

College Readiness Curriculum

Lesson 8

Financing Your College Education

Lesson Overview:

Students will continue the College Readiness Curriculum by completing the following steps: 1) estimating how much their post-secondary education will cost 2) exploring options for financing their education

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College Readiness

Lesson 8 – Financing Your College Education

Lesson Overview

During this lesson, you guide students to estimate the cost of a college education, introduce them to financial aid options, and help them to explore other ways of financing a post-secondary education.

Core Concepts

- It's important to be aware of and prepared for the expenses you will face in college.
- While a college education can be very expensive, there are many options for financing it.

Learning Goals

In this lesson students will:

- Estimate how much a university education will cost.
- Explore different options of financial aid available to them.
- Consider additional ways to reduce costs and finance their education.

Materials Needed

- [Financing College Slideshow](#)
- Worksheet 1: College Cost Estimator
- Worksheet 2: Financial Aid Spreadsheet

Supplemental Videos

- [The Elements of College Costs](#)
- [Financing Your College Education](#)

Step 1: Activate Background Knowledge

Ask whether anyone in class has begun to think about financing college. Beyond tuition, can students identify expenses associated with college? What ideas and plans do they have for financing their post-secondary education? What do they know about the various forms of assistance available? Ask volunteers to share what they have learned from their own research or the experiences of older siblings and friends.

You might also ask volunteers to share their concerns about financing college. List their responses on the board and encourage students to watch and listen for the concerns to be addressed as the lesson progresses.

Step 2: Introduce the Lesson

Point out that there are numerous costs associated with attending post-secondary school. In addition to tuition, students may need to pay for a place to live, food to eat, and materials such as textbooks. While these expenses may limit students' choice of schools, money issues need not keep students from pursuing a degree. During this lesson, students will discover and explore a variety of options for reducing college expenses and financing their education.

Step 3: Begin the Slideshow

[Slide 1]

Tuition and College-Related Expenses

The actual cost of your college education will depend upon many variables. If you are applying to several schools, tuition costs may vary. Aside from tuition, there are several other costs that may play a role in determining the final cost of your education.

- Tuition – This is the official cost of the degree-seeking program and is typically charged by semester, trimester, or quarter. The tuition rate is typically set annually. It is likely that the cost of your tuition will increase somewhat each year.
- Room/Apartment – If you will not be living at home, it is likely that you will need to pay rent for a room on or near the university campus. If you will live in campus housing, you should be able to get an estimate for the cost per semester or year. If you will live off campus, you may want to investigate nearby apartments to see how much monthly rent is typically. Will you live alone or have roommates?
- Food – Will you eat most meals in a campus dining room? If so, you may be able to pay for a yearly or semester meal plan that covers all or most of your meals. If you plan to live off campus, but not at home you will need to estimate the cost of groceries and/or dining out. You may want to chat with family or current students to estimate food expenses.
- Social Life – How much will extracurricular activities cost? Will you play sports? Will you join a club, sorority, or fraternity? Even if you have paid for a meal plan on campus, you might choose to eat out on occasion. Social and recreational expenses may be difficult to estimate, but talking to current students at the school can help you get a rough idea. You should also consider your own interests and social activity level.

- Fees – Different majors or courses may have additional fees or expenses. For example, nursing students may need to pay for additional vaccinations and testing. Some science classes may charge lab or supply fees.
- Books – Will you be able to buy used books, or will you need to pay for new ones? Can you resell your books at the end of the semester? Will you have the option of downloading your books to a digital device? How much will that cost? Keep in mind also that textbooks tend to be pricier than other books (such as novels for literature classes).
- Transportation – If you travel to the university each day, how much will it cost to ride on public transportation, if available? If you will be driving, how much will you spend on car payments, maintenance, parking, and gas? If you attend a school far from home, how much will it cost to travel between school and home? How often will you visit home?
- Living expenses – What does it cost for you to live? Will you have to pay for laundry? What about recreational “essentials” that you are used to such as coffee, magazines, or trips to the movies? You will need clothes, toiletries, and all of the other essentials that you have needed all of your life, but you may now be paying for everything yourself.

Pause to Ask: Was anyone surprised by any of these expenses? Can anyone think of other expenses not listed here?

Step 4: Distribute the College Cost Estimator Worksheet
(30-60 minutes)

Guide students to use the worksheet to estimate the yearly cost of their education at the school they're strongly interested in attending. Expenses such as tuition and room and board should be available on the school's website. To calculate other expenses, students may need to talk to you or their families (If completing the assignment as homework) and/or do additional research online.

Remind students that their estimates do not include financial aid, scholarships and loans. Assure them that they need not panic if they suddenly realize that college will be more expensive than they thought. During the rest of the lesson, they will explore different ways to limit costs and cover expenses.

Step 5: Continue the Sideshow

Pause after each slide to solicit questions and comments from students.

[Slide 2]

Financial Aid

You may start to panic as you look at the price tag for your college education. DON'T BE DISCOURAGED! There are many options for reducing the initial costs to something that you can afford. Financial aid options may vary from country to country and university to university. Some possible options include the following:

- Scholarships and Bursaries – Scholarships, also known as bursaries in some regions, are monetary gifts awarded to qualified students to help with college expenses. Scholarships may be awarded by schools, employers, private businesses, nonprofits, community groups, religious groups and professional associations. They may have very specific guidelines for who qualifies, so read the details carefully. Scholarships and bursaries tend to be awarded based on merit, although financial need may also be considered.
- Grants – Grants are moneys that are awarded based on financial need. Grants do not need to be repaid and are generally provided by the government, but may also be awarded directly by the university or other organizations.
- Work Study – Work-study is a form of financial aid awarded to students that offers them the opportunity to earn money and gain work experience through a part time job on the university campus.
- Student Loans – Student loans are loans that must be used specifically for education, although they can often be put toward living expenses while pursuing a degree. Some student loans are subsidized by the government and may have a more affordable interest rate than other loans. Often student loan repayment can be deferred as long as you are a student, and sometimes for additional reasons such as volunteer service.
- Other Loans – If student loans are not available, some students may choose to take out other personal loans to finance their education. The downside of personal loans is that they may need to be repaid while you are still a student and interest rates may not be as affordable as with student loans.

[Slide 3]

Need-Based Financial Aid Options

In many cases, students can use a single government application (in the US, it is called the Free Application for Federal Student Aid, or FAFSA) to apply for need-based financial aid at any school to which they apply. The national government and/or individual universities use this application to award grants, loans, and work-study according to the level of need the applicant demonstrates. In some cases, institutions may have its own financial-aid application that students can use instead of or in addition to the government application.

You will typically need to apply for need-based financial aid each year of school, and aid can vary from year to year depending upon your family's financial situation and the total number of students who qualify for government-based financial assistance that year. For more information on applying for need-based financial aid, you can talk to your school guidance counselor or search online. (See the Resources section for more information.)

Pause to Discuss: Ask whether students are familiar with your country's federal financial aid program for students (if applicable). You may want to display the related website and briefly walk through the application.

[Slide 4]

Scholarships, Bursaries & Private Grants

While consideration for some scholarships and bursaries may be need-based, often these monetary gifts are fully merit-based and/or awarded to students looking to go into a career for which there is a high demand. Some universities may award scholarship funds based on your application to the school, itself. However, you will probably need to complete additional applications for most scholarships or bursaries.

Get started early! Depending on the scholarship requirements, you may be able to apply several years before you will actually attend post-secondary school. Even if you must apply in your final year of high school or during college, it is advisable to submit applications earlier than the deadlines.

There is a lot of competition for some scholarships, so it may be important to apply for several. In addition to talking to a school guidance counselor, you may find the following resources helpful for finding additional scholarships:

- University websites
- Civic and religious organizations to which you or your family belongs
- Internet search (See the next slide for more information.)

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Searching Online for Scholarships, Bursaries & Private Grants

You may find specific search terms helpful when looking for scholarship opportunities. Here are some ideas for words you can type into the search bar after “scholarship,” “bursary,” or “grant.”

- The field you would like to study (both general and specific). Examples might be “biology,” “medicine,” “astrophysics,” “STEM,” “science,” etc.
- Large companies or industries in your region or country that may offer scholarships to students planning to study a related subject or field. For example, oil and gas companies offer scholarships to STEM students in countries such as Nigeria.
- Your extra-curricular activities – Scholarships are often awarded for sports. Large clubs and organizations, such as Girl Guides or Girl Scouts, offer scholarships
- Your gender – Some scholarships are awarded to women and girls only.
- Your cultural or ethnic background.
- The city, province, state, region, or country where you live. Some scholarships are specific to students coming from a particular geographical area.
- The country where you would like to study. Some schools and countries offer scholarships specifically for international students.
- The university you would like to attend. Many colleges and universities offer their own scholarships that may or may not be need-based.

Step 5: Research Your Options – Create a Financial Aid Spreadsheet (60 minutes + ongoing)

Distribute the Financial Aid Spreadsheet and explain that students should get started looking for scholarships and financial aid now. Encourage students to set up meetings with their guidance counselors and conduct an internet search to determine some of their financial aid options – need-based and merit-based. Guide students to use the spreadsheet to organize their information and prepare their financial-aid applications.

When students have completed their spreadsheets, meet with each student to discuss their financial-aid research and findings. Respond to students’ questions or concerns, as well as using the following points to guide discussion:

- Can you recommend additional costs the student might need to take into consideration?
- Can you recommend additional funding sources that the student should consider or research?

NOTE: If you feel unqualified to discuss financial aid with your students, you might suggest that they have follow-up conversations with their guidance counselors instead.

Step 6: Continue the Slideshow

[Slide 6]

Don't miss your chance!

There are so many opportunities for financial aid for college. However, you have to apply for most of them. Don't put off filling out the appropriate paperwork and online applications. The process can be time-consuming. Get started as soon as you can, so that you don't miss your chance at making college affordable.

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Other Options for Financing a College Education and/or Reducing Costs

In addition to need-based and merit-based financial aid, there are additional ways to finance your education and to minimize the costs. Here are a few ideas to consider:

- A part-time job can allow you the time you need to study and the income you need to pay for your studies. Working and studying at the same time requires good time management and may keep you very busy. That said, many students make this option work. If possible, find a job with a flexible schedule that can accommodate your class and study schedule.
- A paid internship can also be a great way to build experience, especially if it is related to your studies. Depending upon your expenses and the job, you may be able to work full time in the summer and stretch the funds out over the school year so that you do not need to work at the same time you are also attending classes.
- Many students have saved money by attending a two-year degree program or community college and then transferring their credits to complete a four-year degree at another university. Community college tuition tends to be much more economical, but you will need to make sure that your credits will transfer and count toward your four-year degree.
- Advanced Placement, International Baccalaureate and other advanced secondary school programs offer the opportunity to receive college credit for scoring high enough on specialized exams. Credit may be awarded differently by different universities, but in some case, it's possible to receive credit for up to an entire year of post-secondary school.
- Some high schools offer the opportunity to take college-level courses and receive both high school and college credits. If it is an option, you could gain college credit for free or at a low price and reduce the amount of time (and money) you will spend earning your degree.
- If you still have several years before applying to college and your family can contribute toward your education, it may make sense to start an Education Savings Account. These savings tools are not available in every country, but may offer tax savings as well as better interest accrual than a traditional savings account.

- Combined degrees offer the opportunity to achieve an undergraduate degree along with a master's degree or specialized certificate in the amount of time typically required for just the undergraduate degree. Reducing your education by a year or more could save you a considerable amount of money.
- Apply to more than one university or course. Different universities may offer you very different financial aid packages. One may offer more loans, while another may offer more scholarships and grants. It is even possible that a more expensive private university could end up costing you less money than a public university depending upon the financial-aid package.
- Critically analyze the actual importance of a prestigious, but more expensive university. The prestigious diploma may not make you significantly more employable than a diploma from a less prestigious, but still respectable, public university. Many public universities offer excellent programs for a bargain price.
- Studying close to home may reduce the costs of living on your own.
- Choosing a career in high demand may offer additional scholarship opportunities.

[Slide 8]

Discussing College Finances with Your Family

Now that you have done some initial research, it is time to talk with your family (parents, guardians, and/or others who may play a role in financing your college education). Share the information you have learned and ask questions about how much your family expects and can afford to help.

Use these questions to help guide your discussion:

- To what extent is your family able to help you in financing your education? Even if they cannot contribute directly to tuition costs, will they be able to support you in other ways? Will you be able to continue living at home? Do they have contacts that might help you find a job or an inexpensive place to live near school?
- If your family does plan to pay for part of your tuition and/or other expenses, how much are they able and willing to contribute?
- Share what you have learned about the financial-aid application process and ask for help where you will need it. For example, you may need help filling out forms with information about your family's financial situation.
- Share any concerns that you have about financing your college education and discuss options for overcoming any financial obstacles.

RESOURCES

Share these resources to assist student with their research into financing college.

Federal Financial Aid Programs

- [Study Assist](#) - Australia
- [Student Financial Assistance](#) - Canada
- [Federal Ministry of Education Federal Scholarship Board](#) - Nigeria
- [National Student Financial Aid Scheme](#) - South Africa
- [Student Finance](#) - UK
- [Free Application for Federal Student Aid \(FAFSA\)](#) - US

Scholarship Information

- [Becas - Secretaría de Educación Pública](#) (Mexico)
- [Bursaries of South Africa](#)
- [Scholarship Search](#) (UK)
- [Big Future Scholarship Search](#) (US)

**As you use internet searches to look for potential scholarships, be aware that scholarship fraud is a new and frustrating complication. To avoid these scams, check out this article: [Warning Signs of a Scholarship Scam](#).*