

# Discussion (Part 1) - ~~app~~

**Directions: please answer the following questions WITHOUT using the app.**

1. What is your yearly cost of tuition? (excluding fees) \$\_\_\_\_\_

*Feel free to use the following chart to help you:*

TUITION RATES (as of FALL 2015)	Full Time 12-18 credits/ equated credits	Part-Time
<b>Residents of New York City who are:</b>		
Matriculated Students	\$2400 per semester	\$210 per credit
Non-Matriculated Students	\$265 per credit	\$265 per credit
<b>Non-Residents of New York City who are:</b>		
Residents of New York State with B-81 on file	\$2400 per semester	\$210 per credit
Residents of New York State without B-81 on file	\$320 per credit	\$320 per credit
Out-of-State Residents	\$320 per credit	\$320 per credit
International Students	\$320 per credit	\$320 per credit
Non-Matriculated Students	\$420 per credit	\$420 per credit

**Source:** <http://www.bmcc.cuny.edu/bursar/page.jsp?pid=1001&n=Tuition%20&%20Fees%20Per%20Semester>

*"Matriculated" means to be enrolled in a degree program.*

*"B-81" is a Certificate of Residence.*

2. How much does it cost to earn your degree? (excluding fees) \$\_\_\_\_\_

*Assume you borrow money from the government to pay for your degree. Six months after you graduate college, you will be required to start paying the government back on a monthly basis.*

3. How much money can you afford to pay back each month? \$\_\_\_\_\_

*A reasonable guess is fine.*

4. How long will it take to pay the government back? (excluding interest)

*Example: 92 months = 7 year(s) 8 month(s)*

*Example: 100.6 months  $\uparrow$  101 months = 8 year(s) 5 month(s)*

*Example: 70.44 months  $\uparrow$  71 months = 5 year(s) 11 month(s)*

\_\_\_\_\_ year(s) \_\_\_\_\_ month(s)

---

## Discussion (Part 2) – app

Directions: please answer the following questions USING the app.

---

5. How long will it take to pay the government back? (including interest)

\_\_\_\_\_ year(s) \_\_\_\_\_ month(s)

*Tips to help you get started:*

- ❖ Use the slider/seekbar to select an estimated cost nearest to yours.
- ❖ Select your interest rate; if you are unsure, choose 4.66%.
- ❖ Select a monthly payment nearest to yours.

6. Comparing #4 with #5, which takes longer? Why? \_\_\_\_\_

*Do not think too hard about this question,  
but feel free to redo #3-4 before answering this question.*

7. Reduce your monthly payment to the minimum, and look at how long it will take to pay the government back. Do you see why lenders set time limits, typically 10 years?

*Feel free to swipe left to see how the app calculates its numbers.*

(yes/no) \_\_\_\_\_

*If you ever do struggle to make payments, you can negotiate with your lenders. Otherwise, if paying the government back still seems too long, find a “sweet spot.”*

8. Increase your monthly payment gradually. How much *should* you pay monthly, so that your repayment does not take so long?

*Many answers are possible.*

\$ \_\_\_\_\_

*Bonus questions.*

9. From the minimum payment, press the  button once. How much money can you save?

\$ \_\_\_\_\_

10. Press the  button some more times. Does paying *a lot more* make much difference?

*Hint: law of diminished returns.*

(yes/no) \_\_\_\_\_