

What is a 529 Plan Account?

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A 529 Plan Account is a type of investment account specifically designed to **help families save for higher education**. Money in a 529 Plan account can grow over time. However, money in a 529 Account is not guaranteed to grow and can also lose value. The NY 529 *Direct Plan* is a 529 college savings plan administered by the Office of the Comptroller of the State of New York and the New York Higher Education Services Corporation.



What is an NYC Scholarship Account?

Through the Save for College Program **every kindergarten student enrolled in NYC public schools** (including participating charter schools) automatically receives an **NYC Scholarship Account with an initial \$100** on their behalf, unless their parent or guardian “opts out” of the Program. Families can earn up to **\$175 of additional scholarship funds** toward this account in rewards, and communities can contribute additional money to groups of these NYC Scholarship Accounts to demonstrate their community’s support for every child’s success.



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What is the relationship between an NYC Scholarship Account and a 529 Plan Account?

NYC Kids RISE, a nonprofit organization, owns and manages the scholarship funds on behalf of participating students, and invests the funds in the NY 529 *Direct Plan*. NYC Scholarship Accounts can gain or lose money over time, depending on financial markets and the performance of the investment. **The scholarship funds are invested in a 529 Plan so that all New York City public school students can have a financial asset for their future college and career goals.** NYC Kids RISE will provide students and their parents or guardians with information about how to access their NYC Scholarship Accounts when the students are in high school.

The NYC Kids RISE Save for College Program is a scholarship and savings program administered by NYC Kids RISE Inc., a nonprofit, in partnership with the NYC Department of Education and the City of New York. NYC Kids RISE is neither affiliated with, nor an authorized distributor of, New York’s 529 College Savings Program and does not solicit investments or provide investment advice. The City of New York and the NYC Department of Education offer no endorsement or recommendation about, and do not control, own or are affiliated with the NY 529 Program Manager and any particular college savings or other investment vehicle, including ones which families may learn about through the Save for College Program.

\$ What is money in the NYC Scholarship Account invested in?

The money in the NYC Scholarship Account is invested in a portfolio offered by New York's 529 College Savings Program *Direct Plan* in a **mix of stocks, bonds, and short-term investments** (the asset allocation). In particular, NYC Kids RISE has chosen to invest NYC Scholarship Accounts in the NY 529 *Direct Plan's* "Target Enrollment Portfolio," which has investment asset allocation based on the year each participating grade is expected to enroll in college or career training. The asset allocation for the Target Enrollment Portfolios is automatically adjusted quarterly over time to become more conservative as the Beneficiary (your child) gets closer to graduation. NYC Scholarship Accounts can gain or lose money over time, depending on financial markets and the performance of the investment. When you activate your child's NYC Scholarship Account and view their account in Savings Tracker, you may see the money in the account go up and down.

\$ What can money in the NYC Scholarship Account be used for?

Money in the NYC Scholarship Account is invested in the NY 529 *Direct Plan*. The money can be used for a variety of **qualified higher education expenses** at eligible institutions. These institutions include community colleges, trade and vocational schools, eligible apprenticeship programs, and online degree programs—in the U.S. and abroad. Qualified expenses include tuition, fees, books, supplies, and equipment required for enrollment or attendance in the college or career training program, which are often not covered by other scholarships.

📄 What can I do with my child's NYC Scholarship Account?

Families can earn additional rewards for their child's NYC Scholarship Account. The first three rewards are for completing the "3 Building Blocks." These three steps lay the foundation for a long-term partnership through the Save for College Program to save together for your child's future. In addition to the initial \$100 in your child's NYC Scholarship Account, NYC Kids RISE will put a \$25 reward toward your child's NYC Scholarship Account for completing each of these Building Blocks:

- **Building Block 1:** Activate and view your child's NYC Scholarship Account online at nyckr.org/stregister-529.
- **Building Block 2:** Open and Connect your own college and career savings account: choose from two options that you can connect to your child's scholarship account. Learn more: nyckr.org/options-529.
- **Building Block 3:** Deposit at least \$5 into your connected college and career savings account.

Starting on your child's first day of first grade, families who have completed all 3 Building Blocks are eligible for the **Savings Match** reward. NYC Kids RISE will match the money you deposit into your connected college and career savings account dollar-for-dollar, up to a maximum of \$100. The 3 Building Blocks (a total of \$75) and Savings Match (\$100) rewards are available through fifth grade.

? Where should I go if I still have questions?

Call NYC Kids RISE at 833-543-7473 or email us at info@nyckidsrise.org.



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