



FORDHAM LAW SCHOOL
NEW YORK CITY

FINANCIAL AID GUIDEBOOK
2009–2010

Financial Aid Office

Location | 33 West 60th Street, 9th Floor, New York, NY 10023

Telephone | 212.636.6815

Fax | 212.636.6018

Website | <http://law.fordham.edu/financialaid.htm>

E-mail | financialaid@law.fordham.edu

Office Hours | Monday–Friday, 9:00 a.m.–5:00 p.m.
Evening students who are unable to visit the Financial Aid Office during these hours should contact us to make other arrangements.

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Fordham University reaffirms its policy of nondiscrimination. The University is an academic institution that in compliance with federal, state, and local law does not illegally discriminate on the basis of race, color, creed, age, gender, national origin, marital or parental status, sexual orientation, alien or citizen status, veteran status, or disability.

Financing your legal education need not test your legal research or reasoning skills! This guidebook is published to provide you with the tools to understand the financing methods, evaluate your options, and assist you with the actual application processes.

The majority of law students finance law school primarily through federal loan programs. Fordham grants and loans may also be available to assist with the costs. In addition, we offer a Loan Forgiveness and a Loan Repayment Assistance Program (LRAP) to our graduates who practice in the public sector.

The information contained in this Guidebook is accurate, to the best of our knowledge, as of December 2008. As federal, state, private, and Fordham policies may change without notice, you are encouraged to consult the relevant programs directly for the most current information. We provide websites whenever available. We hope to provide you with a financial aid experience unlike any other you have had, and we are available to clarify any of the information in this Guidebook.

Financial Aid Staff

Kristina Haff, *Senior Secretary*

Judith Arias, *Assistant Director*

Kathleen Keenan, *Associate Director*

Judith McNatt, *Assistant Dean*



COST OF ATTENDANCE AND PAYMENT

Or, “What Will This Really Cost?”

Tuition for each academic year is set in the spring. Below is the tuition (excluding fees) at Fordham Law School for the 2008–2009 academic year:

\$41,500 for full-time day students

\$31,125 for evening students

Each year, Fordham estimates the cost of attendance for the two semesters for students in both the day and evening programs. While tuition costs and book allowances differ, the other expenses are the same for both day and evening students. The 2009–2010 Cost of Attendance Budgets will be posted on the Financial Aid website and sent to admitted students when they are set—usually in April.

For reference, here are the 2008–2009 Cost of Attendance budgets:

	Day	Evening
Tuition and Fees	\$42,076	\$31,625
Room and Board	\$16,880	\$16,880
Books and Supplies	\$ 995	\$ 945
Travel	\$ 1,440	\$ 1,440
Personal Expenses/Misc.	\$ 3,525	\$ 3,525
Federal Loan Fees	\$ 409	\$ 410
Total	\$65,325	\$54,825

Tuition is charged on a semester basis, half for the fall semester and half for the spring semester. The University sends out the first set of bills in July of each year, with payment due in August, and the second set of bills in December, with payment due in January. Anticipated financial aid should appear on the bills. If it does not, students may contact our office.

Tuition Payment Plan

There is a monthly payment plan available for students and families. Students who are receiving financial aid may also participate in this plan. The plan is administered on an academic year basis and requires either ten monthly payments beginning on June 1 or eight monthly payments beginning on August 1. There are no finance or interest charges to participate in this plan; however, there is a \$65 application fee. The plan is administered through Tuition Management Systems. Applications are available in the Law School Financial Aid Office or can be obtained directly from TMS at 1.888.713.7234 or at www.afford.com/fordham.

Student Refunds

At times, tuition payments, combined with financial aid awards, result in an overpayment. The University will make every effort to process your refund as quickly as possible. To facilitate the process, the University offers direct deposit of refunds for law students. Direct deposit is a process by which your refunds are deposited directly into your bank account through an automated clearing house process (ACH). Direct deposit saves the time of mailing the check and waiting for refunds to become available. Enrollment into direct deposit is optional. If you choose not to participate in direct deposit, you will receive a paper check as a refund.

If you wish to enroll in direct deposit, please visit www.fordham.edu/finaid and click on Graduate Students. Under Forms and Worksheets select Law School Direct Deposit Authorization. Complete the form and attach a copy of a voided check. Be sure to read the Authorization Agreement carefully. Please note that the bank account you select must be a bank account that is in your name. Return the completed Authorization to the following address:

Fordham University
441 East Fordham Road, Thebaud 205
Bronx, NY 10458

WITHDRAWALS AND RETURN OF FUNDS

Students who simply stop attending classes without formally withdrawing will not be entitled to any refund of tuition. If you wish to withdraw, contact the Law School’s Office of Student Affairs. Any refund will be calculated in accordance with the Fordham refund policy and the Federal Title IV refund policy. Depending on the date of withdrawal, you may be entitled to some or no refund of tuition and fees.

Your tuition refund will be determined by the Assistant Dean of Academic Affairs in accordance with the following refund policy:

If you withdraw at the

End of the 1st week of classes, 100% refund

End of the 2nd week of classes, 70% refund

End of the 3rd week of classes, 55% refund

End of the 4th week of classes, 40% refund

End of the 5th week of classes, 25% refund

End of the 6th week of classes, no refund

SOURCES OF FUNDING

Or, “How Am I Going To Pay For This?”

SATISFACTORY ACADEMIC PROGRESS

To maintain Satisfactory Academic Progress, a Fordham Law School student must:

Maintain a weighted average of 1.90 every academic year (excluding hours in a pass/fail course if that course is passed).

If in the day division, attempt no fewer than 12 credit hours per semester; if in the evening division, attempt no fewer than 8 credit hours per semester.

If in the day division, pass at least 10 credit hours per semester; if in the evening division, pass at least 8 credit hours per semester.

Complete the course of study for the J.D. degree no earlier than 24 months and no later than 84 months after he/she has begun law studies either at Fordham Law or at a law school from which Fordham Law has accepted transfer credit.

Students who fail to attain satisfactory academic progress by the end of each academic year will lose federal financial aid eligibility. If the student resumes satisfactory academic progress, the student will regain federal financial aid eligibility as long as he/she maintains satisfactory academic progress.



Law students finance their education through a combination of the following sources:

1. Federal Loans
2. Private Loans
3. Fordham's Financial Aid:
 - Merit-Based Grants/Scholarships
 - Need-Based Grants/Scholarships
 - Fordham Revolving Fund Loans
4. Summer and Part-time Employment
5. Outside Scholarships
6. State Awards

1. FEDERAL LOANS

Stafford Loans

The largest source of financial assistance for Fordham Law students is the Federal Stafford Loan Program. Stafford Loans are guaranteed by the federal government, and no credit check is performed. Students who meet federal requirements are eligible for up to \$20,500 a year in Federal Stafford Loans.

There are two types of Stafford Loans: subsidized and unsubsidized. The maximum subsidized Stafford is no more than \$8,500 and the unsubsidized Stafford is \$20,500 less any amount received as a subsidized loan. The subsidized Stafford does not accrue interest while you are in school at least half time, or during the grace period. Interest accrues on the unsubsidized portion from the date of disbursement. Students are encouraged to pay the interest on the unsubsidized Stafford while they are in school if they can afford to do so. If not paid, the accrued interest will be capitalized, i.e., added to principal at repayment. The federal aggregate borrowing limit cannot exceed \$138,500. The Aggregate Limit is the maximum a student can borrow through all student loan programs, including those loans obtained as an undergraduate.

Qualifications

Students applying for a Stafford Loan must complete a Free Application for Federal Student Aid (FAFSA) and have a valid Student Aid Report (SAR—page 20). To be eligible for Stafford Loans, a student must be a U.S. citizen or eligible non-citizen matriculating in a degree-granting program and enrolled for at least six credits each term during the loan period. The student must maintain Satisfactory Academic Progress for continued eligibility and cannot be in default or owe a refund on a prior federal loan or grant. Male students must satisfy the requirements under the Selective Service Act. Students with recent federal drug convictions may not be eligible.



Interest rate, fees, and other provisions

Stafford Loans made after July 1, 2006, have a fixed interest rate of 6.8%. Lenders/guarantors may charge origination and default fees of up to 4% of the loan amount. In the past, lenders and guarantors competed with one another for student loan business and “bought down” or absorbed the fees. Recently, many lenders have been feeling the pinch on their profit margins and are beginning to charge these fees again. Currently, lenders are charging a 1% default fee and a 0.5% origination fee on all Stafford Loans. These fees will be deducted from the disbursements.

Students usually borrow Stafford Loans for the full academic year, to be disbursed to Fordham in two equal installments, half at the beginning of the fall semester and the other half at the beginning of the spring semester. If the lender charges origination/guarantee fees, these fees will be deducted proportionately from each disbursement. Before the loans are disbursed, all incoming students must complete an online entrance interview. The website is www.mappingyourfuture.org/se.

Repayment

Repayment of the Stafford Loans begins six months after a student falls below half-time status. For most of our students, this means six months after graduation. If you take a leave, however, your loans may become due before you resume your education.

Generally, Stafford Loans have a ten-year repayment term and borrowers may choose from among the Standard, Graduated, Extended, or Income Sensitive Repayment options. But with the enactment of the College Cost Reduction and Access Act (CCRAA—page 33), which will go into effect on July 1, 2009, borrowers may choose an Income Based Repayment option which limits aggregate federal educational debt repayment to 15% of the borrower’s adjusted gross income minus 150% of the poverty level for the borrower’s family size.

Borrowers may be able to temporarily postpone repayment of their Stafford Loans by qualifying for deferment or forbearance. Deferment/forbearance postpones payments for six months, but not to exceed three years. During deferment, no interest accrues on the subsidized Stafford, although it does on the unsubsidized portion. Deferment is an entitlement. To qualify, students must meet certain federal requirements such as unemployment or economic hardship. A deferment form must be completed with the current Stafford Loan lender or servicer to obtain the deferment.

Under forbearance, interest continues to accrue even on the subsidized loans. Forbearance is granted at the lender’s discretion. For further details on deferment/forbearance, contact your lender.

Stafford Loans will be cancelled upon the borrower’s death or permanent or total disability.

Graduate PLUS Loan

The Graduate PLUS Loan (Grad PLUS Loan) is another federal loan available to graduate and professional students to supplement the Federal Stafford Loans. Students should apply for Stafford Loans first and then apply for the Grad PLUS Loan, if needed.

The eligibility requirements for the Grad PLUS Loan are the same as for Stafford Loans, except for credit. Credit checks are required for Grad PLUS Loans, but the credit criteria are less stringent than for most private loans. Basically, one must have an absence of bad credit. (For further details, visit our Financial Aid website.)

Interest rate, fees, and other provisions

Grad PLUS Loans have a fixed interest rate of 8.5%. Some lenders will offer interest rate reductions, principal reductions, or other borrower benefits to entice you to borrow from them, although many have begun cutting back on these benefits.

An origination fee of 3% is mandated by the federal government and is deducted from the total loan amount at the time of disbursement. A default fee of 1% is also assessed by the guarantor/state agency. In the recent past, the default fee was waived by the guarantor/state agency or lender/servicer, but it is now being charged again. You must also complete an entrance interview for Grad PLUS loans at www.mappingyourfuture.org/gpe.

Grad PLUS Loans have no aggregate borrowing limit, although loan amounts must not exceed the cost of attendance minus any financial aid you receive in a given year. Like Stafford Loans, Grad PLUS Loans have deferment, forbearance, death and disability provisions, and may be consolidated with other federal loans.

Grad PLUS Loans have no grace period. Repayments begin within 60 days after disbursement. Borrowers whose attendance is certified by Fordham will be placed into an in-school deferment status, during which time no repayments are required. Upon graduation, your lender may offer an optional forbearance to align repayment with the Stafford Loans.

Prior to the availability of the Grad PLUS Loan, Fordham Law students supplemented their Stafford Loans by borrowing through the private sector. The Grad PLUS

Loan may make it unnecessary to borrow through the private sector, particularly since the enactment of the College Cost Reduction and Access Act (CCRAA—page 33). In essence, if all your loans are federal loans and your income is low, the new Income Based Repayment option on federal loans under the new Act will significantly lower your monthly loan repayments.

If you would like to apply for a Grad PLUS Loan, you may do so through the New York Higher Education Services Corporation (HESC) and initiate the process at www.hesc.org. Click on Complete the e-MPN to begin the application process. Once credit is approved, you must complete a Grad PLUS Master Promissory Note (MPN) which will be processed by HESC before the loan is disbursed. When completing the MPN, you may choose the lender and indicate the lender code on the MPN page. An online entrance interview is also required of Grad PLUS borrowers.

2. PRIVATE LOANS

Private educational loans are available to students who have good credit, or at least demonstrate an absence of bad credit. These loans may be used to supplement federal loans. Many federal lenders offer private educational loans to law students. These private loans differ from federal loans in several significant ways. Private loans

- are not federally guaranteed.
- have variable interest rates.
- are issued only to students who have an “absence of bad credit.”
- require a creditworthy co-signer if the student has bad credit.
- are usually more expensive since there is no guarantee or subsidy.
- have a longer repayment period.
- have no deferment options, but lenders may offer forbearance.
- are not forgiven in the event of death or disability.
- may not be consolidated with federal loans.

With the advent of the Grad PLUS Loan and the enactment of the CCRAA, many students are asking why then borrow through the private sector? There are several reasons why a private loan may be preferable, and we encourage you to examine all available loan programs to determine the right loan for you.

You may wish to choose a private loan if

- you have excellent credit and can get a lower interest rate than the Grad PLUS Loan. Remember, though, that the rates on private loans are variable and will change, usually quarterly.

- the private lender lowers or charges no origination fee.
- you plan to borrow for only a short period of time.
- you will never need the federal deferment option or income based repayment option.
- you do not plan to practice in the public service arena and take advantage of the ten-year federal loan forgiveness available under CCRAA or the new loan repayment assistance programs for civil legal assistance attorneys, prosecutors, or public defenders.

Generally, private lenders do not charge prepayment penalties. Grace periods range from 6 to 9 months, although you may begin repayment earlier. Many of the lenders set overall borrowing limits. These limits are based on the lender’s assessment of ability of the average law graduate to repay the loans. Lenders may reduce the amount you can borrow if you are close to their limit. Therefore, it is important for you to plan your finances for your three or four years at the School, rather than on a yearly basis. Most lenders offer repayment incentives, but they vary from one lender to another.

To apply for a private loan, you must apply directly with the lender of your choice.

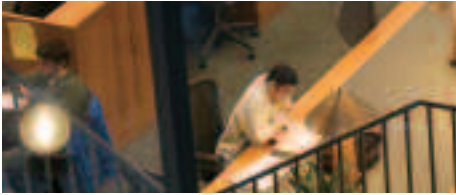
Bar Examination Loans

As you approach graduation, you may find that you need additional funding to cover the expenses you will incur while studying for the Bar exam. Students in their final semester may borrow one Bar exam loan from one lender. The maximum is usually \$15,000 but will depend upon the lender chosen.

Bar exam loans are private loans and are subject to the same credit criteria, loan terms, and aggregate limits as those set in the private loan programs. However, Bar exam loans may exceed the cost of attendance budget. Prospective graduates are advised to maximize their full federal loan eligibility for the academic year before considering a Bar exam loan.

How to Choose a Stafford/Grad PLUS or Private Lender

A common question we hear is, “I am in law school, not business school, because I don’t want to deal with any of this. Which lender is best?” Unfortunately, there is no easy answer. As with many things financial, the honest answer is, “It depends.” On what does it depend?



One factor is interest rate. This one appears obvious, but it is not. Interest rates on the Stafford and Grad PLUS Loans are fixed, but some lenders offer better terms or even discounts to get you to borrow through them. Most private educational loans are indexed to the Prime Rate (Prime), the London Interbank Offering Rate (LIBOR), or the the 91-day (13-week) U.S. Treasury bill (T-bill), all of which fluctuate from time to time. Lenders then add a “spread,” additional interest, to the index rate. A combination of the spread and the index rate should be considered as you estimate the actual interest rate.

Another factor is the fees that the lenders charge. Lenders may charge an origination fee, a fee for taking out the loan, or a default fee, a fee for a third party who ensures the loan will be repaid. Private lenders may assess the fees based on the risk of default, as estimated by the borrower’s credit score (page 11). The less risky the loan, the lower the fees.

In an effort to make their loans more competitive, some lenders are offering “repayment incentives” for electronic payments and on-time payments. Most lenders offer a 25 basis point (0.25%) interest rate reduction if you make payments electronically from your checking or savings account. In addition, several lenders offer incentives for making your first 24, 36, or 48 payments on time. Obtaining these repayment incentives can save you a considerable amount of money over the life of the loan. However, lenders report that from a national pool of borrowers, fewer than 20% qualify for most of these on-time benefits.

It is important that you understand all the terms of the loans you are about to borrow. Consider your choices and shop around for the best loan available for you personally. Fordham Law does not have a preferred lender list; it is recommended that students ask the following questions when calling a lender or visiting lender web sites.

Questions to Ask:

- What is the interest rate? To what is it indexed?
- Is it fixed or variable? If variable, how often will the rate change?
- If I defer repayment of the interest while in school, will it be capitalized? If so, how often? (The more often the interest is capitalized, the more expensive the loan.)
- Are there any up-front or back-end fees connected with the loan?
- Is there a grace period before repayment begins? If none, is there in-school deferment?

- How long will I have to repay the loan? Are there penalties for prepayment?
- Are there repayment incentives? If so, are they guaranteed for the life of the loan? (Most incentives are not guaranteed.)
- If I qualify for the repayment incentive, can I lose it? Can it be reinstated? If so, how?
- Under what circumstances can I obtain a deferment/forbearance?
- If I defer or forbear repayment, do I lose the incentive?

Other Things to Consider:

- Ease of application: can you apply online?
- Disbursement of funds: is there electronic fund transfer (EFT)?
- Repayment plans: are they simple or complex?
- Customer service: do they have a useful website and/or can you reach a live operator quickly to check on the status of your loan during hours convenient for you?

You may select any lender you wish. The Financial Aid staff cannot advise you on your choice of lender. You are advised to visit the websites of the various lenders for the most current information, since all of it is subject to change and frequently does change with new classes of loans issued.

Credit

As credit is so important to being approved for most loans, a brief look at your own credit becomes important. Almost all credit issuers, from mortgage lenders to student loan lenders to credit card issuers, to cell phone companies to gyms, report monthly to one of the three national credit reporting agencies. These agencies maintain records of payments, amounts of loans, defaults, bankruptcies, etc. In order to consider a student for a private educational loan, lenders will perform a “credit check.” They will “pull” a copy of your credit report from at least one of three agencies. All of your credit information may be contained in the report, including history of payments, outstanding balances, and number of accounts. Lenders then use credit scoring, a set of formulas that utilize all of the data contained in the credit report, to predict likelihood of repayments.

Credit Reporting Agencies

The three major credit reporting agencies are:

Experian	Equifax	Transunion
experian.com	equifax.com	transunion.com

You may request one free copy of your credit report every 12 months. (For more details, go to www.ftc.gov to look up the Fair and Accurate Credit Transaction Act of 2003, or go to AnnualCreditReport.com.) You are also eligible for a free report if you are turned down for credit on the basis of a report provided by one of the agencies. The websites of these credit reporting agencies will help you to make that request. We strongly recommend that you check your credit before assuming it is good. Mistakes can be made. This is especially true if someone at your address, or with a very similar name, has been irresponsible with his or her credit. Resolving problems in the spring will help the fall disbursements to arrive on time! Some of our students have such bad credit histories that lenders are unwilling to lend them Grad PLUS or private loans. This can be a real problem, and may result in a student having to withdraw or take a leave of absence until the credit problems can be resolved. Some students have been approved for loans in their first year, and ruined their credit in subsequent years, preventing them from borrowing. There are lenders who will make loans to sponsors—parents or others with good credit who are willing to borrow on a student’s behalf. If you believe credit will be an issue for you, you are encouraged to contact us as early as possible to discuss your particular situation.

Deferment Forms for Undergraduate Borrowers

One of the most common causes of bad credit for law students is the failure to file deferment forms for undergraduate loans. Students who have borrowed federal or private loans as undergraduates or while enrolled in a prior graduate program, should contact their lenders to inform them that they are returning to school. Graduate students are eligible for an in-school deferment if they are enrolled at least half-time, which Fordham defines as at least six credits per semester (Summer I and Summer II count as one semester).

Do not assume that because you are a student you can automatically stop making payments on your undergraduate/graduate loans, as this will result in a delinquent account on your credit report. You must file the necessary forms and continue making payments until you receive approval of the deferment from your lender. For more details, please contact your original lender or servicer.

3. FORDHAM’S FINANCIAL AID

Merit-Based Fordham Grants/Scholarships

The Francis J. Mulderig National Scholars Program is Fordham’s first “merit” scholarship program. Mulderig Scholars are selected on the basis of prior educational excellence (outstanding undergraduate grades and high LSAT scores). They must have demonstrated a commitment to the larger community through volunteerism,

public service work, or various civic activities, and have a strong potential to be leaders in the law and in their communities. Mulderig Scholars receive a full tuition scholarship. Eligible admitted students will be invited to apply by the Admissions Office; very few are selected. Awards are made in late spring.

Fordham offers other merit-based scholarships as well. These range up to \$15,000 per year and are targeted to the top admitted students. They are renewable for three or four years. All admitted students are automatically considered for these scholarships. There is no application process and merit recipients are notified soon after admission.

Need-Based Fordham Grants/Scholarships

Fordham also awards financial aid on a “need” basis after the student has borrowed the maximum in Federal Stafford Loans. Financial aid awards consist of a grant/scholarship and a loan from Fordham’s Revolving Loan Fund. Unfortunately, there is not enough money to meet every student’s need. If there is unmet need after borrowing through the Federal Stafford Loan program and receiving Fordham’s financial aid award, you may choose to borrow a Grad PLUS Loan or borrow through the private sector.

In considering eligibility for need-based aid, Fordham calculates a student and parent contribution in proportion to their income, assets, family size, and other variables. Students are expected to make use of any tax-favored education savings/investment programs in their names.

Awards are made primarily to full-time day students, as evening students usually are working or have the capacity to earn income to support portions of their tuition and living expenses. Nevertheless, evening students should not be discouraged from applying for need-based aid.

Funding for Fordham’s Grant/Scholarship/Loan Program is derived from several sources. In addition to funding from Fordham’s operating revenues, a great deal of our financial aid funding comes from donors, either through our Annual Fund, or through established, endowed scholarship funds. A listing of these scholarships is included on our website at <http://law.fordham.edu/namedscholarships>.

Although the awards are made on the basis of need, some have additional criteria. For example, awards may be made to graduates of certain high schools or colleges, or residents of certain counties or states. Others require a commitment to public service, or are based on other background criteria.



Upon being awarded a specific scholarship, the student is notified of the benefactor. Fordham holds an annual Scholarship Reception for scholarship recipients and the benefactors in the early spring. Scholarship recipients are strongly urged to attend, as this is a great opportunity for students to meet the scholarship supporters.

Fordham grants/scholarships range between \$2,000 and \$21,000 annually. They are guaranteed renewable for the second year. In the third (or fourth) year, they may be reduced by one-half of the student's earnings in excess of \$15,000 during the summer immediately preceding the third (or fourth) year. The equation for this is: $((\text{gross income minus } \$15,000) \times 0.6) \times 0.5$.

All Fordham grants and scholarships are made with the understanding that recipients have a moral obligation to support future Fordham students when they are financially able to do so, continuing in the best Fordham tradition and ensuring opportunities for future generations of fellow alumni.

The Formula

To assess "need," Fordham uses a standardized formula based on the student and parent information in the Fordham Application for Financial Aid. We require parental information for biological or adoptive parents regardless of the student's age or actual dependency status. Exceptions may be made for very unusual circumstances. Although a student truly may be independent of parental support and independent for federal aid purposes, our formula is used to differentiate among families' financial strengths.

Parents are not actually billed for the parent contribution, and students with good credit may be able to borrow Grad PLUS or private loans to "replace" the calculated parental contribution.

All parental information is treated as confidential, and not released to another parent or the student without written permission from the provider of the data. The parental contribution is determined by using a calculation similar to the Federal Methodology. From adjusted gross income (AGI) is subtracted federal, state, local, and FICA taxes, as well as minimum living expenses, adjusted for the size of the family. A percentage of this "adjusted income" is added to a contribution for assets. The asset contribution is no more than six percent of net assets, adjusted for the age and retirement status of the older parent. The total is adjusted by the number of family members enrolled in college at least half time.

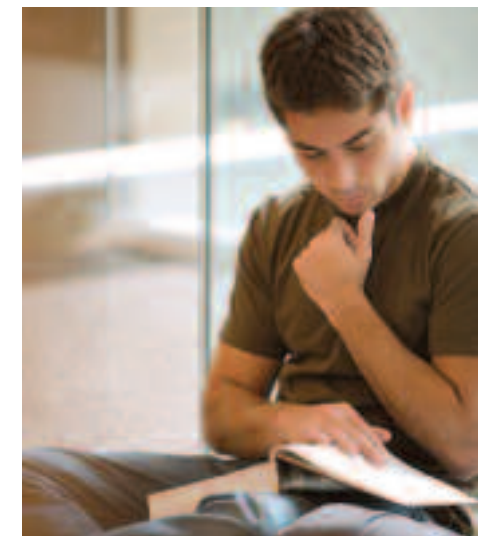
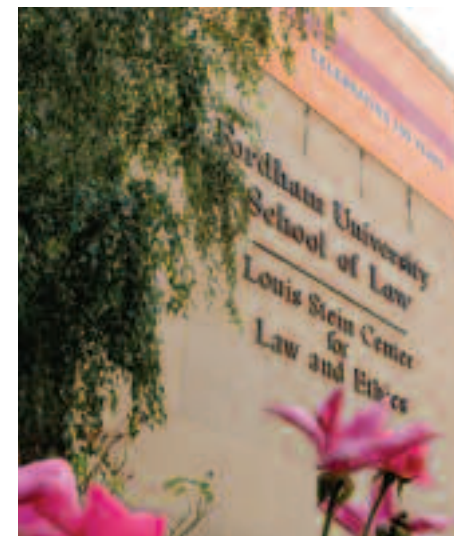
The minimum student contribution is determined by taking a minimum "self-help" amount of \$3,000 annually plus one-third of the student's assets reported on the Fordham Application. In addition, spousal income is considered, as is a portion of student income for evening division students.

We require tax and financial information to verify all the information provided on the Fordham Application for all students who are awarded Fordham Grants/Scholarships and Fordham Loans.

Fordham Revolving Fund Loans

The Fordham Revolving Loan Fund was established 25 years ago in order to offer needy students additional subsidized funding beyond the Fordham grants/scholarships. Fordham loans range from \$2,000 to \$12,000 annually and have a fixed interest rate of 8%. The loans are interest-free while in school plus six months thereafter. They are awarded on the basis of need and in conjunction with the grants/scholarships and are guaranteed renewable for the second year. Just as with Fordham grants, in the third (or fourth) year, the loans may be reduced by one-half of the student's net earnings in excess of \$15,000 during the summer preceding the third (or fourth) year. The equation for this is: $((\text{gross income minus } \$15,000) \times 0.6) \times 0.5$.

Fordham loans are serviced by Affiliated Computer Services, Inc. (ACS) and payments are made directly to ACS. Borrowers are required to attend an exit interview prior to graduation, during which the repayment process will be explained. To apply, students must complete the Fordham Law Financial Aid Application.





Law School Emergency Loans

Occasionally, students may need quick cash for true emergencies. For this purpose, the Financial Aid Office administers a small loan fund—the Judge Robert J. Trainor Emergency Loan Fund. These very limited funds are used to assist our students with unusual, unanticipated situations that may arise during the school year. To qualify for an interest-free, short-term loan, a student must be awaiting receipt of either grant or loan funds. These anticipated funds act as collateral and then upon receipt of the funds are used to repay the emergency loan. More information is available in the Financial Aid Office. Students who need emergency loans and who qualify should discuss their situations with the Assistant Dean for Financial Aid.

4. SUMMER AND PART-TIME WORK

Located in the heart of the legal and financial capital of the world, Fordham students have the potential to work on a full-time basis during the summers at many private firms, government and public interest legal service providers, and businesses. Summer income earned prior to the student's third or fourth year in excess of \$15,000 may reduce Fordham grants and loans but will not have any effect on federal or private loans. First-year students who work in the legal field may earn between \$2,500 and \$7,500 during the summer. Second-year students have earned as much as \$35,000 in 2008.

Some students do work during the school year but may find that their academic performance suffers. Students are reminded that the American Bar Association Standards prohibit work by full-time students of more than 20 hours per week (first year).

Fordham Law School's Stein Scholars Program in Public Interest Law and Ethics offers summer stipends of \$4,000 in the first summer and \$5,000 in the second summer. This program is affiliated with the Louis Stein Center for Law and Ethics. Additional information may be obtained from Fordham's Public Interest Resource Center at <http://law.fordham.edu/pirc.htm>.

5. OUTSIDE SCHOLARSHIPS

Students are encouraged to take advantage of any aid programs offered by groups outside of Fordham. While generally there are not large amounts of aid available, if you meet the criteria for any specific program, you may be able to reduce private borrowing. Sources of outside scholarships include bar associations (state and county), civic associations, community foundations, employers, fraternal groups, and religious organizations.

When applying for outside scholarships remember these tips:

- Read the scholarship requirements carefully to be certain that you are eligible.
- Watch the deadlines given and submit your applications on time.
- Complete the applications fully and correctly—do not leave out any required parts. If there is something that does not apply to you, note that it does not apply; don't just leave a question blank. When essays are required, take the time to write thoughtful ones.
- Be neat—neatness still counts!
- Make sure that you have addressed the completed application correctly and that you include identifying information on each page of the application and a return address on the envelope.
- Keep copies of all applications submitted.

Our website lists a number of outside scholarships for law students. The list is by no means exhaustive. In most cases, you can contact directly the organization sponsoring the scholarship.

Be aware that in some cases, especially for students with large grants/scholarships and/or evening students, an outside scholarship may affect federal subsidized Stafford Loan eligibility. You may check with us for details about the effects of outside aid on your individual situation.

6. STATE AWARDS

New York State offers tuition assistance awards to residents of the state through its Tuition Assistance Program (TAP). The Fordham Law School TAP code is **5580**.

The TAP Program is a need-based grant program for New York State residents who are in school full-time (taking at least 12 credits a semester). The maximum semester award for law students is \$275 (\$550 per year). Students who reside in New York State only to attend school are generally not considered New York State residents.

As long as you indicated a school in New York as a recipient of your FAFSA information (Fordham code 002722 is in New York), you will receive an Express TAP Application (ETA). You must verify that your ETA has the correct TAP school code, 5580, and complete all sections before returning it to the New York State Higher Education Services Corporation (HESC). HESC will inform you of your eligibility.

If you are eligible, the funds will be electronically credited to your Fordham student account after the start of each semester.

Law students may also be eligible for Regents Professional Opportunity Scholarships, if they graduated from HEOP, EOP, CD, or SEEK programs at a New York State undergraduate college.

New York State Veteran Tuition Awards may be made for full- or half-time study to Vietnam, Persian Gulf, or Afghanistan veterans. Detailed information is also available at www.hesc.org.

Some states offer competitive federal and supplemental loan programs to residents of those states. They include:

Alaska 1.800.441.2962
<http://alaskadvantage.state.ak.us/>

Connecticut 1.860.947.1800
www.ctdhe.org

Massachusetts 1.800.266.0243
www.mefa.org

Minnesota 1.800.657.3866
Requires a co-signer
www.ohe.state.mn.us

New Hampshire 1.800.525.2577
www.nhheaf.org/loan_programs.htm

New Jersey 1.800.792.8670
www.hesaa.org

Rhode Island 1.800.758.7562
Requires a co-signer
www.risla.com

Vermont 1.800.642.3177
<http://services.vsac.org/ilwwcm/connect/VSAC>

APPLICATION PROCEDURES

Or “What Steps Do I Need to Take to Get My Money?”

Federal Loan Application Procedures

FAFSA | www.fafsa.ed.gov
Fordham’s FAFSA Title IV code is 002722.

The Free Application for Federal Student Aid (FAFSA) is the need analysis form you should file to begin the financial aid process. The FAFSA is available online after January 1, 2009 at www.fafsa.ed.gov. Electronic processing can take up to two weeks less time than the paper process. The FAFSA determines your “Estimated Family Contribution,” which, in conjunction with Fordham’s Cost of Attendance Budget (page 2), determines your eligibility for the subsidized Stafford Loan.

The application is FREE. Beware of impostor sites that require a processing fee for the FAFSA.

Incoming students should complete the FAFSA as soon as 2008 tax information is available. Since completed tax returns must be submitted to the Financial Aid Office before any financial aid decisions are finalized, we encourage you to complete your federal tax returns early.

Continuing students should complete the FAFSA Renewal Form no later than the end of April 2009, but we encourage you to complete it earlier, if possible.





If you have applied online previously for your FAFSA, you may use the same PIN number you used in the past. If you have forgotten your PIN, or are applying for the first time, go to the main site at www.fafsa.ed.gov and follow the instructions for obtaining a new or duplicate PIN number. The PIN will function as an electronic signature for your FAFSA application.

Completion of the FAFSA will generate a Student Aid Report (SAR). This SAR will be sent to you automatically from the federal processor. Please review it and make any changes, if necessary. Most changes can be made online. The FAFSA also will generate an Express TAP Application (ETA) for the New York State TAP grant. The Fordham Law School TAP code is 5580. Details on TAP are on page 17.

Master Promissory Note

All first-time Stafford borrowers must complete a Master Promissory Note (MPN). Students are urged to file the electronic MPN (e-MPN), but you may use the paper form. Fordham has established express electronic processing with the New York State Higher Education Services Corporation (HESC). If you decide to borrow with HESC as guarantor, you should complete the MPN at www.hesc.org. You may choose your lender on the MPN. Since the MPN is good for ten years, you may receive more than one loan under this MPN.

In addition to the FAFSA and the MPN, admitted students applying for the federal Stafford Loan must complete the first and last pages of the Fordham Application for Financial Aid. It serves as a request for federal loans and allows you to choose your lender and guarantor.

If you already have signed an MPN for Stafford Loans through Fordham, there is no need to file another. You will simply receive a notification from your lender indicating that you applied for \$x.00, your school has certified you for \$x.00, and the dates you will receive your loan disbursements. Should you choose to change your lender or guarantor, indicate the new lender or guarantor on your Fordham Application for Financial Aid or Fordham Renewal Application (for continuing students), and complete a new MPN.

All Stafford Loan funds are sent to Fordham electronically and credited to your tuition account. Half will be sent prior to the fall semester, and the balance will be sent prior to the spring semester. If the Stafford Loans when added to your existing financial aid or other payments result in a credit balance, you will automatically receive a refund. If you are entitled to a refund, you may opt to have the refund deposited directly into your checking or savings account. See page 3 for details.

Fordham Aid Application Procedures

The next application of importance to admitted students is the Fordham Application for Financial Aid. The Fordham Application determines your eligibility for all Fordham's aid programs. There is no cost to complete the application. It requires your (and your spouse's) and your biological or adoptive parents' income and asset information. You may apply on the paper form mailed to all admitted students, use the PDF form, or apply online at the admitted students website available at <https://law.fordham.edu/admitted>. Although there is no deadline by which you must apply, funds may run out by late spring. We recommend that you apply soon after you have been admitted.

Fordham's Financial Aid Office will calculate your Fordham aid eligibility and estimate federal aid eligibility, and send you a provisional award within two weeks of receipt of your completed application. In order to finalize a Fordham award, the recipient (and spouse) and parents will have to provide copies of their 2008 federal tax forms (1040, 1040A, 1040EZ), including all schedules and W-2 forms. Electronic filers should provide the full printout of the electronically filed application and submit that with copies of all W-2 forms. Fordham Grant/Scholarship and Loan awards will not be finalized until we receive these completed documents!

If you and/or your parents are submitting a Request for Extension, Form 4868, please include that along with a copy of the prior year's (2007) federal tax return. Your Fordham Grant/Scholarship and Loan will be awarded provisionally, subject to the actual submission of the finalized 2008 1040 in October. If you or your parents are not filing income tax returns for 2008, please indicate that in writing to the Financial Aid Office.

Fordham Law School does not participate in the Need Access or Profiles Services.

Continuing students need only complete the renewal FAFSA and Fordham's Renewal Application to renew Stafford Loans for the next academic year. If you want to change your Stafford lender or guarantor, you may do so on the Renewal Application and complete a new MPN. Be sure to include the new lender name and code.

Transfer Students

Transfer students are eligible for Fordham's Financial Aid once they are admitted. Students who hope to transfer to Fordham should follow the application procedures for the aid they wish to apply by the appropriate deadlines. Transfer students must borrow the maximum in Federal Stafford loans before receiving any Fordham Financial Aid.

International Students

Students enrolling at the Law School who are not either U.S. citizens or permanent residents, and who are therefore ineligible for federal aid programs, are expected to cover the cost of their legal education on their own for the duration of the program. Private loans may be available for international students from some lenders, although they usually require U.S. co-signers.

Financial Aid for Summer School or Summer Study Abroad

First-year evening students transferring to the Day Division must enroll for at least six credits in the summer session prior to their second year. A residency fee equal to the difference between the day and evening tuition will be charged. If you received Fordham financial aid during your first year at the School, Fordham financial aid may be available to you for the summer session. Federal Stafford, Grad PLUS, or private loans also may be available for the summer. However, using these funds for the summer may affect your eligibility for loans during the academic year—so plan carefully.

If you enroll in any of the Fordham-sponsored Study Abroad Summer programs (Korea, China, Ireland), you may be eligible for a Fordham Revolving Fund Loan to cover tuition, housing, and certain administrative fees. You will be responsible for travel and miscellaneous expenses.

Other Study Abroad

Fordham financial aid is not available to students for courses taken outside Fordham. Students who wish to study abroad during the fall, spring, or summer may borrow federal or private loans to cover their expenses. The host school must complete a consortium agreement before Fordham can certify these loans. Loan funds will be disbursed to your Fordham tuition account and Fordham will refund the excess, assuming there is no outstanding balance due on your tuition account. You will be responsible to pay your tuition at the host school.

Students Visiting Fordham

Fordham does not award its institutional grants/scholarships or Revolving Fund Loans to students who are visiting from other law schools. Visiting students are advised to contact the financial aid offices in their home schools to apply for financial aid. Home schools will transfer funds to Fordham once consortium agreements are completed.

Fordham Students Visiting at Another Law School

Fordham's financial aid is awarded to assist students in meeting the cost of tuition while enrolled at Fordham, and it cannot be used while attending another law school. Students

may apply for federal or private loans to cover their costs, but consortium agreements must be completed with the host schools before Fordham can certify these loans.

Veteran's Benefits

Veterans of the U.S. Armed Forces may be eligible for education benefits, including loan repayment assistance, depending on their length of service, category of service, and dates of service. The programs are quite numerous and are detailed at www.military.com/benefits. Or, you also may call 888.442.4551 for additional information.



FORDHAM REVOLVING LOAN FORGIVENESS/LRAP PROGRAMS

Or, “Where Can I Get Help to Repay My Law School Loans?”

Fordham Revolving Loan Forgiveness/LRAP Programs

In an effort to mitigate the effect that education loans may have on your career decisions, Fordham Law School offers not only its own loans, but also two post-graduate assistance programs: The Fordham Revolving Loan Forgiveness Program and the Fordham Loan Repayment Assistance Program (LRAP).

Fordham’s Revolving Loan Forgiveness Program

Participants in Fordham’s Revolving Loan Forgiveness Program will receive a no-interest deferment on their Fordham Revolving Fund Loans during the first three years of participation in the program. At the end of three years, one-third of the borrower’s Revolving Fund Loans will be forgiven; at the end of the fourth year, another third will be forgiven; and after five full years of participation, the graduate will owe nothing on his/her Fordham Revolving Fund Loans.

Eligibility

To participate in Fordham’s Revolving Loan Forgiveness Program, you must:

1. be a Fordham J.D. graduate;
2. have borrowed from Fordham Law’s Revolving Loan Fund;
3. work full-time in qualifying law-related positions in either government service (including prosecutors’ and defenders’ offices and federal, state, and local government agencies) or in non-profit, public interest organizations qualified under Section 501(c)(3) of the Internal Revenue Code;
4. have a “qualifying income” of \$63,200 or less (in 2009). This maximum will be increased annually for inflation and career progression.

If you are:

Your qualifying income* is:

Single	gross income from the eligible employment
Married and earning more than your spouse	gross income from the eligible employment
Married and spouse is earning more	the average of your gross income and your spouse’s gross income less his/her annual educational loan payments

**Note: The above gross income calculation will be decreased by \$5,000 for each federal tax dependent that you have, other than you or your spouse.*



Exceptions

While law-related positions must include employment that substantially utilizes your legal training and skills, it may not include lobbying activities and any organization classified as 501(c)(4).

Judicial Clerks

If you are employed as a judicial clerk, you are eligible for a no-interest deferment on your Fordham Revolving Fund loans during your clerkship. If you enter qualifying employment after your clerkship, the clerkship period will count toward the forgiveness schedule below. Clerks must apply for this deferment annually.

Loan Forgiveness Benefits

You can defer repayment and possibly have the principal reduced (forgiven) on your Fordham Revolving Fund loans according to the following schedule:

Years 1–3	Deferred payment on Fordham Revolving Loans; no interest accrues.
End of Year 3	1/3 of loan(s) forgiven
End of Year 4	second 1/3 of loan(s) forgiven
End of Year 5	remaining 1/3 of loan(s) forgiven

Note: Admission to the Loan Forgiveness Program is contingent upon your loan account being in good standing, i.e., loan payments are current or your loans are in deferment. Participants must meet the semiannual reporting requirements described in this document to continue in the Program.

Possible Tax Consequences

A reading of Section 108(f) of the Internal Revenue Code, which was added to the Code in August 1997, suggests that eligible educational debt forgiven according to a program like the Fordham Revolving Loan Forgiveness Program is not taxable to the borrower as long as the borrower is working for the government or a non-profit 501(c)(3) corporation. We encourage you to research this interpretation on your own or consult with a tax advisor.

To Apply:

1. Go to <http://law.fordham.edu/financialaid.htm> for Loan Forgiveness application forms.
2. Submit completed forms together with all required documentation between September 1 and November 1 prior to the calendar year in which benefits are sought.

Note: Exceptions to the application deadline will be made only for those graduates who secure eligible employment after November 1. Graduates who are not eligible immediately after graduation have up to three years from the date of their graduation to apply.

Semiannual Reporting Requirements

To continue participating in the Loan Forgiveness Program you are required to:

1. file a new application form, complete with the required documentation, following the application procedure described above. Application forms may be downloaded from our website and must be returned no later than November 15.
2. complete mid-year reports by May 15. These must include photocopies of complete federal income tax returns, together with all schedules and W-2 forms, for both you and your spouse. Mid-year report forms will be mailed to you in early April.
3. notify the Program Administrator within 30 days of any change in income, employment, or marital status that may result in a change to eligibility.

Note: If you fail to notify Fordham Law School of a change in eligibility or fail to submit a mid-year report on time, you will become ineligible to continue in the Program and repayment of the Fordham Revolving Fund loans will begin immediately.

Fordham's Loan Repayment Assistance Program (LRAP)

LRAP assistance will be in the form of a Fordham forgivable loan of up to \$8,700 per year for up to five years to assist in the repayment of Fordham Law Federal and Fordham-approved private educational loans. The loans awarded under LRAP will be forgiven one year from the date of issuance, provided the graduate has remained in qualified employment for the full year. The amount of your forgivable LRAP loan is determined by your income and actual annual loan payments.

Eligibility

To participate in Fordham's Loan Repayment Assistance Program, you must:

1. be a Fordham J.D. graduate;
2. have borrowed federal and/or private educational loans approved by Fordham, and your monthly payments of these loans must be current and not in deferment. Graduates who are eligible for LRAP benefits and who have borrowed from the Fordham Revolving Loan Fund also will be eligible for benefits under the Fordham Loan Forgiveness Program.
3. be employed full time in an eligible law-related position in a non-profit, public interest organization that qualifies under Section 501(c)(3) of the Internal Revenue Code. Law-related positions must include employment that substantially utilizes your legal training and skills. It may not include lobbying activities. Government employees are not eligible for LRAP.
4. have a "qualifying income" of \$57,000 or less. This maximum qualifying income will be increased annually for inflation and career progression.

If you are:	Your qualifying income* is:
Single	gross income from the eligible job
Married and earning more than your spouse	gross income from the eligible job
Married and spouse is earning more	the average of your gross income and your spouse's gross income less his/her annual educational loan payments

**Note: The above gross income calculation will be decreased by \$5,000 for each federal tax dependent that you have, other than you or your spouse.*



Benefits

You may receive a forgivable loan of up to \$8,700 per year for up to five years to use toward monthly payments of your Fordham-approved federal and private educational loans. The Fordham LRAP loans are then forgiven one year from the date of issuance, provided that you have remained in qualified employment for that year. If you have not remained in qualified employment for the full year, the forgiveness will be pro-rated. That portion to which you are not entitled will become repayable to Fordham Law School according to its Revolving Loan Fund Repayment Schedule.

Qualifying Income	Maximum LRAP Loan
\$44,000 or less	\$8,700 (or the actual payments made on qualifying loans if less)
maximum \$57,000	\$6,100 (or the actual payments made on qualifying loans if less)

LRAP loans are reduced by 20% of each dollar earned above \$44,000. For example, at an income of \$45,000, the maximum loan of \$8,700 is reduced by \$200, to \$8,500. Net assets in excess of \$25,000 will reduce the LRAP eligibility by 10% of the amount above \$25,000.

LRAP funds will be disbursed in December and June each year. You will receive one-half of the full-year award on or about December 15, upon acceptance into the program.

To receive the second half of the annual disbursement in June, you must file by no later than May 15:

- an employer certification form for both you and your spouse, if married;
- a payment history from each eligible loan servicer confirming payments made to date; and
- a signed photocopy of your and your spouse's most recent federal income tax return, including all schedules and W-2 forms.

To Apply

You have three years from the date of your graduation to apply for LRAP

- Go to <http://law.fordham.edu/financialaid.htm> for LRAP application forms and additional information.
- Submit completed forms together with all required documentation between September 1 and November 1 prior to the calendar year in which benefits are sought. Exceptions to the application deadline will be made only for those graduates who secure eligible employment after November 1.
- To receive LRAP funds in a subsequent year, you must submit a new application form prior to November 15 and complete the required mid-year recertification form prior to May 15.

Some employers, and fellowship programs, such as Equal Justice Works or the Skadden Fellowship, provide student loan repayment assistance. If you are eligible for other loan repayment assistance, the amount of Fordham's LRAP will be reduced by the amount of the other award.

Leaves of Absence

If your employer grants you a leave of absence, medical, parental, or other, you may still continue to receive full benefits in the Fordham Loan Forgiveness Program and/or the LRAP for a maximum of six months so long as your status as an "employee" is maintained.

Fordham Law reserves the right to change the terms of the LRAP and Fordham Loan Forgiveness Programs as published herein at any time.

LOAN REPAYMENT

Or, “What Happens After I Graduate?”

Loans are legal obligations that must be repaid. The repayment process will vary for each of the loans you may borrow. All students who have borrowed through the Federal Student Loan program (Stafford and/or Grad PLUS Loans) currently must complete an online exit interview prior to graduation from the Law School. As early as possible, students are asked to log on to www.mappingyourfuture.org/sx, review the information, and answer the questions asked. It will take about 20 minutes of your time and will help you to understand your rights and responsibilities as a borrower. Upon completing the questionnaire, be sure to print the confirmation page or at least make note of the confirmation number for your records.

Fordham Revolving Fund Loan borrowers must attend a one-on-one exit interview in the Financial Aid Office prior to graduation. At this session, we will review the repayment terms and conditions of your Fordham Revolving Fund loans, as well as repayment of your other student loans, and discuss the various loan repayment assistance programs available to you.

Fordham Loans carry a fixed, subsidized interest rate of 8%. Interest does not accrue on the loans while in school or for the six-month grace period following graduation or withdrawal from Fordham. Repayment begins following this six-month grace period and the term ranges from 3 to 15 years depending on the total amount borrowed (page 32).

Federal Stafford Loans have a six-month grace period. Most private loans have a six- to nine-month grace period. Grad PLUS Loans do not have a grace period, and repayment will begin immediately after graduation. However, your Grad PLUS lender may grant a forbearance on repayment of your Grad PLUS loans to align repayment with that of your Stafford Loans. Interest will accrue during this forbearance and will be capitalized, i.e., added to principal.

The repayment term on Stafford Loans is ten years, except under the Extended Repayment Plan. The Repayment Plans available are:

- Standard Repayment—fixed monthly payments within a 10-year term.
- Graduated Repayment—lower monthly payments at first, and payments will increase over time within a ten-year term.
- Extended Repayment—monthly payments based on a fixed annual or graduated repayment amount over an extended period of time up to 25 years. You are eligible for this extended repayment term only if you have no outstanding balance on a federal loan made before 10/7/98 and have Stafford debt exceeding \$30,000.

- Income Sensitive Repayment—payments will be adjusted annually based on your total monthly gross income.
- Income Based Repayment—limits debt repayment to 15% of a borrower’s adjusted gross income minus 150% of the poverty level for the borrower’s family size. Available only after July 1, 2009.

The repayment terms of the Federal Grad PLUS Loan once the loan enters repayment are basically the same as for the Stafford Loan. Stafford and Grad PLUS borrowers can lump their Federal loans together to

- consolidate under a Federal Loan Consolidation Program and benefit from one convenient monthly payment.
- consolidate under a Federal Direct Loan Consolidation Program to take advantage of the Federal Public Service Loan Forgiveness available under the College Cost Reduction and Access Act of 2007 (CCRAA).
- take advantage of the Income Based Repayment Option available (after July 1, 2009) through the CCRAA (page 33).

Private loan repayment terms vary with each lender. Most private lenders are very generous with respect to their repayment terms simply because the longer it takes you to repay the loan, the more money they will earn in interest. The general approach when repaying your educational loans is to repay the higher interest rate loans first and work your way down to the lower rate loans, as this will save you the most money over the life of the loans.

If you wish to estimate your loan repayments, there are a number of loan calculators on the web that you may use, including:

- www.collegeboard.com
- www.finaid.org/calculators/loanpayments.html
- www.mappingyourfuture.org/features/loancalc.htm

Loan Consolidation

Loan Consolidation is a process whereby a consolidation lender combines your existing loans into one new loan by paying off your eligible loans. Consolidation usually extends the repayment term, thereby lowering your monthly installments, but the total amount you repay will be higher. Federal Loan Consolidation is an option which you may wish to take advantage of after graduation, if the lower Federal loan repayments will allow you to repay loans with higher interest rates. Federal Loan and Federal Direct Loan Consolidation information is available at the Fordham Financial Aid website.

FORDHAM'S REVOLVING LOAN REPAYMENT SCHEDULE
2009–2010

Amount Borrowed	Number of Years to Repay	Range of Repayment
\$2,000–\$4,000	3 years	\$62.67–\$125.35
\$4,100–\$6,000	4	\$100.09–\$146.48
\$6,100–\$8,000	5	\$123.69–\$162.21
\$8,100–\$10,000	6	\$142.02–\$175.33
\$10,100–\$12,000	7	\$157.42–\$187.03
\$12,100–\$14,000	8	\$171.05–\$197.91
\$14,100–\$16,000	9	\$183.56–\$208.30
\$16,100–\$18,000	10	\$195.34–\$218.39
\$18,100–\$20,000	11	\$206.62–\$228.31
\$20,100–\$22,000	12	\$217.57–\$238.14
\$22,100–\$24,000	13	\$228.31–\$247.94
\$24,100–\$26,000	14	\$238.91–\$257.74
\$26,100–\$28,000	15	\$249.43–\$267.58

Record Keeping

For your own protection, you should keep accurate records of your financial transactions, especially your student loans. Maintain one central file in which you keep all documents relating to your student loans, both college and law school. Keep copies of your financial aid applications, promissory notes, tax returns, and all other financial aid correspondence. This will not only assist you in completing future financial aid applications, it will also help you to solve any future problems that may arise concerning your loans. Maintain these records until your loans are paid in full.

To assist you with your record keeping, the Financial Aid Office will provide you with a Financial Aid Notebook at Orientation. The Notebook provides record-keeping space, in-school budget advice, credit information, debt management tips, and directions on how to navigate through the financial aid processes at Fordham. The Notebook should be maintained as your central financial aid file for your three/four years at the Law School.

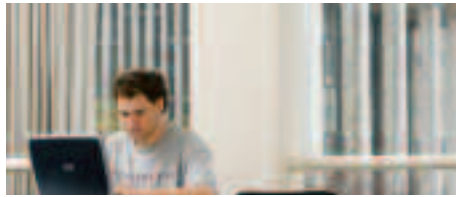
Be aware that under the terms of the promissory note(s) you signed to obtain your education loans, it is your obligation to keep your lender(s) informed about changes in your name, mailing address, and e-mail address so that you receive all important information concerning your loans. If you transfer, withdraw, or graduate earlier than anticipated, you must update your lender(s) with that information. Prior to graduation, you should contact your lender(s) to confirm that their records are consistent with yours and be sure to advise each lender how to reach you after graduation.

College Cost Reduction and Access Act

In September 2007, President Bush signed the College Cost Reduction and Access Act (CCRAA). The act places an annual ceiling on loan repayments for borrowers with high federal education loan obligations compared to their incomes (Income Based Repayment) and enables borrowers in government and public service to obtain federal loan forgiveness.

Income Based Repayment Option

The act provides for an Income Based Repayment (IBR) option on federal loan repayments which goes into effect on July 1, 2009. All federal direct loans and federally guaranteed loans are eligible including Perkins Loans, Subsidized and Unsubsidized Stafford Loans, Grad PLUS Loans, Direct Loans, and Direct Consolidation Loans. Loans made by a state or private lender and Parent PLUS loans are not eligible for IBR. IBR limits educational debt repayment to 15% of a borrower's adjusted gross income above 150% of the poverty level for the borrower's family size.



For example, assume a borrower has \$100,000 in federal debt that is accruing interest at the rate of 6.8% and a federal adjusted gross income (AGI) of \$40,000*. Loan repayments on a 10-year standard repayment term would be \$1,151 per month. Under IBR, the graduate would be required to pay \$305.00 per month, calculated as follows:

The 2008 poverty level for a family of one is \$10,400, and 150% of \$10,400 is \$15,600. Subtracting the \$15,600 from the graduate's adjusted gross income of \$40,000, you arrive at \$24,400. 15% of \$24,400 equals \$3,660.00. Dividing the \$3,660.00 by 12 months, you arrive at a monthly payment of \$305.00.

\$10,400	\$40,000	\$24,400.00	\$3,660.00 = \$305.00
x 150%	-\$15,315	x 15%	12
\$15,600	\$24,400	\$ 3,660.00	

A borrower with the same amount of debt with an adjusted gross income of \$50,000 would pay \$430 per month and at an adjusted gross income of \$60,000 would pay \$555 per month.

**Married borrowers filing separately will have the borrower's AGI used for this calculation. Married borrowers filing jointly will have the joint AGI used.*

As the borrower's income increases, the repayment amount would also increase. If the amount due under the standard repayment term no longer exceeds the amount due under IBR, the graduate will no longer be eligible for IBR and will begin repayment under a standard repayment plan. At the end of 25 years, any remaining loan balance will be forgiven.

Public Service Loan Forgiveness

The Act provides loan forgiveness for government or public service employees by cancelling any remaining Federal Direct Consolidation Loans after 120 payments have been made under any combination of the Income Contingent Repayment (ICR), Income Based Repayment (IBR), or the Standard ten-year repayment plans. The ten years of public service need not be continuous. Borrowers must consolidate into the Federal Direct Consolidation Loan Program in order to qualify for this loan forgiveness.

Public Service is defined as (i) a full-time job in emergency management, government (excluding time served as a member of Congress), military service, public safety, law enforcement, public health (including nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations, as such terms are defined by the Bureau of Labor Statistics), public education,

social work in a public child or family service agency, public interest law services (including prosecution or public defense or legal advocacy on behalf of low-income communities at a nonprofit organization), early childhood education (including licensed or regulated childcare, Head Start, and state-funded prekindergarten), public service for individuals with disabilities, public service for the elderly, public library sciences, school-based library sciences and other school-based services, or at an organization that is described in section 501(c)(3) of the IRS Code of 1986 and exempt from taxation under section 501(a) of such Code; or (ii) teaching as a full-time faculty member at a Tribal College or University as defined in section 316(b) and other faculty teaching in high-needs areas or areas of shortage (including nurse faculty, foreign language faculty, and part-time faculty at community colleges), as determined by the Secretary.

If the borrower does not remain in public service for ten years, the amount unpaid, i.e., the difference between the standard 10-year and IBR repayment options, will be added to principal. Required monthly payments will be no more than the standard 10-year amortized payment. After 25 years, any remaining Federal Direct Consolidation Loan will be forgiven.

To obtain a Federal Direct Consolidation Loan, call the U.S. Department of Education at 1-800-557-7392, or visit www.loanconsolidation.ed.gov.

TAX ISSUES

Or, “How Can I Avoid Unwelcome Surprises?”

The trend since the late 1990s has been to provide educational financing through tax breaks. Enrolled students and graduates should be particularly concerned with Employer Sponsored Tuition programs, Tuition and Fees Deduction, Lifetime Learning Credits, and Student Loan Interest Deduction.

IRS Publication 970, *Tax Benefits for Higher Education*, is a great source for tax information regarding these programs. This section serves as an introduction to the changes, but should not be considered legal advice. The information below is as of December 1, 2008, and is based on data from Publication 970.

If you work during law school, your employer may provide tax-free tuition and fees benefits up to \$5,250 for study leading to a graduate degree. Benefits used to improve performance in a current position and not to qualify for a new career are still tax exempt up to an unlimited dollar amount.

You may be able to deduct tuition and required fees up to \$4,000 as an adjustment to income on IRS Form 1040 if you pay the qualified higher education expenses for yourself or for an eligible student (you, your spouse, or dependent). Please note that you cannot claim this deduction if you are married but filing separately.

You may want to consider the Lifetime Learning Credit option. You may be able to claim a lifetime learning credit up to \$2,000 for qualified education expenses. Such a credit directly reduces the amount of income tax you may have to pay.

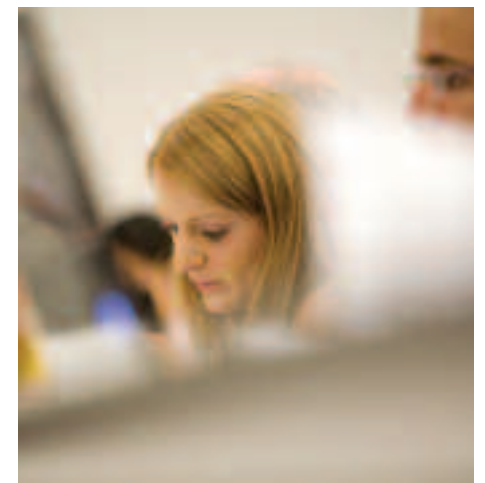
The Student Loan Interest Deduction allows you to deduct, for federal tax purposes, certain student loan interest paid during the tax year. Federal and private educational loans are eligible, but not family or employer loans. For borrowers making a modified adjusted gross income of less than \$70,000 (or \$140,000 if filing a joint return), the loan interest paid for that year—up to \$2,500—can be deducted on Form 1040. Therefore, for students anticipating high earnings upon graduation, it may be to their advantage to make interest payments on their loans while still in school.

If you receive a scholarship or fellowship to be applied toward your educational expenses (tuition and fees), it is tax free.

For those who are planning their children’s educations, chapters 7 and 8 of Publication 970 (2008) are the places to turn. These chapters cover the Coverdell Education Savings Accounts (Coverdell ESA’s) and the Qualified Tuition Programs (or 529 Plans). Contributions to the Coverdell accounts must be opened for the

beneficiary before the beneficiary reaches the age of 18 and the contributions are limited to \$2,000 per year. The Account may be used for primary and secondary education, as well as higher education. Withdrawals from 529 Plans are not taxable.

IRS Publication 970 should be your guide to tax issues related to your education.



FINANCIAL PLANNING FOR LAW SCHOOL AND BEYOND

Or, “How Can I Protect My Credit Score?”

Understandably, the majority of our students do not have experience managing the debt that many take on in law school, although we are seeing that many students enter Fordham Law having incurred debt as undergraduates. We offer some thoughts on dealing with debt while paying for law school.

1. Eliminate Any Credit Card Debt

Pay off your credit card debt prior to entering law school. It will be extremely difficult for many students to pay outstanding credit card balances while in law school. Credit card debt is probably the worst type of debt that one can have. Further, since it cannot be included in our Student Cost of Attendance Budget, pay it off before you enroll.

2. Maintain Good Credit

Clean up any credit problems NOW. Review your credit report. Employers, especially financial employers, are beginning to review credit reports of applicants. Bar examiners are beginning to look at repayment of student loan debt as an ethical/disciplinary issue. And, if you have poor credit, you may be unable to borrow for your legal education.

3. Borrow Prudently

While students with good credit may borrow up to the Cost of Attendance, many students are able to supplement their borrowing with savings or income earned from work. Remember, even with fairly attractive interest rates, you will pay back a minimum of 150% of what you borrow in law school on a ten-year repayment term and up to three times what you borrow if you take 30 years to repay. So don't just borrow all that you can borrow. Really think about your needs and how you might reduce the amount you will need for the three or four years you are here.

4. Develop a Budget

Student Costs of Attendance are just that, STUDENT costs. While our budgets are set so that you do not have to eat ramen noodles and mac and cheese daily, they are set to a different lifestyle than that of a New Yorker earning \$50,000 a year.

To develop a budget, you may simply construct a monthly worksheet showing income and expenses and adjust when expenses exceed income, or you may want to look at the budgeting software at www.mappingyourfuture.org/features/budgetcalc.htm and www.finaid.org/calculators. The Financial Aid Notebook provided by the Financial Aid Office to incoming students at Orientation should also help. Develop your budget and then borrow only what you really need. Remember, if you live like a lawyer now, you may have to live like a student later!

5. Review Your Resources and Familiarize Yourself with Other Available Resources Savings, earnings potential, and parental (and other) offers of help should at least be reviewed before committing to borrowing. Students have been known to borrow against parental home equity which is usually cheaper and has the added advantage of being tax deductible. Some have moved back home or in with other relatives during law school in order to save money.

Explore the Internet to find tips on education loans and scholarships. Of course, the Financial Aid Office and our website at <http://law.fordham.edu/financialaid.htm> are good places to start.



FINANCIAL AID TIMELINE FOR ADMITTED STUDENTS

Or, “What Deadlines Do I Need to Meet?”

April

- After being admitted to Fordham, you should complete the Fordham Law Financial Aid Application at the Admitted Students website to apply for either federal Stafford Loans only or Stafford Loans and Fordham aid:
<https://law.fordham.edu/admitted>
- File FAFSA for year in which you are enrolling.
- New York State residents: complete online TAP application by linking to it directly from FAFSA confirmation page.

May

- If you are awarded Fordham aid, you must submit your parents’ and your current federal income tax forms to the Office of Financial Aid to finalize your awards.

June

- If eligible to receive Federal Stafford Loans, complete the electronic Master Promissory Note (e-MPN).
- Apply for a Grad PLUS Loan or a private loan through a lender of your choice.
- First-time federal Stafford Loan and Grad PLUS borrowers through Fordham must complete the Online Entrance Interview at **www.mappingyourfuture.org/sge**.

August

- If awarded a Fordham Revolving Loan, complete the Fordham Promissory Note and submit it to the Office of Financial Aid.

FINANCIAL AID RESOURCES

Or, “Who Can I Contact for Help?”

Office of Financial Aid, Law School

33 West 60th Street, 9th Floor
New York, NY 10023
212.636.6815
Fax: 212.636.6018
E-mail: financialaid@law.fordham.edu

New York State Higher Education Services Corporation (HESC)

888.NYS.HESC
www.hesc.org

National Student Loan Data System

800.4.FED.AID
E-mail: studentaid@ed.gov
www.nsls.ed.gov

Fordham University Student Accounts

113 West 60th Street, Room 214
New York, NY 10023
212.636.6700
Fax: 212.636.6009
E-mail: studentaccts@fordham.edu

Federal Student Aid Information Center

800.4.FED.AID
www.fafsa.ed.gov



F O R D H A M
L A W S C H O O L

Office of Financial Aid
Fordham Law School
33 West 60th Street, 9th Floor
New York, NY 10023
212-636-6815
Fax: 212-636-6018
E-mail: financialaid@law.fordham.edu