



# FINANCIAL LITERACY GUIDANCE FROM FEDERAL STUDENT AID

The Basic Budgeting

Personal  
Federal  
Budgeting

## **Reference**

University of  
Federal  
Personal Finance

## **Reference**

The Working Student  
Reference Center  
Reference Service  
Student Media

# BUDGETING

## The Basics of Budgeting

The basic budgeting process involves a number of steps. The first step is to determine the organization's needs and goals. This involves identifying the organization's mission, vision, and values, and determining the resources available to achieve these goals. The second step is to develop a budget. This involves estimating the organization's income and expenses, and determining the amount of funds that will be available for each activity. The third step is to implement the budget. This involves monitoring the organization's performance and adjusting the budget as needed. The fourth step is to evaluate the budget. This involves comparing the organization's actual performance against the budget and identifying areas for improvement.

The budgeting process is a continuous one, and it is important to review the budget regularly to ensure that it remains relevant and effective. The budgeting process is also a key tool for managing the organization's resources and ensuring that it is able to achieve its goals.

## The Benefits of Budgeting

Budgeting offers a number of benefits to organizations. It provides a clear picture of the organization's financial situation and helps to identify areas where resources can be better managed. Budgeting also helps to ensure that the organization is able to meet its financial obligations and that it is able to achieve its goals. In addition, budgeting can help to improve the organization's overall performance and efficiency. By providing a clear picture of the organization's financial situation, budgeting can help to identify areas where resources can be better managed. Budgeting also helps to ensure that the organization is able to meet its financial obligations and that it is able to achieve its goals. In addition, budgeting can help to improve the organization's overall performance and efficiency.

Some of the specific benefits of budgeting include:

- It provides a clear picture of the organization's financial situation.
- It helps to identify areas where resources can be better managed.
- It helps to ensure that the organization is able to meet its financial obligations.
- It helps to ensure that the organization is able to achieve its goals.
- It can help to improve the organization's overall performance and efficiency.

.....

## Need • Wan •

---

I ag d dea f de ceaea eed e  
a chec. D g , c mb a hcea ga  
bdge, ag d a g f de each he  
h -a d g-e mg a . Need a e e ed f a  
(f d, c h g, he e), a d a a e h g ha mgh  
bea ece a a de h . The g a ha

---

# BORROWING

## Borrowing Fundamentals

Money is borrowed from the government to fund the national debt. The government borrows money from the public through the sale of Treasury securities. The interest on these securities is paid to the lender.

Before the 1980s, the government used to borrow money from the public through the sale of Treasury securities. However, the government has since shifted to borrowing money from the public through the sale of Treasury securities.

If a borrower is unable to pay back a loan, the lender can sue for the amount owed. The government is not immune from this, as it has to pay back its loans.

## Private Loans

Private loans are made by individuals or companies. They are typically used for personal or business purposes. The interest rate on private loans is usually higher than that of government loans.

Before the 1980s, private loans were used to fund the national debt. However, the government has since shifted to borrowing money from the public through the sale of Treasury securities.

## Federal Loans

### William D. Ford Federal Direct Loan Program

#### Direct Subsidized Loans

Direct Subsidized Loans are loans made to students who are enrolled in a college or university. The interest on these loans is paid by the government.

Generally, the interest rate on these loans is lower than that of private loans. The interest rate is fixed for the life of the loan.

#### Direct Unsubsidized Loans

Direct Unsubsidized Loans are loans made to students who are enrolled in a college or university. The interest on these loans is paid by the borrower.

Students who are unable to pay back these loans may be required to provide collateral.

Interest rates on these loans are variable.

#### Direct PLUS Loans

Direct PLUS Loans are loans made to parents of students who are enrolled in a college or university. The interest on these loans is paid by the parent.

Parents who are unable to pay back these loans may be required to provide collateral.

Parents who are unable to pay back these loans may be required to provide collateral.

#### Direct Consolidation Loans

Direct Consolidation Loans are loans made to students who are enrolled in a college or university. The interest on these loans is paid by the borrower.

Students who are unable to pay back these loans may be required to provide collateral.

### Federal Perkins Loan Program

Perkins Loans are loans made to students who are enrolled in a college or university. The interest on these loans is paid by the borrower.

Students who are unable to pay back these loans may be required to provide collateral.

Scholarships are also available.

---

.....

**Federal Student Loan Services**

---

FSA is a federal agency that provides services to students and their families. We help you understand your federal student loan options and how to manage them. For more information, visit [federalstudentaid.gov](#).

---