

### How Tuition Track Works Alongside Other Invest529 Portfolios

Every family plans for future education costs differently. Some prefer steady, predictable progress. Others look for opportunities for more dramatic growth of their savings over time. Many Invest529 account owners balance both approaches by saving in more than one Invest529 portfolio. This paper explains how the Tuition Track Portfolio compares to other Invest529 options and offers examples of how families commonly think about combining different types of portfolios.

#### Understanding the Tuition Track Portfolio (TTP)

The Tuition Track Portfolio is designed to keep pace with Average Tuition at Virginia public colleges and universities, and is calculated yearly. This structure allows families to align their savings with changes in tuition costs over time.

##### Key features of the Tuition Track Portfolio include:



- Tuition alignment: Value changes once a year based on Average Tuition of Virginia colleges and universities
- Not affected by market performance: Daily market swings do not impact value
- No asset-based fees
- A steady, predictable structure

These characteristics appeal to families who prefer a savings option that moves with Virginia's public tuition trends, while still offering flexibility to use the funds outside Virginia.

#### Understanding Market-Based Invest529 Portfolios

Invest529 offers more than 20 diverse investment portfolios, across five unique categories. They are built by experts and designed to help families meet their savings goals through various investment strategies, which may include stock and bond markets. These portfolios offer different levels of growth potential, risk exposure and diversification.

##### Characteristics of market-based portfolios often include:



- Opportunity for long-term growth
- Exposure to market performance and risk
- Options based on age, risk comfort, or specific investment goals

Families who choose these options may be interested in potential long-term gains that markets can provide, while also understanding that market values can rise and fall over time.

## How Families Commonly Think About Using Both

Some families choose more than one portfolio because each type offers different features. This is not required, and there is no “right” or “recommended” mix – but understanding how these features differ can help families make informed decisions.

## Questions Families Often Consider

Families sometimes explore questions like:



→ “What portion of future costs do I want to keep aligned with tuition changes?”

→ “How comfortable am I with market movement over time?”

→ “Do I want multiple portfolios for different goals?”

→ “How might my approach change as my student grows?”

These questions highlight how families can think about the differences between Invest529 options.

### Here are a few ways families mix up their approach to saving by combining Tuition Track with other options

#### Covering predictable costs:

Some families look at Tuition Track as a way to align part of their savings with changes in Virginia public tuition over time.

#### Pursuing long-term growth:

Other Invest529 portfolios may be selected by families who want the opportunity for investment growth over many years.

#### Blending approaches:

A family might use both types of portfolios to have some savings that track tuition and some savings that respond to market performance.

#### Adjusting over time:

For families whose primary savings goal is post-high school education (college, apprenticeships, trade schools, etc.), they may revisit their allocations as their student gets closer to college, choosing the mix that aligns with their goals.

## What a Diversified Approach Means in Practice

Diversification means using more than one approach to saving.<sup>1</sup>

For education savings, this can include:



- Setting aside some funds in a tuition-aligned option
- Holding some funds in a market-based option
- Reviewing how each type behaves over time
- Using different portfolios for different types of education expenses

This concept helps families understand how different Invest529 portfolios offer different ways to grow or protect savings.



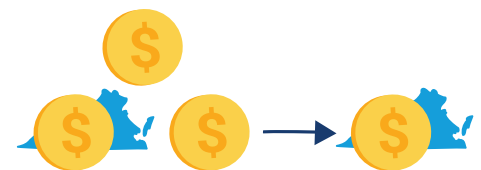
**Scenario 1:  
Tuition-Focused Planning**

A family may choose Tuition Track to align part of their savings with Virginia's Average Tuition while maintaining separate contributions in a market-based portfolio.



**Scenario 2:  
Growth-Focused Early Years**

A family with many years before college might prefer portfolios with market exposure early on and later consider options that align with tuition trends.



**Scenario 3:  
Evolving Over Time**

A family might select more than one portfolio at the same time, revisiting their choices as circumstances change.

Note: These examples illustrate how different features can work together, not what any family should do.

## Learning More

To explore Tuition Track in more detail, families can review the Tuition Track Guide, which provides:



- Clear explanations of how value changes each year
- Examples of eligible expenses and school types
- Step-by-step withdrawal information

## See how Tuition Track compares to other Invest529 portfolios

Saving for education is a long-term effort, and families often combine different approaches to meet their goals. By understanding the features of Tuition Track and how it differs from market-based portfolios, families can explore their options and choose the path that aligns with their needs, preferences and timelines.