

# College Cost Worksheet

### 1. EDUCATION COSTS

College Costs \_\_\_\_\_

Would you prefer to target a top private college or a public in-state school? How many years left does your child have before enrolling? Use the chart below to determine your child's likely average annual costs upon enrollment and enter that number at the left.

YEARS UNTIL ENROLLMENT	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Top Private College Costs (\$)	39K	40K	42K	45K	47K	49K	52K	54K	57K	60K	63K	66K	69K	73K	76K	80K	84K	88K	93K
Average Private College Costs (\$)	28K	29K	31K	32K	34K	36K	38K	39K	41K	43K	46K	48K	50K	53K	55K	58K	64K	64K	67K
Out-of-State Public College Costs (\$)	19K	20K	21K	22K	23K	24K	25K	27K	28K	29K	31K	32K	34K	36K	38K	39K	41K	44K	46K
In-State Public College Costs (\$)	13K	14K	14K	15K	16K	17K	17K	18K	19K	20K	21K	22K	23K	25K	26K	27K	28K	30K	31K

### 2. PROJECTED INCOME

Income \_\_\_\_\_

What is your current income? Do you have a good estimate in advance of what your income will be when your child enters school? If so, enter that number at the left. If not, multiply your current income by the number given in the following chart (under your child's years to enrollment) and enter that number at the left.

YEARS UNTIL ENROLLMENT	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Income Multiplier	1.00	1.04	1.07	1.11	1.15	1.19	1.23	1.27	1.32	1.36	1.41	1.46	1.51	1.56	1.62	1.68	1.73	1.79	1.86

### 3. PROJECTED ASSETS

Assets \_\_\_\_\_

Estimate your family's current assets – include the value of any investments/savings you own and possibly the value of your primary residence (see below). To estimate roughly what those assets will be worth when your child enrolls, multiply your current assets by the number given in the following chart (under your child's years to enrollment) and enter that number at the left.

YEARS UNTIL ENROLLMENT	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Asset Multiplier	1.00	1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	1.63	1.71	1.80	1.89	1.98	2.08	2.18	2.29	2.41

### 4. MATH

Grand Total \_\_\_\_\_

In the box below enter Projected Income from Part 2 above and Projected Assets from Part 3 above. Multiply projected income by .20 and multiply projected assets by .05. Add these two numbers together. This is your Grand Total; enter that number at the left.

SUMMARY OF ABOVE	MULTIPLY BY	TOTAL
Projected Income at Enrollment _____	x .20	_____
Projected Assets at Enrollment _____	x .05	_____

(Income Total \_\_\_\_\_ + Assets Total \_\_\_\_\_)

CONTINUED ON PAGE 2 >

### 5. EXPECTED FAMILY CONTRIBUTION

In the boxes below, enter the Projected Annual Cost from Part 1 and the Grand Total from Part 4. Next to Expected Family Contribution at the left, enter the SMALLER of these two numbers. This amount is roughly the amount you should expect to pay for each year of your child's college education.

**Explanation:** The Grand Total is an approximation of the amount a college or university would expect a family to pay toward education costs. Therefore, if the Grand Total is greater than the Projected Annual Cost, you are unlikely to receive any financial aid. Conversely, if the Projected Annual Cost is greater than the Grand Total, it is likely the difference will be made-up through financial aid.

Expected Family Contribution \_\_\_\_\_

(smaller of Projected Annual Cost or Grand Total)

SUMMARY OF ABOVE	
Projected Annual Cost _____	Grand Total _____

### 6. TOTAL SAVINGS

To determine how much money you would need to have before your child's freshman year of college, take your answer for Part 5 (Expected Family Contribution) and multiply by 4.4. Enter that number at the left.

Total Required Savings \_\_\_\_\_

### 7. ANNUAL SAVINGS

To determine how much you should save each year to achieve Total Required Savings, multiply your answer from Part 6 by the number in the table below corresponding to the number of years until your child's enrollment and enter that number at the left.

Annual Savings \_\_\_\_\_

YEARS UNTIL ENROLLMENT	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Savings Multiplier	1.00	0.49	0.32	0.23	0.18	0.15	0.12	0.10	0.09	0.08	0.07	0.06	0.06	0.05	0.05	0.04	0.04	0.04	0.03

### ADDITIONAL INFORMATION

**Legal Disclaimer:** This worksheet is for informational purposes only and does not constitute investment advice or a complete description of the services or performance of Educational Investments, LLC. This worksheet is merely designed to provide an estimate of costs, contribution expectations and savings requirements. Actual figures will be either higher or lower than the above results and may vary based on a number of factors including the rate of inflation, asset growth, income growth and others. Educational Investments, LLC provides no warranties as to the accuracy of any information set forth herein.

**More than One Child:** Having more than one child may reduce your college costs but only during the years in which two or more children are in school at the same time. If you are receiving financial aid, then it is likely that you will still be expected to pay the same amount in total for two (or more) children as you were paying for one child. If you have not received financial aid for the first child, depending on your income, you may receive financial aid for the second child.

**Student's Assets and Income:** This worksheet has purposefully left off all questions about student income and assets because one can expect most, if not all, of that money to be used for education costs. The reason being that colleges and universities will expect practically all of a student's assets (over the course of four years) and at least half of a student's income to go toward paying education costs.

**Primary Residence:** Most public universities will not include the value of your primary residence when determining financial aid, while many private schools will. Depending on which type of school you are considering, it is worthwhile to do these calculations twice, once including the equity value of your primary residence (value of home less total mortgage amount) and once not.

**Assumptions:** College Cost Inflation = 5%; Income Inflation = 3.5%; Asset Growth = 5%

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