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State Offers Resources to Help in Tuition Crunch

By Debra DeMuth

The economy and the state budget crunch have led many of Colorado's colleges and universities to increase tuition for the next academic year. All major public universities in Colorado, including the University of Colorado system, Colorado State University and University of Northern Colorado, have recently announced increases of as much as nine percent, the state-allowed limit. Many colleges and universities expect this trend to continue in the future.

With the news of tuition increases, more families are beginning to wonder how they will pay for college. Collegenest—Colorado's not-for-profit higher education financing resource is available to help Colorado families navigate the college financing maze and think through all their college financing options.

Parents with younger children can look to Collegenest to get a jump start on saving for future higher education expenses. The first step is to estimate future costs of college for their children and to set a plan for saving early in their childhood. Collegenest provides online tools and calculators to estimate the future costs of college tuition, how much is needed to save, or what a specific monthly savings amount can add up to over time. Collegenest also administers the state's tax-advantaged college savings plans, called 529 plans. The Collegenest 529 savings program is the only college savings program that offers a Colorado state income tax deduction for contributions to an account.

Money saved through 529 college savings plans offered by Collegenest can be used nationwide at any eligible public or private college, university, or vocational school for a variety of qualified higher education expenses such as tuition, fees, certain room and board expenses, and required supplies.

The biggest hurdle for most parents is to simply get started. Saving for college is always a good idea and every little bit adds up quickly. Several of Collegenest's account holders have offered suggestions to help save for their child's college. For example, when your child grows out of diapers, take that weekly budgeted cost and drop it into your savings account. Or, when your child leaves daycare for kindergarten, take that monthly expense, and place it in your child's savings account. Again, you're simply transferring current expenses within your existing budget to a more beneficial need for your child as they approach college.

Collegenest makes it easy. Savings accounts can be started with very affordable minimums, as little as \$25 to open an account. You can open an account directly with Collegenest or your financial planner. Collegenest also offers automatic deposit plans to allow parents to contribute to accounts on a regular basis. Information is easily available at our website www.collegenest.org or by calling us at 800.448.2424.

For parents or students who are closer to going to college, Collegenest provides additional assistance through several scholarship programs. The Collegenest Early Achievers Scholarship provides scholarships to eligible 7th, 8th and 9th graders to attend eligible Colorado schools. The Collegenest

Service Scholarship provides scholarships to eligible college students who are in a Colorado undergraduate program and willing to commit to volunteer in a service-to-children volunteer program.

The CollegenInvest Matching Grant Program is designed to help middle to lower income families save for higher education with matching funds for eligible account owners when they open and contribute to a CollegenInvest 529 College Savings Program account.

These and other programs can be accessed on our website at www.collegeninvest.org.

In addition to these programs, CollegenInvest has an outreach team that brings valuable financial aid workshops, at no cost, to every corner of the state. Members of this team go out to schools, libraries and community organizations to talk to parents and students about the various resources available through CollegenInvest.

CollegenInvest cannot prevent the reality of tuition increases but it can provide tools to help families address the challenge of paying for higher education. We have been doing this for thirty years now and look forward to helping for many more years ahead.

The first step is to get started. Do you have a Plan?

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