

## 5 ways to make college more affordable

The value of a college degree isn't what it used to be, but its importance certainly hasn't diminished. In fact, in Sallie Mae's report, "How America Pays for College," 90% of families expect their student to earn at least a bachelor's degree, with 54% expecting a graduate degree. Of course, if you've read any recent news about the financial details of college education, you'll know that it's also a foreboding prospect: there is nearly \$1.3 trillion in total U.S. student loan debt, ongoing wage stagnation, and the prospect of enduring years of underemployment.

But it's not all bad news. A notable paradigm shift is taking place: this year, a whopping 98% of current students are actively engaging in ways to make their education more affordable.

So how does a student and their family better prepare themselves? Here's our list of the top five ways families can make college more affordable:

- 1. Save early and save often.**

Recent research has shown a link between savings and college success: kids from low- and moderate-income (LMI) households with college savings between \$1 and \$499 are 3x more likely to attend college and 4x more likely to graduate.

- 2. Have a plan.**

Only two in five of Sallie Mae's respondent families created a plan to pay for college, but they were able to save 3.5 times more and borrow one-third less than non-planners. America Saves can help you make a plan to save for an education. Pledge to save at [AmericaSaves.org](https://AmericaSaves.org) and you will receive monthly reminders to save and specific advice to help you save more and pay less for college.

- 3. Be realistic in assessing college options.**

Academic programs and financial details often take a back seat to personal choices, but considerations like in-state vs. out-of-state, scholarship opportunities, and work-study programs can mean the difference between college being affordable, or not. An honest assessment of a school's programs and financial opportunities could knock a personal "want" off the list entirely.



**4. Curb spending wherever and whenever possible.**

Did you know that the average price of a new textbook has increased by nearly 30% since 2009? Whether you're looking at room and board, books and supplies, or personal spending, there's always a way to lower costs. Many students are choosing to live at home to reduce housing costs, while others opt for a track to get their degrees completed faster.

**5. Leave no financial stone unturned.**

"Free money" is available in the form of scholarships and grants. There are a range of scholarships related to demographics and to characteristics like academic, athletic, and artistic. Find out more at your guidance counselor's office or online. And by completing the FAFSA, you'll receive information about any grants you or your child qualifies for.

Don't know where to start saving? It's never too late!

- Get familiar with Children's Savings Accounts (CSAs) and the benefits for kids in LMI households.
- 529 Savings Plans are getting some clearer spending guidelines that may boost their already tax-friendly savings benefits.
- ABLE accounts, tax-advantaged savings accounts for individuals with disabilities and their families, are rolling out this year and may include costs like education and housing for your student.

*Tammy G. Bruzon works for America Saves, managed by the nonprofit Consumer Federation of America (CFA), which seeks to motivate, encourage, and support low- to moderate-income households to save money, reduce debt, and build wealth. Learn more at [AmericaSaves.org](http://AmericaSaves.org).*