

Message from the Director

We were happy to start off 2011 by offering you new investment funds and more flexibility. We had told you about the new funds in December 2010, so we apologize for the fact that you weren't able to change to any of the new funds online at the very beginning of 2011. Fortunately, that minor setback is over and the START Web site is fully functional and able to serve you. Next to helping to make education accessible and affordable for all, our mission is serving you, the START Account Owner, which is why we're constantly looking to improve. The new investment funds, which provide greater flexibility, are proof of this. Further evidence is the fact that we're now working to accept online



START deposits. You asked for it and we've responded. As soon as this is implemented we'll publicize it for you, but you don't have to wait on the next STARTing Line or check the START Web site for updates. If you go to <http://www.startsaving.la.gov>, login to your account and provide us with a valid email address, you'll receive notice as soon as this is implemented. You can also go to our facebook page <http://www.facebook.com/LOSFA> and "Like" us in order to receive real time information and immediate updates.

Thank you for the vision and commitment which motivated you to help someone pursue their dreams and aspirations via the START Saving Program. Thanks for making START your first choice for college access.

--Carol Fulco

Changes to START investment funds finalized

Changes to START investment funds have been finalized and are now accessible via the START Web site <http://www.startsavingla.gov>. Account owners may now select the new funds online.

The new investment funds allow account owners to exercise more flexibility in selecting their funds and determining the percentages of the deposit placed into each fund. A detailed breakdown of the new funds was provided in the December 2010 STARTing Line and is available in the START Disclosure Booklet available on the START Web site.

For additional information or questions, please contact LOSFA at (800) 259-5626 ext. 1012 or (225) 219-1012.

LOSFA working to accept online START deposits

START account owners will soon be able to make online deposits. LOSFA is working with First Data, a payment processing company, to provide that option to our account owners.



Once the system is in place, START account owners will be able to make deposits to their accounts using credit or debit cards and e-checks. The system will also accommodate recurring payments -- allowing for START payments to be withdrawn from the account owner's bank automatically at intervals and amounts determined by the account owner.

LOSFA will continue to accept in-person and mail-in payments.

“Based on feedback and requests made by our account holders, we decided to look more aggressively at offering these options,” LOSFA Executive Director Melanie Amrhein said. “There are a lot of steps involved, but by moving in this direction, we will be offering a modern, safe and efficient way for people to conduct their business with LOSFA.”

First Data's programs allow the use of Visa, MasterCard, American Express and Discover cards, as well as debit cards via the STAR or Pulse networks. Additionally, First Data provides fraud and identity verification services to ensure that LOSFA's client information is secure.

Additional information will be provided as it becomes available. Check future STARTing Lines and our Web site for updates.

One time fee for Total World Stock Index Fund investments

In the near future, each deposit in the Vanguard Total World Stock Index Fund, Investor Shares (VTWSX), will incur a one-time purchase fee of one quarter of one percent (0.25%). This fee will be deducted from the amount of the deposit. For example, a deposit of \$1,000.00 invested solely in the Total World Stock Index Fund will be assessed a one-time fee of \$2.50 so that the total deposit into the account will be \$997.50.

The Vanguard purchase fee is paid directly into the Total World Stock Index Fund to offset the costs of purchasing the assets of the fund on a worldwide basis. Since the fees are paid directly into the fund, they may help generate money for members of the fund. This is the only START fund that carries such a fee.

An exact start date for the fee is not yet available. Account owners will be informed as soon as the date is available via the START Web site and by email if START has a valid email address on file.

START Saving Program Quarterly Interest Rates

START SAVING PROGRAM Average Annual Returns Updated Quarterly as of 12/31/10

Fund	1 Year	3 Years	5 Years	10 Years	Since Inception	Annual Total Return 2010
Vanguard LifeStrategy Income Portfolio (VASIX) Inception 9-30-94	9.22%	3.08%	4.75%	4.77%	7.07%	9.22%
Vanguard LifeStrategy Conservative Growth Portfolio (VSCGX) Inception 9-30-94	11.14%	1.54%	4.38%	4.42%	7.39%	11.14%
Vanguard LifeStrategy Moderate Growth Portfolio (VSMGX) Inception 9-30-94	13.31%	0.07%	4.04%	4.09%	7.79%	13.31%
Vanguard LifeStrategy Growth Fund (VASGX) Inception 9-30-94	15.06%	-1.92%	3.32%	3.40%	7.87%	15.06%
Vanguard Total World Stock Index Fund (VTWSX) Inception 6-26-08	12.59%	N/A	N/A	N/A	0.32%	12.59%
Vanguard Total International Stock Index Fund (VGTSX) Inception 4-29-96	11.12%	-5.30%	4.44%	5.14%	5.15%	11.12%
Vanguard Total Stock Market Index Institutional Shares (VITSX) Inception 7-7-97	17.23%	-1.61%	3.07%	2.57%	4.94%	17.23%
Vanguard Small-Cap Index Fund Investor Shares (NAESX) Inception 10-03-60	27.72%	3.58%	5.39%	7.23%	10.54%	27.72%
Vanguard Mid-Cap Index Fund Investor Shares (VIMSX) Inception 5-21-98	25.46%	0.77%	4.27%	6.78%	8.65%	25.46%
Vanguard Large-Cap Index Fund Investor Shares (VLACX) Inception 1-30-04	15.63%	-2.45%	2.64%	N/A	4.09%	15.63%

Louisiana Principal Protection Fund & Earnings Enhancement Fund Updated Annually as of 12-31-10

	1 Year	3 Years	5 Years	10 Years	Since Inception	Annual Total Return 2009
Louisiana Principal Protection Fund Inception 1997	2.69%	3.52%	4.19%	4.68%	5.10%	2.69%
Earnings Enhancement Fund Inception 1997	2.56%	3.34%	3.99%	4.75%	5.18%	2.56%

John Kennedy, Louisiana State Treasurer, has reported that the rate of interest on the START Saving Fund for the year ending December 2010 is 2.69% and the rate of interest on the START Tuition Assistance Fund, also known as the START Grants Fund, for that same period is 2.56%.

Did you know? START facts, figures and news

► Account owners will be receiving end-of-year statements soon. LOSFA is scheduled to send them out no later than March 31st.

► The START Saving Program took in a record \$51 million in deposits in 2010, topping a previous record of \$47.25 million in 2009. December 2010 was also a record-setting month for the program. A total of \$13.3 million was received that month, with more than \$3 million being deposited in the last three days of the month alone.

► Want to show students how easy it is to save for college? LOSFA has developed a Web-based tool with three simple questions to demonstrate how to save and how to maximize those savings to offset college expenses.. At <http://losfa.clickherepublishing.com/save.asp>, students can see for themselves how as little as one less fast food meal or song download a week can add up. The site was created as part of America Saves Week, but will remain up to assist students and parents.



For more information, contact the
START Saving Program:

By Phone: 800-259-5626, Ext. 1012

By E-mail: start@startsaving.la.gov

By Mail: P.O. Box 91271, Baton Rouge, LA 70821-9271

Web Address: www.startsaving.la.gov

For submissions, opinions or comments for STARTing Line, please
contact David Roberts at droberts@osfa.la.gov.