

# SEED for Oklahoma Kids

A Special Opportunity to Save for Your Child

Answers to Frequently Asked Questions



**SEED OK**  
SEED for Oklahoma Kids

# About the SEED OK Account

## What is the SEED OK Account?

The SEED OK Account is a special account in the Oklahoma College Savings Plan “seeded” with \$1,000 for your child’s future. The State of Oklahoma owns the account, but only your child benefits from the money. Money in the SEED OK Account is for your child’s education after high school.

## When will the SEED OK Account be opened?

The State of Oklahoma has already opened a SEED OK Account for your child. Every three months your child will receive a statement showing how much money is in the account.

## How is money in the SEED OK Account invested?

The State has invested the \$1,000 in the Balanced Option. This mix of stocks and bonds was chosen because your child is young, and the money will be in the account for a long time. Please read the enclosed *Disclosure Booklet* or visit [www.ok4saving.org](http://www.ok4saving.org) for more information.

## Can I put money into the SEED OK Account?

Only the State can put money into the SEED OK Account. But you can open your own Oklahoma College Savings Plan (called Your Account) and save for your child. If you open Your Account, you may qualify for a Savings Match.



# About the Savings Match

Please read the enclosed *Savings Match Terms* for complete details.

## What is the Savings Match? How does it work?

The Savings Match is a SEED OK incentive for you to save for your child's future. To receive this match, you must open your own Oklahoma College Savings Plan (Your Account). When you save money in Your Account, you may be eligible for a \$1 to \$1 or \$0.50 to \$1 match on your savings in 2008, 2009, 2010, and 2011. This match will be placed in your child's SEED OK Account.

The largest match you can receive each year is \$250 or \$125. For example, if you save \$300 in Your Account in 2008 and your income qualifies for the Savings Match, then your child's SEED OK Account will receive either \$250 or \$125.

If you open Your Account, your child will have two Oklahoma College Savings Plan accounts:

Account	Ownership	Beneficiary	Opening	Deposits	Investment
<b>SEED OK Account</b>	State owns for the benefit of your child	Your child	The State opened	\$1,000 and the opportunity for up to \$250 or \$125 Savings Match each year through 2011	Balanced Option
<b>Your Account</b>	You own	The same child as on the SEED OK Account	You open	You choose the amount to save—the Plan minimum or more	You choose among the Plan options

## Do I qualify for the Savings Match? If so, how much?

Your Savings Match eligibility is based on your federal adjusted gross income. How much Savings Match you receive depends on the deposits you make into Your Account.

Your Adjusted Gross Income	Match Rate	With Annual Deposits of	Your Savings is Matched
Below \$29,000	\$1.00 for \$1.00	\$25 to \$250+	\$25 to \$250
\$29,000 to \$43,500	\$0.50 for \$1.00	\$25 to \$250+	\$12.50 to \$125
\$43,500 or more	Not eligible	\$25 to \$250+	\$0

The Savings Match income ranges may increase in future years. The State will notify you of any changes.



## About the Savings Match (continued)



**What is my federal adjusted gross income? How will it be used?**

Your federal adjusted gross income is an amount that you report to the Oklahoma Tax Commission when you file a State income tax return. The State will use your income from earlier tax returns because more current records will not be available when the Savings Match is calculated. For example:

Match eligibility for deposits you make in	Will be determined by income on your return from tax year
2008	2006
2009	2007
2010	2008
2011	2009



**If I did not file an Oklahoma Tax Return, can I still qualify for the Match?**

Yes. If you did not file an Oklahoma Tax Return because your income was below the amount required for filing in a given year, you can qualify for the Savings Match if you received Food Stamps, Medicaid, or Temporary Assistance for Needy Families (TANF) benefits from the State in that same tax year. The Oklahoma Department of Human Services will check if you received these benefits. If you were not required to file for other reasons, see the *Savings Match Terms*.

**What must I do to receive the Savings Match?**

1. **Open** an Oklahoma College Savings Plan account for your child (if you open Your Account by **August 31, 2008**, you will be eligible for a one-time offer; see *Opening Your Oklahoma College Savings Plan Account*)
2. **Complete, sign, and return** the Match Eligibility Form to the State
3. **Save money** in Your Account



## About the Savings Match *(continued)*

**Why do I need to fill out and sign the Match Eligibility Form?**

The State will use this form to check if you qualify for the Savings Match. To protect your privacy, the Oklahoma Tax Commission and Department of Human Services may only release information to the State with your written permission. This form gives that permission.

**When do I need to return the Match Eligibility Form?**

**Sign and return the Match Eligibility Form now**, so your deposits can be matched as soon as possible. You only need to fill out, sign and return this form once. It will be valid until the SEED OK Study ends.

**When will my savings be matched?**

Any time you deposit money in Your Account, your savings will be matched in the next quarter. For example, if you save money in Your Account in June 2008, the Savings Match will be deposited in your child's SEED OK Account between July and September 2008.

**I may not qualify for the Match. Should I open an account anyway?**

Yes! There are many reasons why you should open an account.

- ▶ **Save** for your child's education
- ▶ **Receive** tax benefits  
(See *Disclosure Booklet*)
- ▶ **Qualify later** for the Savings Match if your income or the SEED OK income ranges change  
(See *Savings Match Terms*)

**What if someone else opens an account for my child? Can they get the Match?**

No. **Only you—the individual who completed the SEED OK Study phone interview**—can qualify for the Savings Match.

# Opening Your Oklahoma College Savings Plan Account

Please read the enclosed *Disclosure Booklet* before opening Your Account.

## Why is saving for college important?

College is an important ingredient for success. It offers the opportunity to gain knowledge and skills to last a lifetime, discover new ideas, and make lasting friendships. College graduates may have better health, live longer, and have higher earnings than someone with a high school diploma. With a new child, the need to save for college may seem far off. But by starting to save today, paying for college may be easier to achieve.

## How can I open my account?

You can open Your Account either by:

- ▶ **Mail.** Fill out the enclosed account application and mail it to the Oklahoma College Savings Plan in the envelope provided.
- ▶ **Internet.** Open Your Account online by visiting the Oklahoma College Savings Plan website at [www.ok4saving.org/account/open.html](http://www.ok4saving.org/account/open.html).

## How much money do I need to open my account?

Typically, a \$100 minimum initial contribution is required. **However, if you open Your Account by August 31, 2008, the State will deposit the \$100 minimum initial contribution for you**, directly into Your Account. This \$100 is not eligible for the Savings Match. Accounts opened after August 31, 2008 require you to make the \$100 initial contribution.

## Once I open my account, is there a minimum amount to contribute?

The minimum subsequent contribution to an account is \$25 per investment option. If your employer allows payroll deduction, the minimum subsequent contribution to an account may be as low as \$15 per investment option, per pay period.

## Opening Your Oklahoma College Savings Plan Account *(continued)*

### How can I save in my account?

You can save money by:

- ▶ **Writing** a check
- ▶ **Setting up** an automatic contribution plan through your bank
- ▶ **Enrolling** in payroll deduction with your employer

### I have more than one child. Which child should be the beneficiary?

The child identified by name and Social Security Number on the SEED OK Account must be the beneficiary of Your Account to receive the \$100 deposit (for opening the account by **August 31, 2008**) and possibly qualify for the Savings Match. To save for your other children's future, you can open Oklahoma College Savings Plan accounts for each child. These accounts will not be part of the SEED OK Study.



### How do I keep track of my account?

You will receive a statement every three months that shows Your Account activity. You will also have online access to Your Account information 24 hours a day.

### What if I already have an Oklahoma College Savings Plan for my child?

If you—the individual who completed the SEED OK Study phone interview—already own an Oklahoma College Savings Plan account for your child, you do not need to open another account. This account will become Your Account and possibly qualify for the Savings Match.

# About the Oklahoma College Savings Plan

Please read the enclosed *Disclosure Booklet* or visit [www.ok4saving.org](http://www.ok4saving.org) for complete details.

## What is the Oklahoma College Savings Plan?

The Oklahoma College Savings Plan is a state-sponsored education savings program created specifically for the purpose of helping families save for college. It includes investment options to help you with your investment goals, plus features that may help make investing more affordable.

## Will my child have to use the money at an Oklahoma college?

No. The money in Your Account and the SEED OK Account may be used at any in-state or out-of-state eligible educational institution. This includes public and private colleges and universities, graduate and post-graduate schools, community colleges, and certain proprietary and vocational schools.

## How will money in an account affect my child's financial aid eligibility?

The federal government establishes eligibility for federal financial aid. These rules may change before your child enters college. Also, state financial aid policies and the policies of individual colleges may vary.

- ▶ **SEED OK Account:** Based on current federal rules, savings in this account should not impact the student's eligibility for federal financial aid.
- ▶ **Your Account:** Current federal rules expect a limited portion of parents' savings to be spent each year for their child's college education, up to a maximum of 12 percent. Due to protections in the financial aid formula, this percentage is usually lower for most families. Depending on parents' income at the time your child goes to college, the money saved in Your Account may not be considered at all.

## About the Oklahoma College Savings Plan (continued)

**How will money in an account affect any federal or state benefits?**

- ▶ **SEED OK Account:** Under current program guidelines,\* the money in this account will not affect your eligibility for federal or state benefits administered by the Oklahoma Department of Human Services since neither you nor your child can directly access this money.
- ▶ **Your Account:** Under current program guidelines, since you will have control over Your Account, it will be considered as an available resource in determining your eligibility for Food Stamps, Low Income Home Energy Assistance Program (LIHEAP), some SoonerCare (Medicaid) Programs, State Supplemental Payments (SSP), Supplemental Security Income (SSI), and TANF. Resources are not considered in determining your eligibility for the Child Care and certain SoonerCare (Medicaid) Programs. For questions about how money might affect a specific benefit, please contact the Oklahoma Department of Human Services at **(866) 411-1877** or visit [www.okdhs.org](http://www.okdhs.org).



**\*UPDATE: Effective November 1, 2008, money in Your Account will no longer affect your eligibility for Food Stamps, LIHEAP, and TANF. For questions, please contact the Oklahoma Department of Human Services at (866) 411-1877.**



## *What if...*

**My child does not attend college or another degree program soon after high school?**

- ▶ **SEED OK Account:** The money will remain available until your child reaches age 30. If your child does not use this money by age 30, the funds will be used for other Oklahoma families.
- ▶ **Your Account:** Money may be used for your child at any age.

**We move out of Oklahoma?**

If you move to another state, the State of Oklahoma will maintain the SEED OK Account and Your Account. Your child will still be able to use the money for education after high school.



## *Future Study Interviews*

**When will I be interviewed again for the SEED OK Study?**

RTI International will contact you for two more interviews in the next seven years. You will receive \$40 for each interview and \$10 each time a researcher confirms your address and telephone number between interviews. All information will be kept completely confidential.

**How do I know that my information will be kept confidential?**

All information is protected by the federal Privacy Act of 1974 and will not be revealed to anyone other than authorized SEED OK researchers.

**Why should I trust the researchers to keep my information confidential?**

The SEED OK researchers take your privacy seriously. As a condition of employment, each researcher must successfully complete training on confidentiality. Also, the research process will be monitored regularly by committees that manage research staff to make sure that your information is protected.



## More Information

The information in these Frequently Asked Questions is meant to answer general questions you may have about SEED OK. For complete details about the Oklahoma College Savings Plan, please read the *Disclosure Booklet*. For details about the Savings Match, see the *Savings Match Terms*. Both documents are enclosed for your review.

**If I still have questions, who should I contact about the...**

Savings Match or Match Eligibility Form?

Call the State of Oklahoma at **1-866-SEED4OK** (1-866-733-3465), or go to the State Treasurer's website at [www.treasurer.ok.gov](http://www.treasurer.ok.gov) and click the SEED for Oklahoma Kids link

Oklahoma College Savings Plan?

Call a college-savings plan expert at **1-877-654-7284**, or visit the Oklahoma College Savings Plan website at [www.ok4saving.org](http://www.ok4saving.org)

Future SEED OK interviews?

Call RTI International study staff at **1-877-SEED4OK** (1-877-733-3465), or go to the study website at [seedok.rti.org](http://seedok.rti.org)

## Next Steps

**1**  
**Open Your Oklahoma College Savings Plan Account** by mail or online.\*

**2**  
**Mail the enclosed Match Eligibility Form** to the State.

**3**  
**Save money** in Your Account.

**\*Act by August 31, 2008 and the State will deposit the \$100 minimum initial contribution for you.**





Oklahoma State Treasurer's Office  
Oklahoma State Department of Health



Center for  
Social Development

GEORGE WARREN BROWN  
SCHOOL OF SOCIAL WORK



Washington University in St. Louis



RTI International is a trade name of Research Triangle Institute

