



CENTS

CONSUMER EDUCATION
AND TRAINING SERVICES

PLANNING FOR HIGHER EDUCATION FOR FAMILIES RESOURCE SECTION

WA529
WASHINGTON COLLEGE SAVINGS PLANS



WASHINGTON STUDENT
ACHIEVEMENT COUNCIL
EDUCATION · OPPORTUNITY · RESULTS

Table of Contents

- GETTING A BALLPARK ESTIMATE FOR HIGHER EDUCATION COSTS 3
- COLLEGE NAVIGATOR WEBSITE: <http://nces.ed.gov/collegenavigator/> 6
- BALANCE SHEET..... 8
 - INSTRUCTION GUIDE TO FILL OUT THE BALANCE SHEET: 9
- BUGET SHEET 10
 - INSTRUCTION GUIDE TO FILL OUT BUDGET SHEET: 12
- TRACKING EXPENSES- GENERAL LEDGER 15
- SAMPLE GENERAL LEDGER 17
- SAMPLE SPECIFIC LEDGER 19
- ENVELOPE METHOD 20
- ADDITIONAL RESOURCES 20

This Resource section is designed to accompany the **Planning for Higher Education for Families Activity** (“the Activity”). Please start with the Activity and begin to advance through it. The Activity has a few places where it will direct you to this Resources Section to assemble critical information for further advancement on the Activity. In other words, start with the Activity, and you’ll work back and forth between the Activity and the Resource Section.

Resource for the Activity's STEP TWO:

GETTING A BALLPARK ESTIMATE FOR HIGHER EDUCATION COSTS

Ballpark estimate 2: Full sticker and net price for every Washington 4-year college, from page 20 of the Activity.

Below, is a list of all state and private, non-profit 4-year colleges in Washington, followed by the average cost of attendance of Washington community colleges and technical schools. Please note: the costs listed are for one year only. The net price is defined as the total cost of school (tuition and living expenses) minus grants and scholarships you receive. The years the figures are from are cited and are the most recent figures available.

State Schools

Central Washington University:

Type: State School

Full sticker price 2018-19: \$23,201

Avg. net price 2016-17: \$14,124

Eastern Washington University:

Type: State School

Full sticker price 2018-19: \$23,011

Avg. net price 2016-17: \$11,393

Evergreen State College:

Type: State School

Full sticker price 2018-19: \$23,397

Avg. net price 2016-17: \$12,407

University of Washington:

Type: State School

Full sticker price 2018-19: \$27,638 per year

Avg. net price 2016-17: \$9,443 per year

Washington State University:

Type: State School

Full sticker price 2018-19: \$27,484 per year

Avg. net price 2016-17: \$17,885

Western Washington University:

Type: State School

Full sticker price 2018-19: \$24,077

Avg. net price 2016-17: \$16,117

Private Non-Profit Schools:

Antioch University - Seattle:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$37,255

Avg. net price: not reported

Bastyr University:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$26,091

Avg. net price: not reported

City University of Seattle:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$31,238

Avg. net price: not reported

Columbia College - Whidbey Island:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$24,240

Avg. net price: not reported

Cornish College of the Arts:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$59,442

Avg. net price 2016-17: \$36,845

Faith International University:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$19,835

Avg. net price 2016-17: \$15,520

Gonzaga University:

Type: Private, Non-Profit School

Full sticker price 2018-19: \$59,795

Avg. net price 2016-17: \$34,085

Northwest University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$43,440
Avg. net price 2016-17: \$22,547

Saint Martin's University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$52,802
Avg. net price 2016-17: \$22,695

Seattle University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$61,608
Avg. net price 2016-17: \$35,581

University of Puget Sound:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$65,616
Avg. net price 2016-17: \$40,065

Whitworth College:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$59,350
Avg. net price 2016-17: \$29,281

Community Colleges:

Average Cost of Attendance
2018-19: \$18,134.25

Technical Schools:

Average Cost of Attendance
2018-19: \$18,525

Heritage University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$32,204
Avg. net price 2016-17: \$11,742

Pacific Lutheran University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$56,784
Avg. net price 2016-17: \$24,567

Seattle Pacific University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$58,794
Avg. net price 2016-17: \$31,078

Walla Walla University:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$37,890
Avg. net price 2016-17: \$23,940

Whitman College:

Type: Private, Non-Profit School
Full sticker price 2018-19: \$68,082
Avg. net price 2016-17: \$38,144

Resource for Activity's STEP TWO:

COLLEGE NAVIGATOR WEBSITE: <http://nces.ed.gov/collegenavigator/>
(from page 19 of the activity)

You can use the College Navigator Website to find the full sticker price and average net price for one year at any college, university, or community college and most trade/vocational/technical schools.

To get the full sticker price for one year:

Go to: <http://nces.ed.gov/collegenavigator/>

Type the name of the school you are considering in the "Name of School" field where it says "Type name of school here". It's in the upper-left. You can also search by state, zip code, degree types, etc.... If you type the name of the school, make sure you correctly type the complete name or the listing will not show.

This will lead to a list of colleges. There may be several campuses or colleges with similar names listed. Pick the one that's applicable.

This will take you to a page with several tabs that provide information about the school, such as General Information; Tuition, Fees, and Estimated Student Expenses, Financial Aid, etc....

For now, let's look at the cost of the school. To do this, click on the Tuition, Fees, and Estimated Student Expenses Tab, which will expand it.

Under the tab, you will see tuition information near the top of the tab. Scroll down until you get to the TOTAL EXPENSES section.

You will see information for several years. Look for the most recent academic year and the relevant living situation (On campus, Off campus, or Off campus with family). If it's a state school, choose whatever is applicable between in-state or out-of-state tuition.

It will show the sticker price of the college but may not be the price you pay. Colleges often offer their own grants and scholarships. Some are based on need and some are based on merit. The grant and scholarship awards are taken out of the sticker price to get a net price. Please also note: the numbers listed are for the given year. The amounts may change.

To get the average net price for one year:

Enter the <http://nces.ed.gov/collegenavigator/> website like you did above.

Select the “Net Price” tab, rather than the Tuition, Fees, and Estimated Student Expenses Tab. When you click on it, it will expand.

You can also look at the average amount of grants and scholarship awarded at the college by income. It’s in the same tab (Net Price).

This is just to give you a ballpark idea. The actual amount your student will receive may vary.

Finally, these are current prices. Tuition is likely to keep increasing, unless there are significant changes in legislation and/or policy.

You may encounter high sticker prices. Remember the thinking traps. Don’t let this information dissuade you. Most people don’t pay the sticker price. Your student may receive grants and/or scholarships. Your savings can help reduce student loan debt and there are always less expensive options. You can also utilize the College Navigator to obtain other critical information. Look at the other categories.

Return to page 20 of the Activity “YOUR BALLPARK ESTIMATE OF THE COSTS”.

BALANCE SHEET

From page 26 in the Activity. See further instructions after the Balance sheet.

Item		Amount
Your assets		\$
1	Cash in checking accounts, personal/emergency savings accounts and certificates of deposits	\$
2	Plus: 401(k) savings plan (or other savings plans)	\$
3	Plus: Individual Retirement Account (IRA) balances	\$
4	Plus: Investment account balances	\$
5	Plus: Life insurance policies (cash value or surrender value)	\$
6	Plus: The value of your house (don't deduct mortgages)	\$
7	Plus: The value of any other real property	\$
8	Plus: The value of your car(s) (don't deduct car loans	\$
9	Plus: The value of your personal property	\$
10	Plus: Savings in College Savings account	\$
11	Equals: Your total assets	\$
Your liabilities		
12	The balance owed on your home mortgage(s) (if applicable)	\$
13	The balance owed on any other mortgage (non-home)	\$
14	Plus: Student loans (yours or your children's that you owe now)	\$
15	Plus: Policy loans on life insurance or from retirement plans	\$
16	Plus: Automobile loans	\$
17	Plus: Credit cards and charge accounts	\$
18	Plus: Outstanding medical debt owed to health care providers	\$
19	Plus: Other liabilities	\$
20	Equals: Your total liabilities	\$
Your financial net worth		
21	Total assets (Line 11)	\$
22	Minus: Total liabilities (Line 20)	\$
23	Equals: Your financial net worth (deficit)	\$

INSTRUCTION GUIDE TO FILL OUT THE BALANCE SHEET:

You'll see the form is numbered 1 through 23 going down the left side of the form in the "ITEM" category.

Start with assets, or items you own that are financially worth something. Numbers 1 – through 10 on the form are assets.

Starting at number 1, go down the list and **enter** what the asset is worth in the "Amount" category. For example, start with item 1, which is the total of the cash you have in checking accounts, savings, and certificates of deposits. **Write the total amount** you have in this item in Row 1 in the Amount column. And keep going down the form. So go down the form and write an amount for items 1 through 10, even if the amount is zero.

ESTIMATING

If you just want to get through the form, it's ok to estimate, as long as you don't treat the estimates as actuals. For items like cash in checking accounts, savings, and 401(k) savings, you can look those up to verify.

TOTAL ASSETS

After you have entered amounts for items 1 through 10, add up the total of all the amounts you entered. So item 1 (Cash in checking accounts, personal/emergency savings accounts, and CDs plus item 2 (401k savings) plus item 3 (IRA balances), and so on. Put that super total in the amount for number 11. That is the grand total of all your assets. Also, write that amount in number 21 "Total assets" near the bottom of the form.

LIABILITIES (DEBTS)

Now, let's look at your debts, again, also called liabilities. In similar fashion, starting with number 12, go down the form through number 19 and write what you owe for each liability. For example, write what you owe on your home mortgage(s), if applicable, which is item 12; the balance owed on any non-home mortgage, if applicable, which is item 13; the amount you owe for existing student loans, and so on. Go down the form to number 19, which you can list any other liabilities/debts you owe. If you don't owe anything for an item, write zero in the amount for that item.

TOTAL LIABILITIES

Add up the amounts you listed in items 12 through 19 and write that total in number 20 "Equals your total liabilities". Also, write this amount in number 22 "Minus: total liabilities" near the bottom of the form.

CALCULATING NET FINANCIAL WORTH

Now, take your total assets, which is what you put in number 21, and minus your total liabilities from it. You put your total liabilities in number 22. Write the answer in number 23 "Your financial net worth". If it's a negative number, that means you owe more than you own right now. That's ok, as you can change this over time.

Return to BALANCE SHEET RESULTS on page 27 of the Activity.

BUGET SHEET

Resource for STEP 3's Budget Sheet (page 28 of the Activity):

⇒ Fill out the column's 1 through 3 on the Budget sheet on the next page. If you want further instructions, see below the Budget Sheet.

Return to BUDGET SHEET RESULTS on page 28 of the Activity after you've filled out the Budget sheet for the first time.

FOR THE MONTH OF: _____

MONTHLY NET INCOME = **\$** _____ **.00**

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4
EXPENSES	DUE DATE	FIRST TRY:	SECOND TRY:
1. SAVINGS FOR COLLEGE			
2. FOOD / GROCERIES			
3. HOUSING PAYMENT			
4. HOME/RENTERS INSURANCE			
5. PROPERTY TAXES (owners only)			
6. UTILITIES: electricity/gas			
7. UTILITIES: Water/Sewer/garbage			
8. CABLE/SATELLITE TV			
9. CELL PHONE			
10. TELEPHONE			
11. INTERNET			
12. SUBSCRIPTIONS/MEMBERSHIPS			
13. AUTO PAYMENTS			
14. AUTO INSURANCE			
15. Auto maintenance/tabs/parking/GAS			
16. Other transportation: bus/lightrail/?			
17. STUDENT LOANS			
18. OTHER DEBT PAYMENTS			
19. HEALTH INSURANCE			
20. Medical: copays/coinsurance/Rx/etc.			
21. DINING OUT			
22. HOBBIES			
23. SHOPPING/PERSONAL CARE			
24. CHILD CARE			
25. ENTERTAINMENT			
26. GIFTS: holidays, special event, etc.			
27. Vacation: all related costs			
28. CHARITY			
29. UNEXPECTED EXPENSES			
30. OTHER SAVINGS			
31.			
32.			
33.			
34. TOTAL OF EXPENSES			
35. INCOME MINUS EXPENSES MARGIN OF:		\$	\$

INSTRUCTION GUIDE TO FILL OUT BUDGET SHEET:

MONTHLY

You'll see we listed "For the month of" at the top of the form. Write the month the spending plan is for.

INCOME

Right under the month you entered, there is a space for you to list your monthly net income, or how much money you have to spend after taxes and deductions have been taken out. It can also be called your monthly take-home pay. One of the most important steps in budgeting is identifying how much money you have to spend. So for number two on the form, enter your monthly net income.

For example:

Let's say
Thomas'
monthly net
income is \$5,000
a month.

EXPENSES

Let's move onto the expenses portion of the budget equation. You'll see we numbered the expenses from 1 through 33 on the left side of the form. Also, notice near the top of the form under **MONTHLY NET INCOME**, we listed 4 columns.

Column 1 lists common expenses and it runs down the left side of the form, from 1 to 33. We included savings as an expense (number 1), unexpected expenses as an expense (number 29), and we left 3 blank spaces for other expenses you have that we didn't list (numbers 31 through 33).

Column 2 is for due dates. We put this in so you can have a reminder of when your payments are due. So you can plan around them and make sure you have cash flow (or money in the bank) when those due dates arrive. Of course, not all your expenses will have due dates.

Column 3 is where we want you to start in just a moment. It's your estimate of what you will spend on a monthly basis for each listed expense. This is your plan. We'll come back to this in just a moment.

Column 4 is a second attempt for each spending category. It's an improvement on your first attempt. Hold off on column 4 until later in the Activity.

FILLING OUT THE EXPENSES

OK, let's return to the budget form. The next step in the budgeting process is to write down what you want to spend for the month in each category. So go down each expense from number one to 33 or so, depending on whether you added any more categories in, and write how much you will spend in a month on that particular expense in the "FIRST TRY" part of column 3. So, for example, put what you are going to allocate for number 1 Savings in Column 3. Then do the same for number 2 Food/Groceries and then number 3 Housing Payment and so on.

Generally, as you go through the categories think if there are any expense areas that are not listed on the budget form. You will see we left numbers 31 through 33 blank so you can fill those in with any expenses you have that we didn't list.

EXPENSE TOTAL

Once you've written in monthly expense totals in column 3 from numbers 1 through 33, add up all these monthly expenses to get one big monthly expenses total.

For example:
Let's say the total of all of Thomas' expenses is \$4,700 a month.

For example:

Thomas would subtract the total of all his expenses, which is \$4,700, from his monthly net income of \$5,000. A \$300 surplus is left over.

THE PULSE OF YOUR BUDGET

The next step in the budgeting process is taking the pulse of your budget. It's going to tell you if it's healthy and sustainable. You have your monthly expense total listed in column 3, number 34. Then, subtract your monthly expense total from your monthly net income total, which is listed near the top of the form.

DO YOU HAVE A SURPLUS, DEFICIT OR BALANCED BUDGET?

⇒ So what is your number after you've subtracted your monthly expense total from your monthly net income?

If the result is a positive number, that's great. It's a surplus, or there is more income than expenses. That means you are spending less than what you make. If the result is zero, you are spending exactly what you are making, which is called a balanced budget. If the result is a negative number, that means you are spending more than you are making. It's a deficit. A budget with a deficit is not sustainable because it's building up debt. At some point, the debt payments will overtake the budget. It's like digging a hole. If you keep digging deeper and deeper, the hole will get deep enough where you will not be able to get out on your own.

We still have a "SECOND TRY" in column 4 to do, but before we do that,

Return to *BUDGET SHEET RESULTS* on page 25 of the Activity after you've filled out columns 1 through 3 of the Budget Sheet.

If this is your second time back to the form and you've filled out **column 4's "Second Try" Numbers**, return to **"A Note about Future Projections for Your Financial Situation" on page 31 of the Activity.**

If you want to compare what you budgeted to what you actually spent, you can use the Budget sheet for that too. You write what you budgeted in column 3 and then what you actually spent in column 4.

Resource for STEP 5's TRACKING YOUR FINANCES: (page 43 of the Activity)

⇒ There are multiple methods to track your expenses, including newer technology. Below, we walk through a “low-tech” traditional approach to walk through the concept. The approach or technology you use doesn't matter, as long as you truly track your finances.

TRACKING EXPENSES- GENERAL LEDGER

To introduce the concept of expense tracking, let's talk about the General Ledger. It's a document to record your spending and earning. It's not your budget. It's used to help your budget. It can be on a computer program, phone application, or a piece of paper. Everything you spend and everything you make goes in the **General Ledger**. It starts with a balance, or how much is in your account and available to spend. For expenses, you record the date; the amount of the expense; the budget category it is, for example, dining out or entertainment, or whatever it may be; and where you spent it. You subtract the amount of your expense from your balance.

For example:

Let's say Thomas has a balance of \$1,000. He goes out to dinner at Organic Joe's for \$20. He records the date of the expense. April 13. The amount of the expense. \$20. The budget category: dining out. He subtracts the \$20 from his \$1,000 balance to get to a new balance of \$980. (That's \$1,000 minus \$20.)

When you are paid, you also write that in the general ledger. Write the date, amount you were paid, where you paid from, and add it to your balance.

Let's say Thomas was paid \$1,000 on April 14 from work. He'd enter that information into the ledger and add the \$1,000 to his previous balance of \$980 for a new balance of \$1,980.

Do this every day for your income and expenses. Either get receipts or check your online account balances. Then at the end of the month, you can compare it to what you budgeted for.

You'd have to go through your general ledger and separate the spending by budget category. For example, highlight every time you went grocery shopping that month to see what your monthly expense was for grocery shopping. This is what you actually spent for grocery shopping and you can compare it to what you budgeted for grocery shopping. Your bank statements, online or hard copy, provide useful information such as your account balance and account activity such as withdraws and deposits. Generally, your statement won't let you track your spending by budget category. Your credit card statement will have the same challenge. It will show the purchases you made and any payments made to the credit card company, but it won't organize your expenses in a way that will compare it to your budget. You will either have to do that work yourself, like in the grocery shopping example, or utilize a program or app that helps you do it. Again, the idea is to be able to compare what you budgeted for in each category versus what you actually spent in each category.

Ideally, if you withdraw cash to spend on various items it would be helpful to know what you are spending that cash on. You could keep track of how that cash is spent. The specific ledger is introduced next and it will help with that situation.

SPECIFIC LEDGER

If you've found a budget category that is giving you trouble, a Specific Ledger may help. A specific ledger is a tool that will help you track your spending in one particular category. If you are having trouble with one particular expense, say dining out or shopping, you take the specific ledger and list the amount you budgeted for that particular category. Let's say \$100 for dining out. So you put "Dining out" on the specific ledger and list "\$100" as the budgeted amount. Every time you dine out, you list the date, where you dined out, and the amount of the expense, and subtract it from the budgeted amount. For example, if you spent \$25 at The Pizza Place on March 1, you would enter that info into the form. And you would subtract \$25 from \$100 for a new budgeted amount of \$75. You would do this every time you dine out. And when you hit zero, your spending for that category should be done for the month.

ANOTHER USE OF THE SPECIFIC LEDGER

Another way to use a specific ledger is if you have a certain amount of money you want to use for your discretionary or fun spending, across several budget categories. It could include shopping, dining out, movies, etc.... You would list the broader category on your specific ledger and list the amount you budgeted for. Anytime you spend money in that category write it down and subtract from the budgeted amount. Again, once you hit zero, **your** discretionary spending is over for the month.

SAMPLE SPECIFIC LEDGER

EXPENSE FOR: <u> Dining Out </u>			
DATE	DETAILS	SPENT	BALANCE
FIXED AMOUNT FOR THIS EXPENSE			\$ 100.00
3/1	The Pizza Place	\$25	\$75

ENVELOPE METHOD

This is the old-school practice of the envelope method. You could choose a specific category, like shopping, or something general, like discretionary expenses. Put the budgeted amount in the envelope and every time you spend in that category take from the envelope. When the envelope is empty, your spending for that category is done for the month. The envelope method is a good way to restrict your spending, but if you use it for a broader category like discretionary spending, you may want to record where you spent it for your knowledge.

Return “PERIODICALLY REASSES YOUR FINANCIAL SITUATION” on page 43 of the Activity.

ADDITIONAL RESOURCES

Free Application for Federal Student Aid (FAFSA)

⇒ www.studentaid.edu.gov

College Savings Plan Network

⇒ collegesavings.org

IRS Publication 970

⇒ www.irs.gov/publications/p970

WSAC

⇒ www.wsac.wa.gov

⇒ www.thewashboard.org

CENTS

⇒ centsprogram.org

⇒ debtslapped.org