



California Kids Investment and  
Development Savings Program

# Welcome

- Attendees are muted and cameras have been turned off
- Live-Caption feature is available in the menu bar
- Q&A feature is available
- Presentation information is approximately 45 minutes with 15 minutes after to address questions
- Program information and ability to claim account available at **CalKIDS.org**

# For Today

- Introducing CalKIDS
- Determining Eligibility
- Newborn Program
- Student Program
- Requesting a Distribution
- Opening & Linking a ScholarShare 529 Account
- Resources
- Frequently Asked Questions



# Introducing CalKIDS

# What We Know About College Savings

Children with a college savings account are **3X more likely to attend college.**

Children with a college savings account are **4X more likely to graduate from college.**



Source: (Elliott, W., Song, H-a, & Nam, I. (2013). Small-dollar children's saving accounts and children's college outcomes by income level. Children and Youth Services Review, 35 (3), p. 560-571).

“California is telling our students that we believe they’re college material – not only do we believe it, but we’ll also invest in them directly.”

**Gavin Newsom,  
California State Governor**





# CalKIDS



From the  
State of  
California



Up to  
**\$1,500**  
for college,  
trade school  
or career  
programs



For eligible  
newborns &  
low-income  
public school  
students

# CalKIDS Accounts Funded in its First Year



“An investment of this magnitude in our children will undoubtedly help make the dream of a college education come true for a large number of families statewide.”

**Fiona Ma, California State Treasurer**



# Life Cycle of a CalKIDS Account



Children born in California on or after July 1, 2022, and eligible 1st through 12th grade students receive a CalKIDS account with a seed deposit.



Families can open and link their own ScholarShare 529 account to maximize growth.



Money can be used for qualified higher education expenses.

Eligibility  
& Claim

Link

Distribution

A woman and a young girl are smiling and looking at a document together in a kitchen setting. The woman is on the left, leaning over the girl on the right. They are both looking at a piece of paper held by the woman. The background shows a kitchen counter with various items. The entire image has a blue tint.

# Determining Eligibility

# Who is Eligible for CalKIDS?

CalKIDS accounts are awarded to two groups:



**All California  
newborns**

(born on or after July 1, 2022)



**Low-income  
students**

# Simple Steps to Determine Eligibility

**CalKIDS**  
The first step toward college

Dear parent or legal guardian of <child name>.

Congratulations! The State of California has established a CalKIDS account for your child and funded it with up to \$1,500.

CalKIDS wants to help families prepare for college, trade school or career programs, so it's giving all eligible youth up to \$1,500 in a CalKIDS account.\* It's free money that can grow over time and make a big difference when paying for future education expenses like tuition, books, computers and fees.

**What you need to know:**

- Eligible students get up to \$1,500 in a CalKIDS college savings account.
- \$500 for students with low or moderate family income
- \$500 bonus for students who are foster children
- \$500 bonus for students who are unhoused

**Claim your child's account today.**  
It is free and easy. It costs you nothing. It only takes a few minutes.

**Just visit our website at CalKIDS.org.**  
Use this code to help you get started: <1233456789>.  
(Do not share this code with anyone. It is only for <John Doe>.)

You can stop there, or if you want to save your own money for your child's education, you can open an account with ScholarShare 529, California's office of <leg> sav <sp> p.<sp> a.

Already have a ScholarShare 529 account for your child?  
Link it to your child's CalKIDS account through our website so you can see their college savings in one place.

Visit CalKIDS.org to learn more, sign up for a free online webinar, or opt out of the program. Get started today to start building a bright future for your child.

**CalKIDS**  
The first step toward college

Dear parent or legal guardian of <child name>.

Congratulations! Your new baby has a CalKIDS account funded by the State of California.

CalKIDS wants to help families prepare for college, trade school or career programs, so it's giving all babies born on or after July 1, 2023, up to \$175 in a CalKIDS account, regardless of family income. It's free money that can grow over time and make a big difference when paying for future education expenses like tuition, books, computers and fees.

**Claim your baby's \$100 account today.**  
It is free and easy. It costs you nothing. It only takes a few minutes.

**Just visit our website at CalKIDS.org.**  
Use this code to help you get started: <1233456789>.  
(Do not share this code with anyone. It is only for <John Doe>.)

**By taking this step, a deposit of \$25 will be added to your child's CalKIDS account!**

You can stop there, or if you want to save your own money for your child's education, you can open an account with ScholarShare 529, California's office of <leg> sav <sp> p.<sp> a.

Already have a ScholarShare 529 account for your child?  
Link it to your child's CalKIDS account and \$60 will be added to their CalKIDS account.

**That's up to \$175 in free money for college or career programs!**

Visit CalKIDS.org to learn more, sign up for a free online webinar, or opt out of the program. Get started today to start building a bright future for your child.

Notification Letters

Sign up for an upcoming CalKIDS webinar here

Claim Account Log In

**CalKIDS** The first step toward college

Get Started Using Funds Partners About Need Help?

Get Started

Are you eligible?

Confirm Eligibility

Claim your money for college.

2024 Eligibility Tool

Which are you asking about? (Only one item can be chosen)

- Newborn
- Student
- Student in 1st grade or younger

Have a child  Have a baby

Next

Eligibility Tool

# Claiming your CalKIDS Account



Visit  
**CalKIDS.org**  
to claim

**Three (3) unique identifiers** are needed to  
claim your CalKIDS Account

A photograph of a baby being held up by an adult in a living room. The baby is smiling and looking towards the camera. The adult's hands are visible, holding the baby's arms. The background shows a bookshelf and a couch. The entire image has a blue tint.

# Newborn Program

# Eligibility for Newborns

- Each child born in California **on or after July 1, 2022, regardless of income status,** is eligible
- Birth information is provided by the California Department of Public Health
- Please allow up to 90 days after birth registration for newborns to be included in the program



# CalKIDS Awards – Newborns

The State of California automatically establishes college savings accounts for all babies born in California on or after July 1, 2022, regardless of income.


- Up to \$100 for newborns born between July 1, 2022 – June 30, 2023
- Up to \$175 for newborns born after July 1, 2023



Initial Seed Deposit Amounts	
Born July 1, 2022 – June 30, 2023 <b>\$25</b>	Born after July 1, 2023 <b>\$100</b>
Incentives	
Claim a child's CalKIDS account	<b>+ \$25</b>
Link a new or existing ScholarShare 529 account	<b>+ \$50</b>



# What is Needed to Claim a Newborn Account:



Dear parent or legal guardian of <child name>,  
Congratulations! Your new baby has a CalKIDS account funded by the State of California.  
CalKIDS wants to help families prepare for college, trade school or career programs, so it's giving all babies born on or after July 1, 2023, up to \$175 in a CalKIDS account, regardless of family income. It's free money that can grow over time and make a big difference when paying for future education expenses like tuition, books, computers and fees.

 **Claim your baby's \$100 account today.**  
It is free and easy. It costs you nothing. It only takes a few minutes.

 **Just visit our website at CalKIDS.org.**  
Use this code to help you get started: <123456789>  
(Do not share this code with anyone. It is only for <John Doe>.)

 **By taking this step, a deposit of \$25 will be added to your child's CalKIDS account!**

You can stop there, or if you want to save your own money for your child's education, you can open an account with ScholarShare 529, California's official college savings plan.

 **Already have a ScholarShare 529 account for your child?**  
Link it to your child's CalKIDS account and \$50 will be added to their CalKIDS account.

**That's up to \$175 in free money for college or career programs!**  
Visit [CalKIDS.org](https://CalKIDS.org) to learn more, sign up for a free online webinar, or opt out of the program.  
Get started today to start building a bright future for your child.

1. Local Registration Number or unique CalKIDS code found on the letter sent by mail
2. Child's date of birth
3. Name of the county in which the child's birth was registered

Newborn awards will be processed within 90 days from the time the Board receives birth data from the California Department of Public Health.

# Student Program

# Eligibility for Low-Income Students

- Low-income public school students identified by the Local Control Funding Formula (LCFF) on Fall Academic Census Day are eligible
- LCFF eligibility generally includes:
  - Student receives meals through the National School Lunch Program
  - Family submitted an Alternative Household Income Form
  - Student participates in CalFresh, CalWORKs, FDPIR (Food Distribution Program on Indian Reservations), or Medi-Cal
  - English learner status
  - Migratory, homeless, and foster students
- Student information provided by the California Department of Education



# Eligibility – Determination Timeline for Students

## Year 1



- Academic Year 2021 – 2022
- Eligible 1<sup>st</sup> – 12<sup>th</sup> grade public school students
- Fall Academic Census Day for the 2021 – 2022 school year

## Year 2 and Beyond



- Academic Year 2022 – 2023 and subsequent years
- Eligible 1<sup>st</sup> graders\*
- Fall Academic Census Day of 1<sup>st</sup> grade school year

\*Allow until spring/summer for 1<sup>st</sup> graders to be enrolled in program

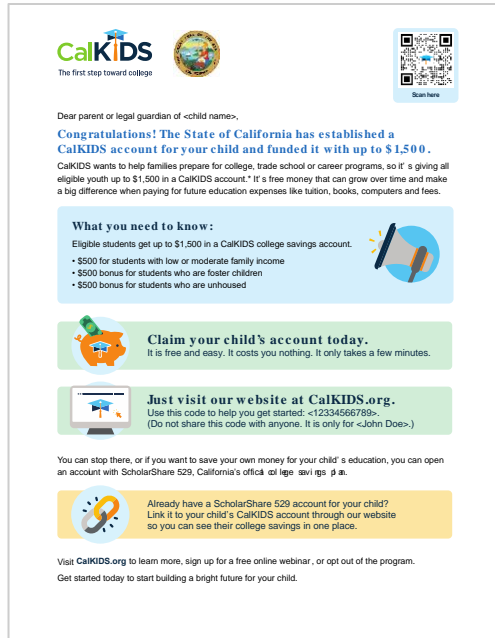
# CalKIDS Awards – Low-Income Students

Eligible low-income public school students in California can claim:

- **\$500 initial deposit**
- **\$500 additional deposit** for eligible students identified as foster youth
- **\$500 additional deposit** for eligible students identified as unhoused



# What is Needed to Claim a Student Account:



The image shows a sample letter from CalKIDS. At the top left is the CalKIDS logo with the tagline "The first step toward college" and the California state seal. To the right is a QR code with a "Scan here" button. The letter text reads: "Dear parent or legal guardian of <child name>, Congratulations! The State of California has established a CalKIDS account for your child and funded it with up to \$1,500. CalKIDS wants to help families prepare for college, trade school or career programs, so it's giving all eligible youth up to \$1,500 in a CalKIDS account.\* It's free money that can grow over time and make a big difference when paying for future education expenses like tuition, books, computers and fees." Below this is a section titled "What you need to know:" with an icon of a megaphone, listing: "Eligible students get up to \$1,500 in a CalKIDS college savings account." followed by three bullet points: "• \$500 for students with low or moderate family income", "• \$500 bonus for students who are foster children", and "• \$500 bonus for students who are unhoused". The next section is "Claim your child's account today." with an icon of a piggy bank, stating "It is free and easy. It costs you nothing. It only takes a few minutes." This is followed by "Just visit our website at CalKIDS.org." with an icon of a laptop, providing the code "<12334566789>." and a warning "(Do not share this code with anyone. It is only for <John Doe>.)". A note says "You can stop there, or if you want to save your own money for your child's education, you can open an account with ScholarShare 529, California's official college savings plan." The final section is "Already have a ScholarShare 529 account for your child? Link it to your child's CalKIDS account through our website so you can see their college savings in one place." with an icon of a key. At the bottom, it says "Visit CalKIDS.org to learn more, sign up for a free online webinar, or opt out of the program. Get started today to start building a bright future for your child."

1. Statewide Student Identifier (SSID) or unique CalKIDS code found on the letter sent by mail
2. Student's date of birth
3. Name of the county where the student was enrolled on Fall Academic Census Day\*

Academic Year	Grade	Fall Census Day
2021 – 22	1 – 12	October 6, 2021
2022 – 23	1	October 5, 2022

\*Fall Academic Census Day falls on the first Wednesday in October of the academic year. In subsequent years after 2021-22 academic year, only eligible 1st grade students are added each year.



# Requesting Your Distribution

# Requesting Your Distribution



## Age Requirements

- Minimum 17 years old
- Funds available until age 26



## Eligible Institutions

- FAFSA participating schools
- Must be enrolled at institution



## Making Request

- Requests made through CalKIDS online portal at [CalKIDS.org](https://www.calkids.org)
- Taxpayer ID is NOT required



## Distribution

- May use all or portion of funds in CalKIDS account
- Funds sent directly to institution
- Treated as scholarship




# Qualified CalKIDS Expenses

The funds in your CalKIDS account can be used to pay for qualified higher education expenses, such as:

- Tuition and related fees
- Books and required supplies
- Certain room and board costs
- Computer equipment

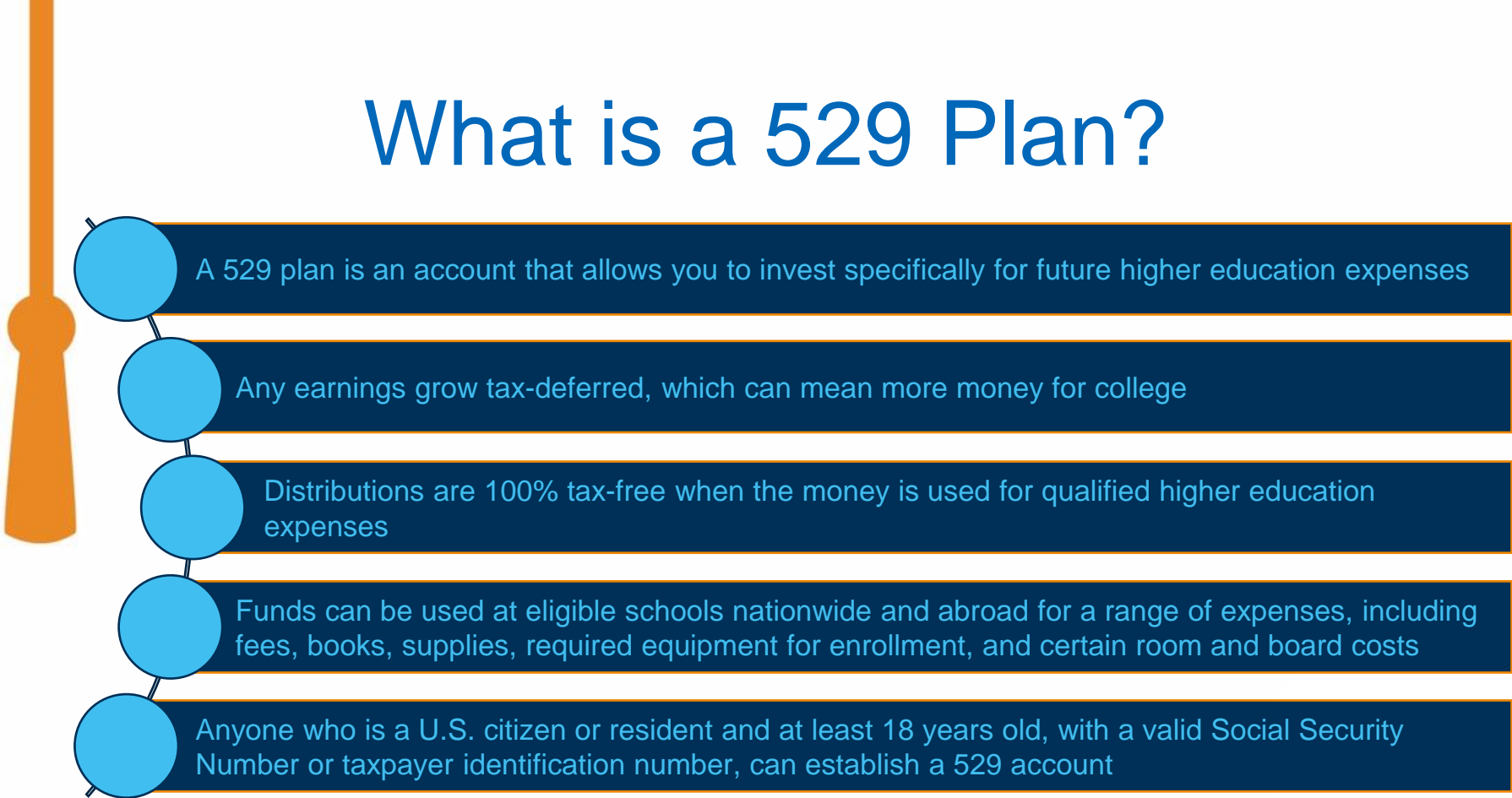
Be sure to check with your school to process your CalKIDS award scholarship.





**Optional:**  
Opening & Linking a  
ScholarShare 529 Account

# What is a 529 Plan?



A 529 plan is an account that allows you to invest specifically for future higher education expenses

Any earnings grow tax-deferred, which can mean more money for college

Distributions are 100% tax-free when the money is used for qualified higher education expenses

Funds can be used at eligible schools nationwide and abroad for a range of expenses, including fees, books, supplies, required equipment for enrollment, and certain room and board costs

Anyone who is a U.S. citizen or resident and at least 18 years old, with a valid Social Security Number or taxpayer identification number, can establish a 529 account

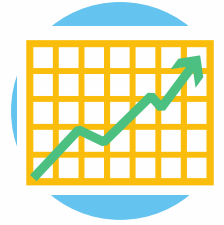
# About ScholarShare529



California's  
official college  
savings plan



More than 20-year  
track record  
helping families  
pay for college



Over \$13.3 billion  
in assets<sup>1</sup>  
  
One of the largest  
529 plans in  
the country<sup>2</sup>




Overseen by the  
ScholarShare  
Investment Board,  
chaired by the  
California State  
Treasurer

1. Program records as of 12/31/2023.
2. ISS 529 Industry Report 2022.

# How ScholarShare 529 Works

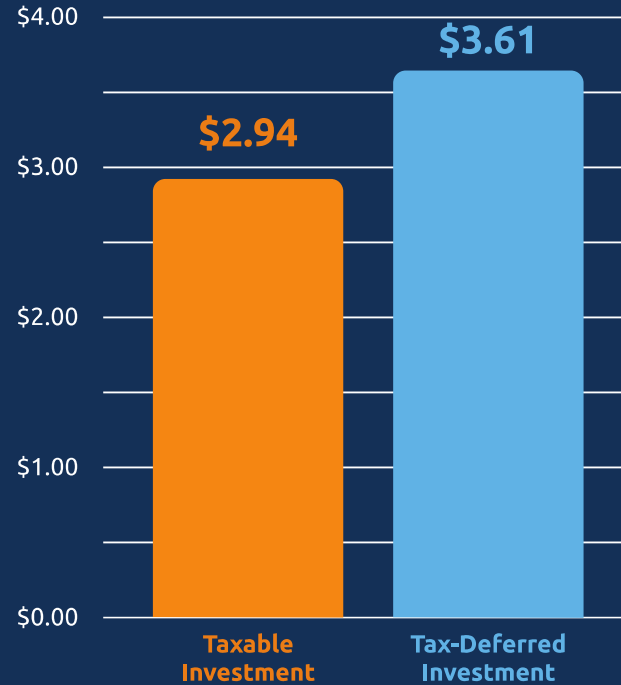


\*If the funds aren't used for qualified higher education expenses, a federal 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings.



# Growth Potential Plus Tax Advantages That Can Make A Real Difference Paying For College

## Potential Benefits of Tax-Deferred Growth in 18 Years\*



\* Hypothetical example. This chart shows the hypothetical growth of \$1.00 invested in a Taxable and Tax-Deferred Investment over 18 years with an annual return of 7.4%. Performance represented by the Standard & Poor's 500 Index (S&P 500 Index) average twenty-year forward looking assumptions as of September 2023. Tax calculations assume federal tax rate of 22%, a state income tax rate of 6%, that all taxable investment earnings are paid annually, and that state taxes are not federally deductible. This illustration is for informational or educational purposes only and does not constitute advice, represent actual performance or predict future results and does not reflect any reduction for investment expenses.

# Link Your Accounts



View savings in one place when you link a new or existing ScholarShare 529 account through your online portal at **CalKIDS.org**



# Resources



# Resources

## FAMILY RESOURCES

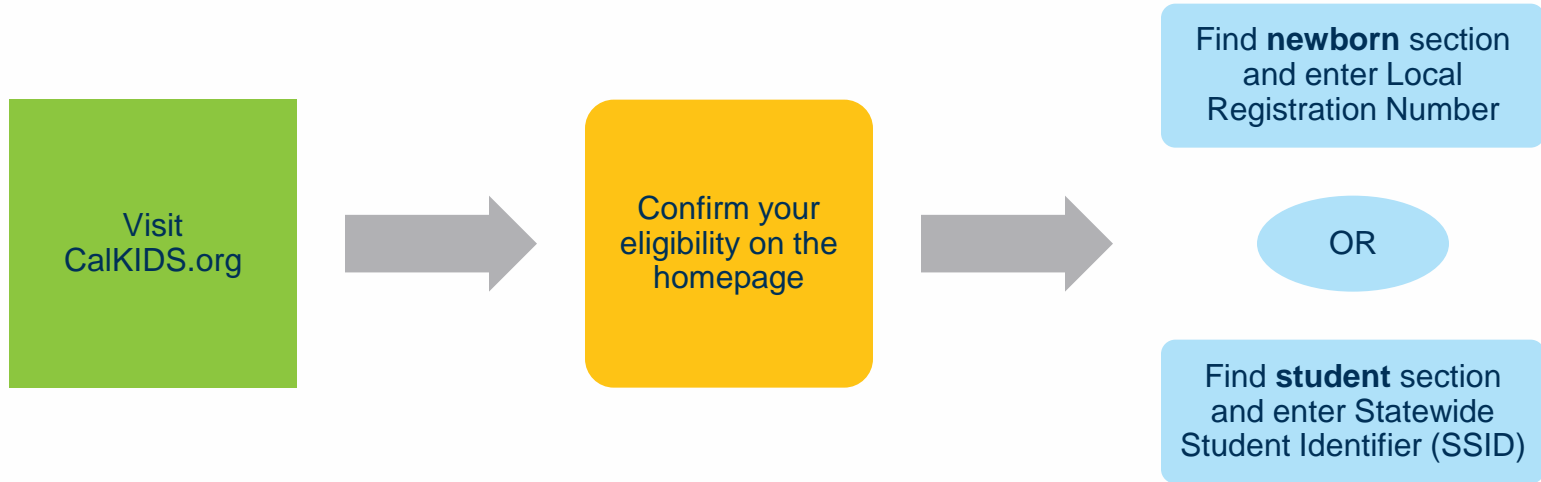
- CalKIDS.org
- YouTube page
- Social Media Platforms
- ScholarShare529.com
- Call Center: 1-888-445-2377
- Contact Us Tab

## PARTNER RESOURCES

- Presentations
- Train the Trainer
- Online Toolkit
  - Flyers
  - Newsletter Content
  - Social Media Content
- Contact Us Tab

# Frequently Asked Questions

# How Can I Quickly Determine Eligibility?



- **Newborns:** Local Registration Number can be found on the birth certificate.
- **Students:** Statewide Student Identifier (SSID) can be found by contacting your school.

# Will CalKIDS Funds Impact My Ability to Receive Financial Aid?

The CalKIDS award is considered a scholarship from the State of California. The funds should be processed according to your institution's guidelines and procedures around scholarship funds.

**Please consult your financial aid office.**

# Will I Need to Provide a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)?

The CalKIDS Program does not require any taxpayer identification number to participate in the program.

# Can I Add Money to the CalKIDS Account?

Families cannot add money to CalKIDS accounts, BUT they can continue saving through California's official college savings plan, ScholarShare 529.

# Questions

# Disclosure

Student eligibility is defined by the Local Control Funding Formula. The ScholarShare Investment Board has received your information from the California Department of Education as an eligible participant of the program.

The California Kids Investment and Development Savings Program (CalKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CalKIDS will provide eligible participants with college savings accounts, including seed deposits and other potential incentives, to help pay for future qualified higher education expenses. To learn more about CalKIDS or opt out of the program entirely, please see the Program Terms and Conditions at [CalKIDS.org](http://CalKIDS.org). CalKIDS participants may also establish individual accounts with ScholarShare 529, California's 529 College Savings Plan.

To learn more about California's ScholarShare 529, its investment objectives, risks, charges and expenses see the Plan Description at [ScholarShare529.com](http://ScholarShare529.com). Read it carefully. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan. Consult your legal or tax professional for tax advice. If the funds aren't used for qualified higher education expenses, a federal 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, is the distributor and underwriter for ScholarShare 529.

All social media platforms are managed by the State of California.

FPP-3312162PR-Y0124X







Thank You