

LAWYER TO LAWYER MENTORING PROGRAM
WORKSHEET M
INTRODUCTION TO MANAGEMENT OF LAW SCHOOL DEBT

Worksheet M is intended to facilitate a discussion about practical ways to manage law school debt.

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- Share with the mentee tips on creating a reasonable budget. Discuss ways to analyze and make decisions about spending habits so that the mentee can begin to eliminate debt. The mentee may, on his or her own, complete the example budget worksheet that is attached.
- Discuss the benefits and possible consequences of consolidating student loans, including consolidating federal and private loans together and consolidating your student loans with your spouse's student loans. If this option interests the mentee, see the attached information from the Federal Consolidation Loans Information Center, Borrower Services, at www.loanconsolidation.ed.gov, and the United States Department of Education, at <http://studentaid.ed.gov>.
- Discuss risks and benefits of different loan re-payment options, automatic withdrawal plans, loan deferment and forbearance and the Student Loan Interest Deduction for federal income taxes. See the attached *Difficulty Repaying* page from the United States Department of Education, at <http://studentaid.ed.gov>.
- If the mentee has a job in public service, discuss the attached summary of the Loan Forgiveness for Public Service Employees Program taken from <http://studentaid.ed.gov/students/attachments/siteresources/LoanForgivenessMarch18.pdf>
- Talk about the importance of financial planning for the future.
- Discuss the following issues concerning responsible financial planning which the mentee should evaluate:
 - Plans that allow one to save and invest for both the short-term and long-term
 - Insurance needs, including life insurance, disability insurance, long-term care insurance, etc.

RESOURCES

Federal Consolidation Loans Information Center www.loanconsolidation.ed.gov

United States Department of Education <http://studentaid.ed.gov>

Loan Reimbursement Assistance Programs www.equaljusticeworks.org