

# COLLEGE BOUND

A Publication Of The **FLORIDA PREPAID COLLEGE BOARD**

SPRING 2005

## One Million And Counting

Already the largest program of its kind in the country, the Florida Prepaid College Plan set another new enrollment record this year, 1 million plans sold.

"Reaching 1 million plans is an extraordinary accomplishment. Our success is a tribute to Florida's families, to Governor Bush and the Florida Legislature, and to all those over the last 17 years who have united to support the program and to make college more affordable," said Chairman Stanley G. Tate.

To mark the historic milestone, the Florida Prepaid College Board surprised the family who purchased the 1 millionth plan with a gift of a Florida Prepaid scholarship.

Sarah Goodwin unknowingly opened the 1 millionth plan for Claudia Flores, her infant granddaughter, during the program's most recent enrollment campaign.

Mrs. Goodwin and her husband Charles; Claudia, her parents John and Floriana Flores, and her older sister Soley Colmenas; and most of their immediate family live in the Orlando area.

"We are all still in shock. It's better than winning the lottery," Mrs. Goodwin said. "As a grandparent, there is simply no better gift that I can give my children and my grandchildren than a college education."

Mrs. Goodwin enrolled her two grandsons in the program 13 years ago. At the time, the boys were 4 and 5 years old.

Her oldest grandson, Timothy Oliver, started college in fall 2004. Her younger grandson, Gregory Howell, is a senior at Winter Springs High School and will enroll in college this fall.



Sarah Goodwin and her granddaughter Claudia Flores celebrate the 1 millionth Florida Prepaid College Plan.

"I worked in the fields as a child, was a single mom for many years and did not have the money or opportunity to go to college myself," Mrs. Goodwin said. "But education has always been a priority in my life. I have told my children and my grandchildren that the choice is theirs; they can be a burden to society or an asset. A good education is the first step to becoming your own person and building a better future for yourself and your family. The Florida Prepaid College Plan is helping provide that opportunity for my family."

The Florida Prepaid College Plan was introduced on September 22, 1988. A total of 58,651 tuition and dormitory plans were purchased in the first year. Since then, 1 million plans – and counting – have been purchased statewide, and the program has helped more than 139,000 Florida Prepaid students go to college.

**"The Florida Prepaid College Plan has been a successful program, giving many families a way to plan for college. Congratulations to Florida Prepaid for this milestone achievement."**

**- Governor Jeb Bush**

"At times, the popularity of the program has surprised even me, but the reasons why are simple," Chairman Tate said. "Florida Prepaid provides Florida families a safe, easy and affordable way to save for college for their children. There is nothing more important than our children and their future."

A celebration of the 1 millionth Florida Prepaid College Plan was held on February 28 in Orlando. Thank you to all who participated including past and present Board members Mike Agganis, Arthur Anderson, Ed Cisek, Bruce McNeilage, Erin Sjoström and Bruce Starling; Orange County Mayor Richard Crotty and his daughter Christina; Orange County school officials Tim Shea, Ronald Blocker and James Lawson; and Principal Janice Choice, the staff and the students of Pineloch Elementary School.



# Keeping college affordable

CHAIRMAN STANLEY G. TATE

The State of Florida created the Florida Prepaid College Plan in 1987 to encourage Florida families to save their own money for college and to prepare their children for the future.

Today, 1 in 10 Florida children under the age of 18 are enrolled in the Florida Prepaid College Plan. A total of 1,051,675 plans have been purchased statewide, and our enrollment continues to grow.

Early on, there were those who questioned whether the program would succeed. Having now surpassed the sale of our 1 millionth plan, it is clear that the program is achieving its goals.

Debate continues about who should control tuition at our public universities, the Florida Legislature or the new Florida Board of Governors, and how much tuition should or should not increase annually.

It is true that the cost of college tuition is lower in Florida than most other states. However, the average annual cost of sending a child to a Florida public university today represents 17 percent of Florida's median family income.<sup>1</sup> As a result, most Florida families pay a higher percentage of

their income for college than families in other states.

Since the Florida Prepaid College Plan began, in-state tuition at Florida's public universities has increased an average of approximately 7 percent a year. This percentage increase far exceeds the annual cost of living increase for most families. In my opinion, if tuition at our public universities is allowed to grow by double digits, as some have proposed, Florida's low- and middle-income families will be priced right out of going to college.

Higher education leads to higher paying jobs, decreases dependence on social programs and reduces demand on public revenue. Studies even show that college graduates are healthier, are twice as likely to volunteer, and their children display higher levels of school readiness.<sup>2</sup>

Whatever the outcome of the debate, it is my belief that we must stay focused on the most important issue: Keeping college affordable for all Florida families. It should be simple for anyone to recognize that in order for college to be accessible, it must first be affordable.



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<sup>1</sup> OPPAGA, an office of the Florida Legislature, *Florida Universities' Tuition and Fees Slightly Below Peers, But All Costs Consume a Higher Percentage of Family Median Income*, February 2004.

<sup>2</sup> The College Board, *Education Pays The Benefits of Higher Education for Individuals and Society*, 2004.



# One Million Congratulations

"The 1 millionth recipient has goals similar to that of the first: prepare for the future with a solid education at one of Florida's outstanding institutions."

- **Florida Attorney General Charlie Crist**

"I sponsored the Florida Prepaid bill in the Florida House of Representatives to provide families with the opportunity to send their children and grandchildren to college. I took advantage of the program for my two children and now, years later, my daughter is getting ready to reap the benefits."

- **Orange County Mayor Richard Crotty**  
Sponsored the legislation creating the program while serving in the Florida House of Representatives in 1987.

"The positive impact of this program will be felt for decades to come as thousands of Florida Prepaid College Plan graduates annually enter the workforce and help our state's communities, businesses and economy prosper."

- **Florida Chief Financial Officer Tom Gallagher**

"I have never been more proud of Florida Prepaid and never did I expect it to be such a resounding success when I introduced it as a member of the Florida Senate. Indeed, today we have 1 million reasons to celebrate!"

- **United States Congresswoman Ileana Ros-Lehtinen**  
Sponsored the legislation creating the program while serving in the Florida Senate in 1987.

# Remembering Our Fallen Heroes

The Florida Prepaid College Foundation honors Florida's military heroes who have died while serving in Iraq and in Afghanistan by providing Florida Prepaid scholarships to their children.

Since the Florida Fallen Hero Scholarship Program was created in June 2003, the Foundation has committed to provide scholarships for 44 children of 21 fallen soldiers from Florida.

**"These scholarships are a tribute to the personal sacrifices that all of our military men and women, their families and their children have made for our freedom."**

**- Chairman Tate**

Each child receives a Florida Prepaid four-year university tuition plan, local fee plan and one-year dormitory plan. The Foundation underwrites the full cost of the scholarships with contributions from businesses, community groups and individuals.

"While the loss is great, it is our hope that these scholarships give the families of Florida's fallen heroes the comfort in knowing their children's education is secure and their futures are bright," said Chairman Tate.

The Florida Prepaid College Foundation is the charitable direct support organization for the Florida Prepaid College Board. Since its inception in 1990, the Foundation has provided close to 20,000 scholarships statewide to low-income children and other Florida children in need.

**The Foundation has pledged to continue the Florida Fallen Hero Scholarship Program until the last soldier returns home. If you want to help, contributions are tax-deductible and may be made payable to:**

**Florida Prepaid College Foundation  
P.O. Box 1117  
Tallahassee, FL 32302**



Florida Senator Ken Pruitt sits with the families of **U.S. Navy Petty Officer Ronald Ginther** (Auburndale, Florida) and **U.S. Army Captain Daniel Eggers** (Cape Coral, Florida), including Petty Officer Ginther's son Justin Sheppard, daughter Alayna Ginther and wife Donna Ginther, and Captain Egger's mother and father, Margaret and William Eggers, who accepted Florida Prepaid scholarships on behalf of their son's children, John and William Eggers.



Nancy Weaver, the wife of **U.S. Navy CWO Aaron Weaver** (Crystal River, Florida), accepts Florida Prepaid scholarships for their daughter Savannah Weaver and son Austin Barker.



Florida Chief Financial Officer Tom Gallagher, Florida Prepaid College Board Member Mike Agganis and Florida Attorney General Charlie Crist honor Florida's fallen heroes.



Chairman Tate presents Cheryl Shanaberger, the mother of **U.S. Army Staff Sgt. Wentz Shanaberger III** (Naples, Florida), with Florida Prepaid scholarships on behalf of Staff Sgt. Wentz's five children: Jesse, Wentz Jr., Audrey, Jack and Grace Shanaberger.



Florida Governor Jeb Bush with Karen and Brandi Anderson, the wife and the daughter of **U.S. Navy Petty Officer Michael Anderson** (Daytona Beach, Florida).

## Using Your Florida Prepaid

For Florida Prepaid students who are college bound in 2005, here are some tips on using your plan:

**ID Card** – You will receive a Florida Prepaid Student Identification Card this month, as long as your account is current and we have your social security number on file. You will need this card as proof of payment when registering for your classes.

**Florida Public Colleges** – If you are going to a public university or community college in Florida, you do not have to tell us which college you will attend. The college will bill us directly, and we will pay that college directly for the fees covered by your plan.

**Out-Of-State and Private Colleges** – If you are going out of state or to a private Florida college for the first time, the account owner must complete a Transfer Form: [www.florida529plans.com/prepaidplan](http://www.florida529plans.com/prepaidplan), Account Service Forms.

**Summer School** – If you are scheduled to start college for the first time in fall 2005, you may use your tuition plan and local fee plan early, in summer 2005, as long as your account is current and we have your social security number on file. The dormitory plan, however, *cannot* be used in the summer.

**Scholarships** – If you have a scholarship, like Florida Bright Futures, you can also use your Florida Prepaid College Plan. The college will bill us directly for the fees covered by your plan, apply the scholarship toward any other fees you may owe, and refund any remaining scholarship money directly to the student. For scholarships that are restricted to the payment of tuition, the account owner may request a scholarship refund by completing a Scholarship Refund Form: [www.florida529plans.com/prepaidplan](http://www.florida529plans.com/prepaidplan), Account Service Forms.

## PRIVACY POLICY

Protecting your personal information is important to the Florida Prepaid College Board. We respect your right to privacy and recognize your trust in us to keep information about you secure and confidential.

The Board collects personal information about our customers (account owners, survivors and beneficiaries) from the enrollment application, correspondence, account transactions and other forms of communication. In compliance with federal regulations, the Board has physical, electronic and procedural safeguards in place to protect this information.

The Board does not disclose any non-public personal information about current or former customers, except as required by the law. We may share some personal information about our customers with companies that provide services for the Board. These companies are required to adhere to our privacy and security standards, and their use of the information is restricted only to the information needed to provide program-related services to you.

The Board reserves the right to modify its privacy policy at any time. If modified, we will notify you of the change and, as applicable, allow you time to choose whether you want the information shared.

## COLLEGE BOUND

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## Add To Your College Savings

You've taken an important first step in making college more affordable. But your Florida Prepaid College Plan, alone, is not enough.

With our new 529 Florida College Investment Plan, you can start saving for your other qualified college expenses including books, the computer your child will need, housing, food and even graduate school.

The Florida College Investment Plan offers five customized investment options. You can choose one or any combination of the options that best fit your college savings goals.

With the Florida College Investment Plan, there are no required monthly payments, so you decide how much and how often you want to put money into the plan.

You can sign up anytime online. Visit [www.florida529plans.com/investmentplan](http://www.florida529plans.com/investmentplan) or call 1-800-552-GRAD (4723) and press *prompt 3* for an Enrollment Kit.

**How To Compare? When comparing 529 plans, the experts agree you should always consider the plan offered by your home state first. The experts also recommend that you compare fees, investment options, the management and investment performance. The first full two years of investment returns for the Florida College Investment Plan are now available online at [www.florida529plans.com/investmentplan](http://www.florida529plans.com/investmentplan), Performance.**

The Florida College Investment Plan is not a prepaid plan. Investments in the plan are not insured or guaranteed, and you could lose all or a portion of your investment. Participation in the plan will be sold only by means of a Disclosure Statement and Participation Agreement. A copy of each will be sent to you upon request; you should read them before investing. Nothing in this publication should be construed as financial, investment, legal or tax advice. Consult your own advisors before investing.