

Financial Aid Offer Challenge

Financial aid offers, also known as award letters, look different at every college and often leave students and families confused. This interactive activity compares financial aid offers from four different fictional colleges for one student. Use it with students and families so they can understand how to read their own offers to make informed choices.

Time

60-75 minutes (30-45 minutes for the challenges, 15-30 minutes for discussion)

Audience

12th grade students and their parents

Scheduling

Before receiving aid offers in March or April

Materials needed

For facilitators, p. 1-5

- Instructions, p. 1

1 per facilitator:

- Answer Key, p. 2-5

For participants, p. 7-14

1 per team of 2-4 people:

- Worksheet, p. 7
- Sample financial aid offers, p. 8-11
- Challenges, cut p. 12-14

1 per student:

- Compare Costs & Financial Aid worksheet, link or download: oregongoestocollege.org/resources/compare-costs-and-financial-aid

How to play

- Divide the group into teams of 2-4 people.
- Explain the goal and give instructions.
 - *Goal:* compare financial aid offers from four different fictional colleges for one student.

- There are a total of five challenges. Teams get one challenge at a time and must get the answers correct before being allowed to move on to the next challenge.
- Distribute 1 set of the sample financial aid offers to each group. Explain that while these are fictional colleges, these letters are based on actual Oregon colleges. Give teams a few minutes to review. Ask what they notice (e.g. all letters look different, confusing, etc.)
- Next, distribute 1 copy of the worksheet and the first challenge to each team.
- Teams work at their own pace, bringing up their completed challenges for confirmation that they have the correct answer before receiving the next challenge.
 - A facilitator should be on hand to confirm answers, hand out challenges, answer questions and give hints if needed. If you have a lot of teams, it may be helpful to have more than one facilitator.
- When a team successfully completes all five challenges, hand them the discussion questions.
- When all the teams have finished, debrief with the large group using the questions they discussed in their teams.
- Provide each student with a link or printed copy of Compare Costs & Financial Aid to use with their own financial aid offers,



Answer Key

	A Portville CC	B City University	C City Christian	D Private Career		
COST OF ATTENDANCE	Tuition		\$9,105	\$43,686		
	Fees	+	+	\$788 +		
	Housing & meals	+	+	\$12,831 +	\$12,658 +	
	Books & supplies	+	+	\$1,263 +	\$930 +	
	Transportation	+	+	\$2,994 +	\$680 +	
	Other expenses	+	+	+	\$942 +	
1	TOTAL COST	= \$13,434	= \$26,193	= \$59,684	=	
GRANTS & SCHOLARSHIPS	Pell Grant	\$5,920	\$5,920	\$5,920	\$5,920	
	FSEOG	+	\$900 +	\$450 +	\$2,000 +	
	Oregon Opportunity Grant	+	\$1,125 +	\$1,125 +	\$1,125 +	
	Oregon Promise Grant	+	+	+	+	
	College Grant or Scholarship	+	\$1,000 +	\$3,000 +	\$5,950 +	
	Scholarship:	+	+	\$1,000 +	\$1,000 +	
	Scholarship:	+	+	+	\$10,000 +	
	Scholarship:	+	+	+	+	
2	TOTAL GIFT AID	= \$8,945	= \$11,495	= \$25,995	= \$5,920	
3	TOTAL WORK-STUDY	\$2,000		\$2,400		
WK-STUDY	Minimum wage (OR-2021)	÷	\$12.75 ÷	\$12.75 ÷	\$12.75 ÷	\$12.75
	Weeks in an academic year	÷	30 ÷	30 ÷	30 ÷	30
	Average hours/week	=	5 =	=	6 =	
LOANS	Direct Subsidized Loan			\$3,500	\$3,500	
	Direct Unsubsidized Loan	+	+	\$2,000 +	\$2,000 +	
	PLUS Loan	+	+	+	\$2,409 +	
	Private Loan:	+	+	+	+	
	Private Loan:	+	+	+	+	
4	TOTAL LOANS	=	=	= \$5,500	= \$7,909	
1	TOTAL COST	\$13,434	\$26,193	\$59,684		
2	TOTAL GIFT AID	- \$8,945	- \$11,495	- \$25,995	- \$5,920	
3	TOTAL WORK-STUDY	- \$2,000	-	- \$2,400	-	
4	TOTAL LOANS	-	-	- \$5,500	- \$7,403	
	OUT-OF-POCKET COST	= \$2,489	= \$14,698	= \$25,789	=	

Answer Key: Challenges

1 Cost of attendance

- tuition & fees
- May 1
- room and board
- enrollment level
- Private Career College

2 Grants and scholarships

- City Christian College, \$25,995
 - Note: They must add the “Rotary-Local” scholarship under “Outside Aid” to get the correct total.

3 Work-study

- C. Pilot, construction worker, student athlete

4 Loans

- City Christian College and Private Career College
 - Note: City University lists loans as an option, but they are not included in the award.
- \$4,409
 - Note: PLUS loans are also unsubsidized.

5 Out-of-pocket cost

- Portville Community College \$2,489
- City University \$14,698
- City Christian College \$25,789
- Private Career College doesn't list the cost of attendance so you can't calculate the out-of-pocket cost.



Answer Key: Discussion Questions

The following are sample answers; participants may have additional answers or ideas.

1. What information is missing from the award letters?

- Portville Community College doesn't provide a breakdown for cost of attendance. Therefore:
 - students may not have enough information to decide if different living situations are affordable (e.g. living at home with parents, in residence halls, in their own apartment)
 - it's not clear how much has been allotted for transportation, which may vary if a student has a car, uses public transportation, plans to bike, etc.
- City University doesn't offer loans in the package. The award letter suggests they might be available, but doesn't provide information about how to access them.
- Private Career College doesn't provide any information about cost of attendance.

Where can you find that information?

- College websites.
- Contacting college staff directly – usually starting with the financial aid office, but sometimes an admissions representative can help answer initial questions.
- Some for-profit colleges do not disclose costs on their website. collegetuitioncompare.com lists cost of attendance for more than 8,000 colleges and universities.

2. What are some possible reasons that the Oregon Promise grant wasn't included in the Portville Community College award letter?

Assuming that the student will be starting college the fall after graduation:

- The student didn't apply.
 - *Note:* If you are doing this activity with students in March or April of their senior year, this is a good reminder that there's still time to get their Oregon Promise application in!
- The student wasn't eligible.
 - GPA less than 2.0, not a resident of Oregon for at least 12 months before college, etc.

3. The cost of attendance includes more than just tuition and fees. What other expenses might a student need to budget for?

Other expenses might include:

- Room and board
- Books and supplies
- Transportation
- Personal expenses (e.g. toiletries, childcare, cell phone bill, eating out)
- Health insurance



Answer Key: Discussion Questions, cont.

How might these be different for each college?

Expenses may vary based on a college's:

- Location and distance from home (e.g. transportation, room & board)
- Services and amenities (e.g. gym, childcare, tutoring)
- Major or program (e.g. books, supplies and lab/studio fees, study abroad)
- Student life options (e.g. fraternities and sororities, club sports)

4. How will you use what you learned when comparing your own award letters?

- Use a comparison tool like this worksheet
- Ask for help
- Find missing information

5. Reviewing award letters helps a student know which colleges he or she can afford. What other factors might a student consider in choosing a college that's a good fit?

In addition to affordability, college fit may include things like:

- Major or program
- Academic rigor
- Class size
- Distance from home
- Location
- Size
- Support services
- Student demographics



Team materials

Print one of the following materials (p. 7-14) for each team of 2-4 people.

- Worksheet, *p. 7*
- Sample financial aid offers, *p. 8-11*
- Challenges, cut *p. 12-14*

		A Portville CC	B City University	C City Christian	D Private Career
COST OF ATTENDANCE	Tuition			\$9,105	
	Fees	+	+		+
	Housing & meals	+	+	\$12,831	+
	Books & supplies	+	+	\$1,263	+
	Transportation	+	+	\$2,994	+
	Other expenses	+	+		+
1	TOTAL COST	=	=	\$26,193	=

GRANTS & SCHOLARSHIPS	Pell Grant		\$5,920		
	FSEOG	+	\$900	+	+
	Oregon Opportunity Grant	+	\$1,125	+	+
	Oregon Promise Grant	+		+	+
	College Grant or Scholarship	+	\$1,000	+	+
	Scholarship:	+		+	+
	Scholarship:	+		+	+
	Scholarship:	+		+	+
2	TOTAL GIFT AID	=	\$8,945	=	=

3	TOTAL WORK-STUDY				\$2,400				
WK-STUDY	Minimum wage (OR–2021)	÷	\$12.75	÷	\$12.75	÷	\$12.75	÷	\$12.75
	Weeks in an academic year	÷	30	÷	30	÷	30	÷	30
	Average hours/week	=		=		=	6	=	

LOANS	Direct Subsidized Loan					\$3,500
	Direct Unsubsidized Loan	+	+	+	+	\$2,000
	PLUS Loan	+	+	+	+	\$2,409
	Private Loan:	+	+	+	+	
	Private Loan:	+	+	+	+	
4	TOTAL LOANS	=	=	=	=	\$7,909

1	TOTAL COST				
2	TOTAL GIFT AID	-	-	-	-
3	TOTAL WORK-STUDY	-	-	-	-
4	TOTAL LOANS	-	-	-	-
	OUT-OF-POCKET COST	=	=	=	=

PORTVILLE COMMUNITY COLLEGE

Example Student
PCC ID: 123-456

Letter #: 02
ISIR #: 01

Please review this financial aid offer from Portville Community College. It is subject to the Conditions of Financial Aid you accepted before viewing your Award Letter. To be eligible for financial aid you must maintain Satisfactory Academic Progress. Eligibility for most types of financial aid is based on documented need according to your application and enrollment levels. Please notify the Financial Aid Office of any changes to your enrollment level, to decline any part of this award or if you have any questions.

<u>Award</u>	<u>Summer</u>	<u>Fall</u>	<u>Winter</u>	<u>Spring</u>	<u>Total</u>
Enrollment Level:	0 credits	9-11 crs	9-11 crs	9-11crs	
Fed. Pell Grant	\$0.00	\$1,974.00	\$1,973.00	\$1,973.00	\$5,920.00
Fed. SEO Grant	\$0.00	\$300.00	\$300.00	\$300.00	\$900.00
TRIO SSS PROGRAM GRANT	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Potential Work-Study	\$0.00	\$667.00	\$667.00	\$666.00	\$2,000.00
OG – Oregon	<u>\$0.00</u>	<u>\$375.00</u>	<u>\$375.00</u>	<u>\$375.00</u>	<u>\$1,125.00</u>
Total:	\$0.00	\$3,316	\$4,315.00	\$3,314.00	\$10,945.00

Student Budget *(for informational purposes only)*

The following student budget is for informational purposes only and is an estimate of how much it may cost one person to live (room & board, transportation, personal & miscellaneous, dependent care) and attend PCC (tuition & fees, books & supplies) for the time enrolled. The purpose of this budget formula is to show you your need for financial aid and does not necessarily represent the amount of aid you are eligible to receive.

Estimated Cost of Attendance (COA)	\$13,434.00	
Expected Family Contribution (EFC)	- \$0.00	(FAFSA calculation)
Estimated Financial Assistance	- \$0.00	(educational resources other than EFC and awards)
Estimated Financial Need	\$13,434.00	

B

Dear Student,

Congratulations on being admitted to City University, we are excited to welcome you to campus this fall!

This is your Financial Aid Award Letter for the academic year. Your award is based on your financial aid application, academic accomplishments and your state residency status.

Review and accept your financial aid award by May 1. Log into your CU student account online and select **Accept Award** in the Financial Aid tab.

We're here to help! If we can assist you with reviewing and accepting your financial aid award, please contact our office.

Best regards,

Director of Student Financial Aid and Scholarships

FINANCIAL AID AWARD FOR

Example Student
1234567

Estimated Cost of Attendance

Full Time

Tuition & Fees	\$9,105.00
Room & Board	\$12,831.00
Books & Supplies	\$1,263.00
Transportation & Personal	\$2,994.00
TOTAL COST OF ATTENDANCE	\$26,193.00

Your Grants and Scholarships

Federal Pell Grant	\$5,920.00
Federal SEOG	\$450.00
Oregon Opportunity Grant	\$1,125.00
City University Scholarship	\$3,000.00
Rotary Scholarship	\$1,000.00
TOTAL GRANTS AND SCHOLARSHIPS	\$11,495.00

Your Net Cost After Grants & Scholarships **\$14,698.00**

Options to Pay Your Net Costs

Student Employment

- Search for student jobs online.

Federal Student Loans

- Subsidized Stafford Loan - \$5,500.00
- Unsubsidized Stafford Loan - \$7,000.00



FINANCIAL AID AWARD LETTER • CITY CHRISTIAN COLLEGE

CCCID 12345678

Student Type: Undergraduate

City Christian College is pleased to offer you the following financial aid package totaling **\$33,895**. This award is based on academic accomplishments, financial need as determined by the FAFSA, and an estimated cost of attendance. Find more information below.

<u>Gift Aid</u>	SUMMER	FALL	SPRING	TOTAL
John H. Doe Schl	-	\$5,000.00	\$5,000.00	\$10,000.00
CCC Grant	-	\$2,975.00	\$2,975.00	\$5,950.00
Federal Pell Grant	-	\$2,960.00	\$2,960.00	\$5,920.00
Federal Opportunity Grant	-	\$1,000.00	\$1,000.00	\$2,000.00
Oregon Opportunity Grant	-	\$563.00	\$562.00	\$1,125.00
Total Gift Aid				\$24,995.00
<u>Loans</u>				
Direct Subsidized Loan	-	\$1,750.00	\$1,750.00	\$3,500.00
Direct Unsubsidized Loan	-	\$1,000.00	\$1,000.00	\$2,000.00
Total Loans				\$5,500.00
<u>Outside Aid</u>				
Rotary-Local	-	\$500.00	\$500.00	\$1,000.00
Total Outside Aid				\$1,000.00
<u>Work Option</u>				
Federal Work-Study	-	\$1,200.00	\$1,200.00	\$2,400.00
Total Work Option				\$2,400.00
Total Financial Aid Offered				\$33,895

Cost of Attendance

Estimated Direct Costs		Cost of Attendance (\$59,684.00) - Expected Family Contribution (\$0.00) = Need (\$59,684.00)
Tuition	\$43,686.00	
On Campus Room and Board	12,658.00	
Average Fees	788.00	
(A) Total Estimated Direct Costs	\$57,132.00	
Estimated Other Costs		Payment Options There is a \$25,789 gap between your estimated cost of attendance and total financial aid offered. You may use outside scholarships, a payment plan, parent PLUS loans or private loans to cover this gap.
Off Campus Room and Board	\$0.00	
Books and Supplies	930.00	
Personal Expenses	942.00	
Transportation	680.00	
Other	0.00	
(B) Total Estimated Other Costs	\$2,552.00	
(A+B) Total Estimated Cost of Attendance	\$59,684.00	

D

Private Career College

Estimated Financial Aid Award Letter

Student Id 123456789

Prepared by: Private Career

Dear Student,

Based on the information you supplied the college, the following tentative financial aid award and financing plan has been prepared:

	2/27	3/22	4/24	7/10
DL Plus	\$0.00	\$803.00	\$803.00	\$803.00
DL Sub Stafford	\$0.00	\$1,167.00	\$1,167.00	\$1,166.00
DL Unsub Stafford	\$0.00	\$667.00	\$667.00	\$666.00
Pell Grant	\$1,974.00	\$0.00	\$1973.00	\$1973.00
Total:	\$1,974.00	\$2,637.00	\$4,610.00	\$4,608.00

The gross amounts of loan funds are shown. Loan proceeds may be reduced by the amount of fees charged by the lender and/or guarantor. Expected disbursement dates are estimated and may be subject to delay for any number of reasons such as missing document, processing time and other unforeseen delays.

Your financial aid may be subject to revision at any time.

Awards will be applied to your tuition and fees for the periods you are enrolled. If you status changes due to probation, withdrawal, termination or graduation your awards may be changed or cancelled. Eligibility for the listed aid is subject to: receipt of required documentation, review of federal verification requirements, satisfactory academic progress, and approvals by involved agencies.

Student Signature

Date

Parent Signature

Date



1 Cost of attendance

- Divide the financial aid offers among your team.
- Using the offers, complete as much of the Cost of Attendance section of the worksheet as you can.
- Find the missing words for each of the following statements.

The total cost of attendance is made up of _____ & _____, housing & meals, books & supplies, transportation, and other expenses.

You need to formally accept your financial aid award when you decide to attend a college. The deadline for accepting your award at City University is _____ _____.

About a quarter of the total estimated direct cost to attend City Christian College is

_____ _____ and _____, which covers lodging and food.

At Portville Community College, eligibility for financial aid is based on two things. They use your completed FAFSA or ORSAA to determine your documented need. Your _____ _____, or whether or not you will be attending full-time or part-time, also matters.

_____ _____ doesn't provide any information about how much it will cost to attend.

Unscramble the letters in each box to form a word:



2 Grants & scholarships

Grants and scholarships are sometimes called “gift aid,” which is money that does not have to be paid back. It can come from the government (federal or state), the college, or from private scholarships.

- Use the award letters to complete the Grants & Scholarships section. Different colleges use different abbreviations for the same types of aid, e.g. OG – Oregon = Oregon Opportunity Grant.

Which college offers the largest amount of grants and scholarships? How much?

3 Work-Study

Most students have a job while they are in college. Research shows that working 8-10 hours a week doesn't affect academic performance for full-time students, but working more than 15-20 hours a week can make it difficult to stay on track with classes.

The federal government gives colleges money to pay students to work so they can earn money for educational expenses. Jobs that are paid using this money are called **work-study** jobs.

- Use the award letters to complete the Work-Study section.

Choose the one set of jobs that are NOT work-study positions.

- A. Dining hall worker, student lab assistant, financial aid office assistant
- B. Graphic designer, tutor, receptionist at a community organization
- C. Pilot, construction worker, student athlete
- D. Library assistant, campus tour guide, news reporter



4 Loans

An education loan is money you have to pay back when you leave college. You will also have to pay back the interest on the loans. There are two main types of loans:

Subsidized	Unsubsidized
The government pays the interest for you while you are in college. <i>Example:</i> Subsidized Direct Loans	You are responsible for paying the interest that accrues while you are in college. <i>Examples:</i> Unsubsidized Direct Loans, PLUS loans, private loans

- Use the award letters to complete the Loans section. Different colleges use different abbreviations for the same types of aid, e.g. DL Sub Stafford = Direct Subsidized Loan.

Which colleges have offered loans in your award letters?

What is the total amount of unsubsidized loans that Private Career College offers?

5 Out-of-pocket cost

The out-of-pocket cost is what a student actually pays. It's the cost of attendance minus financial aid, including loans and work-study.

- Complete the last section, Out-of-Pocket Cost.

What is the out-of-pocket cost?

Portville Community College	\$
City University	\$
City Christian College	\$

Why can't you calculate the out-of-pocket cost for Private Career College?



Discussion questions

1. What information is missing from the award letters? Where can you find that information?
2. What are some possible reasons that the Oregon Promise grant wasn't included in the Portville Community College award letter?
3. The cost of attendance includes more than just tuition and fees. What other expenses might a student need to budget for? How might these be different for each college?
4. What questions should you ask when comparing your own award letters? Where might you go to get help to answer those questions?
5. Reviewing award letters helps a student know which colleges he or she can afford. What other factors might a student consider in choosing a college that's a good fit?