



The dollars dialogue

— by Taylor Engler

How and when to discuss college financing with your parents

when thousands of dollars are in question? How and when do you talk to your parents about paying for college?

“Of course, the cost of college weighs heavily on my mind,” says Betty Ouren, parent of college and high school students who has no doubt “that it is worth the cost.”

According to the Department of Education, the average cost for college increased 15 percent between 2008 and 2010, making the conversation about cost especially daunting. Yet, it’s a conversation that must be had, and the sooner the better. A common mistake families make is starting to discuss cost after their student receives acceptances.

When to do it? Now!

Education experts recommend that families discuss the generalities of affording college before high school, and that they talk specifics before starting the college search.

“Try to talk to your parents early about how much money college should cost – by your freshman or sophomore year of high school. This way, you have boundaries set before you really get into your college search,” advises Claire Gillespie, who attends the College of William and Mary in Virginia. “However, have financial reach schools. Financial aid and scholarship opportunities, if pursued, can help your expensive dream school become more realistic.

Talking before applying to schools can help families avoid surprises and hard decisions. “My parents and I did not talk about money until after I had applied to schools,” shares Gillespie. “My reasoning was that I would apply to any school I wanted and the financial end would work itself out. This does not necessarily happen in real life and left me with some very difficult choices when schools I applied to became too expensive.”

A positive, respectful approach

The conversation is best had upfront and full of honesty and respect.

“The budget and the possibilities have to be considered by the time it’s necessary to make decisions,” says Fabiana Aguilera, parent of a college and a high school student. “It’s not an easy conversation. There are many variables, and the high college costs today represent a huge weight for families and students.”

Pick a time when your parents are relaxed and not busy to have an initial conversation. Money is a stressful subject — even between family members — so approach the conversation graciously and without preconceived ideas.

Tell your parents about your dreams for college. Do you envision yourself going far away? Is your heart set on a private university? Or is community college more your style? Set the stage to ensure you and your parents are speaking a common language.

Asking your parents for a few dollars

for gas can be tricky enough. So how do you broach the topic of money

Now, listen. Ask your parents how they envision the costs being covered. Maybe they’ve saved since you were born. Or perhaps the tough financial climate prevents them from contributing. Whatever the case, be gracious. Don’t compare your situation to your friends’ circumstances. Leave the conversation with bonds built, not broken.

Research the options together

There are many ways to pay for college. Financial aid is available in the form of grants and scholarships for families who qualify. You can work with your parents to fill out a Free Application for Federal Student Aid (FAFSA) to see what you are eligible for.

Many colleges award scholarships for academic or athletic excellence. You can also use websites such as www.fastweb.com to find scholarships awarded based on essay competitions, video submissions, or for students from specific backgrounds.

Loans are another common option. But be careful — loans accrue interest over time, so the more you take out, and the longer you wait to pay, the more they will cost you.

It may also be possible for you to work to help pay for school. Most college students work during breaks to save money for the school year. It’s also possible to work during the school year. Look for jobs that permit a flexible schedule, and start slowly.

Students can “take responsibility for part of their loans, work part-time to share the burden of payments, and use their time wisely to finish school ASAP,” says Gustavo Schildknect, Aguilera’s husband. “They can also commit to be proactive, when the time comes, to look for jobs and internships by networking with instructors, family, and friends.”

Crunch the numbers, and have a plan B

Now that you’ve looked at all the payment options, work together to come up with a yearly cost that is comfortable. Research colleges with programs you’re interested in, and see if the costs are in your range. As you weigh the pros and cons of each school, factor in cost. You may really love one school, but will several thousand dollars in loans be worth going there? Maybe your second choice costs less, and that moves it up on the list.

You should also look into what career services each school offers. A school with a great career services center will help you launch your career by providing resume resources, interview practice, and connecting you with alumni employers in your field.

“Because college education can be a very large part of any family’s budget, the sooner the better to discuss which is the right school in relation to the resources available and the aspirations for the students,” says Schildknect.

If your dream school seems out of reach, don’t be discouraged, but establish a backup plan. Many students first attend a lower-cost community college to take their general education classes, then transfer to their dream school to focus on a major.

In these economic times, nothing’s certain. Your family’s financial situation can change as you prepare for and go through college, so keep an open dialogue. Talk with your parents regularly about money, keeping in mind the above tips for a stress-free conversation.

“In four years of college, it is impossible to predict 100 percent what

is going to happen,” says Aguilera. “Interest rates, programs, opportunities, and the financial situation of the family can change. So, flexibility is necessary.”

Make it worthwhile

College is a big expense, but an important one. No matter what your financial situation, make sure you prove the worth of the investment—not only to your family, but to yourself. Go to class, study hard, get good grades, and join clubs.

“My kids’ commitment to school is all I need for gratitude,” Ouren says. “Getting good grades, caring enough to text me about those grades, and not wasting money on things like drinking or going out to eat all the time. That shows me they appreciate that I’m spending a lot of money.” 

Putting the pieces together

Talking to your parents about money for college can be a lot easier if you prepare a little beforehand. Ask yourself the following questions; the answers should give you a better understanding of your parents’ perspective. Some questions are designed to help get you thinking about how your parents handle finances in general, while others should help you determine how familiar they are with the costs of college and ways to manage them.

