

March 2015 Issue of PFwise.com's Monthly Newsletter

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PFwise.com Monthly Newsletter

Help you make wise personal finance decisions

Hello friends, welcome to the April 2015 [PFwise.com](#) Monthly Newsletter! In this issue, I will focus on only one topic - **College Fund Planning!**

I will look at this topic from the following 3 angles:

a. How much will college cost for my child(ren)?

Right now, a public college costs about \$20,000 per year, a private college costs about \$44,000 per year. Those are average total annual costs, multiply them by 4 you will get total college education costs! Also, depending on how old is/are your child(ren), average inflation rates are about 4.5% for public universities and 4.0% for private universities.

We have developed an online [College Cost Estimator](#) so you can plug in your numbers to see how much 4-year college education might cost your child(ren)!

b. How much will I have to pay for that?

Expected Family Contribution (EFC) is the term refers to how much you are expected to pay for your child(ren)'s college education. While it looks like a black box for most people, we have developed a simple online [EFC tool](#) that you can use to see how much you should save and pay for your child(ren)'s college education!

c. What are my options to save for college funding?

We have listed total 8 options for you to consider, please see [this page](#) and study them one by one.

While 8 options sound a lot, the reality is you have to sacrifice present for future.

Final tips:

Tip 1. If your state offers 529 contribution tax deduction benefit, always grab it by saving to the limit allowed by state laws.

Tip 2. If your child is very young (e.g. less than 5 years old), both 529 and cash value insurance (e.g. Whole Life) are good options. We have a mini blog series [comparing these two options](#).

Tip 3. If your child is older, I am sorry, I don't see any good options, you just need to save and hope for a good return, so money will be there to pay for your child's college education!

The Bottom Line

Personal Finance is a broad and complicated topic, and needs lot of knowledge and forward-looking planning. I hope I can share my knowledge and use my skills to help you make wise PF decisions.

If you like our newsletter, please share with your friends. They can subscribe by dropping a line to help@pwise.com or from [here](#).

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