

A New Way to Save for College

Taken from Bottom Line Newsletter

The qualified state tuition program provides a new tax-deferred vehicle to save for a college or graduate education. The tax rules for the program were enacted as part of the Small Business Job Protection Act of 1996 and were amended as part of the Taxpayer Relief Act of 1997.

The law allows states to set up tuition programs. Under the plan, you transfer funds to the tuition program designed for this purpose, and the funds will be held in a special account to be used to cover future higher education costs for the individual you designate as the beneficiary. Qualified costs are those for tuition, fees, books, supplies, equipment, and room and board. Expenses for graduate level courses qualify.

Although the funds are invested while held by the program, you will not have the right to direct investment. The earnings are not taxed while the funds are in the program. It permits tax-

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Embracing Greatness

By Beth Burns

The other day I was driving in the car with my daughter, Anna. We were on a two lane road traveling south heading home. Apparently, someone in the North bound land had lost a tire and it was sitting right in the middle of the road. A man in a truck just ahead of us slowed his car down and then stopped so that he could move the tire out of the way. Anna asked me what he was doing and I told her that he was getting the tire out of the way before someone got hurt.

She thought and said, "He's a GOOD man" as she watched him pick the tire up to move it.

And I said, "Yes, he is."

Just then, the man threw the tire off to the side of the road and proceeded back to get in his pick up truck and drive off.

Anna looked at me and said, "And he could have been a GREAT man if he would have put that tire in the back of his truck."

Hmmm. What is it they say? "Out of the mouths of babes"!

It got me thinking about greatness and wondering if mediocrity is acceptable. Certainly it is, but is that how we want to be remembered? Not me! I want to be thought of as someone GREAT!

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**Improve your performance by
improving your attitude.**

---- H. Jackson Brown, Jr.

free growth on the funds set aside for future education expenses.

When the funds are used for the beneficiary's higher education, only the accrued earnings will be taxed to the beneficiary, not the contributions. Note that the earnings are taxed to the child (at his or her presumably lower tax rates) and not to you. Of course, you can make a separate transfer to the child to cover this tax liability.

If the funds in the program are refunded to you and not used for the beneficiary's higher education, a penalty will be imposed on the refund (unless the refund is made on account of a scholarship received by the beneficiary that reduces the tuition needs). Additionally, in the event of a refund, the earnings in excess of your contributions will be taxed to you instead of the beneficiary.

A contribution to a qualified tuition program is subject to the gift tax but contributions are eligible for the \$10,000 annual gift tax exclusion. You also have the option to contribute a lump sum up to \$50,000 tax-free in one year into the plan but you cannot make any additional tax-free gifts for the next five years. A distribution from a qualified tuition program isn't a taxable gift. A change in the beneficiary under the program, or a rollover to the account of a new beneficiary, is a taxable gift.

No interest in a qualified tuition program is included in the estate of any person for estate tax purposes, except for an amount distributed on account of the death of a beneficiary. Thus, the value of an interest in a qualified tuition program is included in the estate of the designated beneficiary, not in the estate of the contributor.

For additional information regarding the benefits of the qualified state tuition program, you can contact your local certified public accountant in your area or Mr. Depusoir at fdepuso@viaccess.net.

Yes, let's acknowledge that this man was conscientious and saved people from harming themselves by removing an object from the road. But should it end there? Is it enough? Perhaps not.

What would have made this man GREAT? Here are some things I noticed:

1. He would have been GREAT if he had taken complete responsibility once he got involved and not just partial responsibility.
2. He would have been GREAT if he had finished the job he started.
3. He would have been GREAT if he had delivered more than anyone expected of him.

Aren't these attributes that make so many folks GREAT and not merely GOOD? Think of great leaders you know from history. What about Gandhi or Martin Luther King, Jr.? Do these attributes show up when you think of them? I bet they do!

How about in our lives? How do we want to show up in the world? Most of us would like to make a significant contribution, wouldn't we? In aspiring to be GREAT, remember these simple thoughts:

1. Take responsibility. "The price of greatness is responsibility." ----Winston Churchill
2. Follow through with what you begin. "What makes greatness is starting something that lives after you." ----Ralph W. Sockman
3. Deliver more than is expected of you. "When the rock is hard, we get harder than the rock. When the job is tough, we get tougher than the job." ----George Cullum, Sr.

Viktor Frankl, author of *Man's Search for Meaning*, writes about his survival during five years imprisoned in Auschwitz and other concentration camps. He says, "Man does not simply exist, but always decides what his existence will be, what he will become in the next moment.

Why not become GREAT?



Putting up Barriers

By Rhona Post, *Government Executive Magazine*

I have taught “The Art of Winning,” a 10-step self-development program, for several years in the Washington area. Participants in the program focus on areas that will result in their increased happiness and satisfaction. I have found that when employees feel a sense of connection to themselves and other in the workplace, their commitment to their work and to the organization improves.

Although all of us want to feel satisfied with our careers and personal lives, we often don’t take the time to ensure that the actions we take are producing the outcomes we envision.

We offer plenty of excuses for why we cannot truly be satisfied—no time, a lack of resources (time, money or people) or, worse, a lack of faith that we can actually have what we want. Usually, people don’t share such a loss of faith publicly, particularly in the workplace. Rather, when I am coaching, I observe this loss of faith in participants’ responses—or their lack of responsiveness.

When leading people in a conversation about what winning means to them, I have also observed that managers often draw lines about what can be discussed in open forums. Anything that seems remotely “touchy-feely” or personal is either discouraged, scoffed at or ignored.

That puts off limits everything from how people really feel about their working conditions to conversation about life outside work. I think establishing and honoring boundaries is fine. But when the boundaries limit employees’ development into being effective leaders and coaches, I get queasy.

In the past two weeks, I have met two groups of managers from the same agency who fear reprisal if they openly speak about certain subjects that affect the work they do and how they accomplish goals. As a result, they take few risks and are unable to relate to their employees in an honest, open way.

During our meeting, you could cut the tension in the room with a knife. Afterward, several people told me that with bosses in the room, I could not expect honesty from participants. It was clear they simply compartmentalized and reorganized their feelings to survive the ups and downs in their workplace.

Since it is our job as managers to develop the talent of our employees, we need to look at our own perceptions about what people should be allowed to talk about in the workplace. Do they help or hinder our effectiveness to lead and to coach?

How many of you work in an organization that has a history of blaming or accusing its employees? When we work in these kinds of organizations, what lessons do we learn? What lessons do we pass on to our employees?

If you would like to respond to any of these questions, you can respond to Rhona at coachscorner@govexec.com.

Mensa Quiz

Taken from *American Way*, July 2001

The people of American Mensa, the High IQ Society, have put together 10 teasers designed to make you think for a minute – or two. Good Luck.

1. Ruth went shopping with Pat for birthday presents. In the first store they spent half of what they had plus \$2. In the second store they spent half of what was left plus \$1. In the third store they spent half of what was left. They found themselves with \$3 left over to buy wrapping paper. How much did they start with?
2. The following 10 letters can be rearranged into a three-word phrase meaning, “to express happiness with physical motion.”

J J O U P M Y F R O

3. Each word has been scrambled, and the word order has been scrambled. Unscramble both and create a sentence that’s Tom Swifty.

**CHYAT NOW HET LEWL EW LCBU
CRAE ZBEEIYLR MOT DAIS**

4. The foot race was close, but there was a winner. Jill beat David. Bob was neither first nor last. Carl lost to Bob, Edith came in third, and David beat three other runners. Who came in last?
5. To the best of our knowledge, only one other word can be made from all of the letters in the word ETHOLOGICALLY. Can you figure out what it is?
6. Two U.S. cities are hidden in the sentence below. Can you find them? (Hint: the letters are in consecutive order.)

There was a scandal, lasting for months about Roy and his politics.

7. What phrase is represented by the following letter?

E C N A L G

The answers can be found on page 4.

Answers to Mensa Quiz

1. \$64. (\$32 - \$2 leaves \$30, 15 - \$1 leaves \$14, \$7 - \$1 leaves \$6, -\$3 leaves \$3.)
2. Jump for Joy
3. "Well, we won the yacht club race," said Tom breezily
4. Carl. The order is Jill, David, Edith, Bob, Carl
5. Theologically
6. Dallas, Troy
7. Backward Glance

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10 Best Health Websites

Taken from **Black Enterprise**, August 2001

1. www.blackhealthnetwork.com provides a wealth of information, from commentary by the secretary of health and human services on state insurance for children to articles about cardiovascular disease in African Americans to food safety during cookouts.
2. www.cbshealthwatch.com forty-six health canals on different topics, such as heart health, depression, and men's health, give it a solid foundation.
3. www.cdc.gov site has the flavor and impact of a public health site, rather than a consumer magazine.
4. www.healthanswers.com features a wealth of information on everything from addiction to women's health, as well as an extensive drug index.
5. www.healthweb.org a straightforward list of 64 links to major categories from AIDS to Women's Health.
6. www.mayoclinic.com has tons of information with emphasis on prevention. Topics include avoiding E. coli infection and preventing falls in older adults as well as Take Charge links to planning your nutrition, exercise, stress reduction, and smoking cessation.
7. www.oncolink.upenn.edu/ cancer site founded in 1994 by University of Pennsylvania cancer specialists and has an editorial advisory board of medical doctors.
8. www.safetyalerts.com offers articles from Health Scout on everything from lead poisoning to accident-prone personalities to cell phone safety.
9. www.thebody.com offers special sections on the basics and prevention of AIDS, such as causes and myths; issues with government, such as funding, mandatory testing, activist issues, and government contracts.
10. www.webmd.com provides provocative articles, Live Events, News Headlines, and these Health E-Tools: Health Risk Appraisal, Target Heart Rate Calculator, Pregnancy Weight, etc.

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