Requirements:

This is a document to post on the Psychology department’s website as a resource for graduate students looking for budgeting and/or financial planning advice.

* New graduate students with a focus on international students
  + If you live here you’ll have these expenses
* Resources
* Sections: sample rents, food, utility (cost of living)
* 3 sample budgets
* Additional funding for summer?
* Student income:
  + 9 month contract (can be extended by12 months), biweekly

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1. CREATING YOUR BUDGET

The hardest part about creating a budget is knowing where to start. Resources and other tools will be available and linked to help you set your financial goals.

I would recommend creating a monthly budget tracker as many of these fixed expenses occur then. Biweekly income can be put together with the overall monthly expenses. However, you may choose to create a budget specifically tailored to your own needs. I find the most success with monthly tracking because biweekly is too short and a semester budget is too uncertain and subject to many changes.

Personally, I like to overestimate my costs and expenses and underestimate any income so that it allows me to make better decisions when it comes to managing my finances. I also like color coding money coming in and money going out then breaking it down by time/dates. Having a rough idea of how much you are starting with and the amount of money spent for each month or even each quarter can help you adjust your budget as needed.

2. COSTS & EXPENSES

It is important to track fixed costs and expenses in order to budget accurately. This section will provide you with the cost of living around UMBC as well as other fixed, recurring, and other variable costs.

2.1 Fixed Expenses

These are expenses that do not change such as your rent, car insurance, utilities, and tuition. The cost of living will always vary from location to location however, here is a quick chart below to help you have a rough idea of what it may look like.

2.1.1 Yearly Fixed Expenses

This will include tuition and fees. Typically, students pay tuition and fees on a semester basis however, this was the cost shown on the UMBC website. Additionally, direct costs are costs billed directly to the student and indirect costs are variable estimates that are not billed.

|  |  |  |  |
| --- | --- | --- | --- |
| [2021-2022 Graduate Cost of Attendance](https://financialaid.umbc.edu/2021-2022-graduate-cost-of-attendance/) | | | |
| 2021-2022 | In-State  Per Year | Out-of-State  Per Year | Type |
| Tuition/Fees | $15,048 | $23,994 | Direct |
| Rent/Utilities/Food | $22,500 | $22,500 | Indirect |
| Books | $800 | $800 | Indirect |
| Transportation | $2,416 | $2,416 | Indirect |
| Other | $1,684 | $1,684 | Indirect |
| Direct Loan Fee | $178 | $178 | Indirect |
| PLUS Loan Fee | $888 | $888 | Indirect |
| Total | $43,514 | $52,460 |  |

2.1.2 Semester Fixed Expenses

This will typically include any books or academic supplies. Below is an example for the ABA program. Here is the [full Handbook](https://psychology.umbc.edu/files/2020/11/HSP-Handbook-AY2020-2021.pdf) for [HSP - ABA Program](https://psychology.umbc.edu/files/2019/05/2-ABA-Handbook-Abbreviated.pdf) for required courses.

Required textbooks/readings/course material roughly cost $300 per semester where each course would be given a budget of $100 for required materials which is more than enough. Students estimate spending $100 to $300 on course materials per semester. Most courses have professors who provide journal articles and don’t have required materials.

2.1.3 Monthly Fixed Expenses

This will include the cost of rent, utilities, insurance, car payment, groceries, and banking fees.

|  |  |  |  |
| --- | --- | --- | --- |
| Average Cost of Rent & Utilities per Location (Monthly) | | | |
| Type | Location | Rent | Utilities |
| 1 Bedroom Apartment | Catonsville, MD | $1,300 | unknown |
| 1 Bedroom Apartment | Baltimore, MD | $1,500 | $252.00 |
| 1 Bedroom Apartment | Columbia, MD | $1,300 | $138.20 |
| 1 Bedroom Apartment | Laurel, MD | $1,700 | $138.20 |
| 1 Bedroom Apartment | Arbutus, MD | $1,600 | $140 |
| 1 Bedroom Apartment | Ellicott City, MD | $1,200 | unknown [(around $217?)](https://www.bestplaces.net/cost_of_living/city/maryland/ellicott_city) |
| 1 Bedroom Apartment | Elkridge, MD | $1,400 | unknown |

Basic utilities are gas, electricity, and water. Here is a great resource that goes into more depth about [estimating the cost of apartment utilities](https://www.apartmentlist.com/renter-life/estimating-apartment-utilities-cost).

In Baltimore, MD the average electricity, gas, and water cost is $159.00, $48.56, $33.76 respectively (article last updated April 8, 2021). The total average cost being $252.00.

A garbage bill should also be taken into consideration when creating your budget. More often than not, landlords may include trash and recycling services into your utility bill but it’s always good to verify.

Internet services are also another utility depending on your ISP.

Here, I also assume the average college student is not paying for Cable TV services. Rather, streaming services will be accounted for and listed under the Subscriptions category.

Cell phone services are also extremely important in this day and age. Some assumptions for phone services will include little to no data usage, buying or leasing a device, and the ability to text and call. Free wifi is provided on campus and UMBC has their own VPN called GlobalProtect so data usage is really not needed in this case.

Finally, renter’s insurance is not a utility but may be factored into your budget if you’d like (it’s only $15 to $30 a month but totally up to you).

|  |  |  |
| --- | --- | --- |
| Monthly Expenses | | |
| Type | Average Cost | Your/Personal Cost |
| Car Insurance (average in the U.S.) | $103.33 ($1,240/year) |  |
| Car Payment (average in the U.S. for a used car) | $300 |  |
| Gas  (average gas in MD $2.759 \* average gas tank size 12 gallons) = $33.108  (average 25 miles per gallon) = 300 mi  Catonsville = 2.7 mi  Baltimore = 9.4 mi  Columbia = 17 mi \* 2 = 34mi \* 20 = 680mi  Laurel = 17 mi  Arbutus = 2.2 mi \* 2 = 4.4mi \* 20 = 88 mi  Ellicott = 9.3 mi  Elkridge = 7.5 mi  Assume:  Student goes to campus 5x a week, roundtrip = 20x month | Anywhere between  $33.108  and  $75.0448  (680mi / 300mi = 2.267 \* $33.108)  depending on where you live  not accounting for leisure activities |  |
| Transportation (if no car)  UMBC transit (unavailable until 5/20/21)  [All Access College Transit Pass](https://www.mta.maryland.gov/all-access-college-transit-pass)  [UMBC ZipCar](https://www.zipcar.com/universities/pricing?affiliate_id=468456146&uni_name=University%20of%20Maryland%2C%20Baltimore%20County) (unavailable until Spring 2021) | Free  $52.90  ($25/year) |  |
| Internet - basic | $30 - $35 |  |
| Phone - mint mobile | $15 - $30 |  |
| [Groceries](https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-reports-monthly-reports) (varies from location to location) | $200 |  |
| Subscription Services  Netflix - Basic  Spotify Premium Student + Hulu Plan  Amazon Prime Student | $8.99  $4.99  $6.49 (OR $59/year) |  |

2.2 Variable Expenses

They are usually subject to change depending on how much you spend. This section will be skipped.

2.3 Secondary Expenses

These include leisure expenditures and unnecessary expenses. It’s always nice to treat yoself!

* Restaurants/food (going out to eat)
* Clothes and shoes
* Personal care items
* Salon services
* Hobbies or recreational activities
* Entertainment

I would recommend having a rough idea of your income minus total expenses for the month then taking 10% or 20% of your paycheck and putting it into a savings account. Then the amount leftover can be used for secondary expenses. I also typically save calculating secondary expenses for last.

3. FINANCIAL AID

It’s also important to take financial aid into consideration. This can be in the form of

* Scholarships (by semester/year)
* Loans (by semester/year)
* Grants (by semester/year)
* Parental Support (weekly/biweekly/monthly)

4. INCOME

Any income made. It will usually be in the form of biweekly paychecks. Passive income should also be noted however, if the difference is not largely noticeable, I would recommend keeping it in your savings account.

Graduate students in the Psychology department are also able to sign 9 month contracts (standard) for employment but this may be extended to 12 months (summer funding, international students) if additional funding is needed.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Stipend | | | | |
|  | Yearly | Bi-weekly | Health Insurance | University Fees |
| 9-month contract  (no summer work) | $20,300 | $922.73 | Covered by department | Covered for first 3 years |
| 12-month contract | $23,990 | $922.69 | Covered by department | Covered for first 3 years |

5. SAVINGS

Savings - Emergency Fund

Here, I recommend a standard savings account for long-term investing and an emergency savings account/fund. The latter should have a minimum of $100 in it to cover small expenses but aiming for $500 is ideal.

I highly suggest implementing [the 50 30 20 Rule](https://www.tiaa.org/public/learn/personal-finance-101/how-much-of-my-income-should-i-save-every-month#:~:text=mean%20saving%20longer.-,At%20least%2020%25%20of%20your%20income%20should%20go%20towards%20savings,you%20to%20budget%20your%20money.) for guidance on personal finance.

This is where 20% of your income goes towards your savings account, 50% towards your necessities like fixed payments, and 30% to discretionary (non-essential) items. This may not be feasible for a graduate student but it is a good rule of thumb for tracking your spending and finances.

Student Discounts

There are many discounts available for students online. Personally, I have used <https://www.myunidays.com/> a lot for netflix and other applications/subscriptions that require students to verify their email address. As long as you have your general student information and a university email account, you will be able to access many of their rewards and benefits.

Other brick and mortar stores also offer student discounts if you just ask! (Vineyard vines have student discounts, AMC theaters, etc.) All you have to do is show them your student ID.

Other membership programs include <https://www.studentbeans.com/us> and <http://www.isic.org/> however I have not used these personally.

Some popular student discounts and freebies are

Subscriptions: apple music ($4.99 per month), youtube premium ($6.99 per month), spotify student with Hulu and Showtime ($4.99 per month)

Some free applications to help you find the best deals:

* <https://www.joinhoney.com/>
* <https://www.retailmenot.com/>
* <https://www.slugbooks.com/>

Rewards and Benefits of Building Credit

Best credit cards for college students:

Discover Student IT

Long-term Investments

(This is probably the least important aspect of this guide)

I would recommend investing with <https://www.acorns.com/>, it is a micro-investing application free for students. It works by automatically rounding up to every dollar spent. This means your change will go towards your acorns account.

Best Budgeting Apps

My favorite app for personal finance is <https://mint.intuit.com/> it gives you an overview on every account in your name including loans, credit cards, bank accounts, etc. It also breaks down how much you spend and tracks all your finances.

6. RESOURCES

6.1 Helpful Links

6.2 Tips from Other Grad Students

Will have a questionnaire or poll for graduate students to send their tips for budgeting. This may include the best areas for renting an apartment, favorite local restaurants, or best places to save on school materials.

6.3 Funding Opportunities

Email newsletter(?) sent out to graduate students.

Possibly have a whiteboard/bulletin board <div> box for updated opportunities.

7. SAMPLE BUDGETS

7.1 Templates

In-State

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Budget Item | Academic Year Quarter | Academic Year | Summer Quarter | 12 Month Budget |
| Rent |  |  |  |  |
| Food |  |  |  |  |
| Personal Expenses |  |  |  |  |
| Transportation |  |  |  |  |
| Books and Supplies |  |  |  |  |
| Campus Health Service Fee |  |  |  |  |
| Cardinal Care Health Insurance |  |  |  |  |
| Total Non-Tuition Expenses |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Item | Cost per Item/Day | Cost per Month | Cost per Year |
| Morning snack (3x/week) |  |  |  |
| Library Fines (1x/week) |  |  |  |

Annual Costs

|  |  |
| --- | --- |
| Tuition | Books & Supplies |
|  |  |

Monthly Costs

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Housing | Utilities | Transportation | Healthcare | Debt | Groceries and Eating Out | Shopping and Other |
|  |  |  |  |  |  |  |

Student Budget Worksheet

|  |  |  |
| --- | --- | --- |
| CATEGORY | MONTHLY | YEARLY |
| INCOME | | |
| Employment |  |  |
| Parental Support |  |  |
| Scholarships |  |  |
| Financial Aid |  |  |
| Public Assistance |  |  |
| Other sources |  |  |
| INCOME SUBTOTAL | | |
|  | | |
| EXPENSES | | |
| Tuition |  |  |
| Textbooks |  |  |
| College Fees |  |  |
| Housing (rent/mortgage) |  |  |
| Telephone |  |  |