

# Saving Early = Saving Smart!

## *Watch Your Money Grow With Your Child*

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### WHY

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

#### Rising College and Career School Costs

Be prepared to handle rising college and career school costs by saving early and consistently! Visit [finaid.org/calculators](http://finaid.org/calculators) to get an estimate of what college and career school 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. Develop realistic savings goals and save regularly by placing aside a set amount at a set time. For example, if you save \$14 per week (\$2 a day) in an account that earns at least 1% interest, you will accrue more than \$13,000 at the end of 17 years.

#### Less Debt, More Investment

Many families have to rely on student loans to cover college or career school costs. Saving for college or career school now can reduce your need for a loan in the future. In addition, you can 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 help him or her leave college with minimal debt or debt-free!

### HOW

#### Choosing the Right Savings Plan

Prepaid tuition and college savings plans (known as "529 plans") offer tax-free withdrawals for college or career school expenses. To learn more about these plans and decide which one is right for you, visit [collegesavings.org](http://collegesavings.org).

#### Determining Your Child's Eligibility for Federal Student Aid

The U.S. Department of Education's office of Federal Student Aid provides more than \$120 billion in grants, work-study funds, and loans to help pay for college or career school. Visit [StudentAid.gov/eligibility](http://StudentAid.gov/eligibility) to learn about eligibility for federal student aid, and [StudentAid.gov/fafsa/estimate](http://StudentAid.gov/fafsa/estimate) to estimate the total amount of aid your child could receive if he or she were applying to college or career school this year.

For more information about federal student aid for college or career school, visit [StudentAid.gov](http://StudentAid.gov) or call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243; TTY for the deaf or hard of hearing: 1-800-730-8913).