

# Two Kids at School? Ka-ching!

When brother follows sister, the lessons you thought you learned don't always apply. But there are some key steps you can take

By Linda Rodriguez

**W**hen Debbi Ballard's children were young, she made a promise to them—she'd pay for their college education, no matter what.

Now, with her daughter already in college and her son about to start next semester, she's wondering exactly how she's going to do that. "I firmly believe that I've had 18 years to prepare for this moment and that it is my responsibility to provide them, at the very least, with an undergraduate education," she says. "So I work a lot."

Ballard is one of hundreds of thousands of parents dealing with the cost of putting their children through college. Because hers are only two years apart, she'll be paying for both at the same time: Lauren is a 20-year-old sophomore at the University of North Florida in Jacksonville, while her son, Trevor, 18, starts at the University of Florida in Gainesville this year. Ballard, a single mom, lives in South Florida and works in sales; because she's on commission, her annual household income can vary from \$80,000 to \$130,000.

Ballard, like many parents, falls into a frustrating no man's land—she makes too much to qualify for significant financial aid but not enough to comfortably pay for both of her children. Her expected contribution is \$10,000 to \$12,000 per child, per year; right now, with Lauren in college, tuition, student loans, and living expenses add up to around \$20,000 a year. With Trevor at Florida, that will go up to at least \$30,000 a year.

"The biggest challenge is making a limited amount of funds go in a million different new ways," says Ballard, who's taken on extra consulting work, putting in 80 to 90 hours a week total.

Once Trevor moves out of their three-bedroom home with a pool, she says, she's going to sell the house to move into a smaller, less expensive apartment. "I need to redirect the money," she explains.

Finances played a big part in her son's college decision. A gifted athlete with excellent grades and a host of extracurricular activities—he appeared in the MTV reality show *The Paper*, about his high school

newspaper—Trevor is clearly a promising student. He was accepted at seven of the nine colleges he applied to, including Northwestern and the University of Texas–Austin, but financial aid was hard to come by. Only Texas and Florida (where the state's Bright Futures program covers 75 percent to 100 percent of tuition for qualifying students) offered help. Because of Trevor's grades and SAT scores, his tuition at Florida is free (it would have cost \$4,000 a year). His room and board, about \$9,000 a year, is not.

**Catching a break.** Despite the Ballard family's example, some experts say putting multiple children through college at the same time could actually be financially easier than paying for one child at a time. Mark Kantrowitz, publisher of *FinAid.org* and author of *FastWeb College Gold*, says that while the overall cost of multiple children is certainly higher, the individual financial aid awards can also be higher than if there is only one child. The key: Make sure you indicate on the FAFSA form that you have multiple children in college. "A parent with two children in college is going to be taking



out more loans than a parent with one child, because there are two of them,” says Kantrowitz. “But the financial aid is greater.” Moreover, he adds, some colleges—Roger Williams University in Rhode Island is one—offer tuition discounts for siblings.

Sally Rubenstone, a senior adviser with College Confidential.com and coauthor of the *Panicked Parents’ Guide to College Admissions*, agrees there are some financial benefits to putting more than one child through college. Colleges vary greatly in how much aid they offer, she says—some colleges will meet demonstrated financial needs, but others practice what’s known as “need gap-ping,” acknowledging that a family can afford to pay only so much in tuition but refusing to make up the difference.

And sending multiple children to college brings other challenges, not just writing that tuition check.

“Just in the same way when the kids were little and one of the kids got a new bike, you have to decide if the next kid gets a new bike or gets the older one’s hand-me-down,” says Rubenstone. “If the first child has the choice of a pricey college, does the second child

Two’s a crowd when both go to college at the same time: Debbi Ballard with Lauren (left) and Trevor



get the same choice or have to go to a less expensive college?”

And don’t think you’ve got the financial aid scene down just because you’ve done it before. “Along comes child No. 2, who may be attending a different institution or a different type of institution, and the parent who thinks they’ve got this process knocked may get a wake-up call,” says Rubenstone.

From her parent’s perspective, Ballard agrees. In her experience, figuring out financial aid and the entire college admissions process for her daughter was completely different from dealing with ostensibly the same thing for her son.

“There were lessons that I learned the first time around that saved me the second but also lessons that I never had an opportunity to learn,” she says. Some schools discouraged students from seeking private loans, others insisted on individual financial aid forms in addition to the FAFSA, and many had school-specific guidelines for merit-based awards.

And the current economic climate is doing no favors for parents paying for a child’s college education. To put it bluntly, says Ballard, “nobody’s giving away money right now.”

**Credit crunch.** Dealing with fewer banks offering private loans for education and tougher loan standards overall is difficult enough when one education is in play, but when there are two and three, it’s even harder. “Particularly parents with poor credit who need to borrow more are going to be at a disadvantage,” says Rubenstone.

For some parents, paying for college tuition isn’t the only financial challenge they’re facing in today’s economy.

Michael Caraway, an IT director with a consulting firm in Fort Lauderdale, Fla., with daughters about two years apart, says both his daughters received full scholarships to the University of Florida. Still, he says, he’s recently seen his savings account nearly empty as he tries to keep up both his home in South Florida and his daughters in Gainesville.

“It’s been a little difficult, mainly because aside from our house payment and our rent, we’re effectively maintaining, relatively speaking, two full households,” he says. Caraway says that while he’s not paying tuition for his daughters, both now in their final years, he’s paying for everything else—rent, car payments, food, books, supplies, and whatever else two girls in college need. He puts the tab at \$1,200 a month.

“It’s making choices as to what you do with the money,” he says. “Do you look at getting yourself a house, or do you stay in a rental and give that money to your daughters? Personally, I tend to go for the daughters, because that’s where my first responsibility is.”

Caraway says his annual household income is around \$115,000 a year—it sounds high, he says, but he’s not without debt, and the money doesn’t go very far. “When the bills come in and you’ve got to decide which ones to pay, and some of them are your daughters’ and some of them are yours . . . that’s a bit of a stress on the emotions,” he says. And with his older daughter looking at pharmacy school, “there’s no end in sight.”

Still, says Rubenstone, parents of multiple children close in age have one thing going for them—they’ve already been dealing with it for years. As she points out, “The parents have been dealing with some of the dynamics of this for two decades.” ●