

Paying FOR College

How Minnesota families make it happen

Discussion Points for TPT *Paying for College*

Video Review Questions (all answers shown are correct)

1. Can you remember some of the benefits of completing higher education?
 - a. Almost \$1 million more in lifetime earnings for bachelor's degree completers
 - b. Lower unemployment rate, better jobs with better benefits
 - c. Voice at the table, opinion valued, productivity
2. In addition to tuition and fees, what are some of the other components of the cost of attendance?
 - a. Room and board, books and supplies, transportation and personal expenses.
3. What can students do to make the cost of attendance less expensive?
 - a. Take high school work seriously to avoid college remediation
 - b. Take rigorous courses in high school, AP, IB, honors, PSEO and get credit in college
 - c. Live frugally, buy used books, live with parents while in college
4. When comparing the cost of different colleges, what is a better point of comparison than sticker price? How might you compare net price?
 - a. Net Price (Cost of attendance minus gift aid)
 - b. Net price calculators on colleges' financial aid web sites
5. What did you learn about gift aid – grants and scholarships?
 - a. 75% of MN 4-year college students receive some type of gift aid
 - b. Most grants limited to moderate to low-income families
 - c. Pell Grant amount doesn't vary with cost of college, MN State Grant does
 - d. Scholarships can be need-based and/or merit-based, talent-based
 - e. Colleges are major source of scholarships, but private scholarships exist
6. How do students apply for financial aid?
 - a. Complete FAFSA in senior year of high school and each year thereafter
 - b. Any other financial aid applications or documents required by college
7. What is the EFC? How is it used to determine financial need? Can financial need differ at different colleges?
 - a. Expected Family Contribution derived from a formula using the income and asset information provided on the student's FAFSA
 - b. Cost of attendance minus EFC = financial need
 - c. Yes, cost of attendance for each college will be different
8. Can you remember what the average student loan debt is in MN for 4-year graduates? What would the monthly loan payment be? Do most students have to borrow this amount?
 - a. \$29,793. Monthly payment around \$300.
 - b. No. 36% don't borrow at all, only 20% borrow average amount or more
9. What's a good rule of thumb for limiting the amount of a student's loan debt?
 - a. Don't borrow more than you expect to earn for the starting salary in your field
 - b. Use loan repayment tools to determine loan payment in relation to expected monthly salary

10. What can students/families do to limit the amount the student will have to borrow to attend college?
 - a. Start saving early “nothing makes money like time”
 - b. Live inexpensively, work part-time while attending college
 - c. Live at home, or parents could provide financial support they were providing when student lived at home if living in dorm
 - d. Parents could take out PLUS loan
 - e. Maximize grants and scholarships, student work-study opportunities
11. If a student experiences difficulty in repaying loans, what are some of the options available to the student?
 - a. Extended loan repayment plans like Income Based Repayment
 - b. Hardship deferments, forbearance
12. Can you remember any of the key steps mentioned at the end of the video?
 - a. Start saving
 - b. Keep all college choice options open
 - c. Explore financial aid available at colleges student is considering
 - d. Look for private scholarships using free scholarship search sites
 - e. Complete the FAFSA to apply for government and college financial aid
 - f. Compare financial aid packages offered by colleges based on NET price
 - g. Consider the value of attending college

Open-Ended Discussion Questions:

13. What piece of information really jumped out at you? Did any piece of information overwhelm you? Reassure you?
14. After watching the video, do you feel it is worth it to invest in a college education?
15. Do you feel you know which courses the student should take in high school to be ready for college-level courses?
16. Is it okay for parents to set realistic financial limits when the student is selecting colleges? What kind of discussion might you have within your family?
17. Has your family thought of opening up a 529 college savings plan? Why or why not?
18. Have you thought of tapping into parents’ retirement accounts or home equity to pay for college? Now that you’ve heard about student and parent loans, will you explore those options?
19. Do you feel you can tackle the financial aid application process? Where might you go for assistance if you need it?
20. Do you feel more hopeful about paying for college? Why or why not?