Partnërz

College Fund Planning

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Introduction

In the US, college education inflation outpaced the national inflation three times, making college expenses rise about 6% annually. Government subsidies for tertiary education have also declined over the years, making college costs rise yearly as it is inversely proportional to growing cost.

In the past ten years, the cost of entry into the big three public universities in Ghana (UG, KNUST and UCC) has seen an unwavering hike of about 63.159%. According to our models, every child born today could need over GHS 72,000 to attend a four-year public university — three times of today's costs. Add to that, the cost of study materials, accommodation, food and other living expenses will make college education even more expensive.

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Big Question?

1 What if a financial model can predict how much your ward's university education will cost?

2 What if it can advise how much you need to save/invest today to make life easy for you when your ward is of age?

The Problem

Case against using salaries:

When your child is young, it's easy to believe you have plenty of time to save for college. Honestly, there is no guarantee of your salary while we look into the future.

In Ghana, most parents fund their ward's education using salaries, borrowed money or withdrawing from savings/investment accounts designed for emergencies, family projects or retirements. As pragmatic as this sounds, it sets a dangerous precedence

A case made against borrowing:

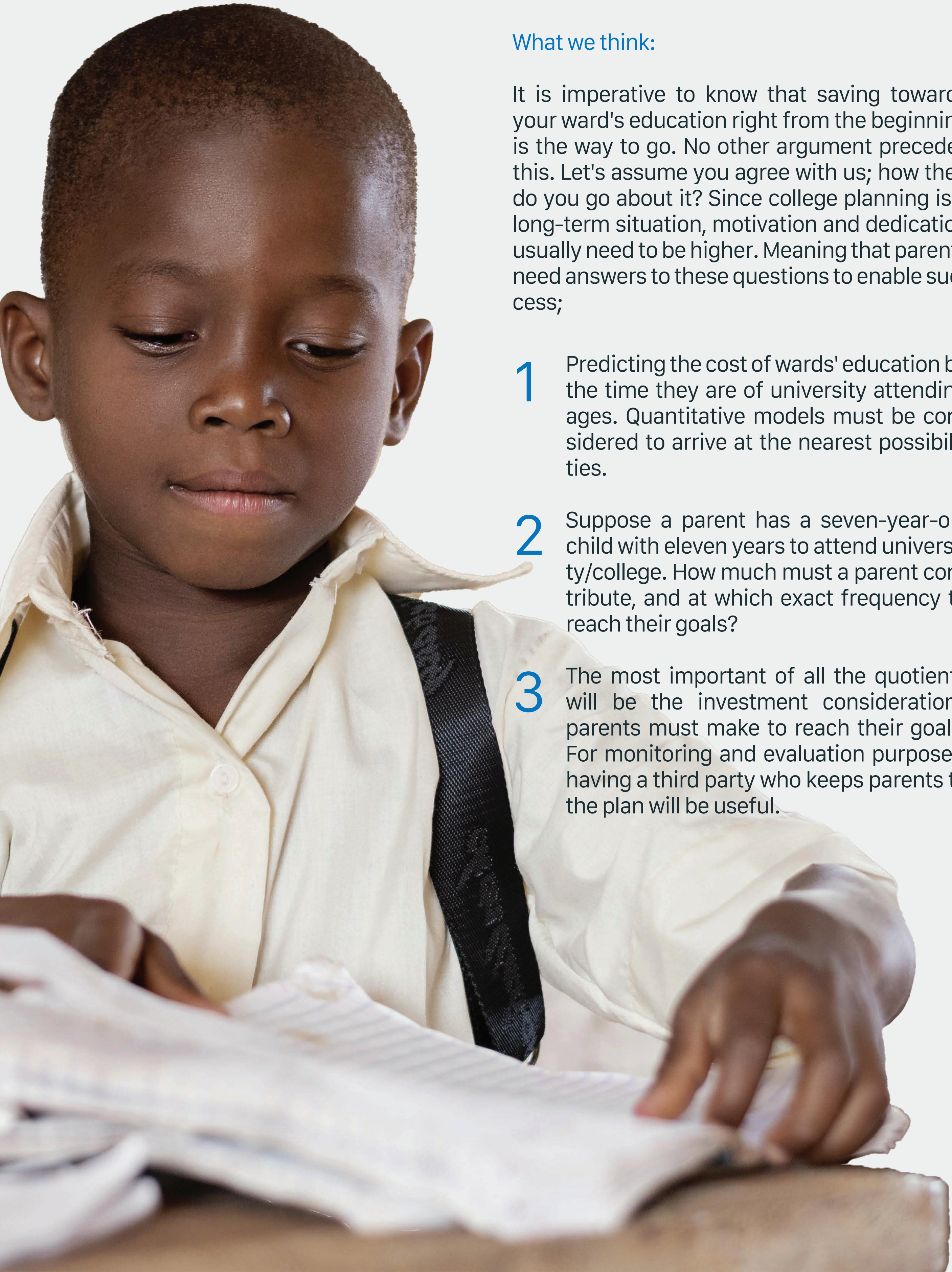
Firstly, why introduce your child(ren) to the world of debt or generational financial bondage?

In eighteen (18) years, given the inflation trajectory, it could cost over GHS72,000 to send a newborn to a university (Ghanaian Public Schools). There is no guarantee that you will be alive, capacitated and economically viable to finance or use credit to fund your ward's education. Using debt to finance education is expensive. Putting money away right from the start of the child's life is the easiest way to go about it.

A case made against choices:

Education is costly and quality education is priceless. Firstly, why introduce your child(ren) to the world of debt or generational financial bondage?

The best kind of education is often rewarded with great opportunities in terms of the education itself and the network of people at post. However, it is mostly costly and as much as parents would want to give their wards the best, they sometimes settle with what they can afford. One best way to avoid this path is to actively plan the kind of education to give your ward and have a concrete financial plan towards it.



What we think:

It is imperative to know that saving towards your ward's education right from the beginning is the way to go. No other argument precedes this. Let's assume you agree with us; how then do you go about it? Since college planning is a long-term situation, motivation and dedication usually need to be higher. Meaning that parents need answers to these questions to enable success;

1. Predicting the cost of wards' education by the time they are of university attending ages. Quantitative models must be considered to arrive at the nearest possibilities.

2. Suppose a parent has a seven-year-old child with eleven years to attend university/college. How much must a parent contribute, and at which exact frequency to reach their goals?

3. The most important of all the quotients will be the investment considerations parents must make to reach their goals. For monitoring and evaluation purposes, having a third party who keeps parents to the plan will be useful.

How we can help

Our service is built on the back of our quantitative and financial modelling expertise, which ensures that parents will be financially prepared for their wards' college education by the time they are of age. We will help parents;

1. Assess their financial circumstances.

2. Based on the findings above, we will help parents decide how much they have to contribute and the frequency with which it must happen.

3. In conjunction with licensed investment firms, an investment portfolio is then determined.

4. We will considerably serve as a watchdog on behalf of parents. We will regularly consult with the regulator (Securities and Exchange Commission) to identify the licenced investment firms in good standing.

5. Parents will have access to a dedicated financial advisor. The advisor will help with all ongoing concerns, future events or changes.

How we can help

This arm of the service will benefit each member(ward). It will also facilitate our value-added services extended to each member, but not limited to;

1. Admission tests tutoring(IELTS, SAT, ACT, UK university admission tests, etc.),
2. Admission and scholarship application support.
3. Career development services, including academic internships.
4. Counselling for students encountering academic difficulties.
5. Extracurricular activities(piano, tennis, golf, painting, sports lessons) and discounted vacation trips.
6. We will advise parents to build Trusts to protect their wards legally. Our legal team will help at a discounted fee

Introduction & Background

Our Firm

We are in the active business of financial advisory to both groups and individuals.

Our work touches on equity research, corporate finance, transaction advisory, financial advisory for corporates and individuals, financial education seminars/webinars and financial wellness programs.

Our goal is to use financial structures where possible to improve the lives of our clients.
[We are a non-deposit-taking company- We play an advisory role only.]