



## 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!

\*\*\*\*\*

This information is provided by American General Life Insurance Company (AGL) and The United States Life Insurance Company in the City of New York (US Life), members of American International Group, Inc. (AIG).

All companies mentioned, their employees, financial professionals, and other representatives, are not authorized to give legal, tax, or accounting, advice, including the drafting or execution of any legal document. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. AGL and US Life shall not be liable for any loss or damage caused by the use of, or reliance on, the tax, accounting, legal, investment or financial items contained in this material.

FOR FINANCIAL PROFESSIONAL USE ONLY-NOT FOR PUBLIC DISTRIBUTION

©2017. All rights reserved.