

Financial Aid

The **BIG** Idea

- What are some ways to help pay for college?

AGENDA

Approx. 45 minutes

- I. Warm Up: Dollars for College (5 minutes)
- II. Scholarships and Awards (15 minutes)
- III. Grants and Work Study (15 minutes)
- IV. Loans (5 minutes)
- V. Wrap Up (5 minutes)

MATERIALS

☐ STUDENT HANDBOOK PAGES:

- Student Handbook page 72, College Scholarships Awarded
- Student Handbook page 73, Expected Family Contributions
- Student Handbook page 74, Financial Aid Menu
- Student Handbook pages 75–77, Scholarships and Awards
- Student Handbook page 78, Scholarship Scavenger Hunt
- Student Handbook page 79, Check-up Questions
- Student Handbook pages 80–81, Scholarship Research
- Student Handbook page 82, My Scholarships

OBJECTIVES

During this lesson, the student(s) will:

- Learn about the different kinds of financial aid available for college.
- Recognize that family income and assets determine how much financial aid you are eligible for and that even expensive schools may provide enough aid to make them a viable option.

OVERVIEW

In this lesson, students are introduced to four kinds of financial aid: scholarships/awards, grants, work-study, and student loans. The first three are free sources of money; the fourth must be paid back.

First, students use sample scholarships and awards from FastWeb to complete a quick Scholarship Scavenger Hunt. Next, the students look at several family scenarios to understand the role of expected family contributions in determining grant and work-study awards. Finally, they discuss the advantages and disadvantages of loans.

PREPARATION

- List the day's **BIG IDEA** and activities on the board.
- Write the day's vocabulary words and definitions on the board.
- The following handouts need to be made into overhead transparencies or copied onto chart paper:
 - **Student Handbook page 73, Expected Family Contributions**
 - **Student Handbook page 74, Financial Aid Menu**
 - **Student Handbook page 79, Check-up Questions**
- Students may have financial aid questions beyond the scope of this lesson. For answers, please consult with your school counselor or refer to www.studentaid.ed.gov/guide.

VOCABULARY

Financial Aid: Any type of assistance used to pay college costs.

Grant: Also called gift aid, a grant is financial aid that doesn't have to be repaid. Grant aid comes from federal and state governments and from individual colleges, usually on the basis of financial need.

Scholarship: Financial aid distributed according to requirements set by the scholarship provider, like excellence in academics or sports.

Loan: Financial aid that must be repaid.

Work-Study Program: Work-study is a federal program that provides students with part-time employment, often on campus, to help meet their financial needs.

IMPLEMENTATION OPTIONS

In **Activity II, Scholarships and Awards**, you may want to assign teams of students to work on **Student Handbook page 78, Scholarship Scavenger Hunt** together.

You may wish to contact your school counselor to figure out what local scholarships are available. You can then share this information with the students at the end of **Activity II, Scholarships and Awards**.

It's important to spend a few minutes on each type of financial aid, so feel free to abbreviate any of the Activity Steps in order to get to all four.

If you think your students will struggle to figure out the pros and cons of each type of aid on **Student Handbook page 79, Check-up Questions**, you may choose to complete these questions as a class.

ACTIVITY STEPS

I. Warm Up: Dollars for College (5 Minutes)

1. [As students enter the room, direct them to **Student Handbook page 72, College Scholarships Awarded**, and ask them to circle the best answer.]
2. **SAY SOMETHING LIKE:** How many of you were worried last week when you saw how expensive college can be? [Show of hands.] This week, we're going to put some of those worries to rest. Most students receive some kind of **financial aid**—money from outside the family—when they go to college. Financial aid comes in different forms, but its purpose is to help you get all the money together that you need for different college costs.

We'll talk about four different ways to help pay for college, and the advantages and disadvantages of each. But first, the answer to how our mystery couple helped pay for their college education. Izzy Bristow and John Dyer, 18-year-olds from Colorado, were the winners of the ninth annual Stuck at Prom® Scholarship Contest. More than 215 couples from 40 states and four Canadian provinces entered this competition. All of the contestants created the clothing they wore to their high school prom with duct tape. The sponsor of the scholarship was Duck Tape® brand duct tape. See www.stuckatprom for details.

II. Scholarships and Awards (15 minutes)

1. **SAY SOMETHING LIKE:** Can anyone think of other things a student might get a scholarship for? [Allow students to respond and list their answers on the overhead or board. Make sure to include the following areas: *outstanding grades or test scores; excellence in sports, music, art, science and other subjects.*]

SAY SOMETHING LIKE: People giving out scholarships aren't always just interested in great students and great athletes. Sometimes scholarships are given to students based on where they're from, their race or ethnicity, or even quirky things like left-handedness or being under 4' 10".

Scholarship Websites

In the old days, finding scholarships that matched your particular talents was pretty hit or miss. The Internet has changed that. You can use the **Scholarship Finder** in RUPrepareND.com to search for scholarships. You can also sign up on websites like

www.fastweb.com and www.collegeboard.com, and find a list of scholarships and awards that might work for you.

Privacy

These websites will ask you for lots of personal information, which is how they figure out which scholarships match your talents. It's a good idea to check their Privacy Policy to see with whom they share your info. There's usually a box to check to let them know that you don't want to hear from any of their advertisers.

What You'll Find

[Ask students to turn to **Student Handbook pages 75–77, Scholarships and Awards**. Call their attention to **Student Handbook page 78, Scholarship Scavenger Hunt**, which follows three pages of scholarship info, and read through the directions. Explain that they'll have seven minutes to come up with as many scholarships as they can, each suitable for a particular student.]

[When seven minutes have passed, bring the students back as a whole group and have them report on their findings.

- What was the weirdest scholarship they found?
- Which ones seemed like they'd be very competitive?
- Did they find any awards that they'd like to try for in the future?]

2. **SAY SOMETHING LIKE:** You'll notice that many of the scholarships and awards are highly competitive. For example, 12 Siemens Westinghouse prizes are given to the top math and science projects in the country each year. In 2010, 2,033 students submitted work for judging. If you're not at the top of your class in one of these subjects, this is not a realistic place to look for financial help.

Local scholarships (which may not appear on national websites like FastWeb) are often less competitive. Applying for them may be a better use of your time, and you can get more info from your school counselor.

III. Grants and Work-Study (15 minutes)

1. **SAY SOMETHING LIKE:** The best kind of financial aid is free money—you don't have to pay it back. Scholarships are one kind of free money.

There are two more "free" kinds of financial aid—**grants** and **work-study programs**. You don't have to have a special talent or enter a competition to get a grant or be part of a work-study program. Grants and work-study programs are based on need.

How do colleges tell if you need financial aid?

They ask your parents to fill out a Free Application for Federal Student Aid (the FAFSA). This happens in the middle of your senior year. The FAFSA asks for information about your family’s income to determine how much help they can afford to give you in paying for college. The amount your family can afford to pay, as calculated on the FAFSA, is called your **Expected Family Contribution (EFC)**.

3. [Direct students’ attention to **Student Handbook page 73, Expected Family Contributions**, for a look at how this determines how much grant money they may receive.]
4. **SAY SOMETHING LIKE:** Take a look at the family descriptions on the Family Contributions page. These are hypothetical situations; actual Expected Family Contributions (EFC) will be different based on the information given on the FAFSA. But these will give you a good basis to compare. If your family makes \$8,000 a year, how much will they be expected to contribute toward college? (*nothing*) 25,000 per year? (\$350) \$50,000? (\$5,000)

The government will give free college grants to students whose expected family contributions are low. You can use this money for school and you don’t have to pay it back.

If you have a low Expected Family Contribution (EFC), you’re also eligible for a work-study program. Work-study students work part time at the college to help pay for their expenses.

IV. Loans (5 minutes)

1. **SAY SOMETHING LIKE:** The fourth and final category of financial aid is student loans. How is this different from the “free money” available through scholarships and awards, grants, and work-study programs? (*You must pay this money back when you graduate. You will have to make mandatory payments, just like a car loan.*) What happens if you don’t graduate or if you accept a job after graduation where you don’t earn a lot of money? (*You still have to pay it back!*) Student loan payments can add up to hundreds of dollars a month—over the course of many years—so you should only use this option after all of your “free money” sources have been exhausted.

V. Wrap Up (5 minutes)

1. **SAY SOMETHING LIKE:** In 2010–11, undergraduate students received an average of \$12,455 in financial aid per full-time equivalent (FTE) student. This included \$6,539 in grant aid, \$4,907 in federal loans, and \$1,009 in a combination of tax credits and deductions and Federal Work Study (FWS).

[Write the above figures on the board.]

SAY SOMETHING LIKE: So, it's important not to let a high price tag discourage you from a school you really want to attend. About two-thirds of all students do not pay anywhere near the full costs of a college. It helps to know all your options before you make a decision.

There will be Roads to Success classes during your senior year to help you complete the paperwork you need to apply for financial aid. In the meantime, it's not too early to check out RUPrepareND.com, as well as the, FastWeb, College Board, and Scholarships.com websites to see what kinds of scholarships are available.

2. [Instruct students to turn to **Student Handbook page 79, Check-up Questions**. Give students two minutes to brainstorm possible pros and cons for each type of aid. After that time, discuss the pros and cons as a class.]
3. [Assign **Student Handbook pages 80–81, Scholarship Research** and **Student Handbook page 82, My Scholarships**, as homework. Be sure to go over the directions with the students, with particular attention to instructions on how to opt out of unwanted advertising.

NOTE: You may wish to provide incentives to those students who bring their completed homework to next week's class.

EXTENSION ACTIVITY

The FAFSA is available online at www.fafsa.ed.gov. If students are interested in finding out what their family's current approximate EFC is, they might consider asking a parent to help them complete forms available on the websites listed at the bottom of **Student Handbook page 72, College Scholarships Awarded**.

College Scholarships Awarded

DO NOW: Carefully consider the photo and circle the best explanation of why these students won big scholarship money.



In 2012, this couple won \$5,000 each to help pay for their college educations. What did they do to receive this money?

- Starred in their high school musical.
- Started an international project for peace.
- Designed the outfits they wore to prom out of Duck Tape® brand duct tape.
- Entertained kids at a local children’s hospital.

DO LATER: To look for scholarships that match your talents, use the Scholarship Finder in RUPrepareND.com or sign up at one of these sites:

- www.fastweb.com
- www.collegeboard.com
- www.scholarships.com

Note: Check the websites’ privacy policies to see who will have access to your info. Many websites of this type give you the option of “opting out” of receiving e-mail from advertisers.

For a preview of the **Free Application for Federal Student Aid**, visit www.fafsa.ed.gov.

For a calculator that estimates your family’s Expected Family Contribution, go to <http://studentaid.ed.gov/fafsa/estimate>, which was created by the federal government.

Expected Family Contributions

Family #1

Your mom works as a salesperson at a discount store when your little brother is at school. Your family income is \$8,000 a year.



Expected Family Contribution (per year): \$0

Family #2

Your dad makes \$10/hour on a road construction crew. Your mom makes extra money babysitting for the neighbor's kids. Your family income is \$25,000 a year.



Expected Family Contribution (per year): \$350

Family #3

Your mom works as a freelance writer. Your dad has his own computer-repair business. Your family income is \$50,000 a year.



Expected Family Contribution (per year): \$5,000

NOTE: *Expected Family Contributions are for comparison only. Actual EFCs depend on family assets, number of family members in college, etc.*



Financial Aid Menu



Scholarships and Awards

- Based on merit (things you're great at), not need.
- Free money for college that you don't have to pay back.
- Often very competitive.



Grants

- Provided by federal and state governments, as well as individual colleges.
- Free money for college that you don't have to pay back.
- Awarded to students with low Expected Family Contributions.
- Maximum amounts awarded change from year to year.
- Some higher-priced private colleges may offer bigger grants.



Work-Study

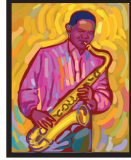
- Your college will find you a part-time job on campus.
- The pay you receive can be used to pay your college bills or personal expenses.
- Awarded to students with low Expected Family Contributions.



Loans

- When you've used other forms of Financial Aid and still need more money, a loan can make up the difference.
- **CAUTION:** Loans must be paid back after you graduate, and it often takes five, 10, or even more years to do this. You may want to avoid \$20,000 in debt (\$80,000 for four years of school) if there's a chance you won't be making a lot of money when you graduate.

Scholarships and Awards 1



Hundreds of scholarship opportunities suited to your talents and interests can be found by logging on and completing a personal profile on RUPrepareND.com and other scholarship sites. In fact, you will find that all the sites have different lists of scholarships so searching in more than one location is recommended.

HBCU Connect Minority Student Scholarship

\$1,000 Awards for tuition at a Historically Black College or University such as Spelman or Tuskegee. Student must be African-American, Native American, or Hispanic American. An essay is required.

Girls Going Places Scholarship

\$3,000–\$10,000 15 scholarships for girls ages 12–18. An adult must write an essay about you that describes how you're taking steps towards financial independence, are developing a business sense, and making a difference in your community.

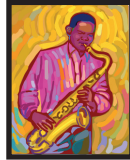
Bob East Scholarship Fund

Up to \$2,000 for students studying photojournalism for newspapers.

NASA Space Grant North Dakota Undergraduate Scholarship

\$500–\$750 Open to undergraduate students studying computer or information sciences, math, biology, geology or earth sciences, chemistry, or engineering.

Scholarships and Awards 2



Butterfly Award Grant

\$1,000 Five awards available for students at New York City Public High Schools who have been active in AIDS/HIV education and demonstrated leadership. You need two letters of recommendation and a personal statement.

Brown Aveda Institute Scholarship

\$7000–\$12,000 This award is for cosmetology (and esthology) students interested in attending the Brown Aveda Institute in Mentor, Ohio. You must meet their admissions requirements and complete an application, questionnaire, and essay to be eligible.

Future Teacher of America Scholarship

\$250 Two awards available to students in Grades 9–11 who are pursuing a career in education. Take an online quiz that tests your knowledge of core subjects important to teaching.

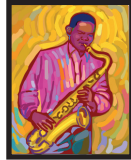
Frank O'Neill Memorial Scholarship

\$500 Two awards. Is there somebody in your life who's been a positive influence? If you're attending a university, college, trade school, technical institute, vocational training or other post-secondary education program, write an essay of 1,000 words or less describing this person's impact on you.

Holocaust Remembrance Project Essay Contest

\$2,500–\$10,000 30 awards. Open to students in the U.S. and Mexico, ages 19 and under. Write an essay of 1,200 words or less on the topic specified. First-place winners receive a trip to Washington, D.C., and scholarships of up to \$10,000.

Scholarships and Awards 3



Excellence in 3D Animation Award

\$100–\$1,000 Download free software and create an animated character, prop, set, or movie scene. Two contests/year.

McDonald's National Employee Scholarship

\$1,000–\$5,000 Are you a high school senior and a McDonald's employee? If you work at least 15 hours/week and have been there for at least four months, you're eligible to apply for this college scholarship. One \$1,000 winner/state, with a grand prize winner of \$5,000.

StraightForward Media and Communications Scholarship

\$500 It's easy to apply for this scholarship online. Just tell them your GPA, why you're studying media and communications, and how this scholarship will help you. Four winners per year.

Siemens Westinghouse Competition

\$1,000–\$100,000 A national competition for the best and brightest in math, science, and technology. Design a research project in mathematics, engineering, the biological and physical sciences, or a combination of these. Compete as an individual or as part of a team.

Drive Your Future Scholarship

\$2,500 This scholarship is available to high school seniors who plan to attend full-time college or a vocational school program. You must be the first generation in your family to attend college and have a 3.0 GPA or better. Sponsored by Mercedes-Benz.

Scholarship Scavenger Hunt

Use **Student Handbook pages 75–77, Scholarships and Awards 1–3** to find scholarships or awards in each category.

Each item describes a student. Next to the description, write a scholarship or award the student could apply for. An example has been done for you. Some categories may be eligible for multiple scholarships. You may list all scholarships that fit each category.

Making a Difference	
A girl improving her community	<i>Girls Going Places Scholarship</i>
A New York City student educating people about AIDS	

Career	
A future teacher	
A current fast-food employee	

Where You Want to Go to School	
Someone who wants to go to a historically black college	
Someone who wants to go to the Brown Aveda Institute	

Amazing Abilities	
A math or science whiz	
Somebody who can do animation	
A good writer	

Personal Challenges	
Being the first person in your family to attend college	

Check-up Questions

Directions: List one pro and one con for each kind of financial aid. The first one has been done for you.

Kind of Financial Aid	Pro	Con
Grants	Don't have to be paid back.	Usually based on financial need, so may not help people with high Expected Family Contributions.
Work-Study		
Scholarships and Awards		
Loans		

SCHOLARSHIP RESEARCH

Choose one of the scholarship searches below (though it's recommended you use RUPrepareND.com) to complete research on three scholarships.

DIRECTIONS FOR USING RUPrepareND.com

1. Type RUPrepareND.com in your browser's address space.
2. Sign in to RUPrepareND.com.
3. Click on the **Financial Aid Planning** tab, and then on **Scholarships** section.
4. Fill out the forms building your scholarship profile.
5. Once you have finished (you do not have to fill out each page but can get results after answering a few questions on the first page), click **View Matching Scholarships** at the bottom of the page and review the list of scholarships that you may apply for. Choose three that seem most interesting to you. If you do not have a large enough scholarship list, you can select a tab on the left to remove some of your profile information.
6. Fill out the chart on **Student Handbook page 82, My Scholarships** based on the three scholarships you've chosen. (An example has been completed for you.) Finally, answer the questions at the bottom of the page.

DIRECTIONS FOR USING FAST WEB

1. In order to use FastWeb type www.fastweb.com into your browser's address space, then select Start Your Search.
2. This website will ask you for personal information, which is how they will figure out which scholarships match your talents, so make sure that you answer accurately. At the bottom of each page there is an option to check whether or not you want to receive promotional e-mails from FastWeb's sponsors.
3. Once you have finished answering the questions, you will be provided with a large list of scholarships that you may apply for. Choose three that seem most interesting to you.
4. Fill out the chart on **Student Handbook page 82, My Scholarships** based on the three scholarships you've chosen. (An example has been completed for you.) Finally, answer the questions at the bottom of the page.

DIRECTIONS FOR USING COLLEGE BOARD

1. In order to use College Board, type <https://bigfuture.collegeboard.org/scholarship-search> into your browser's address space.
2. Once you have finished answering the questions, you will be provided with a large list of scholarships that you may apply for. Choose three that seem most interesting to you.
3. Fill out the chart on **Student Handbook page 82, My Scholarships** based on the three scholarships you've chosen. (An example has been completed for you.) Finally, answer the questions at the bottom of the page.

DIRECTIONS FOR USING SCHOLARSHIPS.COM

1. In order to use Scholarships.com type www.scholarships.com into your browser's address space. You should click on the red button that says **Get Started Now**.
2. This website will ask you for personal information, which is how they will figure out which scholarships match your talents, so make sure that you answer accurately. There is an option to check whether or not you want to receive promotional e-mails from Scholarships.com's sponsors or schools. If you check **Yes**, you will receive ads on a regular basis. If you click **No**, promotional e-mails will not be sent to your inbox.
3. Once you have finished answering the questions, you will be provided with a large list of scholarships that you may apply for. Choose three that seem most interesting to you.
4. Fill out the chart on **Student Handbook page 82, My Scholarships** based on the three scholarships you've chosen. (An example has been completed for you.) Finally, answer the questions at the bottom of the page.

MY SCHOLARSHIPS

Name and amount of scholarship	Who is eligible?	Application process	How many scholarships will be awarded?	How well do I meet the qualifications?
McDonald's National Employee Scholarship \$1,000 \$5,000	High school seniors who work at McDonald's (15 hrs/week, 4 months)	Fill out application	50 \$1,000 prizes, one per state, one grand prize winner of \$5,000	

1. Has reading about your scholarship options made you more or less comfortable paying for college? Why?

2. What could you do to improve your chances of receiving a scholarship or financial aid?
