

COLLEGE COSTS STILL RISING FASTER THAN INFLATION

College tuition and fees rose almost 5% in 1999, while the Consumer Price index rose 2.7%. According to the College Board, the annual cost of a four-year state school averaged \$8,400 while the cost of the average private school rose to over \$22,500.

At that rate, parents of a one-year-old child can expect a public college to cost about \$20,000 per year and a private school over \$50,000 per year by the time junior gets there. To save enough for a public school, those parents need to start today and invest about \$47 per month in mutual funds if those funds would return 8% per year. A private school would require over \$117 in monthly investments. The key is to start early.