



PRESENTATION TO:

Joint Legislative Audit and Review Commission

July 13, 2015

Presented by:

Mary Morris, Chief Executive Officer

Mission Statement

Continue to be a national leader in 529 programs by providing superior, affordable, innovative, tax-advantaged college savings options to assist families and others in achieving their higher education goals.



Agenda and Goals

- Virginia529 Plan Update
- Virginia529 prePAID Program Update
- ABLE Disability Savings Program Status
- SOAR Virginia
- Appendix

Virginia529 Plan Update





Accounts and Assets Under Management as of March 31, 2015

Programs	Accounts	Gross Fiscal 2015 YTD Account Growth (Percent)	Assets Under Management (\$ billions)**	Percent of National 529 Market
prePAID Program	66,921	4.4%	\$ 2.39	1.0%
Direct-Sold Savings Programs				
inVEST	191,059	*12.6%	\$ 3.03	*1.4%
CollegeWealth	15,776	*N/A	\$ 0.10	*N/A
Advisor-Sold Savings Program				
CollegeAmerica	2,118,489	***0.1%	\$ 49.20	21.2%
Totals**	2,392,245		\$ 54.73	23.6%

* Includes both inVEST and CollegeWealth through March 31, 2015

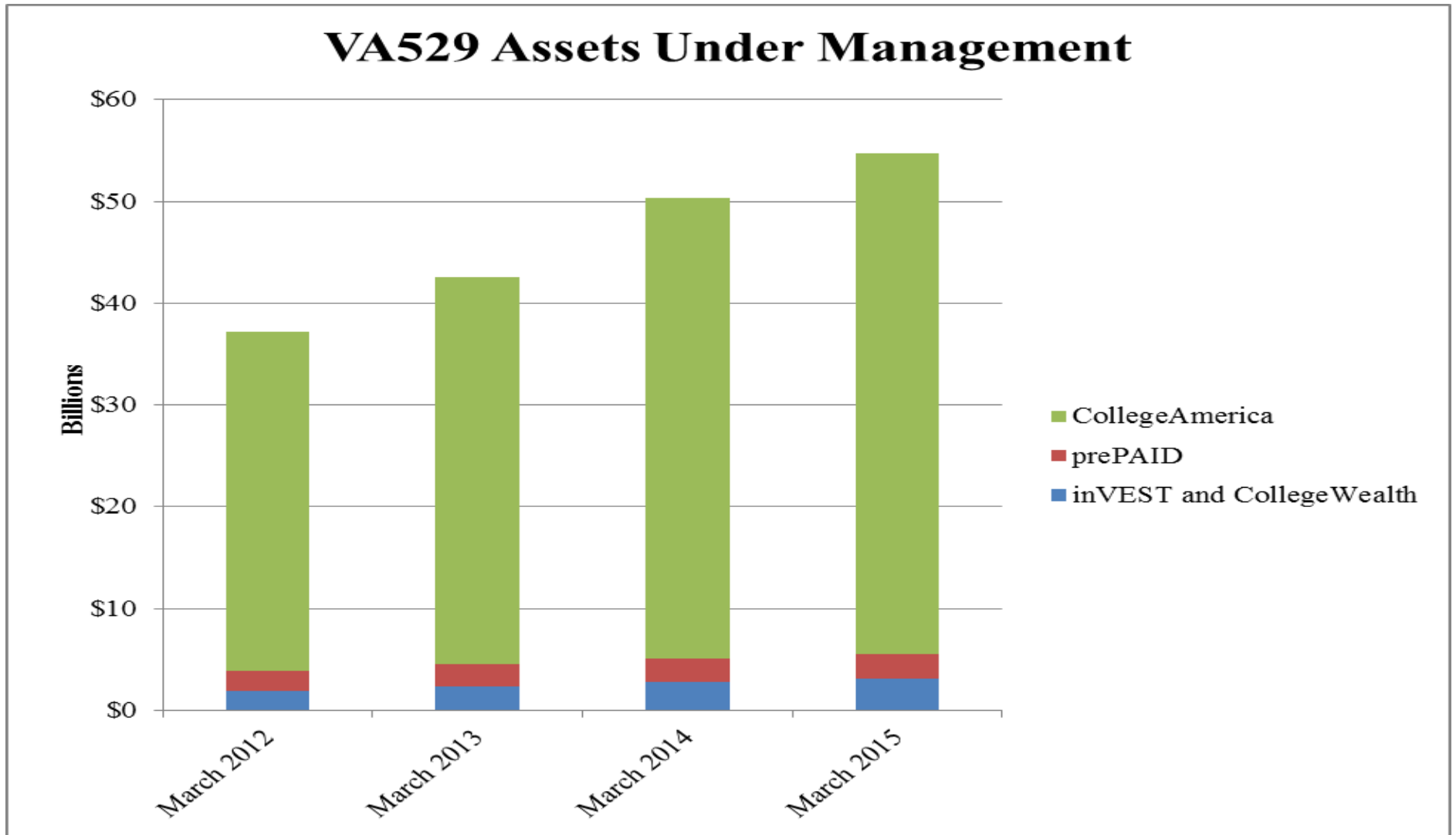
**Figures may not foot due to rounding

***Net account growth in fiscal 2015 (Percent) through March 31, 2015

Virginia529 Account Growth

Virginia529 Account Growth						
	Fiscal Year 2014		Fiscal Year 2013		Fiscal Year 2012	
	Net	Gross	Net ¹	Gross	Net ¹	Gross
prePAID	-1.1%	5.5%	-1.7%	4.6%	-1.6%	3.0%
inVEST	11.8%	16.9%	10.8%	12.7%	7.9%	10.0%
CollegeAmerica	2.8%	N/A	3.2%	N/A	2.9%	N/A
CollegeWealth	24.8%	30.7%	35.1%	41.2%	52.3%	54.8%

¹On June 27, 2013 VA529 closed all zero balance inVEST accounts with no activity for the trailing 18 months. inVEST accounts reported prior to this date have been adjusted retroactively as if the zero balance account policy had been in effect since inception of the inVEST program.



- **Deposit of State Tax Refunds into Virginia529 Accounts**

- New initiative – allows taxpayer to deposit all or a portion of State tax refund into Virginia529 account(s) – effective for tax year 2014
- Through June 30, 2015:

Deposit Transactions:	631
Total Deposits:	\$363,091

- **Virginia529 Statement Redesign**

- Improved format: information on portfolio balances, asset allocation and returns
- Consolidated statement by Account Owner/Beneficiary combination
- Hard copy opt-in
- See Appendix for “How to Read Your Statement Guide”

- **Savings Program Controlled Disbursement Account**

- Opened July 2014
- Disburse funds for Virginia529 (inVEST and CollegeWealth) savings programs

- **Savings Program Portfolio Changes**

- **inVEST**

- ✓ March 2015: Board approved addition of three actively managed target risk funds for static lineup – to be opened October 2015
 - ✓ Age-based portfolios scheduled evolution completed January 2015

- **CollegeAmerica**

- ✓ American Funds Portfolio Series –added American Funds College 2033 Fund in 2015 to maintain glide path – Board approved September 2014
 - ✓ American Funds Inflation Linked Bond Fund – Board approved September 2014; available January 2015

- **Improved Distribution of prePAID Program Benefits**

- Transfer prePAID benefits for students attending school outside Virginia to inVEST accounts to improve flexibility and timeliness of payments
 - Simplified (plain English) inVEST and prePAID Benefits Guides

- **Customer Identification Program (CIP) Implementation**

- Enhanced customer verification and identification
- Fully implemented CIP June 2015
- Bank Secrecy Act (BSA) and Anti-Money Laundering (AML)

- **Cardinal Implementation**

- Participated initially as a Wave I Agency in FY2014
- Due to competing priorities stemming from Cardinal, moved to Wave II in FY2015
- On target to interface with Cardinal in FY2016

- **GASB 68 Implementation**

- GASB 68 changes financial reporting for net pension liability
- Requires reporting Virginia529's proportionate share of net pension liability in financial statements
- Provided impact to Board in September 2014 after consultation with Virginia Retirement System and the Auditor of Public Accounts

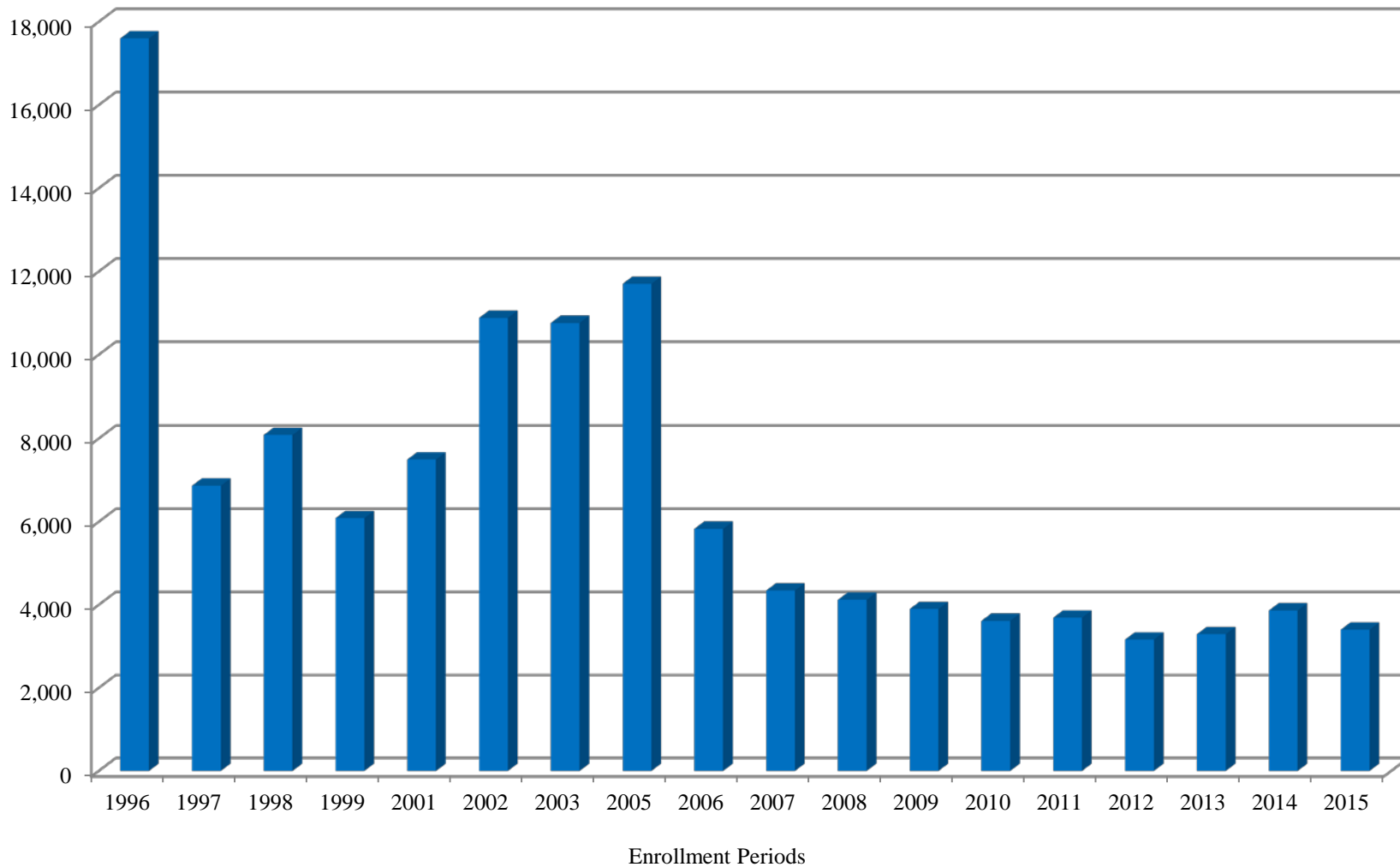
Virginia529 Industry Standing

- ✓ Largest 529 Plan in nation - \$56 billion in AUM as of May 31, 2015
- ✓ Control about 24% of 529 plan market based on AUM as of March 31, 2015
- ✓ One of twelve states that manage a prepaid tuition program with ongoing enrollment
- ✓ Active with two primary industry groups;
 - College Savings Plans Network (CSPN), an affiliate of the National Association of State Treasurers; Virginia529 CEO serves as Committee Chair
 - College Savings Foundation; Virginia529 CEO serves as Chairman
- ✓ Active in legislative and regulatory issues at federal level
- ✓ Provide software development and technical services for 529 plan recordkeeping services to four states

Virginia529 prePAID Program Update



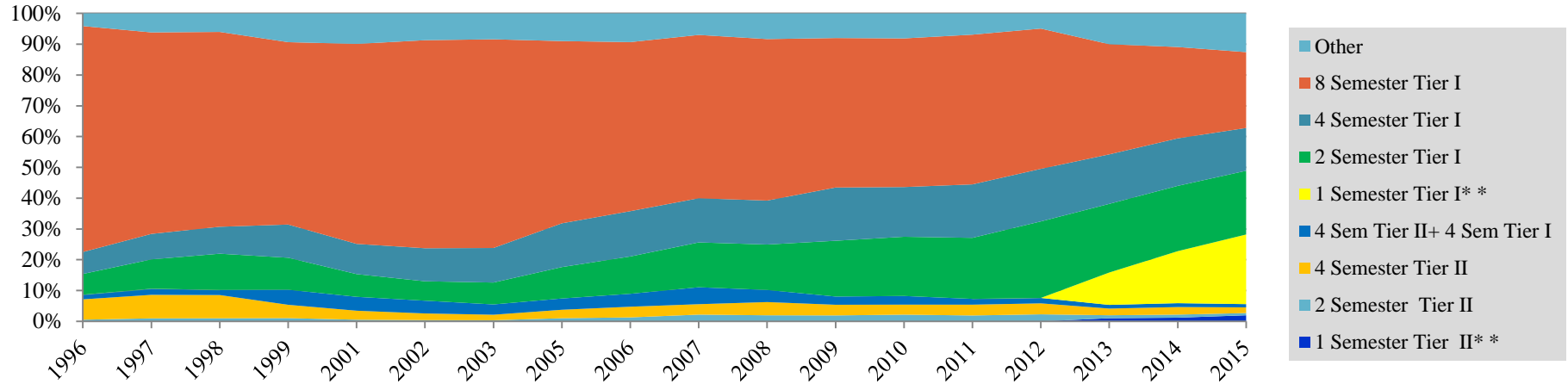
prePAID Applications



Note: 2000 and 2004 enrollment periods were changed/delayed.

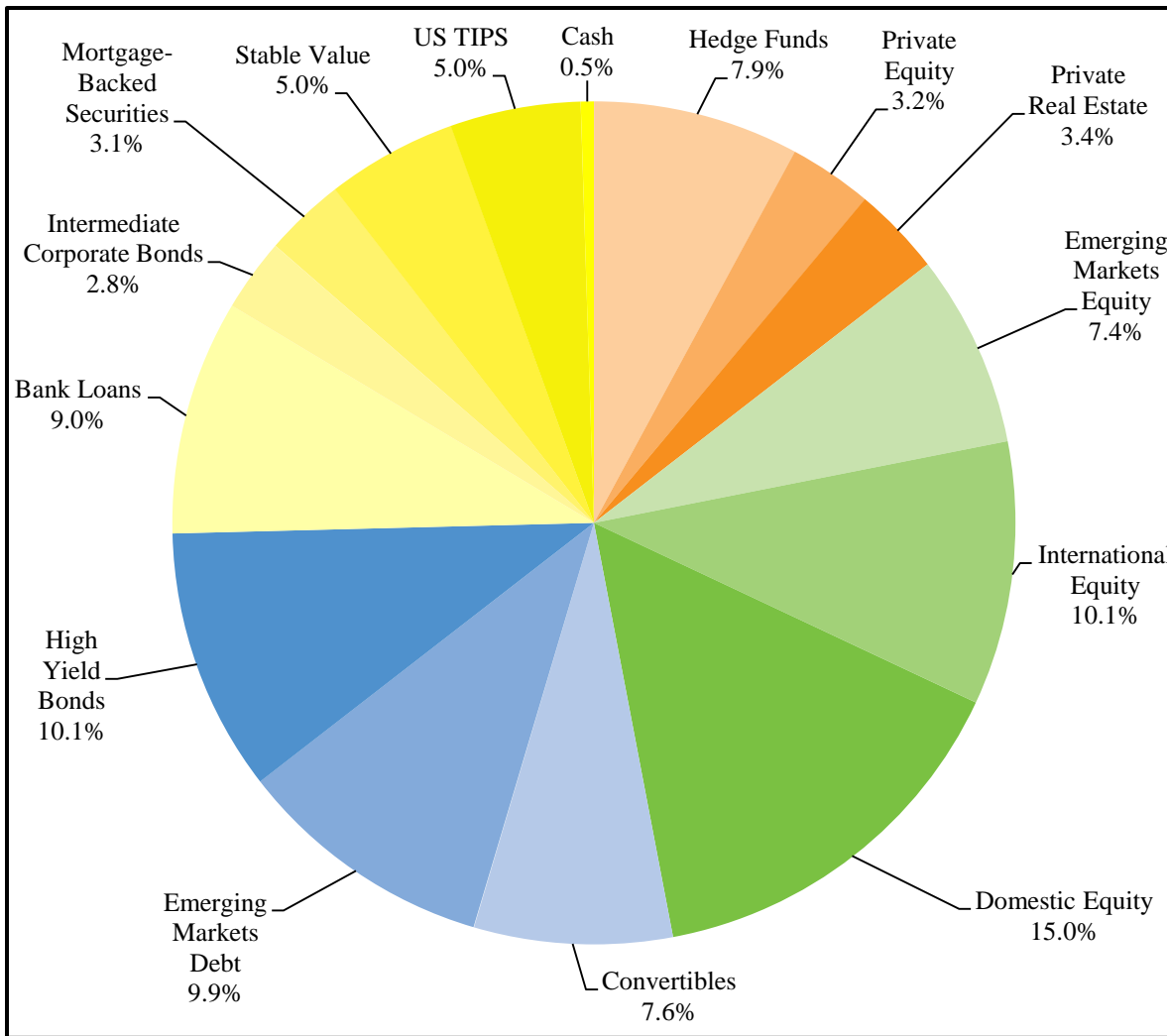
prePAID Semester Contract Sales by Type

Contract Type as a Percent of Total Contracts by Enrollment Year



Type of Contract	1996	1997	1998	1999	2001	2002	2003	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
1 Semester Tier II*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0%	1.2%	2.0%
2 Semester Tier II	0.5%	1.0%	1.0%	1.1%	0.5%	0.4%	0.4%	1.0%	1.3%	2.2%	2.0%	1.9%	2.2%	1.9%	2.3%	1.1%	1.0%	0.7%	
4 Semester Tier II	6.6%	7.6%	7.5%	4.3%	2.9%	2.2%	1.8%	2.7%	3.5%	3.4%	4.3%	3.5%	3.3%	3.5%	3.6%	2.3%	2.5%	1.8%	
4 Sem Tier II+ 4 Sem Tier I	1.5%	2.0%	1.7%	4.9%	4.5%	4.1%	3.4%	3.7%	4.2%	5.5%	3.9%	2.7%	2.8%	1.9%	1.8%	1.2%	1.3%	1.1%	
1 Semester Tier I*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10.5%	16.9%	22.6%
2 Semester Tier I	6.7%	9.5%	11.8%	10.4%	7.4%	6.3%	7.1%	10.2%	12.1%	14.6%	14.8%	18.1%	19.2%	19.8%	24.8%	22.2%	21.2%	20.7%	
4 Semester Tier I	7.1%	8.3%	8.7%	10.8%	9.8%	10.7%	11.2%	14.2%	14.7%	14.3%	14.3%	17.3%	16.1%	17.4%	17.1%	16.0%	15.4%	13.9%	
8 Semester Tier I	73.4%	65.4%	63.3%	59.2%	64.9%	67.5%	67.8%	59.2%	54.9%	53.0%	52.4%	48.5%	48.3%	48.6%	45.5%	35.7%	29.7%	24.6%	
Other	4.1%	6.2%	6.0%	9.3%	9.9%	8.7%	8.4%	9.0%	9.3%	7.0%	8.3%	8.0%	8.1%	6.9%	4.9%	10.0%	10.9%	12.6%	

prePAID Asset Allocation

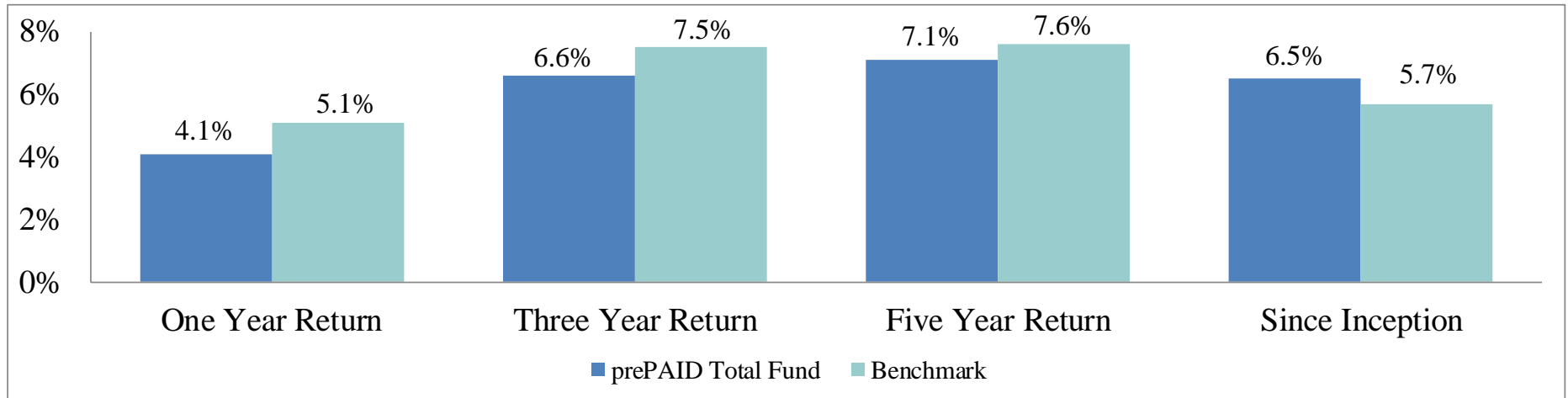


Asset Category	% of Fund	% Target
Alternatives	14.5%	15.0%
Equities	32.5%	32.5%
Non-Core Fixed Income	27.6%	27.5%
Core Fixed Income	25.4%	25.0%

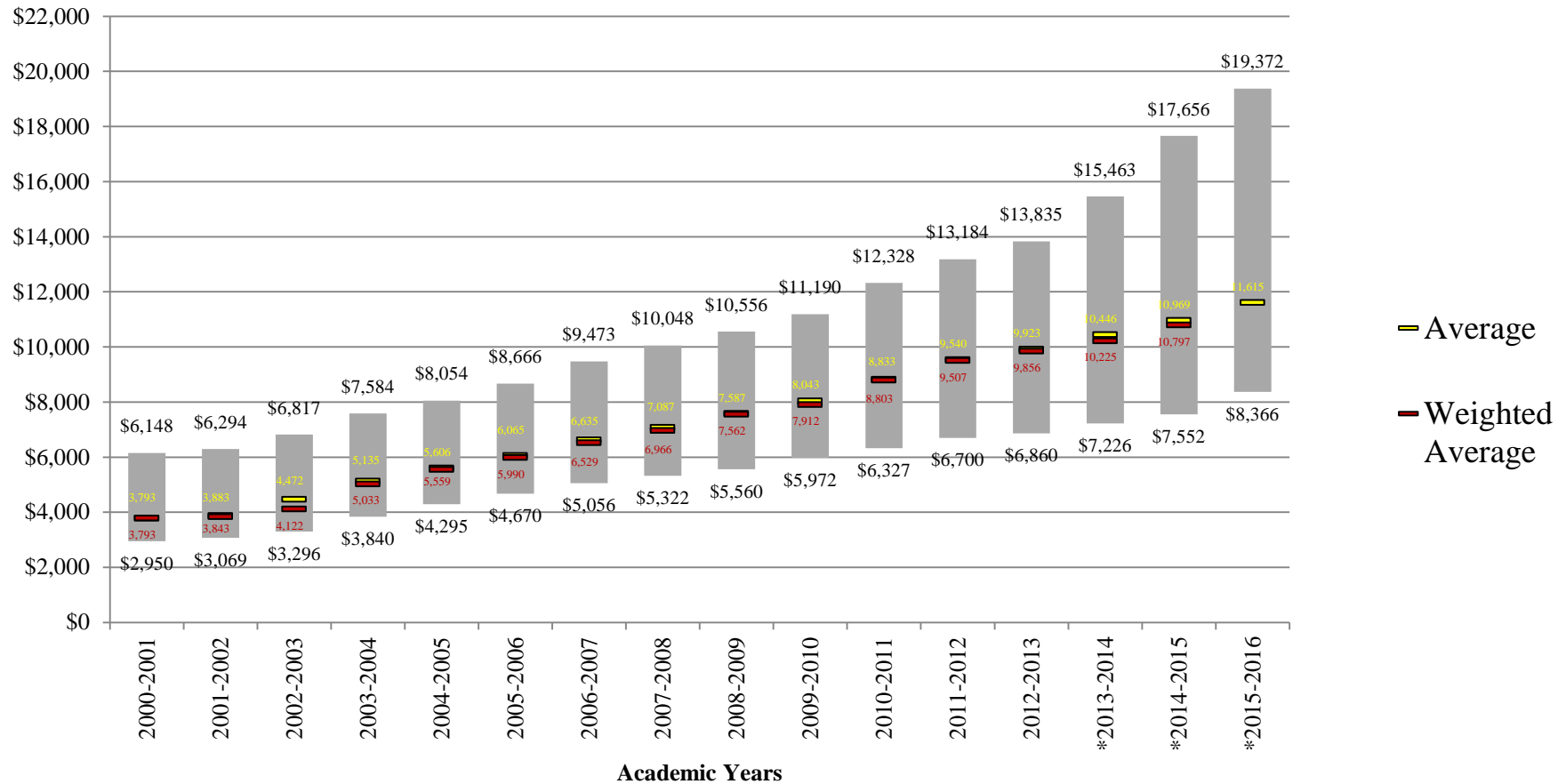
- Numbers may not add to 100% due to rounding.
- Dates as of March 31, 2015



prePAID Performance for periods ending March 31, 2015



Virginia Public University Tuition and Fee Ranges



- (1) Simple average of tuition and fee amounts paid from prePAID per academic year
 - (2) Enrollment-weighted average tuition and fees as shown in Virginia529 prePAID Annual Valuation report
- *Highest tuition paid represents the highest Virginia529 payout based on student cohorts under the William & Mary Promise

prePAID Key Actuarial Assumptions

- Key assumptions for Virginia529 prePAID **actuarial valuation report***
 - Long-term investment return assumption
 - Future tuition growth assumption

2014 Actuarial Valuation Report

- **Long-term investment return assumption: 6.75%**
- **Future tuition growth assumptions:**
 - **Four-year colleges and universities: 7.5%**
 - **Two-year colleges (community colleges): 7.5%**

*Long-Term Investment Return Assumption Reduced to 6.25% in June 2015
Tuition Growth Assumptions for 2015 Actuarial Valuation and 2015-2016 prePAID pricing,
to be determined in August 2015

Long-term Investment Return Assumptions

Year	Return
1996 - 2000	8.0%
2001	7.5%
2002	7.0%
2003	6.75%
2004 - 2011	7.0%
2012 - 2014	6.75%
2015*	6.25%

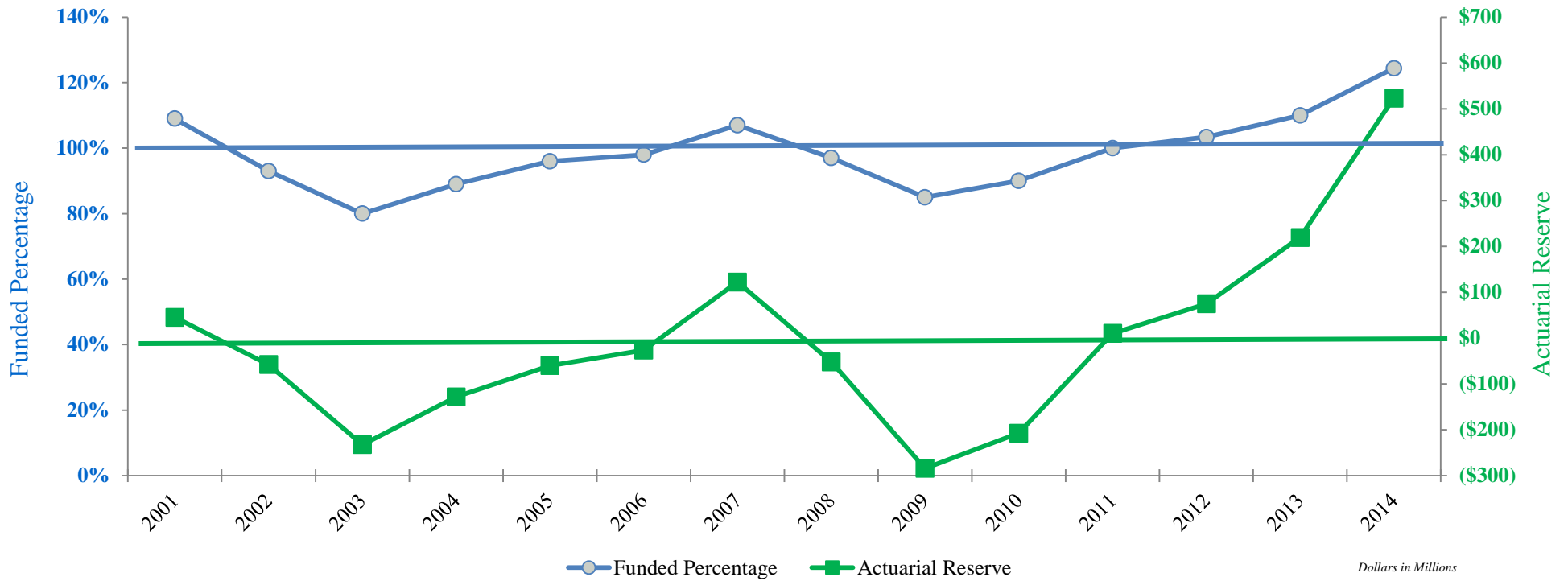
*2015 long-term return assumption reduced 50 basis points to 6.25% upon recommendation of IAC in consultation with Mercer, Virginia529's investment consultant. Mercer's long-term rate of return estimates have dropped reflecting the current economic environment, but the level of the revised long-term return assumption is consistent with past assumption revisions as they relate to Mercer's long-term forecast model.

Actuarial Valuations Since Inception

FY Ended:	Actuarial Value of Program Assets	Actuarial PV of Future Obligations	Actuarially Funded Percentage	Actuarial Reserve (Deficit)
2001	\$576.2	\$531.0	109%	\$45.2
2002	723.9	781.8	93%	(57.9)
2003	945.2	1,177.8	80%	(232.6)
2004	1,029.3	1,157.7	89%	(128.4)
2005	1,370.4	1,430.4	96%	(60.0)
2006	1,591.0	1,617.5	98%	(26.5)
2007	1,852.7	1,730.5	107%	122.2
2008	1,839.6	1,891.4	97%	(51.8)
2009	1,625.7	1,909.8	85%	(284.1)
2010	1,888.6	2,096.0	90%	(207.4)
2011	2,224.3	2,215.3	100%	9.0
2012	2,249.5	2,175.3	103%	74.2
2013	2,408.5	2,189.0	110%	219.5
2014	2,663.7	2,140.4	124%	523.3

(Amounts in Millions)

prePAID Historical Funded Status and Actuarial Reserve



Tuition and Mandatory Fee Policies

- Virginia higher education tuition and fee policies have evolved significantly since enactment of Title 23, Chapter 4.9 in 1994

- Trends include:
 - ✓ Additional charges for certain programs/majors/courses of study (referred to as fees or differential tuition)

 - ✓ Move from block charge for full-time students (12-18 credit hours) to:
 - Charges per credit hour (e.g., Virginia Commonwealth University)
 - Definitions of full-time which include less than 18 hours in a block charge

 - ✓ Tuition guarantees for new students/variability in charges based on class/credits/status (e.g., William & Mary Promise and University of Virginia Affordable Excellence)

Challenges for the Future

- ❖ Calculation of consistent prePAID benefits, as schools shift from the traditional standard of a single in-state, undergraduate tuition for all full-time students to different tuition models

Tuition-related bills considered in 2015 General Assembly

HOUSE	SENATE
2268	806
1980 (Ch. 325)	1183

2015 Appropriation Act, Chapter 665

- Joint Subcommittee on Future Competitiveness of Virginia Higher Education
- SCHEV
 - Follow-up to 2009 Statewide Examination of College Access Services and Resources in Virginia
 - Implementation of JLARC recommendations

- ❖ The widening gap between prePAID benefits paid to Virginia public universities on behalf of contract holders because of the difference between the most and least expensive Virginia public institutions

- ❖ Virginia529 Strategies:
 - Continue to work closely and collaboratively with JLARC, General Assembly leadership and public universities
 - Consider whether legislative changes are advisable
 - Inclusion of Virginia529 in discussions about future tuition and fee policies
 - Currently not a funding issue but a policy issue

ABLE Disability Savings Program Status



➤ **Federal Achieving a Better Life Experience (ABLE) Act**

- ✓ Legislation introduced in 111th Congress (2/09)
- ✓ Re-introduced in 112th Congress (11/11)
- ✓ Re-introduced in 113th Congress (2/13)
 - H.R. 647/S. 313
- ✓ Prime Sponsors:
 - Rep. Ander Crenshaw (R-FL)
 - Sen. Bob Casey (D-PA)

Federal ABLÉ Act of 2014

- House of Representatives
 - ✓ Passed December 3, 2014
 - ✓ Vote: 404-17
- Senate – added to Tax Extenders bill
 - ✓ Passed December 16, 2014
 - ✓ Vote: 76-16
- Signed into law by President Obama - December 19, 2014
- Renamed Stephen Beck, Jr., Achieving a Better Life Experience Act – honoring Virginia father and early advocate – passed away in December 2014

What is the Federal ABLE Act?

- **Creates new IRC § 529A**
 - ✓ authorizes a new type of tax-advantaged savings programs: Qualified ABLE Programs
 - ✓ to encourage and assist individuals and families in saving to support individuals with disabilities
 - ✓ to provide secure funding for disability-related expenses to supplement private insurance, Medicaid, SSI and other benefits
- Modeled in many respects after § 529 college savings accounts
- First major federal legislation for the disabled since the 1990 Americans with Disabilities Act

Virginia ABLE Act:

- As with Qualified Tuition Programs - Qualified ABLE Programs are “established and maintained by a State, or agency or instrumentality thereof”
- General Assembly – enacted February 26, 2015
- Signed by Governor McAuliffe March 17, 2015
- Amends Virginia529 Enabling Act - adds ABLE program to statutory mission (Ch. 227, 311, 2015 VA Acts of Assembly)
- § 23-38.75: ABLE savings trust account means an account established...to assist individuals and families to save private funds to support individuals with disabilities to maintain health, independence, and quality of life

Why Virginia College Savings Plan?*

(Virginia529)

- ✓ Section 529A(b)(1) requires that an ABLE program be established by a state or an agency or instrumentality thereof – identical to provisions of § 529
- ✓ ABLE patrons and Congressional staff recognized 529 plans had requisite expertise and consulted over several years – ABLE in IRC §529 until 11/2014
- ✓ Virginia529 possesses expertise, structure and resources to establish and implement a qualified ABLE program similar to the successful § 529 qualified tuition programs it has been running since 1996
- ✓ Placing responsibility on Virginia529 to establish an ABLE program expands current mission to enhance the accessibility and affordability of higher education for all citizens of the Commonwealth to *include efforts to encourage and assist individuals and families to save for the purpose of supporting persons with disabilities to maintain health, independence and quality of life*
- ✓ Costs to develop and implement ABLE Program from existing non-general fund operating revenues
- ✓ Virginia529 pledge: implementation will not harm existing programs or diminish higher education mission of Virginia529

* from General Assembly Talking Points

What are Other States Doing?

➤ States with an ABLER bill in 2015:	43
➤ Status as of June 30, 2015	
✓ Enacted and signed into law	23
✓ Awaiting Governor signature	2
✓ Pending in legislature	*16
✓ Left in committee	2
✓ No bill	8

*includes District of Columbia

- ✓ Home state requirement – prevents national program
 - Difficult to build scale in program
 - Removes choice – and price, investment option pressure
 - Questions about contracting state provision
- ✓ Timing of implementation
 - Proposed regs impose significant administrative burden on states
- ✓ Single account requirement
- ✓ Qualified beneficiary as mandated AO
- ✓ Federal and state tax advantages – but, no state income tax deduction

Soar Virginia[®]

Early Commitment Scholarship Program Update



- 2010 – Virginia529 established pilot early commitment scholarship program – SOAR Virginia
- Designed to inspire students from low/moderate income families to complete HS and pursue higher education
- 18 months of research and program development preceded pilot
- Just completed 5th year in which 1,475 students participated

- Students pledge to meet program criteria
(GPA, citizenship, financial literacy)
- Virginia529 commits to scholarship dollars in an account each year of HS – all non-general funds support program
- Administered in partnership with college access providers across Commonwealth
 - ✓ Great Aspirations Scholarship Program
 - ✓ ACCESS College Foundation
 - ✓ VCCS Career Coaches
 - ✓ Project Discovery

SOAR Virginia Statistics

Year	# Access Providers	# Schools	# Districts	# Students
AY2010-11	1-GRASP	7	5	103
AY2014-15	4	57	40	1,475

- Scholar Certification Rates – approximately 85%
- Scholar Retention Rates – approximately 95%
- % pursuing higher education – 86%
 - 90% in Virginia schools
 - 70% in 4 year programs/30% in 2 year programs
 - 85% to public schools
- Cumulative Awards: \$1,645,000
- Cumulative Distributions: \$ 400,000*

* 2014-15 awards not yet made



Appendix

- Performance through March 31, 2015
- prePAID Payments to Institutions in FY2014
- Virginia529 How To Read Your Statement Guide
- Additional ABLE Act Information

prePAID Performance as of 3/31/15

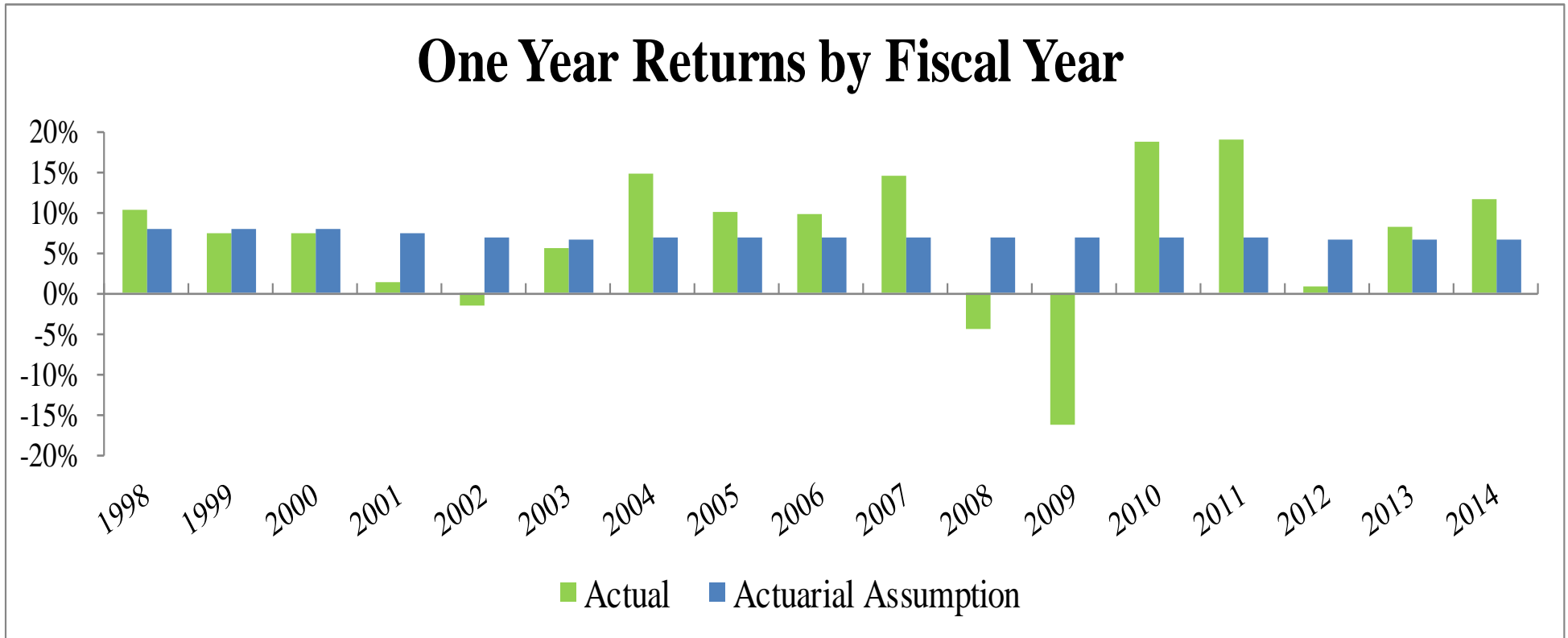
Name	3 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
prePAID Total Fund	2.6%	2.6%	4.1%	6.6%	7.1%	6.1%	6.5%	Oct-97
<i>Total Fund Index¹</i>	2.1%	2.1%	5.1%	7.5%	7.6%	5.6%	5.7%	Oct-97
prePAID Total Equity	3.9%	3.9%	3.6%	10.8%	10.2%	7.2%	7.2%	Oct-97
<i>Total Equity Index²</i>	2.4%	2.4%	6.0%	11.4%	9.6%	6.1%	5.4%	Oct-97
prePAID Total Domestic Equity	3.1%	3.1%	7.9%	16.2%	14.6%	9.1%	8.2%	Oct-97
<i>Domestic Equity Index³</i>	1.8%	1.8%	12.4%	16.4%	14.7%	8.4%	6.7%	Oct-97
prePAID Total International Equity	4.6%	4.6%	-0.1%	5.8%	5.8%	6.5%	6.4%	Oct-97
<i>International Equity Index⁴</i>	3.8%	3.8%	0.2%	5.7%	4.8%	5.7%	5.1%	Oct-97
prePAID Alternatives	1.1%	1.1%	7.7%	6.0%	5.8%		4.6%	May-05
<i>Alternatives Index⁵</i>	1.8%	1.8%	7.9%	7.3%	8.6%		5.3%	May-05
prePAID Total Fixed Income	2.1%	2.1%	3.3%	3.9%	5.4%	5.2%	5.9%	Oct-97
<i>Fixed Income Index⁶</i>	1.8%	1.8%	3.7%	4.7%	6.0%	5.5%	5.8%	Oct-97
prePAID Non Core Fixed Income	2.6%	2.6%	3.5%	5.8%	6.9%		5.7%	May-05
<i>Non-Core Fixed Index⁷</i>	2.3%	2.3%	3.0%	7.3%	8.2%		6.6%	May-05
prePAID Core Fixed Income	1.6%	1.6%	3.1%	1.7%	3.8%	4.2%	5.3%	Oct-97
<i>Core-Fixed Income Index⁸</i>	1.3%	1.3%	4.3%	2.0%	3.8%	4.5%	5.2%	Oct-97

Source: Bank of New York Mellon

Performance is presented net of investment management fees

Notes: Past performance is no guarantee of future results

prePAID Annual Return History



inVEST Performance as of 3/31/15

	Current Month	3 Months Ending	Cal Year Ending	1 Year Ending	3 Year Ending	5 Year Ending	10 Year Ending	Inception Ending	Inception Date
AGE-BASED PORTFOLIOS									
Rappahannock Portfolio	-0.38	3.47	3.47	6.84				7.18	Jan-14
<i>Rappahannock Benchmark</i>	-0.56	3.15	3.15	6.93				7.05	
James River Portfolio	-0.32	3.24	3.24	6.83	9.69			8.29	Jan-11
<i>James River Benchmark</i>	-0.53	2.85	2.85	6.62	9.81			8.13	
Eastern Shore Portfolio	-0.25	2.82	2.82	5.97	8.89	8.57		5.15	Feb-08
<i>Eastern Shore Benchmark</i>	-0.43	2.58	2.58	5.91	9.05	8.19		4.99	
Alleghany Portfolio	-0.19	2.56	2.56	5.65	8.08	8.04		5.66	Aug-05
<i>Alleghany Benchmark</i>	-0.37	2.31	2.31	5.56	8.17	7.60		5.11	
Chesapeake Portfolio	-0.13	2.21	2.21	5.09	7.23	7.48	5.78	6.02	Jan-02
<i>Chesapeake Benchmark</i>	-0.30	2.01	2.01	5.03	7.33	7.03	5.36	5.49	
Potomac Portfolio	0.00	1.68	1.68	4.21	6.20	6.64	5.48	4.67	Jan-00
<i>Potomac Benchmark</i>	-0.13	1.59	1.59	4.30	6.28	6.22	5.01	3.42	
Southside Portfolio	0.18	0.96	0.96	3.34	4.66	5.48	5.01	4.38	Jan-00
<i>Southside Benchmark</i>	0.13	0.79	0.79	3.28	4.63	4.99	4.47	3.26	
Blue Ridge Portfolio	0.12	0.38	0.38	1.41	1.64	3.12	3.71	3.70	Jan-00
<i>Blue Ridge Benchmark</i>	0.07	0.21	0.21	0.88	1.43	2.47	3.01	2.60	
Piedmont Portfolio	0.12	0.38	0.38	1.42	1.47	2.30	3.36	3.86	Jan-00
<i>Piedmont Benchmark</i>	0.07	0.21	0.21	0.88	0.87	0.88	1.99	2.87	
STATIC PORTFOLIOS									
Aggressive Growth Portfolio	-0.85	2.28	2.28	7.64	11.16	10.14	6.39	6.01	Jan-02
<i>Aggressive Growth Benchmark</i>	-0.95	1.98	1.98	7.06	11.18	10.24	6.77	6.36	
Moderate Growth Portfolio	-0.50	2.16	2.16	7.31	9.19	8.82	6.07	5.77	Jan-02
<i>Moderate Growth Benchmark</i>	-0.73	1.58	1.58	5.86	8.88	8.63	6.30	6.01	
Conservative Income Portfolio	0.23	1.89	1.89	6.50	5.14	5.58	4.80	4.56	Jan-02
<i>Conservative Income Benchmark</i>	-0.30	0.73	0.73	3.42	4.30	5.01	4.66	4.51	
Socially Targeted Portfolio	-1.32	-0.80	-0.80	12.73	17.76	13.63		15.06	Nov-09
<i>Socially Targeted Benchmark</i>	-1.60	0.91	0.91	12.58	15.93	14.28		15.83	
Total Stock Market Portfolio	-1.02	1.76	1.76	12.15	16.20	14.55		7.94	Aug-05
<i>Ttl Stock Mkt Benchmark</i>	-1.02	1.77	1.77	12.18	16.23	14.59		7.94	
Total Bond Market Portfolio	0.41	1.61	1.61	5.50	2.93	4.22		4.58	Sep-05
<i>Ttl Bond Mkt Benchmark</i>	0.46	1.62	1.62	5.51	2.91	4.22		4.56	
Ttl International Stock Portfolio	-1.53	4.01	4.01	-1.22	6.45	4.72		4.64	Sep-05
<i>Ttl Int'l Stock Benchmark</i>	-1.48	3.70	3.70	-0.62	8.09	5.53		4.22	
Inflation-Protected Securities Portfolio	-0.36	1.23	1.23	3.08	0.46	4.07		4.09	Sep-05
<i>Inflation-Protected Benchmark</i>	-0.48	1.39	1.39	2.96	0.45	4.10		4.19	
REIT Portfolio	1.71	4.67	4.67	23.89	13.95	15.65		8.22	Sep-05
<i>REIT Benchmark</i>	1.74	4.71	4.71	24.02	13.99	15.70		7.93	

Note: Performance Returns are calculated by BNY Mellon Asset Servicing. They are presented net of management fees and inVEST administrative fees.

prePAID Payments – FY2014

Virginia Public Universities

Public Universities	Students with prePAID Contracts	prePAID Payments to Universities
Virginia Tech	1,934	\$20,875,240
University of Virginia	1,366	16,390,146
Virginia Commonwealth University	1,216	11,639,613
James Madison University	1,096	9,475,290
College of William & Mary	658	8,995,392
George Mason University	868	7,594,561
Christopher Newport University	474	4,956,063
Longwood University	430	4,312,565
Radford University	451	3,678,269
Old Dominion University	523	3,496,814
University of Mary Washington	361	3,198,018
Virginia Military Institute	74	1,026,782
University of Virginia's College at Wise	24	175,479
Virginia State University	27	158,518
Norfolk State University	20	107,047
Total Universities	9,522	\$96,079,797

prePAID payments – FY2014 (cont.)
Virginia Community Colleges and Richard Bland College

Public Community Colleges*	Students with prePAID Contracts	prePAID Payments to Community Colleges
Northern Virginia Community College	652	\$1,744,725
Tidewater Community College	179	435,904
J Sargeant Reynolds Community College	178	391,105
John Tyler Community College	137	296,702
Germanna Community College	80	182,950
Virginia Western Community College	58	136,736
Lord Fairfax Community College	60	131,521
Piedmont Virginia Community College	53	126,039
Thomas Nelson Community College	56	107,377
Richard Bland College	29	102,426
Blue Ridge Community College	38	100,813
New River Community College	32	88,334
Rappahannock Community College	23	52,824
Central Virginia Community College	17	47,947
Patrick Henry Community College	13	36,788
Danville Community College	12	23,750
Virginia Highlands Community College	7	20,724
Wytheville Community College	10	18,753
Southside Virginia Community College	12	17,615
Dabney S Lancaster Community College	7	16,573
Eastern Shore Community College	5	15,253
Southwest Virginia Community College	6	12,821
Mountain Empire Community College	3	6,566
Paul D Camp Community College	3	6,079
Total Community Colleges*	1,670	\$4,120,324

*Includes Richard Bland College; Virginia's only 2-year junior college.

prePAID payments – FY2014 (cont.)
In-State, Out-of State & Grand Total

In-State Private & Out-of-State prePAID Payments

Other Colleges	Students with prePAID Contracts	prePAID Payments to Colleges
In-State Private	812	\$7,676,630
Out-of-State	1,867	\$11,312,540
Total Other Colleges	2,679	\$18,989,170

Public, In-State Private & Out-of-State prePAID Payments

All Colleges	Students with prePAID Contracts	prePAID Payments to Colleges
Grand Total	13,871	\$119,189,290



Virginia529 New Statement Guide



Understanding Your New inVEST Statement

A sample of the new inVEST statement design is shown below. Select elements of the statement are highlighted and described in more detail for your information.

Account Activity Summary – Contributions are funds paid into your account and distributions are funds withdrawn from your account.

Internal Transfers – Funds transferred or rolled into your inVEST account(s) from a prePAID, CollegeAmerica, or CollegeWealth account or a different inVEST account. These funds are not eligible for the Virginia income tax deduction for contributions to Virginia529 accounts.

NAV – "Net Asset Value," the value of each unit in a portfolio.

Market Value – The value of the portfolio investments as of the statement date.

Cost Basis – The purchase price or original value of the investments in the portfolio.

Unrealized Gain/(Loss) – The increase or decrease in the value of your portfolio investments as of the statement date. A realized gain or loss is determined when the funds are withdrawn. A loss is shown in parentheses.

Virginia529 INVEST™ Consolidated Account Statement
 Statement Period: 01/01/2024 - 12/31/2024
 Account Holder: [Name Redacted]
 Beneficiary: [Name Redacted]

Account Activity Summary

CONTRIBUTIONS	WITHDRAWALS	INTERNAL TRANSFERS	NET CHANGE	STATEMENT BALANCE
\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00

Current Aggregate Portfolio Allocation

Asset Class	Allocation (%)
Equity	60%
Fixed Income	35%
Real Estate	5%

Investment Performance

Contributions Received at End of Month

Date	Description	Portfolio	Amount	Balance	NAV	Units
05/05/2024	inVEST Contribution Check #1	Equity	15000.00	\$25000	1.25	1200
05/10/2024	inVEST Contribution Check #2	Equity	15000.00	\$40000	1.67	1,170
05/20/2024	inVEST Contribution Check #3	Equity	15000.00	\$55000	1.75	1,170
06/05/2024	inVEST Contribution Check #4	Equity	15000.00	\$70000	1.60	1,250
06/20/2024	inVEST Contribution Check #5	Equity	15000.00	\$85000	1.50	1,250
08/05/2024	inVEST Contribution Check #6	Investment Index	10000.00	\$95000		

Consolidated Statement – All inVEST accounts and portfolios for the account owner and beneficiary combination listed are combined in this statement.

Announcements and Updates – Important news related to Virginia529 programs and events.

Calendar Year End Aggregate Account Balances – Consolidated inVEST account balances as of the statement period date and the preceding four calendar years.

Current Aggregate Portfolio Allocation – A breakdown of investments by asset class as of the consolidated statement period date.

Investment Performance – The performance of your investments in a portfolio during the statement period. As your personal investment performance takes into consideration the timing and amounts of your contributions into or withdrawals from the portfolio, it may be different than the portfolio's overall performance as shown at Virginia529.com.

Contributions received at the end of a month may not be reflected as invested due to the pending settlement period. For information about the pending settlement period, please refer to the Virginia529 inVEST Program Description & Privacy Policy.



Virginia529 New Statement Guide



Understanding Your New prePAID Statement

A sample of the new prePAID statement design is shown below. Select parts of the statement are highlighted and described in more detail for your information.

Statement Period – The timeframe of transactions included in this statement. Account owners with prePAID contracts will receive a statement each quarter.

Payments – The sum(s) of money required to be paid to Virginia529 under the conditions of your contract.

Account Type – The number and tier of prePAID semesters under contract for the account. Refer to the prePAID Program Description & Master Agreement, available at Virginia529.com, for more information about prePAID tiers.

Payments Remaining – The number of payments until your contract is paid in full.

Payments Year to Date – The amount of payments made in the current calendar year, useful for Virginia taxpayers to claim the Virginia income tax deduction for contributions to Virginia529 accounts.

Virginia529 prePAID Consolidated Account Statement

Statement Period: 01/01/2014 - 03/31/2014

Account Number: 12345678901234567890

Account Type: 12345678901234567890

Code	Description	Amount	Balance
01/01/2014	Initial Deposit	\$1,000.00	\$1,000.00
01/01/2014	Payment	\$100.00	\$900.00
01/01/2014	Payment	\$100.00	\$800.00
01/01/2014	Payment	\$100.00	\$700.00
01/01/2014	Payment	\$100.00	\$600.00
01/01/2014	Payment	\$100.00	\$500.00
01/01/2014	Payment	\$100.00	\$400.00
01/01/2014	Payment	\$100.00	\$300.00
01/01/2014	Payment	\$100.00	\$200.00
01/01/2014	Payment	\$100.00	\$100.00
01/01/2014	Payment	\$100.00	\$0.00

Statement Period Activity: Debt

Date	Description	Amount	Balance
01/01/2014	Initial Deposit	\$1,000.00	\$1,000.00
01/01/2014	Payment	\$100.00	\$900.00
01/01/2014	Payment	\$100.00	\$800.00
01/01/2014	Payment	\$100.00	\$700.00
01/01/2014	Payment	\$100.00	\$600.00
01/01/2014	Payment	\$100.00	\$500.00
01/01/2014	Payment	\$100.00	\$400.00
01/01/2014	Payment	\$100.00	\$300.00
01/01/2014	Payment	\$100.00	\$200.00
01/01/2014	Payment	\$100.00	\$100.00
01/01/2014	Payment	\$100.00	\$0.00

Consolidated Statement – All prePAID accounts for the account owner and beneficiary combination listed are combined in this statement.

Announcements and Updates – Important news related to Virginia529 programs and events.

Distributions – Funds withdrawn from your contract.

Refund Value – Previously called cancellation value, the amount of payments and earnings that you would receive if you cancel your contract.

Internal Transfers Year to Date – Funds transferred or rolled into your prePAID contract from an INVEST, CollegeAmerica, or CollegeWealth account or a different prePAID contract. These funds are not eligible for the Virginia income tax deduction for contributions to Virginia529 accounts.



Virginia529 New Statement Guide

Your Statement Also is Online at Virginia529.com

Your statement is now available online in your secure online profile at Virginia529.com, where you may access or print it at any time. At the end of each quarter, Virginia529 will post a statement to your online profile and notify you by email.

Accessing Your Online Statement

If you have previously created an online profile at Virginia529.com:

- Log into your profile.
- Select "View Accounts" then "Online Statement".
- Verify your email address on file is correct by selecting "My Profile" then "Change Email".

If you have not created an online profile at Virginia529.com:

- Visit Virginia529.com and select the blue "My Account" button from the top right corner (on a tablet, tap the blue "Menu" in the top right to access the "My Account" link).
- Select "Establish Access" on the right side.
- Enter the required information to set up your access.
- Once logged in, select "View Accounts" then "Online Statement".



With the introduction of online statements, this statement is the last one you will receive via mail unless you opt-in for paper.

Advantages to Online Statements

Electronic, online statements provide additional security, reduce paper use, provide access to historical information and can be viewed and printed at your convenience.

To Request Continued Paper Statements by Mail:

1. Log into your Virginia529 profile.
2. Select "My Profile" then "Communication Preferences".
3. In the "Statements" section, select "Mail".

§ 23-38.77. Powers and duties of Board.

The Board shall administer the Plan established by this chapter and shall develop and implement programs for (i) the prepayment of undergraduate tuition, as defined in § 23-38.75, at a fixed, guaranteed level for application at a two-year or four-year public institution of higher education in the Commonwealth and; (ii) contributions to *college* savings trust accounts established pursuant to this chapter on behalf of a qualified beneficiary in order to apply distributions from the account toward qualified higher education expenses at eligible educational institutions, both as defined in § 529 of the Internal Revenue Code of 1986, as amended, or other applicable federal law; *and (iii) contributions to ABLE savings trust accounts established pursuant to this chapter on behalf of a qualified beneficiary in order to apply distributions from the account toward qualified disability expenses for an eligible individual, both as defined in § 529A of the Internal Revenue Code of 1986, as amended, or other applicable federal law.*

Key Federal ABLÉ Provisions

- **Ownership:** eligible beneficiary = account owner
- **Age:** disability must have occurred before the age of 26
- **Criteria:** (i) entitled to benefits under title II or XVI of the Social Security Act OR
(ii) disability certification filed with Treasury Secretary
- **Number:** limit = one account per qualified beneficiary
- **Residency:** resident of offering State OR a contracting State
- **Annual Contributions:** single annual gift tax exclusion amount
(\$14,000 in 2015)

Key Federal ABLE Provisions (cont.)

- Federal Tax Benefits:** no federal tax on gains if used for Qualified Disability Expenses
- State Claim on Balances:** potential State Medicaid claim on ABLE account balances (at death)
- Qualified disability expenses:** broad coverage including most living expenses, medical expenses, financial management expenses
- Asset exemption:** relief from \$2,000 cap on conventional savings (preserve eligibility for Medicaid and Supplemental Security Income (SSI) benefits)
- Regulations:** U.S. Treasury issued proposed regulations 6/22/2015
 - Comments due 9/21/2015
 - Public Hearing 10/14/2015
 - Working on response with partners and other states