



Help turn **PAYCHECKS** into diplomas.

Payroll Direct Deposit Benefit



They grow up fast.
Plan now for
their tomorrow.



Employers are taking notice

Concerns about affording the cost of education remain top of mind for most Americans, and in response, some companies are beginning to add 529 plan aid to workplace-benefits packages. While only 7% of employers offer a 529 plan, 49% of workers say they are interested in it as a benefit.¹



Make education saving automatic for your employees, **AND FOR YOU.**

When it comes to saving for the high cost of education, where do you start? The answer for many lucky Iowa families is: at work.

Statewide, employers are choosing to help employees save for education through after-tax direct deposit into the College Savings Iowa 529 plan. So little by little, with each paycheck, employees can add to or potentially build their education fund.

Best of all, offering this innovative benefit requires no added costs, systems or contracts. Just agree to allow your employees to save for education via payroll direct deposit and we'll help with the rest.

A competitive advantage for employers.

- Differentiates your benefits package from your competitors
- Complements your 401(k) and other savings plans
- No ERISA or Form 5500 requirements
- Enhances tuition reimbursement and other education efforts

A competitive advantage for employees.

- Makes saving for education “automatic”
- Offers tax-deferred growth² and tax-free distributions
- Lets them choose from a range of professionally managed investments
- Only takes a minimum deposit of \$15 per pay period

¹2019 Guardian Workplace Benefits Study, 6th Annual: College Debt in America.

²Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.

Let's get started.

Step 1: Establish College Savings Iowa as a benefit.

Step 2: Educate and encourage your employees to enroll.

- Feature College Savings Iowa at your next benefits fair.
- Invite us to host an education savings webinar.
- Post a link to CollegeSavingsIowa.com on your company intranet.
- Add information to employee payroll envelopes and new hire packages.
- Email employees announcing this new benefit.

Step 3: Execute the payroll direct deposit process.

- Check that each Payroll Form (example below) has the employee's Social Security number, signature and his or her College Savings Iowa account number.
- Follow your existing procedures for payroll direct deposit by entering the:
 - Total dollar amount being contributed by the employee per pay period
 - ABA routing number for Mellon Bank (College Savings Iowa's bank): 011001234
 - The employee's College Savings Iowa account number with the 532 prefix
 - ACH transmittal code: "checking" account

Step 1. (FOR EMPLOYEES): Complete this form and return to your employer

Please print this page, sign it, include your Social Security number and the date, and submit it to the HR, benefits, or payroll representative responsible for administering payroll deduction contributions to the Program. Your employer will initiate or change your payroll deduction after they receive this form.

Employee Name: _____

Total amount to be deducted per pay period: _____

Employee Signature: _____ Employee SSN: ____-____-____ Date: ____/____/____

Step 2. (FOR EMPLOYERS): Establish Payroll Deduction Instructions on Your Payroll System

When updating ACH direct deposit instructions for this employee, please make sure that you provide the following information with your transmittal:

1. ABA Number 011001234 (Mellon Bank)
2. Account Number
3. Code Transmittal for Checking

For Employers Transmitting Funds by Check

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| By U.S. Mail: College Savings Iowa P.O. Box 219219 Kansas City, MO 64121-9219 | By Registered, Certified or Overnight Mail: College Savings Iowa Service Center 1001 E 101st Terrace, Suite 200 Kansas City, MO 64131 |
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Note: The account number is a 12-digit field. The first 3 digits identify the new bank account of College Savings Iowa. The last 9 digits are the first nine digits of the employee's account number in College Savings Iowa.

If you have any questions, please call customer service at 877-457-0580 on business days, between 8 a.m. and 9 p.m., Eastern time.

The investment portfolios are not insured or guaranteed by the State of Iowa, its agencies, the Federal Deposit Insurance Corporation (FDIC), Vanguard Group, or Ascensus Broker Dealer Services, Inc. or its affiliates. The value of your account will vary based on market conditions and the performance of the investment options you select, and may be more or less than the amount you contributed to the account. Past performance is no guarantee of future returns.



It's worth remembering:

- College Savings Iowa processes payroll direct deposit instructions received by the close of regular trading on the New York Stock Exchange, normally 4 p.m. ET. Contributions received after the close of regular trading will be invested at the closing unit value(s) of the next business day.
- The closing unit value(s) will be used, as long as we receive instructions and account information "in good order" (see Step 3 on previous page).

Please note: Should an error occur in your ACH instructions, any resulting loss will be your responsibility. College Savings Iowa will not process future contributions until the instructions are corrected. If you have additional questions, please call us at (888) 672-9116.

WHY College Savings Iowa?

- Savings can grow tax-deferred.
- Qualified withdrawals are tax-free.
- Money can be used at eligible education institutions across the U.S. and abroad, not just in Iowa.³
- If a participant is an Iowa taxpayer, they can take a state tax deduction for their contributions.⁴



Does your organization support ACH direct deposit?

If not, contact us to discuss alternate processing methods at (888) 672-9116 or CSI@CollegeSavingsIowa.com.

³Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.

⁴Adjusted annually for inflation. If withdrawals are not qualified, the deductions must be added back to Iowa taxable income.

For employees, getting started is **EVEN EASIER.**

Step 1

First, be sure you've opened up your College Savings Iowa account at CollegeSavingsIowa.com, or by completing and mailing back a paper enrollment form.

- Log on to your account at CollegeSavingsIowa.com.
- Visit the Profile & Documents section on your home screen.
- Click "Payroll Deduction" on the left side.
- Click "Change payroll instruction" to start the process.

Step 2

Follow the prompts to select the amount to contribute from each paycheck and also how much to deposit for each beneficiary (if applicable). Once you submit this information, you must print out the generated payroll form.

This form will be pre-filled with your name, your unique account number, the total payroll deduction amount and the routing (ABA) number for the Plan's bank. If you are funding more than one account by payroll direct deposit, the amount per pay period should be the sum of ALL your payroll contributions to your College Savings Iowa accounts.

Step 3

- Submit the payroll form to your company's human resources, benefits or payroll department. If your employer uses a self-service portal, use the form to fill in the information on your own, just like you would to direct deposit your paycheck into a checking or savings account.
- Your employer will update the payroll direct deposit amount in the payroll system and will automatically send your contributions to College Savings Iowa.
- Be sure to inform your employer of any changes you wish to make to your direct deposit contributions.

Need help with your College Savings Iowa account? Email us at CSI@CollegeSavingsIowa.com or call **(888) 672-9116**.



College Savings Iowa is an Iowa trust sponsored by the Iowa State Treasurer's Office. The Treasurer of the State of Iowa is responsible for overseeing the administration of College Savings Iowa. The Vanguard Group, Inc., serves as Investment Manager. Ascensus College Savings Recordkeeping Services, LLC, provides records administration services. The Plan's portfolios, although they invest in Vanguard mutual fund, are not mutual funds.

College Savings Iowa and the College Savings Iowa logo are registered trademarks of the State of Iowa.

If you are not an Iowa taxpayer, consider before investing whether your or the designated beneficiary's home state offers any state tax or other benefits.

For more information about College Savings Iowa 529, call 888-672-9116 or visit CollegeSavingsIowa.com to obtain a Program Description. Investment objectives, risks, charges, expenses and other important information are included in the Program Description; read and consider it carefully before investing.