

Education Financing Case Studies

Chapter 1.2: Paying for Post-Secondary Education

These case studies present realistic scenarios of students with different backgrounds, financial situations, and educational goals. Each case study is designed to help you practice applying education financing concepts to real-world situations. For each scenario:

1. Read the scenario and key factors carefully
2. Consider the student's unique circumstances and constraints
3. Answer the discussion questions, focusing on strategic financial planning
4. Use the analysis space to outline a recommended financing plan

The goal is to develop critical thinking skills about education financing while practicing the application of financial aid concepts from Chapter 1.2.

Case Study 1: Maya - First-Generation College Student

Background: Maya is a high school senior with a 3.8 GPA who will be the first in her family to attend college. Her parents are supportive but have limited knowledge about the college application and financial aid process. Her family's annual income is \$42,000 for a household of four.

Educational Goals: Maya wants to pursue a nursing degree at either her state university (estimated cost: \$22,000/year) or a private college known for its nursing program (estimated cost: \$45,000/year).

Key Factors

- First-generation college student status
- Family income qualifies for need-based aid
- Strong academic record (potential for merit scholarships)
- Interest in a high-demand career field (nursing)
- Significant cost difference between educational options

Discussion Questions

1. What types of financial aid should Maya prioritize in her search?
2. What specific challenges might Maya face as a first-generation college student when navigating financial aid?
3. How should Maya evaluate the cost difference between the public and private college options?
4. What resources or support systems should Maya utilize in planning her education financing?
5. What factors beyond direct costs should Maya consider when making her decision?

Your Analysis and Recommendations

(Use this space to outline a recommended financing strategy for Maya)

Case Study 2: Jamal - Community College Transfer Student

Background: Jamal is completing his second year at a community college where he's earned an associate's degree in business administration with a 3.5 GPA. He works part-time (20 hours/week) earning \$15/hour. He has saved \$5,000 for continuing his education and has already taken out \$8,000 in federal student loans.

Educational Goals: Jamal plans to transfer to a four-year university to complete his bachelor's degree in business, which will require two additional years of study (estimated cost: \$26,000/year).

Key Factors

- Existing student loan debt from community college
- Working student with limited time for additional employment
- Strong academic performance (transfer student scholarships possible)
- Personal savings available
- Two years of remaining education needed (instead of four)

Discussion Questions

1. How should Jamal's existing student loans factor into his financing plan for the next two years?
2. What special financial aid opportunities might be available specifically for transfer students?
3. Should Jamal continue working part-time during his studies at the four-year university? Why or why not?
4. How should Jamal balance using his savings versus taking additional loans?
5. What financial planning should Jamal do now to prepare for post-graduation loan repayment?

Your Analysis and Recommendations

(Use this space to outline a recommended financing strategy for Jamal)

Case Study 3: Sophia - Graduate School Applicant

Background: Sophia completed her bachelor's degree in psychology two years ago and has been working as a research assistant earning \$38,000 annually. She has \$32,000 in student loan debt from her undergraduate education, currently in repayment. She has saved \$12,000 and has a credit score of 740.

Educational Goals: Sophia has been accepted to three master's programs in clinical psychology: a public university program (estimated cost: \$28,000/year for 2 years), a prestigious private university (estimated cost: \$60,000/year for 2 years), and an online program that would allow her to continue working (estimated cost: \$22,000/year for 3 years).

Key Factors

- Existing substantial student loan debt
- Current income and savings
- Excellent credit score
- Different program lengths and formats (full-time vs. part-time/online)
- Significant cost differences between programs
- Graduate-level education (different financial aid landscape than undergraduate)

Discussion Questions

1. How does the financial aid landscape differ for graduate study compared to undergraduate education?
2. What are the financial trade-offs between the three program options (considering time to completion, ability to work, total cost)?
3. How should Sophia manage her existing student loans while pursuing graduate education?
4. What role might Sophia's credit score play in her graduate school financing options?
5. How should the potential income increase from a master's degree factor into Sophia's financial decision-making?

Your Analysis and Recommendations

(Use this space to outline a recommended financing strategy for Sophia)

Case Study 4: Tyler - Technical/Trade School Student

Background: Tyler is a high school senior with a 2.9 GPA who excels in hands-on learning but struggles with traditional academics. He's been working part-time at an auto repair shop for two years and has saved \$3,500. His family's annual income is \$65,000 for a household of five.

Educational Goals: Tyler is interested in becoming a certified automotive technician through either a 9-month certificate program at a for-profit technical school (cost: \$19,000) or a 2-year associate degree program at a community college (cost: \$12,000 total).

Key Factors

- Different program lengths and credential types
- For-profit vs. public institution considerations
- Moderate family income (may qualify for some need-based aid)
- Personal savings from relevant work experience
- Specific career path with industry certifications

Discussion Questions

1. What are the financial aid differences between for-profit technical schools and community colleges?
2. How should Tyler evaluate the return on investment for each program option?
3. What industry-specific financial aid or employer assistance programs might be available in the automotive field?
4. How might Tyler's current employment be leveraged as part of his education financing strategy?
5. What factors beyond program cost should Tyler consider when making his decision?

Your Analysis and Recommendations

(Use this space to outline a recommended financing strategy for Tyler)

