

## MODULE 15: Vocab & Key Terms

### Paying For College

#### **FAFSA (Free Application for Federal Student Aid)**

This is a form managed by the U.S. Department of Education that students must fill out to be eligible for federal financial aid for college. It serves as the gateway for various forms of financial support including grants, loans, and work-study programs.

#### **Opportunity Cost**

A fundamental economic concept, opportunity cost refers to the loss of potential benefits when one alternative is chosen over another. This can relate to both monetary and non-monetary factors, such as time and satisfaction.

#### **Scholarships**

These are financial awards provided to students based on various criteria, often academic merit or special talent, and do not have to be repaid.

#### **Grants**

Unlike loans, grants are sums of money that are given to students for their education and generally do not have to be repaid. They can be from governmental or private organizations.

#### **Work-Study Programs**

These are federally or institutionally funded programs that allow students to work part-time jobs to help pay for college expenses.

#### **Student Loans**

A sum of money borrowed to pay for higher education, which will need to be paid back with interest over a specified period.

#### **Fixed Interest Rate**

This refers to an interest rate on a loan that remains the same throughout the entire loan period, commonly associated with federal student loans.

#### **Variable Interest Rate**

This is an interest rate that can fluctuate over the duration of a loan based on market conditions, often seen in private student loans.

#### **Repayment Plans**

These are predetermined arrangements between the borrower and the lender detailing how the borrower will repay the loan, including the repayment period and monthly payment amount.

#### **Gig Economy**

This term describes a labor market where short-term, freelance, or contractual work is prevalent, allowing for flexible schedules but often lacking traditional employee benefits.

#### **Non-Income Factors**

These refer to elements other than salary that contribute to job satisfaction, such as work culture, job security, and work-life balance.

#### **Wage Gap**

The term is used to describe the pay discrepancies that exist between employees doing the same job, often affecting certain groups disproportionately based on gender, race, or other factors.