

## Hidden College Costs

Not all college costs appear on the college bill, which is often limited to tuition and required fees. Sometimes room and board will be included, if the student is living in campus housing. But, hidden college costs can add hundreds or thousands of dollars of unanticipated expenses each year.

Most students should budget for an additional \$300 to \$500 per month for extra costs while enrolled. Otherwise, they may run out of money mid-year. About half of college students run out of money because they didn't budget for hidden college costs or because of an unanticipated expense or a change in family financial circumstances.

There are dozens of hidden college costs that can increase the cost of a college education. These are some of the largest such unanticipated expenses.

- Fees. Some colleges nickel and dime families with additional fees. It's a backdoor way for them to stealthily increase college costs while claiming that they've limited tuition inflation. Examples include orientation fees, student activity fees, health insurance and student health center fees, technology fees, printing fees and copying costs, lab fees, online course fees, club fees, athletic fees, library fines, academic transcript fees and graduation fees. There are also convenience fees for paying college bills with a credit card.
- Front-loading of grants. Some colleges practice front-loading of grants, where the mix of grants and loans is more favorable for freshmen than for upperclassmen. This can cause your net price to increase by \$1,000 to \$2,000 or more in subsequent years. Some scholarships are just for one year and are not renewable for all four years. If your scholarship is renewable, make sure you know and fulfill the requirements for renewal.
- Taxes. Did you know that [scholarships are taxable](#)? Scholarships used for tuition and textbooks are tax-free, if you are a degree candidate, but not scholarships for room and board, transportation or other college costs.
- Tuition refund insurance. Tuition refund insurance covers the difference between the college's refund policy and college costs if the student needs to withdraw for medical or other reasons. But, [tuition refund insurance](#) is usually limited to just one semester, not the full cost of college. Most students do not need it.
- Housing. If the student lives off campus, there can be extra costs for a security deposit, utilities and renter's insurance, in addition to rent. One can reduce these costs by getting a roommate to split the costs or having the student live at home with their parents. For students who live in a dorm, there may be summer housing costs or summer storage fees.

- Greek life. Fraternities and sororities sometimes charge high dues in addition to live expenses, due to their social activity budgets.
- Textbooks. The allowance for [textbooks](#), supplies and equipment may underestimate the actual costs, especially for students in certain majors. Students should keep receipts and appeal to the college financial aid office to adjust the cost of attendance based on the actual cost of required textbooks.
- Computers. The cost of a computer, tablet or laptop, peripherals, software and internet access can be a major expense. Many computer manufacturers have special discounts for college students, but still the price tag can reach thousands of dollars. Be sure to get a good lock to keep the computer secure.
- Transportation at college. Keeping a car on campus can be very expensive. Besides the usual expenses, such as gas, insurance and repairs, parking on campus can be extremely expensive. Even when you pay for on-campus parking privileges, it doesn't guarantee you a parking spot. If you park in the wrong lot, you will be penalized with a parking ticket. Consider relying on public transportation, walking and biking. If you do need an occasional ride, Uber, Lyft and Zipcar are affordable options.
- Travel to and from college. There are four breaks a year: spring break, summer break, fall break and winter break. The cost of visiting home can quickly add up. Students can save on the travel costs by limiting the number of trips a year, buying tickets in advance and using a [rewards credit card](#).
- Study abroad. Although financial aid can be used to pay for a semester or academic year abroad if the [study abroad](#) program is accepted for credit by your U.S. home institution, there may be additional costs that aren't covered. For example, travel expenses are not considered a qualified higher education expense for 529 college savings plans.
- Internships. An unpaid internship may mean forgoing income from summer employment. Even if the internship is paid, you may have high costs for living expenses, depending on the location of the internship.
- Changing majors. If you switch majors, you might have to take extra classes to get on track with your new major. This can add a semester or two of extra college costs before you can graduate.
- Clothing. Aside from the need to buy new clothing due to the freshman fifteen and business attire for interviews during the senior year, students who move from a warmer climate to a colder climate might need to buy snow gear.
- Fun. Eating out and paid entertainment can add significantly to college costs. If you don't like the cafeteria food, consider switching to a lower-cost meal plan. Decorating your dorm room and buying furniture can be a big budget item. When shopping for these items, ask for student discounts. Some stores will give you a 10% discount just for showing your student ID.

If your family's financial circumstances have changed, tell the college's financial aid office and [appeal for more financial aid](#).

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