



## OKLAHOMA COLLEGE SAVINGS PLAN

The Oklahoma College Savings Plan (OCSP) provides OSU employees with a way to save for their children's future. The Plan offers a choice of investment options, tax advantages, and the flexibility of using your savings at any qualified higher education institution both in the United States and abroad.

**Advantages of Using the Oklahoma College Savings Plan to Save for College:** Funds in the account may be used at any eligible educational institution in the nation and abroad, at a private or public college or university, graduate school, or any qualified postsecondary

institution. Savings may be applied towards tuition as well as related expenses such as books, supplies, required fees, and certain room and board costs.

**Choice of Investments:** The OCSP offers several investment choices. The choices vary in investment strategy and degree of risk, allowing you to select the option(s) that best fit your needs and investment philosophy.

**No Income Limits:** Parents, grandparents, relatives and friends at any income level may open an account and contribute on behalf of a beneficiary.

**Tax Advantages:** Earnings on the investments are not taxed, even upon withdrawal, if withdrawn for a qualified education expense. Also, the first \$2,500 a year deposited in an account can be deducted from the taxpayer's Oklahoma income. There is no limit on the number of accounts that can be opened for different beneficiaries. Example: a grandparent with 10 grandchildren could open 10 accounts, deposit \$2,500 in each, and deduct \$25,000 from his/her Oklahoma income.

**Low Minimum Contribution:** An account may be opened with a \$100 check or money order or electronic funds transfer. You can also contribute as little as \$15 per investment option per month using payroll deduction through Oklahoma State University. You may open separate accounts for as many different beneficiaries as you wish.

**Contribution Limit:** There is no annual limit on the amount you may contribute to an account. However, a lifetime limit applies. In general, you may contribute to an account if at the time of your contribution the total balance of all accounts for your beneficiary does not exceed \$235,000.

**Transferability:** If your child or beneficiary decides not to attend a postsecondary institution, the account owner can transfer funds to another eligible beneficiary. To avoid penalty and income tax, the new beneficiary must be a member of the family of the original beneficiary as defined by law.

**Account Information:** Quarterly and annual statements will be mailed by the OCSP reflecting account activity. A separate statement will also be mailed for each transaction made.

**Professional Money Management:** A Board of Trustees administers the OCSP. TIAA-CREF Tuition Financing, Inc. (TFI) serves as program manager of the OCSP. TFI, an SEC-registered investment advisor, manages the Plan's investments and provides investment advisory services. TFI is a wholly owned subsidiary of Teachers Insurance and Annuity Association (TIAA).

**Low Cost:** An annual asset-based management fee will be paid to TFI to cover the cost of investment management and administrative services. The fee is dependent on the investment option(s) you select.

**Changing Your Investments:** Federal law prohibits account owners from transferring money already contributed to an investment option. However, you can invest future contributions in one or more different investment options. When investing future contributions, it is a good idea to revisit your investment strategy and re-examine your account goals periodically.

**For More Information, a Program Disclosure Booklet, and Enrollment Materials:** Visit the OCSP website at [www.ok4saving.org](http://www.ok4saving.org). You can download enrollment materials or have enrollment materials mailed to you. You can also access the OCSP website through a link on OSU Human Resources benefit vendor list. Or you can call the Oklahoma College Savings Plan at 1-877-OK-4-SAVING (1-877-654-7284). Consultants are available 7am to 7pm Monday through Friday to answer your questions. Completed enrollment materials to open an account should be mailed to the Oklahoma College Savings Plan, 1000 West Wilshire, Suite 353, Oklahoma City, OK 73116. Within two weeks you will be sent a verification letter that contains your new account number. You will need this account number to begin contributions by payroll deduction.

**Payroll Deduction:** If you want to make contributions by payroll deduction, complete the *OCSP for Automatic Deduction* form (included in the enrollment kit) and attach a copy of the verification letter you received from OCSP. The verification letter will contain the account number. Send the original payroll deduction form and copy of the verification letter to OSU Human Resources, 106 Whitehurst. Send a copy to OCSP at the address above.

The following information may be helpful in completing the payroll deduction form. The *Employer Name and Address* on the form should be *Oklahoma State University, 106 Whitehurst, Stillwater, OK 74078*. The *Employer Payroll Contact Name and Phone* should be *Darlene Stevens, (405) 744-5971*. The effective date should be the first day of a payroll period for the next month. For biweekly-paid employees the form must be received in OSU Human Resources by the last day (Friday) of the payroll period prior to the start of the next month in order to be processed timely. For monthly-paid employees the form must be received by the fifth workday of the month to be processed for that month. The amount per month must be at least \$15.00 per account. This means that monthly employees must withhold at least \$15.00 per month per account; biweekly employees must withhold at least \$7.50 per pay period per account. For both biweekly and monthly employees, amounts will be taken from each regular payroll.

Be sure to list the beneficiary name, along with the account number and the percentage of the payment that should go to each account and beneficiary. The account number should go in the *Investment Option Number or Name* field. The total percentage must equal 100%. The funds collected each month will be sent to OCSP by the 10<sup>th</sup> of the following month.

Anytime you wish to cancel your payroll deduction, you may send a notice in writing or e-mail to Employee Services at [osu-es@okstate.edu](mailto:osu-es@okstate.edu).

**Assistance:** OCSP consultants are available at 1-877-OK-4-SAVING (1-877-654-7284) 7am to 7pm, Monday through Friday, to answer your questions.

*OSU Human Resources developed this information for the convenience of OSU employees. It is a brief interpretation of more detailed and complex materials. If further clarification is needed, the actual law, policy, and contract should be consulted as the authoritative source. OSU continually monitors benefits, policy, and procedures and reserves the right to change, modify, amend, or terminate benefit programs at any time.*