

CollegeCountsSM

Alabama's 529 Fund

ADVISOR PLAN

Auditor's Report and Financial Statements

September 30, 2014



Offered by the
State of Alabama

UBT 529 Fund Services a Division of



Program Manager

CollegeCounts 529 Fund Advisor Plan

September 30, 2014

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Independent Auditor's Report

Members of the Board of Trustees of CollegeCounts 529 Fund Advisor Plan
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 Advisor Plan, which are comprised of a statement of fiduciary net position and statement of changes in fiduciary net position and the related notes to the financial statements for the year ended September 30, 2014, 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 fiduciary net position of the CollegeCounts 529 Fund Advisor Plan as of September 30, 2014, and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the table of contents be presented to supplement the financial statements. Such information, although not part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements and other knowledge we obtained during our audit of the 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 as a whole. The supplementary information listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 December 11, 2014, on our consideration of the CollegeCounts 529 Fund Advisor Plan'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 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 CollegeCounts 529 Fund Advisor Plan's internal control over financial reporting and compliance.

BKD, LLP

Lincoln, Nebraska
December 11, 2014

CollegeCounts 529 Fund Advisor 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 Advisor Plan (the "Plan") as of September 30, 2014, 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 higher education expenses at eligible educational institutions. 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 Advisor 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 Advisor Plan contains accounts that are opened with the assistance of a financial advisor. The Advisor Plan had \$978.9 million in net position as of September 30, 2014. The CollegeCounts 529 Board oversees the Advisor Plan. Union Bank & Trust Company serves as Program Manager and Northern Trust Securities, Inc. is the Distributor.

The Advisor Plan offers investors 3 Age-Based Options, 6 Target Portfolios, and 25 Individual Fund Portfolios. The Portfolios are invested in underlying mutual funds from T. Rowe Price, PIMCO, BlackRock, Northern, Cohen & Steers, Lord Abbett, Neuberger Berman, Lazard, Fidelity, American Century, Credit Suisse, DFA, Templeton, Touchstone, Voya and William Blair.

Financial Highlights

The following financial highlights occurred during the year ending September 30, 2014 and 2013:

- The Plan had contributions of \$122.4 million and withdrawals of \$99.4 million during 2014 and contributions of \$121.4 million and withdrawals of \$86.8 million during 2013, an increase of 1% in contributions and 15% in withdrawals during 2014;
- At September 30, 2014, the Plan's net position totaled \$978.9 million, an increase of \$89.3 million, or 10% since September 30, 2013;
- The Plan earned \$32.5 million and \$25.6 million from investment income and recognized \$41.3 million and \$65.5 million from net realized gain (loss) and net appreciation (depreciation) in fair value of investments during 2014 and 2013, respectively. The Plan incurred \$7.5 million and \$6.7 million, respectively, for operating expenses during 2014 and 2013.

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, 2014. 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 ending September 30, 2014, 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 ending September 30, 2014 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>2014</u>	<u>2013</u>
Total Assets	\$ 980,928,600	\$ 892,320,200
Less Total Liabilities	<u>2,075,890</u>	<u>2,793,518</u>
Net Position Held in Trust	<u>\$ 978,852,710</u>	<u>\$ 889,526,682</u>

Investments make up more than 100% of total net position, and consist of 32 Investment Portfolios in 2014, 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 \$88.6 million, or 10%, from September 30, 2013 to September 30, 2014 due primarily to net contributions (participant contributions less redemptions and withdrawals) of \$23.0 million and increases from operations (investment income and net realized gain (loss) and appreciation (depreciation) in fair value of investments) of \$73.9 million which were offset by expenses of \$7.5 million. Total liabilities decreased \$0.7 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>2014</u>	<u>2013</u>
Total Additions	\$ 154,895,523	\$ 146,915,493
Total Deductions	106,908,674	93,518,554
Net Realized Gain and Net Appreciation in Fair Value of Investments	<u>41,339,179</u>	<u>65,466,844</u>
Net Increase	89,326,028	118,863,783
Net Position Held in Trust, Beginning of Year	<u>889,526,682</u>	<u>770,662,899</u>
Net Position Held in Trust, End of Year	<u>\$ 978,852,710</u>	<u>\$ 889,526,682</u>

Total additions increased \$8.0 million or 5%, due to an increase in contributions from participants of \$1.0 million and an increase in investment income of \$6.9 million. Total deductions increased \$13.4 million or 14%, due to an increase in withdrawals and redemptions of \$12.6 million and an increase in fees of \$0.8 million. Net realized gains (losses) and appreciation (depreciation) in fair value of investments was \$41.3 million and \$65.5 million for the years ended September 30, 2014 and 2013, 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 Advisor Plan
Statement of Fiduciary Net Position
September 30, 2014

Fiduciary Assets

Investments, at fair value	\$ 979,380,954
Cash	572,552
Receivables for contributions	513,254
Accrued investment income	<u>461,840</u>
Total fiduciary assets	<u>980,928,600</u>

Liabilities

Distributions payable to shareholders	96
Withdrawals payable	510,962
Accrued expenses	<u>1,564,832</u>
Total liabilities	<u>2,075,890</u>

Fiduciary Net Position Held in Trust \$ 978,852,710

CollegeCounts 529 Fund Advisor Plan
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2014

Additions		
Contributions		\$ 122,379,027
Investment income		
Dividends and interest		<u>32,516,496</u>
Total additions		<u>154,895,523</u>
Deductions		
Withdrawals		99,372,085
Management and administrative fees		<u>7,536,589</u>
Total deductions		<u>106,908,674</u>
Net Realized Gain and Net Appreciation in Fair Value of Investments		<u>41,339,179</u>
Net Increase		89,326,028
Fiduciary Net Position Held in Trust, Beginning of Year		<u>889,526,682</u>
Fiduciary Net Position Held in Trust, End of Year		<u><u>\$ 978,852,710</u></u>

CollegeCounts 529 Fund Advisor Plan

Notes to the Financial Statements

September 30, 2014

Note 1: Description of the Plan

The following provides a brief description of the CollegeCounts 529 Fund Advisor Plan (the Plan). For more information about the Plan, call 866.529.2228 or visit www.CollegeCounts529advisor.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 higher education costs. This Plan and the CollegeCounts 529 Fund, which were established as authorized under the Wallace Folsom College Savings Investment Plan Act, 16-33C-1 to 16-33C-13 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 there under (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 Advisor Plan, thereby ensuring the assets of the Plan can only be used for the benefit of account owners and their beneficiaries.

These financial statements present only the activities and balances attributable to the CollegeCounts 529 Fund Advisor Plan and do not include any balances or activities attributable to the CollegeCounts 529 Fund. 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 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 Advisor Plan
Notes to the Financial Statements
September 30, 2014

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 flow of 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, revenues are recorded when earned and expenses 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 asset 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 Advisor Plan

Notes to the Financial Statements

September 30, 2014

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. Contributions are reported net of applicable initial sales charges, as more fully discussed in Note 4.

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 mutual funds and one money-market fund offered by PIMCO, BlackRock, T. Rowe Price, Northern Funds, Fidelity, American Century, William Blair Funds, Lazard, Neuberger Berman, Lord Abbett, Cohen & Steers, Credit Suisse, DFA, Voya, Templeton, or Touchstone ("Investment Managers"). The transfers between funds are included in each fund's exchanges in and exchanges out for the year ended September 30, 2014.

The Individual Fund Portfolios consist of 25 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. These have been designed by the Program, the Program Manager, and Wilshire to allow account owners to select a Portfolio based upon the beneficiary's age and risk tolerance. Money invested in these investment options is allocated to individual Target Portfolios 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.

The Plan offers Class A, C, and F Units for each investment option. The Plan only offers Class B units to account owners who acquired Class B units prior to the transition of the Plan from the Higher Education 529 Fund. Each class of units has different fee structures as outlined in the Note 4. A full description of the respective fees associated with each class of units is located in the Program Disclosure Statement.

Contributions by a participant are evidenced through the issuance of units in a particular Portfolio. These units are municipal fund securities. Although money contributed to the Plan is invested in portfolio options that hold mutual funds, the Plan units themselves are not direct investments in these investments. The units issued by the Plan are not insured by the FDIC, the Program Manager, the Distributor, 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.

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 2: Significant Accounting Policies - Continued

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 nonqualified withdrawals, if any. Withdrawals are recorded as deductions from net position on the date the withdrawal request is found to be in good order and approved for payment. Withdrawals, as presented on the Statement of Changes in Fiduciary Net Position, include annual account fees and contingent deferred sales charges, as more fully discussed in Note 4.

Unit Valuation

Each account owner's full and/or fractional interest in a portfolio option is evidenced by a unit. The net asset 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 asset 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 one time 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 state 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 Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 3: Investments

The Underlying Fund allocations at September 30, 2014, are as follows:

Portfolio	Investment	Balance
American Century Equity Growth 529 Portfolio	American Century Equity Growth Fund	\$ 3,535,938
American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Short Duration Inflation Protection Bond Fund	397,376
BlackRock Cash Funds 529 Portfolio	BlackRock Cash Funds	11,277,341
BlackRock Inflation Protected Bond 529 Portfolio	BlackRock Inflation Protected Bond Portfolio	1,876,702
Cohen & Steers Dividend Value 529 Portfolio	Cohen & Steers Dividend Value Fund	30,751,456
Credit Suisse Commodity Return Strategy 529 Portfolio	Credit Suisse Commodity Return Strategy Fund	603,924
DFA International Small Company 529 Portfolio	DFA International Small Company Portfolio	808,527
Fidelity Advisor Investment Grade Bond 529 Portfolio	Fidelity Advisor Investment Grade Bond Fund	254,800
Lazard Emerging Markets Equity 529 Portfolio	Lazard Emerging Markets Equity Portfolio	5,433,837
Lord Abbett Developing Growth 529 Portfolio	Lord Abbett Developing Growth Fund	3,706,635
Neuberger Berman International Large Cap 529 Portfolio	Neuberger Berman International Large Cap Fund	9,804,342
Northern Funds Bond Index 529 Portfolio	Northern Funds Bond Index Fund	4,880,291
Northern Funds Stock Index 529 Portfolio	Northern Funds Stock Index Fund	14,450,637
Northern Funds International Equity Index 529 Portfolio	Northern Funds International Equity Index Fund	6,960,099
Northern Funds Mid Cap Index 529 Portfolio	Northern Funds Mid Cap Index Fund	18,274,227
Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Index Fund	3,433,412
PIMCO Short-Term 529 Portfolio	PIMCO Short-Term Fund	9,693,275
PIMCO Total Return 529 Portfolio	PIMCO Total Return Fund	13,503,581
T. Rowe Price Balanced 529 Portfolio	T. Rowe Price Balanced Fund	46,097,464
T. Rowe Price Institutional Large-Cap Growth 529 Portfolio	T. Rowe Price Institutional Large-Cap Growth Fund	14,560,487
T. Rowe Price Real Estate 529 Portfolio	T. Rowe Price Real Estate Fund	2,110,687
Templeton International Bond 529 Portfolio	Templeton International Bond Fund	857,676
Touchstone High Yield 529 Portfolio	Touchstone High Yield Fund	1,352,611
Voya Global Real Estate Fund 529 Portfolio	Voya Global Real Estate Fund	795,002
William Blair Small Cap Value 529 Portfolio	William Blair Small Cap Value Fund	10,628,051
CollegeCounts Conservative Money Market Fund	BlackRock Cash Funds	6,217,100
CollegeCounts Fixed Income Fund	BlackRock Cash Funds	13,907,424
CollegeCounts Fixed Income Fund	American Century Short Duration Inflation Protection Bond Fund	3,327,456
CollegeCounts Fixed Income Fund	Northern Funds Bond Index Fund	1,109,150
CollegeCounts Fixed Income Fund	PIMCO Short-Term Fund	8,318,640
CollegeCounts Fixed Income Fund	PIMCO Total Return Fund	1,109,152
Total CollegeCounts Fixed Income Fund		<u>27,771,822</u>

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 3: Investments - Continued

Portfolio	Investment	Balance
CollegeCounts Fund 20	Credit Suisse Commodity Return Strategy Fund	\$ 781,186
CollegeCounts Fund 20	Cohen & Steers Dividend Value Fund	2,703,870
CollegeCounts Fund 20	Lord Abbett Developing Growth Fund	384,089
CollegeCounts Fund 20	Northern Funds Mid Cap Index Fund	765,472
CollegeCounts Fund 20	Northern Funds Small Cap Index Fund	377,991
CollegeCounts Fund 20	Northern Funds Stock Index Fund	5,442,700
CollegeCounts Fund 20	T. Rowe Price Institutional Large-Cap Growth Fund	1,947,525
CollegeCounts Fund 20	American Century Short Duration Inflation Protection Bond Fund	8,631,348
CollegeCounts Fund 20	Northern Funds Bond Index Fund	11,764,935
CollegeCounts Fund 20	PIMCO Short-Term Fund	18,026,874
CollegeCounts Fund 20	PIMCO Total Return Fund	11,743,545
CollegeCounts Fund 20	Templeton International Bond Fund	1,555,215
CollegeCounts Fund 20	Touchstone High Yield Fund	3,122,731
CollegeCounts Fund 20	Neuberger Berman International Large Cap Fund	1,543,971
CollegeCounts Fund 20	Northern Funds International Equity Index Fund	1,541,522
CollegeCounts Fund 20	BlackRock Cash Funds	7,850,188
	Total CollegeCounts Fund 20	<u>78,183,162</u>
CollegeCounts Fund 40	Credit Suisse Commodity Return Strategy Fund	3,002,186
CollegeCounts Fund 40	Cohen & Steers Dividend Value Fund	9,746,636
CollegeCounts Fund 40	Lord Abbett Developing Growth Fund	2,223,796
CollegeCounts Fund 40	Northern Funds Mid Cap Index Fund	2,206,381
CollegeCounts Fund 40	Northern Funds Small Cap Index Fund	2,195,495
CollegeCounts Fund 40	Northern Funds Stock Index Fund	13,597,672
CollegeCounts Fund 40	T. Rowe Price Institutional Large-Cap Growth Fund	8,338,106
CollegeCounts Fund 40	American Century Short Duration Inflation Protection Bond Fund	13,717,394
CollegeCounts Fund 40	Northern Funds Bond Index Fund	22,977,331
CollegeCounts Fund 40	PIMCO Short-Term Fund	15,275,160
CollegeCounts Fund 40	PIMCO Total Return Fund	30,521,676
CollegeCounts Fund 40	Templeton International Bond Fund	4,508,776
CollegeCounts Fund 40	Touchstone High Yield Fund	4,509,596
CollegeCounts Fund 40	Lazard Emerging Markets Equity Portfolio	2,187,074
CollegeCounts Fund 40	Neuberger Berman International Large Cap Fund	8,993,649
CollegeCounts Fund 40	Northern Funds International Equity Index Fund	5,217,853
CollegeCounts Fund 40	Voya Global Real Estate Fund	2,218,324
	Total CollegeCounts Fund 40	<u>151,437,105</u>

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 3: Investments - Continued

Portfolio	Investment	Balance
CollegeCounts Fund 60	Credit Suisse Commodity Return Strategy Fund	\$ 4,029,012
CollegeCounts Fund 60	Cohen & Steers Dividend Value Fund	17,932,163
CollegeCounts Fund 60	Lord Abbett Developing Growth Fund	3,979,859
CollegeCounts Fund 60	Northern Funds Mid Cap Index Fund	3,947,530
CollegeCounts Fund 60	Northern Funds Small Cap Index Fund	3,916,635
CollegeCounts Fund 60	Northern Funds Stock Index Fund	20,085,605
CollegeCounts Fund 60	T. Rowe Price Institutional Large-Cap Growth Fund	18,123,057
CollegeCounts Fund 60	American Century Short Duration Inflation Protection Bond Fund	14,156,735
CollegeCounts Fund 60	Northern Funds Bond Index Fund	18,180,810
CollegeCounts Fund 60	PIMCO Short-Term Fund	10,132,806
CollegeCounts Fund 60	PIMCO Total Return Fund	26,228,525
CollegeCounts Fund 60	Templeton International Bond Fund	6,013,080
CollegeCounts Fund 60	Touchstone High Yield Fund	6,005,112
CollegeCounts Fund 60	DFA International Small Company Portfolio	3,930,085
CollegeCounts Fund 60	Lazard Emerging Markets Equity Portfolio	5,857,877
CollegeCounts Fund 60	Neuberger Berman International Large Cap Fund	17,834,307
CollegeCounts Fund 60	Northern Funds International Equity Index Fund	13,835,141
CollegeCounts Fund 60	Voya Global Real Estate Fund	5,970,881
		<hr/>
Total CollegeCounts Fund 60		200,159,220
		<hr/>
CollegeCounts Fund 80	Credit Suisse Commodity Return Strategy Fund	3,509,665
CollegeCounts Fund 80	Cohen & Steers Dividend Value Fund	21,106,691
CollegeCounts Fund 80	Lord Abbett Developing Growth Fund	5,475,573
CollegeCounts Fund 80	Northern Funds Mid Cap Index Fund	3,680,727
CollegeCounts Fund 80	Northern Funds Small Cap Index Fund	5,399,791
CollegeCounts Fund 80	Northern Funds Stock Index Fund	25,811,644
CollegeCounts Fund 80	T. Rowe Price Institutional Large-Cap Growth Fund	21,256,956
CollegeCounts Fund 80	American Century Short Duration Inflation Protection Bond Fund	9,253,574
CollegeCounts Fund 80	Northern Funds Bond Index Fund	5,646,511
CollegeCounts Fund 80	PIMCO Total Return Fund	12,987,731
CollegeCounts Fund 80	Templeton International Bond Fund	5,554,247
CollegeCounts Fund 80	Touchstone High Yield Fund	3,714,193
CollegeCounts Fund 80	DFA International Small Company Portfolio	5,301,178
CollegeCounts Fund 80	Lazard Emerging Markets Equity Portfolio	8,838,238
CollegeCounts Fund 80	Neuberger Berman International Large Cap Fund	21,857,998
CollegeCounts Fund 80	Northern Funds International Equity Index Fund	14,393,089
CollegeCounts Fund 80	Voya Global Real Estate Fund	9,002,260
		<hr/>
Total CollegeCounts Fund 80		182,790,066

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 3: Investments - Continued

Portfolio	Investment	Balance
CollegeCounts Fund 100	Credit Suisse Commodity Return Strategy Fund	\$ 2,276,727
CollegeCounts Fund 100	Cohen & Steers Dividend Value Fund	15,889,212
CollegeCounts Fund 100	Lord Abbett Developing Growth Fund	5,253,073
CollegeCounts Fund 100	Northern Funds Mid Cap Index Fund	3,517,437
CollegeCounts Fund 100	Northern Funds Small Cap Index Fund	4,038,814
CollegeCounts Fund 100	Northern Funds Stock Index Fund	18,894,128
CollegeCounts Fund 100	T. Rowe Price Institutional Large-Cap Growth Fund	18,347,305
CollegeCounts Fund 100	DFA International Small Company Portfolio	4,569,549
CollegeCounts Fund 100	Lazard Emerging Markets Equity Portfolio	7,912,767
CollegeCounts Fund 100	Neuberger Berman International Large Cap Fund	17,527,785
CollegeCounts Fund 100	Northern Funds International Equity Index Fund	10,492,810
CollegeCounts Fund 100	Voya Global Real Estate Fund	8,054,494
		<u>116,774,101</u>
		<u>\$ 979,380,954</u>

The following table reconciles the fair value of investments to the net position held in trust at September 30, 2014:

Fair value of investments, end of year	\$ 979,380,954
Plus cash and accrued investment income	1,547,646
Less payables and accrued expenses	<u>(2,075,890)</u>
Net position held in trust, end of year	<u>\$ 978,852,710</u>

The following table calculates the net realized gain and net appreciation in the value of investments for the year ended September 30, 2014:

Fair value of investments, end of year	\$ 979,380,954
Less cost of investments purchased and investment income reinvested during the year	(153,347,877)
Plus proceeds from investments sold during the year and management and administrative fees	104,832,784
Less net position held in trust, beginning of year	<u>(889,526,682)</u>
Net realized gain and net appreciation in fair value of investments	<u>\$ 41,339,179</u>

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.

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 3: Investments - Continued

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, 2014, approximately 9% of the investments in the plan have an AAA risk rating, 81% have a Baa>AA risk rating and approximately 7% have a B>Ba. Approximately 4% of the investments in the plan are money market mutual funds which are not rated.

Interest Rate Risk – Although American Century Short Duration Inflation Protection Bond Fund, BlackRock Cash Funds, BlackRock Inflation Protected Bond Portfolio, Fidelity Advisor Investment Grade Bond Fund, Northern Funds Bond Index Fund, PIMCO Short-Term Fund, PIMCO Total Return Fund, T. Rowe Price Balanced Fund, Templeton International Bond Fund and Touchstone High Yield Fund 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, 2014, 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>
American Century Short Duration Inflation Protection Bond Fund	2.3 years	3.5 years
BlackRock Cash Funds	n/a	0.1 years
BlackRock Inflation Protected Bond Portfolio	7.0 years	10.2 years
Fidelity Advisor Investment Grade Bond Fund	5.5 years	7.5 years
Northern Funds Bond Index Fund	5.2 years	7.1 years
PIMCO Short-Term Fund	0.1 years	0.4 years
PIMCO Total Return Fund	5.3 years	7.7 years
T. Rowe Price Balanced Fund	5.4 years	7.2 years
Templeton International Bond Fund	1.7 years	2.7 years
Touchtone High Yield Fund	4.2 years	5.2 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 96% of the investments are with mutual funds and approximately 4% 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, 2014.

CollegeCounts 529 Fund Advisor Plan

Notes to the Financial Statements

September 30, 2014

Note 4: Fees and Expenses

Annual Account Fee

An annual account fee of \$12 is assessed on accounts when neither the account owner nor the designated beneficiary is an Alabama resident. The fees, which are deducted annually from respective accounts in November, were approximately \$401,000 for the year ended September 30, 2014.

Asset-Based Fees

All classes of units of each investment option are assessed a program management fee of 0.32%, which is accrued daily and paid to the Program Manager for providing administrative and management services. All units, except the BlackRock Cash Funds 529 Portfolio and the Age-Based Conservative Portfolio (Ages 21+), are also assessed a state administration fee of 0.10%. These fees are accrued daily and paid to the Program to be used for the purpose of administering and marketing the Program and paying certain costs associated with the administration of the Plan. These fees are reflected as an expense in the daily net asset value calculation for each Portfolio, and are calculated based on the average daily net position with respect to a Portfolio.

Class A units and Class C units invested in Underlying Funds, except for BlackRock Cash Funds 529 Portfolio or the Age-Based Conservative (21+) Portfolio, are assessed an annual account servicing fee of 0.25% and 0.50%, respectively, based on the average daily net position. This fee is paid to the financial advisors through which account owners invest in the Plan, depending on the nature and terms of agreements.

Sales Charges

With certain exceptions, account owners investing in Class A units are required to pay an initial sales charge of 3.50% for each new contribution. Account owners in Class B units are required to pay a contingent deferred sales charge if they withdraw a contribution within a specified period of time, not to exceed 5%. Account owners investing in Class C or Class F units are not required to pay an initial sales charge. All or a portion of these sales charges are paid to financial advisors through which account owners invest in the Plan, depending on the nature and terms of agreements.

For contributions and withdrawals with trade dates during the year ended September 30, 2014, initial sales charges and contingent deferred sales charges totaled approximately \$1,549,000.

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 4: Fees and Expenses - Continued

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 the Portfolios. These expenses are not reflected in the Plan's financial statements. From October 1, 2013 to the year ended September 30, 2014, the expense ratios 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 0.12% to 0.61% for Age-Based Portfolios, 0.27% to 0.61% for Target Portfolios, and 0.11% to 1.25% for the Individual Fund Portfolios.

Management and administrative fees related to the year ended September 30, 2014, are comprised of the following amounts attributable to the Program Manager, the State and the financial advisors:

Program management fees	\$ 3,031,200
State administration fees	943,209
Financial advisor and servicing fees	<u>3,562,180</u>
 Total management and administrative fees	 <u><u>\$ 7,536,589</u></u>

Note 5: 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.

CollegeCounts 529 Fund Advisor Plan
Notes to the Financial Statements
September 30, 2014

Note 6: Subsequent Events

Effective October 1, 2014, the Plan liquidated the holdings in the PIMCO Total Return Fund and reinvested those proceeds into the Northern Funds Bond Index Fund in the Age-Based, Target, and Individual Fund Portfolios. The Northern Funds Bond Index Fund is an existing investment in the CollegeCounts 529 Fund Advisor Plan. This change is based on a number of variables including recent departures of key senior investment personnel, uncertainty surrounding the impact of those changes, potential negative fund flows, and performance considerations. As the Program and its investment consultants continued their ongoing review, due diligence, and analysis, the decision was made to add a new underlying mutual fund to the Plan to provide additional diversification – the MainStay Total Return Bond Fund, effective December 17, 2014. The Age-Based and Target Portfolios will invest the funds that were previously invested in the PIMCO Total Return Fund, and that were held in the Northern Bond Index Fund, into the MainStay Total Return Bond Fund. Also effective December 17, 2014, a new Individual Fund Portfolio is being added to the Plan – the MainStay Total Return Bond 529 Portfolio. No assets will be moved to the Individual Fund Portfolio automatically. Instead, account owners will need to make an investment change, electing the new Individual Fund Portfolio.

Supplemental Schedules

CollegeCounts 529 Fund Advisor Plan
Schedule of Fiduciary Net Position by Portfolio
September 30, 2014

	Portfolio						
	American Century Equity Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Cohen & Steers Dividend Value 529 Portfolio	Credit Suisse Commodity Return Strategy 529 Portfolio	DFA International Small Company 529 Portfolio
Fiduciary Assets							
Investments, at fair value	\$ 3,535,938	\$ 397,376	\$ 11,277,341	\$ 1,876,702	\$ 30,751,456	\$ 603,924	\$ 808,527
Cash	2,179	-	-	697	-	62	44
Receivables for contributions	63	76	2,248	1	13,621	30	24
Accrued investment income	-	-	937	258	73,087	-	-
Total fiduciary assets	3,538,180	397,452	11,280,526	1,877,658	30,838,164	604,016	808,595
Liabilities							
Distributions payable to shareholders	-	-	62	-	-	-	-
Withdrawals payable	-	310	2,021	90	9,225	-	-
Accrued expenses	4,331	376	617	2,382	52,431	664	821
Total liabilities	4,331	686	2,700	2,472	61,656	664	821
Fiduciary Net Position Held in Trust	\$ 3,533,849	\$ 396,766	\$ 11,277,826	\$ 1,875,186	\$ 30,776,508	\$ 603,352	\$ 807,774
Unit Information							
Class A							
Total net position - fee structure A	\$ 1,896,564	\$ 27,388	\$ 4,911,076	\$ 922,033	\$ 20,995,138	\$ 296,712	\$ 366,171
Units outstanding	99,199	2,758	4,911,294	81,803	1,384,568	37,594	27,861
Net position value per unit, ending	\$ 19.12	\$ 9.93	\$ 1.00	\$ 11.27	\$ 15.16	\$ 7.89	\$ 13.14
Net position value per unit, beginning	\$ 16.04	\$ 10.00	\$ 1.00	\$ 11.22	\$ 12.51	\$ 8.51	\$ 12.66
Class B							
Total net position - fee structure A	\$ 75,233	\$ 18,153	\$ 1,282,842	\$ 57,358	\$ 2,166,123	\$ 14,789	\$ 7,293
Units outstanding	4,059	1,841	1,282,924	5,249	145,308	1,901	563
Net position value per unit, ending	\$ 18.53	\$ 9.86	\$ 1.00	\$ 10.93	\$ 14.91	\$ 7.78	\$ 12.95
Net position value per unit, beginning	\$ 15.67	\$ 10.00	\$ 1.00	\$ 10.96	\$ 12.39	\$ 8.45	\$ 12.57
Class C							
Total net position - fee structure A	\$ 1,319,845	\$ 66,615	\$ 4,497,100	\$ 769,926	\$ 6,821,502	\$ 173,293	\$ 221,074
Units outstanding	69,791	6,726	4,497,312	68,987	452,423	22,046	16,904
Net position value per unit, ending	\$ 18.91	\$ 9.90	\$ 1.00	\$ 11.16	\$ 15.08	\$ 7.86	\$ 13.08
Net position value per unit, beginning	\$ 15.91	\$ 10.00	\$ 1.00	\$ 11.13	\$ 12.47	\$ 8.50	\$ 12.63
Class F							
Total net position - fee structure A	\$ 242,207	\$ 284,610	\$ 586,808	\$ 125,869	\$ 793,745	\$ 118,558	\$ 213,236
Units outstanding	12,537	28,589	586,818	11,052	52,045	14,949	16,154
Net position value per unit, ending	\$ 19.32	\$ 9.96	\$ 1.00	\$ 11.39	\$ 15.25	\$ 7.93	\$ 13.20
Net position value per unit, beginning	\$ 16.17	\$ 10.00	\$ 1.00	\$ 11.31	\$ 12.55	\$ 8.53	\$ 12.69

CollegeCounts 529 Fund Advisor Plan

Schedule of Fiduciary Net Position by Portfolio

September 30, 2014

	Portfolio						
	Fidelity Advisor Investment Grade Bond 529 Portfolio	Lazard Emerging Markets Equity 529 Portfolio	Lord Abbett Developing Growth 529 Portfolio	Neuberger Berman International Large Cap 529 Portfolio	Northern Funds Bond Index 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio
Fiduciary Assets							
Investments, at fair value	\$ 254,800	\$ 5,433,837	\$ 3,706,635	\$ 9,804,342	\$ 4,880,291	\$ 14,450,637	\$ 6,960,099
Cash	43	10,255	770	3,645	-	5,894	24,324
Receivables for contributions	3	5,761	54	1,060	220	1,268	13,104
Accrued investment income	508	-	-	-	2,147	-	-
Total fiduciary assets	255,354	5,449,853	3,707,459	9,809,047	4,882,658	14,457,799	6,997,527
Liabilities							
Distributions payable to shareholders	-	-	-	-	-	-	-
Withdrawals payable	-	-	-	550	1,988	1,198	1,610
Accrued expenses	300	5,838	4,709	12,185	6,135	17,852	8,781
Total liabilities	300	5,838	4,709	12,735	8,123	19,050	10,391
Fiduciary Net Position Held in Trust	\$ 255,054	\$ 5,444,015	\$ 3,702,750	\$ 9,796,312	\$ 4,874,535	\$ 14,438,749	\$ 6,987,136
Unit Information							
Class A							
Total net position - fee structure A	\$ 158,137	\$ 2,496,696	\$ 1,763,921	\$ 5,875,723	\$ 2,987,674	\$ 8,659,379	\$ 4,299,382
Units outstanding	15,639	219,820	85,977	460,724	269,270	466,505	326,116
Net position value per unit, ending	\$ 10.11	\$ 11.36	\$ 20.52	\$ 12.75	\$ 11.10	\$ 18.56	\$ 13.18
Net position value per unit, beginning	\$ 9.76	\$ 10.95	\$ 20.23	\$ 12.61	\$ 10.75	\$ 15.61	\$ 12.77
Class B							
Total net position - fee structure A	\$ 7,109	\$ 114,786	\$ 212,447	\$ 749,794	\$ 177,403	\$ 1,186,252	\$ 566,256
Units outstanding	714	10,421	10,684	60,659	16,498	65,935	44,316
Net position value per unit, ending	\$ 9.96	\$ 11.01	\$ 19.88	\$ 12.36	\$ 10.75	\$ 17.99	\$ 12.78
Net position value per unit, beginning	\$ 9.68	\$ 10.69	\$ 19.75	\$ 12.31	\$ 10.50	\$ 15.25	\$ 12.47
Class C							
Total net position - fee structure A	\$ 88,775	\$ 1,513,432	\$ 1,340,684	\$ 2,435,751	\$ 1,027,875	\$ 3,665,258	\$ 1,653,007
Units outstanding	8,826	134,591	66,018	192,975	93,609	199,521	126,687
Net position value per unit, ending	\$ 10.06	\$ 11.24	\$ 20.31	\$ 12.62	\$ 10.98	\$ 18.37	\$ 13.05
Net position value per unit, beginning	\$ 9.73	\$ 10.86	\$ 20.07	\$ 12.51	\$ 10.66	\$ 15.49	\$ 12.67
Class F							
Total net position - fee structure A	\$ 1,033	\$ 1,319,101	\$ 385,698	\$ 735,044	\$ 681,583	\$ 927,860	\$ 468,491
Units outstanding	101	114,844	18,607	57,001	61,362	49,455	35,180
Net position value per unit, ending	\$ 10.18	\$ 11.49	\$ 20.73	\$ 12.90	\$ 11.11	\$ 18.76	\$ 13.32
Net position value per unit, beginning	\$ 9.78	\$ 11.04	\$ 20.38	\$ 12.72	\$ 10.73	\$ 15.74	\$ 12.87

CollegeCounts 529 Fund Advisor Plan

Schedule of Fiduciary Net Position by Portfolio

September 30, 2014

	Portfolio						
	Northern Funds Mid Cap Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	PIMCO Short-Term 529 Portfolio	PIMCO Total Return 529 Portfolio	T. Rowe Price Balanced 529 Portfolio	T. Rowe Price Institutional Large-Cap Growth 529 Portfolio	T. Rowe Price Real Estate 529 Portfolio
Fiduciary Assets							
Investments, at fair value	\$ 18,274,227	\$ 3,433,412	\$ 9,693,275	\$ 13,503,581	\$ 46,097,464	\$ 14,560,487	\$ 2,110,687
Cash	23,540	16,523	-	10,703	24,703	24,133	219
Receivables for contributions	13,646	8,833	1,221	-	6,029	14,807	33
Accrued investment income	-	-	7,704	20,590	-	-	-
Total fiduciary assets	18,311,413	3,458,768	9,702,200	13,534,874	46,128,196	14,599,427	2,110,939
Liabilities							
Distributions payable to shareholders	-	-	-	-	-	-	-
Withdrawals payable	2,930	729	4,182	4,115	7,200	343	-
Accrued expenses	24,105	4,479	12,826	15,965	57,802	17,006	2,567
Total liabilities	27,035	5,208	17,008	20,080	65,002	17,349	2,567
Fiduciary Net Position Held in Trust	\$ 18,284,378	\$ 3,453,560	\$ 9,685,192	\$ 13,514,794	\$ 46,063,194	\$ 14,582,078	\$ 2,108,372
Unit Information							
Class A							
Total net position - fee structure A	\$ 11,484,858	\$ 1,925,728	\$ 3,210,399	\$ 6,721,356	\$ 30,392,313	\$ 8,928,366	\$ 1,221,105
Units outstanding	630,779	112,518	309,269	584,526	2,006,488	449,565	79,093
Net position value per unit, ending	\$ 18.21	\$ 17.11	\$ 10.38	\$ 11.50	\$ 15.15	\$ 19.86	\$ 15.44
Net position value per unit, beginning	\$ 16.42	\$ 16.60	\$ 10.28	\$ 11.21	\$ 13.76	\$ 17.08	\$ 13.59
Class B							
Total net position - fee structure A	\$ 1,670,978	\$ 273,974	\$ 199,570	\$ 539,347	\$ 3,066,868	\$ 640,713	\$ 84,598
Units outstanding	94,686	16,516	19,629	48,391	208,889	33,287	5,652
Net position value per unit, ending	\$ 17.65	\$ 16.59	\$ 10.17	\$ 11.15	\$ 14.68	\$ 19.25	\$ 14.97
Net position value per unit, beginning	\$ 16.03	\$ 16.22	\$ 10.12	\$ 10.94	\$ 13.44	\$ 16.68	\$ 13.28
Class C							
Total net position - fee structure A	\$ 4,590,597	\$ 1,037,673	\$ 3,097,842	\$ 4,593,535	\$ 11,965,707	\$ 4,039,530	\$ 646,263
Units outstanding	254,768	61,267	301,518	403,653	798,216	205,529	42,293
Net position value per unit, ending	\$ 18.02	\$ 16.94	\$ 10.27	\$ 11.38	\$ 14.99	\$ 19.65	\$ 15.28
Net position value per unit, beginning	\$ 16.29	\$ 16.47	\$ 10.20	\$ 11.12	\$ 13.65	\$ 16.95	\$ 13.49
Class F							
Total net position - fee structure A	\$ 537,945	\$ 216,185	\$ 3,177,381	\$ 1,660,556	\$ 638,306	\$ 973,469	\$ 156,406
Units outstanding	29,260	12,511	303,014	142,904	41,711	48,518	10,023
Net position value per unit, ending	\$ 18.38	\$ 17.28	\$ 10.49	\$ 11.62	\$ 15.30	\$ 20.06	\$ 15.61
Net position value per unit, beginning	\$ 16.54	\$ 16.72	\$ 10.35	\$ 11.30	\$ 13.87	\$ 17.21	\$ 13.70

CollegeCounts 529 Fund Advisor Plan

Schedule of Fiduciary Net Position by Portfolio

September 30, 2014

	Portfolio						
	Templeton International Bond 529 Portfolio	Touchtone High Yield 529 Portfolio	Voya Global Real Estate 529 Portfolio	William Blair Small Cap Value 529 Portfolio	CollegeCounts Conservative Money Market Fund	CollegeCounts Fixed Income Fund	CollegeCounts Fund 20
Fiduciary Assets							
Investments, at fair value	\$ 857,676	\$ 1,352,611	\$ 795,002	\$ 10,628,051	\$ 6,217,100	\$ 27,771,822	\$ 78,183,162
Cash	1,227	84	52	-	-	41,984	248,853
Receivables for contributions	21	48	11	891	1,942	19,295	73,725
Accrued investment income	-	-	-	-	527	9,907	44,794
Total fiduciary assets	<u>858,924</u>	<u>1,352,743</u>	<u>795,065</u>	<u>10,628,942</u>	<u>6,219,569</u>	<u>27,843,008</u>	<u>78,550,534</u>
Liabilities							
Distributions payable to shareholders	-	-	-	-	34	-	-
Withdrawals payable	153	152	-	493	1,790	52,822	36,806
Accrued expenses	<u>766</u>	<u>1,267</u>	<u>772</u>	<u>41,200</u>	<u>333</u>	<u>36,326</u>	<u>105,467</u>
Total liabilities	<u>919</u>	<u>1,419</u>	<u>772</u>	<u>41,693</u>	<u>2,157</u>	<u>89,148</u>	<u>142,273</u>
Fiduciary Net Position Held in Trust	<u>\$ 858,005</u>	<u>\$ 1,351,324</u>	<u>\$ 794,293</u>	<u>\$ 10,587,249</u>	<u>\$ 6,217,412</u>	<u>\$ 27,753,860</u>	<u>\$ 78,408,261</u>
Unit Information							
Class A							
Total net position - fee structure A	\$ 284,288	\$ 540,387	\$ 406,100	\$ 5,462,759	\$ 2,578,795	\$ 14,512,901	\$ 41,062,471
Units outstanding	27,528	48,971	35,192	342,348	2,578,960	1,389,198	3,387,578
Net position value per unit, ending	\$ 10.33	\$ 11.03	\$ 11.54	\$ 15.96	\$ 1.00	\$ 10.45	\$ 12.12
Net position value per unit, beginning	\$ 10.07	\$ 10.38	\$ 10.87	\$ 15.53	\$ 1.00	\$ 10.43	\$ 11.67
Class B							
Total net position - fee structure A	\$ 17,562	\$ 6,140	\$ 21,733	\$ 704,498	\$ 806,472	\$ 1,749,888	\$ 6,150,039
Units outstanding	1,727	564	1,911	45,551	806,457	172,790	523,452
Net position value per unit, ending	\$ 10.17	\$ 10.88	\$ 11.37	\$ 15.47	\$ 1.00	\$ 10.13	\$ 11.75
Net position value per unit, beginning	\$ 9.99	\$ 10.31	\$ 10.79	\$ 15.17	\$ 1.00	\$ 10.18	\$ 11.40
Class C							
Total net position - fee structure A	\$ 196,202	\$ 391,503	\$ 135,898	\$ 1,663,714	\$ 2,810,934	\$ 11,362,863	\$ 30,286,667
Units outstanding	19,086	35,685	11,838	105,355	2,811,160	1,098,997	2,524,643
Net position value per unit, ending	\$ 10.28	\$ 10.97	\$ 11.48	\$ 15.79	\$ 1.00	\$ 10.34	\$ 12.00
Net position value per unit, beginning	\$ 10.04	\$ 10.35	\$ 10.84	\$ 15.41	\$ 1.00	\$ 10.35	\$ 11.58
Class F							
Total net position - fee structure A	\$ 359,953	\$ 413,294	\$ 230,562	\$ 2,756,278	\$ 21,211	\$ 128,208	\$ 909,084
Units outstanding	34,684	37,281	19,879	170,847	21,213	12,141	73,757
Net position value per unit, ending	\$ 10.38	\$ 11.09	\$ 11.60	\$ 16.13	\$ 1.00	\$ 10.56	\$ 12.33
Net position value per unit, beginning	\$ 10.09	\$ 10.40	\$ 10.90	\$ 15.66	\$ 1.00	\$ 10.51	\$ 11.84

CollegeCounts 529 Fund Advisor Plan

Schedule of Fiduciary Net Position by Portfolio

September 30, 2014

	<u>Portfolio</u>				
	<u>CollegeCounts Fund 40</u>	<u>CollegeCounts Fund 60</u>	<u>CollegeCounts Fund 80</u>	<u>CollegeCounts Fund 100</u>	<u>Plan Total</u>
Fiduciary Assets					
Investments, at fair value	\$ 151,437,105	\$ 200,159,220	\$ 182,790,066	\$ 116,774,101	\$ 979,380,954
Cash	-	132,618	-	-	572,552
Receivables for contributions	33,787	58,028	179,011	64,393	513,254
Accrued investment income	92,053	99,095	72,469	37,764	461,840
	<u>151,562,945</u>	<u>200,448,961</u>	<u>183,041,546</u>	<u>116,876,258</u>	<u>980,928,600</u>
Liabilities					
Distributions payable to shareholders	-	-	-	-	96
Withdrawals payable	135,198	65,186	50,508	131,363	510,962
Accrued expenses	286,963	259,431	404,603	175,532	1,564,832
	<u>422,161</u>	<u>324,617</u>	<u>455,111</u>	<u>306,895</u>	<u>2,075,890</u>
Fiduciary Net Position Held in Trust	<u>\$ 151,140,784</u>	<u>\$ 200,124,344</u>	<u>\$ 182,586,435</u>	<u>\$ 116,569,363</u>	<u>\$ 978,852,710</u>
Unit Information					
Class A					
Total net position - fee structure A	\$ 85,690,421	\$ 121,866,170	\$ 117,436,205	\$ 74,567,750	
Units outstanding	6,474,998	8,568,412	7,705,894	4,579,845	
Net position value per unit, ending	\$ 13.23	\$ 14.22	\$ 15.24	\$ 16.28	
Net position value per unit, beginning	\$ 12.52	\$ 13.29	\$ 14.03	\$ 14.79	
Class B					
Total net position - fee structure A	\$ 12,250,129	\$ 16,705,646	\$ 12,813,654	\$ 7,611,271	
Units outstanding	955,079	1,211,881	867,451	482,286	
Net position value per unit, ending	\$ 12.83	\$ 13.78	\$ 14.77	\$ 15.78	
Net position value per unit, beginning	\$ 12.23	\$ 12.98	\$ 13.70	\$ 14.44	
Class C					
Total net position - fee structure A	\$ 51,647,139	\$ 57,364,622	\$ 48,749,812	\$ 32,609,887	
Units outstanding	3,943,446	4,075,552	3,232,233	2,023,742	
Net position value per unit, ending	\$ 13.10	\$ 14.08	\$ 15.08	\$ 16.11	
Net position value per unit, beginning	\$ 12.42	\$ 13.19	\$ 13.92	\$ 14.67	
Class F					
Total net position - fee structure A	\$ 1,553,095	\$ 4,187,906	\$ 3,586,764	\$ 1,780,455	
Units outstanding	116,114	291,391	232,902	108,247	
Net position value per unit, ending	\$ 13.38	\$ 14.37	\$ 15.40	\$ 16.45	
Net position value per unit, beginning	\$ 12.62	\$ 13.40	\$ 14.14	\$ 14.90	

CollegeCounts 529 Fund Advisor Plan
Schedule of Changes in Fiduciary Net Position by Portfolio
For the Year Ended September 30, 2014

	Portfolio						
	American Century Equity Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Cohen & Steers Dividend Value 529 Portfolio	Credit Suisse Commodity Return Strategy 529 Portfolio	DFA International Small Company 529 Portfolio
Additions							
Contributions	\$ 885,623	\$ 111,610	\$ 2,241,405	\$ 310,220	\$ 2,935,016	\$ 225,474	\$ 309,621
Exchanges in	208,627	313,730	3,577,178	85,450	1,028,218	68,511	234,318
Investment income							
Dividends and interest	168,287	1,820	13,837	81,909	2,915,087	-	33,266
Total additions	1,262,537	427,160	5,832,420	477,579	6,878,321	293,985	577,205
Deductions							
Withdrawals	294,720	48,904	4,272,970	431,128	3,168,256	50,314	62,979
Exchanges out	250,639	18,148	2,137,236	733,546	1,382,973	106,893	103,370
Management and administrative fees	24,464	1,605	8,204	16,189	225,122	4,130	4,743
Total deductions	569,823	68,657	6,418,410	1,180,863	4,776,351	161,337	171,092
Net Realized Gain and Net Appreciation in Fair Value	379,245	(1,734)	-	(68,975)	2,739,764	(44,718)	(22,539)
Net Increase (Decrease)	1,071,959	356,769	(585,990)	(772,259)	4,841,734	87,930	383,574
Fiduciary Net Position Held in Trust, Beginning of Year	2,461,890	39,997	11,863,816	2,647,445	25,934,774	515,422	424,200
Fiduciary Net Position Held in Trust, End of Year	\$ 3,533,849	\$ 396,766	\$ 11,277,826	\$ 1,875,186	\$ 30,776,508	\$ 603,352	\$ 807,774

CollegeCounts 529 Fund Advisor Plan
Schedule of Changes in Fiduciary Net Position by Portfolio
For the Year Ended September 30, 2014

	Portfolio						
	Fidelity Advisor Investment Grade Bond 529 Portfolio	Lazard Emerging Markets Equity 529 Portfolio	Lord Abbett Developing Growth 529 Portfolio	Neuberger Berman International Large Cap 529 Portfolio	Northern Fund Bond Index 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio
Additions							
Contributions	\$ 54,206	\$ 1,080,469	\$ 670,831	\$ 1,355,216	\$ 365,389	\$ 1,450,879	\$ 973,206
Exchanges in	69,343	195,222	431,050	373,804	626,628	1,477,819	719,697
Investment income							
Dividends and interest	4,943	233,049	577,699	122,502	137,387	302,602	129,376
Total additions	<u>128,492</u>	<u>1,508,740</u>	<u>1,679,580</u>	<u>1,851,522</u>	<u>1,129,404</u>	<u>3,231,300</u>	<u>1,822,279</u>
Deductions							
Withdrawals	5,505	457,486	432,561	913,253	694,010	1,378,026	691,042
Exchanges out	102,265	632,976	395,125	742,634	445,194	942,059	427,449
Management and administrative fees	1,516	36,977	29,485	77,214	35,833	106,825	54,389
Total deductions	<u>109,286</u>	<u>1,127,439</u>	<u>857,171</u>	<u>1,733,101</u>	<u>1,175,037</u>	<u>2,426,910</u>	<u>1,172,880</u>
Net Realized Gain and Net Appreciation in Fair Value	<u>2,749</u>	<u>(13,002)</u>	<u>(517,998)</u>	<u>53,004</u>	<u>52,085</u>	<u>2,071,615</u>	<u>119,707</u>
Net Increase (Decrease)	21,955	368,299	304,411	171,425	6,452	2,876,005	769,106
Fiduciary Net Position Held in Trust, Beginning of Year	<u>233,099</u>	<u>5,075,716</u>	<u>3,398,339</u>	<u>9,624,887</u>	<u>4,868,083</u>	<u>11,562,744</u>	<u>6,218,030</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 255,054</u>	<u>\$ 5,444,015</u>	<u>\$ 3,702,750</u>	<u>\$ 9,796,312</u>	<u>\$ 4,874,535</u>	<u>\$ 14,438,749</u>	<u>\$ 6,987,136</u>

CollegeCounts 529 Fund Advisor Plan
Schedule of Changes in Fiduciary Net Position by Portfolio
For the Year Ended September 30, 2014

	Portfolio						
	Northern Funds Mid Cap Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	PIMCO Short-Term 529 Portfolio	PIMCO Total Return 529 Portfolio	T. Rowe Price Balanced 529 Portfolio	T. Rowe Price Institutional Large-Cap Growth 529 Portfolio	T. Rowe Price Real Estate 529 Portfolio
Additions							
Contributions	\$ 2,308,865	\$ 765,858	\$ 1,609,198	\$ 1,782,428	\$ 3,717,415	\$ 2,257,662	\$ 397,087
Exchanges in	672,375	178,401	2,810,748	780,112	2,292,193	886,325	96,327
Investment income							
Dividends and interest	684,470	155,664	99,042	383,588	2,691,235	4,883	46,428
Total additions	<u>3,665,710</u>	<u>1,099,923</u>	<u>4,518,988</u>	<u>2,946,128</u>	<u>8,700,843</u>	<u>3,148,870</u>	<u>539,842</u>
Deductions							
Withdrawals	1,697,769	346,075	2,382,387	2,047,257	4,762,622	1,387,328	158,390
Exchanges out	1,089,095	312,266	723,550	1,328,887	2,757,732	747,045	195,833
Management and administrative fees	145,401	27,278	63,579	105,021	363,287	102,752	15,114
Total deductions	<u>2,932,265</u>	<u>685,619</u>	<u>3,169,516</u>	<u>3,481,165</u>	<u>7,883,641</u>	<u>2,237,125</u>	<u>369,337</u>
Net Realized Gain and Net Appreciation in Fair Value	<u>1,247,698</u>	<u>(46,696)</u>	<u>56,812</u>	<u>64,554</u>	<u>1,971,813</u>	<u>2,021,882</u>	<u>209,408</u>
Net Increase (Decrease)	1,981,143	367,608	1,406,284	(470,483)	2,789,015	2,933,627	379,913
Fiduciary Net Position Held in Trust, Beginning of Year	<u>16,303,235</u>	<u>3,085,952</u>	<u>8,278,908</u>	<u>13,985,277</u>	<u>43,274,179</u>	<u>11,648,451</u>	<u>1,728,459</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 18,284,378</u>	<u>\$ 3,453,560</u>	<u>\$ 9,685,192</u>	<u>\$ 13,514,794</u>	<u>\$ 46,063,194</u>	<u>\$ 14,582,078</u>	<u>\$ 2,108,372</u>

CollegeCounts 529 Fund Advisor Plan
Schedule of Changes in Fiduciary Net Position by Portfolio
For the Year Ended September 30, 2014

	Portfolio						
	Templeton International Bond 529 Portfolio	Touchtone High Yield 529 Portfolio	Voya Global Real Estate 529 Portfolio	William Blair Small Cap Value 529 Portfolio	CollegeCounts Conservative Money Market Fund	CollegeCounts Fixed Income Fund	CollegeCounts Fund 20
Additions							
Contributions	\$ 224,135	\$ 384,255	\$ 240,044	\$ 841,125	\$ 803,714	\$ 3,674,144	\$ 8,072,725
Exchanges in	169,838	400,428	64,097	271,941	1,984,466	9,996,818	29,995,861
Investment income							
Dividends and interest	21,790	57,707	17,621	778,292	7,985	189,566	1,617,064
Total additions	415,763	842,390	321,762	1,891,358	2,796,165	13,860,528	39,685,650
Deductions							
Withdrawals	69,418	122,607	169,676	1,080,722	2,879,722	9,929,550	18,473,404
Exchanges out	96,219	105,193	90,639	524,476	610,061	3,985,304	12,242,235
Management and administrative fees	4,852	7,192	5,089	80,106	4,732	227,094	622,587
Total deductions	170,489	234,992	265,404	1,685,304	3,494,515	14,141,948	31,338,226
Net Realized Gain and Net Appreciation in Fair Value	982	1,109	32,166	(384,692)	-	45,365	1,637,008
Net Increase (Decrease)	246,256	608,507	88,524	(178,638)	(698,350)	(236,055)	9,984,432
Fiduciary Net Position Held in Trust, Beginning of Year	611,749	742,817	705,769	10,765,887	6,915,762	27,989,915	68,423,829
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 858,005</u>	<u>\$ 1,351,324</u>	<u>\$ 794,293</u>	<u>\$ 10,587,249</u>	<u>\$ 6,217,412</u>	<u>\$ 27,753,860</u>	<u>\$ 78,408,261</u>

CollegeCounts 529 Fund Advisor Plan
Schedule of Changes in Fiduciary Net Position by Portfolio
For the Year Ended September 30, 2014

	Portfolio					
	CollegeCounts Fund 40	CollegeCounts Fund 60	CollegeCounts Fund 80	CollegeCounts Fund 100	Eliminations	Plan Total
Additions						
Contributions	\$ 14,398,644	\$ 19,630,909	\$ 26,780,930	\$ 21,520,724	\$ -	\$ 122,379,027
Exchanges in	49,359,622	49,107,228	26,640,728	3,608,148	(188,725,251)	-
Investment income						
Dividends and interest	4,054,592	6,101,501	6,352,859	4,530,445	-	32,516,496
Total additions	<u>67,812,858</u>	<u>74,839,638</u>	<u>59,774,517</u>	<u>29,659,317</u>	<u>(188,725,251)</u>	<u>154,895,523</u>
Deductions						
Withdrawals	15,933,759	8,596,564	7,953,400	8,480,281	-	99,372,085
Exchanges out	32,709,838	52,263,279	46,363,017	24,160,075	(188,725,251)	-
Management and administrative fees	1,167,563	1,570,154	1,447,072	951,020	-	7,536,589
Total deductions	<u>49,811,160</u>	<u>62,429,997</u>	<u>55,763,489</u>	<u>33,591,376</u>	<u>(188,725,251)</u>	<u>106,908,674</u>
Net Realized Gain and Net Appreciation in Fair Value	<u>4,403,869</u>	<u>7,984,667</u>	<u>9,623,997</u>	<u>7,720,034</u>	<u>-</u>	<u>41,339,179</u>
Net Increase (Decrease)	22,405,567	20,394,308	13,635,025	3,787,975	-	89,326,028
Fiduciary Net Position Held in Trust, Beginning of Year	<u>128,735,217</u>	<u>179,730,036</u>	<u>168,951,410</u>	<u>112,781,388</u>	<u>-</u>	<u>889,526,682</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 151,140,784</u>	<u>\$ 200,124,344</u>	<u>\$ 182,586,435</u>	<u>\$ 116,569,363</u>	<u>\$ -</u>	<u>\$ 978,852,710</u>

CollegeCounts 529 Fund Advisor Plan

Financial Highlights by Portfolio

For the Year Ended September 30, 2014

	Portfolio						
	American Century Equity Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Cohen & Steers Dividend Value 529 Portfolio	Credit Suisse Commodity Return Strategy 529 Portfolio	DFA International Small Company 529 Portfolio
Class A							
Ratio of net investment income to average net position*	4.60%	-0.04%	0.05%	3.26%	9.36%	-0.67%	3.97%
Ratio of expense to average net position**	0.67%	0.67%	0.07%	0.67%	0.67%	0.67%	0.67%
Total return ***	19.20%	-0.70%	0.04%	0.45%	21.18%	-7.29%	3.79%
Class B							
Ratio of net investment income to average net position*	3.85%	-0.79%	0.05%	2.51%	8.61%	-1.42%	3.22%
Ratio of expense to average net position**	1.42%	1.41%	0.07%	1.42%	1.42%	1.42%	1.41%
Total return ***	18.25%	-1.40%	0.04%	-0.27%	20.34%	-7.93%	3.02%
Class C							
Ratio of net investment income to average net position*	4.35%	-0.29%	0.05%	3.01%	9.12%	-0.92%	3.72%
Ratio of expense to average net position**	0.92%	0.92%	0.07%	0.92%	0.92%	0.92%	0.92%
Total return ***	18.86%	-1.00%	0.04%	0.27%	20.93%	-7.53%	3.56%
Class F							
Ratio of net investment income to average net position*	4.85%	0.21%	0.05%	3.51%	9.61%	-0.42%	4.22%
Ratio of expense to average net position**	0.42%	0.42%	0.07%	0.42%	0.42%	0.42%	0.42%
Total return ***	19.48%	-0.40%	0.04%	0.71%	21.51%	-7.03%	4.02%

* 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 Advisor Plan

Financial Highlights by Portfolio

For the Year Ended September 30, 2014

	Portfolio						
	Fidelity Advisor Investment Grade Bond 529 Portfolio	Lazard Emerging Markets Equity 529 Portfolio	Lord Abbett Developing Growth 529 Portfolio	Neuberger Berman International Large Cap 529 Portfolio	Northern Fund Bond Index 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio
Class A							
Ratio of net investment income to average net position*	1.83%	3.71%	14.51%	0.56%	2.13%	1.54%	1.18%
Ratio of expense to average net position**	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%
Total return ***	3.59%	3.74%	1.43%	1.11%	3.26%	18.90%	3.21%
Class B							
Ratio of net investment income to average net position*	1.09%	2.96%	13.76%	-0.20%	1.38%	0.79%	0.43%
Ratio of expense to average net position**	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Total return ***	2.89%	2.99%	0.66%	0.41%	2.38%	17.97%	2.49%
Class C							
Ratio of net investment income to average net position*	1.58%	3.46%	14.26%	0.31%	1.88%	1.29%	0.93%
Ratio of expense to average net position**	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%
Total return ***	3.39%	3.50%	1.20%	0.88%	3.00%	18.59%	3.00%
Class F							
Ratio of net investment income to average net position*	2.18%	3.96%	14.76%	0.81%	2.38%	1.79%	1.43%
Ratio of expense to average net position**	0.32%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Total return ***	4.09%	4.08%	1.72%	1.42%	3.54%	19.19%	3.50%

* 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 Advisor Plan

Financial Highlights by Portfolio

For the Year Ended September 30, 2014

	Portfolio						
	Northern Funds Mid Cap Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	PIMCO Short-Term 529 Portfolio	PIMCO Total Return 529 Portfolio	T. Rowe Price Balanced 529 Portfolio	T. Rowe Price Institutional Large-Cap Growth 529 Portfolio	T. Rowe Price Real Estate 529 Portfolio
Class A							
Ratio of net investment income to average net position*	3.09%	3.85%	0.40%	2.11%	5.17%	-0.63%	1.67%
Ratio of expense to average net position**	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%
Total return ***	10.90%	3.07%	0.97%	2.59%	10.10%	16.28%	13.61%
Class B							
Ratio of net investment income to average net position*	2.34%	3.10%	-0.10%	1.36%	4.42%	-1.38%	0.92%
Ratio of expense to average net position**	1.42%	1.42%	1.17%	1.42%	1.42%	1.42%	1.42%
Total return ***	10.11%	2.28%	0.49%	1.92%	9.23%	15.41%	12.73%
Class C							
Ratio of net investment income to average net position*	2.84%	3.60%	0.15%	1.86%	4.92%	-0.88%	1.42%
Ratio of expense to average net position**	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%
Total return ***	10.62%	2.85%	0.69%	2.34%	9.82%	15.93%	13.27%
Class F							
Ratio of net investment income to average net position*	3.34%	4.10%	0.65%	2.36%	5.42%	-0.38%	1.92%
Ratio of expense to average net position**	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Total return ***	11.12%	3.35%	1.35%	2.83%	10.31%	16.56%	13.94%

* 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 Advisor Plan

Financial Highlights by Portfolio

For the Year Ended September 30, 2014

	Portfolio						
	Templeton International Bond 529 Portfolio	Touchtone High Yield 529 Portfolio	Voya Global Real Estate 529 Portfolio	William Blair Small Cap Value 529 Portfolio	CollegeCounts Conservative Money Market Fund	CollegeCounts Fixed Income Fund	CollegeCounts Fund 20
Class A							
Ratio of net investment income to average net position*	2.16%	4.68%	1.59%	6.16%	0.05%	0.01%	1.48%
Ratio of expense to average net position**	0.67%	0.67%	0.67%	0.67%	0.07%	0.67%	0.67%
Total return ***	2.58%	6.26%	6.16%	2.77%	0.04%	0.19%	3.86%
Class B							
Ratio of net investment income to average net position*	1.41%	3.93%	0.84%	5.41%	0.05%	-0.74%	0.73%
Ratio of expense to average net position**	1.42%	1.42%	1.42%	1.42%	0.07%	1.42%	1.42%
Total return ***	1.80%	5.53%	5.38%	1.98%	0.04%	-0.49%	3.07%
Class C							
Ratio of net investment income to average net position*	1.91%	4.43%	1.34%	5.91%	0.05%	-0.24%	1.23%
Ratio of expense to average net position**	0.92%	0.92%	0.92%	0.92%	0.07%	0.92%	0.92%
Total return ***	2.39%	5.99%	5.90%	2.47%	0.04%	-0.10%	3.63%
Class F							
Ratio of net investment income to average net position*	2.41%	4.93%	1.84%	6.41%	0.05%	0.26%	1.73%
Ratio of expense to average net position**	0.42%	0.42%	0.42%	0.42%	0.07%	0.42%	0.42%
Total return ***	2.87%	6.63%	6.42%	3.00%	0.04%	0.48%	4.14%

* 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 Advisor Plan

Financial Highlights by Portfolio

For the Year Ended September 30, 2014

	Portfolio			
	CollegeCounts Fund 40	CollegeCounts Fund 60	CollegeCounts Fund 80	CollegeCounts Fund 100
Class A				
Ratio of net investment income to average net position*	2.18%	2.46%	2.81%	3.11%
Ratio of expense to average net position**	0.67%	0.67%	0.67%	0.67%
Total return ***	5.67%	7.00%	8.62%	10.07%
Class B				
Ratio of net investment income to average net position*	1.43%	1.71%	2.06%	2.36%
Ratio of expense to average net position**	1.42%	1.42%	1.42%	1.42%
Total return ***	4.91%	6.16%	7.81%	9.28%
Class C				
Ratio of net investment income to average net position*	1.93%	2.21%	2.56%	2.86%
Ratio of expense to average net position**	0.92%	0.92%	0.92%	0.92%
Total return ***	5.48%	6.75%	8.33%	9.82%
Class F				
Ratio of net investment income to average net position*	2.43%	2.71%	3.06%	3.36%
Ratio of expense to average net position**	0.42%	0.42%	0.42%	0.42%
Total return ***	6.02%	7.24%	8.91%	10.40%

* 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 Advisor Plan
Schedule of Investments (Age-Based Target Portfolios)
September 30, 2014

Target Portfolios	Age of Beneficiary	Portfolio						
		CollegeCounts Conservative Money Market Fund	CollegeCounts Fixed Income Fund	CollegeCounts Fund 20	CollegeCounts Fund 40	CollegeCounts Fund 60	CollegeCounts Fund 80	CollegeCounts Fund 100
Age-Based Aggressive Portfolios				21 and over	17 - 20	13 - 16	9 - 12	newborn to 8
Age-Based Moderate Portfolios			21 and over	17 - 20	13 - 16	9 - 12	newborn to 8	
Age-Based Conservative Portfolios		21 and over	17 - 20	13 - 16	9 - 12	newborn to 8		
BlackRock Cash Funds		\$ 6,217,100	\$ 13,907,424	\$ 7,850,188	\$ -	\$ -	\$ -	\$ -
Money Market Total		<u>6,217,100</u>	<u>13,907,424</u>	<u>7,850,188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Credit Suisse Commodity Return Strategy Fund		-	-	781,186	3,002,186	4,029,012	3,509,665	2,276,727
Commodities Total		<u>-</u>	<u>-</u>	<u>781,186</u>	<u>3,002,186</u>	<u>4,029,012</u>	<u>3,509,665</u>	<u>2,276,727</u>
American Century Short Duration Inflation Protection Bond Fund		-	3,327,456	8,631,348	13,717,394	14,156,735	9,253,574	-
Northern Funds Bond Index Fund		-	1,109,150	11,764,935	22,977,331	18,180,810	5,646,511	-
PIMCO Short-Term Fund		-	8,318,640	18,026,874	15,275,160	10,132,806	-	-
PIMCO Total Return Fund		-	1,109,152	11,743,545	30,521,676	26,228,525	12,987,731	-
Templeton International Bond Fund		-	-	1,555,215	4,508,776	6,013,080	5,554,247	-
Touchstone High Yield Fund		-	-	3,122,731	4,509,596	6,005,112	3,714,193	-
Fixed Income Total		<u>-</u>	<u>13,864,398</u>	<u>54,844,648</u>	<u>91,509,933</u>	<u>80,717,068</u>	<u>37,156,256</u>	<u>-</u>
Voya Global Real Estate Fund		-	-	-	2,218,324	5,970,881	9,002,260	8,054,494
Real Estate Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>2,218,324</u>	<u>5,970,881</u>	<u>9,002,260</u>	<u>8,054,494</u>
Cohen & Steers Dividend Value Fund		-	-	2,703,870	9,746,636	17,932,163	21,106,691	15,889,212
Lord Abbett Developing Growth Fund		-	-	384,089	2,223,796	3,979,859	5,475,573	5,253,073
Northern Funds Mid Cap Index Fund		-	-	765,472	2,206,381	3,947,530	3,680,727	3,517,437
Northern Funds Small Cap Index Fund		-	-	377,991	2,195,495	3,916,635	5,399,791	4,038,814
Northern Funds Stock Index Fund		-	-	5,442,700	13,597,672	20,085,605	25,811,644	18,894,128
T. Rowe Price Institutional Large-Cap Growth Fund		-	-	1,947,525	8,338,106	18,123,057	21,256,956	18,347,305
Domestic Equity Total		<u>-</u>	<u>-</u>	<u>11,621,647</u>	<u>38,308,086</u>	<u>67,984,849</u>	<u>82,731,382</u>	<u>65,939,969</u>
DFA International Small Company Portfolio		-	-	-	-	3,930,085	5,301,178	4,569,549
Lazard Emerging Markets Equity Portfolio		-	-	-	2,187,074	5,857,877	8,838,238	7,912,767
Neuberger Berman International Large Cap Fund		-	-	1,543,971	8,993,649	17,834,307	21,857,998	17,527,785
Northern Funds International Equity Index Fund		-	-	1,541,522	5,217,853	13,835,141	14,393,089	10,492,810
International Equity Total		<u>-</u>	<u>-</u>	<u>3,085,493</u>	<u>16,398,576</u>	<u>41,457,410</u>	<u>50,390,503</u>	<u>40,502,911</u>
Fair Value of Investments, End of Year		<u>\$ 6,217,100</u>	<u>\$ 27,771,822</u>	<u>\$ 78,183,162</u>	<u>\$ 151,437,105</u>	<u>\$ 200,159,220</u>	<u>\$ 182,790,066</u>	<u>\$ 116,774,101</u>
Fair Value of Investments, End of Year Plus Cash, Receivables and Accrued		\$ 6,217,100	\$ 27,771,822	\$ 78,183,162	\$ 151,437,105	\$ 200,159,220	\$ 182,790,066	\$ 116,774,101
Investment Income		2,469	71,186	367,372	125,840	289,741	251,480	102,157
Less Payables and Accrued Expenses		(2,157)	(89,148)	(142,273)	(422,161)	(324,617)	(455,111)	(306,895)
Fiduciary Net Position Held in Trust, End of Year		<u>\$ 6,217,412</u>	<u>\$ 27,753,860</u>	<u>\$ 78,408,261</u>	<u>\$ 151,140,784</u>	<u>\$ 200,124,344</u>	<u>\$ 182,586,435</u>	<u>\$ 116,569,363</u>

CollegeCounts 529 Fund Advisor Plan
Combining Schedule of Fiduciary Net Position
September 30, 2014

	CollegeCounts 529 Fund	CollegeCounts 529 Fund Advisor Plan	Eliminations	Combined Totals
Assets				
Investments, at fair value	\$ 227,456,582	\$ 979,380,954	\$ -	\$ 1,206,837,536
Cash	984,167	572,552	-	1,556,719
Receivables for contributions	71,519	513,254	-	584,773
Accrued investment income	94,675	461,840	-	556,515
	<u>228,606,943</u>	<u>980,928,600</u>	<u>-</u>	<u>1,209,535,543</u>
Total assets				
Liabilities				
Distributions payable to shareholders	23	96	-	119
Withdrawals payable	13,688	510,962	-	524,650
Accrued expenses	132,190	1,564,832	-	1,697,022
	<u>145,901</u>	<u>2,075,890</u>	<u>-</u>	<u>2,221,791</u>
Total liabilities				
Fiduciary Net Position Held in Trust	<u>\$ 228,461,042</u>	<u>\$ 978,852,710</u>	<u>\$ -</u>	<u>\$ 1,207,313,752</u>

CollegeCounts 529 Fund Advisor Plan
Combining Schedule of Changes in Fiduciary Net Position
For the Year Ended September 30, 2014

	CollegeCounts 529 Fund	CollegeCounts 529 Fund Advisor Plan	Eliminations	Combined Totals
Additions				
Contributions	\$ 50,258,869	\$ 122,379,027	\$ (23,448,698)	\$ 149,189,198
Investment income				
Dividends and interest	4,611,705	32,516,496	-	37,128,201
Total additions	<u>54,870,574</u>	<u>154,895,523</u>	<u>(23,448,698)</u>	<u>186,317,399</u>
Deductions				
Withdrawals	11,907,819	99,372,085	(23,448,698)	87,831,206
Management fees	504,358	7,536,589	-	8,040,947
Total deductions	<u>12,412,177</u>	<u>106,908,674</u>	<u>(23,448,698)</u>	<u>95,872,153</u>
Net Realized Gain and Net Appreciation in Fair Value of Investments	<u>13,422,883</u>	<u>41,339,179</u>	<u>-</u>	<u>54,762,062</u>
Net Increase	55,881,280	89,326,028	-	145,207,308
Fiduciary Net Position Held in Trust, Beginning of Year	<u>172,579,762</u>	<u>889,526,682</u>	<u>-</u>	<u>1,062,106,444</u>
Fiduciary Net Position Held in Trust, End of Year	<u>\$ 228,461,042</u>	<u>\$ 978,852,710</u>	<u>\$ -</u>	<u>\$ 1,207,313,752</u>

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 the CollegeCounts 529 Fund Advisor Plan
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 Advisor Plan (the Plan), which comprise the statement of fiduciary net position as of September 30, 2014, and the related statements 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 December 11, 2014.

Internal Control Over Financial Reporting

Management of the Plan is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the Plan's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. 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 of 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 communication 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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Lincoln, Nebraska
December 11, 2014

Independent Accountant's Report

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

We have examined CollegeCounts 529 Fund Advisor Plan's (the Plan) compliance with the Program Management Fee as defined in section 8(a) of the Program Management Agreement dated July 1, 2010, during the year ended September 30, 2014. Management is responsible for the Plan's compliance with the provisions of the agreement. Our responsibility is to express an opinion on the Plan's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the compliance of the Plan with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Plan's compliance with specified requirements.

In our opinion, the Plan complied, in all material respects, with the aforementioned provisions for the year ended September 30, 2014.

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 these specified parties.

BKD, LLP

Lincoln, Nebraska
December 11, 2014