Lesson 8.2: Choosing a Postsecondary School

Lesson Author

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Standards and Benchmarks

See page 8.

Lesson Description

In this lesson, students identify which non-monetary factors are important to them when comparing post-secondary schools, compare common costs associated with post-secondary education, determine the sticker and net prices of different schools, and conduct research to compare non-monetary and monetary factors for three schools they are potentially interested in attending. To obtain an answer key for the assessment in this lesson, create an account on FederalReserveEducation.org.

Concepts

Decision making

Objectives

Students will be able to:

- identify which non-monetary factors are important to them when choosing a post-secondary institution.
- explain the importance of balancing non-monetary factors and financial costs when selecting a college.
- explain the five common costs of college, the sticker price, and the net price that should be considered when choosing a post-secondary school.
- use the "College Navigator" website to examine monetary and non-monetary factors for three different schools they are interested in attending.

Compelling Question

Why is it important to consider non-monetary factors as well as the net price when choosing a post-secondary institution?

Time Required

90 minutes

Materials

- Visual 8.2.1: Top Ten Factors That Influence Students' College Decision, one copy for teacher to display
- Visual 8.2.2: Quick Guide to College Costs, one copy for teacher to display
- Visual 8.2.3: College Costs: Sticker Price vs. Net Price, one copy for teacher to display
- Visual 8.2.4: Sticker vs. Net Cost of Two Post-Secondary Schools, one copy for teacher to display
- Handout 8.2.1: College Comparison, one copy for each student
- Handout 8.2.2: Exit Ticket: Post-Secondary Decision-Making Assessment, one copy for each student
- Answer Key 8.2, for teacher use when grading
- Chart paper
- Markers
- Internet access

Procedure

1. Tell students to imagine they have access to funds that would pay for them to go to any post-secondary school in the country. Write the following on the board: "What factors are most important to students when picking a college?"

2. Conduct a Think-Pair-Share activity in which students first answer the above question on their own with a quick brainstorm, noting that cost should not be one of those factors just yet. They should only list non-monetary factors they would consider when comparing post-secondary schools to attend.

3. Have students pair up to compare their answers with a partner. Put two pairs together to form a small group. Ask each group to combine their answers to the question on a piece of chart paper.

4. Ask each group to post their answers in a visible location in the classroom and share at least one of their answers with the class. Record their responses where students can see them. (*Answers will vary but may include the following: good academic reputation, graduates get good jobs, opportunities for social and networking activities, what majors they offer, sports, climate, location [urban, suburban, or rural], study abroad opportunities, and how safe the school feels*.)

5. Display Visual 8.2.1: Top Ten Factors That Influence Students' College Decision. Explain the visual shows the results of a study conducted in 2025 by research firm, EAB Global, Inc. Ask students to compare their lists to those on the visual and note similarities and differences. (*Answers will vary.*)

6. Discuss the following:

    a. Were any of these reasons on the list surprising to you? Why or why not? (*Answers will vary.*)

    b. Are there any reasons you think are missing from this list? (*Answers will vary.*)

c. The top two factors listed on the survey were "number of majors" and "campus safety" and not the cost of attending. Are these factors the same or different from the top two that apply to you? (*Answers will vary.*)

d. Overall, what do you think is the value of taking non-monetary factors into consideration? (*Answers will vary. A student's experience at school should be evaluated by how meaningful and fulfilling his/her time there is and not just by the cost.*)

7. Display Visual 8.2.2: Quick Guide to College Costs. You will now introduce monetary factors that go into people's decisions on which school to attend. Explain to the students the visual shows the five main costs of college. Discuss the following:

   a. How would you rank the cost categories in order of most expensive to least expensive to you? (*Answers will vary.*)

   b. Why did you rank the categories in that order? (*Answers will vary.*)

8. Display Visual 8.2.3: College Costs: Sticker Price vs. Net Price. Review each of the following points:

   a. Explain that most students end up paying much less than the college's published price. This Infographic illustrates the relationship between Sticker Price, Grants & Scholarships, and Net Price.

   b. While the sticker price may be the listed price to attend a school, the net price is the amount you will actually need to pay, so it is a better indicator of a school that is affordable for you.

9. Discuss the following:

   a. When calculating net price, why do you think loans are *not* deducted from sticker price even if they are typically awarded to you in a financial aid package? (*Loans do not reduce the costs of college; loans are borrowed money that must be paid back.*)

   b. Which do you think is more important to consider when looking at colleges: sticker price or net price? Why? (*Net price is a better indicator of whether a school is affordable because it is what you will actually be paying for that school.*)

10. Display Visual 8.2.4: Sticker vs. Net Cost of Two Post-Secondary Schools. Note that the data is for the 2024-2025 academic year. Discuss the following:

    a. How was the Sticker Price calculated? (*The amounts of the five major cost categories were totaled.*)

    b. How was the Grants & Scholarship amount calculated? (*The Net Price was subtracted from the Sticker Price.*)

    c. Compare the Sticker Prices of the two schools. (*The tuition at Villanova was more than 4 times more expensive than the University of Delaware for in-state students.*)

d. Compare the Average Net Prices of the two schools. (*While Villanova did offer far more grants and scholarships, the University of Delaware still had a far lower average net price.*)

e. Compare the Grants & Scholarships at the two schools. (*While Villanova's tuition was far more expensive than the University of Delaware's, it offered more than double the amount of grants and scholarships.*)

f. What does this data tell you about the financial aid policies of these two schools? (*Just because a school offers you more grants and scholarships does not mean the cost of attending that college will be less than that of other colleges.*)

11. Distribute a copy of Handout 8.2.1: College Comparison to each student.

12. Ask students to complete the table in "Part I: Data Collection". Tell students to enter three colleges they are interested in comparing at the top of the table. Instruct students to use the National Center for Education Statistics' "College Navigator" tool (located at: nces.ed.gov/collegenavigator/) to fill in the data for Questions "a" through "h" for each school. Tell students to be sure to use the data for the most recent school year and note the school year in each row.

    NOTE: The teacher may choose to demonstrate how to navigate this website using their own postsecondary school as an example.

13. Ask students to work with a partner to answer the questions in "Part II: Questions for Reflection."

14. Ask for volunteers to share their answers to Part II.

    a. Look at the campus settings for the schools you compared. Do any of the schools seem more or less enticing using this information? Explain. (*Answers will vary. Some schools may be more appealing because they are urban, suburban, or rural or because they are large or small in size.*)

    b. Compare the enrollment numbers for the three schools. How do you think the number of students enrolled in a school can impact your college experience? (*Answers will vary. A school with more students means there are more people students can meet and interact with. However, it may also mean that classrooms and dorms may be more crowded, or the professor-to-student ratio may be higher.*)

    c. How do the admission rates and SAT scores impact your decision when selecting a school to attend? Explain. (*Answers will vary. Students might be better able to judge how high performing the students enrolled may be.*)

    d. What does the retention rate tell you about the experience students may have had at a school? (*Answers will vary. This statistic refers to the percentage of freshmen students pursuing a bachelor's degree in the fall who came back to continue their studies the next fall. It tells students how many enrolled students were satisfied with the experience* *they had in their first year. It provides students with insight into whether they could manage their studies at that school.*)

e. Why is it important to consider the variety of programs and majors a school offers, even if they are different than your intended area of study? (*Answers will vary. Many people decide to change majors at least once, and they should have a variety of course subjects to choose from in case they decide to study something else. Also, most people have multiple interests and should have the option to study something outside their own field.*)

f. In one or two sentences, compare the sticker price, net price, and grants & scholarships awarded for the colleges you chose. (*Answers will vary.*)

g. How does the information you found about the costs of these schools impact your thought process when selecting a school? (*Answers will vary.*)

Closure

15. Review the important points of the lesson by asking students:

a. What are examples of post-secondary options after high school? (*Answers will vary but may include college, community college, trade school, apprenticeship, university, military.*)

b. What are some non-monetary options to consider when choosing a post-secondary institution? (*Answers will vary but may include good academic reputation, graduates obtain good jobs, opportunities for social networking activities, what majors they offer, sports, climate, location [urban, suburban or rural], study abroad opportunities, and how safe the school feels.*)

c. Why is it important to balance non-monetary factors and financial costs when selecting a college? (*Answers will vary. Non-monetary factors may make a student's educational experience more meaningful and fulfilling and impact the kind of person they will be in the working world after college.*)

d. How has looking at the non-monetary factors for schools influenced or changed how you evaluate colleges you want to apply to and/or attend? (*Answers will vary. The statistics on the College Navigator provides a more empirical comparison of two schools. Students may have learned about factors they had not previously considered.*)

e. What costs should be considered when choosing a post-secondary school? (*Tuition and fees, room and board, books and supplies, personal expenses, and transportation*)

f. What are some common misconceptions about the sticker price of a post-secondary school? (*While some schools may have a high sticker price, they may have a lower net price when generous financial aid packages are considered. Conversely, schools with a low sticker price may have a higher net price when less generous financial aid packages are considered.*)

Assessment

16. Distribute Handout 8.2.2: Exit Ticket: Post-Secondary Decision-Making Assessment. (*See Answer Key 8.2 for detailed grading guidance.*)

Standards and Benchmarks

National Standards for Personal Financial Education

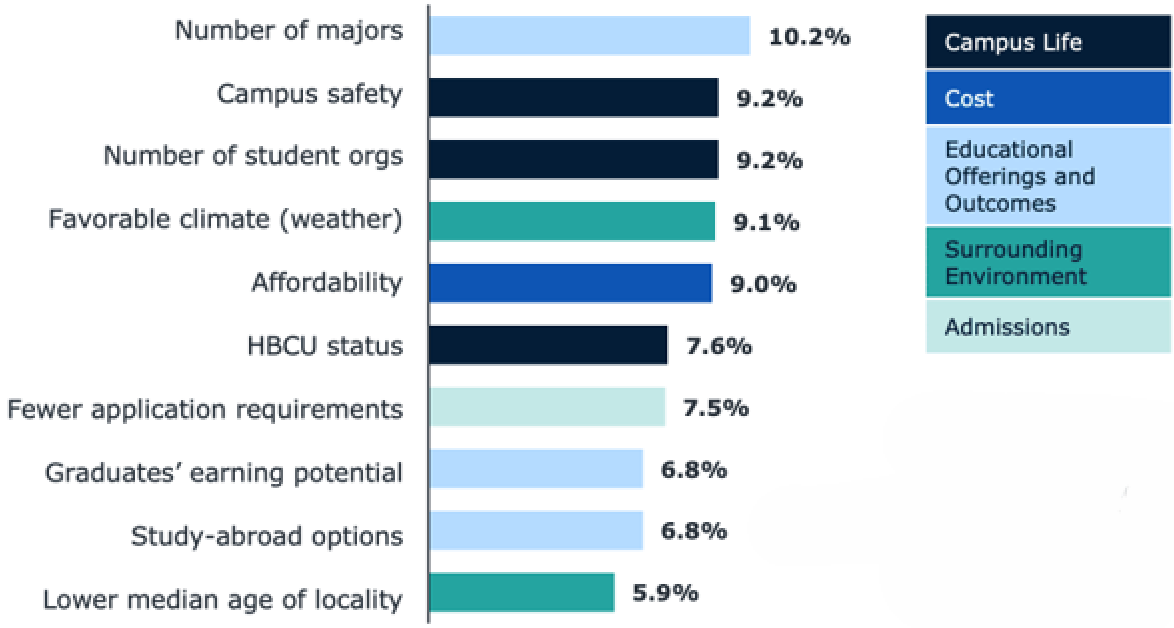
Standard 1: Earning Income Spending

Most people earn wage and salary income in return for working, and they can also earn income from interest, dividends, rents, entrepreneurship, business profits, or increases in the value of investments. Employee compensation may also include access to employee benefits such as retirement plans and health insurance. Employers generally pay higher wages and salaries to more educated, skilled, and productive workers. The decision to invest in additional education or training can be made by weighing the benefit of increased income-earning and career potential against the opportunity costs in the form of time, effort, and money. Spendable income is lower than gross income due to taxes assessed on income by federal, state, and local governments.

Benchmarks: Grade 12

3. People vary in their willingness to obtain more education or training because these decisions involve incurring immediate costs to obtain possible future benefits. Discounting the future benefits of education and training may lead some people to pass up potentially high rates of return that more education and training may offer.
4. Employers generally pay higher wages or salaries to more educated, skilled, and productive workers than to less educated, skilled, and productive workers.

Visual 8.2.1: Top Ten Factors That Influence Students' College Decisions



NOTE: For example, all other things being equal, the school with the most study-abroad options will attract 6.8% more students than the school with the least.

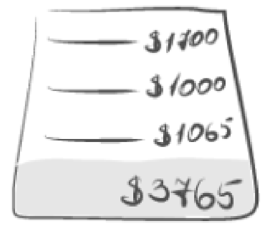
Source: EAB Global, Inc. (2025). *Why students pick the schools they do — and how to boost your odds of making the cut*. EAB. Retrieved from https://eab.com/about/newsroom/press/top-factors-attract-students-to-colleges/.

Visual 8.2.2: Quick Guide to College Costs

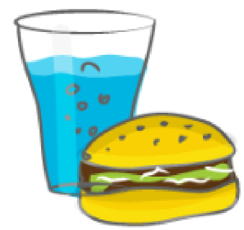
Quick Guide to College Costs

There are five main categories of expenses to think about when figuring out how much your college education is really going to cost: tuition and fees, room and board, books and supplies, personal expenses, and transportation. You can control some of these costs to some extent. And when you know how much you'll need to spend on these expenses, it makes it easier to create a college budget.

<u>**Tuition and Fees**</u>
Tuition and fees are the price you pay for taking classes at your college. This amount can change based on your academic program, the number of credit hours you take and whether you're an in-state or out-of-state student. Some colleges charge "comprehensive fees" — the total for tuition, fees, and room and board combined.



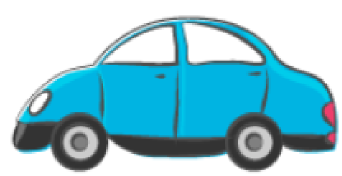
<u>**Room and Board**</u>
Colleges usually offer a variety of dorm-room options and meal plans to students who live on campus. The charges vary depending on what plan you choose. If you decide to live at home or off-campus, you'll have your own rent and meal costs to consider in your college costs.



<u>**Books and Supplies**</u>
You'll need books and other course materials. The yearly books-and-supplies in-state estimate for the average full-time undergraduate student at a four-year public college is about $1,298. You may be able to lower these costs by buying used textbooks or renting them.

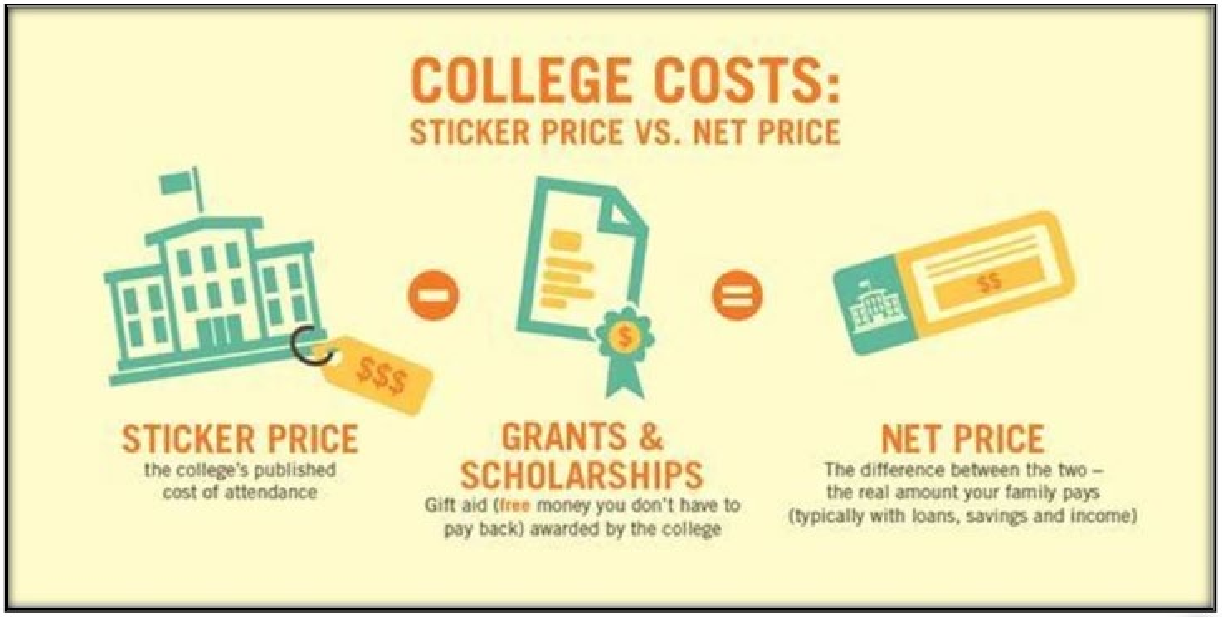
<u>**Personal Expenses**</u>
These include laundry, cell phone bills, eating out and anything else you normally spend money on. Figure out what you spend and add that amount to your budget.

<u>**Transportation**</u>
Whether you commute to campus or take the occasional trip home, you'll have transportation costs. Of course, these will vary depending on how you travel and how often. You may be able to find student discounts on travel costs. Don't forget to factor in the cost of gas if you own a car.



Source: College Board

Visual 8.2.3: College Costs: Stick Price vs. Net Price



Source: *Next Gen Personal Finance, Infographic*

Visual 8.2.4: Sticker Price vs. Net Price of Two Post-Secondary Schools

The Five Major College Cost Categories	Private University VILLANOVA UNIVERSITY	Public University (In-State) UNIVERSITY OF DELAWARE
1. **Tuition & Fees**	$67,776	$16,810
2. **Books & Supplies**	$710	$1,250
3. **On-campus Room & Board**	$17,694	$15,386
4. **Other (Personal Expenses)**	$2,300	$2,000
5. **Transportation** **Since transportation costs vary so much depending on the individual, we are going to leave it blank for this activity.	$0	$0
Sticker Price:	**$88,480**	**$35,446**
Average Grants & Scholarships Awarded	**$42,948**	**$13,378**
Average Net Price:	**$45,532**	**$22,068**

NOTE: The data above is for the 2024-2025 Academic year.

Handout 8.2.1: College Comparison (page 1 of 4)

Part 1: Data Collection

Use the National Center for Education Statistics' College Navigator tool to fill in the table for each school. Be sure to use the data for the most recent school year and note the school year(s) in each row.

Non-Monetary Factors to Compare	College Choice #1 ________________	College Choice #2 ________________	College Choice #3 ________________
Campus Setting (This is in the yellow box at the top)			
a. Setting Description			
Enrollment (Click on the "+" sign to the left of this category in the blue rows.)			
b. How many undergraduate students were enrolled? What year?			
Admissions (Click on the "+" sign to the left of this category in the blue rows.)			
c. What was the percentage admitted? What year?			
d. What is the 75th percentile score for the SAT? In what year? *NOTE: 75th percentile means that 25% of students scored above this score.*			

Handout 8.2.1: College Comparison (page 2 of 4)

Non-Monetary Factors to Compare	**College Choice #1** ______________	**College Choice #2** ______________	**College Choice #3** ______________
Retention & Graduation Rates (Click on the "+" sign to the left of this category in the blue rows.) • For (e), look at *First-to-Second Year Retention Rates* • For (f), look at *Bachelors' Degree Graduation Rates*			
e. What percentage of first-time students pursuing a bachelor's degree in the fall came back to continue their studies the next fall? During what years?			
f. What percentage of full-time, first-time students earned their degree in 4 years? In what year(s) did they start?			
Programs/Majors (Click on the "+" sign to the left of this category in the blue rows.)			
g. List a major offered that you would like to study.			
h. What other majors would you like to study, outside of the one you have chosen in "g"?			

Handout 8.2.1: College Comparison (page 3 of 4)

Monetary Factors to Compare	College Choice #1 ________________	College Choice #2 ________________	College Choice #3 ________________
Tuition, Fees, And Estimated Student Expenses (Click on the "+" sign to the left of this category in the blue rows.)			
i. Tuition & Fees			
j. Books & Supplies			
k. On-campus Room and Board			
l. Other (Personal Expenses)			
Sticker Price: (add i, j, k, and l)			
Financial Aid (Click on the "+" sign to the left of this category in the blue rows.)			
Average Grants & Scholarships			
Net Price (subtract Average Grants & Scholarships from the Sticker Price)			

<u>Part II: Questions for Reflection</u>

a. Look at the campus settings for the two/three schools you compared. Do any of the schools seem more or less enticing from this information? Explain.

Handout 8.2.1: College Comparison (page 4 of 4)

b. Compare the enrollment numbers for the two/three schools. How do you think the number of students at a school can impact your college experience?

c. Why is it important to take student retention rate into consideration? What does this statistic tell you about the experience students may have had at a school?

d. How do the admission rates and ACT scores impact your decision when selecting a school to attend? Explain.

e. Why is it important to consider the variety of majors and courses a school offers, even if they are different from your intended area of study?

f. In one or two sentences, compare the sticker price, net price, and grants & scholarships awarded for the colleges you chose.

g. How does the information you found about the costs of these schools impact your thought process when selecting a school?

Adapted from: “Compare: Non-Monetary Factors of College” and “Compare: Sticker Price vs. Net Price,” Next Gen Personal Finance

Handout 8.2.2: Assessment Exit Ticket (page 1 of 2)

1. Which of the following is an example of a non-monetary factor when choosing a post-secondary school?
    a. Tuition and fees
    b. Campus location
    c. Average net price
    d. Cost of room and board
2. The sticker price of a college refers to:
    a. The cost of tuition only.
    b. The amount of student loans offered.
    c. The amount a student actually pays after financial aid.
    d. The published total cost before grants and scholarships.
3. Why are student loans NOT subtracted when calculating net price?
    a. Loans are optional.
    b. Loans are paid by the school.
    c. Loans are only for graduate school.
    d. Loans must be repaid and do not reduce the true cost.
4. Which cost is typically one of the five major costs of college?
    a. Clothing
    b. Cell phone bills
    c. Books and supplies
    d. Entertainment expenses

Handout 8.2.2: Assessment Exit Ticket (page 2 of 2)

5. In one or two sentences, explain why net price is more useful than sticker price when comparing colleges.

6. Identify one non-monetary factor and explain how it could impact a student's college experience.