Student Loan Repayment Strategy

1. Understand Your Loan Portfolio:
   a. National Student Loan Data System: StudentAid.gov
   b. Do you have multiple federal loan servicers? Review loan consolidation information.

2. Call your loan servicer(s):
   a. When will interest capitalize on my loans: Stafford: _____ PLUS: _______ Perkins: _______
   b. Obtain online access to your account & sign up for email correspondence.

3. Set reminders on your calendar for due dates, capitalization, paperwork renewal, etc.


5. Begin planning your budget
   a. Estimate Paycheck: PayCheckCity.com
      i. Use your Offer Letter and Benefits package to estimate your take-home (net, after taxes) pay.
      ii. Call employer HR or Benefits Representative for questions.
   b. Use Mint* (Mint.com) or other budgeting tool to track expenses & goals
   c. Research Cost of Living for your area
   d. Establish your Emergency Fund: “Pay yourself first!”
      i. Direct deposit a percentage or specific amount from each check into savings.
      ii. It is advisable to have at least $2,000 in cash for emergencies.
   e. Deduct Expenses: housing, utilities, food, student loans, car (insurance, gas, tags, maintenance, and parking), credit cards, entertainment, professional clothing, children and pets.
   f. Prioritize debt repayment according to interest rate: highest to lowest. These web sites can help.
      ii. Self-directed debt elimination plan: PowerPay.org
   g. Set realistic goals: pay (some) interest prior to capitalization, save for moving expenses, down payment, etc.
      i. How much do you need? When do you need the money? Calculate monthly amount for budget.

6. Set up a regular time, at least monthly, to review your account balances and track financial goals.
   a. Utilize free bill payment services to avoid late fees.

7. Check your credit report: AnnualCreditReport.com

8. Disclosure Meeting: Bring all parties to the table and be honest about your situation and financial goals.
### Necessary Living Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>Monthly Amount</th>
<th>% of Your Income</th>
<th>Suggested % of Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing (including utilities and supplies)</td>
<td></td>
<td>-%</td>
<td>33%-35%</td>
</tr>
<tr>
<td>Food</td>
<td></td>
<td>-%</td>
<td>18%-25%</td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td>-%</td>
<td>7%-9%</td>
</tr>
<tr>
<td>Clothing</td>
<td></td>
<td>-%</td>
<td>6%-12%</td>
</tr>
</tbody>
</table>

### Other Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>Monthly Amount</th>
<th>% of Your Income</th>
<th>Suggested % of Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical (dental, prescriptions, health insurance)</td>
<td></td>
<td>-%</td>
<td>6%-8%</td>
</tr>
<tr>
<td>Auto Insurance</td>
<td></td>
<td>-%</td>
<td>2%-3%</td>
</tr>
<tr>
<td>Life Insurance</td>
<td></td>
<td>-%</td>
<td>2%-5%</td>
</tr>
<tr>
<td>Educational Advancement</td>
<td></td>
<td>-%</td>
<td>1%-2%</td>
</tr>
<tr>
<td>Credit Obligations (including car payment)</td>
<td></td>
<td>-%</td>
<td>12%-15%</td>
</tr>
<tr>
<td>Savings</td>
<td></td>
<td>-%</td>
<td>2%-10%</td>
</tr>
<tr>
<td>Recreation / Entertainment (also church, charities)</td>
<td></td>
<td>-%</td>
<td>2%-10%</td>
</tr>
</tbody>
</table>

9. Should your student loans fall into delinquency or default, get help at [https://studentaid.gov/manage-loans/default](https://studentaid.gov/manage-loans/default).
30 days before graduation

- Complete online exit counseling at https://studentaid.gov/app/counselingInstructions.action?counselingType=exit
  (Direct & PLUS only)
- Organize your loans:
  - Obtain online account access to Servicer’s website.
  - How much do you owe? When is your first payment due?
  - Contact Servicer to discuss postponement options, or to
    Consolidate non-Direct student loans, if necessary.
- Complete necessary exit counseling for institutional loans (Perkins).
- Resolve any holds on your student account.
- Contact Servicer for loans without a grace period to find out repayment options.

6 months after graduation

- Update your address & contact information with Servicer(s).
- Work on your personal spending plan.
  - “Student loan payment” from first pay check
  - The Employment Certification form can be submitted if you’re working in a 501(c)3 organization and working towards PSLF.
- Consider paying interest on loans that will capitalize upon graduation.
- Complete necessary exit counseling for institutional loans (Perkins).
- Contact Servicer for loans without a grace period to find out repayment options.

30 days before end of grace period

- Sign up for automatic payments (Auto Debit/Payoff)
- Select repayment plan:
  - Complete all documentation for income-driven repayment
  - Contact Servicer to discuss postponement options, or to
    Consolidate online exit counseling at https://studentaid.gov/app/answer/counselingInstructions.action?counselingType=exit
    (Direct & PLUS only)