

# How to Fund Your Child's College Education



Without Going Broke...

# Gerry Lachnicht, CFA

- **25 years in financial services**
  - Managing Principal, Sabal Trust Company
  - Located in Lake Sumter Landing
- **Master of Science in Finance, 2004**
  - Finished top in class
  - Recipient of Director's Award for Academic Excellence
- **Chartered Financial Analyst (CFA)**
  - Awarded CFA designation in 2000
- **Past President of CFA South Florida**
  - Offers continuing education for financial professionals
- **Former Adjunct Professor at Florida Atlantic University**
  - Corporate Finance
  - Investment Analysis
  - CFA Prep Classes
- **Parent of 3 Charter School Students**
  - One in middle school, one in high school, and one a freshman in college



# Agenda

- Is It Worth It?
- Save, Save, Save!
- Other Sources
- Q&A



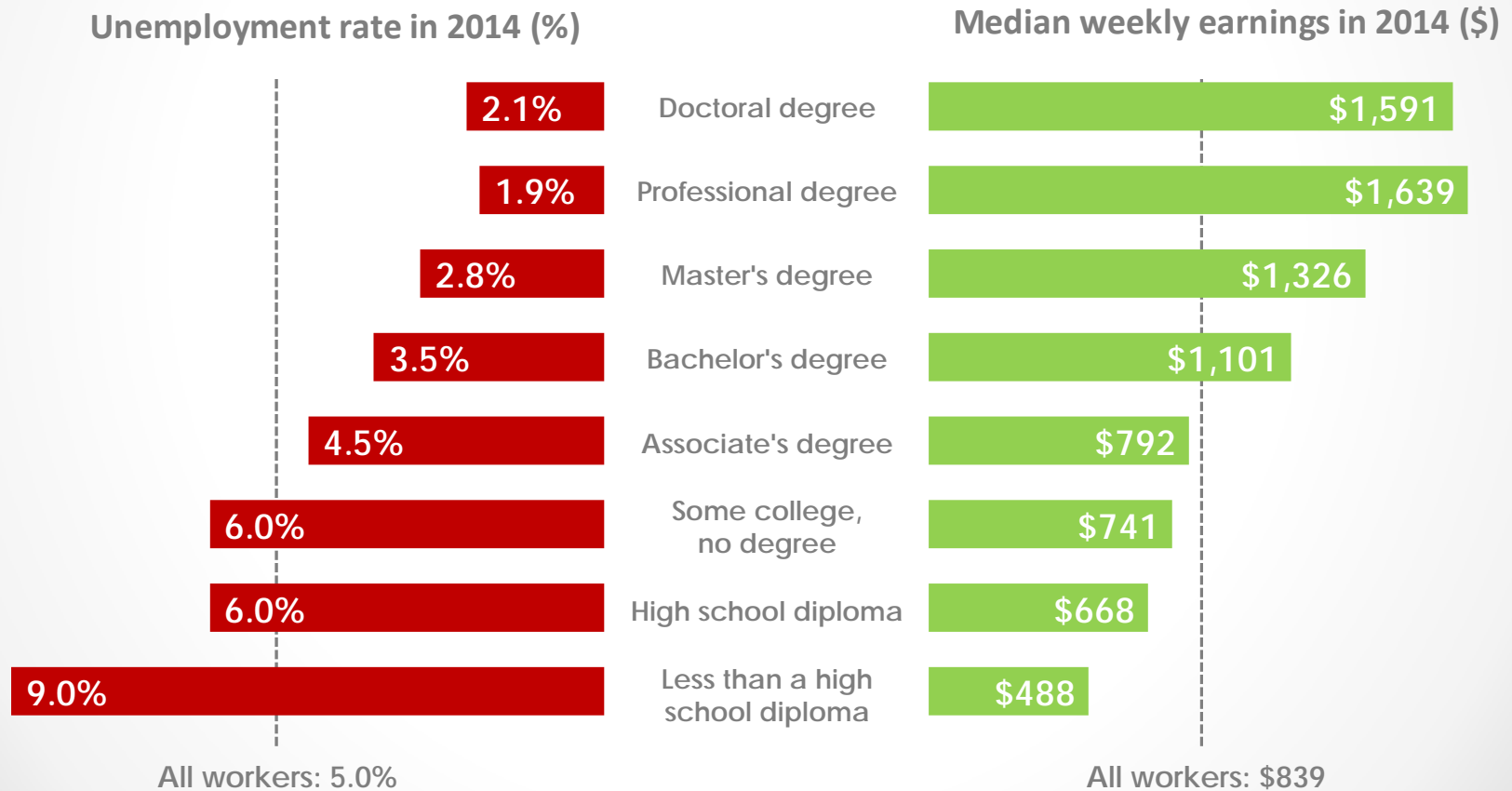
# Is It Worth It?

- Cost of Education at Select Florida Schools:

	University of Central Florida	University of Florida	College of Central Florida	Stetson University
<b>Tuition &amp; Fees</b>	\$6,407	\$6,310	\$2,522	\$41,600
<b>Books</b>	\$1,146	\$1,300	\$1,132	\$1,200
<b>Room &amp; Board</b>	\$9,764	\$9,650	\$1,280	\$11,944
<b>Transportation</b>	--	\$1,100	\$1,922	--
<b>Personal Expenses</b>	--	\$2,230	\$1,350	\$3,000
<b>Total Costs</b>	<b>\$17,317</b>	<b>\$20,590</b>	<b>\$8,206</b>	<b>\$57,734</b>
<b>Per Credit Hour</b>	<b>\$214</b>	<b>\$210</b>	<b>\$107</b>	<b>\$1,387</b>

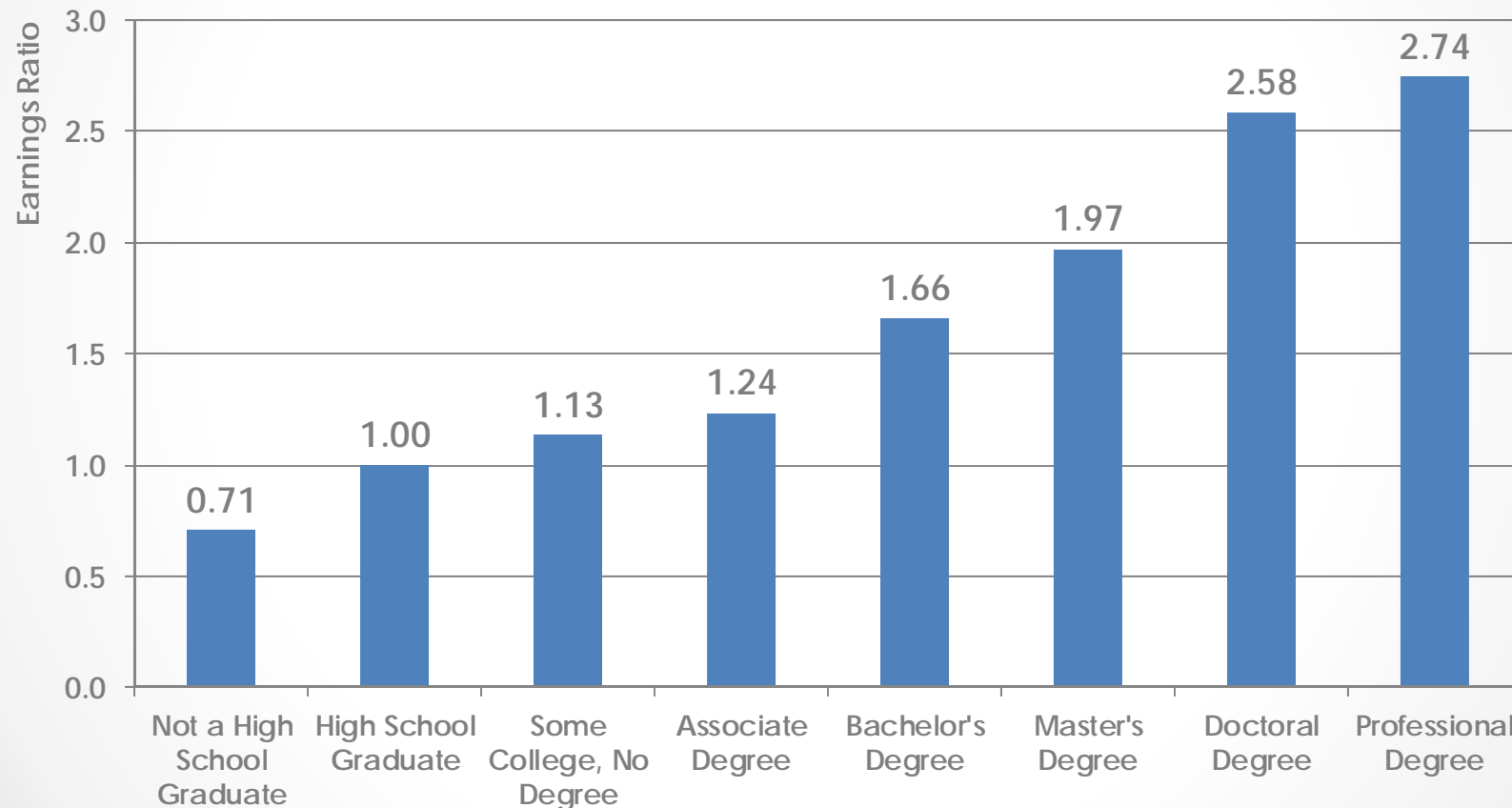
# Is It Worth It?

- Earnings and unemployment rates by educational attainment:



# Is It Worth It?

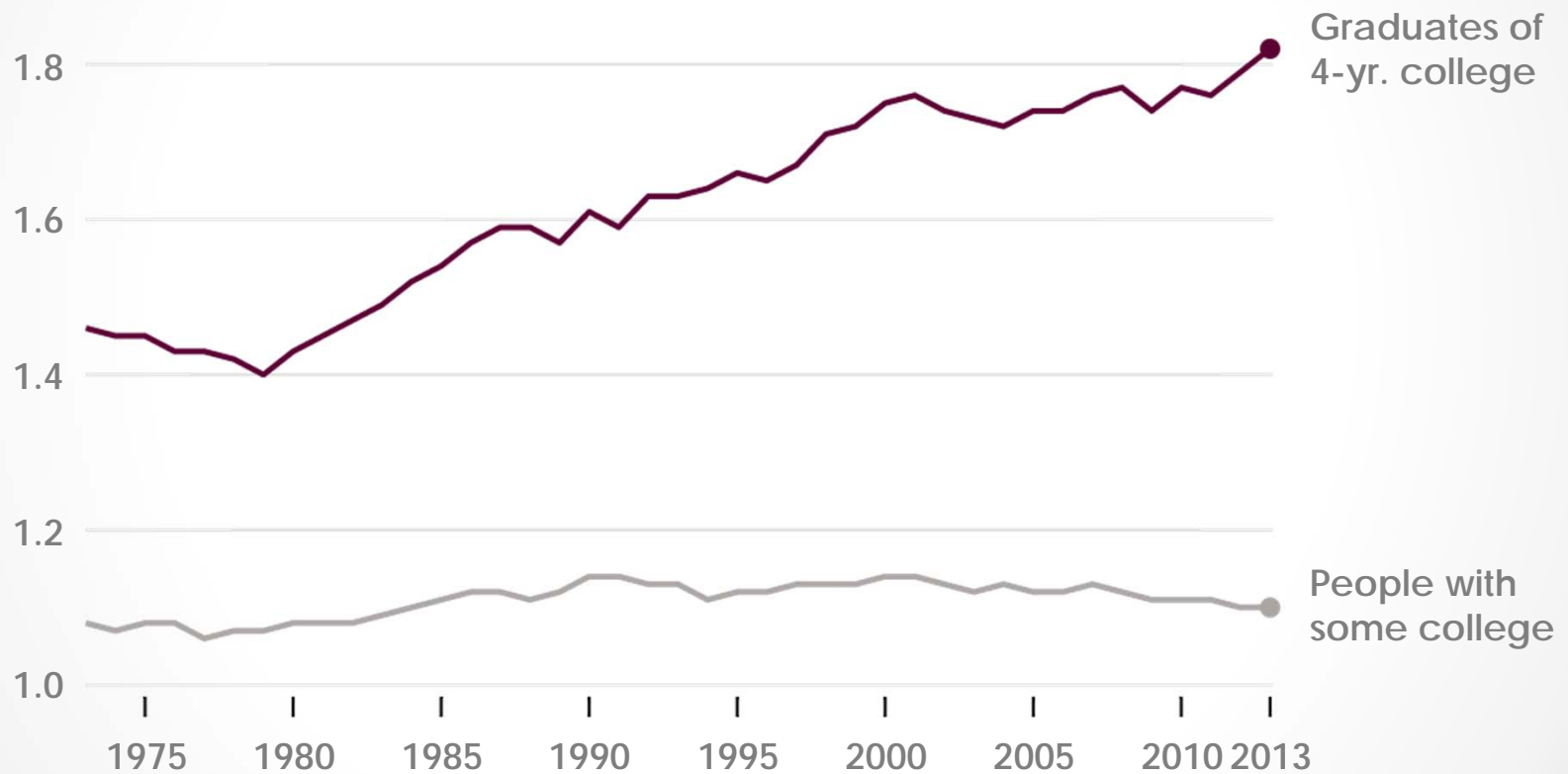
- Lifetime Earnings by Education Level:



Expected Lifetime Earnings Relative to High School Graduates, by Education Level

# Is It Worth It?

- Rising Value of a College Degree:



Ratio of Average Hourly Pay, Compared with Pay of People with a High School Diploma

# Agenda

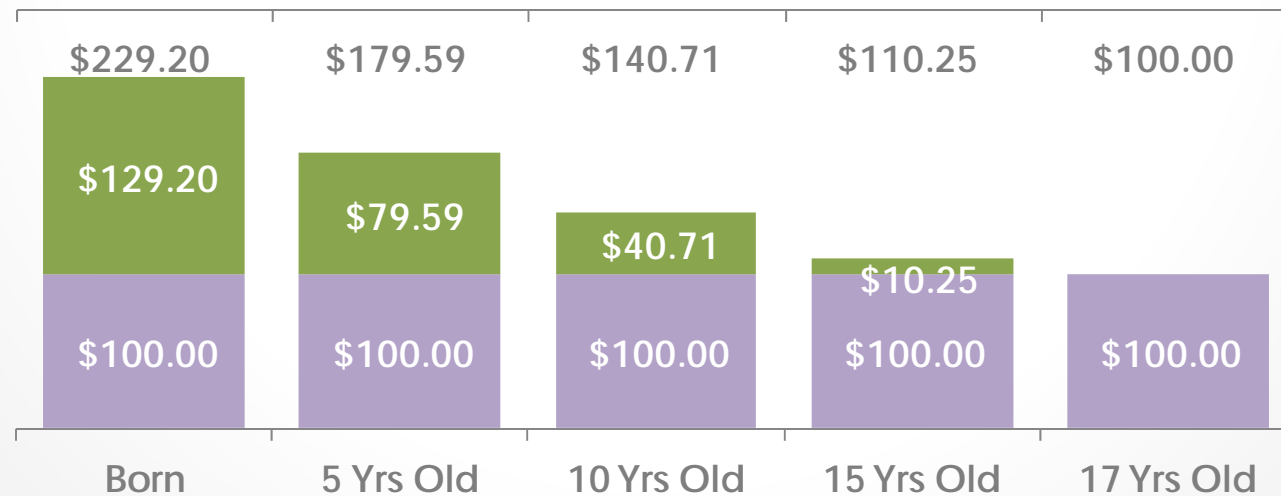
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# Save, Save, Save!

- **Save Early**
  - **Compound Interest = Earning interest on interest**
  - Start with \$100 in an account earning 5% interest:
    - **End of Year 1:** Balance = \$105.00 (\$5.00 interest on \$100.00)
    - **End of Year 2:** Balance = \$110.25 (\$5.25 interest on \$105.00)
    - **End of Year 3:** Balance = \$115.76 (\$5.51 interest on \$110.25)
- **Future value of \$100 invested at different ages:**



# Save, Save, Save!

- Save Often

- One \$100 deposit = limited growth:

- Balance Grows to \$229.20

- (Calculated using 5% compound interest for 17 years)

- Add \$100 each year for 17 years:

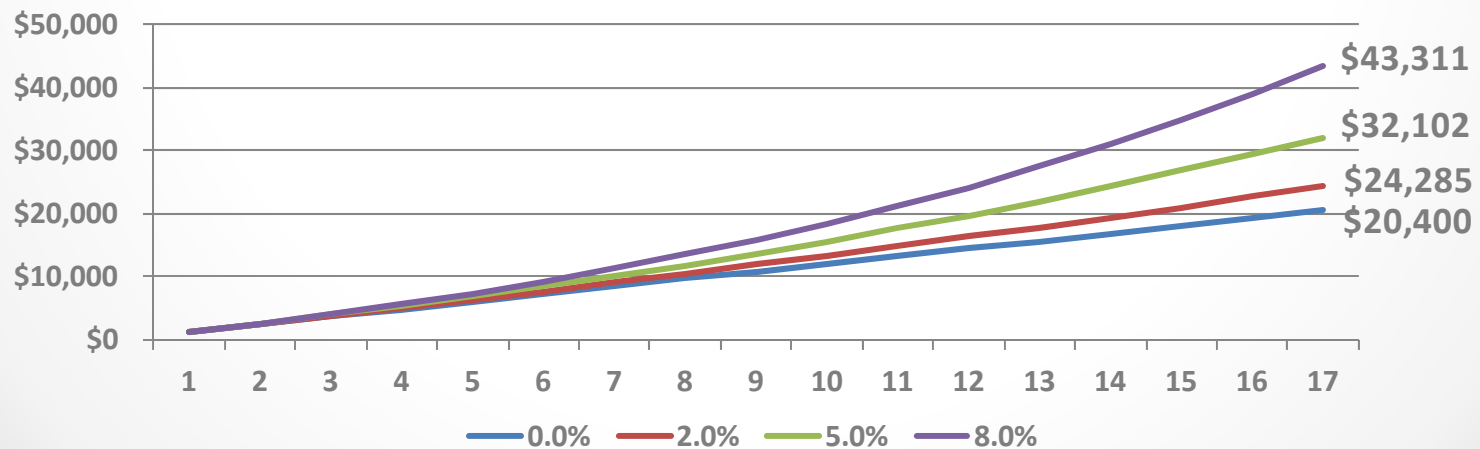
- Balance Grows to \$2,713.24

- (Calculated using 5% compound interest for 17 years)



- Future value of \$50 per paycheck for 17 years:

(Assumes 24 pay periods per year, or getting paid twice a month)



# Save, Save, Save!

- Save Smart

- College Savings Structures:

- Regular Savings
    - 529 Plans
    - Coverdale Education Savings

- Investment Options:

- Mattress...
    - Bank Account
    - Stocks/Bonds/Mutual Funds



# 529 College Savings Plans

- Two kinds of 529 plans:
  - Savings plan
  - Prepaid plans
- Free to invest in any state's plan
  - Does not matter where you live
- Value typically applied nationwide
- May not affect the beneficiary's eligibility for financial aid
  - Asset of the account holder and not the beneficiary
- Account owner retains full control of how funds are spent
  - Strict limitations on what funds can be used for:
    - Tuition, fees, books and equipment required for class.
    - Room and board - only if the beneficiary attends at least half the time.
- Other Details:
  - Distributions not taxed as long as used for qualified education expenses
  - Can start a 529 account for any child, related or unrelated
  - Can change the beneficiary at any time
  - Treated as gifts under federal tax law: \$14,000 limit for 2016



2-Year College

4-Year College

2 + 2

1-Year University

4-Year University

529 Savings

markets, while the Florida Prepaid College Plan is guaranteed by the State of Florida.

COLLEGE SAVINGS 101

SAVINGS VS. PREPAID



### 2-Year Florida College Plan

Prepaid Plan that covers tuition and most fees for 60 credit hours at a Florida College.

[Learn More](#)



### 4-Year Florida College Plan

Prepaid Plan that covers tuition and most fees for 120 credit hours at a Florida College.

[Learn More](#)



### 2 + 2 Florida Plan

Prepaid Plan that covers tuition and most fees for 60 credit hours at a Florida College and for 60 credit hours at a State University.

[Learn More](#)



### 1-Year Florida University Plan

Prepaid Plan that covers tuition and most fees for 30 credit hours at a State University.

[Learn More](#)



### 4-Year Florida University Plan

Prepaid Plan that covers tuition and most fees for 120 credit hours at a State University.

[Learn More](#)



### Florida 529 Savings Plan

Investment-based college savings plan with 11 different investment options.

[Learn More](#)

# Florida 529 Savings Plan

The Florida 529 Savings Plan offers you the ultimate in flexibility. Simply choose from our investment options, then contribute as much and as often as you'd like to suit your budget and goals. Each investment option, such as our popular age-based option that automatically allocates contributions based on the age of the child, is independently run by professional investment managers.

Enroll Now

Explore Other Plans



Illustrated values based on regular monthly contributions as shown, with an assumed 5% rate of return and no fees applied.

## What's Included

The funds in your Florida 529 Savings Plan can be used for any qualified higher educational

- College Savings

## Why this Plan?

There are two primary advantages to a Florida 529 Savings Plan.

First, you can start any time and save for any amount of time. Even if you can't save for

## Enrollment Checklist

- Check out our **College Planning Tool** to help determine your savings goals, the best initial contribution and how much to put in monthly to reach your goal. You can increase or decrease your monthly contribution at any time.

# Coverdale ESA

- Formerly known as the Education IRA
- Contribute up to \$2,000 a year per child
  - Contributions are nondeductible
  - Contributions can be made until designated beneficiary reaches age 18
  - Income Phase-out (2013):
    - Single filer MAGI between \$95,000 and \$110,000
    - Joint filer MAGI between \$190,000 and \$220,000
    - Based on the income of the contributor
- May impact financial aid eligibility!
  - Considered assets of the account owner
- Self-directed – you maintain investment control
  - Beneficiary owns account at age 18 and controls distributions
- Qualified withdrawals include:
  - K-12 expenses
  - Post-secondary education expenses
- Other Features:
  - Distributions tax-free, as long as used for qualified education expenses
  - Any individual under age 30 may be the beneficiary
    - Must be distributed or transferred when beneficiary reaches age 30





# Agenda

- Is It Worth It?
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# Other Sources

- **Other sources of college funding include:**
  - Scholarships
  - Grants
  - Work-Study Programs
  - Loans
- **Financial aid application essential for eligibility**
- **Special Programs**
  - Veterans and their dependents
  - Some students in medical training
  - Public service in exchange for aid

Welcome to

## Florida Student Scholarship & Grant Programs

1-888-827-2004

Florida Department of Education  
Office of Student Financial Assistance

[State Programs Home](#)

[Applications and Updates](#)

[Financial Aid Resources](#)

[Postsecondary Institutions](#)

[High Schools](#)

[State Program Links](#)

### Applicant Quick Links

[Student Application](#) (for new applicants)

[View Student Financial Aid History](#)

[Update My Demographics](#)

[Check My Status](#)

[Reinstatement/Restoration Application](#) (for returning students)

### Administrator Quick Links

[Login to the Online Transcript Entry and Evaluation System](#)

[Comprehensive Course Table \(CCT\)](#)

### Contact Us

1-888-827-2004

[osfa@fldoe.org](mailto:osfa@fldoe.org)



The Florida Bright Futures Scholarship Program establishes three lottery-funded scholarships to reward Florida high school graduates for high academic achievement.

### Bright Futures Student Handbook:

#### Chapter 1: Initial Eligibility Requirements

- Requirements for the Three Scholarship Types (*FAS, FMS, GSV*)
- Non-Traditional Students (*home-educated, GED, out-of-state, mid-year*)

#### Chapter 2: Information to Know Now That You Are Eligible

- Length of the Scholarship Award
- Award Amounts
- Summer Funding
- Transferring the Scholarship between Institutions

#### Chapter 3: Renewing Your Award

- Renewal Requirements
- Reinstatement Requirements
- Restoration Requirements
- Institutional Appeal Process

### Other Bright Futures Resources:

[Bright Futures Brochure](#)

[Chart of Eligibility and Award Criteria](#)

[Bright Futures Award Amounts](#)

[The Home-Educated Student Guide](#)

[Bright Futures Statistical Reports](#)

# Florida Bright Futures Scholarship Program

- **Three lottery-funded scholarships**
  - Florida Academic Scholar (FAS)
  - Florida Medallion Scholar (FMS)
  - Florida Gold Seal Vocational Scholar (GSV).
- **Eligibility:**
  - Florida high school graduates
  - Demonstrate high academic achievement
  - Enroll in eligible Florida public or private postsecondary institutions
- **Must apply by submitting Florida Financial Aid Application (FFAA) by December 1 of senior year**
  - Free Application completed in class!



# Florida Bright Futures Scholarship Program

- Florida Academic Scholar (FAS)



- Up to \$103 per credit hour
- Grade Point Average (GPA): 3.5
  - Courses must include 16 credits of college-prep academic courses:
    - 4 English (3 with substantial writing)
    - 4 Mathematics (Algebra I level and above)
    - 3 Natural Science (2 with substantial lab)
    - 3 Social Science
    - 2 World Language (sequential, in the same language)
- **Community Service:** 100 hours
- **Test Scores:**
  - **SAT:** Best combined score of **1290** SAT I/SAT Reasoning Test (based on the combined Critical Reading and Math sections only)
  - **ACT:** Best composite score of **29** ACT (excluding the writing section)
- **Other Ways to Qualify**

**Note: These requirements are subject to change with each legislative session.**

# Florida Bright Futures Scholarship Program

- Florida Medallion Scholar (FMS)



- Up to \$77 per credit hour
- Grade Point Average (GPA): 3.0
  - Courses must include 16 credits of college-prep academic courses:
    - 4 English (3 with substantial writing)
    - 4 Mathematics (Algebra I level and above)
    - 3 Natural Science (2 with substantial lab)
    - 3 Social Science
    - 2 World Language (sequential, in the same language)
- **Community Service:** 75 hours
- **Test Scores:**
  - **SAT:** Best combined score of **1170** SAT I/SAT Reasoning Test (based on the combined Critical Reading and Math sections only)
  - **ACT:** Best composite score of **26** ACT (excluding the writing section)
- **Other Ways to Qualify**

**Note: These requirements are subject to change with each legislative session.**

# Florida Bright Futures Scholarship Program

- Florida Gold Seal Vocational Scholar (GSV)



- Up to \$48 per credit hour
- Grade Point Average (GPA): 3.0
  - Courses must include 16 core credits required for high school graduation with a 4-year diploma:
    - 4 English
    - 4 Mathematics (including Algebra I)
    - 3 Natural Science (2 with lab component)
    - 3 Social Science (U.S. Hist., World Hist., U.S. Govt. and Economics)
    - 1 Fine; OR Identified Practical Art; OR .5 credit in each
    - 1 Physical Education (to include integration of health)

- **Community Service:** 30 hours

- **Test Scores:**

- SAT Reasoning Test:

- Critical Reading: 440
    - Math: 440

- ACT:

- English: 17
    - Reading: 18
    - Math: 19

- PERT:

- Reading: 104
    - Writing: 99
    - Math: 113

- **Other Ways to Qualify**

**Note: These requirements are subject to change with each legislative session.**





Go to College

EXPLORE COLLEGES & UNIVERSITIES

DISCOVER DEGREE PROGRAMS

KNOW THE ADMISSION REQUIREMENTS

TAKE AN AFFORDABLE PATH TO A DEGREE

EARN COLLEGE CREDIT IN HIGH SCHOOL

GET READY FOR COLLEGE

# PAY FOR COLLEGE

Planning ahead to pay for college can help you graduate without a mountain of debt.

## Tuition and Fees

Students who are residents of Florida pay significantly lower tuition at state colleges and universities than students from other states. The average in-state tuition for a state university in Florida is \$6,336 for 30 credit hours. Tuition at state colleges is about two-thirds the amount of tuition at state universities.

To be eligible for in-state tuition, students or their parents must have established and maintained legal residency in Florida for at least 12 consecutive months before the first day of the term. Unless proven otherwise, students who are 24 or older are considered independent and must provide their own documentation to demonstrate...

Ready for college?  
CHECK NOW.



Find the college of your dreams.



Find an online degree





Home



About Us



PIN Site



StudentAid.gov



Help

SEARCH

English | Español

# Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)



## New to the FAFSA?

**Start A New  
FAFSA**

## Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

**Login**



# Grants



- **Federal Pell Grant**
  - Most common federal grant for higher education
  - Available only to undergraduate students who haven't earned a degree
  - Must demonstrate financial need
- **Federal Supplemental Educational Opportunity Grant**
  - May qualify if financial need is particularly high
  - Given to supplement Pell Grants
- **Academic Competitiveness Grant**
  - Available to Pell Grant recipients who have completed a qualifying academic program in high school
  - Check with your high school's counseling office to find out if they offer one.
- **National Science and Mathematics Access to Retain Talent (SMART) Grant**
  - Available for math, science and technology majors in their third and fourth years of undergraduate school
  - Need to enroll in pre-approved classes and maintain a grade average of a B or better
  - Must be a Pell Grant recipient
- **TEACH Grant**
  - Recipient must agree to work as a full-time teacher at a school that serves low-income students
  - Has minimum college admissions test scores and you must maintain a grade point average of at least 3.25
- **Florida Student Assistance Grants (FSAG)**
  - State-funded program
  - Awarded based on academic promise and need for attendance at eligible Florida institutions

**Grants never have to be paid back!**

# Work-Study

- Part-time job in exchange for college expenses
  - Work is paid by the hour
  - Employer is typically the school
    - Must allow a flexible schedule to interfere with school responsibilities
  - Program encourages community service work and work related to the recipient's course of study
- Non-loan way to cover the cost of college



My Account

Getting Loans

Tools and Resources

Managing Repayment

FAQs

Contact Us



As of May 10, 2015 you must have a verified FSA ID (Username & Password) instead of a PIN to log in to StudentLoans.gov.

[Create an FSA ID.](#)

If you have a [verified FSA ID](#), log in to StudentLoans.gov.

For assistance, call:  
1-800-557-7394.

[Log In](#)



**Undergraduate Students**

### Student Loan Process

Complete the Free Application for Federal Student Aid (FAFSA®) at [www.FAFSA.gov](http://www.FAFSA.gov).

This is your **first** step in getting student aid. You must do this every year.

- College Savings



**Graduate/Professional Students**

### What Can I Do When I Log In?

- ▶ **Complete Entrance Counseling**
- ▶ **Complete Direct Subsidized/Unsubsidized Loan Master Promissory Note (MPN)**
- ▶ **Complete Financial Awareness Counseling**
- ▶ **Complete Exit Counseling**



**Parent Borrowers**



**Repayment and Consolidation**

### Watch to Learn More!



# At Fastweb, We Have It All

Scholarships, Internships, Colleges and More

START YOUR SEARCH

## What is Fastweb?

We're the leading online resource in finding scholarships to help you pay for school.



### Targeted Scholarships

Scholarships just for you based on your strengths, interests and skills



### Financial Aid

Resources to help you with tough financial aid decisions



### College Savings



### Career Advice





HIGH SCHOOL

- Academy
- Activities
- Administration
- After School Study Hall
- Athletics
- Bell Schedule
- Buffalo Athletic Boosters
- Buffalo Music Boosters
- Clinic
- Clubs
- College / Scholarships / Financial Aid**
- Early College
- Forms / Documents
- Guidance Services
- High School Calendar
- High School Videos
- Media Center
- Menus
- School Tour
- Skyward Family Access
- Teacher Connection

## College / Scholarships / Financial Aid

### Scholarships

We have several scholarships available at this time! Please see the PDF file below for the most up to date scholarships and due dates, along with other scholarship information!

Students can visit the Buffalo Scholarship Foundation website and work on this application now <http://www.buffaloscholarshipfoundation.org/> (all PI hours must be completed before deadline as well as 150 community service hours) Deadline: TBA

Please encourage your students to create a student resume, this will make completing scholarships easier and efficient!

### In State Universities and Scholarship Opportunities

We have put together a list of the top universities in the state of Florida and the scholarship opportunities that may be available for students that are accepted for admission. If the university that you will be attending is not on this list, please see your school counselor for more information. The list is attached at the bottom of this page as a PDF document.

### ONLINE SCHOLARSHIPS


- 10 Words or Less Scholarship - \$500 - 1 Award (Deadline: January 29, 2016)**  
[http://scholarshipguidance.com/scholarship\\_10\\_words\\_or\\_less\\_scholarship\\_8947.php?&utm\\_source=newsletter01&utm\\_medium=email&utm\\_campaign=201510&utm\\_content=a76fd8d459bb0b82a1cbf1bd50739c31](http://scholarshipguidance.com/scholarship_10_words_or_less_scholarship_8947.php?&utm_source=newsletter01&utm_medium=email&utm_campaign=201510&utm_content=a76fd8d459bb0b82a1cbf1bd50739c31)
- Varsity Tutors -\$1,000- winners selected monthly- (Deadline: Last day of each month) - <http://www.varsitytutors.com/college-scholarship>**
- Arts for Life! - \$2,000 scholarship to 25 Florida high school seniors (Deadline: February 1, 2016)**  
<http://artsforlifeaward.org/wordpress/apply/>

- Central Office
- Early Childhood Center
- Elementary School
- Middle School
- High School

Literal Translation	
Spanish	German
French	Italian
Korean	Portuguese
Chinese	Japanese



- A – G: Nicole Lake - [Nicole.Lake@tvcs.org](mailto:Nicole.Lake@tvcs.org)
- H – O: Jerry Callahan – [Gerard.Callahan@tvcs.org](mailto:Gerard.Callahan@tvcs.org)
- P – Z: Katie Stephenson - [Katie.Stephenson@tvcs.org](mailto:Katie.Stephenson@tvcs.org)



HIGH SCHOOL

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## Guidance

### Welcome!

We hope everyone had a restful winter break and we are happy to be back! Student Services is ready to 'hit the ground running' as we enter the 2nd half of the school year. Below you will find some information regarding testing and upcoming events.

The Villages High School guidance office now has 3 counselors to help:

**Nicole Lake – last names A-G all grades - [Nicole.Lake@tvcs.org](mailto:Nicole.Lake@tvcs.org)**

**Gerard 'Jerry' Callahan – last names H-O all grades - [Gerard.Callahan@tvcs.org](mailto:Gerard.Callahan@tvcs.org)**

**Katie Stephenson - last names P-Z all grades - [Katie.Stephenson@tvcs.org](mailto:Katie.Stephenson@tvcs.org)**

Please contact your student's school counselor with any concerns, including scheduling a parent/teacher conference.

### Upcoming Testing/Activities Dates

ACT: February 6th 2016

We will be offering the 'BEST Exam' for most juniors and sophomores with a 3.0 GPA and higher on February 8th and 10th

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# Questions?



# Useful Websites

Florida Prepaid College Board:

<http://www.myfloridaprepaid.com>

Office of Student Financial Assistance (Bright Futures):

<http://www.floridastudentfinancialaid.org/ssfad/bf/>

Florida Shines:

<https://www.floridashines.org/>

Free Application For Federal Student Aid (FAFSA):

<https://fafsa.ed.gov/>

Federal Student Loans:

<http://studentloans.gov/>

FastWeb:

<http://www.fastweb.com/>

The Villages Charter High School:

<http://www.tvcs.org/highSchool/highSchool.asp>

# How to Fund Your Child's College Education



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