Proposed Resolution for Consideration by the
CollegeCounts 529 Board of Trustees at its meeting on August 19, 2026

Topic: Reduction of Target 20 & Target 40 in Plan Portfolios

WHEREAS, the Legislature created the Wallace-Folsom College Savings Investment Plan (the "Plan") pursuant to Title 16, Chapter 33C of the *Code of Alabama*, 1975, in recognition that the advancement of higher education in the State of Alabama is a proper governmental function and purpose of the State of Alabama; and

WHEREAS, pursuant to §16-33C10(b), *Code of Alabama,* the ACES Trust Fund has been established within the Program for the purpose of establishing savings agreements for the sole benefit of the contributor and designated beneficiary to be used for qualified higher education costs of the designated beneficiary; and,

WHEREAS, the Board has engaged and relies on Union Bank, its investment advisor, Wilshire Associates Incorporated ("Wilshire"), and the Boards investment advisor, Callan, for investment management services: and,

WHEREAS, Union Bank and Wilshire periodically conduct a review of implementation of the CollegeCounts target-risk portfolios in the Advisor-Sold and Direct-Sold plans. Union Bank and Wilshire reviewed the allocation of the six target-risk portfolios and recommend reducing the current number of options to four by removing the Target Fund 20 and Target Fund 40 portfolios in both Plans due to lower utilization. It is also recommended to change the name to Static Portfolios and maintain the Fixed Income portfolio as an option for participants interested in a conservative fixed income portfolio; and,

WHEREAS, Callan, the Board's investment advisor, reviewed the recommendation and is not in favor of reducing the number of target-risk portfolios structure in place, assuming there are no significant cost benefits to reducing the line-up. Additionally, the current structure is symmetrical with 20% equity increments between Funds; and,

NOW, THEREFORE, BE IT RESOLVED, following a thorough discussion, the Board ________________the recommendation to remove the Target Fund 20 and Fund 40 Portfolios.