

## **Florida Prepaid Plans FAQs**

### How It Works

- **How does a Florida Prepaid Plan work?**
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A Florida Prepaid College Plan allows families to lock in college plan prices and prepay, on a monthly or lump-sum basis, the future cost of college tuition, tuition differential fee, local fees and, optionally, dormitory housing. When your student is ready for college, the Plan pays the costs covered under your plan type at any Florida College or State University, even if the cost of college is higher than anticipated when your plan prices were set. That is one of the major advantages of a Prepaid Plan, and it's backed by a guarantee from the State of Florida. If your student 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. Prepaid Plans also work with scholarships, and you can use them together to cover even more college expenses. If your child receives a scholarship, you can get a refund for the same amount as the plan would pay a public college or university in Florida. Every Prepaid Plan is guaranteed by the State of Florida to pay the tuition and fees covered by your plan, and you can never lose what you have paid into the plan. Also, your student has 10 years from their projected college enrollment date to use the plan. This means that by purchasing a plan for a newborn, for example, you are able to lock in the costs covered by a Florida Prepaid Plan for the next 28 years (i.e., 18 years until they can start college plus 10 years after that to finish college).

- **What happens if the cost of college is different than what was expected?**
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If the future cost of college rises even more than we expected when we priced your plan, we still pay the fees covered by your plan at the time your student uses their benefits. That is one of the major advantages of a Prepaid Plan, and it's backed by a guarantee from the State of Florida. In the unlikely event that the future cost of college is less than what you paid for your Florida Prepaid Plan, you may request, and you will receive, a refund for the difference between what you paid for your plan and the benefits paid by your plan.

- **Can I lose money in a Florida Prepaid Plan?**
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No. Every Florida Prepaid Plan is guaranteed by the State of Florida, so you can never lose what you've paid in.

- **How are Florida Prepaid Plan prices determined?**
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Florida Prepaid Plan prices are actuarially determined. They take into consideration current tuition and fee rates, tuition inflation and investment yields. The current tuition and fee rates are based on a weighted average of fees charged by Florida Colleges and Florida Universities, as applicable. The

price you pay for your Florida Prepaid Plan is less than what college is expected to cost in the future. So when we receive a payment on your plan, we invest the funds to earn the additional monies necessary to pay for future college costs. We handle all of the investing and, what's more, your investment is guaranteed by the State of Florida. You cannot lose money on your investment.

- **How are my payments used in a Florida Prepaid Plan?**

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The price you pay for your Florida Prepaid Plan is less than what college is expected to cost in the future. So when we receive a payment on your plan, we invest the funds to earn the additional monies necessary to pay for future college costs. We handle all of the investing and, what's more, your investment is guaranteed by the State of Florida. You cannot lose money on your investment.

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#### Opening Your Plan

- **Who can open a Florida Prepaid Plan?**

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A Florida Prepaid Plan may be opened by any individual 18 years of age or older who is a U.S. citizen or legal U.S. resident with a valid Social Security number.

- **When can I open a Florida Prepaid Plan?**

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You may enroll any time. We announce new pricing at the start of the annual Open Enrollment period. If you enroll outside of the Open Enrollment period, you will receive the pricing information for your plan when the next Open Enrollment period begins. Our prices may change from year to year. If you sign up before Open Enrollment and you are not satisfied with your plan price when Open Enrollment begins, let us know. We'll help you select another plan or payment option to meet your goals and your budget.

- **How do I open a Florida Prepaid Plan?**

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You may enroll any time. Please visit [myfloridaprepaid.com](http://myfloridaprepaid.com) to complete an application.

- **Is there a maximum amount that can be purchased?**

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The student may have up to a maximum of 120 hours of registration fees (tuition, financial aid, capital improvement fee), local fee and tuition differential fee coverage and up to eight semesters of university dormitory coverage.

- **What forms of payment are accepted?**

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There are multiple ways to make a payment. You can: Contribute online at [myfloridaprepaid.com](http://myfloridaprepaid.com). We offer one-time and recurring options; Mail a check (including account number) payable to Florida Prepaid College Plan, PO Box 31088, Tampa, FL 33631; Sign up for automatic payroll deduction with participating employers; or, Pay by phone by calling 1-800-552-GRAD (4723).

- **Can other people contribute to my Florida Prepaid Plan?**

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If you have friends and family who want to contribute to your Florida Prepaid Plan, you can invite them to send a check and Gift Certificate Form to PO Box 31088, Tampa, FL 33631. Please make sure the person sending the gift includes an account number and your student's name to help us properly post the funds to your plan.

- **Are down payments accepted?**

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You may choose to make a down payment or to pay more than your monthly payment amount. While we cannot adjust your subsequent payment amounts, you will pay off your Florida Prepaid Plan ahead of schedule.

- **Can I pay off my plan early?**

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Yes.

- **Can I move money from another 529 Plan to help pay for my Florida Prepaid Plan?**

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Currently, we are not able to accept funds from another 529 Plan into a Florida Prepaid Plan.

- **Do I have to be a Florida resident?**

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The child or his/her parent or legal guardian must have been a Florida resident for the past 12 months.

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Using Your Plan

- **Does a Florida Prepaid Plan have to be used at a Florida College or State University?**

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No. While Florida Prepaid Plans are designed to be used at a Florida College or State University, the plans can also be applied at other schools nationwide. Plans can be used at in-state, out-of-state, public or private schools around the country – or even the world. With your Florida Prepaid Plan, the value we pay to other schools is the same as we would have paid to a Florida school.

- **Does a Florida Prepaid Plan guarantee admission to a college or university?**

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No. It is the responsibility of each student to qualify for admission to the college or university of their choice. However, Florida law does guarantee admission to a State University after a student receives an associate's degree from a Florida College. The 2 + 2 Florida Plan is designed for students interested in this undergraduate path.

- **What happens if my student receives a scholarship?**

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Prepaid Plans work great alongside scholarships, and you can use them together to cover even more college expenses. For example, the value of Prepaid Plan benefits can also be applied to graduate or professional schools nationwide. If your student receives a scholarship, you also have the option to get a refund for the same amount as the plan would pay a public college or university in Florida based on your plan type.

- **When can a Florida Prepaid Plan be used?**

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Florida Prepaid Plans may be used during any academic semester, including summer terms, beginning in the summer of the student's projected college enrollment year (generally, the year they are expected to graduate high school). If your student graduates from high school early, please let us know. We can modify your plan to allow for early usage. If you wish to use your plan early, we recommend that you give us a call approximately six-months prior to college enrollment.

- **How long can a Florida Prepaid Plan be used?**

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Your student has 10 years from their projected college enrollment date (generally, the year they are expected to graduate high school) to use their plan benefits. This means that by purchasing a plan for a newborn, as an example, you are able to lock in the costs covered by a Florida Prepaid Plan for the next 28 years (i.e., 18 years until they can start college plus 10 years after that to finish college). If a student does not use all of the plan benefits for undergraduate education, the plan value can be applied toward graduate-level courses within the same 10-year period. You may also transfer the benefits to another qualified family member, or you may request a refund.

- **How do college expenses get paid?**

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Florida Prepaid Plan students who are scheduled to start college for the first time will receive a First Time In College notification in the spring of their college enrollment year. This notification will provide basic information about how to use plan benefits and explain what to expect during the college enrollment process. Payments to a Florida College or State University are automatic. The school will bill Florida Prepaid directly each semester for the tuition and fees covered by your plan. Payment is issued by Florida Prepaid directly to the school. Students planning to attend a private or

out-of-state institution must complete a Transfer Authorization request before plan benefits will be paid. The Transfer Authorization includes additional details about how these schools are paid. Log in to your account at [myfloridaprepaid.com](http://myfloridaprepaid.com) to complete a Transfer Authorization. Please note that some institutions may request information about your Prepaid Plan or request a Student Identification (ID) Card when you register and pay for classes. Account information and Student ID Cards are available for print within your online account.

- **What if the school the Beneficiary wants to attend does not match the type of Florida Prepaid Plan purchased?**

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Another great feature of a Florida Prepaid Plan is that the value of the plan purchased may be applied toward the costs at any Eligible Educational Institution. At state institutions in Florida, we will convert college hours to university hours and vice versa to ensure that you get maximum value for your plan. As an example, benefits available under a 2-Year Florida College Plan or a 4-Year Florida College Plan can be paid to a State University. Similarly, benefits available for a 4-Year Florida University Plan or a 1-Year Florida University Plan can be paid to a Florida College. Please keep in mind, in the first example above, Florida College Plan benefits paid to a State University will deplete the plan at a faster rate because the cost per credit hour at a State University is generally higher than the cost of a credit hour at a Florida College. The student will be responsible for any difference not covered by their plan.

- **Can a Florida Prepaid Plan be used to pay for the cost of vocational or graduate school?**

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Yes. We will transfer the value of the plan purchased to pay costs at any Eligible Educational Institution – including vocational schools and graduate programs. Students planning to attend an eligible private or out-of-state institution must complete a Transfer Authorization request before benefits will be paid. The Transfer Authorization includes additional details about how these schools are paid. Log in to your account at [myfloridaprepaid.com](http://myfloridaprepaid.com) to complete a Transfer Authorization.

- **Will tax documents be received when a Florida Prepaid Plan is used?**

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Yes. A Form 1099-Q will be provided in January of each year to students who have used their Florida Prepaid Plan during the previous calendar year. In addition, a Form 1099-Q will be provided to an Account Owner who has received a scholarship refund or reimbursement during the year. Tax documents will be available online at [myfloridaprepaid.com](http://myfloridaprepaid.com) and mailed based on your delivery preferences. For specific tax information, please consult an investment adviser or certified public accountant.

- **What if the Beneficiary does not go to college?**
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If the student does not use their Florida Prepaid Plan benefits, you may transfer the benefits to another qualified family member or you may request a refund. Your refund will be equal to the payments that you have made, less any previous refunds, and a fee of up to \$50 per plan or 50% of the amount paid to the board, whichever is less, may be assessed upon termination of the plan.

- **Can I cancel my Florida Prepaid Plan or withdraw my funds early?**

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Yes, you may cancel your Florida Prepaid Plan at any time and for any reason. You may request a refund equal to the payments that you have made, less any fees, usage and refunds.

- **Can the Beneficiary be changed?**

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Plan benefits can be transferred from one student to a family member of the student. The new student must be a resident of Florida and must be able to use the plan within the original 10-year benefit period.

- **What happens if I move?**

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While Florida residency is required to purchase a Florida Prepaid Plan, it is not required to keep one. If you or the student move out of state, your plan will continue as if you never left. As another added bonus for owning a Florida Prepaid Plan, if your student attends a Florida College or State University, they will be considered an in-state resident for tuition purposes because they have a Florida Prepaid Plan.

- **Can a Florida Prepaid Plan be opened jointly?**

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Florida Prepaid Plans are owned and managed by a single Account Owner. However, after you enroll, you may name a Survivor who will have a right of survivorship. In addition, for plans purchased after February 1, 2009, the Survivor will also have certain limited rights of approval for change of Beneficiary, change of Account Owner and cancellation.

- **What if I can no longer afford the payments?**

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We want to help you and your student reach your college savings goals. If you are not able to afford your Florida Prepaid Plan payments, please let us know. We may be able to help you with an alternate payment schedule or change your plan to one that better fits your budget.

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Dormitory Specific Questions

- **Who is eligible to purchase a University Dormitory Plan?**

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You may add dormitory housing coverage to a Florida Prepaid Plan with university tuition coverage at the time you enroll, or during a later enrollment period. A maximum of two semesters of dormitory fees may be prepaid for each year of State University coverage. These students must be in the 11th grade or below when the University Dormitory Plan is purchased.

In addition, dormitory housing coverage may be purchased for a student without purchasing other tuition and fee coverage if that student was adopted from the Department of Children and Family Services. Please contact customer service at 1-800-552-GRAD for more information.

- **What housing expenses are covered?**

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The Dormitory Plan is designed to pay for a double-occupancy, air-conditioned dormitory room at a State University in Florida. However, the value of your plan may be used to cover other university-held housing, as approved by Florida Prepaid. We approve housing options annually. Click [here](#) for a current list of approved university housing.

In addition, the value of your Dormitory Plan may be used for other housing that is controlled by the school (or, for Florida Colleges, a direct-support organization) and approved by Florida Prepaid. If the student lives off-campus or in privately held housing, then you may receive a refund equal to the payments that you have made, less any fees, usage and refunds.

- **Does a University Dormitory Plan guarantee you to have a dormitory room?**

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No. Residence in a dormitory is subject to available space and is not guaranteed by Florida Prepaid. It is the responsibility of each student to qualify and apply for housing.

- **What happens if you do not live in a dormitory?**

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The value of your Dormitory Plan may be used for other university-held housing, as approved by Florida Prepaid. If the student lives off-campus or in privately held housing, then you may receive a refund equal to the payments that you have made, less any fees, usage and refunds.

- **What happens if a dormitory room is not available at the school you go to?**

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If a university offers eligible housing but does not have available units, you may request an Unavailable Dormitory Refund. For State Universities in Florida, the refund will equal the average of the housing fees payable by your plan to the State University for approved dormitories in the semester during which housing is unavailable. For other [Eligible Educational Institutions](#), the refund will equal the statewide average for eligible double-occupancy, air-conditioned dormitory rooms payable by your plan in the State of Florida.

- **What residence halls are covered?**

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The University Dormitory Plan is designed to be used at approved standard double-occupancy dormitory rooms at State Universities in Florida; however, all university-held\* housing options are eligible for payment from Florida Prepaid. Additionally, the University Dormitory Plan can be applied to dormitory rooms at some private or out-of-state\*\* colleges.

Below is a list of residence halls (and/or types of residence hall) by State University that are currently approved. This list is subject to change without notice.

**Florida A & M University** – FAMU Towers North, FAMU Towers South, Palmetto Phase III, Palmetto South, Sampson Hall, Young Hall

**Florida Atlantic University** – Atlantic Park Towers, Glade Park Towers, Heritage Park Towers, Indian River Towers, Jupiter Campus – Residence Hall 1, Jupiter Campus – Residence Hall 2, Parliament Hall, University Village Apartments

**Florida Gulf Coast University** – North Lake Village

**Florida International University** – Lakeview Hall, Panther Hall, University Apartments

**Florida Polytechnic University** – Phase 2, Phase 3

**Florida State University** – Azalea, Broward, Bryan, Cawthon, DeGraff, Deviney, Dorman, Gilchrist, Jennie Murphree, Landis, Magnolia, McCollum, Reynolds, Rogers, Salley, Wildwood

**New College of Florida** – Home2 Suites, Hyatt Place

**University of Central Florida** – Brevard Hall, Citrus Hall, Flagler Hall, Hercules Community (Buildings: 108/109/110), Lake Hall, Nike Community (Buildings: 101/102/103), Orange Hall, Osceola Hall, Polk Hall, Seminole Hall, Sumter Hall, Volusia Hall

**University of Florida** – Broward Hall, Buckman Hall, Cypress Hall, East Hall, Fletcher Hall, Graham Hall, Hume Hall, Infinity Hall, Jennings Hall, Mallory Hall, Murphree Hall, North Hall, Rawlings Hall, Reid Hall, Riker Hall, Simpson Hall, Sledd Hall, Springs Complex, Thomas Hall, Tolbert Hall, Trusler Hall, Weaver Hall, Yulee Hall

**University of North Florida** – Osprey Cove, Osprey Crossings, Osprey Fountains, Osprey Hall, Osprey Landing, Osprey Village

**University of South Florida** – Beacon Hall, Beta Hall, Castor Hall, Cypress Hall, Endeavor Hall, Horizon Hall, House 5, House 9, House 10, House 12, Juniper Hall, Kosove Apartments, Magnolia Apartments, Maple Hall, Pinnacle Hall, Poplar Hall, Summit Hall

**University of South Florida Sarasota-Manatee** – SM Residence Hall

**University of South Florida St. Petersburg** – Ibis Hall, Pelican Apartments, Osprey Suites

**University of West Florida** – Argo Hall, Heritage Hall, Martin Hall, Pace Hall, Presidents Hall



For more information, contact the housing office at the selected university.

\*Non-approved university-held housing – In addition to the approved dormitories listed above, the University Dormitory Plan may be used for any university-held housing. If the non-approved housing cost is greater than that of the approved standard double-occupancy dormitory room, the student is responsible for the additional cost.

\*\*Private and Out-of-State College Housing – Students attending a private or out-of-state college can use their Prepaid dormitory plan benefits. The amount covered by the plan may be applied to dormitory housing costs nationwide. The student is responsible for housing costs that exceed the current average rate payable to a State University in Florida.