

Prerequisites:

- Career Assessment
- College Comparisons

Lesson Goal

The main goal of this lesson is to educate students on the realities of paying for college, including responsible choices in student loans and the role career/major choice should play in the decision-making process. The lesson provides an interactive activity demonstrating how student loan debt impacts all future life and financial opportunities and decisions.

What should students learn from the lesson?

- Students will become aware of debt and the consequences of not borrowing responsibly.
- Students will learn to create a college budget and gain understanding of total college costs and debt before selecting a college to attend. Analysis includes career choice and starting salary.
- Student will understand the correlation between student debt and future opportunities such as employment, home ownership, marriage, children, and lifestyle.
- Students will become aware of the different factors that lead to over borrowing, and learn skills to borrow responsibly.

What is the in-class activity?

- Utilizing their career assessment results, students will calculate their career-based recommended borrowing limits
- Through a sample award letter scenario, students will analyze a scenario-based award package and determine the best options to cover the remaining balance.
- Utilizing sample award letters and the College Funding Forecaster, students will analyze an award package and determine if the student's intended career path and recommended borrowing limit fit in with the the overall out-of-pocket costs for the institution and the potential debt load associated with the choice.
- Group discussion will engage students throughout each step, as the class discusses each step of the process. At the end, students will discuss the award packages and the debt load their choices carry and further discuss the factors of their decision-making process.

What is the takeaway for students?

- Student will have a better understanding of college debt and the steps to responsible borrowing.

Materials Needed:

- Computer
- Compare College Costs worksheet
- Award Letter Samples
- Assessment Career List