
FREQUENTLY ASKED QUESTIONS

Family Empowerment Scholarship Program

Saving for college using Family Empowerment Scholarship funds? Below, we have provided specific information about contributing to a Prepaid 529 Plan or Investment 529 Plan (together, a college savings plan). For more information about your college savings options, please visit myfloridaprepaid.com.

I want to contribute Family Empowerment Scholarship funds to a college savings plan. Where do I start?

If you do not already have a Prepaid 529 Plan or Investment 529 Plan, you will need to open one. Please visit myfloridaprepaid.com for more information.

Prepaid 529 Plan: If you open a Prepaid 529 Plan, there are no additional steps necessary to make the plan eligible for scholarship funds. A Prepaid 529 Plan may contain private funds, scholarship funds, or both. We track the funds by source.

Investment 529 Plan: If you open an Investment 529 Plan, make sure to set up the account as a Family Empowerment Scholarship (select this Account Type in Step 1 of your enrollment application) and please do not make a contribution of private funds to this account. This will allow us to properly track scholarship funds.

How do I contribute Family Empowerment Scholarship funds to a college savings plan?

We recommend that you ask your scholarship funding organization to make a direct contribution from your Family Empowerment Scholarship to your college savings plan. Make sure to provide your college savings plan number to the scholarship funding organization administering your scholarship. In addition, your scholarship funding organization may allow you to make contributions and then provide reimbursement. Contact your scholarship funding organization for more information.

Can I contribute my own money to a college savings plan that has received Family Empowerment Scholarship funds?

Prepaid 529 Plan: Yes. A Prepaid 529 Plan can receive private funds, scholarship funds, or both. We track the funds by source.

Investment 529 Plan: No. We keep scholarship funds in a separate account from private funds. If you would like to contribute private funds to an Investment 529 Plan, please make sure that you have opened a separate account. All money contributed to an Investment 529 Plan that contains Family Empowerment Scholarship funds will be considered scholarship funds.

My student has a college savings plan that was opened by another family member. Can I contribute Family Empowerment Scholarship funds to that plan?

Yes. Family Empowerment Scholarship funds may be contributed to a college savings plan – even if the parent is not the Account Owner. The same rights and restrictions for the scholarship funds will apply.

Are there specific rights and restrictions for Family Empowerment Scholarship funds contributed to a college savings plan?

Pursuant to state law, when a college savings plan contains Family Empowerment Scholarship funds:

- (1)** An Account Owner cannot change the Beneficiary.
 - (2)** Private funds are to be used for plan expenditures before scholarship funds.
 - (3)** Under certain conditions, scholarship funds may be removed from a college savings plan and returned to the State of Florida or a scholarship funding organization. These conditions include, but are not limited to, termination of the scholarship or cancellation of the college savings plan.
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Can I use my college savings plan at a private or out-of-state school?

Prepaid 529 Plan: Yes. If your child chooses to attend a private or out-of-state school, we transfer an amount equal to what would be paid by your plan to a Florida school. If the amount transferred is less than the amount billed by the school, the student will be responsible for the difference. Please review the [Master Contract](#) for more information, including payment options.

Investment 529 Plan: Yes. Unless otherwise limited by your scholarship administrator, an Investment 529 Plan may be used for any Qualified Education Expense incurred by the Beneficiary, including expenses incurred out of state. Family Empowerment Scholarship funds must be payable to the student or to an institution of higher education and may not be withdrawn for non-qualified purposes. Please review the [Program Description and Participation Agreement](#) for more information.

If I need to use Family Empowerment Scholarship funds contributed to a college savings plan for another purpose, can I request a refund? Are there any tax or other penalties?

Prepaid 529 Plan: You may request that Family Empowerment Scholarship funds be refunded. Upon request, we will return the funds to the scholarship funding organization administering the Family Empowerment Scholarship for the student. The contribution amount will be returned without fee or penalty.

Investment 529 Plan: You may request that Family Empowerment Scholarship funds be refunded. However, there may be tax consequences on earnings. Upon request, we will return the funds to the scholarship funding organization administering the scholarship for the student. We recommend that you consult your tax adviser before removing funds.

What happens if I do not use all Family Empowerment Scholarship funds contributed to a college savings plan?

Any unused funds will be returned to the scholarship funding organization.

If you have any additional questions about Prepaid 529 or Investment 529 Plans, please contact Customer Service at 1-800-552-4723. For specific questions about the Family Empowerment Scholarship Program, please contact your scholarship funding organization.