

BUDGETING FOR COLLEGE

INTRODUCTION & LEARNING GOALS

It is important for students to consider the kinds of expenses they may need to be prepared to cover during college. This lesson will help students:

- *Learn how to plan and budget for the costs associated with college*
- *Explore ways to save for college expenses*

AGENDA

Timing: approximately 55–80 minutes (will vary by class size)

1. Warm-up: What college expenses do I need to plan for?
2. How to create a budget
3. Wrap-up/Reflection: Ways to save for college expenses

ITEMS NEEDED

1. A copy of the College Success Guide for each student in the class. If students don't have copies on hand, you may download a printable PDF at LearnMoreIndiana.org/classroom-materials. For this lesson, refer to pages 5–7.
2. Computers with Internet access. Depending on computer availability, students can work in pairs or small groups to conduct online research.
3. A basic calculator for each student (or make sure there's a calculator available on each computer).
4. Dry-erase board, chalkboard or large sheet of paper.
5. Worksheets included in this lesson (make a copy for each student in the class):
 - Planning for college expenses
 - Budgeting for college (also on pages 6–7 in the College Success Guide)



Activities

1

WHAT COLLEGE EXPENSES DO I NEED TO PLAN FOR?

(20–25 minutes)

Distribute the worksheet: “Planning for college expenses.”

Give students about 10 minutes to brainstorm a list of expenses that they may need to cover during college. Have them jot down their ideas on the worksheet.

Then, have students share some of their answers with the group. Briefly discuss what types of financial aid students might be eligible for and the importance of searching for scholarships and other additional sources of funding (loans, savings, income, etc.).

2

HOW TO CREATE A BUDGET *(25–35 minutes)*

Distribute the worksheet: “Budgeting for College.”

This worksheet is also included on pages 6–7 of the College Success Guide. Provide clean copies to students who have already completed the worksheet in their College Success Guide.

Use the worksheet to walk through the following steps for creating a budget:

- a.** Calculate income. Account for any financial aid being paid directly to the student, but not any financial aid being paid to the college. If students aren’t sure what financial aid they may be receiving, tell them to leave it blank. Allow students 5–10 minutes to complete this section of the worksheet.
- b.** Estimate expenses. Allow students to use the computer to research the cost of the college they plan to attend. This information usually lives on the admissions or financial aid page of a college’s website. Students should account only for costs not being covered by grants or scholarships paid directly to the college. Give students 15–20 minutes to research and complete this part of the worksheet.
- c.** Subtract total expenses from total income. Allow students about 5 minutes to calculate their per-semester and per-month totals.



Activities

3

WRAP-UP/REFLECTION: WAYS TO SAVE FOR COLLEGE EXPENSES *(10–20 minutes)*

Ask students to individually complete the last column of the “Budgeting for College” worksheet (page 7 in the College Success Guide). Give them about 10 minutes. Then, invite students to share their answers to the last question — “What are some other ways you plan to save money and cut down on your costs during college?” — with the group and record students’ answers on the dry-erase board, chalkboard or large paper. Encourage students to also jot down the responses that are shared with the class, so they may save these ideas for their own financial planning.



Worksheet | BUDGETING FOR COLLEGE

You may not yet know exactly what your financial aid package looks like, what wages you will earn or what expenses you will incur during college. But, you can start thinking now about how you will budget your money. Use these worksheets to estimate your budget. Visit your college's website to find out how much it costs to attend their school. You may also need to do some online research to find typical costs for books, supplies, meals and other expenses.

<i>Income</i>	<i>Per semester</i>	<i>Per month</i>
Financial aid paid directly to you (grants, scholarships or student loans)		
Work wages (after taxes)		
Savings		
Other income		
TOTAL INCOME		



Worksheet | BUDGETING FOR COLLEGE

<i>Expenses</i>	<i>Per semester</i>	<i>Per month</i>
Tuition (\$\$ not covered by grants and/or scholarships)		
Room/housing (rent, plus utilities if living off campus)		
Food (meal plan, groceries, coffee, dining out, etc.)		
Books		
School supplies		
Phone		
Insurance		
Clothes		
Entertainment		
Transportation		
Other		
TOTAL EXPENSES		



Worksheet | BUDGETING FOR COLLEGE

Use your estimates from the previous pages to determine if your income will be enough to cover your expenses. You may need to consider another source of income or identify what expenses you can possibly cut.

Income vs. expenses

**Subtract your total expenses
from your total income**
(per semester)

**Subtract your total expenses
from your total income**
(per month)

**Do your expenses total more than your
income?**

**If so, what expenses might you consider
cutting?**

**What ideas do you have for additional
sources of income?**

**What are some other ways you plan to save
money and cut down on your costs during
college?**