

## WHILE IN LAW SCHOOL: LIVING ON A BUDGET



Many law students use student loans as the primary source of funding while they attend law school. It's important that you borrow the minimum amount you need. The amount of the loan funding listed on your financial aid award is not prescriptive – it is not the amount you should borrow, but instead represents the maximum amount you are eligible to borrow, based on the Cost of Attendance (COA) that the school provides the Dept. of Education. The cost of living in Dayton Ohio is quite low, compared to law schools in bigger cities. Below is the UDSL student budget, including tuition and living expenses, for the entering class of Fall 2021.

### STUDENT BUDGET FOR FALL 2021 and SPRING 2022

Tuition (based on 30 semester hours)	\$37,110**
University Fees	\$260
Health and Counseling Center fee	\$158
Books and supplies	\$1,500
Personal	\$17,000
Total	\$56,028

\*\* This amount could increase for summer-starters in the Two-Year J. D. Program based on the number of credits they take in the Spring semester



## How and When Can I Get a Refund From My Loans

First, **file your FAFSA** (Free Application for Federal Student Aid) **each year** in the Fall (after Oct 1) or early Spring. Your financial aid will be determined, then you can view your awarding on Porches. If you've been offered a Direct student loan of Porches, you are able to web-accept or web-decline this loan. (If you need loans, consider taking this one first! Its interest rate is lower than the Grad PLUS loan and there is no credit check.

Next, consider a Grad PLUS loan. **If you have a Grad PLUS loan eligibility listed, this is not an award that you can web-accept on Porches. Instead, you must apply for this loan through the Sept. of Education's website: [www.studentaid.gov](http://www.studentaid.gov).** You may request any amount up to the eligibility maximum listed on Porches. The Dept. of Education will run an instant credit check when you apply.

All Federal student loans are divided equally between Fall and Spring. **If you are taking more credit hours that the standard budget assumes, please contact me at [hhart1@dayton.edu](mailto:hhart1@dayton.edu) and I can adjust your budget to your specific tuition costs.** We don't want you to have to use part of your loan overage to cover your tuition!

Federal student loan funds can't disburse before the first day of classes. At UD SL, we make every attempt to get your funds direct-deposited to your bank account by the third day of class. This level of service is practically unparalleled: comparing other law schools, many require the student to wait for 10 days or even up to 6 weeks to access their loan coverages. Many schools wait until after the drop/add period so that they will not have to continually update and revise the loans. At UD SL, we know this is sometimes the only source of income for our law students, and we want to get your access to your funds as quickly as possible.

## Want Aid For Summer Classes?



Summer budgets are figured separately from fall/spring budgets. **Once you've registered for summer classes, if you want loans for summer, you will need to contact me so that I can create an individual summer budget for you.** I will add your remaining Direct loan offering and/or GRAD Plus loan eligibility amount on Porches. Again, you will need to apply for a Grad Plus loan at [www.studentaid.gov](http://www.studentaid.gov). Choose the correct academic year (summer is a "trailer" semester for the year), and choose "other" for the loan period, and populate the summer months on the application.

## How Much Do Those Small Splurges End Up Costing?



Budget your expenses accordingly. Track your current spending habits and see how they compare to our maximum standard living allowance of \$8,000 (minus loan origination fees) per semester (Fall and Spring). Keep in mind that interest on the Direct loan, Grad PLUS loan, and private student loans accrues from the date they are disbursed. An innocent latte at Starbucks may cost you, say, \$4.00. Let's look at how quickly one latte per day, five days per week for Fall and Spring semester (using 39 weeks) for 3 years, will end up costing you if you use Direct student loans to pay:

### Loan Calculator

<b>Loan Balance:</b>	<b>\$2,340.00</b>
<b>Adjusted Loan Balance:</b>	<b>\$2,365.28</b>
<b>Loan Interest Rate:</b>	<b>6.21%</b>
<b>Loan Fees:</b>	<b>1.07%</b>
<b>Loan Term:</b>	<b>4.6 years</b>
<b>Minimum Payment:</b>	<b>\$50.00</b>
<b>Monthly Loan Payment:</b>	<b>\$50.00</b>
<b>Number of Payments:</b>	<b>54</b>
<b>Cumulative Payments:</b>	<b>\$2,659.80</b>
<b>Total Interest Paid:</b>	<b>\$319.00</b>

*Note: The monthly loan payment was calculated at \$48.39 for 55.2 payments (4.6 years). Since this amount is less than the \$50 minimum, the term of the loan has been shortened to 53 payments of \$50 plus a final payment of \$9.80.*

The loan balance was adjusted to yield \$2,340 after deducting the 1.07% loan fee.

This is not to scare you, but rather to just put spending into perspective. Be frugal now so that you may live better later. Budget your refund. Realize that refunds are only distributed once per semester. It takes willpower and planning to resist the temptations to spend your refund when you first get it, rather than slowly parceling it out so that you still have funds to cover you to the end of the semester.

### Separate Your Wants From Your Real Needs

Even small expenses can add up, but if you can reduce or eliminate some of these expenses, you can live more comfortably and with less stress. For example, you might consider sharing a 2-bedroom apt. with a fellow law student. Packing your lunch rather than eating out each day will save a lot of money. Find inexpensive ways to relax and have fun: organize a group of friends to go to \$5 Movie Night at the Neon or rent a bike and ride the corridor. Live within walking distance of campus or use public transportation. Turn off the air conditioner and open your windows when the weather allows. Small changes add up to big savings.

## Track Your Spending

One fun and easy way to track your spending is through an online tracker such as: [www.mint.com](http://www.mint.com). Mint is free and shows you where your money goes: how much and where you are spending. Your expenses are automatically categorized so you can keep track of your finances. You can even detail into a specific account, category, or expense.



## What if the Standard Budget Does Not Meet Your Needs?

The budget that was determined is based on a standard number of credit hours. After your first year of law school, your schedule may be more flexible, and you may end up taking more credits than average. We don't want your personal allowances to be used for the additional tuition charges. If you let us know you are registered for additional credit hours, we can increase your loan eligibility if you'd like.

## Budget Appeal

Also, the "one-size-fits-all" budget may not fit your situation! In that case, we have a Law Budget Appeal Form you can submit for review. If your eligible expenses (minus your resources) are more than the standard budget, the financial aid office, at their discretion, may increase your loan eligibility. The Dept. of Education gives us guidelines on what we may be able, on a case-by-case basis, to consider. This can include such things as the cost of daycare for dependent children, a one-time computer purchase, and unusual and excessive medical expenses incurred during the academic year that are not covered by insurance. If you would like us to review your situation, you may complete an appeal form:

[https://udayton.edu/affordability/additional-resources/law\\_budget\\_appeal\\_2021.pdf](https://udayton.edu/affordability/additional-resources/law_budget_appeal_2021.pdf)

Non-educational related costs that will **not** be considered for increasing the student expense budget include, but are not limited to: moving expenses, car payments, car maintenance, credit card balance or payments, other consumer loans or living costs during the period of non-enrollment, including expenses related to life before your enrollment or after your departure.