

QUICK QUIZ

Do You Know How Much It Costs To Go To College?

(NAPSA)—Do you know how much it costs to go to college? Think again.

Take the Education Investment Quiz (EIQ) to learn about the cost of college today and in 15 years. Also, find out ways to save for this important investment in your child's future.

Unless otherwise indicated, calculations are based on the average cost of four years of in-state tuition and fees, books and supplies, room and board and other expenses for a student at a public college living off campus but not with parents.

Education Investment Quiz

1. Over your lifetime, on average, how much more money will you earn if you have a bachelor's degree versus a high school diploma? (a) \$50,000, (b) \$100,000, (c) \$500,000, (d) \$1,000,000.

2. Which do you think is rising faster: (a) Tuition at private universities, (b) Tuition at public universities, (c) Don't know.

3. How much does one year of college cost today? (a) \$3,974, (b) \$12,347, (c) \$18,021, (d) Don't know.

4. Are college costs today increasing: (a) Faster than inflation, (b) Slower than inflation, (c) At the same rate as inflation, (d) Don't know.

5. During the 2002-2003 school year, college tuition and fees increased at an annual rate of: (a) 2.1 percent or \$113, (b) 5.8 percent or \$215, (c) 9.6 percent or \$356, (d) Don't know.

6. At the current rate of increase, a year's tuition in 15 years (2018) will be more than

most people earn in two years: (a) True, (b) False, (c) Don't know.

7. In the year 2018, how much will a four-year college education cost (assuming costs rise an average 5 percent annually)? (a) \$61,918, (b) \$112,676, (c) \$193,891, (d) Don't know.

8. How much money do you need to save each year/month to afford a college education in 2018? (a) \$3,336/\$278, (b) \$6,252/\$521, (c) \$9,168/\$764, (d) Don't know.

9. What are some *tax-advantaged savings and investment vehicles available to help you save for college? (a) 529 College Savings Plan, (b) 529 Prepaid Tuition Plan, (c) Coverdell Education Savings Account, (d) All of the above.

10. What are some *non-tax-advantaged savings and investing vehicles available to help you save for college? (a) Mutual fund, (b) Savings bond, (c) Savings account, (d) Certificate of deposit (CD), (e) All of the above.

For additional information about how you can plan and save for your child's college education, please go to statefarm.com and click on Planning & Learning.

*Contributions to certain tax-advantaged vehicles may be income-tax deductible in some states. Consult your tax or legal advisor for specific advice.

Source: Trends in College Pricing 2002, Pages 4 and 5. Copyright (c)2002 by College Entrance Examination Board.

Answers:

1 (d), 2 (b), 3 (b), 4 (a), 5 (c), 6 (a), 7 (b), 8 (b), 9 (d), 10 (e). 