

How to maximize for an education

Be sure to save on a regular basis. And even if you can afford to make one annual contribution, you may be better off making regular monthly payments. The reason is to take advantage of a strategy called dollar cost averaging, which can help smooth out the highs and lows of investing in equities and mutual funds.

If you have at least 6 or 7 or more years until the funds are needed, be sure to take advantage of growth investment opportunities, which are your best defence against soaring tuition costs. And always keep in mind the principles of diversification and asset allocation discussed earlier.

Remember that even more important than how much you contribute is how much your investments earn. Over a number of years, after the compounding effect, even 1% more in earnings can make a huge difference.

Be sure to contribute the maximum if you're contributing to an RESP and as much as you can afford if outside an RESP. With costs soaring as they are, you never know how much you'll need in future years.

Encourage your children to save as well. It's never too early to begin and over the years those savings can really add up.

Tell friends and relatives about your educational savings programs and make sure that money the children receive as gifts go toward this purpose.

If you have children, grandchildren or others for whom you would like to assist with educational expenses, click [here](#) to find the CPA financial planning professional closest to you.