FINANCIAL AID GUIDE
2019-2020

Warren Alpert Medical School
Brown University

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Office Hours: January 1, 2019 to May 24, 2019 .................. 8:30 a.m. to 5:00 p.m.
              May 28, 2019 to August 16, 2019  .................. 8:00 a.m. to 4:00 p.m.
              August 19, 2019 to December 31, 2019 .......... 8:30 a.m. to 5:00 p.m.
Financial Aid Policies

General Policy Statement

While the primary responsibility for paying one’s medical education must rest with each student and his or her family, AMS makes every effort to assist students with documented financial need. When the amount that a student and his or her family can contribute is not sufficient to meet all of the costs of attending medical school, financial aid is available from several sources. Actual awards depend on federal funding levels as well as institutional resources, as determined annually in the medical budget approved by the University Corporation. Although graduate and professional school students are considered independent for most types of federal aid, the medical school does not recognize the status of the independent student in the awarding of institutional funds, regardless of the student’s age, marital status, or number of years which he or she has been self-supporting. This policy ensures that institutional funds are allocated to students who have demonstrated limited family resources.

The basis for awards is financial need; academic performance and class rank, however measured, are not factors in the amount or type of financial aid, provided that the student meets the academic requirements for continuation in the medical school. Exceptions to this policy are certain scholarships or prizes based on academic excellence by the expressed intent of the donor, and clinical year scholarships for MD/PhD students. In accordance with federal laws and applicable regulations, Brown University does not discriminate on the basis of sex, race, religion, age, handicap, status as a veteran, sexual orientation, or national or ethnic origin in the awarding of financial assistance.

Eligibility for Financial Aid

To be eligible for financial aid in the medical school, a student must be enrolled at least half-time in a degree-granting program and must be making satisfactory progress toward a degree, as defined in the Student Affairs Policies Handbook (Section V, Policies and Protocols on Academic Standing and Promotion). The Handbook is available on the school website.

Students who have been formally authorized to devote more than four years to complete the MD degree are eligible for financial aid under the same conditions as other medical students; however, there is a limit of ten semesters for which a student can receive scholarship assistance. In addition, students who enroll in the academic scholarship program (ASP) with the medical school are not eligible for AMS scholarship and AMS loans, but may apply for federal direct loan funding during the ASP period. AMS scholarship and loans are generally not available for expenses related to enrollment in courses taken by away clerkships, even though transfer of academic credit may be authorized.

Also, eligibility for federal loans may carry additional requirements. As a result of completing the Free Application for Federal Student Aid (FAFSA), students may be asked to verify their citizenship status or could be selected for a process called Verification. The federal government flags a certain percentage of FAFSA applicants for Verification and requires the school to verify specific sets of data. In these instances, the AMS OFA will contact the student and make them aware of additional eligibility requirements.

Determining Financial Need

Financial need is defined as the difference between the annual Cost of Attendance (COA) and the financial resources expected to be available from the student (and spouse, if applicable) and his or her family to meet those expenses. A family’s ability to contribute to a student’s education is determined by a federally-approved needs analysis system called Federal Methodology. The purpose of this system is to assess family resources using a nationally recognized uniform formula. The analysis takes into account family income, assets, number of dependents, number of family members in college, and other relevant information.
AMS uses the FAFSA (Free Application for Federal Student Aid) to apply Federal Methodology in assessing student and family resources to determine eligibility for both federal loans and institutional funding. The analyzed FAFSA is reviewed along with supporting documents before determining financial need.

Students are expected to contribute from their own assets and income toward their medical education. In addition, first and second year students are expected to contribute summer earnings. Students entering the third and fourth years are not expected to contribute from summer earnings since they will be full-time students year-round.

**Assessing Parental Resources**

Graduate and professional school students may wish to declare independence from their parents. Some have been self-supporting for years. While AMS is sensitive to the desire of these students to become independent of their families, it is not in a position to transfer financial dependence from one’s parents to Brown. Therefore, **parental information is required for all students applying for institutional funding (i.e. AMS loans and scholarships) as well as some types of federal funding, regardless of the student’s age, marital status, or number of years for which he/she has been self-supporting.**

Parental information may be waived in exceptional circumstances. Students who have unusual family circumstances are advised to discuss their situation with the Director or Assistant Director and to complete the **Parent Waiver form.**

**Assessing Student (and Spouse) Resources**

Students are expected to pay for a portion of their educational expenses. That contribution depends on several factors which are described below:

**Prior-Prior Year Income:** In determining student and spouse contributions, the Federal Methodology now uses prior, prior year income data. What this means is that you and your family will be reporting 2017 income and tax data on the 2019-2020 FAFSA. This is to simplify the application process for students and families who in the past may have found it difficult to provide tax documents by prescribed deadline dates. First and second year students should take special care to report large decreases in income from year 2017 to year 2018 or estimated year 2019.

Note that while you are providing prior, prior year income and tax data on the 2019-2020 FAFSA, the information you provide about assets, marital status, household size and number in college should be current as of the date you are submitting the FAFSA.

If your income or your family’s income in 2018 will be substantially different from your 2017 income, please explain this change by completing the **Special Circumstances Form**, available on our website. The form prompts you to include pertinent information that will help our office to better assess how changes have affected your family’s ability to assist with your educational expenses. You will also be prompted to provide the appropriate documentation needed as well. Please submit this form along with your aid application.

**Summer Earnings Expectation:** First and second year students generally are expected to contribute $1,650 from summer earnings toward their educational expenses. The summer earnings contribution is not waived for students who elect to take courses that are not required for admission to the medical school. Since third and fourth year students are enrolled year round, a summer earnings contribution is not expected.

**Spouse’s Income:** If the student’s spouse is a U.S. citizen or holds a permanent resident visa, and is not a full-time student or caring for pre-school age children, federal methodology assumes that he or she will work outside the home to help cover other household expenses not covered within the standard student budget.

**Student’s (and Spouse’s) Assets:** A contribution is expected from assets which the student and/or spouse own including, but not limited to, savings, certain types of property, and investments. Please be aware that federal regulations require assets which are held in the student’s social security number or his/her spouse’s social security number to be considered a resource for the student’s education.
How the Student Cost of Attendance (COA) is Determined

The student budget or Cost of Attendance (COA) is calculated based on a combination of survey feedback from enrolled students regarding their living expenses, market analysis of the cost of living in the Providence area, and University charges approved by the Brown Corporation. The student COA reflects expenses only for periods of enrollment. It will include both fixed expenses, such as tuition, fees and health insurance as well as discretionary expenses such as transportation expenses, personal and living expenses. The COA also includes estimates for books and required supplies and licensing exam fees. Living expenses may vary depending on whether the student is living in an apartment or at home with his or her parents. Federal regulations specifically prohibit certain expenses from being included in student budgets, including car payments and other expenses considered discretionary, such as wedding expenses.

Periods of enrollment vary from year to year; for example, first year students have an enrollment period of 10 months, and third year students have a 12 month period. The COA reflects the months of enrollment for each class in the discretionary components (housing, living, local transportation). Students generally plan their expenses for the entire year, so for example, first year students should plan for rental payments for June and July of the following year, even though the COA only covers rental expenses for 10 months, early-August until the end of May.

The standard COA for each class year can be viewed on our website and are updated for each academic year in April. COAs typically increase by 3-5% each year.

An allowance for travel home will be included in your cost of attendance for one round trip ticket home each year. The allowance varies depending upon destination and is determined by the state in which the student’s parent(s) resides for institutional aid applicants.

Adjustments to Student Cost of Attendance

Adjustments may be made to student budgets for the expenses listed below. Except for travel home, students must provide appropriate documentation (e.g. cancelled checks, airline tickets) for COA increases. Note that the cost of purchasing or monthly lease of an automobile or consumer debt cannot be added to the COA to increase loan borrowing. Students should complete the Cost of Attendance Adjustment Form, available on our website, when submitting additional expenditures. The form provides guidance about acceptable documentation. Generally, COA adjustments are covered only with the Federal Direct Unsubsidized Loan or with the Federal Graduate PLUS Loan. The maximum increase allowed for any item is generally $5,000 in a given aid year.

- **Medical and Dental expenses:** adjustments may be made for unreimbursed medical and dental expenses that are not covered by an insurance plan. Your COA cannot be increased beyond $5,000 to assist with medical expenses and they must be emergent services needed. The COA cannot be increased to cover expenses for elective surgery, but only urgently needed services necessary to continue medical studies as deemed by the Office of Student Affairs.
- **Health insurance premiums:** are considered for students with dependents.
- **Childcare:** these expenses are considered for single parents or when a spouse is working outside the home or attending college or graduate school on at least a half-time basis.
- **Away Electives:** students may request increases in their COA to cover transportation to electives out of state as well as other reasonable expenses which would not have been incurred if they were in the Providence area and are not already covered in the standard COA.
- **Unusual transportation expenses associated with clerkship rotations:** students experiencing unusually high expenses for travel to clerkships outside of the Providence area may request an increase.
- **Residency application and interviewing:** OFA includes $3,000 for these residency related expenses in the fourth year COA. Students whose application and interviewing expenses exceed $3,000 can submit receipts for residency applications and for their travel expenses to residency interviews. Documented expenses that exceed $3,000 can also be added to the COA in year 4.
Financial Aid Packages for Students Receiving AMS Funding

Once financial need has been determined, the Office of Financial Aid constructs a “package” or combination of financial aid resources to meet need. The sources of aid are based upon program eligibility criteria, availability of funds and the level of financial need. Awards may consist of scholarship funds, subsidized or unsubsidized loans.

The financial need of students who qualify for institutional funding is covered first with a fixed amount in AMS loans and federal loans, which is called the base loan component. The amount and composition of the base loan is determined annually based upon anticipated institutional resources and the projected aggregate need of financial aid applicants. The first portion of the base loan is the Federal Direct Unsubsidized Loan. This loan has a fixed interest rate that is set each year and tied to the 10-year Treasury note. The interest rate set for 2018-19 was 6.60%. Interest begins to accrue on this loan from the date that the funds are disbursed to the student’s school account. The amount packaged in the Federal Direct Unsubsidized Loan varies by class year. The federal government charges an origination fee of 1.062 percent on the Federal Direct Unsubsidized loans. The Direct Loan fee is deducted upon disbursement from the amounts that you borrow.

The remaining portions of the base loan are met in one or more of the seven AMS loan programs. The interest rates for these loans range from 5% to 7%. These loans are subsidized or interest-free during the in-school period, as long as the student is enrolled in at least a half-time basis. They also offer the benefit of residency deferment for up to three years. The amount packaged in AMS loans also varies by class year and need.

Remaining need, after the base loan, is met with AMS scholarship. Students may receive up to ten semesters of AMS scholarship funding while in medical school. This is an important factor that students should consider who wish to pursue other interests, extending their studies beyond four years and attend AMS for only a portion of the academic year. While the OFA will pro-rate the base loan amount which will often allow for a portion of scholarship funding to be retained, this pro-rated amount will count toward the ten semesters of scholarship eligibility to which students are restricted.

AMS relies heavily on the generosity of individual and foundation donors to provide scholarship assistance. As a way of saying thank you, we are committed to providing these donors with annual updates about you, your work, and your projects. We call the projects a biography. Projects include the completion of survey questions generated by the Advancement Office and could also include writing a brief narrative about your medical school experiences. You will be invited to a fall luncheon where the projects and your responsibilities are explained in detail. Students receiving AMS scholarship funding are asked to complete the biography or survey each year in the fall, after the luncheon. Second semester scholarship funding is held and will not be disbursed until these requirements are completed and submitted to the OFA.

Financial Aid Packages for Students Receiving Federal Funding

Students who do not qualify for AMS funding may borrow from several loan programs. The most common program is the Federal Direct Unsubsidized Loans, and, if necessary, alternative loans such as the Federal Graduate PLUS Loan. Together, these loans provide sufficient funds to cover the full COA each year. Students who prefer to borrow from other alternative private loan programs should be aware that creditworthiness is a factor in determining eligibility for these loans. Students should also carefully compare repayment options with these loans to those the federal loans offer.

With the exception of the Federal Direct Unsubsidized Loan and the Federal Graduate PLUS Loan, most other alternative loans are potentially unmanageable options in terms of loan repayment. They also tend to have variable interest rates that can fluctuate as the market rates change. Applicants are encouraged to explore this and other financing options with their families and the financial aid staff before borrowing alternative/private student loans.
Financial Aid for MD/PhD Students

During Years I and II of the MD program, MD/PhD students are eligible for financial aid on the same terms as other medical students. While enrolled in the PhD program, students receive fellowship or assistantship support including full tuition and fees and a stipend for twelve months per year for up to five years.

MD/PhD students who complete experimental work needed for the thesis prior to re-entry into the third year of the Medical School receive a full tuition scholarship in the third year, and students who successfully defend their thesis prior to entry into the fourth year receive a full tuition scholarship for the final year of medical school. Note that the tuition scholarship covers only the cost of tuition and no other school-charged fees, such as the health service fee and health insurance.

Financial Aid for International Students

Students who are neither U.S. citizens nor permanent U.S. residents are not considered for need-based institutional funding. The admission process first screens international applicants to determine their ability to pay for educational expenses prior to admission acceptance. International students who are enrolled in the Program in Liberal Medical Education (PLME) should be aware that financial aid will not be available during their medical school years, regardless of the aid offered as they were admitted to the College.

Aid Policies during Periods of Academic Scholarship and Leaves of Absence

Students are not funded with either AMS scholarship or loans during periods of academic scholarship or leaves of absence. While on academic scholarship (ASP), students may receive federal loan funding with reduced eligibility since tuition charges during this time are significantly less.

Students start the process with the approval of their plans with their academic adviser. Students are asked to have the form signed by the Director of Financial Aid as part of the approval process. This is to ensure that students understand the impact that their changes in enrollment could have on their financial aid packages and their loan deferment status. Students will be required to report, at least quarterly, on their academic scholarship activities to the AMS Records and Registration Department. Program details can be found in Section XII of the Student Handbook.

If the status is approved for an entire aid year, the student need only complete the FAFSA for federal aid eligibility for that year. They would provide only their own and their spouse’s income and asset information. If, however the student plans to pursue ASP for only one semester during the year and remain in full time MD studies for the other semester, then the student should complete the full financial aid application if they wish to be considered for AMS scholarship for the semester of full time enrollment, completing parent information as well. In this case, the student’s COA, expected family contributions and aid package will be pro-rated to reflect the student’s tuition charges for the academic year. Note that students who are enrolled for 12 weeks or less in a semester and are not pursuing ASP status in that same semester, but on a leave, are considered to be enrolled less than half-time and will not be considered for financial aid during that half-quarter.

Prior to leaving AMS to attend another college/university, students should meet with either the OFA Assistant Director or Director to discuss the impact of borrowing at multiple institutions during one single academic year. Students should make careful decisions about borrowing since there are annual maximums that students can borrow in the federal Direct Loan programs. You will not be allowed to borrow the maximum federal loan amounts at both institutions, but the federal government will hold you to yearly maximums, even when attending two institutions in one academic year. Keep in mind the federal government uses an academic year that runs from July 1 through June 30. Also, note that each institution will be required to ensure that expenses included in the Cost of Attendance prepared by each institution for the student can have no overlapping living expenses. In addition, you will be asked to provide the start and end dates for the program in which you are enrolled to ensure the federal loans you borrow at AMS and those borrowed at the other school do not have overlapping aid periods.
When students attend AMS for only a part of the academic year, for example only one quarter, it is important to note that while the OFA will pro-rate the base loan amount which will often allow for a portion of scholarship funding to be retained, this pro-rated amount will count toward the ten semesters of scholarship eligibility to which students are restricted.

**Outside Awards**

Students are strongly encouraged to seek scholarships and loans from private sources, including county medical societies, foundations, unions, fraternal or professional organizations. Please refer to the financial aid website for a list of private scholarships for which AMS students can research and apply. The OFA will attempt to assist students in their search by helping to match them with eligible scholarship opportunities for which they might be eligible. Another resource posted on our website is sponsored by the University Library Resources and is called SPIN. It provides a function to broaden the search for outside resources. Please visit our website for additional information.

Recipients of private loans and/or scholarships are obligated to provide the Office of Financial Aid with written confirmation of the annual award from the outside agency. OFA will need to know how many times the outside funding will be disbursed and when, in addition to the amounts. Outside awards first reduce the student’s higher cost loans (e.g., Federal Graduate PLUS or Federal Unsubsidized Direct loans). Awards that exceed the amount borrowed through these loans then reduce the AMS loans and scholarship.

**Withdrawals and the Return of Title IV Funds**

Students must notify the AMS Office of Records and Registration in writing or in person to formally withdraw from the medical school. If the student received financial aid in the form of federal loans, such as the Federal Direct or Perkins Loans, then the student must also notify the AMS OFA as well. The student may be required to complete an exit interview program and satisfy other requirements as a borrower of federal loans and institutional loans.

When a medical student withdraws from AMS or takes a leave of absence, the Office of Records and Registration must determine the date of withdrawal, based on the date of the student's last day of attendance. The Office of Records and Registration will work with the University Offices of the Registrar and Bursar to adjust tuition and other charges following the institutional withdrawal policy for the medical school. The policy varies for students in their first or second years and those in their third and fourth years as follows:

**Years 1 and 2:**

1. A student who leaves the medical school prior to the beginning of the semester shall not be charged tuition for the semester.
2. A student who leaves the medical school during either Semester I or II shall be eligible for a refund of the normal charge for that semester (50% of the annual charge for the medical school) during the first five weeks only as follows:
   - First two weeks............................80% refund
   - Third week..............................60% refund
   - Fourth week............................40% refund
   - Fifth week..............................20% refund
**Years 3 and 4:**

1. The academic program for the third and fourth year of the medical school is divided into four quarters of approximately twelve weeks each.
2. A student who leaves the medical school during or at the end of the first quarter shall be refunded 75% of the total annual charge.
3. A student who leaves the medical school during or at the end of the second quarter shall be refunded 50% of the total annual charge.
4. A student who leaves the medical school during or at the end of the third quarter shall be refunded 25% of the annual charge.
5. No refund shall be made to a student who leaves the medical school during or at the end of the fourth quarter.

Students who receive federal (Title IV) loan funding, such as the Direct or Perkins loans, will be subject to the Title IV Refund Policy which does not necessarily follow the University’s tuition refund policy. Instead, the medical school must determine the earned and unearned portions of the eligible Title IV aid as of the date the student ceased attendance based on the amount of time the student spent in attendance. The calculation of Title IV funds earned by the student has no relationship to the student’s incurred institutional charges.

**Up through the 60% point** in each semester, a pro-rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. **After the 60% point** in the semester, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. For a student who withdraws after the 60% point-in-time, there are no unearned funds and generally, the student is able to retain the funding already disbursed.

**Appeal of Financial Aid Decisions**

A medical student who believes that his/her application for financial aid has not been given full consideration should first discuss the matter with the Director of Financial Aid. If, after discussing the matter with the financial aid staff, the student does not feel the award is appropriate under the University guidelines, he/she may appeal to the Associate Dean for Medical Education that has been designated by the Dean of Medicine and Biological Sciences for supervision of the Office of Financial Aid. All matters pertaining to financial aid are confidential, and all decisions made by the Associate Dean for Medical Education are final.
Application Instructions and Requirements

To be considered for financial aid, students must apply each year. All students whose applications are complete by March 1 will receive award notifications at least by May 1. Applicants who do not meet the deadline will be notified once their applications are complete after all on-time aid applicants have been awarded. *Late filing may jeopardize receipt of institutional funding, including scholarship funds.* Note that OFA must receive all application materials by March 1 for continuing students and applicants. This means that you will have to complete the FAFSA two weeks in advance of the deadlines in order to ensure that OFA receives the FAFSA results (ISIR) on time.

Submission of Application Documents

In order to apply for financial aid, students upload their documents directly via the document upload portal which can be accessed by logging into Self-Service Banner. This paperless submission process helps to increase our office's efficiency, and to increase the security of electronically transmitted financial aid application documents.

Using the link, [Navigating Self Service Banner (SSB)](link), students need to ensure that their documents are in PDF format and saved on a personal computer with a file name that does not include extra periods: myFile.pdf for example. Each file cannot be larger than 2000kb. Scan in black and white at a low resolution (200-300dpi). It is important to note that the upload portal will not accept documents that do not comply with these parameters.

If you will need to scan hard copies of a document to PDF, remember that students may use the scanners in the AMS library. Instructions accompany each scanner. However, we encourage you not to wait until the deadline date.

**Instructions: Applying for AMS Need Based Aid**

To be considered for AMS scholarship and AMS loan funding, students must complete the income and asset *parent* sections of the 2019-2020 FAFSA in addition to income and asset data of the student sections. Information on your biological or adoptive parents is entered on the FAFSA depending on their marital status. Both biological/adoptive parents’ information needs to be documented on our AMS Financial Aid Application. After completing the student sections of the FAFSA, students will be asked if they wish to continue completing the form including parental income and asset information. In order to be considered for AMS scholarship and loans, this additional *parent data must be provided*. In addition, we ask students to complete the *AMS Financial Aid Application*.

The income and asset data provided by the student and parents should be based on the 2017 tax return. Students and parents can use the IRS Data Retrieval function when completing the FAFSA to pull in the income and tax data fields directly from the IRS. This is explained in further detail in the FAFSA Completion section of this guide.

In addition to completing the FAFSA and the *AMS Financial Aid Application*, we ask students to submit a copy of their 2017 federal income tax return. If the student is not required to file a 2017 tax return, they should complete the *Student Non-Filer form*. We ask that the students’ parents also submit their 2017 tax returns as well. If parents did not file a 2017 tax return, the parent should complete the *Parent Non-Filer Form*. For more details, please visit our [website](link).

Note that if parents submit a tax document other than a U.S. or Puerto Rican tax return; please also provide a certified translation of the tax document.
Notes on Required Tax Returns

Signed copies of the first two pages of the federal income tax returns for the 2017 tax year, including the W-2 Form(s) and schedules C, D & E, are required from you, your spouse, if applicable and your parents if you are applying for institutional funding at AMS. The tax forms must be signed, either by the individual filing the form or must include the tax preparer’s ID.

Notes on the Non-Tax Filer Forms for Parents and for Students

If your parents are not required to file a federal income tax form, please ask them to complete the Parent Non-Filer Form available on the OFA website.

Notes on the AMS Financial Aid Application

The AMS Financial Aid Application is available on our website. The PDF document can be completed and saved for your records. This year, you can use the electronic signature and upload the document for OFA.

Notes on Completing the Free Application for Federal Student Aid (FAFSA)

Be sure to indicate Alpert Medical School’s federal school code (E00059) when asked about the schools that should receive a copy. All students applying for financial aid should complete and submit the FAFSA by February 15, 2019, so that OFA receives the output by March 1, the deadline date.

In order to complete the FAFSA electronically, you will need a FSA user ID and password (federal student aid identification number). If you do not have a FSA ID or do not remember it, go to https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid to request it. This site provides information you’ll need to establish your FSA ID. The FSA ID also provides access to your personal financial records (including your federal loan borrowing history), so please keep it in a secure location.

As you complete the 2019-2020 FAFSA, you will be encouraged to use the IRS Data Retrieval Tool (IRS DRT) when reporting certain data fields, such as your income and taxes paid. The IRS DRT allows data from your 2017 IRS tax return to be pulled directly from the IRS to the FAFSA output document, the ISIR (Institutional Student Information Record) that is sent to our office as a result of your FAFSA submission.

Some students may not be able to use the IRS DRT for the following reasons:

- if the student is married, but files a separate return from spouse
- if the student files a foreign tax return and/or a Puerto Rican tax return

Students who fall into the categories above may be required to submit additional information to verify their FAFSA application. The AMS Office of Financial Aid will contact you with specific information about additional requirements.

- When filing your FAFSA, use the IRS Data Retrieval Tool if you are eligible.

Please note that if you completed the FAFSA for another institution or attended Brown University as an undergraduate during the prior year, your renewal FAFSA will automatically list that institution’s federal school code in Section 5. Please change the code to E00059. Without that change, your analyzed FAFSA will not be transmitted to our office.
**Instructions: Applying for Federal Aid Only**

Students who are applying for only federal loan funding, need to complete the Free Application for Federal Student Aid (FAFSA), but need only submit the student information. If married, students must also include spouse’s income and asset information as well.

**Notes on the Alien Registration Card**

If you are not a U.S. citizen but you have a permanent resident status with the Immigration and Naturalization Service, please provide a copy of both sides of your current alien registration card (either the I-151 “green card” or the I-551 card). Federal and institutional funds cannot be disbursed until this card has been received.

**Financial Aid Award Notification**

The OFA prepares an aid award notification for you each year and makes it available generally in late April through Self Service Banner. Please review this section to ensure that you understand the aid offered to you and how it is processed. This will ensure that your financial aid will be processed in a timely way. Please also read the Budget Guidance section of this Guide to assist you in determining your borrowing needs. If you have additional questions, please contact our staff for assistance.

OFA no longer mails a hard copy of your Award Letter to your home address. Instead, there is an option in SSB to print out a copy for your records. Link to Navigating Self Service Banner (SSB) then select Medical School Students, Financial Aid and Current Award Information.

**Award Letter**

Your award letter displays your financial aid eligibility for each academic year and includes the following sections:

1. Your cost of attendance for the current year, listing tuition and fees as well as the living component;
2. Your family contribution and your resulting financial need;
3. Breakdown of the funds that you are being offered to meet your need.

**Financial Need and Family Contribution**

The determination of your need is actually a simple calculation. We start with your cost of attendance, and then subtract your family’s expected contribution. The result is your assessed need. So, the formula looks like this:

\[
\text{Cost of Attendance} - \text{Family Contribution} = \text{Assessed Need}
\]

If you apply only for external aid (e.g., Federal Direct loans) we calculate a contribution from you (and your spouse, if applicable) based upon your income and asset information before determining your financial need. No parental information is considered.

However, if you apply for institutional aid, a contribution from both you (and your spouse, if applicable) and your parent(s) is displayed on your award letter. The threshold to qualify for institutional aid is determined both by your cost of attendance and by the assessed family contribution figure. Regardless of whether you applied for federal aid only or for AMS aid, your award letter displays the maximum amounts for which you are eligible in federal student loans (e.g., Federal Direct Unsubsidized Loan).
OFA uses a federally-approved system (Federal Methodology) to determine the amount that you and your family can reasonably contribute each year toward your cost of attendance. Factors that are considered in the calculation of need include: family income; assets; the number of family members; and the number of dependents who are attending college, potentially including graduate professional school. Federal Methodology offers allowances against assets and income, including the exclusion of home equity from your family’s asset portfolio. We also make institutional allowances against family income and assets to decrease your family’s contribution. Examples include costs that your family might pay for private secondary school tuition as well as out-of-pocket medical expenses for family members.

Calculating Your Personal Budget

To assist you in determining which loans to accept and the amounts to accept, we encourage you to develop a realistic budget and to determine the resources that you will have available for the year from personal savings, employment, and family support to meet your expenses. Note that your financial aid award is intended to cover the full academic year as determined by your class year. Although, we have calculated the maximum amount of federal loan funding that you are eligible to borrow, we encourage you to budget wisely and attempt to borrow less than the offered amounts, by curbing your living expenses. Additional budgeting guidance is provided on page 14 in this Guide.

Making Loan Decisions

The award letter displays the type of aid for which you are eligible and your maximum eligibility for each fund. The loans offered on your award have not been processed for you at this point. In order to initiate the processing, you must determine which loans you will borrow and the amounts that you will need to borrow to meet your expenses for the length of your academic year. It is important that you understand the differences in the various loan programs in order to make informed decisions about your borrowing needs. Please refer to our website for a complete description of the interest rates, repayment terms and other information.

Once you have made your borrowing decisions, you must accept or decline loan amounts online through the Self Service Banner site. This site enables you to view your financial aid information and accept all or part of each loan offered to you; or decline one or all of your loans. You will be able to go online and accept the loans in your package in early May.

To make borrowing decisions online, link to Navigating Self Service Banner (SSB) then choose Medical School Students, Financial Aid and Accept Award Offers.

Please remember that the loan amount(s) listed reflect in most cases the maximum amounts that you may borrow and not necessarily what you should borrow. The Federal Direct Unsubsidized Loan and the Federal Graduate PLUS loans are the only loans that are not based upon financial need, hence these loans may be used to replace an unrealized family contribution and thus allow you to meet your full cost of attendance with financial aid.

Processing Loans

Once you have made your borrowing decisions, the University Loan Office will prepare any necessary promissory notes and make them available to you. A promissory note is a binding contract made between you, the borrower, and the lender that you will repay. For Federal Unsubsidized Direct Loans, your lender is the U.S. Department of Education through the William D. Ford Direct Loan Program. If you are borrowing from the Federal Direct Loan or Federal Perkins Loan programs for the first time at Brown, you will complete a master promissory note only once in your first year of borrowing. If you have already borrowed through these federal programs at Brown and completed the master promissory note in a prior year, you may not need to do so again.

For all AMS loans and campus-based federal loans (e.g., Medical, Ellwood, Casperson, Plitt, Primary Care Loan, Loans for Disadvantaged Students, etc.), you will need to complete a promissory note each year that you borrow since Master
Promissory Notes are not available for these loans. Promissory notes will be made available to you by the Brown Loan Office prior to the start of your classes, after you electronically accept the loan amounts offered to you in your aid package. Please make your borrowing decisions as soon as possible to ensure timely processing of all of your loans.

After you have accepted your loans electronically, one-half of all loans accepted, less applicable fees, will be posted to your student account as anticipated credits toward your billed charges for the semester. Your billing statement will reflect these anticipated credits. You are responsible for paying the remaining balance by the due date posted on the bill each semester. Please note that if you complete your financial aid application after the deadline, delay your loan acceptance decision, or do not complete your promissory notes in a timely way, the actual disbursement date for your loans may be later in the year.

Your actual loan credit(s) will be applied to your account according to the disbursement schedule listed on our website. The Loan Disbursement Schedule is updated yearly in April.

**Billing Process**

The Bursar’s Office divides payments for tuition and fees for an academic year into two billing cycles. The first bill for the fall semester is mailed in late June with payment due on or before August 1. Spring semester bills are mailed in late November and payment is due in the Bursar’s Office by January 1. Please note that although the third and fourth years of medical school are academically divided into quarters, charges are billed and financial aid is disbursed on a campus-wide semester basis. Hence, the loans that you accept, and Brown scholarship funds will be credited in two equal portions toward each semester’s bill. The dates on which your financial aid will be disbursed to your student account each semester will depend upon the start date of your fall and spring semester in each academic year. Refer to the Loan Disbursement Schedule listed on our website for the approximate dates that funding will be credited to your student account. Note that federal loans cannot be disbursed in the fall semester prior to July 1, each year. Payment of your remaining billed charges minus anticipated aid should be mailed to the Cashier’s Office (Box 1911, 69 Brown Street, 2nd floor), or paid electronically at payment.brown.edu. Significant financial penalties are assessed if payments are not received by the due dates.

**Monthly Payment Plan**

The Bursar’s Office offers a payment plan option to help families distribute the semester’s billed charges over either a five or six-month period beginning in July. The Bursar’s Office includes information regarding the Brown University Payment Plan Agreement with the electronic mailing of the first billing statement in June. Please refer to the Bursar’s Office website for details.

Once financial aid funding has been disbursed to your student account and all charges have been paid for the semester, your account may reflect a credit balance. This occurs when your financial aid exceeds your billed charges, and is intended to cover part or all of your living expenses for a given semester.

In order to receive your student loan refund, you must request it from the Bursar’s Office each semester, at each disbursement, by completing the Bursar’s Office Student Refund Request Form. Please view the disbursement dates listed on the Loan Disbursement Schedule on our website.

Students may also choose to receive their refunds electronically. To do so, they must have a valid US checking or savings account, and must set up their account information at payment.brown.edu. Electronic refunds will be deposited to your account within 3-5 days of the date of disbursement, (or 3-5 days of the date of your request, if you complete the refund request form after disbursement). If you request a paper check, it will be mailed to your address within 10 business days of the date of the disbursement (or the date that you complete your request). For more information please view the Policies page of the Bursar’s Office website.
Financial Aid Orientation/Loan Counseling

Regulations governing the disbursement of federally guaranteed loans require that every new borrower receive loan counseling before their loans may be disbursed. The purpose of this counseling is to familiarize you with the process of financing your medical school education, including your rights as a borrower, your obligations, benefits (e.g., deferment options), and personal budgeting issues. The Brown Loan Office offers an online loan counseling option to satisfy the federal government requirement. Additional instruction regarding this option is included with your promissory notes.

Please note that you are considered a new borrower if you are receiving loans for the first time at this medical school. Therefore, first-year students, advanced standing students and any other first-time borrowers are required to satisfy the loan counseling requirement.

Adjustments to your Awards

If the information you and/or your parent(s) provided on the FAFSA has significantly changed since the receipt of your award, please use the Special Circumstances Form, available on our website. Please also include a letter of explanation so that your financial need may be reassessed. Your award may be adjusted for the following reasons:

- You receive additional assistance from non-University sources;
- Loan Program or sufficient repayment income from institutionally-based loan programs;
- The medical school does not receive sufficient endowment and gift income to meet its scholarship awards;
- Your financial circumstances or enrollment status for yourself or family members’ changes. For example, if you listed on the FAFSA form that a sibling or parent would be enrolled in college or graduate school in 2019-2020, your need and possibly your aid will be reduced if he/she does not enroll as planned.

A Guide to Budgeting

Many students are daunted by the process of budgeting and do not know where to begin. Understand that you do not need to be a financial planner to evaluate your expenses and create a plan to take you through your medical school years. This section will help you through the process, step-by-step. Think of it as a mini-course on budgeting.

In addition to the apps mint.com and ynab.com, we have provided a few tools that will help with the process: the Budget Worksheet and the Charges vs. Resources Worksheet. Both of these forms are available on our website. Follow the steps below to make the most of these tools and to learn how to plan a realistic, but frugal lifestyle. Planning a budget is not difficult, but it does take time, especially if it is your first attempt. The pay-off can be very rewarding, and may help you reduce the amount you need to borrow to pay for your education.

Step 1: Defining your Budget

Use the Student Budgeting Worksheet to list all possible living expenses that you might incur during the year. There is a worksheet for each MD class. Do not include expenses that you owe to Brown University for tuition and fees. We’ll cover that in Step 2.

The Budget Worksheet includes basic expenses such as rent, utilities, food and laundry as well as other expenses that you do not incur currently but might incur while in medical school (e.g., subscriptions, dues for professional organizations). List the amounts you actually spend monthly in each category. Don’t be overwhelmed by thinking of them as a yearly total. Keep in mind the following as you define your budget:

- Average your expenses that fluctuate monthly, such as your utility bills.
- Don’t forget to factor in yearly expenses, such as car insurance. Divide these by 12 so they are accounted for in your monthly budget.
• If you pay your bills online or with a checkbook, reference these sources to view the bills you paid in a single month and how much you spent for each.
• If you use a debit card, analyze these expenses for the last couple of months. Doing so will provide you with important expense data that will help you determine where and how you are spending money each month. It may also help you to determine where some of your discretionary consumer expenses will need to be reduced.
• As you estimate your expenses, distinguish between what you absolutely need to include (e.g., required credit card payments) and what you want to be able to fund (e.g., holiday gifts for family members).

Step 2: Calculating your fixed charges and your resources
The next step is to calculate your Brown University billed charges. For this exercise, we’ve provided the Charges vs. Resources Worksheet. This worksheet lists the charges for tuition, University fees and health insurance for which Brown will bill you in July (fall semester) and again in November (spring semester). The worksheet assumes the following:

- You will be attending full-time in both fall and spring semesters.
- You will accept Brown student health insurance coverage. In other words, you are not covered by another plan and thus you will not request a waiver of the Brown health insurance charge.
- **Your health insurance is billed in full to the fall semester, so your charges are greater in the fall.**

After you have reviewed these charges and have made adjustments that match your own University charges for the coming year, you can add in the resources from your award notification. Note that formulas have been created on the sheet to provide a more accurate disbursement figure for the Direct loans. The figure you enter for the year, for example, will be halved for each fall and spring semester to reflect how the funds will disburse. Also the Direct Loan origination fee of 1.062% is calculated and deducted from each of the fall and spring disbursements. So, the Total column will reflect the gross amount of the Direct Loan that you borrow and the Fall and Spring semester columns will show one half of the total, minus the origination fee. These are the amounts that you will actually receive to pay for billed charges. There are no fees charged on any AMS loan funds. In other words, if you received an Ellwood Loan in the amount of $3,000, $1,500 will be credited in the fall semester and $1,500 will be credited in the spring semester.

In addition to the amounts listed on your award notification, list on the worksheet any resources that you can expect from parent(s) or other relatives, your savings, summer earnings, and any other resource you may have to assist in helping to meet your educational expenses.

Once you have entered these figures, the worksheet will calculate for you the remaining funds you can expect to be available for your living expenses.

Step 3: Compare your living expenses to your resources
Next, compare your total living expenses for the year, from the Student Budgeting Worksheet, to what remains for living expenses from the Charges vs. Resources Worksheet. How close are these two figures?

If your resources are more than the amount needed to meet your annual living expenses, consider borrowing less than the amounts that are offered on your award notification. Consider reducing or declining altogether the Federal Direct Unsubsidized Loan since this loan is unsubsidized and it accrues interest while you are in school and thereafter.

If your resources are less than the amount needed to cover your billed charges and your annual living expenses, go back to the Student Budgeting Worksheet and review your expenses again. Is there anything that could be eliminated from your monthly budget and/or any expense that could be reduced? For example, if your original calculations assumed that you would live alone; consider sharing your apartment with one or two classmates to save expenses. Consider the budgeting recommendations described in the Creative and Sensible Budgeting section of this guide to help reduce your expenses.

Once you have adjusted your budget as far as you comfortably can, if there is still a gap between total expenses and resources, consider whether you can save additional funds through a second job this summer. If additional earnings are not realistic, consider whether other family members might be able to help you with miscellaneous expenses, such as your
books or utility bills. If additional family support is not possible, you may need to consider an additional loan to cover reasonable educational expenses, such as the Federal Graduate PLUS Loan. Students who may qualify for this loan receive information about the program with their award notification.

**Step 4: Sticking to your budget**

Once you have established your budget and have the resources in place to meet these expenses, it is important to stick to your budget. Keep track of your actual spending to ensure that you are within your budgeted guidelines. If you have trouble sticking to your budget, keep expense records to help control spending. Make sure that you log your debit card purchases either in your checkbook or online. Revise your budget if changes occur with any of your expenses.

**Creative and Sensible Budgeting**

Consider the following recommendations as you plan and trim your budget. *Remember that careful planning and consistent self-discipline may help to reduce your loan debt!*

- Open a savings account and a checking account at the same bank. Choose a bank that offers an ATM and an online banking service. **Deposit your semester refund into your savings account and transfer your “allowance” electronically to your checking account monthly.** Do not allow yourself ATM access to your savings account.
- Consider brown-bag lunches at least a few times each week. Buy items that are easy, nutritious, and inexpensive to pack (e.g., yogurt, peanut butter sandwiches, fruit, nuts).
- Avoid buying coffee out. Compare the cost of home brew ($0.50) to a latte ($4.50).
- Shop with a list! Buy only the items on your list.
- Hold onto that loose change! It adds up. Keep it in a jar and use it for laundry, etc.
- Request a monthly payment plan for utilities, especially gas or electric bills that can be tough to manage in the winter months.
- Keep only one phone. Don’t pay for both a cell phone and a land line.
- Pre-pay certain expenses (e.g., car insurance) to avoid finance charges.
- Take the Brown Med/Downcity Express shuttle to and from campus and to the hospitals. Track shuttles at [http://brownshuttle.com/](http://brownshuttle.com/) to see when the next shuttle will be arriving at the nearest stop, or install an app to track them on your iPhone or Android smartphone or tablet. You can also text “41411” with the stop name to see when the next shuttle should arrive. (e.g., “Brown 3” for the stop behind the Med School to head down toward Rhode Island Hospital, or “Brown 7” for the 70 Ship St. stop to head up to College Hill).
- Take the RIPTA bus whenever possible. Read while you ride. It’s free for Brown students with your Brown ID.
- Use cash instead of debit cards or credit cards.
- Pay attention to student discounts, benefits and special services. Always ask if there is a student rate. Check the Brown Bear Bargains page for a list of community businesses that offer discounts to Brown University students, (e.g. discounts on cellphone plans at AT&T and Verizon).
- Join frequent flyer clubs. Points add up quickly.
- Set aside the same time and day each month to pay your bills. As you receive bills, keep them in one, safe place until they are paid.
- Toss extraneous mail in your recycle bin as you arrive home each day. Don’t mix it up with bills and other important information that require your attention.
- Let your friends and family know that birthday, wedding, and holiday gifts will need to be modest or non-existent while you are in medical school. Utilize your talents to create thoughtful yet inexpensive gifts (e.g., homemade food, your art work, your own CDs).

Good luck, and remember the staff in the OFA is available to help you work through budget planning.
Creditworthiness

Lenders use creditworthiness to determine eligibility for certain loans, including privately-insured loans. Applicants with poor credit ratings must rectify their credit status before they apply for these loans. The medical school is not responsible for funding students who are denied access to loans because of a negative credit status. Financial aid applicants are encouraged to contact the three major credit bureaus listed below to request copies of their credit reports. Consumers can order a free credit report annually from each of the credit bureaus that are listed below. In addition, copies of all three credit reports may be obtained for free through: http://www.AnnualCreditReport.com. The following site: www.myfico.com charges a fee for services, but can be used to obtain your credit score, which can’t be obtained for free from annualcreditreport.com.

- Experian (tel. 888-397-3742, website: http://experian.com)
- Equifax Credit Information Services (tel. 800-997-2493, website: http://equifax.com)
- Trans Union Corporation (tel. 800-888-4213, website: http://www.tuc.com)