

**YALE UNIVERSITY
SCHOOL OF MEDICINE**



MEDICINE

**FINANCIAL AID
BULLETIN**

ACADEMIC YEAR 2005-2006

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MEDICAL STUDENT INFORMATION BULLETIN INDEX

FINANCIAL AID INFORMATION

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2005/2006 FINANCIAL AID INFORMATION BULLETIN MEDICINE

INTRODUCTION

This bulletin offers applicants and their parents a summary of the financial aid program at the Yale University School of Medicine. All students applying for financial aid must complete the following forms before the student will be considered for financial aid.

1) **Yale Medical School Financial Aid Application**

All students applying for any form of financial assistance must complete the Yale University School of Medicine Financial Aid Application

2) **Need Analysis forms**

a. **U.S. Citizens and Permanent Residents**

Students applying for federal funds (Federal Stafford, Subsidized and Unsubsidized and Federal Perkins) to meet basic costs are required to complete the Free Application for Federal Student Aid (FAFSA).

Students who are applying for financial aid in the form of University funds (Yale University Scholarship, Yale Loans, Primary Care Loans (PCL) and Loans for Disadvantaged Students (LDS)) to meet basic costs are required to file a Supplemental Needs Analysis Application and complete the Need Access Disk. Parental information is required for all students applying for these funds.

b. **International Students**

All International Students who are applying for financial aid in the form of Yale University Scholarship to meet basic costs are required to file a Need Access Application and College Scholarship Service (CSS) International Student Application. Parental information is required for all students applying for these funds.

Please note that the Need Access Application can be completed on line with the Access Group. However, the *CSS International Student Application must be sent directly to the Yale University School of Medicine Financial Aid Office.*

3) **Income Information**

a. 2004 Federal Income Tax Return, W-2 form and all schedules

All students and parents who have filed a 2004 Federal income tax return must submit a copy which includes their W-2 form(s) and all schedules. If the student or their parents have filed a K-1, S-Corporation or Partnership tax return, you must submit a copy of these as well.

b. 2005-2006 Student Non Tax Filer Statement

If the student did not or will not file a 2004 Income tax return, they will need to complete this form and attach any documentation available

c. 2005-2006 Parents Non Tax Filer Statement

If the parents did not or will not file a 2004 Income tax return, they will need to complete this form and attach any documentation available

d. Income Statement for Parents Living Abroad

If the student's parents do not live in the United States and will not file a U.S. Federal Income Tax Return, the parents must complete this form.

e. 2005-2006 International Non Custodial Parent Statement

International Students whose parents are divorced or separated, must complete this form

f. 2005-2006 International Business Supplement

Any family with a business outside of the United States must complete this form.

Each form should be completed and sent to Yale Medical School as soon as possible after January 1, 2005. All financial aid application materials should be mailed to the Financial Aid Office as soon as possible after January 1, 2005. Financial Aid Awards will be calculated upon the completion of a student's file but not before May 1, 2005.

THE FAMILY CONTRIBUTION

Individual Students, their parents and their spouses, if married, are expected to bear the primary responsibility for financing the student's education at Yale according to their ability. Parental financial data is required of all applicants applying for scholarships, Health Professions Student Loans and Yale University scholarships, Low-Interest loans regardless of dependency or marital status. The rapidly rising costs of education are causing demand for student financial assistance which far exceeds the amount of scholarship and favorable loan funds administered by Yale Medical School. Therefore, students cannot depend upon having their needs met entirely through financial aid from the school.

The Financial Statements of the Free Application for Federal Student Aid (FAFSA), the Need Access Application and the CSS International Student Application are the primary documents used to analyze the financial resources of the student and family and to calculate the expected contribution from the parents, the student and the spouse (if applicable). Parent financial information must be provided on all forms by every applicant for school administered financial aid regardless of applicant's age, marital status, tax status or years of financial independence. **If your parents are divorced or separated, each must PROVIDE separate information.** Use the Need Access Application.

The size of the parent contribution computed from one year to the next can be affected by several variables. The most notable of these is the number of siblings in post secondary education (at least half time) at the same time. Students who foresee a change in this variable in their own families should be prepared for a corresponding change in the expected parent contribution. In turn, this will affect the amount of financial aid awarded and possibly the eligibility for scholarship assistance.

The student's own contribution toward school costs is expected to equal at least \$2,000 and a percentage of the student's own assets.

The spouse of a married student is expected to contribute to the support of the student as well as to provide for their own support and that of any children. When the spouse's salary is inadequate for this purpose, financial aid is available to meet the shortfall. If the spouse is also a full time

student, the Yale Medical School student will be treated as a single student for financial aid purposes.

STUDENT EXPENSES

In the spring of each year, the budget for a single student is established. This budget includes tuition and all projected expenses, including books and educational supplies, room and board and living expenses. ***THE BUDGET DOES NOT INCLUDE THE COST OF PURCHASING, MAINTAINING OR INSURING AN AUTOMOBILE.***

MEETING FINANCIAL NEED

All awards are made on the basis of demonstrated financial need. In order to calculate a student's financial need, three figures must first be determined: 1) The Academic Year Standard Student Budget, including tuition fees and other expenses, 2) The student's and parents available financial resources for the academic year, and 3) the student's financial need, which is determined by subtracting available resources from the standard student budget.

Funds will be awarded based on the information you have provided. If you complete the:

FAFSA only, the award will consist of loans only – No Parental Information Required

FAFSA, Need Access Application, International Student Application, Business Supplement and/or Non Custodial Parent Statement for Parent Living Abroad, and you may be eligible for scholarship if you have a need greater than the Base Loan. ***Parental Information Required***

FINANCIAL NEED EQUATION

	Standard Student Budget
<u>Minus</u>	<u>Student and Parental Resources</u>
<u>Equals</u>	Financial Need
<u>Minus</u>	<u>Base Loan</u>
<u>Equals</u>	Scholarship Need

The Financial Aid Office will develop a loan and scholarship package to meet the demonstrated need. As the cost of attending Yale School of Medicine increases, it is likely that financial aid recipients will need to undertake larger amounts of loans.

Furthermore, as students exceed their Federal Stafford Loans (Subsidized and Unsubsidized) and other loan limits, their loans will be at a higher rate of interest with less subsidy.

In 2004/2005, 86.9% of the eligible students entering the first year class received financial assistance. Of these funds awarded, 69.5% came from federal programs, 26.6% came from endowment, university gift and loan funds, and 3.9% came from miscellaneous outside funds.

Once we have determined the need, using student and parent contributions, the first component of the financial aid package is the Base Loan. For the 2004/2005 academic year the Base Loan was \$17,000 this means that the financial need up to \$17,000 was met with loans. If a student's financial need exceeded the Base Loan, the amount in scholarship was awarded up to the limit of a single student unmet need.

DISTRIBUTION OF THE LOAN

Generally, the loans are composed of four segments: 1) The Federal Stafford Loan (Subsidized) 2) The low interest loan segment (Yale Medical School Loans, Perkins Loans, Primary Care Loans and Loans for Disadvantaged Students) 3) The Federal Stafford (Unsubsidized) and 4) The market rate loan segment. Since any student who demonstrates financial need is eligible for a Federal Stafford Loan, this loan is used to meet financial need up to \$8,500 (the annual maximum allowed for a Federal Stafford Subsidized). Financial need of \$8,501 to \$38,000 is next met with the Unsubsidized Stafford Loan. The final segment to be offered will come from a variety of federal and private loan programs. The amount of this segment varies from year to year depending upon funding levels in each program.

The standard distribution of the Base Loan portion of the Financial Aid Award for the first year class in September 2004 was as follows:

\$8,500	Federal Stafford Loan (Subsidized), Variable Interest is 1.7% above the 91-day Treasury Bill while in school and 2.3% above the 91-day Treasury Bill when you go into repayment, The total interest will not exceed 8.25%.
\$7,500	Low interest loans such as Perkins Loan, Primary Care Loans (PCL), Loans for Disadvantaged Students and Yale University Medical Student Loans (YMSL) with interest ranges from 5% to 7.5%

There may be changes made for the 2005/2006 academic year. Since the Federal Stafford Loan (Subsidized and Unsubsidized) portion of the “Base Loan” are set at the annual maximum allowed by law and since funding in the low interest loan can at best be expected to hold constant, increases to the total loan will probably create a new loan segment made up of the Market Rate Loan Program(s). These market rate loan have a variable interest rate changing every six months. This interest can be paid or can be accrued. If the interest accrues, it may compound as frequently as four times a year.

NOTE: Anyone wishing to borrow from the Market Rate Loans may have to have some type of association with the lender. This means that if you have not borrowed from this lender before or do not take the Federal Stafford (Subsidized or Unsubsidized) loans from them, you will not be eligible for the market rate loan. For more information, please call the financial aid office.

A Loan Fact Sheet summarizing the terms of the major loan programs is included at the end of this bulletin.

SCHOLARSHIP

Students who demonstrate financial need, as computed according to Institutional Methodology provided by the Supplemental Needs Analysis forms, are eligible for Yale Medical School Scholarship as long as parental information has been provided. The average need based scholarship awarded to the entering class in September 2004 was \$22,475. The range of need based scholarships for a “single” student was \$179 to \$42,625. In 2004-2005, 42.4% of enrolled Students will receive need based scholarship financial aid.

OUTSIDE SCHOLARSHIPS AND LOANS

Financial aid applicants are urged to explore the possibilities of assistance from outside sources. Fraternal organizations, district medical societies and parents’ employers are most common sources. Outside aid can diminish the need for loans, especially market rate loans. Federal

program regulations require a reduction in a student's financial aid award containing any federal funds if a student's award from all sources is in excess of the calculated financial need.

Therefore, the Financial Aid Officer must be informed of any outside scholarships and/or loans and Yale administered loans and/or scholarship aid will be adjusted.

EMPLOYMENT

Some Medical students are able to handle successfully their studies, other activities and a job. Employment is another means of diminishing the need for loans. Similar to the policy governing outside awards described above, an adjustment will be made for financial aid recipients who are employed during the semester. Students who wish to work are responsible for finding their own jobs. ***However, the Financial Aid Office must be informed of any employment and Yale administered loans and/or scholarship aid will be adjusted.***

MARRIED STUDENTS

Federal regulations require that a single student budget be used for students regardless of marital status. Because a married student incurs more expenses in housing, food, insurance and other miscellaneous items, a Standard Maintenance allowance will be deducted from the spouse's income. Also, a dependent care allowance for all students with dependents will be deducted from the spouse's income.

Spouse contribution is analyzed according to the congressional methodology similar to that used to analyze parent contribution. The calculated spouse's contribution together with the computed parent contribution plus the student's own contribution is used to determine financial need.

The expected contribution from a spouse earning a sizable salary (such as that of a health professional, attorney, teacher, etc.) can have a considerable affect on the financial aid eligibility of the student. The student, who upon entering Yale Medical School receives financial aid, based on single status and who subsequently marries while in medical school, must notify the Financial Aid Office and will receive a revised financial aid package.

FOREIGN NATIONAL (INTERNATIONAL) STUDENTS

Financial Aid Information

Beginning with the 2005-2006 Academic Year, with the exception of loan sources, International Students will be evaluated for financial aid in exactly the same need based manner as U.S. Citizens, and will be eligible for Yale School of Medicine Scholarship funds as a component of their financial aid award.

Required Components of Financial Aid Application

The Evaluation of 'need' for financial aid will be based on information provided by applicants through the following four sources:

1. Yale School of Medicine Financial Aid Application
2. Need Access Application
3. International Student Application (required of U.S. & International Students whose parents do not file a U.S. Federal Income Tax Return)
4. Business Supplement – International Students and Parents

All of these forms must be submitted before financial need can be calculated and a financial aid award determined.

Income information for Student and Parents

International applicants must also provide income information for themselves and their parents for the 2004 financial year. This information must be provided in two ways, depending on the applicants' circumstances:

1. Submit the local equivalent of the U.S. Tax return from the applicant's home country. If this does not exist, a statement from the employer confirming all income must be submitted.
2. Provide documentation from the employer confirming 2004 income.

International tax forms and employer certifications must be submitted both in the original language and (if not originally in English) with an accompanying notarized English translation. In addition, all financial aid documents that contain references to non-U.S. currency must include the exchange rate to U.S. dollars that prevail at the time the forms are submitted.

Loan Programs for International Students

Please note that all of the loans listed below require a U.S. Citizen as a co-signer except where noted:

1. ACCESS – Able to borrow without a co-signer if the applicant has been in the U.S. for four years and has at least 4 different accounts listed and in credit ready or credit worthy.
2. CANHELP – Able to borrow up to \$18,500 without a co-signer and up to \$45,000 with a co-signer
3. CitiBank – Must have a co-signer
4. International Student Loan Program – Must have a co-signer
5. MedPreferred – Must have a co-signer
6. PEP /TERI – Must have a co-signer
7. Sallie Mae Smart Loan – Must have a co-signer

Other Important Information

The student must provide proof of support for the length of the program. If a student is being supported by a foreign government or agency, the student must have a signed statement from a government or agency official attesting to the level and time period of the support. ***This statement should be sent to the Admissions Office at the Yale University School of Medicine.***

Office of International Students and Scholars

The Office of International Students and Scholars (OISS) is the University's representative for all matters relating to foreign nationals and their relationship to the United States Government and the Immigration and Naturalization Service. Extensive information about this important office may be found at <http://www.oiss.yale.edu/about/about.htm>.

Upon submission of proof of support (as explained above), OISS issues new I-20 forms to incoming students. Students may not continue to use an I-20 or a visa that was supported by another university in the United States. Medical students at Yale, as well as other international graduate and professional students, are issued J-1 Exchange Visitor Visas. Students with J-1 status are obliged to return to their home country upon completion of their studies to fulfill a two-year work/residency requirement. Complete information about the J-1 visa may be found at the following OISS site: <http://www.oiss.yale.edu/visa/j1status.htm>.

Spouses of International Students

Spouses who are considering employment in the United States must consult the Office of the International Students and Scholars (OISS). Before seeking approval for employment, the spouse must obtain permission from the Hartford Office of the Immigration and Naturalization Service. This approval is extremely important, as unauthorized employment in the United States by a student's spouse who has a temporary visitor visa could lead to legal difficulties or even deportation.

STATEMENT OF DEFAULT

Read carefully all documents that you sign and verify closely all information that you provide in support of your application for loans and other forms of financial aid.

Federal regulations require Yale University to report to the Inspector General of the U.S. Department of Education or other law enforcement officials any information which indicates that an applicant may have engaged in fraud or other criminal misconduct in connection with his or her application.

CONCLUSION

A Yale Medical Education is an expensive endeavor for a family to undertake. The intention of the financial aid program at the Yale Medical School is to assist students by meeting a shortfall of funds after the maximum effort has been made by the student and his/her parents and family to pay for school related costs. Needy students who work and save over the summer, live thriftily, obtain the calculated parental contribution and are willing to borrow are the successful participants in this endeavor.

The staff of the Financial Aid Office is available to discuss aid matters with applicants and clarify any questions arising from the reading of this bulletin.

Appendix

Common Abbreviations

ALP	Alternative Loan Program
EFC	Expected Family Contribution
EFN	Exceptional Financial Need
FAFSA	Free Application for Federal Student Aid
FAO	Financial Aid Office
FFELP	Federal Family Educational Loan Program
LDS	Loans for Disadvantaged Students
NEED ACCESS	Supplemental Needs Analysis
NMF	National Medical Fellowship
PC	Parental Contribution
PCL	Primary Care Loan
PERKINS	Federal Perkins Student Loan
STAFFORD	Federal Stafford Student Loans (Subsidized or Unsubsidized)
YALE	Yale Medical School Loans
YSL	Yale University Loans