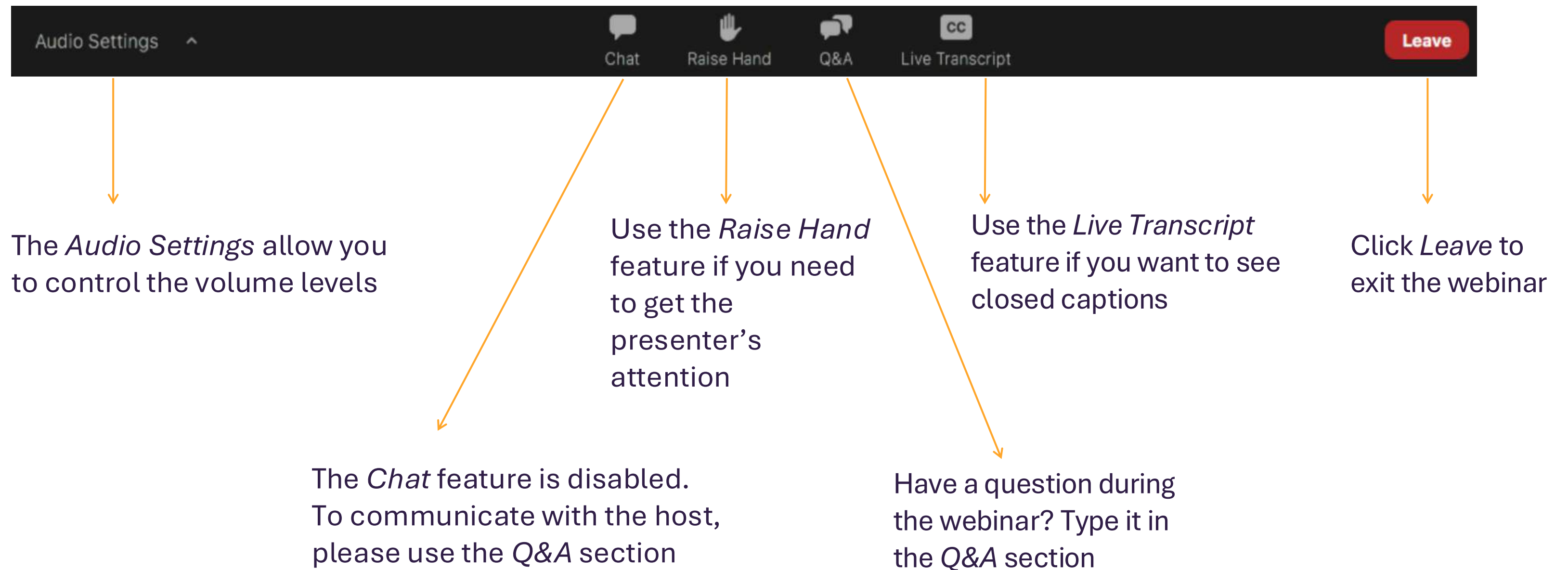


Using Your U.Plan Savings



How to Participate



Your Presenter Today

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As Associate Director of College Planning and Content Creation, he provides guidance on planning, saving, and paying for college to students and their families and serves as host of the MEFA Podcast.



About MEFA

State authority created by the Commonwealth of Massachusetts in 1982, helping families plan, save, and pay for college.



Webinar Topics

- The U.Plan and Financial Aid
- When to Use U.Plan Savings
- Requesting a U.Plan Distribution
- Participating Schools
- Value of U.Plan Savings
- How Much to Request
- College and Cash-Out Distributions
- PMI
- Leftover Funds



The U.Plan and Financial Aid

- Parent-owned U.Plan accounts are treated as a parent asset on the FAFSA
- List the principal amount invested plus interest (not the value of your pre-paid percentage)
- U.Plan percentage is based on the total tuition and mandatory fee figure, not a percentage of your balance due
- Use all financial aid before turning to your U.Plan



When Can I Use My U.Plan Savings?

- Maturity Years
- Your U.Plan certificate(s) matures on August 1st of the maturity year(s)
- You can begin to direct funds in March
- You will be notified via email or paper mail depending on how your account is set up
- U.Plan funds are disbursed year-round, but only matured certificates can be disbursed through the normal procedures

How to Request Funds

Paper	If you have not set up U.Plan online access and receive your correspondence through the mail, distribution forms will be sent to you for matured and maturing certificates in March
Online	If you have online access set up for your accounts, you can process your request online for the upcoming year
Phone	Call 888-590-5653 and speak to a U.Plan representative

Your Distribution Options

Send funds to a participating college	Worth the percentage of the maturity year's tuition and mandatory fees that you purchased when investing in the plan
Cash out to owner	If the student is not attending a participating college, you can elect to cash out and get what you invested plus the CPI interest that accrued
Hold	U.Plan certificates can be held until 6 years after maturity

Participating U.Plan Colleges & Universities

American International College	Fisher College	Northeastern University
Amherst College	Fitchburg State University	Northern Essex Community College
Anna Maria College	Framingham State University	Quinsigamond Community College
Assumption College	Gordon College	Regis College
Babson College	Greenfield Community College	Roxbury Community College
Bay Path College	Hampshire College	Salem State University
Benjamin Franklin Institute of Technology	Hellenic College	Simmons University
Bentley College	Holyoke Community College	Smith College
Berklee College of Music	Laboure College	Springfield College
Berkshire Community College	Lasell College	Springfield Technical Community College
Boston College	Lesley University	Stonehill College
Boston University	Massachusetts Bay Community College	Suffolk University
Bridgewater State University	Massachusetts College of Art and Design	University of Massachusetts Amherst
Bristol Community College	Massachusetts College of Liberal Arts	University of Massachusetts Boston
Bunker Hill Community College	Massachusetts Maritime Academy	University of Massachusetts Dartmouth
Cape Cod Community College	Massasoit Community College	University of Massachusetts Lowell
Clark University	Merrimack College	Wellesley College
College of the Holy Cross	Middlesex Community College	Wentworth Institute of Technology
Curry College	Montserrat College of Art	Western New England University
Dean College	Mount Holyoke College	Westfield State University
Elms College	Mount Wachusett Community College	Wheaton College
Emerson College	New England Conservatory of Music	Worcester Polytechnic Institute
Emmanuel College	Nichols College	Worcester State University
Endicott College	North Shore Community College	

The Value of Your U.Plan Savings

School Distributions

- Certificates that mature August 1st will be worth a % of the upcoming year's tuition and mandatory fees
- Colleges will be updating us with that information throughout the summer
- You may have to estimate until the college tuition and mandatory fees are provided.
- You may call us to check on whether or not the college has provided the information

Cash-Out Distributions

- Owners receive principal amount plus the interest accrued at CPI
- Interest is added to investments every August 1st
- Exact amount won't be available until August 1st

How Much Can I Request?

If you are sending a distribution to a participating college, you may select:

- All the available U.Plan funds to be sent
- A certain percentage of tuition and mandatory fees to be paid
- A certain dollar amount
 - Use final dollar amounts when requesting a specific amount

If requesting a cash-out to owner, you may request:

- All the available funds
- A certain dollar amount

Timing of College Distributions

- The first U.Plan payments to a college are the first Friday in August
- Many colleges have payment deadlines before this date
- Pre-disbursement rosters are available for college administrators to access online
- Colleges are periodically notified by the U.Plan to check their roster for upcoming student disbursements
- Colleges who are not participating don't have access and can't verify upcoming distributions
- Cash-out customers will have to notify financial aid offices

College Distribution Splits

- Some colleges have one date per year; some have one per semester.
- For colleges that get paid by semester:

If a customer has 100% of tuition and fees paid:	If a customer has less than 50% purchased:	If a customer has between 50% and 100% purchased:
Distributions will be split evenly 50% per semester	The entire amount will be sent for a single semester unless otherwise specified	The default is to send 50% in the first semester to pay the immediate cost in full, and then whatever is remaining in the second semester

The U.Plan cannot send more than 100% of tuition and mandatory fees for the current academic year.

How U.Plan Money Gets Sent

College Distributions

- Colleges may elect to receive funds via wire or paper check
- Sent on Fridays to notified recipients at college

Cash-Out Distributions

- Can be sent via mailed check or deposited electronically into owner's bank account if the owner's banking information is on file
- Sent throughout the week

PMI and Tax Notifications

- Certificates that have matured continue to accrue interest
- Any post-maturity interest is always cashed out to the owner even if the owner elects the certificates to go to the college
- U.Plan distributions of any kind do not trigger tax forms, however:
 - Post-maturity interest over \$10 is reported in a 1099-DIV to the owner; check with your tax preparer for information on how this may affect you

Leftover Funds

Any funds left over from a current academic year may be:

- Held and used for a later year
- Cashed out and used for other expenses
- Transferred over to another beneficiary within the family

Certificates that are held for later use or transferred continue to accrue post-maturity interest but if used at a college will still be worth their value at maturity, not more.

Connect with MEFA on Social Media



Thank You!

Questions?



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