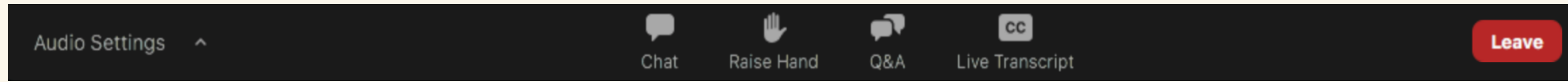


Using Your U.Plan Savings

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How to Participate



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Your Presenter Today

Jonathan Hughes

Associate Director of College Planning and Content Creation

Jonathan has worked at MEFA for 20 years helping families in Massachusetts prepare for college.

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 in
1982 helping families plan,
save, and pay for college



Webinar Topics

- The U.Plan and Financial Aid
- Requesting a Distribution
- Timeline
- Calculating Your U.Plan Value
- PMI
- Leftover Funds

The U.Plan and Financial Aid

- Parent owned U.Plan accounts are treated as a parent asset on the FAFSA
- Expected to list the total of 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 certificates mature on August 1st of their 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 online access to your U.Plan account 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, the owner can elect to cash out and get what was invested plus the CPI interest that accrued
Hold	U.Plan certificates can be held until 6 years after maturity

College Distributions

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:

Distributions will be split evenly 50% per semester

If a customer has less than 50% purchased:

The entire amount will be sent for a single semester unless otherwise specified

If a customer has between 50% and 100% purchased:

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.

Calculating The Right U.Plan Payment to School

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

- All the available UPLAN 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

Participating U.Plan Colleges & Universities

American International College

Amherst College

Anna Maria College

Assumption College

Babson College

Bay Path College

Benjamin Franklin Institute of Technology

Bentley College

Berklee College of Music

Berkshire Community College

Boston College

Boston University

Bridgewater State University

Bristol Community College

Bunker Hill Community College

Cape Cod Community College

Clark University

College of the Holy Cross

Curry College

Dean College

Eastern Nazarene College

Elms College

Emerson College

Emmanuel College

Endicott College

Fisher College

Fitchburg State University

Framingham State University

Gordon College

Greenfield Community College

Hampshire College

Hebrew College

Hellenic College

Holyoke Community College

Laboure College

Lasell College

Lesley University

Massachusetts Bay Community College

Massachusetts College of Art and Design

Massachusetts College of Liberal Arts

Massachusetts Maritime Academy

Massasoit Community College

Merrimack College

Middlesex Community College

Montserrat College of Art

Mount Holyoke College

Mount Wachusett Community College

New England Conservatory of Music

Nichols College

North Shore Community College

Northeastern University

Northern Essex Community College

Pine Manor College

Quinsigamond Community College

Regis College

Roxbury Community College

Salem State University

Simmons University

Smith College

Springfield College

Springfield Technical Community College

Stonehill College

Suffolk University

University of Massachusetts Amherst

University of Massachusetts Boston

University of Massachusetts Dartmouth

University of Massachusetts Lowell

Wellesley College

Wentworth Institute of Technology

Western New England University

Westfield State University

Wheaton College

Worcester Polytechnic Institute

Worcester State University

Calculating The Right U.Plan Payment to School

School Distributions

- The dollar value of certificates are worth the percentage you purchased of the maturity year's tuition.
- Certificates that mature August 1st will be worth a % of the upcoming year's tuition
- Colleges will be updating us with that information throughout the summer
- You may have to estimate until the college tuition is 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
- Interest is added to investments every August
- Exact amount won't be available throughout the summer



The U.Plan and The College

- The first U.Plan payments to a college of a maturity year are the first Friday in August
- Many colleges have payment due dates before this
- Pre-disbursement roster 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



How Money Gets Sent

Distribution to colleges

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

Cash out distributions

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

PMI and Tax Notifications

- Certificates that have matured continue to accrue interest
- Any post maturity interest is always cashed out to owner even if they elect their certificates to go 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

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Thank You

QUESTIONS?

Call (800)-449-MEFA (6332)
or email collegeplanning@mefa.org

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