

Episode 300 – Increasing Your Success with the College Funding Report

Welcome back to another episode of Money Script Monday. My name is Gabriel Lindemann and I'm going to be your host. I'm honored to be giving today's presentation, which is something dear to my heart. Naturally, we're going to be talking about college planning and college funding, but today especially because we're going to talk about increasing your success with the new college planning funding report,

Now, this is something we've been working on for a while, and truth be told, we were really close to having this right before COVID, but COVID happened and we had to put everything on the back burner. We had to switch from doing seminars to webinars and I'm sure everyone in the world is so happy because we know those college planning webinars are a huge success. I'm excited that the webinar series took off to be something amazing and great, but now we're able to finally bring forward the college planning report that we wanted to do for a while, but let's get started.

As I talked about, the college playing webinar was has been a huge success. The seminars are doing great. We're getting anywhere from 50 to 60 RSVPS per every event and we're doing with anywhere from a 40 to 60%. Show up rate. Successful across the board, but we're expecting these numbers and they're going to get better as the college planning season goes along. Now, something to take in consideration. This is the first year they're changing it. Normally the FASFA opens up October, now it's going to open up in December. Now what does that mean?

It means that instead of the last couple of years where people had a big rush to do seminars and a big rush to do webinars and a lot of cases coming in October and November because that open deadline, now what's going to happen is it's going to extend all the way pretty much to the end of the year and people, families are going to have that push to get policies in until January 1st.

I honestly think because of what the government's doing and delaying the faster opening, it's going to have an increase in clients doing seminars and webinars, which means more clients to get in front of and more families you can help. That's the number one key that we're looking at. So again, the seminars and webinars are doing great. Please call your FSR, call anyone at LifePro. We'd love to get you involved in it, but right now is the season, this is what we look forward to is the college planning season, which runs about August till the end of the year right now because of the great government. So again. Thank you. This is working really.

Now I talked about it before, we have a new college funding report. Now before that, we were using the the wealth report, which was fabulous, which was great. We've used it for probably 10 plus years and it saved so many cases, kept cases in the book, it's a great analysis report, it's a great comparison report, but it wasn't tailored towards college funding. In fact, one of the criticisms we get from clients and advisors was that it maybe was a little too much in financial planning and retirement planning and didn't address the needs. A lot of times, families would get it and they would like it, but then they would get confused. "Oh, is this for my future retirement? Is this for college planning? Is this for college funding?" It actually does both. But we needed to make a report that that showed that.

That's what we were able to come up with today. I want to take the time to show you the additional pages that we added to it that shows you that it's a college funding report, and I want to show you what our top advisors are using to close cases with the new reports out there that's increasing about 30 to 40% of their closing ratio just because of the additions in there. What we're seeing too, is that cases are staying in the books longer now. This report is going to reinforce everything that you talked about in the meetings. So I want to spend some time and show you the pages that we added to it to make it a college funding report.

The first thing you'll see is right on the title page. The college funding report no longer is the wealth report. It's clear cut. So when you meet with

the clients, they understand this is directly tied to college funding and college planning.

The next big update, if you go to Page 4, latest updates to the college planning world. Now this is a big update to the world and unfortunately a lot of college planners don't want to talk about it because it's going to hurt them. If you're a college planner that is 100% predicated around financial aid, sheltering assets, this is going to greatly impact you because the government is basically looking at your non-qualified assets and your assets that earned income. So anything that earns a 1099, anything that's not listed on the FAFSA as excluded assets, is going from 5% to 12%. That's huge. That means someone that was right there on the fence of maybe getting financial aid next year will not receive financial aid. So it's even more important to show the demonstration of how do you use your assets more correctly. That's all again that's reflected on page 4.

Now we want to talk to go to page 5. We talk about potential risks to consider when planning for college. Now this is important because we want to talk about, we want to be real. When families are meeting with their kids, what are they talking about? College debt. College debt is so scary right now. Over the last five years, college debt is actually the number one debt in the in the country. It's surpassed credit card debt, by leaps and bounds.

Rising tuition, if you look at that, if you compare what a gallon of milk would have cost 30 years ago, and you apply with the increase of college, I've seen some figures of a gallon of milk calling anywhere from \$17.00 to \$25 a gallon. Now that's what's happening in our college institutions. The rate of return has gone so high on what they're charging because they can. Again, these are all details that spark conversations to why it's so important to start planning now.

Financial aid mistakes. This is a great one. We got this from our college planners. Just because you fill out the FAFSA form, doesn't mean you filled it out correctly. So often the college planners will help families that review it

and they say, "Oh my, you know what? This is incorrect. You weren't supposed to list the equity in your home." By making one or two little corrections, now they go from not being EFC eligible, to being EFC eligible.

Lastly, opportunity cost. That's the big thing about this report is it shows the traditional way of paying for college using cash flow and taking out loans. That's what I did because I didn't know any better, that's what everyone my family did, that's what all my friends did prior to learning the correct way. Now that money's gone. Now, if you follow our approach with the within the report, it'll show your money earning a full rate of return. Traditionally, like with me, my money was gone. But with everyone that follows this report, their money that normally would be gone, is there to supplement for future retirement or whatever they want to use it for. If you want to use it for a future down payment for a new car, to supplement their son or daughters first wedding, whatever, it's their money. And it's there earning interest.

If we go to page 6, again this talks about the increase in the cost of college. This isn't necessarily to scare the family, it's really just to show them what's happening out there in the world that you need to be accountable. You need to start saving now. You need to understand the costs. But they don't realize that colleges and universities are a business, and they operate like a business and like a business, their number one concern is to generate income.

Onto page 7. This is probably one of the most important things. We included the five ways to pay, but we included a blank page. The reason why is because we want our advisors and college planners to meet with the family to review the five ways to pay. Everything has pros and cons, but based on their situation they get to pick. Now, based on the fact finder and based on us working together, we'll have a good idea of what they should pick, but ultimately you want to let them be the director. They need to come to that conclusion, and if you do it that way, policies stick on the books longer because they're not being forced. They're they don't feel like

they're being swindled into doing something they didn't know because they're coming to the conclusion.

Onto page 8, college funding opportunities, you know, this is strictly from the FASFA report. We highlight IUL, whole life, and annuities because these are assets that don't count according to the FASA form. We also list the other non-qualified assets that count on there. We listed the 529, how it does count, and how that works. Again, this is strictly showing why we're using these products. It's not because we're making it up. This is strictly coming from the government's mouth.

Onto page nine, the cost of waiting report, we showed how to pay for college. This is one of my most favorite pages because this is showing family, "Okay, if I start now, for example, if I need \$160,000 for college, I can fund \$18,000 a year. That's enough for me to get started to get that money out starting year four. What happens if I wait? What if I want to procrastinate? What if I think about waiting 2-3 or four years? Well, if I wait three years, then it's going to go from \$18,000 to \$31,000. That means I have to pay additionally to go from \$180,000 over 10 years to \$217,000." It's incredible. It's so much more increase of income you have to pay to get the same result of college loans coming out, and this is all reflected on page nine.

Lastly, on page 15, the various alternative report, we got rid of the purple section which has been the tax-free, tax-exempt account. We replaced that with a 529. Again, we wanted to show the various alternatives that include a 529 because this is a common objective. How would my 528 operate? It doesn't operate similar to a Roth, it's more similar to a non-qualified annuity, so we wanted to make sure those assets were being counted correctly.

Again, thank you again for attending today's webinar. What'd we review today? We talked about the success in the College Planning Seminar and webinars. We talked about us creating the report. And lastly, we talked about you know how to bring it all together with the added sections and

how our our top college planners are using this. Now I know this was a lot to go over in a little amount of time. Please feel free to give me a call, your FSR a call, or anyone LifePro. We would be more than happy to explain this to you. Or frankly, if you're confused, we can help you do this call with your client to help them. Again, if you're not using this to get in front of more people then we're not successful because if you're not successful, we're not successful. We want to make this a great college planning season. Happy selling. Please let us know what we can do to help you get in front of more families. Good luck to you. Thank you.