

NAME:

DATE:

## Interpreting a Financial Aid Award Letter

Preview this document and note the main topics and ideas. Use these activity pages to take notes and record ideas as you learn. Be sure to save the document with a logical file name in your personal workspace so you can refer back to it later.

### Sample Financial Aid Award Letter

Review the financial aid letter and answer the questions.

<b>UNIVERSITY B OFFER OF FINANCIAL AID</b>	
<b>COST OF ATTENDANCE (ESTIMATED)</b>	
TUITION	\$31,500
FEES	\$2,000
ROOM & BOARD	\$11,000
CLASS SUPPLIES	\$1,000
TRAVEL	\$600
MISCELLANEOUS/PERSONAL	\$3,500
<b>TOTAL COST</b>	<b>\$49,600</b>
<b>GIFT AID</b>	
FEDERAL PELL GRANT	\$5,000
MERIT SCHOLARSHIP	\$12,000
<b>TOTAL GIFT AID</b>	<b>\$17,000</b>
<b>LOAN OPTIONS</b>	
FEDERAL PERKINS LOAN	\$3,000
FEDERAL SUB STAFFORD LOAN	\$1,500
<b>EXPECTED NET (ACCEPTING ALL AID)</b>	<b>\$28,100</b>
<b>EXPECTED NET (ACCEPTING GIFT AID ONLY)</b>	<b>\$32,600</b>

1. What is the total cost of attending University B without any financial aid?

*Answer*

2. Which aid offered in the letter will the student NOT have to pay back?

*Answer*

3. How many student loans are being offered in this letter?

*Answer*

4. In what way would a student's up-front expenses change if he or she accepted only the gift aid outlined in this letter and declined the stated student loan terms?

*Answer*

5. If you received this letter, what aid would you accept? What aid would you decline? What aid might you try to negotiate with the school? Why?

*Answer*

## Reflect

1. If you received a financial aid award letter that offered to fund your education entirely via student loans, would you be willing to accept them? Or would you seek out alternate ways to pay the expenses associated with your college education? Why?

*Answer*

2. Imagine that you are dissatisfied with the financial aid package that a college has offered you. What information and evidence would you provide to support your negotiation for additional aid?

*Answer*

3. Which information from this activity do you plan to implement going forward?

*Answer*