

TO: FINANCIAL AID APPLICANTS
FROM: UVA SCHOOL OF MEDICINE FINANCIAL AID OFFICE
SUBJECT: 2009-2010 STUDENT COST-OF-ATTENDANCE BUDGETS

Hello! Please find enclosed with this memo the medical school cost-of-attendance budgets for the 2009/2010 academic year. **This budget sets the maximum amount of financial aid that you can receive for this academic year.** Here are some suggestions to help you live within your budget:

Be realistic as you decide what you can and can't live without

Financial aid is intended to support a modest student lifestyle. If you are entirely supported by financial aid, you will find it necessary to control your costs for living expenses. See the attached *Guide To Living Within the Financial Aid Budget* for a suggested breakdown of the living expenses budget.

Use the attached Budget Worksheets

Tuition costs are fixed. Living costs, however, are influenced by lifestyle choices and money-management skills. We have designed two worksheets to help you make the lifestyle choices and acquire the skills necessary to live on financial aid. Use the "Quick" worksheet to estimate in advance the maximum you may safely spend on living expenses for the upcoming year. **Try to do it before you are locked into rent.** Note the cost guidelines for rent, food, etc. After you are settled in, keep a detailed record of your expenditures for several weeks and use it to complete the "Comprehensive Worksheet."

First-year students: Bring some money with you!

Even if you are expecting financial aid, you should bring enough money with you to cover "setting up" expenses such as security deposits, utility connection charges, first rent payment, purchase of initial household supplies and food. You need to have enough money to last you through August. **Financial aid for living expenses will not be available until approximately ten days after the final day of registration August 17 – August 27.** You will also need to purchase medical instruments in September.

Caution!! Be sure to make your money last!

Your first semester's financial aid has to last you through mid-January. Even though you return to school on January 4, you will not receive second semester financial aid until after January final registration. You will need to save enough of your first semester aid to pay January rent and food costs until you receive your refund.

Second and Third-year students:

Your 12-month academic year does not break equally. Fall: August 17 – January 4 = 5 months; Spring: January 4 – August 17 = 7 months. You need to budget accordingly. Additionally, Second-year students need to budget \$495 for Step 1 of the boards. Third-year students need to budget \$1,550 for Part II CK and CS exams.

Fourth-year students:

You will need to budget for interview costs and travel to take Part II CS. Although your official loan period ends in May, your money may need to stretch well beyond graduation as you will probably not receive your first residency pay until mid-July to early August.

Do you need extra help??

Money-management counseling is available from the Financial Aid Office. Your financial aid counselor will help you establish a reasonable budget and identify discretionary costs that you could reduce or even eliminate.

A GUIDE TO LIVING WITHIN THE FINANCIAL AID BUDGET 2009-2010 ACADEMIC YEAR

The figures below provide a suggested breakdown of the monthly living expenses allowance. Although the monthly living allowance is the same for all four classes, first-year budgets are for ten months, second- and third-year for twelve months, and fourth for nine months. There will be differences in spending needs from class to class. For example, first years may need to spend more on housing with setting up costs, etc., and third and fourth years spend more on transportation. Funds can be shifted between expense categories as necessary. But, remember that your bottom line academic year budget figure represents the maximum aggregate financial aid that you can receive from all sources for the year.

<u>Expense Categories</u>	<u>Monthly</u>
Rent/Utilities/Renters Insurance	683
Food/Household Supplies	290
Transportation	265
Personal/Miscellaneous (Clothing, laundry, phone, routine medical/dental, recreation)	280
Savings	40
Total Monthly Allowance	\$1,558

Academic Year Total/Living Allowance	
Med 1	\$1,558 x 10 months = \$15,580
Med 2	\$1,558 x 12 months = \$18,696
Med 3	\$1,558 x 12 months = \$18,696
Med 4	\$1,558 x 9 months = \$14,022

ADDITIONAL TIPS

Savings:

- ❖ All students should try to save a minimum of \$40 per month for emergencies such as car repairs, co-pays for routine medical/dental visits, trips home, etc.
- ❖ It is also important to hold back money for expenses that occur less frequently than monthly. Consider banking the excess in any month when you don't use the full transportation allowance.
- ❖ In addition to application costs, there will be transportation costs connected with interviewing for a residency position in the 4th year. Per Federal regulation, interviewing costs cannot be included in financial aid budgets. Although there are private student loans available to help defray these costs, they have less attractive terms than Federal or school loans. Saving some financial aid proceeds each year to use toward interviewing will result in your being able to leave school with less debt.

Timing of Loan Requests:

The Federal Unsubsidized Loan may be viewed as a line of credit available when you need it. If you request additional unsubsidized loans during the semester, you will receive a disbursement of the amount requested within 1-2 weeks of making the request. This may help you to budget your living expenses more efficiently.

Special Note about Motor Vehicles / Transportation / Maintenance:

As emphasized in our financial aid sessions and in our literature, no allowance can be made for the purchase or maintenance of a motor vehicle. However, if you follow our budgeting suggestions, you will have \$265 or more per month to spend on transportation. First and second years will need to provide their transportation to clinical sites. Third and fourth years must provide for travel to and from distant rotations and clerkships. **Again, fourth years will likely have travel costs associated with residency interviewing that cannot be covered by the financial aid budget.** Students are encouraged to save as much as possible towards this each year.

2009-2010 Financial Aid Student Cost-Of-Attendance Budgets
University of Virginia School of Medicine

	First Year (10 Months)	Second Year (12 Months)	Third Year (12 Months)	Fourth Year (9 Months)
TUITION / FEE COSTS				
Virginian	35,150	34,400	34,400	34,400
Non-Virginian	45,150	44,400	44,400	44,400
NON-TUITION COSTS				
Living Expenses (\$1,558.00 / month)	15,580	18,696	18,696	14,022
Health Insurance	2,092	2,092	2,092	2,092
Books and Supplies	1,026	1,140	396	326
Computer Connection (Ntelos \$21.95/month)	220	264	264	198
Medical Instruments (Med 1) / PDA (Med 2)	900	301	0	0
Board Exams (Required)	0	495	495	0
Clinical Skills Exam and Travel	0	0	1,055	530
TOTAL LIVING EXPENSES	19,818	22,988	22,998	17,168
TOTAL ALL COSTS				
Virginian	54,968	57,388	57,398	51,568
Non-Virginian	64,968	67,388	67,398	61,568

Tuition Payment: Tuition charges are divided into two equal payments due in mid-August and early January. **Paper bills will not be mailed.**

Bills can be viewed and paid by students and authorized payers on-line in the Student Services Center. If you applied for financial aid on a timely basis, you may postpone payment of the portion of tuition charges that will be covered by financial aid. If you are considering enrollment in the payment plan, you should talk to your financial aid counselor first. Participation may delay receipt of aid funds that you intended to use for living expenses.

Aid Maximums: The total cost of attendance above sets the aggregate financial aid maximums for the academic year.

Board Exams: Parts IIA and B of the USMLE: Although both CK and CS of Part II are actually taken in the fourth year, advance payment is required in the spring of the third year. Overnight travel to the test site is included in fourth year expenses.

Cost Guidelines for Living Within The Cost-of-Attendance Budget: See attached "A guide to Allocating Funds Within The Financial Aid Budget"

- The monthly living expenses above reflect a 5% increase in housing.
- Books and supplies were based on the average cost of required and recommended texts and other necessary supplies.
- First year students may borrow up to \$2,000 above cost of attendance for the purchase of a required computer with submission of an original purchase receipt.
- Cost of Medical Instruments (Med 1) is estimated.

QUICK BUDGET WORKSHEET

If you depend primarily on financial aid to cover your living expenses, you will find budgeting essential to your financial survival. As a first step in developing a budget, use the worksheet below to get a rough estimate of the amount you can safely allow yourself each month for living expenses. You can fine-tune your figures later with the Comprehensive Budget Worksheet on the next page.

LUMP-SUM EXPENSES

Some required items will be payable on a lump-sum basis rather than monthly. For example: one-half of annual tuition is payable at the start of each semester; the school-sponsored health insurance policy can be paid for in one or several installments; books are purchased in blocks corresponding to coursework; and diagnostic instruments must be purchased in September of the first year. Subtracting these costs from your total resources "up front" will give you a more accurate picture of what you may safely spend per month on living expenses and other discretionary costs.

BUDGET PERIODS

By regulation, living allowances covered by financial aid must be based on actual periods of enrollment (10 months for first-year students, 12 months for second- and third-year students and 9 months for fourth-year students.)

A. TOTAL YOUR RESOURCES

Total Financial Aid Award (Grants & Loans) for the year:	\$ _____
Savings you plan to use toward school expenses	\$ _____
Any after-tax wages you expect during the year	\$ _____
Amount of all other expected financial resources (parents, grandparents etc.)	\$ _____
Total Resources	\$ _____

B. TOTAL YOUR LUMP-SUM FIXED COSTS

Tuition & Fee Costs for the year	\$ _____
Estimated Book & Instrument Cost for the year	\$ _____
Health Insurance Cost (if you pay it yourself)	\$ _____
Board Exam fees (second and third year)	\$ _____
Total Lump-Sum Fixed Costs	\$ _____

C. SUBTRACT B FROM A TO ESTIMATE WHAT YOU CAN SPEND ON LIVING EXPENSES FOR THE YEAR

\$ _____

D. DIVIDE THE TOTAL IN C BY THE SUGGESTED # OF MONTHS BELOW

Med 1: 10 months	Med 3: 12 months
Med 2: 12 months	Med 4: 9 months

\$ _____	/	_____	=	\$ _____
TOTAL AVAILABLE / ACAD. YEAR		# MONTHS		MONTHLY ALLOWANCE

COMPREHENSIVE BUDGET WORKSHEET

(1) ACADEMIC YR. RESOURCES

Total scholarship and loan funds available to you for the year _____
 Annual Net Spouse Income _____
 Annual Investment Income _____
 Gifts _____
 Family Help _____
 Govt. Checks _____
 Other _____
Total Acad. Yr. Resources _____

(2) LUMP-SUM FIXED CHARGES

Tuition / Fees for Acad Yr. _____
 Books / Computer Connection _____
 Instruments (First Year Only) _____
 Health Insurance _____
 Board Exam Fees (Med 2,3) _____
 "Start-Up" Costs (See Memo) _____
 Other _____
Total Fixed Charges _____

(3) MONTHLY ALLOWANCE

Total #1 minus Total #2 _____
 Divided by # of budget months _____
**See attached "Quick Worksheet" for number of months*
Monthly Living Allowance _____

(4) FIXED MONTHLY EXPENSES

Except for utilities, these are expenses that are typically unchanging. You may or may not have all of these expenses.

Regular Savings _____
 Rent / Mortgage _____
 Utilities _____
 Telephone (base charge) _____
 Vehicle Payments** _____
 Personal Loans _____
 Education Loans (spouse) _____
 Life Insurance _____
 Health Insurance (not incl. in #2) _____
 Home / Renters Insurance _____
 Auto Insurance** _____
 Auto Registration / Taxes** _____
 Professional Fees / Dues _____
 Accountant Services _____
 Child Care _____
 Other _____
Tot. Fixed Mo. Expenses _____

(5) VARIABLE MONTHLY EXPENSES

After determining fixed expenses, list your *variable* expenses. You will be most successful estimating these expenses if you write down all expenditures for at least two weeks. Be honest. You will be surprised to see where your money goes.

Groceries _____
 Meals/Snacks Away from Home _____
 Household Supplies _____
 Clothes _____
 Laundry / Dry Cleaning _____
 Telephone (Long Distance) _____
 Cell Phone _____
 Gas, Oil, Auto Maintenance** _____
 Parking & Tolls** _____
 Medical / Dental / Prescriptions _____
 Hobbies / Recreation / Entertainment _____
 Travel / Vacations _____
 Pet supplies, food, vet fees _____
 Sports _____
 Tapes, CD's, Books, Videos _____
 Babysitting (other than fixed child care) _____
 Health & Beauty Aids _____
 Haircuts / Perms etc. _____
 Cigarettes, Tobacco, Alcohol _____
 Subscriptions _____
 Postage _____
 Cable TV _____
 Internet, e-mail service _____
 Gifts _____
 Charities / Contributions _____
 Credit Card Payments _____
 Other _____
 Other _____
Total Variable Expenses _____

Total Fixed Monthly Expenses _____
Plus _____
Total Variable Monthly Expenses _____
Equals _____
Total Monthly Expenses _____

Monthly Living Allowance (#3)	_____
Minus	
Total Monthly Expenses	_____
Equals	
Monthly Discretionary Income	_____

**Expenses related to motor vehicle ownership/maintenance cannot be directly provided for in financial aid budgets. If your expenses exceed your resources, you may need to find cheaper transportation or reduce expenditures in other areas of your budget. If you follow our guidelines for other living expenses, you should be able to set aside \$265 monthly to apply toward transportation costs.