



Saving Early = Saving Smart!

Watch Your Money Grow With Your Child

WHY

It's *never* too early to start saving money for college. Here are a few reasons to start saving now:

- **Rising College Costs**
Be prepared to handle rising college costs by saving early and consistently! Visit www.finaid.org/calculators to get an estimate of what college will cost by the time your child is ready to attend.
- **Benefit of Savings**
No matter how little you save, every cent makes a difference in affording your child's higher education. Develop realistic savings goals and save regularly by placing aside a set amount at a set time. For example, if you save \$7 per week (a dollar a day) in an account that earns 5% interest, you will accrue more than \$9,600 at the end of 17 years.
- **Less Debt, More Investment**
Many families have to rely on student loans to cover college costs. Saving for college now can reduce your need for a loan in the future. Earn interest by opening a savings account today versus paying interest on a loan later. The best graduation gift you can give your child is to leave college debt-free!

HOW

The following resources can help you prepare to pay for college:

- **Prepaid tuition and college savings plans** (known as **529 plans**) offer tax-free withdrawals for college expenses. To learn more about these plans, visit www.collegesavings.org.
- The **U.S. Department of Education's office of Federal Student Aid** provides over \$100 billion in federal aid in the form of grants, work-study programs, and loans to students who qualify. Visit www.FAFSA4caster.ed.gov to get an estimate of the amount of federal aid your child could receive if you applied today.

For more information about federal aid for college, visit www.FederalStudentAid.ed.gov.

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www.FederalStudentAid.ed.gov
1-800-4-FED-AID