

WARNING: Outside Entities Now Claiming to Accept START Deposits

If you've been scanning the Internet and have come across sites such as GiftofCollege.com, FreshmanFund.com or Gradsave.com, be warned -- the sites are not authorized to accept deposits for the START Saving Program.

Some of these sites claim to collect money from credit cards and deposit those funds into 529 plans for its members. One or more of the sites states that anyone can donate via the site, for a fee.

The College Savings Plans Network (CSPN), an affiliate of the National Association of State Treasurers, has sent a cease and desist letter to the GiftofCollege.com site asking it to stop accepting contributions on behalf of any 529 Plan accounts. CSPN is now considering whether to send such a letter to the FreshmanFund.com and Gradsave.com sites, and others like them, in the near future.

According to CSPN's letter to GiftofCollege, "To our knowledge, none of the 529 Plans listed on your Web site has authorized Gift of College, Inc., to accept contributions or solicit investments in 529 Plan products." GiftofCollege, FreshmanFund and Gradsave are not authorized to accept deposits for the START Saving Program. START does not guarantee that money charged to the account owner's credit cards by these sites will actually be deposited into START accounts.

Further, LOSFA charges no fee to make deposits into a START Saving account. Deposits may be mailed directly to the program administrator at: Louisiana START Saving Program, P.O. Box 91271, Baton Rouge, Louisiana 70821-9271. Deposits may also be made by electronic funds transfer from your personal savings or checking account or by employer deductions from your paycheck.

* The START Saving Program advises current and prospective account owners to be wary of any charges related to deposits to START Saving Program accounts. Before you send money to one of these businesses, we urge you to contact the START Saving Program directly for your no-fee deposit options. Contact START Saving Program staff by phone at (800) 259-5626, Extension 1012, or by e-mail at start@startsaving.la.gov.