

Wisconsin Strong Financial Wellness: College Savings



WISTRONG
YOUR FINANCIAL SECURITY™

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Wisconsin Strong: Financial Wellness



Sign up and log in page for Financial Fitness Checkup

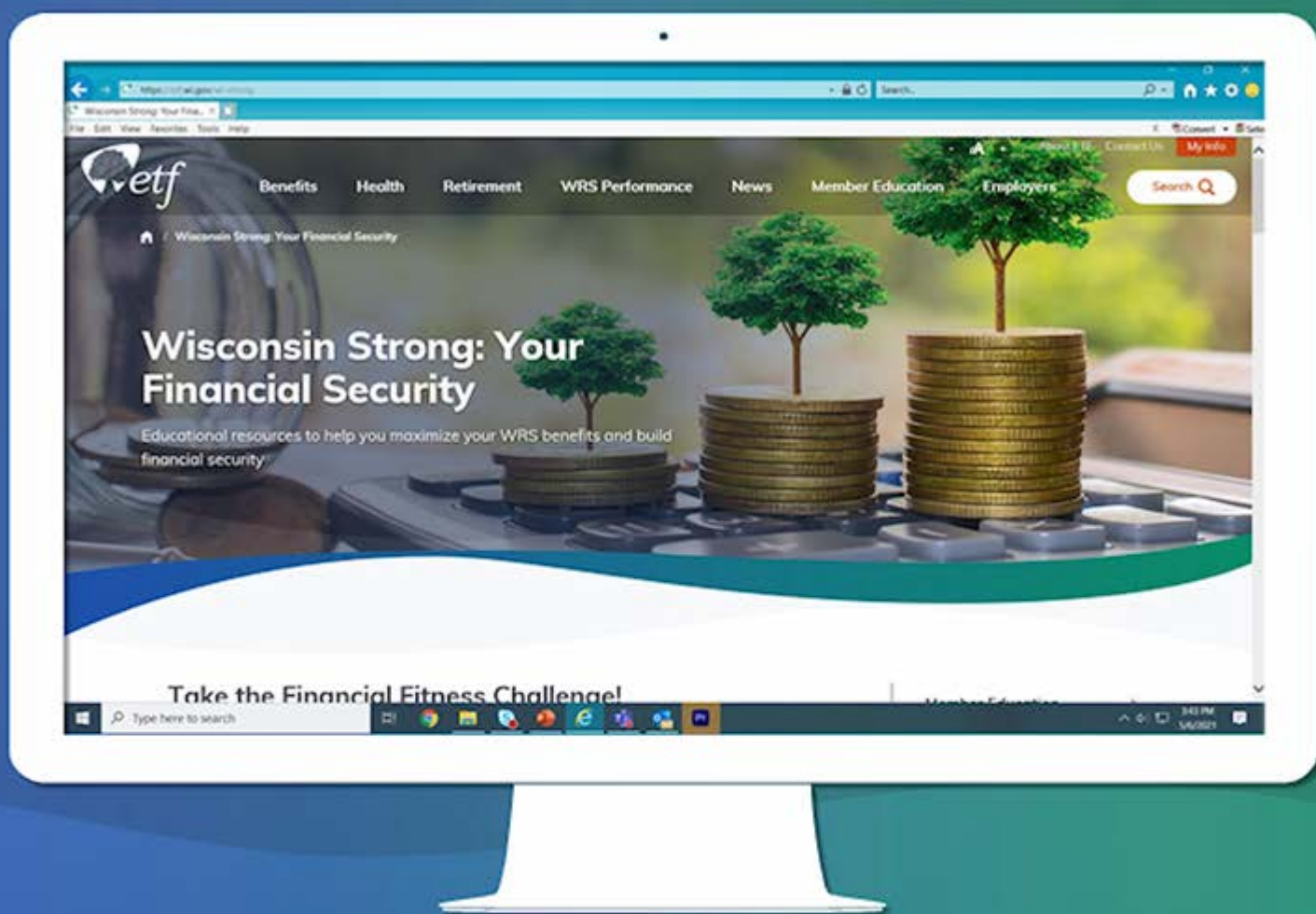
Financial Fitness Academy

- Personal Financial Fitness Score
- Personalized playlist of courses



Go to <https://financialfitnessgroup.com/wi-strong/>





etf.wi.gov/wi-strong





Edvest™
WISCONSIN'S COLLEGE
SAVINGS PLAN

TIAA
TIAA-CREF Tuition Financing, Inc.



COLLEGE SAVINGS MADE SIMPLE

WI Strong - Helping Your Employees Save for College Expenses – April 28, 2021

1

About this Event

Top employers know that saving for college is a high priority for many employees.

Partner with the Edvest College Savings Plan, to bring this important financial wellness benefit to your employees at no cost to them or you.

Today, you will learn more about how to easily bring this program to your employees.

Today's Agenda

- What are **529 Plans**
- State of higher education
- How **Edvest at Work** can help
- How partnering with Edvest is **free and easy**
- Q&A
- What happens **next**





What are 529 Plans and how do they work?

Wisconsin 529 College Savings Plans

- Named from section 529 of the IRS tax code, 529 college savings plans
- Offer a **tax-advantaged** way to save for post-secondary education
- Almost every U.S. state offers at least one 529 Plan



EdvestSM

WISCONSIN'S COLLEGE
SAVINGS PLAN



- 529 Direct-sold College Savings Plan started in 1997
- Available to individuals who can open and manage their own account at Edvest.com
Administered by the Wisconsin Department of Financial Institutions (DFI)
- Managed by TIAA-CREF Tuition Financing, Inc.
- 529 Advisor-sold College Savings Plan started in 2009
- Available through financial advisors and fee-only planners
- Administered by the Wisconsin Department of Financial Institutions (DFI)
- Managed by Voya Investment Management

529 Plans offer flexibility and control



Change beneficiaries if you want



Use across the country or abroad



Good at many types of institutions



Wide range of approved educational expenses



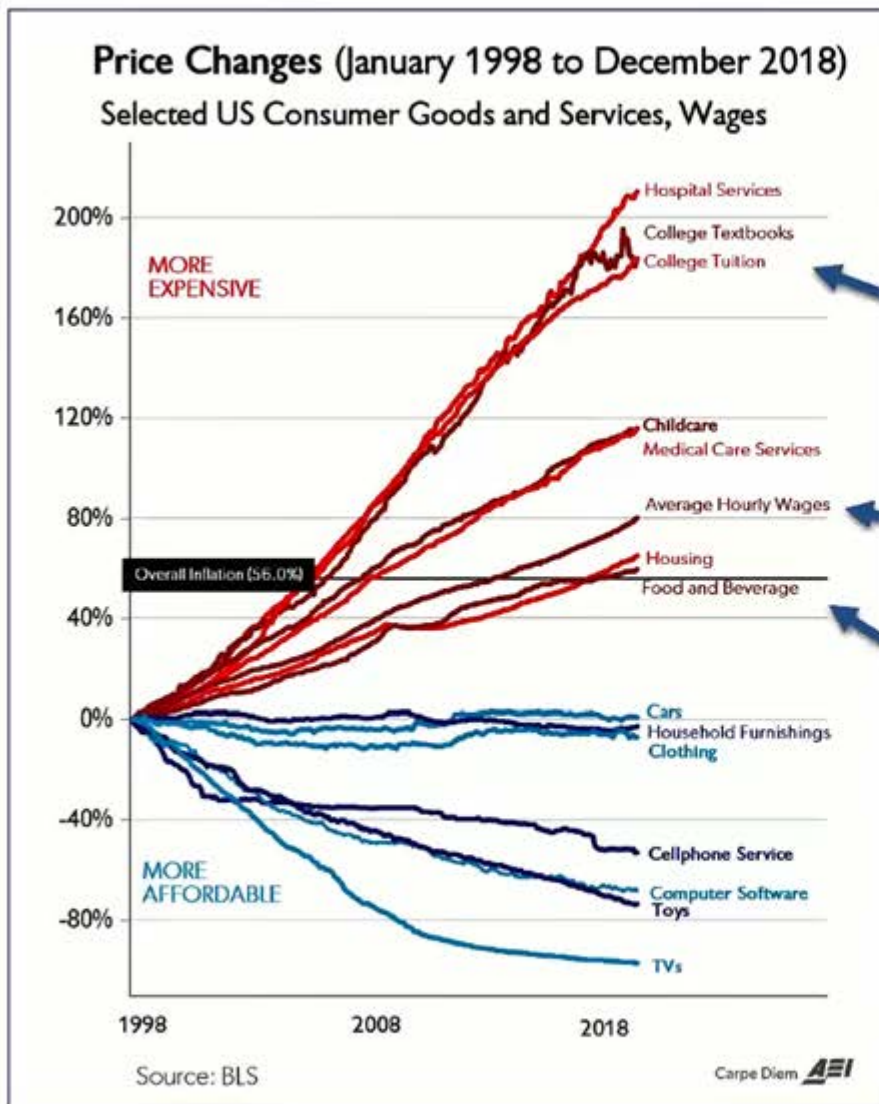
Wisconsin Tax Deduction (Limitations apply.*)

- Anyone can contribute
- Beneficiary can be changed to another family member
- Account owner can maintain control even when the beneficiary turns 18

- Withdraw funds for tuition, living expenses, books, computers and more
- For Wisconsin taxpayers, tax-deductible contributions up to \$3,380 per year, per beneficiary



The State of Higher Education



The Cost of College Continues to Skyrocket

College costs increased **186%** since 1998, rising faster than any category except hospital care

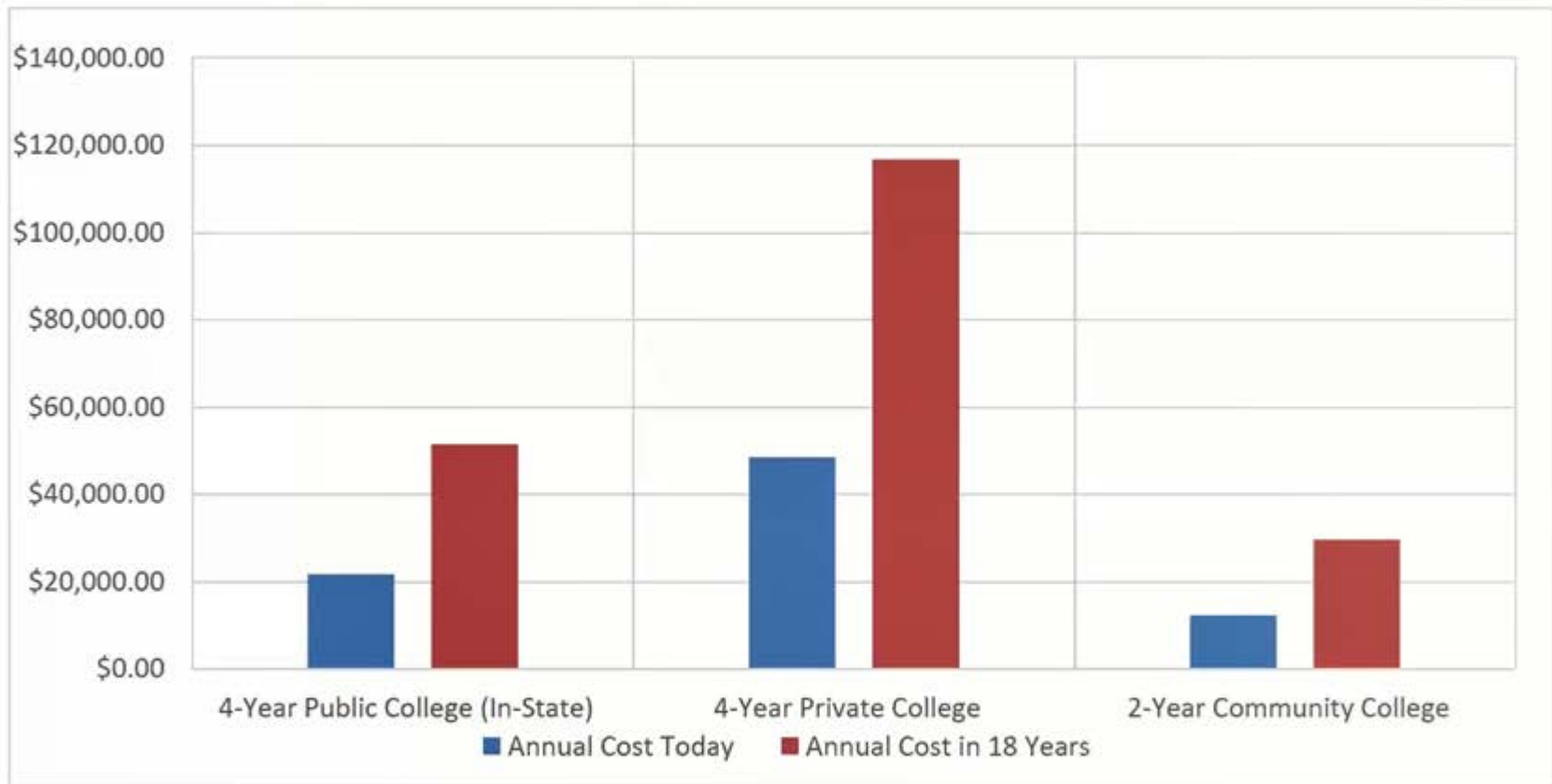
Significantly outpacing average hourly wage increases

And rose over three times faster than the overall CPI

Source: American Enterprise Institute "Chart of the Day...or Century," Blog post January 11, 2019. Based on BLS data, <https://www.aei.org/carpe-diem/chart-of-the-day-or-century/>.

The Cost of Higher Education

Annual cost of college now and in the future (assumes 5% college cost inflation)



Source for National College Costs: College Board. 7/2019.

The Cost of Higher Education

Student loans make it even more expensive



**\$1.64
trillion**

**Total student
loan debt**

\$29,900

**Average class of 2019
student loan debt**
(Among those with debt)

\$299

**Average
monthly payment**
(20- to 30-year-olds)

Average balance on loans taken out by parents: \$35,600

Source: <https://studentloanhero.com/student-loan-debt-statistics>. January 2020. Balances/payments are for students not in deferment.

Help your employees make college a reality

529 College Savings Plans are an impactful, **no-cost** way to enhance your employee benefits package.



Offering Edvest at Work is free & easy

Payroll Direct Deposit:

- Contributions can be made directly from your employees' paycheck, whether you offer a self-service portal or require a form.
 - Employees consistently and regularly save for education
-

- ✓ Easy set up – takes less than 15 minutes!
- ✓ Easy to set up recurring contributions – “set it and forget it”!
- ✓ Easy to enroll at any time - no open enrollment period
- ✓ Easy to manage with our online system and college savings specialists always available to answer questions

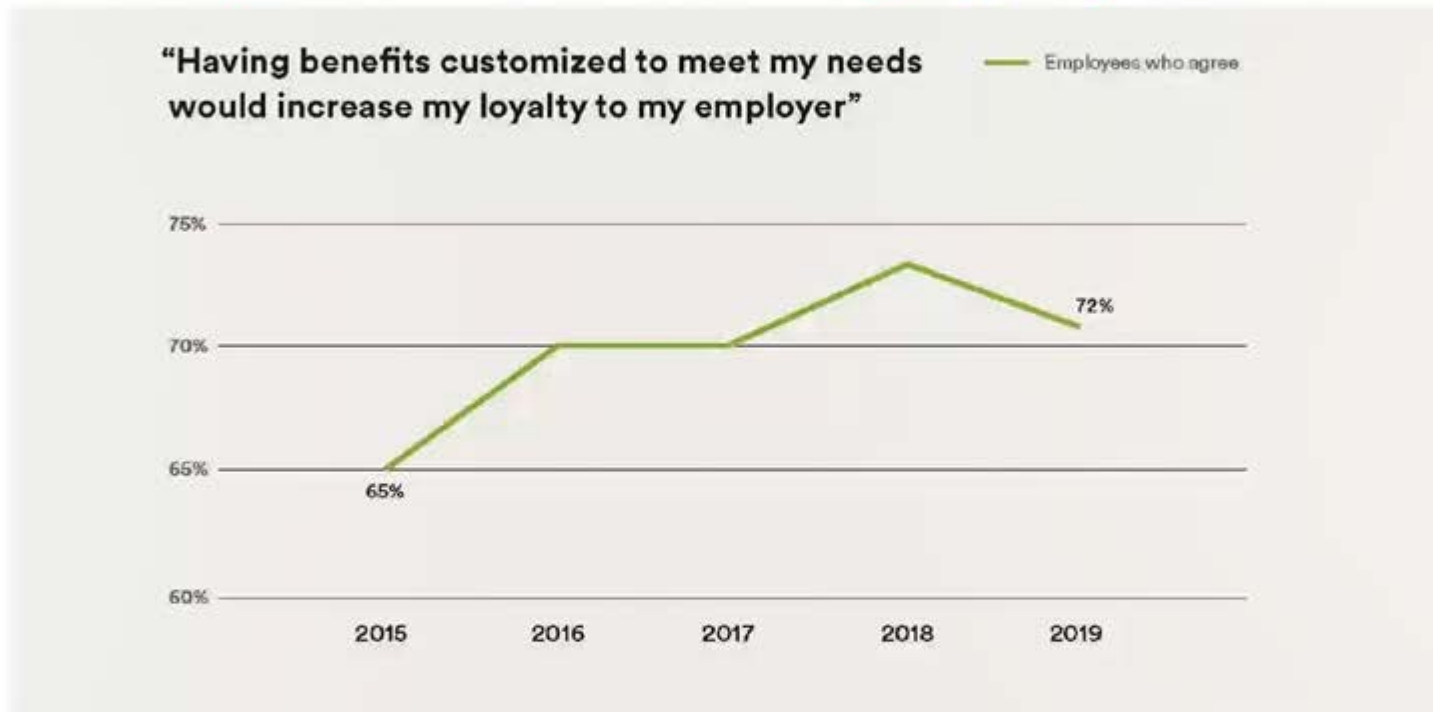
Offering Edvest at Work Benefits Employers

Employers have no administrative responsibilities:

- **No** employer costs
- **No** reporting
- **No** contract required
- Great benefit that attracts and retains top talent
- Employers are eligible for tax credits on matching contributions into your employees' college savings accounts.



Customized benefits like college savings can help retain and engage your team¹



58% Having non-traditional benefits would reduce their stress

53% Employers have a responsibility for employee financial well-being

1. MetLife's 17th Annual U.S. Employee Benefit Trends Study, 2019, Page 39,
<https://www.metlife.com/content/dam/metlifecom/us/ebts/pdf/MetLife-Employee-Benefit-Trends-Study-2019.pdf>.

Helping families save for college since 1997

Value

Tax Advantaged Savings

- \$25 initial investment to open an account
- No application fee
- No transfer fee
- No annual account fee
- No commission
- Wisconsin taxpayers may deduct up to **\$3,380** per year, per beneficiary

Low Fee Investment Portfolios

- Annual asset-based fees range from 0.13% - 0.38%, or \$1.30-\$3.80 per \$1,000 (as of March 9, 2020 Plan Description).

Choice

25 Investment Portfolios

- Enrollment Year (10)
- Multi-fund (8)
- Single Fund (5)
- Stable Principal (2)

Tailored to fit your employee needs

Offer Edvest at Work to your employees in a way that suits your company and employees:

- Make an enrollment link available on your intranet, employee benefits portal for Toolkit access and Edvest brochures at Edvest.com/employees
- Offer appointments using video conferencing at [Speak with a Consultant](#) on Edvest.com
- Offer a college savings webinar
- Customizable emails, newsletter articles and flyers. Visit your employer toolkit Edvest.com/benefit to download and place requests
- Edvest offers virtual or in-person benefit fairs

Edvest at Work benefits re-cap

- ✓ Free & easy for Wisconsin Employers
- ✓ No reporting, no contract
- ✓ We provide the education and materials for you to share with your employees
- ✓ Contribution levels available to fit family budgets
- ✓ Low investment expenses
- ✓ Flexibility and control
- ✓ Tax advantaged savings
- ✓ Payroll direct deposit makes it even easier for your employees to save!

Helping families save for college since 1997

Easy Access:



Resources and online account access at [Edvest.com](https://www.edvest.com)

Customer service available at 888-338-3789, M-F, 7A-9P

400+ Wisconsin employers already participate in
Edvest at Work!

May 29 is NATIONAL 529 DAY!

Special Offer for attending today's Webinar -

Get \$50 when you open a new Edvest account and add recurring contribution or payroll direct deposit of \$25 or more maintained for a minimum of 6 months.

Edvest will match \$50 on or before Jan 31, 2022.

Open at Edvest.com and add promotion code:

Edvest529Day

Offer valid between May 24th and May 31st 2021.

View the Terms & Conditions for all details.

What happens next?



Let's start sending kids to college!

The next steps are easy!

1. Visit us at www.edvest.com/benefit
2. Use the [Speak with a Consultant](#) feature at Edvest.com to set up time for one-on-one consultation
3. Email me at linda.lambert@dfi.wisconsin.gov for more information on Edvest
4. To become a WI Strong Champion or to find out more, email: etfsmbwistrong@etf.wi.gov

Q&A

Thank You!



Questions?

<https://www.edvest.com/help/faq/>

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