Opportunity Fund News

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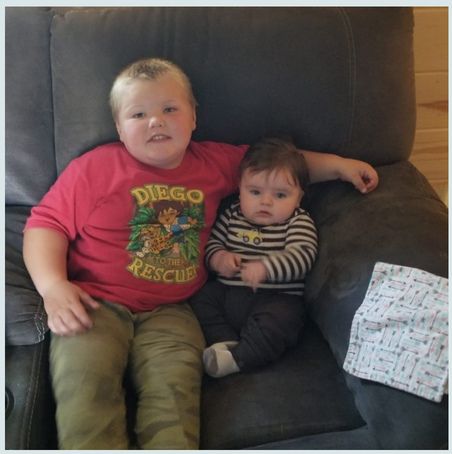
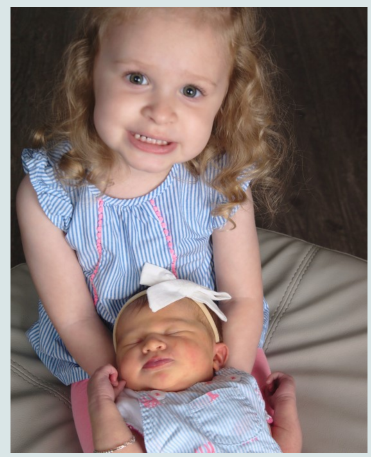
Volume 4, Issue 2 October-2019

Welcome Our Newest Beneficiaries...



Connor Urey
Pictured with older brother Andrew



Alayna Schnatterly
Pictured with older sister Janna

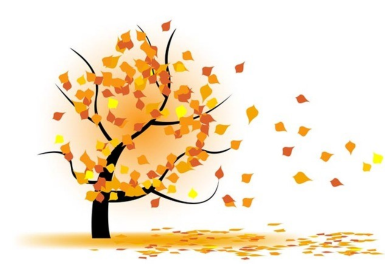
Recent Changes to Business Loan Requirements

Beneficiaries seeking a business loan will now be required to provide their most recent two years personal tax returns, most recent two years business tax returns (if applicable), and a credit report for loan applications of $7500 or more. Business loans will now be categorized as maintenance loans or loans to grow/start a business. Updates to the application have been made to reflect these changes. If you have questions, contact your family branch representative.

Upcoming Opportunity Fund Meetings

January 20, 2020
(applications due Jan. 3, 2020)

April 20, 2020
(applications due April 3, 2020)



How to Save for College: Part 2

By Tara Siegel Bernard @tarasbernard

Source: NYTimes | Business

How Much Should You Be Saving?

It's important to understand your goals, and your current situation, as you plan for the future.

DEVELOP A PHILOSOPHY

There are several philosophies on what you might save, but then there's the hard reality of what you can afford to. There is also no easy way to know exactly what you will have to pay out of pocket, even if your offspring are aces at 2nd grade math.

How much you save may also be influenced by your values. "Do you want to pay 100 percent of the cost of any school?," said David Ressner, a financial adviser in St. Louis, Mo. "An amount equal to the cost of their in-state flagship university? Or do you want your child to have skin in the game?"

BE PRACTICAL

Once you've thought that through, there are several practical ways to put together a savings plan. Mark Kantrowitz, a well-known expert on all-things college finance, advocates the following strategy:

- Save one-third of the costs of a four-year public college in your home state over your child's first 18 years.
- Attempt to pay a third out of your income while they're attending college.

Finance the remainder (with federal loans).

Other experts suggest variations of that theme, like saving a quarter of the cost, paying a quarter and borrowing the rest split among family members.

Regardless of what you decide to save, there are big benefits when you save early on: If you start when your child is a newborn, roughly one-third of the savings will be generated from the earnings on your investments, according to Mr. Kantrowitz. If you wait until high school, less than 10 percent will come from earnings.

"If you procrastinate, you will have to really save a lot more than you otherwise would," he added. But it's never too late. "Even if you're starting very late in the game, the year before they enroll, by saving that money you will be reducing the debt."

CRUNCHING THE NUMBERS

The total cost of a four-year public college starting roughly 18 years from now will be about $183,837, according to calculations based on the College Board's data. That assumes 2018-19 tuition, fees, room and board rise around 4 percent annually as they have for the past decade; they rose at a faster clip before that.

Naturally, the costs of a private school, or an out-of-state public school are far more. But keep in mind that most people do not pay the full sticker price — and you may qualify for more financial aid at a higher-cost private college than an in-state public one.