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IDeal - Idaho's 529 College Savings Program Releases 2020 Report *Findings Show Increases in New Accounts, Deposits and Gifting*

(Boise) – IDeal, the state of Idaho's 529 College Savings Program, released its annual report Monday that shows growth in key categories compared to the previous year, including total IDeal accounts, funds saved for future education expenses, and contributions made in the form of gifts statewide.

IDeal is Idaho's official 529 program and is designed to help Idahoans save for the costs of future education and capitalize on built-in tax advantages. A key objective for the Program is to help families achieve their education goals even as the costs of tuition, fees, room and boarding continue to increase. Students enrolled in an eligible college, technical, or certification program can use their IDeal savings account to help avoid or reduce lifelong debt burdens from student loans.

The report explored savings trends that have emerged across the state and in four regions. Some of the key takeaways during calendar year 2020 include:

- Total number of active accounts grew by 8.2 percent compared to the previous year.
- Account contributions increased by \$7 million in 2020 compared to 2019, with increases reported in each of the state's four regions.
- Grandparents, relatives, and friends gifted to IDeal 529 accounts at a rate 31 percent higher in 2020 compared to the previous calendar year.

"It's gratifying to see more and more Idahoans recognize the value and importance in investing now to build savings for the future costs of education," said Christie Stoll, Executive Director of IDeal.

"The costs of post-secondary education continue to increase, and this escalation can be a significant burden to many students who leave college or technical programs with considerable debt. Proactively saving for education goals is an important tool for giving Idaho students economic stability and a head start on their adult lives," Stoll said.

An inspiring finding showed that despite the economic uncertainty of 2020, Idahoans adapted their finances to maintain or increase contributions to their IDeal accounts. For example, family contributions to IDeal accounts increased by nearly 9 percent in 2020. The increase in contributions, along with stock market performance, fueled net growth of more than \$97 million in assets under management from December 2019 to December 2020, compared to the value from the same December periods in 2018-19.

Additionally, more families started their savings journey as accounts for Idaho students increased in 2020 by more than 3,000 than in 2019.

In comparison across the state's four regions, eastern Idaho reported the highest year-over-year growth of new account owners, at 8.1 percent. The southwest region continued to pace the state in accounts per capita, at 3.4 percent.

During the past year, Idahoans used more than \$47 million from their IDEal 529 accounts toward higher education expenses, according to the report.

In the central region, the data showed an 18 percent year-over-year increase in the total amount held in 529 accounts. Other findings include:

- Blaine County reported more than \$143,000 in account contributions through gifting, the highest amount in the region.
- The region added 97 new account holders in 2020, an increase of nearly 8 percent and led by growth in Blaine, Twin Falls and Jerome counties.
- The eight-county region had overall growth in total assets of \$7.6 million.

The savings information detailed in this report celebrates the victories of the past year and notes areas where resources could be used to potentially increase account ownership. As successful as the efforts of the IDEal 529 have been, there is still more to do. With the average IDEal 529 account balance not quite covering one year's full costs at many Idaho colleges and universities, continued education and participation is important.

Idahoans can help students prepare for education dreams in several ways, including:

- Opening or gifting to an IDEal 529 college savings.
- Inviting an IDEal 529 representative to give an informational presentation at a school, organization, or workplace.
- Offering a workplace payroll direct deposit to a 529 college savings account.
- Contributing as an employer to your employee's accounts. Employers can then take a 20 percent tax credit, up to \$500 per employee per year.

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About IDEal – Idaho College Savings Program

IDEal's office is located within the State Treasurer's office. IDEal is administered by the State College Savings Program Board. Ascensus Broker Dealer Services, LLC serves as Program Manager. The State College Savings Board consists of the following members:

- State Treasurer Julie Ellsworth, Board Chair
- Governor Brad Little (Greg Wilson, designee)
- State Controller Brandon Woolf (Patrick Hodges, designee)
- Attorney General Lawrence Wasden (Brian Kane, designee)
- Superintendent of Public Instruction Sherri Ybarra (Louie Konkol, designee)
- Secretary of State Lawrence Denney (Chad Houck, designee)

For more information, contact Christine Stoll at 208-332-2935, cstoll@idsaves.idaho.gov or visit www.idsaves.org.

For more information about the Idaho College Savings Program ("IDEal"), call 866-433-2533 or visit www.idsaves.org to obtain a Disclosure Statement. The Disclosure Statement discusses investment objectives, risks, charges, expenses, and other important information. Because investing in IDEal is

an important decision for you and your family, you should read and consider the Disclosure Statement carefully before investing.

Before you invest, consider whether you're or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in the that state's qualified tuition program.

IDeal is administered by the Idaho College Savings Program Board ("Board"). Ascensus Broker Dealer Services, LLC , the program manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. The Vanguard Group, Inc. ("Vanguard") serves as Investment Manager for IDeal. Sallie Mae Bank serves as the Savings Portfolio Manager for IDeal. IDeal's Portfolios invest in either: (i) mutual funds and a separate account offered or managed by Vanguard; or (ii) an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Except for the Savings Portfolio, investments in IDeal are not insured by the FDIC. Units of the Portfolios are municipal securities and the value of units will vary with market conditions.

Investment returns will vary depending upon the performance of the Portfolios you choose. Except to the extent of FDIC insurance available for the Savings Portfolio, you could lose all or a portion of your money by investing in IDeal, depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Not FDIC-Insured (except for the Savings Portfolio).No Bank, State or Federal Guarantee. May Lose Value.