FINANCIAL LITERACY

Borrow Responsibly

When accepting awards, be mindful of the amount of debt you will incur. It is important to borrow what you need to complete each semester successfully. Here are a few tips to assist you in borrowing responsibly:

- Determine what your budget is each semester. Include all of your living expenses.
- Calculate how much is needed to cover these expenses, including any income from working.
- Identify resources that you do not have to pay back;
  - Scholarships
  - Work-study
  - Third party tuition assistance (ex: your employer)
- Accept only the financial aid needed to cover your expenses
- Remember, you are expected to repay your loans, plus interest

Our Net Price Calculator can assist in providing an estimate of your expected cost of attendance:

http://www.dcc.edu/student-services/financialaid/Net-Price-Calculator/npcalc.htm

Default Management

Default occurs if you fail to make a payment for 270 days to your lender once you withdrawn from school, graduated, or dropped below half-time enrollment. Failure to repay student loans can result in:

- Wage garnishment
- Withholding of your income tax refund
- Decreased credit rating
- Ineligible for additional federal funding
- Sued by the loan lender

To avoid allowing loans to go into default, you may contact your lender to discuss repayment options and possible alternatives.

Useful Resources:

www.nslds.ed.gov. Always keep track of how much aid you have borrowed thus far via this site. You can find up-to-date information on what you have borrowed at each institution you have attended.

Visit www.studentloans.gov to understand your repayment options. Your lender can provide you with options for repaying your loans that works with your budget once you enter repayment status.