

A SNAPSHOT OF HOW AMERICA SAVES FOR COLLEGE 2013

Sallie Mae's national study, **How America Saves for College**, illustrates current trends in how American families are preparing for their financial investment in higher education.



LET THE SAVING BEGIN

Certain events inspire a percentage of families to start saving for college. Here's a breakdown of who is saving and when they started.

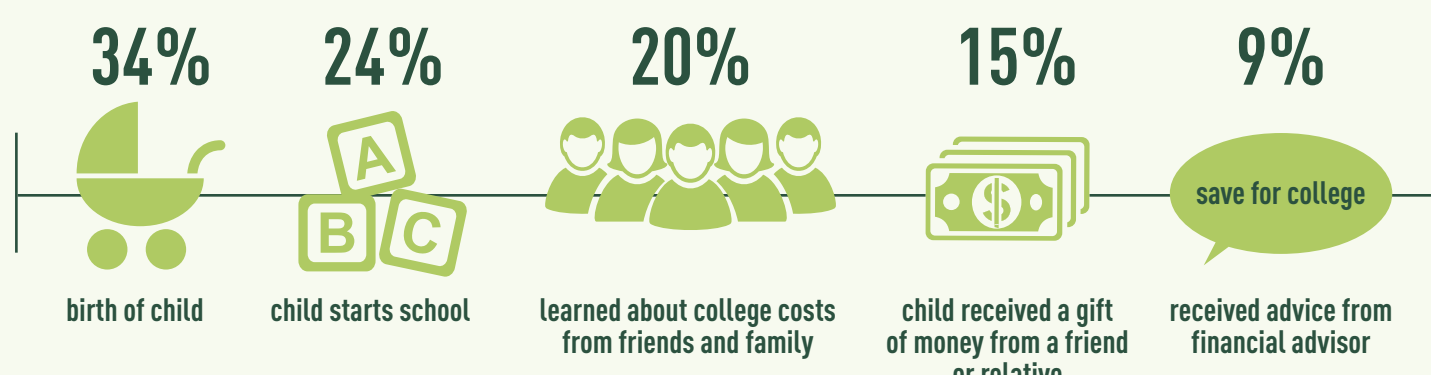
50% OF FAMILIES ARE SAVING FOR COLLEGE



50% OF FAMILIES ARE NOT SAVING FOR COLLEGE

Of the families that are not saving:
53% say it is because they do not have enough extra income
47% give a reason other than lack of funds: counting on scholarships, competing priorities, procrastination, and expect child to take responsibility

MAJOR MILESTONES THAT INFLUENCE THE START OF SAVING FOR COLLEGE



WHAT'S THE PLAN?

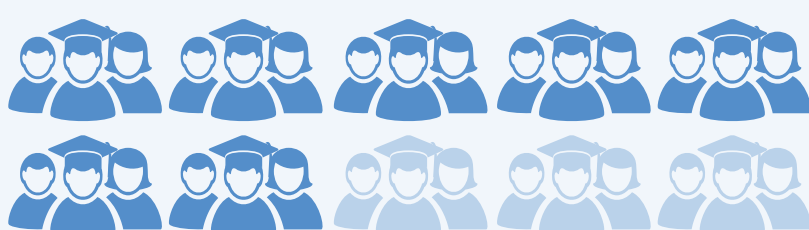
Saving for college starts with making a plan and setting goals. Here's how families today are planning to pay for college.



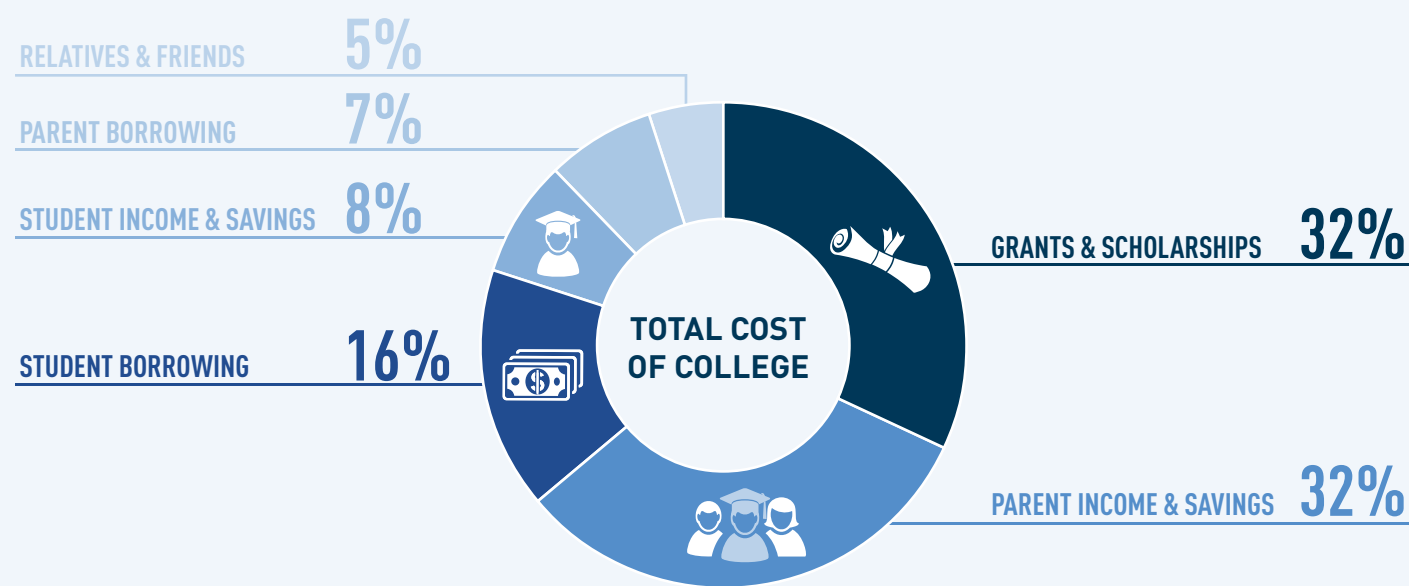
Families' average savings goal for college per child:
\$38,953

70%

of savers are confident they will reach their expected college savings goals by the time their children begin college.

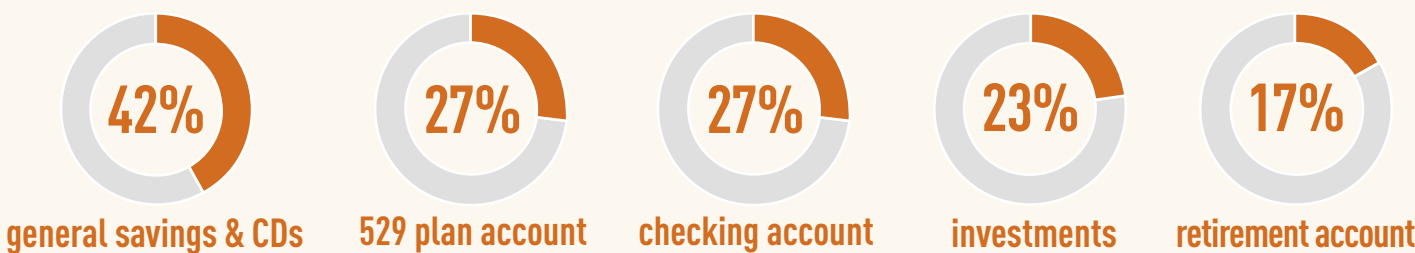


PARENTS EXPECT TO COVER THE COST OF COLLEGE WITH THE FOLLOWING COMBINATION



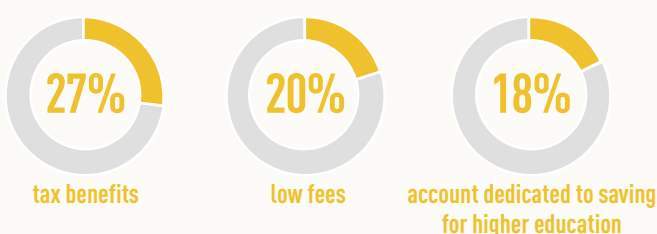
WAYS FAMILIES SAVE

Once a plan is in place, families use the college-savings option that works best for them. Here are some of the different savings vehicles they are choosing.



A 529 plan is a tax advantaged education savings plan operated by a state or educational institution designed to help families save for the future cost of college.

WHY FAMILIES CHOOSE A 529 PLAN



HOW FAMILIES CAN SAVE EVEN MORE



Encourage children to start saving for college early by putting aside a portion of monetary gifts.



Ask grandparents and other relatives to consider contributing to a college fund.



Sign up for free online services, like Upromise by Sallie Mae, that allow you to earn cash back for college on your everyday shopping.