



College Keystones



A College Planning Relief Publication

The Real Cost of College

The unprecedented increases in the cost of college over the past two decades, coupled with one of the nation's more challenging economic times, has led to record setting student debt for this year's graduates. This comes at a time when many college graduates are finding it very difficult to find gainful employment in their chosen fields of study, thus forcing them in many cases, to take multiple lower paying jobs simply to keep their heads above water.

A poll recently conducted by Fidelity Investments found that 70% of college graduates left school with college related debt. What's more surprising, according to the poll, was that greater than 50% of those polled were surprised at how much debt they accumulated during their time in school. Furthermore, 39% said they would have made different choices had they realized they were going to accumulate so much debt.

These statistics are absolute proof that too many families are simply not doing enough pre-college planning before making these costly choices. Unfortunately for so many families, it is only after the fact that they realize that their plan, or lack thereof, may not have been the best. The good news is that it doesn't have to be that way.

Many of the unknowns such as the real total cost of college, the number of actual years it takes to graduate and the likelihood of a school being the right choice are things that can be researched, and ultimately decisions can be made based on facts and hard data and not on assumptions and misnomers.

A financial professional who specializes in college planning will help a family seek out the appropriate data about schools, costs of degrees, opportunities with financial aid and scholarships that most families going through this process for the first or second time would unlikely be able to do on their own. A college planner will also help families make decisions that are not just going to make financial sense but also put the student in the best possible position after graduation, to gain employment and to not be burdened with excessive debt that they cannot afford.

A college planner will typically charge a fee for their services that can include an array of things such as school comparisons, FAFSA completion, student interviews, career outlook reports and much more. Their fees can range from a few hundred dollars to a few thousand dollars based on the scope of their services. In most all cases, the cost of hiring one of these experts is a fraction of what most families will save on the total cost of college itself.

We are in the business of helping families through the major life transition of sending their children to college. For many, it will be the most expensive time of their lives and, if not handled properly, could cost them their retirement. If you or someone you know needs the help and guidance of a trained financial professional, don't hesitate to contact me. Remember, you shouldn't have to choose between your child's college and your retirement.