



WHAT'S INSIDE

- Take steps now to pay for college in the future. We offer five tips.
- Check out the benefits of 529 college-savings plans on page 4.
- Financial expert Jean Chatzky explains credit scores.
- What's the real cost of college? We break it down for you.



a note from Jean

Dear Teachers,

College. Has there ever been a word quite as loaded? For your students, it's hope for the future. For their parents, it's a potentially huge expense. With all the talk of the \$1.3 trillion student-loan debt Americans are now shouldering, we are focusing on things your students (with your gentle prodding) can do now to ease the burden of paying for college down the road. You'll note that only one item on the list involves saving their own money. We want them to understand the importance of getting good grades, building deep experience in an activity (or two) they're good at and enjoy, and applying to schools that really want them.

All the best,
Jean

COURTESY JEAN CHATZKY



From the Editor: Thanks to the PwC Charitable Foundation, *TIME For Kids* is pleased to offer teachers, students, and their families a monthly financial-literacy magazine. —*Nellie Gonzalez Cutler, Editor, TIME For Kids*

Teaching the cover story PLAN NOW, SAVE LATER

SUMMARY

How will you pay for college? It's never too early to start planning. The cover story highlights five tips to help you get started.

TEACHING TIPS Before Reading

Check Prior Knowledge

- Ask: How do students pay for college? (*Responses should include financial aid, scholarships, student loans, savings from part-time jobs and money gifts, and parents' contribution.*)

Build Comprehension Critical Thinking

- Have students read in pairs about Jose Edouard in the first section of the cover story. Tell them to summarize her college plan and evaluate it by answering the following questions: What are the advantages and disadvantages to Jose's plan? Do you think her plan would work for all students? Why or why not?
- After reading the cover story, ask students to determine which tip they find most useful. Have them complete the worksheet on page 3, "It Pays to Think Ahead," to reflect on the tip they have chosen.

Start a Discussion Draw Conclusions

- Ask: Why should you make a plan for paying for college? What are the benefits of starting early?

Extend Learning Build a Résumé

- Using a three-column chart, have students brainstorm a list of their jobs, extracurricular activities, and volunteer experiences. Have students in pairs advise each other on how to build up areas of weakness. Then have each student write a paragraph describing one way to improve his or her résumé.

Hold a Debate

- Challenge students to debate whether or not young people should attend two years of community college to save money. What are the benefits of staying at home? What might be the downsides? Do the cost savings outweigh the downsides? Why or why not?

Make Real-World Connections

- Invite students from a community college and a four-year public university to visit your class and talk about their experiences. The school's admissions office can help you connect with students.

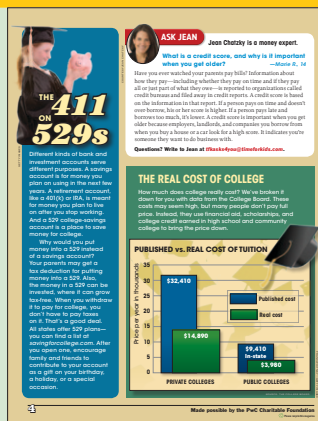
FINANCIAL-LITERACY STANDARDS ADDRESSED

Grades K–12 III. Saving
V. Financial Investing

COMMON CORE STATE STANDARDS ADDRESSED

Grade 5 RI.5.1, RI.5.2, RI.5.9, SL.5.1, W.5.2
Grade 6 RI.6.1, RI.6.2, RI.6.9, SL.6.1, W.6.2

Teaching PAGE 4



TEACHING TIPS

Use these tips to support close reading of the "Ask Jean" feature on page 4.

high credit score shows trustworthiness? Explain.

Extend Learning Narrative Writing

- Have students write from the point of view of the decision maker in one of the following scenarios:
 - A landlord rejects an applicant with a low credit score.
 - A company hires an employee with a high credit score.
 - A boss considers hiring an employee with a mid-range credit score.
 - A bank rejects a loan applicant with a low credit score.

Cause and Effect

- Challenge students to create a comic strip illustrating one cause of bad (or good) credit and its effect(s). Have students include captions that explain each picture. Allow time for students to share their work with the class.

Before Reading Preview Key Concepts

- Discuss: What do we mean when we say, "Give me some credit?" (Students might say the following: "Believe in me." "I'm capable." "Trust me.")

Build Comprehension Read for Details

- As students read the "Ask Jean" feature, have them answer these questions: What is a credit score? How is a credit score determined?

START A DISCUSSION

Make Inferences

- Ask: What does it mean to over-borrow? Why do you think over-borrowing can lower your credit score? Do you think a

FINANCIAL-LITERACY STANDARDS ADDRESSED
Grades K-12 IV. Using Credit

COMMON CORE STATE STANDARDS ADDRESSED
Grade 5 RI.5.1, RI.5.3, RI.5.4, SL.5.1, W.5.2, W.5.3
Grade 6 RI.6.1, RI.6.3, RI.6.4, SL.6.1, W.6.2, W.6.3

Made possible by the **pwc** Charitable Foundation

School / Home CONNECTION



Share these tips with your students' families.

COMSTOCK IMAGES

- Provide students with the tuition price for an in-state public university and a local community college, and have them compute the difference in cost. Then have students share the results with a parent, discussing the pros and cons of attending community college before moving on to a four-year college.
- Have students review with a parent the chart showing how 529 college plans could grow. (See page 4 of the Teacher's Guide.) Challenge them to plan how they might save \$25 per month from the family budget. They might choose to forgo eating out one night, to watch a movie at home instead of at a movie theater, or to cut down on discretionary spending in other ways.
- Encourage students to work with parents to come up with ways to let family and friends know that they are saving for college. They might, for example, design an invitation to a birthday party that asks for donations to a college fund in lieu of presents.

ADDITIONAL RESOURCES

councilforeconed.org/standards

Visit for free teaching resources and to download the K-12 national standards for financial literacy.

bigfuture.collegeboard.org

The College Board's site provides a step-by-step guide to college that can be geared toward each student's particular needs.

ANSWER KEY FOR WORKSHEETS

It Pays to Think Ahead 1.-4. Answers will vary.
Happy Returns 1. \$6,954; \$9,319 **2.** \$300 per month **3.** \$1,738; \$1,500 **4.** Answers will vary.

Your name _____

Date _____

IT PAYS TO THINK AHEAD

Read the cover story, "Plan Now, Save Later," in the September issue of Your \$. Then complete the graphic organizer below.

1. Choose the tip that you find most useful.

Tip number _____

Explain your choice. _____

2. What are some of the pros and cons of following this advice? Write your ideas in the chart.

PROS	CONS

3. Think about how you can follow the tip. What is your goal? How will you accomplish it? _____

4. Why do you think the author wrote these tips for young people rather than for parents? Explain. _____

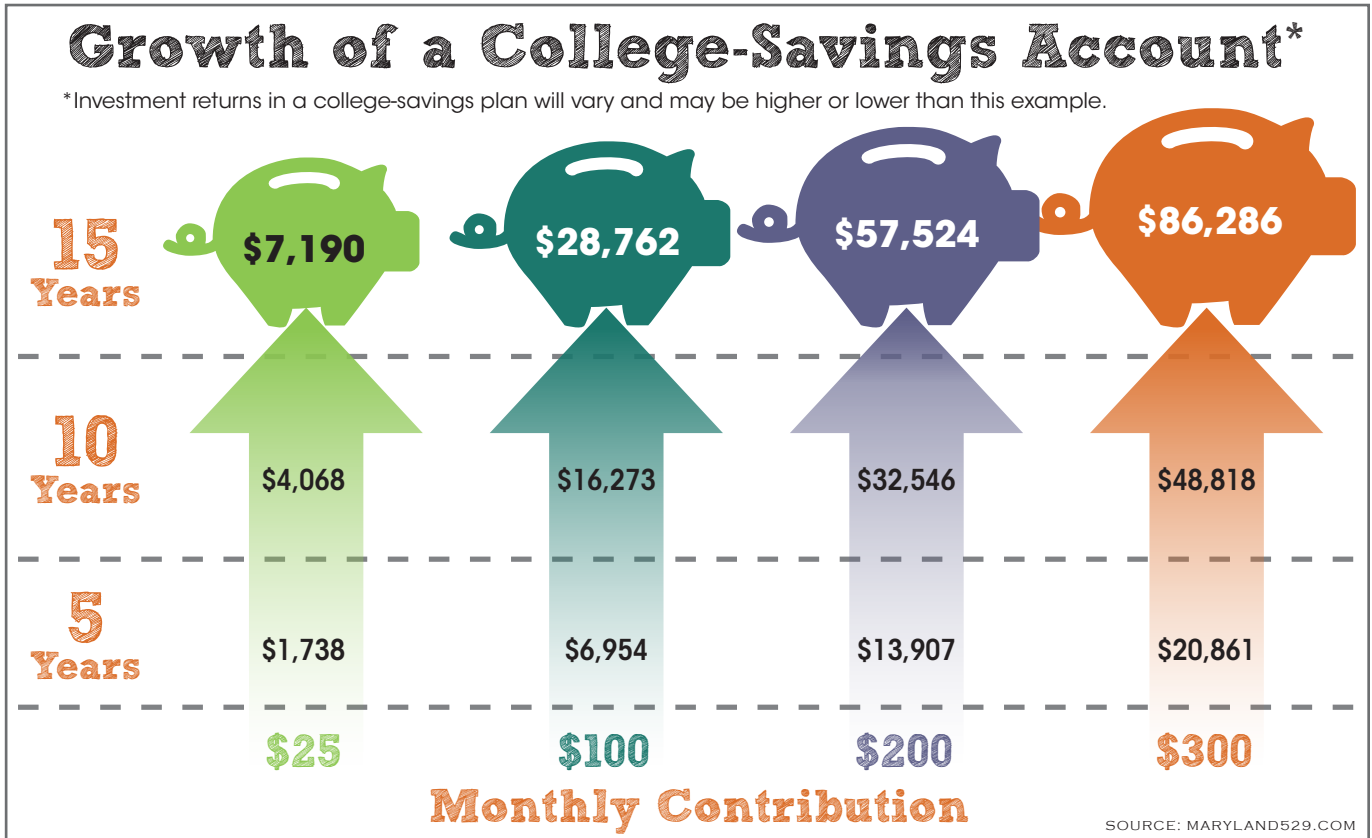
BONUS: Share the cover story and your completed graphic organizer with parents. Do your parents agree with your ideas about the most useful tip?

Your name _____

Date _____

HAPPY RETURNS

A 529 plan is a college-savings account. The chart shows how a 529 investment could grow over the years. Use the chart to answer the questions.



1. How much could you save if you invested \$100 a month for five years? _____

How much more could you save in 10 years? _____

2. Your goal is to save \$86,000 for college in 15 years. How much would you have to invest per month? _____

3. How much could you save if you invested \$25 a month for five years? _____

Imagine you have put that money in a piggy bank instead of investing it. How much would you have saved? _____

4. Why is it important to start saving for college early? Use information from the chart to support your answer. _____
