

Daily Union Article
Saturday, July 28, 2018
Title: Back To School Budgeting

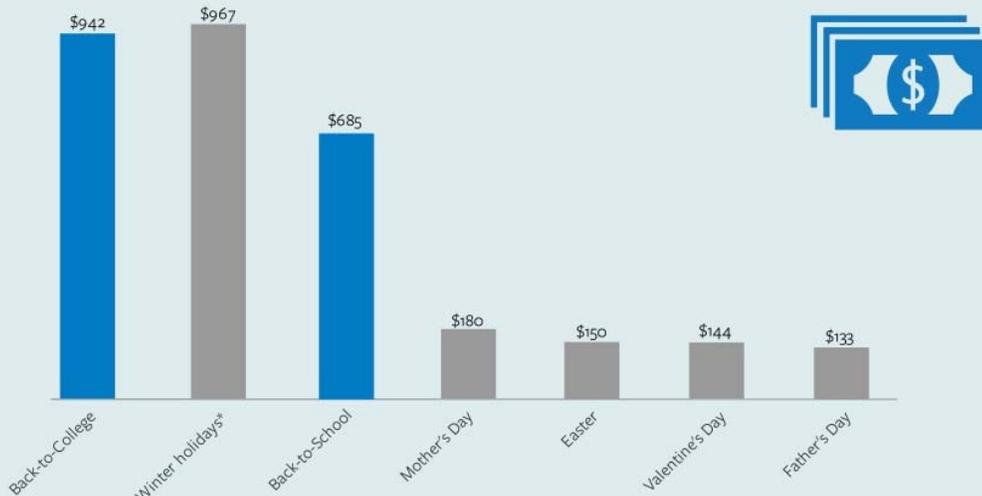
With August 1 nearly here, school supply lists are starting to appear in our local department stores among the rows of markers, bright folders, binders and more. Ready or not, school season is fast approaching.

The National Research Federation (NRF) has been conducting annual Back-to-School and Back to College surveys since 2003 in order to get a pulse on the American purchasing habits for this time of year. There is no doubt this has been a historically “big money” season for many suppliers and retailers. The fall 2018 season is no different. NRF reports “Total spending for K-12 schools and colleges combined is projected to reach \$82.8 billion, nearly as high as last year’s (2017) \$83.6 billion.”

HOW THE SEASON STACKS UP

Along with the winter holidays, back-to-class is one of the top spending events for consumers. Back-to-school and back-to-college shoppers spend more per household on items for the upcoming school year than consumers spend on Mother’s Day, Father’s Day and Valentine’s Day combined.

Major Consumer Spending Events (2018 expected household spend)



*Expected household spending from 2017 Winter holiday season
Source: NRF's Annual Consumer Spending Surveys, conducted by Prosper Insights & Analytics

nrf.com/backtoschool



Too often, the back-to-school purchasing season is not recognized as the significant purchasing season that it is. As you can see from the graph provided, a lot of cash flows out of the pockets of consumers during this season.

Whether you are launching a child off to college or off to kindergarten, you need to consider creating and holding to a realistic and practical budget. Here are some suggestions that might help make fall financial decisions about back-to-school purchases easier to make:

- 1) Always start with a plan. The more you consider what is needed in relation to what you can afford, the more likely you will be able to move with your child through this transitional time without financial “scars.” A budget helps you define and adhere to boundaries with your purchases.
- 2) Look at what you already have on hand. I keep a school supplies box by the computer in my home office. Every May, my kids come home with a backpack laden with leftover supplies. Together, we sort through each backpack to determine what is reusable and what needs tossed. We also take a closer look at their backpack and lunchbox. Do they really need a new one or can they get along with the one they had. Sometimes if they know they will have to use a backpack for more than one year, they are motivated to take better care of these items. By delaying the purchase of a new one in August, you might be able to find a better price later in the fall.
- 3) Find out how much you will need to pay in fees to the school. This could include book rentals, band instrument rental, or athletic fees. Paying for the first month of lunch money can also set you back a bit. If money is tight for you at the beginning of school, perhaps have your children take a lunch would ease the squeeze. You can also apply for free and reduced-price lunch programs through your local school district. These programs are based on your household size and income. You can get more information about these programs when you enroll your child for the school year.
- 4) Consider what your child will need for clothes to get started. Do last spring’s blue jeans still fit? Does your child need shoes for both the school day and their Physical Education class, or are they allowed to wear the same shoes for both? Transitioning from summer clothing worn around the house and playground to clothing that meets the school’s clothing policies might be a challenge. Take some time to set out the clothes your children are currently wearing and help them identify which ones are appropriate for school. From there, move on to making a list of immediate clothing needs for the first few weeks of school. Be cautious not to wait too long to make these basic purchases. Too soon the store shelves will have a sparse supply of “the basics” needed for beginning the school year.
- 5) Now it’s time to crunch the numbers. Compare your budgeted amount of spending for back to school with your monthly expenses. Are there places you can cut back on other bills to help you pay for the back-to-school purchases needed? What resources can you tap in your community to help stretch your dollar? There is a back to school fair planned in Junction City on August 4th and

another one on August 11. In addition to free backpacks and school supplies, your child can also get a health screening and age-appropriate immunizations.

Your teens will have additional expenses over what is needed for your younger children. This is an ideal time to help them learn the basics for budgeting. You can also help them understand the stark difference between a *want* versus a *need* – a concept that even we adults struggle with!

You can also explain that there are many options available for buying the things they need. For example, buy a trendy pair of new jeans may cost well over \$40 in a name brand store, while only \$20 at a retail chain store, or perhaps a mere \$8 at a thrift or resale shop. Another example is the cost difference between a notebook that has a cover with licensed characters or emblems on it (\$5 and up) or a simple single color notebook that they can purchase for as little as \$.50!

Preparing for school with your children or grandchildren offers a great opportunity to spend quality time together. When you plan ahead and keep to a budget, you will find that it also makes this expensive purchasing season much less stressful. For more information about family budgeting and spending plans, contact me at the Geary County K-State Research & Extension office at 785-238-4161. Until next time, keep living resourcefully!