





Preparing for
Future Education
Expenses

PA 529 College
and Career
Savings Program

The Value

people without a post primary education



\$25k

less per year in
income



\$721k

less in lifetime
income



1.9%

higher
unemployment rate



53%

Less likely to have
health insurance
through their
employer

Today's
education
landscape
continues
to change

MORE OPTIONS TO A
HIGHER EDUCATION



Agenda & Learning Objectives

- The growing concern around College and Post-secondary Education Affordability
- 529 at a Glance
- It's never too late to start saving



PA529

What is a
529?





- ✓ Use funds at any qualified educational institution, from K-12 to college to career training programs.
- ✓ Save toward tuition, room and board, books, and more.
- ✓ Easily contribute from your bank account or paycheck.
- ✓ Get special tax benefits available only with a PA 529 plan for education.

Federal law defines “qualified higher education expenses” as:

- ▶ Tuition, mandatory fees, room and board*, required books/supplies, equipment, including computers**, and costs for special needs.

Federal law also defines qualified institution as:

- ▶ A post-secondary school which is eligible to participate in federal financial aid programs (ie. has a FAFSA code).
- ▶ This includes public and private colleges and universities, many trade/career/technical schools, and many schools abroad.

For a complete list please visit the U.S. Dept. of Education Web site for Eligible Schools: <http://www.fafsa.ed.gov>

*For both on-campus and off-campus. To be a qualified student must be attending at least half-time

What is the PA 529 College and Career Savings Program ?



PA 529 Savings Program

- ▶ PA 529 Guaranteed Savings Plan (GSP)
- ▶ PA 529 Investment Plan (IP)
- ▶ Offered by the Commonwealth of PA
- ▶ Administered by the PA Treasury



PA 529 at a Glance

PA 529 Guaranteed Savings Plan



- ▶ Established in 1993 with PA state only benefits. In 1996, federal 529 law provided additional benefits.
- ▶ Growth tied to college tuition inflation.

PA 529 Investment Plan



- Established in 2002.
- Fund management with Vanguard
- Returns tied to financial markets.

PA529

The background is a dark blue gradient. It features several light blue circles of varying sizes. A small green rectangle is located in the top right corner. The text 'PA529.com' is centered in a bold yellow font, with a yellow underline.

PA529.com

Why you Need a Plan for Saving

- ▶ Affording college is a major financial concern of American families.¹
- ▶ Money is a major reason for NOT going to college.²
- ▶ Still, 9 in 10 parents expect their children to pursue higher education.²
- ▶ Kids with a dedicated savings account in their name are more likely to go to college.³
- ▶ More than 95% of jobs created during the recovery were filled by a person with at least some post-secondary education.⁴

Sources: ¹Gallup Poll - Economy and Personal Finance survey - April 2017 | ²Sallie Mae - How America Saves for College 2016 | ³The Role of Savings and Wealth in Reducing "Wilt" between Expectations and College Attendance | ⁴William Elliott III & Sondra Beverly |

PA529

Slide 12

DD6

Please review the Sallie Mae - How America Saves for College report to see if a more current version exists. The one noted is from 2016.
Dominick, David, 4/29/2020

DD7

Impacts footnote 2 used in bullet points 2-3
Dominick, David, 4/29/2020



KEYSTONE SCHOLARS IS A \$100 STARTER FUND FOR EVERY CHILD BORN IN PENNSYLVANIA AFTER 12/31/2018

CULTIVATES A FUTURE-FOCUSED IDENTITY IN THE CHILD

The logo for PA529 is a blue graduation cap with a tassel. The text "PA529" is written in a bold, blue, sans-serif font across the front of the cap.

PA529

Slide 13

DD9

Comment on slides 13-17 - Let's make sure there are uniform slides for all PA Treasury powerpoints.

Dominick, David, 4/29/2020



Late start and Non-Traditional Student

- Never too late
- No age limit to contribute or withdraw
- Easy contribution options including Ugift

PA 529 School Partner Program

DD15
GC6

KIDS GROW FAST
COLLEGE TUITION
GROWS FASTER



SCHOOL PARTNER
PROGRAM



The Pennsylvania 529 College Savings Program offers two great plans: the PA 529 Guaranteed Savings Plan (GSP), in which growth is tied to the rate of college tuition inflation, and the PA 529 Investment Plan (IP), which features 15 investment options provided by The Vanguard Group. Learn more at PA529.com.

Benefits Of Being a School Partner:

- Demonstrates Commitment – Boost earnings & education levels for future graduates
- FREE Resource for Schools – PA 529 provides all materials needed
- Expands College Preparation Information – Gives parents extra resources

FREE Enrollment

Save \$50! Provide a promo code for free PA 529 Guaranteed Savings Plan enrollment. There is no fee to enroll in the PA 529 Investment Plan.

Together We Succeed

Saving for college has become difficult for many families. As a school partner, you can offer parents important information about how they can make college possible for their loved ones.

What Does a School Partner Do?

A School Partner works with a Program Representative from the PA 529 College Savings Program to provide information to the families in your school district. Participation is completely optional.

Possible Activities Include:

- Sending brochures home with students
- Hosting a free PA 529 college savings workshop or webinar for your school
- Providing information for social media, your website, or newsletters
- Staffing a table at a regular school meeting, back-to-school night, or PTA/PTO event
- Providing a presentation or meeting with Q&A for parents



SCHOOL PARTNER
PROGRAM

FREQUENTLY ASKED QUESTIONS

The Pennsylvania 529 College Savings Program sponsors two plans – the PA 529 Guaranteed Savings Plan (GSP) and the PA 529 Investment Plan (IP). The guarantee of the PA 529 Guaranteed Savings Plan is an obligation of the GSP Fund, not the Commonwealth of Pennsylvania or any state agency. Before investing in either plan, please carefully read that plan's disclosure statement (available at www.PA529.com or by calling 1-800-440-4000) to learn more about that plan, including investment objectives, risks, fees, and tax implications. Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

IS THERE A COST TO OFFERING THE PA 529 COLLEGE SAVINGS PROGRAM WITHIN MY SCHOOL?

No. Pennsylvania Treasury provides all materials and support at no cost to the school or PTA/PTO Group.

WHAT IS INVOLVED IN OFFERING THE PA 529 COLLEGE SAVINGS PROGRAM TO FAMILIES?

Schools work with a PA 529 Program Representative to best decide how to communicate and distribute information within the district. Examples include adding PA 529 brochures to report cards, inviting a PA 529 representative to your school function (PTA/PTO meeting, back-to-school event, etc.), sending an email announcement, or hosting an educational meeting.

DO I NEED TO DISTRIBUTE FORMS TO PARENTS WHO WISH TO ENROLL?

No. Parents may open and manage accounts directly at www.PA529.com.

IS THERE AN ADVANTAGE FOR FAMILIES WHO RECEIVE PA 529 INFORMATION FROM THEIR SCHOOL?

Yes. School partners get the usual \$50 Guaranteed Savings Plan enrollment fee waived for all new accounts. The school will have a promotional code to enter during enrollment.

DO YOU HAVE REPRESENTATIVES AVAILABLE TO COME TO SCHOOL FUNCTIONS?

Yes. Pennsylvania Treasury has Program Representatives available for educational presentations and webinars to help parents understand and start a PA 529 College Savings Program.

WHAT MATERIAL IS AVAILABLE FOR DISTRIBUTION?

The PA 529 College Savings Program provides brochures, posters, email templates, and other material to make available to parents. PA 529 can also provide you with content for your social media outlets or you may work with PA 529 to customize material.

HOW DO I GET STARTED?

Contact Pennsylvania Treasury at **717-772-5000** or by email at PA529@patreasury.gov to get connected with your PA 529 College Savings Program Representative.

Slide 15

DD15

This might be better showing a school partner page on the website once ready.

Dominick, David, 4/29/2020

GC6

ok

Gelb, Charles, 5/8/2020

What Does a School Partner Do?

- A School Partner works with a Field Representative from the PA 529 College Savings Program to provide information to the families in your school district. Participation is completely optional!

Contact Us Today!!

Possible Activities Include:

- ✓ Sending brochure home with students
- ✓ Hosting a FREE PA 529 college savings workshop or webinar for your school
- ✓ Providing information for social media, your website, or newsletters
- ✓ Providing a presentation or meeting with Q&A for parents



PA529

Slide 17

DD16

Can work with Graphics to style this.

Dominick, David, 4/29/2020

GC7

ok. Do you mean other than check marks?

Gelb, Charles, 5/8/2020

Funds invested in your Keystone Scholars Account remain under the sole custody of the Pennsylvania Treasury Department (Treasury) until they are used for the purposes of paying for qualified higher education expenses at an institution of higher education. A list of qualified higher education expenses may be found at www.pa529.com. These funds will be invested in the Pennsylvania 529 Guaranteed Savings Plan (GSP). No additional funds may be contributed to your Keystone Scholars Account. To learn more or to open a PA 529 GSP or PA 529 Investment Plan account, please visit us at www.pa529.com.

Eligibility for Keystone Scholars is based on the child's date of birth:

- For children born to or adopted by a Pennsylvania family on or after January 1, 2019, the child must be a Pennsylvania resident at birth and at the time the Keystone Scholars funds are used. The child must also be the Beneficiary of a PA 529 College and Career Savings Program Account other than the Keystone Scholars Account at the time Keystone Scholars funds are used. If not used by the beneficiary's 29th birthday, the funds will be returned to Treasury.
- For children born to or adopted by a Pennsylvania family between January 1, 2018, and December 31, 2018, the child must be a resident of Delaware, Elk, Indiana, Luzerne, Mifflin, or Westmoreland county at birth and be a Pennsylvania resident at the time the Keystone Scholars funds are used. If not claimed by the beneficiary's first birthday or used by the beneficiary's 29th birthday, the funds will be returned to Treasury.

This presentation provides only highlights of the PA 529 College and Career Savings Program .

The Pennsylvania 529 College and Career Savings Program sponsors two plans – the PA 529 Guaranteed Savings Plan (GSP) and the PA 529 Investment Plan (IP). The guarantee of the PA 529 Guaranteed Savings Plan is an obligation of the GSP Fund, not the Commonwealth of Pennsylvania or any state agency. Before investing in either plan, please carefully read that plan's disclosure statement (available at www.PA529.com or by calling 1-800-440-4000) to learn more about that plan, including investment objectives, risks, fees, and tax implications.

Before you invest, consider whether you or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program .

