



# Helping YOU Manage your Debt



## what you SHOULD know AFTER college

! You will be expected to begin repayment of your student loans 6 months after you have graduated, left school, or dropped to less than half-time enrollment. It is ultimately your responsibility to notify the servicer of your student loans when a change in enrollment occurs.

! It is very important to develop a budget you can stick to (go to [www.collegeplanning.org/DebtManagement](http://www.collegeplanning.org/DebtManagement) and use an interactive budget calculator or complete the budget worksheet below).

! It is not uncommon for a lender to sell your loans to a servicing agency who is then responsible for the collection of your loans and who you should contact for loan questions etc. **Do not ignore** any correspondence concerning your loans. It is also important to be aware that you may have more than one lender if you have attended more than one college/university.

! Notify all lenders or servicers of any changes of address, employment or enrollment status.

! Make all of your payments on time. Timely payments mean less accrued interest, protect your credit rating and may qualify you for borrower benefits on your loan.

## budget worksheet

### INSTRUCTIONS

- (1) See the Annual Income Chart on the reverse side to find your Degree/Job Function and Projected Starting Salary. Enter the projected salary on Line (1).
- (2) Multiply Line (1) by .75 to account for taxes, and enter this new figure on Line 2 This figure accounts for taxes at a 25% tax rate.
- (3) Divide the figure on Line (2) by 12, and enter this new figure on Line (3). This is your projected monthly take home pay.
- (4) See the Repayment Charts on the reverse side. Estimate your entire student loan debt (federal, state, and private loans) at the time of graduation and find that amount in the charts. Enter the payment amount on Line (4) of the Estimated Monthly Expenses chart.
- (5) **Add lines a through j** and enter this figure on Line (5).
- (6) Subtract Line (5) from Line (3) and enter this amount on Line (6). If Line (6) is a negative number, there could be significant problems with repayment of the loans.

Expected Annual Before-Tax Income: (1) \$ \_\_\_\_\_

Assumed Tax Rate of 25%: (line (1) x .75) (2) \$ \_\_\_\_\_

Monthly After-tax Income: (line (2) ÷ 12) (3) \$ \_\_\_\_\_

### Estimated Monthly Expenses:

Housing with/without roommate:	a.	\$375.00 / \$750.00
Health Care:	b.	\$125.00
Utilities with/without roommate:	c.	\$125.00 / \$250.00
Transportation:	d.	\$100.00
Other Loans (car, credit cards etc.)	e.	\$200.00
Food:	f.	\$200.00
Student Loan Payment:	(4) g.	
Personal:	h.	\$150.00
Miscellaneous:	i.	\$50.00
Insurance:	j.	\$100.00
Total Expenses:	(5)	
Difference (Income - Expenses)	(6)	

Keep in mind that these expenses are approximate and may vary according to location and employment.



## what you SHOULD know about your CAREER

The following tables offer the projected starting salaries for a variety of job occupations in the state of Iowa. To access more information regarding starting salary listings, go to [www.collegeplanning.org/DebtManagement](http://www.collegeplanning.org/DebtManagement) and click on the How Much To Borrow link.

### Annual Income Chart

Occupation Title	Projected Starting Salary
Accountants	\$47,000
Actuaries	\$48,979
Administration (Health)	\$23,890
Advertising	\$28,565
Ag/Natural Resources	\$34,069
Architecture	\$39,634
Audiology	\$33,880
Auditing/Tax Examiner	\$47,000
Bioengineering	\$42,287
Commercial Lending	\$32,010
Computer Program/Software Design	\$45,500
Computer Systems Analyst	\$44,023
Counseling	\$22,050
Customer Service	\$26,240
Design/Construction	\$36,582
Dietician	\$28,819
EMT/Paramedic	\$16,821
Engineering	\$42,847
Financial Management	\$36,670
Financial/Treasury Analysis	\$39,970
Funeral Directors	\$30,366
Human Resources/Industrial Rel.	\$32,355
Insurance (Claims)	\$30,114
Insurance (Underwriters)	\$31,913
Law Enforcement	\$29,589
Librarian	\$30,163

Occupation Title	Projected Starting Salary
Market Research	\$37,667
Mathematician	\$53,529
Network/Computer Support	\$39,100
Occupational Health & Safety	\$46,010
Occupational Therapy	\$36,393
Paralegal	\$37,950
Performing Arts	\$25,403
Pharmacist	\$77,050
Physical Therapy	\$40,131
Physicians Assistant	\$45,269
Portfolio Mngmnt/Brokerage	\$36,880
Production/Communication	\$31,620
Public Relations	\$29,197
Purchasing/Buyer	\$41,923
Registered Nurse	\$33,663
Reporting	\$21,357
Respiratory Therapy	\$40,220
Social Work	\$23,205
Software Design	\$51,828
Speech Pathology	\$34,615
Statistician	\$39,956
Teaching	\$29,453
Urban/Regional Planner	\$34,916
Veterinarian	\$44,163
Writing/Editing	\$29,953
Other/Unknown	\$28,969*

For most job titles, the projected starting salary was calculated by tracking median annual earnings by the Bureau of Labor Statistics and multiplying by 70%. \*Other/Unknown is an estimate based on the average of the bottom 50% of salaries listed.



## what you SHOULD know about loan REPAYMENT

### FEDERAL STAFFORD LOAN REPAYMENT Estimated Monthly Payments (10 Year Term)

### ALTERNATIVE LOAN REPAYMENT Estimated Monthly Payments (20 Year Term)

Principal Balance	4.0%	5.0%	6.0%	7.0%	8.25%
\$2,625	\$50.00	50.00	\$50.00	\$50.00	\$50.00
\$3,500	\$50.00	50.00	\$50.00	\$50.00	\$50.00
\$5,500	\$56.00	58.00	\$61.00	\$64.00	\$67.00
\$6,125	\$62.00	65.00	\$68.00	\$71.00	\$75.00
\$7,000	\$71.00	74.00	\$78.00	\$81.00	\$86.00
\$8,500	\$86.00	90.00	\$94.00	\$99.00	\$104.00
\$11,625	\$118.00	123.00	\$129.00	\$135.00	\$143.00
\$15,000	\$152.00	159.00	\$167.00	\$174.00	\$184.00
\$17,125	\$173.00	182.00	\$190.00	\$199.00	\$210.00
\$18,500	\$187.00	196.00	\$205.00	\$215.00	\$227.00
\$20,000	\$202.00	212.00	\$222.00	\$232.00	\$245.00
\$23,000	\$233.00	244.00	\$255.00	\$267.00	\$282.00

Principal Balance	4.0%	5.0%	6.0%	7.0%	8.4%
\$3,000	\$18.00	\$20.00	\$21.00	\$23.00	\$26.00
\$4,000	\$24.00	\$26.00	\$29.00	\$31.00	\$34.00
\$5,000	\$30.00	\$33.00	\$36.00	\$39.00	\$43.00
\$6,000	\$36.00	\$40.00	\$43.00	\$47.00	\$52.00
\$7,000	\$42.00	\$46.00	\$50.00	\$54.00	\$60.00
\$8,000	\$48.00	\$53.00	\$57.00	\$62.00	\$69.00
\$9,000	\$55.00	\$59.00	\$64.00	\$70.00	\$78.00
\$10,000	\$61.00	\$66.00	\$72.00	\$78.00	\$86.00
\$12,000	\$73.00	\$79.00	\$86.00	\$93.00	\$103.00
\$15,000	\$91.00	\$99.00	\$107.00	\$116.00	\$129.00
\$20,000	\$121.00	\$132.00	\$143.00	\$155.00	\$172.00
\$25,000	\$151.00	\$165.00	\$179.00	\$194.00	\$215.00

Stafford interest rates are variable rate loans and are adjusted annually on July 1. The 2004-2005 repayment rate was 3.37%. It will never exceed 8.25%.