

2018-2019 Student Financial Aid Handbook

The Office of Financial Aid is a part of the Medical Education Department. The Office is located downtown in the Innovation Quarter at 475 Vine Street in the Bowman Gray Center for Medical Education, First Floor, Enrollment Services, Suite 130. Office hours are 7:30 am to 4:30 pm, Monday through Friday.

Mailing Address:
Office of Financial Aid
Wake Forest School of Medicine
Medical Center Boulevard
Winston Salem, NC 27157-1090

336-716-4264 Phone
336-716-9593 Fax
finaid@wakehealth.edu

Ellen Montgomery, Assistant Director, Financial Aid
Lorraine Smith, Senior Financial Aid Officer
Chelsea Hollifield, Senior Financial Aid Officer
Ashleigh Beard, Senior Financial Aid Officer
Melissa Stevens, Director, Student Records & Financial Aid

Wake Forest School of Medicine is accredited by the Liaison committee on Medical Education of the American Medical Association and the Association of American Medical Colleges.

The 2018-2019 Financial Aid Handbook is presented by Wake Forest School of Medicine to assist students and others to understand the policies, procedures, and programs of the School's financial aid program. It should be recognized that all information in the guidebook is subject to revision. Information contained herein supersedes that previously published and is subject to change without prior notice.

TABLE OF CONTENTS

Note: Each heading is clickable and will jump to that section

TABLE OF CONTENTS	3
INTRODUCTION.....	7
Nondiscrimination	7
Enrollment Status	7
Satisfactory Academic Progress	8
Citizenship Status and the Federal Financial Aid Programs	8
Combined Degree Candidates	8
MD/PhD Candidates	8
MD/MS in Clinical & Population Translational Science Candidates	9
MD/MA in Bioethics Candidates	9
Physician Assistant Emerging Leaders Program MMS/MA in Management Candidates	9
Physician Assistant MMS/PhD Candidates	9
RIGHTS AND RESPONSIBILITIES	9
Student's Rights.....	9
Student's Responsibilities	10
Fraud	10
U.S. Income Tax Liability	10
THE FINANCIAL AID APPLICATION PROCESS	11
MD Program	11
Option I – MD Program – Institutional and Federal Aid	11
Family Resources	12
Student Contribution	12
Parent Contribution	12
Consideration of Parent Contribution	13
Self-Supporting Status	13
Non-Custodial Parents	13
Replacing a Missing Parent Contribution	14
Spousal Contribution.....	14
Option II – MD Program – Federal Aid Only.....	14
Physician Assistant Program (PA), Nurse Anesthesia Program (CRNA), Graduate School.....	15
Award Notifications	15

DETERMINING FINANCIAL NEED.....	16
Need Analysis.....	16
THE STUDENT BUDGET	16
Purpose and Design	16
Tuition.....	17
Health Care Insurance.....	17
Books and Supplies	17
Housing and Food Allowance	17
Transportation Allowance	17
Child Care Expenses.....	18
Married Students	18
Non-Allowable Expenses.....	18
FINANCIAL AID PACKAGING	18
Scholarship.....	18
Merit/Recruitment Scholarships from Wake Forest School of Medicine	19
Outside Scholarship Policy	19
Appeals Process.....	19
FINANCIAL AID RESOURCES	19
U.S. Department Of Education Title IV Aid Programs.....	20
Federal Direct Loans	20
Federal Direct Subsidized Loans	20
Federal Direct Unsubsidized Loans	21
Federal Direct Graduate PLUS Loans.....	22
Private/Alternative Loans.....	23
North Carolina Resources	23
INSTITUTIONAL AID PROGRAMS.....	24
Wake Forest School of Medicine Scholarships.....	24
Wake Forest School of Medicine Institutional Loans	24
PRIVATE OUTSIDE SCHOLARSHIPS	25
Joseph Collins Foundation Scholarship.....	25
National Medical Fellowships (NMF)	26
FEDERAL PROGRAMS WITH A COMMITMENT OF FUTURE SERVICE.....	26
F. Edward Hebert Armed Forces Health Professions Scholarship Program.....	26
National Health Service Corps (NHSC) Scholarship Program.....	27

DISBURSEMENT OF FINANCIAL AID	27
Promissory Notes	27
Student Loan Entrance Counseling	27
Outside Loans and Scholarships	28
Credit Balance Term Refunds	28
REFUND AND RETURN OF FINANCIAL AID FUND POLICY	28
Refunds	28
Return of Financial Aid Funds	29
Post-Withdrawal Disbursements.....	316
Leave of Absence	318
LOAN COUNSELING SERVICES.....	329
First-Year Students.....	329
Second-Year Students.....	32
Third-Year Students.....	329
Fourth-Year Students	329
Miscellaneous	50
The Financial Aid Information Page.....	50
FIRST for Medical Education.....	50
MedLoans Organizer and Calculator	50
DEBT MANAGEMENT	50
Debt Prior to Matriculation	50
Loan Reduction Strategies	351
Managing Debt after Graduation	351
Budgeting	352
Prepayment	362
Grace Period and Deferment.....	362
Federal Direct Subsidized/Unsubsidized Loans.....	373
Federal Direct PLUS Loans	373
Private Educational Loans	374
Forbearance	374
Hardship.....	384
Internship/Residency.....	38
Private Educational Loans	38
Repayment	4

Public Service Loan Forgiveness Program	406
Delinquency and Default.....	406
Loan Ombudsman Office.....	41
Credit Agencies	41
National Loan Repayment Programs.....	417
Disadvantaged Health Professions Faculty Loan Repayment Program (HRSA) .	428
NHSC State Repayment Program.....	428
Indian Health Service Loan Repayment Program (IHS).....	428
National Health Services Corps (NHSC) Loan Repayment Program.....	428
National Institutes of Health Research Loan Repayment Programs	439
US Income Tax Benefits for Education	59
Federal Loan Consolidation	59
APPENDICES	60
2016-2017 Cost of Attendance MD Program.....	451
2016-2017 Cost of Attendance PA Program.....	451
2016-2017 Cost of Attendance Graduate Program	462
2016-2017 Cost of Attendance Nurse Anesthesia Program Years 1 & 2.....	462
Financial Aid Calendar for Academic Year 2016-2017	47
Notice of Federal Student Aid Penalties for Drug Law Violations.....	64
10 Good Habits for a Sound Financial Future.....	515
Interest Conversion Factor Table	526
Detailed Monthly Budget Worksheet.....	537
Student Budget Worksheet.....	548
Loan Repayment Worksheet	559
Loan Fact Chart.....	70

INTRODUCTION

A medical education is a significant investment for students and their families. The School of Medicine's financial aid resources help students who, for financial reasons, could not otherwise attend. The School of Medicine is rooted in the philosophy that students, with the help of their families, have the primary responsibility for financing their medical education to the fullest extent of their ability. The School of Medicine is committed to meeting 100% of demonstrated need through a combination of scholarships and student loans. Student loans are a major factor in meeting the cost of medical education. Demonstrated need is calculated using federal and institutional methodologies widely accepted among private institutions. Parental income, assets, size of family, number of family members attending college, and other individual circumstances are among the factors considered in determining need.

Need-based awards are not renewed automatically. The amount and type of award may change from year to year based on the funds available and financial circumstances of the family.

Nondiscrimination

The Wake Forest School of Medicine, inclusive of the Physician Assistant, Nurse Anesthesia, and Undergraduate Medical Educational (MD) programs, and the Graduate School of Arts and Sciences, Biomedical Sciences Program (the Graduate School), are committed to diversity, inclusion and the spirit of Pro Humanitate in adherence with applicable laws and as provided by School of Medicine and Graduate School policies, the School of Medicine and Graduate School prohibit discrimination in its educational programs, admissions, and activities on the basis of race, color, religion, national origin, sex, age, sexual orientation, gender identity and expression, genetic information, disability and veteran status. In evaluating applicants for admission, the Committee on Admission selects candidates without regard to the candidate's ability to pay for educational expenses.

Enrollment Status

In order to receive funds from federal loan programs, a student must be enrolled at least half-time. Virtually all Wake Forest School of Medicine students are enrolled as full-time degree candidates; should a student's enrollment drop to less than full-time (a rare occurrence), s/he must notify the Financial Aid Office as soon as possible so that any necessary revisions can be made to the financial aid award. Federal regulations mandate that when changes to enrollment status necessitate adjustments to federal loans, the adjustments must be made within thirty days of the date of the status change. *It is essential that whenever possible, the Financial Aid Office be notified of enrollment status changes before they go into effect.*

Satisfactory Academic Progress

Federal regulations require that federal aid recipients be making satisfactory progress in their degree programs. The conditions for satisfactory progress for each School of Medicine Program are detailed by each program. Contact the Program for details.

If at any time a student feels that his/her financial aid may be in jeopardy because of this requirement, s/he is urged to seek the advice of a Financial Aid Officer before aid has to be withdrawn. The financial aid staff will work to identify a substitute financial arrangement whenever possible. Once the student resumes making satisfactory academic progress, s/he is again eligible for federal financial aid.

Citizenship Status and the Federal Financial Aid Programs

A student's citizenship status must fall into one of the following categories to receive federal student aid from the U.S. government:

- U.S. Citizen
- U.S. National (includes natives of American Samoa or Swain's Island)
- U.S. permanent resident who has an I-151, I-551, or I-551C (Alien Registration Card)
- Foreign national holding an Arrival-Departure Record (I-94) from the U.S. Immigration and Naturalization Service showing one of the following designations:
 - "Refugee"
 - "Asylum Granted"
 - "Indefinite Parolee"
 - "Humanitarian Parolee"
 - "Cuban-Haitian Entrant" (valid only if issued before April 1, 1980)
- Other eligible non-citizen with a temporary Resident Card (I-688)
- Foreign national with a suspension of deportation case pending before Congress.

If an applicant has only a Notice of Approval to Apply for Permanent Residence (I-171 or I-464A) s/he is not eligible for federal student aid.

Combined Degree Candidates

Each academic year, the school that charges the student tuition is considered the school of primary enrollment and is responsible for providing financial aid services to the student.

MD/PhD Candidates

Most students in the combined MD/PhD Program receive funding that is administered through the Graduate Program and MD Program. The MD Program administers the scholarship for the years in which the student is enrolled in the MD curriculum and the Graduate program for the years in which the student is enrolled in the Graduate School.

MD/PhD students who do not receive funding from the MD/PhD Program follow the regular application process outlined in this guide.

MD/MS in Clinical & Population Translational Science Candidates

Student aid is administered by the School of Medicine Financial Aid Office during enrollment in the MD curriculum and scholarship/grant funding for the MS is administered by the Graduate School.

MD/MA in Bioethics Candidates

Student aid is administered by the MD Program during enrollment in the MD curriculum. Funding for the MS is administered by the Graduate School at WFU.

Physician Assistant Emerging Leaders Program MMS/MA in Management Candidates

Funding for the MA is administered by Wake Forest University School of Business Financial Aid Office. Student aid is administered by the School of Medicine Financial Aid Office during enrollment in the PA curriculum.

Physician Assistant MMS/PhD Candidate

Student aid is administered by the School of Medicine Financial Aid Office during enrollment in the MD curriculum and scholarship/grant funding for the MS is administered by the Graduate School.

RIGHTS AND RESPONSIBILITIES

Student's Rights

As a student in the School of Medicine, you have the right to know:

- What financial aid programs are available;
- The deadlines and procedures for submitting applications for each of the financial aid programs available;
- How financial aid is distributed;
- How the student's financial need was determined;
- How much of the financial need, so determined, has been met;
- An explanation of the various programs in the student's aid package;
- The School of Medicine's tuition refund policy in case the student withdraws;
- What portion of the financial aid is loan and must be repaid and what portion is non-repayable grant/scholarship aid;
- For loans awarded, what the interest rate is, how interest accrues and is capitalized, the total amount that must be repaid, the repayment procedures, the length of time to repay the loan, and when the repayment is to begin;
- How the student can access his or her records on the National Student Loan Data Service (NSLDS).
- How the School of Medicine determines satisfactory academic progress and the consequences if such progress is not met
- That all documents submitted to the Financial Aid Office are confidential.
- The cost of attendance
- In what manner and when funds will be disbursed to you

- The explanation/description of each type of award you receive
- Criteria used to determine satisfactory academic progress for financial aid purposes
- How to appeal a decision by the Financial Aid Office concerning your aid award

Student's Responsibilities

Similarly, the student's responsibilities are to:

- Read the information that the School of Medicine is required to provide about policies;
- Complete all required documents accurately and submit them before the deadlines to the proper places;
- Provide correct information. In most instances, misrepresentation of information on financial aid application forms is a violation of law and may be considered a criminal offense that could result in indictment under the U.S. Criminal Code. Misrepresentation may also result in disciplinary action by Wake Forest School of Medicine;
- Supply all additional documentation, verification, corrections, and/or new information requested by the Financial Aid Office or the agency to which the application is submitted;
- Read and keep copies of all forms requiring signature;
- Be aware of the terms of the assistance programs awarded;
- Accept responsibility for all signed agreements including the repayment of loans according to the stated terms;
- Notify the Financial Aid Office promptly and in writing of any changes in financial circumstances that occur after submission of the aid application;
- Notify the Financial Aid Office promptly and in writing of any change in academic status from that of being a full-time student in good academic standing; and
- Be aware of the School's refund procedures.
- Federal student loan borrowers should review borrower's rights and responsibilities at:
<https://studentaid.ed.gov/sa/es/sites/default/files/loan-entrance-counseling.pdf>
 Contact the Financial Aid Office if you have questions about your rights and responsibility or terms and conditions of student loans.

Fraud

If the School of Medicine has reason to suspect that a financial aid applicant may have deliberately misrepresented information in connection with his/her aid application, the School of Medicine may initiate disciplinary action. In the case of fraud or other criminal misconduct, a referral may be made to the U.S. Department of Education's Office of Inspector General, or, if more appropriate, to a state or local authority. If evidence of misconduct is documented, the School of Medicine will review the matter to determine if the student should be sanctioned or dismissed.

U.S. Income Tax Liability

Students who receive scholarships, grants, fellowships, or other forms of gift assistance in excess of the cost of tuition, mandatory fees, books, and equipment should be aware

that the excess amounts are subject to taxation under current federal tax law. The fact that such income is not reported to the student on a W-2 form does not mean that these funds are not taxable. Further information is available from the Internal Revenue Service <http://www.irs.ustreas.gov>, as well as from most tax preparers. Any source of funding that is contingent upon performing some kind of work or service is considered taxable income regardless of whether it is used to pay tuition. The Financial Aid Staff does not provide tax advice. Consult the IRS or your tax advisor for assistance.

THE FINANCIAL AID APPLICATION PROCESS

Financial aid is awarded on an annual basis. Each year a student is required to complete the financial aid application process anew in order to be considered for aid. Application materials are provided to applicants on interview day. Returning students receive instructions on the electronic financial aid process via email. Detailed instructions are also posted on the Financial Aid Office web page: <http://www.wakehealth.edu/financialaid/>.

Each academic program's financial aid application may have varying requirements and deadlines. Refer to the application process for your program.

MD Program

There are two different application pathways for the MD candidate to choose from when applying for financial aid.

Option I – MD Program – Institutional and Federal Aid

This option is for MD students who wish to be considered for all forms of financial aid, including the Wake Forest School of Medicine scholarships and loans, the Federal Direct Unsubsidized Loan Program, and the Federal Direct Graduate PLUS Loan Program. Detailed descriptions of these programs can be found starting on page 20.

Students who select this option must provide the Financial Aid Office with *parental financial information from both biological parents*. In the event that a biological parent is deceased or whereabouts unknown, the applicant should submit third-party documentation of these circumstances so that s/he can be considered for a waiver of this requirement.

Option I applicants are required to submit the following materials:

- **Free Application for Federal Student Aid (FAFSA).** All aid applicants who are U.S. citizens and permanent residents must complete the FAFSA on-line at <https://fafsa.ed.gov/>. Be sure to list "E00524" for Wake Forest School of Medicine school code. If prompted, please use the IRS Data Retrieval Tool. This option will streamline and expedite the processing of the student's financial aid.

- **CSS Profile Application.** Required of all applicants applying for Wake Forest School of Medicine need-based scholarships. All student and parent sections of the Profile application must be completed online at <https://cssprofile.collegeboard.org/>. Select the 2018-2019 Academic Year. When prompted, select the appropriate year in school and add “Wake Forest School of Medicine” in the School Selection section.
- **PROFILE Non-Custodial Parents’ Statement (if applicable).** Required of all applicants whose parents are divorced, separated or never married. The student’s custodial parent should complete parent sections of the PROFILE Application. Instructions for completing the Non-Custodial Parents’ Form will be included in the PROFILE Application.
- **Parent's 2016 Federal Income Tax Return and W-2/1099 Forms.** Required of all applicants for Wake Forest School of Medicine. Parents must submit a *signed* copy of all pages, schedules, and W-2/1099 forms to the Financial Aid Office. In cases of divorced/separated/unmarried parents, tax forms for the biological parents are required. *Be sure to write the student's name at the top of all returns. If taxes are filed electronically, be sure to sign page 2 (signature page) of the tax return.*

Family Resources

Potential resources available to help meet educational costs always include, but are not limited to, the calculated contribution from the student's income and personal assets, contribution from parents (if applicable), and if married, contribution from spouse's income and assets. These family resources are grouped together to form the family contribution.

Student Contribution

The School of Medicine expects the student to contribute to his or her educational and living expenses. A review of the student’s income and assets will determine an appropriate student contribution assessment. No minimum student contribution from earnings is assessed for incoming students; the minimum contribution from earnings requirement for rising second-, third-, and fourth-year students is also waived.

If the student/spouse has accumulated assets, s/he is expected to contribute a portion of these assets towards educational expenses. The need analysis formula assesses 25-35% of the total net value of student/spouse assets as part of the calculated student contribution each year.

Parent Contribution

Option I Applicants (MD applicants for need-based Wake Forest School of Medicine Scholarships) must provide parental financial information on an annual basis. This policy applies regardless of age, dependency, marital status, tax status or prior history of self-support.

Sibling Enrollment in Postsecondary Education

The amount of the parent contribution is recalculated each year and can be significantly affected by several variables. The most notable of these is the number of siblings enrolled simultaneously at a post-secondary educational institution at least half-time. Since the need analysis formula assumes that parental resources are evenly divided among all of these siblings, students who foresee a change in this number should be prepared for a substantial change in the expected parent contribution. This will result in a corresponding change in the amount of financial aid awarded and one's eligibility for scholarship assistance. Students who indicate on the financial aid application that one or more siblings will be enrolled at least half-time in a postsecondary educational institution during the 2018-19 academic year, may be required to complete an Enrollment Verification Worksheet for each sibling enrolled. This worksheet will be emailed to students that are required to have the form completed by their sibling's school registrar. If this form is required, failure to submit documentation of enrollment may result in a cancellation or reduction in the financial aid award. *Note: this form is to be completed and signed by the Registrar of the sibling's institution only after the sibling has matriculated for the 2018-2019 academic year.*

Consideration of Parent Contribution

Wake Forest School of Medicine requires parent financial resource information from all MD candidate aid applicants who are applying for institutional funding. A parental contribution will be calculated using standard institutional need analysis policy.

Self-Supporting Status

As noted above, when considering eligibility for institutional need-based scholarships and loans, Wake Forest School of Medicine requires parental information. It is important to note that failure to provide parental information means that the student is forfeiting his/her candidacy for Wake Forest School of Medicine need-based scholarships.

If a student feels that his/her particular circumstances warrant a reconsideration of the required level of parent contribution, s/he may submit a petition to the Financial Aid Committee through the financial aid appeal process, as described on page 19. Please note that waivers of the requirement for parent information are exceptionally rare.

Because the eligibility criteria for many federal and private financial aid programs do not take parent information into account for graduate and professional students, students can be considered for the Federal Direct Unsubsidized Loan and the Federal Direct PLUS Loan and private supplemental loan programs without submitting parent information (see "Option II" on page 14).

Non-Custodial Parents

In order to be considered for a Wake Forest School of Medicine scholarship, the student's custodial parent must complete the parent sections of the PROFILE

Application. The non-custodial parent must file the PROFILE Non-Custodial Parents' Form. Each biological parent must also submit tax returns to the Financial Aid Office.

In cases where the whereabouts of a parent is unknown, there has been extremely limited or no contact with a noncustodial parent for a significant period of time, or there are legal orders that limit the non-custodial parent's contact with the student, the Financial Aid Committee may waive the requirement for that parent's financial disclosure provided that the family's situation is adequately documented. Students requesting this waiver must submit the request in writing. A letter from a third-party professional (e.g., clergy, social worker, or family physician) who has personal firsthand knowledge of the family's situation and history is required. *Note: Unwillingness of a noncustodial parent to contribute financially is not a sufficient reason to file this petition.* In the event that a biological parent is deceased, his/her whereabouts are unknown and/or the petition to waive the non-custodial parent information has been approved, the surviving parent's spouse, if any, is required to provide financial data as the second parent. If the surviving parent is not remarried, then only one parent's financial information will be considered.

Replacing a Missing Parent Contribution

Students who anticipate that their parents will not provide the full expected parent contribution must plan in advance how they will finance their education expenses without this assistance. Wake Forest School of Medicine policy does not provide for replacing a missing calculated parental contribution with institutional aid; exceptions to this policy are considered by the Financial Aid Committee through the appeal process (see page 19) and are very rare. Students may request to replace a missing family contribution with additional unsubsidized student loans (Federal Direct Unsubsidized Loan, Federal Direct Graduate PLUS Loan and/or private supplemental loans).

Spousal Contribution

The spouse of a married student is expected to contribute to the support of the student as well as to contribute to his/her own support and that of any children. The need analysis formula used for calculating the student/spouse contribution makes allowances for the household expenses when determining the portion of the couple's resources available for educational expenses. If the available resources are insufficient to support the spouse and children, it may be possible to use unsubsidized student loan programs, and/or outside scholarship(s) to help meet family expenses. A student in this situation should speak with a Financial Aid Officer for more information. Please note that Wake Forest School of Medicine scholarships are not available to meet costs attributable to persons other than the student.

Option II – MD Program – Federal Aid Only

This option is for MD candidates who are seeking assistance from *only* federal and private financial aid programs. Students who select this option do **not** have to provide

parental information and are not considered for Wake Forest School of Medicine institutional loan programs and/or need based scholarship funds.

These programs include the Federal Direct Loan Programs, and the GRAD PLUS Loan program. Detailed descriptions of these programs can be found starting on page 20.

Option II applicants are required to submit the following materials:

- **Free Application for Federal Student Aid (FAFSA).** All aid applicants who are U.S. citizens and permanent residents must complete the FAFSA on-line at <https://fafsa.ed.gov/>. Be sure to list "E00524" for Wake Forest School of Medicine school code. If prompted, please use the IRS Data Retrieval Tool. This option will streamline and expedite the processing of the student's financial aid.

Physician Assistant Program (PA), Nurse Anesthesia Program (CRNA), Graduate School

Physician Assistant and Nurse Anesthesia Program students rely heavily upon federal student loans. There are limited scholarship and grant resources available. Graduate students typically receive funding in the form of grants/scholarships from the Graduate School and may apply for federal loans. Students in these programs are not required to provide parental financial information.

The Federal loan programs include the Federal Direct Loan Programs, and the GRAD PLUS Loan program. Detailed descriptions of these programs can be found starting on page 20.

PA, CRNA, and Graduate Applicants are required to submit the following materials:

- **Free Application for Federal Student Aid (FAFSA).** All aid applicants who are U.S. citizens and permanent residents must complete the FAFSA on-line at <https://fafsa.ed.gov/>. Be sure to list "E00524" for Wake Forest School of Medicine school code. If prompted, please use the IRS Data Retrieval Tool. This option will streamline and expedite the processing of the student's financial aid.

Award Notifications

Award decisions are made upon submission of all financial aid application materials. Award letter notifications are emailed to admitted students by April 15th, if their application materials were received by the March 15th deadline. Award letter notifications for returning students are sent in early April if they submitted their application materials by the March 15th deadline. The notification directs students to login and view their award in the PeopleSoft Student Center. Students are required to confirm acceptance of aid award(s) electronically. In addition, students are instructed to notify the Financial Aid Office to indicate any outside financial aid awards not already listed on the award package. The student may elect to decline any portion of the recommended loan amounts by entering the amount they wish to take out on their Student Center account.

DETERMINING FINANCIAL NEED

All awards are made on the basis of calculated financial need. Financial need is determined by subtracting the anticipated resources of the applicant's family (as determined by a standard need analysis formula) from the estimated cost of education as reflected in the student cost-of-attendance budget estimates published by the Financial Aid Office each spring. A copy of the 2018-2019 Student Financial Aid Budgets can be found in the appendix section of this guidebook or on the Wake Forest School of Medicine Financial Aid website.

Standard Budget
Minus Expected Family Contribution
Less Unsubsidized Loan
Equals Financial Need

Need Analysis

The information provided on the FAFSA is evaluated by the federal government using its Federal Methodology need analysis formula. This formula determines the expected family contribution that is used to determine eligibility for federal student aid.

For Option I MD candidate financial aid applicants, Wake Forest School of Medicine applies a similar formula developed by the College Board to the family's CSS Profile data to determine an expected family contribution that is used for the purpose of awarding Wake Forest School of Medicine need-based scholarships and loans. The prior-prior tax year is the source of financial data used in need analysis.

For any student demonstrating financial need according to this process, the Financial Aid Office, within the constraints of available funds, will recommend financial aid to meet this need.

The College Board website provides an Expected Family Contribution *Estimator* for students who wish to get a rough estimate of what the assessed family contribution may look like. This calculator may be found at College Board.

THE STUDENT BUDGET

Purpose and Design

Student cost-of-attendance budgets are developed each academic year for use in the evaluation of financial need. The student budget has two primary purposes: 1) to give students an estimate of reasonable costs to attend the School of Medicine; and 2) to establish the federally required uniform cost of attendance standard against which to measure financial need. Living expense items in the budget are modest and require the student to carefully plan their expenditures. While the published budget offers

suggested breakdown for housing, food, transportation, and personal expenses, students are free to exercise flexibility within these line items to accommodate personal preferences as long as total spending does not exceed the total living expense budget.

The standard student budgets are based on typical expenses for a single student. Costs for the student's spouse/children are not included in the standard student budget; these expenses are accounted for in the need analysis formula when determining the expected student/spouse contribution. The standard student budgets for the academic year 2018-19 are shown in the appendix of this guidebook and available on the Wake Forest School of Medicine Financial Aid website.

Tuition

Wake Forest School of Medicine tuition rates are reset annually by the Board of Trustees.

Health Care Insurance

All enrolled students must be enrolled in the health care insurance program provided by Wake Forest School of Medicine or a comparable outside plan. A fee for the Wake Forest School of Medicine Health plan is automatically charged to all students; however, it may be waived during the open enrollment period by entering/presenting proof of equivalent coverage under an alternative insurance plan.

Books and Supplies

The budget allotment for books and supplies was developed with the assistance of a student survey that reported the costs of the most commonly purchased textbooks. Diagnostic equipment is purchased during a student's first year. Budgets are adjusted for these required purchases respectively.

Housing and Food Allowance

The housing allotment was developed with the assistance of a student survey that reported costs of rental units in the Winston-Salem, North Carolina area. The survey is done every three years with the last survey completed fall 2016. Students should consider housing options carefully; additional financial aid is not available to single students whose living arrangements have caused them to have expenses in excess of the total standard student budget. In addition, components of the student budget are based on data from the most recent Consumer Expenditure Survey and the Indexes of Comparative Costs both produced by the U.S. Bureau of Labor Statistics.

Transportation Allowance

The transportation allowance assumes local travel by a personal vehicle. The budget is based on a student survey and is used by all graduate and professional programs at Wake Forest School of Medicine. The transportation budget also includes an allowance for the cost for one round trip to a student's permanent residence.

Child Care Expenses

In the case of a single parent or a student whose spouse works or attends school, the student may petition the Financial Aid Office to include reasonable child care expenses in the student budget. The student would be required to submit supporting expense documentation such as canceled checks or a letter from the child care provider. If the spouse is attending school, it is necessary to provide documentation showing the extent to which the child care expenses are being covered by the spouse's financial aid award.

Any expenses that cannot be met by student/spouse income are then added to the standard student budget. This increase to the budget is ordinarily met with unsubsidized loans.

Married Students

Spousal income is analyzed by the institutional need analysis methodology in such a manner that generally allows for most of a spouse's income to be used toward his/her own living expenses.

Non-Allowable Expenses

Federal regulations stipulate that student budgets may not include the costs of purchasing and maintaining an automobile, expenses related to the support of the student's parents or siblings, or funds for the repayment of a loan taken in a previous year. Relocation expenses for moving to Wake Forest School of Medicine in the first year or for moving away from Wake Forest School of Medicine upon graduation are also not allowable expenses for the purpose of establishing eligibility for financial aid, nor is the cost of furnishing an apartment.

Students may petition the Financial Aid Office to adjust the student budget to accommodate reasonable, yet extraordinary, expenses such as uninsured medical/dental costs. If the petition is approved, these expenses ordinarily would be funded with unsubsidized loans.

FINANCIAL AID PACKAGING

The combination of aid sources offered to a student is referred to as the financial aid package.

Scholarship

The scholarship component of the financial aid package is that amount of scholarship offered to meet financial need before any loan is offered. Students that complete the required application materials by the deadline, are enrolled at least half-time, making satisfactory academic progress toward the degree, and demonstrate financial need are considered for scholarship support from institutional resources.

Wake Forest Medical Scholarship

The Wake Forest Medical Scholarships are awarded to accepted applicants for the MD program in recognition of outstanding academic achievements, community service and the promise for the study and future practice of medicine. These scholarships are provided for a total of four years and subject to meeting Satisfactory Academic Progress requirements. A sub-group of the Admissions Committee, along with FAO staff, selects the recipients from the incoming class.

The PA Program's Scholarship Committee may offer recruitment scholarships to accepted applicants. The amount of these recruitment scholarships may vary and are subject to meeting Satisfactory Academic Progress requirements.

Scholarship support is derived from many resources, most notably the result of donor gifts. Donations to financial aid are from individuals, foundations and organizations through the establishment of endowed funds, the giving to current use financial aid funds, or through annual gifts to the Wake Forest School of Medicine Alumni Fund. These funds are monitored by the Wake Forest School of Medicine Development Office. Scholarship recipients may be asked to write a letter of appreciation to scholarship donors. Recipients of these funds may also be requested to provide information consisting of premedical background, residency preferences, personal and professional interests, and academic progress. Failure to comply with these requests may result in forfeiture of Wake Forest School of Medicine Scholarship support.

<http://www.wakehealth.edu/School/Alumni-Affairs/Scholarship-Endowment.html>

Outside Scholarship Policy

All applicants for Wake Forest School of Medicine financial aid are encouraged to seek additional sources of funding. Outside scholarships generally are first applied toward reducing loans offered in the financial aid package (beginning with the least favorable loan). Only if the outside award exceeds the total amount of student loans, would a Wake Forest School of Medicine scholarship be decreased.

Appeals Process

A student who feels that exceptional family circumstances have not been fully considered in the review of his/her application may petition for an appeal review. Changes in circumstances and income must be carefully documented. Appeals for increases to the standard student budget are rarely granted. When this is the reason for the appeal, the student expenses above the standard budget must be well-documented; receipts are required. Students planning to file appeals should present their petitions in writing to a Financial Aid Officer no later than May 1st. The Financial Aid Committee will then render a decision on the appeal. The Committee's action will remain both absolutely confidential and final.

FINANCIAL AID RESOURCES

The following is a brief description of the federal, state, institutional, and private aid programs that are commonly administered by the Financial Aid Office. International students should note that they are not eligible to receive funds from any of the federal aid programs described below.

With respect to loans, borrowers are advised to refer to their promissory notes for the specific terms of a given loan, such as loan repayment and deferment. The Wake Forest School of Medicine Loan Fact Sheet and Deferment Options Chart provided in the appendix of this guidebook will provide general information on grace period, deferment, and repayment provisions. **However, program terms are subject to change and the most reliable description of loan terms for an existing loan obligation is the promissory note itself.**

U.S. Department Of Education Title IV Aid Programs

Wake Forest School of Medicine participates in the William D. Ford Federal Direct Loan Program; the U.S. Department of Education is the lender. Servicing of these loans is currently performed by one of several agencies. The Department of Education selects the servicing agency on behalf of a Direct Loan borrower. The National Student Loan Data System (NSLDS) is the U.S. Department of Education's central database for federal student aid. It receives data from schools and agencies that guarantee loans, from the Federal Direct Loan Program, and from other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and grants that are tracked through the entire financial aid cycle; from approval through closure. All federal loans received at Wake Forest School of Medicine are reported to the NSLDS and are accessible by guaranty agencies, lenders, servicers, and schools determined to be authorized users of NSLDS. In order to use the NSLDS Student Access website, a borrower must provide his/her Social Security Number (SSN), the first two letters of the last name, date of birth, and the borrower's Federal PIN (Personal Identification Number). Borrowers may log into the NSLDS website to determine the loan servicer to which the borrower's Direct Loans have been assigned. A complete listing of the Federal Student loan servicers can be found online at StudentLoans.gov.

Federal Direct Loans (The William D. Ford Federal Direct Loan Program)

Federal Direct Loans are the most common source of education loan in the United States. Students apply for these loans by completing the FAFSA form; no separate loan application is required. Visit www.studentloans.gov for more information.

Federal Direct Subsidized Loans

Per the Budget Control Act of 2011, Federal Direct Subsidized loans were no longer available to graduate and professional students after 2012-13. Information in this Guidebook regarding Direct Subsidized loans (formerly referred to as Federal Direct Subsidized Stafford/Ford Loans) borrowed at Wake Forest School of Medicine refers to loans issued prior to this regulatory change.

All Direct loans borrowed at Wake Forest School of Medicine during 2018-19 are unsubsidized.

Federal Direct Unsubsidized Loans

For students in medicine (MD) and certain other health professions, the Federal Direct Unsubsidized Loan annual borrowing limits are determined by the number of months covered by the standard student budget. For students on 12-month budgets, the 2018-19 annual limit will be \$47,167. Students on 10-month budgets in 2018-19 are eligible for up to \$42,722, and 9-month budgets, up to \$40,500. In any case, the student's total aid (Direct Unsubsidized loans plus all other aid) can never exceed the standard student budget.

For students in the Physician Assistant Program, Nurse Anesthesia Program, and Graduate School, the annual borrowing limit is \$20,500.

The maximum aggregate Federal Direct Unsubsidized loan limit for MD students is \$224,000 less any Direct Subsidized Loans borrowed.

The maximum aggregate Federal Direct Unsubsidized loan limit for students in the Physician Assistant Program, Nurse Anesthesia Program, and Graduate School is \$138,500, less any Direct Subsidized Loans borrowed.

Origination Fees: For 2017-18, the origination fee is 1.066% of the loan amount for loans first disbursed before October 1, 2018. Due to federal sequestration, the loan origination fee for 2018-19 loans first disbursed on or after October 1, 2018 may change.

Interest Rates: The interest rate is set annually on July 1 each academic year and is based upon the 10-Year Treasury Note Index plus a spread of 3.60%. The interest rate for loans first disbursed between 7/1/17 and 6/30/18 is 6.0%.

The interest on a Federal Direct Unsubsidized Loan accrues from the day the loan is disbursed and is always the responsibility of the borrower. Students can choose to let this in-school interest accrue or pay it quarterly. In order to minimize the cost of borrowing, students are encouraged to pay the quarterly interest if at all possible. Unpaid accrued interest will be capitalized (i.e. added to the outstanding principal balance) at the end of the grace period, prior to the onset of repayment.

Master Promissory Notes for Federal Direct Loans will be made available for signing electronically for the first year that a student borrows via Wake Forest School of Medicine. The loan funds will be credited directly to the borrower's student account within 10 days of the first day of classes; subsequent disbursements will automatically be credited at the start of each payment period.

Grace Period: All Federal Direct Subsidized Loans carry a six month grace period that begins once the borrower ceases to be enrolled at least half-time at a qualified institution of higher education. During this grace period, interest accrues yet no loan payments are required.

Grace periods are loan-specific; thus each Direct Loan borrowed has only one grace period. However, if the borrower returns to school at least half-time before the grace period expires, a full grace period will be available the next time enrollment ends. If the entire grace period is used before studies resume, no further grace period will be available and the loan will enter repayment immediately after half-time enrollment ends.

Deferment: Under certain conditions, Direct loans may be eligible for deferment benefits. During periods of deferment, interest ceases to accrue on subsidized loans and the repayment of principal is not required. All Federal Direct Subsidized Loans are eligible for deferment if the borrower meets one of the following conditions:

- A student enrolled at least half-time at an institution of higher education;
 - Unemployed;
 - Experiencing financial hardship as defined by the U.S. Department of Education (three-year maximum);
 - A graduate fellow for at least six months under an approved fellowship program;
 - Enrolled in an approved rehabilitation training program.

Forbearance: During periods of forbearance, repayment of principal is not required, but interest continues to accrue on the loans. All Federal Direct Subsidized and Unsubsidized Loans are eligible for forbearance during the entire internship/residency period. Forbearance must be requested on an annual basis from the Direct Loan Servicer.

Federal Direct Graduate PLUS Loans

The Graduate PLUS loan is a Federal Direct Loan Program that is offered to graduate students who need additional resources to meet the cost of attendance. This loan program serves the function of a private loan, and it also has the benefits of a federal loan program, such as deferment, forbearance, consolidation, and death and disability cancellation. The Direct Graduate PLUS loan program offers a six-month post-enrollment deferment period that begins once the student ceases to be enrolled at least half-time. In addition, options to postpone the repayment of a Direct Graduate PLUS loan during a residency program are available. Borrowers must pass a credit check, and as with other federal loan programs, will need to complete a master promissory note to receive the loan funds.

Origination Fees:

For 2017-18, the origination fee is 4.264% of the loan amount for loans first disbursed before October 1, 2018. Due to federal sequestration, the loan origination fee for 2018-19 loans first disbursed on or after October 1, 2018 will change.

Interest Rates: The interest rate is set annually each academic year and is based upon the 10-Year Treasury Note Index plus a spread of 4.60%. For loans disbursed between 7/1/17 and 6/30/18, the interest rate is 7.0%.

Post-Enrollment Deferment Period: Effective July 1, 2008, Graduate PLUS loans are eligible to receive a six-month post-enrollment deferment period that begins once the student ceases to be enrolled at least half-time.

Deferment/Forbearance: Same as the Federal Direct Unsubsidized Loan.

Debt Limits: Annual maximum equal to student budget less other aid received. No cumulative debt limit.

Private/Alternative Loans

Private Education Loans, also known as Alternative Education Loans are offered by private lending institutions. Wake Forest School of Medicine recommends borrowers exhaust eligibility for federal student loans before resorting to private student loans. It's best to get as much information as possible before taking out a private education loan. The AAMC FIRST publication, Federal vs. Private Education Loans, is a helpful resource to utilize.

https://www.aamc.org/services/first/first_factsheets/285378/federalvsprivate.html

North Carolina Resources

Forgivable Education Loans for Service (FELS)

The Forgivable Education Loans for Service Program was established by the North Carolina General Assembly to provide assistance to qualified students who are committed to working in North Carolina. Students interested in receiving assistance through the FELS program should apply online at www.cfnc.org/FELS.

Eligibility:

- Be a legal NC resident as defined for tuition purposes.
- Present a minimum grade-point average (GPA) of 3.20 for graduate or professional degree.
- Register with the Selective Service if required.
- Must not be in default or owe a refund under any federal or state loan or grant program.
- Maintain Satisfactory Academic Progress according to the enrollment policy of the institution.
- Be willing to work as a full-time Physician, Physician's Assistant or CRNA in North Carolina. (These careers are considered to be "a critical employment shortage profession" in North Carolina.)

Value:

- Annual loan amount for doctoral and master's degree candidates is \$14,000.
- Annual loan amount for PA and CRNA candidates is \$10,000
- Maximum Forgivable Loan Amount is \$56,000 and \$20,000 respectfully

Resources for state loan repayment and loan forgiveness/scholarship programs outside the state of North Carolina may be found at https://services.aamc.org/fed_loan_pub.

INSTITUTIONAL AID PROGRAMS

Wake Forest School of Medicine Scholarships

Through the generosity of our donors, a number of scholarships are available. These scholarships are based on financial need and other selection criteria as established by the donors. Students may qualify for Wake Forest School of Medicine Scholarship when their calculated financial need exceeds the cost of attendance established for their particular entering class and program. A complete list of endowed scholarships is available [here](#). Students benefiting from endowed scholarships will be required to write a letter of appreciation to the donor(s).

Wake Forest School of Medicine Institutional Loans

Awards are made by the Financial Aid Office based on eligibility requirements and availability of funds. These institutional loans are funded by the generosity of donors and the repayments made to the fund by previous borrowers.

The loan programs do not require the borrower to fill out a loan application; the students need only to accept the loan electronically in the PeopleSoft Student Center to begin the origination process. Emails providing federally required Truth-In-Lending will be sent to the student, as well as, emails directing students to complete the Promissory Note will be sent once the loan has been accepted.

The loan funds will be credited directly to the borrower's student account once all required paperwork has been completed at the start of each payment period.

Robert L. McMillan, Jr. Student Loan

Interest accrues from the date of each disbursement at the rate of 4% while enrolled and during the 36 month grace period. There are no provisions for deferment.

Medical Guild Student Loan

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 36 month grace period, and repayment. There are no provisions for deferment.

Robert Wood Johnson Student Loan

This loan is interest-free during periods of enrollment and 12 month grace period. The principal and interest payments can be deferred for advanced professional training. The interest rate is 9%.

Moss Student Loan for PA Students

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

Student Loan Fund for PA Students

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

Wingate Johnson Student Loan Fund for PA Students

Loans made to qualifying North Carolina residents with an interest in Family Practice. Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

Powell Student Loan Fund PA Students

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

Yount Student Loan Fund for PA Students

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

Roscoe Wall Student Loan Fund for Nurse Anesthesia Students

Interest accrues from the date of each disbursement at the rate of 4% during periods of enrollment, 12 month grace period, and repayment. There are no provisions for deferment.

PRIVATE OUTSIDE SCHOLARSHIPS

Joseph Collins Foundation Scholarship

The Joseph Collins Foundation offers a limited number of scholarships for MD students who demonstrate financial need; intent to specialize in neurology, psychiatry, or general practice, and who demonstrate an accomplishment in cultural pursuits (art, music, theater, writing, etc.). Candidates must be nominated by the Financial Aid Office. The Financial Aid Office will solicit nominees for the Collins Scholarship from the student body in January of each year.

National Medical Fellowships (NMF)

<http://www.nmfonline.org/>

NMF offers scholarships to African American, American Indian, Mexican American, Alaska Natives, Native Hawaiian and Mainland Puerto Rican first- and second- year MD students who are U.S. citizens and demonstrate financial need. For more information, please contact the NMF at 347 Fifth Avenue, Suite 510, New York, NY 10016. Telephone: 212-483-8880. Email: info@nmfonline.org.

FEDERAL PROGRAMS WITH A COMMITMENT OF FUTURE SERVICE

F. Edward Hebert Armed Forces Health Professions Scholarship Program

The Armed Forces Health Professions Scholarship Program (AFHPSP) is intended to recruit personnel to alleviate the shortage of physicians serving military personnel and their dependents. The program is offered through the Air Force, Army, and Navy. The program offers support to MD students for their tuition and required fees, and provides a monthly stipend for living expenses. The stipend is subject to state and federal taxes and must be reported on the recipient's tax returns. In addition, each year the student is required to spend 45 days on Active Duty for Training (ADT) with full pay and allowances.

The minimum service obligation incurred by participants in AFHPSP is two-three years depending upon specialty; a year of obligation is required for each year the student receives financial support. Participants must apply for residency programs in military facilities. Residents are selected for military or civilian programs based on the future needs of the military. Time spent in graduate and post-graduate training is not credited towards the fulfillment of a program obligation for AFHPSP or ROTC.

To be eligible for participation in military scholarship programs, a student must be a U.S. citizen who is enrolled in, or who is in receipt of a firm letter of acceptance from medical school. The student must meet the eligibility requirements for appointment in the U.S. Armed Forces. Students must complete the application process through the military branch that interests them.

Since the AFHPSP provides support that covers most of the expenses in the standard budget, students generally do not apply for additional financial aid. Students who determine to have a shortfall between their AFHPSP funding and the standard budget may apply for student loans to meet this gap. Funds from the Federal Direct Unsubsidized Loan Program are generally used for this purpose.

National Health Service Corps (NHSC) Scholarship Program

<http://nhsc.hrsa.gov/>

The National Health Service Corps Scholarship Program was created to address the shortage of health professionals in certain areas in the United States. Scholarship recipients receive 12 monthly stipends, a single payment to cover books, supplies, and equipment for the year, and payment to the School of Medicine for tuition and required fees for the year. The scholarship may be renewed throughout medical school without additional competition. A maximum of four years of support is available.

For each year of support, participants owe one year of future service providing primary care services in a Health Professional Shortage Area (HPSA) as assigned by the NHSC. The minimum obligation is two years. These assignments are most often as salaried civilian employees of community-based systems of primary health care.

These awards are targeted for students who intend to train and practice in primary care specialties. To request an application, call (800) 221-9393 or online at

<http://nhsc.hrsa.gov/>

DISBURSEMENT OF FINANCIAL AID

Promissory Notes

Federal and institutional loans cannot be disbursed until the borrower signs the necessary promissory note(s). Institutional loan promissory notes are signed prior to the beginning of each term.

Federal Direct and Federal GRAD PLUS use the Master Promissory Note (MPN). Borrowers need only sign one MPN for each loan program during their time at Wake Forest School of Medicine. Subsequent loans will be automatically disbursed each term once the borrower accepts the financial aid award offer and has submitted all required financial aid documentation.

Student Loan Entrance Counseling

First-time borrowers at Wake Forest School of Medicine must complete online loan counseling. On-line counseling is completed at www.studentloans.gov.

Confirmation will be sent to the school once the counseling has been completed by the student. Failure to complete required counseling in a timely manner may delay disbursement of funds.

All scholarships and loans are disbursed by payment period. The funds are divided into equal disbursements, based on payment periods. The funds are credited directly to the student's account. Should a student receive scholarship and loans in excess of tuition and fees charged for the term, the student will receive a refund which will be directly

deposited into a student's bank account or other arrangements made by the Student Financials Office.

Outside Loans and Scholarships

Disbursement procedures for outside scholarships vary widely from agency to agency. Sometimes the check is mailed to the Financial Aid Office, in which case the student may be notified to come to the Office to endorse the check. If the student's term bill account shows an outstanding balance, the scholarship will be credited to the term bill. If the agency sends a scholarship check directly to the student, the student is responsible for ensuring that the funds are used to pay any outstanding balance remaining on the bill. Students must notify the Financial Aid Office of receipt of any outside scholarship awarded.

Credit Balance Term Refunds

The student term bill lists itemized charges and credits throughout the academic year. If the total amount of loan proceeds, scholarships, and payments exceeds the total charges on the term bill, the student will receive a refund of the credit balance and use this refund to meet non-billed educational expenses such as books, supplies, housing, and food. *It is recommended that students sign-up for Direct Deposit to avoid delays in receiving their refunds.*

Direct deposit enrollment and disbursement dates can be found in your PeopleSoft Student Center.

REFUND AND RETURN OF FINANCIAL AID FUND POLICY

Refunds

A student who withdraws from the School of Medicine during a semester may be entitled to a refund of certain charges. A withdrawal also affects financial aid eligibility and could require a return of federal financial aid funds.

Students who withdraw from school or fail to complete the period of enrollment prior to the sixth week of the academic term may be entitled to a partial refund of tuition and fees depending on the date of withdrawal (see table below for applicable percentage of refund of tuition and fees).

<u>Withdrawal/Failure to Completion Date</u>	<u>Before classes begin</u>	<u>During 1st week</u>	<u>During 2nd week</u>	<u>During 3rd week</u>	<u>During 4th week</u>	<u>During 5th week</u>	<u>During 6th week</u>	<u>After 6th week</u>
<u>Percentage of Total Tuition and Fees to be Refunded</u>	100%	90%	75%	50%	30%	20%	0%	0%

The academic term will start at orientation, or when there is no orientation, with the first day of classes as scheduled for each class year of an educational program. The refund scale, as shown, will be applied beginning with academic year 2017-2018.

Refunds apply to the academic year of withdrawal only. Students are responsible for officially withdrawing to be eligible for a refund. Nonpayment for classes for which a student is registered or nonattendance in a registered class does not release the student from financial obligations and will not drop the student from the class.

Students enrolled in the school's medical insurance plan have the option of continuing the coverage until the end of the academic term. Students who elect to cancel coverage will receive a pro-rata refund of the amount pre-paid for coverage that would have applied after the withdrawal date.

Return of Financial Aid Funds

In accordance with federal regulations, a student who receives federal financial aid but does not complete the payment period for which that aid was awarded may not be entitled to all of the financial aid funds awarded and/or disbursed.

Federal regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student withdraws from all courses for any reason, including dismissals and leaves of absence, s/he may no longer be eligible for the full amount of Title IV funds that s/he was originally scheduled to receive. The return of funds is based upon the premise that students earn their financial aid in proportion to the amount of time in which they are enrolled. A pro-rated schedule is used to determine the amount of federal student aid funds s/he will have earned at the time of the withdrawal. Thus, a student who withdraws in the second week of classes has earned less of his/her financial aid than a student who withdraws in the seventh week. Once 60% of the semester is completed, a student is considered to have earned all of his/her financial aid and will not be required to return any funds. An exception may apply for leave of absence. See information regarding a leave of absence below.

Wake Forest School of Medicine is required to calculate how much federal financial aid a student has earned. Based on this calculation, Wake Forest School of Medicine students who receive federal financial aid and do not complete their classes during a semester or term could be responsible for repaying a portion of the aid they received. Students who do not begin attendance must repay all financial aid disbursed for the term.

Return of financial aid funds is determined according to the following:

1. The term "Title IV Funds" refers to the federal financial aid programs authorized under the Higher Education Act of 1965 (as amended) and for students enrolled

at Wake Forest School of Medicine includes the following programs: Federal Direct Unsubsidized Stafford Loans and Federal Direct Graduate PLUS Loans.

2. The withdrawal date used in the return calculation of a student's federal financial aid is the actual date indicated on the official drop form. If a student stops attending classes without notifying the School of Medicine, the withdrawal date will be the midpoint of the semester or the last date of academic activity as determined by the School of Medicine. Additional documentation supporting the last date of academic activity may be provided by the student if they verify a later date of attendance than determined by the School of Medicine.
3. Determining the amount of Title IV funds to be returned:
Refunds on all allowable charges including tuition and fees will be prorated on a per diem basis based on the number of days in attendance as a proportion to the number of days in the term or period of enrollment, up to the 60% point in the semester. There are no refunds after the 60% point in time, as the federal regulations view the aid has been "100% earned" after that point in time. A copy of the worksheet used for this calculation and examples can be requested from the Financial Aid Office.
 - In accordance with federal regulations, the return of Title IV funds is paid in the following order:
 - Unsubsidized Direct Loans
 - Subsidized Direct Loans
 - Federal Perkins Loans
 - Direct PLUS Loans
 - Other Title IV assistance
 - The Student
4. Institutional and Student Responsibilities
Wake Forest School of Medicine responsibilities include:
 - Providing each student with the information given in this policy
 - Review of examples of the Return of Title IV Aid and the Refund Policy with students
 - Identifying students who are affected by this policy
 - Completing the Return of Title IV Funds calculation for students who are subject to the policy
 - Returning the Title IV Funds that are due the Title IV programs within 30 days of withdrawal, dismissal, or leave.
The student's responsibilities include:
 - Students with Federal/Title IV financial aid must notify the Financial Aid Office to discuss the implications of a withdrawal, leave of absence, or dismissal before it occurs.
 - Returning to the Title IV programs any funds that were disbursed directly to the student and for which the student was determined to be ineligible under the Return of Title IV funds calculation. The student will also be billed for and required to pay any balance that results from a return of funds.

Post-Withdrawal Disbursements

In some cases, a student may be eligible to receive a “post-withdrawal” disbursement after the student withdraws when the amount of aid earned is less than the amount of aid disbursed. In such cases, the Financial Aid Office will notify the student of the “post-withdrawal” disbursement.

Leave of Absence

Students are permitted to have one leave of absence (medical, personal, educational, administrative) within a 12-month period that does not require a return of federal financial aid funds provided that:

- The student completes the requirements for formal leave of absence in accordance with the School of Medicine’s Leave of Absence policy;
- The leave of absence does not exceed 180 days in length; and
- The leave of absence ends before the next payment period begins.

Students who are on a leave of absence as of the first day of the academic year are not eligible to receive financial aid until they return from the leave, register for classes, and begin coursework.

Students who begin a leave after the academic year begins are eligible for financial aid already disbursed, but are not eligible for additional financial aid disbursements until they return from the leave of absence.

If a student takes an approved leave of absence and then does not return from the leave within 180 days or within the payment period, the student will be subject to the requirements for the return of federal aid. For purposes of calculating earned financial aid, the last date of attendance will be retroactive to the day the leave of absence began.

LOAN COUNSELING SERVICES – MD Students

Graduate and Professional students often need to take on a significant amount of educational debt to finance their medical education. Wake Forest School of Medicine is concerned about the high levels of borrowing and exercises a vigorous loan counseling and financial literacy program. The Financial Aid Office offers each student the opportunity to discuss the terms of the loans and to be counseled on debt management strategies. The following is an outline of the loan counseling services offered.

First Year Students

A mandatory group loan counseling meeting is held at the beginning of the fall semester during orientation. In addition, the First Year Financial Aid Officer begins assessing current and projected debt for each student after matriculation. An individual counseling meeting is strongly encouraged to review budget, current debt, and projected debt as well as additional resource opportunities which might be available.

Second Year Students

The Financial Aid Office generates loan summary reports for second-year students and e-mails them to the Student's Wake Forest School of Medicine email address. In addition to providing the student's debt-to-date, a number of workshops are held to update students about issues which affect their educational debt. Budgetary management tips are discussed and there are demonstrations of financial planning web resources.

Third Year Students

The Financial Aid Office generates debt reports for each borrower after 3rd Year orientation. An individual meeting is then encouraged for the purpose of reviewing current and projected graduation debt. During these one-on-one meetings, borrowers receive a tutorial of the AAMC's MedLoans calculator and a foundational review of repayment plans and best strategies. Other topics include scholarships and loan forgiveness opportunities that are available exclusively for 3rd and 4th Year students. Also at this time, students considering a research year or additional degrees are informed of the effects on borrowing, debt and repayment.

Fourth Year Students

Loan Exit Interviews: Mandatory loan exit interviews are held in the spring. Individual one-on-one sessions are available in Fall and Spring of the student's 4th Year. The purpose of the interview is to disclose the loan repayment schedule, repayment options and to ensure the student understands the logistics of each.

Financial Management Seminars are offered. An annual Financial Management Seminar presentation is offered during the spring prior to graduation. The seminar features financial services professionals who are able to assist individuals in handling their finances and making investment choices for the future.

Loan Counseling Services- PA Students

First Year Students

A mandatory group loan counseling meeting is held at the beginning of the fall semester during orientation. In addition, the First Year Financial Aid Officer begins assessing current and projected debt for each student after matriculation. An individual counseling meeting is strongly encouraged to review budget, current debt, and projected debt as well as additional resource opportunities which might be available.

Second Year Students

In March, prior to graduation in May, a group exit counseling session is offered where a brief overview of repayment options and the repayment schedule are discussed. Individual Loan Exit Interviews are offered throughout the final year of study. These meetings are held typically in the months before graduation. Individual one-on-one sessions are available in the Fall and Spring of the student's second (final) year. Topics include loan repayment schedule and repayment options.

Loan Counseling Services- CRNA Students

First Year Students

During orientation in August, a mandatory group loan counseling meeting is held. The CRNA Financial Aid Officer begins to assess the current and projected debt for each CRNA student after matriculation. Once borrowers have been identified, an individual counseling meeting is offered to review budget, current debt, and projected debt as well as additional resource opportunities which might be available.

Second Year Students

In May, prior to graduation in August, a group exit counseling session is offered where a brief overview of repayment options and the repayment schedule are discussed. Individual Loan Exit Interviews are offered throughout the final year of study. These meetings are held typically in the months before graduation. Individual one-on-one sessions are available in the Fall and Spring of the student's second (final) year. Topics include loan repayment schedule and repayment options.

Miscellaneous

Students may make an appointment with their Financial Aid Officer at any time to discuss financial aid issues. The Office has a small database of external scholarship resources that is utilized with a student survey form to match students with external sources of aid.

The Financial Aid Information Page

This is a free and comprehensive web site including a guide to student financial aid resources. It includes an overview of financial aid policies and procedures, a glossary of terminology, search engines for outside scholarships, calculators to compute required loan payments, annotated bibliographies of financial aid resource materials, and direct links to over 1,000 external financial aid sites. The URL address for this site is www.finaid.org.

FIRST for Medical Education

FIRST (Financial Information, Resources, Services and Tools) for Medical Education is a program sponsored by the Association of American Medical Colleges to aid members of the academic medicine community navigate the complexities of student debt. The goal of the program is to help medical student borrowers expand their financial literacy, make smart decisions about student loans, and manage their debt wisely. Students are encouraged to participate in Financial Literacy 101, a series of online financial management modules that address crucial topics designed for the unique financial needs of busy medical students. Direct your web browser to www.aamc.org/first for more details.

MedLoans Organizer and Calculator

This resource, introduced by the AAMC's FIRST for Medical Education program, is the only online loan repayment calculator customized for MD students.

This exciting tool allows student borrowers to organize their loans, manage and save loan information in one secure location, view and explore loan repayment options. Access the MedLoans Organizer and Calculator at www.aamc.org/first.

DEBT MANAGEMENT

Debt Prior to Matriculation

Most pre-medical educational loans can be deferred while studying full-time at Wake Forest School of Medicine (Refer to the Loan Fact Sheet and the Deferment Options Chart in the appendix of this guide for more guidance). Wake Forest School of Medicine reports enrollment status to the National Student Loan Clearinghouse (NSLDS) on a monthly basis once classes begin in the fall. Most lenders rely on this information and automatically defer your loans. If your lender does not receive data through NSLDS, a loan deferment form may need to be completed. Credit card debt, car loans, and other outstanding bills must be taken care of by the student; additional financial aid cannot be awarded to pay these debts. A negative credit rating may cause ineligibility for some student aid programs. It is important for students to be diligent about correcting and protecting their credit rating.

Loan Reduction Strategies

1. Seek outside scholarships. Many private foundations and organizations make awards to medical students on a competitive basis. For example, Rotary Clubs in your home town may raise money for scholarships. The Financial Aid Office recommends that you begin by using one of the free scholarship search engines available on the internet (www.finaid.org). The Financial Aid Office has a small database of external scholarship resources. Students are encouraged to complete the survey form to be considered for external resources.
2. Be mindful of your expenses. If you keep your living expenses below the standard budget upon which your financial need was calculated, you can subtract your savings from loans awarded to you.
3. Ask family for help. Your parents or relatives may be able to provide you with additional support in the form of a gift or an interest free loan.
4. Use a little more of your savings this year. If you have to take out additional loans, it is better to do so as close to graduation as possible to minimize the effect of interest accrual. Before deciding on whether or not to accept or request additional loan funds, students should consider the following:
 - Will this loan be from a different and consequently a new source than loans already incurred? If so, how will this affect the repayment?
 - Will the size of the required repayments affect previous commitments or future life choices?

Managing Debt after Graduation

By graduation day, many students have accumulated substantial student loan debt in order to pay for their education. New graduates need to plan carefully for loan repayment. The relationship between monthly income and the amount of the monthly loan payment will require the graduate to make thoughtful choices about spending.

Keeping careful records can assist in this endeavor. It is the borrower's responsibility to be cognizant of the terms and conditions of the loan(s), to make loan payments on time, and to honor the commitment to pay the loan(s). As part of the Wake Forest School of Medicine financial literacy program, all students borrowing educational loans at Wake Forest School of Medicine are strongly encouraged to utilize the MedLoans Organizer and Calculator, an online loan tracking system available through the Association of American Medical Colleges. The MedLoans Organizer and Calculator is available via the AAMC website at www.aamc.org/first.

Budgeting

A loan recipient must develop a behavior of careful budgeting and an attitude of thrift in order to keep student loan borrowing to a minimum and also to manage his/her finances prudently during the loan repayment years. Careful budgeting requires a person to a) plan; b) exercise control; and c) review the budget periodically to make possible adjustments. To assist with living on a budget starting today, you will find two budgeting worksheets in the appendix of this guide. The first is a more simplified one that will help you to begin budgeting successfully while you are still a student. The other is more detailed and can be used in the future once your financial situation becomes more

complex. Alternatively, students are encouraged to utilize the online budget worksheet available through the Association of American Medical Colleges. The online budget worksheet is located in the Exercises section of Financial Literacy 101 and is available via the AAMC website at www.aamc.org/first.

Prepayment

You may pay accruing interest at any time without penalty. Since interest accrues daily on the outstanding principal during the repayment period. Prepayment will reduce the total interest you will pay over the life of the loan. Send prepayments directly to your loan servicer. Should you wish to pay a loan in full, contact your loan servicer for a payoff figure which will include the principal balance plus interest projected through the payoff date. About two months after your loans are paid in full, your original signed promissory notes will be returned to you.

Grace Period and Deferment

As discussed earlier in this guidebook, most loan programs feature a grace period that begins when the student ceases to be enrolled at least half-time at an institution of higher education. (Refer to the Loan Fact Sheet in the appendix for specific grace period provisions).

The grace period is intended to give the borrower an opportunity to find employment and get ready for repayment. Most loan servicers use the grace period to contact the borrower with specific information about the forthcoming repayment period. However, payments are due when the grace period expires regardless of whether the loan servicer has contacted the borrower. Under certain conditions, the borrower may defer or postpone the repayment of student loans. During the deferment period, principal payments (and interest payments under some loan programs) are postponed.

To claim a deferment on student loans, a certified deferment form must be submitted to the loan servicer(s) each year that a deferment is requested. The form is available from the loan servicer, must be certified by the hospital supervisor of the residency program, and returned to the loan servicer. The timely filing of the form is important since it must be done before the expiration of the grace period. The borrower must continue loan payments until the loan servicer receives the certified deferment form and the borrower is notified that the deferment has been approved.

Since the grace and deferment periods do not require the borrower to make loan payments, it allows one the chance to save money. Furthermore, if the borrower is able to accumulate savings in the bank, it will act as a cushion if an emergency arises during the beginning years of repayment. Borrowers are cautioned that they should not increase their debt during this time.

Whether or not a given loan has any provisions for an interest-free deferment depends on the date the particular loan was actually authorized. Federal regulations that govern the terms and conditions of their loan programs are constantly in flux and, as a result, there is often a lot of confusion. The information that follows attempts to summarize the

most relevant deferment options that currently exist on the most common loans borrowed by Wake Forest School of Medicine students. You may also consult the chart of deferment options provided in the appendix to this guide to find a more complete list of deferment options. However, please note, as stated earlier in this guide, the most accurate place to find the specific terms, conditions, and provisions associated with a given loan is always the original promissory note that you signed at the time the loan was issued.

Federal Direct Subsidized/Unsubsidized Loans

- No internship/residency deferment is offered for this program. However, forbearance options are available as described below.
- Fellowship Deferment - All Federal Direct loans* qualify for deferment while participating in an approved graduate fellowship program. To qualify for this deferment:
 1. You must hold at least a bachelor's degree from an institution of higher education and have been recommended by an institution of higher education for acceptance into the graduate fellowship program.
 2. The graduate fellowship program must include sufficient financial support to allow full-time study for at least six months; require a written statement from applicants explaining their objectives before awarding financial support; require graduate fellows to submit reports, projects, or other evidence of progress; and accept an applicant's study at a foreign university for completion of the fellowship program.

*Please remember that only subsidized loans qualify for interest-subsidized deferment. Unsubsidized loans always accrue interest, even during periods of deferment.

Federal Direct PLUS Loans

Deferment and forbearance provisions are identical to those of the Federal Direct Unsubsidized Loan Program.

Private Educational Loans

Deferment provisions for private educational loans vary; please contact the lender for specific information.

Forbearance

If a borrower is temporarily unable to meet the repayment schedule for a particular loan and is not eligible for a deferment, s/he can request forbearance for a limited and specific period. During periods of forbearance, repayment of principal is postponed or reduced, and interest continues to accrue on the loans. Forbearance is granted on an annual basis and the borrower must submit a request in writing to the loan servicer. During periods of forbearance, repayment of principal is not required but interest continues to accrue on the loans.

Borrowers must either pay this interest during the forbearance period or arrange for it to be capitalized, i.e. added to the outstanding principal balance. The following is a list of the different types of forbearance currently available for selected loan programs:

Hardship

In the case of extreme financial hardship, forbearance may be offered at the loan servicer's discretion. Virtually all loan servicers are willing to consider such hardship forbearances. They are usually granted for no more than six-months at a time.

Internship/Residency

Federal Direct Loans – Federal regulation requires that Federal Direct loan servicers must approve forbearance requests from borrowers participating in a medical internship or residency program. Borrowers may renew this mandatory forbearance until the residency is completed. As with other forbearances, interest will continue to accrue on the outstanding principal, irrespective of whether or not the loans were originally subsidized.

Private Educational Loans

Forbearance provisions for private educational loans vary; please contact the lender for specific information.

Repayment

It is never too early to begin to think about how you are going to repay your educational loans. Before choosing a particular repayment schedule, it is first helpful to consider what your salary will be. Based on this, you can develop a preliminary budget to determine how much money you will have available for living expenses after meeting all of your student loan obligations. In general, your goal should be to choose a repayment plan that maximizes flexibility while minimizing cost. Although options may vary from lender to lender, there are several basic types of repayment schedules. Keep in mind that the longer you take to repay a loan, the more interest that you will pay over the life of the loan. All repayment options allow for prepayment of the loan; making voluntary extra payments will reduce your cost of borrowing.

Standard repayment allows the borrower a period of 10 years to repay his/her loans. Under a standard plan, annual payments are fixed for the life of the loan.

Extended repayment is similar to standard repayment, but gives the borrower a longer period of time to repay-- anywhere from 12 to 25 years, depending on the size of the outstanding principal balance. Annual payments are fixed and depend on the number of years selected by the borrower. Stretching out the number of years in repayment provides lower required monthly payments in the short-run; however, usually the borrower will pay more in interest since the loan is being financed over a longer period of time.

Graduated repayment allows the borrower a period of 10 years to repay the loan. The annual repayment amount varies, increasing in size every two years over the life of the loan. This allows the borrower to have lower required payments in the early stages of repayment when annual income is usually at its lowest, with higher payments required later in repayment when income has presumably increased.

Income contingent repayment allows the borrower to have his/her required monthly payments to be based on actual adjusted gross income, family size and level of educational indebtedness. Thus, required repayment amounts under this option adjust as income rises and falls. Monthly payment is 20% of discretionary income. The maximum repayment period cannot exceed 25 years. This option usually is not available to all borrowers. In most cases, a borrower must meet certain criteria to be eligible to repay his/her debt under these terms.

Income-based repayment allows the borrower to have his/her required monthly payments to be based on actual adjusted gross income and family size. Thus, required repayment amounts under this option adjust as income rises and falls. Monthly payment is 15% of discretionary income, but never more than the amount required to pay under the Standard Repayment plan. If payments do not cover the interest that accrues, the government pays or waives the unpaid interest on subsidized Direct loans for the first three years of income-based repayment. The maximum repayment period cannot exceed 25 years. This option usually is not available to all borrowers. In most cases, a borrower must meet certain criteria to be eligible to repay his/her debt under these terms.

Pay As You Earn repayment allows the borrower to have his/her required monthly payments to be based on actual adjusted gross income and family size. Thus, required repayment amounts under this option adjust as income rises and falls. Monthly payment is 10% of discretionary income, but never more than the amount required to pay under the Standard repayment plan. If payments do not cover the interest that accrues, the government pays or waives the unpaid interest on subsidized Direct loans for the first three years of income-based repayment. The maximum repayment period cannot exceed 20 years. This option usually is not available to all borrowers. Must be a new borrower as of October 1, 2007, and must have received a disbursement of a Direct Loan on or after October 1, 2011. In most cases, a borrower must meet certain criteria to be eligible to repay his/her debt under these terms.

REPAYE repayment provides more student loan borrowers access to affordable terms from the income-driven plans. With this plan, there is no income requirement, a partial financial hardship is not needed to enter the plan and the loan disbursement dates do not affect the borrower's eligibility. REPAYE allows borrowers who do not qualify for PAYE or IBR to make affordable monthly payments, equal to 10 percent of discretionary income. These payments will be adjusted annually. Borrowers do not have to pay the accrued interest on subsidized loans for the first 3 years of repayment. After the 3 year period, borrowers have to pay only 50% of the accrued interest on the subsidized loan that's not covered by their regular monthly payment amount. For unsubsidized loans,

the policy is slightly different; for the entire REPAYE payment period, borrowers have to pay only 50% of the accrued interest that's not covered by their regular monthly payment amount.

Public Service Loan Forgiveness Program

This program, effective July 1, 2009, discharges the remaining federal Direct Subsidized/Unsubsidized and/or PLUS debt after 10 years of full-time employment in public service. The borrower must have made 120 payments on or after October 1, 2007 in the Direct Loan's repayment program in order to qualify.

Finally, most loan servicers, regardless of whether or not they offer a formal list of repayment choices to their borrowers, will negotiate with their borrowers to determine an alternative repayment plan should the borrower experience difficulty while repaying their loans. Loan servicers do not want their borrowers to default on their loans and will work with borrowers who take the initiative to contact them proactively to inform them about any problems they may be experiencing.

Delinquency and Default

Delinquency occurs when the borrower fails to make an installment payment when due or to meet other terms of the promissory note. A penalty charge is assessed when a loan payment is late by 60 days. The delinquency is also reported to credit reporting bureaus.

In many instances, borrowers inadvertently find themselves in delinquency status: although they intend to defer their loans, the necessary deferment forms have not been received by the lender prior to the payment due date. *Borrowers must make all scheduled loan payments until they are notified by their loan servicers that their deferments have been approved.*

Default follows delinquency when the borrower fails to repay the loan according to the terms of the promissory note. Typically a loan is placed in default after 270 days of delinquency. The default is reported to the national credit bureaus and stays on the borrower's record for as long as seven years. This derogatory credit finding can delay or prevent the borrower from getting other types of consumer credit such as a home mortgage, car loan, or credit card.

Furthermore, the defaulter's federal and state income tax refunds and personal assets may be seized, and salary checks may be garnished. Late charges and court and attorney fees may also be assessed. Defaulters are ineligible for future student loans or federal financial aid should they decide to return to school, and will not be eligible for loan deferments. If a borrower finds that s/he is in danger of delinquency or default, it is imperative to contact the loan servicer immediately. The loan servicer may be willing to grant a forbearance allowing the borrower to establish a plan to successfully repay the loan.

Loan Ombudsman Office

The Department of Education Loan Ombudsman works with student loan borrowers to resolve loan disputes and problems. This office is available to help borrowers manage disputes with schools and loan servicers concerning Title IV federal loan programs:

Direct Loans –Subsidized and Unsubsidized Direct Student Loans, Direct PLUS Loans, and Direct Consolidation Loans;

Federal Family Education Loans- Subsidized and Unsubsidized Stafford Loans, FFEL PLUS Loans, and FFEL Consolidation Loans.

The Ombudsman’s contact information is as follows:

FSA Ombudsman
US Department of Education
830 First Street, NE
Mail Stop 5144
Washington, DC 20202-5144
Phone: (877) 557-2575
Website: www.studentaid.ed.gov

Credit Agencies

Loan servicers report their loan payment statuses to national credit bureaus such as Experian, Equifax, and TransUnion. If a borrower is delinquent with a loan payment or has defaulted on a debt obligation, her/his credit rating will be tarnished. This means that s/he will most likely have difficulty obtaining alternative student loans, a home mortgage, car loan, or credit cards. Whenever possible, a derogatory credit finding should be cleared before applying for loans or any type of credit. Student loan servicers can provide information on how to rehabilitate a delinquent or defaulted loan.

Students may wish to periodically obtain copies of their credit reports by contacting one of the major credit reporting agencies. Contact any of the following agencies for additional information:

Experian: (800) 682-7654
Equifax: (800) 685-1111
TransUnion: (800) 888-4213

National Loan Repayment Programs

The following is a list of the several major loan repayment programs. Please contact the agencies directly to request current information on terms and conditions. A more comprehensive listing of repayment programs is available on the website of the Association of American Medical Colleges at:

http://services.aamc.org/fed_loan_pub

Disadvantaged Health Professions Faculty Loan Repayment Program (HRSA)

US Department of Health and Human Services – Health Resources and Services Administration

Bureau of Clinician Recruitment & Service Faculty

Loan Repayment Program

HRSA, Bureau of Health Professions

5600 Fishers Lane

Rockville, MD 20857

Phone: (800) 221-9393

E-mail: flrpinfo@hrsa.gov

Website: <http://www.hrsa.gov/loanscholarships/repayment/faculty>

Physicians from disadvantaged backgrounds who sign a contract agreeing to serve for two years as a full-time faculty member at a participating school, may have up to \$20,000 of debt repaid for each year of faculty service.

NHSC State Repayment Program (SLRP)

The NHSC (National Health Service Corps) provides funds directly to states to operate loan repayment programs. Federal and State governments provide a dollar-for-dollar match to repay qualifying educational loans for eligible participants. For information about state programs, refer to the website of the Association of American Medical Colleges at:

http://services.aamc.org/fed_loan_pub

and NHSC at: <https://nhsc.hrsa.gov/loanrepayment/>

Indian Health Service Loan Repayment Program (IHS)

Indian Health Service

Loan Repayment Program

801 Thompson Avenue, TMP Suite 450A

Rockville, MD 20852

Phone: (301) 443-3396

Fax: (301) 443-4815

Website: <http://www.ihs.gov/loanrepayment/>

Participants sign a minimum two-year service commitment with the Indian Health Service (IHS) to provide full-time clinical service at a designated priority site. The IHS repays outstanding government and commercial health professions educational loans of up to \$20,000 annually. The IHS also provides an allowance to help cover the increased Federal, State, and local income taxes generated by these repayments.

National Health Services Corps (NHSC) Loan Repayment Program

Website: <http://nhsc.hrsa.gov/loanrepayment/>

The National Health Service Corps (NHSC) Loan Repayment Program provides \$50,000 for 2 years of full-time employment or \$30,000 for 2 years of half-time employment, tax free, to primary care medical, dental and mental health clinicians in exchange for service at an approved site in a Health Professional Shortage Area (HPSA). Upon completion of the service commitment, clinicians may be eligible to apply for additional support for extended service.

National Institutes of Health Research Loan Repayment Programs

- *NIH AIDS Research Loan Repayment Program (AIDS-LRP)*
- *NIH Clinical Research Loan Repayment Program*
- *NIH Clinical Research Loan Repayment Program for individuals from Disadvantaged Backgrounds (CR-LRP)*
- *NIH Contraception and Infertility Research Loan Repayment Program*
- *NIH General Research Loan Repayment Program (General-LRP)*
- *NIH Health Disparities Research Loan Repayment Program*
- *NIH Pediatric Research Loan Repayment Program*

E-Mail: ugsp@nih.gov

Website: <http://www.lrp.nih.gov/>

Phone: (866) 849-4047

These programs repay up to \$35,000 per year towards each participant's outstanding eligible educational debts. Participants must sign two year contracts (three year contracts for General LRP). Some programs require participants to be NIH employees; other programs require participants to be employees of a domestic nonprofit or US government entity.

Participants may apply for additional one-year renewal contracts and continue to receive loan repayment benefits, if approved.

U.S. Income Tax Benefits for Education

The Financial Aid Office does not provide tax advice. Refer to IRS Publication 970 which explains tax benefits that may be available to you. www.irs.gov/pub/irs-pdf/p970.pdf

Federal Loan Consolidation

Direct Loan consolidation allows borrowers to combine multiple federal education loans into one loan. Borrowers are not eligible to consolidate while enrolled in school. More details about the advantages and disadvantages of federal loan consolidation can be found at www.studentloans.gov. Borrowers may also contact the Financial Aid Office.

APPENDICES

2018-2019 Cost of Attendance - MD Program

	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>4th Year</u>
Tuition	\$ 58,823	\$ 58,823	\$ 58,263	\$ 57,708
Books/Equipment	\$ 1,790	\$ 1,200	\$ 1,178	\$ 1,178
CS Exam Travel	\$ -	\$ -	\$ -	\$ 650
Food	\$ 4,800	\$ 4,800	\$ 5,760	\$ 5,760
Health Insurance	\$ 3,540	\$ 3,540	\$ 3,540	\$ 3,540
Lodging	\$ 7,000	\$ 7,000	\$ 8,400	\$ 8,400
Miscellaneous	\$ 1,800	\$ 1,800	\$ 2,160	\$ 2,160
Transportation	\$ 2,920	\$ 2,920	\$ 3,504	\$ 3,504
Loan Fees	\$ 2,199	\$ 2,173	\$ 2,171	\$ 2,178
Utilities	\$ 2,950	\$ 2,950	\$ 3,540	\$ 3,540
Total	\$ 85,822	\$ 85,206	\$ 88,516	\$ 88,618

2018-2019 Cost of Attendance – PA Program

	<u>1st Year</u>	<u>2nd Year</u>
Tuition	\$ 40,250	\$ 40,250
Books/Equipment	\$ 1,600	\$ 1,600
Professional Exam	\$ -	\$ 476
Drug Test	\$ -	\$ 70
Food	\$ 5,760	\$ 5,760
Health Insurance	\$ 3,540	\$ 3,540
Lodging	\$ 8,400	\$ 8,400
Miscellaneous	\$ 2,160	\$ 2,160
Student Fees	\$ 5,000	\$ 2,250
Transportation	\$ 2,920	\$ 3,240
Loan Fees	\$ 2,464	\$ 2,384
Utilities	\$ 3,540	\$ 3,540
Total W-S Students	\$ 75,634	\$ 73,670
Boone Allowance	<u>1,013</u>	
Boone COA	\$ 76,647	

Graduate Program

	Ph.D. Programs	Masters Programs
Tuition*	\$39,740	\$39,740
Books/Supplies/Equipment	600	600
Lodging	7,754	7,754
Utilities	3,267	3,267
Food	5,328	5,328
Transportation	2,990	2,990
Miscellaneous	1,994	1,994
Federal Loan Fees	219	1,729
Health Insurance	2,040	3,540
Total	\$63,932	\$66,942

*Reflects tuition cost for full-time enrollment Summer, Fall, and Spring terms.

Summer Tuition	\$1,090
Fall Tuition	\$19,325
Spring Tuition	\$19,325
Part-time (per credit hour)	\$1,420

2018-2019 Cost of Attendance - Nurse Anesthesia Program; Years 1 & 2

Tuition	\$ 33,900
Program Fees	\$ 1,736
Books/Equipment	\$ 1,400
Food	\$ 5,760
Health Insurance	\$ 3,540
Lodging	\$ 8,400
Miscellaneous	\$ 2,160
Transportation	\$ 3,240
Loan Fees	\$ 2,060
Utilities	\$ 3,540
Total	\$ 65,736

Financial Aid Calendar for Academic Year 2018-2019

April, 2018	Student financial aid award notices available
April - July 2018	Students are able to electronically accept their loans and complete their Master Promissory Notes (MPN). <i>(Email sent to student with instructions).</i>
May, 2018	M3, M4 and PA2 disbursements; students with credit balance issued refunds.
June, 2018	First disbursements for PA 1, students with credit balance issued refunds.
July, 2018	One-on-one loan counseling/financial literacy meeting begin. First Disbursements for M1 and M2
August, 2018	PA2, CRNA, and Graduate Students disbursements; students with credit balance issued refunds.
September, 2018	PA1 disbursements; students with credit balance issued refunds. Endowed Scholarship recipient letters of appreciation to donors due.
October 2018	Begin planning for 2019-2020 Financial Aid re-application cycle.
November, 2018	Financial Literacy/Debt Management Workshop Series begins. M3, and M4 disbursements; refunds issued to students with credit balances.
December, 2018	M1 and M2 disbursements, refunds issued to students with credit balances.
January, 2018	P1, P2 and CRNA disbursements; refunds issued to students with credit balances.
March 15, 2018	Deadline for submission of financial aid application material from continuing students for 2019-2020.
May 21, 2018	Graduation, MD, PA, & Graduate Students
August 2018	Graduation for Nurse Anesthesia Program Students

Terms and Conditions of Financial Aid Awards

- Your award is subject to your full-time enrollment at the Wake Forest School of Medicine. You must inform the Financial Aid Office of any changes in your enrollment status.
- Financial aid recipients must maintain satisfactory academic progress as defined by the Program.
- You are expected to notify the Financial Aid Office in writing if additional assistance becomes available from other sources.
- An adjustment of your award will be made if the amount of aid exceeds your financial need. You are also required to promptly notify the Financial Aid Office of changes in your family's financial circumstances.
- Financial aid applicants must complete the application process each academic year. **Financial aid awards may vary from year to year based on financial need and the amount of funds available.** Scholarship support for MD students is limited to 4 years.

Financial Need

When you apply for federal student aid, the information you report on the FAFSA is used in a formula established by the U.S. Congress to determine your Expected Family Contribution (EFC). This is the amount you are expected to contribute toward your education, although this amount may not exactly match the amount you and your family end up contributing.

When you apply for need-based aid from WFSM funds, the information you and your family report on the CSS Profile form is used in a formula determined by financial aid administrators, economists, and the College Board. The formula is called institutional methodology and is similar to the federal methodology formula used by the FAFSA. Detailed information about federal methodology and institutional methodology can be obtained from the College Board website at: www.collegeboard.org
Your EFC is used in the following equation to determine your financial need: $\text{Financial Need} = \text{Cost of Attendance} - \text{Expected Family Contribution (EFC)}$

Method of Disbursement

Federal student aid funds are disbursed in two equal disbursements. Funds are credited to student accounts near the beginning of each term and are first credited to tuition charges then to other educationally related charges incurred by you at the school such as fees, parking charges, health insurance charges, or student health services fees. Students with excess funds not needed to pay WFSM student account charges will receive excess funds by direct deposit to a bank account designated by the student. If the student has elected not to participate in direct deposit, a check for the credit balance will be issued within 14 days.

Scholarships/Grants from WFSM Funds

Scholarship recipients will be required to write letters of appreciation to scholarship donors. The Office of Development provides stewardship reports to donors. The report includes your letter of appreciation and your undergraduate college/degree, hometown, and special interests. Your acceptance of the scholarship constitutes your permission to provide this information to donors.

Upper-class scholarship recipients will receive an e-mail with detailed instructions. First-year students will receive information during orientation week regarding writing the letter.

Change of Status

If your enrollment status drops below half-time, you will be ineligible to receive student financial assistance. After you leave school or drop below half-time enrollment, you will receive information about repayment and will be notified of the day repayment begins. However, you are responsible for beginning repayment on time, even if you don't receive this information from your lender. Failure to make timely payments on your student loan(s) may have a negative effect on your credit rating. Borrowers who are unable to make payments may be eligible for deferment, postponement, or forbearance as outlined in the terms of your promissory note.

A change in your academic status resulting in failure to meet your program's Satisfactory Academic Progress Policy may make you ineligible to receive student financial assistance. Refer to your program's Satisfactory Academic Progress Policy for Financial Aid Eligibility.

Entrance/Exit Interview Requirements

You are required to complete an Entrance Interview. This process will take place online at www.studentloans.gov.

If your status drops below half-time at any point, you are required to complete an Exit Interview. You will need to meet with a Financial Aid Officer as soon as your status changes or before graduation.

Student Loan Borrower Rights & Responsibilities

A copy of your rights and responsibilities as a student loan borrower is provided with your student loan promissory note. The information can also be accessed from the Department of Education's web site: www.studentaid.ed.gov.

Right to Cancel or Reduce a Loan

As a student loan borrower, you have the right to cancel the entire loan or any portion of a federal Stafford or Graduate PLUS loan. Requests to cancel must be made in writing to the Office of Financial Aid. If the loan has already been disbursed, funds must be returned to Student Financial Services.

Financial Aid Appeal Process

Students may appeal their financial aid award in writing within 10 business days of receipt of the award notification. Requests should be sent via email to finaid@wakehealth.edu

Interest Capitalization: At certain intervals, the amount of interest your loan has collected is added to the principal balance. Interest then accrues on this new, larger amount. Contact the Department of Education to learn more about their loan capitalization policy.

Statement of Educational Purpose: Certification Statement on Refunds and Default; Disbursement Procedures

- I certify that I do not owe a refund on any grant, am not in default on any loan, and have not borrowed in excess of the loan limits, under the Title IV programs at any institution. I will use all money received under Title IV, HEA loan, grant, or work-study programs only for expenses related to my study at Wake Forest School of Medicine.
- I have read and I understand the requirements and the conditions applying to financial aid as stated in this document.
- I authorize Wake Forest School of Medicine to credit Federal Student Aid Funds, Unsubsidized Federal Stafford Loan and/or Federal Graduate PLUS loan, I have accepted against charges on my student account as described for the entire period of enrollment, including multiple academic years. I understand that I may cancel or modify the authorization to use Federal Student Aid Funds to pay for allowable educationally related charges other than tuition and fees.
- I understand that by submitting my awards, I am consenting to participate in electronic transactions related to student aid including notices and authorizations. If I choose not to participate in electronic transactions, I must notify the Financial Aid Office.

Notice of Federal Student Aid Penalties for Drug Law Violations

In addition to this notice, a written notice is sent to all students annually.

The following information is being provided to all students as required by regulations governing federal student aid programs. (Reference CFR 668.40)

A student who has been convicted of any offense under any Federal or State law involving the possession or sale of a controlled substance shall not be eligible to receive any grant, loan, or work assistance under Title IV federal student aid programs beginning on the date of such conviction and ending after the interval specified in the following table:

If convicted of the possession of a controlled substance:

	Ineligibility Period
First Offense	1 year
Second Offense	2 years
Third Offense	Indefinite

If convicted of the sale of a controlled substance:

	Ineligibility Period
First Offense	2 Years
Second Offense	Indefinite

Rehabilitation

A student whose eligibility has been suspended may resume eligibility before the end of the ineligibility period determined if:

- A. The student satisfactorily completes a drug rehabilitation program that:
 - i. Complies with such criteria as the Secretary shall prescribe in regulations and
 - ii. Includes two unannounced drug tests; or
- B. The conviction is reversed, set aside, or otherwise rendered nugatory.

The term "controlled substance" has the meaning given in the Controlled Substances Act (21 U.S.C. § 802(6)). The term "controlled substance" means a drug or other substance, or immediate precursor, included in schedule I, II, III, IV, or V of part B of this subchapter. The term does not include distilled spirits, wine, malt beverages, or tobacco, as those terms are defined or used in subtitle E of the Internal Revenue Code of 1986.

10 Good Habits for a Sound Financial Future

1. Limit your use of credit cards, save them for emergencies.
2. Cut up all but one of your credit cards, you only need 1!
3. Get in the habit of saving even if you can only save \$5 per month.
4. Budget your money just as carefully as you budget your time; put yourself on a monthly budget and stick to it.
5. Keep accurate records of your total debt and minimize it. Use the AAMC MedLoans Organizer to store this information: <https://students-residents.aamc.org/financial-aid/>.
6. You may not be offered as much money as you expect when you graduate, so plan accordingly by estimating now what your discretionary (after-tax) income will be after school.
7. Not all loans are alike, know the differences and borrow wisely.
8. Don't start living the lifestyle of a health professional until you've completed your training!
9. Plan now for the financial future you want.
10. You're making an investment in your future; make sure the benefits of the investment exceed all of the costs.

Interest Conversion Factor Table

120, 180, AND 240 MONTHLY PAYOFF OF PRINCIPAL & INTEREST

Interest Rate	10 Years	15 Years	20 Years
	120 Payments Month/\$1,000	180 Payments Month/\$1,000	240 Payments Month/\$1,000
5.0	10.61	7.91	6.60
5.5	10.53	8.17	6.88
6.0	11.10	8.44	7.17
6.5	11.36	8.71	7.46
6.8	11.51	8.88	7.63
7.0	11.61	8.99	7.76
7.5	11.87	9.27	8.06
8.0	12.13	9.56	8.37
8.3	12.26	9.70	8.52
8.5	12.40	9.85	8.68
9.0	12.67	10.14	8.99
9.5	12.94	10.44	9.32
10.0	13.22	10.75	9.65
10.5	13.49	11.05	9.98
11.0	13.78	11.37	10.33
11.5	14.12	11.69	10.67
12.0	14.35	12.00	11.01
12.5	14.64	12.33	11.36
13.0	14.93	12.65	11.72
13.5	15.23	12.98	12.07
14.0	15.53	13.32	12.44
14.5	15.83	13.66	12.80
15.0	16.13	14.00	13.17

To calculate the monthly loan repayment amount for a loan with a 10-year repayment, use the following system: For a loan principal of \$10,000 at 6.8 percent interest, move the decimal point in the loan amount three places to the left to adjust for thousands. Thus, \$10,000 becomes 10. Find 6.8 in the Interest Rate Column and look across to the corresponding number in the Payment/Month Column for 10 years. Multiply 10 x 11.51. The resulting number is the amount to be paid per month for 120 months. (10 x 11.51 = \$115.10 per month for 10 years). The standard repayment period for student loans is 10 years. To calculate the total amount paid over the repayment period, multiply the product obtained above by the total number of months in the repayment period.

Example: \$115.10 per month (for 10 years) x 120 months = \$13,812

DETAILED MONTHLY BUDGET WORKSHEET

*Note: An online loan budget worksheet is available via
AAMC's Financial Literacy 101 program at www.aamc.org/first*

LIABILITIES:

Educational Loans \$ _____
 Mortgage Payment or Rent \$ _____
 Real Estate Taxes \$ _____
 Interest on Mortgage \$ _____
 Vacation Home Mortgage \$ _____
 Taxes \$ _____
 Interest \$ _____
 Automobile Loan \$ _____
 Personal Loans \$ _____
 Charge Accounts \$ _____
 Other \$ _____
Total Liabilities \$ _____

INCOME TAXES:

Federal \$ _____
 State \$ _____
 Local \$ _____
Total Taxes \$ _____

SOCIAL SECURITY:

You \$ _____
 Spouse \$ _____
Total Social Security

CIVIL SERVICE:

You \$ _____
 Spouse \$ _____

OTHER BENEFIT PROGRAM PLANS:

You \$ _____
 Spouse \$ _____
Total Benefit Program Plans \$ _____

SAVINGS AND INVESTMENTS:

Payroll Deductions \$ _____
 Credit Union \$ _____
 Mutual Funds \$ _____
 Stocks & Bonds \$ _____
 Real Estate \$ _____
 Annuities \$ _____
 Face Amount Certificates \$ _____
 Other \$ _____
Total Savings & Investments \$ _____

INSURANCE:

Life Insurance \$ _____
 Health Insurance \$ _____
 Disability Income \$ _____
 Auto Insurance \$ _____
 Home Owners Ins. \$ _____
 Other \$ _____
Total Insurance \$ _____

CONTRIBUTIONS:

Religious \$ _____
 Charitable \$ _____
Total Contributions \$ _____

TRANSPORTATION:

Gas and Oil \$ _____
 Maintenance & Repair \$ _____
 License \$ _____
 Public Transport. \$ _____
 Parking & Tolls \$ _____
Total Transportation \$ _____

HOUSEHOLD EXPENSES

Food \$ _____
 Clothing \$ _____
 Doctor & Eye Care \$ _____
 Dentist \$ _____
 Prescription Drugs \$ _____
 Personal Care \$ _____
 Gas, Electricity \$ _____
 Maintenance & Repair \$ _____
 Home Furnishings \$ _____
 Telephone \$ _____
 Water \$ _____
 Rec., Hobbies, Ent. \$ _____
 Ed., Books, & Mags \$ _____
 Vacation & Travel \$ _____
 Children's Allowances \$ _____
 Gifts \$ _____
 Miscellaneous \$ _____
Total Household \$ _____

OTHER EXPENSES

_____ \$ _____
 _____ \$ _____

**TOTAL MONTHLY
EXPENSES**

\$ _____

Student Budget Worksheet

*Note: An online loan budget worksheet is available via
AAMC's Financial Literacy 101 program at www.aamc.org/first*

YOUR TOTAL FINANCIAL RESOURCES

<u>ITEM</u>	<u>MONTHLY AMOUNT</u>	<u>ANNUAL AMOUNT</u>
Grants, Scholarships	_____	_____
Sub. Fed. Direct Loan (net)	_____	_____
Unsub. Fed. Direct Loan (net)	_____	_____
Other Loans (e.g. Fed. LDS, Perkins)	_____	_____
Summer/Acad Year Earnings (net)	_____	_____
Investment Income	_____	_____
Savings/Other Assets	_____	_____
Spouse Earnings (net)	_____	_____
Parent Contribution/Gifts	_____	_____

YOUR LIVING EXPENSES

Tuition	_____	_____
Books/Supplies/Instruments	_____	_____
Charge Card Payments	_____	_____
Rent/Mortgage	_____	_____
Utilities (electric,gas,water,etc)	_____	_____
Telephone (local/longdistance)	_____	_____
Insurance(all types)	_____	_____
Groceries	_____	_____
Meals Away From Home	_____	_____
Household Supplies	_____	_____
Clothes	_____	_____
Laundry/Dry Cleaning	_____	_____
Subway/Bus	_____	_____
Auto Payment	_____	_____
Gas/Oil/Auto Maintenance	_____	_____
Parking/Tolls	_____	_____
Travel/Vacation	_____	_____
Medical/Dental/Medication	_____	_____
Child Care	_____	_____
Recreation/Entertainment	_____	_____
Cable TV/Subscriptions	_____	_____
Hair Care/Grooming Supplies	_____	_____
Cigarettes/Alcohol	_____	_____

BALANCE SHEET		
TOTAL RESOURCES	_____	_____
Minus	_____	_____
TOTAL EXPENSES	_____	_____
Equals	_____	_____
SURPLUS/DEFICIT	_____	_____

LOAN REPAYMENT WORKSHEET

(to be used in conjunction with the chart on the preceding page)

Note: An online loan record management system is available via the AAMC's MedLoans Organizer and Calculator available at www.aamc.org/first

Name of Loan	Total Amount Awarded	Subsidized or Unsubsidized (S or U)	Interest Rate	Interest Conversion Factor	Amount of Monthly Payment	Payments Begin	Total Amount Repaid
TOTALS							

Loan Fact Chart	FEDERAL FUNDS		INSTITUTIONAL FUNDS
PROGRAM NAME	DIRECT UNSUBSIDIZED	DIRECT PLUS	Wake Forest School of Medicine Loans
LENDER	U.S. Department of Education		Wake Forest School of Medicine
INTEREST RATE	6.0% fixed* Until June 30, 2018 6.595% After July 1,2018	7.0% fixed* Until June 30, 2018 7.595% After July 1,2018	4.0% fixed
INT. ACCRUES SCHOOL GRACE DEFERMENT	Yes Yes Yes	Yes Yes Yes	Yes Yes Yes
GRACE PERIOD	6 months	6 months (post-enrollment deferment)	36 months MD Loans 12 months PA, CRNA Loans
REQUIRED PAYMENTS DURING REPAYMENT	Standard (10 yrs) Extended (12-25 yrs) Graduated Income-Contingent Income-Based Pay As You Earn Repay	Standard (10 yrs) Extended (12-25 yrs) Graduated Income-Contingent Income-Based Pay As You Earn Repay	Standard
PREPAY PENTALTIES	None	None	none
ALLOWABLE CANCELLATIONS	Death Total Disability	Death Total Disability	Death Total Disability