Lesson Description

Students will learn various methods to pay for college, including savings, grants, scholarships, student loans, and work-study. They will create an interactive notebook in which they will record important information about the methods to pay for college learned through classroom discussion and specific websites. Students will investigate deeper about grants and scholarships using online resources.

Texas Essential Knowledge and Skills (Target standards)

- PFL Math 6.14G: explain various methods to pay for college, including through savings, grants, scholarships, student loans, and work-study

Texas Essential Knowledge and Skills (Prerequisite standards)

- Math 6.1 Mathematical process standards

National Standards (Supporting standards)

- CEE PFL Earning Income 8.2: People make many decisions over a lifetime about their education, jobs, and careers that affect their incomes and job opportunities.
- CEE PFL Earning Income 8.4: People with less education and fewer job skills tend to earn lower incomes than people with more education and greater job skills.
- CEE PFL Earning Income 8.5: Investment in education and training generally has a positive rate of return in terms of the income that people earn over a lifetime.
- CEE PFL Buying Goods and Services 8.7: The value of a person’s savings in the future is determined by the amount saved and the interest rate. The earlier people begin to save, the more savings they will be able to accumulate, all other things equal, as a result of the power of compound interest.
- CEE PFL Buying Goods and Services 8.8: Different people save money for different reasons, including large purchases (such as higher education, autos, and homes), retirement, and unexpected events. People’s choices about how much to save and for what to save change considerably over the course of their lives and are based on their tastes and preferences.
- CEE PFL Using Credit 8.7: Lenders charge different interest rates based on the risk of nonpayment by borrowers. The higher the risk of nonpayment, the higher the interest rate charged. The lower the risk of nonpayment, the lower the interest rate charged.
- CEE PFL Using Credit 8.8: People can use credit to finance investments in education and housing. The benefits of using credit in this way are spread out over a period of time and may be large. The large costs of acquiring the education or housing are spread out over time as well. The benefits of using credit to make daily purchases of food or clothing are short-lived and do not accumulate over time.
Grade Level: 6  

**Paying for College**  
Lesson: 5

**PFL Terms**
- Financial Aid
- Grants
- Scholarships
- Loans
- Work-study
- Federal Application for Student Aid (FAFSA)

**Time Required**
Two 45-minute classes

**Materials Required**
- One copy of Visual 6.5-1
- One copy of Activity 6.5-1 one-sided for each student
- One copy Exit Ticket for every 4 students; precut tickets
- A pair of scissors for each student
- Glue or tape for each student or pair of students
- Pencil colors for each student
- Two blank sheets of paper for each student
- Computer and internet access for each student

**Procedure**

Prior to today’s lesson, the students will need to have an idea as to their post-secondary plan (certification program, 2-year college degree, 4-year college degree, etc.) as well as an area of study interest, and an approximate location or specific school they would like to attend. Students who have completed Lesson 4 will have an idea of possible occupation and the education required.

1. As students walk in to class, have them write their desired future occupation on the board. Lead a classroom discussion about the occupations by asking the questions listed below.
   a. Why did you choose this occupation?
   b. What type of skills will you need for your desired occupation?
   c. How much post-secondary education will you need for your desired occupation?
   d. Where will you go to college to learn the skills for this occupation?
   e. Have you talked to your parents about the cost of college?

2. Distribute 2 sheets of paper, pencil colors and a pair of scissors. Display Visual 6.5-1. Tell students that they are going to create an interactive notebook. Read the directions from the visual and model the process for creating the interactive notebook.

3. Instruct students to number the inside pages 1-6 and the back page 7. Have students write their names on the upper right hand corner of the front cover and title the booklet: *How to Pay for College?* Instruct students to create an illustration with the pencil colors on the front cover that depicts the title. The teacher should continue modeling each step of the way.

4. Direct students to title each page as listed below with pencil colors.
   a. Page 1: Cost of College
   
   b. Page 2: Federal Aid
   c. Page 3: Scholarships
   d. Page 4: Loans
   e. Page 5: Work-Study
   f. Page 6: Other Financial Resources
   g. Page 7: Exit Ticket
Explore

7. Instruct students to go to the College Calc website at www.collegecalc.org. For the College by State dropdown menu, choose Texas.

8. Direct students to click on Public Colleges in Texas located on the left column. Then find 3 community or junior colleges that they would consider attending. Explain that at a community or junior college, a student can get a certificate or an associate’s degree. A certificate program prepares students for various occupations such as nursing, welding, and computer information technology. An associate’s degree is equivalent to the first two years of college at a university. Record the name of the college and the annual tuition cost in the table on page 1 of their interactive notebook. The teacher will need to point out that universities, community colleges and junior colleges appear on this list. Be sure to select colleges that have the words “community college” or “junior colleges” in the name.

9. Direct the students to find 3 universities that they would consider attending. Explain that a university offers 4 year degrees called bachelor’s degree. Record the name of the university and the annual tuition cost in the table on page 1 of their interactive notebook.

10. Direct students to click on Private Colleges in Texas located on the left column. Then find 3 private colleges that they would consider attending.

Explain

11. Lead a classroom discussion by asking the questions below.

   a. Which types of colleges cost the most? (Private colleges cost more than most four year universities and universities cost more than most community and junior colleges.) Explain that attending a public university or college in a state in which the student does not reside has significant additional costs.

   b. Why is it important to know the cost of tuition? (Getting a college education is a...
large expense. It is important to plan well in advance before investing in any large purchase. Students who plan early can reduce the time they are in college and ensure that they are spending their money wisely.)

c. Besides tuition what other costs can be expected while attending college? (Sample responses: books, transportation, housing, food, phone, laptop) Have students record these costs at the bottom of page 1.

12. Explain that there are many ways to finance a college education. Many college students use multiple financial approaches to pay for college. Next, we will explore the possible methods to finance your college education. Remind students that the most important thing they can do now is to do well in school. Studying hard and doing well in middle school can lead to getting ahead in high school. There are high school courses students can take in middle school such as Algebra I and high school Spanish. In high school, students can get ahead in college by taking duel credit courses or AP courses. In January of students’ senior year, they should complete a Federal Application for Student Aid (FAFSA). Before entering college, students will receive a financial aid package based on information provided in the FAFSA.

13. Instruct students to turn to page 2 of their interactive notebook. Tell them that they will now explore the various financial aid programs and other ways to pay for college. Students will fill in the blanks as the class discusses the facts below.

- Grants do not have to be paid back unless you withdraw from school before completing the semester.
- Grants are awarded based on financial need.
- To receive a grant, you must complete a Free Application for Federal Student Aid (FASFA).
- The FASFA is used to calculate the student’s Expected Family Contribution (EFC).
Students with “zero-EFC” automatically qualify for the maximum Pell Grant.

- Families can complete a FASFA Forecaster now to estimate the student’s grant award. (Tell students that this website can be located in the table on page 7.)

14. Direct students to draw a line under these facts and write “What types of federal grants are available?” Explain that they will investigate various grants that are available later in the lesson.

15. Instruct students to turn to page 3 of their interactive notebook. Students will fill in the blanks the class discusses the facts below.

- Scholarships do not have to be paid back.
- Scholarships are awarded based on merit. For example a student may get a scholarship based on his grades or athletic ability. Others may get a scholarship based on his or her affiliation to a church or other organization.
- Each scholarship has specific requirements and deadlines.

16. Direct students to write “What types of scholarships are available?” below the table. Explain that they will investigate various scholarships that are available later in the lesson.
17. Instruct students to turn to page 4 of their interactive notebook. Students will fill in the blanks as the class discusses the facts below.

- Work-study provides part-time job while in college
- Work-study is available to graduate and undergraduate students with financial need.

18. Instruct students to turn to page 5 of their interactive notebook. Students will fill in the blanks as the class discusses the following information.

**Scholarships**

- Scholarships ________ have to be paid back.
- Scholarships are awarded based on _________. For example a student may get a scholarship based on his or her ________, ________, ________, or ________ ability. Others
  - may get a scholarship based on his or her affiliation to a ____________ or other organization.
- Each scholarship has specific requirements and _________.

**What types of scholarships are available?**

- Tylenol - pursuing degree in healthcare (10 to get $10,000 and 30 to get $5000)
- Ag Day Essay - $1000 for 9-12th graders for writing an essay of creating a video
- Anne Ford - $10,000 for learning disabled pursuing post-secondary education
• Save early and save often. The more you save now, the more you will have for college and the less you will have to borrow.
• Students with college savings accounts are more likely to go to college.
• Pay yourself first. Each time you earn money or receive gift money, deposit part of it into your savings.
• Financial institutions pay you interest on savings accounts, Certificate of Deposits and Money Markets.
• Consider exploring savings plans with your parents. (See website on page 7.)

19. Direct students to write “Other Types of Savings Plans” below the table. Then ask students to consider exploring other savings plans with their parents. The website can be found on page 7 of their interactive notebook.

<table>
<thead>
<tr>
<th>Savings</th>
<th>Students with college savings accounts are more likely to go to college.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Save:</td>
<td>The more you save, the more you will have for college and the less you will have to borrow.</td>
</tr>
<tr>
<td>Pay yourself first. Each time you earn money or receive gift money, deposit part of it into your savings.</td>
<td></td>
</tr>
<tr>
<td>Financial institutions pay you interest on savings accounts, Certificate of Deposits and Money Markets.</td>
<td></td>
</tr>
<tr>
<td>Consider exploring savings plans with your parents. (See website on page 7.)</td>
<td></td>
</tr>
</tbody>
</table>

20. Instruct students to turn to page 6 of their interactive notebook. Students will fill in the blanks as the class discusses the following information.

• A loan is money you borrow and must pay back with interest. The interest you pay to a lender is greater than the interest you earn from savings.
• Federal student loans are awarded based on financial need.
• To receive a federal student loan, you must complete a Free Application for Federal Student Aid (FASFA).
• Federal student loans usually have a lower interest rate than private loans.
• Keep track of how much you borrow.
• Consider how much of your future salary will go towards paying your student loans.
21. Instruct students to explore the types of federal grants and scholarships that are available using the websites on row 2 of page 7. Students will record this information on pages 2 and 3 of their interactive notebook. Encourage students to find a scholarship that fits their profile.

22. Instruct students to turn to page 7 of their interactive notebook. Have them create a list of things they can do between now and high school graduation to prepare for college.

### What Can I Do Now to Prepare for College?

1. Develop strong study habits
2. Start saving money now to pay for college
3. Ask parents to help me learn more about financial aid
4. Take dual credit courses in high school
5. Investigate scholarships. Then work towards earning that scholarship.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>To compare the costs of colleges</td>
<td><a href="http://www.collegecostscale.org">www.collegecostscale.org</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.admissionstats.cats.state.tx.us">www.admissionstats.cats.state.tx.us</a></td>
</tr>
<tr>
<td>To explore types of financial aid</td>
<td><a href="http://www.studentaid.ed.gov">www.studentaid.ed.gov</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.collegeboard.org">www.collegeboard.org</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.fafsaapplications.edu">www.fafsaapplications.edu</a></td>
</tr>
<tr>
<td>To get an early estimate of your eligibility for federal student aid</td>
<td><a href="http://www.fafsa.com">www.fafsa.com</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.studentaid.ed.gov">www.studentaid.ed.gov</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.fafsaapplications.edu">www.fafsaapplications.edu</a></td>
</tr>
<tr>
<td>To learn about savings plans</td>
<td><a href="http://www.studentaid.ed.gov">www.studentaid.ed.gov</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.collegefunds.org">www.collegefunds.org</a></td>
</tr>
</tbody>
</table>
23. Direct students to share their list with another student. Then, have students share their plans with the class. Assign 2-3 scribes to record the ideas on the board.

24. To end the lesson, direct students complete the Exit Ticket.

Extension

• Encourage students to share and explain their interactive notebook with their parents.
Steps to Create an Interactive Notebook

Materials: 2 sheets of paper and a pair of scissors.

1. Stack two sheets of blank paper together and fold along the shortest line of symmetry.
2. Open one sheet of paper. Cut two 1 inch slits along the outer edge of the folded line as shown below.

3. Keep the second sheet folded. Using a pair of scissors, trim the fold starting 1 inch from the top and end 1 inch from the bottom. When the page is open, there will be a slit down the middle as shown below.

4. Open the first page with the outer slits. Roll this page around its longest line of symmetry. Slide rolled page through the slit of the second page. When the rolled paper is inserted halfway through the slit, open the page. The outer slits will be aligned with the fold of the second page to create a booklet.
### Activity 6.5-1

Glue Table 1 to page 1 of your interactive notebook.

<table>
<thead>
<tr>
<th>Name of community or junior college</th>
<th>Tuition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of four year college</th>
<th>Tuition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of private college</th>
<th>Tuition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
</tr>
</tbody>
</table>

Glue Table 2 to page 2 of your interactive notebook.

- Grants ____________ have to be paid back unless you ____________ from school before completing the semester.
- Grants are awarded based on ________________ ________________.
- To receive a grant, you must ________________ a Free Application for Federal Student Aid (FASFA).
- The FASFA is used to ________________ the student’s ________________ Family Contribution (EFC). Students with “zero-EFC” automatically qualify for the maximum Pell Grant.
- Families can complete a ________________ ________________ now to ________________ the student’s grant award. (See page 7.)
Glue Table 3 to page 3 of your interactive notebook.

- Scholarships ____________ have to be paid back.
- Scholarships are awarded based on __________. For example a student may get a scholarship based on his or her ________________ or ________________ ability. Others may get a scholarship based on his or her affiliation to a ________________ or other organization.
- Each scholarship has specific requirements and ____________.

Glue Table 4 to page 4 of your interactive notebook.

- Work-study provides part-time ____________ _____________.
- Work-study is available to graduate and undergraduate students with _________________.

Glue Table 5 to page 5 of your interactive notebook.

- Save ____________ and save ____________. The more you save ____________, the more you will have for college and the less you will have to ____________.
- Students with college savings accounts are ____________ ____________ to go to college.
- _______ yourself _________. Each time you earn money or receive gift money, _________ part of it into your _____________.
- Financial institutions pay you ____________ on savings accounts, Certificate of Deposits and Money Markets.
- Consider exploring savings plans with your parents. (See website on page 7.)
Glue Table 6 to page 6 of your interactive notebook.

- A loan is money you ______________ and must ______________ with interest.
- ______________ student loans are awarded based on financial ______________.
- To receive a federal student loan, you must complete a Free Application for Federal Student Aid (______________).
- Federal student loans usually have a ______________ rate than private loans.
- Keep ______________ of how much you borrow.
- Consider how much of your future ______________ will go towards ______________ your ______________.

Glue Table 7 to the bottom of page 7 of your interactive notebook.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>To compare the costs of colleges</td>
<td><a href="http://www.collegecalc.org">www.collegecalc.org</a></td>
</tr>
<tr>
<td></td>
<td>Choose: Texas under the College by State dropdown menu</td>
</tr>
<tr>
<td>To explore types of financial aid</td>
<td><a href="http://www.studentaid.ed.gov">www.studentaid.ed.gov</a></td>
</tr>
<tr>
<td></td>
<td>Choose: Types of Aid</td>
</tr>
<tr>
<td></td>
<td>Choose: <a href="http://www.collegeforalltexans.com">http://www.collegeforalltexans.com</a></td>
</tr>
<tr>
<td></td>
<td>Choose: Student</td>
</tr>
<tr>
<td></td>
<td>Choose: Types of Financial Aid</td>
</tr>
<tr>
<td></td>
<td>Choose: <a href="http://www.gocollege.com/">http://www.gocollege.com/</a></td>
</tr>
<tr>
<td>To get an early estimate of your eligibility for federal student aid</td>
<td><a href="http://www.studentaid.ed.gov">www.studentaid.ed.gov</a></td>
</tr>
<tr>
<td></td>
<td>Choose: FAFSA: Do I qualify for aid?</td>
</tr>
<tr>
<td></td>
<td>Choose: Estimate Your Aid</td>
</tr>
<tr>
<td></td>
<td>Choose: FAFSA4caster</td>
</tr>
<tr>
<td>To learn about savings plans</td>
<td><a href="http://www.collegeforalltexans.com">http://www.collegeforalltexans.com</a></td>
</tr>
<tr>
<td></td>
<td>Choose: Student</td>
</tr>
<tr>
<td></td>
<td>Choose: Types of Financial Aid</td>
</tr>
<tr>
<td></td>
<td>Choose: Savings Plan</td>
</tr>
</tbody>
</table>
Exit Ticket

The most important thing I learned from today’s lesson is

Three types of financial aids are
1.
2.
3.

Name:               Period:

Exit Ticket

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1.
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3.

Name:               Period:

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