

# OSGOODE’S INCOME CONTINGENT LOAN PROGRAM

## Program Guide for Students

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#### I. Program Objectives

Commencing with the JD class beginning their studies in 2015, Osgoode offered 5 students annually admission to Law School on an income contingent loan basis. Beginning in the 2018-2019 academic year, this number was increased to 7 students annually. The Income Contingent Loan Program (ICLP) pilot will have provided at least 40 students with loans by 2022. Students who are selected for the ICLP do not pay any tuition while they are law students, but agree to repay the entirety of their tuition after graduation over a 10 year period. If their income sits below a pre-determined threshold in any of the years of the repayment period, the loan repayment for those years is forgiven.

The primary objective of the ICLP is accessibility through opportunity. The ICLP will achieve its mission if it encourages and enables highly talented and qualified potential law students to apply for admission to Osgoode when they otherwise would not have done so due to the “sticker shock” of tuition and other barriers involved for students financing their legal education. In addition to the few students who receive an income contingent loan, the hope is that the existence of the program assists in generating applications from a larger set of individuals who would not have otherwise applied, giving Osgoode the opportunity to engage with and encourage a broader range of students interested in legal education, and allowing us to use our existing financial aid resources even more effectively. For those who receive the loan, the ICLP helps them to pursue careers of their choice after law school, without the burden of significant debt and loan repayment obligations impacting their choices.

Data is collected to determine whether the ICLP is meeting its primary objective. Students admitted to the ICLP are surveyed to see if being admitted to the Program has made a difference in terms of being able to pursue their legal education. Additionally, after each of the admissions cycles for pilot years 2-7, admitted applicants who applied for the ICLP but were NOT offered a spot in the Program will be canvassed to see if they did or did not go on to enrol at Osgoode or any other law school. We may also track whether these applicants re-applied for admission and the ICLP in subsequent years.

## **II. Application and Selection Process**

1. Detailed information about the ICLP, including the minimum eligibility requirements, the types of supporting documentation needed for the application and key terms of the contract are included in the OLSAS Information Booklet and on the Osgoode website. Applicants must complete the ICLP section of the Financial Statement and submit it by the application deadline of November 1. The form lists the documentation that is required in support of the application as well as instructions that all documentation must be received by the FSO within 2 weeks of receipt of the offer of admission.
2. The financial statement and ICLP supplemental form MUST be completed by the admissions application deadline (November 1). Note that applicants must have a complete application by Jan. 15. Therefore, LSATs taken after November in the year prior to entry will NOT be considered.
3. Offers of Admission to ICLP applicants include a reminder about the documentation (to be sent by email in a single PDF document) required in support of the ICLP with a firm due date of 2 weeks after the offer.
4. FSO staff review all applications and, in consultation with the Chair of the Admissions Committee, decide on a shortlist to be interviewed (to be completed by March 1).
5. Interviews are conducted by a panel of 2 or 3, made up of at least one member of the Admissions Committee and one FSO staff person (by March 15).
6. Admissions Committee meets (by March 20) to select 7 students (with alternates, in case of declines).
7. FSO communicates ICLP offer (by March 25). Deadline date for response is the same as the admissions offer response date (April 1).

### **III. Considerations While in Law School**

- In each year of enrolment, ICLP students are required to apply for a high need in-program bursary. Documentation provided in support of this application is considered in determining continued eligibility for the ICLP.
- Students in the Extended Time Program are eligible for the ICLP.
- There are no restrictions on taking leaves of absence and continuing the ICLP upon return.
- If an ICLP student withdraws from Osgoode, the ICLP loan immediately becomes due.
- For joint program students, the ICLP loan only applies to the Osgoode portion of their tuition.
- The bursary and tuition loan are mounted to the ICLP student's student account.

### **IV. Loan Repayment**

#### Repayment Plan

1. Students are required to begin repaying their loan in the summer following the completion of their articling year, approximately two years following graduation from the JD program.
2. Students have up to 10 years following their articling year to repay their loan.
3. Each year during the repayment period, students are expected to pay back 1/10<sup>th</sup> of their loan and an annual administrative fee of \$750. Annual loan repayments come due each year on August 15<sup>th</sup>.
4. A student can repay their entire loan at any time and is only charged the administrative fee for the years in which they have an outstanding loan balance to repay. E.g., if a student pays back their entire loan in the first year of their repayment schedule, they will only pay the \$750 administrative fee once.
5. Participants can request a deferral of repayment by providing proof of enrolment in full-time graduate studies in an acceptable program, to a maximum of two years

#### Loan Forgiveness

1. Students must apply to have a loan installment considered for loan forgiveness. Along with their application, students will be expected to supply Osgoode's Office of the

Executive Officer with proof of individual/household gross income (i.e., notice of assessment(s)) from the previous tax year.

2. All or a portion of a student's loan and annual administrative fee may be forgiven in the event their individual/household gross income is below a certain pre-determined level.
3. The income threshold that triggers some portion of loan repayment is based on the median salary for an associate at a small Toronto private law firm. The income threshold that triggers full loan repayment is based on the median salary for an associate at a medium to large size Toronto private law firm. The source for these income levels is the annual Robert Half Legal/ZSA Salary Survey, or equivalent.
4. In most cases, loan forgiveness will be determined on the basis of individual gross income. The exception will be when a student reports income below the minimum salary threshold and there is a second income in the household. In these cases, it would be expected that household gross income would be reported. The median household income would be applied to the loan repayment grid to determine if loan forgiveness would be granted. In exceptional cases, extenuating circumstances may persuade the School to disregard the second household income when assessing for loan forgiveness.