PRINCETON UNIVERSITY
Graduate Student Orientation

Understanding Your Costs and Funding

This presentation will be made available on the Graduate School website:
http://gradschool.princeton.edu/costs-funding
FINANCE AND ADMINISTRATION

Mary Bechler
Associate Dean of Finance and Administration
HOW DOES PRINCETON FUND ITS GRADUATE STUDENTS?

For PhD Students:

- 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

For Master’s Students:

- Funding varies by school and/or program
- Central funding is not generally provided by the Graduate School
## WHAT IS PRINCETON’S COST OF ATTENDANCE?

### Cost of Attendance 2015-16

<table>
<thead>
<tr>
<th>Description</th>
<th>12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition (including the Student Health Plan fee)</td>
<td>$45,350</td>
</tr>
<tr>
<td>Living Expenses</td>
<td></td>
</tr>
<tr>
<td>Rent (including utilities)</td>
<td>$12,300</td>
</tr>
<tr>
<td>Food</td>
<td>7,475</td>
</tr>
<tr>
<td>Personal Expenses</td>
<td>7,000</td>
</tr>
<tr>
<td>Books and Supplies</td>
<td>1,650</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$28,425</strong></td>
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</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, 2015
**WHAT ARE THE STANDARD STIPEND RATES?**

<table>
<thead>
<tr>
<th>Type</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>University Fellowship (12 months)</td>
<td>$30,500</td>
</tr>
<tr>
<td>First Year Fellowship (10 months)</td>
<td>$26,450</td>
</tr>
<tr>
<td>Assistantship in Research (10 months)</td>
<td>$26,450</td>
</tr>
<tr>
<td>Assistantship in Instruction (10 months)</td>
<td>$29,350</td>
</tr>
</tbody>
</table>
WHAT ARE THE FUNDING SOURCES THAT COULD PROVIDE YOUR SUPPORT?

Graduate Financial Support

- Fellowships
- Assistantships in Research
- Assistantships in Instruction
- External Funding
WHAT IF YOU HAVE A COMBINATION OF FUNDING SOURCES?

- The components of your University support are adjusted proportionately to provide total support.
- If you receive an external award, any University awards are adjusted accordingly.
WHAT WILL YOUR FUNDING LOOK LIKE OVER YOUR ENROLLMENT IF YOU ARE A PHD STUDENT?

- All PhDs receive a fellowship in their first year
- Funding for subsequent years of study varies by division
- Funding in DCE years as available

<table>
<thead>
<tr>
<th>G1</th>
<th>G2</th>
<th>G3</th>
<th>G4</th>
<th>G5</th>
<th>DCE1</th>
<th>DCE2</th>
<th>ET/DCC</th>
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</thead>
<tbody>
<tr>
<td>Fellowship</td>
<td>Fellowship and Teaching</td>
<td>Teaching?</td>
<td>External?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Humanities/Social Sciences**

<table>
<thead>
<tr>
<th>Fellowship</th>
<th>Research and Teaching</th>
<th>Research?</th>
<th>Teaching?</th>
<th>External?</th>
</tr>
</thead>
</table>

**Natural Sciences/Engineering**
HOW ARE EXTERNAL FELLOWSHIPS PAID AND HOW DO THEY IMPACT YOUR CURRENT SUPPORT?

Disbursement of external awards:
- Generally determined by the external agency
- Either paid directly to you from the external agency or paid to you via our payroll system

Combination with other support:
- In accordance with Graduate School policies
- Incentives vary by division
WHAT ARE YOUR OBLIGATIONS IF YOU HAVE AN EXTERNAL FELLOWSHIP?

- Forward a copy of your award letter to Finance and Administration in the Graduate School

- Understand the rules and restrictions of your external funding and obtain any necessary approvals (for teaching, etc.)
WHAT ADDITIONAL SOURCES OF FUNDING ARE AVAILABLE AND HOW DO YOU FIND THEM?

- Funding for Research
- Funding for Groups and Events
- Funding for Internships
- Funding for Conferences
WHO MIGHT REQUIRE ADDITIONAL FINANCIAL ASSISTANCE?

- Master’s students who do not receive full funding
- Students with spouses and/or dependents
- DCE students
- Students with unexpected or emergency expenses
WHAT KINDS OF ADDITIONAL FINANCIAL ASSISTANCE ARE AVAILABLE?

- Federal student loans – U.S. citizens and permanent residents:
  - Perkins Loan (subsidized) * – up to $8,000
  - Direct Unsubsidized Loan - up to $20,500
  - Direct PLUS Loan – remainder of eligibility up to cost of attendance

* This loan program will be discontinued for new borrowers effective September 30th.

- Private loans – International students

- Federal Work Study (Architecture):
  - 8 week summer program – up to $5,440
  - Students work with faculty supervisors
WHAT KINDS OF ADDITIONAL FINANCIAL ASSISTANCE ARE AVAILABLE (CONTINUED)?

- **Student Child Care Assistance Program (SCCAP):**
  - Financial reimbursement program used toward child care costs for pre-kindergarten children
  - Maximum grant $5,000 per child
  - Maximum of two children covered per household
  - Covers in home and facility child care and child care outside of the U.S. (in absentia)

- **Other sources of assistance:**
  - Medical Expense Reimbursement Program
  - Short-Term Contingency Loan Program
  - Student Computer Initiative (SCI)
STUDENT ACCOUNTS

Maureen Ciambrello
Manager, Student Accounts
HOW AND WHEN ARE YOU BILLED BY THE UNIVERSITY?

- University bills are provided through TigerPay, Princeton’s electronic billing system:
  - A billing notification email will be sent to your Princeton email address at the end of each month to notify you that your bill has been posted in TigerPay
  - Bills are due by the 15th of the next month

- Your 1st bill will be sent out on September 30th and due October 15th

- To access your bill, create a TigerPay account from the link provided in your first billing notification email:
  
WHAT CHARGES WILL APPEAR ON YOUR MONTHLY BILL?

- Charges for the term:
  - Tuition (including Student Health Plan fee)
  - Room and Board (Graduate College only)
  - Dependent health care coverage (if applicable)

- One-time charges on your September bill:
  - Graduate Student Government (GSG) fee
  - One-time transcript fee
  - Graduate house fee (if living at Graduate College)

- Incidental monthly purchases (i.e. food purchases) charged to your account

*Note: Monthly bills do not include rent for University apartments*
WHAT CREDITS WILL APPEAR ON YOUR MONTHLY BILL AND HOW DO THEY WORK?

- The only credit that you will see on your monthly bill will be for tuition support, if applicable.

- If you receive full tuition support, you will receive a credit for your tuition charges:
  - On your September bill for the fall term
  - On your February bill for the spring term

- If you do not receive full tuition support, all or any remaining tuition charges for the term are due in full:
  - By October 15th for the fall term
  - By March 15th for the spring term
WHAT STIPEND DEDUCTIONS WILL APPEAR ON YOUR MONTHLY BILL?

- If you receive a monthly stipend, the following stipend deductions will show up on your monthly bill:
  - Monthly Room and Board charges, which are prorated over 9 months (5 months in fall and 4 months in spring)
  - One-time charges (on your September bill)
  - Any incidental charges that are posted to Student Accounts in the current month

- The total of these monthly deductions on your Student Account is tagged as “Student Bill” on your pay statement and is listed under After Tax Deductions
HOW DO YOU PAY YOUR STUDENT BILL IF YOU OWE MONEY?

➢ Payment can be submitted through:
  • Your TigerPay account when you are using a U.S. checking or savings account
  • Western Union Business Solutions (to pay in other currencies)
  • Other options

➢ Payment responsibilities – what you should know:
  • Charging privileges to your student account may be suspended if your account is overdue
  • A $25.00 fee is charged for payments not honored by your bank

➢ Other info can be found on the Student Accounts Website:

Confidential
WHEN AND HOW WILL YOU GET PAID?

- Your first monthly check will be on Wednesday, September 30th
- No I-9 = No monthly check
- Sign up for direct deposit – follow these step by step instructions:
  
  [Website Link]

- You can see your pay statements and direct deposits through self service via TigerHub:
  
  [Website Link]
WHAT ARE THE MAIN ITEMS THAT YOU WILL SEE ON YOUR MONTHLY PAY STATEMENT?

- Different types of earnings:
  - Tuition Support
  - Fellowship – Acad Year or Summer
  - Assistantship in Research – Acad Year or Summer
  - Assistantship in Instruction – Acad Year or Summer
  - Student Hourly Wages – Acad Year or Summer

- Taxes Withheld (varies by tax status and type of support)

- After Tax Deductions:
  - Student Bill:
    - Sum of the charges from your student bill to be deducted from your monthly stipend/salary
    - Includes Room and Board, one-time, and incidental charges from your Student Account
  - Rental Housing (if applicable) – monthly charges for:
    - Lakeside
    - Lawrence
WHAT COULD CAUSE A CHANGE IN THE AMOUNT OF YOUR MONTHLY PAY?

Some examples of why your gross or net monthly pay could change:

- A change in tax withholding due to a change in support type (i.e. from fellowship to assistantship)
- The addition of an Assistantship in Instruction, which is at a slightly higher stipend rate
- If you are in the Natural Sciences and Engineering, your summer pay may be at a different monthly rate than your monthly pay during the academic year
- A change in your tax residency status (i.e. move to a Resident Alien for Tax Purposes)
WHO SHOULD YOU CONTACT IF YOU HAVE QUESTIONS ABOUT YOUR MONTHLY PAY?

➢ Your first point of contact should be the Graduate Program Administrator (GPA) in your department

➢ Payroll - Payroll Specialists:
  ❖ Stephanie Francis (sf3@princeton.edu)
  ❖ Anjum Mansuri (amansuri@princeton.edu)
  ❖ Payroll Department (payroll@princeton.edu)

➢ The Graduate School, Finance and Administration:
  • Kit Chandler (kit@princeton.edu)
  • Lisa Franzman (franzman@princeton.edu)
TAXES

Jackie Knowlton
Assistant Dean of Finance
and Administration
WHAT TYPE OF TAX STATUS DO YOU HAVE?

U.S. Tax Residents
- U.S. Citizens
- Permanent Residents
- Resident Aliens for Tax Purposes

Non-U.S. Tax Residents
- Non-U.S. Citizens
- Nonresidents for Tax Purposes
WHAT IS NONTAXABLE?

- Tuition support

"Of course I’m tax-exempt!"
WHAT IS TAXABLE?

- Fellowship:
  - Stipends
  - Travel and research awards
  - Department and Program Top-Ups
  - Prizes

- Assistantship in Research stipends
  (paid as salary)

- Assistantship in Instruction stipends
  (paid as salary)

- Compensation for hourly work
HOW DOES PRINCETON TREAT FELLOWSHIP STIPENDS?

- All fellowship stipend amounts are considered:
  - Taxable income by the Internal Revenue Service
  - Nontaxable income by the State of New Jersey

- For U.S. Tax 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 fellowship stipend amounts

- For Non-U.S. Tax Residents:
  - The University **does report** fellowship income
  - The University **does withhold** taxes from fellowship income
  - Applicable tax treaties may override/supersede any withholding
WHAT DOCUMENTS WILL YOU RECEIVE THAT WILL SHOW FELLOWSHIP STIPEND INCOME?

➤ If you are a U.S. Tax Resident:
  • Your December paystub will show your base fellowship stipend and certain other fellowship amounts for the year
  • You may also receive additional documents:
    ❖ A Form 1099 - if you receive a prize
    ❖ A letter from Finance & Treasury - for amounts you receive from SAFE or Accounts Payable

➤ If you are a Non-U.S. Tax Resident:
  • Your December paystub will show your base fellowship stipend and certain other fellowship amounts for the year
  • You will also receive a Form 1042-S that will show any fellowship amounts, prizes, and any compensation covered under applicable tax treaties

➤ Your W-2 statement will not show any fellowship income
HOW DOES PRINCETON TREAT ASSISTANTSHIPS?

- Assistantships are considered employment, meaning that assistantship stipends are paid as “salary” and are considered “wages”

- As a result, the University treats assistantship stipends differently than fellowship stipends with respect to tax withholding and reporting:
  - Federal and state taxes **are withheld** from assistantships
  - A W-2 is issued at calendar year-end showing assistantship income and withholding

- For Non-U.S. Tax Residents, any applicable tax treaties may override supersede federal tax withholding for assistantships (but not state tax withholding)

- All students are generally exempt from Medicare and Social Security withholding (FICA) on assistantships/wages, except for U.S. Tax Residents during the summer

*Note: Any hourly work is also considered employment and is therefore treated the same as assistantship salaries*
What are the possible documents that you could receive?

<table>
<thead>
<tr>
<th>Type of Document</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All Students</strong></td>
<td></td>
</tr>
<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 Statement</td>
<td>Includes any wages received for Assistantships and/or hourly work with applicable federal and state taxes withheld</td>
</tr>
<tr>
<td><strong>U.S. Tax Residents</strong></td>
<td></td>
</tr>
<tr>
<td>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 payment from SAFE or other payment through Accounts Payable</td>
</tr>
<tr>
<td><strong>Non-U.S. Tax Residents</strong></td>
<td></td>
</tr>
<tr>
<td>Form 1042-S</td>
<td>Provided by the University to students who are nonresidents for tax purposes. Includes fellowship income, prizes, and any compensation covered under tax treaties</td>
</tr>
</tbody>
</table>
WHAT ARE THE IMPORTANT REMINDERS REGARDING YOUR TAXES?

- Keep records and save the information you will need in order to prepare your personal tax return by April 15th
- Make sure your financial support is appropriate at calendar year-end (assistantships vs. fellowships)
- If you are a U.S. Tax Resident, it may be necessary to file estimated quarterly tax payments for the taxable portion of your fellowship income (Form 1040-EST)
- If you are a Non-U.S. Tax Resident:
  - Contact Nonresident Tax Compliance and Reporting at ntcr@princeton.edu with tax questions
  - Stay in touch with the Davis International Center
WHAT RESOURCES ARE AVAILABLE REGARDING YOUR TAXES?

- **Student Tax Information:**

- **Scholarships & Fellowships:**

- **Payroll Taxes:**

- **IRS Publication 970: Tax Benefits for Education:**

- **IRS Forms and Publications:**

- **IRS Form 1040-ES (Quarterly Tax Payments):**
WHAT ADDITIONAL RESOURCES ARE AVAILABLE IF YOU ARE A NON-U.S. TAX RESIDENT?

- Davis International Center:  

- Glacier:  
  [https://www.online-tax.net/](https://www.online-tax.net/)

- Foreign National Employees: Payroll Taxes & Treaty Benefits  
ANY QUESTIONS?