

CollegeCountsSM

Alabama's 529 Fund

Auditor's Report and Financial Statements

September 30, 2019



Offered by the
State of Alabama

UBT 529 Fund Services a Division of

UBT
Union Bank & Trust

Program Manager

CollegeCounts 529 Fund
September 30, 2019

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Independent Auditor's Report

Members of the Board of Trustees of CollegeCounts 529 Fund
UBT 529 Fund Services, a Division of Union Bank & Trust Company (Program Manager)
Montgomery, Alabama

Report on the Financial Statements

We have audited the accompanying financial statements of the CollegeCounts 529 Fund, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the CollegeCounts 529 Fund's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the CollegeCounts 529 Fund as of September 30, 2019, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the CollegeCounts 529 Fund's basic financial statements. The supplemental schedules as listed in the table of contents, are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2020, on our consideration of the CollegeCounts 529 Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CollegeCounts 529 Fund's internal control over financial reporting and compliance.

BKD, LLP

Lincoln, Nebraska
January 17, 2020

CollegeCounts 529 Fund Direct Plan Management's Discussion and Analysis

The following is a discussion and analysis of the financial performance of the State of Alabama's CollegeCounts 529 Fund Direct Plan (the "Plan") as of September 30, 2019 and for the year then ended. CollegeCounts 529 Fund assets are held in the Alabama College Education Savings ("ACES") Trust Fund. Union Bank & Trust Company ("Union Bank") manages the CollegeCounts 529 Fund under a Program Management Agreement with the Board of Trustees of the ACES Trust Fund. The CollegeCounts 529 Fund is intended to be a qualified state tuition program under Section 529 of the Internal Revenue Code. The CollegeCounts 529 Fund was created pursuant to an Alabama statute to encourage the investment of funds to be used for qualified education expenses. You should consider the information presented in this section in conjunction with the Plan's financial statements and the Notes to the Financial Statements.

CollegeCounts 529 Fund Direct Plan

The Plan is one of two 529 college savings plans offered by the CollegeCounts 529 Board to help families save for college. The CollegeCounts 529 Direct Plan contains accounts that are opened directly with the Plan. The Direct Plan had \$564 million in net position as of September 30, 2019. The CollegeCounts 529 Board oversees the Direct Plan. Union Bank & Trust Company serves as Program Manager.

The Direct Plan offers investors 3 Age-Based Options, 6 Target Portfolios, and 25 Individual Fund Portfolios that are invested in underlying mutual funds from DFA, Dodge & Cox, Vanguard, T. Rowe Price, MainStay, Fidelity and PIMCO.

Financial Highlights

The following financial highlights occurred during the year ended September 30, 2019 and 2018:

- The Plan had contributions of \$94.7 million and withdrawals of \$43.6 million during 2019 and contributions of \$88.5 million and withdrawals of \$37.2 million during 2018, an increase of 7.0% in contributions and 17.2% in withdrawals during 2018;
- At September 30, 2019, the Plan's net position totaled \$564 million, an increase of \$75.6 million, or 15.5% since September 30, 2018;
- The Plan earned \$13.3 million and \$11.1 million from investment income and recognized \$12.6 million and \$21.5 million from net realized gain and net appreciation in fair value of investments during 2019 and 2018, respectively. The Plan incurred \$1.3 million and \$1.1 million, respectively, for operating expenses during 2019 and 2018.

Overview of the Financial Statements

The Plan's financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

This report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements consist of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position and Notes to the Financial Statements that explain some of the information in the financial statements and provide more detailed information.

The Statement of Fiduciary Net Position presents information on the Plan’s assets and liabilities, with the difference between the two reported as net position as of September 30, 2019. This statement is prepared using the accrual basis of accounting. Contributions and withdrawals are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is received or paid.

The Statement of Changes in Fiduciary Net Position presents information showing how the Plan’s net position changed during the year ended September 30, 2019, another important factor that needs to be considered in order to determine the financial health of the CollegeCounts 529 Fund. This statement presents information showing how the plan’s net position changed during the year ended September 30, 2019, based on activities from securities transactions and market activity. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid.

The Notes to the Financial Statements provide additional information that is integral to a full understanding of the data provided in the basic financial statements. As a fiduciary fund, the CollegeCounts 529 Fund Trust assets do not represent discretionary assets of the State of Alabama to finance its operations. CollegeCounts 529 Fund Trust assets can only be used for the benefit of account owners and beneficiaries of the Plan.

Financial Analysis

Net Position

The following is a condensed Statement of Fiduciary Net Position for the Program as of September 30:

	<u>2019</u>	<u>2018</u>
Total Assets	\$ 566,145,788	\$ 489,205,090
Less Total Liabilities	<u>2,063,986</u>	<u>746,692</u>
Net Position Held in Trust	<u>\$ 564,081,802</u>	<u>\$ 488,458,398</u>

Investments make up more than 99% of total net position and consist of 36 Investment Portfolios in 2019 and 2018, each of which is invested in one or more underlying mutual funds. Net position represents cumulative contributions from participants plus net increases/decreases from operations less redemptions and expenses. Liabilities consist of payables for securities purchased, payables for withdrawals, payables for reinvestment of net investment income and payables for accrued expenses.

Total assets increased by \$76.9 million, or 15.7%, from September 30, 2018 to September 30, 2019 due primarily to net contributions (participant contributions less redemptions and withdrawals) of \$51 million. The Plan had an increase from operations (investment income and net realized gain and appreciation in fair value of investments) of \$25.9 million and expenses of \$1.3 million. Total liabilities increased \$1.3 million due primarily to the timing of withdrawals requested by participants and amounts payables for securities purchased, which is a reflection of investment decisions made by participants and the corresponding action taken by the program manager to process required transactions.

Changes in Fiduciary Net Position

The following is a condensed Statement of Changes in Fiduciary Net Position for the year ended September 30:

	<u>2019</u>	<u>2018</u>
Total Additions	\$ 120,532,528	\$ 121,092,070
Total Deductions	<u>44,909,124</u>	<u>38,349,828</u>
Net Increase	75,623,404	82,742,242
Net Position Held in Trust, Beginning of Year	<u>488,458,398</u>	<u>405,716,156</u>
Net Position Held in Trust, End of Year	<u>\$ 564,081,802</u>	<u>\$ 488,458,398</u>

Total additions decreased \$0.6 million or 0.5%, due to an increase in contributions from participants of \$6.2 million and a decrease in investment income of \$6.7 million. Total deductions increased \$6.6 million or 17.1%, due to an increase in withdrawals and redemptions of \$6.4 million and an increase in fees of \$0.2 million. Net realized gains and appreciation in fair value of investments was \$12.6 million and \$21.5 million for the years ended September 30, 2019 and 2018, respectively. Increases and decreases in net realized and unrealized gains and losses on investment transactions, as well as changes in investment income, reflect market conditions during each corresponding year. Fees are charged to participants as a percentage of daily net position and therefore, fluctuate based on changes in fiduciary net position.

CollegeCounts 529 Fund
Statement of Fiduciary Net Position
September 30, 2019

Fiduciary Assets

Investments, at fair value	\$ 563,218,948
Cash	255,447
Receivables for contributions	2,284,249
Accrued investment income	<u>387,144</u>
Total fiduciary assets	<u>566,145,788</u>

Liabilities

Distributions payable to shareholders	4,309
Withdrawals payable	1,782,140
Accrued expenses	<u>277,537</u>
Total liabilities	<u>2,063,986</u>

Fiduciary Net Position Held In Trust

\$ 564,081,802

CollegeCounts 529 Fund
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2019

Additions

Contributions	\$ 94,665,781
Investment income	
Net realized gain and net appreciation in fair value of investments	12,561,510
Dividends and interest	13,305,237
Total investment earnings	25,866,747
Total additions	120,532,528

Deductions

Withdrawals	43,612,082
Management fees	1,297,042
Total deductions	44,909,124

Net Increase

75,623,404

Fiduciary Net Position Held in Trust, Beginning of Year

488,458,398

Fiduciary Net Position Held in Trust, End of Year

\$ 564,081,802

CollegeCounts 529 Fund

Notes to the Financial Statements

September 30, 2019

Note 1: Description of the Plan

The following provides a brief description of the CollegeCounts 529 Fund (the “Plan”). For more information about the Plan, call 866.529.2228 or visit CollegeCounts529.com to obtain a Disclosure Statement.

General

The Plan is one of two college savings plans offered by the Alabama College Education Savings (ACES) Program (the Program) to help individuals and families save for education costs. This Plan and the CollegeCounts 529 Fund Advisor Plan, which were established as authorized under the Wallace Folsom Savings Investment Plan Act, 16-33C-1 to 16-33C-25 of the Code of Alabama 1975, as amended from time to time, are designed to comply with the requirements for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended, and any regulations and other guidance issued thereunder (Section 529). The Board of Trustees of the ACES Trust Fund (the Board) administers the Program and has oversight responsibility for establishing rules and regulations governing operation of the plans, overseeing the administration of the plans and ensuring that the plans comply with state and federal laws and regulations. The Board acts as trustee of the Plan and is responsible for the overall administration of the Program. The Board has delegated day-to-day administration of the Program to the Alabama State Treasurer.

Plan assets are held for the benefit of account owners and their designated beneficiaries in the CollegeCounts 529 Fund, thereby ensuring the assets of the Plan can only be used for the benefit of account owners and their beneficiaries and cannot be used by the State of Alabama to finance its operations.

These financial statements present only the activities and balances attributable to the CollegeCounts 529 Fund and do not include any balances or activities attributable to the CollegeCounts 529 Fund Advisor Plan. See the attached supplementary information which includes Combining Schedules for the two college savings plans and the transfers of contributions and withdrawals between plans. The audited financial statements of the CollegeCounts 529 Fund Advisor Plan are available separately.

Plan Administration

UBT 529 Fund Services (Union Bank), a division of Union Bank & Trust Company (the Program Manager), serves as the agent responsible for the custody of the Plan’s assets. The Program Manager has engaged Wilshire Associates, Inc. (Wilshire) to advise with respect to the structures, underlying investments, and asset allocations of the Plan.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 2: Significant Accounting Policies

Basis of Accounting

The Plan prepares its financial statements in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). The Plan's financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America applicable to special-purpose governments engaged in fiduciary activities. Under this method of accounting, additions to the net position are recorded when earned and deductions from net position are recorded when a liability is incurred, regardless of the timing of related cash flows.

Investments

The Plan's investment alternatives are made available through investment portfolios (the Portfolios), each of which represents a separate, segregated portfolio of investments in mutual funds (the Underlying Funds). The Program Manager and Wilshire develop and recommend the asset allocations for each Portfolio to the Board of Trustees for approval.

Investments in the Underlying Funds are valued at the closing net position value per share of each Underlying Fund determined as of the close of the New York Stock Exchange on the day of valuation, which approximates fair value. Net realized and unrealized gains and losses are reported as net appreciation or depreciation in fair value of investments in the Statement of Changes in Fiduciary Net Position. Purchases and sales of Underlying Fund shares are recorded on a trade date basis. Dividend income and any capital gain distributions are recorded on the ex-dividend date as an accrual and are automatically reinvested in additional shares of the respective Underlying Fund.

Cash

Cash generally includes account owner contributions that have not been invested in Underlying Funds or redemption proceeds from Underlying Funds that have not yet been distributed in accordance with account owner instruction. These transactions are processed through the Program Manager.

Distributions Payable to Shareholders

Distributions payable to shareholders represent income distributions from money market investment funds that have not yet been distributed in accordance with each account owner's instruction.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 2: Significant Accounting Policies - Continued

Contributions

Individuals or entities that have properly executed an enrollment form with the Plan may establish an account to which cash contributions may be made, subject to certain account balance limitations. Contributions received prior to the close of the New York Stock Exchange are recorded as increases in net position on the date they are received, provided that all related documentation is found to be in good order.

Account owners may elect to invest their contributions in one or more of several different investment options, which are Individual Fund Portfolios, Age-Based Portfolios or Target Portfolios based upon the account owner's investing preference and risk tolerance. The investment options are composed of one money-market fund and mutual funds offered by PIMCO, Vanguard, T. Rowe Price, DFA, Dodge & Cox, MainStay and Fidelity ("Investment Managers").

The Individual Fund Portfolios consist of one money-market fund and 24 single mutual funds. The six Target Portfolios are allocated among equity, real estate, fixed income, and money market securities. These allocations are maintained over the life of the account.

The account owner may also choose from three Age-Based options (Conservative, Moderate, and Aggressive). These have been designed by the Program, the Program Manager, and Wilshire to allow account owners to select a Portfolio based upon their risk tolerance and the beneficiary's age. Money invested in these investment options is allocated to the appropriate Portfolio based on the age of the beneficiary and is automatically adjusted at pre-set intervals over time to become more conservative as the beneficiary's year of enrollment in college draws nearer.

Contributions by a participant are evidenced through the issuance of units in a particular Portfolio. Although money contributed to the Plan is invested in portfolio options that hold mutual funds, the Plan units themselves are not direct investments in the mutual funds. The units issued by the Plan are not insured by the FDIC, the Program Manager, or the State of Alabama nor have they been registered with the Securities and Exchange Commission or any state commission. Although the account owners can direct the portfolio options in which their contributions are invested, they cannot direct the selection or allocation of the Underlying Funds comprising each portfolio option.

Withdrawals

Account owners may request withdrawals for qualified or nonqualified expenses. It is the responsibility of the account owner to determine whether the withdrawal is for qualified or nonqualified purposes and to calculate the applicable amount of federal or state tax or penalties for withdrawals, if any. Withdrawals are recorded as deductions from net position on the date the withdrawal request is in good order and approved for payment. Withdrawals, as presented on the Statement of Changes in Fiduciary Net Position, include annual account fees as more fully discussed in Note 4.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 2: Significant Accounting Policies - Continued

Unit Valuation

Each account owner's full and/or fractional interest in a portfolio option is evidenced by a unit. The net position value of a unit in a portfolio option is calculated daily based on the fair market value of the Underlying Funds, adjusted for the effects of such transactions as accrued administrative fees, contributions and withdrawal requests that have been approved but have not yet been processed, and investment income that has not been reinvested in the Underlying Funds. The value of any individual account is determined by multiplying the number of units in a portfolio attributable to that account holder by the net position value per unit of that portfolio.

Exchanges

As explained above, for each of the Age-Based Options, account balances will automatically be exchanged from one portfolio to another more conservative portfolio as the beneficiary gets older. In addition, subject to certain limitations and restrictions, account owners may generally direct that their account balance be reinvested in a different portfolio option two times each calendar year. The transfers of funds between portfolios are referred to as "exchanges". The amounts of contributions and withdrawals reported in the Statement of Changes in Fiduciary Net Position do not include these exchanges, as they have no impact on the overall financial position of the Plan.

Income Taxes

The Plan has been designed to comply with the requirements for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code and is exempt from federal and state income tax. Therefore, no provision for income tax is required.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

CollegeCounts 529 Fund

Notes to the Financial Statements

September 30, 2019

Note 3: Investments

The Underlying Fund allocations at September 30, 2019, are as follows:

Portfolio	Investment	Balance
DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Large Cap Value Portfolio	\$ 1,284,909
DFA U.S. Small Cap Value 529 Portfolio	DFA U.S. Small Cap Value Portfolio	751,259
Dodge & Cox International Stock 529 Portfolio	Dodge & Cox International Stock Fund	1,867,540
Fidelity Advisor Investment Grade Bond 529 Portfolio	Fidelity Advisor Investment Grade Bond Fund	633,038
MainStay Total Return Bond 529 Portfolio	MainStay Total Return Bond Fund	314,283
PIMCO Short-Term 529 Portfolio	PIMCO Short-Term Fund	2,250,008
T. Rowe Price Balanced 529 Portfolio	T. Rowe Price Balanced Fund	6,198,377
T. Rowe Price Large-Cap Growth 529 Portfolio	T. Rowe Price Institutional Large-Cap Growth Fund	7,420,270
Vanguard Explorer 529 Portfolio	Vanguard Explorer Fund	1,906,566
Vanguard 500 Index 529 Portfolio	Vanguard Institutional Index Fund	27,126,348
Vanguard Extended Market Index 529 Portfolio	Vanguard Extended Market Index Fund	1,942,239
Vanguard Growth Index 529 Portfolio	Vanguard Growth Index Fund	13,295,520
Vanguard Inflation-Protected Securities 529 Portfolio	Vanguard Inflation-Protected Securities Fund	1,542,161
Vanguard Mid-Cap Index 529 Portfolio	Vanguard Mid-Cap Index Fund	8,703,120
Vanguard Prime Money Market 529 Portfolio	Vanguard Prime Money Market Fund	14,456,889
Vanguard REIT Index 529 Portfolio	Vanguard REIT Index Fund	4,334,185
Vanguard Small-Cap Growth Index 529 Portfolio	Vanguard Small-Cap Growth Index Fund	6,942,761
Vanguard Small-Cap Index 529 Portfolio	Vanguard Small-Cap Index Fund	3,772,638
Vanguard Small-Cap Value Index 529 Portfolio	Vanguard Small-Cap Value Index Fund	3,447,988
Vanguard Total Bond Market Index 529 Portfolio	Vanguard Total Bond Market Index Fund	11,724,368
Vanguard Total International Stock Index 529 Portfolio	Vanguard Total International Stock Index Fund	9,024,966
Vanguard Total Stock Market Index 529 Portfolio	Vanguard Total Stock Market Index Fund	16,703,867
Vanguard Value Index 529 Portfolio	Vanguard Value Index Fund	5,316,138
Vanguard Short-Term Inflation-Protected 529 Portfolio	Vanguard Short-Term Inflation-Protected Securities Index Fund	622,734
Vanguard Short-Term Bond Index 529 Portfolio	Vanguard Short-Term Bond Index Fund	2,146,258
		<u>153,728,430</u>
CollegeCounts Fixed Income Fund	Vanguard Short-Term Inflation-Protected Securities Index Fund	897,810
CollegeCounts Fixed Income Fund	Vanguard Short-Term Bond Index Fund	1,198,670
CollegeCounts Fixed Income Fund	Vanguard Total Bond Market Index Fund	898,421
CollegeCounts Fixed Income Fund	Vanguard Prime Money Market Fund	2,988,225
Total CollegeCounts Fixed Income Fund		<u>5,983,126</u>
CollegeCounts Fund 10	Vanguard Total Stock Market Index Fund	1,451,710
CollegeCounts Fund 10	Vanguard Short-Term Inflation-Protected Securities Index Fund	2,907,210
CollegeCounts Fund 10	Vanguard Short-Term Bond Index Fund	4,577,631
CollegeCounts Fund 10	Vanguard Total Bond Market Index Fund	6,453,087
CollegeCounts Fund 10	Vanguard Total International Stock Index Fund	414,302
CollegeCounts Fund 10	Vanguard Prime Money Market Fund	4,823,083
CollegeCounts Fund 10	Vanguard REIT Index Fund	208,447
Total CollegeCounts Fund 10		<u>20,835,470</u>

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 3: Investments - Continued

Portfolio	Investment	Balance
CollegeCounts Fund 20	Vanguard Total Stock Market Index Fund	\$ 5,175,634
CollegeCounts Fund 20	Vanguard Short-Term Inflation- Protected Securities Index Fund	4,383,489
CollegeCounts Fund 20	Vanguard Short-Term Bond Index Fund	9,982,781
CollegeCounts Fund 20	Vanguard Total Bond Market Index Fund	13,975,136
CollegeCounts Fund 20	Vanguard Total International Stock Index Fund	1,588,412
CollegeCounts Fund 20	Vanguard Prime Money Market Fund	3,578,057
CollegeCounts Fund 20	Vanguard REIT Index Fund	<u>1,198,741</u>
Total CollegeCounts Fund 20		<u>39,882,250</u>
CollegeCounts Fund 30	Vanguard Total Stock Market Index Fund	7,403,430
CollegeCounts Fund 30	Vanguard Short-Term Inflation- Protected Securities Index Fund	5,070,682
CollegeCounts Fund 30	Vanguard Short-Term Bond Index Fund	8,597,429
CollegeCounts Fund 30	Vanguard Total Bond Market Index Fund	13,676,503
CollegeCounts Fund 30	Vanguard Total International Stock Index Fund	3,110,877
CollegeCounts Fund 30	Vanguard REIT Index Fund	<u>1,166,088</u>
Total CollegeCounts Fund 30		<u>39,025,009</u>
CollegeCounts Fund 40	Vanguard Total Stock Market Index Fund	11,742,381
CollegeCounts Fund 40	Vanguard Short-Term Inflation- Protected Securities Index Fund	4,230,480
CollegeCounts Fund 40	Vanguard Short-Term Bond Index Fund	6,593,045
CollegeCounts Fund 40	Vanguard Total Bond Market Index Fund	17,428,889
CollegeCounts Fund 40	Vanguard Total International Stock Index Fund	5,622,785
CollegeCounts Fund 40	Vanguard REIT Index Fund	<u>1,422,910</u>
Total CollegeCounts Fund 40		<u>47,040,490</u>
CollegeCounts Fund 50	Vanguard Total Stock Market Index Fund	13,199,324
CollegeCounts Fund 50	Vanguard Short-Term Inflation- Protected Securities Index Fund	1,653,433
CollegeCounts Fund 50	Vanguard Short-Term Bond Index Fund	4,553,576
CollegeCounts Fund 50	Vanguard Total Bond Market Index Fund	14,484,879
CollegeCounts Fund 50	Vanguard Total International Stock Index Fund	6,178,269
CollegeCounts Fund 50	Vanguard REIT Index Fund	<u>1,236,041</u>
Total CollegeCounts Fund 50		<u>41,305,522</u>
CollegeCounts Fund 60	Vanguard Total Stock Market Index Fund	17,458,937
CollegeCounts Fund 60	Vanguard Short-Term Inflation- Protected Securities Index Fund	1,916,636
CollegeCounts Fund 60	Vanguard Short-Term Bond Index Fund	4,374,429
CollegeCounts Fund 60	Vanguard Total Bond Market Index Fund	13,181,619
CollegeCounts Fund 60	Vanguard Total International Stock Index Fund	9,177,400
CollegeCounts Fund 60	Vanguard REIT Index Fund	<u>2,459,452</u>
Total CollegeCounts Fund 60		<u>48,568,473</u>

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 3: Investments - Continued

Portfolio	Investment	Balance
CollegeCounts Fund 70	Vanguard Total Stock Market Index Fund	\$ 18,510,746
CollegeCounts Fund 70	Vanguard Short-Term Inflation- Protected Securities Index Fund	1,850,877
CollegeCounts Fund 70	Vanguard Short-Term Bond Index Fund	2,781,194
CollegeCounts Fund 70	Vanguard Total Bond Market Index Fund	9,278,551
CollegeCounts Fund 70	Vanguard Total International Stock Index Fund	10,619,040
CollegeCounts Fund 70	Vanguard REIT Index Fund	3,259,198
Total CollegeCounts Fund 70		<u>46,299,606</u>
CollegeCounts Fund 80	Vanguard Total Stock Market Index Fund	27,559,731
CollegeCounts Fund 80	Vanguard Short-Term Inflation- Protected Securities Index Fund	1,690,037
CollegeCounts Fund 80	Vanguard Short-Term Bond Index Fund	2,257,311
CollegeCounts Fund 80	Vanguard Total Bond Market Index Fund	7,327,039
CollegeCounts Fund 80	Vanguard Total International Stock Index Fund	14,594,285
CollegeCounts Fund 80	Vanguard REIT Index Fund	2,806,231
Total CollegeCounts Fund 80		<u>56,234,634</u>
CollegeCounts Fund 90	Vanguard Total Stock Market Index Fund	14,925,556
CollegeCounts Fund 90	Vanguard Short-Term Inflation- Protected Securities Index Fund	556,207
CollegeCounts Fund 90	Vanguard Short-Term Bond Index Fund	557,861
CollegeCounts Fund 90	Vanguard Total Bond Market Index Fund	1,677,428
CollegeCounts Fund 90	Vanguard Total International Stock Index Fund	8,287,798
CollegeCounts Fund 90	Vanguard REIT Index Fund	1,679,385
Total CollegeCounts Fund 90		<u>27,684,235</u>
CollegeCounts Fund 100	Vanguard Total Stock Market Index Fund	20,498,772
CollegeCounts Fund 100	Vanguard Total International Stock Index Fund	13,178,740
CollegeCounts Fund 100	Vanguard REIT Index Fund	2,954,191
Total CollegeCounts Fund 100		<u>36,631,703</u>
		<u>\$ 563,218,948</u>

The following table reconciles the fair value of investments to the net position held in trust at September 30, 2019:

Fair value of investments, end of year	\$ 563,218,948
Plus cash, receivables and accrued investment income	2,926,840
Less payables and accrued expenses	<u>(2,063,986)</u>
Net position held in trust, end of year	<u>\$ 564,081,802</u>

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 3: Investments - Continued

The following table calculates the net realized gain and net appreciation in the value of investments for the year ended September 30, 2019:

Fair value of investments, end of year	\$ 563,218,948
Less cost of investments purchased and investment income reinvested during the year	(105,044,178)
Plus proceeds from investments sold during the year and management fees	42,845,138
Less net position held in trust, beginning of year	<u>(488,458,398)</u>
Net realized gain and net appreciation in fair value of investments	<u>\$ 12,561,510</u>

The mutual and money market funds in which the Plan invests are comprised of various investment securities, which include corporate debt and equity securities, obligations of the United States government and government agencies, and international equity securities. These securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investment securities, it is at least reasonably possible that changes in their fair values may occur in the near term and that such changes could materially affect account owner balances and the amounts reported in the Plan's financial statements.

GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*, as amended by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires that certain disclosures be made related to the Plan's exposure to credit risk, interest rate risk and foreign currency risk, which are included in the paragraphs that follow.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Plan's investment policy does not specifically address credit risk, as permitted investments are generally mutual funds. At September 30, 2019, approximately 11% of the investments in the plan have an AAA risk rating, 80% have a Baa>AA risk rating, and 4% have a B>Ba risk rating. Approximately 5% of the investments in the plan are not rated.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 3: Investments - Continued

Interest Rate Risk – Although the investment funds listed below are invested primarily in short and intermediate-term bonds, these Underlying Funds are exposed to interest rate risk, which is the risk that changes in interest rates will adversely affect their fair values. As of September 30, 2019, the average duration and effective maturity of holdings in each of these mutual funds was as follows:

	<u>Average Duration</u>	<u>Average Maturity</u>
PIMCO Short-Term	.03 years	(0.59) years
Vanguard Total Bond Market Index	6.20 years	8.26 years
Vanguard Prime MoneyMarket	n/a	0.12 years
Vanguard Inflation-Protected Securities	7.77 years	8.60 years
Vanguard Short-Term Bond Index	2.65 years	2.85 years
Vanguard Short-Term Inflation-Protected	2.58 years	2.65 years
Fidelity Advisor Investment Grade Bond	5.50 years	7.70 years
MainStay Total Return Bond	5.90 years	7.80 years
T.Rowe Price Balanced	5.24 years	7.76 years

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Since the Underlying Funds represent shares of mutual funds rather than individual securities, they are not subject to classification by custodial credit risk.

Concentration of Credit Risk – The Plan places no limit on the amount that may be invested in any one issuer; however, approximately 95% of the investments are with mutual funds and approximately 5% are invested in money market funds.

Foreign Currency Risk – This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The Plan’s exposure to foreign currency risk derives from its investment in Underlying Funds with international holdings. The Plan had no investments denominated in foreign currency at September 30, 2019.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 4: Fees and Expenses

Asset-Based Fees

The Portfolios are assessed a program management fee of 0.25%, which is accrued daily and paid to the Program Manager for providing administrative and management services. In its sole discretion, the Program Manager may waive a portion of the program management fees. Asset-based fees related to the year ended September 30, 2019, or the program management fee, totaled \$1,297,042.

Underlying Fund Expenses

Fees related to the management of each of the Underlying Funds are paid directly to the related fund manager or advisor and reduce the amount of income available for distribution to Portfolios. These expenses are not reflected in the Plan's financial statements. The expense ratio of the Underlying Funds, which are the ratios of the total operating expenses of the Underlying Funds as a percentage of their average daily net position, vary over time and ranged from 0.04% to 0.07% for the Age-Based, 0.04% to 0.07% for the Target Portfolios and 0.02% to 0.63% for the Individual Fund Portfolios for the year ended September 30, 2019.

Note 5: Related Party Investments

A related entity of the State of Alabama has investment accounts in the Plan totaling approximately 2% of fiduciary net position held in trust at September 30, 2019.

Note 6: Disclosures About Fair Value of Assets

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 6: Disclosures About Fair Value of Assets - Continued

- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2019:

	Fair Value	Fair Value Measurements Using		
		Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equity securities				
Money market mutual funds	\$ 25,846,254	\$ 25,846,254	\$ -	\$ -
Mutual funds	<u>537,372,694</u>	537,372,694	-	-
Total investments measured at fair value	<u><u>\$ 563,218,948</u></u>			

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. There were no Level 2 or Level 3 securities at September 30, 2019.

CollegeCounts 529 Fund
Notes to the Financial Statements
September 30, 2019

Note 7: Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the account owners' account balances and the amounts reported in the statements of net position available for benefits.

The financial statements have been prepared using values and information currently available to the Plan. Given the potential volatility of economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.

Note 8: Subsequent Events

Subsequent events have been evaluated through January 17, 2020, which is the date the financial statements were available to be issued.

Supplemental Schedules

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio						
	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Small Cap Value 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Fidelity Advisor Investment Grade Bond 529 Portfolio	MainStay Total Return Bond 529 Portfolio	PIMCO Short- Term 529 Portfolio	T. Rowe Price Balanced 529 Portfolio
Fiduciary Assets							
Investments, at fair value	\$ 1,284,909	\$ 751,259	\$ 1,867,540	\$ 633,038	\$ 314,283	\$ 2,250,008	\$ 6,198,377
Cash	1,757	20	105	113	1	1,766	39
Receivables for contributions	504	323	540	2,671	8	150	1,923
Accrued investment income	7,642	2,471	-	1,322	741	4,482	-
Total fiduciary assets	<u>1,294,812</u>	<u>754,073</u>	<u>1,868,185</u>	<u>637,144</u>	<u>315,033</u>	<u>2,256,406</u>	<u>6,200,339</u>
Liabilities							
Distributions payable to shareholders	-	-	-	-	-	-	-
Withdrawals payable	-	-	-	16	-	-	1,381
Accrued expenses	265	153	380	129	65	463	1,275
Total liabilities	<u>265</u>	<u>153</u>	<u>380</u>	<u>145</u>	<u>65</u>	<u>463</u>	<u>2,656</u>
Fiduciary Net Position Held in Trust	<u>\$ 1,294,547</u>	<u>\$ 753,920</u>	<u>\$ 1,867,805</u>	<u>\$ 636,999</u>	<u>\$ 314,968</u>	<u>\$ 2,255,943</u>	<u>\$ 6,197,683</u>
Unit Information							
Units outstanding	92,772	63,722	189,005	52,833	27,171	196,035	291,399
Net position value per unit, ending	\$ 13.95	\$ 11.83	\$ 9.88	\$ 12.06	\$ 11.59	\$ 11.51	\$ 21.27
Net position value per unit, beginning	\$ 14.26	\$ 13.77	\$ 10.19	\$ 10.95	\$ 10.58	\$ 11.31	\$ 20.23

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio					
	T. Rowe Price Large-Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard Extended Market Index 529 Portfolio	Vanguard Growth Index 529 Portfolio	Vanguard Inflation- Protected Securities 529 Portfolio
Fiduciary Assets						
Investments, at fair value	\$ 7,420,270	\$ 1,906,566	\$ 27,126,348	\$ 1,942,239	\$ 13,295,520	\$ 1,542,161
Cash	573	-	7,806	-	2,191	-
Receivables for contributions	3,682	1,523	10,120	549	6,857	428
Accrued investment income	-	-	-	-	-	-
Total fiduciary assets	<u>7,424,525</u>	<u>1,908,089</u>	<u>27,144,274</u>	<u>1,942,788</u>	<u>13,304,568</u>	<u>1,542,589</u>
Liabilities						
Distributions payable to shareholders	-	-	-	-	-	-
Withdrawals payable	16	-	882	-	-	132
Accrued expenses	1,543	1,427	5,549	919	2,738	510
Total liabilities	<u>1,559</u>	<u>1,427</u>	<u>6,431</u>	<u>919</u>	<u>2,738</u>	<u>642</u>
Fiduciary Net Position Held in Trust	<u><u>\$ 7,422,966</u></u>	<u><u>\$ 1,906,662</u></u>	<u><u>\$ 27,137,843</u></u>	<u><u>\$ 1,941,869</u></u>	<u><u>\$ 13,301,830</u></u>	<u><u>\$ 1,541,947</u></u>
Unit Information						
Units outstanding	375,345	118,446	871,702	69,886	388,654	119,980
Net position value per unit, ending	\$ 19.78	\$ 16.10	\$ 31.13	\$ 27.79	\$ 34.23	\$ 12.85
Net position value per unit, beginning	\$ 19.48	\$ 16.70	\$ 29.94	\$ 28.97	\$ 32.81	\$ 12.04

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio						
	Vanguard Mid-Cap Index 529 Portfolio	Vanguard Prime Money Market 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Small-Cap Growth Index 529 Portfolio	Vanguard Small-Cap Index 529 Portfolio	Vanguard Small-Cap Value Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio
Fiduciary Assets							
Investments, at fair value	\$ 8,703,120	\$ 14,456,889	\$ 4,334,185	\$ 6,942,761	\$ 3,772,638	\$ 3,447,988	\$ 11,724,368
Cash	-	-	5,821	557	626	1,933	203
Receivables for contributions	4,464	71,182	3,290	3,872	1,116	2,162	1,332
Accrued investment income	-	25,063	-	-	-	-	25,527
	<u>8,707,584</u>	<u>14,553,134</u>	<u>4,343,296</u>	<u>6,947,190</u>	<u>3,774,380</u>	<u>3,452,083</u>	<u>11,751,430</u>
Total fiduciary assets							
	<u>8,707,584</u>	<u>14,553,134</u>	<u>4,343,296</u>	<u>6,947,190</u>	<u>3,774,380</u>	<u>3,452,083</u>	<u>11,751,430</u>
Liabilities							
Distributions payable to shareholders	-	4,309	-	-	-	-	-
Withdrawals payable	-	6,830	1,663	-	-	-	2,148
Accrued expenses	2,709	2,967	878	1,397	780	703	2,404
	<u>2,709</u>	<u>2,967</u>	<u>878</u>	<u>1,397</u>	<u>780</u>	<u>703</u>	<u>2,404</u>
Total liabilities	<u>2,709</u>	<u>14,106</u>	<u>2,541</u>	<u>1,397</u>	<u>780</u>	<u>703</u>	<u>4,552</u>
Fiduciary Net Position Held in Trust	<u>\$ 8,704,875</u>	<u>\$ 14,539,028</u>	<u>\$ 4,340,755</u>	<u>\$ 6,945,793</u>	<u>\$ 3,773,600</u>	<u>\$ 3,451,380</u>	<u>\$ 11,746,878</u>
Unit Information							
Units outstanding	301,247	14,540,172	173,676	233,224	135,861	133,910	887,748
Net position value per unit, ending	\$ 28.90	\$ 1.00	\$ 24.99	\$ 29.78	\$ 27.78	\$ 25.77	\$ 13.23
Net position value per unit, beginning	\$ 27.95	\$ 1.00	\$ 20.90	\$ 30.47	\$ 28.92	\$ 27.35	\$ 12.01

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio					
	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Vanguard Value Index 529 Portfolio	Vanguard Short-Term Inflation- Protected 529 Portfolio	Vanguard Short-Term Bond Index 529 Portfolio	CollegeCounts Fixed Income Fund
Fiduciary Assets						
Investments, at fair value	\$ 9,024,966	\$ 16,703,867	\$ 5,316,138	\$ 622,734	\$ 2,146,258	\$ 5,983,126
Cash	1,322	3,427	2,910	872	75	-
Receivables for contributions	11,452	6,527	1,343	28	133,940	12,682
Accrued investment income	-	-	-	-	3,972	9,594
	<u>9,037,740</u>	<u>16,713,821</u>	<u>5,320,391</u>	<u>623,634</u>	<u>2,284,245</u>	<u>6,005,402</u>
Liabilities						
Distributions payable to shareholders	-	-	-	-	-	-
Withdrawals payable	-	132	-	-	-	3,200
Accrued expenses	1,852	3,434	1,089	128	442	5,632
	<u>1,852</u>	<u>3,566</u>	<u>1,089</u>	<u>128</u>	<u>442</u>	<u>8,832</u>
Fiduciary Net Position Held in Trust	<u><u>\$ 9,035,888</u></u>	<u><u>\$ 16,710,255</u></u>	<u><u>\$ 5,319,302</u></u>	<u><u>\$ 623,506</u></u>	<u><u>\$ 2,283,803</u></u>	<u><u>\$ 5,996,570</u></u>
Unit Information						
Units outstanding	612,076	543,756	187,718	59,457	207,921	531,596
Net position value per unit, ending	\$ 14.76	\$ 30.73	\$ 28.34	\$ 10.49	\$ 10.98	\$ 11.28
Net position value per unit, beginning	\$ 15.05	\$ 29.93	\$ 27.43	\$ 10.16	\$ 10.39	\$ 10.82

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio					
	CollegeCounts Fund 10	CollegeCounts Fund 20	CollegeCounts Fund 30	CollegeCounts Fund 40	CollegeCounts Fund 50	CollegeCounts Fund 60
Fiduciary Assets						
Investments, at fair value	\$ 20,835,470	\$ 39,882,250	\$ 39,025,009	\$ 47,040,490	\$ 41,305,522	\$ 48,568,473
Cash	153,742	-	20,583	-	4,735	-
Receivables for contributions	77,926	357,538	290,041	209,096	294,987	374,326
Accrued investment income	30,778	54,752	45,198	49,388	40,096	36,564
Total fiduciary assets	<u>21,097,916</u>	<u>40,294,540</u>	<u>39,380,831</u>	<u>47,298,974</u>	<u>41,645,340</u>	<u>48,979,363</u>
Liabilities						
Distributions payable to shareholders	-	-	-	-	-	-
Withdrawals payable	23,017	114,962	308,091	279,348	254,881	224,477
Accrued expenses	4,267	115,847	7,945	53,152	8,537	11,660
Total liabilities	<u>27,284</u>	<u>230,809</u>	<u>316,036</u>	<u>332,500</u>	<u>263,418</u>	<u>236,137</u>
Fiduciary Net Position Held in Trust	<u>\$ 21,070,632</u>	<u>\$ 40,063,731</u>	<u>\$ 39,064,795</u>	<u>\$ 46,966,474</u>	<u>\$ 41,381,922</u>	<u>\$ 48,743,226</u>
Unit Information						
Units outstanding	1,939,501	2,760,393	3,412,709	2,746,733	3,447,864	2,535,952
Net position value per unit, ending	\$ 10.86	\$ 14.51	\$ 11.45	\$ 17.10	\$ 12.00	\$ 19.22
Net position value per unit, beginning	\$ 10.28	\$ 13.61	\$ 10.75	\$ 16.10	\$ 11.36	\$ 18.27

CollegeCounts 529 Fund
Schedule of Fiduciary Net Position by Portfolio
September 30, 2019

	Portfolio				
	CollegeCounts Fund 70	CollegeCounts Fund 80	CollegeCounts Fund 90	CollegeCounts Fund 100	Plan Total
Fiduciary Assets					
Investments, at fair value	\$ 46,299,606	\$ 56,234,634	\$ 27,684,235	\$ 36,631,703	\$ 563,218,948
Cash	129	-	14,389	29,752	255,447
Receivables for contributions	95,630	172,974	89,379	39,684	2,284,249
Accrued investment income	25,038	19,908	4,608	-	387,144
	<u>46,420,403</u>	<u>56,427,516</u>	<u>27,792,611</u>	<u>36,701,139</u>	<u>566,145,788</u>
Liabilities					
Distributions payable to shareholders	-	-	-	-	4,309
Withdrawals payable	356,969	55,677	140,307	8,011	1,782,140
Accrued expenses	9,407	13,663	5,671	7,557	277,537
	<u>366,376</u>	<u>69,340</u>	<u>145,978</u>	<u>15,568</u>	<u>2,063,986</u>
Fiduciary Net Position Held in Trust	<u>\$ 46,054,027</u>	<u>\$ 56,358,176</u>	<u>\$ 27,646,633</u>	<u>\$ 36,685,571</u>	<u>\$ 564,081,802</u>
Unit Information					
Units outstanding	3,704,148	2,597,200	2,129,060	1,525,170	
Net position value per unit, ending	\$ 12.43	\$ 21.70	\$ 12.99	\$ 24.05	
Net position value per unit, beginning	\$ 11.88	\$ 20.94	\$ 12.62	\$ 23.49	

CollegeCounts 529 Fund

Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio

For the Year Ended September 30, 2019

	Portfolio						
	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Small Cap Value 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Fidelity Advisor Investment Grade Bond 529 Portfolio	MainStay Total Return Bond 529 Portfolio	PIMCO Short- Term 529 Portfolio	T. Rowe Price Balanced 529 Portfolio
Additions							
Contributions	\$ 258,741	\$ 167,960	\$ 340,720	\$ 127,711	\$ 56,900	\$ 451,166	\$ 680,016
Exchanges in	128,785	98,100	115,458	268,697	37,331	478,679	721,805
Investment Income							
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	(83,554)	(144,055)	(77,666)	31,168	17,896	(20,748)	(102,671)
Dividends and interest	75,183	44,996	42,089	13,107	8,011	64,313	422,739
Net investment earnings	(8,371)	(99,059)	(35,577)	44,275	25,907	43,565	320,068
Total additions	<u>379,155</u>	<u>167,001</u>	<u>420,601</u>	<u>440,683</u>	<u>120,138</u>	<u>973,410</u>	<u>1,721,889</u>
Deductions							
Withdrawals	63,612	23,187	39,627	37,666	26,951	455,178	528,597
Exchanges out	97,591	117,627	145,962	54,126	35,347	219,614	324,358
Management fees	2,849	1,788	4,294	1,091	681	5,501	14,169
Total deductions	<u>164,052</u>	<u>142,602</u>	<u>189,883</u>	<u>92,883</u>	<u>62,979</u>	<u>680,293</u>	<u>867,124</u>
Net Increase (Decrease)	215,103	24,399	230,718	347,800	57,159	293,117	854,765
Fiduciary Net Position, Beginning of Year	<u>1,079,444</u>	<u>729,521</u>	<u>1,637,087</u>	<u>289,199</u>	<u>257,809</u>	<u>1,962,826</u>	<u>5,342,918</u>
Fiduciary Net Position, End of Year	<u>\$ 1,294,547</u>	<u>\$ 753,920</u>	<u>\$ 1,867,805</u>	<u>\$ 636,999</u>	<u>\$ 314,968</u>	<u>\$ 2,255,943</u>	<u>\$ 6,197,683</u>
Financial Highlights For the Year							
Ratio of net investment income to average net position*	6.38%	6.08%	2.21%	2.76%	2.70%	2.68%	7.24%
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Total return ***	-2.17%	-14.09%	-3.04%	10.14%	9.55%	1.77%	5.14%

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund

Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio For the Year Ended September 30, 2019

	Portfolio					
	T. Rowe Price Large-Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard Extended Market Index 529 Portfolio	Vanguard Growth Index 529 Portfolio	Vanguard Inflation- Protected Securities 529 Portfolio
Additions						
Contributions	\$ 1,669,670	\$ 494,423	\$ 3,658,452	\$ 291,250	\$ 2,230,664	\$ 123,862
Exchanges in	784,770	275,598	1,398,930	110,802	1,029,301	264,844
Investment Income						
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	(301,686)	(176,386)	566,389	(87,148)	497,878	57,741
Dividends and interest	481,446	142,829	656,064	23,691	134,444	32,440
Net investment earnings	179,760	(33,557)	1,222,453	(63,457)	632,322	90,181
Total additions	<u>2,634,200</u>	<u>736,464</u>	<u>6,279,835</u>	<u>338,595</u>	<u>3,892,287</u>	<u>478,887</u>
Deductions						
Withdrawals	548,928	143,771	1,362,198	108,133	787,558	54,603
Exchanges out	1,403,422	231,304	1,841,772	167,496	1,183,168	69,576
Management fees	18,158	4,346	62,261	4,620	29,684	3,297
Total deductions	<u>1,970,508</u>	<u>379,421</u>	<u>3,266,231</u>	<u>280,249</u>	<u>2,000,410</u>	<u>127,476</u>
Net Increase (Decrease)	663,692	357,043	3,013,604	58,346	1,891,877	351,411
Fiduciary Net Position, Beginning of Year	<u>6,759,274</u>	<u>1,549,619</u>	<u>24,124,239</u>	<u>1,883,523</u>	<u>11,409,953</u>	<u>1,190,536</u>
Fiduciary Net Position, End of Year	<u>\$ 7,422,966</u>	<u>\$ 1,906,662</u>	<u>\$ 27,137,843</u>	<u>\$ 1,941,869</u>	<u>\$ 13,301,830</u>	<u>\$ 1,541,947</u>
Financial Highlights For the Year						
Ratio of net investment income to average net position*	6.41%	8.00%	2.40%	1.04%	0.89%	2.22%
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Total return ***	1.54%	-3.59%	3.97%	-4.07%	4.33%	6.73%

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund

Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio

For the Year Ended September 30, 2019

	Portfolio						
	Vanguard Mid-Cap Index 529 Portfolio	Vanguard Prime Money Market 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Small-Cap Growth Index 529 Portfolio	Vanguard Small-Cap Index 529 Portfolio	Vanguard Small-Cap Value Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio
Additions							
Contributions	\$ 917,384	\$ 5,239,548	\$ 524,831	\$ 1,458,896	\$ 662,818	\$ 417,319	\$ 832,009
Exchanges in	254,903	6,186,999	142,120	448,665	205,113	144,796	1,075,983
Investment Income							
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	217,368	48	576,394	(124,905)	(153,677)	(275,982)	767,373
Dividends and interest	118,930	312,144	141,584	39,817	50,577	69,729	308,135
Net investment earnings	336,298	312,192	717,978	(85,088)	(103,100)	(206,253)	1,075,508
Total additions	<u>1,508,585</u>	<u>11,738,739</u>	<u>1,384,929</u>	<u>1,822,473</u>	<u>764,831</u>	<u>355,862</u>	<u>2,983,500</u>
Deductions							
Withdrawals	377,556	5,856,895	175,464	336,391	114,639	217,833	601,181
Exchanges out	486,547	1,279,696	325,895	588,905	388,626	425,385	582,431
Management fees	20,290	32,824	9,588	15,523	8,988	8,575	26,934
Total deductions	<u>884,393</u>	<u>7,169,415</u>	<u>510,947</u>	<u>940,819</u>	<u>512,253</u>	<u>651,793</u>	<u>1,210,546</u>
Net Increase (Decrease)	624,192	4,569,324	873,982	881,654	252,578	(295,931)	1,772,954
Fiduciary Net Position, Beginning of Year	<u>8,080,683</u>	<u>9,969,704</u>	<u>3,466,773</u>	<u>6,064,139</u>	<u>3,521,022</u>	<u>3,747,311</u>	<u>9,973,924</u>
Fiduciary Net Position, End of Year	<u>\$ 8,704,875</u>	<u>\$ 14,539,028</u>	<u>\$ 4,340,755</u>	<u>\$ 6,945,793</u>	<u>\$ 3,773,600</u>	<u>\$ 3,451,380</u>	<u>\$ 11,746,878</u>
Financial Highlights For the Year							
Ratio of net investment income to average net position*	1.22%	2.13%	3.46%	0.39%	1.16%	1.79%	2.62%
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Total return ***	3.40%	0.00%	19.57%	-2.26%	-3.94%	-5.78%	10.16%

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund

Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio

For the Year Ended September 30, 2019

	Portfolio					
	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Vanguard Value Index 529 Portfolio	Vanguard Short-Term Inflation- Protected 529 Portfolio	Vanguard Short-Term Bond Index 529 Portfolio	CollegeCounts Fixed Income Fund
Additions						
Contributions	\$ 1,424,865	\$ 3,068,627	\$ 765,714	\$ 68,782	\$ 437,647	\$ 1,785,138
Exchanges in	503,959	1,088,526	387,184	120,826	651,727	3,085,654
Investment Income						
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	(406,021)	291,217	65,034	7,443	63,119	105,192
Dividends and interest	268,994	293,986	131,914	10,876	40,168	125,165
Net investment earnings	(137,027)	585,203	196,948	18,319	103,287	230,357
Total additions	<u>1,791,797</u>	<u>4,742,356</u>	<u>1,349,846</u>	<u>207,927</u>	<u>1,192,661</u>	<u>5,101,149</u>
Deductions						
Withdrawals	418,747	879,550	407,628	24,773	256,988	2,927,529
Exchanges out	2,144,283	1,538,683	582,380	20,390	102,945	945,281
Management fees	21,951	38,311	12,762	1,325	4,426	13,240
Total deductions	<u>2,584,981</u>	<u>2,456,544</u>	<u>1,002,770</u>	<u>46,488</u>	<u>364,359</u>	<u>3,886,050</u>
Net Increase (Decrease)	(793,184)	2,285,812	347,076	161,439	828,302	1,215,099
Fiduciary Net Position, Beginning of Year	<u>9,829,072</u>	<u>14,424,443</u>	<u>4,972,226</u>	<u>462,067</u>	<u>1,455,501</u>	<u>4,781,471</u>
Fiduciary Net Position, End of Year	<u>\$ 9,035,888</u>	<u>\$ 16,710,255</u>	<u>\$ 5,319,302</u>	<u>\$ 623,506</u>	<u>\$ 2,283,803</u>	<u>\$ 5,996,570</u>
Financial Highlights For the Year						
Ratio of net investment income to average net position*	2.83%	1.68%	2.35%	1.81%	2.03%	2.12%
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Total return ***	-1.93%	2.67%	3.32%	3.25%	5.68%	4.25%

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund
Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio
For the Year Ended September 30, 2019

	Portfolio					
	CollegeCounts Fund 10	CollegeCounts Fund 20	CollegeCounts Fund 30	CollegeCounts Fund 40	CollegeCounts Fund 50	CollegeCounts Fund 60
Additions						
Contributions	\$ 3,225,121	\$ 5,615,926	\$ 5,281,241	\$ 6,901,805	\$ 4,917,309	\$ 7,786,978
Exchanges in	10,224,176	19,236,817	19,529,851	21,532,835	21,016,435	19,330,049
Investment Income						
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	654,271	1,593,886	1,531,145	1,793,320	1,413,731	1,371,695
Dividends and interest	450,158	886,971	878,201	1,083,073	961,526	1,110,705
Net investment earnings	1,104,429	2,480,857	2,409,346	2,876,393	2,375,257	2,482,400
Total additions	14,553,726	27,333,600	27,220,438	31,311,033	28,309,001	29,599,427
Deductions						
Withdrawals	6,656,905	7,959,855	2,781,871	2,127,989	856,536	2,081,910
Exchanges out	2,303,985	10,177,349	17,726,722	21,974,147	21,018,729	21,520,595
Management fees	45,813	88,961	88,536	107,608	95,047	110,334
Total deductions	9,006,703	18,226,165	20,597,129	24,209,744	21,970,312	23,712,839
Net Increase (Decrease)	5,547,023	9,107,435	6,623,309	7,101,289	6,338,689	5,886,588
Fiduciary Net Position, Beginning of Year	15,523,609	30,956,296	32,441,486	39,865,185	35,043,233	42,856,638
Fiduciary Net Position, End of Year	\$ 21,070,632	\$ 40,063,731	\$ 39,064,795	\$ 46,966,474	\$ 41,381,922	\$ 48,743,226
Financial Highlights For the Year						
Ratio of net investment income to average net position*	2.22%	2.25%	2.24%	2.28%	2.29%	2.28%
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Total return ***	5.64%	6.61%	6.51%	6.21%	5.63%	5.20%

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund
Schedule of Changes in Fiduciary Net Position and Financial Highlights by Portfolio
For the Year Ended September 30, 2019

	Portfolio					
	CollegeCounts Fund 70	CollegeCounts Fund 80	CollegeCounts Fund 90	CollegeCounts Fund 100	Eliminations	Plan Total
Additions						
Contributions	\$ 6,146,777	\$ 10,084,579	\$ 7,743,602	\$ 8,807,330	\$ -	\$ 94,665,781
Exchanges in	18,066,325	12,874,176	6,126,947	425,965	(168,373,131)	-
Investment Income						
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	1,251,087	935,417	434,876	272,321	-	12,561,510
Dividends and interest	1,065,649	1,316,831	633,488	865,264	-	13,305,237
Net investment earnings	2,316,736	2,252,248	1,068,364	1,137,585	-	25,866,747
Total additions	<u>26,529,838</u>	<u>25,211,003</u>	<u>14,938,913</u>	<u>10,370,880</u>	<u>(168,373,131)</u>	<u>120,532,528</u>
Deductions						
Withdrawals	960,140	1,887,920	436,198	1,087,575	-	43,612,082
Exchanges out	18,739,205	20,564,828	11,665,254	7,379,507	(168,373,131)	-
Management fees	105,401	134,732	65,100	88,034	-	1,297,042
Total deductions	<u>19,804,746</u>	<u>22,587,480</u>	<u>12,166,552</u>	<u>8,555,116</u>	<u>(168,373,131)</u>	<u>44,909,124</u>
Net Increase (Decrease)	6,725,092	2,623,523	2,772,361	1,815,764	-	75,623,404
Fiduciary Net Position, Beginning of Year	<u>39,328,935</u>	<u>53,734,653</u>	<u>24,874,272</u>	<u>34,869,807</u>	<u>-</u>	<u>488,458,398</u>
Fiduciary Net Position, End of Year	<u>\$ 46,054,027</u>	<u>\$ 56,358,176</u>	<u>\$ 27,646,633</u>	<u>\$ 36,685,571</u>	<u>\$ -</u>	<u>\$ 564,081,802</u>
Financial Highlights For the Year						
Ratio of net investment income to average net position*	2.29%	2.21%	2.19%	2.22%		
Ratio of expense to average net position **	0.25%	0.25%	0.25%	0.25%		
Total return ***	4.63%	3.63%	2.93%	2.38%		

* This ratio represents investment income recognized by the Plan from the underlying investments, less expenses, divided by the average net position.

** This ratio represents the Plan's expenses divided by average net position.

*** Total return is calculated for account owners taken as a whole. An individual account owner's return may vary based on the timing of investment transactions.

CollegeCounts 529 Fund
Schedule of Investments (Age-Based Target Portfolios)
September 30, 2019

Target Portfolios		Portfolios					
		CollegeCounts Fixed Income Fund	CollegeCounts Fund 10	CollegeCounts Fund 20	CollegeCounts Fund 30	CollegeCounts Fund 40	CollegeCounts Fund 50
Age-Based Aggressive Portfolios	Age of Beneficiary			<i>19 and over</i>	<i>17 - 18</i>	<i>15 - 16</i>	<i>13 - 14</i>
Age-Based Moderate Portfolios			<i>19 and over</i>	<i>17 - 18</i>	<i>15 - 16</i>	<i>13 - 14</i>	<i>11 - 12</i>
Age-Based Conservative Portfolios		<i>19 and over</i>	<i>17 - 18</i>	<i>15 - 16</i>	<i>13 - 14</i>	<i>11 - 12</i>	<i>9 - 10</i>
Vanguard Prime Money Market Fund		\$ 2,988,225	\$ 4,823,083	\$ 3,578,057	\$ -	\$ -	\$ -
Money Market Total		<u>2,988,225</u>	<u>4,823,083</u>	<u>3,578,057</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vanguard Short-Term Bond Index		1,198,670	4,577,631	9,982,781	8,597,429	6,593,045	4,553,576
Vanguard Total Bond Market Index Fund		898,421	6,453,087	13,975,136	13,676,503	17,428,889	14,484,879
Vanguard Short-Term Inflation-Protected Securities Fund		897,810	2,907,210	4,383,489	5,070,682	4,230,480	1,653,433
Fixed Income Total		<u>2,994,901</u>	<u>13,937,928</u>	<u>28,341,406</u>	<u>27,344,614</u>	<u>28,252,414</u>	<u>20,691,888</u>
Vanguard REIT Index Fund		-	208,447	1,198,741	1,166,088	1,422,910	1,236,041
Real Estate Total		<u>-</u>	<u>208,447</u>	<u>1,198,741</u>	<u>1,166,088</u>	<u>1,422,910</u>	<u>1,236,041</u>
Vanguard Total Stock Market Index Fund		-	1,451,710	5,175,634	7,403,430	11,742,381	13,199,324
Domestic Equity Total		<u>-</u>	<u>1,451,710</u>	<u>5,175,634</u>	<u>7,403,430</u>	<u>11,742,381</u>	<u>13,199,324</u>
Vanguard Total International Stock Index Fund		-	414,302	1,588,412	3,110,877	5,622,785	6,178,269
International Equity Total		<u>-</u>	<u>414,302</u>	<u>1,588,412</u>	<u>3,110,877</u>	<u>5,622,785</u>	<u>6,178,269</u>
Fair Value of Investments, End of Year		<u>\$ 5,983,126</u>	<u>\$ 20,835,470</u>	<u>\$ 39,882,250</u>	<u>\$ 39,025,009</u>	<u>\$ 47,040,490</u>	<u>\$ 41,305,522</u>
Fair Value of Investments, End of Year		\$ 5,983,126	\$ 20,835,470	\$ 39,882,250	\$ 39,025,009	\$ 47,040,490	\$ 41,305,522
Plus Cash and Accrued Investment Income		22,276	262,446	412,290	355,822	258,484	339,818
Less Payables and Accrued Expenses		<u>(8,832)</u>	<u>(27,284)</u>	<u>(230,809)</u>	<u>(316,036)</u>	<u>(332,500)</u>	<u>(263,418)</u>
Fiduciary Net Position Held in Trust, End of Year		<u>\$ 5,996,570</u>	<u>\$ 21,070,632</u>	<u>\$ 40,063,731</u>	<u>\$ 39,064,795</u>	<u>\$ 46,966,474</u>	<u>\$ 41,381,922</u>

CollegeCounts 529 Fund
Schedule of Investments (Age-Based Target Portfolios)
September 30, 2019

Target Portfolios	Portfolios				
	CollegeCounts Fund 60	CollegeCounts Fund 70	CollegeCounts Fund 80	CollegeCounts Fund 90	CollegeCounts Fund 100
Age-Based Aggressive Portfolios	<i>11 - 12</i>	<i>9 - 10</i>	<i>6 - 8</i>	<i>3 - 5</i>	<i>newborn to 2</i>
Age-Based Moderate Portfolios	<i>9 - 10</i>	<i>6 - 8</i>	<i>3 - 5</i>	<i>newborn to 2</i>	
Age-Based Conservative Portfolios	<i>6 - 8</i>	<i>3 - 5</i>	<i>newborn to 2</i>		
Vanguard Prime Money Market Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Money Market Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vanguard Short-Term Bond Index	4,374,429	2,781,194	2,257,311	557,861	-
Vanguard Total Bond Market Index Fund	13,181,619	9,278,551	7,327,039	1,677,428	-
Vanguard Short-Term Inflation-Protected Securities Fund	1,916,636	1,850,877	1,690,037	556,207	-
Fixed Income Total	<u>19,472,684</u>	<u>13,910,622</u>	<u>11,274,387</u>	<u>2,791,496</u>	<u>-</u>
Vanguard REIT Index Fund	2,459,452	3,259,198	2,806,231	1,679,385	2,954,191
Real Estate Total	<u>2,459,452</u>	<u>3,259,198</u>	<u>2,806,231</u>	<u>1,679,385</u>	<u>2,954,191</u>
Vanguard Total Stock Market Index Fund	17,458,937	18,510,746	27,559,731	14,925,556	20,498,772
Domestic Equity Total	<u>17,458,937</u>	<u>18,510,746</u>	<u>27,559,731</u>	<u>14,925,556</u>	<u>20,498,772</u>
Vanguard Total International Stock Index Fund	9,177,400	10,619,040	14,594,285	8,287,798	13,178,740
International Equity Total	<u>9,177,400</u>	<u>10,619,040</u>	<u>14,594,285</u>	<u>8,287,798</u>	<u>13,178,740</u>
Fair Value of Investments, End of Year	<u>\$ 48,568,473</u>	<u>\$ 46,299,606</u>	<u>\$ 56,234,634</u>	<u>\$ 27,684,235</u>	<u>\$ 36,631,703</u>
Fair Value of Investments, End of Year	\$ 48,568,473	\$ 46,299,606	\$ 56,234,634	\$ 27,684,235	\$ 36,631,703
Plus Cash and Accrued Investment Income	410,890	120,797	192,882	108,376	69,436
Less Payables and Accrued Expenses	<u>(236,137)</u>	<u>(366,376)</u>	<u>(69,340)</u>	<u>(145,978)</u>	<u>(15,568)</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 48,743,226</u>	<u>\$ 46,054,027</u>	<u>\$ 56,358,176</u>	<u>\$ 27,646,633</u>	<u>\$ 36,685,571</u>

CollegeCounts 529 Fund
Combining Schedule of Fiduciary Net Position
September 30, 2019

	CollegeCounts 529 Fund	CollegeCounts 529 Fund Advisor Plan	Eliminations	Combined Totals
Fiduciary Assets				
Investments, at fair value	\$ 563,218,948	\$ 1,254,830,193	\$ -	\$ 1,818,049,141
Cash	255,447	588,519	-	843,966
Receivables for contributions	2,284,249	2,890,505	-	5,174,754
Accrued investment income	387,144	1,354,368	-	1,741,512
	<u>566,145,788</u>	<u>1,259,663,585</u>	<u>-</u>	<u>1,825,809,373</u>
Liabilities				
Distributions payable to shareholders	4,309	5,060	-	9,369
Withdrawals payable	1,782,140	3,004,155	-	4,786,295
Accrued expenses	277,537	2,083,239	-	2,360,776
	<u>2,063,986</u>	<u>5,092,454</u>	<u>-</u>	<u>7,156,440</u>
Fiduciary Net Position Held in Trust	<u>\$ 564,081,802</u>	<u>\$ 1,254,571,131</u>	<u>\$ -</u>	<u>\$ 1,818,652,933</u>

The combining schedule above does not purport to and does not represent the complete net position of the ACES Trust Fund, of which the plans are a part.

CollegeCounts 529 Fund
Combining Schedule of Changes in Fiduciary Net Position
For the Year Ended September 30, 2019

	CollegeCounts 529 Fund	CollegeCounts 529 Fund Advisor Plan	Eliminations	Combined Totals
Additions				
Contributions	\$ 94,665,781	\$ 136,340,742	\$ (41,014,341)	\$ 189,992,182
Investment income				
Net realized gain (loss) and net appreciation (depreciation) in fair value of investments	12,561,510	(21,658,938)	-	(9,097,428)
Dividends and interest	13,305,237	56,223,181	-	69,528,418
Total investment earnings	<u>25,866,747</u>	<u>34,564,243</u>	<u>-</u>	<u>60,430,990</u>
Total additions	<u>120,532,528</u>	<u>170,904,985</u>	<u>(41,014,341)</u>	<u>250,423,172</u>
Deductions				
Withdrawals	43,612,082	152,427,564	(41,014,341)	155,025,305
Management fees	<u>1,297,042</u>	<u>8,957,112</u>	<u>-</u>	<u>10,254,154</u>
Total deductions	<u>44,909,124</u>	<u>161,384,676</u>	<u>(41,014,341)</u>	<u>165,279,459</u>
Net Increase	75,623,404	9,520,309	-	85,143,713
Fiduciary Net Position Held in Trust, Beginning of Year	<u>488,458,398</u>	<u>1,245,050,822</u>	<u>-</u>	<u>1,733,509,220</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 564,081,802</u>	<u>\$ 1,254,571,131</u>	<u>\$ -</u>	<u>\$ 1,818,652,933</u>

The combining schedule above does not purport to and does not represent the complete changes in net position of the ACES Trust Fund, of which the plans are a part.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards

Members of the Board of Trustees of CollegeCounts 529 Fund
UBT 529 Fund Services, a Division of Union Bank & Trust Company (Program Manager)
Montgomery, Alabama

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the CollegeCounts 529 Fund (the Plan), which comprise the statement of fiduciary net position as of September 30, 2018, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 17, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Lincoln, Nebraska
January 17, 2020

Independent Accountant's Report

Members of the Board of Trustees of CollegeCounts 529 Fund
UBT 529 Fund Services, a Division of Union Bank & Trust Company (Program Manager)
Montgomery, Alabama

We have examined CollegeCounts 529 Fund's (the Plan) compliance with the Program Management Fee during the year ended September 30, 2019, to determine whether it has been calculated in accordance with section 8(a) of the Program Management Agreement dated July 1, 2010 between Alabama College Education Savings Trust Fund and Program Manager. Management is responsible for calculating the Program Management Fee in accordance with the provisions of the agreement. Our responsibility is to express an opinion on the Plan's compliance with the Program Management Fee during the year ended September 30, 2019, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Plan's compliance with the Program Management Fee is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Plan's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Plan's compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Plan's Program Management Fee during the year ended September 30, 2019, has been calculated in accordance with section 8(a) of the Program Management Agreement dated July 1, 2010 between Alabama College Education Savings Trust Fund and the Program Manager, in all material respects.

This report is intended solely for the information and use of the Board of Trustees of the Alabama College Education Savings Trust Fund and the Program Manager of the Plan, and is not intended to be and should not be used by anyone other than the specified parties.

BKD, LLP

Lincoln, Nebraska
January 17, 2020