



THE ABC'S OF FLORIDA PREPAID COLLEGE PLANS

Mission Statement: The Florida Prepaid College Board is committed to helping Floridians save for future qualified higher education expenses by providing cost effective, financially sound Prepaid College Plan and other college savings programs.

A. FLORIDA'S COLLEGE SAVINGS PLANS: Families are offered two ways to save for their children and grandchildren's college education: Florida Prepaid College Plans and the Florida College Investment Plan. Both plans are authorized by Section 529 of the Internal Revenue Code, so earnings on withdrawals for qualified college expenses are tax-free.

- With Florida Prepaid College Plans, families can prepay the cost of tuition, the tuition differential fee, local fees, and dormitory housing for use at Florida's 11 public universities and 28 community colleges, including the nine colleges that grant baccalaureate degrees. The plan's value may be transferred to most private or out-of-state colleges and all accredited vocational and technical schools.

The Florida Prepaid College Plan is financially guaranteed by the State of Florida, Section 1009.98(7), Florida Statutes.

- With a Florida College Investment Plan, families can choose from five customized investment options. They may start with a minimum contribution of \$25 a month or \$250, and then decide how much and how often to save for college. The Florida College Investment Plan* can be used at colleges throughout the United States to pay for tuition, fees, housing, food, books, supplies, computers and even graduate or professional school.

B. FLORIDA'S COLLEGE SAVING SUCCESS: Thousands of Florida families over the past 21 years have saved for their children's and grandchildren's college education with the Florida Prepaid College Plans.

- More than 925,000 children have been enrolled in Florida Prepaid College Plans.
- One out of 10 Florida children from newborns to high school students has a Florida Prepaid College Plan.
- An entire generation of Florida Prepaid College Plans students have gone to college, including more than 249,000 students who have used their benefits since 1988, and nearly 89,300 students attending college as of fall 2008.
- About 19 percent of students pursuing undergraduate degrees at Florida's public universities have Florida Prepaid College Plans.
- The Florida Prepaid College Plans are the largest and most successful prepaid college plan in the nation. Created by the 1987 Legislature, the Florida

Prepaid College Plan was first sold in 1988. It was designated as "The Stanley G. Tate Florida Prepaid College Program" in 2006 to honor its founding Chairman and longtime proponent.

- Families have purchased almost 1.4 million Florida Prepaid College Plans covering tuition, local fees, dormitory housing and the new tuition differential fee.
- The Florida College Investment Plan was created in 2002 in order to provide families with more options to save for their children's college years.

Almost all who have signed up for the Florida College Investment Plan also have Florida Prepaid College Plans. The Florida College Investment Plan is a tax-free way to save for qualified college expenses that may not be covered by a prepaid plan, such as textbooks, computers and other technologies.

C. FLORIDA PREPAID'S FINANCIAL STRENGTH: The Fund remains financially strong, with total assets exceeding total liabilities by \$422 million, as of June 30, 2009.

- The Florida Prepaid College Board is a State of Florida agency. The Board that establishes policy and monitors performance for the Florida Prepaid College Plan and Florida College Investment Plan includes three members appointed by the Governor, the Chief Financial Officer, the Attorney General of Florida, the Chancellor of the Board of Governors and the Chancellor of the Division of Community Colleges, or their designees.
- The Board's priority is the safety and soundness of the Florida Prepaid College Trust Fund. Its conservative investment strategy has protected the fund from the recent negative shifts in the stock market.
- \$58.6 million from the Florida Prepaid College Trust Fund was paid to the state's public universities and community colleges for students enrolled in fall semester 2008.
- No taxpayer money is used to operate Florida Prepaid College Plans.

WEB SITE: www.myfloridaprepaid.com

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**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 upon request. Read them before investing. Nothing within this document should be construed as financial, investment, legal or tax advice. Consult your own advisors before investing.