

529 Plan Funding Strategy

Sample Client

Assumptions

Education Inflation	5%	
Return Assumption	6%	
Tuition today	50,000	50,000
Target funding	100%	100%
	<u>50,000</u>	<u>50,000</u>

Saving Schedule

Net Present Value (NPV)	\$200	(\$845)
Internal Rate of Return (IRR)	6.0%	6.0%

	Age		Annual Saving (Spending)			
	Child 1	Child 2	Child 1	Child 2	Total	
			<i>Cur Bal</i>	<i>80,000</i>	<i>68,000</i>	
2016	3	2	8,400	9,000	17,400	
2017	4	3	8,400	9,000	17,400	
2018	5	4	8,400	9,000	17,400	
2019	6	5	8,400	9,000	17,400	
2020	7	6	8,400	9,000	17,400	
2021	8	7	8,400	9,000	17,400	
2022	9	8	8,400	9,000	17,400	
2023	10	9	8,400	9,000	17,400	
2024	11	10	8,400	9,000	17,400	
2025	12	11	8,400	9,000	17,400	
2026	13	12	8,400	9,000	17,400	
2027	14	13	8,400	9,000	17,400	
2028	15	14	8,400	9,000	17,400	
2029	16	15	8,400	9,000	17,400	
2030	17	16	8,400	9,000	17,400	
2031	18	17	(103,946)	9,000	(94,946)	
2032	19	18	(109,144)	(109,144)	(218,287)	
2033	20	19	(114,601)	(114,601)	(229,202)	
2034	21	20	(120,331)	(120,331)	(240,662)	
2035		21		(126,348)	(126,348)	