



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Developing and Managing a Budget

WEST DES MOINES, IOWA – April 18, 2008 – April is National Financial Literacy Month and Iowa Student Loan (ISL) is offering a “Financial Literacy Tip of the Week.” This week, ISL reminds students about the importance of developing and managing a budget.

Simply put, a budget is a spending plan. When creating a budget, students should map out cash flow – the amount of money they bring in (income) versus the amount they expect to spend (expenses). While it may sound like homework, budgets help students achieve both short- and long-term financial goals throughout life and help create good saving and spending habits. A budget plan outlines what they can afford to spend to avoid unnecessary purchases and stay out of debt. Where to start?

1. Identify financial goals.
2. Map out cash flow (income minus expenses).
3. Separate fixed and variable expenses to develop a more realistic budget.
4. Cut back on unnecessary spending.
5. Save for the future!

The time students put into their budget, and the choices they make to keep their budget on track, will pay off over the long run by providing them with greater financial independence and security. For more financial literacy tips, visit www.studentloan.org.

About Iowa Student Loan: Iowa Student Loan is a private, nonprofit corporation founded in 1979 by a proclamation of Iowa Governor Robert D. Ray to help students and parents obtain the financial resources necessary for a postsecondary education. Based in West Des Moines, Iowa Student Loan has helped more than 265,000 students pay for college. In 2007, Iowa Student Loan reinvested \$33 million into Iowa through programs and services. This included providing students fees and cost reductions, free college planning services, financial aid processing and community services.

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