



Policies & Procedures



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Program Structure and Administration

Administration and Management of College Kick Start Accounts

The Nevada College Kick Start Program (hereinafter “CKS” or “Program”) is administered by the Board of Trustees of The College Savings Plans of Nevada (“Board”). The Program was implemented in the fall of 2013 and has been approved by the Board to run in perpetuity contingent on continued Board approval and funding. Additionally, the Board has approved several enhancements and a budget for fiscal years 2018-2019 for the Program which will be heard during the 2017 Legislative session. The proposed enhancements include incentives for families who open their own personal Nevada sponsored 529 plan account and the potential forfeiture of Kick Start accounts if a family fails to claim their child’s Kick Start account before he or she finishes third grade. To find out more information on the proposed enhancements, please email collegesavings@nevadatreasurer.gov.

CKS accounts are held within a master account in the SSGA Upromise 529 Plan. The CKS master account is invested in the College Date Portfolio within the SSGA Upromise 529 Plan that most closely matches the anticipated college enrollment date of each kindergarten class enrolled. College Date Portfolios are designed to become more conservative as the children near their anticipated college enrollment date, offering participants an opportunity to grow savings while the child is younger and better safeguard savings against market fluctuations when the child is of college age.

Families and students do **not** have the ability to affect transactions on their CKS account. All changes to the account (other than updating contact information) and/or distributions will only be completed at the direction of the Treasurer’s Office as the administrator of the Program. Families may not make direct contributions to a CKS account; however, families are encouraged to consider opening a separate college savings account. Please see the Students and Families section below for more information.

Establishment and Eligibility for CKS Accounts

At the time a CKS account is established, an eligible student is:

- a kindergarten student attending a public school in Nevada; and
- a Nevada resident.

The Program automatically enrolls all eligible Nevada kindergarten students attending public schools with a \$50 College Kick Start Program account with information provided by the State Department of Education or the child’s school or district.

Individual Account Funding

The Board has authorized the use of a portion of the program manager fees it receives from its College Savings Plans of Nevada private company partners. *No taxpayer dollars are spent to fund Nevada College Kick Start Program accounts.* Each CKS account is funded with an initial contribution from the Board of \$50. Any incentives earned by the participant or family will be contributed to the participant's CKS account.

Community Support Partners

The Program has and may continue to receive grants and other donations. Individual, corporate, and organizational donations and support are gladly accepted. Such donations and grants may be used to enhance existing CKS accounts, or to open new accounts. To see how businesses and organizations can help grow the Program, go to CollegeKickStart.nv.gov and review the information listed under Community Support Partners.

Nevada's 529 Programs

The Board administers six separate 529 college savings programs:

- The SSGA Upromise 529 plan
- Nevada Prepaid Tuition
- USAA College Savings Plan
- Vanguard 529 College Savings Plan
- Putnam 529 for America
- Wealthfront 529 College Savings Plan

Each plan operates as a Section 529 college savings program. As such, savings in these plans qualify for federal tax advantages, including tax-deferred earnings and federal tax free distributions if used by the beneficiary (student) for qualified education expenses at an eligible institution, as determined by the U.S. Dept. of Education. To find out more about 529 college savings plan accounts, please visit CollegeKickStart.nv.gov and review the information under Basics and/or Resources. For information on all the Section 529 plans offered by the State of Nevada please visit NV529.org.

Students and Families

CKS Program Enrollment Automatic

Enrollment in the Program is automatic. There is no action or financial contribution required by participating families. All kindergarten students enrolled during the academic year at a public school located within Nevada will be enrolled in the Program.

Identifying Information Required to Establish Program Accounts

The State Department of Education, school districts and/or schools will furnish the Program with the student's directory information necessary to establish your child's CKS account. No other information is required to establish your child's CKS account. The data includes the name of a parent or caregiver who then has the ability to act on behalf of the CKS participant and to whom certain communications will be addressed.

Confidential Status

Families who have requested that their student's directory information be treated as confidential by the school are not automatically enrolled in the program but may still participate in the Program by completing and returning a Opt In Form located at CollegeKickStart.nv.gov under Kick Start Families/Forms.

Opting Out of the Program

Parents who do not wish for their child to participate in the Program may opt-out by completing and returning an Opt Out Form located at CollegeKickStart.nv.gov under Kick Start Families/Forms. If a parent chooses to "Opt Out" of the program, the student's information will be removed from the Program, the account closed, and the funds returned to the Program to be allocated to future participants.

Opting Into the Program

A Opt In Form is required to be completed and returned for any family whose student information was not shared with the Program automatically. The form is located on the Program website CollegeKickStart.nv.gov. By completing the Opt In Form, you will be authorizing your child's school district to release the information necessary to establish a CKS account in his/her name, including his/her school ID number and contact information, which will be used to send your child and you emails and collateral material about the program.

Claiming a CKS Account

Parents are encouraged to claim their child's CKS account. To claim a CKS account, the parent identified in the data received from the District or school must create a user id and password and access the child's CKS account online through the program portal at vistashare.com/p/nv/kickstart. Once the parent has accessed the CKS account, the account is considered claimed and parents may return to the portal at any time to track the CKS balance and update contact information.

Establishing a Separate 529 Plan Account

Families are encouraged to open a separate Nevada 529 plan account on behalf of the CKS participant. Anyone can open and fund such account and enjoy all the benefits allowed under Section 529 (e.g. change the beneficiary should the original beneficiary not use the account, request a refund [may be subject to a federal penalty and income taxes], change investment options, etc.). For information on all the 529 plans offered by Nevada, please visit NV529.org.

Incentive To Open, Link* and/or Identify A Separately Owned 529 Plan Account For the Benefit of a CKS Participant

For the 2016 incoming kindergarten class, the Board will provide a \$200 contribution (subject to available funding) into a participant's CKS account when the parent of the CKS participant identified in data received from the District or school:

- logs into the CKS portal and links or identifies an existing Nevada 529 plan account with the CKS participant as the designated beneficiary; or
- opens a Nevada 529 plan account for the CKS participants and links it to the child's CKS account by signing into the CKS portal; or

- provides account information through the portal identifying a Nevada 529 plan where the CKS participant is the designated beneficiary regardless of whom the account owner is.

This incentive has been approved by the Board and is available only to the incoming kindergarten class in 2016. Funding for this incentive is limited and will be distributed in \$200 increments to eligible participants on a first-come, first-served basis until available funding has been exhausted or June 30, 2107, whichever occurs first. The parent identified by the District or school is strongly encouraged to open, link and/or identify a Nevada 529 plan account for the benefit of their CKS participant as soon as possible to qualify for this incentive. Incentives may continue and/or be expanded upon in future years based upon Board approval, availability of funding, and Legislative approval.

*Note: At this time only accounts in the SSGA Upromise 529 College Savings Plan can be systematically linked to CKS accounts to allow balance information to be viewed via the CKS portal. Until such functionality exists for all Nevada 529 Plans, accounts in the Nevada Prepaid Tuition Program, Vanguard 529 College Savings Plan, USAA 529 College Savings Plan, Putnam 529 for America, or Wealthfront 529 College Savings Plan should be manually entered into the portal at vistashare.com/p/nv/kickstart on the “My Accounts” tab.

Expiration of CKS Accounts

CKS accounts will expire and any remaining funds will be returned to the Program if the student moves out of Nevada before his or her CKS account has been claimed or he or she does not use the funds for qualified higher education expenses before reaching the age of 25.

Change of Address

Families are encouraged to keep their address information current with the Program. The Program may receive periodic address updates from the State Department of Education or the United States Postal Service, which it will use to update addresses, as necessary. To update your contact information, please login to the CKS portal at vistashare.com/p/nv/kickstart.

Returned or Forwarded Mail

Should correspondence be returned to the Program by the United States Postal Service two quarters in a row, the Program will flag the CKS account as one with an incorrect address and all future correspondence will cease to be mailed until a new address is furnished to the Program by the parent/caregiver. After a period of one year, if the Program is not provided with an updated address, the CKS account will be inactivated, no further correspondence will be sent, and the account balance will be returned to the Program to be allocated to future participants.

In the event the United States Postal Service returns summaries to the Program with a forwarding address, the Program shall use such notice to update the address in the Program’s records. If the CKS participant’s account has been claimed and the new forwarding address is located outside of Nevada, the account will be flagged as ineligible for any additional incentives but will remain active and available for distribution when the student enters college. (To learn how to claim an account see “Claiming a CKS Account” above.) If the CKS participant’s account has not been claimed and the Program receives notice that the student has moved out of Nevada, the account will be closed and the balance returned to the Program to be allocated to future eligible participants.

Residency Requirement

The student must be a Nevada resident at the time the Kick Start account is established as well as when the account is claimed. (To learn how to claim an account see “Claiming a CKS Account” above.) If the Program receives notification that a student has moved out of Nevada after the account has been claimed, the CKS account will be flagged as ineligible to receive any additional incentives but will remain active and available for distribution when the student enters college.

Summaries

CKS account summaries will be mailed to each participant. Summaries will detail activity in the CKS account, including the initial \$50 award, any funding supplied through Community Support Partners, as well as any accrued earnings. Families are encouraged to provide an email address to the Program so that summaries may be delivered electronically. Please visit vistashare.com/p/nv/kickstart to update your address or provide an email address.

Using the Funds Saved in a CKS Account

When your student attends an eligible postsecondary institution and wants to use his/her Program scholarship, the student must contact the State Treasurer’s Office to request a distribution. The student will be required to complete a *Distribution Form*. Once approved, the State Treasurer’s Office will initiate payment from the Program and send the payment directly to the institution of higher education for the benefit of the student.

Eligible institutions include thousands of colleges, universities, and technical/vocational schools across the nation. Eligible schools are defined by Section 529 of the Internal Revenue Code and generally include any postsecondary school that is eligible to participate in federal financial aid programs.

The money held in the Program for each student—the \$50 initial, interest earnings, incentives and any matching grant or community support dollars—may not be used for any other purpose than to pay for qualified costs related to higher education at an eligible institution. All CKS funding will only be paid directly to the institution selected by your student, as described above.

Coordination with Other Financial Aid

The CKS award is considered a scholarship and as such it should not count against your student or family in the calculation of financial aid. Of course, college enrollment for your student may be many years away and regulations on calculating financial aid may be different in the future. Be sure to contact your own tax and financial professional when the time comes for a distribution. Additionally, as of April 2013, the State of Nevada has eliminated asset limitations relating to college savings accounts for families that receive state or federal benefits.

Establishing Your Own College Savings Account

Families are encouraged to open a separate, personal college savings account for their child. CKS participants may open any 529 college savings account and then make contributions as you choose via check or automatic payment from your checking or savings account. To learn how, go to NV529.org.

Once you open your own personal 529 plan account, you will be in complete control of it and you'll enjoy all the benefits allowed in accordance with Section 529 of the Internal Revenue Code. For more information on Nevada's 529 college savings plans, please visit NV529.org.

Remember, planning, contributing, and discussing college with your child is one of the best ways to help ensure that when the time comes, he or she will be prepared for college.

School Districts and Individual School Partners

Submission of Student Information

Student information necessary to establish CKS accounts for eligible participants is requested to be submitted within one week of the State's Count Day in September. Data is required for all kindergarten students receiving State funding to attend any public school in the state unless a parent or legal guardian has previously requested that the student's directory information be confidential. In such cases, parents may complete and return a Opt In Form located at CollegeKickStart.nv.gov under Kick Start Families/Forms to enable their child to participate. By completing the Opt In Form, the parent will be authorizing the school district to release their child's information necessary to enable their child to participate, including his/her school ID number and contact information.

The instructions on how to compile and submit data is located at CollegeKickStart.nv.gov under School Administrators/Data Submission Guide. This is a secure and safe process, protected by the State of Nevada's Information Technology Division.

Late Start Student Registration

Students who enroll in kindergarten at public schools located within Nevada after the initial Count Day submission in September are still eligible to participate in the Program. The Program will request student information from districts and schools in June following the kindergarten year and will fund all eligible CKS accounts in July for all eligible participants who enrolled in kindergarten after the initial data submission deadline in October. Please read the Program's Data Submission Guide located on the Program website at CollegeKickStart.nv.gov under School Administrators, Data Submission Guide.

Confidentiality of Information

All student and family information shall only be used by the Treasurer's Office and Ascensus College Savings for the purpose of program administration, including delivering information about the Program to participants. All student, family, and Program information will be held strictly confidential. Under no circumstances will the information be sold or used for any other purpose.

Other Provisions

CKS Accounts Not Guaranteed

CKS accounts are not guaranteed by the Board, the State of Nevada, or Ascensus College Savings. Due to market fluctuations, CKS account balances may, at any time, including at time of withdrawal, be worth less than the amount contributed by the Board on behalf of students.

NOTE: Parents/caregivers are not allowed to make any payments or contributions to CKS accounts, including if the initial deposited amount falls below \$50.

Transferability

CKS accounts may not be transferred or sold to other individuals.

Involuntary CKS Account Closure

CKS accounts will be inactivated and any remaining funds returned to the Program should the student move out of the State of Nevada before the CKS account is claimed, if the Treasurer's Office is unable to contact a participant family for a period of one year, or if the beneficiary becomes deceased. In addition, CKS accounts will be inactivated and any funds returned to the Program when a beneficiary reaches the age of 25 and has funds remaining in his or her CKS account.

Disputes

All disputes must be submitted to the State Treasurer's Office in writing. Disputes that are not resolved with the Treasurer's Office may be reviewed by the Board. Decisions of the Board are final.

Income Tax Treatment

Payments made under the Program may be subject to income tax reporting or withholding requirements. The Program makes no representations, expressed or implied, about the taxability of benefits received under this Program. You should consult with your tax advisor for clarification about your specific financial situation.

Program Amendment or Termination

The Board reserves the right to terminate, discontinue, suspend, merge, consolidate, or amend the Program. Continuation of the Program is contingent upon funding availability and the discretion of the Board and the Nevada State Legislature.