

# Responsible borrowing worksheet essay sample

[Economics](#), [Money](#)



Many students borrow federal student loans to pay for college. The goal of this assignment is to help you learn how to borrow responsibly, which may mean that you do not borrow at all or that you borrow only what you truly need. To borrow responsibly, you must understand your options and establish a financial plan for your entire program. With that plan in place, you can then focus on your classes and making connections with instructors and other students. Step 1 Watch the Responsible Borrowing (Financial Aid) video on the orientation website located here [HYPERLINK http://www.phoenix.edu/student-orientation.html](http://www.phoenix.edu/student-orientation.html). Respond to the following questions What is financial aid Financial aid helps students and parents pay for college. This covers such things as tuition and fees, books, and room and board. This comes in the form of grants or scholarships or loans.

How do grants differ from loans Grants differ from loans because a Loan you have to repay back and grants are free money. What effect does class attendance have on funding availability The effects that attendance have on funding availability is that if you are withdrawn from a course because of poor attendance, you will have to repay back the loans that were used to cover that course. Step 2 Navigate to the Personal Finance category of the GEN/127 PhoenixConnect Community. Explore the resources provided and some of the discussions shared by the community members. Respond to the following questions What did you find about student loan repayment plans I learned that the longer the repayment plan is the lower your payment will be. Shorter the payment plan the higher the monthly payment. Why is having an educational financial plan important Having a financial plan helps

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me plan to meet my goals and focus on those goals in a specific period of time. Also saves a lot of stress just by knowing how I will be paying for my degree. Step 3 Access the Financial Plan at HYPERLINK <http://www.phoenix.edu/financialplan> [www.phoenix.edu/financialplan](http://www.phoenix.edu/financialplan).

Enter your program and respond to the questions. Explore the information about options for payment, reducing cost, and military students (if applicable). If you have already completed the plan as part of the enrollment process, you can use those results for this step. Based on this plan, what is your estimated monthly payment when you enter repayment My estimated repayment is 106. As a result of completing the plan, what changes can you make to reduce the amount you may borrow Why The monthly payment is significantly lower than I expected. I may borrow half of what I am approved for or may not borrow at all. If I do borrow, I now know that I can pay more towards the monthly payment to pay off the loan sooner.