

Common \$en\$ Budgeting Guide

Managing your repayment obligations is critical to establishing and maintaining a good credit history. **You must repay a Federal student loan.** Before applying for loans, make sure you fully understand all of your options and responsibilities. Do not borrow more than you need or more than you expect to be able to repay. Develop a sound and **realistic** financial plan. We are providing you with a budget worksheet to aid with planning.

Be realistic about how much money you will earn. Use www.CollegeGrad.com to help with salary planning.

Remember: Entry level pays less than higher levels.

For basic information and terminology about personal finances that will help you become financially independent and self-reliant through college and beyond, go to the Financial Aid TV link located on the “Get Set” tab on eTC. <http://tctc.financialaidtv.com/>. There are topics such as credit cards, saving, & debt that borrowers need to know.

Note: Loans are for educational expenses. This includes tuition, books, transportation, housing, and other basic day to day expenses related to attending college. This does not include tattoos, cell phones, manicures, Christmas, vacations, birthday parties, etc. Be money smart! Your money decisions today will affect your financial circumstances the rest of your life.

Projected Available Funds

Monthly

Yearly

• Take Home Pay	_____	_____
• Other Regular Income (Ex. Child Support)	_____	_____
TOTAL AFTER TAX INCOME	_____	_____

Expenses

• Savings (<i>Pay Yourself First!</i>)	_____	_____
• Education Loan Payments	_____	_____
• Housing	_____	_____
• Utilities	_____	_____
• Insurance (Home, Auto, Life)	_____	_____
• Transportation (Car payment, Fuel)	_____	_____
• Clothing	_____	_____
• Grocery Items	_____	_____
• Medical & Dental Expenses	_____	_____
• Credit Cards, other loans	_____	_____
• Child Care	_____	_____
• Personal Expenses	_____	_____
• Emergency Savings (Ex. Car Repairs)	_____	_____
• Miscellaneous (Christmas, Vacation)	_____	_____
TOTAL EXPENSES	_____	_____

The Bottom Line

TOTAL INCOME _____

MINUS TOTAL EXPENSES _____

TOTAL FUNDS AVAILABLE _____

Loan Repayment Comparison Chart*

Total Amount Borrowed	Number of Years	Monthly Payment	Total Interest Paid	Total Amount Repaid
\$2,000	3.8	\$50	\$274.50	\$2,274.50
\$5,500	10	\$63.29	\$2,095.52	\$7,595.52
\$10,000	10	\$115.08	\$3,809.66	\$13,809.66
\$15,000	10	\$172.62	\$5,714.49	\$20,714.49
\$25,000	10	\$287.70	\$9,524.14	\$34,524.14
\$30,000	10	\$345.24	\$11,428.97	\$41,428.97
\$40,000	10	\$460.32	\$15,238.63	\$55,238.63
\$50,000	10	\$575.40	\$19,048.28	\$69,048.28

*Calculation assumes standard, level repayment using interest rate of 6.8%