



Your Bottom Line

Your go-to resource for timely information about personal finance, college planning and student loan management

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Cradle to College: Raising College Bound Kids

College planning is a rite of passage for high school juniors and seniors. Their days are filled with campus visits, college applications and searching for scholarships. Though this is a time when parents start to see that light at the end of the tunnel, true college preparation begins much earlier. From the time your child is in diapers, you can start building a college-going mindset. Consider the following steps to get your child from cradle to college.

- **Cradle.** The first few years of your child's life are vital when preparing for college. From birth to 5 years old, 90 percent of your baby's brain develops. To prepare your child for school, try reading to her often and speaking to her, even if she can't yet talk back. This will grow her language skills and expose her to new ideas. You also want to remember that every child develops at her own pace.

Monitor how your child is doing emotionally and educationally. Always ensure her basic physical and emotional needs are being met.

- **Early childhood.** As your child goes off to preschool and kindergarten, help him focus on making school fun. This can be done through consistent praise and positivity about school. Set the expectation that school is a priority. Maintain regular attendance so your child sees that school is more important than other activities. You also want to be encouraging about homework and studying. Building positive habits now will pay off later. This is the perfect time to start speaking to your child about college. Teach him about the benefits an education can bring. Use words and phrases like "When you go to college" and "When you

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graduate” to instill the expectation that college is a part of his journey to adulthood. Remember, a college education isn’t only for the scholarly or the rich. There is an option that matches everyone’s goals and abilities.

- **Elementary to middle school.** As your child starts progressing through elementary and middle school, begin speaking with her about future goals. Start teaching goal setting through small things, like learning to play an instrument or making a sporting team. Setting goals allows children to develop new interests, learn how to dream and identify ways to achieve those dreams. Another lesson is teaching your child how to save. Start by having her save for a big toy, explaining the need to make choices. This will show her the value of saving money for a specific goal rather than spending it on small things. Start a college savings account through your bank or through the [529 College Savings Plan](#). Any savings account can supplement money received through financial aid and scholarships.
- **High school to college.** When your child is in high school, begin talking about the types of schools he would like to attend and which careers might interest him. Begin looking for money for scholarships by visiting [UCanGo2.org](#) and [OKcollegestart.org](#). Also, in the eighth, ninth or 10th grade your child should apply for the [Oklahoma’s Promise](#) scholarship, the state sponsored tuition scholarship program.

By beginning early, you can steer your child toward a bright and successful future.

55% of Americans spend money for Valentines Day

U.S. States by Valentines Day Spending

1. New Mexico
2. Connecticut
3. Missouri
- ⋮
31. Oklahoma



How will you pay for college? As your family plans for education beyond high school, the Oklahoma College Assistance Program’s *Are You Looking for Money?* booklet can help you answer that question. This free publication provides information about various forms of federal financial aid including grants, work-study programs and student loans. Readers will also find tips for applying for scholarships and trusted websites to use as you begin your search.

Still looking for more money? Dive into the eight-page booklet to learn more about Oklahoma’s financial aid programs:

- Oklahoma Tuition Aid Grant
- Oklahoma Tuition Equalization Grant
- Oklahoma’s Promise
- Academic Scholars Program
- Other state scholarship opportunities

For all students, the first step toward financial aid is to complete the Free Application for Federal Student Aid or FAFSA. To learn more about eligibility requirements for federal aid and how to submit your FAFSA, visit [StartWithFAFSA.org](#) and [StudentAid.ed.gov](#). For educators, check out [UCanGo2.org](#) for FREE printed copies of various publications for your classroom, including *Are You Looking for Money?*, and other materials.



Estate Planning

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This month Carolie Rozell answers questions about Estate Planning.

Why is estate planning important?

Planning for our incapacity and death is not a topic many of us want to think about, discuss or even spend money on. Although it may be difficult and perhaps intimidating to talk with a legal professional regarding your personal and financial affairs, I strongly encourage you to make it a priority. Estate planning allows you to choose who you want to serve as your personal advocate when you're no longer able to make decisions for yourself and designates someone to handle your affairs after you've died. Many attorneys charge a flat fee to prepare an estate plan. It's important to find an attorney with whom you enjoy working and feel comfortable.

What happens if someone dies without a will or trust in place?

If you haven't done any planning for death, it's likely that your family will be required to hire an attorney to file a probate after you're gone. The control over and distribution of your assets may be placed into the hands of unintended beneficiaries. Probates are lengthy and expensive. The court has control over the decisions made with respect to the distribution of your assets. Mindful planning may successfully avoid the probate process entirely.

What is the difference between a will and a trust?

A will is your written declaration indicating who you choose to be in charge of handling your affairs when you die as well as providing how and to whom you want your property, money and personal belongings to be divided. A will doesn't avoid probate, whereby a court oversees the administration of your affairs upon your death.

A trust is a written instrument created by you and is designed to own the assets that are transferred into it. A trust allows you to designate who you want to be in charge of managing the assets of the trust and provides for how and to whom you want the trust assets to be divided. A trust is revocable by you as the creator, but becomes irrevocable once you pass away. A trust generally avoids the probate process.

How does a power of attorney work and are there different kinds?

A power of attorney is a document created to appoint a person or persons to serve as your 'attorney in fact', to act on your behalf as your advocate if you become incapacitated. The power of attorney authorizes the person(s) appointed to make any and all decisions regarding your financial

and business affairs. A power of attorney also authorizes the appointed person to make all medical decisions in regards to the care of you and your health. The person you appoint as your 'attorney in fact' to act over your property may be different from the person you appoint to act on your behalf regarding medical decisions. A power of attorney for your property and person is extremely important and is intended to avoid the appointment of a personal guardian.

What is an advanced health care directive?

An advanced health care directive is also known as a living will. This document allows you to decide whether you wish to receive life sustaining treatment, and it gives your health care representatives and treating physician direction with respect to your end of life care.

Is there a difference in estate plans with a financial planner versus an attorney?

It's extremely important that you work with an attorney as well as a financial planner, and in some instances with a tax professional, when creating an estate plan. Each professional provides an element of expertise in establishing a complete estate plan.



Love and Money

Love and money. Both are typically high on everyone's wish list, however combining the two can sometimes present challenges. Are you part of a couple? Do you have a spouse or significant other? If so, you may have faced a dilemma when your partner purchased a big ticket item without discussing it with you first. Or maybe you booked a cruise to surprise your wife on your anniversary without taking into account that your car insurance premium had just skyrocketed. In any event, when couples don't have a plan in place for jointly handling their finances, the situation can be problematic. Review the steps outlined below with your companion to see if you're on the same page when it comes to love and money.

- **Communicate.** When you're in a relationship, it's important to be open and honest, including talking about your money and financial obligations with your partner. Share your annual salary, take-home pay, fixed expenses, credit card debt, etc. In a [2017 love and money survey](#) conducted by TD Bank, it was confirmed that happy couples are 22 percent more likely than unhappy couples to discuss finances at least once a month. Take a little time on pay day for a dollars and cents conversation with your mate about your current financial situation.
- **Set Goals.** Whether you're starting out in a marriage or moving in with your significant other, everyone needs to plan for the future. Working together as a team, develop a set of common goals for saving and spending your money. Do you have a 401(k) or retirement plan in place? Have you thought about your short-term goals, such as paying off a car loan or setting money aside for new kitchen appliances? Or are long-term goals your main focus? Maybe you want to set as much money aside as possible to pay off a student loan or start a fund for a down payment on a house. No matter what lies in your future, setting and meeting your financial goals is an important part of it.
- **Prepare a Budget.** Now that your finances are no longer solely your own, it's time to work together to set up a budget. Review your month-end account balances, your fixed expenses and variable expenses such as entertainment, clothing and dining out. Discuss what expenses may need to be curbed, how much could be put into a savings account, and any items you agree to put on a wish list for the future. Collaborating to develop an overall plan to budget and spend your money can keep you both on the right track financially (and contentedly).



The Oklahoma College Assistance Program, an operating division of the Oklahoma State Regents for Higher Education, provides college access and financial aid awareness, financial literacy and student loan management programs and services that benefit students, parents, schools and community partners.



OklahomaMoneyMatters.org



UCanGo2.org



OKcollegestart.org



ReadySetRepay.org



OKhigher.org