

# **G** **R****E****A****D****Y** **T**

*For Your Child's Higher Education*



Get Ready at  
**Home...**

Get Ready  
at **School...**

Get Ready  
**Financially...**



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## From the Publisher

*Get Ready for Your Child's Higher Education* is published by the Minnesota Higher Education Services Office (MHESO). The Services Office is a state agency that administers the state's financial aid and interstate tuition reciprocity programs and informs families about academic and financial preparation for post-high school education. Oversight of the agency is provided by the Higher Education Services Council, which consists of eight citizens and a student appointed by the Governor.

The Services Office does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities.



## Sponsors

This publication is funded by the state of Minnesota with generous support from the following organizations:



# TEN

## Points to Keep in Mind

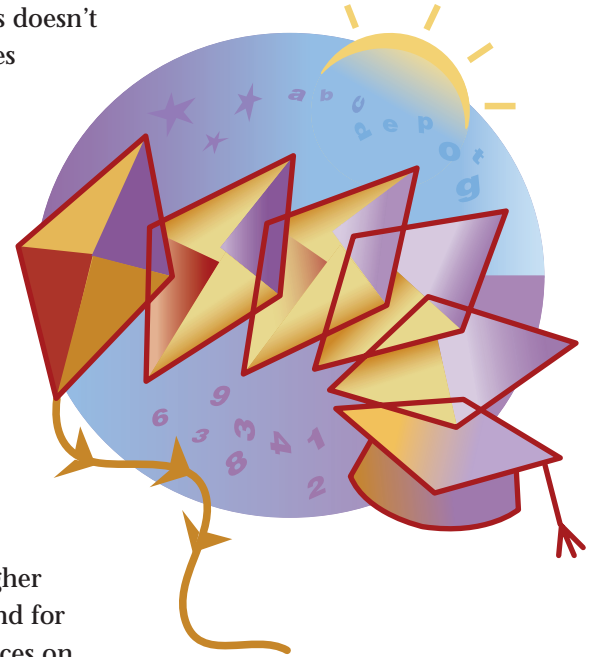
- ONE** Higher education will continue to be available and affordable for all Minnesotans.
- TWO** Parents and their children need to get ready academically and financially.
- THREE** Education pays off. People with a post-secondary education have higher incomes and are less likely to be underemployed or unemployed.
- FOUR** All students, regardless of specific plans for higher education, should take challenging high school courses that prepare them for life as well as a career.
- FIVE** The variety of higher education options means any student can find the right school.
- SIX** The amount of student financial aid available from the state and federal governments, post-secondary institutions, and private sources continues to grow. This will help you and your child keep pace with present and future price increases.
- SEVEN** Most families are expected to contribute to the price of their child's higher education.
- EIGHT** The earlier you start saving, the more your money will grow. Any amount of money you can save, no matter how small it may seem, will help.
- NINE** You don't have to save for the entire price of a two-year or four-year college education. Most families that need help paying for higher education receive some type of financial aid.
- TEN** Although the price of education will increase, so will your income.

## WHYGETREADY?

### How to Use This Publication

Most families know that education after high school opens the door to a successful career. It helps your child become a lifelong learner by providing the skills necessary to succeed both professionally and personally. But success doesn't just happen. It requires careful academic and financial preparation long before your child graduates from high school. It's never too early to get started.

Review and discuss *Get Ready for Your Child's Higher Education* with your child to help him or her prepare for higher education, a career, and for life. Additional resources on college and career planning are available from your child's school counselor, on the Internet, and in libraries and bookstores. A summary brochure of this publication is available in English, Spanish, Hmong, and Somali. More information can be found at Services Office web site ([www.mheso.state.mn.us](http://www.mheso.state.mn.us)).



### FAST Facts

*Post-secondary is any education after high school. It is often referred to as higher education or college.*

# BENEFITS

## *of Higher Education*

### Knowledge

A college education teaches your child to think critically and abstractly, to express his or her thoughts and opinions both orally and in writing, and to weigh options and make informed decisions.

### Potential

College brings a world of information to your child as he or she explores various interests and helps your child to understand the issues that connect communities, the nation, and the world.

### Opportunity

Critical thinking and new technology skills are vital for success and advancement in today's workforce and provide your child with more career and job options.

### Income

A person with a college degree typically has a higher income and is less likely to be unemployed or underemployed than someone with only a high school education.



# Common Myths about Paying for College

**MYTH:** *“College costs too much. There’s no way we can pay \$15,000 in tuition each year.”*

**FACT:** Few schools charge \$15,000 in tuition per year. In fact, most Minnesota public colleges and state universities charge tuition and fees under \$5,500. And financial aid is available for families that need assistance.

**MYTH:** *“We can’t save anything on our income. College is out of the question for our child.”*

**FACT:** College is an investment. Even if you save only a few dollars a month, you can reduce the cost of sending your child to college—especially if you start when your child is young. Get in the habit of saving a few dollars a week and let that savings grow for you over time.

**MYTH:** *“It doesn’t do any good to save since college will cost so much when my child graduates from high school.”*

**FACT:** College can be expensive, but every little bit of savings helps—especially when it works for you over many years. And saving now may prevent the need to explore loan options later. Congress and the Minnesota Legislature have passed incentives to reward saving.

**MYTH:** *“We haven’t saved anything, and it’s too late to start saving now.”*

**FACT:** During the college years, most families pay expenses out of their regular income. And, although loans are the least desirable option, they are available for both students and parents. Also available are federal tax credits and deductions for higher education.

**MYTH:** *“Our savings will reduce our chance to get financial aid so why bother?”*

**FACT:** The maximum amount you can lose under current law is \$5.65 for every \$100 of savings. Plus, your savings are assessed in a substantially lower bracket than your child’s in determining financial need, and some types of retirement assets are excluded in financial aid evaluations.

## College is within your child’s reach...

**MYTH:** *“Our income is too high to get aid, but we can’t afford to pay the full cost of college.”*

**FACT:** It’s true that some families aren’t eligible for need-based state or federal grants and may not be able to pay for college out of savings or current income. There is, however, assistance available, including tax credits, low-interest loans, and scholarships.

### FAST Facts

According to the U.S. Census Bureau, 27.2 percent of the population 25 years or older in 2003 had a bachelor’s degree or higher while 52.4 percent had some college (no degree) or an associate degree.

## *How to Raise a College Student:* Building a Foundation for Success

Raising a child to succeed should be every parent's long-term goal. Begin early and help your child develop six critical skills:

1. **Reading** to understand information
2. **Writing** to express ideas
3. **Researching** to find answers to questions
4. **Independence** to fulfill responsibilities
5. **Resilience** to persist through adversity
6. **Persistence** to keep moving toward goals

Teaching and encouraging your child to think critically and creatively is no easy task. As a parent, you can develop your child's basic learning skills by involving your child in regular family activities:

- Read a book or watch television together. Use it as a starting point for a family discussion. Ask your child how he or she thinks the story should end.
- Encourage your child to explore the world around him or her. Help your child find answers and discover his or her interests and talents.
- Help your child set goals and explore different ways to achieve those goals.
- Help your child learn from his or her mistakes. Discuss what might have gone wrong and ways to avoid making the same mistake. Help your child learn to do things for his- or herself.

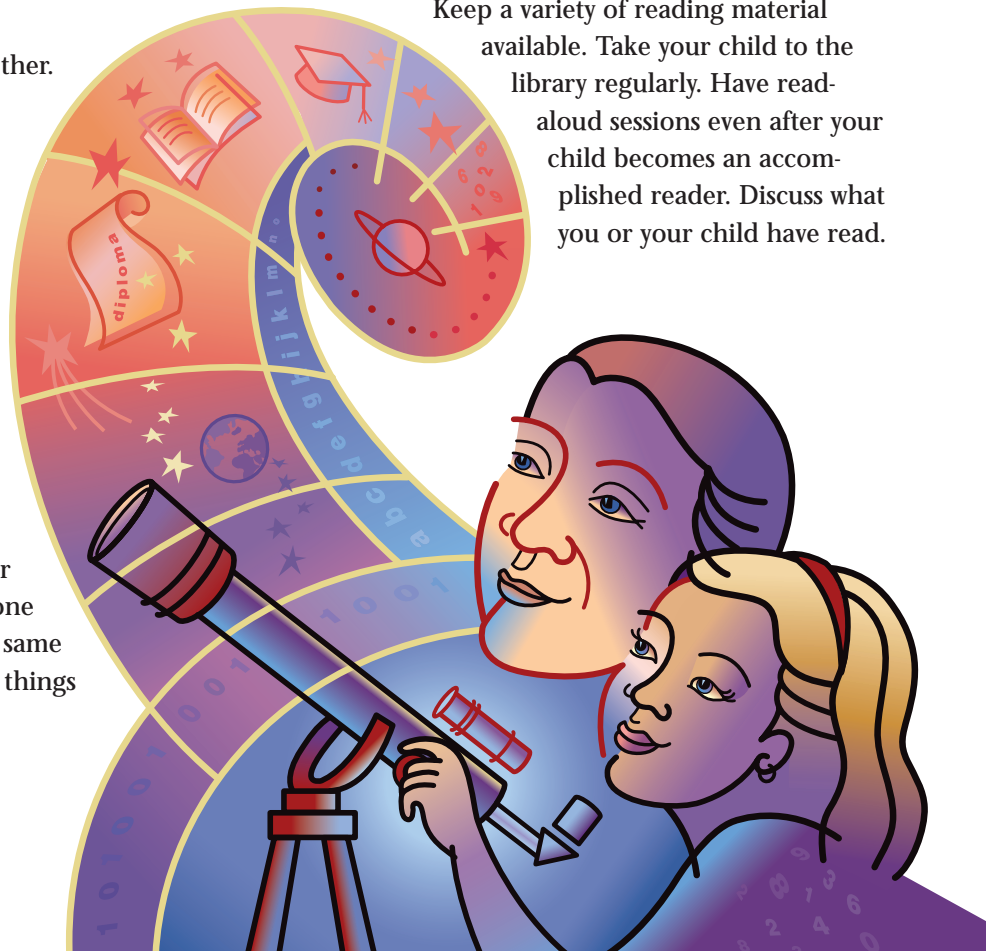
**Partner with your child's school.** Attend school conferences. Support learning activities at school and continue them at home. Show a genuine interest in your child's school.

**Encourage the act of learning.** Make an effort to learn and experience new things. When your child sees that you enjoy learning, he or she will know that you value it and will be more likely to enjoy it him- or herself.

**Acknowledge effort as well as success.** Focus on what your child did right and recognize his or her achievement, especially when it involves new or challenging tasks. Help your child understand his or her skills and learn when to ask for help.

### **Read and encourage your child to read.**

Keep a variety of reading material available. Take your child to the library regularly. Have read-aloud sessions even after your child becomes an accomplished reader. Discuss what you or your child have read.



# RESOURCES

## Career & Education Planning

Talk about career and education options after high school and explore planning resources with your child.

### Helping Your Child Succeed in School

[www.ed.gov/parents/academic/help/succeed/index.html](http://www.ed.gov/parents/academic/help/succeed/index.html)

Explores the basic skills that children need to learn and provides activities to help your child become an active learner. Published by the U.S. Department of Education. (online only)

### Future Choices

[www.mheso.state.mn.us](http://www.mheso.state.mn.us)

(651) 642-0567 or (800) 657-3866

A free Minnesota Higher Education Services Office publication for junior high students to help them think about their futures.

### Going Right On (GrO)

[www.collegeboard.com/article/0,3868,2-9-0-640,00.html](http://www.collegeboard.com/article/0,3868,2-9-0-640,00.html)

A free multimedia program for junior high students to help them think about and prepare for college. Available for both Macintosh and Windows. (download only)

### Minnesota Careers

[www.mncareers.org](http://www.mncareers.org)

(651) 296-6545 or (888) 234-1114

A comprehensive career exploration guide available from the Minnesota Department of Employment and Economic Development. Single print copies are available for \$7.

### Minnesota Internet System for Education and Employment Knowledge

[www.iseek.org](http://www.iseek.org)

An online resource that provides information on careers, jobs, and higher education options in Minnesota. (online only)

### Focus on Financial Aid

[www.mheso.state.mn.us](http://www.mheso.state.mn.us)

(651) 642-0567 or (800) 657-3866

A free Minnesota Higher Education Services Office publication for high school and college students and their parents to help them learn about and understand federal and state financial aid.

## Summer Education

Consider summer classes and other educational opportunities to enrich your child's education.

### Summer Enrichment Guide for Students of Color

Minnesota Minority Education Partnership, Inc.

[www.mmep.net](http://www.mmep.net)

(612) 330-1645

A free guide that connects minority students to summer education programs. Also available online.

## Tax Credits & Deductions for K-12

Explore Minnesota's education tax credits and deductions for children in kindergarten through 12th grade.

### Individual Income Tax Fact Sheet #8: K-12 Education Subtraction and Credit

[www.taxes.state.mn.us](http://www.taxes.state.mn.us)

Minnesota Department of Revenue

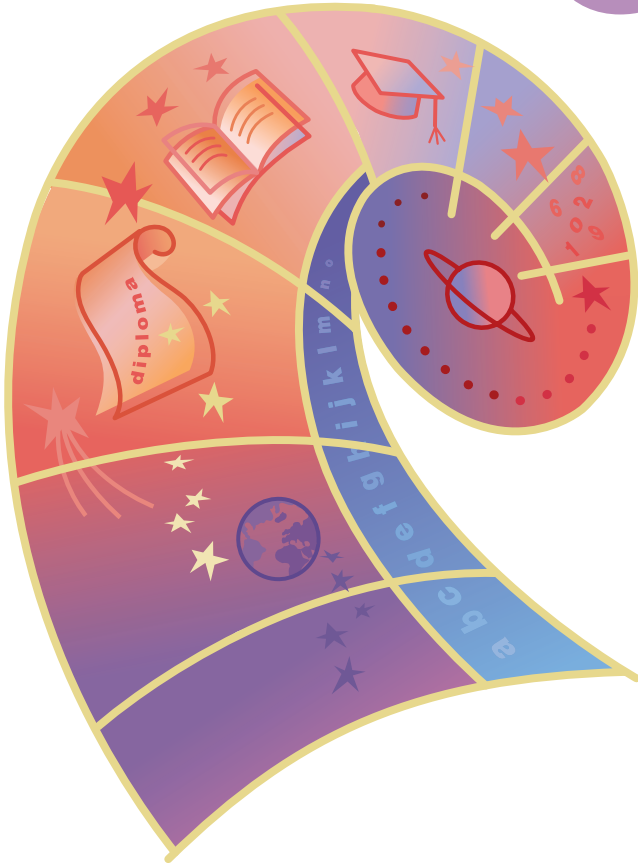
Mail Station 5510

St. Paul, MN 55146-5510

(651) 296-3781

[indinctax@state.mn.us](mailto:indinctax@state.mn.us)

# College Countd



To succeed in college, your child must prepare academically and mentally to meet the challenges awaiting him or her. Use the lists on the following pages to help guide your child through middle and high school in preparation for college.

## In 7th or 8th Grade...

- Monitor your child’s progress in the most important basic skills—reading, writing, and math. Identify any learning problems early and discuss them with your child’s teacher.
- Encourage your child to take advantage of courses in math, English, science, social studies, and foreign languages. Recommend the most challenging courses that he or she can handle.

- Promote good study habits. Establish a quiet space for studying and a regular daily schedule for homework. Buy your child a dictionary and thesaurus.
- Talk with a school counselor about classes that meet school graduation requirements, prepare for the state’s academic standards requirement, and lay the groundwork for higher education.
- Encourage your child to be an active learner—to take notes, ask questions, participate in class discussions, and learn from mistakes.
- Help your child develop problem-solving skills by asking for input on family decisions, assigning responsibilities, and allowing him or her to make certain decisions.
- Help your child set realistic goals that measure what he or she has achieved. Recognize your child’s efforts as well as successes.

## In 9th or 10th Grade...

- Get involved in learning about post-secondary options.
- Encourage your child to analyze his or her abilities. Help make the connection between education and career options.
- Suggest extra-curricular activities to help your child develop teamwork, leadership, and commitment.
- Suggest a tutor or other special help if your child is struggling with a certain subject.
- Help your child to learn how to manage time and to use library resources.
- Review with your child his or her academic course plan and talk about different types of schools.
- Continue saving and encourage your child to put aside a portion of his or her earnings for college.



# own

## In 11th or 12th Grade...

- Be sure that your child registers by the deadlines for the college entrance exams (see side bar) required by the schools your child would like to attend. These tests typically are taken in the junior or senior year.
- Attend a job, college, or financial aid fair with your child. To learn about a college fair near you, visit [www.mn-acac.org/collegefairs.html](http://www.mn-acac.org/collegefairs.html). Or visit [www.nacac.com/fairs.html](http://www.nacac.com/fairs.html) to learn more the fall national college fair held in the Twin Cities.
- Help your child narrow his or her choice of schools.
- Make sure your child has taken the high school courses required by colleges and other post-secondary schools.
- Obtain and review *Focus on Financial Aid* (also available from the Higher Education Services Office).
- Encourage your child to mentor younger students or volunteer in the community.
- Find a mentor or other enrichment program to build on your child's interests and aptitudes.
- Investigate the Post-Secondary Enrollment Options program, which allows high school juniors and seniors to take college courses for credit at eligible post-secondary schools or, if available, in high schools. There is no direct cost to students. For more information, call (651) 582-8471.
- Help your child explore College in the Schools, Post-Secondary Enrollment Options, Advanced Placement, International Baccalaureate, and career-focused programs like Tech-Prep, school-to-career, and school-to-work.
- Explore Minnesota's open enrollment program which allows students to attend schools in a different school district.
- Visit the post-secondary schools that appeal most to your child and ask for a tour.
- Make sure admissions applications are sent on time to four to six schools.
- Explore possible youth apprenticeships for your child.
- Obtain financial aid forms, including the *Free Application for Federal Student Aid*, from the schools your child is considering. Complete the forms after January 1 of your child's senior year.

## Admissions Tests

College entrance exams are one of many criteria used by most four-year colleges and universities to make admissions decisions. Some schools accept both the ACT and SAT; others accept only one. Make sure your child knows which standardized test is required for admission. Your child's high school counselor can help determine which test to take, and when and how to register.

**ACT:** [[www.act.org](http://www.act.org)]

Tests English, reading, math, and science reasoning skills.

**SAT I:** [[www.collegeboard.com](http://www.collegeboard.com)]

Tests critical reading and math reasoning abilities.

Beginning in spring 2005, a new essay writing section will be added to both tests. However, this section is optional on the ACT.

**Other entrance exams that might be required:**

**SAT II:** [[www.collegeboard.com](http://www.collegeboard.com)]

Tests your child's knowledge in a specific subject area, often related to your child's desired area of study.

**TOEFL:** [[www.toefl.org](http://www.toefl.org)]

Tests the ability of nonnative speakers of English to understand and use North American English.

## Get Ready for Life, not Just College

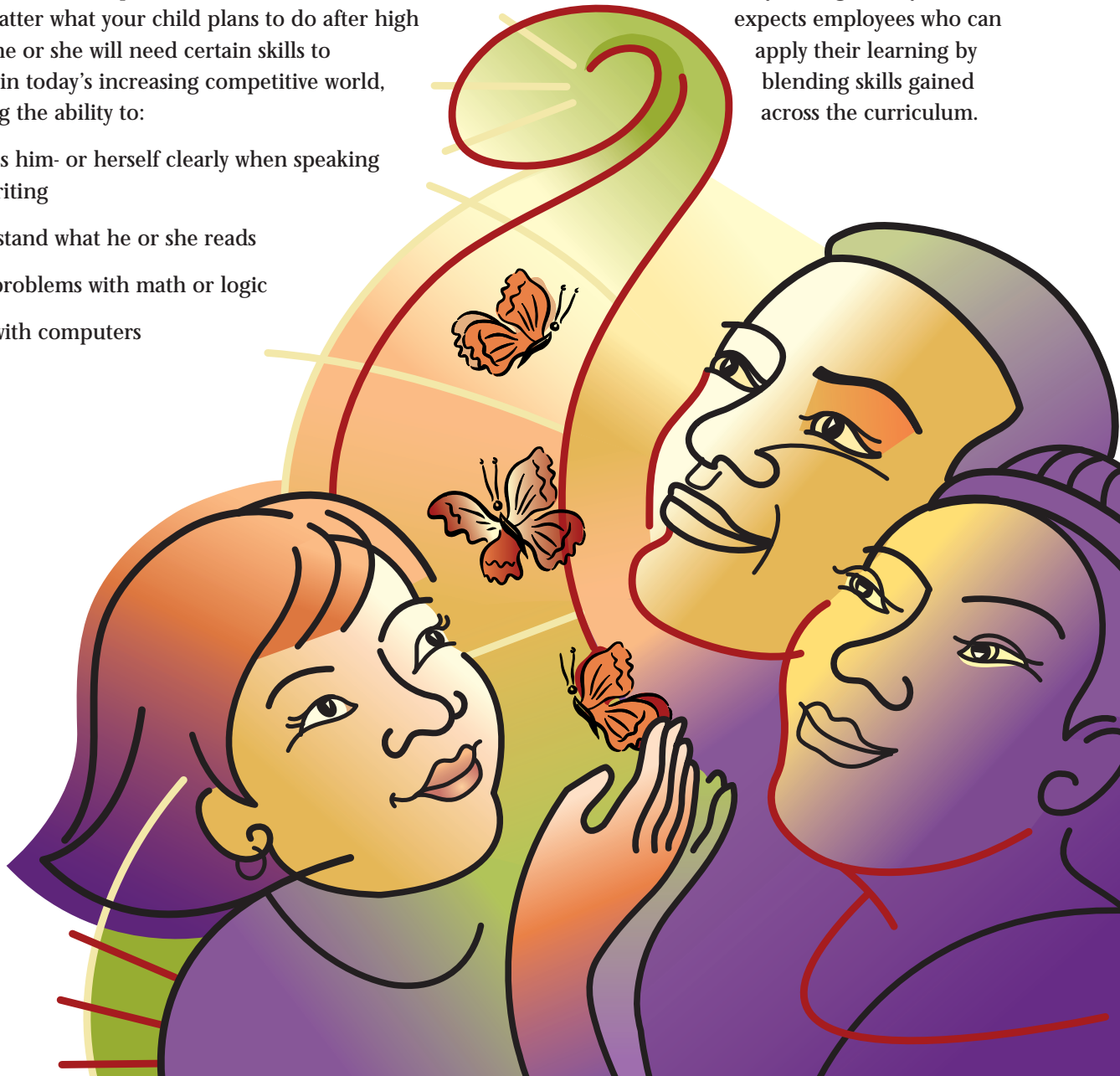
The academic choices your child makes by age 14 can influence the opportunities open to him or her long after leaving high school. As your child develops a high school academic plan in eighth or ninth grade, he or she will also begin to explore the relationship between the skills learned in school and those required in the workplace.

No matter what your child plans to do after high school, he or she will need certain skills to succeed in today's increasing competitive world, including the ability to:

- express him- or herself clearly when speaking and writing
- understand what he or she reads
- solve problems with math or logic
- work with computers

Your child should take time to learn about workplace expectations. Skill requirements in business and industry are much higher than many students realize. With demands on employees increasing, it is more important than ever that students work hard in all their classes and be able to demonstrate what they know

in many settings. Every field expects employees who can apply their learning by blending skills gained across the curriculum.



# Recommended Courses for Your Child

No matter what your child may be planning after high school, the courses and the number of years listed here are the **minimum** recommended coursework.

Completing these high school courses will help your child meet the basic admission requirements at almost any college in Minnesota and nationwide.

**English** [Recommended: 4 years] Reading, writing, speech, and literature courses help develop communication skills necessary on the job and in school.

**Math** [Recommended: 3 to 4 years] At least two years of algebra and one year of geometry are important for entrance into many college programs and careers.

**Science** [Recommended: 3 years] Biology, chemistry, and physics provide an understanding of nature and help develop objective thinking.

**Social Studies** [Recommended: 2 to 3 years] History, geography, and civics courses increase awareness of how people, society, and governments interact and affect our lives.

**World Languages** [Recommended: 2 years] Studying other languages builds awareness of other cultures and a better understanding of the English language.

**Optional Classes** Most schools also offer other optional classes to broaden your child's learning experience, such as:

- Agriculture
- Business
- Computer Science
- Construction
- Electronics
- Mechanics
- Music
- Performing Arts
- Physical Education
- Psychology
- Visual Arts

Also remember to explore Post-Secondary Enrollment Options, College in the Classroom, Advanced Placement, International Baccalaureate, and career-focused programs like Tech-Prep, school-to-career, and school-to-work with your child.

Any of these programs can help prepare your child for college entrance requirements or a career path.

Learn more about Minnesota's academic graduation standards at [education.state.mn.us](http://education.state.mn.us) (click on *Educational Programs, Academic Standards & Professional Development*, and then *Academic Standards*).

## Make Sense of Different Course Requirements

The courses recommended here may differ from your child's high school graduation requirements. Make sure your child takes the courses needed to graduate. Also keep in mind that colleges and universities have their own entrance requirements:

- Many colleges recommend one to two years of computer coursework.
- Some private colleges recommend two years of visual or performing arts.
- Minnesota State Universities and the University of Minnesota require entering students to have three years of social studies, including one year each of geography and United States history. Two years of a single foreign language and one year in the arts also are required.
- Your child's interests could also determine certain admissions requirements. For example, four years of math and science might be necessary if your child is considering a science or engineering major.

# Exploring Higher Education Options

Whether your child is looking locally or nationally, there are thousands of options available to meet his or her education and career needs. In the United States alone, there are more than 10,000 public and private post-secondary institutions.

## Minnesota State Colleges & Universities

[www.mnscu.edu](http://www.mnscu.edu)

(651) 296-8012 or (888) 667-2848

The Minnesota State Colleges and Universities system is a network of 32 two- and four-year state colleges and universities, serving about 172,000 students each fall and producing about 29,000 graduates each year on 53 campuses.

**Technical colleges** offer courses and programs that teach knowledge and skills leading to specific jobs. Instructors often are former business owners or skilled practitioners with solid experience in the occupations they teach. Local employers work closely with the colleges to ensure the teaching of skills demanded in today's job market. Technical colleges offer programs ranging in length from three months to two years.

**Community colleges** provide the first two years of a four-year college education. Graduates can transfer to other colleges and universities to complete a four-year degree. Community colleges offer general education courses, occupational programs, and developmental and college preparatory courses for those who need to brush up on basic skills. Like four-year schools, most offer a chance to participate in athletics, clubs, and activities in theater, music, and the arts.

John C. Zak, University Relations, UMC



Students at the University of Minnesota-Crookston, named one of "America's Most Wired Colleges" by Yahoo! Internet Life online magazine.

**Combined technical and community colleges** are two-year colleges that offer the opportunity to get a good start on a bachelor's degree or to pursue a two-year career program that leads to employment.

**Minnesota's four-year state universities** offer courses and programs leading to a bachelor's and other advanced degrees. Programs are offered in liberal arts, sciences, and professional fields. Most also offer a full range of athletics and intramural sports as well as programs in theater, music, and the arts. On-campus housing is available at most four-year state universities.

## University of Minnesota

[www.umn.edu](http://www.umn.edu)

(612) 625-2008 or (800) 752-1000

The four campuses of the University of Minnesota offer hundreds of undergraduate, graduate, and professional degree programs. The Twin Cities campus is a major public research university and a classic Big Ten campus, enrolling about 50,000 students. The Duluth campus is a medium-sized university with over 10,000 students. The Morris campus is a liberal arts college enrolling about 1,900 students. And the Crookston campus offers career-oriented associate and bachelor degrees and enrolls about 2,300 students. Combined, the University enrolls more than 63,000 undergraduate and graduate students each fall.

## Private Career Colleges

Minnesota Career College Association

[www.mncareercolleges.org](http://www.mncareercolleges.org)

(651) 714-7320

Minnesota has about 100 private business, technical, and cosmetology schools serving over 21,000 students each fall. Programs range from computer science to medical support training to technical training and cosmetology. These schools maintain strong relationships with local employers who look for skill-based workers. Programs range from a few months to two years; some offer associate and bachelor degrees. Most programs offer small classes where students receive personal attention that aids the learning process.

## Private Colleges and Universities

Minnesota Private College Council

[www.mnprivatecolleges.com](http://www.mnprivatecolleges.com)

(651) 228-9061 or (800) 774-2655

Minnesota has 29 four-year private colleges and universities. Most are liberal arts colleges, emphasizing broad knowledge in arts, sciences, social sciences, and humanities. Many are affiliated with a religious denomination. Enrollment ranges from several hundred to more than 10,000. Taken together, Minnesota's private colleges and universities enroll more than 65,000 undergraduate and graduate students each fall.



Augsburg College in Minneapolis blends traditional liberal arts values with an urban campus environment

## Employment Training Agencies

Minnesota WorkForce Centers

[www.mnwfc.org](http://www.mnwfc.org)

(888) 438-5627

Short-term training courses and on-the-job training are available through agencies such as Vocational Rehabilitation, Job Training Partnership Agencies, and the Hubert H. Humphrey Job Corps Center. Evidence of educational or financial need or of a disability may be required.

Find out more about specific schools at:

[www.iseek.org](http://www.iseek.org)

## In High School, Don't Let Your Child Take the Easy Road

Encourage your child to take challenging courses in high school even if your child doesn't plan to go on to college or technical school after graduation. Most Minnesota high school graduates eventually continue their education, even if they don't start right away.

### Rise to the Challenge

Academic requirements for admissions are being raised. Why? Many programs require a larger base of knowledge, both as a starting point and to succeed in a career—due, in part, to the increased level of skills needed in the workplace.

But if you think colleges admit students primarily based on class rank and grade point average (GPA), think again. Admissions directors look for students who took challenging courses in English, math, and the sciences. Grades and rankings are weighed against a course's level of difficulty.

Too many students, however, leave high school unprepared because they take only those classes needed for graduation and avoid more challenging courses that might lower their GPA. But a somewhat higher grade point average is less important than challenging coursework on a transcript.

A solid background in English, math, and the sciences provides more than a ticket to college. Rigorous coursework in high school can help prepare your child for the challenges in life and at work.

### FASTFacts

*In fall 2002, nearly 64 percent of Minnesota high school graduates attended a post-secondary institution the fall immediately following high school graduation.*

### How Do Colleges Decide?

Colleges and universities consider a variety of factors when making admissions decisions. Below are some of the criteria a school might use. This list is in no way complete; nor is it arranged in order of importance.

- Coursework
- Recommendations
- College Entrance Exams
- Grades
- Extracurricular Activities
- Personal Interview
- Ethnicity
- Community Involvement
- Grade Point Average
- Coursework Level of Difficulty
- Class Rank
- Past Awards and Honors
- Application Essays
- Available Courses
- Special Skills or Talents

## An Educated Decision: Helping Your Child Choose

Selecting a post-secondary school is a big decision, but you can help your child narrow the choices:

### First Step: Life and Career Planning

Selecting a school without first exploring career options and considering other life interests and goals is like trying to choose the right road without having a destination in mind.

To start the selection process, your child should explore his or her life interests and goals. At the same time, keep in mind that higher education isn't just a career strategy. Post-secondary education can enrich your child's life and expand his or her cultural, intellectual, and social horizons.

### Second Step: Finding a Good Academic Fit

Your child will do best at a college where students share similar academic abilities and objectives. The grade point average and entrance exam scores of entering freshmen from previous years may provide a good indication.

### Third Step: Comparison Shopping

Make a checklist of what you and your child are looking for in a school. Try doing this individually and then compare. There are a number of factors to consider:

- **academic offerings** (programs, majors, courses)
- **cost** (tuition and fees, room and board)
- **enrollment** (number of students)
- **extracurricular activities** (athletics, clubs)
- **facilities and equipment** (libraries, computers, dormitories)
- **faculty** (who teaches the classes)
- **financial aid** (availability, deadlines)
- **geographic location** (distance from home)
- **graduation rate** (percentage of students who graduate)
- **housing** (availability, requirements, cost)
- **job placement rate** (percentage of graduates employed within a year)
- **retention rate** (percentage of students who return the following year)
- **safety** (how safe is the campus)
- **school's reputation** (overall, and in a specific field)
- **setting** (urban, suburban, rural)
- **student body makeup** (demographics)
- **student-to-faculty ratio** (class size)
- **support services** (meals, counseling, job placement)
- **transportation** (bus passes, cars allowed, parking)

And plan a campus visit. Sit in classes, ask students for their opinions, and talk to faculty members, admissions counselors, and financial aid administrators. Most schools have organized campus visit programs.

## Internet College Searches

### Minnesota Internet System for Education & Employment Knowledge

[www.iseek.org/sv/25100.jsp](http://www.iseek.org/sv/25100.jsp)

### The College Board

[apps.collegeboard.com/search/index.jsp](http://apps.collegeboard.com/search/index.jsp)

### CollegeNET

[cnsearch.collegenet.com/cgi-bin/CN/index](http://cnsearch.collegenet.com/cgi-bin/CN/index)

### CollegeView

[www.collegeview.com/collegesearch/](http://www.collegeview.com/collegesearch/)

### CollegeXpress

[www.collegeexpress.com/collegesearch/](http://www.collegeexpress.com/collegesearch/)

### IPEDS College Opportunities Online Search

[nces.ed.gov/ipeds/cool/](http://nces.ed.gov/ipeds/cool/)

### Wired Scholar

[www.wiredscholar.com/selecting/content/index.jsp](http://www.wiredscholar.com/selecting/content/index.jsp)

# Building a Savings & Investment Strategy

We're constantly reminded of soaring college costs and the daunting task of saving money for college. But once you have a plan, the task of saving for a portion of that bill becomes easier.

Recent changes in tax law have given parents added incentive to save and pay for their children's education. Be sure to incorporate these new changes with any college investing strategies you consider. Remember that investing in your child's education pays off by increasing earning potential and reducing his or her chances of being unemployed or underemployed. Use the following suggestions to help pave the way to successful saving.

## When is the best time to start saving for higher education?

Start now, regardless of your current situation. For those with time to plan, combining regular investing, financial aid, and tax credits can go a long way toward paying tuition bills. Even for those with older children who may not have a savings plan in place, there are still some strategies that can turn a college education from possibility to reality.

## How much should we set aside?

First, you need to project how much education will cost when your child is ready for college. For example, if tuition doubled every 10 years at a seven percent inflation rate, then a \$10,000 annual tuition today would grow to \$20,000 in 10 years; in 20 years, \$40,000. Even though tuition will continue to increase, so will your income. But you don't have to save for the entire price of a two- or four-year education. The next step is deciding how much of that bill you and your child want and are able to pay.

## How can we begin a regular savings plan?

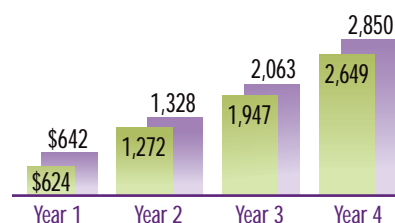
Start by saving as much as you can in an easily accessible account like a savings account or certificate of deposit. When the dollars accumulate for more than a year, transfer that money to a more aggressive, longer term investment such as growth mutual funds or stocks. Consider enrolling in the Minnesota College Savings Plan. Accounts can be opened with as little as \$25 (see page 20). It's important that your investment strategy fits into your overall financial strategy. For example, your strategy should attempt to fund your child's education without draining your savings or retirement.

## What is the value of savings over time?

While it is never too late to benefit from investing, it's also never too early to get started. In fact, the earlier you begin to save for college, the less you have to save each month. The reason is time and compound growth.

When the money an investment earns is reinvested, that money can start to earn money in addition to your initial investment. Each time this money is reinvested, your pool of money grows which, in turn, increases the money it can earn and so on. The effect of compounding is not very noticeable at first, but can have a large effect on your savings over time. So, even if you can't set aside much now, at least put away a little each pay period. This doesn't guarantee a profit or protect against losses, but you'll be forming a good habit and even small investments have the potential for dramatic growth over the longer term.

*Here's a quick look at what will happen if you save a small amount per month for your child's higher education.*





Saving systematically removes dollars from your cash flow. For example, if you save \$200 per month for your child's education, not only will you have built up a college fund, but when your child enters college you will have \$2,400 per year available that you no longer need to save (unless you have more than one college-bound child).

**Should we save our investments in our name or our child's name?**

If you invest in your child's name, you give up control of the assets permanently; the child can use the assets in any way once he or she reaches legal age (usually 18 or 21). And when you're unsure of the school and its future cost, it's hard to determine how much to put in the child's name. Still, many people do so to take advantage of tax savings. For children under the age of 14, the first \$750 of unearned income is tax-free. The next \$750 is taxed at the child's tax rate. Most tax benefits for having dollars in the child's name occur after age 14.

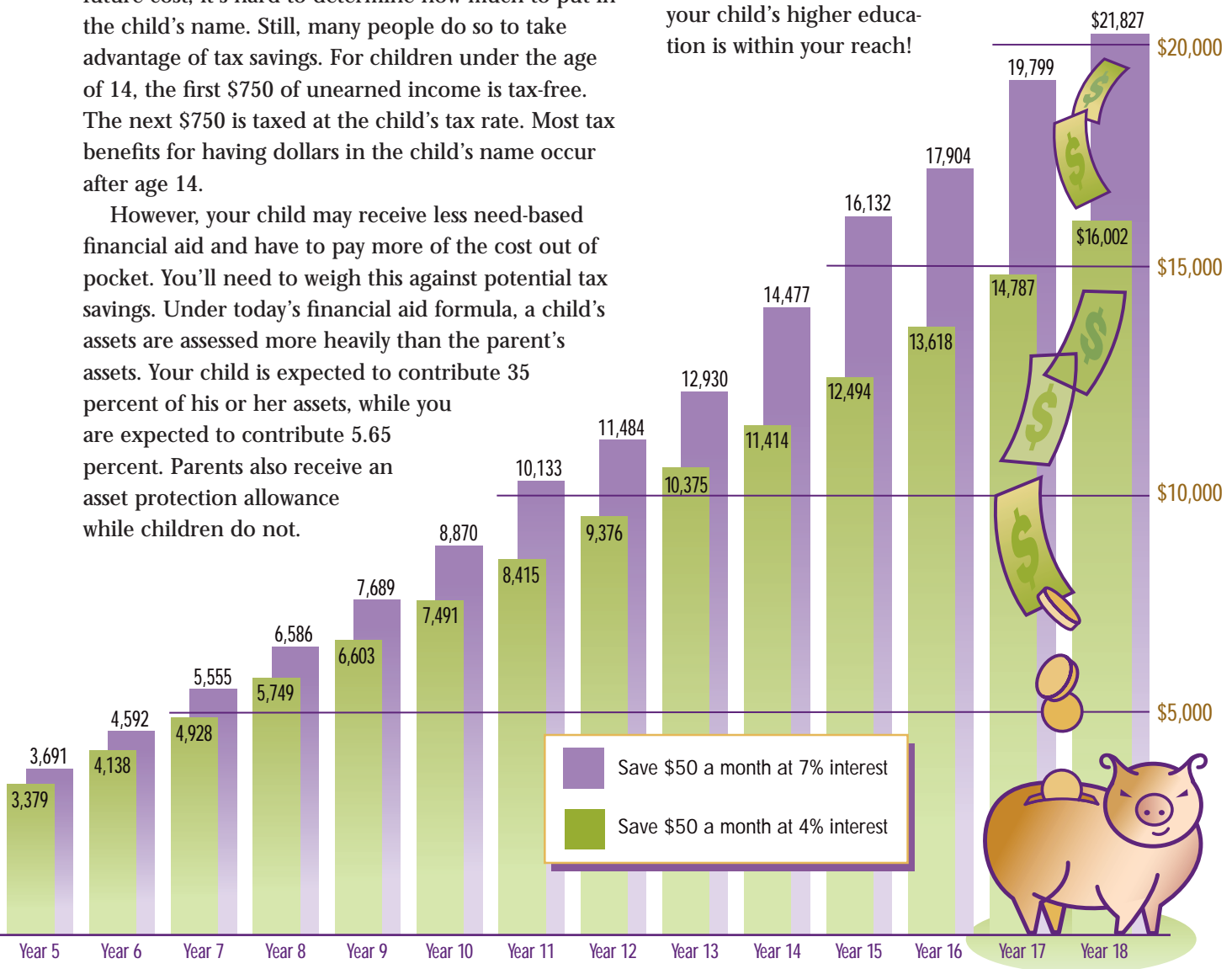
However, your child may receive less need-based financial aid and have to pay more of the cost out of pocket. You'll need to weigh this against potential tax savings. Under today's financial aid formula, a child's assets are assessed more heavily than the parent's assets. Your child is expected to contribute 35 percent of his or her assets, while you are expected to contribute 5.65 percent. Parents also receive an asset protection allowance while children do not.

**How can grandparents help?**

Grandparents, like parents, can save investments in their grandchild's name and receive tax advantages for doing so. However, the same potential drawbacks apply. Grandparents will have no control over the assets once it is in the grandchild's name, and the grandchild may receive less need-based financial aid.

**A final thought**

Don't be overwhelmed. With a little preparation, you can start your own college plan. For more help, visit [www.mheso.state.mn.us](http://www.mheso.state.mn.us), study this and other publications, attend a financial aid workshop, or talk to a financial advisor. Saving for your child's higher education is within your reach!



# Savings & Investment Guide

How you save money for your child's future education depends on the age of your child. The more time you have, the more aggressive your savings and investment plan can be. You don't have to save for the entire cost of a two- or four-year college, but you can still make a dent in tuition expenses. Every dollar you save reduces the cost of college for your child and the amount of student loan debt he or she may face after graduation.

As you consider investment and savings options, remember that time is an important factor in making your choice as is your risk tolerance. You need to understand and feel comfortable about the options you choose. Typically, the more quickly you earn a return on your investment, the higher the level of risk.

## If your child is newborn to age 3

**Strategy:** Build your assets so that they grow faster than inflation. Let your savings grow for you over time.

**Options:**

- Coverdell Education Savings Account (ESA)
- Mutual Funds
- 529 College Savings Plan
- Common Stock

## If your child is age 4 to 9

**Strategy:** Continue building assets while reducing overall risk. Consider more conservative, income-oriented investments. Balance your mutual funds with a combination of stocks and bonds.

**Options:**

- 529 College Savings Plan
- U.S. (Series EE) Savings Bonds
- U.S. Zero-Coupon Bonds
- Coverdell Education Savings Account (ESA)

## If your child is age 10 to 18

**Strategy:** Generate safe, steady income and have quick access to your money when you need it. Buy fixed-income investments. If you have stock or stock mutual fund investments, gradually sell them.

**Options:**

- U.S. Zero-Coupon Bonds
- Coverdell Education Savings Account (ESA)
- Money Market Accounts
- 529 College Savings Plan
- Certificates of Deposit (CDs)
- Life Insurance
- Money Market Funds



# Understanding Your Savings & Investment Options

## U.S. (Series EE) Savings Bonds

**What is it?** U.S. Savings Bonds are promises by the U.S. Treasury to repay the owner with interest when the bond is redeemed. Bonds can earn interest for as long as 30 years, and interest rates are higher when held five years or more. You purchase bonds for half the face value price; denominations are as low as \$50 for a \$100 bond. These bonds are exempt from state taxes depending on your income level when used to pay for tuition. Income limitations apply. Savings bonds are backed by the federal government.

## U.S. Zero-Coupon Bonds

**What is it?** U.S. Zero-Coupon Bonds are sold at deep discount to face value and are available from the U.S. Treasury, some state and local governments, and some corporations. The yield is determined by current interest rates. You receive a single, fixed cash payment at maturity. Bonds purchased from the U.S. Treasury are backed by the federal government.

## Coverdell Education Savings Account

**What is it?** A Coverdell Education Savings Account (ESA) is a trust or custodial account created or organized in the United States for the sole purpose of paying qualified elementary, secondary, or post-secondary education expenses of the designated beneficiary of the account. Earnings on a Coverdell ESA grow tax-free until withdrawn to pay for qualified expenses. Total contributions for the beneficiary cannot be more than \$2,000. You can open a Coverdell ESA at financial service firms and institutions. Families can claim the Hope or Lifetime Tax Credits in the same year they take a tax-free distribution from a Coverdell ESA, provided that the distribution from the Coverdell ESA is not used for the same expenses for which the credit is claimed. Families also can make contributions to a Coverdell ESA and a Qualified Tuition Program (QTP) in the same year for the same beneficiary.

## Life Insurance

**What is it?** A permanent life insurance policy with fixed annual premiums generally allows you to borrow against its cash value. Interest rates on such loans are usually reasonable, and many allow you to make payments on a flexible schedule. Your insurance premiums accumulate tax-deferred, and the cash value can be withdrawn or borrowed tax-free to pay for higher education. However, the amount of the outstanding loan decreases the death benefit. And, since life insurance is typically purchased as financial protection for your family should you die, borrowing against your policy may leave your family with little money to meet expenses.

## Certificates of Deposit

**What is it?** Certificates of Deposit (CDs) are deposits issued by banks that guarantee payment of a fixed interest rate for a set period. The longer the term, the higher the interest rate. Early withdrawal can result in a financial penalty. The Federal Deposit Insurance Corporation (FDIC) insures amounts up to \$100,000.

## Money Market Accounts

**What is it?** Money market accounts are savings accounts offered by banks that have a high minimum balance and have interest rates that are usually higher than regular savings accounts. The FDIC insures amounts up to \$100,000.

## Money Market Funds

**What is it?** Money market funds are a professionally managed pool of money that is invested in a wide variety of savings instruments. These funds have a fluctuating rate of return over a set period and typically have higher interest rates than money market accounts. Money market funds are not insured, but funds are usually invested in safe, short-term instruments that have high credit ratings.

Continued on next page

## Mutual Funds

**What is it?** Mutual funds are professionally managed pools of stocks, bonds, or a combination of both. They provide a wide diversification by investing in a variety of industries without the need to invest in each individually. This spreads out the amount of risk, but mutual funds are affected by stock market and economic swings.

## Common Stocks

**What is it?** Each share of stock represents part ownership and a claim to the company's assets and profits in proportion to the number of shares owned. It is a proven way to outpace inflation if investments are carefully selected and monitored. However, the stock market can be extremely volatile. Investing in a variety of industries can spread the risk and help your investments weather the ups and downs in the stock market.

## Qualified Tuition Plan: Minnesota College Savings Plan



**What is it?** The Minnesota College Savings Plan is a 529 Qualified Tuition Plan (QTP) that allows an individual to contribute to a state-directed college savings account. Investment earnings grow tax-free until withdrawn to pay for post-high school education expenses.

Earnings are tax-free while invested and tax exempt when withdrawn for qualified education expenses. The account owner must pay tax on the earnings plus an additional tax if the funds

are distributed without a qualified higher education expense. Qualified expenses include tuition, required fees, supplies and equipment, and room and board for students enrolled at least half time.

**Enrollment:** An account can be opened for as little as \$25 for a beneficiary who will attend college some time in the future. Although there are no income restrictions to open an account, families that meet income eligibility requirements and contribute at least \$200 per year may qualify for an annual matching grant from the state of Minnesota, contingent on continuing state appropriations for the match. The maximum annual match of up to \$300 is available to Minnesota families with incomes under \$80,000. The maximum contribution limit is \$235,000 per beneficiary.

To request enrollment materials or additional information, visit [www.529mn.com](http://www.529mn.com) or call TIAA-CREF at 1-866-218-4223.

**Disclaimer:** If you are not a Minnesota resident or if you have taxable income in another state, consider whether that other state offers a 529 plan with favorable state income tax or other benefits not available if you invest in the MCSP. The MCSP Disclosure Booklet should be read carefully before opening an account. The state of Minnesota, its agencies, and TIAA-CREF Tuition Financing, Inc. (TFI), Teachers Insurance and Annuity Association of America and its affiliates do not insure any amount or guarantee its principal or investment return. Account value will fluctuate based upon a number of factors, including general financial market conditions. Investments are made through Teachers Personal Investors Services, Inc., as distributor.

# Understanding The Price of Higher Education

Paying for higher education is one of the biggest challenges for most students and parents. In the last 20 years, college prices have risen faster than the general cost of living, but the price is not nearly as high as most students and parents think. And the price of attendance can vary widely depending on the type and location of school your child chooses.

**Tuition** is the price to take classes and use certain facilities at the school. Your child also may have to pay fees for extra services such as the campus health center or student activities.

## Other Expenses

**Room and board** refers to on or off campus housing (room) and meals (board). The cost can range from about \$4,500 at a state school to over \$6,000 at a four-year private college.

**Books and supplies** are not provided in college. Your child will need to buy books and supplies for each course. These expenses will vary depending on the course and your child's area of study.

**Personal expenses** include the cost for everyday items and services such as laundry, clothing, shampoo, recreation, and medical insurance.

**Transportation expenses** may include expenses for when your child comes home for the holidays or, if your child commutes, the cost of gas and parking.

And these additional expenses add up. The average student spends over \$6,000 per school year on these four items *in addition to* college tuition and fees. Many students, however, find these expenses to be higher. At public institutions, these costs typically exceed the price of tuition and fees.

## Average Tuition & Fees in Minnesota

Costs vary widely from school to school. Below are the average undergraduate fall 2004 tuition and fees for Minnesota residents. The University of Minnesota total is for the Twin Cities campus, College of Liberal Arts, excluding any fees charged by individual colleges. The private career schools' total is the average of those schools licensed by the Services Office. The private colleges' total is the average of the 17 members of the Minnesota Private College Council.

Technical Colleges . . . . .	\$3,686
Community Colleges . . . . .	\$3,753
State Universities . . . . .	\$5,242
University of Minnesota . . . . .	\$8,263
Private Career Schools . . . . .	\$10,092
Private Colleges & Universities . . . . .	\$21,467

## Information on Saving for College

**Minnesota Higher Education Services Office**

[www.mheso.state.mn.us](http://www.mheso.state.mn.us)

**Life Advice About...Planning for College**

[www.pueblo.gsa.gov/cic\\_text/family/college/college.htm](http://www.pueblo.gsa.gov/cic_text/family/college/college.htm)

**Planning for College**

[www.kiplinger.com/planning/college/](http://www.kiplinger.com/planning/college/)

**Saving for College.com**

[www.savingforcollege.com](http://www.savingforcollege.com)

**Useful Savings Calculators**

[www.dinkytown.net/java/CompoundSavings.html](http://www.dinkytown.net/java/CompoundSavings.html)

[www.hypo.com/collegeplanner/](http://www.hypo.com/collegeplanner/)

RESOURCES

# Understanding Financial Aid

Post-secondary students in Minnesota received \$1.6 billion in financial aid in 2003, with more than \$200 million awarded by the state of Minnesota. In the United States, more than \$105 billion in aid goes to college students each year.

## What is financial aid?

Financial aid is the money used to help offset the cost of higher education. It can come from the federal government, state programs, the college or university your child hopes to attend, and private sources such as companies or community organizations.

## What types of financial aid are available?

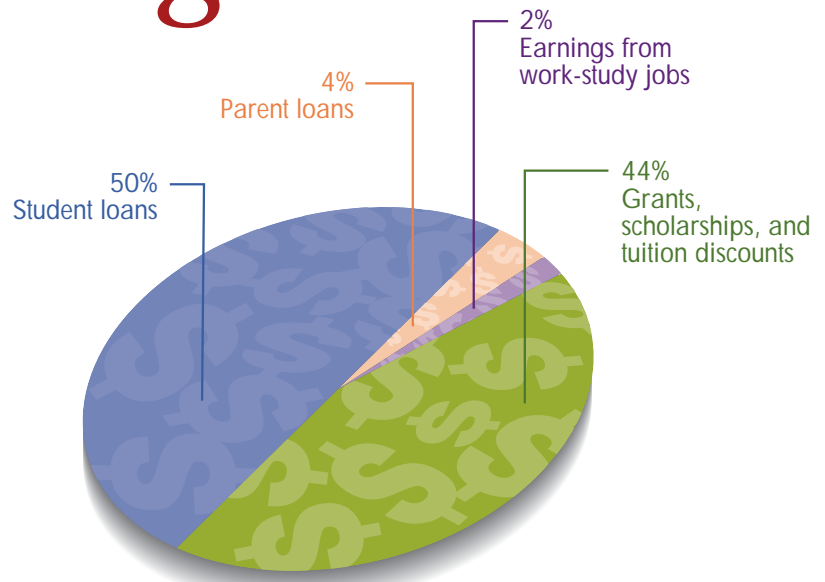
**Grants** are awards that do not have to be repaid. Grant money is usually given to those students with the greatest financial need.

**Scholarships** are awarded based on criteria such as grades, sports, culture, religion, or special talents. Like grants, they do not have to be repaid.

**Work-study** is a part-time job, either on- or off-campus, offered through the school to help the student earn money to pay for college expenses.

**Loans** with low interest rates help students pay for higher education and are available through several federal and state programs for both students and parents. Unlike grants or scholarships, loans must be repaid with interest.

**Community service jobs** may provide income and a post-service benefit to help pay for higher education. These jobs are a cooperative effort between local agencies and the federal and state governments to improve community service around the country.



Percentage of Financial Aid Awarded by Type

Source: Minnesota Higher Education Services Office, Financial Aid Awarded Survey, 2003.

**Military service** also can help finance your child's education. The Montgomery GI Bill provides educational benefits in exchange for active duty. Tuition assistance is available from the federal and state government for National Guard members. College-Level Examination Program (CLEP) tests and other tests for college credit may be taken free through the National Guard.

## What is reciprocity?

**Reciprocity** is the agreement that Minnesota has with neighboring states to provide reduced tuition to your child if he or she attends public colleges and universities in those states.

Minnesota has statewide agreements with Wisconsin, North Dakota, and South Dakota. It also has an agreement with the Canadian province of Manitoba and a limited agreement with the Iowa Lakes Community College in Iowa. Students also may be eligible for tuition reduction at some public and private schools in Kansas, Michigan, Missouri, and Nebraska through the **Midwest Student Exchange Program** ([www.mhec.org/resources\\_studentexchange.html](http://www.mhec.org/resources_studentexchange.html)).

# How does my child apply for financial aid?

To apply for most financial aid, your child will need to complete a need analysis form called the *Free Application for Federal Student Aid* (FAFSA). This form is used to determine federal, state, and school aid. The FAFSA is available from high school counselors, financial aid administrators at the school your child wants to attend, or the Higher Education Services Office. Your child also can apply online ([www.fafsa.ed.gov](http://www.fafsa.ed.gov)).

## How much aid can my child receive?

Parents and students are expected to contribute to the price of education. The FAFSA examines your child’s and your income, living expenses, assets, and savings to calculate how much you and your child can be expected to contribute. This is called your expected family contribution (EFC). The amount of financial aid your child is eligible to receive is determined by subtracting the EFC from the total price of a specific school:

$$\begin{array}{r} \text{Price of College A} \\ - \text{Expected Family Contribution} \\ \hline \text{Financial Need} \end{array}$$

Each school will offer a tailored financial aid “package” to meet your child’s financial need. This aid package may include a combination of grants, scholarships, work-study, and loans.

Don’t rule out any school simply because of price. Although your expected family contribution stays the same, your child’s financial aid eligibility increases as the price of a school increases:

$$\begin{array}{r} \$5,000 \quad \text{Price of College A} \\ - 3,100 \quad \text{Expected Family Contribution} \\ \hline \$1,900 \quad \text{Financial Need} \end{array}$$

$$\begin{array}{r} \$15,000 \quad \text{Price of College B} \\ - 3,100 \quad \text{Expected Family Contribution} \\ \hline \$11,900 \quad \text{Financial Need} \end{array}$$

## Will our retirement assets decrease our child’s financial aid eligibility?

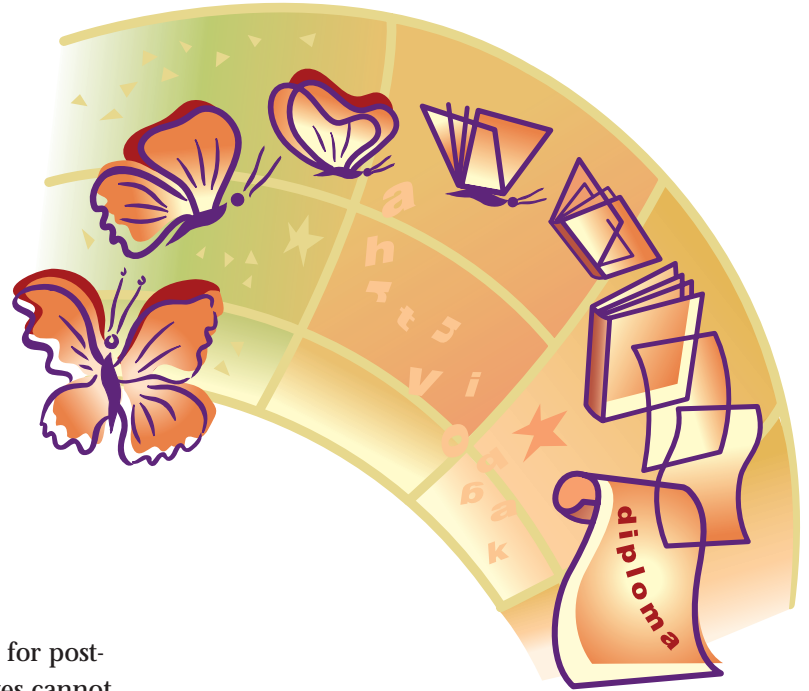
It depends on how you save for retirement. Certain assets such as pensions, life insurance, and individual retirement accounts (IRAs) are not evaluated when determining financial aid eligibility. Nor is home equity included for the home in which the family resides. Other assets such as savings accounts, certificates of deposit, stocks, mutual funds, and real estate are. However, the formula used to calculate your expected family contribution assumes you are saving for retirement and gives you an “asset protection allowance” according to your age and marital status.

Continued on next page

## 5 Ways to Trim College Costs

1. **Start saving early.** Let time work for you.
2. **Search for Scholarships.** Use free Internet scholarship searches.
3. **Explore programs like Post-Secondary Enrollment Options or Advanced Placement.** Your child can reduce the number of college credits he or she has to pay for and may be able to graduate early.
4. **Apply for financial aid and compare packages.** Assume your child will qualify and, if your child gets a better offer from one school, ask the others if they can match it.
5. **Give your taxes a break.** Take advantage of federal tax credits and deductions.





This amount is subtracted from the total net worth of your assets and, of the remainder, 12 percent is considered available assets. Because your retirement savings are not reported, you should not need to use them to pay for your child's education.

### Are there any tax breaks for attending college?

Federal tax benefits are available to help pay for post-secondary education. In some cases, incentives cannot be used with each other in the same tax year.

The **Hope Tax Credit** (formerly the Hope Scholarship) provides a maximum credit of \$1,500 for each eligible family member to help pay for the first two years of qualified undergraduate expenses. To qualify, your modified gross adjusted income must be \$51,000 or below if you file a single tax return or \$103,000 or below if you file a joint tax return. The credit is subtracted from what you own in taxes.

The **Lifetime Learning Tax Credit** provides a maximum credit of \$2,000 per family for education beyond the first two years of undergraduate education, including graduate school. To qualify, your modified gross adjusted income must be \$51,000 or below if you file a single tax return or \$103,000 or below if you file a joint tax return. The credit is subtracted from what you own in taxes.

**Student Loan Interest Deduction** allows you or your child to deduct interest paid on student loans on your yearly tax return. The current maximum deduction is \$2,500. To qualify, your modified adjusted gross income must be \$65,000 or below if you file a single tax return or \$130,000 or below if you are married filing a joint tax return. The amount of your deduction will be reduced if your modified gross adjusted income is greater than \$51,000 for single filers or \$100,000 for joint filers.

*Use our **financial aid estimator** at **[www.mheso.state.mn.us](http://www.mheso.state.mn.us)** to help determine your child's financial aid eligibility. Click on **Paying for College**, and then **Calculators & Estimators**.*

You also may take a **tuition and fees deduction** of up to \$4,000 if your modified gross adjusted income is \$65,000 or below if you file a single tax return or \$130,000 or below if you file a joint tax return.

#### **For More Information:**

*IRS Publication 970, Tax Benefits for Higher Education*  
**[www.irs.gov](http://www.irs.gov)**

*Focus on Financial Aid*  
**[www.mheso.state.mn.us](http://www.mheso.state.mn.us)**



# BEWARE of Scholarship Scams

The mailed solicitation promises that, for a fee, you can receive information about little-known or under-used scholarships or other aid.

## It's Tempting. What Should You Do?

Talk to the financial aid administrator at the school your child wants to attend or to your child's guidance counselor or principal.

Almost 95 percent of all student financial aid comes directly from the federal government, state governments, and the schools themselves. Your child applies for this aid using the *Free Application for Federal Student Aid* (FAFSA).

If you're still tempted, ask a lot of questions before paying the fee. Legitimate searches don't charge fees, ask for credit cards or checking account information, or guarantee scholarships. You can find a list of questions in *Focus on Financial Aid*, also available from the Higher Education Services Office.

## Warning Signs of a Scam

Proceed with caution if you're considering a company that exhibits one or more of these warning signs:

- A mail drop listed as a return address or operating out of a residency.
- Excessive hype and claims of high success rates.
- Up-front money for application fees.
- Typing and spelling errors on application materials.
- No telephone number for the business.
- Suggestions of influence with scholarship sponsors.
- Unusual requests for personal information such as bank account, credit card, or social security numbers.
- Time pressure to respond quickly.

## Free Scholarship Searches:

**CollegeNET Scholarship Database**  
[www.collegenet.com/mach25/](http://www.collegenet.com/mach25/)

**CollegeView**  
[www.collegeview.com](http://www.collegeview.com)

**FastWeb**  
[www.fastweb.com](http://www.fastweb.com)

**Scholarships.com**  
[www.scholarships.com](http://www.scholarships.com)

**Scholarship Resource Network Express**  
[www.srnexpress.com](http://www.srnexpress.com)

**Wired Scholar Scholarship Search**  
[www.wiredscholar.com/paying/](http://www.wiredscholar.com/paying/)

## Up-to-date Information About Scholarship Scams:

[www.finaid.org/scholarships/scams.phtml](http://www.finaid.org/scholarships/scams.phtml)  
[www.freschinfo.com/tipsscam.php](http://www.freschinfo.com/tipsscam.php)

## Where to File Complaints:

**Federal Trade Commission**  
Tel: (877) 382-4357  
[www.ftc.gov/scholarshipscams](http://www.ftc.gov/scholarshipscams)

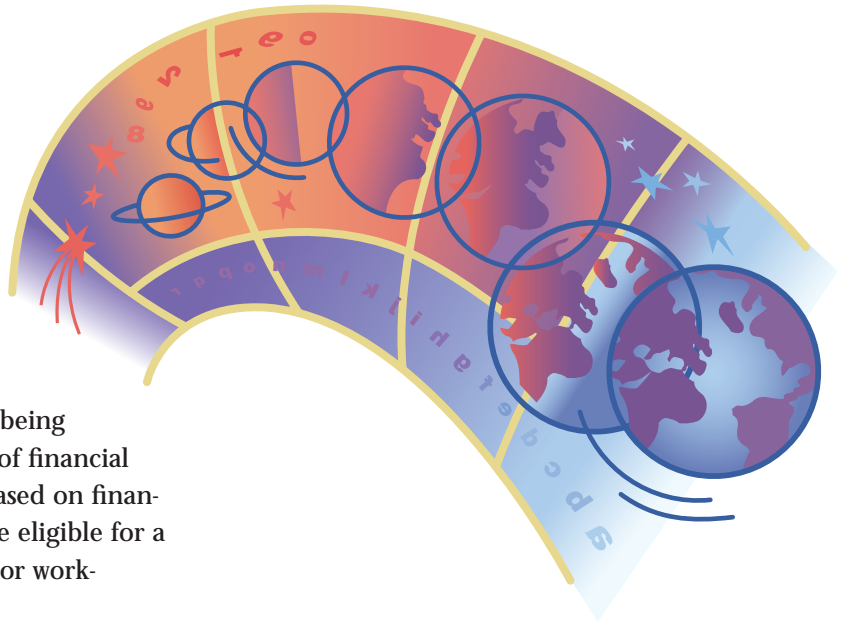
**Minnesota Better Business Bureau**  
Tel: (651) 699-1111  
[www.mnd.bbb.org](http://www.mnd.bbb.org)

**Minnesota Attorney General's Office**  
Tel: (651) 296-3353 or (800) 657-3787  
(651) 297-7206 or (800) 366-4812 TTY  
[www.ag.state.mn.us/consumer/](http://www.ag.state.mn.us/consumer/)

**The Attorney General in the State  
Where the Company Is Located**  
[www.naag.org/ag/full\\_ag\\_table.php](http://www.naag.org/ag/full_ag_table.php)

# Apply Early & Compare

As you and your child explore your financial aid options, keep in mind the following advice:



## 1. Assume you'll qualify

Minnesota is in the unique position of being able to offer most students some form of financial assistance—including state loans not based on financial need. Even if your child may not be eligible for a grant, he or she may qualify for a loan or work-study program.

## 2. Apply on time

Apply as early as possible. This means that you'll need to file your taxes early since the *Free Application for Federal Student Aid* (FAFSA) requires information from your income tax return. More important, scholarships and grants—aid your child won't have to repay—go fast. State, federal, and school financial aid deadlines can vary widely so it is extremely important to pay close attention to all deadlines. Late applicants may not receive the type of aid that they want.

## 3. Compare

If your child applied to several schools, compare the financial aid package offered by each school using the student financial aid worksheet on the facing page. The difference in aid packages may help you and your child select a school. If the amount awarded isn't enough for your needs, talk to the financial aid administrator and explain why you think it should be increased. Most aid, regardless of the original source, is funneled through these aid administrators.

### Financial Aid Information

**Minnesota Higher Education Services Office**  
[www.mheso.state.mn.us](http://www.mheso.state.mn.us)

**The College Board**  
[www.collegeboard.com](http://www.collegeboard.com)

**Federal Student Aid**  
[www.studentaid.ed.gov](http://www.studentaid.ed.gov)

**Office of Postsecondary Education,  
U.S. Department of Education**  
[www.ed.gov/ope/](http://www.ed.gov/ope/)

**The SmartStudent's Guide to Financial Aid**  
[www.finaid.org](http://www.finaid.org)

**Student Gateway to the U.S. Government**  
[www.students.gov](http://www.students.gov)

**Wired Scholar**  
[www.wiredscholar.com/paying/](http://www.wiredscholar.com/paying/)

RESOURCES

# Student FINANCIAL AID worksheet

Use this worksheet as you talk to a financial aid administrator about possible sources of financial aid and compare the aid packages offered by several schools.

The amount of financial aid your child receives will depend on the price of the school and the amount that you and your child are expected to contribute. The difference between the total price of attendance and your expected family contribution is your child's financial need (see page 23 for more details). To meet this need, the financial aid administrator puts together a package of grants, scholarships, work-study, and loans from various sources. Your financial aid package begins with federal, state, or institutional

grant assistance and is supplemented with work-study and loan funds. The total amount of aid received will depend on the availability of funds as well as state and school policies.

To determine the price of attendance, talk to admissions and financial aid administrators at the schools that interest your child.

To determine your family's expected contribution, use our online Financial Aid Estimator ([www.mheso.state.mn.us](http://www.mheso.state.mn.us)) under *Paying for College* to get started. While not a substitute for the *Free Application for Federal Student Aid* (FAFSA), the Estimator will give you a general idea about how much aid your child may receive. The FAFSA still must be completed to apply for aid.

PRICE OF ATTENDANCE	Private College Example	School 1	School 2
Tuition & Fees (9 months)	\$16,290		
Room & Board	4,952		
Books & Supplies	684		
Personal Expenses	1,015		
Transportation Expenses	485		
Miscellaneous Expenses	250		
<b>TOTAL COST:</b>	<b>\$23,676</b>		
<b>EXPECTED FAMILY CONTRIBUTION:</b>			
Parent's Contribution	\$800		
Student's Contribution	300		
<b>TOTAL FAMILY CONTRIBUTION:</b>	<b>\$1,100</b>		
<b>FINANCIAL NEED:</b>			
Total Cost	\$23,676		
Minus Total Family Contribution	- 1,100		
<b>TOTAL FINANCIAL NEED:</b>	<b>\$22,576</b>		
<b>FINANCIAL AID SOURCES:</b>			
Federal Grants & Scholarships	\$2,650		
State Grants & Scholarships	4,201		
School Grants & Scholarships	6,500		
Other Grants & Scholarships	1,500		
Federal or State Work Study	3,500		
Federal Loans	2,625		
State Loans	1,600		
<b>TOTAL AID PACKAGE:</b>	<b>\$22,576</b>		

## Your child is about to begin college.

For most students, college is neither harder nor easier than high school. It's just different. The same is true for parents.

The hardest part of being the parent of a college student is often "letting go." College is part of a student's search for maturity and self-identity. Parents need to adjust their style of parenting. For the sake of your child and yourself, you will need to become less involved. Your student will still need your love and support. However, that love and support will need to be expressed in new and possibly different ways.

### Letting Go: Be Prepared for Changes

College is a time of transition. There is no way to move through such a transition without feeling some sense of excitement and loss. The excitement is easy to handle. The sense of loss or dislocation is less so. The following can help you successfully "let go" as your child goes to college:

- Build an adult relationship with your child with phone calls, e-mails, letters, and "care" packages. Let the student control the timing of these interactions to help maintain a sense of freedom.
- Focus on the things you enjoyed doing before your child began college. Don't try to fill your life with new commitments to fill the void left by your child going to college.
- Don't feel guilty if you adjust to your child being in college before other parents do. Each parent will make the adjustment in his or her own time.
- Work to keep your emotions under wrap. If you burst into tears every time you speak to your child, he or she may feel even worse about being in school than he or she already does.
- Try not to focus conversations on problems or uncertainties that you're facing in your life. Help your child focus on his or her new goals or activities.
- Try to limit any other major changes in your life for now. Sending a child to college is enough of a shock.



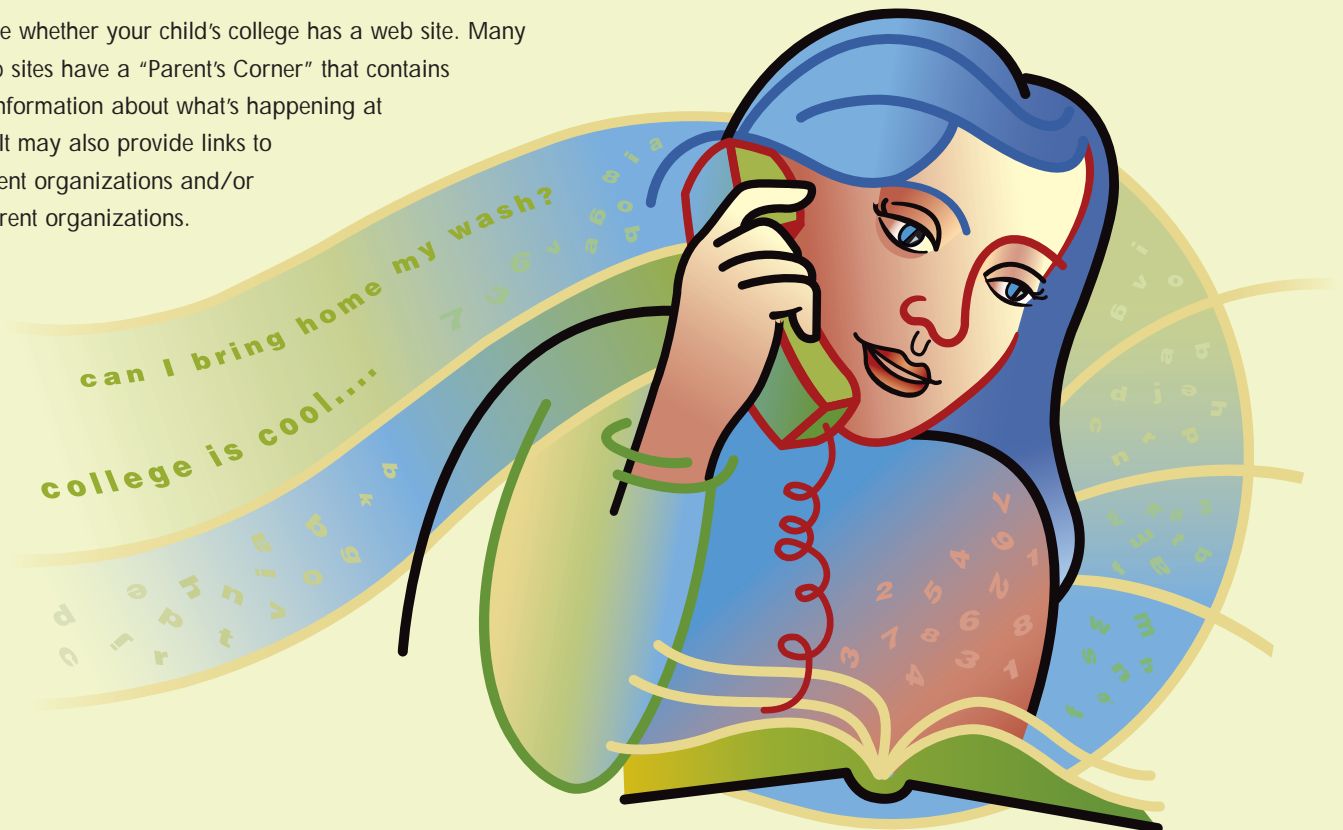
# Staying Connected:

## Ways to Keep in Touch

How can you “let go” of your child without cutting off your love and support? It’s not as hard as you might think. In general, children in college simply like to communicate with their loved ones at home on their own terms.

Here are some ways that you can stay connected without infringing on your child’s new-found freedom:

- Provide your child with a pre-paid phone card that can be used at any time. It’s a gentle way of reminding your child to stay in touch. Consider giving your child a cell phone.
- Communicate via e-mail. It’s inexpensive and allows your child to communicate with you as his or her schedule allows.
- Write letters. Most students look forward to receiving mail, even though they don’t always have the time to respond immediately. Don’t take it personally.
- Check to see whether your child’s college has a web site. Many college web sites have a “Parent’s Corner” that contains important information about what’s happening at the school. It may also provide links to college parent organizations and/or national parent organizations.
- Send small care packages with items such as food treats, quarters for doing laundry, flowers, and local news clippings.
- Make every effort to visit your child during Parent’s Weekend, but don’t plan to spend every minute of both days together. Let him or her set the tone for how the weekend is spent.
- Allow yourself to be a “shoulder to cry on.” College can be stressful and frustrating for many students. When your child calls or writes, just take in the information and don’t be judgmental. Students usually aren’t asking for a solution to the problem, they simply want to let out some feelings.



# Preparing Your College Student

Going to college is a big change for most children, especially if they live away from home. They've prepared academically during high school. Now, you can help them prepare in other ways as well.

## Healthy Advice

College can be physically demanding, but you can help your child plan ahead for the unexpected:

- Make sure your child knows his or her medical history, including inoculations, allergies, and diseases.
- Have your child make a list of existing medications and medication schedule. Get extra prescriptions and identify a pharmacy near the school for refills.
- Make sure your child has health insurance and understands when to use it. This insurance should be over and above what's covered by the student health service.
- Encourage your child to visit the school's health facilities whenever he or she feels sick. Discuss the importance of preventative care and counseling services.

- If your child has a chronic illness, find a specialist nearby before classes begin in case of an emergency.

## Guidelines for Spending Money

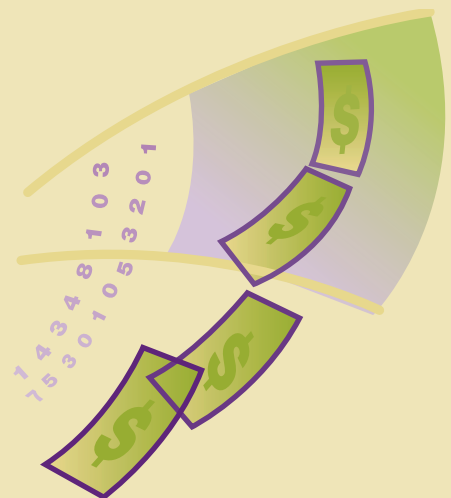
Your child should plan to spend about \$300 a month on books, supplies, and living expenses. Help your child create a plan to handle everyday expenses:

- Develop a budget prior to the beginning of school.
- Determine who will supply the spending money. If you're supplying the spending money, how frequently will you send it? Discuss what will happen if your child runs short of money.
- Establish a bank account in the town where your child will be studying. Find one that has a good relationship with the school and with students. If your child has a checking account for the first time, teach him or her how to set up and maintain a checkbook.
- Remind your child to keep the checkbook and ATM card in a safe place.
- Record the bank's ABA routing code and the account number in case you need to wire money.

## Students & Credit

Credit cards are a fact of life for most adults. The same has become true for college students who often receive a credit card regardless of their credit history (or lack of one). If you allow your child to have one, keep these thoughts in mind:

1. Make sure your child understands how to use the credit card in relation to his or her budget.
2. Emphasize that proper use of a credit card can help your child establish a good credit history.
3. Remind your child that overcharges and late or missed payments can cause severe damage to his or her credit rating.



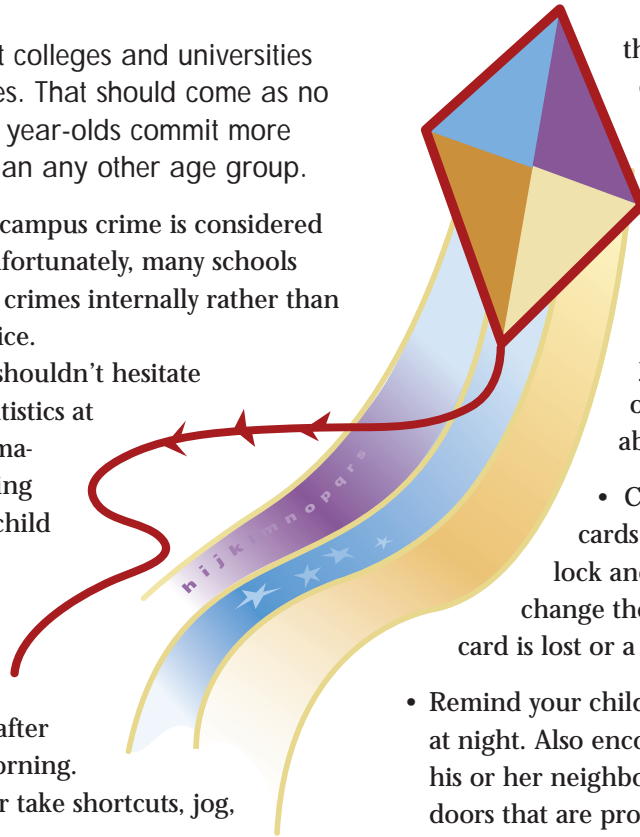
## Keeping Your Child Safe: Personal Safety for College Students

Crime is a fact of life at colleges and universities around the United States. That should come as no surprise since 18 to 24 year-olds commit more crimes in the country than any other age group.

Almost 80 percent of all campus crime is considered “student-on-student.” Unfortunately, many schools prefer to deal with these crimes internally rather than bringing in the local police.

Parents and students shouldn’t hesitate to question the crime statistics at their schools. This information as well as the following tips can help keep your child from becoming a victim.

- Your child should always travel in groups or use a campus escort service after dark or early in the morning. He or she should never take shortcuts, jog, or walk alone at night.
- Encourage your child to share his or her class schedule with you and other friends.
- Ask your child to create and share his or her phone list of friends and academic advisors.
- Help your child study the area around the campus and the college neighborhood. Identify potentially dangerous areas and where the campus emergency phones are located.
- First year students should decline having any photos or personal information published for distribution around the campus. This type of publication has been used to target freshmen.
- Check out the social scene by driving through the “fraternity row” on a Friday or Saturday night. Stroll



through other places where students gather. How are the students behaving? Are they abusing alcohol or other drugs?

Alcohol and other drugs are involved in over 90 percent of all off-campus crime involving college students. The less contact your child has with alcohol and other drugs and the people who abuse it, the safer he or she will be.

- Check if the dormitory uses “key cards” rather than the standard metal lock and key system. This makes it easy to change the electronic lock code if the key card is lost or a roommate moves out.
- Remind your child to always lock doors and windows at night. Also encourage your child to get to know his or her neighbors and to report strangers or any doors that are propped open.

### Campus Safety

**Campus Security Statistics,**  
**Office of Postsecondary Education**  
[ope.ed.gov/security/](http://ope.ed.gov/security/)

**College & University Campus Police Web Sites**  
[www.securityoncampus.org/schools/policesites.html](http://www.securityoncampus.org/schools/policesites.html)

### Prevention

**College Drinking Prevention**  
[www.collegedrinkingprevention.gov](http://www.collegedrinkingprevention.gov)

**National Council on Alcohol & Drug Dependence**  
[www.ncadd.org](http://www.ncadd.org)

## Resources for the Disabled

Students with disabilities that limit a major life activity may have additional needs and expenses while attending college. These students are protected by federal and state laws to ensure access to higher education, and many schools have a disability services office or special needs supervisor to assist students with disabilities.

More information on disability-related expenses and how to include them on a student budget can be found in *Creating Options: Financial Aid for Students with Disabilities*, a free fact sheet published by the HEATH Resource Center. To request a copy, call (800) 544-3284 (V/TTY), e-mail your request to [askheath@heath.gwu.edu](mailto:askheath@heath.gwu.edu), or write to:

HEATH Resource Center  
2121 K Street Northwest, Suite 220  
Washington, D.C. 20037

Or download a copy from the Center's web site ([www.heath.gwu.edu/Publicationspage.htm](http://www.heath.gwu.edu/Publicationspage.htm)).



1450 Energy Park Drive, Suite 350  
Saint Paul, MN 55108-5227

Telephone: (651) 642-0567  
(800) 657-3866

Fax: (651) 642-0675  
Email: [info@heso.state.mn.us](mailto:info@heso.state.mn.us)  
Internet: [www.mheso.state.mn.us](http://www.mheso.state.mn.us)

For the Hearing Impaired:  
TTY Relay: (800) 627-3529

This document can be made available in an alternative format to individuals with disabilities by calling (651) 642-0567.

## To receive any of the following services:

Contact the Higher Education Services Office or visit our web site ([www.mheso.state.mn.us](http://www.mheso.state.mn.us)).

### Free Publications

**Future Choices:** Helps junior high students think about their futures, and gives them ideas and tips on how to use high school to make their dreams a reality.

**Focus on Financial Aid:** Describes financial aid and how to apply for it. It includes descriptions of state and federal programs, lists of whom to contact about financial aid at Minnesota's post-secondary institutions, and other helpful references. Summary versions are available in Spanish, Hmong, Somali, and English.

### Free Presentations

#### Financing Higher Education Presentations:

Presentations cover how to finance and pay for higher education, how financial aid works, where to find scholarships, the different types of higher education in Minnesota, and more.

Presentations are intended for students in grades 7 through 12, parents, and adults who want to begin or return to school, but can be tailored to meet your needs. Past presentations have been held at schools, parent groups, community groups, church groups, children's groups, and other organizations whose clientele include people of all ages interested in education beyond high school.

Call the Services Office for more information.

