



The Office Of State Treasurer
Denise L. Nappier

News

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CHET RECEIVES BRONZE MEDAL FROM MORNINGSTAR AS ONE OF TOP COLLEGE SAVINGS PLANS IN NATION

HARTFORD, CT – Morningstar, a leading investment research firm that monitors college savings plans across the country, has affirmed a bronze medal rating for the direct-sold plan of the Connecticut Higher Education Trust (CHET), Connecticut's 529 college savings program, State Treasurer Denise L. Nappier announced today.

"It is gratifying to know that Morningstar continues to distinguish CHET as a bronze medal plan, recognizing the value of saving for college through CHET. We at the Connecticut Treasury have worked hard to increase the range of affordable and accessible investment options available, improve investment performance, and lower costs, thereby strengthening CHET as a top-tier savings fund for Connecticut families," Treasurer Nappier said.

Morningstar evaluated 62 plans, identifying 31 of them, including CHET, as best-in-class options. According to Morningstar, these plans "for the most part follow industry best practices, offering low fees, a strong set of underlying investments, a solid manager selection process, a well-researched asset-allocation approach, an appropriate set of investment options to meet investor needs, and strong oversight from the state and program manager."

"These features improve the odds that a plan will continue to be a strong option for investors," Morningstar said.

Specifically for CHET direct-sold, Morningstar wrote, "The age-based portfolios consist of solid underlying investments. . . . Other good points here include the plan's fees. They're reasonable overall, and the age-based portfolios are especially compelling relative to other states' age-based portfolios that mix active and passive strategies. Plus, Connecticut residents enjoy state tax benefits. . . . College savers taking advantage of this benefit should do well with this plan."

About CHET

The Connecticut Higher Education Trust (CHET) was established in 1997 and has enjoyed steady growth, surpassing \$3.6 billion in assets under management and more than 152,000 accounts. This compares with just over 4,000 accounts and \$18.5 million in assets under management in 1999, when Treasurer Nappier took office.

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Since CHET's inception, more than \$1.8 billion in qualified withdrawals have been taken to cover college costs for approximately 51,000 students attending nearly every public and private college in Connecticut and several out-of-state schools.

The State of Connecticut offers CHET to help families save for future college costs. Funds deposited into a CHET account have tax advantages and can be used at accredited colleges and universities across the country, including vocational and technical schools, and some colleges abroad.

Connecticut residents are allowed to deduct 529 contributions from their state income taxes – up to \$5,000 for an individual or up to \$10,000 for a married couple filing jointly. Investment earnings are exempt from state and federal taxes if used for qualified educational expenses.

The CHET direct-sold college savings plan offers fourteen investment options, allowing participants to select an option or combination of options that best fit their higher education saving needs and investment philosophy. Options vary depending on the age of the beneficiary and the participant's tolerance for risk.

The CHET direct-sold plan is administered by the Office of Connecticut State Treasurer Denise L. Nappier, and managed by TIAA-CREF Tuition Financing, Inc. For more information about CHET Direct, visit www.aboutchet.com or call the customer service center at (866) 314-3939. Find CHET on Facebook (facebook.com/CHETcollegesavings) or follow it on Twitter (@CHET529).

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