Is It Worth It? Compare Education Pathways

Read aid offers, project debt and earnings, and recommend a pathway for a real-feeling student.

Unit 9: College & Career ROI | 3 class periods | Individual or pairs

Name(s) _____ Period ____ Due _____

Introduction

Choosing what to do after high school is a financial decision as well as a personal one. You will advise Camila, who is comparing four pathways, by calculating net price, debt, loan payments, and earnings over time — then recommending a path that fits her goals.

> Camila, 17, is interested in health care and business. Her family can contribute $4,000 per year. She has four options with fictional aid offers and wants to understand cost, debt, and long-term earnings.

Learning goals

- Compute cost of attendance and net price from aid offers.
- Model student-loan payments and total interest.
- Compare cumulative earnings including forgone earnings.
- Compute payback periods and consider completion risk.
- Recommend a pathway with a clear rationale.

Supporting documents and data

Pathway data (fictional; yearly unless noted)

Pathway	Cost of attendance	Grants/scholarships	Years	Total federal loans	Starting salary (est.)
Lakeview Private College (BA)	$72,000	$52,000	4	$27,000	$56,000 at age 22
State University (BA)	$31,000	$9,000	4	$27,000	$56,000 at age 22

Pathway	Cost of attendance	Grants/scholarships	Years	Total federal loans	Starting salary (est.)
Pine Ridge CC → State U transfer	$9,500 (CC) / $22,000 net (State U)	included above	4	$12,000	$56,000 at age 22
Dental hygiene AAS (2 yrs)	$18,000	$6,000	2	$10,000	$70,000 at age 20

Other information

Item	Value
Student-loan rate	6.53%, 10-year standard plan
High-school-only baseline	$34,000 growing 2%/yr
Completion rates (6-yr)	Private 82% · State U 64% · Transfer path 48% · Dental hygiene AAS 71%
Earnings while in school	BA paths $6,000/yr; CC years $12,000/yr; AAS $8,000/yr

Tasks

Task 1: Net price

1. Compute yearly and total net price for each pathway.
2. How much must be covered by family, work, or loans?

Deliverable: Net price table.

Task 2: Debt

1. Compute each pathway's monthly loan payment and total interest.
2. Compare payment to starting monthly income.

Deliverable: Debt table.

Task 3: Earnings over time

1. Compute cumulative net earnings at ages 30 and 40 (earnings – net price – loan interest).
2. Graph the four pathways.

Deliverable: Earnings table + graph.

Task 4: Risk

1. Compute a simple payback period vs. the high-school baseline.
2. Discuss how completion rates change the risk.

Deliverable: Payback and risk analysis.

Task 5: Recommendation letter

1. Write a letter to Camila recommending a pathway and a backup plan.

Deliverable: Letter.

Reflection

1. Did the sticker price predict the net price?

2. How should completion rates affect a decision?

3. What would you research about your own options?

Submission checklist

- ☐ Net price table
- ☐ Debt table
- ☐ Earnings table and graph
- ☐ Payback and risk analysis

- ☐ Recommendation letter
- ☐ Reflection

Scoring rubric

Category (points)	Exemplary (100%)	Proficient (~80%)	Developing (~60%)	Beginning (~30%)
Financial understanding (20)	Uses vocabulary precisely and explains every financial concept involved, including assumptions.	Mostly accurate explanations with minor vocabulary gaps.	Partial understanding; some concepts misapplied.	Little evidence of understanding.
Mathematical accuracy (25)	Net price, loan, and cumulative earnings calculations correct.	1–2 minor errors that do not change conclusions.	Several errors or missing work.	Calculations largely missing or incorrect.
Analysis & comparison (20)	Compares every option on the same basis and tests at least one changed assumption.	Compares options with small gaps.	Comparison superficial or uneven.	Little analysis.
Justification (15)	Recommendation is supported by specific numbers and weighs non-financial factors and risks.	Mostly supported.	Mostly opinion.	No justification.
Communication & presentation (10)	Clear, organized, well-labeled tables, charts, and writing.	Minor clarity issues.	Hard to follow in places.	Disorganized.
Completion (10)	Every checklist item complete.	One item missing.	Two or three items missing.	Most items missing.

Total: 100 points. Alternative recommendations earn full credit when supported by accurate evidence.

ALL PEOPLE, BUSINESSES, PLACES, AND NUMBERS IN THIS PROJECT ARE FICTIONAL. RATES AND COSTS ARE ILLUSTRATIVE ASSUMPTIONS.