

Activity 17: Financing My Education

Target Audience: Grades 9-12

Objective: The students will:

- Explore a variety of financial aid information resources.
- Test their knowledge of financial aid information.

| ASCA Standard | National Career Development Goal | National Career Development Guidelines |
|---|---|---|
| <p>Career Development Standard C: Students will understand the relationship between personal qualities, education, training and the world of work.</p> | <p>Career Management Goal 3: Use accurate, current, and unbiased career information during career planning and management.</p> | <p>CM3.K1: Describe the importance of career information to your career planning. CM3.A1: Show how career information has been important in your plans and how it can be used in future plans. CM3.R1: Assess the impact of career information on your plans and refine plans so that they reflect accurate, current, and unbiased career information. CM3.K2: Recognize that career information includes occupational, education and training, employment, and economic information and that there is a range of career information resources available. CM3.A2: Demonstrate the ability to use different types of career information (i.e., occupational, educational, economic, and employment) to support career planning. CM3.R2: Evaluate how well you integrate occupational, educational, economic, and employment information into the management of your career.</p> |

Resources and Materials:

- FAFSA is the First Step to Getting Money for College, page 56
- Cut College Costs!, page 56
- Student Loans Are Not Free Money, page 57
- North Dakota: Estimated On-Campus Budgets, page 63
- Additional Financial Aid Information handout (3rd page of student activity sheet)

Leading Questions and/or Comments:

This lesson is not meant to be an exclusive coverage of the financial aid topic for your students. It provides general knowledge about financial aid to encourage them to explore further and ask questions.

Activities:

- Assign students to read and report on articles and discuss as a class:
 - FAFSA is the First Step to Getting Money for College, page 56
 - Cut College Costs!, page 56
 - Student Loans Are Not Free Money, page 57
 - North Dakota: Estimated On-Campus Budgets, page 63
 - Additional Financial Aid Information handout (3rd page of student activity sheet)

- Have students complete the Financing My Education activity sheet individually or in pairs to test their knowledge about the financial aid information. (This tool could also be used as a pre and post test)
- After the students have completed the sheet, go over the answers together. They may have additional questions regarding financial aid you may help them with or refer them to several web resources:

| | |
|--|---|
| Bank of North Dakota (BND) | https://bnd.nd.gov |
| Bank of North Dakota (BND) Student Loans of North Dakota | https://slnd.nd.gov |
| Bank of North Dakota (BND) Student Loan Services | https://bnd.nd.gov/studentloans/ |
| Free Application for Federal Student Aid (FAFSA) Website | www.fafsa.gov |
| North Dakota University System (NDUS) Tuition & Fee Estimator Application | http://fees.ndus.edu |
| US Department of Education, Federal Student Aid | www.studentaid.ed.gov |

Making Connections for Students:

Encourage your students to discuss what they have learned with their parents by bringing the Financing My Education activity sheet home with the correct answers included and several web resources so they can look up additional information.

Optional Activities

Invite a college financial aid representative to speak to your class.

Activity 17: Financing My Education – ANSWER SHEET

- The acronym FAFSA stands for:
 - Funds Available for Supporting Academics
 - Financial Assistance for Student Aid
 - Federal Application for Student Aid
 - Free Application for Federal Student Aid**
- What are some differences between scholarships, student loans and grants?
Many possible answers, e.g.:
 - Scholarship money does not need to be repaid.**
 - Scholarships are usually based on grades, test scores, and/or talents.**
 - Scholarships are not linked to your FAFSA application.**
 - Student loans must be repaid with interest.**
 - Grants do not need to be repaid. Often based on financial need.**
- Financial aid can consist of:
 - A grant, scholarship, or loan**
 - A job, stipend, or pay day loan
 - A scholarship, grant, or voucher
 - An IOU
- Student loan payments should not be more than what percentage of your income?
 - 5%
 - 10%**
 - 15%
 - 20
- How important are deadlines and what is the deadline date for the FAFSA?
Many possible answers, e.g.:
 - Very important for most schools**
 - April 15 is the ND University System priority deadline for the FAFSA (contact colleges directly to check on any deadlines they may have)**
- Do I have to apply every year? **YES** NO
- Do I have to have my parent's financial information to apply? **YES** NO

8 What costs in addition to tuition should I expect to budget for?

Many possible answers, e.g.:

Books and Supplies

Room and Board

Personal Expenses

Recreation

9 Does it cost anything to submit the FAFSA? YES **NO**

(It does not cost anything to complete the **Free** Application for Federal Student Aid (FAFSA) - it is always free.)

10. What is the difference between a subsidized loan and an unsubsidized loan?

Subsidized Loan- Must start to pay back the loan plus interest after a short period following leaving school.

Unsubsidized Loan- Must start to pay back the interest while you are going to school, and pay until it is paid in full.

11. What are some factors that can affect the types of aid I might receive?

a. Grade level

b. Family size

c. Income and assets

d. All of the above

12. What happens if I don't pay back my loans?

Many possible answers, e.g.:

It will damage your credit rating. This may affect your ability to receive loans for purchases like cars and homes later in your life.

13. Financial aid has some strings attached. You can lose your financial aid. Discuss several ways you may lose these dollars and write them below:

Many possible answers, e.g.:

You can lose your aid if you don't keep your grades up, have drug charges and/or felony convictions or if you do not register with Selective Service. Check with the college you plan on attending to determine other ways you can lose your aid.