

FINANCING YOUR GRADUATE EDUCATION

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TOPICS

- THE FINANCIAL AID PROCESS
- GRADUATE SCHOOL COSTS & BUDGET
- CATEGORIES OF FINANCIAL AID
- GRADUATE SCHOOL DEBT
- WAYS TO REPAY DEBT
- QUESTIONS

FINANCIAL AID APPLICATION PROCESS

FALL

- Explore the Fin Aid application procedures and deadlines
- Obtain institutional application forms
- Begin researching the web for scholarships

JANUARY

Fill out the FAFSA

WINTER/SPRING

- Obtain estimates of financial aid offers from all schools
- Make a decision as to which graduate school you want to attend

2013-14 UCSD 1ST YEAR OFF CAMPUS GRADUATE SCHOOL BUDGET

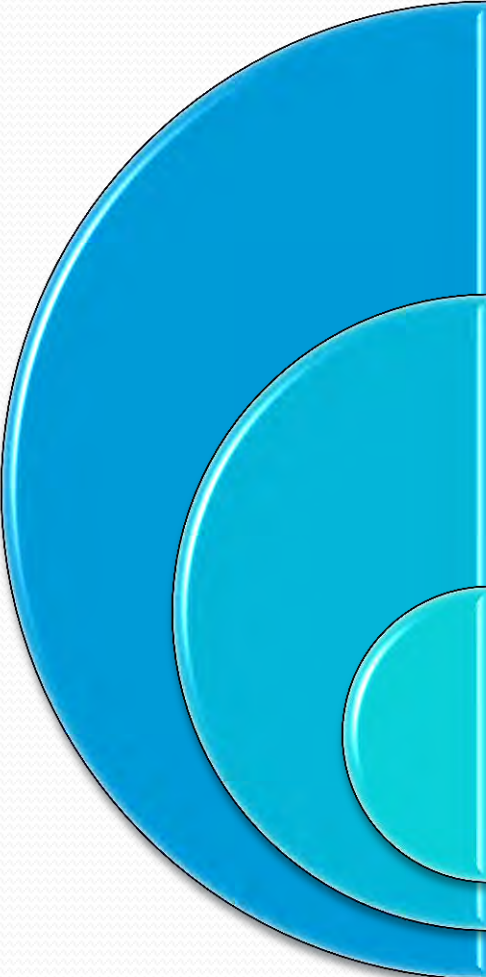
| DESCRIPTION | FIRST YEAR |
|-----------------------------|-------------------|
| BOOKS & SUPPLIES | \$1,224 |
| HOUSING & MEALS | \$15,191 |
| TRANSPORTATION | \$2,453 |
| PERSONAL | \$2,064 |
| CA RESIDENT TUITION/FEES | \$15,650 |
| TOTAL | \$36,582 |

**For non-California residents add an additional \$15,102 for Supplemental Tuition*

PACKAGING STRATEGIES

- STRATEGY 1 - Federal Loans used to supplement merit based aid
 - Benefit: Recruiting Top Students
- STRATEGY 2 - Institutional Funds and Federal Loans used to supplement merit based aid
 - Benefit 1: Recruiting Top Students
 - Benefit 2: Maximizing institutional funds to needy students serves to minimize average school indebtedness

WHY USE PARENTS' INCOME AND ASSET INFORMATION?

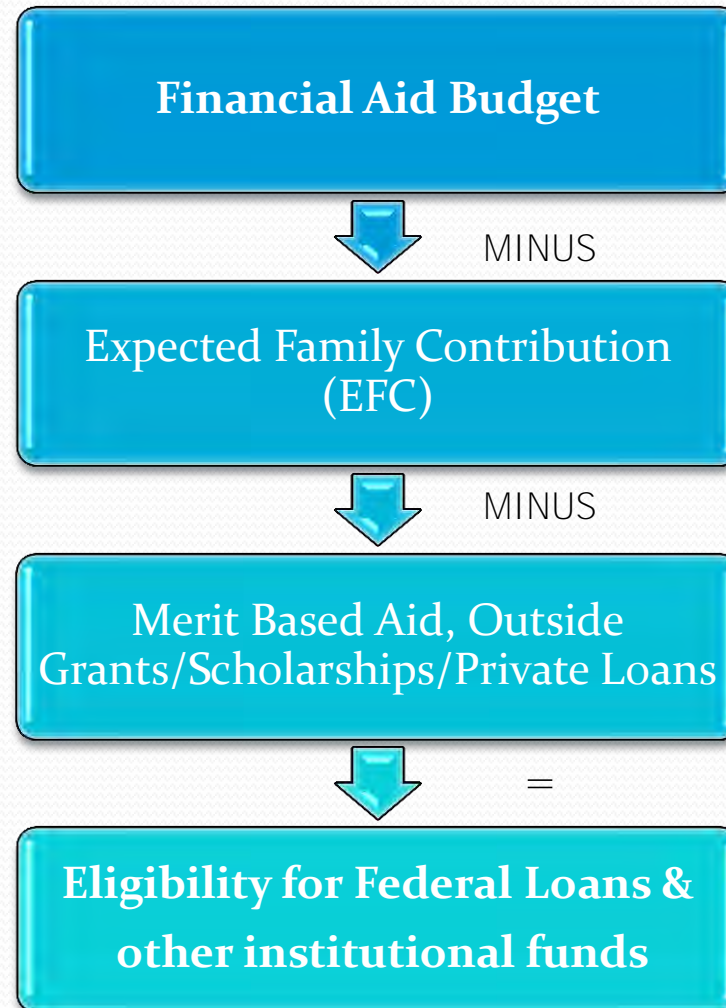


Students from low-income backgrounds usually enter graduate school with a substantially higher debt than students from more affluent families

In general, students from affluent backgrounds are able to call on their parents for assistance, whereas students from lower income families do not have this resource

If limited school-based funds were distributed evenly among all students in the school, regardless of parent income, the amount of grant and low-income interest loan money available to each student would be substantially reduced. This would increase the indebtedness of students from lower income families, where the bulk of the debt lies

FINANCIAL AID ELIGIBILITY PROCESS



**Present year wages do not affect fin aid eligibility for the current year*

CATEGORIES OF FINANCIAL AID

● INSTITUTIONAL NEED BASED AID

- MAY BE BASED ON STUDENT'S & PARENTS' INCOME AND ASSETS
- INCLUDES GRANTS, SCHOLARSHIPS, FELLOWSHIPS AND LOANS

● MERIT BASED AID

- FELLOWSHIPS/GRANTS

Includes *extramural* fellowships and grants which may be:

1. Restrictive in nature
2. Based on factors such as academic discipline, ethnicity, religious affiliation, etc.
3. Difficulty in obtaining as success is based on student's initiative and advisor's mentorship

● ACADEMIC EMPLOYMENT

- TA SHIPS/RA SHIPS

CATEGORIES OF FINANCIAL AID

• OUTSIDE FEDERAL LOANS

FEDERAL DIRECT UNSUBSIDIZED LOAN

- INTEREST RATE 5.41⁰% - *for loans disbursed between July 1, 2013 to June 30th, 2014*
- ORIGINATION FEE 1.072⁰%
- ANNUAL MAXIMUM \$20,500
- 6 MONTH GRACE PERIOD
- CUMMULATIVE MAXIMUM \$138,500 (\$65,500 Subsidized)

FEDERAL DIRECT GRAD PLUS LOAN

- INTEREST RATE 6.41⁰% – *for loans disbursed between July 1, 2013 to June 30th, 2014*
- ORIGINATION FEE 4.288⁰%
- NO ANNUAL MAXIMUM
- 6 MONTH GRACE PERIOD – *for loans disbursed after July 1, 2008*

CATEGORIES OF FINANCIAL AID

- **SERVICE OBLIGATION PROGRAMS**

- REQUIRE A SERVICE COMMITMENT
- HAVE STIFF PENALTIES FOR DEFAULTING ON THE SERVICE COMMITMENT
- EXAMPLES: ARMED FORCES SCHOLARSHIP PROGRAMS

- **PRIVATE LOAN PROGRAMS**

- UC PREFERRED LENDER LIST
- DO NOT OFFER INCOME DRIVE REPAYMENT PLANS
- CREDIT CRITERIA NOT AS GENEROUS AS WITH THE GRAD PLUS
- NOT FEDERALLY GUARANTEED

UC PREFERRED LENDER LIST

The screenshot shows a web interface for finding preferred lenders. At the top left, the University of California logo is visible. To its right, under 'Contact Info:', the address is 9500 Gilman Dr, La Jolla, California, and the phone is (858) 534-4480. Further right, under 'Current Search Criteria:', the amount to borrow is \$1, the program type is Graduate, the graduation date is 1/1/2000, and the index rate type is All Rates. A 'Refine Your Search' dialog box is open in the center, containing a search instruction and several dropdown menus. The 'Program Type' dropdown is open, showing options: Undergraduate, Graduate, Health Professional, International, Graduate Business, and Residency. The 'Amount To Borrow' field has a red '9,999' next to it. A 'Search' button is at the bottom right of the dialog box.

UNIVERSITY OF CALIFORNIA

Contact Info:
Address: 9500 Gilman Dr
Location: La Jolla, California
Phone: (858) 534-4480
Send E-mail | Go to Website

Current Search Criteria:
Amount To Borrow: \$1
Program Type: Graduate
Graduation Date: 1/1/2000
Index Rate Type: All Rates

Refine Your Search

Adjust your search criteria then click the Search button.

Program Type *
Index Rate Type *
Amount To Borrow *
Graduation Date *

Select..
Select..
Undergraduate
Graduate
Health Professional
International
Graduate Business
Residency

9,999

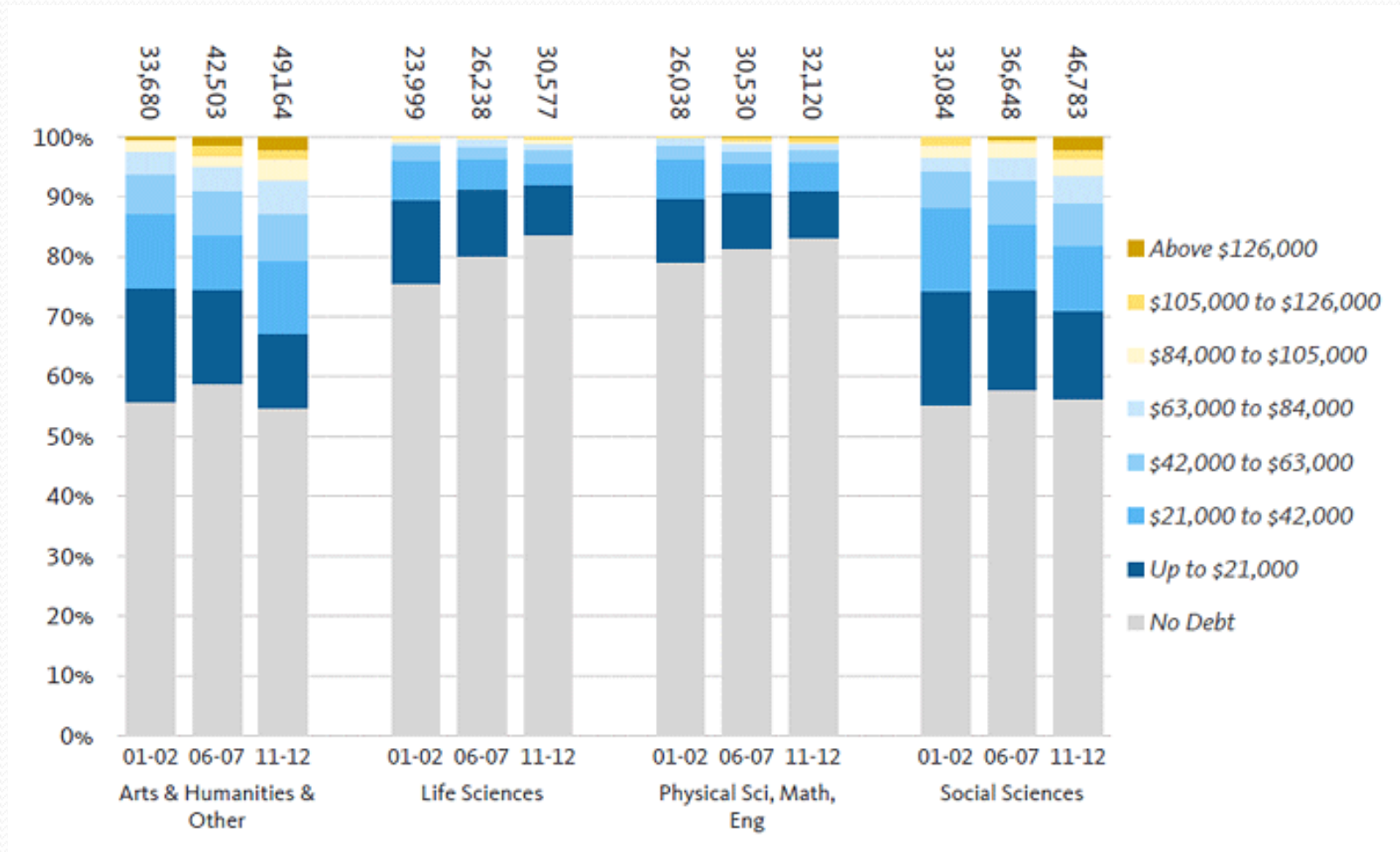
Search

GENERAL INFORMATION REGARDING MERIT BASED AID & ACADEMIC EMPLOYMENT

- Available financial support is discipline-specific. More federal money available for the sciences. More corporate money available for engineering.
- Most graduate academic students at UCSD receive some support of merit-based support and/or academic employment. All things being equal, preference is given to pre-doctoral students.
- The more a student must work to finance his/her education, the greater the time to degree and the likelihood of non-completion.
- “Free” money is the best: fellowships awarded based on merit – no “exchange-for-service” as with employment, no payback required as with loans.

UCSD ACADEMIC DOCTORAL STUDENTS' GRADUATE DEBT AT GRADUATION BY DISCIPLINE

Graduating classes of 2002, 2007 & 2012



**average debt for those with debt shown at top of bar*

WAYS TO REPAY DEBT

- **STUDENT LOAN REPAYMENT PLANS**

- Available for FEDERAL loans only
- Original – Standard, Extended, Graduated, Income Contingent
- New Income Driven –IBR, PAYE

- **PUBLIC SERVICE LOAN FORGIVENESS**

- Remaining student loan balance forgiven after 120 payments in qualified public service position 501(c)(3) non profit organization

- **LOAN REPAYMENT PROGRAMS**

- Provide back-end help after graduation by repaying all or a portion of a student's outstanding educational debt
- Most are tied to working for a particular agency or in a specified geographic location
- Example: NIH Loan Repayment Program

QUESTIONS?