



# Florida 529 Savings Plan Educator Toolkit

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

► *Starting is Believing*

# Letter from the Executive Director

---



Dear Superintendent,

On behalf of the Florida Prepaid College Board, we want to thank you for the work you do each day to prepare students for a better tomorrow. For school leaders in particular, 2020 was so challenging, and we know the second half of this school year will continue to present unprecedented circumstances for you and the district to navigate.

But it is also true that brighter days lie ahead. At Florida Prepaid, we often remind families that it is important to keep the long-term future and goals in mind when it comes to saving for college. This is more true than ever amid the pandemic. In fact, despite concerns about COVID-19 and distance learning, most parents agree that college is still worth the cost.

However, among those who are saving for college, many are not saving in the most affordable or financially beneficial way.

This is where we see an opportunity to work with you and your schools to educate families about saving affordably and tax-free with a Florida 529 Savings Plan, which allows families to save what they can when they can for college expenses including tuition, housing and books.

We are aligned in a shared commitment to developing future generations of talent who will continue to make our state shine. You and your teachers are preparing students academically for a postsecondary education and career. Our mission at Florida Prepaid, founded over three decades ago, is to prepare families financially for postsecondary education.

Over several years, as little as \$25 a month can grow exponentially, giving high school graduates a college savings fund that reduces the amount of student loan debt they have to take on. And research shows that having even a small amount saved for college makes a student more likely to attend and graduate from college. This is the power of college savings.

We hope you will use the enclosed toolkit of information to help us educate the families in your district about saving for college with a Florida 529 Savings Plan. Together, we can make a postsecondary education not just attainable for students – but affordable.

Sincerely,

Kevin Thompson

Executive Director, Florida Prepaid College Savings Plans

# Florida Prepaid College Program History



Everyone agrees that receiving a college education without incurring a substantial amount of student loan debt allows students to focus on building a better future for themselves and the State of Florida. But no one has put more effort into bringing this notion to life than Stanley G. Tate.

In 1987, Mr. Tate fought to put higher education within the reach of the average Florida family, and he chose the Florida Prepaid College Program as his way to accomplish that goal. He led the program as chairman of the Florida Prepaid College Board from 1987 to 2005, and then tirelessly championed the program.

In 2006, the Florida Legislature renamed the program “The Stanley G. Tate Florida Prepaid College Program” in recognition of the outstanding dedication and service of its founding chairman. The Florida Prepaid College Plan has grown to become the largest and longest continuously running prepaid plan in the nation, thanks to Mr. Tate’s exceptional vision and dedication to Florida’s future generations.

For more than thirty years, Florida Prepaid has helped more than one million families save for college. We offer two types of tax-advantaged 529 college savings plans that offer families an affordable means to save for their children’s future college education. The Florida 529 Savings Plan and a Florida Prepaid College Plan can be used together to cover all your child’s college expenses.

## College savings with tax advantages

	Prepaid Plans	Savings Plan
	Purchase a guaranteed plan with fixed payment options to lock in future college costs for less.	Invest for tomorrow’s education expenses, contributing what you can, when you can.
Guaranteed by the State of Florida	✓	—
Age requirement (newborn – 11th grade)	✓	—
Tax-free growth	✓	✓
Florida residency required for purchase	✓	✓
Use plan value nationwide	✓	✓
Gift contributions accepted	✓	✓
Transfer or cancel at any time	✓	✓
Use with scholarships	✓	✓

# Florida 529 Savings Plan Overview

---

**"Floridians now have access to a well-designed, low-cost college savings program."**

**– Morningstar, Inc.**

## Overview of Savings Plans

Our risk-free Prepaid Plans sometimes take the spotlight, but our 529 Savings Plan also shines!



### What?

A 529 Savings Plan is an investment account that provides a flexible and tax-free way to save for college and / or K-12 expenses. Investment earnings are not taxed as long as they are used for qualified education expenses, including tuition, fees, room, board, books and supplies.



### How?

Open your account for free. Choose your investment options. And start saving. It's that simple. You, as the account owner, maintain control of the funds and can withdraw them as needed. Open to Florida residents only. Investment returns will vary based on investment performance.



### Why?

More flexibility and control – this is savings your way. Choose a pre-designed portfolio or customize your investment options. Contribute what you can when you can. With extremely low fees and earnings that grow tax-free – your money works harder for you!



# Florida 529 Savings Plan Changes

We've made it our priority to ensure the Florida 529 Savings Plan is the best in the nation to help you meet your college savings goals. Last year we reduced fees by more than 70%, expanded our portfolio investment options and added well-known investment managers such as Vanguard.

The following additional enhancements have been recently made to ensure Florida families can continue to reach their higher education goals.

- **Addition of individual funds** - a total of eight new individual fund options, offered by well-known companies such as Vanguard and BlackRock, are now available for investors that prefer to customize their portfolio. The new choices include unique specialty options such as a Social Index Fund.
- **Enhancement of website experience** - new website design to better highlight available investment options and allow for easy comparisons.

To learn more about our new investment options and use our Savings Planning Tool, families can visit [www.myfloridaprepaid.com](http://www.myfloridaprepaid.com).



"Floridians now have access to a well-designed, low-cost college savings program." — Morningstar, Inc.

My child's age is:

-- Choose Your Child's Age --

My monthly contribution

\$ 100

Calculate Your Savings Plan

# Why Saving For College Matters

---



## Education Pays:

According to the [Federal Reserve Bank of New York](#), the median bachelor's degree holder earns **\$45,000** a year compared to **\$30,000** for someone with only a high school diploma. And according to a new report from the [College Board](#), [lifetime earnings](#) for college graduates with bachelor's degrees far exceed those with just a high school diploma. The estimated median lifetime earnings (in 2017 dollars) for a bachelor's degree recipient at age 64 was **more than \$1.2 million**. High school graduates earned far less — just **over \$800,000**.



## 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. According to the Southern Regional Education Board, [two out of every three jobs](#) will require some postsecondary education and training beyond high school.



## 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 the United States, student loans are the second largest source of debt behind home mortgages. The latest government figures show that this debt affects **more than 45 million** Americans, with total student loan debt of [more than \\$1.68 trillion](#), according to the Institute for College Access and Success. Florida residents are less likely than other states to have outstanding student loans but with a higher amount due, according to [EducationData.org](#).

In all, unpaid student loans in Florida total **\$94.3 billion**, and the average student loan debt is **\$39,700**. Eleven percent of Floridians, or **nearly 2.4 million** people, have student loan debt. 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.

# Promotional Materials

---

We know you communicate with parents in a number of ways and would appreciate your help to reach families about the importance of college savings. The following can be sent in an email to parents or adapted for other forms of communication that work best for your school.

## Email

Dear parents,

The thought of sending your children off to college one day might be the furthest thing from your mind, especially after such a challenging year. We want to make sure you know about an affordable, flexible option for college savings that has already helped about 100,000 families save for college.

Florida Prepaid offers a 529 Savings Plan, an investment account that provides a flexible and tax-free way to save for college and/or K-12 expenses. A Florida 529 Savings Plan lets you contribute what you can, when you can to meet your savings goals. How do you get started?

1. Open your account free at [www.myfloridaprepaid.com](http://www.myfloridaprepaid.com)
2. Choose a pre-designed investment portfolio or customize your investment options. It's that simple.
3. You, as the account owner, maintain control of the funds and can withdraw them as needed for qualified education expenses.

We encourage you to learn more about the college savings options available and start implementing your plan to reduce or avoid student loan debt for your children.

Saving for college can be simple, affordable and stress free at [myfloridaprepaid.com](http://myfloridaprepaid.com). Get started today and explore Florida's flexible Prepaid and Savings Plan options.

## Social Posts

The following sample social posts can be used by your communications team to promote college savings.

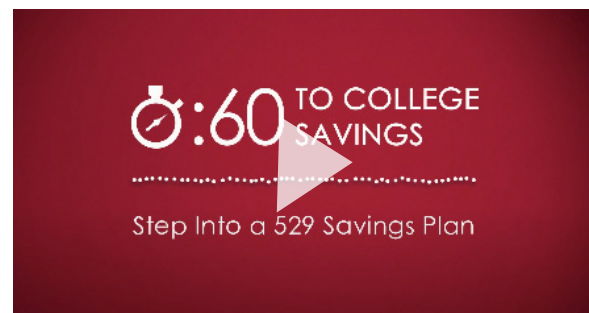
### Facebook/Instagram

With a new year comes a new opportunity to make saving for your child's future college education a priority. [insert County] County is proud to support the Florida 529 Savings Plan, which makes saving easy and flexible. You can contribute what you can, when you can. Just as little as \$25 a month invested over time can grow to thousands by the time they are ready for college. To learn more about how to get started with a flexible Florida 529 Savings Plan, visit [myfloridaprepaid.com](http://myfloridaprepaid.com)!

### Twitter

XXX County is proud to support easy and flexible Florida 529 Savings Plans to save for your child's future college education! As little as \$25 a month invested over time can grow to thousands by the time they are ready for college. See [myfloridaprepaid.com](http://myfloridaprepaid.com) for more info.

### Video



[https://www.youtube.com/watch?v=Tn\\_4iDX6TJI](https://www.youtube.com/watch?v=Tn_4iDX6TJI)

# FAQS



## Where can Savings Plans be used?

Florida 529 Savings Plans can be used at [most higher education institutions nationwide](#), as well as for qualified K-12 education expenses.



## What if my child receives a scholarship?

Great! You can use your Savings Plan to cover other college costs like housing, books, supplies or graduate school.



## How long can a Savings Plan be used?

There is no set time period for using your Florida 529 Savings Plan. Also, funds may be transferred to another member of the student's family.



## What if my child doesn't go to college?

You can close the Plan and withdraw the remaining balance or the Plan can be transferred to another family member.



## What if we move out of state?

Your Plan travels with you. The Florida 529 Savings Plan can be used at most colleges, universities, technical and trade schools and more.



## What if I already have a Prepaid Plan?

That's okay. You can use a 529 Savings Plan to cover costs not covered by your Prepaid Plan, like books and supplies or housing if you did not purchase a Prepaid Dormitory Plan.



## What types of expenses can my Savings Plan cover?

- Tuition and fees
- Housing and meal plans
- Books and supplies
- Computers and equipment



## Can I use funds for K-12 education?

Yes. Qualified expenses now include tuition and mandatory fees associated with enrollment or attendance at an elementary or secondary public, private, or religious school, up to \$10,000 annually.



## How Much Do Most Families Save?

Studies show that many families expect to pay about 40% out of pocket, with scholarships, grants and loans covering the remaining amount. In 2018-2019, the national average college cost for one year at a public university (including tuition, fees, room and board) was \$21,370. Learn more about how much you could save for college with our [Savings Planning Tool](#).



## Automatic Monthly Deposits Add Up

	5 YEARS	10 YEARS	15 YEARS	18 YEARS
\$25	\$1,700	\$3,882	\$6,682	\$8,730
\$50	\$3,400	\$7,764	\$13,364	\$17,460
\$100	\$6,801	\$15,528	\$26,729	\$34,920
\$250	\$17,002	\$38,821	\$66,822	\$87,301

Values based on regular monthly contributions, with an assumed 5% rate of return and no fees applied.



# Contact Us

---

For more information on how the Florida Prepaid College Board is committed to helping Floridians save for future qualified higher education expenses, visit [www.myfloridaprepaid.com](http://www.myfloridaprepaid.com).

If you would like to speak with the Florida Prepaid team about sharing the importance of saving for college or to request promotional materials, please contact Shannon Colavecchio at [shannonc@themooreagency.com](mailto:shannonc@themooreagency.com) or call 850-224-0174.

