LOAN DISBURSEMENT WORKSHEET
INSTRUCTIONS

The Loan Disbursement Worksheet MUST be completed by any post-graduate student who intends to borrow either the Federal Direct Grad PLUS Loan or a Private Education Loan. Post-graduate students are likely to incur higher indirect costs (such as books, required travel-related expenses and instruments/equipment) during the Fall term (Semester 1) as opposed to the Spring term (Semester 2). As a result, the student might need a larger Federal Direct Grad PLUS Loan or Private Education Loan amount disbursed for the Fall term to cover these additional costs.

The intent of the Loan Disbursement Worksheet is to determine how much Grad PLUS or Private Education Loan the student needs each term to cover actual costs incurred. Students should refer to Part 2 of the Student Loan Handbook to review their educational costs (billed charges + allowances). In some cases, the student may find that it is not necessary to have “uneven” loan disbursements, whereby the loan amount requested will be split evenly with one half the loan amount credited to the Fall term and the other half towards the Spring term. However, most will find an uneven split necessary. Students applying for a private education loan need only complete one loan application with their lender of choice and the Financial Aid Office will request the loan amounts for each Fall and Spring disbursement based upon the results indicated on the Loan Disbursement Worksheet. Federal Direct Grad PLUS borrowers who require their loan amount to be unevenly split will need to have the Financial Aid Office certify 2 Grad PLUS loans for them to cover the appropriate costs per term as indicated on the student’s Loan Disbursement Worksheet and are thus subject to 2 credit checks. Those borrowers who request their loan amount to be evenly split will have only 1 loan certified for them covering the entire academic year. Students should refer to Parts 3 and 4 of the Student Loan Handbook for further clarification and information.

To complete the Loan Disbursement Worksheet, you will need:

- 2017-18 Student Loan Handbook
- Award Notification Letter
- Estimate of monthly living costs
- Estimate of cash contributions from personal savings and other resources
- Estimate of actual cost of required instruments, materials and required travel-related costs the student expects to incur (see Student Loan Handbook)
- Calculator

Instructions for completing the Loan Disbursement Worksheet:

1) Billed Costs and Allowances: Locate your educational budget based on your program of study using Part Two of the Student Loan Handbook and enter your “Total Education Costs – Semester 1 and Semester 2” under the Fall and Spring term columns. This figure should include billed costs per term in addition to instrument, required school-related travel and other allowances you EXPECT to incur, not to exceed maximum amount allowed. If the student expects to NOT incur maximum cost allowed, the figure should be adjusted appropriately to prevent borrowing more than necessary.

2) Living Expenses: Enter amount of living expenses for each term, not to exceed maximum allowance of: $2,200/mo (off-campus) or $900/mo (with parents). If total monthly living expenses are less than the allowance provided, use the lower figure. Calculate each term’s total living expenses: monthly allowance x the number of months in the term (6 months each term for PG/MS students). If you do not wish to borrow for living expenses, leave this line blank.

3) Total Educational Budget: Add Lines 1 and 2.

4) Admissions Deposits (incoming students only): You can reduce the amount you borrow in Grad PLUS or Private Education Loan by subtracting out the amount of tuition you’ve prepaid with your deposit. If you wish to recoup this money, leave this line blank.

5) Institutional Scholarship or Grant: If you’ve been awarded a scholarship or grant from Tufts Dental School, enter the amount reflected on the Award Notification Letter for each of the Fall and Spring terms.

6) Outside Scholarship, Grant or Loan: If you’ve been awarded a scholarship, grant or loan from an outside agency, enter the amount of the outside award you expect to receive under each term. You are required to notify the Financial Aid Office of any outside scholarship, grant or loan you’ve been awarded by submitting a copy of the award notice.

7) Net Federal Direct Loan: Enter the NET Direct Loan amount (loan amount student expects to borrow minus the 1.069% loan origination fee charged off the top of the loan amount) divided evenly between Fall and Spring terms. NOTE: These loans must be disbursed evenly with one half of the net loan amount credited towards each term.
Example:  Net Unsubsidized Federal Direct Loan = \[ \frac{$20,500 \times 98.931\%}{2} = $10,140 \]

Semester 1 expected disbursement: $10,140 Semester 2 expected disbursement.

8) Cash Contributions: Dollar amount you expect to pay directly towards your educational costs or “0” if you don’t expect to make any cash payments.

9) Total Financial Resources: Add Lines 4 through 8 under both Fall and Spring Terms and enter figures here.

10) Federal Direct Grad PLUS Loan NET amounts required for Fall and Spring OR private education loan disbursements needed for Fall and Spring: Subtract Line 3 from Line 9 to arrive at the amount of Grad PLUS Loans OR private education loan disbursements needed to pay remaining educational costs for each term. This amount represents the dollar amount of the disbursement required to cover costs and DOES NOT account for loan fees charged off the top of the loan amount.

- **Private Education Loan Borrowers, stop here.** Line 10 (Fall + Spring) equals the private education loan amount for which the borrower must apply when completing their private education loan application with their lender of choice. Private education loans CAN be disbursed for Fall and Spring in uneven amounts and loan fees are usually added to the borrower’s principal loan borrowed not subtracted from the loan disbursements.

- **Grad PLUS borrowers MUST continue to Line 11.** Grad PLUS Loan origination fees are paid by the borrower to the Dept. of Education at the time the loan funds are disbursed thus the disbursement amount is always less than the loan amount borrowed.

11) Adjusted Federal Grad PLUS Loan Amounts: Federal Direct Grad PLUS loans have an origination fee of 4.276% that is charged at the time the loan is disbursed. At the borrower’s request, the Financial Aid Office will include the full 4.276% origination fee in the student’s cost of attendance in order to maximize Grad PLUS eligibility. To determine, divide each Fall and Spring amount listed under Line 10 by 0.95724 to arrive at the Adjusted Grad PLUS Loan amount for which the borrower must apply in order to have the amounts listed on Line 10 disbursed, rounding to whole dollars.

Remember to adjust the Federal Direct Grad PLUS Loan amount on the student’s Award Notification Letter so the amounts are the same as Line 11 of the Loan Disbursement Worksheet.

→ Example: Line 10 Fall = $30,000, $30,000/0.95724 = $31,340.

Line 10 Spring = $10,000, $10,000/0.95724 = $10,447.

The total Grad PLUS loan amount the student must borrow in order to get $40,000 in Grad PLUS loan proceeds is $41,787 ($31,340 + $10,447).

[Double check the math \( \Rightarrow \) $31,340 \times 0.95724 = 30,000; \ $10,447 \times 0.95724 = 10,000 \) (rounded to nearest whole dollar). These amounts are equal to the amounts listed on Line 10 which represents the amount of loan proceeds to cover educational costs.]

**NOTE FOR POST-GRADUATE STUDENTS:** The amounts listed on Line 11 represent the dollar amount the student must borrow in order to meet their educational costs and must be entered on the Award Notification Letter. If the dollar amounts differ between the fall and spring terms AND the student is applying for a Grad PLUS Loan, this will result in the Financial Aid Office certifying (2) Grad PLUS Loans, one for each term, for the borrower which can possibly mean that the student has 2 credit checks performed. The student will be required to meet the Federal Direct Grad PLUS loan application requirements in order for the Financial Aid Office to certify the Fall term loan amount (Line 11 – Fall Term). Around October, the Financial Aid Office will certify the student’s Spring term loan amount (Line 11 – Spring Term). The Spring term loan may trigger another credit check to determine borrower’s eligibility. Should the student opt for an evenly split Federal Direct Grad PLUS Loan, adjust Line 11 – Fall and Spring Term Loan Amounts – accordingly and the Financial Aid Office will certify one single Federal Direct Grad PLUS Loan requesting even disbursements for both Fall and Spring terms whereby the loan period is for the entire academic year. This will trigger only 1 credit check.

Examples of Loan Disbursement Worksheet are contained in the Student Loan Handbook Appendix.