FINANCIAL LITERACY GUIDANCE FROM FEDERAL STUDENT AID

The Ba c f B dge g

P a e L a
Fede a L a
B e Re b e a d O

Re a e

U de a d g Re a me
Fede a D ec L a Re a me O
P b c Se ce L a F g e e

Re ce

T f W g h S de
Re ce f C e a d Me
Re ce f S de
S c a Med a

BUDGETING

The Basics of Budgeting

The ba c f b dge g a e f mg d a c a hab a d de e a a a e e f e d g. Ma e ce e he de c ea e a d ma age he b dge . C e h d h de d he b dge g a d ech e ha f he m. **StudentAid.gov** h a b dge g de ha ca be ef he he g de he ea age f h ce .

The me h d f c e g he ba c f b dge g a b ch a d b de . W h he f a me f he a c a e ac f ma a d e ce ded he e, e g ec mme d m g he e f a b dge a d add e g he be e a d c ce d c ed be .

The Benefits of Budgeting

B dge g m a beca e

- he de mee he e e e a d c ea e a each he a c a g a ;
- h -e ma d/ g-e m a c a g a he c ea e a f a me c d c e a c a cce ;
- he de de e a e e f c e he m e ;
- ed ce de ' a e e e ega d g a c a a d academ c ma e ;
- ca c b e de ' c ed h e ;
- m e de ' de a d g f he ch ' C f A e da ce (COA); a d
- de e he e f d h d be g g e

Needs vs. Wants

I a g d dea f de c ea e a eed e
a chec . D g , c mb a h c ea g a
b dge , a g d a g f de each he
h - a d g- e mg a . Need a e e ed f a
(f d, c h g, he e), a d a a e h g ha mgh
be a ece a a de h . The g a ha

BORROWING

Borrowing Fundamentals

M de e fede a a he a ce he de a d me ma a e a . Ta g a a a m a a c a dec ha ca affec a de f ea c me. I c ca f de de a d he a a d a c a ed e b e de ma e g d b g dec .

Bef e a g a a , de h d be e c aged e a a a abe g a a d ch a h ce he d eed be a d bac . Af e acce g a g a a d ch a h , de h d c de f he a e e g b e a c a e he Fede a W -S d P g a m. Ma - d b e a e ea ca m a d ea g f m h g a m d ed ce e g b f g a he f e. S de h d c de he me c mm me he g a d e gh h h he eed f c academ c d e .

If a f he e a e f c e a a d he ed ca - e a ed e e , de h d c de he W a m D. F d Fede a D ec L a P g a m a d he Fede a Pe L a P g a m. The e fede a g a m ffe m e e a me a d c ca ec f de ha a e a .

Private Loans

P a e a h d be he a a c g be c de ed a d ed. P a e de a a e fede a a made b a e de , ch a a ba , c ed , a e age c , a ch . The d ca ffe ma f he be e f fede a de a , ch a ed e e a e a d c me-ba ed e a me a .

B e f a e a a ha e fe e f f bea a ce defe me , a d ma ha e m e d f c ge g bac g d a d g af e defa . S de h d be e c aged ee a c a c e g bef e a g a e a .

Federal Loans

William D. Ford Federal Direct Loan Program

Direct Subsidized Loans

D ec S b d ed L a a e a a ab e de g ad a e de h de m a e a c a eed.

Ge e a , e e cha ged he he de e ed a ea ha f- me, d g he g ace e d, d g defe me e d .

Direct Unsubsidized Loans

D ec U b d ed L a a e a a ab e de g ad a e, g ad a e, a d fe a de .

S de d eed de m a e a c a eed.

I e e cha ged d g a e d .

Direct PLUS Loans

D ec PLUS L a a e a a ab e g ad a e a d fe a de , a d a e f de e de de g ad a e de a f he ch d e ' ed ca .

B e m ha e a ad e e c ed h .

I e e cha ged d g a e d .

Pa e b e ma e e defe me h e he de e ed a ea ha f- me, a d f a add a m h af e he de cea e be e ed ha f- me.

Direct Consolidation Loans

D ec C da L a c mb e e g b e fede a de a a g e a h a g e e ce .

B e h d chec ee f he a f f h a **StudentAid.gov/consolidation**.

Federal Perkins Loan Program

Pe L a a e a a ab e de g ad a e, g ad a e, a d fe a deg ee de h de m a e a c a eed.

L e e a e a e ffe ed.

Sch a e he e de .

Borrower Responsibilities and Options

Whe he g fede a a e de a , de h d be a a e f he de a f he a ( ), a e a he e b e a d a b e . S me e a a e:

- I ece a acce he f a a m ha ffe ed?
- Whe d e he e a me e d beg ?
- D e e e acc e h e he de e ed ch ?
- H g he e a me e d?
- Whe a a be c de ed de e ?
- If a a bec me de e , he e e defa ?
- Ca a defa ed a be ehab a ed?
- Wha a e he e a me a d he ece a e ec e (e.g., a me f g a e g ad a)?
- Wha ca be d e ed ce deb b de (e.g., a e e a ma a m f a c a) h e ch ?

REPAYMENT

Understanding Repayment

Ed ca g b e ab he e b e a d he dec ea e defa a d de e c a e . Sch ca he de g ca b c e g he m a d/ e e g h he m he e a me ce g a g he a , a d b e g he a f ma g ad a . S de a e e ed c m e e e a ce c e g bef e ece g he a . FSA' e e a ce c e g **StudentLoans.gov /myDirectLoan/counselingInstructions.action** c de a a c a e ac c m e .

S de ca e he F a c a A a e e C e g T (FACT) acce he a ba a ce , de a d he e a me , a d e he FT(a)21TEM12.7(18(T(2(a)11.9(T13.6( )18.6(489 MCI 8S)2.9(A)5( )220.8(. F)41.33626)/)3.

Extended Repayment Plan

Federal Student Loan Servicers

FSA a g fede a de a a e ce
ha d e he b g a d he e a me e ce . Ma
e ce ffe f ee a c a e ac e ce :