



# CollegeCounts

**ADVISOR-GUIDED 529 FUND**

Auditor's Report and Financial Statements

**September 30, 2017**



Offered by the  
State of Alabama

UBT 529 Fund Services a Division of

**UBT**  
Union Bank & Trust

*Program Manager*

**CollegeCounts 529 Fund Advisor Plan**  
**September 30, 2017**

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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, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the College Counts 529 Fund Advisor Plan'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 fiduciary net position of the CollegeCounts 529 Fund Advisor Plan as of September 30, 2017, 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.

## ***Other Matters***

### ***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 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 Advisor Plan's basic financial statements. The supplementary schedules 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 supplementary schedule information is the responsibility of management and was derived from and relates 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 supplementary schedule information is 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 February 6, 2018, 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 the CollegeCounts 529 Fund Advisor Plan's internal control over financial reporting and compliance.

**BKD, LLP**

Lincoln, Nebraska  
February 6, 2018

## **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, 2017, 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 \$1,171.9 million in net position as of September 30, 2017. 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 Funds, MainStay, Cohen & Steers, Neuberger Berman, Lazard, Fidelity, American Century, Credit Suisse, DFA, State Street, Templeton, Touchstone, Voya and William Blair Funds.

### **Financial Highlights**

The following financial highlights occurred during the years ending September 30, 2017 and 2016:

- The Plan had contributions of \$128.2 million and withdrawals of \$121.6 million during 2017 and contributions of \$112.3 million and withdrawals of \$105.9 million during 2016, with an increase of 14.2% in contributions and an increase of 14.8% in withdrawals during 2017;
- At September 30, 2017, the Plan's net position totaled \$1,171.9 million, an increase of \$117.7 million, or 11.2% since September 30, 2016;
- The Plan earned \$36.9 million and \$31.5 million from investment income and recognized \$82.6 million and \$55.6 million from net realized gain and net appreciation in fair value of investments during 2017 and 2016, respectively. The Plan incurred \$8.4 million and \$7.7 million, respectively, for operating expenses during 2017 and 2016.

### **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, 2017. 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, 2017, 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, 2017, 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>2017</u>            | <u>2016</u>            |
|----------------------------|------------------------|------------------------|
| Total Assets               | \$1,174,873,235        | \$1,057,542,256        |
| Less Total Liabilities     | <u>2,994,318</u>       | <u>3,329,277</u>       |
| Net Position Held in Trust | <u>\$1,171,878,917</u> | <u>\$1,054,212,979</u> |

Investments make up more than 100% of total net position, and consist of 36 Investment Portfolios in 2017 and 2016, 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 \$117.3 million, or 11.1%, from September 30, 2016 to September 30, 2017 due primarily to net contributions (participant contributions less redemptions and withdrawals) of \$6.6 million and increases from operations (investment income and net realized gain and appreciation in fair value of investments) of \$119.5 million and expenses of \$8.4 million. Total liabilities decreased \$0.3 million due primarily to the timing of withdrawals requested by participants and amounts payable 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>2017</u>            | <u>2016</u>            |
|--|------------------------|------------------------|
| Total Additions  | \$ 165,018,426         | \$ 143,799,734         |
| Total Deductions   | 129,981,532            | 113,572,065            |
| Net Realized Gain and Net Appreciation<br>in Fair Value of Investments | <u>82,629,044</u>      | <u>55,610,723</u>      |
| Net Increase   | 117,665,938            | 85,838,392             |
| Net Position Held in Trust, Beginning of Year                          | <u>1,054,212,979</u>   | <u>968,374,587</u>     |
| Net Position Held in Trust, End of Year                                | <u>\$1,171,878,917</u> | <u>\$1,054,212,979</u> |

Total additions increased \$21.2 million or 14.8%, due to an increase in investment income of \$5.3 million and an increase in contributions of \$15.9 million. Total deductions increased \$16.4 million or 14.4%, due to an increase in withdrawals and redemptions of \$15.7 million and an increase in fees of \$0.7 million. Net realized gains and appreciation in fair value of investments was \$82.6 million and \$55.6 million for the years ended September 30, 2017 and 2016, 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, 2017**

**Fiduciary Assets**

|                               |                      |
|-------------------------------|----------------------|
| Investments, at fair value    | \$ 1,171,940,015     |
| Cash                          | 266,105              |
| Receivables for contributions | 1,891,781            |
| Accrued investment income     | <u>775,334</u>       |
| Total fiduciary assets        | <u>1,174,873,235</u> |

**Liabilities**

|                                       |                  |
|---------------------------------------|------------------|
| Distributions payable to shareholders | 2,247            |
| Withdrawals payable                   | 1,410,731        |
| Accrued expenses                      | <u>1,581,340</u> |
| Total liabilities                     | <u>2,994,318</u> |

**Fiduciary Net Position Held in Trust** \$ 1,171,878,917



**CollegeCounts 529 Fund Advisor Plan**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended September 30, 2017**

|  |                                |
|--|--------------------------------|
| <b>Additions</b>   |                                |
| Contributions  | \$ 128,167,174                 |
| Investment income  |                                |
| Dividends and interest   | <u>36,851,252</u>              |
| Total additions  | <u>165,018,426</u>             |
| <b>Deductions</b>  |                                |
| Withdrawals  | 121,559,323                    |
| Management and administrative fees   | <u>8,422,209</u>               |
| Total deductions   | <u>129,981,532</u>             |
| <b>Net Realized Gain and Net Appreciation in Fair Value of Investments</b> | <u>82,629,044</u>              |
| <b>Net Increase</b>  | 117,665,938                    |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>             | <u>1,054,212,979</u>           |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                   | <u><u>\$ 1,171,878,917</u></u> |

# **CollegeCounts 529 Fund Advisor Plan**

## **Notes to the Financial Statements**

### **September 30, 2017**

#### **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 [CollegeCounts529advisor.com](http://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 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 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.

In addition, the Program Manager has entered into a distribution agreement with Northern Trust Securities, Inc., under which Northern Trust Securities, Inc. acts as Distributor for the Plan.

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**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.

***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.

# CollegeCounts 529 Fund Advisor Plan

## Notes to the Financial Statements

### September 30, 2017

#### Note 2: Significant Accounting Policies - Continued

##### ***Contributions - Continued***

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, BlackRock, T. Rowe Price, Northern Funds, Fidelity, American Century, William Blair Funds, Lazard, Neuberger Berman, MainStay, Cohen & Steers, Credit Suisse, DFA, Voya, State Street, 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, 2017.

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 (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.

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, 2017

#### **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 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 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 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 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, 2017

#### Note 3: Investments

The Underlying Fund allocations at September 30, 2017, are as follows:

| Portfolio   | Investment   | Balance           |
|---|--|-------------------|
| American Century Equity Growth 529 Portfolio                            | American Century Equity Growth Fund                            | \$ 5,657,905      |
| American Century Short Duration Inflation Protection Bond 529 Portfolio | American Century Short Duration Inflation Protection Bond Fund | 1,505,875         |
| BlackRock Inflation Protected Bond 529 Portfolio                        | BlackRock Inflation Protected Bond Portfolio                   | 2,005,546         |
| Cohen & Steers Dividend Value 529 Portfolio                             | Cohen & Steers Dividend Value Fund                             | 33,119,616        |
| Credit Suisse Commodity Return Strategy 529 Portfolio                   | Credit Suisse Commodity Return Strategy Fund                   | 733,417           |
| DFA International Small Company 529 Portfolio                           | DFA International Small Company Portfolio                      | 1,893,695         |
| Fidelity Advisor Investment Grade Bond 529 Portfolio                    | Fidelity Advisor Investment Grade Bond Fund                    | 1,681,715         |
| Lazard Emerging Markets Equity 529 Portfolio                            | Lazard Emerging Markets Equity Portfolio                       | 7,069,753         |
| MainStay Total Return Bond 529 Portfolio                                | MainStay Total Return Bond Fund                                | 1,519,214         |
| Neuberger Berman International Large Cap 529 Portfolio                  | Neuberger Berman International Large Cap Fund                  | 10,408,945        |
| Northern Funds Bond Index 529 Portfolio                                 | Northern Funds Bond Index Fund                                 | 14,997,790        |
| Northern Funds Stock Index 529 Portfolio                                | Northern Funds Stock Index Fund                                | 21,748,117        |
| Northern Funds International Equity Index 529 Portfolio                 | Northern Funds International Equity Index Fund                 | 9,131,886         |
| Northern Funds Mid Cap Index 529 Portfolio                              | Northern Funds Mid Cap Index Fund                              | 23,932,851        |
| Northern Funds Small Cap Index 529 Portfolio                            | Northern Funds Small Cap Index Fund                            | 6,523,693         |
| PIMCO Short-Term 529 Portfolio  | PIMCO Short-Term Fund  | 11,097,513        |
| State Street U.S. Government Money Market 529 Portfolio                 | State Street Institutional U.S. Government Money Market Fund   | 16,354,445        |
| T. Rowe Price Balanced 529 Portfolio                                    | T. Rowe Price Balanced Fund                                    | 49,388,610        |
| T. Rowe Price Large-Cap Growth 529 Portfolio                            | T. Rowe Price Institutional Large-Cap Growth Fund              | 24,298,319        |
| T. Rowe Price Real Estate 529 Portfolio                                 | T. Rowe Price Real Estate Fund                                 | 3,320,294         |
| T. Rowe Price QM U.S. Small-Cap Growth Equity 529 Portfolio             | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 4,850,640         |
| Templeton International Bond 529 Portfolio                              | Templeton International Bond Fund                              | 1,069,269         |
| Touchstone High Yield 529 Portfolio                                     | Touchstone High Yield Fund                                     | 2,462,930         |
| Voya Global Real Estate 529 Portfolio                                   | Voya Global Real Estate Fund                                   | 768,603           |
| William Blair Small Cap Value 529 Portfolio                             | William Blair Small Cap Value Fund                             | 12,491,480        |
| CollegeCounts Fixed Income Fund   | State Street Institutional U.S. Government Money Market Fund   | 6,782,868         |
| CollegeCounts Fixed Income Fund   | American Century Short Duration Inflation Protection Bond Fund | 2,032,563         |
| CollegeCounts Fixed Income Fund   | MainStay Total Return Bond Fund                                | 945,926           |
| CollegeCounts Fixed Income Fund   | Northern Funds Bond Index Fund                                 | 1,082,040         |
| CollegeCounts Fixed Income Fund   | PIMCO Short-Term Fund  | 2,719,522         |
| <b>Total CollegeCounts Fixed Income Fund</b>                            |  | <b>13,562,919</b> |
| CollegeCounts Fund 10   | State Street Institutional U.S. Government Money Market Fund   | 13,535,027        |
| CollegeCounts Fund 10   | American Century Short Duration Inflation Protection Bond Fund | 8,230,183         |
| CollegeCounts Fund 10   | Mainstay Total Return Bond Fund                                | 7,054,443         |
| CollegeCounts Fund 10   | Northern Funds Bond Index Fund                                 | 7,649,634         |
| CollegeCounts Fund 10   | PIMCO Short-Term Fund  | 12,959,631        |
| CollegeCounts Fund 10   | Templeton International Bond Fund                              | 1,764,260         |
| CollegeCounts Fund 10   | Touchstone High Yield Fund                                     | 1,766,651         |
| CollegeCounts Fund 10   | Cohen & Steers Dividend Value Fund                             | 1,185,106         |
| CollegeCounts Fund 10   | Northern Funds Mid Cap Index Fund                              | 598,577           |
| CollegeCounts Fund 10   | Northern Funds Stock Index Fund                                | 1,774,301         |
| CollegeCounts Fund 10   | T. Rowe Price Institutional Large-Cap Growth Fund              | 1,186,107         |
| CollegeCounts Fund 10   | Neuberger Berman International Large Cap Fund                  | 595,019           |
| CollegeCounts Fund 10   | Northern Funds International Equity Index Fund                 | 591,798           |
| <b>Total CollegeCounts Fund 10</b>                                      |  | <b>58,890,737</b> |

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**Note 3: Investments - Continued**

| Portfolio                          | Investment   | Balance            |
|------------------------------------|--|--------------------|
| CollegeCounts Fund 20              | State Street Institutional U.S. Government Money Market Fund   | \$ 9,184,664       |
| CollegeCounts Fund 20              | Credit Suisse Commodity Return Strategy Fund                   | 1,016,268          |
| CollegeCounts Fund 20              | American Century Short Duration Inflation Protection Bond Fund | 11,207,482         |
| CollegeCounts Fund 20              | Mainstay Total Return Bond Fund                                | 12,192,874         |
| CollegeCounts Fund 20              | Northern Funds Bond Index Fund                                 | 13,224,427         |
| CollegeCounts Fund 20              | PIMCO Short-Term Fund  | 25,522,946         |
| CollegeCounts Fund 20              | Templeton International Bond Fund                              | 5,092,327          |
| CollegeCounts Fund 20              | Touchstone High Yield Fund                                     | 5,112,098          |
| CollegeCounts Fund 20              | Voya Global Real Estate Fund                                   | 1,020,908          |
| CollegeCounts Fund 20              | Cohen & Steers Dividend Value Fund                             | 3,071,509          |
| CollegeCounts Fund 20              | Northern Funds Mid Cap Index Fund                              | 2,056,441          |
| CollegeCounts Fund 20              | Northern Funds Stock Index Fund                                | 6,158,609          |
| CollegeCounts Fund 20              | T. Rowe Price Institutional Large-Cap Growth Fund              | 3,094,748          |
| CollegeCounts Fund 20              | Neuberger Berman International Large Cap Fund                  | 2,067,093          |
| CollegeCounts Fund 20              | Northern Funds International Equity Index Fund                 | 2,060,655          |
| <b>Total CollegeCounts Fund 20</b> |  | <b>102,083,049</b> |
| CollegeCounts Fund 30              | Credit Suisse Commodity Return Strategy Fund                   | 1,201,577          |
| CollegeCounts Fund 30              | American Century Short Duration Inflation Protection Bond Fund | 15,753,383         |
| CollegeCounts Fund 30              | Mainstay Total Return Bond Fund                                | 14,501,584         |
| CollegeCounts Fund 30              | Northern Funds Bond Index Fund                                 | 15,727,139         |
| CollegeCounts Fund 30              | PIMCO Short-Term Fund  | 26,766,315         |
| CollegeCounts Fund 30              | Templeton International Bond Fund                              | 6,064,318          |
| CollegeCounts Fund 30              | Touchstone High Yield Fund                                     | 6,079,692          |
| CollegeCounts Fund 30              | Voya Global Real Estate Fund                                   | 1,216,058          |
| CollegeCounts Fund 30              | Cohen & Steers Dividend Value Fund                             | 4,884,180          |
| CollegeCounts Fund 30              | Northern Funds Mid Cap Index Fund                              | 2,462,472          |
| CollegeCounts Fund 30              | Northern Funds Small Cap Value Fund                            | 1,252,874          |
| CollegeCounts Fund 30              | Northern Funds Stock Index Fund                                | 8,569,036          |
| CollegeCounts Fund 30              | T. Rowe Price Institutional Large-Cap Growth Fund              | 4,934,278          |
| CollegeCounts Fund 30              | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 1,233,481          |
| CollegeCounts Fund 30              | Lazard Emerging Markets Equity Portfolio                       | 1,210,509          |
| CollegeCounts Fund 30              | Neuberger Berman International Large Cap Fund                  | 4,908,033          |
| CollegeCounts Fund 30              | Northern Funds International Equity Index Fund                 | 4,892,787          |
| <b>Total CollegeCounts Fund 30</b> |  | <b>121,657,716</b> |
| CollegeCounts Fund 40              | Credit Suisse Commodity Return Strategy Fund                   | 2,720,950          |
| CollegeCounts Fund 40              | American Century Short Duration Inflation Protection Bond Fund | 12,336,377         |
| CollegeCounts Fund 40              | Mainstay Total Bond Fund                                       | 19,199,937         |
| CollegeCounts Fund 40              | Northern Bond Index Fund                                       | 15,095,077         |
| CollegeCounts Fund 40              | PIMCO Short-Term Fund  | 19,237,521         |
| CollegeCounts Fund 40              | Templeton International Bond Fund                              | 8,223,565          |
| CollegeCounts Fund 40              | Touchstone High Yield Fund                                     | 8,257,145          |
| CollegeCounts Fund 40              | Voya Global Real Estate Fund                                   | 2,751,548          |
| CollegeCounts Fund 40              | Cohen & Steers Dividend Value Fund                             | 8,298,986          |
| CollegeCounts Fund 40              | Northern Funds Mid Cap Index Fund                              | 4,186,896          |
| CollegeCounts Fund 40              | Northern Funds Small Cap Value Fund                            | 1,421,111          |
| CollegeCounts Fund 40              | Northern Funds Stock Index Fund                                | 11,070,705         |
| CollegeCounts Fund 40              | T. Rowe Price Institutional Large-Cap Growth Fund              | 8,358,097          |
| CollegeCounts Fund 40              | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 1,395,130          |
| CollegeCounts Fund 40              | Lazard Emerging Markets Equity Portfolio                       | 1,364,089          |

# CollegeCounts 529 Fund Advisor Plan

## Notes to the Financial Statements

### September 30, 2017

#### Note 3: Investments - Continued

| Portfolio                   | Investment   | Balance            |
|-----------------------------|--|--------------------|
| CollegeCounts Fund 40       | Neuberger Berman International Large Cap Fund                  | \$ 8,334,074       |
| CollegeCounts Fund 40       | Northern Funds International Equity Index Fund                 | 5,529,537          |
| Total CollegeCounts Fund 40 |  | <u>137,780,745</u> |
| CollegeCounts Fund 50       | Credit Suisse Commodity Return Strategy Fund                   | 1,201,629          |
| CollegeCounts Fund 50       | American Century Short Duration Inflation Protection Bond Fund | 4,813,398          |
| CollegeCounts Fund 50       | Mainstay Total Bond Fund                                       | 16,778,620         |
| CollegeCounts Fund 50       | Northern Bond Index Fund                                       | 10,799,147         |
| CollegeCounts Fund 50       | PIMCO Short-Term Fund  | 13,260,643         |
| CollegeCounts Fund 50       | Templeton International Bond Fund                              | 7,209,776          |
| CollegeCounts Fund 50       | Touchstone High Yield Fund                                     | 7,241,349          |
| CollegeCounts Fund 50       | Voya Global Real Estate Fund                                   | 2,405,578          |
| CollegeCounts Fund 50       | Cohen & Steers Dividend Value Fund                             | 8,472,297          |
| CollegeCounts Fund 50       | Northern Funds Mid Cap Index Fund                              | 7,287,462          |
| CollegeCounts Fund 50       | Northern Funds Small Cap Value Fund                            | 1,238,510          |
| CollegeCounts Fund 50       | Northern Funds Stock Index Fund                                | 12,136,657         |
| CollegeCounts Fund 50       | T. Rowe Price Institutional Large-Cap Growth Fund              | 8,496,246          |
| CollegeCounts Fund 50       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 1,234,060          |
| CollegeCounts Fund 50       | Lazard Emerging Markets Equity Portfolio                       | 2,373,261          |
| CollegeCounts Fund 50       | Neuberger Berman International Large Cap Fund                  | 9,750,305          |
| CollegeCounts Fund 50       | Northern Funds International Equity Index Fund                 | 6,083,547          |
| Total CollegeCounts Fund 50 |  | <u>120,782,485</u> |
| CollegeCounts Fund 60       | Credit Suisse Commodity Return Strategy Fund                   | 2,069,871          |
| CollegeCounts Fund 60       | American Century Short Duration Inflation Protection Bond Fund | 4,167,932          |
| CollegeCounts Fund 60       | Mainstay Total Bond Fund                                       | 10,443,303         |
| CollegeCounts Fund 60       | Northern Bond Index Fund                                       | 7,312,565          |
| CollegeCounts Fund 60       | PIMCO Short-Term Fund  | 9,415,843          |
| CollegeCounts Fund 60       | Templeton International Bond Fund                              | 5,218,844          |
| CollegeCounts Fund 60       | Touchstone High Yield Fund                                     | 5,227,810          |
| CollegeCounts Fund 60       | Voya Global Real Estate Fund                                   | 3,154,094          |
| CollegeCounts Fund 60       | Cohen & Steers Dividend Value Fund                             | 8,400,885          |
| CollegeCounts Fund 60       | Northern Funds Mid Cap Index Fund                              | 6,354,592          |
| CollegeCounts Fund 60       | Northern Funds Small Cap Value Fund                            | 2,156,040          |
| CollegeCounts Fund 60       | Northern Funds Stock Index Fund                                | 10,520,460         |
| CollegeCounts Fund 60       | T. Rowe Price Institutional Large-Cap Growth Fund              | 8,498,812          |
| CollegeCounts Fund 60       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 2,122,284          |
| CollegeCounts Fund 60       | DFA International Small Company Fund                           | 2,105,234          |
| CollegeCounts Fund 60       | Lazard Emerging Markets Equity Portfolio                       | 3,153,113          |
| CollegeCounts Fund 60       | Neuberger Berman International Large Cap Fund                  | 8,471,641          |
| CollegeCounts Fund 60       | Northern Funds International Equity Index Fund                 | 6,315,252          |
| Total CollegeCounts Fund 60 |  | <u>105,108,575</u> |
| CollegeCounts Fund 70       | Credit Suisse Commodity Return Strategy Fund                   | 2,045,227          |
| CollegeCounts Fund 70       | American Century Short Duration Inflation Protection Bond Fund | 2,748,859          |
| CollegeCounts Fund 70       | Mainstay Total Bond Fund                                       | 4,795,898          |
| CollegeCounts Fund 70       | Northern Bond Index Fund                                       | 3,429,433          |
| CollegeCounts Fund 70       | PIMCO Short-Term Fund  | 4,134,756          |
| CollegeCounts Fund 70       | Templeton International Bond Fund                              | 2,751,941          |
| CollegeCounts Fund 70       | Touchstone High Yield Fund                                     | 2,758,833          |
| CollegeCounts Fund 70       | Voya Global Real Estate Fund                                   | 2,755,230          |
| CollegeCounts Fund 70       | Cohen & Steers Dividend Value Fund                             | 6,198,821          |



**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**Note 3: Investments - Continued**

| Portfolio                   | Investment   | Balance           |
|-----------------------------|--|-------------------|
| CollegeCounts Fund 70       | Northern Funds Mid Cap Index Fund                              | \$ 4,837,208      |
| CollegeCounts Fund 70       | Northern Funds Small Cap Value Fund                            | 1,388,701         |
| CollegeCounts Fund 70       | Northern Funds Stock Index Fund                                | 7,604,297         |
| CollegeCounts Fund 70       | T. Rowe Price Institutional Large-Cap Growth Fund              | 6,245,677         |
| CollegeCounts Fund 70       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 1,389,147         |
| CollegeCounts Fund 70       | DFA International Small Company Fund                           | 2,084,287         |
| CollegeCounts Fund 70       | Lazard Emerging Markets Equity Portfolio                       | 2,050,221         |
| CollegeCounts Fund 70       | Neuberger Berman International Large Cap Fund                  | 6,934,447         |
| CollegeCounts Fund 70       | Northern Funds International Equity Index Fund                 | 4,844,952         |
| Total CollegeCounts Fund 70 |  | <u>68,997,935</u> |
| CollegeCounts Fund 80       | Credit Suisse Commodity Return Strategy Fund                   | 1,626,420         |
| CollegeCounts Fund 80       | American Century Short Duration Inflation Protection Bond Fund | 2,455,499         |
| CollegeCounts Fund 80       | Mainstay Total Bond Fund                                       | 3,279,671         |
| CollegeCounts Fund 80       | Northern Bond Index Fund                                       | 2,457,882         |
| CollegeCounts Fund 80       | PIMCO Short-Term Fund  | 3,286,094         |
| CollegeCounts Fund 80       | Templeton International Bond Fund                              | 2,457,889         |
| CollegeCounts Fund 80       | Touchstone High Yield Fund                                     | 2,460,724         |
| CollegeCounts Fund 80       | Voya Global Real Estate Fund                                   | 2,480,657         |
| CollegeCounts Fund 80       | Cohen & Steers Dividend Value Fund                             | 9,104,592         |
| CollegeCounts Fund 80       | Northern Funds Mid Cap Index Fund                              | 6,690,972         |
| CollegeCounts Fund 80       | Northern Funds Small Cap Value Fund                            | 2,553,481         |
| CollegeCounts Fund 80       | Northern Funds Stock Index Fund                                | 10,763,425        |
| CollegeCounts Fund 80       | T. Rowe Price Institutional Large-Cap Growth Fund              | 9,191,823         |
| CollegeCounts Fund 80       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 2,511,460         |
| CollegeCounts Fund 80       | DFA International Small Company Fund                           | 2,489,753         |
| CollegeCounts Fund 80       | Lazard Emerging Markets Equity Portfolio                       | 3,312,173         |
| CollegeCounts Fund 80       | Neuberger Berman International Large Cap Fund                  | 9,178,144         |
| CollegeCounts Fund 80       | Northern Funds International Equity Index Fund                 | 6,634,277         |
| Total CollegeCounts Fund 80 |  | <u>82,934,936</u> |
| CollegeCounts Fund 90       | Credit Suisse Commodity Return Strategy Fund                   | 565,862           |
| CollegeCounts Fund 90       | American Century Short Duration Inflation Protection Bond Fund | 567,607           |
| CollegeCounts Fund 90       | Mainstay Total Bond Fund                                       | 567,623           |
| CollegeCounts Fund 90       | Northern Bond Index Fund                                       | 568,155           |
| CollegeCounts Fund 90       | PIMCO Short-Term Fund  | 568,732           |
| CollegeCounts Fund 90       | Templeton International Bond Fund                              | 284,198           |
| CollegeCounts Fund 90       | Touchstone High Yield Fund                                     | 285,352           |
| CollegeCounts Fund 90       | Voya Global Real Estate Fund                                   | 1,139,982         |
| CollegeCounts Fund 90       | Cohen & Steers Dividend Value Fund                             | 3,403,986         |
| CollegeCounts Fund 90       | Northern Funds Mid Cap Index Fund                              | 2,276,383         |
| CollegeCounts Fund 90       | Northern Funds Small Cap Value Fund                            | 854,425           |
| CollegeCounts Fund 90       | Northern Funds Stock Index Fund                                | 4,556,100         |
| CollegeCounts Fund 90       | T. Rowe Price Institutional Large-Cap Growth Fund              | 3,429,669         |
| CollegeCounts Fund 90       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             | 854,653           |
| CollegeCounts Fund 90       | DFA International Small Company Fund                           | 1,149,162         |
| CollegeCounts Fund 90       | Lazard Emerging Markets Equity Portfolio                       | 1,124,158         |
| CollegeCounts Fund 90       | Neuberger Berman International Large Cap Fund                  | 3,724,062         |
| CollegeCounts Fund 90       | Northern Funds International Equity Index Fund                 | 2,570,265         |
| Total CollegeCounts Fund 90 |  | <u>28,490,374</u> |

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**Note 3: Investments - Continued**

| Portfolio                    | Investment   | Balance                |
|------------------------------|--|------------------------|
| CollegeCounts Fund 100       | Credit Suisse Commodity Return Strategy Fund       | \$ 1,242,332           |
| CollegeCounts Fund 100       | Voya Global Real Estate Fund                       | 3,148,911              |
| CollegeCounts Fund 100       | Cohen & Steers Dividend Value Fund                 | 7,651,785              |
| CollegeCounts Fund 100       | Northern Funds Mid Cap Index Fund                  | 6,433,878              |
| CollegeCounts Fund 100       | Northern Funds Small Cap Value Fund                | 1,984,934              |
| CollegeCounts Fund 100       | Northern Funds Stock Index Fund                    | 10,176,871             |
| CollegeCounts Fund 100       | T. Rowe Price Institutional Large-Cap Growth Fund  | 8,238,903              |
| CollegeCounts Fund 100       | T. Rowe Price QM U.S. Small-Cap Growth Equity Fund | 1,940,036              |
| CollegeCounts Fund 100       | DFA International Small Company Fund               | 3,198,021              |
| CollegeCounts Fund 100       | Lazard Emerging Markets Equity Portfolio           | 3,105,242              |
| CollegeCounts Fund 100       | Neuberger Berman International Large Cap Fund      | 9,510,007              |
| CollegeCounts Fund 100       | Northern Funds International Equity Index Fund     | <u>6,987,503</u>       |
| Total CollegeCounts Fund 100 |  | <u>63,618,423</u>      |
|                              |  | <u>\$1,171,940,015</u> |

The following table reconciles the fair value of investments to the net position held in trust at September 30, 2017:

|   |                         |
|---|-------------------------|
| Fair value of investments, end of year  | \$ 1,171,940,015        |
| Plus cash and accrued investment income | 2,933,220               |
| Less payables and accrued expenses      | <u>(2,994,318)</u>      |
| Net position held in trust, end of year | <u>\$ 1,171,878,917</u> |

The following table calculates the net realized gain and net appreciation in the value of investments for the year ended September 30, 2017:

|  |                        |
|--|------------------------|
| Fair value of investments, end of year   | \$ 1,171,940,015       |
| Less cost of investments purchased and investment income reinvested during the year        | (162,085,206)          |
| Plus proceeds from investments sold during the year and management and administrative fees | 126,987,214            |
| Less net position held in trust, beginning of year   | <u>(1,054,212,979)</u> |
| Net realized gain and net appreciation in fair value of investments                        | <u>\$ 82,629,044</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, 2017**

**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, 2017, approximately 20% of the investments in the plan have an AAA risk rating, 65% have a Baa>AA risk rating and 11% 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 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, 2017, the average duration and effective maturity of holdings in each of these mutual funds was as follows:

|  | <b>Average<br/>Duration</b> | <b>Average<br/>Maturity</b> |
|--|-----------------------------|-----------------------------|
| American Century Short Duration Inflation Protection Bond Fund | 2.5 years                   | 3.1 years                   |
| State Street Institutional U.S. Government Money Market Fund   | 0.2 years                   | 0.1 years                   |
| BlackRock Inflation Protected Bond Portfolio                   | 7.2 years                   | 9.9 years                   |
| Fidelity Advisor Investment Grade Bond Fund                    | 5.7 years                   | 7.5 years                   |
| Northern Funds Bond Index Fund                                 | 5.8 years                   | 8.1 years                   |
| PIMCO Short-Term Fund  | 0.6 years                   | 1.3 years                   |
| T. Rowe Price Balanced Fund                                    | 5.7 years                   | 7.9 years                   |
| Templeton International Bond Fund                              | 0.8 years                   | 3.8 years                   |
| Touchtone High Yield Fund                                      | 4.2 years                   | 4.9 years                   |
| MainStay Total Return Bond Fund                                | 5.8 years                   | 8.4 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, 2017.

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**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 \$385,000 for the year ended September 30, 2017.

***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 State Street U.S. Government Money Market 529 Portfolio, 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 the State Street U.S. Government Money Market 529 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, including no initial sales charge for the State Street U.S. Government Money Market 529 Portfolio and the PIMCO Short-Term 529 Portfolio, 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, 2017, initial sales charges and contingent deferred sales charges totaled approximately \$1,586,000.

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**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. For the year ended September 30, 2017, 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 0.26% to 0.54% for Age-Based Portfolios, 0.26% to 0.54% for Target Portfolios, and 0.10% to 1.24% for the Individual Fund Portfolios.

Management and administrative fees related to the year ended September 30, 2017, are comprised of the following amounts attributable to the Program Manager, the State and the financial advisors:

|  |                            |
|--|----------------------------|
| Program management fees                  | \$ 3,523,762               |
| State administration fees                | 1,095,492                  |
| Financial advisor and servicing fees     | <u>3,802,955</u>           |
| Total management and administrative fees | <u><u>\$ 8,422,209</u></u> |

**Note 5: 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
- 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

**CollegeCounts 529 Fund Advisor Plan**  
**Notes to the Financial Statements**  
**September 30, 2017**

**Note 5: Disclosures About Fair Value of Assets - Continued**

***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, 2017:

|  | <b>Fair Value Measurements Using</b> |   |  |  |
|--|--------------------------------------|---|--|--|
|  | <b>Fair Value</b>                    | <b>Quoted prices<br/>in Active<br/>Markets for<br/>Identical<br/>Assets<br/>(Level 1)</b> | <b>Significant<br/>Other<br/>Observable<br/>Inputs<br/>(Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs<br/>(Level 3)</b> |
| <b>Investments by fair value level</b>   |                                      |   |  |  |
| Equity securities                        |                                      |   |  |  |
| Money market mutual funds                | \$ 45,857,004                        | \$ 45,857,004   | \$ -   | \$ -   |
| Mutual funds                             | <u>1,126,083,011</u>                 | 1,126,083,011   | -  | -  |
| Total investments measured at fair value | <u>\$ 1,171,940,015</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 are no securities classified within Level 2 or Level 3 at September 30, 2017.

**Note 6: 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 statement of fiduciary net position.

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, 2017**

**Note 7: Subsequent Events**

Subsequent events have been evaluated through February 6, 2018, which is the date the financial statements were available to be issued.

## **Supplemental Schedules**



# CollegeCounts 529 Fund Advisor Plan

## Schedule of Fiduciary Net Position by Portfolio

### September 30, 2017

**Portfolio**

|   | <b>American<br/>Century Equity<br/>Growth 529<br/>Portfolio</b> | <b>American<br/>Century Short<br/>Duration Inflation<br/>Protection Bond<br/>529 Portfolio</b> | <b>BlackRock<br/>Inflation<br/>Protected Bond<br/>529 Portfolio</b> | <b>Cohen &amp; Steers<br/>Dividend Value<br/>529 Portfolio</b> | <b>Credit Suisse<br/>Commodity<br/>Return Strategy<br/>529 Portfolio</b> | <b>DFA<br/>International<br/>Small Company<br/>529 Portfolio</b> | <b>Fidelity Advisor<br/>Investment<br/>Grade Bond 529<br/>Portfolio</b> |
|---|---|--|---|--|--|--|---|
| <b>Fiduciary Assets</b>                     |   |  |   |  |  |  |   |
| Investments, at fair value                  | \$ 5,657,905  | \$ 1,505,875   | \$ 2,005,546  | \$ 33,119,616  | \$ 733,417   | \$ 1,893,695   | \$ 1,681,715  |
| Cash  | 113   | -  | 80  | -  | -  | -  | 104   |
| Receivables for contributions               | 837   | 5  | 10,544  | 11,939   | 17   | 590  | 1,089   |
| Accrued investment income                   | -   | -  | 62  | 118,054  | -  | -  | 2,733   |
| <b>Total fiduciary assets</b>               | <b>5,658,855</b>  | <b>1,505,880</b>   | <b>2,016,232</b>  | <b>33,249,609</b>  | <b>733,434</b>   | <b>1,894,285</b>   | <b>1,685,641</b>  |
| <b>Liabilities</b>                          |   |  |   |  |  |  |   |
| Distributions payable to shareholders       | -   | -  | -   | -  | -  | -  | -   |
| Withdrawals payable                         | -   | -  | -   | 8,323  | -  | -  | -   |
| Accrued expenses                            | 6,668   | 1,253  | 2,535   | 43,364   | 906  | 2,647  | 1,763   |
| <b>Total liabilities</b>                    | <b>6,668</b>  | <b>1,253</b>   | <b>2,535</b>  | <b>51,687</b>  | <b>906</b>   | <b>2,647</b>   | <b>1,763</b>  |
| <b>Fiduciary Net Position Held in Trust</b> | <b>\$ 5,652,187</b>   | <b>\$ 1,504,627</b>  | <b>\$ 2,013,697</b>   | <b>\$ 33,197,922</b>   | <b>\$ 732,528</b>  | <b>\$ 1,891,638</b>  | <b>\$ 1,683,878</b>   |
| <b>Unit Information</b>                     |   |  |   |  |  |  |   |
| <b>Class A</b>                              |   |  |   |  |  |  |   |
| Total net position - fee structure A        | \$ 3,224,619  | \$ 638,730   | \$ 849,278  | \$ 22,826,891  | \$ 315,063   | \$ 1,207,893   | \$ 919,251  |
| Units outstanding                           | 135,720   | 64,112   | 74,733  | 1,216,021  | 56,125   | 70,237   | 85,285  |
| Net position value per unit, ending         | \$ 23.76  | \$ 9.96  | \$ 11.36  | \$ 18.77   | \$ 5.61  | \$ 17.20   | \$ 10.78  |
| Net position value per unit, beginning      | \$ 20.35  | \$ 9.96  | \$ 11.53  | \$ 16.04   | \$ 5.65  | \$ 14.20   | \$ 10.75  |
| <b>Class B</b>                              |   |  |   |  |  |  |   |
| Total net position - fee structure B        | \$ 63,984   | \$ 7,196   | \$ 23,078   | \$ 1,018,549   | \$ 8,279   | \$ 6,990   | \$ 11,795   |
| Units outstanding                           | 2,841   | 745  | 2,143   | 56,448   | 1,531  | 421  | 1,135   |
| Net position value per unit, ending         | \$ 22.52  | \$ 9.66  | \$ 10.77  | \$ 18.04   | \$ 5.41  | \$ 16.62   | \$ 10.39  |
| Net position value per unit, beginning      | \$ 19.44  | \$ 9.74  | \$ 11.01  | \$ 15.54   | \$ 5.48  | \$ 13.82   | \$ 10.43  |
| <b>Class C</b>                              |   |  |   |  |  |  |   |
| Total net position - fee structure C        | \$ 2,198,512  | \$ 250,147   | \$ 995,667  | \$ 8,463,135   | \$ 357,279   | \$ 431,105   | \$ 527,402  |
| Units outstanding                           | 94,252  | 25,364   | 89,155  | 456,838  | 64,357   | 25,379   | 49,570  |
| Net position value per unit, ending         | \$ 23.33  | \$ 9.86  | \$ 11.17  | \$ 18.53   | \$ 5.55  | \$ 16.99   | \$ 10.64  |
| Net position value per unit, beginning      | \$ 20.03  | \$ 9.88  | \$ 11.36  | \$ 15.87   | \$ 5.60  | \$ 14.06   | \$ 10.64  |
| <b>Class F</b>                              |   |  |   |  |  |  |   |
| Total net position - fee structure F        | \$ 165,072  | \$ 608,554   | \$ 145,674  | \$ 889,347   | \$ 51,907  | \$ 245,650   | \$ 225,430  |
| Units outstanding                           | 6,822   | 60,490   | 12,592  | 46,753   | 9,142  | 14,119   | 20,612  |
| Net position value per unit, ending         | \$ 24.20  | \$ 10.06   | \$ 11.57  | \$ 19.02   | \$ 5.68  | \$ 17.40   | \$ 10.94  |
| Net position value per unit, beginning      | \$ 20.67  | \$ 10.03   | \$ 11.71  | \$ 16.22   | \$ 5.70  | \$ 14.33   | \$ 10.88  |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Fiduciary Net Position by Portfolio**  
**September 30, 2017**

|   | Portfolio  |  |  |   |  |  |   |
|---|--|--|--|---|--|--|---|
|   | Lazard Emerging<br>Markets Equity<br>529 Portfolio | MainStay Total<br>Return Bond 529<br>Portfolio | Neuberger<br>Berman<br>International<br>Large Cap 529<br>Portfolio | Northern Funds<br>Bond Index 529<br>Portfolio | Northern Funds<br>Stock Index 529<br>Portfolio | Northern Funds<br>International<br>Equity Index 529<br>Portfolio | Northern Funds<br>Mid Cap Index<br>529 Products |
| <b>Fiduciary Assets</b>                     |  |  |  |   |  |  |   |
| Investments, at fair value                  | \$ 7,069,753                                       | \$ 1,519,214                                   | \$ 10,408,945  | \$ 14,997,790                                 | \$ 21,748,117                                  | \$ 9,131,886   | \$ 23,932,851                                   |
| Cash  | -  | -  | 290  | 1,359   | 1,743  | 1,356  | 1,286   |
| Receivables for contributions               | 23,364   | 67   | 885  | 24,515  | 22,365   | 27,194   | 18,661  |
| Accrued investment income                   | -  | 3,181  | -  | 5,385   | -  | -  | -   |
| <b>Total fiduciary assets</b>               | <b>7,093,117</b>                                   | <b>1,522,462</b>                               | <b>10,410,120</b>  | <b>15,029,049</b>                             | <b>21,772,225</b>                              | <b>9,160,436</b>   | <b>23,952,798</b>                               |
| <b>Liabilities</b>                          |  |  |  |   |  |  |   |
| Distributions payable to shareholders       | -  | -  | -  | -   | -  | -  | -   |
| Withdrawals payable                         | 300  | -  | 857  | 100   | 815  | 4,469  | 250   |
| Accrued expenses                            | 8,187  | 1,476  | 11,865   | 16,811  | 25,773   | 10,378   | 27,781  |
| <b>Total liabilities</b>                    | <b>8,487</b>                                       | <b>1,476</b>                                   | <b>12,722</b>  | <b>16,911</b>                                 | <b>26,588</b>                                  | <b>14,847</b>  | <b>28,031</b>                                   |
| <b>Fiduciary Net Position Held in Trust</b> | <b>\$ 7,084,630</b>                                | <b>\$ 1,520,986</b>                            | <b>\$ 10,397,398</b>   | <b>\$ 15,012,138</b>                          | <b>\$ 21,745,637</b>                           | <b>\$ 9,145,589</b>  | <b>\$ 23,924,767</b>                            |
| <b>Unit Information</b>                     |  |  |  |   |  |  |   |
| <b>Class A</b>                              |  |  |  |   |  |  |   |
| Total net position - fee structure A        | \$ 3,340,499                                       | \$ 670,583                                     | \$ 6,572,208   | \$ 8,086,988                                  | \$ 12,652,953                                  | \$ 5,716,649   | \$ 15,159,125                                   |
| Units outstanding                           | 277,489  | 63,212   | 428,190  | 689,315                                       | 512,662  | 381,600  | 621,117   |
| Net position value per unit, ending         | \$ 12.04   | \$ 10.61                                       | \$ 15.35   | \$ 11.73                                      | \$ 24.68                                       | \$ 14.98   | \$ 24.41  |
| Net position value per unit, beginning      | \$ 10.35   | \$ 10.49                                       | \$ 13.02   | \$ 11.83                                      | \$ 20.96                                       | \$ 12.68   | \$ 20.94  |
| <b>Class B</b>                              |  |  |  |   |  |  |   |
| Total net position - fee structure B        | \$ 60,780  | \$ 6,150                                       | \$ 354,637   | \$ 280,775                                    | \$ 605,224                                     | \$ 271,927   | \$ 793,052                                      |
| Units outstanding                           | 5,326  | 592  | 24,380   | 25,267  | 25,875   | 19,152   | 34,285  |
| Net position value per unit, ending         | \$ 11.41   | \$ 10.39                                       | \$ 14.55   | \$ 11.11                                      | \$ 23.39                                       | \$ 14.20   | \$ 23.13  |
| Net position value per unit, beginning      | \$ 9.89  | \$ 10.36                                       | \$ 12.43   | \$ 11.29                                      | \$ 20.01                                       | \$ 12.11   | \$ 19.99  |
| <b>Class C</b>                              |  |  |  |   |  |  |   |
| Total net position - fee structure C        | \$ 2,118,737                                       | \$ 405,186                                     | \$ 2,876,680   | \$ 4,669,884                                  | \$ 7,326,894                                   | \$ 2,639,444   | \$ 7,033,571                                    |
| Units outstanding                           | 179,114  | 38,445   | 190,784  | 405,384                                       | 302,231  | 179,352  | 293,403   |
| Net position value per unit, ending         | \$ 11.83   | \$ 10.54                                       | \$ 15.08   | \$ 11.52                                      | \$ 24.24                                       | \$ 14.72   | \$ 23.97  |
| Net position value per unit, beginning      | \$ 10.20   | \$ 10.45                                       | \$ 12.82   | \$ 11.64                                      | \$ 20.64                                       | \$ 12.49   | \$ 20.62  |
| <b>Class F</b>                              |  |  |  |   |  |  |   |
| Total net position - fee structure F        | \$ 1,564,614                                       | \$ 439,067                                     | \$ 593,873   | \$ 1,974,491                                  | \$ 1,160,566                                   | \$ 517,569   | \$ 939,019                                      |
| Units outstanding                           | 127,561  | 41,096   | 37,978   | 166,868                                       | 46,177   | 33,949   | 37,818  |
| Net position value per unit, ending         | \$ 12.27   | \$ 10.68                                       | \$ 15.64   | \$ 11.83                                      | \$ 25.13                                       | \$ 15.25   | \$ 24.83  |
| Net position value per unit, beginning      | \$ 10.52   | \$ 10.54                                       | \$ 13.23   | \$ 11.90                                      | \$ 21.29                                       | \$ 12.87   | \$ 21.25  |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Fiduciary Net Position by Portfolio**  
**September 30, 2017**

**Portfolio**

|   | <b>Northern Funds<br/>Small Cap Index<br/>529 Portfolio</b> | <b>PIMCO Short-<br/>Term 529<br/>Portfolio</b> | <b>State Street U.S.<br/>Government<br/>Money Market<br/>529 Portfolio</b> | <b>T. Rowe Price<br/>Balanced 529<br/>Portfolio</b> | <b>T. Rowe Price<br/>Large-Cap<br/>Growth 529<br/>Portfolio</b> | <b>T. Rowe Price<br/>QM U.S. Small-<br/>Cap Growth<br/>Equity 529<br/>Portfolio</b> | <b>T. Rowe Price<br/>Real Estate 529<br/>Portfolio</b> |
|---|---|--|--|---|---|---|--|
| <b>Fiduciary Assets</b>                     |   |  |  |   |   |   |  |
| Investments, at fair value                  | \$ 6,523,693  | \$ 11,097,513                                  | \$ 16,354,445  | \$ 49,388,610                                       | \$ 24,298,319   | \$ 4,850,640  | \$ 3,320,294   |
| Cash  | -   | 63   | -  | 8,217   | 29,029  | -   | 280  |
| Receivables for contributions               | 17,201  | 100  | 902  | 92,946  | 10,484  | 437   | 162  |
| Accrued investment income                   | -   | 15,399   | 12,458   | -   | -   | -   | -  |
| <b>Total fiduciary assets</b>               | <b>6,540,894</b>  | <b>11,113,075</b>                              | <b>\$ 16,367,805</b>   | <b>49,489,773</b>                                   | <b>24,337,832</b>   | <b>4,851,077</b>  | <b>3,320,736</b>                                       |
| <b>Liabilities</b>                          |   |  |  |   |   |   |  |
| Distributions payable to shareholders       | -   | -  | 2,247  | -   | -   | -   | -  |
| Withdrawals payable                         | 128   | -  | 20,831   | 102,085   | 12,731  | 12,876  | 300  |
| Accrued expenses                            | 7,765   | 9,772  | 3,778  | 58,181  | 27,805  | 6,255   | 3,972  |
| <b>Total liabilities</b>                    | <b>7,893</b>  | <b>9,772</b>                                   | <b>26,856</b>  | <b>160,266</b>                                      | <b>40,536</b>   | <b>19,131</b>   | <b>4,272</b>   |
| <b>Fiduciary Net Position Held in Trust</b> | <b>\$ 6,533,001</b>   | <b>\$ 11,103,303</b>                           | <b>\$ 16,340,949</b>   | <b>\$ 49,329,507</b>                                | <b>\$ 24,297,296</b>  | <b>\$ 4,831,946</b>   | <b>\$ 3,316,464</b>                                    |
| <b>Unit Information</b>                     |   |  |  |   |   |   |  |
| <b>Class A</b>                              |   |  |  |   |   |   |  |
| Total net position - fee structure A        | \$ 3,467,953  | \$ 3,298,816                                   | \$ 8,699,169   | \$ 33,381,838                                       | \$ 15,038,659   | \$ 2,662,319  | \$ 1,915,019   |
| Units outstanding                           | 146,781   | 307,242  | 8,699,783  | 1,816,251   | 507,704   | 224,566   | 98,551   |
| Net position value per unit, ending         | \$ 23.63  | \$ 10.74                                       | \$ 1.00  | \$ 18.38  | \$ 29.62  | \$ 11.86  | \$ 19.43   |
| Net position value per unit, beginning      | \$ 19.71  | \$ 10.52                                       | \$ 1.00  | \$ 16.23  | \$ 22.81  | \$ 9.96   | \$ 19.69   |
| <b>Class B</b>                              |   |  |  |   |   |   |  |
| Total net position - fee structure B        | \$ 259,711  | \$ 47,911                                      | \$ 750,062   | \$ 1,619,693  | \$ 468,644  | \$ 97,947   | \$ 91,039  |
| Units outstanding                           | 11,599  | 4,626  | 750,144  | 92,986  | 16,696  | 8,324   | 4,942  |
| Net position value per unit, ending         | \$ 22.39  | \$ 10.36                                       | \$ 1.00  | \$ 17.42  | \$ 28.07  | \$ 11.77  | \$ 18.42   |
| Net position value per unit, beginning      | \$ 18.82  | \$ 10.20                                       | \$ 1.00  | \$ 15.49  | \$ 21.78  | \$ 9.96   | \$ 18.81   |
| <b>Class C</b>                              |   |  |  |   |   |   |  |
| Total net position - fee structure C        | \$ 2,425,289  | \$ 3,148,436                                   | \$ 5,814,975   | \$ 13,364,291                                       | \$ 7,616,056  | \$ 1,575,431  | \$ 1,112,540   |
| Units outstanding                           | 104,507   | 298,542  | 5,815,564  | 740,261   | 261,765   | 133,224   | 58,280   |
| Net position value per unit, ending         | \$ 23.21  | \$ 10.55                                       | \$ 1.00  | \$ 18.05  | \$ 29.10  | \$ 11.83  | \$ 19.09   |
| Net position value per unit, beginning      | \$ 19.41  | \$ 10.36                                       | \$ 1.00  | \$ 15.98  | \$ 22.46  | \$ 9.96   | \$ 19.39   |
| <b>Class F</b>                              |   |  |  |   |   |   |  |
| Total net position - fee structure F        | \$ 380,048  | \$ 4,608,140                                   | \$ 1,076,743   | \$ 963,685  | \$ 1,173,937  | \$ 496,249  | \$ 197,866   |
| Units outstanding                           | 15,813  | 421,726  | 1,076,836  | 51,509  | 38,933  | 41,753  | 9,999  |
| Net position value per unit, ending         | \$ 24.03  | \$ 10.93                                       | \$ 1.00  | \$ 18.71  | \$ 30.15  | \$ 11.89  | \$ 19.79   |
| Net position value per unit, beginning      | \$ 20.00  | \$ 10.68                                       | \$ 1.00  | \$ 16.48  | \$ 23.16  | \$ 9.96   | \$ 20.01   |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Fiduciary Net Position by Portfolio**  
**September 30, 2017**

|   | Portfolio   |   |   |  |                                       |                          |                          |                          |
|---|---|---|---|--|---------------------------------------|--------------------------|--------------------------|--------------------------|
|   | Templeton<br>International<br>Bond 529<br>Portfolio | Touchstone<br>High Yield 529<br>Portfolio | Voya Global<br>Real Estate 529<br>Portfolio | William Blair<br>Small Cap<br>Value 529<br>Portfolio | CollegeCounts<br>Fixed Income<br>Fund | CollegeCounts<br>Fund 10 | CollegeCounts<br>Fund 20 | CollegeCounts<br>Fund 30 |
| <b>Fiduciary Assets</b>                     |   |   |   |  |                                       |                          |                          |                          |
| Investments, at fair value                  | \$ 1,069,269  | \$ 2,462,930                              | \$ 768,603                                  | \$ 12,491,480  | \$ 13,562,919                         | \$ 58,890,737            | \$ 102,083,049           | \$ 121,657,716           |
| Cash  | -   | -   | -   | -  | -                                     | 82,743                   | -                        | -                        |
| Receivables for contributions               | 10,143  | 24,723                                    | 60  | 603  | 293                                   | 94,135                   | 260,640                  | 235,556                  |
| Accrued investment income                   | -   | -   | -   | -  | 11,287                                | 50,006                   | 83,742                   | 90,321                   |
| Total fiduciary assets                      | <u>1,079,412</u>                                    | <u>2,487,653</u>                          | <u>768,663</u>                              | <u>12,492,083</u>                                    | <u>13,574,499</u>                     | <u>59,034,878</u>        | <u>102,510,174</u>       | <u>121,983,593</u>       |
| <b>Liabilities</b>                          |   |   |   |  |                                       |                          |                          |                          |
| Distributions payable to shareholders       | -   | -   | -   | -  | -                                     | -                        | -                        | -                        |
| Withdrawals payable                         | -   | -   | -   | -  | 1,516                                 | 61,327                   | 105,901                  | 207,829                  |
| Accrued expenses                            | 1,983   | 2,599                                     | 2,051                                       | 11,947   | 20,405                                | 80,320                   | 128,909                  | 234,603                  |
| Total liabilities                           | <u>1,983</u>  | <u>2,599</u>                              | <u>2,051</u>                                | <u>11,947</u>  | <u>21,921</u>                         | <u>141,647</u>           | <u>234,810</u>           | <u>442,432</u>           |
| <b>Fiduciary Net Position Held in Trust</b> | <u>\$ 1,077,429</u>                                 | <u>\$ 2,485,054</u>                       | <u>\$ 766,612</u>                           | <u>\$ 12,480,136</u>                                 | <u>\$ 13,552,578</u>                  | <u>\$ 58,893,231</u>     | <u>\$ 102,275,364</u>    | <u>\$ 121,541,161</u>    |
| <b>Unit Information</b>                     |   |   |   |  |                                       |                          |                          |                          |
| <b>Class A</b>                              |   |   |   |  |                                       |                          |                          |                          |
| Total net position - fee structure A        | \$ 460,676  | \$ 991,285                                | \$ 360,671                                  | \$ 6,122,056   | \$ 7,004,936                          | \$ 32,626,473            | \$ 59,325,894            | \$ 74,206,816            |
| Units outstanding                           | 44,960  | 81,355                                    | 28,599                                      | 280,621  | 664,396                               | 3,171,205                | 4,501,842                | 6,966,336                |
| Net position value per unit, ending         | \$ 10.25  | \$ 12.18                                  | \$ 12.61                                    | \$ 21.82   | \$ 10.54                              | \$ 10.29                 | \$ 13.18                 | \$ 10.65                 |
| Net position value per unit, beginning      | \$ 9.24   | \$ 11.39                                  | \$ 12.91                                    | \$ 18.45   | \$ 10.50                              | \$ 10.00                 | \$ 12.58                 | \$ 9.99                  |
| <b>Class B</b>                              |   |   |   |  |                                       |                          |                          |                          |
| Total net position - fee structure B        | \$ 7,694  | \$ 5,373                                  | \$ 13,685                                   | \$ 333,588   | \$ 191,697                            | \$ 2,158,023             | \$ 4,412,211             | \$ 4,722,933             |
| Units outstanding                           | 779   | 457                                       | 1,126                                       | 16,134   | 19,185                                | 211,344                  | 353,320                  | 446,758                  |
| Net position value per unit, ending         | \$ 9.87   | \$ 11.75                                  | \$ 12.15                                    | \$ 20.68   | \$ 9.99                               | \$ 10.21                 | \$ 12.49                 | \$ 10.57                 |
| Net position value per unit, beginning      | \$ 8.97   | \$ 11.05                                  | \$ 12.53                                    | \$ 17.62   | \$ 10.03                              | \$ 10.00                 | \$ 12.01                 | \$ 9.99                  |
| <b>Class C</b>                              |   |   |   |  |                                       |                          |                          |                          |
| Total net position - fee structure C        | \$ 297,731  | \$ 853,365                                | \$ 203,965                                  | \$ 2,192,487   | \$ 6,227,109                          | \$ 23,330,060            | \$ 37,251,824            | \$ 39,314,139            |
| Units outstanding                           | 29,411  | 70,975                                    | 16,379                                      | 102,311  | 601,349                               | 2,273,402                | 2,877,910                | 3,699,908                |
| Net position value per unit, ending         | \$ 10.12  | \$ 12.02                                  | \$ 12.45                                    | \$ 21.43   | \$ 10.36                              | \$ 10.26                 | \$ 12.94                 | \$ 10.63                 |
| Net position value per unit, beginning      | \$ 9.15   | \$ 11.26                                  | \$ 12.78                                    | \$ 18.17   | \$ 10.34                              | \$ 10.00                 | \$ 12.39                 | \$ 9.99                  |
| <b>Class F</b>                              |   |   |   |  |                                       |                          |                          |                          |
| Total net position - fee structure F        | \$ 311,328  | \$ 635,031                                | \$ 188,291                                  | \$ 3,832,005   | \$ 128,836                            | \$ 778,675               | \$ 1,285,435             | \$ 3,297,273             |
| Units outstanding                           | 30,004  | 51,487                                    | 14,745                                      | 172,431  | 12,019                                | 75,489                   | 95,221                   | 308,820                  |
| Net position value per unit, ending         | \$ 10.38  | \$ 12.33                                  | \$ 12.77                                    | \$ 22.22   | \$ 10.72                              | \$ 10.32                 | \$ 13.50                 | \$ 10.68                 |
| Net position value per unit, beginning      | \$ 9.33   | \$ 11.50                                  | \$ 13.04                                    | \$ 18.75   | \$ 10.65                              | \$ 10.00                 | \$ 12.85                 | \$ 9.99                  |

# CollegeCounts 529 Fund Advisor Plan

## Schedule of Fiduciary Net Position by Portfolio

### September 30, 2017

**Portfolio**

|   | CollegeCounts<br>Fund 40 | CollegeCounts<br>Fund 50 | CollegeCounts<br>Fund 60 | CollegeCounts<br>Fund 70 | CollegeCounts<br>Fund 80 | CollegeCounts<br>Fund 90 | CollegeCounts<br>Fund 100 | Plan Total              |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|-------------------------|
| <b>Fiduciary Assets</b>                     |                          |                          |                          |                          |                          |                          |                           |                         |
| Investments, at fair value                  | \$ 137,780,745           | \$ 120,782,485           | \$ 105,108,575           | \$ 68,997,935            | \$ 82,934,936            | \$ 28,490,374            | \$ 63,618,423             | \$ 1,171,940,015        |
| Cash  | 63,713                   | -                        | 43,019                   | -                        | 19,209                   | -                        | 13,501                    | 266,105                 |
| Receivables for contributions               | 146,735                  | 201,983                  | 344,004                  | 146,297                  | 85,962                   | 74,583                   | 1,760                     | 1,891,781               |
| Accrued investment income                   | 102,007                  | 87,675                   | 67,548                   | 39,141                   | 44,739                   | 14,321                   | 27,275                    | 775,334                 |
| <b>Total fiduciary assets</b>               | <b>138,093,200</b>       | <b>121,072,143</b>       | <b>105,563,146</b>       | <b>69,183,373</b>        | <b>83,084,846</b>        | <b>28,579,278</b>        | <b>63,660,959</b>         | <b>1,174,873,235</b>    |
| <b>Liabilities</b>                          |                          |                          |                          |                          |                          |                          |                           |                         |
| Distributions payable to shareholders       | -                        | -                        | -                        | -                        | -                        | -                        | -                         | 2,247                   |
| Withdrawals payable                         | 206,135                  | 88,442                   | 201,857                  | 146,554                  | 102,294                  | 78,609                   | 46,202                    | 1,410,731               |
| Accrued expenses                            | 166,606                  | 224,320                  | 125,287                  | 101,246                  | 95,314                   | 31,378                   | 75,437                    | 1,581,340               |
| <b>Total liabilities</b>                    | <b>372,741</b>           | <b>312,762</b>           | <b>327,144</b>           | <b>247,800</b>           | <b>197,608</b>           | <b>109,987</b>           | <b>121,639</b>            | <b>2,994,318</b>        |
| <b>Fiduciary Net Position Held in Trust</b> | <b>\$ 137,720,459</b>    | <b>\$ 120,759,381</b>    | <b>\$ 105,236,002</b>    | <b>\$ 68,935,573</b>     | <b>\$ 82,887,238</b>     | <b>\$ 28,469,291</b>     | <b>\$ 63,539,320</b>      | <b>\$ 1,171,878,917</b> |
| <b>Unit Information</b>                     |                          |                          |                          |                          |                          |                          |                           |                         |
| <b>Class A</b>                              |                          |                          |                          |                          |                          |                          |                           |                         |
| Total net position - fee structure A        | \$ 86,055,186            | \$ 80,788,837            | \$ 67,275,489            | \$ 49,055,593            | \$ 53,728,126            | \$ 20,101,154            | \$ 40,969,683             |                         |
| Units outstanding                           | 5,733,416                | 7,339,828                | 4,039,996                | 4,354,613                | 2,904,946                | 1,730,900                | 2,007,107                 |                         |
| Net position value per unit, ending         | \$ 15.01                 | \$ 11.01                 | \$ 16.65                 | \$ 11.27                 | \$ 18.50                 | \$ 11.61                 | \$ 20.41                  |                         |
| Net position value per unit, beginning      | \$ 13.87                 | \$ 9.99                  | \$ 14.92                 | \$ 9.98                  | \$ 16.06                 | \$ 9.97                  | \$ 17.30                  |                         |
| <b>Class B</b>                              |                          |                          |                          |                          |                          |                          |                           |                         |
| Total net position - fee structure B        | \$ 5,356,036             | \$ 5,640,426             | \$ 2,921,447             | \$ 1,801,749             | \$ 827,310               | \$ 11,245                | \$ 1,833,297              |                         |
| Units outstanding                           | 376,539                  | 516,316                  | 185,069                  | 161,139                  | 47,182                   | 969                      | 94,726                    |                         |
| Net position value per unit, ending         | \$ 14.22                 | \$ 10.92                 | \$ 15.79                 | \$ 11.18                 | \$ 17.53                 | \$ 11.60                 | \$ 19.35                  |                         |
| Net position value per unit, beginning      | \$ 13.24                 | \$ 9.99                  | \$ 14.25                 | \$ 9.98                  | \$ 15.34                 | \$ 10.00                 | \$ 16.52                  |                         |
| <b>Class C</b>                              |                          |                          |                          |                          |                          |                          |                           |                         |
| Total net position - fee structure C        | \$ 43,479,370            | \$ 31,549,444            | \$ 32,288,954            | \$ 16,794,175            | \$ 26,379,869            | \$ 6,915,215             | \$ 19,547,362             |                         |
| Units outstanding                           | 2,949,642                | 2,873,507                | 1,973,848                | 1,494,544                | 1,451,468                | 596,949                  | 974,625                   |                         |
| Net position value per unit, ending         | \$ 14.74                 | \$ 10.98                 | \$ 16.36                 | \$ 11.24                 | \$ 18.17                 | \$ 11.58                 | \$ 20.06                  |                         |
| Net position value per unit, beginning      | \$ 13.65                 | \$ 9.99                  | \$ 14.70                 | \$ 9.98                  | \$ 15.82                 | \$ 9.97                  | \$ 17.04                  |                         |
| <b>Class F</b>                              |                          |                          |                          |                          |                          |                          |                           |                         |
| Total net position - fee structure F        | \$ 2,829,867             | \$ 2,780,674             | \$ 2,750,112             | \$ 1,284,056             | \$ 1,951,933             | \$ 1,441,677             | \$ 1,188,978              |                         |
| Units outstanding                           | 185,136                  | 251,997                  | 162,158                  | 113,702                  | 103,642                  | 123,832                  | 57,208                    |                         |
| Net position value per unit, ending         | \$ 15.29                 | \$ 11.03                 | \$ 16.96                 | \$ 11.29                 | \$ 18.83                 | \$ 11.64                 | \$ 20.78                  |                         |
| Net position value per unit, beginning      | \$ 14.09                 | \$ 9.99                  | \$ 15.16                 | \$ 9.98                  | \$ 16.32                 | \$ 9.97                  | \$ 17.57                  |                         |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Changes in Fiduciary Net Position by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio   |  |   |   |   |   |  |
|---|---|--|---|---|---|---|--|
|   | American<br>Century Equity<br>Growth<br>529 Portfolio | American<br>Century Short<br>Duration<br>Inflation<br>Protection Bond<br>529 Portfolio | BlackRock<br>Inflation<br>Protected Bond<br>529 Portfolio | Cohen &<br>Steers<br>Dividend<br>Value<br>529 Portfolio | Credit Suisse<br>Commodity<br>Return<br>Strategy<br>529 Portfolio | DFA<br>International<br>Small<br>Company<br>529 Portfolio | Fidelity<br>Advisor<br>Investment<br>Grade Bond<br>529 Portfolio |
| <b>Additions</b>  |   |  |   |   |   |   |  |
| Contributions   | \$ 687,303  | \$ 101,020   | \$ 372,017  | \$ 2,811,842  | \$ 109,717  | \$ 336,149  | \$ 257,792   |
| Exchanges in  | 420,097   | 277,446  | 187,578   | 1,186,956   | 55,986  | 284,361   | 418,508  |
| Investment income   |   |  |   |   |   |   |  |
| Dividends and interest  | 113,378   | 17,768   | 30,766  | 4,181,591   | -   | 62,838  | 29,861   |
|   | 1,220,778   | 396,234  | 590,361   | 8,180,389   | 165,703   | 683,348   | 706,161  |
| <b>Deductions</b>   |   |  |   |   |   |   |  |
| Withdrawals   | 299,284   | 207,924  | 285,960   | 3,471,101   | 46,739  | 156,321   | 103,461  |
| Exchanges out   | 425,644   | 75,285   | 279,110   | 1,845,126   | 57,343  | 230,380   | 163,254  |
| Management and administrative fees  | 40,011  | 9,056  | 15,455  | 240,576   | 5,586   | 11,058  | 10,635   |
| Total deductions  | 764,939   | 292,265  | 580,525   | 5,556,803   | 109,668   | 397,759   | 277,350  |
| <b>Net Realized Gain (Loss) and Net Appreciation (Depreciation)<br/>in Fair Value</b> | 733,859   | (6,935)  | (46,002)  | 971,539   | (183)   | 261,029   | (12,636)   |
| <b>Net Increase (Decrease)</b>  | 1,189,698   | 97,034   | (36,166)  | 3,595,125   | 55,852  | 546,618   | 416,175  |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>                        | 4,462,489   | 1,407,593  | 2,049,863   | 29,602,797  | 676,676   | 1,345,020   | 1,267,703  |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                              | \$ 5,652,187  | \$ 1,504,627   | \$ 2,013,697  | \$ 33,197,922   | \$ 732,528  | \$ 1,891,638  | \$ 1,683,878   |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Changes in Fiduciary Net Position by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|
|   | Lazard<br>Emerging<br>Markets<br>Equity<br>529 Portfolio | MainStay Total<br>Return Bond<br>529 Portfolio | Neuberger<br>Berman<br>International<br>Large Cap<br>529 Portfolio | Northern<br>Fund<br>Bond<br>Index<br>529 Portfolio | Northern<br>Funds<br>Stock<br>Index<br>529 Portfolio | Northern<br>Funds<br>International<br>Equity<br>Index<br>529 Portfolio | Northern<br>Funds<br>Mid Cap<br>Index<br>529 Portfolio |
| <b>Additions</b>  |  |  |  |  |  |  |  |
| Contributions   | \$ 1,028,313   | \$ 296,950                                     | \$ 859,548   | \$ 1,653,834                                       | \$ 2,507,639   | \$ 1,249,050   | \$ 2,331,465   |
| Exchanges in  | 497,793  | 693,008  | 446,351  | 452,634  | 1,788,628  | 528,718  | 1,256,956  |
| Investment income   |  |  |  |  |  |  |  |
| Dividends and interest  | 83,586   | 34,247   | 128,833  | 429,214  | 539,160  | 224,638  | 1,331,396  |
| Total additions   | 1,609,692  | 1,024,205                                      | 1,434,732  | 2,535,682  | 4,835,427  | 2,002,406  | 4,919,817  |
| <b>Deductions</b>   |  |  |  |  |  |  |  |
| Withdrawals   | 560,600  | 149,347  | 940,899  | 2,670,133  | 3,336,557  | 780,584  | 2,293,042  |
| Exchanges out   | 379,687  | 154,048  | 845,538  | 1,168,950  | 1,154,749  | 443,354  | 1,438,265  |
| Management and administrative fees  | 43,313   | 8,039  | 70,749   | 113,663  | 158,555  | 60,030   | 172,854  |
| Total deductions  | 983,600  | 311,434  | 1,857,186  | 3,952,746  | 4,649,861  | 1,283,968  | 3,904,161  |
| <b>Net Realized Gain (Loss) and Net Appreciation (Depreciation)<br/>in Fair Value</b> | 917,818  | (5,587)  | 1,529,208  | (482,441)  | 2,981,693  | 1,200,467  | 2,226,845  |
| <b>Net Increase (Decrease)</b>  | 1,543,910  | 707,184  | 1,106,754  | (1,899,505)  | 3,167,259  | 1,918,905  | 3,242,501  |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>                        | 5,540,720  | 813,802  | 9,290,644  | 16,911,643   | 18,578,378   | 7,226,684  | 20,682,266   |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                              | \$ 7,084,630   | \$ 1,520,986                                   | \$ 10,397,398  | \$ 15,012,138                                      | \$ 21,745,637  | \$ 9,145,589   | \$ 23,924,767  |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Changes in Fiduciary Net Position by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio  |                                      |  |  |   |  |   |
|---|--|--------------------------------------|--|--|---|--|---|
|   | Northern<br>Funds<br>Small Cap<br>Index<br>529 Portfolio | PIMCO<br>Short-Term<br>529 Portfolio | State Street<br>U.S. Government<br>Money Market<br>529 Portfolio | T. Rowe Price<br>Balanced<br>529 Portfolio | T. Rowe Price<br>Large-Cap<br>Growth<br>529 Portfolio | T. Rowe Price<br>QM U.S. Small-<br>Cap Growth<br>529 Portfolio | T. Rowe Price<br>Real Estate<br>529 Portfolio |
| <b>Additions</b>  |  |                                      |  |  |   |  |   |
| Contributions   | \$ 785,381   | \$ 1,588,704                         | \$ 3,574,940   | \$ 4,404,200                               | \$ 2,380,594  | \$ 579,222   | \$ 408,524                                    |
| Exchanges in  | 800,922  | 1,799,215                            | 4,241,479  | 1,658,409                                  | 1,361,718   | 204,344  | 250,365                                       |
| Investment income   |  |                                      |  |  |   |  |   |
| Dividends and interest  | 204,012  | 177,515                              | 100,327  | 1,586,726                                  | 294,069   | 1,005  | 87,373  |
| Total additions   | 1,790,315  | 3,565,434                            | 7,916,746  | 7,649,335                                  | 4,036,381   | 784,571  | 746,262                                       |
| <b>Deductions</b>   |  |                                      |  |  |   |  |   |
| Withdrawals   | 413,946  | 2,175,201                            | 6,225,910  | 5,955,669                                  | 1,777,768   | 317,754  | 427,409                                       |
| Exchanges out   | 368,440  | 338,217                              | 1,124,404  | 1,896,525                                  | 1,317,911   | 444,144  | 425,083                                       |
| Management and administrative fees  | 44,670   | 68,446                               | 33,882   | 357,267                                    | 157,325   | 33,004   | 26,287  |
| Total deductions  | 827,056  | 2,581,864                            | 7,384,196  | 8,209,461                                  | 3,253,004   | 794,902  | 878,779                                       |
| <b>Net Realized Gain (Loss) and Net Appreciation (Depreciation)<br/>in Fair Value</b> | 852,365  | 106,664                              | -  | 4,636,882                                  | 5,338,912   | 795,605  | (118,386)                                     |
| <b>Net Increase (Decrease)</b>  | 1,815,624  | 1,090,234                            | 532,550  | 4,076,756                                  | 6,122,289   | 785,274  | (250,903)                                     |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>                        | 4,717,377  | 10,013,069                           | 15,808,399   | 45,252,751                                 | 18,175,007  | 4,046,672  | 3,567,367                                     |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                              | \$ 6,533,001   | \$ 11,103,303                        | \$ 16,340,949  | \$ 49,329,507                              | \$ 24,297,296   | \$ 4,831,946   | \$ 3,316,464                                  |



**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Changes in Fiduciary Net Position by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio   |  |   |  |                                       |                          |                          |                          |  |
|---|---|--|---|--|---------------------------------------|--------------------------|--------------------------|--------------------------|--|
|   | Templeton<br>International<br>Bond<br>529 Portfolio | Touchtone<br>High Yield<br>529 Portfolio | Voya Global<br>Real Estate<br>529 Portfolio | William Blair<br>Small Cap<br>Value<br>529 Portfolio | CollegeCounts<br>Fixed Income<br>Fund | CollegeCounts<br>Fund 10 | CollegeCounts<br>Fund 20 | CollegeCounts<br>Fund 30 |  |
| <b>Additions</b>  |   |  |   |  |                                       |                          |                          |                          |  |
| Contributions   | \$ 223,895  | \$ 450,750                               | \$ 87,282                                   | \$ 915,538   | \$ 1,798,464                          | \$ 5,065,232             | \$ 8,843,740             | \$ 9,977,786             |  |
| Exchanges in  | 247,099   | 294,116                                  | 79,354                                      | 448,020  | 4,351,349                             | 25,251,477               | 51,752,673               | 66,161,038               |  |
| Investment income   |   |  |   |  |                                       |                          |                          |                          |  |
| Dividends and interest  | 17,746  | 106,187                                  | 33,118                                      | 526,541  | 162,312                               | 1,139,905                | 2,370,826                | 2,987,715                |  |
| <b>Total additions</b>  | <b>488,740</b>                                      | <b>851,053</b>                           | <b>199,754</b>                              | <b>1,890,099</b>                                     | <b>6,312,125</b>                      | <b>31,456,614</b>        | <b>62,967,239</b>        | <b>79,126,539</b>        |  |
| <b>Deductions</b>   |   |  |   |  |                                       |                          |                          |                          |  |
| Withdrawals   | 112,616   | 192,894                                  | 127,786                                     | 1,391,447  | 4,214,855                             | 19,863,240               | 24,177,746               | 10,860,237               |  |
| Exchanges out   | 173,149   | 233,823                                  | 177,996                                     | 684,558  | 1,255,593                             | 5,338,459                | 27,181,276               | 52,419,773               |  |
| Management and administrative fees  | 5,977   | 15,026                                   | 5,677                                       | 79,185   | 104,090                               | 441,010                  | 760,310                  | 870,770                  |  |
| <b>Total deductions</b>   | <b>291,742</b>                                      | <b>441,743</b>                           | <b>311,459</b>                              | <b>2,155,190</b>                                     | <b>5,574,538</b>                      | <b>25,642,709</b>        | <b>52,119,332</b>        | <b>64,150,780</b>        |  |
| <b>Net Realized Gain (Loss) and Net Appreciation (Depreciation)<br/>in Fair Value</b> | <b>67,300</b>                                       | <b>56,600</b>                            | <b>(53,013)</b>                             | <b>1,537,049</b>                                     | <b>(22,915)</b>                       | <b>827,855</b>           | <b>2,772,164</b>         | <b>4,955,150</b>         |  |
| <b>Net Increase (Decrease)</b>  | <b>264,298</b>                                      | <b>465,910</b>                           | <b>(164,718)</b>                            | <b>1,271,958</b>                                     | <b>714,672</b>                        | <b>6,641,760</b>         | <b>13,620,071</b>        | <b>19,930,909</b>        |  |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>                        | <b>813,131</b>                                      | <b>2,019,144</b>                         | <b>931,330</b>                              | <b>11,208,178</b>                                    | <b>12,837,906</b>                     | <b>52,251,471</b>        | <b>88,655,293</b>        | <b>101,610,252</b>       |  |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                              | <b>\$ 1,077,429</b>                                 | <b>\$ 2,485,054</b>                      | <b>\$ 766,612</b>                           | <b>\$ 12,480,136</b>                                 | <b>\$ 13,552,578</b>                  | <b>\$ 58,893,231</b>     | <b>\$ 102,275,364</b>    | <b>\$ 121,541,161</b>    |  |

**CollegeCounts 529 Fund Advisor Plan**  
**Schedule of Changes in Fiduciary Net Position by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio                |                          |                          |                          |                          |                          |                           |                      |                         |  |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|----------------------|-------------------------|--|
|   | CollegeCounts<br>Fund 40 | CollegeCounts<br>Fund 50 | CollegeCounts<br>Fund 60 | CollegeCounts<br>Fund 70 | CollegeCounts<br>Fund 80 | CollegeCounts<br>Fund 90 | CollegeCounts<br>Fund 100 | Eliminations         | Plan Total              |  |
| <b>Additions</b>  |                          |                          |                          |                          |                          |                          |                           |                      |                         |  |
| Contributions   | \$ 11,521,792            | \$ 10,033,112            | \$ 11,767,873            | \$ 8,594,689             | \$ 12,342,420            | \$ 7,591,074             | \$ 10,629,323             | \$ -                 | \$ 128,167,174          |  |
| Exchanges in  | 65,410,290               | 55,004,069               | 40,539,624               | 23,494,265               | 16,391,034               | 5,933,359                | 1,428,400                 | (375,597,639)        | -                       |  |
| Investment income   |                          |                          |                          |                          |                          |                          |                           |                      |                         |  |
| Dividends and interest  | 3,972,027                | 3,889,066                | 3,527,010                | 2,438,847                | 2,796,647                | 962,542                  | 2,262,460                 | -                    | 36,851,252              |  |
| <b>Total additions</b>  | <b>80,904,109</b>        | <b>68,926,247</b>        | <b>55,834,507</b>        | <b>34,527,801</b>        | <b>31,530,101</b>        | <b>14,486,975</b>        | <b>14,320,183</b>         | <b>(375,597,639)</b> | <b>165,018,426</b>      |  |
| <b>Deductions</b>   |                          |                          |                          |                          |                          |                          |                           |                      |                         |  |
| Withdrawals   | 6,656,572                | 3,894,655                | 4,840,661                | 2,657,620                | 2,900,998                | 597,170                  | 6,475,217                 | -                    | 121,559,323             |  |
| Exchanges out   | 67,833,171               | 65,883,462               | 57,513,600               | 38,507,951               | 24,264,630               | 12,184,655               | 7,370,086                 | (375,597,639)        | -                       |  |
| Management and administrative fees  | 1,019,413                | 898,037                  | 795,018                  | 519,563                  | 581,385                  | 190,888                  | 455,399                   | -                    | 8,422,209               |  |
| <b>Total deductions</b>   | <b>75,509,156</b>        | <b>70,676,154</b>        | <b>63,149,279</b>        | <b>41,685,134</b>        | <b>27,747,013</b>        | <b>12,972,713</b>        | <b>14,300,702</b>         | <b>(375,597,639)</b> | <b>129,981,532</b>      |  |
| <b>Net Realized Gain (Loss) and Net Appreciation (Depreciation) in Fair Value</b> | <b>7,395,081</b>         | <b>8,293,625</b>         | <b>8,514,981</b>         | <b>6,383,859</b>         | <b>8,709,198</b>         | <b>3,273,490</b>         | <b>8,037,904</b>          | <b>-</b>             | <b>82,629,044</b>       |  |
| <b>Net Increase (Decrease)</b>  | <b>12,790,034</b>        | <b>6,543,718</b>         | <b>1,200,209</b>         | <b>(773,474)</b>         | <b>12,492,286</b>        | <b>4,787,752</b>         | <b>8,057,385</b>          | <b>-</b>             | <b>117,665,938</b>      |  |
| <b>Fiduciary Net Position Held in Trust, Beginning of Year</b>                    | <b>124,930,425</b>       | <b>114,215,663</b>       | <b>104,035,793</b>       | <b>69,709,047</b>        | <b>70,394,952</b>        | <b>23,681,539</b>        | <b>55,481,935</b>         | <b>-</b>             | <b>1,054,212,979</b>    |  |
| <b>Fiduciary Net Position Held in Trust, End of Year</b>                          | <b>\$ 137,720,459</b>    | <b>\$ 120,759,381</b>    | <b>\$ 105,236,002</b>    | <b>\$ 68,935,573</b>     | <b>\$ 82,887,238</b>     | <b>\$ 28,469,291</b>     | <b>\$ 63,539,320</b>      | <b>\$ -</b>          | <b>\$ 1,171,878,917</b> |  |

**CollegeCounts 529 Fund Advisor Plan**  
**Financial Highlights by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio   |  |   |   |   |   |  |
|---|---|--|---|---|---|---|--|
|   | American<br>Century Equity<br>Growth<br>529 Portfolio | American<br>Century Short<br>Duration<br>Inflation<br>Protection Bond<br>529 Portfolio | BlackRock<br>Inflation<br>Protected Bond<br>529 Portfolio | Cohen &<br>Steers<br>Dividend<br>Value<br>529 Portfolio | Credit Suisse<br>Commodity<br>Return<br>Strategy<br>529 Portfolio | DFA<br>International<br>Small<br>Company<br>529 Portfolio | Fidelity<br>Advisor<br>Investment<br>Grade Bond<br>529 Portfolio |
| <b>Class A</b>  |   |  |   |   |   |   |  |
| Ratio of net investment income to average net position* | 1.51%   | 0.53%  | 0.89%   | 12.42%  | -0.67%  | 3.34%   | 1.36%  |
| Ratio of expense to average net position**              | 0.67%   | 0.67%  | 0.67%   | 0.67%   | 0.67%   | 0.67%   | 0.67%  |
| Total return ***  | 16.76%  | 0.00%  | -1.47%  | 17.02%  | -0.71%  | 21.13%  | 0.28%  |
| <b>Class B</b>  |   |  |   |   |   |   |  |
| Ratio of net investment income to average net position* | 0.76%   | -0.23%   | 0.14%   | 11.67%  | -1.41%  | 2.57%   | 0.61%  |
| Ratio of expense to average net position**              | 1.42%   | 1.43%  | 1.42%   | 1.41%   | 1.41%   | 1.44%   | 1.42%  |
| Total return ***  | 15.84%  | -0.82%   | -2.18%  | 16.09%  | -1.28%  | 20.26%  | -0.38%   |
| <b>Class C</b>  |   |  |   |   |   |   |  |
| Ratio of net investment income to average net position* | 1.26%   | 0.27%  | 0.64%   | 12.17%  | -0.92%  | 3.09%   | 1.11%  |
| Ratio of expense to average net position**              | 0.92%   | 0.92%  | 0.92%   | 0.92%   | 0.92%   | 0.92%   | 0.92%  |
| Total return ***  | 16.48%  | -0.20%   | -1.67%  | 16.76%  | -0.89%  | 20.84%  | 0.00%  |
| <b>Class F</b>  |   |  |   |   |   |   |  |
| Ratio of net investment income to average net position* | 1.76%   | 0.78%  | 1.14%   | 12.67%  | -0.42%  | 3.59%   | 1.61%  |
| Ratio of expense to average net position**              | 0.42%   | 0.42%  | 0.42%   | 0.42%   | 0.42%   | 0.42%   | 0.42%  |
| Total return ***  | 17.08%  | 0.30%  | -1.20%  | 17.26%  | -0.35%  | 21.42%  | 0.55%  |

\* 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, 2017**

|   | Portfolio  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|
|   | Lazard<br>Emerging<br>Markets<br>Equity<br>529 Portfolio | Mainstay Total<br>Return Bond<br>529 Portfolio | Neuberger<br>Berman<br>International<br>Large Cap<br>529 Portfolio | Northern<br>Fund<br>Bond<br>Index<br>529 Portfolio | Northern<br>Funds<br>Stock<br>Index<br>529 Portfolio | Northern<br>Funds<br>International<br>Equity<br>Index<br>529 Portfolio | Northern<br>Funds<br>Mid Cap<br>Index<br>529 Portfolio |
| <b>Class A</b>  |  |  |  |  |  |  |  |
| Ratio of net investment income to average net position* | 0.67%  | 2.12%  | 0.70%  | 2.09%  | 1.93%  | 2.14%  | 5.19%  |
| Ratio of expense to average net position**              | 0.67%  | 0.67%  | 0.67%  | 0.67%  | 0.67%  | 0.67%  | 0.67%  |
| Total return ***  | 16.33%   | 1.14%  | 17.90%   | -0.85%   | 17.75%   | 18.14%   | 16.57%   |
| <b>Class B</b>  |  |  |  |  |  |  |  |
| Ratio of net investment income to average net position* | -0.08%   | 1.40%  | -0.04%   | 1.34%  | 1.19%  | 1.41%  | 4.45%  |
| Ratio of expense to average net position**              | 1.42%  | 1.39%  | 1.41%  | 1.42%  | 1.41%  | 1.40%  | 1.41%  |
| Total return ***  | 15.37%   | 0.29%  | 17.06%   | -1.59%   | 16.89%   | 17.26%   | 15.71%   |
| <b>Class C</b>  |  |  |  |  |  |  |  |
| Ratio of net investment income to average net position* | 0.42%  | 1.87%  | 0.45%  | 1.84%  | 1.68%  | 1.89%  | 4.94%  |
| Ratio of expense to average net position**              | 0.92%  | 0.92%  | 0.92%  | 0.92%  | 0.92%  | 0.92%  | 0.92%  |
| Total return ***  | 15.98%   | 0.86%  | 17.63%   | -1.03%   | 17.44%   | 17.85%   | 16.25%   |
| <b>Class F</b>  |  |  |  |  |  |  |  |
| Ratio of net investment income to average net position* | 0.92%  | 2.37%  | 0.95%  | 2.34%  | 2.18%  | 2.40%  | 5.44%  |
| Ratio of expense to average net position**              | 0.42%  | 0.42%  | 0.42%  | 0.42%  | 0.42%  | 0.42%  | 0.42%  |
| Total return ***  | 16.63%   | 1.33%  | 18.22%   | -0.59%   | 18.04%   | 18.49%   | 16.85%   |

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

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**CollegeCounts 529 Fund Advisor Plan**  
**Financial Highlights by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio  |                                      |  |  |   |  |   |
|---|--|--------------------------------------|--|--|---|--|---|
|   | Northern<br>Funds<br>Small Cap<br>Index<br>529 Portfolio | PIMCO<br>Short-Term<br>529 Portfolio | State Street<br>U.S. Government<br>Money Market<br>529 Portfolio | T. Rowe Price<br>Balanced<br>529 Portfolio | T. Rowe Price<br>Large-Cap<br>Growth<br>529 Portfolio | T. Rowe Price<br>QM U.S. Small-<br>Cap Growth<br>529 Portfolio | T. Rowe Price<br>Real Estate<br>529 Portfolio |
| <b>Class A</b>  |  |                                      |  |  |   |  |   |
| Ratio of net investment income to average net position* | 2.90%  | 1.02%                                | 0.41%  | 2.70%                                      | 0.74%   | -0.65%   | 1.89%   |
| Ratio of expense to average net position**              | 0.67%  | 0.67%                                | 0.21%  | 0.67%                                      | 0.67%   | 0.67%  | 0.67%   |
| Total return ***  | 19.89%   | 2.09%                                | 0.39%  | 13.25%                                     | 29.86%  | 19.08%   | -1.32%  |
| <b>Class B</b>  |  |                                      |  |  |   |  |   |
| Ratio of net investment income to average net position* | 2.15%  | 0.52%                                | 0.41%  | 1.96%                                      | -0.01%  | -1.40%   | 1.13%   |
| Ratio of expense to average net position**              | 1.42%  | 1.17%                                | 0.21%  | 1.42%                                      | 1.42%   | 1.42%  | 1.42%   |
| Total return ***  | 18.97%   | 1.57%                                | 0.39%  | 12.46%                                     | 28.88%  | 18.17%   | -2.07%  |
| <b>Class C</b>  |  |                                      |  |  |   |  |   |
| Ratio of net investment income to average net position* | 2.65%  | 0.77%                                | 0.41%  | 2.45%                                      | 0.49%   | -0.90%   | 1.63%   |
| Ratio of expense to average net position**              | 0.92%  | 0.92%                                | 0.21%  | 0.92%                                      | 0.92%   | 0.92%  | 0.92%   |
| Total return ***  | 19.58%   | 1.83%                                | 0.39%  | 12.95%                                     | 29.56%  | 18.78%   | -1.55%  |
| <b>Class F</b>  |  |                                      |  |  |   |  |   |
| Ratio of net investment income to average net position* | 3.15%  | 1.27%                                | 0.41%  | 2.95%                                      | 0.99%   | -0.40%   | 2.14%   |
| Ratio of expense to average net position**              | 0.42%  | 0.42%                                | 0.21%  | 0.42%                                      | 0.42%   | 0.42%  | 0.42%   |
| Total return ***  | 20.15%   | 2.34%                                | 0.39%  | 13.53%                                     | 30.18%  | 19.38%   | -1.10%  |

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

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**CollegeCounts 529 Fund Advisor Plan**  
**Financial Highlights by Portfolio**  
**For the Year Ended September 30, 2017**

|   | Portfolio   |  |   |  |                                       |                          |                          |                          |
|---|---|--|---|--|---------------------------------------|--------------------------|--------------------------|--------------------------|
|   | Templeton<br>International<br>Bond<br>529 Portfolio | Touchtone<br>High Yield<br>529 Portfolio | Voya Global<br>Real Estate<br>529 Portfolio | William Blair<br>Small Cap<br>Value<br>529 Portfolio | CollegeCounts<br>Fixed Income<br>Fund | CollegeCounts<br>Fund 10 | CollegeCounts<br>Fund 20 | CollegeCounts<br>Fund 30 |
| <b>Class A</b>  |   |  |   |  |                                       |                          |                          |                          |
| Ratio of net investment income to average net position* | 1.33%   | 4.20%                                    | 3.39%                                       | 3.76%  | 0.56%                                 | 1.38%                    | 1.81%                    | 2.01%                    |
| Ratio of expense to average net position**              | 0.67%   | 0.67%                                    | 0.67%                                       | 0.67%  | 0.67%                                 | 0.67%                    | 0.67%                    | 0.67%                    |
| Total return ***  | 10.93%  | 6.94%                                    | -2.32%                                      | 18.27%   | 0.38%                                 | 2.90%                    | 4.77%                    | 6.61%                    |
| <b>Class B</b>  |   |  |   |  |                                       |                          |                          |                          |
| Ratio of net investment income to average net position* | 0.58%   | 3.48%                                    | 2.64%                                       | 3.02%  | -0.16%                                | 0.63%                    | 1.05%                    | 1.26%                    |
| Ratio of expense to average net position**              | 1.42%   | 1.39%                                    | 1.42%                                       | 1.41%  | 1.40%                                 | 1.42%                    | 1.42%                    | 1.42%                    |
| Total return ***  | 10.03%  | 6.33%                                    | -3.03%                                      | 17.37%   | -0.40%                                | 2.10%                    | 4.00%                    | 5.81%                    |
| <b>Class C</b>  |   |  |   |  |                                       |                          |                          |                          |
| Ratio of net investment income to average net position* | 1.07%   | 3.95%                                    | 3.14%                                       | 3.51%  | 0.31%                                 | 1.13%                    | 1.55%                    | 1.76%                    |
| Ratio of expense to average net position**              | 0.92%   | 0.92%                                    | 0.92%                                       | 0.92%  | 0.92%                                 | 0.92%                    | 0.92%                    | 0.92%                    |
| Total return ***  | 10.60%  | 6.75%                                    | -2.58%                                      | 17.94%   | 0.00%                                 | 2.60%                    | 4.44%                    | 6.41%                    |
| <b>Class F</b>  |   |  |   |  |                                       |                          |                          |                          |
| Ratio of net investment income to average net position* | 1.58%   | 4.45%                                    | 3.64%                                       | 4.01%  | 0.82%                                 | 1.64%                    | 2.06%                    | 2.26%                    |
| Ratio of expense to average net position**              | 0.42%   | 0.42%                                    | 0.42%                                       | 0.42%  | 0.42%                                 | 0.42%                    | 0.42%                    | 0.42%                    |
| Total return ***  | 11.25%  | 7.22%                                    | -2.07%                                      | 18.51%   | 0.66%                                 | 3.20%                    | 5.06%                    | 6.91%                    |

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\*\* 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, 2017

|   | Portfolio                |                          |                          |                          |                          |                          |                           |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
|   | CollegeCounts<br>Fund 40 | CollegeCounts<br>Fund 50 | CollegeCounts<br>Fund 60 | CollegeCounts<br>Fund 70 | CollegeCounts<br>Fund 80 | CollegeCounts<br>Fund 90 | CollegeCounts<br>Fund 100 |
| <b>Class A</b>  |                          |                          |                          |                          |                          |                          |                           |
| Ratio of net investment income to average net position* | 2.35%                    | 2.66%                    | 2.74%                    | 2.86%                    | 2.95%                    | 2.97%                    | 5.50%                     |
| Ratio of expense to average net position**              | 0.67%                    | 0.67%                    | 0.67%                    | 0.67%                    | 0.67%                    | 0.67%                    | 0.67%                     |
| Total return ***  | 8.22%                    | 10.21%                   | 11.60%                   | 12.93%                   | 15.19%                   | 16.45%                   | 17.98%                    |
| <b>Class B</b>  |                          |                          |                          |                          |                          |                          |                           |
| Ratio of net investment income to average net position* | 1.60%                    | 1.91%                    | 1.99%                    | 2.11%                    | 2.25%                    | 2.22%                    | 4.76%                     |
| Ratio of expense to average net position**              | 1.42%                    | 1.42%                    | 1.42%                    | 1.42%                    | 1.38%                    | 1.42%                    | 1.40%                     |
| Total return ***  | 7.40%                    | 9.31%                    | 10.81%                   | 12.02%                   | 14.28%                   | 16.00%                   | 17.13%                    |
| <b>Class C</b>  |                          |                          |                          |                          |                          |                          |                           |
| Ratio of net investment income to average net position* | 2.10%                    | 2.41%                    | 2.49%                    | 2.61%                    | 2.70%                    | 2.72%                    | 5.24%                     |
| Ratio of expense to average net position**              | 0.92%                    | 0.92%                    | 0.92%                    | 0.92%                    | 0.92%                    | 0.92%                    | 0.92%                     |
| Total return ***  | 7.99%                    | 9.91%                    | 11.29%                   | 12.63%                   | 14.85%                   | 16.15%                   | 17.72%                    |
| <b>Class F</b>  |                          |                          |                          |                          |                          |                          |                           |
| Ratio of net investment income to average net position* | 2.60%                    | 2.91%                    | 2.99%                    | 3.11%                    | 3.21%                    | 3.22%                    | 5.75%                     |
| Ratio of expense to average net position**              | 0.42%                    | 0.42%                    | 0.42%                    | 0.42%                    | 0.42%                    | 0.42%                    | 0.42%                     |
| Total return ***  | 8.52%                    | 10.41%                   | 11.87%                   | 13.13%                   | 15.38%                   | 16.75%                   | 18.27%                    |

\* 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, 2017

| Target Portfolios  | Age of Beneficiary | Portfolios                      |                       |                       |                       |                       |
|--|--------------------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  |                    | CollegeCounts Fixed Income Fund | CollegeCounts Fund 10 | CollegeCounts Fund 20 | CollegeCounts Fund 30 | CollegeCounts Fund 40 |
| <b>Age-Based Aggressive Portfolios</b>                         |                    |                                 |                       | 19 and over           | 17 - 18               | 15 - 16               |
| <b>Age-Based Moderate Portfolios</b>                           |                    |                                 | 19 and over           | 17 - 18               | 15 - 16               | 13 - 14               |
| <b>Age-Based Conservative Portfolios</b>                       |                    | 19 and over                     | 17 - 18               | 15 - 16               | 13 - 14               | 11 - 12               |
| State Street Institutional U.S. Government Money Market Fund   |                    | \$ 6,782,868                    | \$ 13,535,027         | \$ 9,184,664          | \$ -                  | \$ -                  |
| <b>Money Market Total</b>                                      |                    | 6,782,868                       | 13,535,027            | 9,184,664             | -                     | -                     |
| Credit Suisse Commodity Return Strategy Fund                   |                    | -                               | -                     | 1,016,268             | 1,201,577             | 2,720,950             |
| <b>Commodities Total</b>                                       |                    | -                               | -                     | 1,016,268             | 1,201,577             | 2,720,950             |
| American Century Short Duration Inflation Protection Bond Fund |                    | 2,032,563                       | 8,230,183             | 11,207,482            | 15,753,383            | 12,336,377            |
| Mainstay Total Return Bond Fund                                |                    | 945,926                         | 7,054,443             | 12,192,874            | 14,501,584            | 19,199,937            |
| Northern Funds Bond Index Fund                                 |                    | 1,082,040                       | 7,649,634             | 13,224,427            | 15,727,139            | 15,095,077            |
| PIMCO Short-Term Fund  |                    | 2,719,522                       | 12,959,631            | 25,522,946            | 26,766,315            | 19,237,521            |
| Templeton International Bond Fund                              |                    | -                               | 1,764,260             | 5,092,327             | 6,064,318             | 8,223,565             |
| Touchstone High Yield Fund                                     |                    | -                               | 1,766,651             | 5,112,098             | 6,079,692             | 8,257,145             |
| <b>Fixed Income Total</b>                                      |                    | 6,780,051                       | 39,424,802            | 72,352,154            | 84,892,431            | 82,349,622            |
| Voya Global Real Estate Fund                                   |                    | -                               | -                     | 1,020,908             | 1,216,058             | 2,751,548             |
| <b>Real Estate Total</b>                                       |                    | -                               | -                     | 1,020,908             | 1,216,058             | 2,751,548             |
| Cohen & Steers Dividend Value Fund                             |                    | -                               | 1,185,106             | 3,071,509             | 4,884,180             | 8,298,986             |
| Northern Funds Mid Cap Index Fund                              |                    | -                               | 598,577               | 2,056,441             | 2,462,472             | 4,186,896             |
| Northern Funds Small Cap Value Fund                            |                    | -                               | -                     | -                     | 1,252,874             | 1,421,111             |
| Northern Funds Stock Index Fund                                |                    | -                               | 1,774,301             | 6,158,609             | 8,569,036             | 11,070,705            |
| T. Rowe Price Institutional Large-Cap Growth Fund              |                    | -                               | 1,186,107             | 3,094,748             | 4,934,278             | 8,358,097             |
| T. Rowe Price QM U.S. Small-Cap Growth Equity Fund             |                    | -                               | -                     | -                     | 1,233,481             | 1,395,130             |
| <b>Domestic Equity Total</b>                                   |                    | -                               | 4,744,091             | 14,381,307            | 23,336,321            | 34,730,925            |
| DFA International Small Company Fund                           |                    | -                               | -                     | -                     | -                     | -                     |
| Lazard Emerging Markets Equity Portfolio                       |                    | -                               | -                     | -                     | 1,210,509             | 1,364,089             |
| Neuberger Berman International Large Cap Fund                  |                    | -                               | 595,019               | 2,067,093             | 4,908,033             | 8,334,074             |
| Northern Funds International Equity Index Fund                 |                    | -                               | 591,798               | 2,060,655             | 4,892,787             | 5,529,537             |
| <b>International Equity Total</b>                              |                    | -                               | 1,186,817             | 4,127,748             | 11,011,329            | 15,227,700            |
| <b>Fair Value of Investments, End of Period</b>                |                    | \$ 13,562,919                   | \$ 58,890,737         | \$ 102,083,049        | \$ 121,657,716        | \$ 137,780,745        |
| <b>Fair Value of Investments, End of Period</b>                |                    | \$ 13,562,919                   | \$ 58,890,737         | \$ 102,083,049        | \$ 121,657,716        | \$ 137,780,745        |
| <b>Plus Amounts to be Invested and Accrued</b>                 |                    |                                 |                       |                       |                       |                       |
| Investment Income  |                    | 11,580                          | 144,141               | 427,125               | 325,877               | 312,455               |
| <b>Less Amounts to be Distributed and Accrued</b>              |                    |                                 |                       |                       |                       |                       |
| Expenses   |                    | (21,921)                        | (141,647)             | (234,810)             | (442,432)             | (372,741)             |
| <b>Net Assets Held in Trust, End of Period</b>                 |                    | \$ 13,552,578                   | \$ 58,893,231         | \$ 102,275,364        | \$ 121,541,161        | \$ 137,720,459        |



# CollegeCounts 529 Fund Advisor Plan

## Schedule of Investments (Age-Based Target Portfolios)

### September 30, 2017

| Target Portfolios  |                    | Portfolios            |                       |                       |                       |                       |                        |
|--|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
|  |                    | CollegeCounts Fund 50 | CollegeCounts Fund 60 | CollegeCounts Fund 70 | CollegeCounts Fund 80 | CollegeCounts Fund 90 | CollegeCounts Fund 100 |
|  | Age of Beneficiary | 13 - 14               | 11 - 12               | 9 - 10                | 6 - 8                 | 3 - 5                 | newborn to 2           |
| <b>Age-Based Aggressive Portfolios</b>                           |                    |                       |                       |                       |                       |                       |                        |
| <b>Age-Based Moderate Portfolios</b>                             |                    | 11 - 12               | 9 - 10                | 6 - 8                 | 3 - 5                 | newborn to 2          |                        |
| <b>Age-Based Conservative Portfolios</b>                         |                    | 9 - 10                | 6 - 8                 | 3 - 5                 | newborn to 2          |                       |                        |
| State Street Institutional U.S. Government Money Market Fund     |                    | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                   |
| <b>Money Market Total</b>  |                    | -                     | -                     | -                     | -                     | -                     | -                      |
| Credit Suisse Commodity Return Strategy Fund                     |                    | 1,201,629             | 2,069,871             | 2,045,227             | 1,626,420             | 565,862               | 1,242,332              |
| <b>Commodities Total</b>   |                    | 1,201,629             | 2,069,871             | 2,045,227             | 1,626,420             | 565,862               | 1,242,332              |
| American Century Short Duration Inflation Protection Bond Fund   |                    | 4,813,398             | 4,167,932             | 2,748,859             | 2,455,499             | 567,607               | -                      |
| Mainstay Total Return Bond Fund                                  |                    | 16,778,620            | 10,443,303            | 4,795,898             | 3,279,671             | 567,623               | -                      |
| Northern Funds Bond Index Fund                                   |                    | 10,799,147            | 7,312,565             | 3,429,433             | 2,457,882             | 568,155               | -                      |
| PIMCO Short-Term Fund  |                    | 13,260,643            | 9,415,843             | 4,134,756             | 3,286,094             | 568,732               | -                      |
| Templeton International Bond Fund                                |                    | 7,209,776             | 5,218,844             | 2,751,941             | 2,457,889             | 284,198               | -                      |
| Touchstone High Yield Fund                                       |                    | 7,241,349             | 5,227,810             | 2,758,833             | 2,460,724             | 285,352               | -                      |
| <b>Fixed Income Total</b>  |                    | 60,102,933            | 41,786,297            | 20,619,720            | 16,397,759            | 2,841,667             | -                      |
| Voya Global Real Estate Fund                                     |                    | 2,405,578             | 3,154,094             | 2,755,230             | 2,480,657             | 1,139,982             | 3,148,911              |
| <b>Real Estate Total</b>   |                    | 2,405,578             | 3,154,094             | 2,755,230             | 2,480,657             | 1,139,982             | 3,148,911              |
| Cohen & Steers Dividend Value Fund                               |                    | 8,472,297             | 8,400,885             | 6,198,821             | 9,104,592             | 3,403,986             | 7,651,785              |
| Northern Funds Mid Cap Index Fund                                |                    | 7,287,462             | 6,354,592             | 4,837,208             | 6,690,972             | 2,276,383             | 6,433,878              |
| Northern Funds Small Cap Value Fund                              |                    | 1,238,510             | 2,156,040             | 1,388,701             | 2,553,481             | 854,425               | 1,984,934              |
| Northern Funds Stock Index Fund                                  |                    | 12,136,657            | 10,520,460            | 7,604,297             | 10,763,425            | 4,556,100             | 10,176,871             |
| T. Rowe Price Institutional Large-Cap Growth Fund                |                    | 8,496,246             | 8,498,812             | 6,245,677             | 9,191,823             | 3,429,669             | 8,238,903              |
| T. Rowe Price QM U.S. Small-Cap Growth Equity Fund               |                    | 1,234,060             | 2,122,284             | 1,389,147             | 2,511,460             | 854,653               | 1,940,036              |
| <b>Domestic Equity Total</b>                                     |                    | 38,865,232            | 38,053,073            | 27,663,851            | 40,815,753            | 15,375,216            | 36,426,407             |
| DFA International Small Company Fund                             |                    | -                     | 2,105,234             | 2,084,287             | 2,489,753             | 1,149,162             | 3,198,021              |
| Lazard Emerging Markets Equity Portfolio                         |                    | 2,373,261             | 3,153,113             | 2,050,221             | 3,312,173             | 1,124,158             | 3,105,242              |
| Neuberger Berman International Large Cap Fund                    |                    | 9,750,305             | 8,471,641             | 6,934,447             | 9,178,144             | 3,724,062             | 9,510,007              |
| Northern Funds International Equity Index Fund                   |                    | 6,083,547             | 6,315,252             | 4,844,952             | 6,634,277             | 2,570,265             | 6,987,503              |
| <b>International Equity Total</b>                                |                    | 18,207,113            | 20,045,240            | 15,913,907            | 21,614,347            | 8,567,647             | 22,800,773             |
| <b>Fair Value of Investments, End of Period</b>                  |                    | \$ 120,782,485        | \$ 105,108,575        | \$ 68,997,935         | \$ 82,934,936         | \$ 28,490,374         | \$ 63,618,423          |
| <b>Fair Value of Investments, End of Period</b>                  |                    | \$ 120,782,485        | \$ 105,108,575        | \$ 68,997,935         | \$ 82,934,936         | \$ 28,490,374         | \$ 63,618,423          |
| <b>Plus Amounts to be Invested and Accrued Investment Income</b> |                    | 289,658               | 454,571               | 185,438               | 149,910               | 88,904                | 42,536                 |
| <b>Less Amounts to be Distributed and Accrued Expenses</b>       |                    | (312,762)             | (327,144)             | (247,800)             | (197,608)             | (109,987)             | (121,639)              |
| <b>Net Assets Held in Trust, End of Period</b>                   |                    | \$ 120,759,381        | \$ 105,236,002        | \$ 68,935,573         | \$ 82,887,238         | \$ 28,469,291         | \$ 63,539,320          |

**CollegeCounts 529 Fund Advisor Plan**  
**Combining Schedule of Fiduciary Net Position**  
**September 30, 2017**

|   | <b>CollegeCounts<br/>529 Fund</b> | <b>CollegeCounts<br/>529 Fund<br/>Advisor Plan</b> | <b>Eliminations</b> | <b>Combined<br/>Totals</b> |
|---|-----------------------------------|--|---------------------|----------------------------|
| <b>Assets</b>                                   |                                   |  |                     |                            |
| Investments, at fair value                      | \$ 405,595,092                    | \$ 1,171,940,015                                   | \$ -                | \$ 1,577,535,107           |
| Cash  | 419,927                           | 266,105  | -                   | 686,032                    |
| Receivables for contributions                   | 698,496                           | 1,891,781  | -                   | 2,590,277                  |
| Accrued investment income                       | 226,518                           | 775,334  | -                   | 1,001,852                  |
|   | <u>406,940,033</u>                | <u>1,174,873,235</u>                               | <u>-</u>            | <u>1,581,813,268</u>       |
| Total assets                                    |                                   |  |                     |                            |
| <b>Liabilities</b>                              |                                   |  |                     |                            |
| Distributions payable to shareholders           | 1,659                             | 2,247  | -                   | 3,906                      |
| Withdrawals payable                             | 776,779                           | 1,410,731  | -                   | 2,187,510                  |
| Accrued expenses                                | 445,439                           | 1,581,340  | -                   | 2,026,779                  |
|   | <u>1,223,877</u>                  | <u>2,994,318</u>                                   | <u>-</u>            | <u>4,218,195</u>           |
| Total liabilities                               |                                   |  |                     |                            |
| <b>Fiduciary Net Position Held<br/>in Trust</b> | <u>\$ 405,716,156</u>             | <u>\$ 1,171,878,917</u>                            | <u>\$ -</u>         | <u>\$ 1,577,595,073</u>    |

**CollegeCounts 529 Fund Advisor Plan**  
**Combining Schedule of Changes in Fiduciary Net Position**  
**For the Year Ended September 30, 2017**

|  | <b>CollegeCounts<br/>529 Fund</b> | <b>CollegeCounts<br/>529 Fund<br/>Advisor Plan</b> | <b>Eliminations</b> | <b>Combined<br/>Totals</b> |
|--|-----------------------------------|--|---------------------|----------------------------|
| <b>Additions</b>   |                                   |  |                     |                            |
| Contributions  | \$ 70,757,496                     | \$ 128,167,174                                     | \$ (31,058,411)     | \$ 167,866,259             |
| Investment income  |                                   |  |                     |                            |
| Dividends and interest   | 8,229,895                         | 36,851,252   | -                   | 45,081,147                 |
| Total additions  | <u>78,987,391</u>                 | <u>165,018,426</u>                                 | <u>(31,058,411)</u> | <u>212,947,406</u>         |
| <b>Deductions</b>  |                                   |  |                     |                            |
| Withdrawals  | 29,143,364                        | 121,559,323  | (31,058,411)        | 119,644,276                |
| Management fees  | 912,592                           | 8,422,209  | -                   | 9,334,801                  |
| Total deductions   | <u>30,055,956</u>                 | <u>129,981,532</u>                                 | <u>(31,058,411)</u> | <u>128,979,077</u>         |
| <b>Net Realized Gain and Net<br/>Appreciation in Fair Value of<br/>Investments</b> | <u>29,836,311</u>                 | <u>82,629,044</u>                                  | <u>-</u>            | <u>112,465,355</u>         |
| <b>Net Increase</b>  | 78,767,746                        | 117,665,938  | -                   | 196,433,684                |
| <b>Fiduciary Net Position Held in<br/>Trust, Beginning of Year</b>                 | <u>326,948,410</u>                | <u>1,054,212,979</u>                               | <u>-</u>            | <u>1,381,161,389</u>       |
| <b>Fiduciary Net Position Held in<br/>Trust, End of Year</b>                       | <u>\$ 405,716,156</u>             | <u>\$ 1,171,878,917</u>                            | <u>\$ -</u>         | <u>\$ 1,577,595,073</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, 2017, 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 February 6, 2018.

***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 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 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 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  
February 6, 2018

## 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 during the year ended September 30, 2017, 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 the 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, 2017, 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 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, 2017, 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  
February 6, 2018