



### What is the Dollars for College (DFC) Program?

The Dollars for College Program is a partnership between your school and local funders. The goal is to help all students build long-term savings for college. DFC will open a child savings account, called a 529 plan, in your child's name. Through matching and incentive funds, your child's account **can grow to \$500 in two years**.

### What is a 529 plan?

A [529 plan](#) is an online investing tool that makes it easier for your family to pay for college. While you can save money for college in any type of account, a **529 plan provides certain perks if you are saving for college**. The 529 plan that DFC uses is called [my529](#).

### Why is DFC using my529?

[my529](#) is a nonprofit, low-cost leader in helping students save for college. It is a state-run plan designed to send more kids to college. They **charge no fees**, are easy to access online and **does not require a minimum deposit amount**.

### How does the DFC Program work?

Each Kinder student is first awarded \$50 in their college savings account. DFC matches any deposits \$1 per \$1 up to **\$100 for the Kindergarten year, and \$50 for the 1<sup>st</sup> Grade year**. DFC will also provide school performance rewards of up to **\$150**. You are not required to make deposits in order for the account to remain open. Deposits from can be made online or by mail.

### What's the catch?

There isn't one! Your school wants to invest in its students, and one of the most helpful ways to do so is saving for college. Research shows that children who have college savings accounts, even with \$500 or less saved, are 3 times more likely to attend college, and 4 times more likely to graduate!

### Is there a risk?

**The default savings option will be a like a normal savings account. This means no risk of losing value and is FDIC-insured.** At your choice, you can move the funds into more market-based investments (such as mutual funds, stocks, bonds). These investments produce more financial returns, but also come with risk of losing value. More info on all the options are offered at <https://my529.org/performance-returns/>

### What can the savings be used for?

**When your child completes High School, the funds can be used for college/university/trade-school tuition, housing, books, supplies, and computers.** The funds will be sent straight from the college savings account to the college on behalf of your child. Or you will be paid back for your child's expenses with a provided receipt.

### What if your child chooses not to go to university/ community college /trade school?

If your child chooses to not pursue any school after high school, the plan can be transferred without a fee to a family member (parent/sibling/first cousin/aunt). The money can be withdrawn for other purposes other than college, but this is highly discouraged due to fees.

### Will a DFC account disqualify my child for financial aid?

It is not likely. When the government and colleges determine eligibility for financial assistance, the funds you set aside in a 529 plan will have a minor impact on your financial aid award each year. **Saving money for college is always cheaper than taking out a student loan.**

### Do 529 accounts affect public assistance benefits?

**Money saved in 529 plans are excused from certain public assistance asset limits** (including TANF, SNAP, and Medicaid). This means money saved won't count against these benefits that your family receives.