



UPROOTED  
ACADEMY

**WEEK 4**

**FINANCIAL**

**LITERACY**



# WELCOME TO WEEK 4:

## Financial Literacy



### Agenda

- ✓ Introduction
- ✓ College as an Investment
- ✓ Understanding Cost of Attendance
- ✓ Types of Financial Aid
- ✓ Financial Management Tips for College Students



# COST OF Attendance

- Tuition & Fees
- + Room & Board
- + Books & Supplies
- + Transportation
- + Personal & Miscellaneous Expenses

## Cost of Attendance (COA)

### COA Comparison 2023-2024:

Public Four-Year In-State On-Campus	\$28,840
Public Four-Year Out-of-State On-Campus	\$46,730
Private Nonprofit Four-Year On-Campus	\$60,420

Source: Trends in College Pricing and Student Aid 2023, College Board



# TYPES OF FINANCIAL AID:

## What You Need to Know



Free Money



Earned Money



Borrowed Money

# FREE MONEY

## Scholarships and Grants

### Scholarships

- ✓ Typically awarded on the basis of merit, skill, or a distinct characteristic (athletic, leadership, academic, music, etc.)
- ✓ Sources include colleges & universities, employers, individuals, private companies, nonprofits, communities, religious groups, and professional and social organizations.
- ✓ Do not have to be repaid

### Grants

- ✓ Typically awarded on the basis of financial need (FAFSA)
- ✓ Do not have to be repaid
- ✓ Federal Grants
  - Pell Grant
  - Supplemental Educational Opportunity Grant (SEOG)



# EARNED MONEY

## Work-Study

### Work-Study Student Jobs

- ✓ Need-based, determined by FAFSA
- ✓ Allows student to earn money on campus or off campus (non-profit organizations) to help pay educational costs
- ✓ You still need to apply for the job



# BORROWED MONEY

## Loans

### Federal Student Loans

Lower interest rates, more flexible repayment options

- **Direct Subsidized Loan**
  - For undergraduates
  - Need-based (FAFSA)
  - Federal government pays interest while in school
- **Direct Unsubsidized Loan**
  - For undergraduate and graduate students
  - Not need-based (still requires a FAFSA on file)
  - Student is responsible for all interest

### Private Student Loans

Banks, credit unions, other financial institutions

### Federal Direct PLUS Loan

- Parents can borrow for dependent undergraduate student
- Borrower is responsible for all interest
- Parents can borrow up to cost of attendance minus any other financial aid



# HOW TO APPLY FOR Financial Aid

## FAFSA

- ✓ FAFSA (Free Application for Federal Student Aid)  
<https://studentaid.gov/h/apply-for-aid/fafsa>

## CSS Profile (if required)

- ✓ <https://cssprofile.collegeboard.org/>

## Institutional application (if required)

FAFSA®



CSS Profile®

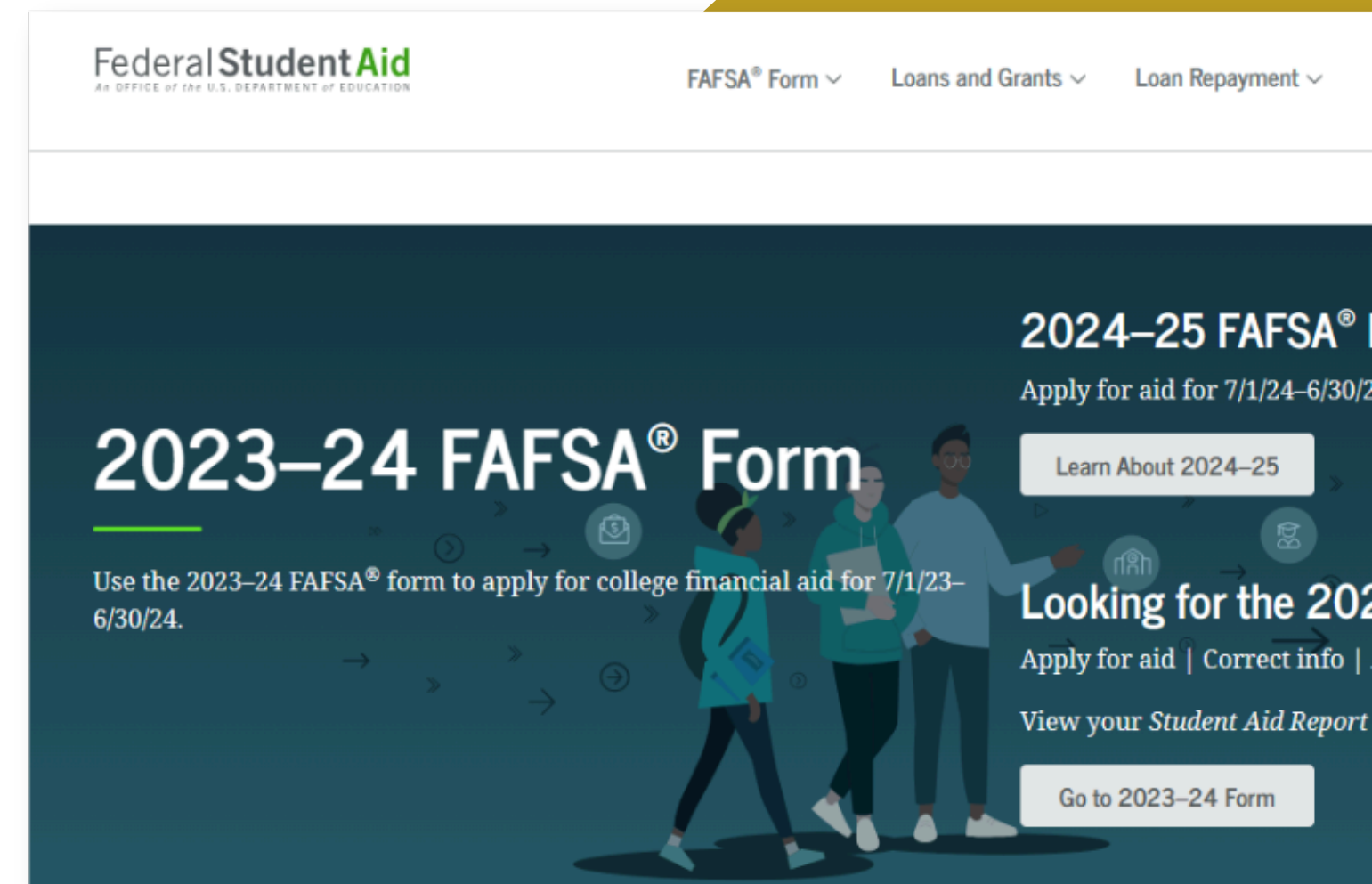


# FAFSA

## FREE APPLICATION FOR FEDERAL STUDENT AID



- ✓ Collects federal tax information used to calculate the family's Student Aid Index (SAI)
- ✓ Divorced/separated parents – report information for parent who provides the most financial support
- ✓ Used by colleges to determine eligibility for federal and state funds, as well as institutional funds
- ✓ Sign electronically using FSA ID (Federal Student Aid ID)
- ✓ Opens October 1st (2024–2025 form available by December 31, 2023)



# BREAKING DOWN

## the Cost of Attendance



### Tuition & Fees



### Room & Board

- On-Campus Room & Board (Dining/Meal Plan)
- Off-Campus Housing (Rent, Utilities & Groceries)



### Books & Supplies



### Transportation

- plane/train/bus/subway/rideshare
- parking/car payment & insurance/gasoline/repairs



### Personal & Miscellaneous



- health insurance & medical expenses
- cell phone/internet/cable/subscription services



- snacks, drinks, meals out
- social & recreational expenses – shows, movies, sporting events, spring break, etc.
- toiletries, haircuts, clothing purchases, laundry, dry cleaning
- other – dues, gifts, etc.

# MANAGING DAY-TO-DAY

## College Expenses



### Creating a monthly budget

#### Income vs. expenses



### Practical tips for managing expenses

#### Housing choices

On-campus vs. off-campus living

#### Food expenses

Meal plans vs. cooking

#### Managing transportation and incidental costs



# CREDIT CARD TIPS

## for College Students

### Dos



#### **Do Get a Credit Card to Build Credit**

A credit card, used wisely, can help you build a good credit history, which is important for getting a car loan, qualifying for a mortgage for a house, or even being approved for an apartment lease.



#### **Do Set a Spending Limit**

Decide on a maximum amount you can spend and stick to it.



#### **Do Pay the Full Bill Each Month**

Always try to pay your entire bill each month to avoid interest fees.



### Don'ts



#### **Don't Make Impulse Buys**

Avoid using your credit card for unnecessary items or spur-of-the-moment purchases.



#### **Don't Have Too Many Cards**

Stick to one or two credit cards to keep spending under control.







#### **Don't Just Pay the Minimum**

Paying only the minimum amount each month can lead to higher interest costs and longer debt periods.

# KEY TAKEAWAYS AND NEXT STEPS




## Key Takeaways

-  Gained a clear understanding of the various financial aid options available, including scholarships, grants, loans, and work-study programs.
-  Learned the process of applying for financial aid by accurately completing the Free Application for Federal Student Aid (FAFSA).
-  Developed skills to create and adhere to a budget to manage college expenses including tuition, housing, and books.
-  Understand how financial choices made during college years can impact long-term financial health and credit.




## Next Steps

-  Start conversations with your child about financing their college education, discussing options like financial aid, scholarships, and personal budgeting.



## Next Session Preview

-  Join us next time for a discussion on 'Essay Writing.'

# BREAKOUT SESSIONS

## Breakout Sessions

Group discussions for sharing experiences, strategies, and personal insights about financial planning for college.



# Q&A



## **Q&A**

Address specific concerns on budgeting, financial aid, and other monetary concerns related to your child's education.



# THANK YOU

*Lets Change The World, Together*

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