

# Paying for a Pathway

Unit  
Making It RealLength  
90 Minutes

## About This Lesson

To explore costs after high school and compare different forms of borrowing in preparation for their own personal budget for their first postsecondary year, students will identify postsecondary costs, explore ways to earn an income after high school in any pathway, and investigate strategies for dealing with debt.

## Learning Objectives

By the end of this lesson, students will:

- identify common costs linked to various postsecondary pathways
- explore financial aid options and ways to make money while in school or training
- investigate strategies for dealing with debt, such as paying off student loans

## Driving Question

What costs will you need to consider in a given pathway?

## Future-Ready Skills

Critical thinking

Problem-solving

Collaboration

## Lesson Breakdown

30  
minutes

### Activity 1 - Borrowing Basics

In this activity, students will learn how credit works and what the cost of borrowing really means, and then test their spending habits in an online scenario based challenge.

45  
minutes

### Activity 2 - Living on a Budget

In this activity, students work in small groups on a saving and spending plan and develop balanced budgets to creatively respond to the challenges of making ends meet in life after secondary school.

15  
minutes

### Activity 3 - Financial Sports

In this activity, students will play a fast-paced, interactive game that engages them while reviewing personal finance skills.



### Xello Entry Point

Students should be familiar with their postsecondary options and lifestyle costs, and would benefit from completing the Xello lessons **Program Prospects** and **Career and Lifestyle Costs** prior to this lesson.

## Vocabulary

- Income
- Expenses
- Savings
- Spending money
- Credit cards
- Credit score
- Line of credit
- Grant or bursary
- Gift
- Scholarship
- Loan
- Debt
- Principal
- Interest

## Ontario Career Studies

C2.2 compare different forms of borrowing and identify some of the risks and benefits associated with each

C2.3 identify key considerations related to preparing a personal budget, and apply them in developing a budget for their first postsecondary year

## Activity 1 - Borrowing Basics



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### Inquiry Prompts

- How do I pay for something I can't afford?
- Are credit cards a safe alternative to cash?

### Teaching Strategies

In this activity, students will learn how credit works and what the cost of borrowing really means, and then test their spending habits in an online scenario based challenge.

- 1 Direct students to watch the Financial Consumer Agency of Canada's video [Understanding Credit](#) (13:08). To help guide their viewing, provide these questions in advance:
  - What are the best known credit products?
  - What is a credit report, how is credit score calculated, and what is the best credit score?
  - How is interest calculated on a credit card?
- 2 To help students learn more about the basics of borrowing have them explore the section titled "Owing" found on [themint.org](http://themint.org) website and create discussion groups in class or online with these questions:
  - What would you say is the top advantage of owning a credit card? Why?
  - What is the biggest risk or disadvantage of owning a credit card? Why?
- 3 To help students understand how they can spend more wisely, direct them to play [The Spending Challenge](#) on themint.org website to test how well they can make smart decisions and make their money go farther!
  - Have students take a screenshot of their results page and upload it to their Xello storyboard, or share it in a shared forum where students can compare and discuss their results

### Materials Required

- Computer or tablet with internet access
- Access to [Understanding Credit video](#) (13:08)
- Access to [themint.org](http://themint.org) website

### Artifacts

Students will participate in group discussion about the advantages and disadvantages of credit cards and share their results from **The Spending Challenge** game on their Xello Storyboard.



#### Culminating Project Tip

Add your students' questions about postsecondary financial planning to the discussion guide. For example: Are you familiar with any local scholarships or bursaries that support students in this field of study?

## Activity 2 - Living on a Budget



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Length  
45 Minutes

### Inquiry Prompts

- What will my first year after high school cost?
- How will I need to change my spending and saving habits?

### Teaching Strategies

In this activity, students work in small groups on a saving and spending plan to develop balanced budgets while creatively responding to the challenges of making ends meet in a life after high school.

- 1 Start the lesson with the Financial Consumer Agency of Canada's video [Dealing with Debt](#) (8:36) to remind students about the different forms of borrowing and what it means to carry debt.
- 2 Use the [Living on a Budget presentation](#) to introduce the challenge and form your class into 5 groups, one for each pathway:
  - University
  - College or Technical School
  - Apprenticeship
  - Military
  - Straight to Work

Inform students that each pathway comes with an allotted first year income and different types of costs and together they will need to creatively respond to the challenges of making ends meet in life after high school.

- 3 Each group will designate 2 representatives:
  - A **spokesperson** who will negotiate for each category expense (housing, transportation, food, and phone/cable/internet)
  - A **recorder** will note their group's selections from each category into their copy of the [Living on a Budget Spreadsheet](#)
- 4 As you work through the presentation, refer to the presenter notes to provide clarifying information about each category.
- 5 Working in their groups, students calculate their monthly expenses. At times, they may need to calculate the monthly cost when amounts are given in yearly or bi-weekly increments.
- 6 After all 5 expense categories have been negotiated as a class, students will complete the expense estimator sheet in their groups. They must add at least 5 additional expenses, and give reason to any other expense they've declined to include in their monthly expenses.

### Materials Required

- Computer or tablet with internet access
- A synchronous learning environment (in class or video conferencing tool)
- [Dealing with Debt video](#)
- [Living on a Budget presentation](#)
- [Living on a Budget spreadsheet](#)

### Artifacts

In small groups, students will create a balanced monthly budget for one postsecondary pathway and upload a copy of their Living on a Budget spreadsheet to their Xello Storyboard.

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## Activity 2 - Living on a Budget



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**45 Minutes**

- 7 Once students have verified their expenses with you, they will review their budget. Do they have enough income to cover their expenses?
  - Some groups may come to realize that they do not have enough income to cover all of their expenses. Encourage the students to brainstorm different strategies and solutions to resolve this issue. They will need to record additional income and justify how it is feasible on their spreadsheet.
  - Some groups may have more than enough monthly income, in which case they need to develop a plan for saving and spending on their spreadsheet. What will they do with the extra money per month?
- 8 After several minutes, present and randomly distribute the “unexpected expenses” to each group (e.g. \$150 laptop repair). Encourage students to think creatively and critically to determine how they will increase their income or reduce their expenses in order to have a balanced budget.
- 9 Have groups share one strategy they used to balance their budget with the rest of the class.
- 10 Each student will upload their Living on a Budget spreadsheet to their Xello **Storyboard**.

## Activity 3 - Financial Sports



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Length  
15 Minutes

### Inquiry Prompts

- Am I ready to manage my money after high school?

### Teaching Strategies

In this activity, students will play a fast-paced, interactive game that engages them while reviewing personal finance skills.

- 1 Provide the [instructions](#) on the next page to your students.

### Materials Required

- [Student Instructions](#)
- Computer or tablet with internet access

### Artifacts

Students will test their money management skills in a sports-themed online game and add the game to their Xello **Storyboard** reflecting on the financial strategies they took away.



### Culminating Project Tip

Add your students' questions about postsecondary financial planning to the discussion guide. For example: Are you familiar with any local scholarships or bursaries that support students in this field of study?

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## Financial Sports

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### Student Instructions

The most successful players are often the most disciplined: they have established good training habits on and off the field and are focused on learning how to maximize their performance. Financial fitness is very similar. We often focus on the exciting big moments, like buying our first car or moving out on our own. Yet those moments would not be possible without building good financial habits. Test your financial decision making in one of these sport-themed financial literacy games:

- Financial Soccer: <http://www.financialsoccer.ca/play/>
- Financial Football: <https://www.financialfootball.com/play/>

After playing, add the game weblink to your Xello **Storyboard** and note 3 money management skills you learned.