# A Student's Guide To Financial Aid

# College Key

Following the name of each aid program described in this publication. College Keys are given which indicate if program eligibility is restricted by college. If no College Key appears, program eligibility is not restricted by course of study.

College of Health Professions..... **(HP)**

College of Dental Medicine..... **(DM)**

College of Graduate Studies ..... **(GS)**

College of Medicine..... **(M)**

College of Nursing..... **(N)**

College of Pharmacy..... **(P)**

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# Contents

Page

General Information.....1

Application Procedures.....2

Categories of Aid.....3

Grants/Scholarships.....4

Contractual Scholarships.....5

Employment.....6

Minority Programs.....7

Loans..... 8-14

Glossary of Terms.....15

College Key.....16

*All program regulations, policies and procedures disclosed in this publication are current at the time of printing. As changes become necessary, recipients will be notified in writing.*

*Since financial aid materials are mailed to applicants prior to entry into the Medical University of South Carolina, in no way should the receipt of financial aid materials from the MUSC Financial Aid Office be interpreted as an offer of admissions.*

# General Information

*Web Address:* ***www.musc.edu/financialmanagement/***
*E-mail Address:* ***finaid@musc.edu***

The Financial Aid Office is located in the Stiles and Virginia Harper Student Center. Staff are available during the hours of 8:30 a.m. to 5:00 p.m., Monday through Friday. Students are encouraged to make appointments by calling (843) 792-2536.
"Collect" calls are not accepted.

When corresponding, please use this address:

Medical University of South Carolina
Financial Aid Office
45 Courtenay Drive
MSC 176
Charleston, South Carolina 29425-1760

Please include your name (student applicant's name) and last four digits of your Social Security Number on all documents submitted — including any parental tax forms that are required. A current return address is also requested.

The Financial Aid Office will accept certain documents by FAX provided they arc signed and dated. The FAX number for the office is (843) 792-6356. Students are encouraged to confirm that faxed documents were successfully transmitted. NOTE: An original need analysis document bearing an "official" FAMILY CONTRIBUTION calculation will be required for disbursement of any federal aid for the 2009-2010 academic year.

# Application Procedures

Financial Aid application procedures and forms for the 2009-2010 award year are available by February 2nd on the MUSC Financial Aid web site at: ***www.musc.edu/financialmanagement/***. All required forms other than tax forms may be completed on-line by returning students for the new 2009-2010 award year. New students may mail and/or fax the forms to the address/number indicated.

Students are encouraged to file all forms specified early due to the limited funding of some programs. Eligibility is based upon the submission of all required forms, specific program regulations and satisfactory academic progress towards completion of a degree.

Once a student's application has been reviewed, the student will receive an award letter. It is recommended that you retain this information for future reference.

# Categories

*There are two categories of financial aid -*
*Gift Aid and Self Help Aid.*

Gift Aid is funding which requires nothing in exchange for the dollars received, e.g., grants or scholarships. Self Help Aid, on the other hand, requires some type of reimbursement, usually in the form of work, loan payments, or service.

Specific programs are discussed in detail on the following pages. Program regulations often restrict eligibility based upon the student's academic classification or course of study. Refer to the College Key (located on page 16) when reviewing aid programs to determine their appropriateness to your course of study.

# Grants/Scholarships

*Grants and scholarships are outright gifts of money which do not have to be reimbursed. Eligibility is based on financial need as well as course of study*

*NOTE: Any portion of a scholarship or fellowship received after August 16, 1986, which is not used directly for tuition and fees is considered taxable income and must be reported on a 1040 tax form.*

**Federal Pell Grant (HP, N)** is a federally supported grant available to all first baccalaureate degree undergraduate students who demonstrate financial need. The size of the grant is determined annually by a national formula and institutional costs. All undergraduate students are required to apply for a Pell Grant before being considered for other aid.

**Federal Supplemental Educational Opportunity Grant (HP, N)** provides aid for undergraduate students pursuing their first baccalaureate degree who demonstrate financial need. An FSEOG Award cannot be less than $100 or more than $4,000 per year with the actual amount determined by the institution.

**Donor Scholarships** are institutional awards. All aid applicants are considered for numerous scholarships based on criteria set forth by individual donors. The amount of each scholarship is determined by the donor generally ranging from $250 to $1,500 per year. Specific scholarships arc identified by College in the *Medical University of South Carolina Bulletin*.

**The South Carolina LIFE Scholarship (HP, N, P)** provides up to $5,000 per academic year for eligible, full-time students enrolled in undergraduate coursework who meet certain state residency, grade point and credit hour requirements. Eligibility for the LIFE Scholarship is contingent upon initial year of college enrollment. All students accepted for enrollment or enrolled at MUSC who meet the scholarship guidelines will be eligible to receive the LIFE Scholarship award.

*The General Assembly passed Act 115 creating the new LIFE Scholarship Enhancements. With the LIFE Scholarship Enhancement, students majoring in an eligible math or science may receive up to and additional $2,500 per academic year, meet all eligibility requirements (as stipulated by law and regulation), be a recipient of the base LIFE Scholarship and must have earn at least fourteen credit hours of instruction in math and life and physical science courses with a minimum of six credit hours in math and a minimum of six credit hours in life and physical science including one laboratory course by the end of the first year of enrollment in college (based on initial date of college enrollment) to receive a LIFE Scholarship Enhancement.*

**South Carolina State Need Based Grant (HP, N)** is designed to provide additional financial aid assistance to South Carolina's neediest students enrolled in undergraduate programs. The program assists students who wish to attend public or independent colleges or universities in the state. Awards vary annually based on funding but will not exceed $2,500. To be eligible, a student must: 1) complete a new Free Application for Federal Student Aid annually and be considered a "needy" student; 2) be a S.C. resident; 3) be enrolled or accepted for enrollment as a part-time (6 hours) or full time student; 4) be seeking for the first time an associate or baccalaureate degree or 5) be accepted into a program that leads to a graduate degree, which will be the student's first academic degree awarded.

# Contractual Scholarships

*Contractual Scholarships provide funding to assist students with meeting their educational expenses. In exchange for the scholarship, the student agrees to specified terms/conditions.*

**Armed Forces Contract (HP, DM, M)** offers full scholarships to dental, medical, and anesthesia for nurses students interested in the Armed Forces. The Armed Forces Health Professions Scholarship

Program pays full tuition/fees and reimburses for books and supplies in addition to a monthly stipend of $1,907 (2008-2009 academic year rate) adjusted every July. The student commits to one year of service in exchange for each year of payment with a minimum period of service being two (2) years.

Interested students should contact the local recruiter of the branch of service they are considering or call (803) 735-0256.

**J.T. Stevens Scholarship Program (M)** provides assistance to medical students who agree to practice in Lancaster or Kershaw counties. The amount of this scholarship varies from year to year. The student signs a contract for a year of practice in one of the two counties for each year of support.

# Employment

*Employment programs allow students to work for money to help meet educational expenses. Student employees are paid one hour's wage for each hour worked. Employment is not permitted without approval of the Dean prior to the first day of work. All employees are paid at least minimum wage. Students may not work in excess of 20 hours per week.*

The **Federal College Work Study Program (FWS)** promotes the part-time employment of students who demonstrate financial need. FWS employees are paid on a variable pay scale. The Job Placement Guide, which is available to all FWS awardees, list specific jobs and corresponding pay rates.

# Minority Programs

*The programs described below are scholarships directed specifically for minority students. For further information contact the Office of Diversity at 792-2146.*

**Graduate Incentive Fellowships** offer funding to minority students who are legal residents of South Carolina enrolled in graduate level programs at the Medical University of South Carolina. Students must sign a contract declaring their intention to pursue their profession in the State of South Carolina. This program is subject to appropriate funding from the S.C. Stale Legislature.

**National Medical Fellowships (M)** provide need based awards to minority medical students who have been accepted by or are attending accredited schools of medicine. Awards are given to first and second year students with special merit awards for junior and senior students. Applications are available from the Medical University of South Carolina's Office of Diversity. The National Medical Fellowship website is located at: *www.nmfonline.org*

# Loans

*Several loan programs are available to assist students with educational expenses. Most of these loans are federally guaranteed loans with attractive interest rates and repayment options although distinct differences in the loan programs make some more desirable than others. Repayment of most loans (and, if applicable) interest can be deferred until you complete your program of study.*

*All loans are made on an annual basis and reapplication is necessary for each new academic year. A completed needs analysis form is required for most loans.*

*The Office of Student Financial Aid Services will inform you of the loan programs for which you are eligible based on the most favorable terms available given the following factors:*

*1) the date your application was received;*
*2) your financial need compared to other applicants;*
*3) the amount of funds available from various loan sources.*

*Most loans must be repaid over a ten year period excluding enrollment and/or deferment periods. Payments are generally in monthly (or quarterly) installments as determined by the lender in compliance with program regulations. Specific terms of a loan are disclosed to the borrower prior to disbursement.*

*Educational Debt management counseling (i.e. student loans) is available to all aid applicants prior to and during the course of enrollment. First time students borrowers are required to have entrance interviews prior to the first loan disbursement, and all student borrowers are required to participate in an Exit Interview prior to separation rom the Medical University.*

*Loan consolidation options are available to students with debt levels above specified minimums. Loan consolidation may or may not be an attractive alternative to repayment based on the terms of the loans you have borrowed. You are encouraged to discuss your options with your Financial Aid Counselor.*

# *Loan Terms*

The following information is provided to enable you to make informed choices concerning loan alternatives. Before acquainting yourself with the loan programs summarized on the next few pages, it is important that you are comfortable with several "key" terms regarding educational loans:

**Subsidized Loans** are loans for which the federal government will pay all interest charges due the lender on your behalf while you are in school or during an approved "deferment" period. The student is responsible for interest charges only after completion of a program or study or withdrawing from school – whichever should happen first.

**Unsubsidized Loans** are loans for which the student (or parent, if applicable) is responsible for paying the interest charges from the date the loan check is disbursed. Payment of interest on most (but not all) unsubsidized loans can be postponed until after completion of a program of study. The interest may or may not be capitalized at the lender's discretion while the student is enrolled in a program of study on at least half lime basis.

**New Borrower** is any student who does not have any outstanding debt (principal or interest) on any Federal Stafford (GSL) Loan, Federal Supplemental Loan (SLS) or Federal PLUS Loan.

**Simple Interest** is interest that is calculated only on the original principal (loan amount) you borrowed rather than a total of principal plus unpaid interest.

**Variable Interest** refers to an interest rate that changes during the period you have a loan. Generally, any unpaid balance on the principal of a specified loan will be assessed at the most recent variable rate set for that particular loan program.

**Capitalization of interest** is the adding of unpaid interest to the original principal. Future interest charges are then computed on the total of the original principal plus accumulated interest. Depending on the loan program and lender, interest on student loans may be capitalized; 1) while you are in school; 2) upon graduation; or 3) when your loan goes into repayment.

**Credit Based/Non-Credit Based** are terms applied to loans which indicate whether or not the lender will require a review of the borrower's past credit history as a prerequisite for determining whether or not the loan will be approved.

# Subsidized Loans

**Federal Stafford Loan Program (HP, DM, GS, M, N, P)** funds are guaranteed by the Federal government and regulated by the Department of Education. The lender may be a bank, savings and loan or credit union. A student must demonstrate need to qualify for a subsidized Federal Stafford Loan.

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| Annual Loan Limits: | 3rd/4th/5th year undergraduates: $5,500 |
| Graduate students: | $8.500<br>Note: Annual loan limits will be prorated for undergraduates for instructional periods which are less than an academic year. |
| Interest Rate: | 6.8% |
| Grace Period: | 6 months |
| Credit Policy: | Non-credit based loan |

**Health Professions Loan Program (DM, P)** offers federal loans regulated by the Department of Health and Human Services. This loan program offers low interest loans to students needing financial assistance to become a dentist or pharmacist. A signed Promissory Note is required prior to disbursement of funds.

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| Annual Loan Limits: | Based on collections from former MUSC graduates repaying HPL Loans. |
| Interest Rate: | 5% |
| Grace Period: | 12 months grace period |
| Credit Policy: | Non-credit based loan |
| Special Requirements: | Parental data required |

**Federal Perkins Loan Program (HP, DM, M, N, P)** offers "campus based'' low interest federal loans regulated by the Department of Education. A signed Promissory Note is required prior to disbursement of funds.

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| Annual Loan Limits: | Established annually based on available funding. The average MUSC award, however, based on actual available funds is approximately $1,000 to $4.000 per qualifying student, |
| Interest Rate: | 5% |
| Grace Period: | 9 months grace period |
| Credit Policy: | Non-credit based loan |

**Loans for Disadvantaged Students (DM, M)** offers federal low interest loans regulated by the Department of Health and Human Services. Students must meet "disadvantaged background" criteria and have financial need. A signed Promissory Note is required prior to disbursement of funds.

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| Annual Loan Limits: | Maximum amount cannot exceed the Cost-of-Attendance (including tuition, other reasonable educational expenses, and reasonable living expenses). |
| Interest Rate: | 5% |
| Grace Period: | 12 months grace period |
| Credit Policy: | Non-credit based loan |
| Special Requirements: | Parental data required |

**Nursing Student Loan Program (N)** is a federal loan program offered through the Department of Health and Human Services which is available to at least half-time nursing students with demonstrated financial need. A signed Promissory Note is required prior to disbursement of funds.

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| Annual Loan Limits: | Contingent on available funding not to exceed $4,000 per (9 months) year. The cumulative loan maximum is $13.000. |
| Interest Rate: | 5% |
| Grace Period: | 9 months grace period |
| Credit Policy: | Non-credit based loan |

**Primary Care Loan Program (M)** offers federal loans regulated by the Department of Health and Human Services. This loan program provides low interest loans for medical students who are planning on practicing in the primary health care field. Recipients must enter and complete a residency training program in primary health care not later than four years after the date on which the borrower graduates and practice primary health care through the date on which the loan is repaid in full, A signed Promissory Note is required prior to disbursement of funds.

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| Annual Loan Limits: | Maximum amount cannot exceed the Cost-of-Attendance (including tuition, other reasonable educational expenses, and reasonable living expenses).<br><br>However, amounts beyond the annual maximum limit are available to third and fourth year students to be used to pay off outstanding balances on loans with higher interest rates that have been taken out while attending MUSC. Funds may not be used to repay HPSL, LDS or prior PCL awards. Awards beyond the Cost-of-Attendance depend on the availability of funds. |
| Interest Rate: | 5% |
| Grace Period: | 12 months |
| Credit Policy: | Non-credit based loan |
| Special Requirements: | Parental data required |

# Unsubsidized Loans

**Federal Unsubsidized Stafford Loan Program (CHP, DM, GS, M, N, P)** funds are guaranteed by the Federal government and regulated by the Department of Education. The lender may be a bank, savings and loan or credit union.

**Annual Loan Limits:**

3rd/4th/5th Year (DEPENDENT) undergraduates: $2,000
3rd/4th/5th Year (INDEPENDENT) undergraduates: $7,000

Graduate Students: $12,000 (including any Federal Stafford) or total unmet Cost-of-Attendance - whichever is less.

NOTE: For students enrolled in Dental Medicine, Health Administration graduate programs, Medicine or Pharmacy, the annual limits may be higher based on the program.

Students needing to borrow in excess of the Federal Stafford Loan limits should refer to the section on Federal PLUS Loans,

Interest Rate: 6.8%

Grace Period: 6 months

Credit Policy: None

**Federal Graduate Plus Loan Program (CHP, DM, GS, M, N, P)** funds are available to students in a graduate or professional program who do not have an adverse credit history. Eligible students must have completed a 2008-2009 FAFSA form and have applied for their annual loan maximum eligibility under the Federal Stafford (Subsidized and Unsubsidized) loans before applying for a Graduate/Professional PLUS loan.

Annual Loan Limits: Cost of Attendance minus all other financial aid.

Interest Rate: 8.5%

Grace Period: 60 days

Credit Policy: Credit based loan

**Federal Plus Loan Program (HP, N)** funds are guaranteed by the Federal Government and regulated by the Department of Education. Only the parents of dependent students may apply for PLUS loans to help pay for their son or daughter's education. The lender may be a bank, savings and loan or credit union.

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| Annual Loan Limits: | Cost of attendance minus other financial aid resources. |
| Interest Rate: | 8.5% |
| Grace Period: | 60 days after last disbursement is made. |
| Credit Policy: | Credit based loan |

**Alternative Loan Programs (DM, GS, HP, M, N, P)** arc offered by private lenders to students who have received the maximum Federal Stafford and Federal Unsubsidized Loans for which they are eligible to apply and still have not met the financial costs associated with their cost-of-attendance. If you are interested in an alternative loan, you may contact the lender of your choice or the MUSC Student Financial Aid Office to obtain an application. *Note: Alternative Loans are based on a student's credit worthiness and these loans may/may not require a co-signer.*

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| Annual Loan Limits: | Cost of attendance minus all financial aid resources. |
| Interest Rate: | A variable rate tied to the Prime or Libor Rate. |
| Grace Period: | Varies |
| Credit Policy: | Credit based loan |

# Glossary of Terms

**Academic Year** is the period of enrollment necessary to complete one grade level. Traditionally, an academic year runs from August to May. However, at the Medical University of South Carolina, students may be enrolled in one of several different academic years depending on when they start their course of study. In all cases, the word annual(ly) refers to the academic year.

**Aggregate Lifetime Loan Limits:** The total amount of loan funds a student may borrow as an undergraduate and/or graduate student from a specific loan program (i.e. Federal Stafford, Federal Perkins, etc.).

**Annual(ly):** See academic year.

**Annual Loan Limits:** The maximum amount of loan funds that can be borrowed from a loan source during an academic year.

**Awards** are usually in the form of an aid package combining funds from a variety of programs. Students are notified of their aid package in an Award Letter.

**Deferments** are authorized periods of time during which students are not required to make loan payments. All deferments require the prior approval of the lender.

**Grace Periods** are specified periods of time authorized by some loan programs preceding the repayment of the loan. During the Grace Period, no payments are required and no interest will accrue for which the student is liable on subsidized loans.

**Need** is defined, for the purpose of computing financial aid. as the difference between the student's cost of attendance and student's resources for the academic year.

**Resources** include an expected family contribution (determined by the need analysis application form) which a student's family can reasonably be expected to pay toward the student's education. Financial aid is also considered a resource.