

It's graduation season, and with all those parties and college visits, if you're a parent you might be wondering how you're going to help your child pay for their post-secondary education. College costs have risen 1,120 percent in the past 30 years, so what students today pay is nearly 12 times as much as what their parents paid. Fortunately, paying for that education is not impossible, and doesn't require taking on insurmountable debt. Here are a few tips to help you create a plan to pay for college:

Create a Strategy

First and foremost, create a strategy early. The longer you have to save, the bigger the impact will be. However, if you're starting late, resist the temptation to pull from other savings like your retirement fund. *Never forgo saving for retirement in order to build up a college fund.* There are many resources available to help students obtain loans in order to attend college, but there's no such thing as a loan to retire.

Wisconsin College Savings Program

One great way to save money for college if you're able to start early is through the Wisconsin College Savings Program. This program, made up of the 529 EdVest and Tomorrow's Scholar, enables consumers to save tax-free dollars to pay for future post-secondary education costs. You can find out more about the program from the Wisconsin Treasury website at <http://www.statetreasury.wisconsin.gov>.

Scholarships and Grants

Applying for grants and scholarships should be part of every college-bound student's strategy. National grants include Pell Grants, Academic Competitiveness Grants, and National SMART Grants, but local scholarships often have less competition. Civic organizations and religious institutions often have meaningful amounts of aid available to students willing to apply. Don't forget to ask the school itself how you can maximize their financial aid package. If you've been accepted to more than one school, it might even be possible to negotiate for a better package.

Student Loans and Tax Credits

Federal loans, whether subsidized or not, are a better option than private student loans for most consumers. According to the Consumer Financial Protection Bureau (CFPB) nearly two thirds of undergraduate students rely on loans to pay for their college education. Because federal loans are cheaper and have more flexible repayment options, students with financial need should always exhaust their federal options before looking to private loans. CFPB has more information and resources on its website at www.consumerfinance.gov/paying-for-college.

The best way to pay for college is to be a smart consumer. Remember to compare the costs of attending each school including: tuition, room and board, travel expenses, as well as income potential after graduation. Choosing the right school is the first step in an effective strategy to pay for a college education.

