FINANCIAL LITERACY

LESSON 8-25 ▲ DIFFERENT WAYS TO PAY FOR COLLEGE

**LEARNING GOALS/OUTCOMES**

* Explore different kinds of financial aid.
* Understand the basic financial aid process.
* Identify the implications of the different kinds of financial aid.

**MATERIALS NEEDED**

* **Student Handouts:**
* Different Ways to Pay for College
* Myths About Financial Aid Quiz (Answer Key included with this lesson)

**CLASSROOM ACTIVITIES**

1. **Complete a short assessment of student knowledge** by asking them to share what they have heard about the cost of college and the different ways you can pay for college. Depending on what students know you can shorten or expand the lesson.
2. **Share with students the definition of financial aid.** Ask them if they know anyone who has received some kind of money to help them go to college.
3. **Share with students that there are a lot of myths out there on TV, YouTube, and Twitter about financial aid** and that you want them to have the truth. As a way of learning the truth, the class is going to take a quick quiz to determine if a set of statements about financial aid are true or false. Distribute the *Myths About Financial Aid Quiz* to students and give them time to complete the Quiz. Once everyone is finished, use the *Quiz Answer Key* (included with this lesson) to provide students with the correct answer and discuss their thoughts and reactions.
4. **Distribute a copy of Page 1 *Different Ways to Pay for College* Handout plus one set of the cards on Page 2 to each student.** Ask students to place the cards on the chart use the chart to identify, within their groups, what kind of financial aid the cards are referring to and then to put the cards in the order they think is most important: from free/least effort to most expensive. Give them some time to think about which needs to be first and last. Share with students that there is actually an order of preference and have students write in the correct order. The order of preference is:
5. Grants
6. Scholarships
7. Work Study
8. Loans
9. Other Financial Assistance
10. **As you walk through the completed Handout with the class, review the types of funding and allow students to discuss and ask questions.**
11. **Ask students to list at least two things they now know about financial aid** (including the definition) and record these for the class.

**STUDENT PRODUCTS**

* **Completed *Myths about Financial Aid Quiz***
* **Completed *Different Ways to Pay for College* Handout**

 **ADDITIONAL RESOURCES AND OTHER INFORMATION**

* **FACILITATOR NOTES**

The workshop has two components. The first component is a whole group true and false exploration of some of the popular myths about the cost of college and financial aid. The second part asks students to organize the types of financial aid into free money and money that a student has to repay. The second component can be done as a whole group, in small groups, or with students working independently.

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LESSON 8-25 STUDENT HANDOUT

 MYTHS ABOUT FINANCIAL AID QUIZ

INSTRUCTIONS: Circle the answer that corresponds with whether you think the statement about financial aid is true or false.

|  |  |  |
| --- | --- | --- |
| 1. Only students with the best grades qualify for financial aid.
 | **TRUE** | **FALSE** |
| 1. Only rich kids can afford four-year schools.
 | **TRUE** | **FALSE** |
| 1. Only students from low-income families qualify for financial help.
 | **TRUE** | **FALSE** |
| 1. Students who are not high achieving or top athletes should not spend time searching for scholarships.
 | **TRUE** | **FALSE** |
| 1. All students who go to college leave owing a lot of money.
 | **TRUE** | **FALSE** |

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LESSON 8-25 TEACHER HANDOUT

 MYTHS ABOUT FINANCIAL AID QUIZ ANSWER KEY

|  |  |  |
| --- | --- | --- |
| 1. Only students with the best grades qualify for financial aid.
 | **TRUE** | **FALSE** |
| 1. Only rich kids can afford four-year schools.
 | **TRUE** | **FALSE** |
| 1. Only students from low-income families qualify for financial help.
 | **TRUE** | **FALSE** |
| 1. Students who are not high achieving or top athletes should not spend time searching for scholarships.
 | **TRUE** | **FALSE** |
| 1. All students who go to college leave owing a lot of money.
 | **TRUE** | **FALSE** |

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LESSON 8-25 HANDOUT

 DIFFERENT WAYS TO PAY FOR COLLEGE

Place your group of cards in the left-hand column in the order you think benefits you most. Consider:

* Whether the money may be free to you or not.
* What time you will need to take to apply for the money.
* How much money you think there may be.
* Whether or not you need to qualify for the money.

|  |  |  |
| --- | --- | --- |
| Definition (Put the card here!)  | Title  | Notes  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Financial Aid Description  | Financial Aid Description  | Financial Aid Description  | Financial Aid Description  |
| *This kind of money is given to students based on many factors, most often need. It can come from the college, the state, or the Federal government.*  | *This kind of money is given to students based on many factors, most often need. It can come from the college, the state, or the Federal government.*  | *This kind of money is given to students based on many factors, most often need. It can come from the college, the state, or the Federal government.*  | *This kind of money is given to students based on many factors, most often need. It can come from the college, the state, or the Federal government.*  |
| *This kind of financial aid recognizes that students have many unique talents that will make them great college students.*  | *This kind of financial aid recognizes that students have many unique talents that will make them great college students.*  | *This kind of financial aid recognizes that students have many unique talents that will make them great college students.*  | *This kind of financial aid recognizes that students have many unique talents that will make them great college students.*  |
| *Colleges often have paid positions on campus so that students can work while they go to school. Colleges also have employment offices that help students find work off of the campus.*  | *Colleges often have paid positions on campus so that students can work while they go to school. Colleges also have employment offices that help students find work off of the campus.*  | *Colleges often have paid positions on campus so that students can work while they go to school. Colleges also have employment offices that help students find work off of the campus.*  | *Colleges often have paid positions on campus so that students can work while they go to school. Colleges also have employment offices that help students find work off of the campus.*  |
| *This kind of money has several different categories and requires that you pay the money back AND pay an additional fee or interest for borrowing the money.*  | *This kind of money has several different categories and requires that you pay the money back AND pay an additional fee or interest for borrowing the money.*  | *This kind of money has several different categories and requires that you pay the money back AND pay an additional fee or interest for borrowing the money.*  | *This kind of money has several different categories and requires that you pay the money back AND pay an additional fee or interest for borrowing the money.*  |
| *This is money that may come from private for family sources as a gift.*  | *This is money that may come from private for family sources as a gift.*  | *This is money that may come from private for family sources as a gift.*  | *This is money that may come from private for family sources as a gift.*  |