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**INTRODUCTION TO FINANCIAL
MANAGEMENT DURING LAW SCHOOL
INFORMATIONAL PACKET**

STUDENT ORIENTATION FALL 2011





GREEN POWER INITIATIVE

FINANCIAL OPPORTUNITIES RESOURCE GUIDE

GENERAL LINKS

American Bar Association - Defending Liberty, Pursing Justice

ABA is a national database created for judges, lawyers, law students, and many more with resources to fit just about all of your needs. The following link will direct you to a list of scholarship opportunities through a variety of different mediums: scholarships, grants, fellowships, clerkships, internships and employment. The ABA also offers a scholarship. View details by clicking this link: <http://www.abanet.org/fje/losfpage.html>
Did you know the ABA presents over 100 awards and distributes over \$100,000 in awards and grants each year? Over 20 of these awards and grants have been specifically designed for law schools or law students, including writing competitions and fellowships. Don't miss the opportunity to gain recognition for your accomplishments, that of your law school or student organization. <http://new.abanet.org/centers/diversity/Pages/LinksforMinorityLawStudents.aspx>

Thurgood Marshall School of Law at Texas Southern University - the Office of Admissions and Financial Aid is available to assist you in financing your legal education at Thurgood Marshall School of Law. <http://www.tsulaw.edu/fao/index.html>

NCLR *Lideres* - The National Council of La Raza's (NCLR) *Líderes* Initiative is a national program designed to create opportunities for Latino youth that will elevate their influence as leaders in the United States. http://lideres.ncnr.org/section/opportunities/essay_contest_scholarships

LSAC-Law School Admissions Council - This site can be a starting point for your further research into identifying primary sources of aid, learning the basic facts about eligibility, and finding out where to get more information. The following link will take you to the law school admission's council website and will list the resources they have collected for financing law school. <http://www.lsac.org/LSAC.asp?url=lsac/financial-aid-introduction.asp>

United Negro College Fund - UNCF—the United Negro College Fund—is the nation's largest and most effective minority education organization. UNCF provides operating funds for 39 member historically black colleges and universities (HBCUs), scholarships and internships for students at about 900 institutions and faculty and administrative professional training. <http://www.uncf.org/aboutus/howweare.asp>

HG Worldwide Legal Directories - This website has a variety of resources under the students section, pre law school and post law school. The following link will provide resources for Bar Admission: <http://www.hg.org/studentbar.html>

In Legal Color - In Legal Color, Inc. is a not-for-profit organization whose mission is to increase law school diversity by providing inspiration, information, and support to prospective law students of color. <http://www.inlegalcOLOR.org/>

FastWeb - Free scholarship and college searches, and financial aid tools.
<http://www.fastweb.com/financial-aid>

Findaid - This page contains information about scholarships and fellowships for minority students. - <http://www.findaid.org/otheraid/minority.phtml>

Black Collegian Online - This website provides a comprehensive list of resources from employment, financial aid, networking, and even extracurricular activities. <http://www.black-collegian.com/>

Practicing Attorneys for Law Students Program, Inc - PALS matches minority law students with volunteer lawyers who serve as mentors to provide career guidance for minorities in the legal profession. PALS® is dedicated to enhancing the skills and careers of minority law students and early career attorneys. PALS® does this by offering customized mentoring, educational and professional development opportunities. PALS® provides resources to augment the law school and employer training of, respectively, minority law students and beginning lawyers, and will continue to offer its services free of charge. <http://www.palsprogram.org/>

Congressional Hispanic Caucus Institute Financial Aid Forum - This page provides links with information about financial aid including the Congressional Hispanic Caucus Institute, which offers a concise collection of Hispanic-specific information currently available.
http://www.ma.iup.edu/Pueblo/financial_forum/financial_forum.html
The Congressional Hispanic Caucus Institute has developed one of the most complete and concise collections of Hispanic-specific financial aid information currently available. By calling toll free, 1-800-EXCEL DC, students have access to more than 200,000 resources. CHCI assembles a comprehensive college financial aid strategy, based on the student's particular field of interest. There is no charge for this service and bilingual assistance is available. CHCI's Clearinghouse Coordinator provides individual counseling and assistance to all CHCI summer interns and fellows. The Institute works with other national Hispanic internship programs to make this service available to their participants as well.
http://www.ma.iup.edu/Pueblo/financial_forum/chci.html

Search by Degree - Download Your FREE 2010 Financial Aid And School Guide!
http://edu.searchbydegree.com/applyfinancialaid.cfm?campaign_id=12219&PID=1483p

Sallie Mae - Choose from a broad range of private student loans. <https://www.salliemae.com>

COMPETITIONS

ABA Writing Competitions: <http://www.abanet.org/lsd/competitions/writing-contests/home.html>;
<http://www.abanet.org/lsd/resources/>

Law Student Writing Competitions & Associated Scholarships – This webpage is provided by Lewis & Clark Law School but provides an number of links to writing competitions and associated scholarships for law students at any law school. Details and submission criteria for most of the competitions listed here. http://law.lclark.edu/academics/student_writing_competitions/

EMPLOYMENT

Students. Gov - Interested in working with the government? Even if you say no, students.gov is a great website that provides resources for governmental and non-governmental positions and financial assistance. Follow the link:
<http://www.students.gov/STUGOVWebApp/Public?topicID=78&operation=topic>

Earl Carl Institute for Legal & Social Policy, Inc. - The Institute has two primary components that are a research and writing component and an advocacy component. As part of its research component, the Institute contracts with students it helps educate to research and write about urban issues. The primary goals of the research are education and publication. The Institute's advocacy component is a legal apprenticeship program through the Institute for Trial Advocacy, where students work on real cases from inception to resolution. All work performed by the students is under the general counsel of staff attorneys, specialists in their areas, as well as TMSL professors.
www.earlcarl.org

Thurgood Marshall School of Law – offers graduate assistant positions to students. Such positions include Research Assistant, Student Tutors, and Writing Advisers.
<http://www.tsulaw.edu/admissions/index.html>

Practicing Attorneys for Law Students Program, Inc - PALS matches minority law students with volunteer lawyers who serve as mentors to provide career guidance for minorities in the legal profession. PALS® is dedicated to enhancing the skills and careers of minority law students and early career attorneys. PALS® does this by offering customized mentoring, educational and professional development opportunities. PALS® provides resources to augment the law school and employer training of, respectively, minority law students and beginning lawyers, and will continue to offer its services free of charge. <http://www.palsprogram.org/>

Lexis - Useful for searching for judges, and they also have a student section on their website. The lexis.com Career Library gives you exclusive online access to NALP's Judicial Clerkship Directory. The Judicial Clerkship Directory is the leading national publication about judicial clerkships with state and federal judges. www.lexisnexis.com; Job postings and related articles can be found at <http://www.lexisnexis.com/Community/lexishub/landing/Job-Search.aspx>

FELLOWSHIPS

CLEO Divercity Network - The CLEO diverCITY Network™ (CDN) is a nationwide, city-to-city, network comprised of law firms, corporations, judges, sole practitioners, law schools, non-profit organizations, governmental agencies and minority bar associations who are committed to significantly increasing diversity in the legal profession by seeking out the "best and brightest" diverse law students and attorneys* our country has to offer. Under the Law Students, Financial Assistance Tab, you will find a description of the fellow scholarship with CLEO.
<http://www.cleodiversitynetwork.org/index.cfm?fuseaction=Page.viewPage&pageId=578&parentID=557&nodeID=1>

Pekins Coie Law Firm - Legal Counsel to Great Companies, Our firm is committed to the growth and development of legal communities that more accurately reflect the rich diversity of our communities at large. Since 1991 we have been pleased to offer student fellowships to diverse first-year law students. The fellowships provide students a \$7,500 academic scholarship and a paid summer associate position immediately following the completion of their first year. The following link will take you to their fellowship page:
<http://www.perkinscoie.com/careers/summer/?op=ilprogram>

Cornell University Fellowship Database - The fellowship notebook at Cornell contains a large searchable text database of graduate fellowships, including fellowships specifically for women and minorities. <http://www.gradschool.cornell.edu/?p=132>

Yale University Fellowship Listings - A page listing several fellowship programs and other resources of interest to graduate students in computer science, with a focus on women and minorities.
<http://www.cis.yale.edu/career/>; <http://www.law.yale.edu/academicfellowships.htm>

Equal Justice America Fellowship Database - This website is dedicated in finding fellowships for a balancing of representation for the underprivileged. It's efforts expose a new generation of future lawyers to the urgency for pro bono assistance to our most vulnerable citizens. Students at more than 70 law schools now have the opportunity to take part in the Equal Justice America Fellowship Program. <http://www.equaljusticeamerica.org/>

Supreme Court Fellowships - The Supreme Court Fellows Program seeks outstanding individuals from diverse professions and academic backgrounds, including law, the social and behavioral sciences, public and business administration, systems research and analysis, communications, and the humanities. <http://www.supremecourt.gov/fellows/>

Juvenile Justice Center - Zubrow Fellowship in Children's Law. Because Juvenile Law Center is small public interest firm (eleven attorneys), Fellows have an opportunity to work closely with all members of the staff. In addition, Fellows work with organizations and individuals from other Philadelphia legal or public interest advocacy organizations, Philadelphia and Pennsylvania government employees, and juvenile lawyers from around the country.
<http://www.jlc.org/about/zubrowfaq/>

GRANTS

College Degrees. Com - Website database offering guidance on the best sources for grants.
<http://www.collegedegrees.com/financial-aid/grants/degree-specific/law-school-grants/>

School Grants.org - Another website offering guidance on the best sources for school grants.
<http://www.school-grants.org/law-school-grants.shtml>

ULinks.com - Comprehensive advice on grant opportunities.
<http://www.ulinks.com/lawschoolscholarships-lawschoolgrantsaid.htm>

INTERNSHIPS & JUDICIAL CLERKSHIPS

Judicial Clerkships.com - This website helps law students successfully navigate the maze of courts and judicial clerkship opportunities. It offers valuable information and advice about judicial clerkships, as well as links to key court sites and judicial clerkship listings.
<http://www.judicialclerkships.com/>

Thurgood Marshall School of Law Legal Clinics - Each clinic provides training, individual supervision and feedback from clinical instructors or supervising attorneys. In addition to the externship or live-client clinic course, each student is required to enroll in a practice skills course which serves as the classroom component. <http://www.tsulaw.edu/clinic/index.html>

Earl Carl Institute for Legal & Social Policy, Inc. - Center for Government Law provides a comprehensive continuum of course work, externships, fellowship opportunities, and seminars in government law and administration to prepare students for successful careers in the public sector. Students have the opportunity to work with state legislator offices
http://www.tsulaw.edu/centers/gov_law/programs.html

White House - The White House Internship Program provides a unique opportunity to gain valuable professional experience and build leadership skills. This hands-on program is designed to mentor and cultivate today's young leaders, strengthen their understanding of the Executive Office and prepare them for future public service opportunities.
<http://www.whitehouse.gov/about/internships/>

NALP - NALP is dedicated to continuously improving career counseling and planning, recruitment and retention, and the professional development of law students, lawyers, and its members.
http://www.nalp.org/interv_judclerkships

Charlotte Legal Diversity Clerkship - Delighted with the success of the last four summers, the Mecklenburg County Bar is pleased to announce the 2010 Charlotte Legal Diversity Clerkship, a highly competitive summer program for first-year law students who advance the value of diversity. Up to ten students will be selected for the program. The clerks will spend the first six weeks of the twelve-week program working in the Charlotte office of one of the participating law firms and the second six weeks working in the Charlotte law. <http://www.meckbar.org/cldc/>

BYU - This guide seeks to answer some of the questions you may have about the nature of judicial clerkships, the application process, and how to maximize your chances of obtaining a clerkship that will suit your needs.

George Mason School of Law Clerkships - All students should investigate the possibility of a judicial clerkship. The value of a judicial clerkship to your professional development and ultimate career

success cannot be overstated. It is an excellent way to bridge the gap between law school and the practice of law. In recent years, some graduates also have chosen to apply for clerkships after practicing law for a year or two. <http://www.law.gmu.edu/career/clerkship>

INROADS Internship - INROADS is the nation's largest non-profit source of paid internships for undergraduate, minority youth. By providing the skills, support, and network students need to obtain an internship at a top company, INROADS prepares students to lead and contribute from Day 1. <http://www.inroads.org/about-us/Faqs>

APAICS - The Asian Pacific American Institute for Congressional Studies (APAICS) is a national non-partisan, non-profit 501(c)(3) organization dedicated to promoting Asian Pacific American participation and representation at all levels of the political process, from community service to elected office. The APAICS Summer Internship program provides select undergraduate students with the opportunity to work in Washington DC and gain first-hand experience in American politics and public policy. Interns are placed in congressional offices, federal agencies, or non-profit organizations and participate in weekly leadership workshops and career development events. <http://www.apaics.org/>

Judicial Clerkships.com - Blogs on the latest opportunities and discussions on the topic of judicial clerkships.

ABA - Of course the ABA would have a comprehensive database for judicial clerkships and guidance. The Judicial Clerkship Program encourages students to pursue clerkship opportunities while introducing judges to students whom they might not ordinarily consider as potential clerks. JCP is designed to bring judges and under represented law students together through structured networking activities. Students demonstrate their knowledge and research skills in a small group setting while interacting with the judges in a team-building project. Students also receive practical information from judges and former judicial clerks on how to secure a clerkship position. <http://www.abanet.org/op/councilondiversity/jcp/home.html>

United States Court of Appeals for Armed Forces - The United States Court of Appeals for the Armed Forces exercises world-wide appellate jurisdiction over court-martial cases involving U.S. military personnel. Cases on the docket address a broad range of legal issues, including constitutional law, criminal law, evidence, administrative law, and national security law. Decisions of this Court are subject to direct review by the Supreme Court of the United States. Judicial law clerks perform an important public service in an environment designed to enhance their legal skills. <http://www.armfor.uscourts.gov/Clerkships.htm>

Today @ ULAW - Specialty Courts May Offer Judicial Clerkships
<http://today.law.utah.edu/2010/04/specialty-courts-may-offer-judicial-clerkships/>

Federal Law Clerk Information System - PDF guide to understanding judicial clerkships
http://www.law.fsu.edu/placement/resources/Judicial_Clerkships_12_things.pdf

SCHOLARSHIPS

Davis, Wright, Tremaine, LLP 1L Diversity Scholarship Program - This year, offered two scholarships (one position in our Seattle office and one position in our Portland office). They consist of a paid summer clerkship and \$7,500 for the student's second-year tuition and expenses. <http://www.dwt.com/Careers/SummerAssociates/1LDiversityScholarshipProgram>

Gates Millennium Scholarship - UNCF—the United Negro College Fund—today announced that the nation’s largest minority scholarship program, the Gates Millennium Scholars Program (GMS), has awarded good-through-graduation college scholarships to this year’s cohort of 1,000 students. <http://www.gmsp.org/>

Thurgood Marshall Scholarship Fund - To develop and prepare a new generation of leaders by providing leadership development, scholarships, resources, opportunities and advocacy to Public Historically Black Colleges & Universities, students and alumni. <http://www.thurgoodmarshallfund.net/v1/index.php>

National Black Law Students Association has scholarships listed on their site. <http://www.nblsa.org/index.php>

US NEWS - Partnered with Colleges & Career Search databases to provide a scholarship resource database. http://www.usnews.com/usnews/edu/dollars/tools/scholarship_search.htm

Atlanta Legal Diversity Consortium - This website provides a database for a variety of different scholarship by interest, ethnicity, and field. <http://www.aldcinc.org/home/scholarships.html>

MALDEF-Mexican American Legal Defense and Education Fund - Each year MALDEF awards numerous law school scholarships to deserving students entering their first, second or third year of law school. Scholarships range up to \$7,000 per individual. Law School Scholarship Program 634 S. Spring St., 11th Floor Los Angeles, CA 90014 (213) 629-2512 Mexico-American Business and Professional Scholarships Association P.O. Box 22292 Los Angeles, CA 90022. http://maldef.org/leadership/scholarships/law_school_scholarship_program/

NAPABA-National Asian Pacific American Bar Association - The National Asian Pacific American Bar Association Law Foundation is a non-profit organization that awards scholarships every autumn to law students who show commitment to serving or contributing to the Asian Pacific community as future leaders. <http://www.napaba.org/napaba/showpage.asp?code=scholarships>

School Scholarships.org – This site contains information about school scholarships for minority groups, such as African-Americans, Hispanics, and Asians. <http://schoolscholarships.org/minority-scholarships>

Women Lawyers Association of Los Angeles - List of scholarships available through the WLA organization <http://www.wlala.org/searchsite.cfm?searchvalue=scholarship&submit=+Search+>

US Department of Interior -Devoted to providing guidance and assistance in scholarships for students interested in a career in the U.S. Department of the Interior. This department protects America’s natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future. <http://www.doi.gov/>

What bar review courses are available?

The Board is not affiliated with any companies that handle bar review courses. We have been given the following names for distribution:

- BAR / BRI 713-739-9482 website: www.barbri.com
- Fleming's Fundamentals of Law (Multistate only) 949-770-7030 website: www.lawprepare.com
- Lewis & Davis [P & E only] 713-739-9482 {material distributed by BAR/BRI}
- MicroMash Bar Review 800-227-3926 website: www.MicroMash.net
- Kaplan PMBR Review 800-523-0777 website: www.kaplanpmbri.com
- PassYourBarOnline.com 800-852-3926 website: www.PassYourBarOnline.com
- The Study Group 800-239-2349 website: <http://www.thestudygroup.com>
- Celebration Bar Exam Review 800-840-6929 website: <http://www.celebration-bar-exam-review.com>
- MyBarPrep website: www.mybarprep.com
- Primer Series ® Multi-State Bar Review Course 800-636-0716 <http://www.MultistateBarReview.com> (MBE only)
- Sol Software 360-335-0142 www.sol-software.com (MBE / MPRE only)
- AdaptiBar 877-466-1250 www.adaptibar.com (MBE only)
- [NCBE Catalog](#)
- Ameribar Texas 713-758-0570 www.ameribar.com
- BeatTheBar.com 817-276-9090 www.BeatTheBar.com (MBE only)
- Themis Bar Review 888-THEMIS-6 (888-843-6476) www.themisbar.com
- Litvin Bar Tutorial 281-743-0506 litvintexasbar@aol.com

This list is provided for informational purposes only and should not be construed as an endorsement of any particular bar review course. There may be other bar review courses of which the Board is not aware.

The prices for these courses range from \$1,400 to over \$5,000.

All about Student Loans- Default, Collections, Lawsuits and Repayment¹

This section covers everything you need to know about student loans including default, cancellation, rehabilitation, forbearance, collections, lawsuits, bankruptcy and where to get help. This page is loaded with information so bookmark it today.

Student Loan Collections

What might happen if you fall behind on your payments.

After lots of publicity about deadbeat college grads who didn't pay back their loans -- and cost the taxpayers almost as much as a few toilet seats on Navy fighters -- Congress decided to crack down. The Department of Education was given powerful tools to use against former students who don't make their payments.

Assessing Collection Fees

Defaulting on federal student loans can cost you a bundle -- far in excess of the amount you borrowed originally. Guarantee agencies typically add a collection fee of 25% to the principal, interest, penalties and other collection fees you already owe. (If you try to negotiate a payment plan to get yourself out of default, the guarantee agency will cut the fee to 18.5%.) In addition collection agencies charge the Department of Education a commission of about 28%. That commission is passed on to you, meaning you have to pay the money you owe on the loan, the collection fee and the commission.

Grabbing Your Income Tax Refund

The IRS can intercept your income tax refund until your defaulted student loans are paid in full. It is one of the most popular methods of collecting defaulted student loans. Annually, the Department of Education collects hundreds of millions of dollars this way. The IRS can intercept a refund only if the loan is held by a guarantee agency, the Department of Education or a collection agency working for one of those two. If your school, the lender, a loan servicer or a company on the secondary market has your loan -- even if you are behind on your payments -- your tax refund is protected from the clutches of the IRS.

Each tax year, the agency holding your loans must review your account to verify that you haven't made payments on your loans within the previous 90 days. Once it verifies this information, the agency notifies the IRS that your loans are in default. If you are entitled to a tax refund, the agency will notify you that the IRS proposes to keep all or some of it. To object, you must present written evidence, within 65 days of the date on the notice, of any of the following:

- You've repaid the loan.
- You are making payments under a negotiated repayment agreement, or you've been granted a cancellation,-deferment or forbearance.
- You have filed for bankruptcy and your case is still open, or your loans were discharged in bankruptcy.
- You are totally and permanently disabled.

¹ Robert Grossbart, *All about Student Loans – Defaults, Collections, Lawsuits and Repayment*, <http://www.carreonandassociates.com/articles/student-loan-collections.htm>

- It is not your loan.
- You dropped out, and the school owes you a refund.
- You borrowed the money to attend a trade school and were either unable to complete your education because the school closed or you were falsely certified by the school as eligible for the loan.

Paring Your Paycheck

The Department of Education and guarantee agencies are authorized to take ("garnish") 10% of the wages of a student loan debtor who is in default. Unlike virtually all other creditors, the holder of your student loans does not have to sue you first. You can object to the garnishment if you've returned to work within the past 12 months after being fired or laid off. Call or write to the agency. If you have been continuously employed for the previous 12 months, you can raise one of the objections permitted when the IRS seeks to intercept your tax refund. (See above.)

You can also object to the garnishment if it would leave you with a weekly take-home pay of less than 30 times the federal minimum wage (\$5.15 as of September 1), or \$154.50. The only other way to avoid wage garnishment is to contact the holder of your loan and negotiate a repayment schedule.

Getting Sued

You can be sued forever on your defaulted student loans. And the Department of Education is suing former students more and more frequently. Student loan collection lawsuits filed by the Department increased by 55% between 1997 and 1998. You aren't likely to be sued, however, if the agency holding your loans determines that:

- the cost would exceed any amount it could get from you, or
- you have no assets that could be taken to satisfy all or a substantial portion of the debt.

In addition, the Department of Education forbids agencies holding defaulted student loans to sue unless:

- your income is too low to be covered by the wage garnishment and
- you have assets (other than wages) that could be taken if the Department of Education won the lawsuit and obtained a court judgment against you.

What property the Department of Education could take from you depends on where you live. In most states, the Department can go after your bank and other deposit accounts, and valuable personal property such as cars and antiques. The Department can also file the judgment with the county records office to create a property lien -- a notice to the world that you owe money. In some states, a judgment entered against you automatically creates a lien on any real estate you own in the county where you lost the lawsuit. In other states, the creditor must record the judgment with the county. When you sell or refinance your property, all liens must be removed, usually by paying the lienholder -- before the deal can close.

State Bar of Texas Rules for Suspension of Attorneys in Default of Their Guaranteed Student Loans¹

The Membership Department here at the State Bar of Texas is only responsible for making sure that you have, or are, complying with the rules on this page for repayment of your student loan, not with notifying you of non-compliance. Failure to inform us of a notice received by TG, or to comply, could result in your suspension from the practice of law.

- [Have you received a notice from TG?](#)
- [TG steps](#)
- [What happens next](#)

HAVE YOU RECEIVED A NOTICE FROM THE TG?

If you have received a notice from Texas Guaranteed Student Loan Corporation (TG) that you are in default on your loan, you must comply* with one of the following:

- Submit a certificate issued by TG to the State Bar of Texas certifying a repayment agreement on the defaulted loan within 60 days from the date of your notice.
- Submit a certificate issued by TG to the State Bar of Texas certifying that you are not in default on your loan, within 60 days from the date of your notice.
- Submit a letter to the Clerk of the Supreme Court within 20 days of the date of your notice with a request for a public hearing to establish error with TG default reporting. Please include your specific grounds in the letter.

TG STEPS

Once you receive a notice from TG that you are in default on your loan:

1. Contact TG for your next steps. The Collections Department at TG has information on defaulted loans, and certificates of compliance are issued directly by TG.

TG phone: (800) 222-6297

[Texas Guaranteed Student Loan Corporation \(TG\), Website](#): Visit the TG website to get the details about handling your default.

Again, the membership department here at the State Bar of Texas is only concerned with whether you are current with TG, not in notifying you or securing repayment.

¹

Do not call the Supreme Court or the State Bar of Texas for your next steps as we are unable to assist you.

2. Once you receive your certificate of compliance from TG, you must mail a copy to us at:

Address

State Bar of Texas
Membership Department/TG Compliance
P.O. Box 12487
Austin, Texas 78711-2487

Or fax a copy to:

Membership Department/TG Compliance
512.427.4424

WHAT HAPPENS NEXT

Did you comply **within** 60 days? Then State Bar of Texas removes you from the TG “default list” after we receive the proper documentation.

Did you comply **after** the 60 day period? If so, you may have been suspended by the State Bar of Texas. Once we receive the proper documentation here at the Bar, our Membership Department will reinstate you.

If you requested a court hearing, the Clerk of the Supreme Court notifies us via mail. The Membership Department at the Bar then removes you from the “default list” that we receive from TG.

Footnotes:

** The Rules for Suspension of Attorneys in Default of their Guaranteed Student Loans were adopted by the Supreme Court of Texas on June 18, 1996. See “Order of the Supreme Court of Texas,” June 18, 1996, 59 Tex. B. J. 844 (1996)*

TIPS FOR KEEPING YOUR CREDIT SCORE FROM HURTING BY CARRYING HIGH BALANCES*

Your credit score could be hurt by large balances, even if they are always paid off, so keeping debt levels relatively low may help your family's scores. Due to the way account information appears on credit reports, your heavy card usage could impact your credit score. A review of your family's credit reports and scores may confirm this fact. The reason is based on the reporting process, which goes like this: Banks pass your account information, including balances and limits, along to the credit bureaus, which in turn list that information on your credit report. When you (or a lender) request to see your credit score, the current information on your report gets plugged into a credit scoring formula. The issue for heavy-charging -- but otherwise responsible -- cardholders is exactly when various lenders report information to the bureaus.

Although they can report more or less frequently, lenders typically report only once a month. When that happens, the bank reports if the last payment was made on time and the balance listed on the most recent statement, says Maxine Sweet, vice president of public education for credit bureau Experian.

To understand how this impacts credit scores, an example may be in order. Let's say that:

- For the month of June, you run up a balance of \$10,000.
- On June 30th, the bank reports your May on-time payment and June balance to the credit bureaus.
- You then pay off your entire balance on the due date of July 1st.
- However, since lenders only report once a month, according to Sweet, your credit score on July 2nd still shows that \$10,000 balance you have since paid off.

As you may know, the comparison of your balances to limits -- often called your utilization ratio -- is an important factor in the calculation of credit scores. To preserve your score, experts say that card balances shouldn't exceed 30 percent of your credit limits. That means those months when you ring up \$15,000 in charges (about 43 percent of your limit) are putting you into the danger zone. To solve that problem, you can lower the ratio using several approaches:

Charge Less

There's just one guaranteed way to reduce your account balance. "The only sure way to get a lower balance reported is to charge less on the card," Sweet says.

Pay More Often

During months when your card balance looks set to top that 30 percent utilization ratio, pay off a portion of the balance partway through the billing cycle. That will ensure that whenever the bank reports on your account, you have a less-sizable balance.

Request a Higher Credit Limit

If you've been a good customer and have a solid income, the bank may grant a request for a higher credit limit. Just be warned that this can trigger an account review which could have the unintended consequence of actually leaving you with worse credit terms.

Use Those Other Cards

Put some of your monthly expenses on those personal cards to protect against account closures due to unused plastic. When accounts are closed, it can leave you with less available credit overall, which can be a drag on your credit score.

Of course, in order to make purchases in cash or pay down your balance more frequently, you need to have money available. This may not be possible, especially if you use the credit card to fund purchases now and buy yourself time until a later payday. If that's your approach, be careful. An unexpected event (such as a sudden layoff or family sickness) could leave you unable to make a card payment that month. Even one late payment could seriously damage your credit. (Leading credit score creator FICO has said that a maxed-out card can reduce a score by 10 to 45 points, while a 30-day late payment can drop a score by 60 to 110 points.) To avoid that scenario, I'd recommend cutting back on spending in order to both regularly pay down card debt and build up an emergency fund.

Missing a payment on a joint account means the entire family could see their credit scores fall. That's why experts instead recommend adding authorized users on an account, since the debt load and scoring damage should only impact the primary cardholder.

For now, though, just focus on continuing your on-time payments, taking on new debt only when necessary and keeping your debt levels low.

**Excerpt from online article by Jeremy M. Simon who covers credit scoring and other issues as a staff reporter for CreditCards.com.*



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The Credit Coalition
3300 Lyons Ave. #201/203A
Houston, TX 77020

713-224-8100 office www.creditcoalition.org 713-224-8102 fax
*This list is for informational purposes only.
See our website for updates.*

HAVE YOU SEEN YOUR CREDIT REPORTS?

**** FACT Act: Fair and Accurate Credit Transaction Act of 2003**

Everyone can request one free credit report from each credit agency per year. Ordering this report does not affect your credit score

www.annualcreditreport.com
1-877-322-8228

Fair Credit Reporting Act: Ordering these personal credit reports do not affect your credit score

1. A copy of your report from any credit bureau can be obtained free of charge within 60 days of being denied credit, insurance or employment due to information on your credit report. If you were charged higher rates and fees or deposits based on a credit report issued by a credit bureau, you have the right to receive a free copy from that bureau (adverse action).

You are also entitled to one free report a year if you certify in writing:

- 2.** You are unemployed and plan to look for a job within the next 60 days
- 3.** You receive Public Assistance
- 4.** Your report is inaccurate because of FRAUD

You may also purchase your personal credit reports directly from the following credit reporting agencies: Ordering these personal credit reports do not affect your credit score

Equifax

Fee: \$10.00 Individual
Equifax Information Services LLC
P.O. Box 740241
Atlanta, Georgia 30374
1-800-685-1111
www.equifax.com

Experian

Fee: \$10.00 Individual plus tax
Experian, Consumer Assistance Center
P. O. Box 2104
Allen, TX 75013-2104
1-866-200-6020
www.experian.com

Trans Union LLC

Fee: \$10.00 Individual
Trans Union, Consumer Relations
P. O. Box 1000
Chester, PA 19022
1-800-888-4213
www.transunion.com

OPT-OUT of Mailing Lists

If you want your name and address removed from all mailing lists offered by the main consumer credit reporting agencies, Equifax, Experian, Trans Union,

www.optoutprescreen.com

or

Call 1- 888- 5OPTOUT

(1- 888- 567-8688)

***Credit Coalition...
A HUD Approved Housing Counseling Agency***

Scoring Models: FICO and Vantage

What is a FICO® score?

FICO® scores are based solely on information in consumer credit reports maintained at one of the credit reporting agencies. They evaluate the same information in your credit report that a lender looks at. A FICO® score is a number that tells a lender how likely you are to repay a loan or make credit payments on time. FICO® scores range from 300 to 850.

What a FICO® Score Considers

There are five main categories of information that FICO® scores evaluate.

1. PAYMENT HISTORY - 35%
2. AMOUNTS OWED - 30%
3. LENGTH OF CREDIT HISTORY - 15%
4. NEW CREDIT - 10%
5. TYPES OF CREDIT USE - 10%

VantageScores

A new scoring model; *VantageScores*, has been developed jointly by Experian, Equifax and Trans Union. Unlike FICO®, which is a numerical score, the *VantageScores* is both a number and the letter grade A, B, C, D or F. The *VantageScores* ranges from 501 to a high of 990.

- A: 901—990
- B: 801—900
- C: 701—800
- D: 601—700
- F: 501—600 (High Risk)

What a VantageScores Considers

1. PAYMENT HISTORY - 32%
2. UTILIZATION OF AVAILABLE CREDIT - 23%
3. CREDIT BALANCES - 15%
4. LENGTH AND DEPTH OF CREDIT HISTORY - 13%
5. RECENTLY OPENED ACCOUNTS - 10%
6. AVAILABLE CREDIT - 7%

How to Improve Your Credit Score? TIME!!

Yes, it takes time.

Order your credit reports, (www.annualcreditreport.com), review them and dispute the mistakes you find. You can and should dispute credit report inaccuracies.

Make all payments promptly. This will keep new negative items from appearing on your account.

Pay down your existing credit balances.

Do not add new accounts in order to lower balances on old accounts.

Do not close long-term accounts

Establish new credit, but only if you have little or no existing credit history.

Use automatic payment plans or set up a bill paying calendar to ensure that you pay all your bills on time.

Develop a written plan to correct any negative items that do belong to you. Specify what you have to do and how you will know that you have fixed the problem.

Be wary of any credit repair company offering fee-based "quick" solutions. You can remove inaccurate information from a credit report yourself for FREE – credit repair companies have no greater power to do so.

WHAT YOU NEED TO KNOW:

New Credit Card Rules Effective Aug. 22

More new rules from the Federal Reserve mean more new credit card protections for you. Here are some key changes you should expect from your credit card company beginning on August 22, 2010:

Reasonable penalty fees

Let's say you are late making your minimum payment.

- ☐ **Today:** Your late payment fee may be as high as \$39, and you likely pay the same fee whether you are late with a \$20 minimum payment or a \$100 minimum payment.
- ☐ **Under the new rules:** Your credit card company cannot charge you a fee of more than \$25 unless:
 - o one of your last six payments was late, in which case your fee may be up to \$35; or
 - o your credit card company can show that the costs it incurs as a result of late payments justify a higher fee.

In addition, your credit card company cannot charge a late payment fee that is greater than your minimum payment. So, if your minimum payment is \$20, your late payment fee can't be more than \$20. Similarly, if you exceed your credit limit by \$5, you can't be charged an over-the-limit fee of more than \$5.

Additional fee protections

- ☐ **No inactivity fees.** Your credit card company can't charge you inactivity fees, such as fees for not using your card.
- ☐ **One-fee limit.** Your credit card company can't charge you more than one fee for a single event or transaction that violates your cardholder agreement. For example, you cannot be charged more than one fee for a single late payment.

Explanation of rate increase

- ☐ If your credit card company increases your card's annual percentage rate (APR), it must tell you why.

Re-evaluation of recent rate increases

- ☐ **Today:** Your credit card company can increase your card's APR with no obligation to re-evaluate your rate increase.
- ☐ **Under the new rules:** If your credit card company increases your APR, it must re-evaluate that rate increase every six months. If appropriate, it must reduce your rate within 45 days after completing the evaluation.

This set of rules is the latest in a series of regulations that implement the Credit Card Accountability, Responsibility, and Disclosure Act (the Credit Card Act). For information on protections under the Federal Reserve's other credit card rules, see "What You Need to Know: New Credit Card Rules Effective Feb. 22."



Useful terms...

annual percentage rate (APR)

for credit cards, the APR is the cost of credit expressed as a yearly interest rate. Each billing period (usually about a month), the company charges a fraction of the annual rate, called the periodic rate.

penalty fees

fees charged if you violate the terms of your cardholder agreement or other requirements related to your account. For example, your credit card company may charge a penalty fee if you make a late payment or if you exceed your credit limit.

Other resources...

Visit the Federal Reserve's website at www.federalreserve.gov/consumersinfo to get more information about

bank accounts and services

credit cards

identity theft

leasing

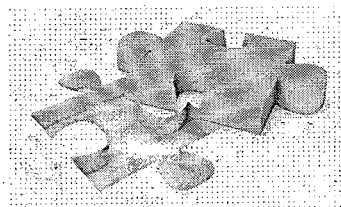
mortgages

personal finance

federal agency contacts

Need more direction?

To learn more about how these new rules directly apply to you, contact your credit card company by calling their toll-free number.



WHAT YOU NEED TO KNOW:

New Credit Card Rules

The Federal Reserve's new rules for credit card companies mean new credit card protections for you. Here are some key changes you should expect from your credit card company beginning on February 22, 2010.

What your credit card company has to tell you

- **When they plan to increase your rate or other fees.** Your credit card company must send you a notice 45 days before they can
 - increase your interest rate;
 - change certain fees (such as annual fees, cash advance fees, and late fees) that apply to your account; or
 - make other significant changes to the terms of your card.

If your credit card company is going to make changes to the terms of your card, it must give you the option to cancel the card before certain fee increases take effect. If you take that option, however, your credit card company may close your account and increase your monthly payment, subject to certain limitations.

For example, they can require you to pay the balance off in five years, or they can double the percentage of your balance used to calculate your minimum payment (which will result in faster repayment than under the terms of your account).

The company does not have to send you a 45-day advance notice if

- you have a variable interest rate tied to an index; if the index goes up, the company does not have to provide notice before your rate goes up;
- your introductory rate expires and reverts to the previously disclosed "go-to" rate;
- your rate increases because you are in a workout agreement and you haven't made your payments as agreed.

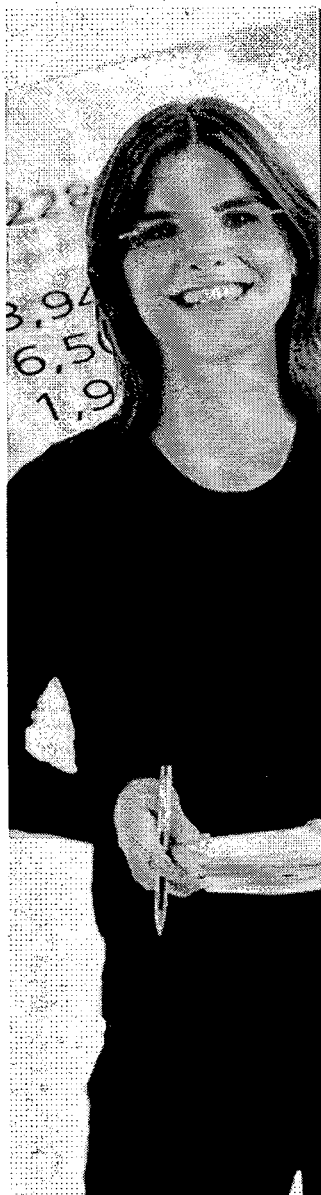
- **How long it will take to pay off your balance.** Your monthly credit card bill will include information on how long it will take you to pay off your balance if you only make minimum payments. It will also tell you how much you would need to pay each month in order to pay off your balance in three years. For example, suppose you owe \$3,000 and your interest rate is 14.4%—your bill might look like this:

New balance	\$3,000.00
Minimum payment due	\$90.00
Payment due date	4/20/12

Late Payment Warning: If we do not receive your minimum payment by the date listed above, you may have to pay a \$35 late fee and your APRs may be increased up to the Penalty APR of 28.99%.

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance. For example:

If you make no additional charges using this card and each month you pay	You will pay off the balance shown on this statement in about...	And you will end up paying an estimated total of...
Only the minimum payment	11 years	\$4,745
\$103	3 years	\$3,712 (Savings = \$1,033)



The Federal Reserve Board
www.federalreserve.gov

New rules regarding rates, fees, and limits

- **No interest rate increases for the first year.** Your credit card company cannot increase your rate for the first 12 months after you open an account. There are some exceptions:
 - If your card has a variable interest rate tied to an index; your rate can go up whenever the index goes up.
 - If there is an introductory rate, it must be in place for at least 6 months; after that your rate can revert to the "go-to" rate the company disclosed when you got the card.
 - If you are more than 60 days late in paying your bill, your rate can go up.
 - If you are in a workout agreement and you don't make your payments as agreed, your rate can go up.
- **Increased rates apply only to new charges.** If your credit card company does raise your interest rate after the first year, the new rate will apply only to new charges you make. If you have a balance, your old interest rate will apply to that balance.
- **Restrictions on over-the-limit transactions.** You must tell your credit card company that you want it to allow transactions that will take you over your credit limit. Otherwise, if a transaction would take you over your limit, it may be turned down. If you do not opt-in to over-the-limit transactions and your credit card company allows one to go through, it cannot charge you an over-the-limit fee.
 - If you opt-in to allowing transactions that take you over your credit limit, your credit card company can impose only one fee per billing cycle. You can revoke your opt-in at any time.
- **Caps on high-fee cards.** If your credit card company requires you to pay fees (such as, an annual fee or application fee), those fees cannot total more than 25% of the initial credit limit. For example, if your initial credit limit is \$500, the fees for the first year cannot be more than \$125. This limit does not apply to penalty fees, such as penalties for late payments).
- **Protections for underage consumers.** If you are under 21, you will need to show that you are able to make payments, or you will need a cosigner, in order to open a credit card account.
 - If you are under age 21 and have a card with a cosigner and want an increase in the credit limit, your cosigner must agree in writing to the increase.

Changes to billing and payments

- **Standard payment dates and times.** Your credit card company must mail or deliver your credit card bill at least 21 days before your payment is due. In addition
 - Your due date should be the same date each month (for example, your payment is always due on the 15th or always due on the last day of the month).
 - The payment cut-off time cannot be earlier than 5 p.m. on the due date.
 - If your payment due date is on a weekend or holiday (when the company does not process payments), you will have until the following business day to pay. (For example, if the due date is Sunday the 15th, your payment will be on time if it is received by Monday the 16th before 5 p.m.).
- **Payments directed to highest interest balances first.** If you make more than the minimum payment on your credit card bill, your credit card company must apply the excess amount to the balance with the highest interest rate. There is an exception:
 - If you made a purchase under a deferred interest plan (for example, "no interest if paid in full by March, 2012"), the credit card company may let you choose to apply extra amounts to the deferred interest balance before other balances. Otherwise, for two billing cycles prior to the end of the deferred interest period, the credit card company must apply your entire payment to the deferred interest-rate balance first.
- **No two-cycle (double-cycle) billing.** Credit card companies can only impose interest charges on balances in the current billing cycle.



Useful terms...

"go-to" rate
interest rate you are charged after the introductory rate

index
an economic indicator used to calculate interest-rate adjustments (e.g. the Cost of Funds Index)

opt-in
giving your credit card company permission to include you in a particular service

workout agreement
a type of debt management plan

Other resources...

Visit the Federal Reserve's website at www.federalreserve.gov/consumerinfo to get more information about

bank accounts and services
consumer credit
identity theft
leasing
mortgages
personal finance
federal agency contacts

Need more direction...

To learn more about how these new rules directly apply to you, contact your credit card company by calling their toll-free number

Information to Help Homeowners Avoid Foreclosure

If you find yourself unable to make your mortgage payment:

- 1. Don't ignore the problem.** The further behind you become, the harder it will be to reinstate your loan and the more likely that you will lose your house.
- 2. Contact your lender as soon as you realize that you have a problem.** Lenders do not want your house. They have options to help borrowers through difficult financial times. If you find you need additional assistance, contact your local HUD Approved Housing Counseling Agency, or HOPE NOW, 1-888-995-4673, www.hopenow.com.
- 3. Open and respond to all mail** from your lender. The first notices you receive will offer good information about foreclosure prevention options that can help you weather financial problems. Later mail may include important notice of pending legal action. Your failure to open the mail will not be an excuse to keep your home from foreclosure.
- 4. Know your mortgage rights.** Find your loan documents and read them so you know what your lender may do if you can't make your payments. Learn about foreclosure laws and timeframes.
- 5. Prioritize your spending.** After healthcare, keeping your house should be your first priority. Review your finances and see where you can cut spending in order to make your mortgage payment. Look for optional expenses-cable TV, memberships, entertainment-that you can eliminate. Delay payments on credit cards and other "unsecured" debt until you have paid your mortgage.
- 6. Understand foreclosure prevention options.** Additional information about foreclosure prevention (also called loss mitigation) options can be found on the internet at www.fha.gov.
- 7. Contact a non-profit housing counselor.** Housing counselors can help you understand the law and your options, organize your finances and represent you in negotiations with your lender if you need this assistance. (Credit Coalition @ 713-224-8100, www.creditcoalition.org, or www.hud.gov)
- 8. Use your assets.** Do you have assets--a second car, jewelry, a whole life insurance policy--that you can sell for cash to help reinstate your loan? Can anyone in your household get an extra job to bring in additional income? Even if these efforts don't significantly increase your available cash or your income, they demonstrate to your lender that you are willing to make sacrifices to keep your home.
- 9. Avoid foreclosure prevention companies.** Many for-profit companies will contact you promising to negotiate a loan work out with your lender. While these may be legitimate businesses, they will charge you a hefty fee (often two or three month's mortgage payment) for information and services your lender or a HUD approved housing counselor will provide for free if you contact them. You don't need to pay fees for foreclosure prevention help--use that money to pay the mortgage instead.
- 10. Don't lose your house to foreclosure recovery scams!** If any firm claims they can stop your foreclosure immediately if you sign a document appointing them to act on your behalf, you may well be signing over the title to your property and becoming a renter in your own home! Never sign a legal document without reading and understanding all the terms and getting professional advice from an attorney, a HUD approved housing counselor or trusted real estate professional.



CREDIT COALITION

A HUD APPROVED HOUSING COUNSELING AGENCY

The "Fundamentals of Good Credit" Certificate of Completion satisfies the financial and homebuyer education requirement for the City of Houston Homebuyer Assistance Program, Harris County Down Payment Assistance Program (DAP), SETH Homebuyer Assistance Programs, Individual Development Account (IDA) programs and other special mortgage programs for up to one year from completion.

2010 CLASS SCHEDULE

"FUNDAMENTALS OF GOOD CREDIT"

Financial and Pre-Purchase Education

(6-Week Sessions - 15 Hours)

CHOOSE THE LOCATION THAT IS BEST FOR YOU

**Business and Technology Center
(Palm Center)**

FREE

Training Room

FREE

5330 Griggs

Houston, TX 77021

Off South Loop(610)/Between Mykawa & MLK

THURSDAY EVENINGS: 6:30 pm - 9:00 pm

January 7 to February 11

February 18 to March 25

April 8 to May 13

May 20 to June 24

July 8 to August 12

August 19 to September 23

September 30 to November 4

Bank of Texas

5320 Bellaire Blvd., Bellaire 77401

(less than 1 mile West of the 610 West Loop South)

WEDNESDAY EVENINGS: 6:30 pm to 9:00 pm

April 7 to May 12

September 29 to November 3

Español

"FUNDAMENTOS PARA UN BUEN CRÉDITO"

GRATIS

16 de Febrero hasta el 23 de Marzo

3300 Lyons Ave. Suite 205

Houston, TX 77020

Desde las 6:30pm hasta las 9:00pm

Todos los martes consecutivamente

Para más información, llamar

713-223-1864 x 10

BEAUMONT AREA FUNDAMENTALS OF GOOD CREDIT

FREE

For More Information, Call

409-835-7118 x 4425

Post-Purchase Education

"LIFE AS A HOMEOWNER"

FREE

(4 Hours)

Feb. 6 May 1 Aug. 7 Oct. 23

Call for schedule/registration

713-224-8100

"FUNDAMENTALS OF GOOD CREDIT"

Class 1 Intro to Personal Financial Management

Class 2 Your Credit Report

Class 3 Basic Banking

Class 4 The Credit Process

Class 5 Consumer Laws & Rights

Your Re-Entry into the Credit Mainstream

Class 6 Homebuyers' Training

☐ I would like to register for the workshop beginning on _____

Name (s) _____

Home Address: _____ City / State / Zip _____

Telephone (day): _____ (evening) _____

FOR REGISTRATION or Additional Information:

Fax Registration To: 713-224-8102

CALL 713-224-8100

www.creditcoalition.org



GREEN POWER INITIATIVE

TYPES OF FINANCIAL AID & REQUIREMENTS

Type Program	Program Information	Annual Limits	Requirements
Institutional Grants	Texas Southern University as well as the Thurgood Marshall School of Law offer grant opportunities. You will need to check with the institutions for availability.	Limits set by the school.	<p>Student must be enrolled in the graduate or professional program.</p> <p>Other school requirements may be applicable.</p> <p>http://www.tsulaw.edu/admissions/financial/index.asp</p> <p>http://em.tsu.edu/financialaid/index.php</p>
Work-Study Programs http://studentaid.ed.gov/students/publications/student_guide/index.html	<p>Student will work a set number of hours for the school or approved public-service related company.</p> <p>Money is earned: does not have to be repaid. Graduates paid on a hourly basis or by salary.</p> <p>http://www.offtocollege.com/financial-aid/financial-aid-note5.html</p>	<p>No annual maximum.</p> <p>However, the amount cannot exceed your total work-study award.</p>	<p>Student must file the FAFSA form.</p> <p>http://www.tsulaw.edu/admissions/financial/news.asp</p> <p>http://www.fafsa.ed.gov/</p> <p>School disburses earned funds to students.</p> <p>Submit your application for work study through your school.</p> <p>TMSL 1L students are encouraged not to work.</p>
Scholarships	<p>Scholarships are available from many private and educational institutions. This type of financial aid does not have to be paid back.</p> <p>The more common form of scholarships are athletic and academic. However, there are a number of scholarships awarded for other achievements.</p> <p>TMSL offers scholarships to students who have demonstrated strong potential for success in law school. If you believe that you have demonstrated this potential, you must complete a financial aid packet.</p>	Limits subject to scholarship award and program.	<p>Scholarships may require an essay, written exam, or some demonstration /document of your eligibility.</p> <p>http://www.qksrv.net/click-1181966-876226</p> <p>Most scholarships (including athletic) will require a minimum GPA.</p> <p>At TMSL no separate scholarship application is required.</p> <p>http://www.tsulaw.edu/admissions/financial/scholarships.asp</p>
Federal Perkins Loans http://studentaid.ed.gov/students/publications/student_guide/index.html	<p>Loan: must be repaid.</p> <p>These are low-interest rate loans (5%) available to students with <i>exceptional</i></p>	<p>Amount: up to \$8,000 annually for graduate students</p> <p>Maximum amount:</p>	<p>Student must file the FAFSA form.</p> <p>http://www.saysstudent.com/sf</p>

	<p>financial need.</p> <p>The loan does not charge origination fees.</p> <p>http://www.offtocollege.com/financial-aid/financial-aid-note5.html</p>	\$60,000 (including undergraduate loans)	<p>/fafsa.html</p> <p>Your school becomes the lender using funds shared by the federal government.</p> <p>You must repay this loan to your school.</p> <p>Submit your application for Perkins Loans through your school.</p>
<p>Federal Stafford Loans</p> <p>http://www.offtocollege.com/financial-aid/summary-stafford-loans.html</p> <hr/>	<p>2 types of Federal Stafford Loans:</p> <ol style="list-style-type: none"> subsidized loans: the Federal Government pays interest while the student is in school and during grace and deferment periods. unsubsidized loans: the borrower is responsible for interest during the life of the loan. <p>the type of loans awarded depends on financial status.</p> <p>Loan funds will be sent to the school and disbursed in at least two installments.</p> <p>The funds will first be applied to pay tuition, fees, room and board, and other school charges. Any remaining funds must be used for paying education-related expenses.</p>	<p>graduates: up to \$20,500, for each academic year</p> <p>See Loan Chart: http://www.saystudent.com/sf/loan_chart.html</p>	<p>Student must file the FAFSA form.</p> <p>http://www.saystudent.com/sf/fafsa.html</p> <p>Loan restricted to education-related expenses only.</p> <p>Student must be enrolled at least half-time in a degree or certificate program at an approved school.</p> <p>Direct Stafford Loans: The federal government provides funds to schools.</p> <p>FFEL Stafford Loans: private lenders provide funds to schools to disburse to students.</p>
<p>Federal PLUS Loan for Graduates and Professional Students</p> <p>http://www.offtocollege.com/financial-aid/summary-gradplus-loans.html</p> <hr/>	<p>Graduate and professional students can borrow under the PLUS loan program on their behalf.</p> <p>Loan funds will be sent to the school. The loan will be disbursed in at least two installments; no installment will be greater than half the loan amount.</p> <p>The funds will first be applied to pay tuition, fees, room and board, and other school charges, even travel. Any remaining funds must be used for paying education-related expenses.</p>	<p>The annual limit is equal to the total cost of attendance (including travel) minus any financial aid received.</p> <p>You must first accept all Stafford Student Loan you are eligible for before you may borrow under the Graduate PLUS program.</p>	<p>Student must file the FAFSA form.</p> <p>http://www.saystudent.com/sf/fafsa.html</p> <p>Student must pass a credit check to qualify or have a relative or friend who can pass the credit check co-sign the promissory note.</p> <p>Loan restricted to education-related expenses only.</p> <p>Student must be enrolled at least half-time in a degree or certificate program at an approved school.</p>
Private Student Loans	Private student loans are used to make up the difference between total cost of school and any financial aid received.	From \$3,000 to \$45,000 annually depending on the	You must have at least 21 months credit experience and

<p>See http://www.offtocollege.com/financial-aid/summary-private-student-loans.html</p>	<p>These loans are not guaranteed by the government so the interest rate and origination fees may be higher.</p> <p>Most private loan programs have higher borrowing limits than federal loan programs.</p> <p>Funds can be used for any education-related expenses, including a new personal computer for school use.</p>	<p>lender</p> <p>The aggregate program maximum is \$150,000 or more.</p>	<p>a satisfactory credit history.</p> <p>You must meet the credit guidelines for employment and residency.</p> <p>If you can't meet these guidelines, you may need your parent or another creditworthy adult to co-sign for the loan.</p> <p>Graduate students must be enrolled at least half-time in a degree or certificate program at an approved school.</p> <p>Funds are certified through the school.</p>
<p>Home Equity Financing</p> <p>http://www.offtocollege.com/financial-aid/summary-home-equity.html</p>	<p>Private loan program where the lender opens a credit line on your behalf (or your parent), which credit line is secured by the equity value of your or your parent's home.</p> <p>You will use equity line checks or online transfer capabilities to pay for education or other expenses.</p> <p>The line of credit can be used at any time and for any expense up to your approved credit line balance.</p>	<p>No annual limit restrictions.</p> <p>Your amount is subject to your approved equity line balance.</p>	<p>You must have equity value in your home.</p> <p>You must meet the lenders credit criteria and credit check.</p> <p>There is no limitation or restrictions on the use of the funds.</p>
<p>State Agencies</p> <p>link to your individual state for information</p>	<p>Individual states offer financial aid programs for state residents and in some cases out-of-state residents attending in-state schools.</p> <p>Financial aid may include grants, scholarships, financial aid assistance, and some loan programs.</p>	<p>Financial assistance may vary by state.</p>	<p>Financial aid qualifications can vary by individual state.</p> <p>http://www.collegefortexans.com/</p> <p>http://www.savingforcollege.com/529_plan_details/</p> <p>http://em.tsu.edu/financialaid/index.php</p>
<p>Investment Financing Options</p>	<p>State529 Plans</p> <p>Qualified investment plans established and managed by individual states that can be used to pay education expenses. Contributions are after-tax, but earnings in the fund are tax exempt.</p> <p>Funds are available to any named beneficiary. The beneficiary can be the contributor.</p>	<p>Limitations subject to the available amount in the plan.</p>	<p>Plan must be setup in the name of the beneficiary.</p> <p>Withdrawals are tax-exempt if the funds are used to pay for education-related expenses.</p> <p>Penalties may apply for payment of non-education expenses.</p>

	<p>Two types of plans:</p> <ol style="list-style-type: none"> 1. Prepaid College Tuition Plans 2. College Savings Plan <p>Education IRAs</p> <p>IRA plans that can be setup for education. Contributions are after-tax, but earnings in the fund are tax exempt.</p> <p>The IRA can be used to pay for higher education and K-12 education expenses.</p>		
<p>IRA Plans</p> <p>More information from the IRS: http://www.irs.gov</p>	<p>You can make withdrawals from your IRAs for qualified higher education expenses without having to pay the 10% penalty tax.</p>	<p>Limitations subject to the available amount in the plan.</p>	<p>You will owe income tax on at the amount withdrawn from the plan.</p>
<p>Military ROTC</p>	<p>Federal-merit scholarship program that will pay for college and provide a monthly allowance.</p> <p>You must meet specific academic or physical fitness requirements to join.</p> <p>For information:</p> <ul style="list-style-type: none"> • Navy • Army • Air Force • Marines • National Guard • Coast Guard 	<p>Limitations subject to the cost of college attendance.</p>	<p>You will be required to complete a period of military service after you graduate.</p>
<p>Eligible Tax Credits</p> <p>More information from the IRS: http://www.irs.gov</p>	<p>The IRS allows students and parents who file and owe taxes to claim one of two educational credits. Tax credits reduce your overall taxes paid dollar-for-dollar.</p>	<p>Hope Tax Credit: up to a maximum \$1,800 per year</p> <p>Lifetime Learning Tax Credit: up to a maximum \$2,000 per year per family</p>	<p>Credit can only be taken for expenses covering tuition, fees, and books (if the book expense was paid to the institution on condition of enrollment) minus any scholarships and grants received.</p> <p>Room and board, personal expenses and transportation are non-eligible expenses.</p>
<p>Other Financial Aid</p> <p>See Aid Note: http://www.offtocollege.com/financial-aid/financial-aid-note5-aid.html</p>	<p>Includes loan forgiveness programs, VA benefits, Americorps, U.S. public health, and job training programs.</p>	<p>Provides help for limited circumstances.</p>	<p>View program for limitations.</p>

About this Student Budgeting Worksheet

This budgeting worksheet is brought to you by SayStudent.com, your online source for student financial aid information and products. We invite you to use this worksheet to keep track of your financing and spending costs to avoid shortfalls and excessive debt while attending school.

File supports the following sites: SayStudent.com | OfftoCollege.com | SayCampusLife.com

Worksheet Directory

[Budgeting Worksheet](#)

School Budget and Cash Position Worksheets:

[School Year 1](#)

[School Year 2](#)

[School Year 3](#)

File Tracking Sheets:

[Scholarships and Grants](#)

[Student Loans](#)

[Other Financial Aid](#)

[Support Links](#)

How to Use This Spreadsheet:

1st:	Collect Financial Aid and Cost of Education Information
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Collect from your college and other aid sources the financial aid amounts that will be awarded for the academic year.

Also get from your college and parents the estimated costs to attend your school of choice and to live away from home.

You will use these estimates to build your budgeting plan for the year.

Note: that some cells in this worksheet will display a small red triangle in the upper right corner of the cell. This signifies that a comment is available to further explain your input requirements.

2nd:

Budget Your Financial Aid and Education Costs

Enter the budgeted amounts for all financial aid that you will receive for the academic year. Start with scholarships and move down the rows and enter the estimated amount for each aid source.

[go to "Budgeting Worksheet": enter aid amount in the yellow box for each aid source](#)

Next, enter the budgeted amounts for all education costs. Start with tuition and move down the rows and enter the estimated amount for each cost.

[go to "Budgeting Worksheet": enter aid amount in the yellow box for each cost item](#)

You will note "Year 1", "Year 2", "Year 3", and "Year 4". These are academic years. You will enter aid and cost information under the year level that you will be attending; Year-1 for first year students, etc.

3rd:

Use Your Budget to Analyze Cash Position

Your budget plan is now developed for the academic year.

[Tab: School Year-1 for first-year students](#)

[Tab: School Year-2 for second-year students](#)

[Tab: School Year-3 for third-year students](#)

[Tab: School Year-4 for fourth-year students](#)

The "Summary Cash Position" has four line items:

[Student Financial Aid and Income: lists the total financial aid that you have by month - by academic year](#)

[Cost of Attendance Budget: lists the budgeted amounts for education costs](#)

[Total Spend: shows what you have spent by month - by academic year](#)

[Net Cash Position: shows how much net cash you have school](#)

The line item you need to watch is the "Net Cash Position". This is the amount of cash you have for school. You need to budget your spending to make sure your net cash position remains positive. If it falls below zero, you need to find additional aid sources or cut back expenses.

As you move down the worksheet, you will note two segmented sections:

[Snapshot: Student Aid Programs](#)

Shows the allocated budget amount from all aid sources. You will note an "Input Row" we will discuss later on

[Snapshot: Cost of College Attendance](#)

Shows the allocated budget amount for all college costs. You will note an "Input Row" that we will discuss later on

There are two things you need to note about budgeting:

About Fixed Aid and Expenses:

Fixed aid and expense items are fixed amounts that cannot change. In other words, you can't change the amount you have in the budget. So if your net cash position reaches zero, you can't expect to get additional aid or reduce expected costs for these fixed items.

About Variable Aid and Expenses:

Variable aid and expense items are variable amounts that can change. So if your net cash position reaches zero, you must turn to these line items to get additional aid or reduce expected costs

[Link to our budgeting topic at www.SayStudent.com](http://www.SayStudent.com)

4th:

Use Your Budget Sheet to Input Spend for the Academic Year

Input Your Spend Amounts by Category - by Month

[Go to your cost section](#)

For each cost category, you will note a row for "Input". You will use this row to input your actual spend for each month (input amounts in the "yellow box")

As you spend money, the amount will be subtracted from your budget amount (grey box) and give you a net spend position for the month (blue box)

[You need to watch the row item: your annual net spend position](#)

this shows you the net cash that you have for this cost category. It should be above zero as you move through the year. If it falls below zero, you need to either find additional aid or reduce other expenses or you will run out of money.

[Go to your financial aid section](#)

For each aid category, you will note a row for "Input". You will use this row to input any additional financial aid that you receive by month (input amounts in the "yellow box")

The additional financial aid will be added to your budgeted amount in the "grey box" above. The increased budgeted amount will improve your net cash position.

Entering your spend amounts each month is very important if you want this budget plan to work. We have suggestions on how to manage your spend and budget:

- Tip 1:** use our budgeting tally sheets to record your daily spend [get sheet](#)
- Tip 2:** if you have a electronic hand-held, record your daily spend
- Tip 3:** use a pre-paid credit cards to load monthly budget amounts [view card](#)

How Else to Use this Spreadsheet

Record: You can keep a list of your aid sources for future reference and to manage your overall aid position as you gradu:

[Scholarships and Grants:](#) keep a record of your scholarship and grant information so that you can use this information for later years when you need to apply for scholarship money

[Student Loans:](#) keep a record of all your student loans so that you know how much you have borrowed. This information will be valuable when you need to consolidate these loans into one repayment plan when you graduate.

[Other Financial Aid:](#) keep a record of work-study with supervisor's name, employment with supervisor's name, and other aid sources that can be used after you graduate to build a reference resume

[Support Links:](#)

links to support information on our network to help manage your budget plan

Finance:

You can quickly link to our web site at SayStudent.com whenever you need to apply for additional financial aid:

[federal student loans](#)

[scholarships](#)

[private student loans](#)

[understanding aid process](#)

[managing student funds](#)



Alias A. Johnson
Branch Manager, AVP
Stadium Financial District
7919 Kirby Drive
Houston, TX 77054
alias.johnson@capitalonebank.com
Off# 713-435-7603
Cell# 713-724-4614
Fax# 713-435-7618

Simple Savings Account

Detailed benefits

- No recurring maintenance fees.
- Earn a competitive interest rate with no minimum balance requirement.
- The perfect match to our SmartCents Checking account—free checking with automatic SmartCents transfers to your savings.
- Open an account with just \$25.
- Receive a free ATM card upon request.
- Make up to 6 withdrawals per month.
- Deposits are insured up to full FDIC limits.
- Bank online anytime with free Online Banking.

High Interest Savings Account

Detailed benefits

- Earn a highly competitive interest rate
- Open an account with just \$50
- Maintain a \$5,000 minimum daily balance and pay no monthly service charge
- Make up to six withdrawals per month
- Receive a free ATM card upon request
- Deposits are insured up to full FDIC limits
- Bank online anytime with free Online Banking

Certificates of Deposit

Count on solid returns

- **Competitive fixed interest rates—lock in a rate that won't change**
- **Interest payment options—choose how and when you receive your earned interest**
- **\$1,000 opens your account—and opens up your earnings**
- **Seven-day grace period—access your account penalty-free upon maturity**

High Yield Money Market Account

What is a High Yield Money Market Account? A High Yield Money Market Account is a savings account that offers a higher-than-average rate of return on your money, **three** easy ways to access your money – free checks, ATM card and online transfers to and from your existing external bank accounts* – and the security of FDIC insurance.

Rewards Checking Account

- Free checking with rewards for everyday banking
- No monthly Service Charge
- No minimum balance
- Free Online Banking and Bill Pay
- Free Personalize Debit Cards
- Free Account Alerts
- Mobile Banking

SmartsCents Checking Account

- Free checking that helps you build your savings balance
- Automatic Transfer to savings with bank matching contributions
- No monthly Service Charge
- No minimum balance
- Free Online Banking and Bill Pay
- Free Personalize Debit Cards
- Free Account Alerts
- Mobile Banking

Small Business Rewards Checking Account

- Free Business Checking Account that earns rewards for your everyday banking.
- No monthly service charge
- No minimum balance requirement
- Free Business Debit Card
- Free Online Banking and Bill Pay
- 500 Free Transactions

Managing the Repayment of Your Student Loans



Student Loan Debt Management

OVERVIEW

- Recent Market and Regulatory Changes
- Identify your Loans
- Evaluating Federal Consolidation
- Federal Loan Payment Relief Programs
- Public Service Loan Forgiveness
- Loan Repayment Assistance Programs –
 - Income Based Repayment vs. Standard Track



Changes in Debt Management

Recent Market and Regulatory Changes

- Income-Based-Repayment (IBR) as of July 1, 2009
- Public Service Loan Forgiveness Program (PSLF)
- Private Bar Study Loans are more difficult to obtain and more expensive

Debt Management Strategies Have Become More Complex

Identifying Your Loans

Loan Type	Interest Rate	Grace Period	Public Service Loan Forgiveness -Eligible
DIRECT Stafford subsidized	6.8%	6 months	yes
DIRECT Stafford unsubsidized	6.8%	6 months	yes
DIRECT Grad PLUS	7.9%	optional*	yes
<u>Perkins</u>	5%	9 months	no**
Private	variable	various by lender	no
TX Bar Study Loan	8%	19 months	no
Private Bar Study Loan	variable	various by lender	no
Other Loans: (<u>FFEL</u> , State, Non-profit, etc.)		various by lender	no FFEL**

***Request grace period and/or forbearance**

****Qualify for Public Student Loan Forgiveness if consolidated with Direct Lending**

Federal Consolidation

- **Why should I consolidate?**

- Lock in your current variable rate
ONLY if you still have variable rate loans from undergrad or pre-Thurgood
- Administrative Simplicity or Loan Forgiveness (*FFEL & Perkins loans*)
Public Service Loan Forgiveness program requires Direct Loan payments.
If you have **multiple lenders for your federal loans**, this could be valuable but **no monetary savings**.
- Lower Monthly Payments – **NO**
Extended payment plans (12-30 years) are available, if you have over \$30,000 in total debt.
- Superior Benefits – **NO**
Due to recent regulatory changes, it is doubtful benefits on consolidations will be superior to those associated with the underlying loans.

Federal Loan Payment Relief Programs

Postpone Payments:

Economic Hardship Deferment (EHD)

- Based solely on income, amount of debt no longer a factor
- no payments, and **government pays interest** on subsidized loans **(\$1,734)***

Forbearance

- No subsidy savings
- at lender's discretion

Significantly Reduce Payments:

Income Based Repayment Plan (IBR) – New program effective 7/1/2009

- Must qualify
- Limits payments to 15% of discretionary income
- Subsidized interest not covered by reduced payment is paid by the government
- Subsidy limited to first 3 years of participation
- After 25 years remaining debt forgiven remains a taxable income

Extended Repayment Plans

- Unconsolidated debt must be at least \$30,000
- Consolidation loans start at \$7,500

*Based on \$25,500 Subsidized Stafford at 6.8%; IBR varies by payment

Public Service Loan Forgiveness

- ***Overview of Requirements***

- Federal **DIRECT** loans only
- Income-Based (IBR) or 10-year Repayment
- Government or 501 (c) 3 nonprofit **employment**
- Must make 120 qualifying monthly payments on your Federal Direct loans....
 -while working in Public Service for 10 years

AFTER 10 YEARS: APPLY FOR LOAN FORGIVENESS

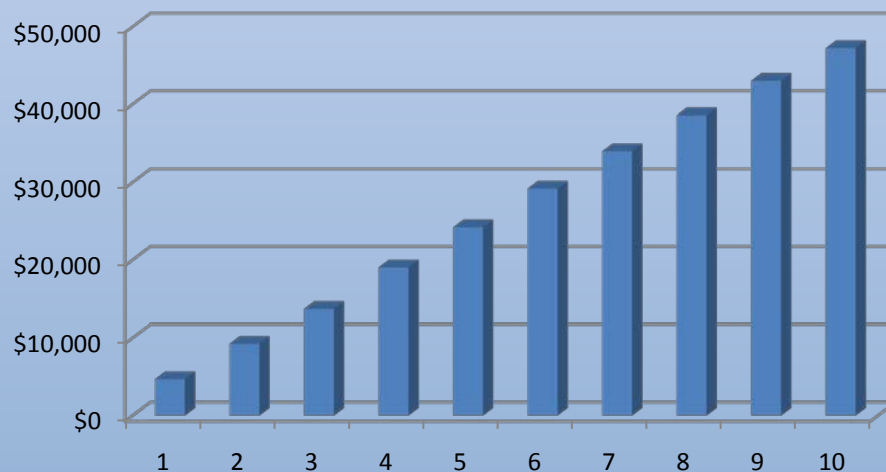
Public Service Loan Forgiveness

Student Loan Debt: **\$122,000 (\$67,300 Stafford, \$55,000 GradPlus)**

Weighted Rate: 7.29%

	<u>Year 1</u>	<u>Year 10</u>
AGI:	\$37,000	\$52,600
10-year Repayment:	\$1,434	\$1,434
IBR Payment:	\$260	\$455

Interest accrued in addition to principal



Total IBR Payments:	\$38,700
Amount Forgiven:	\$169,513

Total 10-Year Repayment:	\$172,080
Amount Forgiven:	\$0

Loan Repayment Assistance Programs

- ***Overview of LRAP Eligibility Requirements***
 - Public Service Employment [government or 501 (c) 3 nonprofit, domestic or international]
 - Substantial use of law school training and law-related work responsibilities
 - 1-year judicial clerkships qualify, if graduate pursues public service employment immediately following the clerkship
 - Must enter the program within 3 ½ years after graduation
 - For income greater than \$65,000 assistance will be prorated and capped at \$100,000
 - Funds are provided in form of a forgivable loan, and according to the repayment schedule in which a graduate is actually enrolled
 - Provided for those who have provided 10 years of service.

LRAP

LRAP Options

- **IBR – Track**

- ALL federal loans (IBR)
- Private loans borrowed while at Thurgood Marshall School of Law
- TX-Bar study loan and/or Private Bar study loan
 - up to \$10,000 (including accrued interest)

\$0 out-of-pocket payments for federal and private loans!

vs.

- **Standard – Track**

- Federal or private loans while at Thurgood Marshall ONLY
 - Up to \$100,000 law school debt and may include a maximum bar study loan of \$10,000
- Interest rate is capped at 8.25%

Participant is responsible for out-of-pocket payments for federal and private loans over \$100,000 and all pre-Thurgood Law loans



LRAP

LRAP IBR –Track & Public Service Loan Forgiveness

- LRAP funds your IBR payments for up to 10 years
- Federal government will forgive remaining balance after 120 qualifying monthly payments while working in qualifying public service employment. (*Must apply for forgiveness*)
- Forgiven amount is not a taxable event
 - *For More Information Contact:*
 - **TEXAS**
Lisa Melton
Texas Access to Justice Foundation
PO Box 12886
Austin, TX 78711-2886
(512) 320-0099 x 112
 - <http://www.abanet.org/legal/services/sclaid/lrap/statelraps.html>

Benefits for Thurgood Law graduates:

- No out-of-pocket payments for Direct Loans and private loans
- Ability to direct discretionary income toward an emergency fund or other priorities
- Freedom to pursue a legal career in public service regardless of the size of your student loan portfolio

Financial Aid Office

Please schedule an appointment for an individual assessment of your student loan portfolio and repayment options.

Financial Aid Advisor

(Ms. K. Percival)

Kepercival@tsmlaw.tsu.edu

713-313-7243

GREEN POWER INITIATIVE PARTNERS



TEXAS SOUTHERN UNIVERSITY



The Earl Carl Institute for Legal and Social Policy, Inc. (ECI) was established in 1992 at Thurgood Marshall School of Law. The Institute's mission is to enhance the ability of future leaders to advocate, educate and promote equity through research focused on social and legal policy, through an interdisciplinary approach. The Institute is a non-profit corporation and is principally funded by The Thurgood Marshall School of Law. It also receives funding from private donors, the ORISKA Foundation, Texas Access to Justice Foundation, and the Texas Bar Foundation.

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