Indiana MoneyWise

Indiana Secretary of State

Path to Parenthood

How Do You Fund a Family? Two Hoosier Households Share Their Journey

Travel Sports:
Pete the Planner Says They're a Financial Disaster

Work/Life Balance:
Governor Holcomb Discusses New Parent Leave Policy

Saving Isn't Scary:

Combat College Costs with a

529 Plan

+ Tax Tips: How to File Your Return and Make Use of Your Refund

Dear Hoosiers:

Thank you for reading the Indiana Secretary of State's e-magazine. The purpose of this publication is to provide Hoosiers with timely tips and information on smart money management and investment fraud prevention.

As the proud mother of two grown children, I can attest that raising a family is one of the most rewarding yet expensive endeavors I have ever undertaken. In fact, the cost of raising the average American child is nearly a quarter of a million dollars. This figure increases drastically if your child pursues a college education. In this edition of our e-magazine, we have compiled tips from local experts and parents on how to tackle these expenses, both planned and unplanned, and come out on top.

Whether you are thinking of having your first child, are a new parent, or you're getting ready to send your son or daughter off to college in the fall, this edition of our e-magazine contains helpful tips on remaining financially stable throughout it all!

Sincerely,

Connie Lawson

Connie Lawson
Indiana Secretary of State

MISSION STATEMENT
It is the mission of the office of Secretary of State Connie Lawson to deliver to the people of Indiana government-as-a-service that focuses on unqualified integrity and accuracy in our elections, consistent and principled regulatory methods, ceaseless protection of Hoosier investors, and the most efficient use of taxpayer resources.

What services make up the Secretary of State's office?

Secretary Lawson with UIndy student volunteers at Straight Answer Saturday.
University of Indianapolis - February 10, 2018

There are four main divisions that comprise the Secretary of State's office:

Business Services
Securities
Elections
Auto Dealer Services

The Office of Secretary of State is one of five constitutional officers originally designated in Indiana's State Constitution of 1816. Sixty-one Hoosiers have served as the third highest-ranking official in state government.

Duties of the office include registering new businesses, regulation of the securities industry, oversight of state elections, commissioning of notaries public, registration of trademarks and licensing of vehicle dealerships throughout Indiana.

Path to Parenthood

Becoming a parent is a huge responsibility. It takes "adulting" to a whole new level. Prospective parents must not only consider whether they are emotionally ready for the challenge, but also whether they are financially prepared. Every path to parenthood is different, yet you'll be hard pressed to find any parent who says their journey is easy…or cheap. We interviewed two families about their paths and the costs involved. Bobbie adopted her two daughters, Lonna and Aleah, via foster care. Stephanie and Annie chose the route of in vitro fertilization and gave birth to twin sons, Thomas and Aidan. Here are Bobbie and Stephanie's stories in their own words.

Path to Parenthood
via In Vitro Fertilization

So, Annie and I are both lawyers, and right now I only work part-time due to child care costs. It would have taken almost all of my salary to send the kids to daycare, and we spent so much money having them, we decided I would stay home to care for them. After seven months, I was given the opportunity to work part-time two days a week. The boys are seven months now and totally awesome.

How did you prepare for the costs of in vitro fertilization (IVF)?

When we thought about the notion of having children, we started budgeting. We knew we were going to have to engage in medical intervention to have our children, and we knew it was going to be expensive. At the beginning of our preparation, we started to slow down on the "want" versus "need" items to build up our savings. At that time, we were participating in IUI treatments, which were not as expensive as IVF but still took a hit to our budget. When we started talking to our doctor about IVF, we knew we were going to spend approximately $25,000. That was (and is) a HUGE amount of money for us, but with budgeting we were able to tackle it without lingering debt.

How did you make room for these costs in your budget?

Unlike other couples, we did have a little help financially. Unfortunately, my grandparents had passed away, but they left me a small inheritance that helped but did not cover the full costs of treatment. So, then we went to the drawing board. We had to identify what the costs were for each month. It is not just the IVF procedure you have to pay for. You also pay for ultrasounds, expensive medications, blood tests, and office visits. Since we both held government jobs, we were not rich by any means. Also, our medical insurance did not cover any of the medical costs before pregnancy. So, we looked at what we could cut back on, and what we could cut out totally.

Did you change any financial habits in preparation for adding to your family?

Financial habits totally changed while preparing for IVF and while the medical process was ongoing. First, we stopped going out to eat except for a few small occasions. Going out to eat is easy, but you really don't realize what you spend until you add it all up. We would easily spend between seventy-five and a hundred dollars for food, drinks, and tip every time we went out for dinner. Plus, going out to eat for lunch is so convenient when you are working long hours, but you can spend between $10 and $15 a pop which adds up, especially if both of you go out for lunch. The big thing for my spouse was coffee. Starbucks is delicious but can also run $3 to $5 for a beverage. So, all in all, we started cooking dinners, making our own lunches, and making coffee at home. However, there were special occasions where we would go out, but we would be very conscious about where we were going and what our budget would be.

Now, since we were cooking and making our own lunches and coffee, grocery shopping was the next habit we had to adjust. My spouse and I agreed that I would do the grocery shopping. My spouse is a foodie and would buy very nice foods at Whole Foods or other similar grocery stores. We couldn't afford

that. So, one big change is that I would look at grocery ads every week to see what was on sale, and I would plan meals around what was on sale, especially the meat. I would also buy extra meat if it was on sale and freeze it for a later meal. The biggest change I made was to make Aldi my primary grocery store. You can buy all your basics at Aldi, and then supplement other specialty items at other grocery stores. Aldi also has a great selection of organic foods as well.

Have you made additional changes since becoming a parent?

Yes, all the time. I anticipated breast feeding the children, but due to some medical issues, that was not possible for me. So, that meant adding another expense to our budget; and one that is expensive. One way to mitigate costs was to sign up for Similac coupons. This helps a bit, but my boys went through one giant Similac container from Costco in four days…so the budget for formula was about $70.00 a week. That is almost $300.00 a month!

Diapers are another expensive item to budget for. When Costco has sales on diapers, I buy my limit. I am usually saving $8.50 a box, so the savings is noticeable, and again, with twins, they go through diapers like you wouldn't believe. I have literally gone through five diapers in an hour.

Not making changes has also helped our budget. Even though we were having twins and only have a two-bedroom home, we kept our home. Our mortgage payment is very reasonable, and our extra room became the boys' room. It is tight, but we have what we need. Moreover, we did not buy a new car. We have two Honda Civics (great cars with great gas mileage). Instead of buying a new, larger car, I ensured that the two car seats we bought would fit in our Civics.

Were you able to receive assistance from your insurance provider?

Since we were both government employees, we did not receive any assistance from insurance regarding the IVF procedures. However, once you are pregnant, then insurance starts paying. Not that you can plan exactly when your child will be born, but starting the pregnancy in the same year the child is born is amazing as you reach your deducible rather quickly and the rest of the qualified medical expenses are covered.

What advice would you give to other people considering IVF?

I would suggest to plan, plan, plan! By the time you get to the point of IVF, you have pretty much tried many other options. All of this is draining, both to your pocket book and emotions. So, plan for both and take a break if you need to either financially or emotionally. We took a couple of breaks through our process for both reasons. Also, I know a couple who sought financing through their doctor's office for IVF. They quoted them a 9% interest rate. That is a crazy amount in my view. Other options might be to check into your bank for a short-term loan to see what interest percentage rate you would be given.


DREAM
big
LITTLE
one

How has your life changed?

In more ways than I could have imagined. We have these two beautiful sons that we love SO much, but I am VERY tired. I miss the days where I could just take a nap when I wanted!

And yes, our lives have changed financially. We have to think about our careers, our retirement, along with what the boys need and their future. However, when you have two little ones, you are too tired to go out; and at times the hassle of packing up two boys is too much. So, staying home has become common place. This means we invite friends over more instead of meeting them out which costs less.

What were/are the biggest struggles you have faced?

I would say the biggest struggles for me were the many attempts at IUI without it working. We spent about $12,000 on IUI's with no success. Again, every time it did not work it was disappointing; however, when the time came we had to make sure we were both ready emotionally and financially for another round.

How do you prioritize the following expenses: Retirement, higher education, debt repayment?

Both of us have held retirement accounts before our children. So, those accounts are continuing to gross money, and we plan on allowing them to grow. Retirement is very important, especially since we do not know how Social Security will play out when we reach our golden age. We also contribute a solid amount of money in each account based on what we can afford.

We have already enrolled both boys for 529 accounts for their higher education. We plan on maxing out one child's account each year to receive the full tax benefit. Then we plan on using that tax credit to start the next child's account for the next year.

Student Loans! Oh, student loans. This has just become part of our lives, and we both have a good amount of loans left. However, we are just taking this one step-by-step, and hopefully when the boys are in school full-time we can add extra money to each payment.

Were there unexpected expenses along the way, and if so, how did you cope with them?

There are always unexpected costs, especially when you have children and a house. I think during the process, I did not account for how many ultrasounds would be taken and how much each one cost. So, I remember having to go back to the budget drawing board when I realized that matter.

Also, as I said previously I had planned on breast feeding and supplementing with formula. However, that did not work out, so I had to budget more money for their food.

Then our appliances started dying. So, since the boys came around, we have had to buy a new washer and dryer.

What do you think is the right amount is for an emergency fund with children?

Is there ever enough? I always thought a nice emergency fund was

$20,000. I will not go below that in my savings. Now, some people cannot afford to do that, especially after spending money for IVF. You just have to start building it and keep contributing to that account, even if it is $10.00 a week.

When there's room in the budget to splurge, what do you do for yourself and/or your family?

My spouse likes to splurge on nice foods. Also, for Christmas, we usually buy a nice electronic product. This year was a sound bar with subwoofers. The year before was a TV. Actually, to buy these items, we used the money that we accumulated from our credit card points. That is another way to accumulate some money during the process. We had planned on paying with credit cards, accumulating the points, and then fully paying off the credit card each month. That took planning to ensure we had enough funds in the bank account at the beginning of each month to fully pay off the amount, because there would be as much as $11,000 between both of our credit cards at a time during the IVF process.

Path to Parenthood
via Adoption

My name is Bobbie Brooks. I have lived in Indiana for 18 years. A job brought me first to South Bend. Then, my career took me to Indianapolis. I knew I was home. I bought a house and then started the unexpected and unimaginable adventure of adopting two girls as a single mom. Both were newborns when I first brought them home. Lonna and Aleah are now 13 and 11 years old. It took two court battles with major legal expenses to make them part of my family. It seems to take an unending supply of cash to keep us going, but this life change and life choice is worth every penny.

There are numerous paths that prospective parents can take with adoption, what route did you choose?

I chose the foster to adopt route. I got my foster care license and brought Lonna home from the hospital on Valentine's Day in 2005. She was 2 days old. I was her foster mom for about 17 months when the Department of Child Services took her from my home and placed her with relatives. I contested this adoption. It became an expensive legal battle that ended in my favor. Lonna officially became my daughter when the adoption was decreed in August 2007. After Lonna was taken from my home, family friends from Ohio were in need of foster care for their newborn granddaughter. I became Aleah's foster mom in January 2007. I became her legal guardian in August 2007. I filed for adoption in 2008. This was contested by Aleah's birth mother. That became an expensive legal battle that ended with the adoption of second daughter in May of 2009.

Money factors into nearly all of life's major decisions, what financial preparations did you undergo before adopting?

When I was Lonna's foster mom, I received a monthly per diem. I socked that money into a savings account. I used the income from my job to cover child care and other expenses. This gave me a good idea of how to budget for a family and if this decision was financially feasible.

When Lonna was taken from my home, I took on part-time jobs to help pay for legal expenses.
I filed for adoption for Aleah less than a year after Lonna's adoption was final. It's an expense I, quite honestly, was not prepared for. However, I wanted to make sure our little family stayed together. So I wanted to adopt Aleah as soon as possible. I used credit cards to cover much of the legal costs. My parents also helped, but one contested adoption after another, added up to some major debt.

Did you change any financial habits in preparation for adding to your family?

I became more frugal.
I learned the value of coupons. I shopped store sales. Any adventures or special occasions were generally made possible because of Groupon. I knew the legal fees were just the beginning of the many expenses surrounding a family. Frugality became a lifestyle.

Have you made additional changes since becoming a parent?

I have learned the value of "not looking a gift horse in the mouth". I have never turned down the offer of used clothes. I've learned that kids grow out of clothes in about 10 minutes. Sharing is caring! I'm very grateful for the moms who supplied beautiful, sturdy clothes, shoes, coats, and items of all kinds. My daughters have been well-dressed without increasing our debt.

I have also learned to look

ahead. There are many financial milestones in a parent's world... when your child is potty-trained and you no longer need diapers, when they go to school and you're no longer paying for day care, when they're old enough to stay on their own and no longer need a babysitter. That sounds great, but I've found that when one expense ends, another is added. They're older and more independent, but they're also into sports and activities that can be costly. Supporting school fundraisers can add up, not to mention electronics. I just got my 13 year-old her first phone. In just a couple of years, she'll be able to drive. It pays to plan ahead.

Are there any financial resources for adoptive parents that you discovered?

I found great support through my workplace. My company offered $5,000 in help for legal expenses. That was for each adoption. That really made a difference.

What advice would you give to other people considering adoption?

You need to consider the big picture when you adopt. It's a huge financial responsibility and legal fees are just the beginning. Both of my daughters have issues that have involved intense and costly therapy. My older daughter had occupational therapy from a very early age to help with a sensory disorder. When she had trouble reading, I had her vision tested and found out her eyes weren't working properly together. Vision therapy was about $5,000 and not covered by insurance. But watching her learn to read and love it...is absolutely priceless.

An adoption is an investment. It's more than money. It's also about time. My company allowed me to work a schedule that made it possible to be a single mom and still be the home room parent and make it to PTO meetings. Their support made this adventure possible. However, this also limited my career opportunities in my field. This was another consideration in my decision to adopt.

How has your life changed?

My life is more challenging, more rewarding, and crazier than ever. We are the Three Musketeers. We are a hot mess! No day is ever the same.

When I started this adventure, it was with the intent to only adopt one child. Some days, I still can't believe I ended up with two! I wouldn't have it any other way. My heart is full and my joy is immeasurable. I am blessed beyond belief.

What were/are the biggest struggles you have faced?

The biggest struggle is doing this alone. That means one paycheck, one disciplinarian, one person to clean and do the laundry and get kids to where they need to go. I could not do this without my support group of friends and family. These are people who have pitched in when I needed a sitter, a garbage disposal replaced, or a ride for my daughter to violin lessons. It definitely takes a village and I've got a strong one.

How do you prioritize the following expenses: Retirement, higher education, debt repayment?

For me, it's debt repayment, retirement, and higher education. First and foremost, I need to pay off my debts and eliminate those interest payments. I'm working diligently on that right now. I'm also about 20 years away from retirement and I need to build a financial plan for a secure future. Higher education is important and I have every intention of my girls going to college. However, I paid my own way through school and

that was a valuable lesson. I intend to help pay for the girls' higher education, but they will contribute as well.

Were there unexpected expenses along the way, and if so, how did you cope with them?

There have been many unexpected expenses. In the past 5 years, I've had medical issues that put me in 5 different hospitals, including one out of state, and two major surgeries. It's been a very costly experience and has added up to debt that I'm still paying off.

Also, I've had some unexpected car repairs that have added up to thousands of dollars. However, my car is paid off, so again, it's an investment. I have built up an emergency fund that has gotten us through some very rough patches.

What do you think is the right amount for an emergency fund with children?

I try to have $4,000-$5,000 available in an emergency fund. I would feel more comfortable if it were $10,000. I am amazed at the expenses that add up to more than $4,000 out of pocket. This year, it's braces.

When there's room in the budget to splurge, what do you do for yourself and/or your family?

For myself, the ultimate splurge is finding a Groupon deal for someone else to clean my house. Now, that's living! Also, we love the beach. Any time we can afford a trip, you'll generally find us at the ocean.

TRAVEL SPORTS

As children age, their passions evolve. It's fun watching your child develop a love for sports and hobbies, but it can be financially taxing. Some parents want to give their child everything they didn't have when they were younger. Others just focus on helping their children explore ideas. As toddlers, children may begin dabbling with music, swimming, dance or art, and as they get a bit older, activities such as karate, soccer, cheerleading or youth theater may pique their interest. It's an exciting time for parents and children, but brace yourself for potential sticker shock. Award-winning comedian and financial columnist, Peter Dunn, a.k.a. Pete the Planner®, shares his thoughts about the cost of travel sports.

Pete the Planner®

TRAVEL SPORTS
ARE A FINANCIAL DISASTER

Guest article by Peter Dunn a.k.a. Pete the Planner®

My home sits less than a half mile from youth soccer Mecca. Nearly every day I've spent in my home involves interacting with youth soccer players and parents, near this giant soccer complex with 15-20 perfectly manicured fields. I've seen thousands of chartered buses, tens of thousands of out-of-state license plates, and hundreds of thousands of man hours go into youth soccer. To say it's overwhelming is actually an understatement. How can so many resources, both time and money, be spent on something as seemingly trivial as children's soccer? I've been searching for answers on my quest to understand what's actually happening, and more importantly, the impact this use of resources has on the lives of the participants. While I don't have definitive science, I do have several theories and probable outcomes that I'd like to share with you.

Pete the Planner®

What does it cost to be a young athlete today? More than it should. If you want to stay competitive, you need to go to clinics and camps. You need to be on a travel team with extraordinary fees and time commitments. You need uniforms, equipment, and Marriott Rewards points. You are, in many ways, a miniature professional athlete. But instead of being paid for playing a game, you are paying to play a game.

Travel sports range from lacrosse, hockey, and soccer, to gymnastics, baseball and softball. Each sport has its own hierarchy of leagues, policies, and costs. Each travel sport has its own level of prestige and social status. But at what cost? Do parents allow participation in these activities due to peer pressure and to keep up with the Joneses? You gotta think love and dedication to your child has something to do with this, right? Or do people subject themselves to this as part of well-crafted financial plan?

OVERVALUING THE INSIGNIFICANT

What are you teaching your child when you spend thousands of dollars on youth sports? Some people may argue that you are showing your child how much you love them. But when has it ever made sense to measure love with money? Think of the sacrifices that parents willingly make in the name of youth sports. I've personally seen people take on extra shifts, or even an extra job, in order to pay the expenses associated with youth sports. While it certainly is none of my business how someone chooses to spend their money, I would like to offer up a strange financial/psychological side-effect that can appear in the children of those people that spend thousands of dollars on youth sports: a lack of financial perspective.

A commitment to travel sports, in spite of finite financial and time resources, isn't simply a way to display your love and support of your child. I think it can actually suggest the unwillingness to say no to your child in the midst of a tremendous number of facts and math. Is it possible you are teaching your child a terrible lesson when you are saying yes to a situation that calls for no? Because if you are prioritizing youth sports over college, or youth sports over debt-free living, you are being irresponsible. Your children can either sense the obvious absurdity of your irresponsibility and vow to never repeat it, or they might just adopt your flawed way of thinking. Take a look at the ideal household budget. Where do you think youth sports fits into that budget? In my opinion, it fits into the entertainment category. Entertainment can occupy 5% of your household budget (based on net income), if you don't have consumer debt. The youth soccer fields, or any sports field for that matter, isn't necessarily filled with the children of the wealthy. The fields are filled with people of all socio-economic demographics. In this spirit, I will use a family making $60,000 per year in household income as my example. What is 5% of the net pay (after taxes, insurance, and other employee benefits) for a family that has a $60,000 gross household income? I would say $1,950 (based on a $39,000 net income). This money can be earmarked for things like youth sports, vacations, movies, concerts, et cetera. And again, these entertainment expenditures are generally justifiable if a family DOESN'T have consumer debt. If a family is dealing with the crush of debt, entertainment is truly a luxury you can't afford.

THE SCHOLARSHIP ARGUMENT

In an effort to justify the money spent on a game, many parents have turned to the scholarship argument. The scholarship argument is a lie told to oneself in the midst of spending money on something as trivial as a game. "My son is the best player on his team. We're really hoping all the time and money spent equal a scholarship."

According to Active, there are 1,970 Division I men's soccer scholarships and 4,480 Division I women's soccer scholarships. US Youth Soccer insists that over 3,000,000 children ages 5-19 sign up through their programs each year. While your child isn't competing with all 3 million players, given the different ages, they are competing with kids three years ahead of them in school, kids their own age, and kids three years behind them, when it comes to getting and keeping a scholarship. If the 3 million players were perfectly distributed by age, then your child is still competing against 7/15 or 47% of the 3 million players, or 1,410,000 players. Gender aside, this means your child has a .4% chance of earning a soccer scholarship. And this figure doesn't account for any youth soccer players that aren't signed-up through US Youth Soccer, which would make their chances even worse. Let's reframe this, your child has a 99.6% chance of getting jack squat for their soccer skills. This isn't to suggest that your child shouldn't play soccer, or any other sport for that matter. It's simply to illustrate that probability isn't on your side.

WASTED RESOURCES

Why would a group of 9 year olds from one community drive to another state, stay in a hotel, and spend two days of their lives to play soccer against another group of random 9 year olds? Why? Step away from your situation, your knowledge of youth sports, and your relationship with your little person, and ask yourself the question: Why would a group of 9 year olds from one community drive to another state, stay in a hotel, and spend two days of their lives to play soccer against another group of random 9 year olds? It's a very important question. It doesn't make sense to use valuable resources, both time and money, to bus a group of children hundreds of miles away to play a game against other children.

In what I find to be a powerful twist of irony, the parents that are making these decisions generally didn't live the travel sports lifestyle when they were kids, and are no worse for the wear. The popularity of travel sports has seen exponential growth in the last decade, yet what are we getting in return? Are we paying for more college educations with more scholarships? No. Are we better financially? No. Are we teaching our children the value of a dollar? No. Are we improving the quality of athletics in our country? Yes, but who cares? When you weigh all the costs, including opportunity costs, the math doesn't work. Our investments don't pay off.

THE SOLUTION

I'm not suggesting that anyone who spends money on youth travel sports is doing something wrong. I am, however, suggesting that viewing the costs as anything other than an entertainment expenditure, is a mistake. You can sacrifice for the sake of your child's entertainment and games, but wouldn't it make more sense to sacrifice for their financial future? Wouldn't it make sense to rally your budget to defray the cost of the child's education? It's a terribly difficult decision. Put another way, your child ends up paying for their youth sports experience with student loan money. The less you save for college, the more student loans they obtain in order to pay for that education. Given the complexity of some student loan programs, your child may be repaying their student loans some 25 years post-graduation. This is to suggest they may be paying off their youth travel sports experience while their children are playing youth travel sports.

I suggest you weigh the risks associated with your travel sports "investment". I suggest you operate in the both/and, and not just the either/or. You can both fund your child's education, and their participation in travel sports, if you are purposeful and wise with your money. The default behavior leads people to either spend money on youth sports, or save for college. Unfortunately, the reality is saving for college isn't the default behavior. Increased student loan amounts suggest this. The solution to this problem is increased scrutiny of one's finances. Budgeting is often looked at as a practice which limits possibilities. The opposite is true. Budgeting makes things possible.

ABOUT PETE

Peter Dunn a.k.a. Pete the Planner® is an award-winning comedian and an award-winning financial mind. He's a USA TODAY columnist and the author of ten books, six of which were featured in a nationwide launch at Barnes & Noble stores in January of 2015. He is the host of the popular radio show The Pete the Planner Show on 93 WIBC FM and is a columnist for the Indy Star. Pete has appeared regularly on CNN Headline News, Fox News, Fox Business as well as numerous nationally syndicated radio programs. In 2012, Cision named Pete the fourth most influential financial broadcaster in the nation. Pete lives in Carmel, Indiana with his wife and two young children.

529 Plans Can Help Face College Savings Fears

By Troy Montigney
Executive Director, Indiana Education Savings Authority

Being a parent is one of life's greatest joys, but it's also a game-changer financially. The minute a child is born, expenses both planned and unplanned start to pile up, with one of the biggest looming 18 years down the road: higher education.

With a price tag that's constantly rising, it's easy to get sticker shock when it comes to planning to pay for college. But two things ring true in nearly every situation – it's never too early or too late to start, and a dollar saved now is better than one borrowed later.

That's where a tax-advantaged 529 Plan comes in. Named for Section 529 of the federal tax code, 529 Plans are to post-high school education as 401(k)s and similar options are to retirement.

Earnings on 529 investments are tax-deferred, and become tax-free when used to pay for qualified higher education expenses.

Many states also offer up-front tax incentives for 529 contributions, with Indiana's 20% credit worth up to $1,000 per taxpayer each year amongst the most generous. Even better, the credit is available to account owners and third-party gift contributors, meaning parents, grandparents and others can all pitch in and reap some of the benefits.

529s are also incredibly flexible. Qualified expenses include tuition, room and board, books, fees or computers at any school that's eligible to receive federal financial aid. Whether your child wants to become a doctor or a skilled tradesperson, 529 savings can be used to help them pursue their goals.

Perhaps most importantly, 529 Plans are affordable and easy to use, with a variety of investment options and strategies to meet savers' needs.

Here in Indiana, the CollegeChoice 529 program consists of three different Plans:

- **CollegeChoice Direct:**
  The Direct Plan features quick online account setup and a low minimum contribution of $10. The Year of Enrollment portfolios are set to automatically grow more conservative as a beneficiary gets older.

- **CollegeChoice Advisor:**
  The Advisor Plan offers access to a wider variety of investment options. As with any financial service involving professional assistance, the Advisor Plan comes with slightly higher fees.

- **CollegeChoice CD:**
  The CD Plan resembles a traditional bank product in that it offers principal protection. Its streamlined lineup of FDIC-insured options includes one-, two- and three-year fixed rate certificates of deposit (CDs) and a savings account.

All three of these 529 Plans share the same core benefits mentioned above – and all three represent a meaningful investment in a child's future.

The cost of higher education isn't going to suddenly plummet overnight, but when used properly, 529 Plans can help parents prepare for the significant challenge of financing it.

Indiana State Employee Parent Leave Policy

Governor Eric Holcomb

If you work for the state of Indiana, you probably already know about the new parent leave policy. On December 11, 2017 Governor Eric Holcomb signed the Executive Order. It provides up to four weeks of paid leave for executive branch state employees to spend time with their newborn or newly adopted child. The state's new parent leave policy is part of Governor Holcomb's 2018 Next Level Agenda and it became effective January 1, 2018.

"This new policy supports families and healthy kids by ensuring parents—both women and men—get the time they need to bond and adjust to a new baby or adopted child," Governor Holcomb said. "This policy sends a strong message to attract more top talent to state government service."

To qualify for new parent leave, employees must have at least six consecutive months of state employment. Full-time employees will receive up to 150 hours (four weeks) of paid leave upon the birth or adoption placement of a child. Part-time employees are eligible to receive up to 75 hours (two weeks). The parent leave time can be taken incrementally and used at any time up to six months after the child is born or placed for adoption. State employees or Hoosier businesses interested in learning more about Indiana's new parent leave policy can view it in full on State Personnel Department's website. Governor Holcomb's executive order is also available online.

We are fast approaching the deadline for filing state and federal taxes. April 17 will be here before we know it. We reached out to a local CPA to provide some last minute tax filing tips. We hope this helps you avoid paying too much and maybe even boosts your refund. If you are anticipating a refund, careful you don't treat it like a bonus check from the government. That money was yours all along. If you don't already have this check designated for expenses, consider these smart money planning ideas to make the most of your refund.

Last Minute Tax Tips

Guest article by Ryan Thomas, CPA

Benjamin Franklin was quoted as saying "in this world nothing can said to be certain, except death and taxes." Although we may not know when death is going to occur, we do know that this year's tax filing deadline is Tuesday, April 17. Below are some last-minute tips for filing your tax returns:

- Gather all of your tax-related information before you prepare your returns.
- Consider filing electronically to avoid the post office, improve accuracy, and expedite any refunds that are owed to you. If your income is below $66,000, there are software options that will allow you to electronically file your federal and state taxes for free.

These last minute tax tips are presented for **informational purposes only** and should not be construed as an endorsement of the information or adviser by the Office of the Indiana Secretary of State.

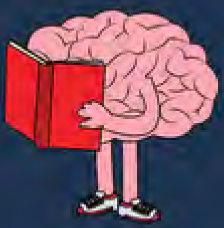
* Carefully double-check every item reported on your tax returns. Ensure that social security numbers are listed correctly, amounts match what was reported on source documents such as W2s and 1099s and that there are no math errors.

* Compare your current year tax returns to your previous year's tax returns to ensure you did not miss any recurring items.

* Consider whether you can lower your tax bill and/or increase your savings by making a 2017-year contribution to an IRA, a Roth IRA or a health savings account (HSA). Even though 2017 is over, you actually have up until April 17, 2018 to make 2017-year contributions to these tax-favored savings vehicles.

* File an extension if you are unable to file your tax return by the April 17th due date to avoid a late filing penalty. If you extend your returns, please be aware that you should make payments along with your extensions for any taxes you estimate that are due with your returns. Although you are allowed to extend the filing of your personal income tax returns until October 15, 2018, you will owe penalties and interest for any taxes not paid by April 17th.

Ryan Thomas is a CFP© and CPA with Column Capital, a wealth management firm in Indianapolis.



4 Smart Uses for Your Tax Refund

In the year 2017, the average refund was $2,782. Here are some ideas to prioritize and give purpose to your money.

EMERGENCY FUND

One major expense can create real financial stress. A "cushion" will help with an unexpected job loss, medical expense, car repair or house disaster.

DEBT REPAYMENT

Pay off high interest debt, commonly known as credit card debt. A credit card that charges double-digit interest rates with a low minimum payment could take years to pay off. Pay much more than the minimum to save time and money.

RETIREMENT

When you finish paying off debt, continue budgeting for those payments, and direct the money to a retirement fund. Take advantage of employer contribution match. It's basically "free money" rewarding YOU for saving.

TREAT YO' SELF

It's perfectly reasonable to spend a LITTLE of your refund on yourself. Try the 90/10 Rule, 90% of your return goes to responsible choices like the above and 10% can be spent on whatever your enjoy.

Check out practicalmoneyskills.com for interest and retirement savings calculators.

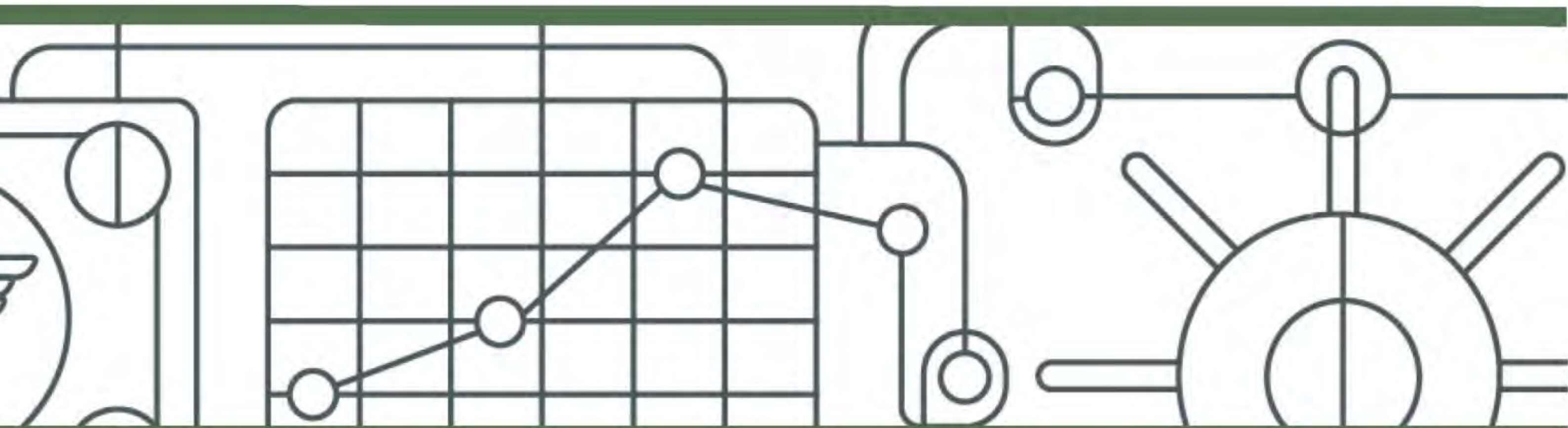
Indiana MoneyWise Financial Education Program

The Indiana MoneyWise Financial Education Program is delivered directly to community members who are at the brink of making impactful financial decisions for the first time - high school students. The Indiana Secretary of State's Office has partnered with EVERFI to offer digital financial education to high school students across Indiana at no cost to schools or taxpayers.

The 6-8 hour web-based curriculum prepares students to be responsible stewards of their financial future. The course covers everything from financing higher education to credit scores to investing. Each module provides bite-sized, instructional animations to make topics approachable and relatable to students.

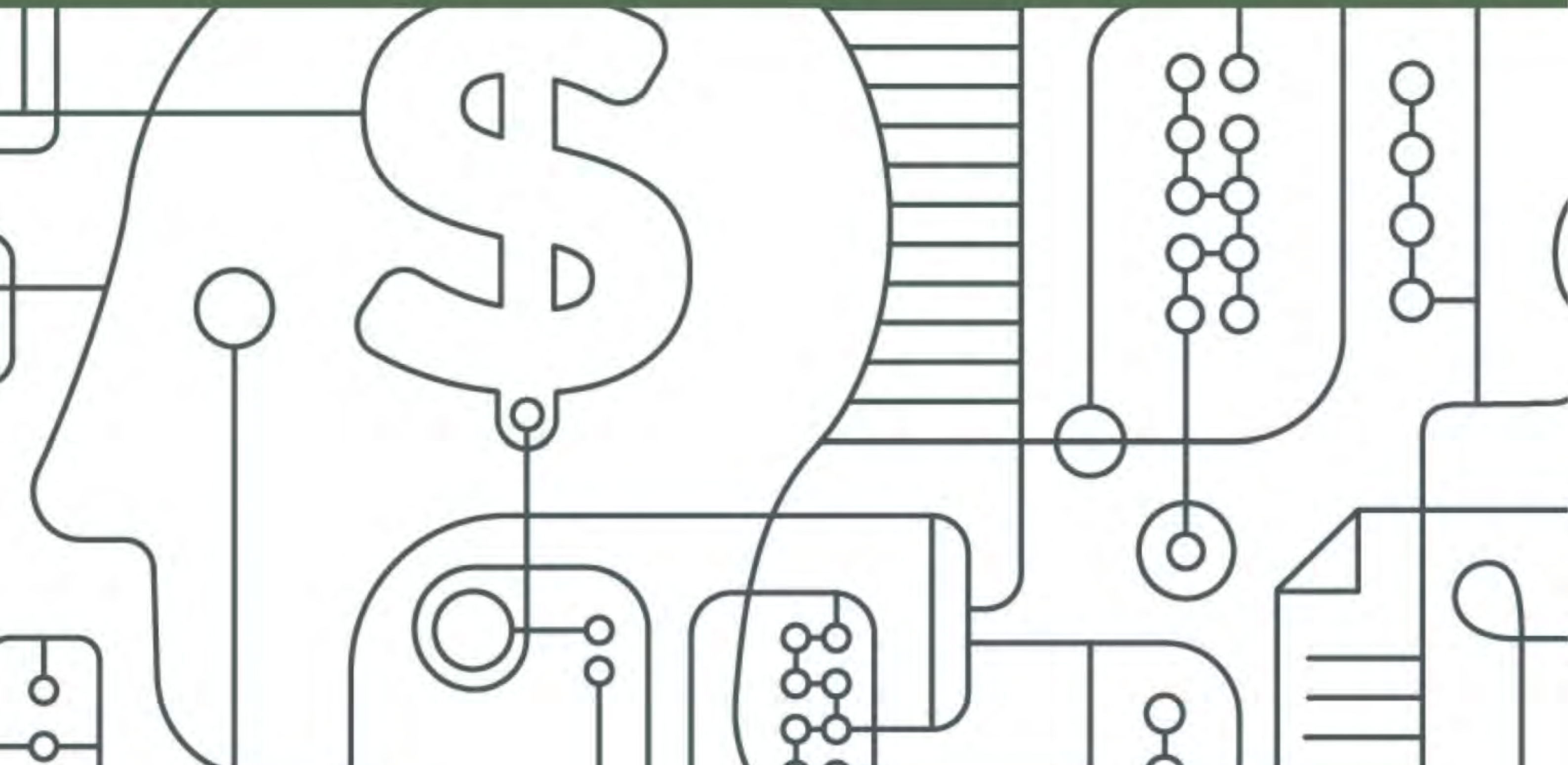
The Indiana MoneyWise Financial Education Program started as a pilot program during the 2016-2017 school year, supporting more than 2,200 students in 26 schools with quality, accessible financial education. Thanks to overwhelmingly positive feedback from participating parents, teachers, and students, Secretary Lawson has expanded the program statewide.

The Indiana MoneyWise Financial Education Program is recommended for grade levels 9-12. There are nine course modules which take 40-50 minutes each to complete, for a total of 6-8 hours of education. The program aligns with Jump$tart, national, and Indiana financial literacy standards and fits within business, career technical education (CTE), economics, and social studies classes.



Proud to be a

MoneyWise School



Indiana MoneyWise Secretary of State EVERFI

Teachers receive:

- Real-time student score reports on your teacher dashboard
- Supplemental, online lesson plans
- Detailed standards alignment guide with Indiana-specific standards
- Answer keys for all assessments
- Engaging discussion guides

Students receive:

- Pre, post, and formative assessments for evidence-based learning
- Engaging animations providing explicit, direct instruction on new topics
- Guided practice activities that reinforce financial knowledge and skills
- Immersive, interactive learning experience

Topics Covered:

- Saving
- Banking
- Payment Types
- Credit Scores
- Higher Education
- Renting vs. Owning
- Insurance and Taxes
- Consumer Protection
- Investing

If you are an educator interested in bringing financial education to your school, please visit everfi.com/login or contact our EVERFI schools manager, Marissa Moore at 847-804-8943 or mmoore@everfi.com.

FRAUD STOPPERS

Real Life Stories of Investment Fraud

Investors Lose $3 Million in Oil and Gas Scheme

Beginning in 2007, David Rose, founder of Earth Energy Exploration, Inc., created an investment business to offer opportunities in oil exploration and production companies. Based in New Albany, Indiana, Rose hired employees to make cold calls to potential victims. Once an individual showed interest, a closer would take over the call to get the victim to agree to invest and send money. However, customers' payments were not invested as promised, instead, the money was used for the personal expenses of Earth Energy Exploration employees. Money was also laundered into other related businesses. The scheme grew to over 9 states, victimizing 10 investors for 3 million dollars.

The scam unraveled in September 2017, with combined efforts from the Federal Bureau of Investigation (FBI), Indiana Secretary of State Connie Lawson's office and Floyd County Prosecutor Keith Henderson. The investigation began when oil and gas investments in Earth Energy Exploration attracted the attention of the FBI. When the FBI shifted attention to other related cases, the Secretary of State's office was notified and assumed the case. Indiana Secretary of State Connie Lawson's office wrapped up the case after a four year investigation and two and half years of prosecuting by Floyd County Prosecutor Keith Henderson. We are happy to report 15 people were convicted of securities related charges.

This case should serve as a reminder that all potential investors should call the Secretary of State's office to verify an investment adviser and the investment are registered and that potential defendants who want to prey on investors should be aware they will be prosecuted and held accountable.

Protect yourself against investment fraud.
www.IndianaMoneyWise.com


Berry, Thomas


Brown, David


Collins, Richard


Fox, Bruce


Loveall, Brent


McGregor, Robert


Mohney, Keith


Purcell, Colin


Rose, Brian


Rose, David


Sackett, Hubert


Towe, Jason


Ward-Rose, Mandy


Wood, Michael

Rose and his partners made several unusual attempts to increase their income, including the creation of an adult film organization that they would push to potential oil exploration investors. When these ventures failed, employees went to Vegas to try to recoup losses through gambling.

FREE MONEY SMART WEEK EVENT

MONEY SMART WEEK®

LUNCH SPONSORED BY AARP INDIANA

WEDNESDAY, APRIL 25, 2018 | 9:30AM—NOON

NOBLESVILLE NAZ CHURCH—1391 GREENFIELD AVE., NOBLESVILLE

VIEWING OF *SCAMMED: INVESTMENT FRAUD REVEALED*

30-minute documentary featuring the stories of real investment fraud in Indiana told by the victims who lost their hard-earned savings and so much more.

EMCEE **Chuck Lofton, WTHR Meteorologist**

PANEL OF EXPERTS

Representatives from offices of the Indiana Secretary of State, Attorney General, AARP Indiana, Indiana Alzheimer Disease Center, Senior Medicare Patrol and IN Legal Services.

EXHIBITOR BOOTHS

SHIP, Caregiver Homes, Better Business Bureau, IN Legal Services, AARP, CICOA and others.

SMP Empowering Seniors To Prevent Healthcare Fraud

AARP® Real Possibilities Indiana

shepherd'scenter of Hamilton County

Indiana Secretary of State

LUNCH SPONSORED BY AARP AND SMP AT NOON. PLEASE RSVP BY 4/20/18 AT 317-674-8777.

CAN YOU SPOT THE WOLF?

$CAMMED: Investment Fraud Revealed is a 30-minute documentary featuring the stories of real investment fraud in Indiana. In watching $CAMMED, you will experience these cases through the eyes of the victims who lost their hard-earned savings, and hear from the Indiana Secretary of State securities investigators who worked tirelessly to bring the fraudsters to justice. $CAMMED is designed to be educational. You can watch the documentary on our website. Additionally, we are pleased to offer speakers from our office free of charge if you are interested in hosting a viewing party in your community.

http://bit.ly/ScammedDocumentary

Indiana MoneyWise

Indiana MoneyWise is an educational program designed to increase financial fitness in Hoosiers while also providing information critical to avoiding investment fraud. Throughout the Indiana MoneyWise website and e-magazine, you will find interactive learning tools and resources to teach you the skills needed to be both financially fit and a wise investor.

Connect with Us

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Indianapolis, IN 46204
(800) 233-3675