



## Student Loans 101 | Lesson Plan

What are different types of student loans and how do they work?

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Students learn about student loans, the types available, and what to consider when taking out one.

### Learning Objectives:

- Define what a student loan is.
- Distinguish the differences between different types of loans.
- Define key terms associated with student loans, including private, federal, PLUS, subsidized, and unsubsidized loans.
- Discover actions to take to consider student loans responsibly in the future.

### Key Vocabulary:

- **Private loan:** A loan funded by a private bank.
- **Federal loan:** A loan funded by the government.
- **Subsidized:** A loan with interest paid by the Department of Education while the student is in school.
- **Unsubsidized:** A loan with interest that builds up while the student is in school.
- **PLUS loan:** A loan available to graduate and professional students as well as parents of undergraduate students.

**Educational Standards:** CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

**Academic Subject Areas:** Financial Literacy, Decision Making, Personal Responsibility, Personal Finance

### What You'll Need

- Video: *Ca\$h Cour\$e: Student Loans 101* (Watch [Here](#))
- Worksheet: *Ca\$h Cour\$e: Student Loans 101* (Click [Here](#))
- Classroom whiteboard and dry-erase markers (You may use a technology solution if available).

### Lesson Plan (45 mins.)

Warm-Up: (10 mins.)

1. Begin by engaging the students in planning an imaginary class trip, asking them to suggest destinations if there were no financial constraints.



2. Introduce a realistic twist: if the trip were too expensive, the need to borrow money might arise. Discuss with the students who they would consider borrowing from and whether they think the borrowed money should be repaid.
3. Transition the discussion to the concept of college financing. Compare borrowing money for the trip to taking out student loans for college tuition, and explore students' thoughts on the expectation of repayment by lenders like the government or banks.

Watch and Apply: (25 mins.)

1. Announce that the class will watch "Ca\$h Cour\$e: Student Loans 101" to gain insights into the world of student loans.
2. Hand out the "Ca\$h Cour\$e: Student Loans 101" worksheet for students to complete on their own, allowing about 10 minutes for this task.
3. After completing the worksheet, review the answers together as a class. Encourage a discussion on any challenging aspects and clarify students' questions.

Wrap-Up: (10 mins.)

1. Invite students to share what they learned from the video and worksheet that they didn't know before, focusing on the nuances of student loans.
2. Revisit and complete the list on the dry-erase board created before watching the video, incorporating the new knowledge gained from the lesson.

**Don't have time for the full lesson? Quick Activity (10-15 mins.)**

Distribute the worksheet and allow students to complete it while they follow along with the video. Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.