

Morgan Stanley

PRIVATE WEALTH MANAGEMENT

College and Beyond

Services to Support Successful Transitions

The years when children begin to plan for and make the transition from high school to college can be thrilling and empowering, for both the child and their parents. But they can also be confusing, intimidating and full of daunting challenges. Beyond simply navigating the increasingly competitive application process and the often nuanced question of finding the right school, many families grapple with concerns about keeping children safe while on campus, providing continuing access to health care and other critical services, the need to educate children about money as they assume increased financial independence, and the other planning children should undertake in order to ensure that parents can continue to play the role in the child's life that they all wish.

Through Morgan Stanley Lifestyle Advisory, your Private Wealth Advisor can provide access to a broad range of services to support you and your child through these transitions. These services encompass both our internal capabilities and negotiated preferred-pricing arrangements with carefully selected outside specialists. Our counselors are available to work with you and your Private Wealth Advisor to determine which of these capabilities, in what combination, is well-suited to help your family get off to the best start.



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College Admission Counseling

The college admissions landscape has experienced profound shifts in recent years, altering long-standing traditions. Gone are the days when families could rely solely on standardized test scores and academic achievement to secure a spot in a top-tier university. Goal-oriented families don't want to waste time. They want to know what colleges are looking for today, and what does and does not have value in the admissions process.

In 2016, Harvard released its groundbreaking report, "Turning the Tide," advocating for a more socially-minded, less achievement-driven admissions process. By 2020, this admissions standard had been endorsed by over 300 college admissions offices. This confirmed that colleges were no longer looking for individual high achievers but impacters: students who exhibited compassion, curiosity, gratitude, grit, and purpose.

A successful college admissions counselor is one that can help families navigate these new and often confusing standards. The process includes three essential phases. The first is to build a strong academic record that nonetheless takes into account the diminishing role of standardized tests. At the same time, students must develop an extracurricular record that reflects social-minded character and meaningful contribution. The second is to identify the colleges or universities that are the best fit, given your child's inclinations, aspirations and qualifications. The final stage is to navigate the application process in order to maximize the chances of gaining admittance to the schools your child and you have identified as the most desirable.

Through a special arrangement with leading national college advisory firms, we provide access to highly qualified professionals who can help your family successfully navigate every stage of the process. You have the opportunity to work directly with senior counselors who have extensive admissions experience at the nation's most prestigious colleges and universities. Taking a holistic approach, they will seamlessly integrate tutoring, counseling and research services to provide comprehensive support. An engagement with your admissions counselor begins with an assessment of your child's strengths, challenges and interests, as well as a family interview to understand the hopes and dreams of both generations, and identify areas of agreement and disagreement. The admissions counselor will then suggest appropriate tutoring and test preparation, and make recommendations on which extracurricular activities, summer programs and other efforts will enhance the student's eventual appeal as a candidate.

When it comes time to start looking seriously at colleges, counselors can provide personalized, in-depth research reports and insight into helping you

choose an appropriate range of reach, target and back-up colleges. At this point, they are attempting to generate a mix that will leave the student with a choice of at least four or five highly appealing options at the end of the process. Finally, when it comes time to apply, counselors can advise on essay writing, interview skills and other aspects of the application process.

According to our purveyor, Daniel Byun, CEO of FLEX College Prep, it is critical for families to prepare for this admissions landscape rather than the one that preceded it. A good college counselor should have an expert grasp of the most current trend in college admissions—the social-minded candidate—as well as a nuanced understanding of other forces at play, such as the Supreme Court decision on affirmative action and the trends with legacy and donor admissions. Only then can they advise their families in a strategic way. "Our goal is to empower families with the information and data needed to make wise decisions, and to maximize a student's chances of getting into the college where he or she will thrive."

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Daniel Byun, Chief Executive Officer of FLEX College Prep

Private Health Advisory

While students might be able to schedule regular check-ups on their visits home, many will also need to establish relationships with medical and dental practitioners in the area where they will be attending school. This can present difficult challenges for those with conditions that require ongoing care, or for those who attend school in areas that are far from home. You may also want to make sure that the college and local medical infrastructure are able to properly handle an emergency medical situation, or a special medical need, should it arise.

Through our special relationship with PinnacleCare, we provide access to professionals who can help you identify high-quality medical resources in the area your student is attending college, and make arrangements for both routine and emergency medical care. This may begin with an assessment of the college health service's resources and the quality of local hospitals and clinics, including detailed research reports on local practitioners. In an emergency, PinnacleCare can also arrange for Medivac and facilitate communication between your family and health care providers.

THREE ESSENTIAL DOCUMENTS

As soon as your child turns 18, you no longer have a legal right to their medical information under U.S. HIPAA laws, nor do you have the automatic right to make medical decisions on the child's behalf if your child becomes unable to do so themselves. Should a child remain incapacitated for an extended period, you also have no inherent right to manage the child's financial affairs. Having them sign three documents when the child attains 18 can remedy these concerns:



A HIPAA AUTHORIZATION

authorizes health care providers to share your child's medical information with you and any other named designees. This does not have to be blanket permission. If your child wishes, they can stipulate not to share information relating to sex, drugs, mental health issues or anything else that should remain private.



A MEDICAL POWER OF ATTORNEY

can appoint you as an agent to make medical decisions on behalf of your child if they are unable to make such decisions for themselves. (In some states, this and the HIPAA Authorization are combined on a single form.)



A DURABLE POWER OF ATTORNEY

can enable you to take over the management of your child's finances should the child become incapacitated. Your attorney should be able to provide all of the correct versions of these documents for your child's state of residence.

Personal Security

There is no more natural urge than the desire of parents to protect their children — except, perhaps, the desire of children to establish their independence, often at the cost of ignoring their parents' well-intended advice. This natural tension can lead to a conflict about what to do regarding basic safety and security issues while the child is away at school or studying abroad. Such issues can be all the more difficult for families with substantial wealth, as children can easily be targeted for identity theft and even more serious and dangerous crimes.

According to Cody Shultz, Director of Private Client Protection for Guidepost Solutions, a leading international security consulting firm, it's essential for young people to understand the balance between privacy and convenience. "Your phone number is worth infinitely more than your social security number," Shultz explains. "We use our phone numbers for every app, subscription and online account we use. Once someone gets ahold of your phone number, they can understand many things about you,

and even impersonate you." Shultz recommends using temporary email addresses, burner phone numbers, and aliases when signing up for anything online. "Just because the field is empty does not mean you need to fill it in, or that you need to be accurate. Your Amazon package will still show up at your door if you use a different name for the recipient." Trusted security advisors understand the privacy landscape and can help you understand your current level of exposure as well as steps for

remediation. With the frequency of data breaches happening every month, it is a matter of when, and not if, your personal information is exposed. The amount of personal information that is lost, however, is controllable if you take privacy seriously in advance.

Beyond foundational education, for families who seek it, our purveyors offer a broad range of security services targeted to the needs of college students, whether studying domestically or abroad. Professionals can work with campus security to assess and mitigate potential risks. Tracking software can be installed on your child's cell phone, so that their whereabouts can be monitored in a way that respects privacy. Computers and mobile devices can be set up to reduce the chances of infiltration. In an emergency situation, professionals can supplement the work of law enforcement to remove a child from harm's way. The overarching goal is to help your child develop a better understanding of how to move more safely and confidently in the world, with backup resources to minimize risk and respond rapidly in a crisis.

QUICK AND EASY TIPS TO IMPROVE SECURITY

1

Use the buddy system. Whether going to a club for the evening or an extended trip, never go alone.

2

Bring a credit and a debit card, particularly when traveling abroad. If one gets compromised, the other ensures access to funds.

3

Don't put anything on social media you don't want your grandmother to see. And don't allow anyone into your social media circle until you are sure you can trust them.

4

Install a Virtual Private Network (VPN) on your computer. It greatly reduces the chances of getting hacked when using public Wi-Fi.

5

Carry a simple rubber doorstop. It's an extra measure of security, particularly when staying in a hostel or Airbnb room, when you don't really know who has a key.

6

In crowds, give yourself an out. You are safer avoiding large crowds, but, if you are in one, stay more to the edge and know how you will get out if something goes wrong.

7

Trust your gut. If something feels wrong, leave or choose another route.

Wealth Education

As your child moves off to college, they will have the opportunity to take increasing responsibility for financial matters. Even if you are paying the cost of college, you may decide that the child has to live within the framework of an allowance for personal expenses. If they haven't already, this is a time when children should learn how to use credit wisely and save more effectively. Those who live off campus can also learn how to budget for rent, utilities and other household expenses. These are some of the core building blocks of financial literacy, and they can be learned in a setting where mistakes are likely to be small and easily corrected.

To help them develop these fundamental skills and progress on to the more complex subject matters they will eventually need to understand and participate in family wealth decisions, many families draw on the services of the Morgan Stanley Wealth Education team. Working in collaboration with you and your Private Wealth Advisor, these professionals can develop a fully customized curriculum, delivered one-on-one and in person, based on your family's goals and aspirations, existing knowledge base and learning styles.

Developed and taught by professional teachers, the program employs a diverse set of teaching methodologies to engage the family member and promote mastery. These include assessments, seminars, experiential learning, practical exercises and digital learning tools. Through a highly customized course of study, the Wealth Education team will work to help your student develop financial literacy within the context of your family's goals and circumstances.

FINANCIAL LITERACY TEACHING METHODOLOGIES

Assessments

Seminars

Practical Exercises

Digital Learning Tools

Career Counseling

Much like the college admissions process starts long before a student submits a university application, an entry-level job search can involve years of preparation, analysis and introspection. Most students require a plan along with professional guidance in how to decide on a career path and conduct an effective search for internships and jobs. The job search landscape has become increasingly more complex; with 800+ careers today. Companies are introducing artificial intelligence recruitment software to screen resumes, and digital interviews to evaluate candidates early in the hiring process. With organizations receiving a huge number of applications for entry level jobs, understanding what is required to stand out and secure an offer has never been more important.

Changing majors throughout college is incredibly common. According to the National Center for Education Statistics (NCES), “within 3 years of initial enrollment, about 30 percent of undergraduates in associate’s and bachelor’s degree programs who had declared a major had changed their major at least once.” This means that approximately one-third of all college students changed course during their academic careers. Changing majors when you are in college is not an uncommon practice. Relatively few have carefully aligned their long-term career aspirations with their academic work and extracurricular activities. In all likelihood, this disconnect is because most don’t have a realistic understanding

of what their professional goals are, and the skills they need to successfully pursue them. While exploration of different interests throughout their college experience is generally positive, there comes a time, early in their college career, when students need to start making decisions that will positively impact their internships and job options in their post-collegiate life. In some cases, this requires more assistance than a college career counseling office can offer. Just 62 percent of employers believe that most or all college graduates possess the knowledge and skills needed to succeed in entry-level positions, and fewer (55 percent) believe they possess the knowledge and skills required for advancement and promotion. Less than



“Clients come to ProjectYou with two goals in mind: 1) Figure out what they want to do, and 2) Build the skills to get there. Our Advisors are all former executives who care deeply and support clients in achieving these goals.”

Mark Linsz
Managing Partner
ProjectYou

half of employers think college graduates are “very well prepared” in the same skills they view as the most important for success, including the ability to work effectively in teams (48 percent), critical thinking skills (39 percent), the ability to analyze and interpret data (41 percent), and the application of knowledge and skills in real-world settings (39 percent).¹

Planning

As children begin college, they may also be approaching the time when they will begin to receive distributions from trusts that have been created for their benefit or otherwise begin to participate in the management of family wealth.

It may be advisable to arrange an appointment with your Private Wealth Advisor, and perhaps your family attorney, to help set expectations about those distributions or how family wealth is to be managed and how it can be used. Should you and your Private Wealth Advisor require additional insight to guide these discussions, tax, trust and estate professionals can help manage the conversation and advise on additional planning that might be appropriate for your child.

A PLAN IN TRANSITION

Watching your child mature from a promising high school student into a focused and independent young adult is one of the great pleasures of parenthood. In most cases, this path has many twists and turns and even an occasional setback. Our goal is to provide support, at opportune times and in key areas, to make this journey safer, more productive and less stressful for parents and children alike. We're here to help in whatever way we can.

To schedule a consultation, please speak to your Private Wealth Advisor.

¹ [https://www.aacu.org/article/how-college-contributes-to-workforce-success#:~:text=Less%20than%20half%20of%20employers%20think%20college%20graduates%20are%20%E2%80%9Cvery,41%20percent\)%2C%20and%20the%20application](https://www.aacu.org/article/how-college-contributes-to-workforce-success#:~:text=Less%20than%20half%20of%20employers%20think%20college%20graduates%20are%20%E2%80%9Cvery,41%20percent)%2C%20and%20the%20application)

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