

Unit 5



Paying for College

The cost of a post-secondary education should not be the barrier that prevents a student from achieving his or her career goal. This unit provides a broad overview of the financial options available to assist students and their families in paying for college. This is not intended to provide comprehensive coverage of the financial process, and students and their families are strongly encouraged to use the www.FAFSA.gov website to obtain the most current information for their personal situation. The financial process is rich in specialized vocabulary, and this unit provides an opportunity for students to become comfortable with this terminology.

It is important to know that approximately 70 percent of all college students receive some type of financial assistance while in college. Becoming familiar with these websites and terminology will give students a head start to navigate this process.

Lesson Overview

Students will be introduced to the major types of financial aid in an independent reading. While reading, students will create an information web about paying for college. The types of aid are reviewed in a quiz game, with students competing in teams to earn “financial aid” that will help them in the college process.

Instructional Objectives

- Describe the different types of financial aid.
- Identify significant differences between types of financial aid.

Time Required

60 minutes

Materials Required

For each student

- Student Workbook

For the classroom

- Unit 5 slides (available at www.dallasfed.org/educate/navigate)
- 4 copies of Handout 1, cut into four cards
- 4 copies of Handout 2, cut into 20 certificates
- Classroom computer with Internet access and projector

Procedure

1. Tell students that, according to the U.S. Department of Education, more than 70 percent of undergraduate students receive some type of financial aid. This lesson will explore different types of financial aid.
2. Tell students to turn to pages 24–25 in the Student Workbook and read the information. After they complete the reading, students should fill in the information on page 26.
3. Discuss the students' information web and the reading. Emphasize that there are three main types of financial aid: Gift aid (including scholarships and grants), work study, loans
4. Play a quiz game about financial aid. The questions and answers are provided below and on the slides.
 - Divide students into four teams and give each team a set of cards from Handout 1.
 - Tell students to answer the questions in the game by holding up the appropriate card that names the type of aid: a scholarship, a grant, work study or a loan.
 - Have all teams hold up their selected card at the same time.
 - Award one \$1,500 certificate to each team that has the correct answer.

Game Questions

1. You are an education major, and part of your financial aid is the money you earn as a tutor. (*work study*)
2. You are majoring in chemistry and entering your third year of college. You receive money from the federal government through a program that awards financial aid to students majoring in science, technology, engineering or math. (*grant*)
3. You receive \$500 from the local cultural society. (*scholarship*)
4. Your father lost his job and the family's income became much lower. You received money from the government to pay for college. (*grant*)
5. You borrowed money through a federal program to pay for your education this year. (*loan*)
6. You entered your painting in a contest and won \$750 to pay for your college expenses. (*scholarship*)
7. You work in an office on campus after class every day. (*work study*)
8. You received \$3,000 per year from the lottery funds in your state. Every high school graduate can receive this aid if they attend an in-state college. (*grant*)
9. You received \$4,000 from the federal government because you promised to teach in a school that serves low-income students after graduation. If you change your mind, you will have to repay the full amount. (*grant*)
10. You were a high school athlete. The university is paying your tuition while you play on the college team. (*scholarship*)
11. Your parents borrowed money through a U.S. government program for parents of college students. (*loan*)

12. You were raised by a single parent. Your family income qualified you to receive a need-based award from the U.S. government. (*grant*)
 13. You are going to school to study voice performance, and you receive \$1,000 per semester because you sing in the college choir. (*scholarship*)
 14. You work 20 hours per week in the library at your college. (*work study*)
 15. Your family qualified for a federal government program that reduced the interest on the money you borrowed to pay for college. (*loan*)
 16. Your mom works for a company that will pay 50 percent of your tuition at any in-state public college. (*scholarship*)
 17. You receive a \$1,000 award to help pay for college from a local community organization in recognition of your volunteer activities. (*scholarship*)
 18. Your other financial aid did not cover all of your college costs, so you borrowed money from a private lender. (*loan*)
 19. You work in the college's computer lab three days per week. (*work study*)
 20. Your PSAT scores qualified you as a National Merit Scholar. Several schools have offered you free tuition. (*scholarship*)
5. Ask each team to add up the total amount of financial aid that the team earned. Use the information below to remind students about the cost of tuition and fees at different types of institutions. Tell students that with more financial aid, they will have more choices about the type of institution that they might choose to attend.
- Public Two-Year College (in-state students) \$3,347
 - Public Four-Year College (in-state students) \$9,139
 - Public Four-Year College (out-of-state students) \$22,958
 - Private Four-Year College \$31,231

Source: <https://trends.collegeboard.org/college-pricing>

Teacher note: Remind students that these figures are for tuition and fees only. The cost of attending college will also include other items such as room and board, books and supplies, etc. See Unit 4 for more information about the total cost of attending college.

Closure

6. Ask students how many different cards they held up during the financial aid game. (They should have used all four.) Remind students that paying for education after high school may require a variety of sources. Planning, research and communication with college advisors and counselors at your high school will play a key role in your ability to pay for college.

Assessment

7. Assess the fill-in-the-blank questions and the information web on page 26 of the Student Workbook for completeness and accuracy, using the key on page 34.

Unit 5 Slides

1

Financial Aid Quiz

Q:

1. You are an education major, and part of your financial aid is the money you earn as a tutor.

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Financial Aid Quiz

A:

1. You are an education major, and part of your financial aid is the money you earn as a tutor. (**work study**)

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2

Financial Aid Quiz

Q:

2. You are majoring in chemistry and entering your third year of college. You receive money from the federal government through a program that awards financial aid to students majoring in science, technology, engineering or math.

3 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A:

2. You are majoring in chemistry and entering your third year of college. You receive money from the federal government through a program that awards financial aid to students majoring in science, technology, engineering or math. (**grant**)

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3

Financial Aid Quiz

Q:

3. You receive \$500 from the local cultural society.

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Financial Aid Quiz

A:

3. You receive \$500 from the local cultural society. (**scholarship**)

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4

Financial Aid Quiz

Q:

4. Your father lost his job and the family's income became much lower. You received money from the government to pay for college.

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Financial Aid Quiz

A:

4. Your father lost his job and the family's income became much lower. You received money from the government to pay for college. (**grant**)

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Unit 5 Slides

Financial Aid Quiz

Q: 5. You borrowed money through a federal program to pay for your education this year.

5

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Financial Aid Quiz

A: 5. You borrowed money through a federal program to pay for your education this year. (**loan**)

10

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 6. You entered your painting in a contest and won \$750 to pay for your college expenses.

6

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 6. You entered your painting in a contest and won \$750 to pay for your college expenses. (**scholarship**)

11

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 7. You work in an office on campus after class every day.

7

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 7. You work in an office on campus after class every day. (**work study**)

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NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 8. You received \$3,000 per year from the lottery funds in your state. Every high school graduate can receive this aid if they attend an in-state college.

8

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 8. You received \$3,000 per year from the lottery funds in your state. Every high school graduate can receive this aid if they attend an in-state college. (**grant**)

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Unit 5 Slides

Financial Aid Quiz

Q: 9. You received \$4,000 from the federal government because you promised to teach in a school that serves low-income students after graduation. If you change your mind, you will have to repay the full amount.

9

17 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 9. You received \$4,000 from the federal government because you promised to teach in a school that serves low-income students after graduation. If you change your mind, you will have to repay the full amount. (**grant**)

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NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 10. You were a high school athlete. The university is paying your tuition while you play on the college team.

10

19 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 10. You were a high school athlete. The university is paying your tuition while you play on the college team. (**scholarship**)

20

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 11. Your parents borrowed money through a U.S. government program for parents of college students.

11

21 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 11. Your parents borrowed money through a U.S. government program for parents of college students. (**loan**)

22

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 12. You were raised by a single parent. Your family income qualified you to receive a need-based award from the U.S. government.

12

23 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 12. You were raised by a single parent. Your family income qualified you to receive a need-based award from the U.S. government. (**grant**)

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NAVIGATE: Exploring College and Careers

Unit 5 Slides

Financial Aid Quiz

Q: 13. You are going to school to study voice performance, and you receive \$1,000 per semester because you sing in the college choir.

13

25 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 13. You are going to school to study voice performance, and you receive \$1,000 per semester because you sing in the college choir. (**scholarship**)

26 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 14. You work 20 hours per week in the library at your college.

14

27 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 14. You work 20 hours per week in the library at your college. (**work study**)

28 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 15. Your family qualified for a federal government program that reduced the interest on the money you borrowed to pay for college.

15

29 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 15. Your family qualified for a federal government program that reduced the interest on the money you borrowed to pay for college. (**loan**)

30 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q: 16. Your mom works for a company that will pay 50 percent of your tuition at any in-state public college.

16

31 NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A: 16. Your mom works for a company that will pay 50 percent of your tuition at any in-state public college. (**scholarship**)

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Unit 5 Slides

Financial Aid Quiz

Q:

17. You receive a \$1,000 award to help pay for college from a local community organization in recognition of your volunteer activities.

17

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A:

17. You receive a \$1,000 award to help pay for college from a local community organization in recognition of your volunteer activities. (**scholarship**)

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q:

18. Your other financial aid did not cover all of your college costs, so you borrowed money from a private lender.

18

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A:

18. Your other financial aid did not cover all of your college costs, so you borrowed money from a private lender. (**loan**)

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q:

19. You work in the college's computer lab three days per week.

19

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

A:

19. You work in the college's computer lab three days per week. (**work study**)

NAVIGATE: Exploring College and Careers

Financial Aid Quiz

Q:

20. Your PSAT scores qualified you as a National Merit Scholar. Several schools have offered you free tuition.

20

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Financial Aid Quiz

A:

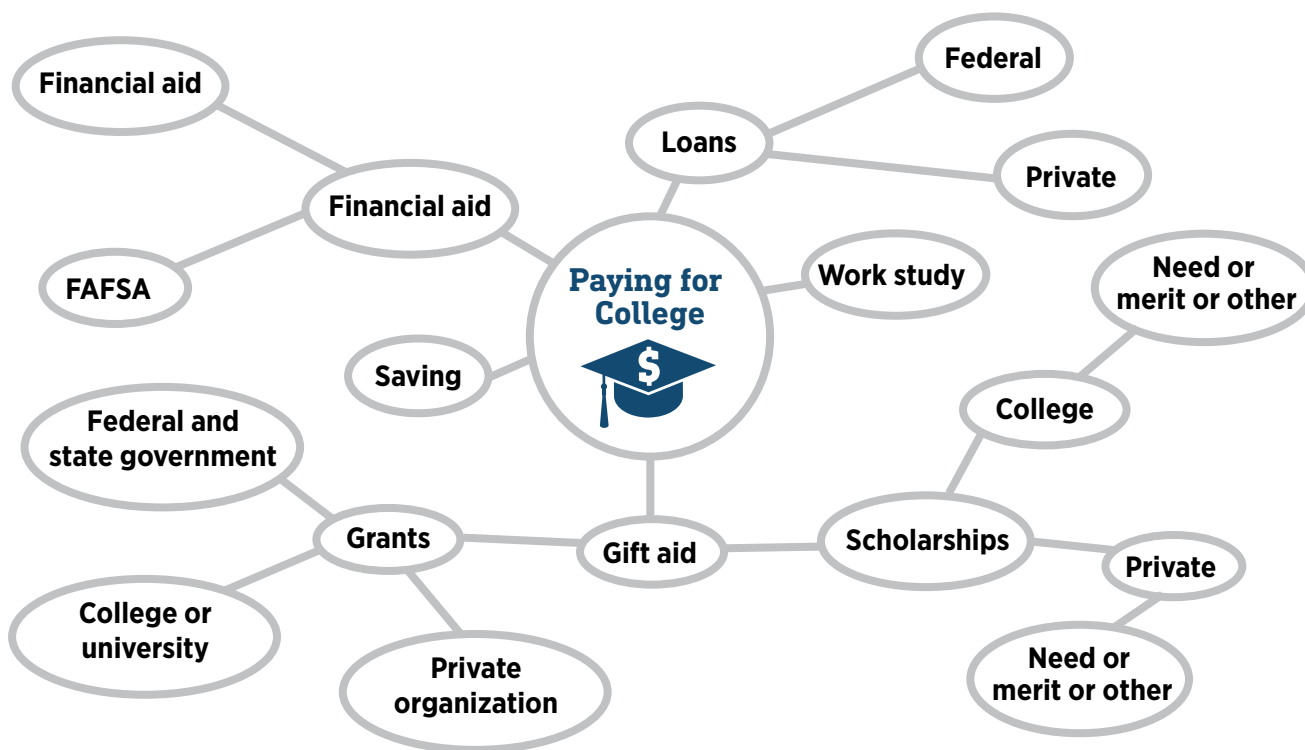
20. Your PSAT scores qualified you as a National Merit Scholar. Several schools have offered you free tuition. (**scholarship**)

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Answer key

1. **Grants** are often based on financial need and do not need to be repaid unless you do not complete the requirements.
2. **Scholarships** are a type of gift aid that are awarded based on merit, need or other criteria.
3. **Work study** is a type of aid that allows a student to earn money while enrolled in school that can be used to pay for educational and other expenses.
4. **Loans** are a type of financial aid that must be repaid with interest.
5. The **FAFSA** is a free application for financial aid. It is required for all types of aid from the U.S. government and used by many other financial aid providers.
6. The money that you or your family have earned and not spent is called **savings**. The money can be used for educational and other expenses.

Information Web



Handout 1



Scholarship



Grant



Work Study



Loan

<p>\$ \$</p> <p>\$1500  \$1500</p> <p>Awarded for Extraordinary Knowledge about Financial Aid</p>	<p>\$ \$</p> <p>\$1500  \$1500</p> <p>Awarded for Extraordinary Knowledge about Financial Aid</p>
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