

COLLEGE BOUND

A Publication of the **FLORIDA PREPAID COLLEGE PROGRAM**

BACK TO SCHOOL ISSUE

2002



FLORIDA PREPAID

According to The College Board, saving for college is the greatest financial concern for most American families today.

Florida Prepaid is making college more affordable for Florida families. With Florida Prepaid, you can lock in the cost of college tuition, local fees and dormitory housing at today's prices. What you pay now is financially *guaranteed* by the State of Florida – no matter how much college costs increase in the future.

Florida Prepaid enrollment starts again soon. Call us now at 1-800-552-GRAD and we will send you an enrollment kit, the new plan prices and an application when available this fall.

You have already locked in some of your college costs with your Florida Prepaid plan. To help you save for your other college expenses, we will soon introduce a *new plan!*

The new Florida College Savings Plan will give Florida Prepaid families a way to supplement their college savings. You will be able to use the new plan for any qualified college expense, including the extras not covered by Florida Prepaid such as books, off-campus housing, the additional costs of most private and out-of-state colleges, and graduate school. You will be able to use the new plan at almost any college in the United States. There will be

no residency requirement for the new plan, allowing Florida grandparents to save for college for their grandchildren who may live out of state.

You won't have to choose between Florida Prepaid and the new Florida College Savings Plan. You will be able to use the plans separately or together.

"Florida Prepaid together with the new Florida College Savings Plan will give families more options and flexibility to help them reach their college savings goals," says Stanley G. Tate, Chairman of the Florida Prepaid College Board.

The new Florida College Savings Plan is an investment plan and is different from the

Florida Prepaid Plan. It is not a prepaid plan and there is no guarantee of a return on your investment. The new plan will offer a range of investment options, and customers will have the flexibility to decide how often and how much to invest. Like Florida Prepaid, the earnings on qualified withdrawals from the new Florida College Savings Plan will be tax-free. You should know that the law allowing federal tax-free qualified withdrawals is set to expire on December 31, 2010. The U.S. Congress may or may not extend the law beyond that date.

Look for more details about the new Florida College Savings Plan in the next issue of *College Bound*.

Nothing in this publication should be construed as financial, investment, legal or tax advice. You should consult your own financial, tax and legal advisors to determine if an investment in the Florida College Savings Plan is right for you in light of your particular circumstances, financial situation and investment goals.

OUR FOUNDATION

— Stanley G. Tate

The Florida Prepaid College Foundation provides college scholarships to low-income children and other children in need. Many of these children are the first in their family to be given the opportunity to go to college.

Created in 1990 as the charitable arm of the Florida Prepaid College Program, the Foundation has awarded 14,479 college scholarships statewide, to date.

To fund these scholarships, the Foundation partners with other foundations, school districts, businesses, community groups and individuals. The Foundation may provide matching funds, or the donor may underwrite the entire scholarship. Contributions to the Foundation may be tax-deductible.

Our financial partners select the student and the type of scholarship. The Foundation administers the scholarship. When Foundation scholarship students are ready for college, they have the same options as other Florida Prepaid students.

Our success is directly attributed to our many partners, like the Cruise Industry Charitable Foundation which recently donated \$100,000 to fund tuition and local fee college scholarships for 25 low-income, at-risk middle school students from Miami-Dade County.



Chairman Stanley G. Tate accepts a donation for the Florida Prepaid College Foundation from Jim Border, Chairman of the Cruise Industry Charitable Foundation.

The Foundation and its partners are making a difference. We are providing one of the most treasured experiences in life – a college education. For more information about becoming a Foundation financial partner, call us at 1-800-552-GRAD and *press prompt 3*.

COLLEGE BOUND

Published for customers and others interested in the Florida Prepaid College Program, *College Bound* provides news and information about the program and higher education.

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Mail your letters, forms or address update to: Florida Prepaid College Program • P.O. Box 6567 • Tallahassee, FL 32314-6567.

PAYMENTS

Send your payments to: Florida Prepaid College Program • P.O. Box 31088 • Tampa, FL 33631-3088.

CALL US

1-800-552-GRAD (4723) and *press prompt 2*

BACK TO SCHOOL SWEEPSTAKES

Again this year, Kraft and Publix will sponsor their annual *Back to School College Scholarship Sweepstakes*. The prize is a Florida Prepaid College Program Four-Year University Tuition Plan. There will be 13 winners selected by random drawing from across Florida. The sweepstakes runs through September 30, 2002.

"This sweepstakes is one of the many ways that the Florida Prepaid College Program and its corporate partners are helping prepare Florida's children for the future," says Stanley G. Tate, Chairman of the Florida Prepaid College Program.

Last year, Norma Jean Woodcock of Crawfordville, Florida, entered her only granddaughter in the sweepstakes and won. Mrs. Woodcock, who is raising her 8-year-old granddaughter, worried about how she would pay for college.

"With this scholarship, I don't have to worry anymore. My granddaughter will now have the opportunity to go to college and be whatever she wants to be," says Mrs. Woodcock.

To enter, look for the official entry form and rules on Kraft/Nabisco/Publix Back to School displays at participating Publix Super Markets in Florida. You

must be a Florida resident and be at least 18 years old. The child, named on the entry form as the scholarship beneficiary, must be a Florida resident and must not yet have completed the eleventh grade. Entries must be postmarked by September 30, 2002.

"An education opens the door to a lifetime of opportunities. The *Back to School College Scholarship Sweepstakes* is just one of the many ways Kraft and Publix are giving back to the communities where we live and work," says Sweepstakes Coordinator Pat Cragan.

A Blessing

**“The children still have years to go...
but... their education is guaranteed.”**



Michael Ettel



Staci Ettel

“I just received our first *College Bound*. Thank you for reminding me of how lucky I am,” wrote Martha Ettel in a recent letter to the Florida Prepaid College Program.

A mother of two young children and a recent graduate of the University of Florida, Martha put herself through college. It was a financial struggle, and she will be paying off her student loans for many years to come. But Martha truly appreciates the value of her college education. She is the only one in her family to graduate from college.

Martha and her husband, Stacy, were determined to make it easier on their children, so they put a little money away for college when they could. And then, last year, Martha received a call from a close friend, asking for a copy of her driver’s license.

“This is no ordinary friend, so I didn’t question her,” says Martha. “I now know that the closing date for Florida Prepaid was the following day.”

Her friend, affectionately known as Mama Sarah, has since purchased a Florida Prepaid plan for Martha’s daughter, Staci, who will start kindergarten this fall, and her son, Michael, who is headed for the first grade.

“I am absolutely breathless,” says Martha. “The children still have years to go before college, but it is such a relief knowing that their education is guaranteed.”

THE MIRACLE

Mark Galligan appreciates every day. Four years ago, Mark was working on a 22-story building. The framing collapsed, sending him head first down seven floors. Mark suffered major injuries, but he was alive. It was a miracle.

Three surgeries later, Mark has started putting his life back together. Although they were financially devastated by the accident, Mark and his wife, Lisa, pledged to keep up their Florida Prepaid payments for their two children, Courtney, who was 4 years old at the time of the accident, and Michael, who was just 2 years old.

“The doctors put me back together, but everything my wife and I worked for had fallen apart,” says Mark. “I could handle losing our cars, house, retirement accounts and CDs, but losing our dream of sending our children to college was just too much to take.”

Mark and his wife have often had to sacrifice to make their Florida Prepaid payments, but they have no regrets. With Florida Prepaid, they know that their children will have the opportunity to go to college. And although the Galligan children are still very young, they understand how important college is to their future.

“Thank you very much for helping my little brother and me be able to go to college,” wrote Mark’s daughter, Courtney, in a recent letter to the Florida Prepaid College Program. “My dad says you are a God send. I know he is right.”

WRITE TO US!

Let Us Hear From You.

Why did you choose Florida Prepaid?
Why is a college education important to you?

What do your children want to be when they grow up?

Send your stories and pictures to:

College Bound
P.O. Box 6567
Tallahassee, FL 32314-6567



Courtney and her dad, Mark Galligan.

First Time In College

Choosing a major. Buying your books. Roommates. Early morning classes. Late night chats. Are you ready for college? Florida Prepaid makes going to college a little easier. Here are some tips on how to use your Florida Prepaid plan!

Where can I use my prepaid plan?

Florida Prepaid *guarantees* to cover the actual costs of the fees covered by your prepaid plan at Florida's 11 state universities and 28 community colleges. You can use your prepaid plan at approved technical centers in Florida. You can also transfer the *value* of your prepaid plan to most out-of-state colleges and most private Florida colleges. For a list of approved colleges, visit www.floridaprepaidcollege.com.

Do I need to tell Florida Prepaid what school I am going to attend?

If you are going to a public university or community college in Florida, you do not need to tell us which school you are attending. Just show your Florida Prepaid Identification Card when you register for your classes. The college will bill the program. The program will pay the college directly for the fees covered by your prepaid plan. It's that simple!

Can I use Florida Prepaid at an out-of-state or private Florida college?

Yes! You can use your prepaid plan at most out-of-state colleges and most private Florida colleges. The purchaser must complete a Transfer Form. Call us to request the form. The program will pay the *same rate* it pays a public college in Florida. However, because out-of-state and private Florida colleges are typically more expensive, your prepaid plan will not cover the total cost.

For a list of approved colleges, visit www.floridaprepaidcollege.com.

Does the program guarantee that I will be accepted to a state university?

No. The purchase of a prepaid plan does not guarantee you will be admitted to the state university of your choice. Admission standards vary by university.

What if I have a scholarship?

If you receive a scholarship, like the Bright Futures scholarship, you can still use your prepaid plan and use the scholarship to cover some of your other college expenses.

The college will bill the program for the fees covered by your prepaid plan, apply the scholarship toward any other fees you may owe, and refund any remaining scholarship money directly to the student.

If the student receives a scholarship that is limited to the payment of tuition and/or housing, the purchaser may request a scholarship refund from the program.

What if I want to start college early?

You can automatically start using your prepaid tuition plan or local fee plan in the summer of your projected college enrollment year. The account must be current. You cannot use your prepaid dormitory plan in the summer.

What if I start later than planned?

It's okay if you are not going to start college in the year originally planned. You do not need to tell us. You have up to 10 years from your projected college enrollment year to use your prepaid plan.



What if a dorm is unavailable?

If you have a prepaid dormitory plan and applied for dormitory housing but did not receive a room assignment, the purchaser is entitled to an unavailable dorm refund equal to the current dorm rate at the college you are attending.

What if I don't use my plan?

If for some reason you don't need or use your Florida Prepaid plan, the purchaser can request a refund or transfer the prepaid plan to a brother, sister or first cousin of the beneficiary (student).

Don't Forget to Pack

Packing for college is a challenge. Here are some of the essentials!

A POSITIVE ATTITUDE: A great attitude is the first step towards college success!

POWER STRIP: There are never enough places to plug-in, so pack a power strip for your computer, phone and other electronics.

LINENS: Remember to check the size of your new bed! Many dorm beds require extra-long sheets. And bring lots of towels.

DISHES: Even if you have a meal plan, you will want to have a few dishes. The microwaveable kind is best. Bring some plastic storage containers. At 2 am, leftovers taste great! And pack a few forks, knives and spoons.

CALLING CARD: For those late night chats with family and long-distance friends.

MENTOS: Make your room a home away from home. Fill it with family pictures, posters and knick-knacks.

QUARTERS: From the laundromat to the parking meters, you will need lots of quarters.

ALARM CLOCK: Getting to class on time is essential to making the grade.

TOOLBOX: Assembly is almost always required, so bring a hammer, screwdriver, nails, tacks and tape.

YOUR FLORIDA PREPAID CARD:

Don't forget to show your Florida Prepaid Identification Card when you register for classes. The college will automatically bill the program, and the program will pay the college directly for the fees covered by your prepaid plan.

LOCAL FEES

Local fees are charged by Florida's universities and community colleges to fund student activities, health services and athletic programs. Be advised! Most college invoices will show a combined charge for tuition and local fees, based on the total number of credit hours (classes) the student is enrolled.

Local fees are not covered by your prepaid *tuition plan*. So, if you are going to college this fall, be prepared to pay the college directly for your local fees. This fall, local fees are expected to average \$310 per semester at a university and \$70 per semester at a community college.

If you have a prepaid *local fee plan*, the program will pay for your student activity and service, health and athletic fees. If you purchased a 2+2 local fee plan or a two-year community college local fee plan since 2000, it will also cover your technology fees. The four-year university local fee plan does not cover technology fees. Some schools may charge other fees including transportation, security and parking fees. These other fees are not covered by Florida Prepaid.

In College

Calvin, Konata and Dakarai are brothers. Today, with the help of Florida Prepaid, all are enrolled at Florida A&M University.

When Florida Prepaid was first introduced in 1988, Dee Calhoun-Rush signed up all three of her children. At the time, Calvin was 11 years old, Konata was 7, and Dakarai was 6.

It wasn't easy, raising three boys and making ends meet. But Dee was committed to making sure her children had the opportunity to go college. She even paid off her Florida Prepaid plans early!

"There is no question that I would do it again. Florida Prepaid is the most worthwhile investment I have ever made," says Dee.

The boys are making their mother proud. Calvin will complete his doctorate in pharmacology in 2003. Konata is in his junior year in education. And Dakarai, who is a freshman, is planning to study graphic art.

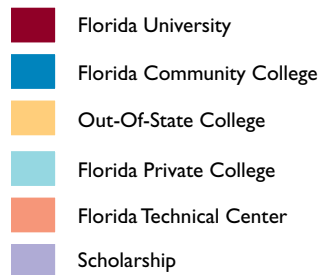
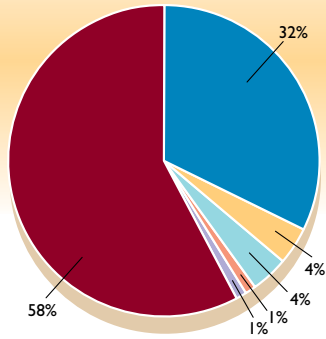
"Florida Prepaid makes going to college much easier. There are no lines or bills to pay. I just sign up for my classes. Florida Prepaid does the rest," says Calvin.



Calvin Calhoun

Konata Calhoun

Dakarai Calhoun



Where Florida Prepaid Students Are Going to College...

Since the program started, Florida Prepaid has helped more than 85,000 children go to college, and the number of Florida Prepaid students in college continues to grow each year.

This fall, an estimated 44,000 Florida Prepaid students will enroll in college. Of those students, 14,000 will be going to college for the first time.

Most Florida Prepaid students go to a public university or community college in

Florida. Last fall, 58 percent of all Florida Prepaid students were enrolled at a Florida university and 32 percent went to a Florida community college.

Approximately 8 percent of Florida Prepaid students attended a private Florida college or an out-of-state college, and another 1 percent used their Florida Prepaid plan at an approved technical center or for technical educational courses at a Florida community college.

TECHNICAL CENTER PROFILE

Lively Technical Center

Computer-assisted instruction, one-on-one tutoring, internships and on-the-job training are just a few of the creative educational methods used at Lively Technical Center. Lively, in partnership with employers, trains today's students for tomorrow's workforce.

Lewis M. Lively, a Tallahassee businessman, established Lively Technical Center in 1937 to help individuals obtain an education that would provide them with a means of earning a living. The school began its first year with only one full-time

instructor and 52 students.

Today, Lively Technical Center has more than 4,600 students and offers 35 certificate programs in career fields including nursing, computer programming, television production, early childhood education, carpentry and airframe mechanics.

"The faculty and staff are dedicated to providing our students the career knowledge, on-the-job training, positive work attitudes and employability skills to be successful in the world of work," says Principal Bob Gill.

LIVELY

ESTABLISHED: 1937

LOCATION: Tallahassee

STUDENTS: 4,658

PREPAID STUDENTS: 12

MOST POPULAR PROGRAMS:
Business Computer Programming,
Practical Nursing, Web Design

MORE INFORMATION:

Visit www.livelytech.com
or call (850) 487-7555.



You can now use your Florida Prepaid plan at most not-for-profit technical centers in Florida and for technical education courses offered by Florida's 28 community colleges. For a list of approved technical centers, visit our Web site at www.floridaprepaidcollege.com.

COMMUNITY COLLEGE PROFILE

Miami-Dade Community College

Miami-Dade Community College graduates more students than any other community college in the United States. It graduates more minorities than any other college or university in the country. And it was recently named the *Best Community College in the Nation* by the U.S. Department of Education.

“We pride ourselves on our ability to provide a solid academic foundation for our students,” says President Dr. Eduardo J. Padrón. “Miami-Dade provides pathways for students to move onto nationally acclaimed institutions of higher education or move directly into the world of work.”

More than 85 percent of Miami-Dade students with an associate in arts degree

continue their education at a four-year university.

“When I came to Miami-Dade Community College three years ago, going on to a big name university was something I had not anticipated,” said Sandra Bigelow, a former Miami-Dade Community College student who is now studying law at Smith College. “The preparation I got was phenomenal. It has prepared me for anything I want to do in life.”

More Florida Prepaid students go to Miami-Dade Community College than any other community college in Florida. Last fall, 11 percent of all Florida Prepaid students who were enrolled at a Florida community college chose Miami-Dade Community College.

MDCC

ESTABLISHED: 1959

LOCATION: Miami

STUDENTS: 138,523

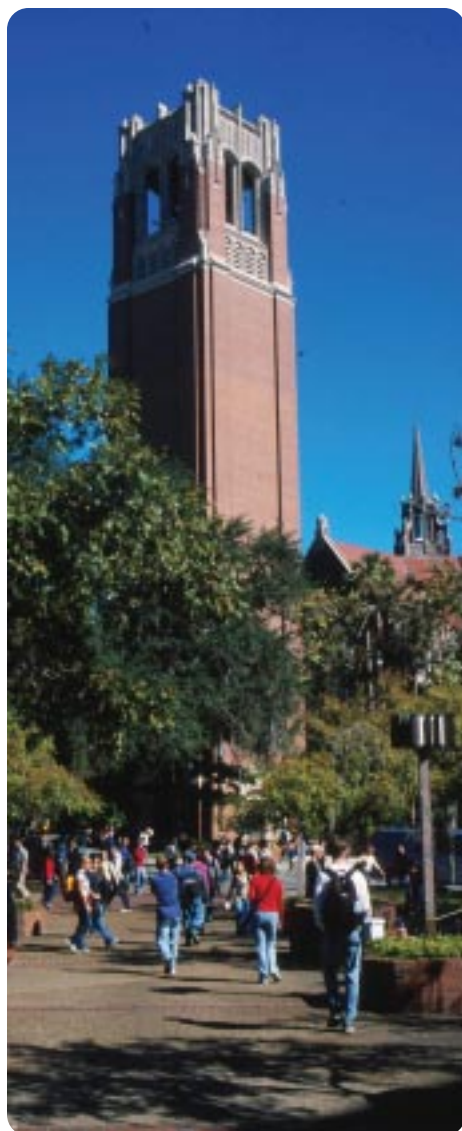
PREPAID STUDENTS: 1,500

MOST POPULAR PROGRAMS:

Pre-Bachelor of Arts, Business Administration, Teaching, Practical Nursing

MORE INFORMATION:

Visit www.mdcc.edu or call (305) 237-8888



UNIVERSITY PROFILE

University of Florida

From an initial enrollment of 102 students in 1906, the University of Florida has grown to nearly 47,000 students. UF is the largest of Florida's 11 public universities and the ninth largest university in the nation. There are students from each of Florida's 67 counties, all 50 states and more than 100 countries.

Again this year more Florida Prepaid students were enrolled at the University of Florida than at any other college.

UF has one of the most comprehensive academic programs in the nation. The university offers baccalaureate degrees in more than 100 majors and close to 200 master's degree programs. Since inception, UF has awarded well over 246,000 degrees.

Like most large universities, UF also provides a wide range of social and personal

growth opportunities for its students. UF athletic programs routinely rank among the top 10 in the country. UF has more than 500 student organizations and hosts close to 2,000 campus concerts, art exhibits, theatrical productions, guest lectures and other special events each year.

“As the University of Florida enters the new age of the 21st century, the promise of extraordinary discoveries and outstanding personal opportunities will be realized through our dynamic community of faculty, staff and students,” says UF President Dr. Charles Young. “It is an exciting time to be at the University of Florida.”

UF

ESTABLISHED: 1853

LOCATION: Gainesville

STUDENTS: 47,000

PREPAID STUDENTS: 7,248

MOST POPULAR PROGRAMS:

Business Engineering, Social Science, History and Communications.

MORE INFORMATION:

Visit www.ufl.edu or call (352) 392-3261

10 Years

Florida Prepaid customers have up to 10 years from the student's projected college enrollment year to use their Florida Prepaid plan. The account owner must request to extend the benefit period, request to transfer the account or request a refund, in writing within one year before the plan expires. Once the plan expires, the account owner automatically forfeits the right to use the plan and forfeits any money remaining in the account. For a list of account owners who have a plan that is currently scheduled to expire, check our Web site at www.floridaprepaidcollege.com.

Payroll Deduction

Employers! Now's the time to consider offering payroll deduction for Florida Prepaid. We make it easy! We will provide all the materials. We will calculate the deduction amount for you and provide a Payroll Deduction Roster, listing the social security number and total deduction amount, by pay period, for each employee. There is no cost to the employee or employer to participate in payroll deduction. For more information, call 1-800-552-GRAD and *press prompt 3*.

COLLEGE BOUND

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I N S U R A N C E O P T I O N

What if something was to happen to you before you finished paying for your Florida Prepaid plan? Who would make the payments?

If you are making payments on your Florida Prepaid plan, consider signing up for the optional group term life insurance plan, developed especially for Florida Prepaid customers. If an insured adult dies, the insurance plan will pay, in full, the balance remaining on the covered prepaid plan. Coverage is available for the purchaser, the co-purchaser or both. There is also a student life insurance option.

You can sign up for the insurance plan at any time. The premiums are affordable, starting at just \$10 a year for single life, tuition plan coverage or \$15 a year for joint life, tuition plan coverage. Your premium will be based on the type of prepaid plan and the age of the person insured. Once you sign up, your premium will never increase. To qualify, you must be under age 70 and be able to truthfully answer "no" to all the health questions on the application.

For more information, call 1-800-552-GRAD and *press prompt 4*.

