



According to Sallie Mae's [How America Saves for College 2015](#) report, 9 in 10 parents believe that college is a worthwhile investment. While this statistic shows that the value placed on higher education is nearly universal, a staggering 84% of parents are also willing to stretch their financials in order to make college possible for their children.

The increasing costs of higher education are a part of our current reality, but breaking the bank doesn't have to be. Making smart financial decisions from the start, and turning good savings behaviors into long-lasting habits can be the ticket to a fruitful and (hopefully) debt free future – for students and parents alike.

5 Tips for Reducing College Costs

- 1. Start Saving as Soon as Possible** – This goes for parents and prospective college kids alike. Parents can start as early as birth to save for college through popular vehicles like [529 plans](#) and [savings bonds](#). See how putting away small amounts of savings will build up over time and will reduce the amount of loans that have to be paid back later in this [BetterMoneyHabits.com video](#).
- 2. Do Your Research** – If you already have your major chosen, do some digging into what credentials are required in your major's industry down the road and consider what your options are for getting the most bang for your buck. Not sure what you want to be when you grow up? That's okay! Check out community colleges. These low tuition schools offer time to define the direction of your studies, while keeping costs at a minimum.
- 3. Save on Room & Board** – Sometimes there really is no place like home. Take a moment to think about what living expenses really entail: a bedroom, furniture, electricity, internet, laundry, and meals. Whether you're trying to reduce student loan debt after college or trying to stretch a savings account, living at home during school will save you thousands of dollars.
- 4. Work While In School** – Working one (or a few) part-time job can help pay for anything from tuition to books, transportation to school supplies. Every little bit earned and saved before and during college will reduce the amount of loans needed and save money you would pay later.
- 5. Know the Fine Print** – When savings and [free money](#) won't cover all the costs, student loans will inevitably step in. Whether you're a student or parent borrower, be mindful of the [debt that you take on](#). Scrutinizing repayment terms is critical as they can help you know how much you'll owe after you graduate, when you'll have to start paying on the interest and principal of your loans, and whether you'll be eligible for any forgiveness options down the road.



Learn more about saving for college and pledge to save at [AmericaSaves.org](#).