

## FLORIDA COLLEGE SAVINGS PLANS FACT SHEET

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.

"As a college education is becoming more and more important for our children to succeed, it is even more true today that education is the foundation for the future."

- Chairman Duane Ottenstroer

**Florida's College Savings Options:** Families are offered two ways to save for their children and grandchildren's college education: The **Florida Prepaid College Plan** 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 a Florida Prepaid College Plan, families can prepay the cost of tuition, required fees and dormitory housing at Florida's 11 state universities and 28 Florida Colleges (formerly known as community colleges). The plan's value may be transferred to the majority of private colleges in Florida, technical schools and out-of-state colleges. 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 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 and computers required by the college or university, and even graduate or professional school.

**Florida Prepaid College Plan:** Beginning this open enrollment, families have the choice of the following Florida Prepaid College Plans:

- The **2-Year Florida College Plan** (formerly Community College Plan) consists of 60 lower division hours of tuition, registration fees and local fees at a Florida College. This plan allows students to earn an associate's degree or learn a trade to quickly launch their careers.
- Florida's 28 Colleges are expanding to reflect a broader mission and many now offer workforce-related bachelor's degrees in areas such as teaching and nursing. Reflecting this expansion and the demand for these degrees and others, we are introducing a new plan. The **4-Year Florida College Plan** prepays the tuition, registration fees and local fees for 60 lower division as well as 60 upper division hours at a Florida College.
- To help manage costs, many students start their education with two years at a Florida College, (formerly known as a community college) before finishing at a university. The **2+2 Florida Plan** provides 60 lower division semester hours of tuition, registration fees and local fees at a Florida College and 60 undergraduate semester hours of tuition, registration fees, tuition differential fee and local fees at a Florida state university.
- The **4-Year Florida University Plan** prepays tuition, registration fees, the tuition differential fee and local fees for 120 semester hours at any of the 11 state universities in Florida.

**Florida College Investment Plan:** Families are able to save tax-exempt for college at their own rate with a flexible investment plan.

- For other qualified higher education expenses, such as off-campus housing, food, textbooks and computers required by the college or university, and graduate school, that are not covered by a Florida Prepaid College Plan, many people use money saved in the Florida College Investment Plan.
- The Florida College Investment Plan also can be used to cover tuition, tuition differential fee, local fees and dormitory housing.
- With a \$25 a month automatic bank withdrawal or a single \$250 contribution, families can start a Florida College Investment Plan account. Families then decide how much and how often to increase their college savings, whether the goal is to pay for enrollment at a college, a four-year university or medical school. Different accounts may be opened for the same child.
- Families can choose from the five different investment options available through the Florida College Investment Plan. Families may select one or a combination of investment options, and each option varies in strategy and level of risk.

**Florida's College Savings Quick Facts:**

- The Florida Prepaid College Plan is the largest and longest continuous operating prepaid college plan in the nation.
- Thousands of Florida families over the past 23 years have saved for their children's and grandchildren's college education with the Florida Prepaid College Plan.
- More than 970,000 children have been enrolled in the Florida Prepaid College Plan.
- Nearly one out of 10 Florida children from newborns to high school students has a Florida Prepaid Plan.
- An entire generation of Florida Prepaid College Plan students have gone to college, including more than 297,000 students who have used their benefits since 1988, and nearly 102,200 students attending college as of fall 2010.
- About 19 percent of students pursuing undergraduate degrees at Florida's public universities have a Florida Prepaid College Plan.
- Families have purchased more than 1.4 million Florida Prepaid College Plans covering tuition, local fees, dormitory housing and the 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.
- There is no age limit for a Florida College Investment Plan beneficiary. Money can be added or withdrawn tax-free from the account at any time for qualified higher education expenses. However, withdrawals from a Florida College Investment Plan account must be used for qualified higher expenses to remain tax-free.
- Enrollment for the Florida College Investment Plan is available at any time during the year.
- As of June 30, 2011 there were 32,358 active accounts in the Florida College Investment Plan.
- The Florida Prepaid College Trust Fund has total assets of \$10.5 billion, as of June 30, 2011.
- \$97.2 million from the Florida Prepaid College Trust Fund was paid to the state's public universities and colleges in Florida for students enrolled in fall semester 2010.

**About the Board:** 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 of the State University System of Florida 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 volatility in the stock market.
- No taxpayer money is used to operate the Florida Prepaid College Plan or the Florida College Investment Plan.
- Created by the 1987 Legislature, the Florida Prepaid College Plan was first offered in 1988. It was designated as "The Stanley G. Tate Florida Prepaid College Program" in 2006 to honor its founding Chairman and longtime proponent.

**[www.myfloridaprepaid.com](http://www.myfloridaprepaid.com)**

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\* The Florida Prepaid College Board does not provide tax or investment advice regarding its Prepaid College Plan or its College Investment Plan. The Florida Prepaid College Plan may not cover certain imposed fees by state universities and state colleges. The Florida College Investment Plan is subject to market conditions.

Please carefully review the Disclosure Statement and Participation Agreement and consult with your advisor(s) about risks before investing in your child's education.