



COLLEGE EDUCATION CHECKLIST

- Teach child the basics of home economics: budgeting, how checking and savings accounts work, time value of money, balancing consumption and savings, equity vs. debt, etc., to assure child's fiscal knowledge and prudence.

- Calculate how much to save for college expenses based on: the time frame until college begins, type of institution planning to attend (e.g. private 4-year university, 2-year trade school, etc.), and other sources of funding available. Prepare a monthly budget and include college expenses in that budget.

- Explore the various strategies for savings for college, such as: annuities, cash value life insurance, Coverdell education savings accounts, Section 529 plans and custodial accounts (UGMA and UTMA).

- Research what scholarships, grants or work-study programs may be available to cover some or all college expenses.

- Examine what tax credits and deductions may be available when saving or paying for college expenses, such as: HOPE credit (a.k.a. American Opportunity tax credit through 2017), Lifetime Learning Credit, student loan interest deductions, etc.

- Determine what assets, including education savings plans, are considered resources of the student or the parent for financial aid purposes.

- Help child to evaluate educational institutions and/or alternatives (e.g., apprenticeship programs), and to prepare and submit financial aid forms.

- Establish such spendthrift protections and restraints as are necessary but workable for the away-at-college child.

- Prepare yourself emotionally for the "empty nest," and for your child's growing independence. This is no time for despair but for pride in the job you have done as a parent!

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