



# BROWN

## Alpert Medical School

## *AID NOTIFICATION GUIDE*

The Office of Financial Aid (OFA) has prepared this guide to help you better understand your financial aid notification letter as well as loan processing, billing, refund and other financial procedures. Please review this guide to ensure that your financial aid is processed in a timely way. Please also read the [Budget Guide](#) to assist you in determining your borrowing needs. The Budget Guide is also available on our website. If you have additional questions, please contact our office for assistance.

### *Aid Letter*

Your Aid letter displays your financial aid eligibility for the year and includes the following sections:

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

### *Cost of Attendance*

The first component in determining your financial aid offer is your cost of attendance. Every year, the OFA carefully prepares the cost of attendance for each class year. Certain budget items, such as tuition and University fees, are standard for all classes, while other expenses, such as national board exam fees, are class year-specific. Federal regulations specifically prohibit certain expenses from being included in student budgets, including car payments and other expenses that are considered discretionary, such as wedding expenses. Please refer to our website for a detailed breakdown of the student cost of attendance for each class year.

### *Financial Need and Family Contribution*

The determination of your need is actually a simple calculation. We start with your cost of attendance, subtract your family's expected contribution, and the result is your assessed need:

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

If you applied only for external aid (e.g., Federal Direct loans) we only considered your (and your spouse, if applicable) income and assets before determining your federal loan eligibility. No parental information was considered.

However, if you applied for institutional aid, a contribution from both you (and your spouse, if applicable) and your parent(s) is displayed on your aid 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 external aid only or for institutional aid, your aid notification letter displays the maximum amounts for which you are eligible in the Federal Direct Unsubsidized Loan.** If you do not receive funding up to your total cost of attendance, you may also apply for a [Graduate PLUS 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. The calculation of need considers 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 for the year and to determine the resources that you will have available for the year from personal savings, employment, and family support to meet your expenses. Please review the Budget Guide, which will direct you step-by-step through this exercise. Note that your financial aid offer is intended to cover the full academic year as determined by your class year. Although, we've 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. The *Budget Guide* can be a useful tool in helping you to do this.

### ***Making Loan Decisions***

The Aid letter displays the type of aid for which you are eligible and your maximum eligibility for each fund. *The loans offered in your aid offer 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 pertaining to [AMS Institutional Loans](#).

Beginning in early May, once you have made your borrowing decisions, you must accept, decline, or insert loan amounts online through Brown University's [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. To login, click on "Enter Secure Area" and enter your Brown username and password. At the main menu, choose "Medical School Students, Financial Aid and Accept Aid 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 Unsubsidized Direct 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 Direct Federal 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 Alpert Medical School 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.

Your actual loan credit(s) will be applied to your account according to the disbursement schedule listed on the 2022-2023 Loan Disbursement Dates chart in this guide. 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.

### ***Billing Process and Aid Disbursement***

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 available in late June with payment due on or before August 1. Spring semester bills are available 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 *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 disburse 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 [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. Payment of your remaining billed charges minus anticipated aid should be mailed to the Cashier's Office (Box 1911, 69 Brown Street, 2<sup>nd</sup> Floor), or paid electronically at [payment.brown.edu](http://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 four or five-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 the details, [Office of the Bursar](#).

### ***Refunds***

Once funding has been credited to your University student account and all Brown charges have been paid for the semester, your account may reflect a credit balance. Credit balances, happen when the student's financial aid exceeds billed charges, and are intended to cover part or all of your living expenses for a given semester. The amount of your credit balance will depend upon the aid amounts that you have accepted.

You can request and receive your refund electronically. By requesting a refund via an electronic form, and setting up the request to receive the refund in your US checking or saving account at [payment.brown.edu](http://payment.brown.edu), you will receive refunds in a quick, convenient manner. More information regarding the process can be found on the Bursar Office website at [Student Account Refund of Overpayments](#). If you sign up for direct deposit, you should expect your refund to be deposited into your bank account within 5 business days of the [Disbursement Dates](#) listed on our website. Please note that they are not the dates on which you will **receive** your refund, but again, allow 5-10 business days from the disbursement dates for receipt of your refund.

You can continue to request your refund check by completing an online [Refund Request Form](#). We recommend that you complete and submit this form on the first day of class each semester. If you request a paper check to be sent to your address, you should receive it within 10 business days from the disbursement dates listed.

### *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's 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 all other first-time borrowers are required to satisfy the loan counseling requirement.

### *Adjustments to your aid package*

If the information you and/or your parent(s) provided on the FAFSA has significantly changed since the receipt of your aid offer, please use the [Appeal Form](#) available on our site. Please include a statement of explanation so that your financial need may be reassessed. Your aid package may be adjusted for the following reasons:

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