

January 10, 2011

NC 529 Assets Grew 34 Percent In 2010

Raleigh, N.C. – Total assets in the North Carolina 529 College Savings Plan grew 34 percent during 2010 to \$716,783,593. Just one year ago, the plan was at \$534,808,377. The number of active accounts also increased from December 2009 to December 2010, going from 74,706 active accounts to 85,516, for a 14.47 percent increase.

According to Shera Hube, Vice President of Marketing and Savings at College Foundation, Inc., which administers the plan, “The growth of North Carolina’s savings program this past year is due to a number of factors: improvement in the economy, increased understanding of the value of higher education, growing familiarity with the advantages of saving in a 529 plan, and very positive recognition for the NC 529 program. In the fall, Morningstar, an independent financial research firm, praised the North Carolina plan and it was referred to in *Money* magazine as one of the three top college-savings plans in the nation.”

Starting an NC 529 account requires as little as a \$25 investment and you may make regular or periodic contributions based on your financial situation and your preferences. Money can be used for qualified higher education expenses at almost any four-year or two-year college, in-state or out-of-state.

NC taxpayer contributions to an NC 529 account of up to \$2,500 for individuals (\$5,000 for joint filers) per year are currently eligible for a state tax deduction. Earnings in an NC 529 Account are free from federal and NC taxes if used for qualified higher education expenses.

Investment choices include a selection of low cost age-based or individual options from Vanguard, State Employees Credit Union (SECU) and the State Treasurer of North Carolina.

For more information on North Carolina’s National College Savings Program, call 800-600-3453 toll free or visit www.CFNC.org/NC529.

About CFNC

College Foundation of North Carolina (CFNC) is a free service of the State of North Carolina that helps students plan, apply, and pay for college. CFNC is a partnership of Pathways, the N.C. State Education Assistance Authority, and College Foundation, Inc.

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Pathways, created by the N.C. General Assembly in 1999, is a state-wide initiative to increase the college-going rate of North Carolinians by providing: comprehensive college and career planning resources; electronic applications and transcripts accepted by all 110 North Carolina colleges and universities; and, information on student financial aid and college affordability. Pathways is administered by The University of North Carolina General Administration in collaboration with the N.C. Department of Public Instruction, the N.C. Community College System, and the N.C. Independent Colleges and Universities.

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The North Carolina State Education Assistance Authority (NCSEAA), established in 1965, is the State agency that promotes access to higher education by administering financial aid and savings programs, informing students and families about paying for college, teaching educators about financial aid administration, and advocating for resources to support students.

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College Foundation, Inc. (CFI), a nonprofit corporation serving North Carolina students and families since 1955, administers a loan portfolio of more than \$3.3 billion, including low-interest federal education loans, in addition to the State's college grant programs and the tax-advantaged "529" college savings program on behalf of the N.C. State Education Assistance Authority. CFI also delivers information to North Carolina students and families about paying for college and provides technology services for CFNC.org.

CFNC offers resources toll-free at 1-866-866-CFNC and at CFNC.org.

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