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How to pay for college?
Consider opening an Edvest account

By Secretary Jay Risch
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Another school year is rapidly coming to a close, much to the anticipation of K-12 students across Wisconsin. As those students prepare to indulge themselves in the joys of summer, it is unlikely that either they – or their parents – have given thought to the longer-term ramifications of the passage of another school year: College – whether it’s a technical school, a two-year program or a four-year institution – just got one year closer.

That’s a thought that can send a shiver up the spine of many parents. The prospect of planning for, and more importantly paying for, a child’s post-secondary education is indeed daunting. In a perfect world, all parents would begin that process when their children were born, or still very young. Unfortunately, that is not the case. Many families are not financially prepared for the cost of college when the time comes.

Encouraging parents to be more proactive on this front is something the Department of Financial Institutions (DFI) has been promoting for the past few years. Since 2016, DFI and our Office of Financial Literacy have:

• Hired a college affordability specialist to conduct outreach to stakeholder groups, parents and students promoting the importance of planning ahead for college.
• Launched a website, www.LookForwardwi.gov, a Wisconsin-centric resource featuring information about college affordability and student loans.
• Published a College & Career Readiness Guide, an easy-to-use guide intended to get K-12 students to begin the process of planning for a career, and get both them and their parents thinking about how to pay for college, whether it’s a four-year university, a technical college or a two-year program at one of the many fine schools in Wisconsin.
• Integrated the Wisconsin 529 College Savings Plans – Edvest and Tomorrow’s Scholar – into the DFI fold. Collectively, the Edvest and Tomorrow’s Scholar plans manage $5 billion in investments that will be used to pay for the post-secondary educational expenses of some 314,000 account holders.
If you’ve never heard of Edvest and you are a parent or grandparent, pay close attention. Opening an Edvest account is an easy way to begin saving for college for your child or grandchild. Edvest is one of the lowest-cost 529 plans in the country and Wisconsin residents are eligible for state tax benefits for contributions they make to an account.

On a personal note, I can tell you that I’m a believer, having opened Edvest accounts for each of my two sons. You can easily open an account in just 15 minutes and manage it online or by mail. By setting up automatic contributions from your bank account or by payroll deduction (if supported by your employer), making regular contributions is hassle free. Visit www.edvest.com to learn more.

And if you’re a parent eligible for the $100-per-child tax rebate that was recently signed into law by Governor Scott Walker, perhaps you should consider using it to open an Edvest account, or add it to an existing one. If you’re looking for information about the rebate program, visit www.childtaxrebate.wi.gov. Eligible parents can file for the rebates between May 15 and July 2. The checks should arrive just in time for the start of the new school year. And you know what that means. Your child will be another school year closer to college.

*Jay Risch is Secretary of the Wisconsin Department of Financial Institutions.*