

Federal Direct Stafford Loans- What You Need To Know!

The Federal Direct Stafford Loan program can be an excellent resource to help students pay for the college expenses. However, we strongly encourage students to borrow ONLY what they need to cover their educational expenses. Below are some tips to assist you:

- **Make Sure You Qualify:** In order to determine a student's eligibility, the student must complete The Free Application for Federal Student Aid (FAFSA). Failure to complete the FAFSA means you are not eligible for Federal or State financial aid and may exclude you from certain scholarship eligibility. Apply online at <https://studentaid.ed.gov/sa/fafsa>
- **Borrow Responsibly:** While student loans can be an excellent resource to pay your educational expenses, they should only be used after exhausting all grants, scholarships, income and savings. Students are strongly encouraged to borrow only what is needed to pay your educational expenses.
- **Borrow Only What You Need:** Use a budgeting app or worksheet to determine how much money (if any) you need to borrow. We have added a worksheet to the back of this document for your convenience.
- **Understand Your Options:** Subsidized loan dollars should be borrowed before turning to unsubsidized loan dollars. Subsidized loans are offered based on need and have better terms than unsubsidized loans.
- **Ask for Help:** The student loan process can be a handful. Please be sure to contact the Penn Highlands Financial Aid Office for help with your questions and the process. That's why we are here!
- **Know your Numbers:** Always keep track of the amount you borrowed. You can utilize the Federal Student Aid Repayment estimator to get an idea of how much you would pay based on the total amount you borrowed. The Repayment Estimator can be found online at <https://studentloans.gov/myDirectLoan/repaymentEstimator.action#>
- **Stay in Touch:** Make sure you update your information with your institution and your Servicer after you leave the institution. You may miss out on important loan information and paperwork if you do not update the information!
- **Explore Repayment Options:** Loans borrowed through the Direct Loan program are eligible for many convenient and flexible repayment options that may work well with your individual situation. Take time to learn your options online at <https://studentaid.ed.gov/sa/repay-loans/understand/plans>

College Budget

Monthly income for the month of: _____

Item	Amount
Estimated monthly income	
Financial awards (grants/scholarships)	
Allowance from parents	
Other income	
Total	

Monthly expenses for the month of: _____

Item	Amount
Rent	
Utilities	
Cell phone	
Groceries Car expenses	
Student loans	
Insurance	
Medical expenses	
Credit card debt	
Entertainment	
Laundry	
Miscellaneous	
Total	

Semester costs for the month of: _____

Item	Amount
Tuition	
Books	
Lab fees	
Transportation	
Deposits	
Other	
Total	

How am I doing?

Item	Amount
Monthly income	
Monthly expenses	
Semester expenses	
Difference	