

Understanding ways to pay for education after high school

Students conduct Internet research to build their awareness of options for paying for education after they graduate from high school.

Learning goals

Big idea

Financial aid can help pay for education after high school.

Essential questions

- What are some options for paying for education after high school?
- Which options might be best for me?

Objectives

- Conduct Internet research about financial aid and loans
- Plan to talk to a parent or guardian about paying for education after high school

What students will do

- Research financial aid information on a government website.
- Talk with a parent or guardian about their options for paying for education after high school.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:



Grade level: Middle school (6-8)

Age range: 11-14

Topic: Borrow (Getting loans), Save and invest (Saving for college, Saving for long-term goals), Spend (Paying for college)

School subject: CTE (Career and technical education), English or language arts

Teaching strategy: Project-based learning

Bloom's Taxonomy level: Apply, Create

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Earning income: 4-7, 8-4, 12-3

Spending: 4-5, 8-1, 8-2, 12-9

Managing credit: 4-1, 4-2, 8-3, 8-6, 8-7, 12-4, 12-5

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

While it's not necessary, completing the "Telling the difference between loan myths and realities" activity first may make this one more meaningful.

Print copies of all student materials for each student, or prepare for students to access them electronically.

Secure a computer, a projector or smartboard, and speakers to show the video on federal student aid options at <https://studentaid.gov/sa/types>.

Review the video and information on federal student aid options at <https://studentaid.gov/sa/types>.

Review the information on grants and scholarships at <https://studentaid.gov/sa/types/grants-scholarships>.

Secure computers or tablets with Internet access for students to conduct research.

What you'll need

THIS TEACHER GUIDE

- Understanding ways to pay for education after high school (guide)
cfpb_building_block_activities_understanding-pay-education-after-high-school_guide.pdf
- A computer, a projector or smartboard, and speakers
- Video on federal student aid options at <https://studentaid.gov/sa/types>

STUDENT MATERIALS

- Understanding ways to pay for education after high school (worksheet)
cfpb_building_block_activities_understanding-pay-education-after-high-school_worksheet.pdf
- Computer or tablets with Internet access
- Webpages on grants at <https://studentaid.gov/understand-aid/types/grants> and scholarships at <https://studentaid.gov/understand-aid/types/scholarships>

Exploring key financial concepts

After students graduate from high school, they have many options for continuing their education. Most of those options will cost money. Financial aid can help people pay for education after high school. Grants, scholarships, work-study are types of financial aid that don't have to be repaid. People also use savings and money from investments to pay for education after high school. Another option is to use student

TIP

Because loan products, terms, and laws related to financial aid change, students should be encouraged to always look for the most up-to-date information.

loans, which usually need to be repaid. The earlier you start saving, the less money you'll need to pay for your education after high school.

Teaching this activity

Whole-class introduction

- Ask students to share their thoughts about what they'd like to do after they graduate from high school.
- Explain that they'll explore ways to pay for their education after high school.
 - You can read the "Exploring key financial concepts" section aloud to students to help them understand some of the options.
- Distribute the "Understanding ways to pay for education after high school" worksheet to students.
- Be sure students understand key vocabulary:
 - **FAFSA - Free Application for Federal Student Aid:** This form is used by a school to determine how much a student and their family are eligible to receive in federal financial aid. The FAFSA may also be used to determine a student's eligibility for state and school-based aid. It may influence how much private aid a student receives.
 - **Federal work-study:** A program that provides part-time jobs to help you earn money to pay for college expenses.
 - **Financial aid:** Money given in the form of grants, work-study, loans, and scholarships to help to pay for post-secondary tuition and fees, housing and food, books, supplies, miscellaneous expenses, and transportation.
 - **Grant:** A type of financial aid that does not have to be repaid, unless, for example, you withdraw from school and you need to pay back some of the grant money because your eligibility for the grant changes; often need-based.
 - **Loan:** Money that needs to be repaid by the borrower, generally with interest. (You'll have to pay interest on student loans.)
 - **Scholarships:** Money that students receive based on academic or other achievements to help pay education expenses. Scholarships generally don't have to be repaid.

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual and group work

- Students can work in pairs or in small groups to complete the research portion of the worksheet.
- Explain to students that they'll first watch a video about federal student aid options and answer questions on their worksheet based on the video.
- Show students the video at <https://studentaid.gov/understand-aid/types>.
- Students will answer the questions in the first table on the worksheet.
- Next, have students review the information on grants and scholarships at <https://studentaid.gov/understand-aid/types> and answer the questions in the second table.
- Working independently, students will then complete the "Planning your conversation" section of the worksheet.
- Have students then answer the reflection questions independently.
 - This will provide an opportunity for them to apply their understanding in a personally meaningful way.

Wrap-up

- Bring the class back together and ask students why it's helpful to talk with their family about paying for higher education:
 - Be sure they understand that talking and planning can help them become as prepared as possible for the costs of higher education.
- Ask students to share their responses to the reflection questions.

Suggested next steps

Consider searching for other CFPB activities that address the topics of borrowing, including getting loans; saving and investing, including saving for college or saving for long-term goals, and spending, including paying for college. Suggested activities include "Preparing to pay for education after high school" and "Comparing higher education choices."

Measuring student learning

Students' answers on their worksheets and during discussion can give you a sense of their understanding.

This answer guide provides possible answers for the "Understanding ways to pay for education after high school" worksheet.

Keep in mind that students' answers may vary. The important thing is for students to have reasonable justification for their answers.

Answer guide

Exploring federal student aid

What three types of federal student aid are discussed in the video?	Do you have to repay this type of aid?
1. Grants	No (unless, for example, you withdraw from school and you need to pay back some of the tuition money)
2. Work-study	No
3. Loans	Yes

What two types of aid are discussed on this page?	Do you have to repay this type of aid?
1. Scholarships	No
2. Grants	No (unless, for example, you withdraw from school and you need to pay back some of the tuition money)