

Hofstra North Shore-LIJ School of Medicine



Office of Financial Aid

Budgeting in Medical School

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What We Will Cover

- Developing your budget
 - How to get there
- Tracking expenses
 - What to include
- Tips to creating an accurate budget
- AAMC Financial Information, Resources, Services, and Tools (FIRST) on the web



Developing a Budget

A **budget** is a way to capture, categorize, and project expenses for a period of time. These can be either **fixed** or **variable**. For your medical school career, the academic year and the overall length of the program (4 academic years) should be your periods.

- **Fixed Expenses**
 - Tuition
 - Rent or housing
 - Health insurance
 - Car payment
- **Variable Expenses**
 - Food
 - Entertainment
 - Books (where you choose to purchase)
 - Other personal expenses



Developing a Budget

The best way to create a budget is to **develop a worksheet using the School's cost of attendance as a foundation and your individual, variable expenses.**

- Outline **all expenses** into categories and sub-categories similar to those on the COA



Developing a Budget

How can I track expenses?

- Old school: save receipts
- Use a debit card linked to your checking account for all purchases
 - Track expenses an online banking platform
- Use a Smartphone app
 - Mint
 - Money Tracker
 - Expensify



Developing a Budget

Cost of Attendance

Your Budget Worksheet

Hofstra North Shore-LIJ School of Medicine

Office of Financial Aid

Estimated Cost of Attendance (COA): 2012-2013

**on-campus + st
Expenses MSI

COA Component:	Component detail:	On-campus
Tuition and fees	Tuition	\$ 43,500
	Fees	\$ 1,500
Tuition and fees subtotal		\$ 45,000
Room and board	Room (estimated)	\$ 14,450
	Graduate Residence Hall Fees	\$ 200
	Board	\$ 4,525
Room and board subtotal		\$ 19,175
Books and supplies	Books	\$ 1,940
	Computer	\$ 500
Books and supplies subtotal		\$ 2,440
Personal expenses	Health insurance (estimated, billed separately)	\$ 4,568
	Additional personal expenses including clothing, laundry, grooming, personal hygiene costs, recreation, etc.	\$ 4,027
Personal expenses subtotal		\$ 8,595
Education-loan fees	FSA loan origination fees	\$ 195
Education-loan fees subtotal		\$ 195
Transportation	Required travel	\$ 984
Transportation subtotal		\$ 984
USMLE Fees		\$ -
Total estimated Cost of Attendance		\$ 76,390

totals represent costs for in-state and out-of state students living on campus. Some cost components represent costs for students with other living arrangements.

Important Note: Cost of Attendance (COA) is an **estimate** and is subject to change **at any time**. Charges payable to the University will be reflected on the billing statement. COA will vary by class (MSI, MSII, MSIII, MSIV). Variance will be reflective of changes in components costs as well as external economic factors.

	A	B	C	D	E	F	G	H	I	
1	My Personalized Budget Worksheet: 2012-2013 Academic Year									
2	MSI SAMPLE: For education purposes only									
3	Expense Type									
4	Fixed									
5	Variable									
6				August 2012	September 2012	October 2012	Estimated Annual Expenses (COA)	Actual Annual Expenses (COA)	Variance	
7	Tuition and Fees		Fixed				\$ 45,000	\$ 45,000	\$ -	
8	Room / Rent*		Fixed	\$ 1,221	\$ 1,221	\$ 1,221	\$ 14,650	\$ 14,650	\$ -	
9	Food (board)	Groceries	Variable	\$ 250	\$ 195	\$ 215	\$ 2,640	\$ 4,525	\$ 905	
10		Take-out	Variable	\$ 75	\$ 90	\$ 80	\$ 980			
11	Books & Supplies**	Books & Supplies	Variable (OTE)	\$ 1,500	\$ -	\$ -	\$ 1,500	\$ 1,940	\$ 440	
12		Computer	Variable (OTE)	\$ 500	\$ -	\$ -	\$ 500	\$ 500	\$ -	
13	Personal Expenses	Health Insurance	Fixed				\$ 4,568	\$ 4,568	\$ -	
14		CVS	Variable	\$ 75	\$ 50	\$ 50	\$ 700	\$ 4,027	\$ 927	
15		Clothes	Variable	\$ 150	\$ -	\$ 200	\$ 1,400			
16		Entertainment	Variable	\$ 100	\$ 150	\$ -	\$ 1,000			
17	Transportation	Variable	\$ 75	\$ 80	\$ 85	\$ 960	\$ 984			\$ 24
18	Education-loan fees		Variable (OTE)				\$ 150	\$ 196	\$ 46	
19	*Student living off campus; however, this example is using an on-campus student budget.							\$ 74,048	\$ 76,390	\$ 2,342
20	**Some books purchased used, some new									
21	OTE = one time expense or occurs twice a year									

Money that you DO NOT need to borrow!



Developing a Budget

Developing a Budget Cost of Attendance Your Budget Worksheet

Category	2022	2023	2024	2025
Tuition and fees	1,000	1,000	1,000	1,000
Books and supplies	100	100	100	100
Personal expenses	100	100	100	100
Room and board	1,000	1,000	1,000	1,000
Transportation	100	100	100	100
Health insurance	100	100	100	100
Other	100	100	100	100
Total	2,342	2,342	2,342	2,342

What does this mean?

Although \$2,342 may seem like a small amount, it adds up:

\$2,342 x 4 years of medical school = **\$9,368**

\$9,368 borrowed at 6.8% and repaid over 10 years =

\$14,357 (of which **\$4,989** is interest)

This example assumes a standard 10 years repayment plan and capitalized interest accrued during matriculation.

Extended repayment plans will increase interest.



Developing a Budget

- **Tips**

- Track **ALL** of your expenses
- Create a budget and stick to it. Hold yourself accountable.
- **Be realistic. It's better to over-**estimate.
- Utilize resources that are available:
 - Your Office of Financial Aid
 - The Cost of Attendance, entrance interview information, and the Director of Financial Aid
 - AAMC FIRST for medical Students
(<https://www.aamc.org/services/first>)



Developing a Budget

AAMC FIRST: Using the Financial Aid Toolkit

<https://www.aamc.org/services/first>



Developing a Budget

Towards the end of the academic year you receive your financial aid award for the following year. Now is the time to re-evaluate your budget and borrow **only what you need**. You will have an entire year of expenses and although costs may change from year to year, you are now aware of which components you control.




Take Home Points...

- Pay **close** attention to where your money is going – MOST IMPORTANT
- Begin tracking expenses **before** you start the school...or very soon after you begin recalling past expenses
- Develop a budget right away – after the first three months, annualize. Make adjustments.
- **Use the resources that are available**
- Ask questions



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