Financial Literacy
Resources for Every Stage of Federal Student Aid
Agenda

1. Introduction

2. The value of college

3. What students don’t know

4. What is financial literacy?

5. Financial literacy tools and resources
   • Comparison shopping
   • Apply for aid
   • Budgeting
   • Managing debt
   • Staying informed
The Value of a Degree

Unemployment rates and earnings by educational attainment, 2016

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Unemployment Rate (%)</th>
<th>Median Usual Weekly Earnings ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctoral degree</td>
<td>1.6</td>
<td>1,664</td>
</tr>
<tr>
<td>Professional degree</td>
<td>1.6</td>
<td>1,745</td>
</tr>
<tr>
<td>Master's degree</td>
<td>2.4</td>
<td>1,380</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>2.7</td>
<td>1,156</td>
</tr>
<tr>
<td>Associate's degree</td>
<td>3.6</td>
<td>819</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>4.4</td>
<td>756</td>
</tr>
<tr>
<td>High school diploma</td>
<td>5.2</td>
<td>692</td>
</tr>
<tr>
<td>Less than a high school diploma</td>
<td>7.4</td>
<td>504</td>
</tr>
<tr>
<td>Total: 4%</td>
<td></td>
<td>All workers: $885</td>
</tr>
</tbody>
</table>

When students first enrolled in school, they may have had an idea of how much they expected to borrow in student loans. After finishing, did they end up borrowing more or less than they initially anticipated?

- 49% More
- 21% About what they expected
- 17% Not sure yet, continuing education
- 7% Less
- 7% Don’t know/ not sure

What is Financial Literacy?

“an understanding of how to earn, manage, and invest money”

2016 “Focusing on Financial Literacy for Students” ED Blog post

“the ability to make informed judgments and take effective actions regarding the current and future use and management of money”

The Government Accountability Office (GAO)
Financial Literacy Resources…

can help build financial capability to make smart choices about college access, completion, and promote lifelong financial health
Comparison Shopping
- College Scorecard
- College Navigator
- Net Price Calculator

Applying for Aid
- Free Application for Federal Student Aid (FAFSA)
- Financial Aid Shopping Sheet

Budgeting & Borrowing
- StudentAid.gov
- Financial Awareness Counseling Tool (FACT)

Managing Debt
- Entrance and Exit Counseling
- Repayment Estimator

Staying Informed
- StudentAid.gov
College Scorecard

This tool takes all schools in the country which accept federal funding (federal student loans) and allows them to be easily searched in one place.

The tool allows students to select majors, states, size of the institution, even school mission and religious affiliation.

AVAILABLE AT: College Scorecard
Results show all schools that meet the selected criteria.

Each school is broken down to show how it stacks up against national averages, in cost, graduation rate and salary after attending.

Clicking on “View More Details” brings up even more statistics students can use to compare potential schools.
Comparison Shop: College Navigator

AVAILABLE AT: College Navigator
Comparison Shop: Net Price Calculator

AVAILABLE AT: Net Price Calculator
Apply for Aid: FAFSA®

Need money for college?

Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school.

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

START HERE

RETURNING USER?

• Make a correction
• Add a school
• View your Student Aid Report (SAR)

LOG IN

AVAILABLE AT: FAFSA
Apply for Aid: Financial Aid Shopping Sheet

“Know Before You Owe!”

More information on the financial aid shopping sheet is available at: College Cost
The Value of Budgeting

Federal Student Aid Budgeting Resources
Budgeting & Borrowing: FACT Tool

Financial Awareness Counseling Tool (FACT) link: FACT
Money Management Checklist

No student wants to interrupt his or her education because of financial problems. This checklist provides useful money management tips.

Money Management Checklist for College Students

No student wants to interrupt his or her education because of financial troubles. Here is a checklist to help you manage your financial life while in school.

1. Apply for financial aid.
   Do you need money for college? There are many resources to help you pay for school. StudentAid.gov/types is a great place to begin. At that site, you can find out how to prepare for college, career school, graduate school, and professional school, what types of aid are available (including aid from the federal government, state where you live, or the school you attend), and how to apply for that aid. You can also download a video on the federal student aid process.

2. Know about the student loans you owe.
   Did you borrow to pay for college? What is the balance of your student loans? When do you have to start paying your loans back? Where will you send the payments? Did you know that you may be

AVAILABLE AT: Money Management Checklist
Other Borrowing Resources

Federal Loans First
- Understand the differences between federal and private loans

Borrow Smart
- Free money first
- Only borrow what you need
- Think about repayment before it’s time to repay
Loan Repayment Lessons

- Borrowers **MUST** repay their loans, regardless if they complete their education

- Federal loans have **flexible repayment plans**

- The **impact of not repaying can be** detrimental to future borrowing and financial opportunities
Managing Debt: Repayment Estimator

Repayment plans and loan payment calculators are available at: Repayment Estimator
Staying Informed: StudentAid.gov

Minds can achieve anything. We make sure they get to college.

At Federal Student Aid, we make it easier to get money for higher education.

HOW DO I PREPARE FOR COLLEGE?
Learn about exploring careers, choosing and applying to schools, and taking required tests. Use checklists to help get ready.

WHAT TYPES OF AID CAN I GET?
Read about the types of financial aid available from the government and other sources: grants, scholarships, loans, and work-study.

DO I QUALIFY FOR AID?
Most people are eligible for financial aid. Find out who gets aid, how to stay eligible, and how to get eligibility back if you've lost it.

HOW DO I APPLY FOR AID?
Learn how to submit your Free Application for Federal Student Aid (FAFSA®), how aid is calculated, and how you’ll get your aid.

HOW DO I MANAGE MY LOANS?
Choose a repayment plan, pay on time, avoid default, and get help with problems.
Staying Informed: Social Media

Facebook

Twitter

YouTube

ED Blog
The Federal Student Aid Information Center (FSAIC) operates a toll-free hotline to provide comprehensive assistance in English and Spanish on:

- General information about federal student aid (Title IV programs)
- FAFSA applications
- FAFSA corrections
- Student loan history

CALL OR VISIT AT:
1-800-4-FED-AID (1-800-433-3243)

studentaidhelp.ed.gov
Federal Financial Literacy Information

Money Smart

My Money

Consumer.gov

Federal Reserve Education

Consumer Financial Protection Bureau