

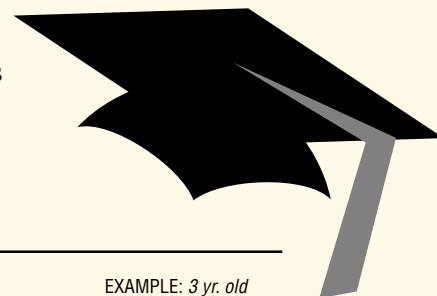


## Saving for College

### How much should you be saving for your child's college education?

How much will your child's college education cost? How much should you start saving today in order to pay for your child's college tuition? You can make the expense of college education more manageable by starting a savings plan early in your child's life.

Use this worksheet to determine how much money you should put away each year to cover four years of future college tuition, fees, and room and board.\*



### Saving for College Worksheet\*

EXAMPLE: 3 yr. old child planning to attend a public college

1. Age of Child	_____	_____	3
2. Current Annual College Costs <i>(Use the cost of the school of your choice or \$10,909 for public schools; \$23,651 for private schools)</i>	_____	_____	\$10,909
3. Factor Based on Child's Age <i>(Use chart below, column A)</i>	X _____	x	2.759
4. Future Costs of First Year of College <i>(Line 2 times Line 3)</i>	= _____	=	\$30,098
5. Future Total Cost of 4 Years of College <i>(Line 4 times 4.44)</i>	X _____	x	4.44
6. Yearly Savings Factor <i>(Column B below)</i>	= _____	=	\$133,635
7. Amount You Need to Invest Each Year <i>(Line 3 times the factor from column B below)</i>	X _____	x	0.0325
	= _____	=	\$4,343

Age of Child	A	B
Newborn	3.380	0.0246
1	3.159	0.0269
2	2.952	0.0295
3	2.759	0.0325
4	2.579	0.0358
5	2.410	0.0396
6	2.252	0.0439
7	2.105	0.0489
8	1.967	0.0548

Age of Child	A	B
9	1.828	0.0617
10	1.718	0.0699
11	1.606	0.0799
12	1.501	0.0921
13	1.403	0.1076
14	1.311	0.1275
15	1.225	0.1543
16	1.145	0.1919
17	1.070	0.2486

**Start saving today for your child's education!**  
**The sooner you start, the less you'll need to invest!**

\* Assuming your child will enter college at age 18, you will continue saving throughout your child's college years, college costs will increase at 7% a year, and your investment will earn 7% a year after taxes. Source: Massachusetts Educational Financing Authority, Massachusetts Association of Student Financial Aid Administrators.

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