Student Handout

1. List and define all ways of paying for college as written in the article:

2. Why is it financially unsound to pay college tuition bills with a credit card?

3. Why are many students relying on credit, despite its disadvantages?

4. Why is it important to pay credit card bills on time, and to pay more than the minimum balance?

Guided Practice

Go to www.kheaa.com. Select the third tab “Paying for College.”

Scroll down to the tab called The Real Cost of College. Ignore the average costs of college on this page because they include paying for a dorm room and other additional costs that you may or may not need.

Choose the tab called Kentucky Schools’ Net Price Calculators.

Select Bluegrass Community and Technical College. Click on I Agree.

Be aware that this calculator is an estimate and not exact.

Choose yes, you plan to apply for financial aid.

Type in your age.

Select living with my parents or other family members so that you can see the tuition price without paying to use a dorm room on the college’s campus.

Answer the questions about marital status and children.

Answer the next questions as well. Hit okay.

Don’t be scared by the large number that is estimated total cost of attendance. The number that we are looking at is the estimated tuition and fees. That is the estimated price that you would have to pay the college or university for the classes that you would be taking that school year (two semesters). You would still need to budget for books, but you could order used books or even rent books for even less than the prices of used books. This net calculator also used your family and financial information to give you an idea of the estimated total grant (free money!) aid that you might receive.

5. (See instructions above.) Use the net calculator to determine the tuition and fees for one year of classes at Bluegrass Community and Technical College.

Estimated tuition and fees:

6. What does FAFSA stand for? Read the list of documents you would need to complete the FAFSA. When should a student complete the FAFSA?

7. What is the FAFSA4caster?

8. Under the tab Types of Financial Aid, define grants, scholarships, student loans, and work study.

9. Under Federal Programs, write down the names of the first two federal grants. Write down the maximum amount of money that you could be awarded if you receive either of these.

10. Define the Kentucky Education Savings Plan Trust under Savings Programs.

Independent Practice:

11. What is the Work Ready Kentucky Scholarship Program?

12. What are the requirements to qualify for this scholarship?

13. What four areas of study qualified for this scholarship for the 2017-2018 school year?

14. Click on the approved program of study document. Write down the 5 programs that are most interesting to you (from the list of approved programs).

1.

2.

3.

4.

5.

15. Are there any programs listed here that might lead to a career that you would enjoy? Explain.

Answer Key to Student Handout

1. List and define all ways of paying for college as written in the article:

1. credit card

2. federal Stafford loans-loans from the federal Direct Student Loan Program. Students do not have to make payments on these loans until they graduate or stop taking classes. This loan is up to $2,625. It’s important to understand that a loan must be paid back in full and with interest. If you take out a $1000 loan at 4% interest, you will have to pay back $1040 or more depending on how long it takes you to repay the loan.

3. Parent Loans- loan taken out by the parent of a student attending college. This loan can be up to the full amount of the cost of attending the college minus the amount of the student’s financial aid package.

4. Tuition payment plans-students can pay the cost of their tuition month by month or semester by semester instead of all at once.

2. Why is it financially unsound to pay college tuition bills with a credit card?

Credit cards have higher interest rates than loans.

3. Why are many students relying on credit, despite its disadvantages?

It is easier to sign up for a credit card than a loan. Students often don’t know very much about loans.

4. Why is it important to pay credit card bills on time, and to pay more than the minimum balance?

If you don’t pay them on time, the interest rate can go up drastically and your credit history/score/report will be damaged, which could prevent you from buying a car or a home at the best interest rate available.

Guided Practice

5. Use the net calculator to determine the tuition and fees for one year of classes at Bluegrass Community and Technical College.

$3,240

6. What does FAFSA stand for? Read the list of documents you would need to complete the FAFSA. When should a student complete the FAFSA?

Free Application for Federal Student Aid. A student should complete the FAFSA as soon as possible after October 1st of the year before the student wants to enter college.

7. What is the FAFSA4caster? It is a computer application that allows you to enter your FAFSA information and get an estimate of the amount of financial aid you may receive.

8. Under the tab Types of Financial Aid, define grants, scholarships, student loans, and work study.

grants-based on financial need and usually do not have to be repaid (free money applied only to school costs).

scholarships-often based on some kind of special achievement: academic, athletic, or service. They generally do not have to be repaid.

student loans-borrowed from the government or school and must be repaid with additional money called interest.

work study-part-time employment that lets you earn money while taking classes.

9. Under Federal Programs, write down the names of the first two federal grants. Write down the maximum amount of money that you could be awarded if you receive either of these.

Federal Pell Grant: $5,2920 (free money that wouldn’t have to be paid back)

Federal Supplemental Education Opportunity Grant (FSEOG); $4,000 (free money that wouldn’t have to be paid back.

10. Define the Kentucky Education Savings Plan Trust under Savings Programs.

The KESPT helps you save for college by creating an account in which the interest or earnings on the account will not be taxed if the money is eventually used for educational expenses.

Independent Practice:

11. What is the Work Ready Kentucky Scholarship Program?

It is a program in which students can earn some scholarship money to earn a certificate or degree from certain programs in high-demand workforce sectors.

12. What are the requirements to qualify for this scholarship?

U.S. citizen or permanent resident, Kentucky resident, high school grad or enrolled in or have completed GED program, get accepted in eligible post-secondary approved program of study from a high-demand workforce sector (see list), not be in default to any KHEAA obligation, complete FAFSA and Work Ready Kentucky Scholarship application.

13. What four areas of study qualified for this scholarship for the 2017-2018 school year?

health care, advanced manufacturing, transportation/logistics, business services/IT, and construction

14. Click on the approved program of study document. Write down the 5 programs that are most interesting to you (from the list of approved programs).

15. Are there any programs listed here that might lead to a career that you would enjoy?