



UNITED TRIBES  
TECHNICAL COLLEGE  
LAND GRANT EXTENSION

## UTTC LAND GRANT EXTENSION

### INVESTING IN YOUR KID'S SKILLS AND BRAINS PAYS THE BIGGEST DIVIDENDS

Most parents mentally prepare their children for college by ensuring they remain in school and abreast of course material. But getting into college nowadays is quite expensive and sometimes good high school grades aren't enough to cover your children's college tuition. Learning *how to save for children's college tuition* and when to start saving is important to fulfilling every parent's dream.

Today's college tuition costs are often very expensive. You can add an additional \$50,000 to the tuition cost and even more depending on the masters or doctorate degree option, which is another two or maybe four years of college.

In these days of increased college tuition, learning *how to save for children's college tuition* a head of time and in some cases as early as immediately following your child's birth is very important, if you plan to cover the entire cost. While there are scholarships and federal grants available to help alleviate the cost of college these sources only cover around 2% of the total cost of a college education.

That is unless your child gets a full four year scholarship to college for sports or academics and even in this case, only 90% to 95% of college tuition is totally covered by a scholarship. Just imagine the cost of college in the next 4 or 8 years. According to educational economists the cost of college tuition could increase by \$10,000 to \$15,000 from the present average college tuition cost in the next 20 years.

Looking at the future of your child's college education implies that practicing *how to save for your child's college tuition* now will help more children receive a college education and professional degree.

#### Start Early

The first and most important step to *saving for a child's college tuition* is

starting early. The earlier you start the more you can save over an 18 year period of time.

For example, if you put away a college savings of \$100 a month for 18 years, your child will have \$21,600 to go towards college tuition compared to the \$12,000 dollars that would be saved over a 10 year period at the same monthly amount.

It doesn't take a rocket scientist to figure out this simple mathematical equation that this is still not enough to cover college. Granted it's a head start and there are cool ways to make that college savings double or even triple over a shorter period of time.

#### Save for College Tuition Costs

Many parents are learning that 401K's, CD's or IRA's are not just for retirement savings, but that these types of savings accounts are ideal *ways to save for children's college tuition*. Invested savings are accounts that have a rapid growth rate. This can increase the college tuition savings by additional 10% to 15% a year depending on the annual growth percentage and amount invested into the saving accounts.

Aside from the different applications of a retirement savings plan, parents are also realizing one of the best *ways to save for children's college tuition* is to have a basic understanding of the stock market and willing to invest a percentage of the college tuition savings. The Bank of North Dakota [www.collegesave4u.com](http://www.collegesave4u.com) is a wonderful place to start for advice.

The first place to begin is establishing a college tuition goal and then focus on how much monthly income can be applied.

If assistance is needed to *set up a child's college saving account* or other savings methods, contact a CFP or Certified Financial Planner to sort it all out with you.