

Week 15 Planning for College Expenses with NIL Income

NIL income provides student-athletes with a powerful opportunity—not only to earn money, but to better manage the rising costs of attending college. Whether you're on full scholarship or covering part of your own expenses, planning ahead can reduce stress, prevent debt, and keep you financially stable while in school.

Understanding College Costs

Even with scholarships, many athletes still face out-of-pocket expenses such as:

- Housing and meals (off-campus or partial plans)
- Books and course materials
- Transportation and travel
- Health insurance or medical co-pays
- Personal items (clothing, toiletries, phone, etc.)
- Fees for labs, clubs, or activities
- Summer session tuition or living costs

These expenses add up fast, and if you're not careful, you can fall into debt.

Using NIL Income to Cover Costs

Smart planning means using NIL income to support academic and personal success. Consider:

- **Budgeting** monthly to track academic-year and summer expenses
- **Saving** during high-earning periods to cover future semesters
- **Setting aside funds** for tuition or housing gaps
- **Using income** to avoid loans or reduce student debt

When you use NIL money for needs—not just wants—you build lasting value.

Prioritizing Expenses

Create a tiered approach to spending NIL income:

1. ****Essentials**** – Housing, food, books, utilities
2. ****Academic support**** – Laptop upgrades, software, tutoring
3. ****Health and wellness**** – Gym memberships, therapy, insurance
4. ****Transportation**** – Car insurance, gas, flights home
5. ****Lifestyle extras**** – Apparel, dining out, entertainment

Cover needs first. Treat the rest as optional.

How to Create a Semester Budget

1. Estimate all school-related costs (per semester)
2. Forecast NIL income by month or by deal
3. Allocate income by category (essentials, savings, goals)
4. Review at the end of each month and adjust as needed
5. Plan for summer, winter break, and unexpected expenses

Think of this as your personal game plan for financial survival.

Tips for Success

- Don't assume NIL money will last—budget as if it won't
- Use part of your NIL to build an emergency fund
- Avoid using NIL income for others' expenses (unless planned)
- Keep school first—finances should support, not distract
- Ask for help from your school's financial aid or NIL office

Being a student-athlete is a full-time job. Managing your money makes it sustainable.

Summary

Planning for college expenses with NIL income is about responsibility, foresight, and balance. When you align your money with your mission—earning your degree and playing your sport—you put yourself in position to win on and off the field.

Control your NIL income—or it will control you.

KNOWLEDGE CHECK

True or False

1. True or False: All student-athletes have no out-of-pocket college costs.
2. True or False: You should use NIL income to support your essential academic expenses first.
3. True or False: A semester budget includes income forecasting and expense tracking.
4. True or False: NIL income should only be used for entertainment and lifestyle upgrades.
5. True or False: Planning for summer and break expenses is part of a strong financial plan.

Multiple Choice Questions

6. What is a common out-of-pocket cost for student-athletes?
 - a) NIL bonuses
 - b) Meals, books, and travel
 - c) Endorsement contracts
 - d) NIL legal fees
7. What should come first when budgeting NIL income?
 - a) Party fund
 - b) Gym selfies
 - c) Tuition, housing, and academic expenses
 - d) Social media ads
8. Why is it important to budget NIL income across semesters?
 - a) To impress your teammates
 - b) Because income and expenses change over time
 - c) So you can buy new gear every month
 - d) For NCAA approval

9. What is one risk of not planning NIL income?
- a) Getting too many scholarships
 - b) Spending too little
 - c) Running out of money mid-semester
 - d) Being too cautious
10. What's a smart way to use NIL money during high-earning months?
- a) Blow it on a weekend trip
 - b) Save or prepay for future expenses
 - c) Lend it all to friends
 - d) Keep it in your wallet

ILLUSTRATIVE EXERCISE

Objective: Help students build a monthly and semester-based college expense plan using NIL income.

Duration: 20 minutes

Scenario: You expect to earn \$4,000 this semester from NIL deals. Your total semester expenses (books, rent, food, transportation) are \$3,200.

Tasks:

1. Allocate the \$4,000 across essential categories with savings included.
2. Identify two areas where student-athletes often overspend.
3. Set a savings goal to carry you through the winter break.
4. Write one sentence explaining how you will prioritize NIL income during the school year.

ANSWER KEY

True or False Answers:

1. False – Most athletes have at least some personal or academic costs.
2. True – Essentials must come first for financial health.
3. True – A complete budget tracks income and plans expenses.
4. False – NIL income should support both academic and personal needs.
5. True – Planning ahead prevents financial stress during breaks.

Multiple Choice Answers:

6. b – These are all common student-athlete expenses.
7. c – Always start with essentials and academic needs.

- 8. b – Budgeting by semester prepares you for variable costs and income.
- 9. c – Poor planning can result in budget shortfalls.
- 10. b – Prepaying and saving help you stay ahead financially.

Exercise Answer and Explanation:

- 1. Example: Rent & food – \$2,000; Books – \$600; Transportation – \$300; Savings – \$1,100.
- 2. Overspending areas: Food delivery, gear/clothing.
- 3. Goal: Save \$500 for winter living costs.
- 4. “I’ll use NIL income to cover essentials, save consistently, and avoid unnecessary spending.”