Understanding Your Costs and Funding

This presentation will be made available on the Graduate School website:
http://gradschool.princeton.edu/costs-funding
GENERAL FUNDING POLICIES

PhD:

- Guaranteed funding for all years of regular enrollment, assuming satisfactory academic performance
- Full tuition support (including Student Health Plan fee)
- Stipend support:
  - 12 months for Humanities and Social Sciences
  - 10 months for Natural Sciences and Engineering, with summer support from department for students engaged in research

Master’s:

- Funding varies by school and/or program
- Central funding is not generally provided by the Graduate School
# Graduate School Cost of Attendance
## 2014/15

<table>
<thead>
<tr>
<th></th>
<th>10 Months</th>
<th>12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tuition and Student Health Plan fee</strong></td>
<td>$43,720</td>
<td>$43,720</td>
</tr>
<tr>
<td><strong>Living Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent (including utilities)</td>
<td>$9,833</td>
<td>$11,800</td>
</tr>
<tr>
<td>Food</td>
<td>6,042</td>
<td>7,250</td>
</tr>
<tr>
<td>Personal Expenses</td>
<td>5,667</td>
<td>6,800</td>
</tr>
<tr>
<td>Books and Supplies</td>
<td>1,333</td>
<td>1,600</td>
</tr>
<tr>
<td><strong>Total Non-Tuition Expenses</strong></td>
<td>$22,875</td>
<td>$27,450</td>
</tr>
<tr>
<td><strong>Cost of Attendance</strong></td>
<td>$66,595</td>
<td>$71,170</td>
</tr>
</tbody>
</table>

**Notes:**
1) Living expenses are estimated for a single graduate student.
2) Rent expense is based on on-campus and off-campus options.
3) Effective September 1, 2014
FUNDING SOURCES

Financial Support

- Fellowships
- Assistantships in Research
- Assistantships in Instruction
- External Funding
GENERAL FUNDING PATTERN FOR PHDS

Humanities and Social Sciences

Year 1
- University Fellowships
- External Fellowships

Years 2 – 4/5
- University Fellowships
- Assistantships in Instruction
- External Fellowships
- Competitive Fellowships
- Additional Sources:
  - Dean’s Fund for Scholarly Travel
  - Summer funding for language and research study
GENERAL FUNDING PATTERN FOR PHDS

Natural Sciences and Engineering

Year 1

- First Year Fellowships in Science and Engineering
- External Fellowships

Years 2 – 4/5

- Assistantships in Research
- Assistantships in Instruction
- External Fellowships
- Competitive Fellowships
EXTERNAL FELLOWSHIPS

➢ Finance and Administration must have a copy of your award letter

➢ Disbursement of your external award is:
  • Generally determined by the external agency
  • Either paid directly from the external agency to you or paid to you via the University payroll system

➢ You are obligated to know the rules and restrictions of your external funding and obtain any necessary approvals (for teaching, etc.)

➢ For certain qualifying external fellowships, the Graduate School provides incentives
EXTERNAL FELLOWSHIPS - INCENTIVES

Humanities and Social Sciences

- If your external fellowship stipend is greater than or equal to the University Fellowship stipend:
  - The external fellowship stipend substitutes for university funding; and
  - You bank one year of funding for use in your first year of DCE status

Natural Sciences and Engineering

- If your external fellowship stipend is greater than or equal to the First Year Fellowship/Assistantship in Research stipend:
  - The external award substitutes for your fellowship or assistantship award; and
  - You receive a $4,000 prize, which is awarded to you for each year of your external award
LOANS AND ASSISTANCE

**Loans:**

- Perkins Loan – up to $8,000
- Direct Unsubsidized Loan - up to $20,500
- Direct PLUS Loan
- Private loans

**Student Child Care Assistance Program (SCCAP):**

- Provides assistance to eligible students with pre-kindergarten children to help meet the cost of child care
STUDENT ACCOUNTS

Maureen Ciambrello
Manager, Student Accounts
OVERVIEW OF YOUR UNIVERSITY BILL

- University bills are provided through TigerPay, Princeton’s electronic billing system
- Enroll in TigerPay as soon as possible, even if you are fully supported, so you are able to view your charges!
- Bills are sent via TigerPay on the last working day of the month
- You will receive an email notification monthly (even if no amounts are due)
- Your 1st bill will be sent out on September 30th and due October 15th
- Payments can be submitted online through your TigerPay account
University bills include:

- Essential charges and credits
  - Tuition
  - Tuition support (internal and external)
  - Room and board (Graduate College only)

- Incidental charges
  - GSG fee
  - One-time transcript fee
  - Purchases charged to your account

University bills do not include rent for University apartments (rental contract charges are deducted from your paycheck under code - Rent)
# SAMPLE SEPTEMBER BILL

**Account:** 000000000- Doe  
**Billing Date:** 09/30/20XX  
**Kevin Doe**  
**Deduction:** September  
**Princeton University - Confidential**

## Account: 000000000- Doe

<table>
<thead>
<tr>
<th>Description</th>
<th>Prior Activity</th>
<th>Current Activity</th>
<th>Balance Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS Board</td>
<td></td>
<td>$3,377.80</td>
<td></td>
</tr>
<tr>
<td>Graduate House Dues</td>
<td>$25.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Room</td>
<td>$4,580.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Government Fee</td>
<td>$15.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Tuition Fall</td>
<td>$21,860.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transcript Fee</td>
<td>$75.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Tuition Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual Stipend Deduction 09/28/2013</td>
<td></td>
<td>$-1,707.06</td>
<td></td>
</tr>
</tbody>
</table>

**SUMMARY**  
**Current Balance:** $6366.24  
**Anticipated Stipend Deduction Credit (October - January):**  
**No Payment Due:** $6366.24  
**No Payment Due:** $0.00

This bill reflects any stipend deduction applied to your account this month, and the amount currently anticipated for the semester. Unsatisfactory balances are due upon receipt. The anticipated deduction for the Spring semester does not appear on Fall statements. This credit will appear on the February statement.

Send inquiries separately from your payment to: Princeton University/Student Accounts, 701 Carnegie Center Suite 161, Princeton, NJ 08540. Please include the student's name and account number. Email student@princeton.edu - Telephone 609/258-6735 - FAX 609/258-2873

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**Fall Room and Board**  
**September Deduction**
### Sample September Charges

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Board - fall</td>
<td>3,377.80</td>
</tr>
<tr>
<td>Graduate Room - fall</td>
<td>4,580.00</td>
</tr>
<tr>
<td>House Dues</td>
<td>25.00</td>
</tr>
<tr>
<td>Student Government Fee</td>
<td>15.50</td>
</tr>
<tr>
<td>Transcripts - One Time Fee</td>
<td>75.00</td>
</tr>
<tr>
<td>Tuition Fall</td>
<td>21,860.00</td>
</tr>
<tr>
<td>Tuition Support</td>
<td>-21,860.00</td>
</tr>
</tbody>
</table>

### Calculation of Monthly Deduction

- 3,377.80 Graduate Board - fall
- 4,580.00 Graduate Room - fall
- $7,957.80 Total Room and Board - fall
- **5** Divide fall by 5 months
- $1,591.56 Room and Board charge per month in fall
- **115.50** plus total incidental charges for month

**September Deduction:** 1,707.06
The majority of graduate student financial support is processed through payroll:

- Graduate student financial support is paid monthly, on the last business day of each month
- Any hourly work is paid bi-weekly in a separate check

No I-9 = No monthly check

First monthly check will be on Tuesday, September 30, 2014

Sign up for Direct Deposit option via self service on SCORE

Pay statements are available through self service via SCORE
TYPES OF PAYMENTS TO STUDENTS

Issued by Payroll
- Tuition Payments
- Fellowship Payments
- Assistantship Stipends
- Compensation for hourly work

Issued by Accounts Payable
- Prizes
- Travel Grants
- Student Account Refunds
## POSSIBLE DOCUMENTS THAT YOU WILL RECEIVE

<table>
<thead>
<tr>
<th>Type of Document</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Stub</td>
<td>Includes payroll payments made for tuition, fellowship stipends, assistantships and/or hourly work</td>
</tr>
<tr>
<td>W-2 Form</td>
<td>Includes wages received for Assistantships and/or hourly work with applicable federal and state taxes withheld</td>
</tr>
<tr>
<td>IRS Form 1099</td>
<td>Provided by the University to any student who receives a prize that is awarded through Accounts Payable</td>
</tr>
<tr>
<td>Letter from Finance and Treasury</td>
<td>Provided to any student who receives a scholarly travel award or other payment through Accounts Payable</td>
</tr>
<tr>
<td>IRS Form 1042-S</td>
<td>Provided by the University to students taxed as foreign nationals (nonresident aliens)</td>
</tr>
</tbody>
</table>
### Taxable Fellowship – Stipend:
- Self report
- Estimated tax payments

### Non Taxable Fellowship – Tuition

### Taxable Compensation (AI/AR, Hourly Work)

### Summer wages subject to FICA taxes
TAXES

Jackie Knowlton
Assistant Dean of Finance and Administration
TAXES AND FELLOWSHIPS

All fellowship amounts that you receive may be taxable, with certain exceptions:

- Fellowship amounts are **nontaxable** *(qualified)* when:
  - The recipient is a candidate for a degree; and
  - The scholarship or fellowship amount is used for "qualified tuition and related expenses", which includes tuition and fees required for enrollment or attendance at an educational institution and fees, books, supplies, and equipment **required** for courses of instruction.

- Fellowship amounts are **taxable** *(nonqualified)* when:
  - The amounts are used for **room, board, travel, equipment, incidental living expenses, stipends, and other expenses** *not* required as part of their education.

For U.S. citizens and permanent residents, the University is not required to and does not report fellowship income to the Internal Revenue Service:

- The University **does not withhold** taxes from taxable fellowship income.

For non-U.S. citizens and nonresidents, the University **does report** fellowship income and **does withhold** taxes from taxable fellowship income.
TAXES AND FELLOWSHIPS

Is the fellowship payment limited in use to tuition or required fees (books, supplies)?

- Yes
- No

The payment is considered “nonqualified” and may be taxable

Is the student a candidate for a degree at an eligible institution?

- Yes
- No

The payment is considered “qualified”; no withholding is required

Is the recipient a U.S. citizen or a non-resident alien (NRA)?

- U.S.
- NRA

The nonqualified payment may be taxable; rate and amounts dependent upon student’s visa type and if treaty benefits are available

The nonqualified payment is taxable and the income is self-reported by the recipient (available on paystub)
TAXES AND ASSISTANTSHIPS

- Assistantships in Research and Instruction are considered employment, with assistantship stipends paid as salary.

- Because of this classification, the University treats stipend amounts paid from assistantships differently than fellowship with respect to withholding:
  - Assistantship stipends are considered “wages”
  - Federal and state taxes are withheld from assistantship stipends
  - A W-2 is issued at calendar year end

- Any hourly work is also considered employment and is therefore treated the same as assistantship salaries.
### TAX TREATMENT OF PAYMENTS

For U.S. Citizens and Permanent Residents

<table>
<thead>
<tr>
<th>Type</th>
<th>Reporting by Princeton to Fed/State</th>
<th>Withholding by Princeton</th>
<th>Student's Tax Treatment</th>
<th>Document Issued by Princeton</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Federal and State of NJ Taxes</td>
<td>FICA (Social Security and Medicare)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Academic Year:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition Support</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Not taxable</td>
</tr>
<tr>
<td>Fellowship Stipends</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Taxable - Federal only</td>
</tr>
<tr>
<td>Prizes - departmental</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Taxable - Federal only</td>
</tr>
<tr>
<td>Other payments (through Accounts Payable)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Taxable - Federal only</td>
</tr>
<tr>
<td>Assistantship Stipends</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Taxable - Federal/NJ</td>
</tr>
<tr>
<td>Hourly Work (through time collection)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Taxable - Federal/NJ</td>
</tr>
<tr>
<td><strong>Summer:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistantship Stipends - summer</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Taxable - Federal/NJ</td>
</tr>
<tr>
<td>Hourly Work (through time collection) - summer</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Taxable - Federal/NJ</td>
</tr>
</tbody>
</table>
It is important to keep records and save the information you will need in order to prepare your personal tax return:

- Last Paystub of calendar year
- W-2
- Form 1099
- Letters from Finance & Treasury
- From 1042-S (international)

Make sure your financial support is appropriate at the end of the calendar year (given the differences between withholding on assistantships vs. fellowships)

If you are a U.S. citizen or permanent resident, it may be necessary to file estimated quarterly tax payments for the taxable portion of your fellowship income (1040-EST)

If you are an international student, make sure to stay in touch with the Davis International Center
RESOURCES

Payroll Taxes:
http://finance.princeton.edu/how-to/payroll/payroll-basics/payroll-taxes/index.xml

International and Foreign Employee Payroll:
http://finance.princeton.edu/how-to/payroll/international-foreign-emp/

Student Tax Information:
http://finance.princeton.edu/how-to/tax-compliance/students-groups-foreign/student-tax-information/

Scholarships & Fellowships:
http://finance.princeton.edu/how-to/tax-compliance/students-groups-foreign/scholarships-fellowships/

IRS Publication 970: Tax Benefits for Education:

IRS Forms and Publications:
http://www.irs.gov/Forms-&-Pubs

IRS Form 1040-ES (Quarterly Tax Payments):

Davis International Center:
www.princeton.edu/intlctr/davis-ic-home/

Glacier:
https://www.online-tax.net/
FOR QUESTIONS ABOUT YOUR:

Paycheck amount:
The Graduate Program Administrator in your Department

Taxes withheld:
www.princeton.edu/payroll

SCORE:
www.princeton.edu/score

Student Bill:
www.princeton.edu/studentaccounts

Rent deductions: