



OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

FOR IMMEDIATE RELEASE:

September 15, 2016

CONTACT:

Paris Ervin 217.524.5749

Greg Rivara 312.814.1901

Illinois Releases RFP for Bright Start Direct Program Manager

Springfield – Illinois Treasurer Michael Frerichs announced today a Request for Proposal (RFP) for the Illinois Bright Start Direct College Savings Plan. The RFP will help identify a program manager that will assist in the Treasurer’s goal of helping families in Illinois save for college. The current contract expires July 2017.

Among Treasurer Frerichs’ top priorities for the program are offering a quality, low-cost plan as well as a commitment to expand the college savings programs to underrepresented people to include minorities, low-income, and families outside of the Chicago metro area.

“For over twenty-five years, the state of Illinois has offered one of the best ‘Direct’ college savings plans in the country,” Treasurer Frerichs said. “We are taking steps to make the program even better. Growth in the 529 industry has been attributed to individuals turning to the low-cost, direct-sold plans. With over \$4 billion in assets and over 225,000 accounts, Bright Start Direct has become one of the best value options for people in and out of the state.”

“More families are recognizing the increasing cost of tuition. Families also fear the burden of long-term college debt. The IL 529 plans help make the college process a little more manageable,” Treasurer Frerichs said.

Treasurer Frerichs serves as the Trustee and Administrator for the three Illinois 529 College Savings Plans (Bright Start Direct, Bright Start Advisor, and Bright Directions). The plans are designed as “qualified tuition programs” under Section 529 of the Internal Revenue Code. They are different than pre-paid tuition plans. Currently, there are over 225,000 accounts and close to \$4 billion in the Illinois Bright Start Direct-sold 529 plan. Bright Start was created in 2000 as a way to help families save in the midst of increasing tuition costs.

Money in a 529 college savings account can be used at eligible educational institutions, including public and private, two-year, four-year colleges and universities and certain technical and vocational schools.

For more information about the Treasurer’s Office 529 College Savings programs, visit www.illinoistreasurer.gov. For more about the Bright Start Direct RFP, click [here](#).

About the Illinois Treasurer

The Illinois Treasurer is the state's Chief Investment Officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing financial education among all ages, and removing barriers to a secured retirement. As the state's Chief Investment Officer, he actively manages approximately \$25 billion. Currently, the portfolio includes \$13 billion in state funds, \$8 billion in college savings plans and \$5 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of principal and returns \$28 to the state for every \$1 spent in operations. The Treasurer's office predates Illinois' incorporation in 1818. Voters in 1848 chose to make it an elected office.

The Bright Start and Bright Directions College Savings Programs are part of the Illinois College Savings Pool and is designed to qualify as a qualified tuition program under the provisions of Section 529 of the Internal Revenue Code. The Bright Start and Bright Directions College Savings Programs are sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. OppenheimerFunds, Inc. serves as Program Manager and Distributor for Bright Start. Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc. acts as Distributor for Bright Directions. Investments in the Illinois College Savings Program are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, OppenheimerFunds, Inc., Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bright Directions Program Disclosure Statement (issuer's official statement), which can be obtained from your financial professional and on BrightDirections.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.

###