

Tulane University Law School
Financial Aid Office
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October 19, 2023

Financial Aid at Tulane Law School



We are pleased that you are considering Tulane Law School's Master of Jurisprudence in Labor and Employment Law Program as a possibility in your future.

The Law School Financial Aid Office has many functions, among the most important of which is conveying financial aid (loans) to Tulane law students as painlessly as possible. In addition, we try to make sure that Tulane law students are informed students. Informed students should be able to make mature and responsible decisions about the amount of educational loans they can afford, and to examine the value of making immediate personal sacrifices to keep educational debt as low as possible.

Please complete 2023-2024 FAFSA (Free Application for Federal Student Aid) if you are starting in the summer of 2023, fall of 2023 or spring of 2024. This is not a guarantee of loan funding. Nor is it an endorsement of borrowing every dollar available. To the contrary, we are very concerned that applicants be aware of the effect their borrowing decisions will have on their future standard of living.

Please read this document, complete all applicable steps on the Loan Checklist by March 15, 2023 for summer starts, or July 15, 2023 for fall/spring starts (or as soon as you're admitted).

We hope you find this information to be useful as you make decisions regarding law school.

Federal Student Aid

Submission of the 2023-2024 Free Application for Federal Student Aid (FAFSA, <https://studentaid.gov/h/apply-for-aid/fafsa>) is a prerequisite to application for summer 2023 federal aid and submission of the 2023-2024 FAFSA is needed for fall 2023 and or spring 2024. Parental information is not required.

The results are then sent to the applicant and up to ten schools listed on the FAFSA. **Tulane Law School's FAFSA Title IV school code is "002029 - Tulane University."** If a FAFSA has already been completed and submitted without inclusion of Tulane, the applicant should not complete another FAFSA in order to add Tulane; instead, the applicant should update the existing FAFSA by adding Tulane's school code online (<https://studentaid.gov/>). Some students are asked to provide additional information through a federal process called "Verification." Documents, if required, should be submitted to the Law School Financial Aid Office.

Federal educational loans generally have better terms than private (non-federal) educational loans. Certain federal loans (such as the Federal Direct Unsubsidized Loan are available regardless of financial need. We recommend all US citizen or permanent resident law school applicants file a FAFSA so that they may make an informed decision about whether or not the resulting federal loan eligibility is beneficial; the FAFSA may be filed without cost, and loan eligibility may be easily declined. *Note: Federal grants are not available to law students.*

An applicant may complete a 2023-2024 FAFSA as early as October 1, 2022. Those offered admission for summer 2023 and who filed by April 1, 2023, and who have completed the Summer Addendum, will be considered for federal loans, but it's a good idea to do it as soon as possible. Those filing by June 30, 2023 should have time to complete the required documents to receive fall 2023 loan funding when school starts in the fall or spring. Students must file by the "final" filing deadline of March 1, 2024 to receive loans during the 2023-24 academic year; however, we do not recommend waiting this long.

For the Federal Direct Unsubsidized loan, the lender is Federal Direct, and repayment is not required while the student is enrolled at least half-time.

Loan Jargon, Steps for Acquiring a Loan and Requirements

Master Promissory Note (MPN) – Complete this at <https://studentaid.gov/mpn/>. Print, read and keep this legal document describing your rights and responsibilities for your federal loan. (If you borrow a private loan, print, read and keep the Truth in Lending Statement for each loan. Private loans are typically only used by students who are not eligible for federal loans).

The federal promissory note is typically completed **just one time when you start** Tulane Law School and **is needed for the disbursement of any Direct Loan you take out**. One is needed for the Unsubsidized Loan and one is needed for the Graduate Plus Loan (if applicable).

Entrance Counseling – [Entrance counseling](#) explains your rights and the obligations you agree to meet as a condition of accepting a Direct Loan.

Topics include:

- Estimate the Cost of Your Education
- Paying for Your Education

- Federal Student Loans
- How Much You Can Expect to Borrow
- Prepare for Repayment After School
- Consequences of Not Repaying Student Loans

Entrance Counseling is typically completed **just one time when you start** Tulane Law School and is needed for any direct loan you take out. It's done through studentaid.gov. Select "I am a Graduate or Professional Student" so you complete the correct one.

Gibson Online – This is Tulane's system that students use for self-service and to check on the status of their loans. For example, if the Department of Education selects you for "Verification," you will have to provide us with some documents. Those requirements are posted on Gibson Online so you can track your progress through the verification process. Or if you haven't completed the Master Promissory Note or Entrance Counseling needed for the loan, it will show as a requirement in Gibson Online.

Gibson Online is also where students go to accept the loan being offered to them. Students are notified via their Tulane email account when an offer of a loan is made to them. They will then have to log in to Gibson Online to accept the loan (except during summer when we accept loans on behalf of students).

Release of Title IV Funds Form – Completing this form keeps the Tulane Accounts Receivable Office from sending you a check for money you actually owe the university. It's found here https://studentaccounts.tulane.edu/sites/default/files/Title_IV_Release_Form.pdf and should be completed and return to Accounts Receivable (acctrec@tulane.edu). It is completed **just one time when you start** Tulane Law School.

Request a Refund through Gibson Online – Your student account may become eligible for a credit balance refund if new payments/credits (typically federal loans) have overpaid your account. Refunds are not granted for anticipated payments, such as financial aid not yet disbursed. Students with a credit balance (displayed as a negative number) may set up a direct deposit to their bank account and request a refund through Gibson Online. Please allow 1 -3 business days for a response to your request as all requests are processed in the order in which they are received. If approved, the status of your request will be updated to Approved and your account will be debited with a refund transaction. Once the refund transaction is posted, your funds will be disbursed either by direct deposit or a mailed check. Instructions can be found here <https://studentaccounts.tulane.edu/content/refund-disbursement>. It is completed **each semester** after the loans disburse to your Tulane student account.

Credit Hours Needed for a Federal Loan – Students must be enrolled in at least five credit hours to receive a federal loan. If a student drops below five credit hours, it can trigger a return of loan funds to the Dept. of Education, the six months grace period starts, and loan repayment kicks in.

Satisfactory Academic Progress – Students seeking federal loans must be meeting certain Satisfactory Academic Progress (SAP) requirements in order to continue to be eligible. For example, students must complete at least 67% of the classes they begin each semester and cumulatively over time and be meeting certain GPA (Grade Point Average) requirements. Here is the full SAP policy <https://financialaid.tulane.edu/resources/eligibility/sap>.

Withdrawals – Students with federal loans must be aware of the affect of withdrawing from classes. If a student withdraws at some point in a semester, we will establish the last date of

participation. Then a federal calculation is performed to determine how much of the federal loans can be kept or if any has to be returned to the Department of Education. This calculation isn't affected by any refund the university may give to the student based on the withdrawal date, which means that students can have tuition charges, but limited loan funds available to cover those charges. If you are considering a withdrawal, please reach out to the financial aid office to determine how it can affect your financial aid.

Origination Fee – Origination fees are charged once at disbursement and are subtracted from the amount borrowed (for example, if you borrow \$10,000 and the fee is 4%, you would be charged \$400 for the fee, and you would owe \$10,000 but receive \$9,600 in loan proceeds). These up-front fees are charged IN ADDITION to the interest that is charged over time. For 2023-2024, the origination fee on the Federal Direct Unsubsidized Loan is 1.057% and is 4.228% on the Federal Direct Graduate Plus Loan.

How much should I borrow?

A limit on all financial aid (including private and federal educational loans) is maintained by the financial aid office and total aid (including educational loans) for the academic year is limited to the total budget established for the academic year.

Financial aid is available for summer if a student is enrolled at least half-time. A separate Cost of Attendance is established for the summer and is used to determine loan eligibility. A **Summer Addendum** must be submitted to the Law School Financial Aid Office in order to receive aid for that semester since some students participate in Summer Immersion and some don't. Those participating in Summer Immersion may have travel costs associated with Immersion added to their loan eligibility.

Costs not allowed in the financial aid budget must be paid with a source other than financial aid.

The 2023-2024 nine month, fall and spring semester, Tulane Law School Masters of Jurisprudence Standard Budget is as follows:

\$12,000	Tuition (\$1,200 per credit hour)
\$500	Books
\$9,000	Housing
\$5,400	Meals
\$900	Transportation
\$2,022	Miscellaneous
\$29,822	Total Cost of Attendance for Fall and Spring Semesters

Students cannot borrow additional educational loans beyond the total student budget unless Immersion occurs during one of those semesters.

We offer a \$6,833 Federal Direct Unsubsidized Loan for each semester provided the student has eligibility for it.

If a student requires more debt up to the total fall/spring Cost of Attendance, they may apply for a higher interest rate, credit-based Federal Direct Graduate Plus loan at studentaid.gov and notify our office of the application and credit approval. Most don't pursue this in order to keep debt to a minimum.

The Higher Education Amendments of 1998 included a provision that allows an institution, on a case-by-case basis, to include in a student's cost of attendance (COA) the documented purchase of a personal computer. Allowing inclusion of the cost is not based on any particular program of study or program requirement. The following policies and procedures will be in effect for Tulane undergraduate, graduate, and professional students:

1. The maximum allowance for purchase of a computer is \$2,500, which can include the cost of a printer.
2. Requests for inclusion of costs for maintenance and/or repair of a computer will not be considered. However, the cost of an extended warranty, purchased along with the computer, can be included.
3. The costs for software, printer cartridges, paper, monthly online service fees, etc., will be excluded from consideration since such costs are reflected in the allowances for books and supplies and miscellaneous expenses which are already included in the student's COA.
5. Students seeking to have the cost of a computer purchase added to the COA, the student must provide a written request to the Financial Aid Office, with a dated receipt/proof of purchase or invoice attached. Receipts or invoices must indicate that the student (or the student's parents, if a dependent student) purchased the computer.
6. The purchase must have occurred no earlier than 90 days prior to the date of Tulane matriculation.
7. Inclusion of the cost of a computer will ONLY BE ALLOWED ONCE per a student's program of study (example: only once for an undergraduate degree, and only once for graduate/professional degree).
8. Generally, institutional scholarship funds are not available to cover the cost of a computer purchase. Students may apply for federal student loans and/or alternative educational loan funds. Students should consult with a Financial Aid Counselor for details about loan eligibility.
9. Requests must be submitted no later than March 1st of the academic year.

Student Loan Types Available to Law Students

Loan Type	Lender	Interest Rate	Origination Fee	Federal or Private?
Direct Unsubsidized	Federal Direct	Loans disbursed 7/1/23-6/30/24, 7.05% See **;	1%+sequestration increase, if applicable	Federal
Direct Graduate Plus (if applicable)	Federal Direct	Loans disbursed 7/1/23-6/30/24, 8.05% See ***;	1%+sequestration increase, if applicable	Federal
Private Loan	?	Variable, Credit Based	?	Private

****Federal Direct Unsubsidized Loan** – New changes in the Federal Direct Loan program took effect July 1, 2013, establishing interest rates for Graduate/Professional students to be based on a certain 10-Year U.S. Treasury Note Index plus a 3.60% add-on. Federal Direct Unsubsidized loans disbursed between 7/1/23 and 6/30/24 for Graduate/Professional students are subject to an index rate of 2.94%, so the total fixed rate for the life of the loan is 7.05% (3.45% + 3.6%). Each year, new Federal Direct Unsubsidized loans will have a new fixed interest rate dependent on the prevailing index rate. Federal Direct Unsubsidized Loans first disbursed on or after October 1, 2020 but before October 1, 2024 will be assessed a 1.057% fee.

*****Federal Direct Graduate PLUS Loan** – New changes in the Federal PLUS Loan program took effect July 1, 2013, establishing interest rates for the Federal Direct Graduate PLUS loans to be based on an a certain 10-Year U.S. Treasury Note Index plus a 4.60% add-on. Graduate PLUS loans disbursed on or between 7/1/23 and 6/30/24 are subject to an index rate of 2.94%, so the total fixed rate for the life of the loan is 8.05% (3.45% + 4.60%). Each year, new Federal Graduate PLUS loans will have a fixed interest rate dependent on the prevailing index rate and an interest cap of 10.50%. Graduate PLUS Loans first disbursed on or after October 1, 2022 but before October 1, 2024 will be assessed a 4.228% fee.

Loan Choice: Federal Direct Unsubsidized Loan, Federal Direct Graduate Plus Loan Or Private Loan?

The maximum amount for all loans is limited to the student's Cost of Attendance for the Masters of Jurisprudence program or \$6833 in unsubsidized loan per semester, whichever is less. Students who need more loan funds can apply for a Federal Direct Graduate Plus Loan. However, the Federal Direct Graduate Plus Loan is a credit-based loan, has a higher interest rate than the unsubsidized loan, and higher origination fees. If a student needs the Grad Plus loan, the amount of the Federal Direct Unsubsidized Loan and the Federal Direct Graduate Plus loan can't exceed the Cost of Attendance.

Students can also borrow a non-federal alternative loan. Before borrowing through a non-federal alternative loan program, you may want to consider borrowing through the Federal Student Loan Program by completing the Free Application for Federal Student Aid (FAFSA). Often Federal student loans may have better interest rates and terms than non-federal loans. Federal loans borrowed by students may in some cases be **forgiven** by the federal government, have **payment plans that are based on income rather than total debt**, and have built-in life insurance features. For information about Federal loan programs please visit the following website: <https://financialaid.tulane.edu/types-of-aid/loans>

Alternative loans are designed to assist students who are not eligible for federal loan funds but need educational financing. To apply for a private educational loan, you must first choose a lender. On the lender's website, you will complete a private loan application, making sure you receive credit approval. Then, decline your Federal Direct Unsubsidized loan award on Gibson Online and notify our office of your decision via e-mail (finaid@law.tulane.edu) including the loan type, lender name, and loan amount. We do not certify loans without student directions.

We are prohibited from offering advice as to which loan type or lender you should choose. This is a decision you must make. We do provide a website where you can compare private loan products and terms. While we hope the information is useful, it is not exhaustive. Additional information can be found in the lenders' printed materials, on their websites and/or by telephoning customer service representatives toll-free. Also, you are not limited to the list of private loan lenders we provide. Family members or friends experienced in financial matters might be a good source of advice. Loan terms do change, and you may need to consult the lender's website or one of their customer service representatives to get up-to-date information.

Within the options allowed by your credit strength, there are several things to consider when trying to decide which lender or loan you want. One is cost. The interest rates of private loans can be **reset** continually, based on some marketplace index interest rate (prime, treasury bill/T-Bill and London InterBank Offered Rates/LIBOR) plus or minus a spread. These indexes generally rise and fall together at the same rate.

Marketplace interest rates go up and down, depending on current financial conditions. As of October 19, 2023, the prime interest rate was 8.50%. It may go up or down in the future. During the early 1980's, the prime rate exceeded 20%. As of October 2023, the LIBOR rate was 4.99%.

There are additional differences between Federal Direct Unsubsidized loans and private loans beyond whether the interest rate is fixed or variable.

ONLY federal loans are considered when determining the loan amount forgiven for the ten-year **Public Service Loan Forgiveness plan** or the 20/25- year forgiveness plan described in the College Cost Reduction and Access Act (CCRAA). Private loans are not qualified to be included. This means that while Direct PLUS loan debt *could* be partially or entirely forgiven, private loan debt is ignored for the purpose of Federal loan forgiveness. More information about the CCRAA legislation is at <https://studentaid.gov/manage-loans/forgiveness-cancellation> .

Options to delay loan repayment (**deferment and forbearance**) after school attendance exist for federal loans. Forbearance options for private loans may also be available after school attendance, but if they are, they will generally be less flexible than Federal loan deferment and forbearance options.

Federal loans may be discharged (the repayment obligation eliminated completely) upon the death or permanent disability of the borrower. This type of insurance protection is **not** always built into the terms for private loans and sometimes must be purchased through an insurance company separately if coverage is desired.

Will I be affected by credit constraints?

Students who are at, but have not exceeded, the aggregate limits in Federal Direct Unsubsidized Loan, or who need additional funds may qualify for the Federal Direct Graduate PLUS Loan. It is not a loan that is normally needed since the unsubsidized loan is typically sufficient, has a lower interest rate and a lower origination fee. However, if a Graduate PLUS loan or non-federal loan is needed, there are credit constraints. Lenders of non-federal educational loans and Federal Direct Graduate PLUS Loans review credit reports of applicants. If a report contains negative financial information (whether or not in error) and/or a low credit score, a loan may be denied by the lender, even if eligibility is certified by a financial aid office. If the credit report of a student contains negative financial information and/or a low credit score, a qualified cosigner or endorser might be required. A cosigner must have a satisfactory credit history and score, and a debt-to-income ratio capable of supporting the new loan in addition to pre-existing debt.



There are three main credit reporting agencies:

Equifax	800/685-1111; http://www.equifax.com
Experian/TRW	888/397-3742; http://www.experian.com
Transunion	800/888-4213; http://www.transunion.com

You may obtain a copy of one or all three credit reports free once a year as mandated by the Fair Credit Reporting Act from www.annualcreditreport.com or 877.322.8228. If you ask for one at a time, you may receive a free credit report every four months. We advise all applicants to obtain a copy of at least one credit report immediately. It is important to ascertain if credit reports contain errors in time to make any necessary corrections or to begin the process of repairing any damage to a credit rating.

Optionally, detailed information from the three major credit bureaus is provided in a side-by-side format for about \$20 from <http://www.equifax.com>.

Federal Graduate PLUS loans are more leniently credit-based than private loans. The lender will only look at negative notations on the credit report, and not at the student's credit score. **Tulane is unable to replace "denied" loans with other sources of aid.**

When will I get money to pay for books? When is tuition due?

With few exceptions, half of financial aid for the academic year disburses at the beginning of the fall semester and half at the beginning of the spring semester. Summer semester is treated separately, and a Summer Addendum is required for federal loans. Tuition and fees are billed on a semester basis. Your **first fall semester Tulane bill** will be mailed and/or emailed on the 15th of July if you are registered (bills go out the middle of each month) and will contain fall semester tuition charges. It will be mailed and/or emailed by the Tulane University Accounts Receivable Office (504.865.5368), with a due date of the 15th of the following month.

The first day of classes is the earliest day borrowed book allowance expenses could be available for students to spend **(although it is much more likely to be near the end of the first week of classes)**. We expect the first disbursements of educational loans for the academic year to arrive by electronic funds transfer (EFT) at Tulane late in the week before classes begin. The EFT disbursements are held until classes begin and registration is confirmed. After that, disbursements credit into individual students' Tulane Accounts Receivable accounts. If all loan disbursements have credited, and a student has borrowed an amount exceeding tuition, a "Tulane-owes-the-student" credit balance should appear on the student's online Tulane Accounts Receivable account. A student will want to **set up Direct Deposit** with Accounts Receivable <https://studentaccounts.tulane.edu/content/refund-disbursement> and **Request a Refund** (through Gibson Online <http://gibson.tulane.edu>) **so that a credit balance may be direct-deposited into their bank account (for living expenses)**. Students receiving federal loan funds should also complete the Release of Title IV Funds form and return it to Accounts Receivable https://studentaccounts.tulane.edu/sites/g/files/rdw806/f/Title_IV_Release_Form_082216.pdf.

If you choose a private loan lender, loan funds may arrive later (for example, during September) and may arrive as a co-payable check. Co-payable checks must be endorsed by the student at the Accounts Receivable Office after classes have started. A credit balance refund request can then be made.

What about deferment of "old" loans?

Tulane University has authorized the National Student Clearinghouse to provide enrollment verification automatically to participating lenders. You may inspect your Clearinghouse records by going to the Tulane Gibson Online website (see "NSC Enrollment Verification" under "Academic Record Self-Service"), but please wait until after the add drop period in mid-September to finally inspect your record. If you have pre-existing unpaid educational loans and

are eligible for an in-school deferment, you must apply for deferment from the servicer for each educational loan unless the deferment is automatically updated by Clearinghouse. Some servicers require that you submit a new deferment application each semester of enrollment in graduate school. Check with your servicer for requirements. Failure to apply for deferment of prior educational loans **when required** may ultimately result in loan default, jeopardizing your receipt of additional federal loan funds for which you may otherwise be eligible. If your servicer does not participate with Clearinghouse, you must obtain the deferment or forbearance form from your servicer, complete your portion, make sure the return address (or fax number) is on the form, and forward it to the Tulane Law School Academic Services Office (504.865.5935) in the law school building: the forms are completed after classes have been underway for a few weeks.

Are my repayment expectations realistic?

Educational debt of \$100,000 would be repaid at the rate of about \$1,156 per month over 10 years, or \$700 per month over 25 years (assuming a 6.9% interest rate and the Standard 10-year repayment plan). The total amount repaid would be about \$138,712 over 10 years; or \$210,124 over 25 years. However, there are newer Income-Driven Repayment Plans which base your monthly payment on your income rather than your total student loan debt. For more information, please visit <https://studentaid.gov/idr> . In addition, federal loan borrowers working public service may be eligible for forgiveness on loan balances that remain after ten years. Public Service Loan Forgiveness information can be found at <https://studentaid.gov/pslf/> . Repayment calculators can be found at www.studentaid.gov.

How will educational borrowing affect other borrowing?

A lower educational debt will likely result in a stronger ability to borrow in the future for a house or a car; a higher debt will likely result in a reduced ability to borrow in the future.

Finally, we would like to welcome you to Tulane University and let us know if we can be of assistance!

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