



## Education Funding: Knowledge to Last a Lifetime

Widespread economic woes of recent years have gutted state coffers, resulting in reduced appropriations for higher education—while simultaneously expenses in buildings, maintenance and personnel have shot skyward.

State and private colleges have attempted to close the deficit by hiking tuition costs across the board. Kansas universities experienced a 7% increase in fees and tuition between the 2001-02 and 2002-2003 school years.\* But let's face it: those were the good ol' days. In 2010, the Kansas Board of Regents approved an 8.2% tuition and fee increase for in-state undergraduate students at the University of Kansas. All Kansas Universities saw increases between 4.1% and 8% for the '10-'11 academic year.\*\* And that's not taking into account the rising cost of housing, meals, and essential supplies.

Clearly higher education is an expensive proposition. But as the job market tightens, the need for a post-secondary education increases exponentially. While not a guarantee of employment in a particular field, possessing a college degree can widen the net of opportunities for graduates, and give them flexibility in a changing job market.



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### Traditional education funding yesterday and today

Federal grants	<i>Grant funding drying up</i>
Scholarships	<i>Higher demand and fewer scholarships due to endowment shortfalls</i>
Loans	<i>More difficult to qualify</i>
Part-time employment	<i>Reduced opportunities and increased competition</i>

The news isn't all bad. In fact, some of it is quite good. The government has given us a tool in the funding box: the 529 Savings Plan. Used correctly, it can help to provide the monies necessary to pay for a post-secondary education. But there are many factors that can turn this avenue into a success:

- Tax breaks
- Allowable contributions
- Costs and fees
- Investment options
- Opening balance minimums
- Parental control

The right investment vehicle can help to fulfill your children's educational dreams. Call today to learn more.

**(785) 232-3266**

Clayton Financial Services, Inc. has been in business for over 25 years, offering financial planning; money management; tax, estate, and risk planning. Call us today to make an appointment to improve your future: 785-232-3266.

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\* The College Cost Crisis: A Congressional Analysis of College Costs and Implications for America's Higher Education System, Boehner, John A.; McKeon, Howard P.

\*\* BOARD OF REGENTS APPROVES STATE UNIVERSITY TUITION RATES: Tuition & Fees Rates Approved for Fall 2010/Spring 2011 Academic Year, Kansas Board of Regents, June 24, 2010.