Chart on the Go

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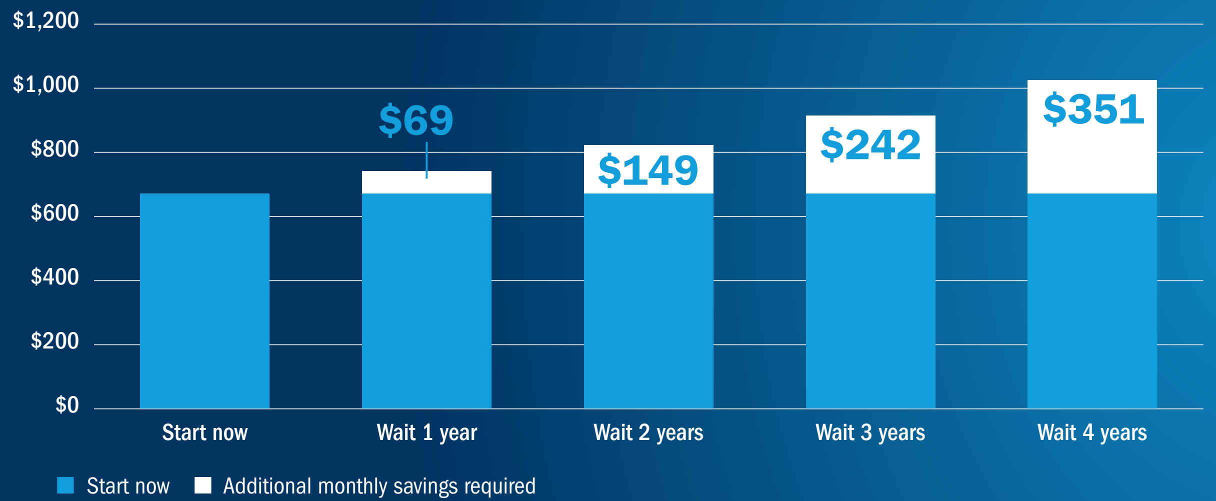
Investing for Emily's education

Waiting to save for college will require a higher monthly payment

Assumes 100% funding of $197,555[1]



For illustrative purposes only. This illustration is hypothetical and is not meant to represent any specific investment or imply any guaranteed rate of return. This information is not intended to provide investment advice and does not account for individual investor circumstances. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon and risk tolerance.

[1] Source: Price of Procrastination Calculator, columbiathreadneedleus.com/calculators. Based on the cost for the 2022–2023 school year and assumes a 4% college cost inflation rate and a 6% annual investment return.

Families often ask, "When should parents start saving for college?" The short answer is now — and here's why:

Maria and Charles Ward have a five-year-old daughter, Emily. They plan on Emily attending an in-state public school, giving them 13 years to prepare for this expense. If the Wards start saving now, targeting 100% of Emily's in-state public college tuition, they would need to save $667 per month. However, waiting to save for college will require them to save more each month for each year that they wait.

The earlier the Wards save, the longer they can benefit from compounding growth — which is particularly important given their relatively short investment horizon of around 13 years.

Our Price of Procrastination calculator can help determine how much more you would need to save to put your child through college.

CTBP4XX (06/23) 5758666