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HOUSEKEEPING



75-Minute Workshop



To Ask Questions, Please
Use The Chat Box




Please Complete Your
Evaluation After the
Workshop






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Access Our Mini Vault




On-Demand LKS Recording




Specialty Webinars




Presentation Slides




College Money Report™




529 Standard
Search Tool



529
Comparison
Calculator




College
Savings
Estimator



Financial
Aid/SAI
Calculator

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THE COLLEGE FUNDING COACH®
Little-Known Secrets of
Paying for College



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BACKGROUND on This Class:
Most People Have Their Money in Two Places...

- Great for Retirement;
Not So Great for College
- We Offer a Game Plan:
Do-It-Yourself vs. Hire a Guide



For most families, it's something like this...

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Quick Poll:

Why Are You Here?

Where Do I Start?

The Financial Aid Process

Scholarships

Student Loans

Specific College Funding Tools

The "Little-Known SECRETS!"

Give It ALL to Me!

Something Else—Please Let Us Know

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Bringing it Into Focus

High Merit/ Low Need

High Merit/ High Need

Low Merit/ Low Need

Low Merit/ High Need

College Pre-Approval™

know before you go

Tonight, We'll Look at Each Scenario...

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Average Cost of Attendance (2024-2025)

Public University

\$29,910 (in-state)

\$49,080 (out-of-state)

Private University

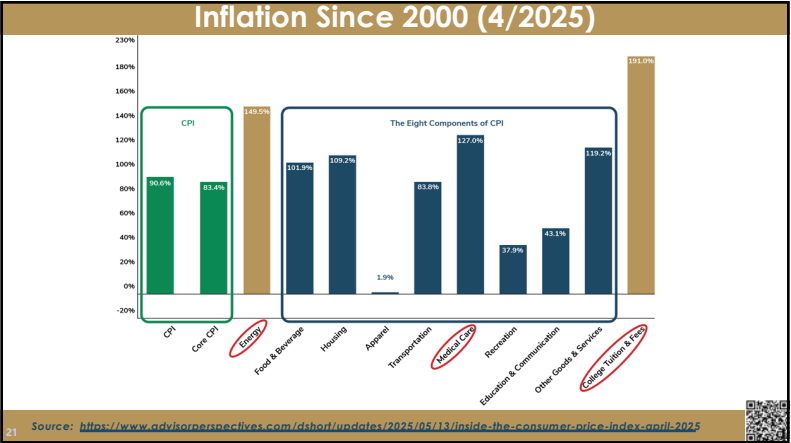
\$62,990

Elite/Ivy University

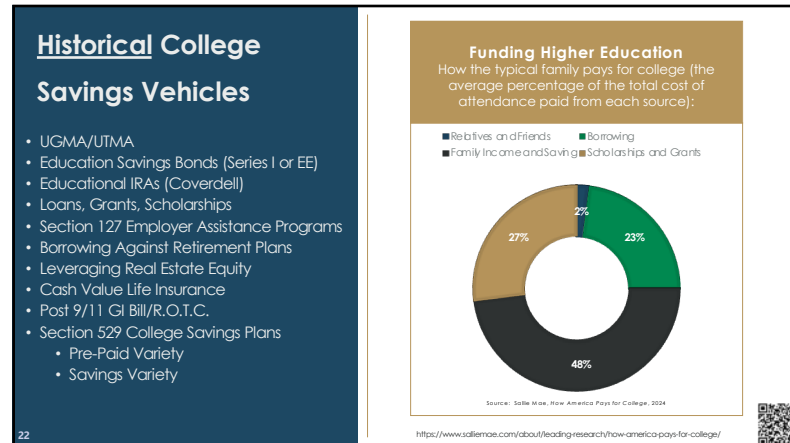
~\$85,000+

Source: The College Board, "Trends in College Pricing" 2024
(<https://research.collegeboard.org/media/pdf/Trends-College-Pricing-2024-presentation.pdf>)

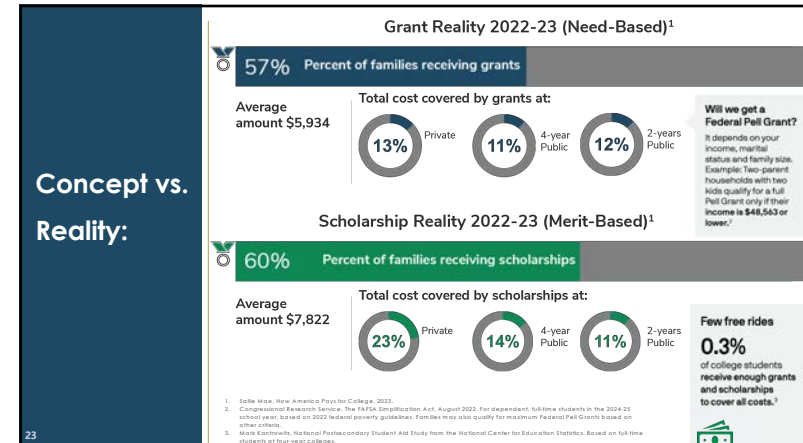
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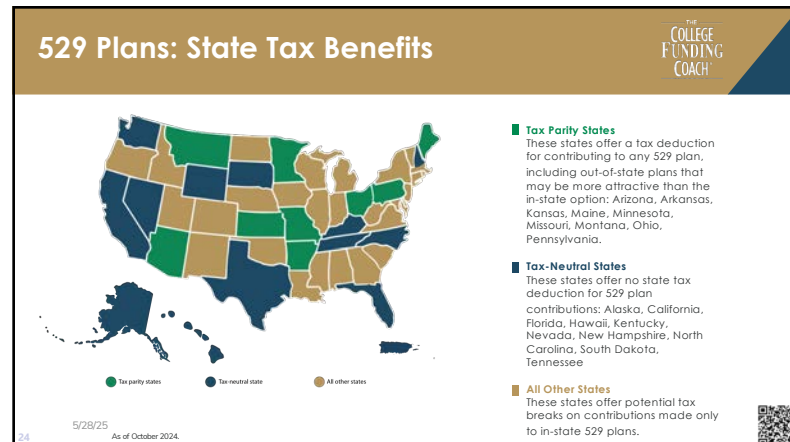
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Do You Have the Right 529 Plan?

Use our 529 Comparison Tool to Be Sure!

Welcome to the 529 Plan Comparison Calculator

Use this tool to compare and contrast different 529 college savings plans.

Get Started

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529 Plans: State Tax Benefits

Tax Parity States
These states offer a tax deduction for contributing to any 529 plan, including out-of-state plans that may be more attractive than the in-state option: Arizona, Arkansas, Kansas, Maine, Minnesota, Missouri, Montana, Ohio, Pennsylvania.

Tax-Neutral States
These states offer no state tax deduction for 529 plan contributions: Alaska, California, Florida, Hawaii, Kentucky, Nevada, New Hampshire, North Carolina, South Dakota, Tennessee.

All Other States
These states offer potential tax breaks on contributions made only to in-state 529 plans.

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A Sample of the Top College Endowments

≈ \$49B	≈ \$10B	≈ \$4.7B	≈ \$3.2B
≈ \$43B	≈ \$10B	≈ \$4.6B	≈ \$2.8B
≈ \$41B	≈ \$9.9B	≈ \$3.6B	≈ \$2.5B
≈ \$36B	≈ \$7.8B	≈ \$3.6B	≈ \$2.3B
≈ \$17B	≈ \$5.3B	≈ \$3.5B	≈ \$2B

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Applying For Financial Aid NOW!

- The FAFSA (SAI)
- The CSS Profile (EFC)
 - (≈ 179 Undergraduate Schools)
 - More Detailed:
 - Non-Custodial Parents
 - Home Equity
- The School's Institutional Forms

COA (Cost of Attendance)
- SAI (Student Aid Index) or
EFC (Expected Family Contribution)
= Your Family's Financial Need

FINANCIAL NEED
= Amount of Aid for Which Your Family is Eligible

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Important Dates!

Financial Aid Dates to Remember
Class of 2025

	Financial Aid for Class of 2025
College Begins	Fall 2025
College Admission Applications	Fall - Winter 2024
CSS Profile Available	October 1, 2024
FAFSA Available	December 1, 2024
Tax Year Figures Used (Base Year)	2023 (Prior-Prior Year)
Asset Figures Used	As of the Day You File

5/28/25 * As of Most Recent Updates!

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Assessable

Assets

- Bank Accounts
- Investments
- 529 Plans
- UGMA & UTMA
- Investment Property
- Business
- Child Support
- Farm

Income

- Wages
- Rental Income
- Business Income
- Interest & Dividends
- IRA or KEOGH Contributions

Non-Assessable

Assets

- Retirement Plan Assets
- Primary Residence
- Life Insurance
- Annuities
- Household Items
- Personal Debt

Income

- Financial Aid
- Food Stamps
- Pension Rollovers
- Loans



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The Major FAFSA Changes:

THE COLLEGE FUNDING COACH

Three Distinct Formulas:

- **Dependent Student (Our Focus Tonight)**
- **Independent Student with Dependents**
- **Independent Student without Dependents**

- **Focus on Pell Grant Eligibility**
 - Not Required to File a Federal Tax Return
 - 175%-225% (or less) AGI of Federal Poverty Guidelines




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The Major FAFSA Changes:

THE COLLEGE FUNDING COACH

Income Protection Allowance No Longer Divided by # in College Simultaneously	No Allowance for State & Other Taxes	Untaxed Income (From Family Members or Paid on the Students' Behalf) Will No Longer be Reported on the FAFSA.
Business Value Counts, Regardless of Employee Count	Farm Value Counts (Excluding Primary Residence Value).	Students will be able to look up whether they'll be eligible for a Pell Grant based on their income and family size information even before they apply for financial aid.
The Parent Income Protection Allowance Will Increase by 20%.	The <u>Dependent</u> Student Income Protection Allowance Will Increase by 35%.	Revised Rules Regarding Custodial Parent in Cases of Divorce <ul style="list-style-type: none">• Greater Support to Child in Prior-Prior Year or• Greatest AGI



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Big Picture Overview of FAFSA & SAI:

THE COLLEGE FUNDING COACH

Four Part Formula:

PARENTS AVAILABLE INCOME:

Parents' Adjusted Gross Income
+ Deductible IRA or KEOGH Contributions
- Federal Income Tax Paid
- Income Protection Allowance (Table A2)
- \$4,890 Employment Expense Allowance
= **Parents' Available Income (PAI)**

PARENTS CONTRIBUTION FROM ASSETS:

Assessable Assets
+ Annual Child Support Received
+ Adjusted Net Worth of Business and/or Farm (Table A3)
= Net Worth
Net Worth x 12%
= **Parent Contribution from Assets (PCA)**

Table A2: Income Protection Allowance

Family Size (including student)	Income Protection Allowance Amount
2	\$28,530
3	\$35,510
4	\$43,870
5	\$51,750
6	\$60,540

Note: For each additional household member, add \$6,840.

Table A3: Business/Investment Farms Net Worth Adjustment

If the net worth of businesses/investment farms is _____	Then the adjusted net worth is _____
Less than \$1	\$0
\$1 to \$170,000	40% of net worth of businesses/farms
\$170,001 to \$510,000	\$68,000 + 60% of net worth over \$170,000
\$510,001 to \$850,000	\$238,000 + 60% of net worth over \$510,000
\$850,001 or more	\$442,000 + 100% of net worth over \$850,000

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The Major FAFSA & SAI Changes:

THE COLLEGE FUNDING COACH

TOTAL PARENT CONTRIBUTION:

Parents' Available Income (PAI)

+ Parents' Contribution from Assets (PCA)

= Parents' Adjusted Available Income (PAAI)

- Then, Adjust **Parents' Adjusted Available Income** by Table A5 (Generally 47%)

Table A5: Parents' Contribution from Adjusted Available Income

If the parents' AAI is ____	Then the parents' contribution from AAI is ____
Less than -\$8,300	\$1,828
-\$8,300 to \$21,300	22% of AAI
\$21,301 to \$26,700	\$4,686 + 25% of AAI over \$21,300
\$26,701 to \$32,000	\$6,036 + 29% of AAI over \$26,700
\$32,001 to \$37,500	\$7,573 + 34% of AAI over \$32,000
\$37,501 to \$42,900	\$9,443 + 40% of AAI over \$37,500
\$42,901 or more	\$11,603 + 47% of AAI over \$42,900

This is the Parents' Contribution (PC)

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The Major FAFSA & SAI Changes:

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STUDENT CONTRIBUTION FROM INCOME:

Student AGI + Deductible Retirement Plan Contributions

- Student College Grant & Scholarship Aid (reported as income)
- Student Education Credits & Federal Work Study
- Federal Income Tax Paid

- **\$11,510** Student Income Protection Allowance

= Student Available Income

x 50%

= Student's Contribution from Income (SCI)

STUDENT CONTRIBUTION FROM ASSETS:

Assessable Assets x **20%**



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Big Picture Overview of FAFSA & SAI:

THE COLLEGE FUNDING COACH



STUDENT AID INDEX:

- Parent's Available Income (PAI)
- + Parent's Contribution from Assets (PCA)
- + Student's Contribution from Income (SCI)
- + Student's Contribution from Assets (SCA)
- = **Student Aid Index**

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The Good News:

THE COLLEGE FUNDING COACH

COLLEGE FUNDING COACH

Send your kids to college without going broke.

You, parents, you can make the college dream a reality... and still retire one day.

PARENTS START HERE

Schools and Organizations

Our informative workshop Little-Known Secrets of Paying for College helps families navigate the rules of saving and paying for college!

College Money Report™

Use Your College Money Report™ to help you:

• Plan your college savings strategy

• Find out exactly how much you need to pay for college

• Make sure you don't miss out on any of it!

You can Calculate SAI & EFC Using Our FREE College Money Report™!

TheCollegeFundingCoach.org

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**“But What If
I Make Too Much
Money
to Qualify for
Need-Based Aid?”**

Now let’s look at
using our own
money...



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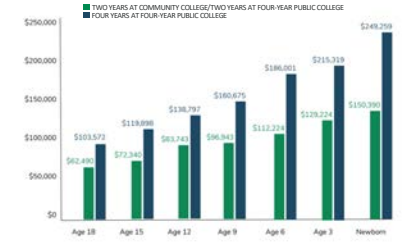


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The Community College Option

Some students choose to live at home and attend community college in their freshman and sophomore years.

Four-year costs with and without community college based on child’s current age:




Age	Two Years at Community College / Two Years at Four-Year Public College	Four Years at Four-Year Public College
Age 18	\$62,459	\$103,573
Age 15	\$72,345	\$119,098
Age 12	\$83,743	\$136,797
Age 9	\$96,943	\$160,675
Age 6	\$112,339	\$186,061
Age 3	\$129,324	\$215,319
Newborn	\$150,396	\$249,259

SAVE 40%
by attending two years of community college¹

\$3,990
Average annual tuition and fees at community college²

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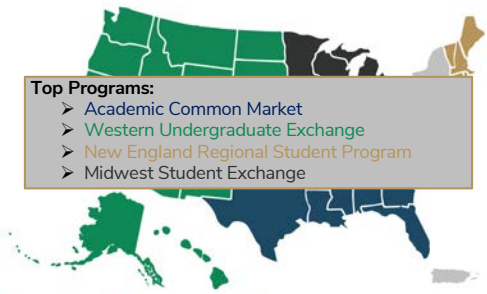
¹Source: J.P. Morgan Asset Management, using The College Board, Trends in College Pricing and Student Aid 2024. Future college costs estimated to inflate 5% per year. Average tuition, fees, and room and board for public college reflect four-year, in-state charges. Community college costs are based on tuition and fees for an in-district student.



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Tuition Reciprocity Programs

Send Your Kids to Out-of-State Schools for In-State Prices




Top Programs:

- Academic Common Market
- Western Undergraduate Exchange
- New England Regional Student Program
- Midwest Student Exchange

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● Academic Common Market ● Western Undergraduate Exchange ● New England Regional Student Program ● Midwest Student Exchange



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How About Taxes (or Fees)?



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Anyone Pay Too Much in Taxes?

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Maximize the Efficiency of Your Money

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What role do taxes play on your investments?

Are you carrying a lot of non-deductible debt?

Can you increase your cash flow?

Business Owners—Hiring kids in your family biz!

What if you could delay paying for college for another four years?

→

A "Found" Opportunity Cost!

Where do most people have most of their money?

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Does This Sound Like a Good Strategy to You?

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- All deposits in the account are not safe from loss of principal.
- The customer may pay more than the minimum monthly contributions, but not less. If the customer attempts to pay less, the financial institution keeps all previous contributions.
- If the customer misses a monthly payment, it negatively impacts their credit score.
- Each contribution made to the account is not liquid and results in less safety and increased tax liability.
- The money in the account earns a 0% rate of return.

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Home / Mortgage

Home

- ✓ Rate of Appreciation on Home = 3-7%*
- ✓ Rate of Return on Home Equity = 0%

Mortgage

- ✓ Mortgage Interest May be Tax-Deductible
- ✓ May be Better Than Private Source College Loan
- ✓ Maximum Tax Deduction is Now \$750,000
- ✓ Can be Used to Increase Cash Flow

Remember: Home Equity Lines of Credit are no longer tax-deductible for purposes other than home improvements!

* According to the *Fannie Mae Housing Index*, the average annualized rate of return for housing increased 6.24% between January 1987 and January 2022. <https://fred.stlouisfed.org/series/CUUSHPNXX>

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Qualified Plan Problem

Does Anyone Here Have a Pension?
EVERYONE USED TO!
In 1974, That All Changed.


Sound Familiar?

- ✓ 47 Years Old
- ✓ Will Work Until Age 67
- ✓ Will Live Until Age 90
- ✓ \$100,000 in OLD MONEY
- ✓ \$10,000 in Deferral Contributions
- ✓ \$3,000 in Matching Funds
- ✓ 8% Annual Yield

OLD MONEY:	\$466,096
CONTRIBUTIONS:	\$494,229
MATCH:	\$148,269
TOTAL:	\$1,108,594

↓

PAYMENT:	\$97,493
FEDERAL TAX @ 22%:	\$21,448
AVG. STATE TAX @ 6%:	\$5,850
NET INCOME:	\$70,195




All figures are hypothetical and should not be relied on for your personal situation.

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Utilize Tax-Advantaged Investments That Can Be Used for College OR Retirement

Make Uncle Sam Your Partner!




- Section 529 Plans
- Roth IRAs or Roth 401(k)s
 - Tax-Free Growth & Withdrawals
 - Roth Distributions Avoid 10% Early Withdrawal Penalty
- "Backdoor" Roth IRA
- Municipal Bonds
 - Tax-Free Growth & Withdrawals
- Cash-Value Life Insurance
 - Non-Assessable Asset
 - Guaranteed Safety of Principal
 - Tax-Free Growth & Withdrawals
 - Tax-Free Death Benefit

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The GOOD News is That...


You can do it. And we can help!



Comprehensive Financial Planning



Focus on College Funding Strategies



Attend more prestigious, less crowded or private schools for the same net cost as state schools.

Become an informed buyer & start early!

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Quick Poll:



Let's Do This...We're Ready!




We Are Close But Could Use Some Guidance.



Totally Good On The Oldest...But We Have Two (or More)!



Kids...What Kids? (We Are In Trouble!)



Good News...We Have Some Time!



Clean Out The Basement, My Children May Live Here Forever!


If College Were Starting Tomorrow, How Would You Rate Your Financial Preparedness?

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The Conversation Continues...


Today is Just the Start. Connect With The College Funding Coach® in One of Three Ways:

1




Our Free Mini-Vault!

2



Free Personalized Consultation

3




Join our Facebook Group, Too!

Search: Little-Known Secrets of Paying for College


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Access Our Mini Vault




On-Demand LKS Recording




Specialty Webinars




Presentation Slides




College Money Report™




529 Standard Search Tool



529 Comparison Calculator



College Savings Estimator




Financial Aid/SAI Calculator

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What's Next?

What You Can Do **TODAY** to Begin Navigating The Best Way to Save & Pay for College in **FIVE** Easy Steps!



College Aid Pro®

▶ What Do Colleges Think You Can Afford? (SAI)

▶ What Can You Actually Afford? (College Pre-Approval)


▶ Find the Most Generous Schools

▶ Understand the Out-of-Pocket Costs

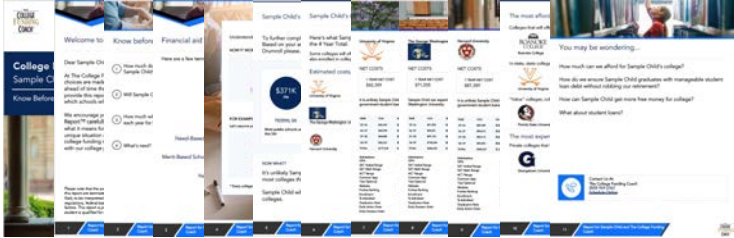
▶ Close the Gap @ Each School

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Calculate Your Own College Money Report™.

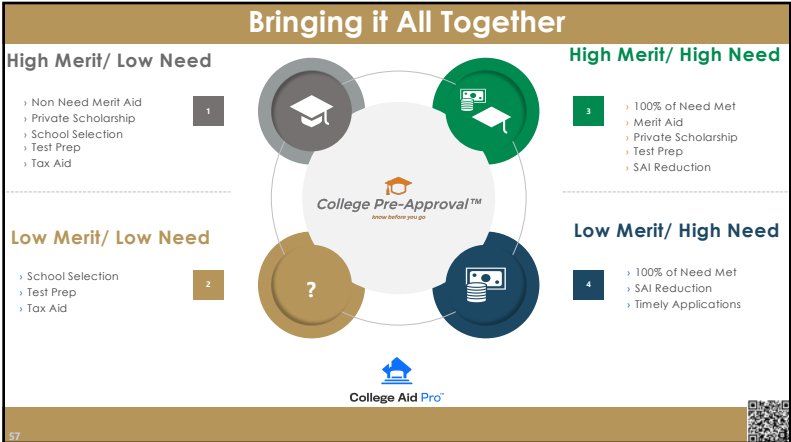


College Aid Pro®

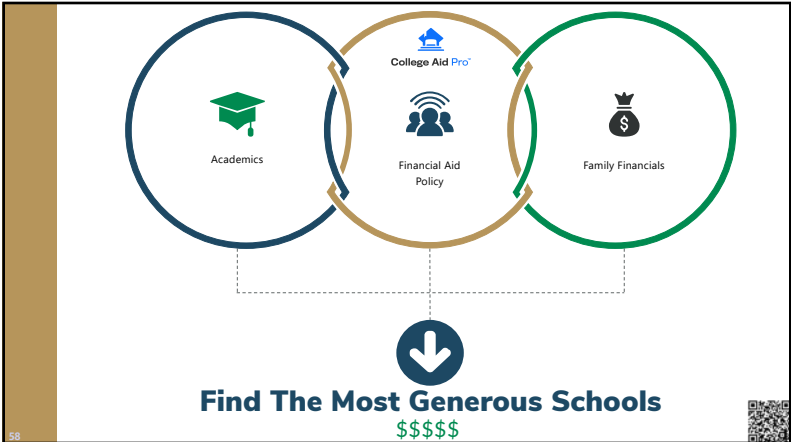


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We want your FEEDBACK!

Please Provide us With Your Feedback on the [Survey](#) or Schedule Directly or Call and speak with Bernadette!

cfcsurvey.org

Schedule a Free Consultation Directly

Bernadette Boyle
571-296-4075

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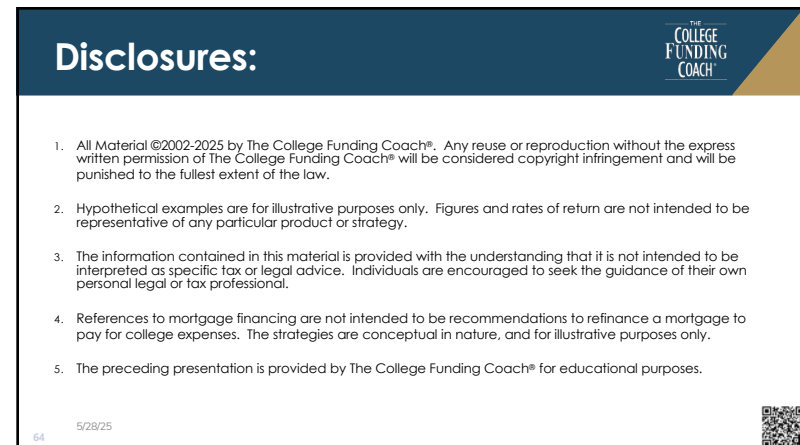
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Spare Slides:

THE COLLEGE FUNDING COACH

The following slides are not to be used until updated with current information.

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Enhanced College Planning Services

Financial Aid Form(s) Filing & Awards Analysis

Student Positioning & Awards Analysis

Comprehensive

PURCHASE A PACKAGE

Still have questions?

Please email The College Funding Service Center or call 860-910-0703. Thank you!


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Are In-State Public Schools the ONLY OPTION?


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Public University



Total Cost	\$ 26,648
SAI	- 15,000
NEED	\$ 11,648
% Need Met	54%
Financial Aid Eligibility	\$ 6,290
Gift Aid	\$ 4,089
Self Help	\$ 2,201
"Out-of-Pocket Cost" (Total Cost - Financial Aid Eligibility)	\$ 20,358
"Net Price"	\$ 22,559

Private College



Total Cost	\$ 83,320
SAI	- 15,000
NEED	\$ 68,320
% Need Met	100%
Financial Aid Eligibility	\$ 68,320
Gift Aid	\$ 64,904
Self Help	\$ 3,416
"Out-of-Pocket Cost" (Total Cost - Financial Aid Eligibility)	\$ 15,000
"Net Price"	\$ 18,416


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THE COLLEGE FUNDING COACH

Little-Known Secrets of Paying for College



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STRATEGY

INVESTIGATION

UNDERSTANDING

EXPLORATION

IMPLEMENTATION

MONITORING

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