

LEARNER'S WORKBOOK

PATHWAYS

FINANCIAL STRATEGIES FOR
GRADUATING HIGH SCHOOL STUDENTS



CAREER EXPLORATION
SCHOOLS AND COSTS
FINANCING SCHOOL
DEBT ACCUMULATION
DEBT MANAGEMENT

Five Star



Supporter



Financial Beginnings USA's *Five Star Supporters* are investors whose values deeply align with our goal of increasing equitable opportunities for economic advancement. COUNTRY Financial firmly believes in giving back to their communities and works to foster a culture of volunteerism.

COUNTRY Financial has been a longtime investor of Financial Beginnings and generously serves as its inaugural *Five Star Supporter*.

ABOUT PATHWAYS

The Financial Beginnings Pathways program helps students successfully transition from high school to postsecondary education and into adulthood through informed and proactive financial decisions. The Pathways program teaches students how to navigate the complex maze of financial decisions — from loan agreements to household budgets to career choices — that are foundational to a successful adulthood.

Pathways is offered at no cost and includes five modules, each 60-90 minutes, for high school and college students.

TABLE OF CONTENTS

1	Your Roadmap
2	Overview of PATHWAYS
3	Resources
4	Lifeline Activity
6	Financing School
7	Post Graduation Budget
8	Loan Consolidation
9	Financing Schools Comparison
11	Types of Federal Student Aid

YOUR ROADMAP

4

MANAGING DEBT ACCUMULATION

- Calculate debt repayment before borrowing
- Create a realistic budget
- Compare actual income and expenses to your budget and make adjustments as necessary

5

MANAGING DEBT AFTER SCHOOL

- Set financial goals
- Minimize debt accumulation
- Learn the benefits of saving early
- Learn to value lifelong learning
 - Continue to review and make adjustments

POSTSECONDARY ↑

HIGH SCHOOL ↓

3

FINANCING SCHOOL

- Research and apply for scholarships
- Apply for financial aid via the FAFSA
 - Compare financial aid awards
- Understand the terms of your loans before borrowing

1

CAREER AND EDUCATION PATH

- Explore career options
- Research marketplace salaries
- Learn how to become a competitive candidate
- Determine your education path
- Research schools and programs

2

COMPARING SCHOOLS & COSTS

- Learn the total cost of school before you apply
- Research your future salary
- Calculate the Return on Investment (ROI)
- Keep student loan debt below annual starting salary
- Calculate your future student loan payment

PATHWAYS

OVERVIEW OF PATHWAYS - HIGH SCHOOL

Career & Education Path

EXPLORE CAREER OPTIONS

- Consider your personal preferences, skills, abilities, interests, achievements, personality, and knowledge.
- Keep in mind that you may decide to change careers, so it is best to keep your options open.
- Utilize career assessments, job shadowing, networking, volunteering, career counseling, and internships to help you explore various careers or solidify your career choice.

RESEARCH SALARIES

- Understand that you will likely be starting at the lower end of the salary range and have to move up in compensation and responsibilities.
- You may need to climb the career ladder within your desired field to get to your ideal position.

LEARN HOW TO BECOME A COMPETITIVE CANDIDATE

- Future schools and employers want to know you are well-rounded in your skill sets. Ways to demonstrate this are volunteering, working as an intern, playing sports, serving on student government, or engaging in music or art.
- When considering your future career, it is important to keep in mind what you would like your life to be like. Your career will impact other aspects of your life such as family, finances, and leisure activities.

DETERMINE YOUR EDUCATION PATH

- Align your education with your desired career.
- Determine the type of training, certifications, or degrees you will need for your desired career.

RESEARCH SCHOOLS/VOCATIONAL PROGRAMS

- Consider such aspects as school or program prestige, the strength of the school offerings in your desired major, and geographic location when researching schools and vocational programs.

Comparing Schools & Costs

LEARN THE TOTAL COST OF A SCHOOL OR PROGRAM BEFORE APPLYING

- Don't rule out a school based solely on the "sticker price."
- Utilize the Net Price Calculator to estimate your cost of attendance before applying.

CALCULATE THE RETURN ON INVESTMENT (ROI)

- Use the rule of thumb that your first year starting salary should be greater than the total debt you have when you leave school.

EXPLORE OPTIONS TO KEEP DEBT LOW:

- Reduce living expenses.
- Save on books and supplies.
- Work during school and breaks.

CALCULATE YOUR FUTURE STUDENT LOAN PAYMENT

- Estimating your student loan payment before applying to a college or other postsecondary institution can help you avoid a program you cannot afford or one that will cost you more than the value of your future career.

Financing College or Career School

RESEARCH AND APPLY TO SCHOLARSHIPS

- Devote time to researching the thousands of scholarship opportunities available and apply for those that represent the best fit for you.

APPLY FOR FINANCIAL AID VIA THE FAFSA

- In order to receive federal grants and/or loans you will need to fill out the FAFSA.
- The application opens on October 1st of each year and funds are awarded on a first-come, first-served basis. It is important to fill out the FAFSA early in October.

COMPARE FINANCIAL AID AWARDS

- Utilize resources from the CFPB to compare financial aid awards.

UNDERSTAND LOANS BEFORE BORROWING

- You should never take on debt without first having a plan for repayment. Be sure to calculate your estimated post college or career school student loan payment before taking out a loan.

OVERVIEW OF PATHWAYS - POSTSECONDARY

Managing Debt Accumulation in College or Career School

CALCULATE DEBT REPAYMENT BEFORE BORROWING

- Debt accumulation can put undue stress on your postsecondary experience, which could lead to academic failure. Only accumulate debt if you have a plan to pay it back.
- Do you want to get married, have children, purchase a house, or retire early? These are all things you should take into consideration now. The more debt you accumulate, the longer it will take to pay it off, and the more difficult you will find it to achieve your future goals.

CREATE A BUDGET

- It is important to develop a budget tracking system that will work for you. There are several ways to do this such as online software, money applications, spreadsheets, or simple pen and paper.

COMPARE ACTUAL EXPENSES TO YOUR BUDGET AND MAKE ADJUSTMENTS AS NECESSARY

- Creating a budget is pointless unless you maintain it and make adjustments as necessary. Avoid setting yourself up for failure by developing a budget that is realistic.

Managing Debt After College or Career School

PERSONAL FINANCIAL GOALS

- Goal setting is a key part of successful money management.
- Set short, intermediate, and long-term goals. Review goals regularly.

MINIMIZE DEBT ACCUMULATION

- Debt can be a tool to leverage assets, but you need to use it wisely.
- Understand the terms of all loan documents and always have a plan for repayment.

LEARN THE BENEFITS OF SAVING EARLY

- Time is on your side! The earlier you start saving, the more time you have for the value of your savings to compound and grow.
- Make savings automatic by using payroll deduction or automatic account transfers.

- Be sure you are utilizing the right investment vehicle for your savings goals.

LEARN TO VALUE LIFELONG LEARNING

- The finance industry changes constantly. Be sure to keep up-to-date on changes in the market and adjust your behaviors accordingly.
- Seek sound professional advice when appropriate.

CONTINUE TO REVIEW AND MAKE ADJUSTMENTS

- Financial planning is an important process you will want to revisit throughout your life.
- Track your progress and make adjustments when needed.
- Enjoy the rewards that come with proper money management.

RESOURCES

FREE APPLICATION FOR STUDENT AID (FAFSA)

Studentaid.gov/h/apply-for-aid/fafsa - Apply

U.S. DEPARTMENT OF EDUCATION

Studentaid.gov - General resource

Collegecost.ed.gov - U.S. Department of Education

College Affordability and Transparency Center

NCES.ed.gov/collegenavigator/ - School comparison

Collegescorecard.ed.gov - Search and compare schools

CAREER ONE STOP

Careeronestop.org/toolkit/training/find-scholarships.aspx - Search for scholarships

ACT

My.ACT.org - Career assessment and degree recommendations

BUREAU OF LABOR STATISTICS

BLS.gov - Searchable job statistics, including wages

FINAID

Finaid.org/calculators - Student loan calculator

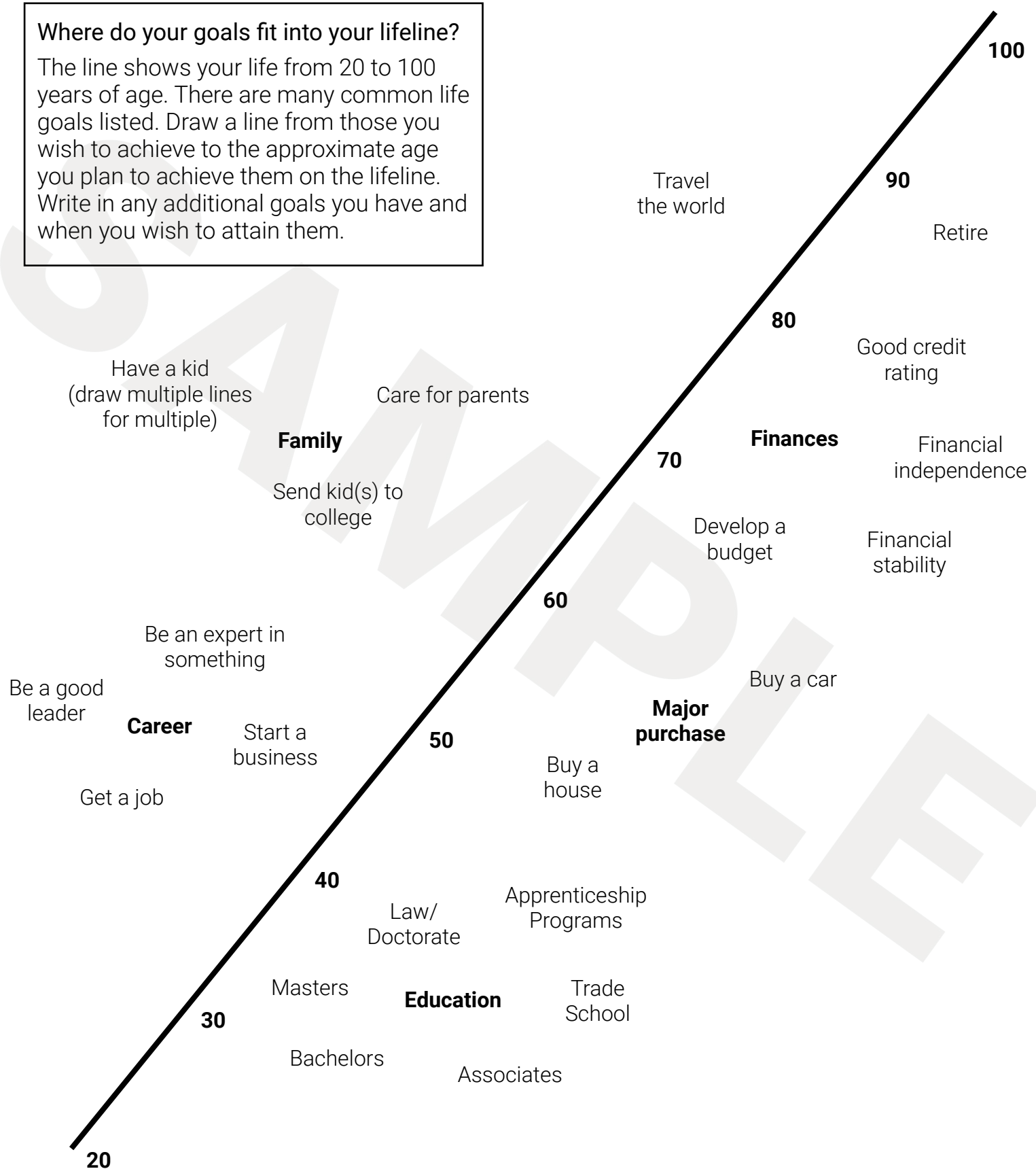
CONSUMER FINANCIAL PROTECTION BUREAU

Consumerfinance.gov/paying-for-college/your-financial-path-to-graduation - Financial aid and college cost comparison

LIFELINE

Where do your goals fit into your lifeline?

The line shows your life from 20 to 100 years of age. There are many common life goals listed. Draw a line from those you wish to achieve to the approximate age you plan to achieve them on the lifeline. Write in any additional goals you have and when you wish to attain them.



LIFELINE

20s	30s	40s	50s	60s+

HIGH SCHOOL



CAREER AND EDUCATION PATH

Explore Interests and Requirements
Research Schools and Programs



COMPARING SCHOOLS AND COSTS

Research Average Salaries
Learn Total Cost of School



FINANCING SCHOOL

Payment Options
Basics of FAFSA

POSTSECONDARY



MANAGING DEBT ACCUMULATION

Limit Student Debt Accumulation
Explore Smart Budgeting and Spending



MANAGING DEBT AFTER SCHOOL

Post-Graduation Living Expenses
Set Long-Term Financial Goals