

What Exactly is the Financial Aid Notification (FAN)?

The Financial Aid Notification is an estimated financial aid notification to the medical student, whose FAFSA data has been received and everything was in good order to proceed with packaging financial aid for the 2011-2012 academic year. The FAN shows the estimated loan amounts meeting the standard budget for the term 2011-2012 academic year. The tuition for 2011-2012 has not yet been determined. As a result, we are using 2010-2011 information to base the financial aid budget for the purpose of the FAN.

The estimated financial aid on the FAN may contain all of the following.

Direct Loan (DL) Federal Subsidized Stafford Loan (up to \$8,500) – This guaranteed source of funding is awarded to the medical student who has a financial need (Budget minus Student Contribution) greater than \$8,500. The *subsidized* loan interest rate is fixed at 6.8%. During periods of enrollment and the six-month grace period available immediately after graduation or separation from school, the interest that accrues on this loan is subsidized or paid by the federal government.

Direct Loan (DL) Federal Unsubsidized Stafford Loan (up to \$12,000) – This guaranteed source of funding is awarded to the medical student who has unmet budget after subtracting any *subsidized* loan eligibility and any internal or external funding. Unlike the DL *subsidized* loan, this loan accrues simple interest upon disbursement at the 6.8% fixed interest rate and adds to the student's overall loan total later upon repayment.

Direct Loan Federal Additional Unsubsidized Stafford Loan (up to \$20,000) – This guaranteed source of funding is awarded to the medical student who has unmet budget after subtracting all other aid including all sources listed above.

Direct Loan Graduate PLUS Loan – If the medical student still has unmet budget after receiving the maximum DL Federal Stafford Loan amounts above and needs to pursue additional borrowing, the DL Federal Graduate PLUS Loan is the next loan option. This loan is based on the medical student's credit-readiness and the student's approval will be based on having a clean credit history. You can go to the medical school financial aid website under FORMS and get a free credit report from all of the major credit bureaus using the link provided. **We have placed this loan under an OFFER Status where the medical student has to accept it on ONESTART in order for the loan to be processed.**

If you wish to reduce or cancel any loan amounts on your financial aid record, please contact Jose Espada at jespada@iupui.edu and specify what loan amount you wish to cancel or reduce.

The DL Master Promissory Note (MPN) signing is the final step in the processing or securing the DL Federal Stafford *subsidized* and *unsubsidized* Loans as well as any Grad PLUS Loan eligibility. The first step has already been initiated by packaging the loans as it appears on the FAN. **If you anticipate wanting to cancel any portion of the Federal Stafford Loan as they appear on the FAN, please do not cancel through ONESTART, but instead please communicate any changes to us by e-mailing me or Tiffany Fox (tinfox@iupui.edu) or Melissa Titus (mtitus@iupui.edu).**