



# Parents Make A Difference!

## Preparing for Life After High School



Technical school, job training, military service, or a 2- or 4-year degree? Life after high school holds many exciting opportunities! As a parent, helping teens plan for post-secondary education through conversations and savings can help them achieve their goals.

Recent research has shown that youth with a college savings account are three times more likely to attend college and earn a degree—*no matter how much money is in their accounts*.<sup>1</sup> Even a small amount of savings (\$500.00) put away for higher education can have an impact, encouraging youth to start thinking about college and planning how to get there.



**8 in 10 students plan to complete a post high school program**

### Teens and college plans

The 2015 Department of Public Instruction Youth Risk Behavior Survey asked 5,309 youth in grades 7 through 12 in Southwest Wisconsin about a variety of topics. Over **80%** of 9<sup>th</sup>-12<sup>th</sup> graders reported they “probably or definitely” will complete a post high school program such as vocational training, military service, community college or a 4-year college.

Of those students who have post-high-school educational plans, there is less alcohol drinking, less absenteeism, and more time spent on homework compared to students who are less certain about their plans.

### Supporting our teens

One of the most important ways to get started is to initiate a discussion with your teen. Do you know what your teen’s career goals are? Is college or post-secondary education even on their radar? You might be surprised at the answer. This is also a great opportunity to talk about the value of college and to let them know that you support them in their chosen career path.

Students with post-high school plans show a pattern of family involvement. 85% agree that their parents have clear rules and standards for their behavior and 68% eat meals with an adult family member more than 3 times per week.

1. Source= Elliott, W., Song, H-a, & Nam, I. (2013). Small-dollar children’s saving accounts and children’s college outcomes by income level. Children and Youth Services Review, 35(3), 560-571.

### My parents talk with me about what I am doing in school...

*Most of the time or always*



of students who DO have post-high school plans



of students who do NOT have post-high school plans

## REMEMBER – PARENTS MAKE A DIFFERENCE!

Most teens are as stressed about going to college as you are about the cost. Developing a strategy about how to pay for college will do wonders to reduce their anxiety about life after high school. It can also be a great way to teach your teen about the long-term value in making financially responsible decisions.

**Ready to start saving?** Deciding how much to save and what type of account to use can seem overwhelming. The most important thing is just **getting started**.

- **Start saving, even if it is in small amounts.** One of the easiest strategies is to find a little bit of extra money each month to put towards college savings. Helpful steps can include developing or reviewing your budget, starting to track spending, or simply using a change jar. Not surprisingly, the sooner you start, the more you can save. *If you save \$2/day in an account that earns just 1% interest, in 17 years you'll have more than \$12,400.* Try to look critically at your spending and see if there is any place that you can cut back. Can you save \$1 per day by bringing snacks & drinks from home rather than stopping at vending machines?
- **Once you are committed to saving, pick a place to save.** Families interested in college savings have a variety of options about where to put their savings. Start simple. Empty your change each week into the change jar so that your child can see that you are saving for their college. Work together on reaching your saving goals. To document success and build motivation, try charting the savings as it grows so that everyone in the family can see it. As your savings increases, learn together about all of the different financial strategies that are available for college savings.
- **Get other family members (and friends) involved.** Grandparents might be excited about opening 529 college savings plan specifically for your teen. Gently let relatives know that contributing to your teen's college future can be a more valuable gift than buying another electronic gadget. Plus there can be some tax advantages for contributing to state 529 plans (Note: this varies from state to state).

However you get started, the most important question is, “*What works for you?*” Most families can't save the full amount needed for their child's education. Life happens and most of us have experienced financial stress at some time. The good news is that any amount saved for your child's education makes a big difference.

### College Savings Resources:

Check out the UW-Extension website for info on college savings options, videos and helpful links to get you started at: [fyi.uwex.edu/collegesavings](http://fyi.uwex.edu/collegesavings)

Parentetical: Where parents of tweens and teens learn share & connect. Article on College Savings: <http://myparentetical.com/saving-for-college-its-never-too-soon-to-start/>

[529.wi.gov](http://529.wi.gov)

[Savingforcollege.com](http://Savingforcollege.com)

[www.finra.org/investors/saving-college](http://www.finra.org/investors/saving-college)

[finaid.org/savings/](http://finaid.org/savings/)

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