

College in Colorado SLOPE Calculator Worksheet

Determine the interest and monthly payments on your student loans based on your potential career choice.

1. Before you begin, you should:

- Explore careers to get idea of what kind of job you would like to pursue.
- Have an idea of what kind of lifestyle you would like and how much money you will need. For example, look up rent prices in the classifieds, etc.
- Know how much you plan to borrow for each year of your education, and from which loan sources.

2. SLOPE determines:

- How much interest would be capitalized on unsubsidized Stafford Loans (if you do not pay the interest while in school or during your grace period).
- How much your monthly payment amounts would be after adding in capitalized interest.
- What percent of your income is taken up by student loan payments, based upon your career choice.

3. Carefully read through the introduction so you will better understand your results at the end.

4. Click on **Start the SLOPE calculator**.

5. Enter the following information:

- When you'll be starting college
- When you plan to graduate
- Select a general career category and then a career
- Answer whether or not you will be paying interest on your Unsubsidized Stafford Loans while you're still in school
- Revise any loan information, if applicable.

Double-check your numbers and click **Next**.

6. Enter the total **sums of money** you plan to borrow from each loan source for every year you will be in school. Double-check your figures and click **Next**.



7. Your SLOPE results are marked on a graph in the colors green, blue or black. **A safe slope is anything less than 8% of your total income.**

Green – Great. The repayment process will be very comfortable based on your projected income.

Blue – Fair. Monthly payments will be higher, but should be manageable with a good budget in place.

Black – Risky. Your monthly payments will consume too much of your projected income.

8. Click **Next** to create a **monthly budget** based on your **estimated income**, as well as your estimated **fixed expenses** and **variable expenses**. This will help you to see the big picture of your financial summary. If you feel that you may need to make some changes in order to afford the lifestyle you desire, click **Start Over**.

