

EDUCATION FINANCING

Comparing Financial Aid Offers

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Brief
YOUR CHALLENGE Classify aid, calculate net price and funding gaps, distinguish work-study and loans from gift aid, and compare two fictional offers.			

Education Decisions Combine Cost, Time, Completion, and Career Fit

A large aid total can be misleading if it combines grants, work-study, and loans. Compare cost of attendance, grants and scholarships, net price, remaining gap, loan type, work requirements, and renewal conditions.

Term	Student-friendly meaning
Grant	Gift aid that generally does not require repayment when conditions are met.
Scholarship	Gift aid based on stated eligibility conditions.
Work-study	Opportunity to earn wages through eligible employment; earnings are not automatic upfront aid.
Loan	Borrowed money repaid with interest under its terms.
Net price	Cost of attendance minus grants and scholarships.
Funding gap	Amount remaining after selected resources are applied.
CLASSROOM USE All people, employers, figures, brackets, and documents in this packet are fictional. Never place a real Social Security number, employer ID, bank number, or tax document in classroom work.	

Part 1 - Classify the Financial Aid

Separate aid that reduces price from work expectations and borrowed money.

Aid item	School A	School B	Gift / earned / borrowed
Grant	\$8,000	\$12,000	
Scholarship	\$4,000	\$2,000	
Work-study	\$3,000	\$2,500	
Federal loan	\$5,500	\$5,500	
Private loan	\$0	\$4,000	

Why should loans not be subtracted when calculating net price? How is work-study different from an upfront discount?

Part 2 - Calculate Net Price

Net price = cost of attendance - grants - scholarships.

Item	School A	School B
Cost of attendance	\$31,000	\$36,000
Grants		
Scholarships		
Net price		
Monthly equivalent over 10 months		

Calculate net price and a planning-only monthly equivalent.

Part 3 - Build a Funding Plan

Family contribution is \$6,000 and verified outside scholarship is \$2,000.

Funding layer	School A	School B
Net price		
Family contribution	-\$6,000	-\$6,000
Outside scholarship	-\$2,000	-\$2,000
Remaining gap		
Federal loan option	\$5,500	\$5,500
Gap after federal loan		

Calculate remaining gaps. Do not count work-study until earnings are actually received.

Part 4 - Audit the Offers

Find missing or unclear information.

Question	A evidence	B evidence	Follow-up
Is aid renewable?			
GPA/enrollment conditions			
Housing assumption			
Fees/books included			
Loan type/rate/fees			
Work-study job guaranteed?			

Which uncertainty could change next year’s price the most?

Part 5 - Write an Aid-Offer Comparison

Jordan wants the lowest borrowing and can contribute \$6,000.

Decision check	My evidence
Cost of attendance	
Gift aid	
Net price	
Remaining gap	
Loan amount/type	
Work-study treatment	
Renewal conditions	
Recommendation with limitation	

Write 150-200 words with at least five figures and four questions for the aid offices.