

BORROWING SMART

What Your Costs Will Be

SIS lists an ESTIMATED budget used to calculate your financial aid awards. It is wise for you to plan your own budget, and assess the resources you will need to meet your actual expenses. Use the worksheets below to calculate your budget, and then the amount you and your family will need to contribute or borrow for your education.

Estimated 2011-2012 Full-time Fall/Winter Budget				
		Estimated Costs	YOUR COSTS	
Tuition & Fees		\$8,947.00	\$	<input type="text"/>
Room & Board	+	7,432.00	+	<input type="text"/>
Books & Supplies	+	1,000.00	+	<input type="text"/>
Transportation	+	2,148.00	+	<input type="text"/>
Personal/Misc.	+	1,160.00	+	<input type="text"/>
Total Estimated Budget	=	\$20,687.00	\$	<input type="text"/>

- Tuition & Fees: Varies by academic level, enrollment status, and residency status. May also include course fees. See www.umflint.edu/studentaccounts/
- Room & Board: includes estimated expenses for living at home or on your own (food, utilities, etc.) With parents (\$2770) On you own or in student housing (\$7432).
- Personal/Miscellaneous: The budget allows about \$36 a week (16 weeks) for these expenses. Think about what you will actually spend and set yourself a weekly allowance that is economical, yet realistic.

How Much You Will Need to Pay or Borrow

Total Estimated Budget (from above)	<input style="width: 90%;" type="text"/>
Awards Listed on Your Award Notice that are NOT Loans	
• Grants	-
• Scholarships	-
Balance of Estimated Expenses that Need to be Paid	=
Need Based Loans Offered on Your Award Notice <i>(these loans have no interest charges while you are in school)</i>	
• Perkins Loans	- **
• Subsidized Federal Direct Loan	- **
	=
Self-help Awards Listed on Your Award Notice	
• Work Study Award	-
• Unsubsidized Federal Direct Loan <i>(accrues interest while in school)</i>	-
The "Bottom Line" (What you and your family will need to pay.) <i>(Need for PLUS Loan or Private/Alternative Loan)</i>	=
	<input style="width: 90%;" type="text"/> **

* Tuition and Fees are the only charges from the above budget that will appear on the student account.

** Add these figures together. This is your total loan debt for the year. Keep in mind that what you borrow today will have to be repaid after you graduate.

Financial Facts

1. Getting an education is an investment in yourself.
2. College can remain affordable if know what you are financing. Estimate what your income will be in your chosen career.
3. When it comes to loans—whatever you borrow you will need to pay back!

Getting through college with only a moderate amount of debt takes some planning but it can be done.

Loans

Year in College	Initial Loan Amount	Additional Unsubsidized Loan for Dependent Undergraduates
First Year (0-24 credits)	\$3,500	\$2,000 (\$5,500 total)
Second Year (25—54 credits)	\$4,500	\$2,000 (\$6,500 total)
Third Year + (55+ credits)	\$5,500	\$2,000 (\$7,500 total)
Undergraduate Loan Maximum Debit Limit:		\$31,000 (only \$23,000 can be Subsidized Loan)

This table shows the maximum yearly amount that a dependent student can be offered in Federal Direct Stafford Subsidized and Unsubsidized Loans. It also states the maximum aggregate limit a dependent student is allowed to have for their entire undergraduate career.

If a student takes out the maximum amount of loan each year for the first four years of college they will rapidly approach the \$31,000 limit. More importantly they will only have \$4,000 remaining for a 5th year of college (if necessary).

First Year	\$5,500	Max Loan Debt: \$31,000 - <u>4 year Loan Debt</u> \$27,000 Loan Remaining for 5th year: \$4,000
Second Year	\$6,500	
Third Year	\$7,500	
Fourth Year	\$7,500	
Total Loan Debt after 4 years:	\$27,000	Repayment will equal an estimated \$350/month.

Things to remember

- You do not necessarily have to take the entire amount of the loan that is offered to you. The loans can be reduced.
- If you have unsubsidized loans interest is accruing on them while you are in school. Try to pay the interest on them on a regular basis so it doesn't roll over into the principle balance.
- Work with academic advisors to make a four or five year plan so that you graduate on-time and don't run out of financial aid.
- The more loans you take out now the more your monthly loan payment will be later. Ask yourself how you want to live once you graduate. You must think about your future.

