



Note to mom and dad: Warn kids early if you expect them to pay for part of college

By Sheryl Nance-Nash | Sept. 2, 2018

There's no point in delaying a delicate discussion. Better to get on with it. Yet, according to Fidelity Investments' 2018 College Indicator Study, one in three of the nearly 1,900 families surveyed expect their kids to save more than \$15,000 toward college by high school graduation but haven't told them yet. Forty percent of parents with sophomores or older haven't discussed with their kids that they want them to contribute.

So, what's the deal, Mom and Dad?

Set the story straight: "This is an emotional one for parents. There's this assumption that 'good' parents pay for college or take out huge loans for their kids. This is ridiculous! College is not an entitlement," says Dave Ramsey, author of "Financial Peace."

Start them young: Talk early, certainly by middle school. "It's not fair to treat the child like a prima donna with an unlimited credit line from the Bank of Mom & Dad, then pull the rug out from under them, saying, 'We're going to cost-share college in 2 years,' " says John Bodnar, founder of Bodnar Financial Advisors in Florham Park, New Jersey.

Work together: Be honest about what you can do and talk about what they should be prepared to do. "Spend time researching and coming up with a game plan to pay for college," says Debbie King, author of "50 Shades of Money."

Figure out your budget: "If your family can't afford an Ivy League education, don't consider those schools," says Derek Hagen, founder of Hagen Financial in Minneapolis. "Talking about money is hard, but the side effects of cushioning your child from hearing the truth will be worse."