

Reading a financial aid offer

Moderate · 30 min to do · Free

An aid offer mixes money you keep (grants and scholarships), money you earn (work-study) and money you pay back (loans). Subtract only the grants and scholarships from the full cost to see what school will really cost you.

YOU'LL NEED

- ☐ Each school's aid offer ☐ A calculator, or the CFPB's free comparison tool

DO IT LIKE THIS

- 1 **Find the full cost, not just tuition: tuition and fees, housing and meals, books and supplies, and transportation.** Schools call this the cost of attendance.
- 2 **Circle the grants and scholarships.** A Federal Pell Grant, unlike a loan, generally doesn't have to be repaid. Read the rules for each award so you keep it.
- 3 **Treat work-study as a paycheck, not cash up front.** Federal Work-Study gives part-time jobs to students with financial need, and undergraduates are paid by the hour, at least the federal minimum wage.
- 4 **Mark every loan as debt.** You don't have to accept all the loans you're offered, or the full amount.
- 5 **Full cost minus grants and scholarships is what you'll cover with savings, work and loans.** Compare that number across schools. The CFPB's Paying for College tools walk you through it.
- 6 **Call the financial aid office with questions.** Helping you is their job, and asking questions won't put your funding at risk.

Watch out A big total can hide a lot of loans. Two offers with the same total can leave you with very different debt. Compare what you'd owe, not just what you're offered. Work-study isn't a discount either: it's paid by the hour for hours you actually work.

DAD NOTE *Grants are gifts. Work-study is a job you still have to show up for. Loans are bills with a long fuse.*

Full lesson: aptkeys.com/money/paying-for-college/reading-a-financial-aid-offer/

Checked October 2, 2026. Sources: Consumer Financial Protection Bureau; U.S. Department of Education (Federal Student Aid).