

# Teach Your Children to Save for College

Being part of the college planning process can be very educational for children, as it presents them with valuable financial lessons for the future. Children can earn money, learn about sources of financial aid, research potential colleges, and take other steps that may relieve their parents of some of the responsibility of college planning.

## Get an Early Start

Most children don't make plans for their higher education until they are well into high school, but the foundation for saving and planning for college can take place much earlier. Many financial experts believe the best time to introduce children to college planning is when they are in the sixth, seventh, or eighth grade. During this time, you may want to initiate discussions about college and explain the importance of developing good study habits and getting involved in extracurricular activities — to instill the idea that your family supports higher education.

You may also want to encourage your children to begin thinking about the career they would like to pursue, which is likely to influence their choice of college, as well as to establish a savings account that could be earmarked for education expenses. In addition, you can teach basic lessons about compounding, investing, and other money management issues.

## Take it to a Higher Gear in High School

By the time they reach high school, many students are mature enough to plan for college at a deeper level, including the following.

- **Learning about college costs** — Students may gain a deeper appreciation of their family's financial sacrifices when they realize how expensive college is. They can learn about college costs from a number of sources, including the [College Board](#) and the [U.S. Department of Education](#).
- **Researching scholarships** — There are numerous Web sites with information about sources of financial aid. For example, [Fastweb](#) and [FinAid](#) contain search engines with data about thousands of scholarships with varying eligibility criteria. In addition, the [Federal Student Aid](#) site provides an overview of federal student aid programs. Also, local libraries and high school guidance offices may have information about state-sponsored aid programs and scholarships sponsored by local organizations.
- **Earning money** — High school students can set aside a portion of their wages from part-time or summer jobs for higher education expenses. Also, students may be able to obtain jobs that build on career interests as a way of solidifying their future plans.
- **Getting organized** — College planning encompasses numerous details, including visiting institutions that a student may want to attend, applying for financial aid, obtaining transcripts and letters of recommendation, and meeting deadlines. A high school student can take responsibility for making sure that important matters are tended to ahead of time. For example, if a student has a school vacation coming up, he or she could help organize a family trip to visit colleges of interest or spend some time completing college applications.

You and your prospective student may be able to think of more ideas that could add value to your family's efforts to save for a college education. Getting your budding scholar involved in the process — financially and otherwise — could ultimately be a pivotal lesson in responsibility that impacts his or her later success in life.

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