529 College Savings Program FAQs

Get started today.

Enroll via **Okta** or visit **SoFi.com/Huber**

Questions?

Call 1-833-277-7634
Monday-Thursday, 7-12 AM ET
Friday-Sunday, 7 AM-8 PM ET
Email your-benefits@sofi.com

529 Program Overview

How does the Huber $25 match work?

So long as an eligible Huber employee contributes at least $25 per pay period, Huber will contribute a $25 match per bi-weekly paycheck (annual maximum of $650 for 26 pay periods). The company match will be pro-rated if you have multiple accounts based upon your contribution amounts to each 529 Plan.*

Why invest in a 529 college savings plan?

529 college savings plans allow you to invest post-tax dollars and grow your funds tax-free, as long as they're used for qualified education expenses. Allowed expenses include tuition, books, supplies, equipment, room and board and other associated fees required for study at any accredited college, university or vocational school in the United States and at some foreign universities. Additionally, 529 plans have a minimal impact on a student's eligibility for financial aid.

What type of plans are available?

There are two types of 529 plans: prepaid tuition plans and savings plans. Prepaid tuition plans allow for the pre-purchase of tuition based on today's rates and then pay out at the future cost when the beneficiary is in college. Savings plans, which are the most popular, are like many other investments and typically include mutual funds.

Most 529 savings plans offer a variety of investment options, and many allow you to choose a simple strategy that automatically adjusts the balance of investments (stocks vs. bonds) based on the age of the beneficiary, similar to how a target-date fund in a retirement plan might function.

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Do I have to buy a plan in my home state?

No. But over 30 states and the District of Columbia offer an annual state income tax deduction for resident contributions, and six states offer a tax deduction for contributions into any state's plan. This is an important consideration when choosing a plan. More information can be found on each state's plan *here* - nerdwallet.com/article/investing/529-plans-by-state

What happens if my child decides to not go to college?

529 plans are generally used to save for college expenses but can be used for K-12 tuition without federal tax penalties. However, you will need to check if your state tax law would apply a penalty. If the plan beneficiary chooses not to go to college, you can change the beneficiary to another family member. If you withdraw the assets for non-qualified expenses, the earnings portion, though not the contributions, would be subject to tax plus a penalty.

529 Savings & Selection Tool

How do I access the 529 Savings & Selection Tool?

Enroll via **Okta** or visit **SoFi.com/Huber** and enter your last name, date of birth, and work email. You will then be prompted to create an account using your full name, personal email, and state of residency or log in to your existing SoFi account. Once complete, select *Enroll now* for the 529 Payroll Contribution in SoFi's benefits dashboard. You'll then click *Help me select a plan* to use the tool.

How do I connect my 529 plan after using the tool?

You'll need to open your 529 plan on the providers website and then select *Complete 529 enrollment* to connect your plan. You'll need to provide your plan name and account number to set up payroll-based contributions.

What are the benefits of the 529 Savings & Selection Tool?

This tool has two distinct benefits. First, it provides a monthly savings target based on the full price of the institution type selected and a projection that includes the average financial aid of the institution type. Second, it evaluates 50 direct-sold 529 savings plans to provide a recommended and an alternate plan based on the estimated state income tax benefits and fees associated with each plan.

How does the tool determine recommended and alternate plans?

The tool examines expected state tax benefits from your contributions and the fees charged by the plan. It also uses income information you provide, your state of residence and fee information from the plans. The recommended plan is always the plan with the highest projected value, considering potential state income tax benefits and fees. An in-state plan will always be included as either the recommended or alternate plan.

What 529 plans are considered in the tool?

Fifty direct-sold 529 savings plans are considered, including one from each state (except WY) and the District of Columbia.

How does the tool estimate the cost of college?

It presents the estimated additional savings needed based on two scenarios—sticker price and net price. The sticker price assumes that the student does not receive any financial aid and the net price assumes that the student receives the average annual financial aid associated with the type of institution selected.

How does the tool estimate financial aid?

It considers financial aid in the net price method of estimating college expenses and assumes that the individual will receive the average financial aid based on the type of institution as specified in the College Board Annual Survey of Colleges.

How does the tool determine how much money I will have saved up?

The growth projection is based on long-term projected returns of various risk levels and assumes the asset allocation becomes more conservative over time. It assumes cost increases by the inflation rate associated with that type of institution.

Does SoFi offer its own 529 plan?

SoFi does not offer its own plan. You may make payroll-based contributions to any plan you've established. Or, if you don't have a plan, you can use the 529 Savings & Selection Tool to help you narrow your choices. Once you've enrolled in a plan, you can set up your payroll-based contributions by providing your plan name and account number

Payroll Contribution Service

What is the SoFi college savings payroll service?

SoFi has partnered with Huber to offer automated payroll contributions to your existing 529 college savings plans. You can designate a portion of your after-tax compensation to be automatically deposited into one or more 529 college savings plans.

Are all 529 college savings plans supported?

Yes, SoFi's service supports contributions to all 529 college savings plans.

Can I contribute to more than one 529 college savings plan each pay period?

Yes, there is no limit to the number of plans to which you may contribute.

How do I add my 529 plan to the payroll contribution service?

Enroll via Okta or visit **SoFi.com/Huber** and enter your last name, date of birth, and work email. You will then be prompted to create an account with your full name, personal email, and state of residency. Once your account is created, select *Enroll now* for the 529 Payroll Contribution in SoFi's benefits dashboard. You'll then select *I have an existing plan* and follow the system prompts.

Are there minimum and maximum amounts I can contribute?

Yes, the minimum amount transferred per pay period per plan is $25 and the maximum total contribution you can make in any single pay period to any single plan is $1,000.

What if I change my mind? Can I make changes to my contributions?

Yes, you may change the plan or even suspend the service at any time. However, change requests may take one or two payroll cycles before they go into effect.

Do I need to have a 529 plan established in order to participate in the college savings service?

Yes, you need to establish a plan before making contributions. If you have a grandchild whose parents have opened a plan, you should consult with the parents. You'll need the plan name, the designated recipient's name as it appears on the plan and the plan number (and sometimes the fund number).

For a few additional services beyond the typical use of the service, SoFi's banking partner, CBW Bank, charges a fee. For example, there is a small fee if you request a paper copy of your transaction to be printed and mailed via USPS. Additional service fees are described in a chart in the CBW Bank Account Holder Agreement.

What fees are charged to use the service?

The fees are paid by Huber and there are no setup or regularly recurring fees to you.

How long does it take for the bank to transfer the contribution value to a 529 plan?

Typically, the payroll contribution process takes from two to 10 business days based on the day of the week the post-tax payroll withholding was received from Huber. For example, if payroll was run on a Thursday, the bank might receive the funds on Monday and the transfer to the 529 plan would be initiated on Wednesday. Some plans have their own internal processing requirements which may add a little more time until you see the deposit posted to your account.

What happens to my automated payroll service if I terminate my employment with Huber?

Your automated payroll contributions will cease at the end of your employment with Huber. You may continue to log in with SoFi to see your prior activity.

What if I am an international employee or working abroad?

The ID verification process requires a U.S. address and Social Security number. Unfortunately, at this time, ID verification for international addresses cannot be supported.

* Both employee and employer contributions are taken on a post-tax basis. The company match is subject to imputed income.

The 529 Savings & Selection Tool is offered by SoFi Wealth, LLC, a SEC-registered investment adviser. For more information about SoFi Wealth, please see our website at SoFi.com/legal.

Enrollment into your employer's benefits program including payroll deduction is provided by SoFi Lending Corp. For more information on SoFi Lending, please see website at SoFi.com.

The tax treatment of 529 plans varies by state and is subject to legislative change without notice. You should consult your tax advisor and legal professionals regarding your specific tax situation. SoFi and SoFi Wealth do not provide tax, accounting or legal advice, and you should not rely on this brochure to assess tax benefits or penalties under federal or state law. Earnings on non-qualified withdrawals may be subject to federal income tax and penalty, as well as state and local income taxes. Information here is as of November, 2019.