Payment Method, but is less restrictive for the institution. (Cash Monitoring Payment Method – Refer to 34 C.F.R. § 668.162 (e)).
Higher Education Act	HEA	Federal legislation passed in 1965, with amendments and reauthorizations subsequently passed, authorizing Federal postsecondary student financial aid programs and mandating that the programs be regulated and administered by the U.S. Secretary of Education.
Information for Financial Aid Professionals	IFAP	The Information for Financial Aid Professionals (IFAP) Web site consolidates guidance, resources, and information related to the administration and processing of Title IV federal student aid into one online site for use by the entire financial aid community.
Institutional Student Information Record	ISIR	A summary of information from the student's Free Application for Federal Student Aid (FAFSA) submitted electronically to institutions and state agencies.
Leave of Absence	LOA	A temporary interruption in a student's education.

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Management Improvement Services	MIS	MIS Technical assistance provided to institutions to help identify potential compliance problems and find solutions for those problems. (MIS was formerly known as Technical Assistance).
National Science and Mathematics Access to Retain Talent Grant	National SMART Grant	Grant created by the Higher Education Reconciliation Act (HERA) of 2005 (HERA) providing funds for the third and fourth years of study to needy students who are pursuing a 4-year degree with a major in one of the physical sciences, computer science, engineering, mathematics, technology, or a critical foreign language. Funding for this grant program was first made available for the 2006-07 award year.
National Student Loan Data System	NSLDS	EDs integrated database system that collects and maintains student loan and grant data on Title IV federal student aid recipients, available to the financial aid community.
Off-site Review	Off-site	The SPT will review records off-site at the Department.
Office of the General Counsel	OGC	ED office that provides legal services to all units of ED, including the Office of Postsecondary Education (OPE) and the Office of Federal Student Aid (OFSA).
Office of the Inspector General	OIG	ED office that provides information and technical guidance on the current status of Departmental policy.
Office of Postsecondary Education Identification Number	OPE ID	An eight-digit number assigned to an institution upon approval for participation in Title IV programs.
Office of Postsecondary Education	OPE	The principal operating component (POC) within ED that directs, coordinates and recommends policies for programs designed to provide financial assistance to eligible students.
On-site Review	On-site	The SPT will review records on-site at the institution.
FFEL/Direct PLUS	PLUS	Unsubsidized loans available to parents of dependent students and to students enrolled in graduate or professional programs. These loans are available regardless of financial need and the amount of eligibility depends on the total cost of education.
Postsecondary Education Participants System	PEPS	The system maintains eligibility, certification, demographic, program review, financial and audit review and default rate data about institutions and lenders and guarantors participating in the Title IV programs.
Personally Identifiable Information	PII	PII is any information about an individual, which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).
Professional Judgment	PJ	A provision in the law allowing financial aid administrators to make individual adjustments to override a student's dependency status (from dependent to independent), to adjust the components of a student's cost of attendance and to adjust the data elements used to calculate the student's expected family contribution.

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Program Participation Agreement	PPA	A signed agreement between the Secretary and the President/Owner/CEO of an institution allowing participation in the Title IV programs. Institutions may not award Title IV funds until the PPA has been signed and countersigned.
Reimbursement Payment Method	Reimb.	A restrictive method of payment where ED can closely monitor an institution's Title IV expenditures. Refer to <u>34 C.F.R. § 668.162 (d)</u> .
Return of Title IV Funds	R2T4	When a student withdraws from an institution without completing a payment period or period of enrollment, the institution must determine the amount of Title IV funds "earned" for the student's attendance. Unearned federal student aid must be returned. Earned grant funds that the student has not yet received must be paid to the student by the institution as a post-withdrawal disbursement. Earned loan funds that the student has not yet received must be offered to the student by the institution as a post withdrawal disbursement.
Satisfactory Academic Progress	SAP	A sufficient rate of student course-completion determined using qualitative and quantitative measures.
Social Security Number	SSN	A nine-digit number assigned by the Social Security Administration (SSA). The SSN helps SSA to maintain an accurate record of wages or self-employment earnings that are covered under the Social Security Act, and to monitor records once a person begins to start receiving Social Security benefits.
Student Aid Record	SAR	A federal "output" document sent directly to a student from ED's Central Processing Center summarizing a student's application and eligibility status.
School Participation Teams	SPT	Three teams organized within SEC and referred to as SPT – Northeast, South-Central and Northwest. These teams provide integrated oversight and management improvement services to institutions receiving Title IV funds. (SPTs were formerly known as Case Management Teams.)
Teacher Education Assistance for College and Higher Education Grant	TEACH Grant	Grant created by the College Cost Reduction and Access Act (CCRAA) providing funds to students who plan on becoming teachers, and teachers who are obtaining graduate degrees, who agree to teach in a high-need or shortage field in a low-income school for 4 of the 8 years after completing their program. Failure to complete the teaching requirements causes the TEACH Grant to convert to an unsubsidized Federal Direct Loan. Funding for this grant program was first made available for the 2008-09 award year.
Title IV Federal Student Aid	Title IV	Financial aid programs for postsecondary students, authorized under Title IV of the Higher Education Act of 1965, as amended (Title IV, HEA) and administered by the U.S. Department of Education.
United States Code	USC	The United States Code is the codification by subject matter of the general and permanent laws of the United States. It is divided by broad subjects into 50 titles and published by the Office of the Law Revision Counsel of the U.S. House of Representatives. Since 1926, the United States Code has been published every six years. In between editions, annual cumulative supplements are published in order to present the most current information. Documents are available only as ASCII text files.