Unit 8 Quiz — College, Career & Independence

Teen Money Independence · Lessons 8.1 – 8.6

Name: Date:

PART 1 — MULTIPLE CHOICE (2 POINTS EACH)

Circle the best answer.

1. A university's sticker price is $52,000/year. After grants and scholarships, a student pays $21,000/year. The $21,000 figure is called the:

A. Sticker price

B. EFC (Expected Family Contribution)

C. Net price

D. FAFSA award

2. A college award letter shows a $28,000 "aid package" consisting of $10,000 in grants and $18,000 in loans. Total annual cost is $34,000. How much does the student still need to cover beyond the package?

A. $0 — the package covers everything

B. $6,000 — the gap between cost and total package

C. $18,000 — only the loans count as real aid

D. $28,000 — the full package must still be repaid

3. You borrow $5,500 in unsubsidized federal loans at 6.5%. You are in school for four years and make no payments. At repayment, your balance is larger than $5,500 because:

A. The government added a loan origination penalty

B. Interest accrued during school and was capitalized (added to principal)

C. Your rate increased to the default rate after graduation

D. Unsubsidized loans have hidden fees disclosed only at graduation

4. A job offer shows a $46,000 base salary, a 4% 401(k) match, and employer-paid health insurance worth $7,200/year. What is your approximate total compensation?

A. $46,000 — only the salary counts

B. $47,840 — salary plus the 401(k) match

C. $55,040 — salary plus match plus health insurance value

D. $53,200 — salary plus health insurance only

5. You receive a job offer of $52,000. Market research shows the range is $57,000–$64,000. What is the most strategic counter-offer?

A. Accept immediately — negotiating risks the offer being withdrawn

B. Counter with $80,000 to anchor high

C. Counter with $59,000–$61,000 based on market data and your qualifications

D. Ask only for more PTO, not more salary

PART 2 — SHORT ANSWER (5 POINTS EACH)

👥 The four friends are finishing high school and making post-secondary decisions.
Lucy chose a state university with a $22,000 net price (after $14,000 in grants); she borrowed $18,000 total over four years.
Alex graduates debt-free from a trade program and is earning full-time at 18.
Joseph borrowed $68,000 for a degree he changed twice — his loan payment is $720/month, about 64% of his take-home pay.
Sofia is still deciding; she hasn't filed a FAFSA yet and the deadline is approaching.

Use the scenario above to answer Question 2.

1. Using the salary-matching rule, what is the maximum total loan debt a student should take on for a nursing career with a $58,000 expected starting salary? Does a plan costing $24,000/year for four years (no grants) stay within that guideline?

2. Why does negotiating your starting salary matter more than negotiating a raise two years into the job? Explain using the idea of salary as a compounding baseline.

PART 3 — MATH PROBLEM (10 POINTS)

1. Joseph borrowed $5,500 at 6.5% unsubsidized during his first year of school. Interest accrued for 4 years (use simple interest for this problem).

(a) Calculate the total interest accrued.

(b) What is his balance when repayment begins (capitalized)?

(c) If his monthly payment is $62, and $30 goes to interest in month 1, how much reduces his principal?

Show your work:

SCORE

Multiple Choice	Short Answer	Math	Total
/10	/10	/10	/30

Grader notes: