

Unit 4



How Much Does College Cost?

Continuing education beyond high school can be expensive, but a student's choices can have a significant impact on that cost. Students will examine the differences in cost between two-year and four-year educational institutions and between private and public schools. Some students may choose to minimize costs by living at home and attending community college before they transfer to a four-year college to complete their education. Others may opt to move away from home to attend schools they believe will most effectively allow them to attain their career goals.

It is never too early to have students practice working with a budget that has limited resources and excess wants. The shopping basket exercise at the end of this unit provides a real-world example that challenges students to weigh benefits and costs and create a plan to balance their budget.

Lesson Overview

Students will learn about different categories of college costs and conduct research to determine costs for a variety of types of colleges and universities. As part of the research project, students will create circle graphs (or pie charts) and compare data. The lesson finishes with a budget activity and a discussion of how student choices affect college costs.

Instructional Objectives

- Compare the total yearly monetary costs of different types of colleges and universities
- Identify student choices that affect the total cost of college
- Evaluate a budget for personal expenditures

Time Required

90 minutes

Materials Required

For each student

- ☐ Student Workbook
- ☐ Colored pencils

For the classroom

- ☐ Classroom computer with Internet access and projector
- ☐ Computer lab access

Procedure

1. Define the following terms. Have students paraphrase the following definitions on page 18 of the Student Workbook.
 - **Tuition and fees** – the cost of instruction and facility use at an educational institution
Tuition can be quoted as a cost per credit hour, or as a flat rate for a range of credit hours. Fees include general fees, such as libraries and student activity costs, and may include course-specific costs, such as lab fees.
 - **Room and board** – the cost of living and eating on campus
This can be the cost of housing and meals provided by the school or an estimate of the cost of living off-campus.
 - **Estimated personal expenses** – costs that are not billed by the college
These may include laundry, meals not covered under a meal plan, or personal items such as soap and shampoo. They also include academic supplies, such as calculators and computers. These costs vary based on an individual's habits and course selection.
 - **Transportation expenses** – The estimated cost of going to and from campus during the academic year
These costs vary based on the distance you live from your chosen educational institution and your travel decisions, such as number of trips to and from school and means of transportation.
 - **Books and supplies** – the estimated cost of purchasing the textbooks and course supplies
These costs vary based on the courses taken and books and supplies required.

2. Tell students that there are four broad categories of colleges and universities that vary significantly in cost. In this lesson, students will be researching the cost of a school in each category.
 - Four-year public college or university in your home state
 - Four-year public college or university in a state other than your home state
 - Four-year private university
 - Two-year community college or junior college

Brainstorm schools that belong in each category. Refer to the posters that were created in Unit 2: What About College? Tell students to turn to pages 19–20 in the Student Workbook and write the name of a school for each category on the appropriate page.

3. Tell students to research the cost of attending each school that they identified at www.bigfuture.collegeboard.org. Cost information can be found by clicking “Paying” on the left side of the school profile.
 - Have students use the column for “on campus” expenses for this comparison.
 - Remind students that to find the percentage cost of each item, divide the cost of the individual category by the total yearly cost and multiply by 100.
 - Have students use the percentages to create a pie chart in the circle. Use colored pencils to complete the graphs.

4. After students have completed their research, discuss the information they found. Ask students if they can make any generalizations about the types of institutions that are the least expensive. *Answers should include the observation that two-year community colleges are often the least expensive, public schools are less expensive than private schools and in-state public schools are usually less expensive than out-of-state public schools.*
5. Tell students that the choices they make affect the cost of attending college. Brainstorm with students how their choices affect each of these categories. Answers will vary, but might include:
 - Tuition and fees (school choice, number of hours, course selection)
 - Room and board (dorm choice, having a roommate vs. a single room, living at home, choice of meal plan, frequency of eating out)
 - Books and supplies (new vs. used textbooks, digital textbooks, rented textbooks)
 - Estimated personal expenses (clothing expenses, entertainment expenses and memberships in social organizations, clubs and intramural sports)
 - Transportation expenses (car, number of trips home, use of public transportation)
6. Explain to students that the category of estimated personal expenses can include many items. Have students turn to page 21 in the Student Workbook. Review the instructions and ask students to modify the budget for personal expenses so that income matches expenditures.
7. Ask students to explain changes that they made to the budget. Remind students that their choices have a significant impact on the cost of going to college.

Closure

8. Ask students to identify the following information from their research.
 - What category represents the largest percentage of the total cost for each type of institution?
 - Four-year public college or university in your home state (in-state tuition)
 - Four-year public college or university in a state other than your home state (out-of-state tuition)
 - Four-year private university
 - Two-year community college or junior college (in-state tuition)
 - What category represents the smallest percentage of the total cost of each type of institution?
 - Four-year public college or university in your home state (in-state tuition)
 - Four-year public college or university in a state other than your home state (out-of-state tuition)
 - Four-year private university
 - Two-year community college or junior college

Assessment

9. Evaluate student research on college costs. Assess for completeness and accuracy of percentages and circle graphs.

Extension Activities

For additional information and activities about budgeting, consider these resources:

1. Use the instructions and the table on page 22 of the Student Workbook to practice making choices about spending and saving, then developing a budget.
2. The Federal Reserve Bank of Dallas' signature personal finance program is *Building Wealth*. The suite of resources that includes a printed guide and classroom lessons is available at www.buildingwealth.org.