

# THE GLOSSARY OF HIGHER EDUCATION POLICY



**higher  
learning**  
ADVOCATES

The Glossary of Higher Education Policy is a compilation of some key words and terms that policymakers and advocates will encounter during discussions around higher education policy. The glossary sets out to provide a reference for policymakers, media, and analysts through concise definitions of commonly-referenced terms.

## HIGHER EDUCATION GLOSSARY

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### GENERAL

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- **Accreditation** – a process used to assess academic and instructional quality of an institution of higher education and programs at those institutions. In order for institutions of higher education (IHE) to participate in federal student aid programs they must be accredited by a national or regional accreditor. Accreditors need to be approved by the U.S. Department of Education.
- **Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs)** – an institution of higher education where at least ten percent of students are of Asian American and Native American Pacific Islander
- **Associate's Degree** – usually a two-year undergraduate academic degree awarded by colleges and universities upon completion of a course of study.
- **Average Debt** – the average student loan debt that borrowers owe.
- **Bachelor's Degree** – typically a four-year undergraduate academic degree awarded by colleges and universities upon completion of a course of study.
- **College Navigator** – a website that provides selected IPEDS data to assist students, parents, and high school counselors with information about postsecondary institutions such as programs offered, retention and graduation rates, aid available, accreditation, campus safety, and estimated student expenses. (<https://nces.ed.gov/collegenavigator/>)
- **College Scorecard** – an interactive tool that provides students and families clear information on institutions of higher education location, size, campus setting, degrees offered, costs, graduation rate, loan default rate, average amount of federal student loans borrowed, and employment. (<https://collegescorecard.ed.gov/>)
- **Common application** – an online undergraduate college admission application

that applicants can use to apply to multiple institutions of higher education in the United States and other countries.

- **Competency-based education (CBE)** – a type of postsecondary education organized around learning outcomes rather than how much time a student spends in a classroom or in a course.
- **Credit hour** – a unit of measure that indicates the number of hours a student spends in the classroom and related work out of the classroom throughout a term on a particular class.
- **Credit transfer** – based on a student’s transcript, an institution of higher education can decide whether or not to grant a student credit for courses completed at another higher education institution.
- **Career and Technical Education (CTE)** – is a term applied to schools, institutions, and educational programs that provide students with the on-the-job training, and academic and technical skills needed to succeed in the workforce.
- **Fees** – additional charges from an institution of higher education, such as technology fees and library fees, which are typically used to fund specific campus programs and recreational facilities.
- **Financial literacy** – the ability to understand how money and financial terms and transactions work. In the higher education sector, financial literacy is important for students to determine financial aid and loan repayment terms.
- **For-profit** – an institution of higher education operated by a private, profit-seeking entity.
- **Full-time** – a student who is enrolled at an institution of higher education for 12 or more credit hours in a single semester.
- **Historically Black Colleges & Universities (HBCUs)** – an institution of higher education that were established prior to 1964 with a mission to serve black Americans.
- **Heightened cash monitoring** – a procedure that the U.S. Department of Education may use to pay additional attention to the way a school is using their federal financial aid funds.
- **Hispanic Serving Institutions (HSIs)** – an institution of higher education where at least 25 percent of students are of Hispanic origin.
- **Institution of higher education (IHE)** – institutions that offer postsecondary education (nonprofit, public or for-profit). When accredited and authorized by their state their students can receive federal financial aid through Title IV of the Higher Education Act to pay for the cost of attendance at the institution.
- **Institutional Aid** – money a student receives from their college or university.
- **Integrated Postsecondary Data System (IPEDS)** – a system of within the U.S Department of Education that conducts surveys annually to gather information from institutions of higher education that participate in federal student aid programs. The data is available through the IPEDS Data Center and College Navigator which include information on postsecondary enrollments, program completions, graduation rates, faculty and staff, finances, institutional prices, and student financial aid.
- **Massive Open Online Course (MOOC)** – an online course that is open to everyone on the internet without a charge.
- **Minority Serving Institutions (MSIs)** – an institution of higher education where a percentage of students are designated as minority. MSIs include Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), Hispanic Serving Institutions (HSIs), Native American Serving Non-Tribal Institutions and Asian American, Native American and Pacific Islander Serving Institutions (AANAPISIs).
- **National Center for Education Statistics (NCES)** – a federal entity that collects, analyzes, and makes data related to education in the United States and other nations available.

- **Negotiated Rulemaking** – process through which the U.S. Department of Education develops a proposed rule by using a neutral facilitator and a balanced negotiating committee comprised of representatives of all interests. The goal of negotiated rulemaking is to have the committee reach consensus, but if the committee does not reach consensus then the agency can formulate their own rule.
- **Net price** – the amount students must pay for their college expenses after grants and scholarships are deducted from the institutions of higher education published tuition and fees.
- **Non-profit** – an independent institution of higher education institution that may be private or public.
- **Office for Civil Rights (OCR)** – an office within the U.S. Department of Education that ensures equal access to educational opportunities by enforcing civil rights in our nation’s schools.
- **Part-time** – a student who is enrolled at an institution of higher education for less than 12 credit hours in a single semester.
- **State authorization** – institutions of higher education are required to have the state’s authority to deliver educational services and programs in each state that they operate.
- **Student unit record** – a student-level data system at the federal level that collects individual-level data on all students enrolled in higher education. The 2008 reauthorization of the Higher Education Act banned the use of a student unit record system because of privacy concerns and philosophical differences over the role of the federal government in higher education.
- **Tribal Colleges and Universities (TCUs)** – an institution of higher education that serves the reservation-based American Indian population and non-Native students near such communities.
- **Today’s Students** – today’s college students include more than just 18-22 year olds who are living in college dorms and studying full-time.

Today’s college students are also adult learners, veterans, workers, parents, part-time students, online students, first-generation, or going back to school to finish their degree.

- **Tuition** – the price higher education institutions charge for classes.
- **U.S. Department of Education (ED)** – responsible for executing policies on federal financial aid for education as well as distributing and monitoring those funds, collecting data on institutions in the United States and disseminating research, prohibiting discrimination, and ensuring equal access to education.

## LEGISLATION

- **Sec. 101** – Section 101 of the Higher Education Act (HEA) defines an institution of higher education (IHE) as the following: a public or nonprofit educational institution that admits high school graduates or the certificate of an equivalent high school graduate; has state authorization to provide educational program within the state; awards a bachelor’s degree or offers at least a two-year program that leads to a degree; accredited by a nationally recognized accrediting agency or association.<sup>1</sup> It further defines an institution of higher education (IHE) as the following: a public or nonprofit education institution that offers less than a one-year program of training to prepare students for gainful employment in an occupation; an institution of higher education that admits students who are dually or concurrently enrolled in the institution and a secondary school.<sup>2</sup>
- **Sec. 102** – Section 102 of the Higher Education Act (HEA) defines an institution of higher education (IHE) as the following: a for-profit educational institution and a public or nonprofit educational institution and establishes criteria for institutions of higher education outside of the United States must meet to receive federal student aid.<sup>3</sup>
- **Borrower defense to repayment (BDR)** – in 1994, a BDR provision was added to the Higher

Education Act (HEA) directing the Secretary of Education to establish rules to allow students who were misled by their colleges to present a defense against repayment.<sup>4</sup>

- **Gainful employment** – under Title IV of the Higher Education Act (HEA), an educational program at an institution of higher education defined in section 102 must lead to a degree that prepares students to “gainful employment in a recognized occupation.” In 2014, ED published final regulations defining the term “gainful employment” which requires any non-degree program offered by nonprofit or public institutions and all programs offered at for-profit institutions to meet minimum thresholds with respect to debt-to-income rates of their graduates. Gainful Employment rules remain unfinalized.
- **Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)** – a program authorized by the Higher Education Act which provides six-year grants to states and partnerships to help increase the number of low-income students who are prepared to enter and succeed in postsecondary education.
- **Reauthorization** – creates, extends, or makes changes to a federal program and specifies the amount of money that the government may spend to implement the program.
- **The Higher Education Act (HEA)** – a the federal law that was originally established in 1965 to strengthen the educational resources at colleges and universities and provides financial assistance to students pursuing postsecondary education.
- **Title IV** – in reference to the Higher Education Act; outlines the administration of federal student financial aid programs.
- **Title IX** – in reference to the Higher Education Act; prohibits discrimination based on sex in any federally funded education program or activity.
- **TRIO** – authorized in the Higher Education Act; are federal outreach and student services programs designed to assist first-generation students, individuals from low-income and

disadvantaged backgrounds, and individuals with disabilities with progressing through the academic pipeline from secondary schooling to postsecondary education. Current TRIO programs are Upward Bound, Ronald E. McNair Postbaccalaureate Achievement, and Student Support Services program.

- **Workforce Innovation and Opportunity Act (WIOA)** – Workforce Innovation and Opportunity Act (WIOA) - a legislation that reauthorized the Workforce Investment Act (WIA) in 2014 to help workers access employment, education, training, and support services to succeed in the labor market and to match employers with skilled workers.

## ASSOCIATIONS

- **AACC** – American Association of Community Colleges; represents 1,200 two-year associate degree granting institutions and more than 12 million students.
- **AASCU** – American Association of State Colleges and Universities; represents 420 public colleges and universities.
- **AAU** – Association of American Universities; represents 60 universities in the United States and two in Canada.
- **ACE** – American Council on Education; the only major higher education association to represent all U.S. accredited, degree-granting institutions, college and university presidents, and the executives at related associations.
- **ACCT** – Association of Community College Trustees; a nonprofit educational organization of governing boards who represent more than 6,500 elected and appointed trustees who govern over 1,200 community, technical, and junior colleges.
- **NAICU** – National Association of Independent Colleges and Universities; a higher education membership association that represents private, non-profit higher education institutions.

## STUDENT AID

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- **Campus-based Aid** – programs such as Federal Supplemental Educational Opportunity Grant, Perkins Loans, and Federal Work-Study which are administered directly from the financial aid office at an institution of higher education.
- **Expected Family Contribution (EFC)** – is calculated using financial and family information, such as a family's taxed and untaxed income, assets, benefits, family size, and the number of family members who will attend a postsecondary institution during the same year. In addition to determining eligibility for federal student aid programs, such as Pell grants and student loans, institutions of higher education financial aid staff use this to determine how much institutional aid a student would receive to attend such institution.
- **Free Application for Federal Student Aid (FAFSA)** – students complete this free online application to apply and determine eligibility for federal student aid programs, including Pell grants, federal student loans, and campus-based aid. Many states and institutions of higher education also use this application to determine eligibility for non-federal student aid.
- **Federal Work-Study** – a federal student aid program that provides part-time jobs to undergraduate and graduate students which allows them to earn money to pay for their educational expenses.
- **Financial aid** – any grant, scholarship, federal work-study, and federal and/or private student loan offered to a student to help pay for college expenses.
- **Federal Student Aid (FSA)** – the office within ED that oversees and administers federal student loan and student grant programs.
- **Federal Supplemental Educational Opportunity Grant (FSEOG or SEOG)** – a grant for undergraduate students with exceptional financial need to help cover college expenses.

- **Pell Grant** – a grant available to undergraduate and graduate students who demonstrate financial need to help pay for tuition and related expenses.

## LOANS & REPAYMENT

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- **Cohort Default Rate (CDR)** – the percentage of a school's borrowers who enter repayment on federal student loans during a particular federal fiscal year and default on their federal student loans within the first three years of repayment.
- **Deferral** – allows borrowers to temporarily stop making payments or to temporarily reduce borrowers' monthly payment amount for a specified period. Borrowers may also not be responsible for paying the accrued interest on certain types of loans during a deferment period.<sup>5</sup>
- **Default** – a borrower fails to make a payment on their student loans for at least 270 days (nine months).
- **Direct Loan** – under Title IV of the Higher Education Act, undergraduate and graduate students are eligible for federal subsidized and unsubsidized student loans to assist with paying for college expenses.
- **Federal Family Education Loan program (FFEL)** – in the past, private lenders made federal student loans to students, and guaranty agencies insured these funds, which were, in turn, reinsured by the federal government. No new FFEL loans were issued after July 1, 2010.
- **Forbearance** – a policy that allows student loan borrowers to temporarily stop making payments or temporarily reduce their monthly payment amount for a specified period; borrowers are still responsible for paying the accrued interest.<sup>6</sup>
- **Income-Based Repayment (IBR)** – allows borrowers to repay their federal student loans based on 10 or 15 percent their discretionary income for up to 20 or 25 years before the borrower is eligible for forgiveness.



- **Income-Driven Repayment (IDR)** –the federal government currently offers four programs: IBR, ICR, REPAYE, and PAYE which allows borrowers to repay their federal student loans based on a portion of their discretionary income for up to 20 or 25 years before the borrower is eligible for forgiveness.
- **Pay As You Earn (PAYE)** – one form of an income-driven repayment plan where a borrower’s monthly payment is generally 10 percent of their discretionary income and after 20 years of repayment the borrower is eligible for federal student loan forgiveness.
- **Perkins Loans** – a federal financial aid program administered by institutions of higher education that provides low-interest loans to help needy students finance the costs of postsecondary education.
- **PLUS** – federal student loans that are available to graduate students and parents of dependent students to help pay for tuition and related expenses.
- **Public Service Loan Forgiveness (PSLF)** – borrowers are eligible for federal student loan forgiveness on their Direct Loans after making 120 qualifying monthly payments under a qualifying repayment plan while working full-time for the government, 501(c)(3) nonprofit organization, or other types of nonprofit organizations.
- **Stafford loan (subsidized)** – federal student loan available to eligible undergraduate students where the U.S. Department of Education pays the interest while the borrower is enrolled at an institution of higher education.
- **Stafford loan (unsubsidized)** – federal student loan available to undergraduate and graduate students where the borrower is responsible for paying the interest that accrues during all periods (while in enrolled at an institution of higher education, grace period, forbearance, and deferment) and the interest capitalizes if the borrower chooses not to pay interest during all periods.
- **Student loan portfolio** – the Office of Federal Student Aid is responsible for managing and overseeing the \$1.5 trillion of outstanding federal student loans which include Direct Loans, Federal Family Education Loans (FFEL), and Perkins.

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<sup>1</sup> [https://legcounsel.house.gov/Comps/HEA65\\_CMD.pdf](https://legcounsel.house.gov/Comps/HEA65_CMD.pdf)

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> <https://www.newamerica.org/education-policy/edcentral/ins-and-outs-borrower-defense-rule/>

<sup>5</sup> <https://studentaid.ed.gov/sa/repay-loans/deferment-forbearance>

<sup>6</sup> Ibid.