Money is essential. It’s a necessity to live through college, but it does come with a lot of responsibilities. Costs can build up from grocery trips, gas if you have a car, and rent if you’re not a commuter. These expenses add up through college and prove to be a challenge to afford. More independence and being away from home during our time at college gives us the chance to put financial guidance into practice and work on managing our money effectively. We have a responsibility to manage funds throughout college, and costs can get out of control if there’s too many additional expenses, such as substances. Alcohol, marijuana, vape, and cocaine are commonly used by students for enjoyment, sense of relief and other means. Using substances irresponsibly can result in many financial concerns down the line. Cutting back on your substance use may be helpful for you in managing your money as a student.

An average debt for a GVSU undergraduate student is a little over $24,000. With debt alone a worry for students, saving now is crucial as we strive towards a healthy lifestyle after graduation.

Hey, I’m Zachary Plisko. As always, I’m your host for, “In the Mix,” a podcast provided through the Alcohol and Other Drug Services here at Grand Valley. I’m here to inform students to be safe, be responsible and be smart when using substances. Here on episode seven of season two, we’ll be talking about money. It can be a daunting, boring topic, but I’ll try to simplify money values to help students understand the costs of buying substances and give tips for how to budget money.

First, let’s cover the costs of basic needs like groceries, gas and rent.

Groceries are an obvious essential every student needs. We all love our trips to Family Fare or the Standale Meijer. We go about once or twice a week to stock up on food and other needs. The Department of Agriculture notes college students spend about $160 to $380 a month on groceries.

If we add in take-out orders or at sit-down restaurants, students on average spend an additional $200 a month.

What about owning a car? For some students’ gas and car insurance adds to monthly expenses. This can cost $170 at a bare minimum like small drives to campus or food runs. The number may increase as it depends on miles per gallon the car gets and how often you drive.

Now rent–the big one–as two-thirds of students here at Grand Valley live off-campus. Let’s be real, rent prices are crazy. Prices vary among where students live in the Allendale area. I’ve seen prices as low as $380 and over a thousand dollars. It does depend on your floor plan and where you live.

I’ll take the bare minimum of $380 and add it to the overall costs.

So, we’ll take $160 plus, $200, plus $170, plus $380, which equals $910 which is our lowest cost of all necessities.

Again, this price can be a lot higher with varying places to rent, amount of groceries and various types of cars. This is an example total as we’ll use this number to compare that with a student's average income.

Income is how much money is received on a regular basis like working. Undergraduate students have about a $14,000 median net worth. Net worth is the total wealth an individual has through all financial accounts.

Think of the $14,000 as if you worked part time through school; about 20 hours a week and while at home or staying on-campus during the summer, you worked full-time.

If we take the $14,000 and divide it by twelve; monthly income of college students is a little less than $1,200.

Now for a little more math.

Let’s take our monthly income of $1,200 and subtract it from the bare minimum expenses of $910. We’re leftover with $290. So, a little bit to work with. But if we use that extra money on substances, our savings can deplete quickly.

Let’s be real. College can be a main hub for drinking. Students party, drink casually and use it as a stress reliever. What if I told you that the added cost of alcohol on your grocery trip is around $75 a month. Now, we’d only have $215 left.

Alcohol is a socially accepted drug of choice for many students. It’s easier than many other substances to obtain whether students are at the legal age limit or not and a societal norm to try it while part of the college culture.

Though I only talked about the added costs to your grocery trip, think about other facts like rideshare costs of getting to and from social gatherings, cover charges at parties, bars, and clubs and costs of alcohol bottles themselves. Each of these factors can inflate the price of alcohol spending.

Another popularized expense is e-cigarettes. It’s a battery-powered device that uses cartridges filled with liquid that contains nicotine, flavoring, and other ingredients. Once the liquid is heated, it turns into vapor hence the name vaping. Vaping began gaining traction again as the pandemic hit. Many users wanted to see what it’s like to use one and what it tastes like. However, some use it regularly.

A disposable pen costs around $5 to $40. Some spend money on a high quality pen for around $100 which then cartridges are used to change the vape. Cartridges are changed monthly, depending on consumption, but this adds to monthly costs of $10. This monthly expense doesn’t take into account a new pen and battery.

If we subtract $10 from the $215, we’ll have $205 leftover.

The green herbal plant, marijuana as discussed in episode two of, “In the Mix,” saw an increase in use since the legalization of the substance in 2016. Since then, marijuana prices continue to rise where by the end of 2019, an ounce of marijuana costs over $300.

On average, users spend a little more than $50 on marijuana products. The use of marijuana is to serve as an alternative to relieve the mind of stress from work, school or other activities. Often, students appreciate the euphoric feeling and enjoy the alternative state of mind.

Now, subtracting $50 from the $205, we have $155 left.

Cocaine is a drug stimulant that produces a feeling of power and energy. The college crows appreciate the drug for the euphoric rush and feelings of pleasure while partying. Now, it’s the second most used illegal drug among college students.

Cocaine costs vary from $24 to $200 a gram. It does depend on purity as other ingredients may affect the value.

With the $155 we have left and subtract $24. Now we only have $131 left overall.

Having little money left over from all expenses can be troublesome. Budgeting is a good skill to have while at college. Over time, as more money is saved, it helps you live more comfortably in the future whether it’s paying off student debt, investing or keeping a strong savings account.

To begin budgeting, look at the amount of money you have. This includes part- or full-time jobs, money in savings, extra financial aid help or other means.

Next, list monthly expenses. We already looked at gas, food, rent and possible substances, but even trips to the Starbucks by The Marketplace counts towards expenses. Any little constant payment in general should be added to your list.

Now, subtract the amount of money you make monthly to your monthly expenses. This is your net income. Sometimes the number is negative. This means you spend more than you earn. Look at your expenses and see what can be cut out. Think maybe I don’t need a cup of coffee every day or a six pack of beer to enjoy the weekend. These small changes allow for more money to be saved.

Overall, saving money can benefit your future. It allows you to pay for expensive things like buying a car, going on trips, deposits on an apartment. If more money is saved, you’ll have more choices on such bigger priced items.

It also lets you reach goals. A lot of us will have college debt, but knowing we had money tucked away can go a long way into paying that off quickly.

Having money saved is important with covering emergencies too. A rule of thumb is to keep enough money saved to cover three month’s worth of rent in case of an emergency.

Keep a couple questions in mind when spending on substances. How much money are you spending? Is it worth adding to your expenses? What are ways to cut down the spending? Every dollar you save helps a long way.

If struggling to start budgeting or saving money, here at Grand Valley we have MoneySmart Lakers. Students can learn more about financial wellness and money management. They can better understand their financial aid, loans, the money they spend, and wealth building like investing.

If you want to learn more, head to gvsu.edu/moneysmart/. On the website you can schedule in-person or remote appointments for individualized feedback on any financial questions you have.

That wraps it up for episode seven of, “In the Mix.” Remember saving money can go a long way to a healthier future. As always, I’m Zachary Plisko, see you in the next episode.