



# Funding Grandchildren's Education

*Many of our clients have reached the esteemed title of Grandparent, which brings great excitement and joy to the family. As a wealth advisory firm, we believe the earlier you plan, the more efficiently your funds can be deployed. Wait too long, and the extent of a grandparent's help may only be to "pay the bill".*

## **What to consider before funding?**

**Financial Situation** - As your Financial Advisor, our priority is you and your future wealth planning. Many of our clients would like to help their grandchildren financially and are fortunate to be able to do so.

Questions that should be asked include:

- How much money could be available for educational needs?
- How many children will have the need?
- Can you plan in advance, or should it wait until it's a year-to-year decision?

**We work with clients to determine what gifting may be possible within their personalized financial Plan.**



**Aligning Your Values** - Your values should matter when it comes to this topic as well. Some clients want to cover any and all education expenses, while others may want the student to have some skin in the game.

**How to Help** - There are strategies to consider as you think through how you want to assist your grandchild with their education:

- Should the student take out a full or partial loan and have the gifted funds repay the loan only if there is a successful completion?
- Should the student work through school to cover some of the expenses?
- Does it matter to you what the student studies?
- Is any degree ok for you at any cost?

Children are looking for guidance and guardrails (even when they make it very clear they are not) to prevent major life errors. As the giver, your values matter. Make it known what you will and will not support financially.

### **What to fund?**

Fund what you would like to fund. **The most efficient way to give is to start at the birth of each grandchild.** The target of your gifting could be to fund preschool, grade school, college or other professional endeavors. You could also choose to help with after school activities, private school tuition or even home-schooling needs.

There are a few ways to save, and the best way for you may not be what the financial “experts” suggest. As you get to know each child, a different path, need or desire could emerge. Some kids are gifted and talented, while others need more resources. Being open to more alternative educational paths early may help many students feel unburdened by expectations and allow your gift to have the greatest effect. Alternatives could include a gap year before college, military service, trade school, internship or apprenticeship.

**Helping grandchildren can look different for you and each child. At a minimum, your wisdom and life experience can bring great value to the conversation.**



***If you or someone you know is considering helping to fund the education of grandchildren, please contact our office or share this information with them.***

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