

What is the Dollars for College Program (DFC)?

Dollars for College is a savings program designed to help North Texas students achieve their dreams of attending college. The program provides a safe, easy and affordable way to open a 529 children's savings account for college. The goal is to help all students build long-term savings for college. Dollars for College partners with local school districts to promote the program, and with local funders to provide the initial and incentive deposits for each account. Through these additional deposits, your child's account can grow to more than \$400 in three 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 Dollars for College 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 enrollment fees**, are easy to access online and **does not require a minimum deposit amount**.

How does the Dollars for College program work?

Parents go to www.Dollars4College.org and open a Dollars for College Account for their participating student. No initial deposit is required for you to open the account. Dollars for College will provide an **initial deposit of \$50** into the account (\$100 if the account is opened by December 31, 2021). In addition, students can receive up to **\$300 in Deposit Rewards** during the first three years after their Dollars for College Account is opened. Students receive \$25 for each deposit they make (of any amount), up to 4 deposits each year, for a total Deposit Reward of up to \$100 each year. Deposits can be made online or by mail.

How do I open a Dollars for College Account for my child?

Dollars for College Accounts are available to eligible students in participating school districts (currently Lancaster ISD and Richardson ISD). To open a Dollars for College Account for your child:

1. Complete a Parent Permission Form, available from your child's school, and return the signed form to your child's teacher.
2. Then go to www.Dollars4College.org, and click on the "Create an Account" button under the logo of your child's school district.
3. Complete and submit the online application.
4. Print, complete and sign an account signature card, and then return the signed card to your child's school, or mail directly to: **my529, PO Box 145100, Salt Lake City, UT 84114-5100**.

Who is the Account Owner?

The Account Owner is typically the parent or guardian of the student who will benefit from the college savings funds. An Account Owner can be anyone at least 18 years old, who has a valid U.S. Social Security or Taxpayer Identification Number, and a physical address that is not a PO Box.

Who is the Beneficiary?

The Beneficiary is typically the student who will benefit from the college savings funds. Anyone with a valid U.S. Social Security or Taxpayer Identification Number can be a beneficiary. The account owner and beneficiary do not need to be related.

Once a Dollars for College Account is open for my child, how can I make deposits?

Contributions to your account can be made by anyone with access to your child's account number. No minimum contribution is required.

Check or Money Order

- Mail a check to my529, PO Box 145100, Salt Lake City, UT 84114-5100.
- The check or money order should be payable to my529.
- Include the my529 account number and beneficiary's name on the check.

Online

- Log in to your account at www.my529.org to set up electronic contributions from your bank or credit union.
- Alternatively, submit a One-Time or Recurring Electronic Contributions Authorization/Change form (Form 200) by mail.

Payroll

- Log in to your account at www.my529.org to set up payroll contributions.
- Alternatively, submit a Payroll Contribution form (Form 205).

Bill Pay

- Arrange online bill payments via your bank or credit union's online bill-pay service.

Wire transfer

- Submit a Wire Transfer Notification form (Form 225), then you can initiate the transfer.

Special occasions

- Log in to your account at www.my529.org to set up annual contributions to your account for special occasions, such as birthdays or holidays.

Gift Program

- Invite contributions from friends and family.
- Log in to your account at www.my529.org to set up a gift page and code.

Can friends and relatives contribute to an account?

Anyone can contribute to a Dollars for College Account. Account owners can invite friends and relatives to write a check or make contributions via the my529 Gift Program, which uses a unique code, so you don't have to disclose your account information.

Is there a risk to opening a Dollars for College Account?

The default savings option is similar to a normal savings account with an interest rate around 1%. This means it will not increase/decrease based on the stock market. 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 information on all the options is offered at <https://my529.org/performance-returns/>

What can the Dollars for College 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 equipment required for enrollment or attendance. Withdrawals may only be used for qualifying post-

secondary education expenses. The funds can be sent straight from the college savings account to the educational institution on behalf of your child. Or, you can be paid back for paying your child's tuition 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 Dollars for College 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.

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 a child from a low-income background with \$500 (or even less) in a college savings account is three times more likely to attend college, and four times more likely to graduate than their peers without accounts (Lawrence, KS: Assets and A child from a low-income background with \$500 (or even less) in a college savings account is three times more likely to attend college, and four times more likely to graduate than their peers without accounts (Lawrence, KS: Assets and Education Initiative, 2013). Education Initiative, 2013).

If you have additional questions about setting up or managing a Dollars for College Account, please email the Dollars for College Program Administrator at: DollarsForCollege@unitedwaydallas.org.