




# Planning For What Matters Most!

As my husband and I prepare to bring our second child into the world, we find ourselves thinking about how we will prepare for our children's future. How will we pay for college? If something happens to us, who will take care of our children? Decisions such as these are never easy, but vitally important.

One of the most important decisions you will ever make for your children is deciding who will care for them if you and your spouse cannot. If you have minor children even the simplest of wills should contain information about who should serve as legal guardian. It is always good to nominate at least one substitute guardian in case the first is unable or unwilling to care for your children, and both spouses should name the same individual(s) to serve, if possible.

Second, consider whether the person(s) you have named as guardian should also handle your children's financial affairs. Sometimes it's better to have a guardian vested with the day-to-day caretaking responsibilities and a trustee, whether individual or corporate, who is equipped to invest and manage your children's finances. This trustee will work with the guardian to plan for your children's financial needs today and in the future. If your estate plan does not include a trust, you may accomplish the same goal by nominating a guardian of the person and a guardian of the property in your will.

Finally, with college tuition increasing faster than the inflation rate, it is never too early to begin planning for your child's education. Gifting money to a 529 Plan or certain types of trusts, often referred to as "present interest trusts," are two common ways to save money for college. Gifts to both may qualify for the annual gift tax exclusion, currently \$14,000 for 2014.

While it is tempting to rush out and obtain a perfunctory will just so you are covered, we recommend taking time to speak with family and friends and to consult with estate planning professionals to ensure your children's future is secure. Our professionals at The Trust Company of Oklahoma are available to share our experience and expertise with you. Please call for an appointment. 



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