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PERSONAL FINANCE

One Thing Parents Won't Cut From Budgets: Extracurricular Activities

Nonacademic credentials are becoming more important in college admissions

By [Oyin Adedoyin](#) [Follow](#)

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Back-to-school season marks the return of parents spending big on sports and hobbies.

Affluent families have long been in an arms race to pack kids' schedules with activities to help cultivate talents and interests that will someday shine on a college application. Spending on sports, coding classes, music lessons and other pursuits has risen not just because of inflation, but the need to stand out among peers. Not all families have the resources to keep up.

Though extracurriculars have always played a role in college admissions, they are becoming more important for several reasons. Standardized-test scores now carry less weight than they used to, and reporting them is optional for many colleges. This is giving nonacademic factors more status, college-admissions consultants said.

The Supreme Court's June decision outlawing affirmative action could put even more emphasis on extracurricular activities to make a student stand out, said Christopher Rim, chief executive of Command Education, an elite-college consulting firm in New York that advises students on their college applications.

For families already squeezed by higher prices, it can be tough to give children every opportunity for enrichment without blowing their budgets.

Extra money and time

More than 70% of parents said that at least one of their children under 18 years old is involved in an after-school activity, according to a survey released in May by LendingTree, an online lending marketplace. On average, families spend \$731 per child for after-school activities yearly, although those enrolled in travel sports teams, weekly music lessons or coaching often spend significantly more.

Affluent families have been signing their children up for activities at younger ages, investing more time and money in helping them cultivate a range of interests and credentials, a recent study by researchers at the University of Maryland, College Park found. This dynamic contributes to widening disparities between wealthy students—already favored in the admissions system—and those from lower-income households, the working paper found.

An analysis of nearly six million college applications found that wealthier students, private-school students, as well as white and Asian-American students, reported more extracurricular activities, more awards and more top-leadership positions in extracurricular organizations, said Julie J. Park, an associate professor of education who co-wrote the working paper.

“In more affluent communities, it’s kind of the hamster wheel that people have created,” Park said.

Simply signing up for a variety of extracurriculars alone doesn’t boost a student’s chances at a college admission, Rim said. But parents often do it anyway at great expense, financial advisers said.

“Nine out of 10 times when I’m having these conversations with clients, they have blown out their budget that they set aside for this,” said Shinobu Hindert, a certified financial planner based in California.

Private coaching and lessons add up

Spending is going up for youth sports, especially at tournaments, said Susan Eustis, president of WinterGreen Research, a market-research firm in Lexington, Mass. For example, families with kids in soccer spent an average of \$1,323 per child in 2022 compared with \$1,023 in 2018. Families with kids in cheerleading spent an average of \$678 per child in 2022, up from \$443 in 2018, the company found.

Paying for instruments, uniforms and travel to competitions impose additional financial demands on families, financial advisers said.



At one point, Tina Swithin had to choose between paying for groceries or putting her daughters in extracurricular activities. PHOTO: ALLYSON MAGDA

Tina Swithin, an author and blogger in California, wanted her two daughters to play soccer. But after she separated from her husband, paying \$125 per child each year for the sport was a challenge.

“The reality is this isn’t the total cost because you still have to buy the shinguards, the shoes, and the thought of providing drinks and snacks for an entire team of children, when I was barely able to feed my own, felt daunting,” she said.

By the time Swithin could afford to enroll her daughters in extracurriculars, she felt they were lagging behind their peers in skill. “If you don’t play sports in middle school, or in high school, there are missed opportunities when it comes time to apply for college,” she said.

Budgeting for extracurriculars

The full cost of competitive extracurriculars can be difficult for families to predict and budget for. Financial experts recommend planning ahead as much as possible by setting a budget ahead of time. Expect costs to rise every year, no matter the sport or activity.

Lauren Mathews Fairey, a certified financial educator at Wealthwave, a financial-services company, often sees parents use credit cards to cover their kids' extracurricular expenses. She recommends carefully considering whether going into debt is the answer.

“You don't have to just close your eyes and swipe your credit card,” she said.

Mathews Fairey and her husband use a budgeting app to set aside \$300 a month for their kids' extracurricular activities. She also recommends getting secondhand equipment from other parents as another way to cut costs.



Adelaide Sokol's parents have paid for extracurriculars such as photography, but her mother said if they had more than one child, some things might not be possible.

PHOTO: ANDREW FRENCH

Sara Aros, a freelance writer in New York City, said her daughter, Adelaide Sokol, 16, participated in fewer extracurriculars than her peers while growing up. But when the pandemic hit and Adelaide could no longer attend her school's art classes, her parents found her a private art coach for \$125 an hour.

Though she believes children can have a great life without ever doing extracurricular activities, she felt the money was well spent.

“Being further along in our careers and in our financial stability, we're able to provide these things,” Aros said. “If we had two kids, there are a lot of things we wouldn't have been able to do.”

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