

# Channel One News

April 23, 2009

## LESSON PLAN

### GENERATION MONEY: PAYING FOR COLLEGE

#### Goals:

- To understand the steps involved in paying for college
- To understand how interest works
- To understand the terms that are part of college payment process

#### Procedures:

1. Watch the Generation Money segment on paying for college.
2. Debrief the segment
  - What is the first question you should ask when considering your choice of college?
  - What is the average difference in cost between private and public colleges?
  - Why is it important to decide if you should stay in state or go out of state?
  - What is the FAFSA and why is it such an important step in the college process?
  - What are some of the factors that determine if you get financial aid?
  - Why are grants and scholarships better than loans?
  - What is the difference between grants for merit and grants for need?
  - Where do student loans come from?
  - Why are government loans better than private loans?
  - How is interest on a student loan calculated?
  - How many graduates of 4 year schools finish in debt and what is the average debt?
  - What is interest and what impact does it have on paying back a loan?
3. Have the students check out *Student Aid on the Web* at <http://studentaid.ed.gov/PORTALSWebApp/students/english/index.jsp>
4. Send the students to [www.fafsa.ed.gov](http://www.fafsa.ed.gov) and have ask them to review the process for completing the FAFSA.
5. Provide students with the list of web resources on financial aid at <http://www.students.gov/STUGOVWebApp/Public?topicID=14&operation=topic>
6. Introduce the issue of scholarship scams and have the students read about the topic at <http://www.ftc.gov/bcp/online/edcams/scholarship/index.shtml>
7. Help students understand how interest is calculated on college loans. Use *Calculators and Interest Rates* at <http://www.ed.gov/offices/OSFAP/DirectLoan/calc.html>.
8. For additional information about the college process, introduce your students to the college.gov web site at <http://www.college.gov/wps/portal>