



2018

# Annual Report

▶ *Starting is Believing*





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## ABOUT OUR FOUNDER, MR. STANLEY G. TATE

Mr. Stanley G. Tate was instrumental in the early development of the Florida Prepaid College Program. It was his vision to provide Florida families with an affordable means to save for their children's future college education. Mr. Tate served tirelessly as Board Chairman from 1987 to 2005. In recognition of Mr. Tate's service, Governor Jeb Bush signed House Bill 263 into law on June 26, 2006, renaming the program the Stanley G. Tate Florida Prepaid College Program.

### HIGHLIGHTS OF MR. TATE'S LEADERSHIP AND STEADFAST COMMITMENT TO HIS VISION INCLUDE:

- More than 58,000 tuition and dormitory contracts were sold in the first year.
- In 1990, the Florida Legislature created the Stanley Tate Project STARS scholarship program that is administered by the Stanley G. Tate Florida Prepaid College Foundation. Project STARS provides low-income students at risk of dropping out of school with the opportunity for a college education.
- In 1994, investments in the Florida Prepaid College Plan topped \$1 billion.
- In 1998, a new supplemental Prepaid Plan covering mandatory college fees, known as local fees, was introduced to complement existing Prepaid Tuition Plans. Nearly 20,000 customers purchased the new plan in the first year.
- In 2002, under Mr. Tate's leadership, the Board created the Florida 529 Savings Plan to provide families another way to save for college tuition, fees, housing and other college expenses. Prepaid College Plan sales exceeded the half-million mark that year.
- With Mr. Tate's guidance, the Board helped champion the federal legislation that exempts earnings on qualified withdrawals from Florida Prepaid College and Florida 529 Savings Plans from federal income tax.
- Already the largest plan of its kind in the nation, the Prepaid College program set another record in 2005 with one million plans sold.
- At the Florida Cabinet meeting on November 8, 2005, Governor Bush and the Florida Cabinet issued a resolution recognizing Mr. Tate's exemplary record of professional and dedicated service to the families and children of the state of Florida.
- While Mr. Tate served as Chairman, the Board sold more than one million total contracts, and more than 142,000 children used their plan benefits to attend a college or university. In addition, the Florida Prepaid College Foundation Board awarded more than 21,000 tuition and local fee scholarships. Of these, 15,472 were awarded to Stanley Tate Project STARS students, helping Florida's children build a better future through a college education.



## CHAIRMAN'S MESSAGE



This is a historic year for the Florida Prepaid College Board, as we celebrate 30 years of helping more than 1.14 million Florida families save for college. Our mission has not wavered since 1988, when then-Governor Bob Martinez endorsed the new program by buying the first two plans for his twin granddaughters.

Today, we are the largest and longest-running prepaid tuition program in the nation, at a time when rising tuition costs and student loan debt make our cost-effective college savings programs for Florida families all the more important. The longevity of Florida Prepaid also has created a generational legacy that we are seeing play out in our 30th year, as former Prepaid Plan beneficiaries are having families and purchasing plans for their own children or grandchildren.

I am more proud than ever, therefore, to present the 2018 Florida Prepaid College Board Annual Report for the fiscal year ending June 30, 2018. Every Prepaid Plan helps families provide their children with the lasting gift of a college education. The Savings Plan also continues to grow, allowing families to save with one or both of the Plans, as best meets their budget and savings goals.

### PREPAID PLAN HIGHLIGHTS:

- More than 491,000 students have attended college using Prepaid Plans.
- More than 106,400 students attended college in the fall of 2017 using Prepaid Plans.
- Approximately 16,300 students are using the benefits of their Prepaid Plans at a private, out-of-state or technical school.

The Florida 529 Savings Plan, launched in 2002, also continues to grow – offering families another way to save for future higher education expenses.

### FLORIDA 529 SAVINGS PLAN HIGHLIGHTS:

- More than 72,000 active Florida 529 Savings accounts.
- Market value increased \$74.4 million (up 14.1%) from 2016/17 to 2017/18.
- More than 9,500 new accounts opened in 2017/18.

On average, students in Florida with debt leave college with more than \$24,000 in student loans. That debt can become a financial hindrance for years to come, preventing them from buying homes and making other investments that contribute to the economy. By helping more Florida families save for college, we are enhancing opportunities for future generations.

As we review successes from the past year, we continue our work to provide easy and affordable college savings plan options for families in Florida.

A handwritten signature in black ink, appearing to read "JDR", written over a light blue circular background.

John D. Rood

Chairman, Florida Prepaid College Board

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

## MISSION STATEMENT

## ABOUT THE FLORIDA PREPAID COLLEGE BOARD

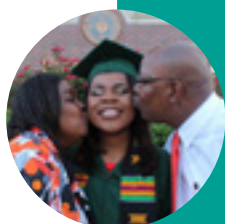
Since 1988, the Florida Prepaid College Board has provided families with the means to prepay the cost of college tuition, most required fees and dormitory housing for future use at any State University or Florida College through the Florida Prepaid College Plan. Florida Prepaid College Plans are guaranteed by the State of Florida.

In addition to the Florida Prepaid College Plan, the Board also offers the Florida 529 Savings Plan. The Florida 529 Savings Plan allows families to save at their own pace for the future cost of college education.

Both plans are sponsored by the State of Florida and administered by the Board. Section 529 of the Internal Revenue Code authorizes both Plans, so withdrawals for higher education expenses are tax-free.

The Florida Prepaid College Board is an agency of the State of Florida. The seven members who make up the Board are appointed and serve on a volunteer basis. They are responsible for establishing policy and monitoring performance for the Florida Prepaid College Plan and Florida 529 Savings Plan. The Executive Director and staff manage the day-to-day operations of the Board and its programs. The Board also oversees two direct-support organizations — The Florida Prepaid College Foundation and Florida ABLE Inc., d/b/a ABLE United.

The Board's first priority is always the safety of the money entrusted to it by Florida families. We are committed to helping Florida families save for one of the most important aspects in their children's lives – earning a college education.



"There is no better, safer and easier to understand and operate plan than a Florida Prepaid College Plan. When your child walks across that high school stage, you have the assurance of knowing their tuition is paid for. That's a big relief, especially knowing there will be other expenses."

- Tony Graham,  
father to Florida Prepaid beneficiary Tonette

## THE IMPORTANCE OF SAVING FOR HIGHER EDUCATION

For more than 30 years, the Florida Prepaid College Board has made a college education accessible for millions of Floridians. With our help, Florida families are able to plan for their children's and grandchildren's futures. Here are just a few reasons why saving for college now makes a big impact for generations to come:

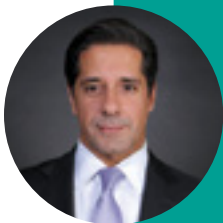
**Education Pays:** The average salary for a Florida graduate holding a bachelor's degree from a Florida College is \$52,768, compared to just \$23,920 for someone with a high school diploma, according to the Florida College System. And according to the U.S. Department of Education, college graduates on average earn \$1 million more over their lifetimes than high school graduates.

**Higher Employment:** A postsecondary degree or vocational training accelerates economic growth – for personal earnings as well as individuals' contribution to the local and state economy. Increasingly, the best jobs require education beyond high school. According to state projections, 65 percent of all jobs in Florida will require postsecondary education by 2020.

**Peace of Mind:** Knowing that your child will have something set aside can help you avoid the stress that others experience when high school graduation is looming. Moreover, having money saved for college can open the door to additional choices and opportunities for students considering where to pursue their degree.

**Avoiding Debt:** In Florida, the average debt load for those with college loans is approximately \$24,000, according to The Institute for College Access & Success. In the United States, student loans are the second largest source of debt behind home mortgages. The latest government figures show that this debt affects some 44.5 million Americans, for a total of more than \$1.5 trillion. This financial burden can delay or prevent a college graduate from buying a home, starting a family, and building career wealth and retirement savings. By starting a college savings fund now, you can help your child avoid being part of this growing statistic.

**Time:** The earlier you start saving, the more time you have to spread your payments and lower the monthly contribution needed to reach your savings goals.



"Fortunately, programs such as the Florida Prepaid College Plan make it possible for more Florida students to afford a college education. Florida Prepaid College Savings Plans are making the dream of a college education a reality for countless families."

- Alberto M. Carvalho,  
Superintendent Miami-Dade County Public Schools

## WHAT FLORIDA LEADERS ARE SAYING

*"As the sponsor of the legislation that created the Florida Prepaid College Program, I'm so proud that thousands of Floridians have sent their children to college for 30 years using this method. As a former Florida certified teacher, I know that a college education is the key to a successful career. I'm certain that the Florida Prepaid College Program will continue to ensure that generations of Floridians can obtain a quality education at an affordable price."*

**- REP. ILLEANA ROS-LEHTINEN**

*As superintendent, I have seen first-hand the value of the Florida Prepaid College Program. Florida Prepaid makes the goal of higher education attainable for so many of our students and their families in Pinellas. This program is opening doors, changing lives and helping to ensure that Florida has a highly skilled and educated workforce.*

**- DR. GREGO, SUPERINTENDENT PINELLAS COUNTY SCHOOLS**

*"I felt strongly that working-class families should have an opportunity to have their children go to college and that they would be able to afford it. So, that's the value of prepaid tuition. You don't have to wait until 18. You can start immediately to secure your children's future. I can't think of a better gift for life than being able to say, I'm prepared for my future because I got my education."*

**- FORMER GOV. BOB MARTINEZ**



# FLORIDA PREPAID COLLEGE PLANS

The Florida Prepaid College Board offers families an affordable and secure way to save for tuition, specified fees, and university dormitory housing at Florida's 12 State Universities and 28 Florida Colleges. The Florida Prepaid College Plan is guaranteed by the State of Florida<sup>§</sup>. If a child attends an out-of-state college or private college, the plan will pay the same amount as it would pay at a public college or university in Florida.

## INVESTMENTS

A conservative investment strategy is used for Prepaid Plans, with customer payments invested based on a Comprehensive Investment Plan, which is structured to ensure that the Board's obligations for tuition, the tuition differential fee, local fees and dormitory costs, as applicable, are met.

Fixed income investments include U.S. Treasuries, asset-backed securities and corporate bonds. Equity investments include large capitalization growth, large capitalization value, small capitalization core, mid capitalization core, international developed market and S&P 500 index stocks.

## 2017-2018 OPEN ENROLLMENT

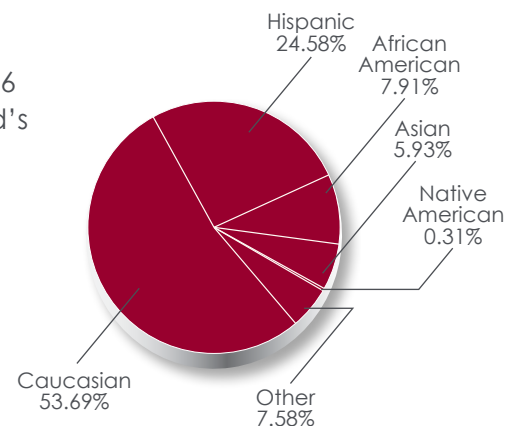
- Open Enrollment for the Florida Prepaid College Plan was October 15, 2017 through February 28, 2018.
- A total of 29,652 Prepaid Plans having a tuition component were purchased, 27,846 of which were for new student beneficiaries.
- In all, families purchased 36,062 plans – including Dormitory, Local Fee, and Tuition Differential Fee plans.
- With the close of the 2017-2018 enrollment period, the total number of children and students enrolled in the Florida Prepaid College Plan has grown to 1,147,486.

## DIVERSITY

We are pleased to report that minority participation continues to increase in the Florida Prepaid College Plan. Minorities represent 46 percent of the families enrolling in 2017-2018. Since Florida Prepaid's inception, 30 percent of Prepaid families have been minorities.

**Minorities represent 46% of the families**

## 2017-2018 ENROLLMENT



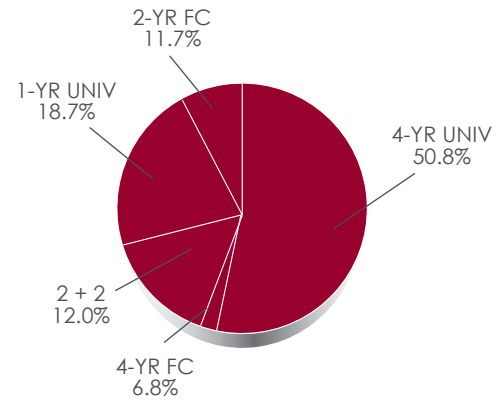


## PLAN OPTIONS FOR THE 2017-2018 ENROLLMENT PERIOD

For the 2017-2018 enrollment period, families were offered the choice of five Florida Prepaid College Plans with a tuition component: the 2-Year Florida College Plan, the 4-Year Florida College Plan, the 2 + 2 Florida Plan, the 1-Year Florida University Plan and the 4-Year Florida University Plan. These plans combined tuition, tuition differential fee and other specified fees.

Also, the Board offered plans such as the Tuition Differential Fee Plan and the Local Fee Plan to cover required fees to supplement previously purchased tuition only plans. In addition, the University Dormitory Plan was offered to new and previous purchasers of a 2 + 2 Florida Plan, a 1-Year Florida University Plan or a 4-Year Florida University Plan.

2017-2018 Prepaid Plans Sold



## Q&A

### *How popular are the Prepaid Plans?*

The 2-Year Florida College Plan was the choice of 11.7 percent of families in 2017-2018. Another 6.8 percent purchased the 4-Year Florida College Plan. The 2 + 2 Florida Plan garnered 12 percent of Prepaid Plan sales, and the 1-Year Florida University Plan accounted for 18.7 percent of plan sales. The most popular plan is still the 4-Year University Plan, purchased by another 50.8 percent of families.

### *What is the most popular way to pay for a Prepaid Plan?*

There are three different payment options to choose from when purchasing a Prepaid Plan. The choice for 73.4 percent of families is to make monthly payments until the child is expected to enroll in college. Another 10.3 percent selected monthly payments over five years and 16.3 percent of families made a single lump-sum payment.

### *Who is most likely to buy a Florida Prepaid College Plan?*

Parents remain the most frequent purchasers of our Prepaid Plans overall, as has been the case since the plans were first offered in 1988. Overall, parents comprised 84.9 percent of the purchasers in 2017-2018, with grandparents purchasing another 11.8 percent and the remaining 3.3 percent bought by relatives and others.

# EVERY COUNTY IN FLORIDA HAS CHILDREN WITH A FLORIDA PREPAID COLLEGE PLAN

## CUSTOMERS BY COUNTY - CUMULATIVE

North Florida: 15.1%		Central Florida: 34.6%		South Florida: 50.3%	
<b>Alachua</b>	<b>13,533</b>	<b>Brevard</b>	<b>30,553</b>	<b>Broward</b>	<b>148,658</b>
Baker	714	Citrus	4,809	Charlotte	4,616
Bay	5,393	Hernando	5,959	Collier	12,833
Bradford	662	<b>Hillsborough</b>	<b>77,006</b>	Desoto	575
Calhoun	324	Indian River	6,678	Glades	113
<b>Clay</b>	<b>10,437</b>	Lake	12,352	Hardee	593
Columbia	1,895	Levy	1,091	Hendry	847
Dixie	216	Marion	10,504	Highlands	2,836
<b>Duval</b>	<b>38,748</b>	<b>Orange</b>	<b>53,529</b>	<b>Lee</b>	<b>22,835</b>
Escambia	8,081	Osceola	6,825	Manatee	13,687
Flagler	3,289	Pasco	22,868	Martin	11,624
Franklin	226	<b>Pinellas</b>	<b>55,665</b>	<b>Miami-Dade</b>	<b>167,183</b>
Gadsden	1,476	Polk	19,354	Monroe	4,795
Gilchrist	377	<b>Seminole</b>	<b>28,569</b>	Okeechobee	1,147
Gulf	376	Sumter	2,091	<b>Palm Beach</b>	<b>102,433</b>
Hamilton	188	Volusia	21,213	<b>Sarasota</b>	<b>15,563</b>
Holmes	269	<b>Grand Total</b>	<b>359,066</b>	St. Lucie	11,810
Jackson	1,444			<b>Grand Total</b>	<b>522,148</b>
Jefferson	736				
Lafayette	160				
<b>Leon</b>	<b>23,227</b>				
Liberty	320				
Madison	494				
Nassau	3,145				
Okaloosa	6,699				
Putnam	2,242				
Santa Rosa	6,302				
<b>St. Johns</b>	<b>19,399</b>				
Suwannee	1,096				
Taylor	568				
Union	377				
Wakulla	1,906				
Walton	1,495				
Washington	608				
<b>Grand Total</b>	<b>156,422</b>				

### Top 5 Counties

- 1 Miami-Dade
- 2 Broward
- 3 Palm Beach
- 4 Hillsborough
- 5 Pinellas

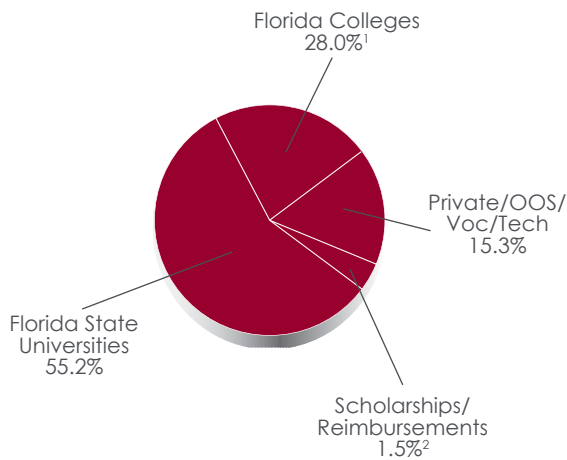
Note: This does not include recipients of Foundation scholarships or families who moved out of state.

## SENDING STUDENTS OFF TO COLLEGE

The opportunity for a child to go to college is enhanced when parents or grandparents save for college. One of the ways to ensure that opportunity is by saving with a Prepaid Plan. A Florida Prepaid College Plan allows families to prepay the future cost of college tuition, tuition differential fees and other specified fees at a State University or Florida College. Families can also prepay for university dormitory housing. If the student decides to go to a private or out-of-state college, the plan will pay the same amount as it would pay at a public college or university in Florida. Also, if a child receives a scholarship, the plan will refund the same amount as it would pay a public college or university.

During the 2017 fall semester, more than 106,400 students throughout the U.S. were using Florida Prepaid Plan benefits to pursue higher education. More than half of Prepaid Plan students, 58,679 of them, attended State Universities. Another 29,828 attended Florida Colleges and more than 16,300 attended private, out-of-state or technical schools.

### Prepaid Plan Usage - Fall 2017 Total: 106,424 Students



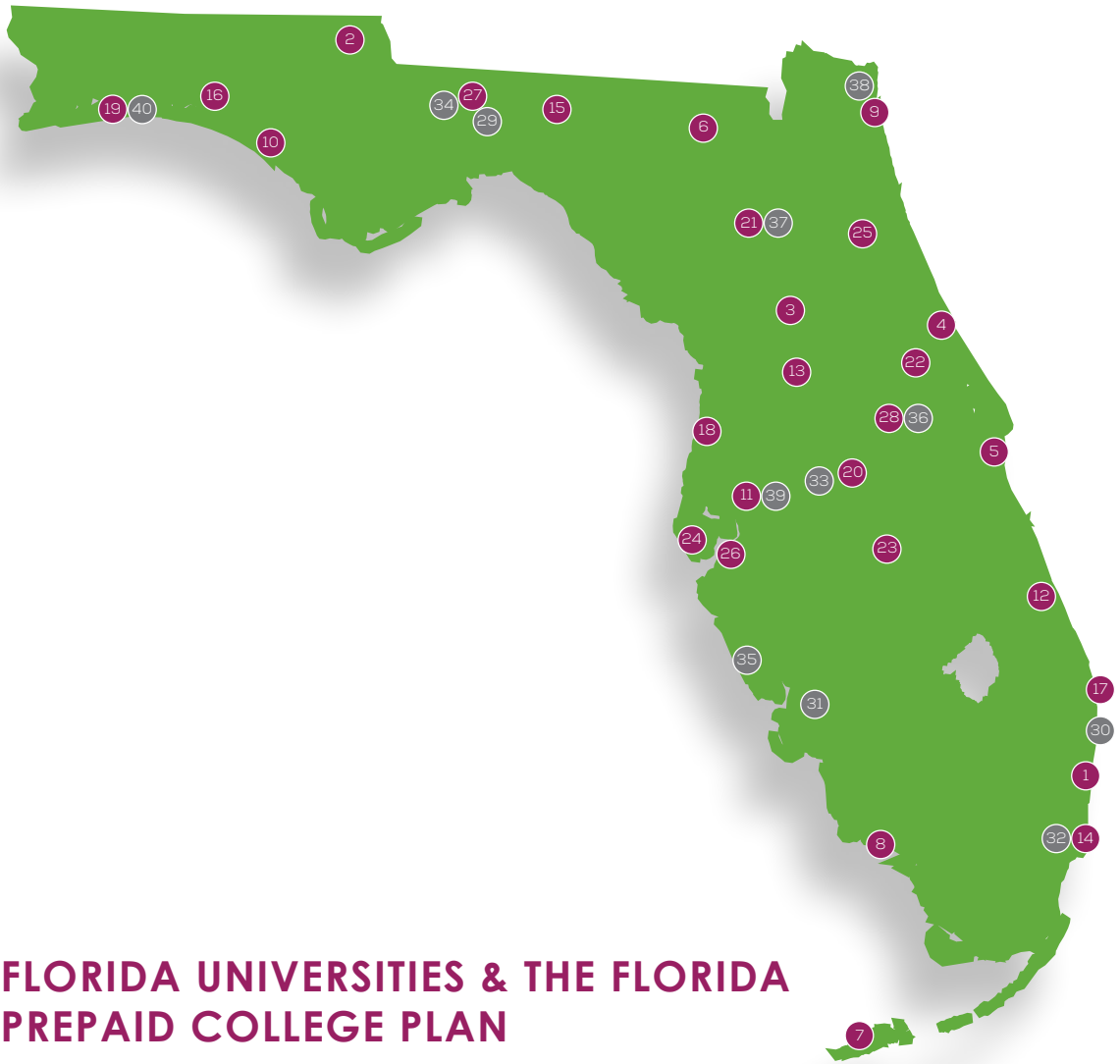
<sup>1</sup>Includes students taking upper division level classes at a Florida College.

<sup>2</sup>Includes scholarship refunds and qualified account owner reimbursements for enrolled students.

## FLORIDA COLLEGES & THE FLORIDA PREPAID COLLEGE PLAN

Payments to Florida Colleges: Institutions in the Florida College System received approximately \$27.9 million in Florida Prepaid College Plan tuition and fee payments for 29,828 students in Fall 2017.

	FLORIDA COLLEGES	STUDENTS WITH PREPAID PLANS	PLAN PAYMENTS TO COLLEGES (\$)
1	Broward College	2,694	\$2,522,235
2	Chipola College	84	\$91,176
3	College Of Central Florida	395	\$388,446
4	Daytona State College	707	\$663,572
5	Eastern Florida State College	937	\$877,090
6	Florida Gateway College	150	\$149,758
7	Florida Keys Community College	90	\$95,076
8	Florida Southwestern State College	1,012	\$1,002,366
9	Florida State College At Jacksonville	1,473	\$1,293,695
10	Gulf Coast State College	229	\$189,831
11	Hillsborough Community College	1,622	\$1,478,328
12	Indian River State College	1,000	\$925,592
13	Lake-Sumter State College	263	\$240,552
14	Miami-Dade College	3,418	\$3,511,490
15	North Florida Community College	67	\$61,460
16	Northwest Florida State College	190	\$198,885
17	Palm Beach State College	2,530	\$2,209,397
18	Pasco-Hernando State College	889	\$824,459
19	Pensacola State College	457	\$407,326
20	Polk State College	543	\$533,236
21	Santa Fe College	1,926	\$1,848,530
22	Seminole State College	1,177	\$1,091,555
23	South Florida State College	113	\$114,345
24	St. Petersburg College	377	\$352,298
25	St. Johns River State College	2,404	\$2,107,889
26	State College Of Florida, Manatee-Sarasota	638	\$589,609
27	Tallahassee Community College	1,789	\$1,852,826
28	Valencia College	2,654	\$2,283,034
	TOTAL	29,828	\$27,904,056



## FLORIDA UNIVERSITIES & THE FLORIDA PREPAID COLLEGE PLAN

Florida's public universities received approximately \$96.3 million in Florida Prepaid College Plan tuition and fee payments for 58,679 students in Fall 2017.

	STATE UNIVERSITIES	STUDENTS WITH PREPAID PLANS	PLAN PAYMENTS TO UNIVERSITY (\$)
29	Florida A & M University	635	\$1,140,648
30	Florida Atlantic University	4,194	\$6,517,092
31	Florida Gulf Coast University	3,062	\$5,171,032
32	Florida International University	6,019	\$9,103,959
33	Florida Polytechnic University	320	\$589,210
34	Florida State University	11,194	\$19,030,418
35	New College Of Florida	191	\$454,614
36	University Of Central Florida	10,843	\$17,062,464
37	University Of Florida	11,616	\$19,857,416
38	University Of North Florida	3,012	\$5,016,468
39	University Of South Florida	6,482	\$10,670,865
40	University Of West Florida	1,111	\$1,703,019
	TOTAL	58,679	\$96,317,205

## FLORIDA 529 SAVINGS PLAN

The Florida 529 Savings Plan allows families to save at their own pace for the future cost of a college education; there is no minimum monthly contribution. With 11 investment options, families can decide how they want to invest their funds.

Earnings on the investments are tax-free when used for any qualified higher education expense such as tuition, fees, room and board, books and even graduate or professional school. The Florida 529 Savings Plan can be used at almost any public or private university, community college or technical school anywhere in the United States. The Savings Plan can also be used by adults returning to college for graduate school or professional certification.

As of June 30, 2018, there were 72,063 active Florida 529 Savings Plan accounts. The total market value of the Florida 529 Savings Plan was \$602 million as of June 30, 2018, up \$74.4 million from the previous year. The average account balance was \$8,358.

Introduced in 2002, the Florida 529 Savings Plan is an alternative 529 plan to the Florida Prepaid College Plan. Families can participate in one or both plans, depending on what fits their budget and their college goals for their children. More than 43 percent of families with a Florida 529 Savings Plan also have a Florida Prepaid College Plan and 93 percent are Florida residents.

Unlike the Florida Prepaid College Plan, the Florida 529 Savings Plan is subject to market risk. There is no guarantee that the value of the investment will grow. The account owner could lose all or a portion of the money invested. Potential Account Owners must agree to the terms and conditions of the Florida 529 Savings Plan Program Description and Participation Agreement, which discloses the potential risk of an account.

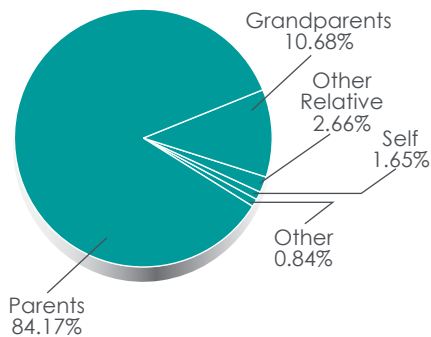
### LOW FEES

The Florida 529 Savings Plan charges no commission or sales fees. There is an annual administrative fee, which ranges from 0 basis points to 75 basis points (.0075) of the account balance.

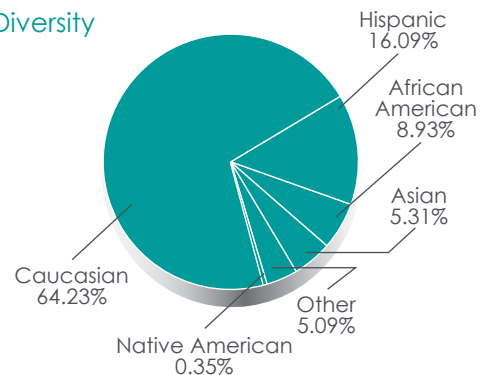
## SAVINGS PLAN DEMOGRAPHICS SINCE INCEPTION

Information is self-reported at the time of enrollment. Not all enrollees participated.

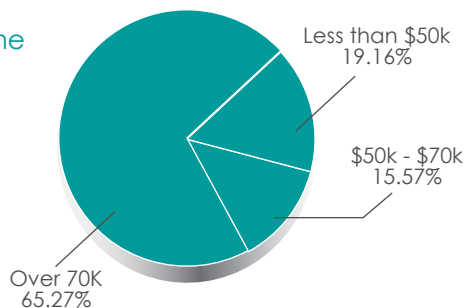
Account Owners



Diversity



Family Income



### Q&A I have a Florida Prepaid College Plan. Why should I sign up for the Florida 529 Savings Plan?

The Florida 529 Savings Plan offers a way to save for extra expenses not covered by a Florida Prepaid College Plan, including books, off-campus housing and the additional costs of most private and out-of-state colleges and graduate or professional schools.

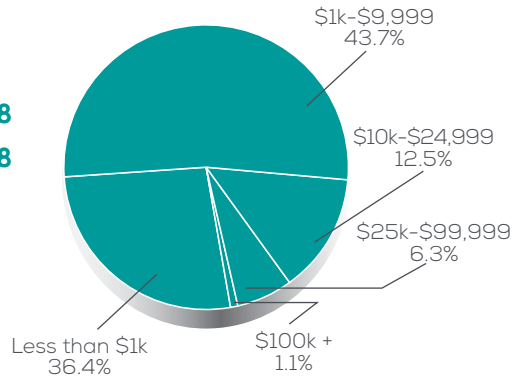
### Who can establish an account in the Florida 529 Savings Plan?

Anyone 18 years or older, including parents, grandparents, other relatives and friends, can open an account for a child. Individuals can even open an account to save for themselves to pursue a degree or certification to advance their career. The account owner and beneficiary (student) do not have to be Florida residents.

### What is the most popular investment option?

Many families choose the Age-Based/Years to Enrollment Portfolio, which automatically adjusts the level of investment risk to match the child's age, so the investment risk is higher when the child is young and the risk is lowered automatically as the child gets closer to enrolling in college.

**Customer Account Balances as of June 30, 2018**  
**Average Account Balance = \$8,358**



The account owner decides how much and how often to contribute, up to the current maximum account limit of \$418,000.

**FLORIDA 529 SAVINGS PLAN**  
**ANNUAL PERFORMANCE SUMMARY**

July 1, 2017 - June 30, 2018

<b>PORTFOLIO OPTIONS</b>	<b>GROSS INVESTMENT RETURNS</b>
Age 0 - 4 / 14 or More Years to Enrollment	12.87%
Age 5 - 8 / 10 -13 Years to Enrollment	9.63%
Age 9 - 12 / 6 - 9 Years to Enrollment	6.38%
Age 13 - 15 / 3 - 5 Years to Enrollment	3.13%
Age 16 & Above / 0 - 2 Years to Enrollment	-0.19%
Blended Equity Portfolio	12.86%
Balanced Portfolio	6.38%
<b>FUND OPTIONS</b>	
Money Market Fund	1.62%
Fixed Income Fund	-0.19%
Domestic Equity Index Fund	14.27%
Large Cap Growth Fund	23.98%
Large Cap Value Fund	9.33%
Mid Cap Fund	13.17%
Small Cap Fund	9.48%
International Developed Markets Fund	5.33%

The investment returns for the Investment Options are provided as general information only and are not intended to provide investment or other advice. Past performance is no guarantee of future performance.

The investment return shown for each Investment Option reflects the composite returns for the institutional portfolios comprising the Investment Options available to participants in the Florida 529 Savings Plan.

Please see the Disclosure Statement and Program Description & Participation Agreement for the Florida 529 Savings Plan at [myfloridaprepaid.com](http://myfloridaprepaid.com).

The assets of the Florida 529 Savings Plan are invested by BMO Global Asset Management, Columbia Threadneedle Investments, AllianceBernstein LP (AB), Fiduciary Management, Florida Prime, PanAgora, The Boston Co. and QMA in accordance with the Florida Prepaid College Board's Comprehensive Investment Plan.

Investment returns shown in the table above were calculated by Callan Associates Inc., the Board's investment consultant, by computing the percentage change in the trust unit value of each Investment Option. The unit values were provided to Callan for computing the investment returns. Initial funding for the Plan began in December 2002.



## FINANCIAL SUMMARY FOR THE FLORIDA PREPAID COLLEGE BOARD

The Financial Summary below provides an overview of the Board's financial activities for the fiscal year ended June 30, 2018. Please read this information in conjunction with the Board's financial statements which can be found on the Board's website at [myfloridaprepaid.com](http://myfloridaprepaid.com).

The Board's financial position is measured in terms of resources (assets) owned and obligations (liabilities) owed on a given date. The excess of assets over liabilities is equal to the net position. The Board's financial position, or net position, is one way to measure the Board's financial condition.

### Stanley G. Tate Florida Prepaid College Program

Financial Position  
Statements of Net Position  
(\$ in thousands)

June 30,	2018	2017	Change
<b>Assets</b>			
Restricted assets	\$15,788,022	\$15,602,138	1.19%
Total assets	15,788,022	15,602,138	1.19%
<b>Deferred Outflows of Resources</b>			
	1,249	962	29.83%
<b>Liabilities</b>			
Current liabilities	2,743,871	2,737,880	0.22%
Long-term liabilities	10,091,044	10,497,576	-3.87%
Total liabilities	12,834,915	13,235,456	-3.03%
<b>Deferred Inflows of Resources</b>			
	155	11	1318.09%
<b>Net position</b>			
Invested in capital assets	74	15	393.33%
Restricted	2,954,127	2,367,618	24.77%
Total net position	\$2,954,201	\$2,367,633	24.77%

# Stanley G. Tate Florida Prepaid College Plan

Statements of Revenues, Expenses and Changes in Net Position  
(\$ in thousands)

Years ended June 30,	2018	2017	Change
Operating revenues - non-actuarial	\$429,642	\$388,757	10.52%
Operating expenses - non-actuarial	(407,578)	(417,921)	-2.47%
Increase (decrease) in actuarial receivables	61,188	21,923	179.10%
Increase in actuarial liabilities	393,504	687,386	-42.75%
Net operating revenues	476,756	680,145	-29.90%
Non-operating revenues	145,778	47,307	208.15%
Non-operating expenses	(35,556)	(17,717)	100.69%
Net non-operating revenues	110,222	29,590	272.50%
Change in net position	586,978	709,735	-17.30%
Net position, beginning	2,367,634	1,657,899	42.81%
Implementation of GASB 75	(411)		
Net position, beginning, as restated	2,367,223	1,657,899	42.78%
Net position, ending	\$2,954,201	\$2,367,634	24.77%

# Florida 529 Savings Plan

## Financial Position

### Statements of Changes in Fiduciary Net Position (\$ in thousands)

Years ended June 30,	2018	2017	Change
<b>Assets</b>			
Restricted assets	\$629,493	\$571,449	10.16%
Total assets	629,493	571,449	10.16%
<b>Liabilities</b>			
Current liabilities	22,425	40,047	-44.00%
Long-term liabilities	46	25	84.00%
Total liabilities	22,471	40,072	-43.92%
<b>Net position</b>			
Held in trust for individuals	607,022	531,377	14.24%
Total net position	\$607,022	\$531,377	14.24%

### Statements of Changes in Fiduciary Net Position (\$ in thousands)

Years ended June 30,	2018	2017	Change
Additions	\$118,940	\$117,835	0.94%
Deductions	(43,295)	(37,995)	13.95%
Increase in net position	75,645	79,840	-5.25%
Net position, beginning	531,377	451,537	17.68%
Net position, ending	\$607,022	\$531,377	14.24%

## BOARD MEMBERS

The Florida Prepaid College Board is committed to helping Floridians save for future qualified higher education expenses by providing a cost-effective, financially sound Florida Prepaid College Plan and other college savings programs. The Board has seven members including three members appointed by the Governor, the Chief Financial Officer of Florida, the Attorney General of Florida, the Chancellor of the State University System of Florida and the Chancellor of the Division of Florida Colleges, or their designees. The Board manages the Florida Prepaid College Plan and the Florida 529 Savings Plan, which are tax-advantaged 529 plans authorized by Section 529 of the Internal Revenue Code. Board meetings are open to the public and held quarterly.

### IN MEMORY OF PHILIP MARSHALL

**Former Vice Chairman Philip Marshall died peacefully at home on December 8, 2018, surrounded by his family. We are honored to have worked with Philip for the many years he served as the Vice Chairman of the Prepaid College College Board. The Florida Prepaid College Board and the Florida Prepaid College Foundation honored Philip's memory by awarding a First Generation scholarship to his alma mater, the University of Florida.**



JOHN D. ROOD - CHAIRMAN

Ambassador John D. Rood was appointed to the Florida Prepaid College Board by Governor Rick Scott in June 2016 and has served as Chairman of the Board since December 2016. Mr. Rood is the founder and chairman of The Vestcor Companies. He served as United States Ambassador to the Commonwealth of the Bahamas from 2004 until 2007. Mr. Rood previously served as a member of the Florida Fish and Wildlife Conservation Commission and the Board of Governors of the State University System. He is on the Board of Trustees of Flagler College and previously served as a board member for Episcopal High School and Teach for America. Mr. Rood received his bachelor's degree from the University of Montana.



CHRIS KINSLEY - VICE CHAIRMAN

Chris Kinsley is the Finance and Facilities Assistant Vice Chancellor for the Florida Board of Governors and serves as staff director for the Board of Governors Facilities Committee. Mr. Kinsley is responsible for capital projects funding for the State University System of Florida. He has oversight for all Educational Plant Surveys; PECO funding; and System Shared Initiatives. Mr. Kinsley joined the Board of Governor's Office in 2006, and has over 20 years of state and local government experience in accounting, finance, capital financing and audit. He serves as Vice Chairman of the Florida Prepaid College Board and is the designee for the Chancellor of the State University System of Florida. Mr. Kinsley has a Master's in Accounting from Florida State University and is a licensed CPA.

This reflects active Board Members as of June 30, 2018.

## RADFORD LOVETT

Radford Lovett is managing director and co-founding partner of Lovett Miller & Co., a Florida-based venture capital and private equity firm that invests in privately held companies primarily in the Southeastern United States. Mr. Lovett has also served as founder, chairman and chief executive officer of two successful growth companies, TowerCom Development, LP, and TowerCom Limited. In addition, Mr. Lovett formerly served as a member of the board of trustees for the University of North Florida and also served as president of the foundation board and co-chairman of the University of North Florida's Capital Campaign. He is also a former chairman of the Youth Crisis Center and the Jacksonville Jaguars Honor Rows program. Mr. Lovett graduated from Harvard College and lives in Atlantic Beach, Florida.



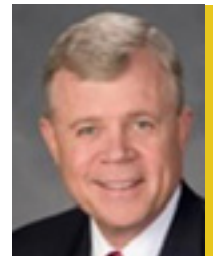
## MADELINE M. PUMARIEGA

Madeline M. Pumariega started as Chancellor of the Florida College System in September 2015. Prior to becoming Chancellor, Ms. Pumariega served as the President and Chief Executive Officer of Take Stock in Children, a statewide non-profit organization that aims to help at-risk youth break the cycle of poverty by completing college. Previously, Ms. Pumariega served as President of the Wolfson Campus at Miami Dade College. She was with Miami Dade College for more than a decade, serving in a number of leadership roles. Ms. Pumariega also serves on the board of City Year Miami and was a national Kellogg Fellow for the League for Innovation's Expanding Leadership Diversity in Community Colleges program. Ms. Pumariega is a doctoral candidate at Barry University and earned her Masters of Education from Florida Atlantic University and her Bachelor of Arts from St. Thomas University.



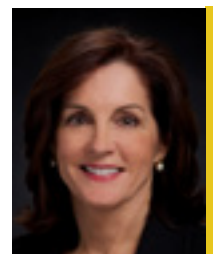
## JIM W. RASMUSSEN

James W. Rasmussen was appointed to the Florida Prepaid College Board in December 2015 by Governor Rick Scott. Mr. Rasmussen is the former Chairman, President and CEO of SunTrust Bank, South Florida. Mr. Rasmussen's career with SunTrust spanned 37 years. Mr. Rasmussen has been active in community and civic affairs, maintaining leadership positions throughout his career. He currently serves as a Director on the Advisory Board of SunTrust Bank, North Florida and mentors students at the Florida State University College of Business. Mr. Rasmussen graduated from Bradley University with a Bachelor of Science degree in accounting and earned his graduate degree from the Stonier Graduate School of Banking. Mr. Rasmussen is a graduate of Leadership Florida, Class XIII.



## ADRIA D. STARKEY

Adria D. Starkey was appointed to the Florida Prepaid College Board by Governor Rick Scott in December 2015. Ms. Starkey serves as the Collier County President for FineMark National Bank & Trust. Ms. Starkey has three decades of experience in financial services. Prior to joining FineMark, Ms. Starkey was Chief Operating Officer of The Sanibel Captiva Trust Company and President of The Naples Trust Company. She is currently on the Foundation Board for Healthcare Network of Southwest Florida, the Board of Directors for Gulfshore Playhouse and the Friends of Baker Park Board of Directors. She is currently a trustee of the Naples Children and Education Foundation. Ms. Starkey holds a degree in finance from the University of Florida and has done postgraduate work at Florida International University, University of Miami and the University of North Carolina.



## SERVICE PROVIDERS

The Board contracts with various companies for legal, financial, investment, customer service, marketing and other professional support. Our vendors include:

ALLIANCEBERNSTEIN LP (AB)  
Investment Management Services

BMO Global Asset Management  
Investment Management Services

CALLAN ASSOCIATES, INC.  
Investment Consulting Services

CARR, RIGGS & INGRAM, LLC  
Auditing and Accounting Services

COLUMBIA THREADNEEDLE  
INVESTMENTS.  
Investment Management Services

FIDUCIARY MANAGEMENT, INC.  
Investment Management Services

FLORIDA PRIME  
(Under a State Board of  
Administration contract)  
Investment Management Services

GRAY ROBINSON, P.A.  
Legal Services

INTUITION SYSTEMS, INC.  
Records Administration  
and Customer Service

MILLIMAN, INC.  
Actuarial Services

MOORE, INC.  
Integrated Communications

NEUBERGER BERMAN  
FIXED INCOME, LLC.  
Investment Management Services

NORTHERN TRUST INVESTMENTS, N.A.  
Investment Management Services

PANAGORA ASSET MANAGEMENT, INC.  
Investment Management Services

QUANTITATIVE MANAGEMENT ASSOCIATES, LLC  
Investment Management Services

ST. JOHN & PARTNERS  
Advertising, Digital and Social Media

STANDISH MELLON ASSET MANAGEMENT  
COMPANY, LLC  
Investment Management Services

THE BOSTON COMPANY  
ASSET MANAGEMENT, LLC  
Investment Management Services

THE NORTHERN TRUST COMPANY  
Trustee and Securities Lending Services

WELLS FARGO  
Banking Services



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

Unlike the Florida Prepaid College Plan, investments in the Florida 529 Savings Plan are not guaranteed and you could lose all or a portion of your investment. Nothing in this publication should be construed as financial, investment, legal or tax advice. Consult your own advisors before investing.

The Florida Prepaid College Board is the source of all information included in this Annual Report unless otherwise noted.

