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**CollegeCounts, Alabama 529
Savings Program
Executive Summary
Third Quarter 2019**

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Market Environment

Third Quarter Market Environment

Global Economy

The U.S. economy continued to perform reasonably well in Q3. Second quarter real GDP grew 2.0% (annualized), led by the consumer. The labor market remained resilient despite continued weakness in manufacturing. Overseas, economies continued to languish with manufacturing also being a key culprit as trade wars took a toll. Broadly, central banks cut rates; some to new record lows. Economic data along with striking political headlines in the U.S., Brexit uncertainty, civil unrest in Hong Kong, and ongoing trade talks leave much room for uncertainty in the fourth quarter.

U.S.

- Second quarter real GDP grew 2.0% (annualized)
 - Down from 3.1% in the first quarter
 - Consumer spending, representing almost 70% of U.S. economic activity, surged at a 4.7% rate, the fastest growth since 4Q14
 - Trade deficit widened in Q2; trade cut 0.7% from GDP

- Unemployment rate remained low at 3.7%

- Conference Board Consumer Confidence Index remained elevated but down 7% from one year earlier
 - Due to a sharp decline in the expectations component of the Index

- Inflation remained stubbornly low
 - Headline CPI in August was 1.7% (y/y); Core CPI rose 2.4% (y/y)
 - Core PCE deflator was +1.8% (annualized) in August, still falling short the Fed's 2% target

- Manufacturing continued to languish
 - ISM Factory Index was weak at 49.1 in August sharply off its peak of 60.8 (8/2018). Spoiler: it dropped further to 47.8 in September as reported on October 1.

- The Fed cut the Fed Funds target rate by 25 bps, bringing the range to 1.75%-2.00%
 - The broad Fed view does not show another cut until after 2020; market expectations are more dovish

Overseas

- Euro zone indicators deteriorated
 - Second quarter GDP expanded 1.2% (annualized) down from 1.3% in Q1
 - Inflation was a meager 1.0% in August (y/y), lowest since 2016
 - Euro zone manufacturing PMI fell to 45.7 for September, the lowest in 17 years (reported October 1)
 - The ECB reduced its deposit rate from -0.4% to -0.5% and announced a new bond purchase program at a rate of €20 billion a month, beginning in November

- U.K. economy contracted by 0.2% (q/q) in Q2, worst quarter since 2012, down from 0.6% in Q1

- Political, trade and economic uncertainties exacerbated concerns about Brexit
- Manufacturing remained weak; with UK PMI at 47.4 in August, a 6.5 year low

- Japan's Q2 GDP growth revised down from 1.8% to 1.3% (annualized)
 - A consumption tax hike in October could dim the outlook

- China's economy slowed to 6.2% (y/y) in Q2, a 27-year low
 - The authorities announced policy support in response to domestic weakness
 - The U.S. and China imposed and threatened tariffs on one another but agreed to a 13th round of trade talks in October

Fixed Income

U.S. Treasury yields were volatile, but declined quarter over quarter as worries over the impact of tariffs and concerns about growth overseas led to rate cuts. Overseas, rates also fell but the U.S. dollar appreciated against most currencies. September saw the ECB announce a much anticipated new round of stimulus measures to combat stagnant growth and spur inflation. Emerging market debt returns were roughly flat in the quarter.

U.S. Fixed Income

- U.S. rates turned sharply lower as trade tensions heightened and global growth forecasts fell
 - 2-year U.S. Treasury Note declined 13 bps to close at 1.63%
 - 10-year Treasury yields were volatile in Q3, but down 32 bps from June 30 to close the quarter at 1.68%
 - 30-year Treasury yield declined 41 bps and closed at 2.12%
 - 3-mo/10-year spread first inverted in March and remained so at 6/30; however more widely watched 2yr/10yr spread remained positive

- Blmbg Barclays Aggregate rose 2.3%; +8.5% y-t-d
 - Blmbg Barclays Corporate: +3.1%; +13.2% y-t-d
 - Blmbg Barclays US Treasury: +2.4%; +7.7% y-t-d

- TIPS underperformed as inflation expectations waned
 - 10-year breakeven inflation rate at 1.53% (9/30) from 1.69% (6/30)
 - Blmbg Barclays TIPS Index: +1.3%; +7.6% y-t-d

- Blmbg Barclays High Yield returned +1.3%; +11.4% y-t-d
 - Lower quality underperformed (CCC: -1.8% vs BB: +2.0%, and +12.8% vs +5.6% YTD) reflecting concern about deteriorating quality at the lower end of the spectrum

- Municipals underperformed U.S. Treasuries as supply increased in September
 - Blmbg Barclays Municipal Bond Index: +1.6%; +6.7% y-t-d

Non-U.S. Fixed Income

- Rates fell overseas but the U.S. dollar appreciated versus most currencies
 - Blmbg Barclays Global Agg ex-U.S. (unhedged): -0.6%; +4.4% y-t-d
 - Blmbg Barclays Global Agg ex-U.S. (hedged): +2.8%; +8.8% y-t-d
 - German 10-year bund yield continued to hit new lows and closed the quarter at -0.6%; the 2-year ended at -0.8%
 - The Italian 10-year yield fell 126 bps to 0.82% due to announcement of new stimulus measures and a calmer political backdrop
 - The 10-year U.K. yield fell 34 bps
- Negative yielding debt increased to ~\$17 trillion, leaving investors to grapple with the dire implications of paltry yields and reduced return expectations for both stocks and bonds
- Emerging market debt was roughly flat but up sharply YTD
 - The US dollar-denominated JPM EMBI Global Diversified Index gained +1.5%; +13.0% y-t-d
 - Local currency emerging market debt, as measured by the JPM GBI-EM Global Diversified fell 0.8%; +7.9% y-t-d
 - Turkey (+19%) and Argentina (-60%) were outliers for the quarter
 - Brazil: -5%
 - Mexico: +2%
 - Russia: +1%

U.S. Equity

U.S. Equity markets made modest gains in Q3, despite ongoing growth concerns and uncertainty surrounding U.S.-China trade. The S&P 500 gained 1.7% with mixed sector results. Non-U.S. developed markets equities were hurt by the strong U.S. dollar, finishing the quarter in negative territory. Emerging markets dropped 4% with concerns over economic growth and trade tensions dominating headlines.

- S&P 500 Index gained 1.7% in Q3; +20.6% y-t-d
 - Top performers were defensive sectors, including Utilities (+9.3%), Real Estate (+7.7%) and Consumer Staples (+6.1%)
 - Energy (-6.3%) and Health Care (-2.3%) fell
 - Quality factors such as Operating Margin and ROE were positive in Q3 while Beta and Volatility were negative
 - Corporate profits rose 4.8% from Q1 as companies cut investment (-1.4%)
- Growth slightly ahead of Value, notable y-t-d divergence
 - R1000 Growth: +1.5%; +23.3% y-t-d
 - R1000 Value: +1.4%; +17.8% y-t-d
- Small cap continued to underperform large cap

- R1000: +1.4%; +20.5% y-t-d
- R2000: -2.4%; +14.2% y-t-d
- High-flying growth stocks “FAAMG” plus Netflix
 - Contribution to return: +39% (S&P 500); +81% (R1000 Growth)

	3Q19	YTD
Facebook	-7.7	+35.8
Apple	+13.6	+43.7
Amazon	-8.3	+15.6
Microsoft	+4.1	+38.4
Google (Alphabet Class C)	+12.8	+17.7
Netflix	-27.1	0.0

International Equity

- Non-U.S. developed markets fell, hurt by the strong U.S. dollar
 - EAFE: -1.1%; +12.8% y-t-d
 - ACWI ex-U.S.: -1.8%; +11.6% y-t-d
 - Value underperformed Growth by nearly 200 bps for the quarter
 - U.K. recorded a modest gain (+0.7%) in local currency but currency weakness resulted in -2.5% USD return
 - Germany dropped 4% as disappointing economic data persisted
 - Japan (+3.1%) was the best performer while Hong Kong slumped 12% as protests took their toll on the economy
- Most currencies weakened against the U.S. dollar
 - USD gained over 3% versus basket of currencies of major trading partners
 - Japanese yen, however, was relatively flat for the quarter vs the dollar
- Emerging markets were down as trade tensions escalated and concerns over global growth continued to mount
 - MSCI EM: -4.2%; +5.9% y-t-d
 - Argentina (-46.8%) off sharply as surprise primary election results triggered a major sell-off in equities and the currency
 - Turkey (+11.6%) posted a robust return as the central bank cut interest rates by a total of 7.5% over the quarter, more than expected
 - Russia (-1.4%), Brazil (-4.6%) and India (-5.2%) were down
 - China offshore lost 4.7%, underperforming the A-shares market (-2.9%)

Liquid Real Assets

Given the declining rate environment witnessed during the third quarter, several real asset categories performed well, notably both the listed Real Estate and Infrastructure sectors. But while MLPs have typically benefited from declining rates, volatile and falling oil prices weighed more heavily on the space in the quarter. Commodities were mixed, led by Gold, which was helped by its safe-haven status. And TIPS underperformed nominal U.S. Treasuries as inflation expectations waned.

- Brent crude oil prices slid from \$58.47/barrel to \$54.07/barrel
 - S&P 1200 Energy: -5.6%; +6.6% y-t-d
 - Alerian MLP Index: -5.0%; +11.1% y-t-d

- Commodities mixed
 - Bloomberg Commodity TR Index: -1.8%; +3.1% y-t-d
 - Agriculture Commodities finished in negative territory (Bloomberg Commodity: Agriculture Subindex: -6.2%), weighed down by Coffee, Corn and Cotton in particular
 - Nickel (+35.5%) almost single-handedly lifted the Industrial Metals Subindex (+2.4%) into positive territory for the quarter
 - GS Commodity Index: -4.2%; +8.6% y-t-d
 - S&P Gold Spot Price Index: +4.3%; +15.0% y-t-d

- Listed Infrastructure and Real Estate both performed well, benefitting from the declining rate environment
 - DJ-Brookfield Global Infrastructure Index: +2.5%; +23.8% y-t-d
 - FTSE NAREIT: +7.8%; +27.0% y-t-d
 - FTSE EPRA/NAREIT Global: +3.2%; +18.6% y-t-d
 - TIPS delivered a positive return

- Blmbg Barclays TIPS Index: +1.3%; +7.6% y-t-d
 - 10-year breakeven inflation rate at 1.53% (9/30) from 1.69% (6/30)

Capital Markets Preview

U.S. EQUITY

U.S. equity markets posted mixed results amid a market that saw 30-year Treasury yields hit historic lows and the most meaningful, albeit short-lived, factor rotation among equities since the Global Financial Crisis (GFC). Large cap (+1.4%) and mid cap stocks (+0.5%) posted modest gains for the quarter while small caps declined (Russell 2000: -2.4%). Ongoing U.S.-China trade tension, earnings and interest rate uncertainty, and the global political landscape continued to drive investor uncertainty.

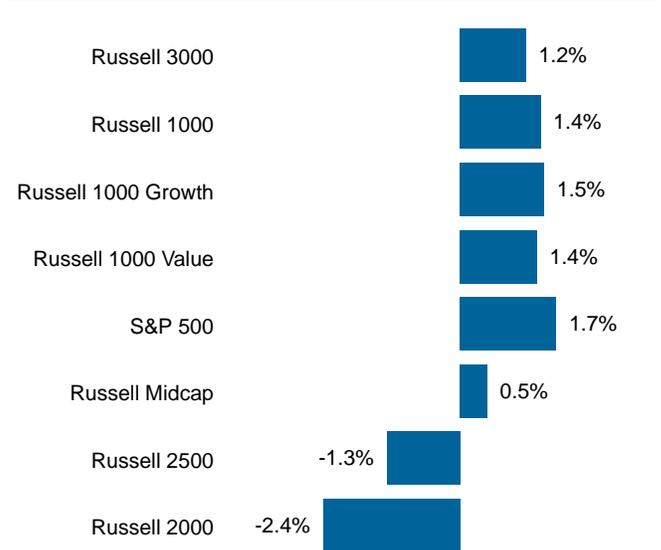
Large Cap U.S. Equity (S&P 500: +1.7%; Russell 1000: +1.4%)

- Top sectors were in defensive areas including Utilities (+9.3%), Real Estate (+7.7%), and Consumer Staples (+6.1%) in response to investors' continued flight to quality.
- Energy, hurt by falling oil prices, fell 6.3%; Health Care lagged (-2.2%) amid discussions around price transparency and pricing reform by U.S. presidential candidates.
- Cyclical sector exposure has been volatile given uncertainty around the trade deal (and continued sideways movement of markets) along with slowed global growth.
- Up to September, momentum stocks (which have shifted to include many of the market's least volatile stocks) outperformed as investors shunned the cheapest quintile of value (and more volatile) stocks. This trend sharply reversed in early September as the 10-year Treasury yield rose from 1.46% to 1.73% and momentum stocks fell precipitously while value stocks traded up over the course of two days. The magnitude of the reversal gave a boost to value stocks across market capitalizations for the quarter.

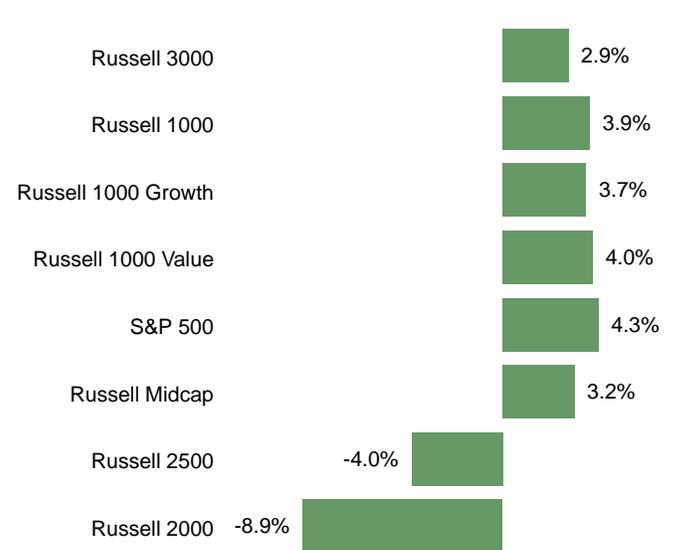
Growth vs. Value (Russell 1000 Value: +1.4%, Russell 1000 Growth: +1.5%; Russell 2000 Value: -0.6%, Russell 2000 Growth: -4.2%)

- While value continues to trail growth year-to-date, it gained ground during September's factor reversal, finishing the quarter essentially in line with growth within large caps.
- Within small cap, value benefited as investors favored the cheapest 20% of small caps while the most expensive quintile within the Russell 2000 declined double digits.

U.S. Equity: Quarterly Returns

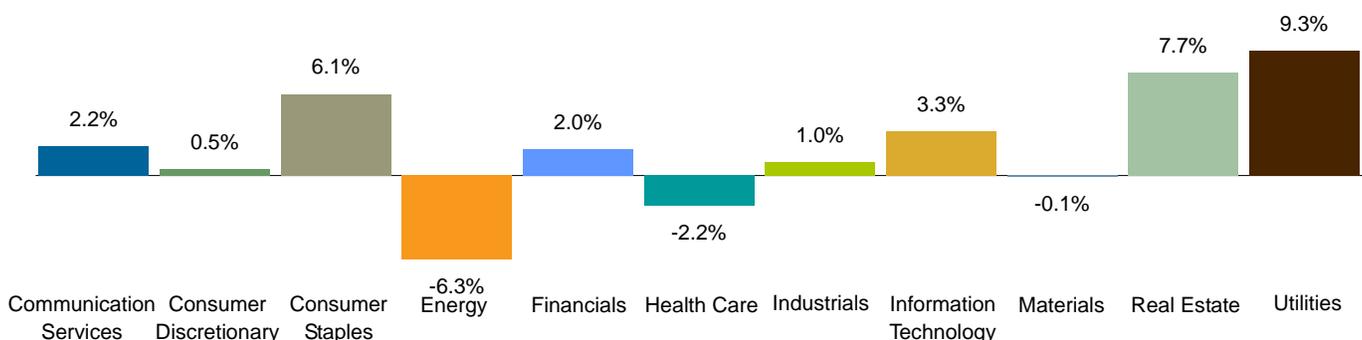


U.S. Equity: One-Year Returns



Sources: FTSE Russell, Standard & Poor's

S&P Sector Returns, Quarter Ended September 30, 2019



Source: Standard & Poor's

NON-U.S./GLOBAL EQUITY

Global equity markets turned negative in the third quarter. After more modest positive results in the second quarter, fears over continued trade war impacts, a no-deal Brexit, and a potential global slowdown impacted investor behavior. Given this backdrop, more defensive areas of the market outperformed.

Global/Non-U.S. Developed (MSCI EAFE: -1.1%; MSCI World ex USA: -0.9%; MSCI ACWI ex USA: -1.8%; MSCI Hong Kong: -11.9%; MSCI Japan: +3.1%)

- Boris Johnson's attempted suspension of Parliament and no-deal Brexit proclamations weighed on U.K. stocks (-2.5%).
- Germany (-4.0%) experienced recession fears; industrial production dropped 1.5% in June from the prior month, while the estimate was -0.5%.
- Hong Kong protests proved to be a headwind as the market fell -11.9% over the three-month period.
- Japan was one of the few bright spots within developed markets as low short-term interest rates remain unchanged and a resolution to the Japan/South Korea trade war looked more promising.
- Cyclical sectors trailed as investors were positioned defensively; Energy (-6.5%) had the worst performance.
- For the quarter, factor performance reflected cautious investor behavior as quality and low volatility did well. However, the month of September saw a brief recovery in value across all markets as trade talks improved and central banks eased.

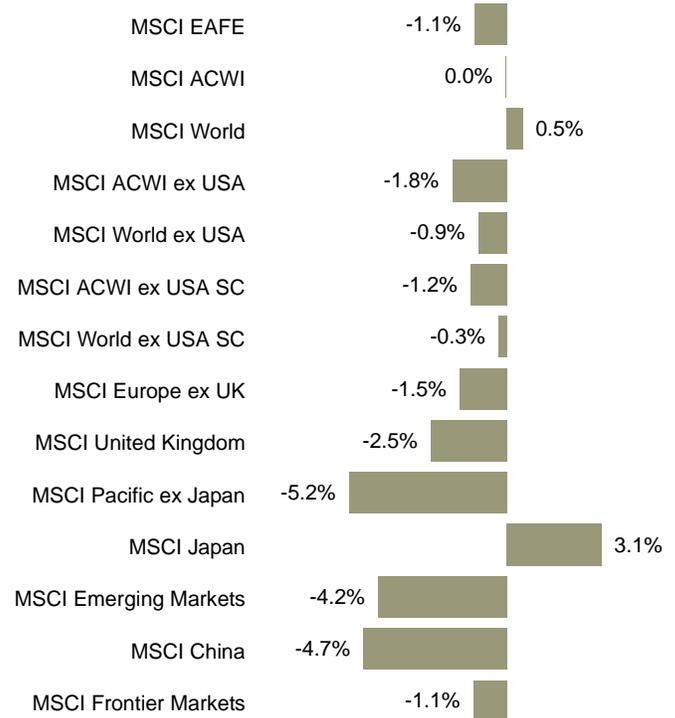
Emerging Markets (MSCI Emerging Markets Index: -4.2%)

- Emerging markets fared worst among global markets; uncertainty weighed heavily on these volatile countries.
- Though most emerging market countries fell during the quarter, Turkey (+11.7%) had strong results as its central bank cut rates two times in less than two months.
- Factor performance in emerging markets favored quality and price momentum as investors moved toward safe assets.

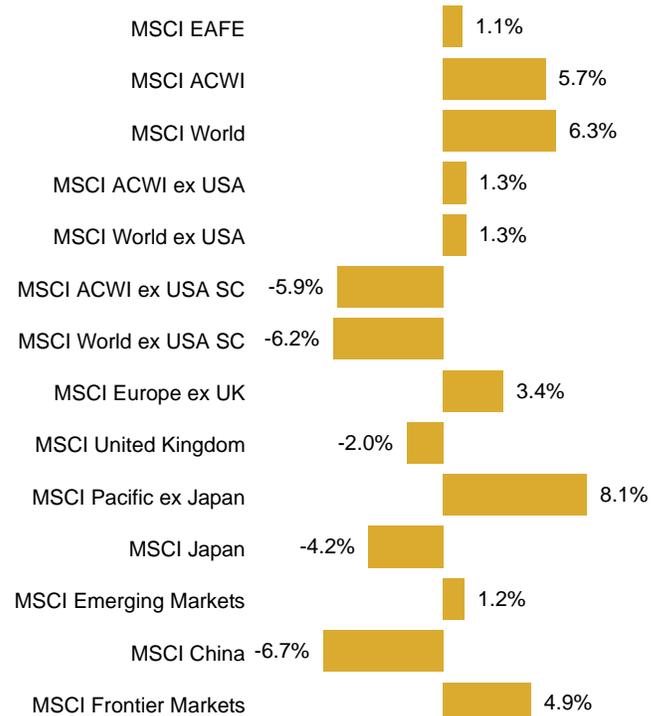
Non-U.S. Small Cap (MSCI World ex USA Small Cap: -0.3%; MSCI EM Small Cap: -4.6%; MSCI ACWI ex USA Small Cap: -1.2%)

- Small cap marginally outperformed large cap, both in developed and all country ex-U.S. markets; despite overall defensive posturing, idiosyncratic businesses pushed past global market issues.
- Japan (+4.0%) helped drive developed returns as small cap companies also benefited from low rates and resolved trade tensions; Hong Kong (-7.6%) detracted as local businesses were hurt by the protests.

Global Equity: Quarterly Returns



Global Equity: One-Year Returns



Source: MSCI

FIXED INCOME

The Federal Open Market Committee (FOMC) cut short-term interest rates by 25 basis points twice in the third quarter amid an economic backdrop that has been supported by strong consumer spending and a solid labor market, but challenged by weakening manufacturing data and business investment. The Fed chair stated that the FOMC would act as “appropriate to sustain the expansion,” and the European Central Bank and other central banks around the world also moved in the direction of easing monetary policy. Yields fell in the U.S. and abroad given global growth headwinds fueled by mounting trade tensions as well as geopolitical uncertainty.

U.S. Fixed Income (Bloomberg Barclays US Aggregate Bond Index: +2.3%)

- Treasuries returned 2.4% as rates fell across the yield curve.
- While the widely monitored 2- and 10-year key rates remained positive, the spread between the 3-month and 10-year key rates remained inverted.
- Long Treasuries soared (+7.9%) as 30-year yields fell roughly 40 bps.
- Nominal Treasuries outperformed TIPS as inflation expectations continued to fall; 10-year breakeven spreads were 1.53% as of quarter-end, down from 1.69% as of June 30. The 10-year real yield dipped briefly into negative territory in early September.

Investment Grade Corporates (Bloomberg Barclays Corporate: +3.1%)

- Investment grade corporate credit spreads were range-bound, but their yield advantage was enough to generate positive excess returns versus like-duration Treasuries.
- Issuance in the corporate bond market was \$320 billion in the quarter, \$50 billion higher than a year ago; demand remained solid. BBB-rated corporates (+3.1%) modestly outperformed A-rated or higher corporates (+3.0%).

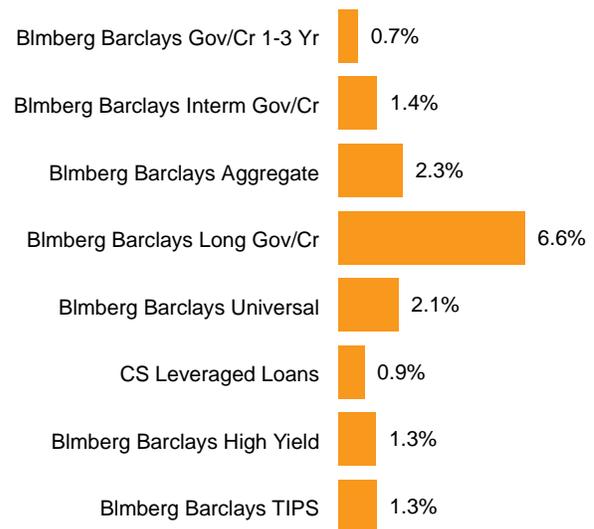
High Yield (Bloomberg Barclays Corporate High Yield: +1.3%)

- BB-rated corporates (+2.0%) outperformed CCC-rated corporates (-1.8%). BB- and B-rated spreads narrowed slightly, but the rally in rates helped drive outperformance as a result of higher quality bonds' greater sensitivity to interest rate movements.
- CCC-rated bond spreads widened significantly, representing some concern about deteriorating quality at the lower-end of the spectrum.

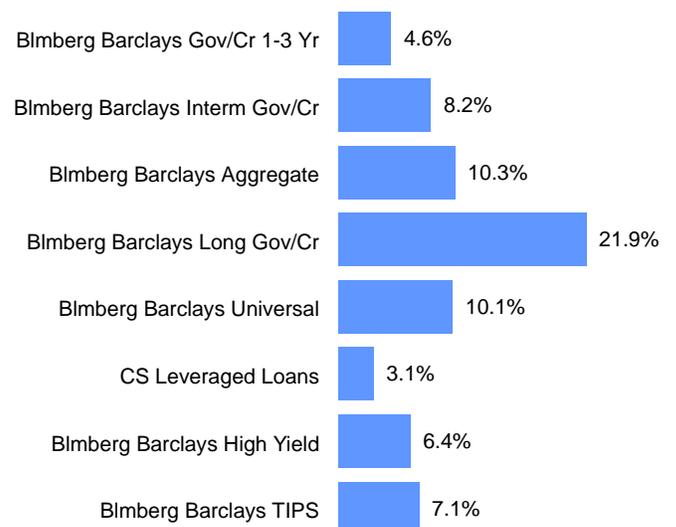
Leveraged Loans (CS Leveraged Loans: +0.9%)

- Bank loans, which have floating rate coupons, underperformed high yield bonds as rates rallied and investors worried about deteriorating credit quality.
- CLO issuance continued to exceed expectations, providing positive technical support to the leveraged loan market.

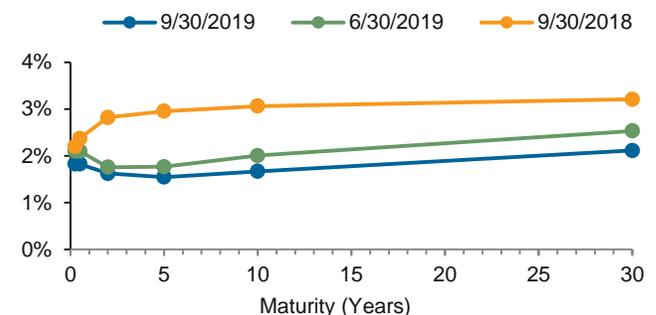
U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



U.S. Treasury Yield Curves



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

NON-U.S. FIXED INCOME

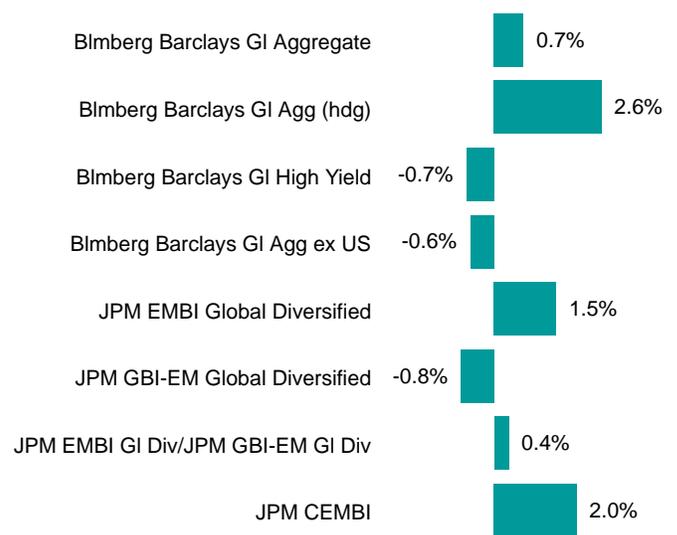
Global Fixed Income (Bloomberg Barclays Global Aggregate (unhedged): +0.7%; (hedged): +2.6%)

- Developed market sovereign bond yields rallied, pushing European sovereigns further into negative territory as the ECB reduced its deposit rate and announced a new bond purchasing stimulus program.
- Negative yielding debt totals nearly \$17 trillion, a record high.
- The U.S. dollar was up 3.4% versus a basket of trade partner currencies and up 4.3% vs the beleaguered euro.

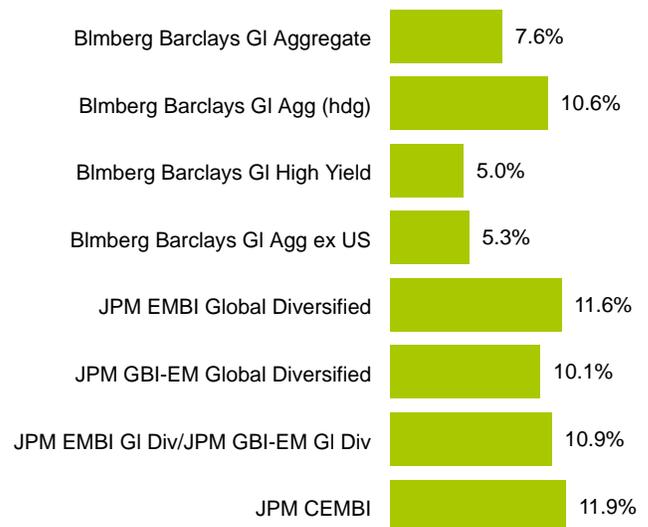
US\$ EMD (JPM EMBI Global Diversified: +1.5%), **Local Currency EMD** (JPM GBI-EM Global Diversified: -0.8%)

- Broadly, emerging market currencies depreciated versus the U.S. dollar, hampering local currency returns.
- Within the dollar-denominated benchmark, Argentina (-42%) and Venezuela (-51%) were among the few to post negative returns. Conversely, returns in the local debt benchmark were more mixed with Turkey (+19%) and Argentina (-60%) being outliers.

Global Fixed Income: Quarterly Returns

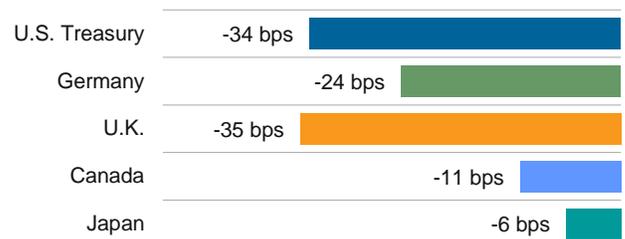


Global Fixed Income: One-Year Returns



Change in 10-Year Global Government Bond Yields

2Q19 to 3Q19



Sources: Bloomberg, Bloomberg Barclays, JP Morgan

Range of Mutual Fund Returns

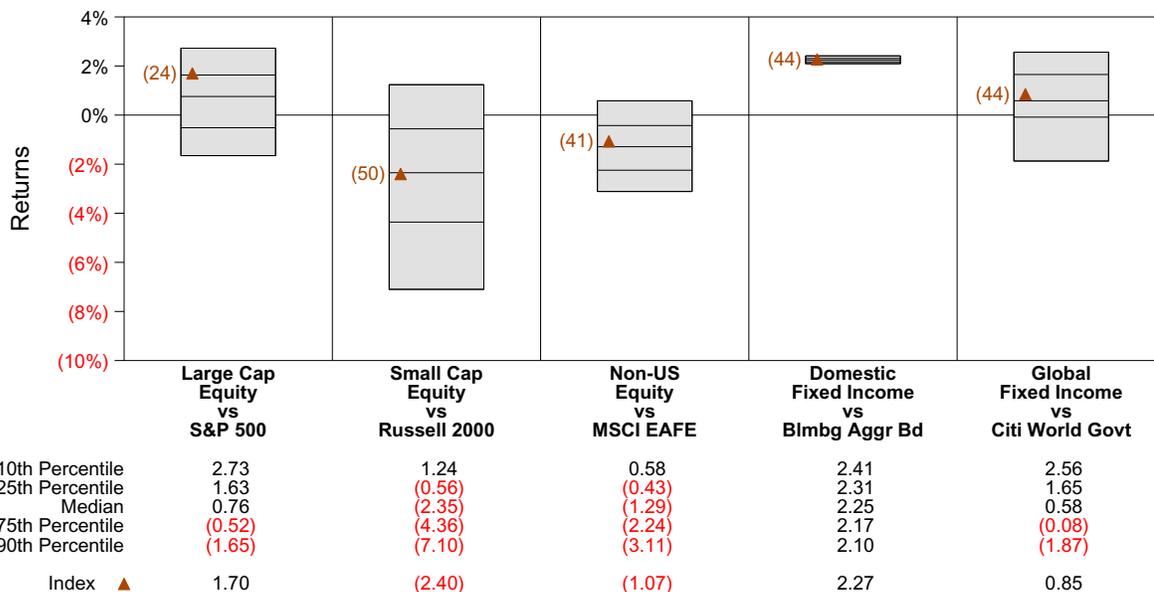
Market Overview

Active Management vs Index Returns

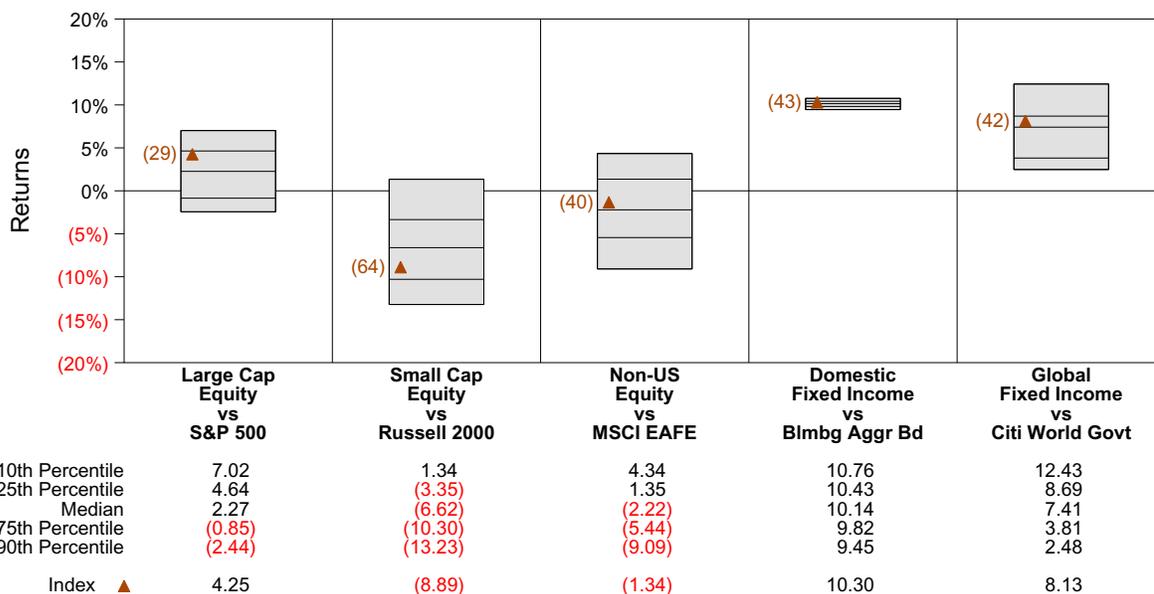
Market Overview

The charts below illustrate the range of returns across managers in Callan's Mutual Fund database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity managers over the last quarter. The triangle represents the S&P 500 return. The number next to the triangle represents the ranking of the S&P 500 in the Large Cap Equity manager database.

Range of Mutual Fund Returns by Asset Class One Quarter Ended September 30, 2019



Range of Mutual Fund Returns by Asset Class One Year Ended September 30, 2019

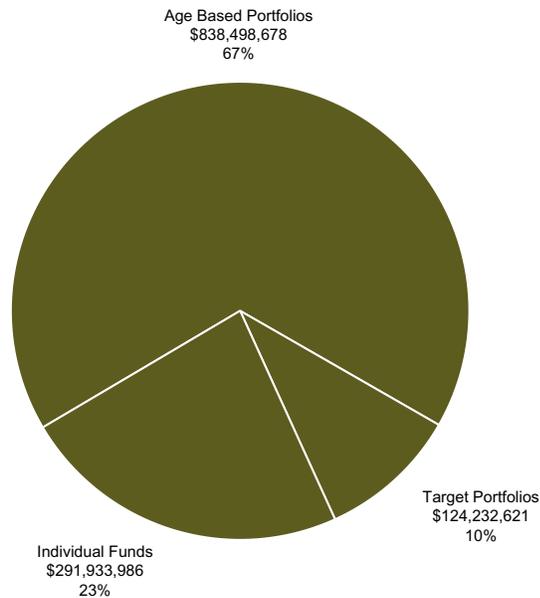


Advisor Plan Performance

Changes in Investment Fund Balances Period Ended September 30, 2019

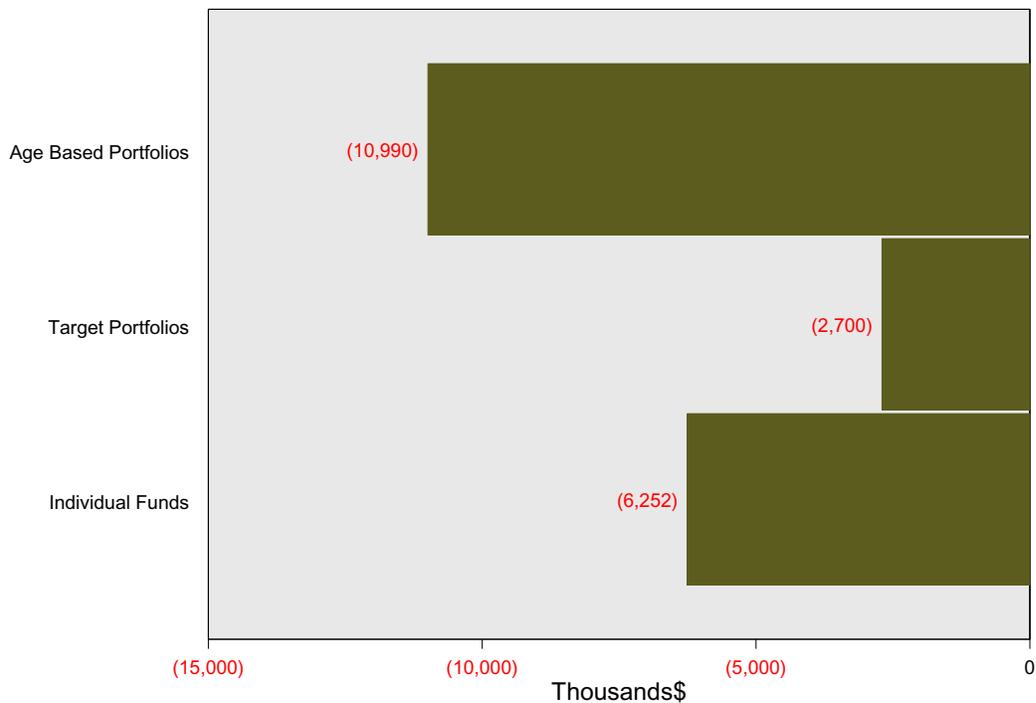
Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended September 30, 2019.



Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended September 30, 2019. The change in value for each fund is the result of a combination of 3 factors: 1) market movements; 2) contributions or disbursements into or out of the funds by the participants (and any matching done by the company); and 3) transfers between funds by the participants.



Investment Fund Balances

The table below compares the fund's investment fund balances as of September 30, 2019 with that of June 30, 2019. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

	September 30, 2019			June 30, 2019		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Age Based Portfolios	\$838,498,678	66.83%	\$(14,769,764)	\$3,779,748	\$849,488,695	66.65%
Aggressive	\$444,781,283	35.45%	\$(8,116,510)	\$1,753,894	\$451,143,899	35.39%
0-2 years (Fund 100)	8,671,397	0.69%	(613,671)	(22,703)	9,307,772	0.73%
3-5 years (Fund 90)	24,018,896	1.91%	(911,379)	(21,198)	24,951,473	1.96%
6-8 years (Fund 80)	36,168,204	2.88%	(377,223)	(23,471)	36,568,898	2.87%
9-10 years (Fund 70)	34,103,413	2.72%	(1,131,317)	19,078	35,215,652	2.76%
11-12 years (Fund 60)	48,892,965	3.90%	(1,368,809)	133,922	50,127,852	3.93%
13-14 years (Fund 50)	66,321,596	5.29%	(3,457,581)	320,219	69,458,959	5.45%
15-16 years (Fund 40)	90,375,534	7.20%	(925,439)	494,784	90,806,189	7.12%
17-18 years (Fund 30)	72,083,794	5.75%	708,157	418,775	70,956,862	5.57%
19+ years (Fund 20)	64,145,483	5.11%	(39,248)	434,489	63,750,243	5.00%
Moderate	\$360,910,668	28.77%	\$(6,171,230)	\$1,837,109	\$365,244,788	28.66%
0-2 years (Fund 90)	5,621,512	0.45%	(356,032)	(2,627)	5,980,172	0.47%
3-5 years (Fund 80)	13,963,648	1.11%	(637,093)	(5,872)	14,606,613	1.15%
6-8 years (Fund 70)	29,447,796	2.35%	(255,876)	29,459	29,674,213	2.33%
9-10 years (Fund 60)	27,319,113	2.18%	(624,794)	71,221	27,872,686	2.19%
11-12 years (Fund 50)	37,231,493	2.97%	(132,381)	173,932	37,189,942	2.92%
13-14 years (Fund 40)	47,028,296	3.75%	(617,148)	256,452	47,388,992	3.72%
15-16 years (Fund 30)	67,494,664	5.38%	(3,173,142)	400,110	70,267,696	5.51%
17-18 years (Fund 20)	65,903,914	5.25%	1,609,072	440,866	63,853,976	5.01%
19+ years (Fund 10)	66,900,232	5.33%	(1,983,837)	473,569	68,410,500	5.37%
Conservative	\$32,806,728	2.61%	\$(482,024)	\$188,744	\$33,100,007	2.60%
0-2 years (Fund 80)	322,538	0.03%	11,000	(147)	311,685	0.02%
3-5 years (Fund 70)	616,210	0.05%	(2,984)	998	618,196	0.05%
6-8 years (Fund 60)	1,133,723	0.09%	(210,705)	(758)	1,345,186	0.11%
9-10 years (Fund 50)	1,169,182	0.09%	125,118	8,288	1,035,776	0.08%
11-12 years (Fund 40)	2,118,947	0.17%	71,178	11,512	2,036,258	0.16%
13-14 years (Fund 30)	3,668,427	0.29%	(326,695)	23,414	3,971,707	0.31%
15-16 years (Fund 20)	5,038,781	0.40%	(152,049)	36,643	5,154,187	0.40%
17-18 years (Fund 10)	6,516,288	0.52%	(84,444)	44,026	6,556,706	0.51%
19+ years (F.I.)	12,222,632	0.97%	87,556	64,768	12,070,308	0.95%
Target Portfolios	\$124,232,621	9.90%	\$(2,648,084)	\$(51,820)	\$126,932,525	9.96%
Target Fund 100 Portfolio	56,915,126	4.54%	(1,520,616)	(154,918)	58,590,659	4.60%
Target Fund 80 Portfolio	33,977,543	2.71%	(292,698)	(22,905)	34,293,146	2.69%
Target Fund 60 Portfolio	19,348,936	1.54%	(918,813)	50,966	20,216,783	1.59%
Target Fund 40 Portfolio	8,454,401	0.67%	(142,910)	40,775	8,556,537	0.67%
Target Fund 20 Portfolio	3,815,209	0.30%	122,204	25,273	3,667,732	0.29%
Target Fund Fixed Income Portfolio	1,721,406	0.14%	104,749	8,989	1,607,668	0.13%

Market values provided by Union Bank & Trust.

Investment Fund Balances

The table below compares the fund's investment fund balances as of September 30, 2019 with that of June 30, 2019. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

	September 30, 2019		Net New Inv.	Inv. Return	June 30, 2019	
	Market Value	Weight			Market Value	Weight
Individual Funds	\$291,933,986	23.27%	\$(6,575,699)	\$324,098	\$298,185,586	23.39%
Money Market	\$19,909,162	1.59%	\$(714,122)	\$0	\$20,623,284	1.62%
State Street US Govt MM	19,909,162	1.59%	(714,122)	0	20,623,284	1.62%
Fixed Income	\$39,945,600	3.18%	\$(857,805)	\$444,104	\$40,359,301	3.17%
PIMCO Short-Term	14,471,431	1.15%	(355,189)	84,629	14,741,991	1.16%
Amer Cent Short Dur Infl Prot Bond	1,998,677	0.16%	(123,311)	(530)	2,122,519	0.17%
BlackRock Infl Protected Bond	2,070,539	0.17%	(109,649)	18,751	2,161,438	0.17%
Fidelity Investment Grade Bond	2,799,555	0.22%	99,373	47,789	2,652,393	0.21%
Northern Funds Bond Index	12,507,602	1.00%	(450,002)	250,768	12,706,836	1.00%
MainStay Total Return Bond	2,298,141	0.18%	136,201	50,695	2,111,244	0.17%
Touchstone High Yield	2,557,037	0.20%	5,492	25,332	2,526,214	0.20%
Templeton International Bond	1,242,617	0.10%	(60,719)	(33,331)	1,336,667	0.10%
Balanced	\$49,435,594	3.94%	\$(1,683,840)	\$487,324	\$50,632,110	3.97%
T. Rowe Price Balanced	49,435,594	3.94%	(1,683,840)	487,324	50,632,110	3.97%
Domestic Equity	\$147,221,759	11.73%	\$(2,619,171)	\$(341,266)	\$150,182,195	11.78%
T. Rowe Large Cap Growth	33,166,310	2.64%	(191,357)	(439,010)	33,796,677	2.65%
American Century Equity Growth	6,675,341	0.53%	(36,306)	55,801	6,655,847	0.52%
Northern Stock Index	26,867,533	2.14%	(193,617)	387,112	26,674,037	2.09%
DFA US Large Cap Value	32,117,111	2.56%	(1,162,251)	143,636	33,135,726	2.60%
Northern Mid-Cap Index	24,510,300	1.95%	(535,892)	(75,610)	25,121,802	1.97%
T. Rowe Price QM Small Cap Growth	6,589,969	0.53%	16,699	(80,645)	6,653,915	0.52%
Northern Small Cap Index	6,881,003	0.55%	(131,009)	(189,908)	7,201,920	0.57%
William Blair Small Cap Value	10,414,193	0.83%	(385,436)	(142,642)	10,942,271	0.86%
International Equity	\$29,930,853	2.39%	\$(686,018)	\$(540,250)	\$31,157,121	2.44%
Northern Int'l Equity Index	9,728,141	0.78%	(199,647)	(117,366)	10,045,154	0.79%
Neuberger Berman Int'l Lrg Cp	10,161,615	0.81%	(294,698)	(40,000)	10,496,313	0.82%
DFA Int'l Small Company	2,603,471	0.21%	(48,438)	(43,021)	2,694,930	0.21%
Vanguard Emerging Markets Select Stock	7,437,626	0.59%	(143,234)	(339,863)	7,920,723	0.62%
Real Estate	\$4,604,936	0.37%	\$(40,631)	\$296,748	\$4,348,818	0.34%
Principal Global Real Estate	741,278	0.06%	(46,816)	28,684	759,411	0.06%
DFA Real Estate	3,863,657	0.31%	6,185	268,065	3,589,408	0.28%
Commodities	\$886,082	0.07%	\$25,887	\$(22,562)	\$882,757	0.07%
Credit Suisse Commodities	886,082	0.07%	25,887	(22,562)	882,757	0.07%
Total Plan	\$1,254,665,285	100.0%	\$(23,993,547)	\$4,052,026	\$1,274,606,806	100.0%

Market values provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Portfolios										
Target Fund 100										
Target Fund 100 Portfolio	(0.17%)	72	(0.18%)	83	9.07%	24	6.74%	37	8.95%	27
Target Fund 100 Blended Benchmark	0.20%	55	1.11%	65	9.64%	15	7.38%	17	9.49%	18
MS 529 Static Alloc 70-85	0.37%		2.21%		8.28%		6.40%		8.36%	
Aggressive Age Based 0-2 yrs (Fd 100)	(0.17%)	77	(0.18%)	87	9.07%	24	-		-	
Target Fund 100 Blended Benchmark	0.20%	51		57	9.64%	15	7.38%	20	9.49%	21
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 90										
Aggressive Age Based 3-5 yrs (Fd 90)	(0.00%)	89	0.46%	95	8.63%	32	-		-	
Target Fund 90 Blended Benchmark	0.32%	69	1.46%	87	8.99%	19	7.00%	27	9.02%	14
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	
Moderate Age Based 0-2 yrs (Fd 90)	(0.00%)	67	0.46%	75	8.63%	38	-		-	
Target Fund 90 Blended Benchmark	0.32%	43	1.46%	53	8.99%	25	7.00%	34	9.02%	31
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 80										
Target Fund 80 Portfolio	(0.00%)	63	0.98%	68	8.06%	58	5.98%	64	7.58%	78
Target Fund 80 Blended Benchmark	0.45%	47	2.63%	44	8.26%	50	6.46%	46	7.98%	66
MS 529 Static Alloc 70-85	0.37%		2.21%		8.28%		6.40%		8.36%	
Aggressive Age Based 6-8 yrs (Fd 80)	(0.00%)	88	0.98%	86	8.06%	27	-		-	
Target Fund 80 Blended Benchmark	0.45%	61	2.63%	59	8.26%	24	6.46%	33	7.98%	33
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Moderate Age Based 3-5 yrs (Fd 80)	(0.00%)	89	0.98%	93	8.06%	43	-		-	
Target Fund 80 Blended Benchmark	0.45%	57	2.63%	64	8.26%	38	6.46%	39	7.98%	48
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	
Conserv. Age Based 0-2 yrs (Fd 80)	(0.00%)	67	0.98%	62	8.06%	59	-		-	
Target Fund 80 Blended Benchmark	0.45%	36	2.63%	34	8.26%	51	6.46%	48	7.98%	56
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 70										
Aggressive Age Based 9-10 yrs (Fd 70)	0.25%	75	1.84%	85	7.16%	31	-		-	
Target Fund 70 Blended Benchmark	0.72%	50	3.45%	51	7.66%	16	6.30%	18	7.72%	12
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Moderate Age Based 6-8 yrs (Fd 70)	0.25%	70	1.84%	75	7.16%	57	-		-	
Target Fund 70 Blended Benchmark	0.72%	41	3.45%	41	7.66%	42	6.30%	40	7.72%	41
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Conserv. Age Based 3-5 yrs (Fd 70)	0.25%	75	1.84%	84	7.16%	77	-		-	
Target Fund 70 Blended Benchmark	0.72%	35	3.45%	39	7.66%	65	6.30%	41	7.72%	55
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	

Performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 bps).
Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
Target Fund 60										
Target Fund 60 Portfolio	0.33%	74	2.45%	73	6.69%	60	5.08%	72	6.12%	79
Target Fund 60 Blended Benchmark	0.71%	49	3.93%	48	6.90%	54	5.52%	55	6.49%	67
MS 529 Static Alloc 50-70	0.68%		3.74%		7.01%		5.63%		7.08%	
Aggressive Age Based 11-12 yrs (Fd 60)	0.33%	78	2.45%	81	6.69%	29	-	-	-	-
Target Fund 60 Blended Benchmark	0.71%	51	3.93%	52	6.90%	26	5.52%	35	6.49%	24
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Moderate Age Based 9-10 yrs (Fd 60)	0.33%	71	2.45%	73	6.69%	48	-	-	-	-
Target Fund 60 Blended Benchmark	0.71%	52	3.93%	43	6.90%	40	5.52%	38	6.49%	46
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Conserv. Age Based 6-8 yrs (Fd 60)	0.33%	65	2.45%	62	6.69%	72	-	-	-	-
Target Fund 60 Blended Benchmark	0.71%	41	3.93%	32	6.90%	70	5.52%	71	6.49%	77
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Target Fund 50										
Aggressive Age Based 13-14 yrs (Fd 50)	0.59%	65	3.46%	67	6.34%	16	-	-	-	-
Target Fund 50 Blended Benchmark	0.90%	52	4.75%	43	6.54%	13	5.46%	13	6.36%	10
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	
Moderate Age Based 11-12 yrs (Fd 50)	0.59%	56	3.46%	60	6.34%	46	-	-	-	-
Target Fund 50 Blended Benchmark	0.90%	39	4.75%	37	6.54%	34	5.46%	36	6.36%	29
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Conserv. Age Based 9-10 yrs (Fd 50)	0.59%	57	3.46%	51	6.34%	62	-	-	-	-
Target Fund 50 Blended Benchmark	0.90%	40	4.75%	27	6.54%	53	5.46%	41	6.36%	49
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Target Fund 40										
Target Fund 40 Portfolio	0.61%	75	3.77%	66	5.47%	48	4.33%	59	4.78%	72
Target Fund 40 Blended Benchmark	1.03%	54	5.33%	35	5.58%	44	4.66%	47	5.07%	58
MS 529 Static Alloc 30-50	1.08%		4.59%		5.46%		4.62%		5.40%	
Aggressive Age Based 15-16 yrs (Fd 40)	0.61%	78	3.77%	71	5.47%	18	-	-	-	-
Target Fund 40 Blended Benchmark	1.03%	49	5.33%	43	5.58%	13	4.66%	19	5.07%	9
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Moderate Age Based 13-14 yrs (Fd 40)	0.61%	64	3.77%	59	5.47%	48	-	-	-	-
Target Fund 40 Blended Benchmark	1.03%	45	5.33%	33	5.58%	43	4.66%	34	5.07%	40
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	
Conserv. Age Based 11-12 yrs (Fd 40)	0.61%	55	3.77%	55	5.47%	74	-	-	-	-
Target Fund 40 Blended Benchmark	1.03%	31	5.33%	25	5.58%	70	4.66%	66	5.07%	67
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Target Fund 30										
Aggressive Age Based 17-18 yrs (Fd 30)	0.62%	75	3.81%	67	4.66%	16	-	-	-	-
Target Fund 30 Blended Benchmark	0.94%	56	5.03%	44	4.80%	11	4.07%	17	4.41%	6
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Moderate Age Based 15-16 yrs (Fd 30)	0.62%	75	3.81%	70	4.66%	38	-	-	-	-
Target Fund 30 Blended Benchmark	0.94%	55	5.03%	53	4.80%	34	4.07%	38	4.41%	22
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Conserv. Age Based 13-14 yrs (Fd 30)	0.62%	62	3.81%	58	4.66%	72	-	-	-	-
Target Fund 30 Blended Benchmark	0.94%	49	5.03%	37	4.80%	68	4.07%	59	4.41%	61
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	

Performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 bps). Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Fund 20										
Target Fund 20 Portfolio	0.77%	83	4.05%	80	3.92%	63	3.19%	66	3.18%	67
Target Fund 20 Blended Benchmark	1.07%	66	5.17%	64	4.02%	56	3.40%	59	3.36%	61
MS 529 Static Alloc 15-30	1.26%		5.90%		4.22%		3.64%		3.59%	
Aggressive Age Based 19+ yrs (Fd 20)	0.77%	51	4.05%	46	3.92%	7	-		-	
Target Fund 20 Blended Benchmark	1.07%	31	5.17%	29	4.02%	5	3.40%	8	3.36%	7
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	
Moderate Age Based 17-18 yrs (Fd 20)	0.77%	63	4.05%	60	3.92%	48	-		-	
Target Fund 20 Blended Benchmark	1.07%	41	5.17%	42	4.02%	40	3.40%	36	3.36%	42
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Conserv. Age Based 15-16 yrs (Fd 20)	0.77%	66	4.05%	68	3.92%	61	-		-	
Target Fund 20 Blended Benchmark	1.07%	48	5.17%	50	4.02%	58	3.40%	54	3.36%	44
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Target Fund 10										
Moderate Age Based 19+ yrs (Fd 10)	0.74%	55	4.01%	47	2.95%	32	-		-	
Target Fund 10 Blended Benchmark	0.98%	33	4.89%	34	3.06%	30	2.62%	31	2.48%	24
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	
Conserv. Age Based 17-18 yrs (Fd 10)	0.74%	66	4.01%	61	2.95%	74	-		-	
Target Fund 10 Blended Benchmark	0.98%	50	4.89%	49	3.06%	74	2.62%	73	2.48%	70
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Target Fund Fixed Income										
Target Fund Fixed Income Portfolio	0.63%	53	3.14%	65	1.50%	77	1.08%	74	0.62%	84
Target Fund F.I. Blended Benchmark	0.67%	45	3.12%	66	1.66%	69	1.20%	70	0.72%	81
MS 529 Static Short-Term	0.65%		4.05%		2.07%		1.59%		1.30%	
Conserv. Age Based 19+ yrs (F.I.)	0.63%	66	3.14%	69	1.50%	85	-		-	
Target Fund F.I. Blended Benchmark	0.67%	61	3.12%	70	1.66%	79	1.20%	77	0.72%	83
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	

Performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 bps). Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Individual Funds Portfolios										
Money Market Funds										
State Street US Govt MM (net all)*	0.47%	71	1.97%	76	1.17%	76	-	-	-	-
State Street US Govt MM (net mgr)	0.54%	33	2.27%	33	1.44%	35	0.90%	35	0.64%	34
3 Month Treasury Bill	0.56%	27	2.39%	25	1.54%	29	0.98%	28	0.72%	23
Callan Money Market Funds	0.51%		2.14%		1.33%		0.82%		0.58%	
Fixed Income Funds										
PIMCO Short-Term (net all)*	0.62%	75	1.53%	99	1.97%	62	1.54%	78	1.38%	70
PIMCO Short-Term (net mgr)	0.73%	66	1.95%	99	2.37%	25	1.96%	38	1.78%	39
3 Month T-Bills	0.56%	83	2.36%	98	1.52%	85	0.96%	96	0.70%	96
Blmbg Aggregate 1-3 Index	0.71%	68	4.67%	42	1.84%	71	1.61%	74	1.35%	71
Callan Short Term FI MFs	0.80%		4.53%		2.17%		1.87%		1.56%	
Amer Cent Short Dur Infl Prot (net all)*	(0.00%)	94	2.86%	92	1.21%	97	0.87%	93	-	
Amer Cent Short Dur Infl Prot (net mgr)	0.10%	93	3.29%	90	1.63%	84	1.29%	87	0.71%	69
Blmbg US TIPS 0-5 Index	0.32%	80	3.44%	88	1.65%	83	1.27%	88	0.79%	51
Callan TIPS MFs	1.10%		6.16%		2.14%		1.99%		0.84%	
BlackRock Infl Protected Bond (net all)	0.99%	55	5.70%	65	1.43%	94	1.42%	84	0.27%	93
BlackRock Infl Protected Bond (net mgr)	1.05%	53	6.15%	51	1.85%	68	1.84%	67	0.69%	70
Blmbg US TIPS Index	1.35%	30	7.13%	17	2.21%	38	2.45%	14	1.06%	24
Callan TIPS MFs	1.10%		6.16%		2.14%		1.99%		0.84%	
Fidelity Investment Grade Bond (net all)	1.98%	94	10.04%	55	2.87%	72	3.07%	97	-	
Fidelity Investment Grade Bond (net mgr)	2.01%	93	10.43%	25	3.26%	31	3.49%	28	2.88%	37
Blmbg Aggregate Index	2.27%	44	10.30%	43	2.92%	70	3.38%	47	2.72%	51
Callan Core Bond MFs	2.25%		10.14%		3.12%		3.36%		2.73%	
Northern Funds Bond Index (net all)*	2.09%	92	9.66%	78	2.30%	99	2.78%	100	2.14%	97
Northern Funds Bond Index (net mgr)	2.20%	66	10.25%	45	2.77%	78	3.23%	59	2.57%	86
Blmbg Aggregate Index	2.27%	44	10.30%	43	2.92%	70	3.38%	47	2.72%	51
Callan Core Bond MFs	2.25%		10.14%		3.12%		3.36%		2.73%	
MainStay Total Return Bond (net all)*	2.32%	28	9.45%	72	2.89%	86	-	-	-	-
MainStay Total Return Bond (net mgr)	2.45%	11	9.83%	64	3.26%	65	3.19%	81	2.94%	76
Blmbg Aggregate Index	2.27%	39	10.30%	43	2.92%	85	3.38%	69	2.72%	91
Callan Core Plus MFs	2.17%		10.06%		3.45%		3.62%		3.30%	
Touchstone High Yield (net all)*	1.14%	73	7.06%	31	5.13%	76	3.80%	88	-	
Touchstone High Yield (net mgr)	1.21%	69	7.47%	26	5.56%	54	4.23%	71	4.73%	88
High Yield II Index	1.22%	68	6.30%	45	6.07%	17	5.36%	13	5.87%	20
Callan High Yield MFs	1.40%		6.13%		5.63%		4.63%		5.25%	
Templeton International Bond (net all)*	(2.42%)	81	3.07%	74	3.81%	33	0.11%	80	-	
Templeton International Bond (net mgr)	(2.37%)	80	3.47%	69	4.23%	22	0.54%	67	1.08%	51
FTSE WGBI Non-US Index	(0.11%)	41	6.78%	44	0.60%	71	1.28%	48	(0.06%)	76
Intl Income MFs	(0.42%)		5.22%		1.87%		1.12%		1.12%	
Balanced Funds										
T. Rowe Price Balanced (net all)	1.06%	62	5.00%	45	8.41%	45	6.54%	54	8.03%	61
T. Rowe Price Balanced (net mgr)	1.13%	61	5.26%	42	8.68%	36	6.86%	42	8.39%	52
Balanced Fund Blended Benchmark	1.54%	42	6.00%	33	8.95%	34	7.37%	30	8.72%	42
Callan Dom Balanced MFs	1.41%		4.34%		8.27%		6.70%		8.45%	
Domestic Equity Funds										
T. Rowe Large Cap Growth (net all)*	(1.21%)	71	1.35%	70	19.09%	9	14.29%	12	16.36%	5
T. Rowe Large Cap Growth (net mgr)	(1.11%)	68	1.80%	65	19.56%	8	14.74%	8	16.83%	3
Russell 1000 Growth Index	1.49%	14	3.71%	33	16.89%	35	13.39%	27	15.02%	28
Callan Large Cap Grwth MF	(0.46%)		2.98%		16.24%		12.62%		14.14%	
American Century Equity Growth (net all)	0.94%	53	1.32%	60	11.69%	54	8.31%	72	11.44%	75
American Century Equity Growth (net mgr)	1.05%	41	1.74%	58	12.13%	49	8.80%	65	11.95%	53
S&P 500	1.70%	23	4.25%	28	13.39%	22	10.84%	20	13.26%	9
Callan Large Cap Core MFs	0.99%		2.30%		12.11%		9.42%		12.13%	
Northern Stock Index (net all)*	1.55%	26	3.75%	30	12.84%	28	10.28%	29	12.69%	34
Northern Stock Index (net mgr)	1.66%	23	4.16%	29	13.28%	24	10.73%	22	13.14%	14
S&P 500	1.70%	23	4.25%	28	13.39%	22	10.84%	20	13.26%	9
Callan Large Cap Core MFs	0.99%		2.30%		12.11%		9.42%		12.13%	

(net all) indicates performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 bps). (net mgr) performance figures provided by Union Bank & Trust.

(net mgr) indicates performance is net of manager fees.

* Indicates fund is held in the Age Based and Target Fund Portfolios.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
DFA US Large Cap Value (net all)*	0.59%	72	(2.31%)	83	-		-		-	
DFA US Large Cap Value (net mgr)	0.71%	71	(1.91%)	75	9.51%	69	7.33%	58	12.06%	24
Russell 1000 Value Index	1.36%	51	4.00%	32	9.43%	69	7.79%	47	11.30%	43
Callan Lg Cap Value MF	1.39%		0.74%		10.12%		7.66%		11.22%	
Northern Mid Cap Index (net all)*	(0.19%)	43	(3.02%)	75	8.76%	66	8.27%	54	11.17%	59
Northern Mid Cap Index (net mgr)	(0.11%)	41	(2.63%)	74	9.21%	62	8.71%	51	11.63%	49
S&P Mid Cap 400 Index	(0.09%)	41	(2.49%)	74	9.38%	62	8.88%	47	11.81%	46
Callan Mid Cap MFs	(0.67%)		1.49%		11.57%		8.73%		11.59%	
T Rowe Price QM Sm Cap Growth (net all)*	(1.12%)	30	(1.67%)	20	12.67%	31	-	-	-	
T Rowe Price QM Sm Cap Growth (net mgr)	(1.01%)	29	(1.28%)	20	13.14%	28	-	-	-	
Russell 2000 Growth Index	(4.17%)	72	(9.63%)	69	9.79%	50	9.08%	47	11.43%	46
Callan Small Cap MFs	(2.35%)		(6.62%)		9.83%		8.85%		11.15%	
Northern Small Cap Index (net all)	(2.57%)	52	(9.43%)	67	7.65%	62	7.62%	59	9.85%	70
Northern Small Cap Index (net mgr)	(2.46%)	51	(9.03%)	65	8.09%	59	8.05%	57	10.29%	63
Russell 2000 Index	(2.40%)	50	(8.89%)	64	8.23%	59	8.19%	56	10.43%	62
Callan Small Cap MFs	(2.35%)		(6.62%)		9.83%		8.85%		11.15%	
William Blair Small Cap Value (net all)	(1.18%)	56	(7.64%)	54	5.10%	76	6.18%	57	9.02%	73
William Blair Small Cap Value (net mgr)	(1.11%)	54	(7.27%)	50	5.52%	71	6.61%	48	9.46%	63
Russell 2000 Value Index	(0.57%)	46	(8.24%)	56	6.54%	45	7.17%	38	9.35%	64
Callan Sm Cap Value MF	(0.88%)		(7.26%)		6.10%		6.57%		9.76%	
International Equity										
Northern Int'l Equity Index (net all)*	(1.10%)	42	(1.54%)	42	5.98%	48	2.84%	58	5.63%	59
Northern Int'l Equity Index (net mgr)	(0.98%)	37	(1.14%)	37	6.39%	44	3.25%	49	6.04%	44
MSCI EAFE Index	(1.07%)	41	(1.34%)	40	6.48%	41	3.27%	49	6.12%	42
Callan Non US Equity MFs	(1.29%)		(2.22%)		5.94%		3.16%		5.85%	
Neuberger Berman Int'l Lrg Cp (net all)*	(0.25%)	22	(0.82%)	35	5.99%	48	4.07%	34	5.36%	67
Neuberger Berman Int'l Lrg Cp (net mgr)	(0.16%)	16	(0.46%)	34	6.41%	44	4.51%	29	5.79%	54
MSCI EAFE Index	(1.07%)	41	(1.34%)	40	6.48%	41	3.27%	49	6.12%	42
Callan Non US Equity MFs	(1.29%)		(2.22%)		5.94%		3.16%		5.85%	
DFA Int'l Small Company (net all)*	(1.59%)	35	(8.01%)	59	3.93%	69	4.04%	53	-	
DFA Int'l Small Company (net mgr)	(1.48%)	32	(7.65%)	57	4.39%	59	4.50%	48	7.46%	41
MSCI World Small Cap ex US	(0.27%)	11	(5.62%)	38	5.54%	38	5.14%	37	7.48%	39
Callan Intl Small Cap MFs	(2.07%)		(7.04%)		4.74%		4.19%		7.11%	
Vanguard EM Select Stock (net all)*	(4.30%)	84	-	-	-	-	-	-	-	
Vanguard EM Select Stock (net mgr)	(4.19%)	82	1.58%	41	6.92%	30	2.54%	59	3.30%	46
FTSE Emerging Index	(3.67%)	62	1.23%	43	6.49%	41	2.92%	55	3.12%	47
Callan Emerging Equity MF	(3.16%)		0.53%		5.58%		3.05%		2.97%	
Real Estate										
Principal Global Real Estate (net all)*	3.93%	51	-	-	-	-	-	-	-	
Principal Global Real Estate (net mgr)	4.01%	50	14.60%	27	8.07%	17	-	-	-	
FTSE EPRA/NAREIT Dev REIT	4.63%	34	13.00%	49	5.61%	61	6.81%	51	7.15%	58
Callan Gbl Real Estate MF	4.04%		12.91%		6.60%		6.94%		7.40%	
DFA Real Estate (net all)	7.58%	49	-	-	-	-	-	-	-	
DFA Real Estate (net mgr)	7.69%	41	21.64%	18	8.37%	33	11.04%	21	10.45%	21
Dow Jones U.S. Select REIT Index	6.83%	67	16.41%	77	6.48%	72	9.70%	52	9.50%	50
Callan Real Estate MFs	7.48%		18.39%		7.12%		9.80%		9.50%	
Commodities										
Credit Suisse Commodities (net all)*	(2.21%)	56	(7.49%)	62	(2.28%)	80	(7.68%)	88	-	
Credit Suisse Commodities (net mgr)	(2.25%)	58	(7.20%)	51	(1.88%)	72	(7.31%)	68	(8.30%)	69
Bloomberg Commodity Total Return	(1.84%)	40	(6.57%)	28	(1.50%)	56	(7.18%)	66	(8.15%)	66
Callan Cmtdies Genl MF	(2.06%)		(7.13%)		(1.30%)		(6.43%)		(7.32%)	

(net all) indicates performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 bps). (net mgr) performance figures provided by Union Bank & Trust.

(net mgr) indicates performance is net of manager fees.

* Indicates fund is held in the Age Based and Target Fund Portfolios.

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Money Market Funds									
State Street US Govt MM Callan Money Market Funds	0.5 33	2.3 33	1.4 35	0.9 35	0.6 34			-3.0 96	-0.2 33
3 Month Treasury Bill	0.6 27	2.4 25	1.5 29	1.0 28	0.7 23				0.0 23
Fixed Income Funds									
PIMCO Short-Term Callan Defensive FI MFs	0.7 66	1.9 99	2.4 25	2.0 38	1.8 39			1.1 32	1.1 22
3 Month T-Bills	0.6 83	2.4 98	1.5 85	1.0 96	0.7 96				-0.1 96
Amer Cent Short Dur Infl Prot Bond Callan TIPS MFs	0.1 93	3.3 90	1.6 84	1.3 87	0.7 69			-0.2 86	-0.0 69
Blmbg US TIPS 0-5 Index	0.3 80	3.4 88	1.6 83	1.3 88	0.8 51				0.0 49
BlackRock Infl Protected Bond Callan TIPS MFs	1.0 53	6.2 51	1.9 68	1.8 67	0.7 70			-0.6 79	-0.0 69
Blmbg US TIPS Index	1.3 30	7.1 17	2.2 38	2.4 14	1.1 24				0.1 24
Fidelity Investment Grade Bond Callan Core Bond MFs	2.0 93	10.4 25	3.3 31	3.5 28	2.9 37			0.2 39	0.6 52
Blmbg Aggregate Index	2.3 44	10.3 43	2.9 70	3.4 47	2.7 51				0.6 54
Northern Funds Bond Index (i) Callan Core Bond MFs	2.2 66	10.2 45	2.8 78	3.2 59	2.6 86			-1.5 99	0.6 89
Blmbg Aggregate Index	2.3 44	10.3 43	2.9 70	3.4 47	2.7 51				0.6 54
MainStay Total Return Bond Callan Core Plus MFs	2.5 11	9.8 64	3.3 65	3.2 81	2.9 76			0.2 79	0.7 77
Blmbg Aggregate Index	2.3 39	10.3 43	2.9 85	3.4 69	2.7 91				0.6 86
Touchstone High Yield Callan High Yield MFs	1.2 69	7.5 26	5.6 54	4.2 71	4.7 88			-1.0 85	0.7 82
High Yield II Index	1.2 68	6.3 45	6.1 17	5.4 13	5.9 20				0.9 40
Templeton International Bond Intl Income MFs	-2.4 80	3.5 69	4.2 22	0.5 67	1.1 51			0.1 67	0.1 51
FTSE WGBI Non-US Index	-0.1 41	6.8 44	0.6 71	1.3 48	-0.1 76				-0.1 75

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:


Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Balanced Funds									
T. Rowe Price Balanced Callan Dom Balanced MFs	1.1 61	5.3 42	8.7 36	6.9 42	8.4 52			-0.2 74	1.1 60
Balanced Fund Blended Benchmark	1.5 42	6.0 33	8.9 34	7.4 30	8.7 42				1.2 45
Domestic Equity Funds									
T. Rowe Large Cap Growth Callan Large Cap Grwth MF	-1.1 68	1.8 65	19.6 8	14.7 8	16.8 3			0.4 8	1.3 12
Russell 1000 Growth Index	1.5 14	3.7 33	16.9 35	13.4 27	15.0 28				1.2 18
American Century Equity Growth Callan Large Cap Core MFs	1.0 41	1.7 58	12.1 49	8.8 65	11.9 53			-0.7 67	1.0 60
S&P 500	1.7 23	4.3 28	13.4 22	10.8 20	13.3 9				1.2 11
Northern Stock Index (i) Callan Large Cap Core MFs	1.7 23	4.2 29	13.3 24	10.7 22	13.1 14			-3.9 100	1.2 14
S&P 500	1.7 23	4.3 28	13.4 22	10.8 20	13.3 9				1.2 11
DFA US Large Cap Value Callan Lg Cap Value MF	0.7 71	-1.9 75	9.5 69	7.3 58	12.1 24			0.3 21	1.0 46
Russell 1000 Value Index	1.4 51	4.0 32	9.4 69	7.8 47	11.3 43				1.0 31
Northern Funds Mid Cap Index (i) Callan Mid Cap MFs	-0.1 41	-2.6 74	9.2 62	8.7 51	11.6 49			-2.9 100	0.9 34
S&P Mid Cap 400 Index	-0.1 41	-2.5 74	9.4 62	8.9 47	11.8 46				0.9 28
T Rowe Price QM Small Cap Growth Callan Small Cap MFs	-1.0 29	-1.3 20	13.1 28						
Russell 2000 Growth Index	-4.2 72	-9.6 69	9.8 50	9.1 47	11.4 46				0.7 54
Northern Small Cap Index (i) Callan Small Cap MFs	-2.5 51	-9.0 65	8.1 59	8.1 57	10.3 63			-2.4 100	0.7 57
Russell 2000 Index	-2.4 50	-8.9 64	8.2 59	8.2 56	10.4 62				0.7 57
William Blair Small Cap Value Callan Sm Cap Value MF	-1.1 54	-7.3 50	5.5 71	6.6 48	9.5 63			0.0 63	0.6 56
Russell 2000 Value Index	-0.6 46	-8.2 56	6.5 45	7.2 38	9.4 64				0.6 63

Returns:
■ above median
■ third quartile
■ fourth quartile



Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
International Equity Funds									
Northern Int'l Equity Index Callan Non US Equity MFs	-1.0 37	-1.1 37	6.4 44	3.2 49	6.0 44			-0.1 51	0.5 37
MSCI EAFE Index	-1.1 41	-1.3 40	6.5 41	3.3 49	6.1 42				0.5 34
Neuberger Berman Int'l Lrg Cp Callan Non US Equity MFs	-0.2 16	-0.5 34	6.4 44	4.5 29	5.8 54			-0.1 53	0.5 48
MSCI EAFE Index	-1.1 41	-1.3 40	6.5 41	3.3 49	6.1 42				0.5 34
DFA Int'l Small Company Callan Intl Small Cap MFs	-1.5 32	-7.7 57	4.4 59	4.5 48	7.5 41			-0.0 43	0.5 38
MSCI World Small Cap ex US	-0.3 11	-5.6 38	5.5 38	5.1 37	7.5 39				0.5 36
Vanguard EM Select Stock Callan Emerging Equity MF	-4.2 82	1.6 41	6.9 30	2.5 59	3.3 46			0.1 46	0.2 49
FTSE Emerging Index	-3.7 62	1.2 43	6.5 41	2.9 55	3.1 47				0.2 49
Real Estate Funds									
Principal Global Real Estate Callan Gbl Real Estate MF	4.0 50	14.6 27	8.1 17						
FTSE EPRA/NAREIT Dev REIT	4.6 34	13.0 49	5.6 61	6.8 51	7.2 58				0.7 66
DFA Real Estate Callan Real Estate MFs	7.7 41	21.6 18	8.4 33	11.0 21	10.5 21			0.7 9	0.8 30
Dow Jones U.S. Select REIT Index	6.8 67	16.4 77	6.5 72	9.7 52	9.5 50				0.7 59
Commodity Funds									
Credit Suisse Commodities Callan Cmties Genl MF	-2.3 58	-7.2 51	-1.9 72	-7.3 68	-8.3 69			-0.2 81	-0.7 78
Bloomberg Commodity Total Return	-1.8 40	-6.6 28	-1.5 56	-7.2 66	-8.2 66				-0.7 71
Underlying Funds									
Northern Small Cap Value Callan Sm Cap Value MF	0.2 31	-5.8 38	6.1 50	7.3 38	9.8 50			0.2 33	0.7 47
Russell 2000 Value Index	-0.6 46	-8.2 56	6.5 45	7.2 38	9.4 64				0.6 63

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:

 Return
 Risk

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

Morningstar Ratings and Rankings

Plan 1 - Advisor - Fund Name	Morningstar Category	Ticker	Morningstar Rating	Market Value*
American Century Equity Growth	Large Blend	AMEIX	3	\$6,682,477
American Century Short Duration Inflation Protection Bond	Inflation-Protected Bond	APISX	2	\$75,313,864
BlackRock Inflation-Protected Bond	Inflation-Protected Bond	BPRIX	3	\$2,065,917
Credit Suisse Commodity Return Strategy	Commodities Broad Basket	CRSOX	4	\$14,936,990
DFA International Small Company	Foreign Small/Mid Blend	DFISX	4	\$13,411,248
DFA U.S. Large Cap Value	Large Value	DFLVX	4	\$94,795,373
DFA Real Estate	Real Estate	DFREX	4	\$3,848,628
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	4	\$3,427,721
MainStay Total Return Bond	Intermediate-Term Bond	MTMIX	3	\$99,766,232
Neuberger Berman Int'l Large Cap	Foreign Large Blend	NILIX	3	\$74,059,760
Northern Funds Bond Index	Intermediate-Term Bond	NOBOX	3	\$98,926,311
Northern International Equity Index	Foreign Large Blend	NOINX	4	\$57,226,525
Northern Mid-Cap Index	Mid-Cap Blend	NOMIX	4	\$67,718,524
Northern Small Cap Index	Small Blend	NSIDX	3	\$6,890,024
Northern Small Cap Value (underlying fund)	Small Value	NOSGX	4	\$12,598,567
Northern Stock Index	Large Blend	NOSIX	4	\$112,858,437
PIMCO Short-Term	Ultrashort Bond	PTSHX	4	\$150,699,471
Principal Global Real Estate	Real Estate	PGRSX	5	\$21,294,344
State Street US Govt. Money Market	Money Market	GVMXX	N/A	\$56,227,724
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	\$55,699,496
T. Rowe Price Large Cap Growth	Large Growth	TRLGX	5	\$102,680,188
T. Rowe Price QM Small Cap Growth	Small Cap Growth	TQAIX	4	\$19,052,434
Templeton International Bond	World Bond	FIBZX	2	\$43,016,558
Touchstone High Yield	High Yield Bond	THIYX	3	\$44,222,394
Vanguard Emerging Markets Select	Emerging Markets	VMMSX	4	\$25,083,064
William Blair Small Cap Value	Small Blend	BVDIX	3	\$10,428,839

*Asset totals include age based, target portfolio assets, advisor and direct plans where applicable.

Summary of Fund Performance Status

Plan 1 - Advisor - Fund Name	Prior Quarter Status	Current Quarter Status	Market Value*
American Century Equity Growth	Watch	Watch	\$6,682,477
American Century Short Duration Inflation Protection Bond	Positive	Positive	\$75,313,864
BlackRock Inflation-Protected Bond	Watch	Watch	\$2,065,917
Credit Suisse Commodity Return Strategy	Positive	Positive	\$14,936,990
DFA International Small Company	Positive	Positive	\$13,411,248
DFA U.S. Large Cap Value	Positive	Positive	\$94,795,373
DFA Real Estate	Positive	Positive	\$3,848,628
Fidelity Advisor Investment Grade Bond	Positive	Positive	\$3,427,721
MainStay Total Return Bond	Positive	Positive	\$99,766,232
Neuberger Berman Int'l Large Cap	Positive	Positive	\$74,059,760
Northern Funds Bond Index	Positive	Positive	\$98,926,311
Northern International Equity Index	Positive	Positive	\$57,226,525
Northern Mid-Cap Index	Positive	Positive	\$67,718,524
Northern Small Cap Index	Positive	Positive	\$6,890,024
Northern Small Cap Value (underlying fund)	Positive	Positive	\$12,598,567
Northern Stock Index	Positive	Positive	\$112,858,437
PIMCO Short-Term	Positive	Positive	\$150,699,471
Principal Global Real Estate	Positive	Positive	\$21,294,344
State Street US Govt. Money Market	Positive	Positive	\$56,227,724
T. Rowe Price Balanced	Positive	Positive	\$55,699,496
T. Rowe Price Large Cap Growth	Positive	Positive	\$102,680,188
T. Rowe QM Small Cap Growth	Positive	Positive	\$19,052,434
Templeton International Bond	Positive	Positive	\$43,016,558
Touchstone High Yield	Watch	Watch	\$44,222,394
Vanguard Emerging Markets Select	Positive	Positive	\$25,083,064
William Blair Small Cap Value	Watch	Watch	\$10,428,839

*Asset totals include age based, target portfolio assets, advisor and direct plans where applicable.

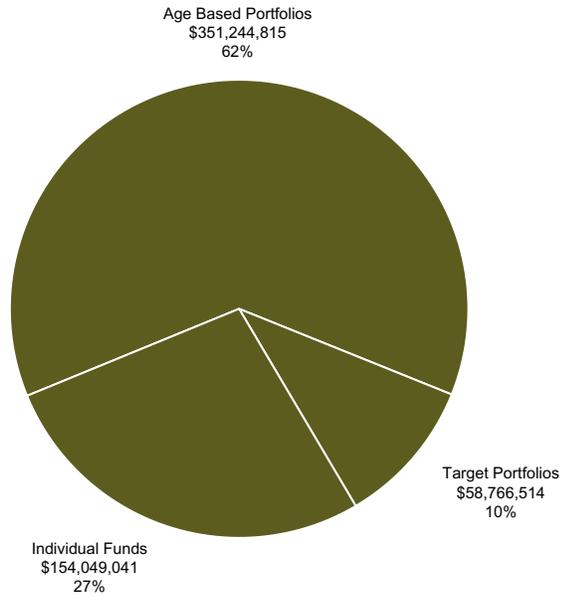
- Funds identified as “Currently on Watch” are those whose Watch status has been approved by the CollegeCounts Board.
- Watch list status based on Watch List guidelines defined in the Investment Policy Statement.

Direct Plan Performance

Changes in Investment Fund Balances Period Ended September 30, 2019

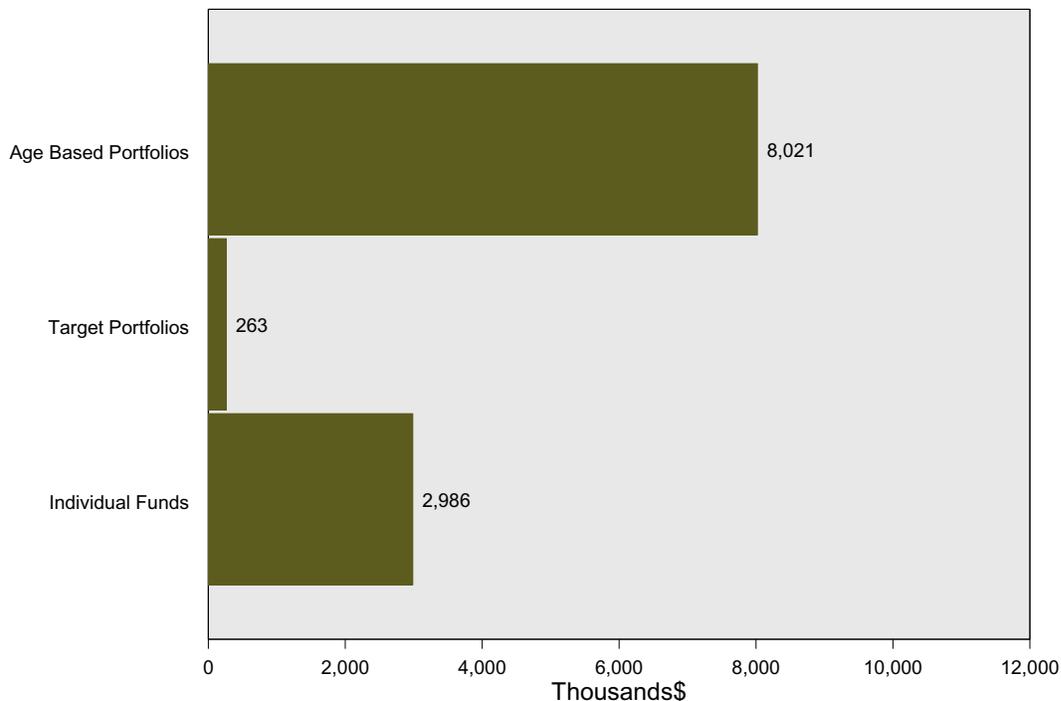
Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended September 30, 2019.



Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended September 30, 2019. The change in value for each fund is the result of a combination of 3 factors: 1) market movements; 2) contributions or disbursements into or out of the funds by the participants (and any matching done by the company); and 3) transfers between funds by the participants.



Investment Fund Balances

The table below compares the fund's investment fund balances as of September 30, 2019 with that of June 30, 2019. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

	September 30, 2019			June 30, 2019		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Age Based Portfolios	\$351,244,815	62.27%	\$3,953,914	\$4,067,427	\$343,223,474	62.09%
Aggressive	\$191,531,412	33.96%	\$2,428,884	\$2,130,771	\$186,971,757	33.82%
0-2 years (Fund 100)	7,991,257	1.42%	(250,632)	55,266	8,186,622	1.48%
3-5 years (Fund 90)	22,980,666	4.07%	(171,239)	142,620	23,009,285	4.16%
6-8 years (Fund 80)	30,517,849	5.41%	637,936	261,642	29,618,271	5.36%
9-10 years (Fund 70)	24,765,458	4.39%	258,147	272,212	24,235,100	4.38%
11-12 years (Fund 60)	25,066,757	4.44%	1,712,495	327,758	23,026,504	4.17%
13-14 years (Fund 50)	23,077,542	4.09%	(810,793)	296,659	23,591,676	4.27%
15-16 years (Fund 40)	22,675,028	4.02%	997,208	298,506	21,379,313	3.87%
17-18 years (Fund 30)	19,487,289	3.45%	480,831	263,849	18,742,609	3.39%
19+ years (Fund 20)	14,969,566	2.65%	(425,069)	212,258	15,182,377	2.75%
Moderate	\$139,347,656	24.70%	\$886,964	\$1,701,172	\$136,759,520	24.74%
0-2 years (Fund 90)	4,675,820	0.83%	(147,631)	32,700	4,790,751	0.87%
3-5 years (Fund 80)	12,238,454	2.17%	(380,566)	109,232	12,509,788	2.26%
6-8 years (Fund 70)	20,468,780	3.63%	164,826	224,617	20,079,337	3.63%
9-10 years (Fund 60)	13,778,305	2.44%	(54,218)	168,210	13,664,313	2.47%
11-12 years (Fund 50)	16,418,611	2.91%	995,342	200,201	15,223,068	2.75%
13-14 years (Fund 40)	18,724,234	3.32%	658,041	248,423	17,817,771	3.22%
15-16 years (Fund 30)	18,359,796	3.25%	(244,114)	259,127	18,344,783	3.32%
17-18 years (Fund 20)	18,334,104	3.25%	(119,357)	267,424	18,186,037	3.29%
19+ years (Fund 10)	16,349,551	2.90%	14,640	191,239	16,143,672	2.92%
Conservative	\$20,365,747	3.61%	\$638,067	\$235,484	\$19,492,196	3.53%
0-2 years (Fund 80)	241,383	0.04%	32,786	2,214	206,383	0.04%
3-5 years (Fund 70)	808,327	0.14%	(133,743)	8,704	933,365	0.17%
6-8 years (Fund 60)	844,035	0.15%	183,464	7,342	653,230	0.12%
9-10 years (Fund 50)	1,878,211	0.33%	(19,204)	23,741	1,873,674	0.34%
11-12 years (Fund 40)	2,027,856	0.36%	30,635	26,930	1,970,291	0.36%
13-14 years (Fund 30)	1,228,430	0.22%	(212,810)	18,239	1,423,001	0.26%
15-16 years (Fund 20)	4,174,868	0.74%	305,026	57,126	3,812,716	0.69%
17-18 years (Fund 10)	4,713,428	0.84%	133,667	57,718	4,522,043	0.82%
19+ years (F.I.)	4,449,211	0.79%	318,246	33,471	4,097,494	0.74%
Target Portfolios	\$58,766,514	10.42%	\$(204,104)	\$466,627	\$58,503,991	10.58%
Target Fund 100 Portfolio	28,689,071	5.09%	9,237	151,848	28,527,986	5.16%
Target Fund 80 Portfolio	13,361,561	2.37%	(501,218)	102,507	13,760,272	2.49%
Target Fund 60 Portfolio	9,051,901	1.60%	64,633	113,388	8,873,879	1.61%
Target Fund 40 Portfolio	3,542,020	0.63%	177,319	46,493	3,318,208	0.60%
Target Fund 20 Portfolio	2,574,771	0.46%	(78,141)	37,624	2,615,288	0.47%
Target Fund Fixed Income Portfolio	1,547,190	0.27%	124,065	14,767	1,408,358	0.25%

Market values provided by Union Bank & Trust.

Investment Fund Balances

The table below compares the fund's investment fund balances as of September 30, 2019 with that of June 30, 2019. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

Individual Funds	September 30, 2019		Net New Inv.	Inv. Return	June 30, 2019	
	Market Value	Weight			Market Value	Weight
Individual Funds	\$154,049,041	27.31%	\$1,963,605	\$1,022,458	\$151,062,978	27.33%
Money Market	\$14,540,172	2.58%	\$176,223	\$(0)	\$14,363,949	2.60%
Vanguard Prime Money Market	14,540,172	2.58%	176,223	(0)	14,363,949	2.60%
Fixed Income	\$19,401,765	3.44%	\$865,520	\$331,154	\$18,205,091	3.29%
PIMCO Short-Term	2,256,357	0.40%	(15,225)	15,915	2,255,667	0.41%
Vanguard Short Infl Protected	623,702	0.11%	44,116	2,334	577,252	0.10%
Vanguard Short Term Bond	2,282,975	0.40%	298,489	17,046	1,967,440	0.36%
Vanguard Infl Prot Securities	1,541,741	0.27%	126,973	17,917	1,396,852	0.25%
Fidelity Investment Grade Bond	637,163	0.11%	109,519	10,689	516,955	0.09%
Vanguard Total Bond Index	11,744,910	2.08%	281,408	260,202	11,203,300	2.03%
MainStay Total Return Bond	314,917	0.06%	20,240	7,052	287,625	0.05%
Balanced	\$6,198,052	1.10%	\$223,192	\$68,149	\$5,906,711	1.07%
T. Rowe Price Balanced	6,198,052	1.10%	223,192	68,149	5,906,711	1.07%
Domestic Equity	\$98,667,278	17.49%	\$777,055	\$519,647	\$97,370,575	17.61%
T. Rowe Large Cap Growth	7,424,330	1.32%	(93,318)	(89,719)	7,607,366	1.38%
Vanguard Growth Index	13,303,641	2.36%	355,041	249,121	12,699,479	2.30%
Vanguard Total Stock Index	16,709,633	2.96%	94,129	167,692	16,447,811	2.98%
Vanguard 500 Index	27,136,097	4.81%	(78,042)	427,762	26,786,376	4.85%
DFA US Large Cap Value	1,294,171	0.23%	62,937	10,116	1,221,119	0.22%
Vanguard Value Index	5,319,932	0.94%	(121,230)	53,712	5,387,451	0.97%
Vanguard Extended Market Index	1,942,126	0.34%	9,623	(31,488)	1,963,991	0.36%
Vanguard Mid Cap Index	8,706,053	1.54%	28,863	46,640	8,630,550	1.56%
Vanguard Explorer	1,906,984	0.34%	36,483	(41,579)	1,912,079	0.35%
Vanguard Small Cap Growth Index	6,945,423	1.23%	494,713	(164,238)	6,614,948	1.20%
Vanguard Small Cap Index	3,774,210	0.67%	8,054	(56,958)	3,823,115	0.69%
DFA US Small Cap Value	753,827	0.13%	24,532	(15,889)	745,185	0.13%
Vanguard Small Cap Value Index	3,450,850	0.61%	(44,730)	(35,524)	3,531,105	0.64%
International Equity	\$10,901,620	1.93%	\$(71,508)	\$(193,349)	\$11,166,477	2.02%
Dodge & Cox Int'l Stock	1,867,372	0.33%	43,316	(31,292)	1,855,348	0.34%
Vanguard Int'l Stock Index	9,034,248	1.60%	(114,824)	(162,057)	9,311,130	1.68%
Real Estate	\$4,340,154	0.77%	\$(6,878)	\$296,858	\$4,050,174	0.73%
Vanguard REIT Index	4,340,154	0.77%	(6,878)	296,858	4,050,174	0.73%
Total Direct Plan	\$564,060,369	100.0%	\$5,713,415	\$5,556,512	\$552,790,442	100.0%

Market values provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Portfolios										
Target Fund 100										
Target Fund 100 Portfolio	0.55%	39	2.38%	47	9.75%	13	7.60%	11	9.80%	14
Target Fund 100 Blended Benchmark	0.60%	31	2.36%	47	10.17%	5	7.92%	7	10.23%	9
MS 529 Static Alloc 70-85	0.37%		2.21%		8.28%		6.40%		8.36%	
Aggressive Age Based 0-2 yrs (Fd 100)	0.55%	31	2.38%	37	9.75%	13	-		-	
Target Fund 100 Blended Benchmark	0.60%	27	2.36%	38	10.17%	6	7.92%	9	10.23%	7
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 90										
Aggressive Age Based 3-5 yrs (Fd 90)	0.70%	36	2.92%	56	9.25%	10	-		-	
Target Fund 90 Blended Benchmark	0.71%	35	3.04%	52	9.54%	7	7.53%	9	9.47%	13
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	
Moderate Age Based 0-2 yrs (Fd 90)	0.70%	23	2.92%	31	9.25%	20	-		-	
Target Fund 90 Blended Benchmark	0.71%	23	3.04%	29	9.54%	16	7.53%	17	9.47%	21
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 80										
Target Fund 80 Portfolio	0.84%	16	3.63%	27	8.59%	39	6.83%	33	8.37%	49
Target Fund 80 Blended Benchmark	0.80%	18	3.74%	22	8.77%	33	6.99%	26	8.65%	42
MS 529 Static Alloc 70-85	0.37%		2.21%		8.28%		6.40%		8.36%	
Aggressive Age Based 6-8 yrs (Fd 80)	0.84%	36	3.63%	36	8.59%	15	-		-	
Target Fund 80 Blended Benchmark	0.80%	37	3.74%	34	8.77%	12	6.99%	15	8.65%	17
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Moderate Age Based 3-5 yrs (Fd 80)	0.84%	31	3.63%	35	8.59%	32	-		-	
Target Fund 80 Blended Benchmark	0.80%	31	3.74%	34	8.77%	30	6.99%	27	8.65%	29
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	
Conserv. Age Based 0-2 yrs (Fd 80)	0.84%	17	3.63%	19	8.59%	40	-		-	
Target Fund 80 Blended Benchmark	0.80%	19	3.74%	17	8.77%	33	6.99%	34	8.65%	46
MS 529 Age 0-4 Grp	0.23%		1.69%		8.29%		6.42%		8.36%	
Target Fund 70										
Aggressive Age Based 9-10 yrs (Fd 70)	1.14%	29	4.63%	29	7.67%	15	-		-	
Target Fund 70 Blended Benchmark	1.12%	30	4.89%	27	7.98%	8	6.60%	10	7.89%	11
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Moderate Age Based 6-8 yrs (Fd 70)	1.14%	19	4.63%	22	7.67%	41	-		-	
Target Fund 70 Blended Benchmark	1.12%	19	4.89%	18	7.98%	31	6.60%	30	7.89%	40
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Conserv. Age Based 3-5 yrs (Fd 70)	1.14%	17	4.63%	18	7.67%	65	-		-	
Target Fund 70 Blended Benchmark	1.12%	17	4.89%	16	7.98%	44	6.60%	36	7.89%	53
MS 529 Age 5-6 Grp	0.56%		3.08%		7.82%		6.04%		7.95%	

Performance is net of all fees, including 529 program management fees (25 bps). Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Fund 60										
Target Fund 60 Portfolio	1.20%	19	5.20%	17	7.04%	49	5.78%	46	6.74%	62
Target Fund 60 Blended Benchmark	0.99%	33	5.01%	26	7.32%	41	6.01%	40	7.06%	51
MS 529 Static Alloc 50-70	0.68%		3.74%		7.01%		5.63%		7.08%	
Aggressive Age Based 11-12 yrs (Fd 60)	1.20%	24	5.20%	27	7.04%	21	-	-	-	-
Target Fund 60 Blended Benchmark	0.99%	34	5.01%	32	7.32%	13	6.01%	16	7.06%	13
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Moderate Age Based 9-10 yrs (Fd 60)	1.20%	24	5.20%	21	7.04%	35	-	-	-	-
Target Fund 60 Blended Benchmark	0.99%	37	5.01%	23	7.32%	26	6.01%	27	7.06%	27
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Conserv. Age Based 6-8 yrs (Fd 60)	1.20%	14	5.20%	11	7.04%	62	-	-	-	-
Target Fund 60 Blended Benchmark	0.99%	27	5.01%	15	7.32%	51	6.01%	49	7.06%	60
MS 529 Age 7-8 Grp	0.61%		3.02%		7.40%		5.98%		7.37%	
Target Fund 50										
Aggressive Age Based 13-14 yrs (Fd 50)	1.26%	28	5.62%	29	6.37%	15	-	-	-	-
Target Fund 50 Blended Benchmark	1.25%	29	6.03%	19	6.72%	10	5.72%	9	6.51%	8
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	
Moderate Age Based 11-12 yrs (Fd 50)	1.26%	20	5.62%	21	6.37%	44	-	-	-	-
Target Fund 50 Blended Benchmark	1.25%	21	6.03%	12	6.72%	29	5.72%	29	6.51%	23
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Conserv. Age Based 9-10 yrs (Fd 50)	1.26%	20	5.62%	16	6.37%	61	-	-	-	-
Target Fund 50 Blended Benchmark	1.25%	20	6.03%	9	6.72%	46	5.72%	35	6.51%	46
MS 529 Age 9-10 Grp	0.73%		3.50%		6.65%		5.17%		6.30%	
Target Fund 40										
Target Fund 40 Portfolio	1.37%	21	6.21%	18	5.55%	45	4.86%	41	5.28%	53
Target Fund 40 Blended Benchmark	1.29%	29	6.39%	15	6.01%	31	5.21%	31	5.67%	44
MS 529 Static Alloc 30-50	1.08%		4.59%		5.46%		4.62%		5.40%	
Aggressive Age Based 15-16 yrs (Fd 40)	1.37%	22	6.21%	21	5.55%	14	-	-	-	-
Target Fund 40 Blended Benchmark	1.29%	33	6.39%	15	6.01%	10	5.21%	10	5.67%	6
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Moderate Age Based 13-14 yrs (Fd 40)	1.37%	22	6.21%	17	5.55%	44	-	-	-	-
Target Fund 40 Blended Benchmark	1.29%	27	6.39%	14	6.01%	28	5.21%	21	5.67%	27
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	
Conserv. Age Based 11-12 yrs (Fd 40)	1.37%	15	6.21%	11	5.55%	72	-	-	-	-
Target Fund 40 Blended Benchmark	1.29%	20	6.39%	9	6.01%	58	5.21%	39	5.67%	56
MS 529 Age 11-12 Grp	0.72%		4.04%		6.18%		5.00%		5.83%	
Target Fund 30										
Aggressive Age Based 17-18 yrs (Fd 30)	1.43%	24	6.52%	21	4.69%	13	-	-	-	-
Target Fund 30 Blended Benchmark	1.36%	26	6.69%	20	4.96%	7	4.45%	8	4.68%	4
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Moderate Age Based 15-16 yrs (Fd 30)	1.43%	20	6.52%	12	4.69%	36	-	-	-	-
Target Fund 30 Blended Benchmark	1.36%	23	6.69%	11	4.96%	31	4.45%	25	4.68%	18
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Conserv. Age Based 13-14 yrs (Fd 30)	1.43%	18	6.52%	14	4.69%	70	-	-	-	-
Target Fund 30 Blended Benchmark	1.36%	23	6.69%	13	4.96%	62	4.45%	42	4.68%	55
MS 529 Age 13-14 Grp	0.92%		4.39%		5.45%		4.26%		4.80%	

Performance is net of all fees, including 529 program management fees (25 bps). Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Fund 20										
Target Fund 20 Portfolio	1.47%	41	6.63%	40	3.82%	69	3.48%	56	3.37%	60
Target Fund 20 Blended Benchmark	1.21%	54	6.33%	44	4.23%	47	3.78%	41	3.70%	43
MS 529 Static Alloc 15-30	1.26%		5.90%		4.22%		3.64%		3.59%	
Aggressive Age Based 19+ yrs (Fd 20)	1.47%	13	6.63%	13	3.82%	10	-		-	
Target Fund 20 Blended Benchmark	1.21%	22	6.33%	14	4.23%	5	3.78%	5	3.70%	4
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	
Moderate Age Based 17-18 yrs (Fd 20)	1.47%	22	6.63%	20	3.82%	54	-		-	
Target Fund 20 Blended Benchmark	1.21%	32	6.33%	24	4.23%	31	3.78%	25	3.70%	28
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Conserv. Age Based 15-16 yrs (Fd 20)	1.47%	16	6.63%	11	3.82%	63	-		-	
Target Fund 20 Blended Benchmark	1.21%	38	6.33%	17	4.23%	54	3.78%	41	3.70%	41
MS 529 Age 15-16 Grp	1.02%		5.17%		4.40%		3.55%		3.17%	
Target Fund 10										
Moderate Age Based 19+ yrs (Fd 10)	1.21%	22	5.75%	19	2.83%	35	-		-	
Target Fund 10 Blended Benchmark	1.21%	22	6.06%	16	3.09%	30	2.84%	24	2.63%	22
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	
Conserv. Age Based 17-18 yrs (Fd 10)	1.21%	32	5.75%	28	2.83%	78	-		-	
Target Fund 10 Blended Benchmark	1.21%	32	6.06%	26	3.09%	74	2.84%	65	2.63%	68
MS 529 Age 17-18 Grp	0.99%		4.81%		3.90%		3.19%		3.10%	
Target Fund Fixed Income										
Target Fund Fixed Income Portfolio	0.80%	35	4.25%	47	1.68%	69	1.35%	63	0.78%	77
Target Fund F.I. Blended Benchmark	0.77%	37	4.21%	47	1.81%	61	1.52%	54	0.99%	66
MS 529 Static Short-Term	0.65%		4.05%		2.07%		1.59%		1.30%	
Conserv. Age Based 19+ yrs (F.I.)	0.80%	49	4.25%	42	1.68%	78	-		-	
Target Fund F.I. Blended Benchmark	0.77%	52	4.21%	43	1.81%	73	1.52%	69	0.99%	71
MS 529 Age 19+ Grp	0.78%		3.93%		2.37%		1.90%		1.45%	

Performance is net of all fees, including 529 program management fees (25 bps). Performance figures provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Individual Funds Portfolios										
Money Market Funds										
Vanguard Prime Money Market (net all)*	0.50%	54	2.14%	50	1.45%	35	0.93%	30	0.66%	29
Vanguard Prime Money Market (net mgr)	0.56%	27	2.41%	23	1.70%	19	1.11%	20	0.81%	17
3-Month Treasury Bill	0.56%	27	2.39%	25	1.54%	29	0.98%	28	0.72%	23
Callan Money Market Funds	0.51%		2.14%		1.33%		0.82%		0.58%	
Fixed Income Funds										
PIMCO Short-Term (net all)	0.70%	69	1.77%	99	2.11%	54	1.72%	62	1.54%	53
PIMCO Short-Term (net mgr)	0.73%	66	1.95%	99	2.37%	25	1.96%	38	1.78%	39
3 Month T-Bills	0.56%	83	2.36%	98	1.52%	85	0.96%	96	0.70%	96
Blmbg Aggregate 1-3 Index	0.71%	68	4.67%	42	1.84%	71	1.61%	74	1.35%	71
Callan Short Term FI MFs	0.80%		4.53%		2.17%		1.87%		1.56%	
Vanguard Short Infl Protected (net all)*	0.38%	79	3.25%	91	1.41%	95	1.00%	92	-	
Vanguard Short Infl Protected (net mgr)	0.40%	78	3.48%	87	1.64%	84	1.25%	89	-	
Blmbg US TIPS 0-5 Index	0.32%	80	3.44%	88	1.65%	83	1.27%	88	0.79%	51
Callan TIPS MFs	1.10%		6.16%		2.14%		1.99%		0.84%	
Vanguard Short Term Bond (net all)*	0.83%	50	5.69%	15	1.70%	87	1.71%	75	-	
Vanguard Short Term Bond (net mgr)	0.95%	29	6.00%	11	1.96%	76	1.97%	51	1.59%	62
Blmbg Govt/Credit 1-5 Float	0.89%	37	6.01%	11	2.01%	71	2.01%	47	1.65%	59
Callan Short Inv Grade MF	0.83%		4.69%		2.23%		1.97%		1.81%	
Vanguard Infl Prot Securities (net all)	1.35%	29	6.73%	33	1.78%	76	2.11%	43	0.75%	56
Vanguard Infl Prot Securities (net mgr)	1.42%	25	7.03%	19	2.04%	54	2.38%	25	0.98%	36
Blmbg US TIPS Index	1.35%	30	7.13%	17	2.21%	38	2.45%	14	1.06%	24
Callan TIPS MFs	1.10%		6.16%		2.14%		1.99%		0.84%	
Fidelity Investment Grade Bond (net all)	1.94%	94	10.14%	50	2.99%	64	3.27%	56	-	
Fidelity Investment Grade Bond (net mgr)	2.01%	93	10.43%	25	3.26%	31	3.49%	28	2.88%	37
Blmbg Aggregate Index	2.27%	44	10.30%	43	2.92%	70	3.38%	47	2.72%	51
Callan Core Bond MFs	2.25%		10.14%		3.12%		3.36%		2.73%	
Vanguard Total Bond Index (net all)*	2.33%	22	10.16%	49	2.65%	87	3.09%	92	2.42%	92
Vanguard Total Bond Index (net mgr)	2.43%	5	10.45%	24	2.91%	70	3.36%	49	2.68%	57
Blmbg Aggregate Index	2.27%	44	10.30%	43	2.92%	70	3.38%	47	2.72%	51
Callan Core Bond MFs	2.25%		10.14%		3.12%		3.36%		2.73%	
MainStay Total Return Bond (net all)	2.38%	18	9.53%	71	2.99%	83	-		-	
MainStay Total Return Bond (net mgr)	2.45%	11	9.83%	64	3.26%	65	3.19%	81	2.94%	76
Blmbg Aggregate Index	2.27%	39	10.30%	43	2.92%	85	3.38%	69	2.72%	91
Callan Core Plus MFs	2.17%		10.06%		3.45%		3.62%		3.30%	
Balanced Funds										
T. Rowe Price Balanced (net all)	1.15%	60	5.15%	44	8.56%	39	6.67%	51	8.18%	60
T. Rowe Price Balanced (net mgr)	1.13%	61	5.26%	42	8.68%	36	6.86%	42	8.39%	52
Balanced Fund Blended Benchmark	1.54%	42	6.00%	33	8.95%	34	7.37%	30	8.72%	42
Callan Dom Balanced MFs	1.41%		4.34%		8.27%		6.70%		8.45%	
Domestic Equity Funds										
T. Rowe Large Cap Growth (net all)	(1.14%)	69	1.55%	67	19.21%	8	14.26%	14	-	
T. Rowe Large Cap Growth (net mgr)	(1.11%)	68	1.80%	65	19.56%	8	14.74%	8	16.83%	3
Russell 1000 Growth Index	1.49%	14	3.71%	33	16.89%	35	13.39%	27	15.02%	28
Callan Large Cap Grwth MF	(0.46%)		2.98%		16.24%		12.62%		14.14%	
Vanguard Growth Index (net all)	1.96%	8	4.34%	30	15.11%	68	11.92%	64	13.80%	63
Vanguard Growth Index (net mgr)	2.00%	7	4.52%	28	15.38%	65	12.19%	59	14.09%	53
U.S. Large Cap Growth Benchmark	2.01%	7	4.55%	27	15.42%	65	12.24%	58	14.15%	50
Russell 1000 Growth Index	1.49%	14	3.71%	33	16.89%	35	13.39%	27	15.02%	28
Callan Large Cap Grwth MF	(0.46%)		2.98%		16.24%		12.62%		14.14%	
Vanguard Total Stock Index (net all)*	1.02%	45	2.67%	45	12.54%	38	10.15%	29	12.67%	34
Vanguard Total Stock Index (net mgr)	1.09%	40	2.89%	41	12.81%	28	10.42%	28	12.98%	23
U.S. Total Market Benchmark	1.11%	38	2.92%	40	12.82%	28	10.43%	28	12.98%	23
Russell 3000 Index	1.16%	36	2.92%	40	12.83%	28	10.44%	28	13.00%	22
Callan Large Cap Core MFs	0.99%		2.30%		12.11%		9.42%		12.13%	

(net all) indicates performance is net of all fees, including 529 program management fees (25 bps).

(net all) performance figures provided by Union Bank & Trust.

(net mgr) indicates performance is net of manager fees.

* Indicates fund is held in the Age Based and Target Fund Portfolios.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended September 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended September 30, 2019

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Vanguard 500 Index (net all)	1.59%	25	3.97%	29	13.05%	25	10.53%	28	12.93%	30
Vanguard 500 Index (net mgr)	1.69%	23	4.23%	28	13.36%	23	10.81%	21	13.22%	9
S&P 500 Index	1.70%	23	4.25%	28	13.39%	22	10.84%	20	13.26%	9
Callan Large Cap Core MFs	0.99%		2.30%		12.11%		9.42%		12.13%	
DFA US Large Cap Value (net all)	0.65%	71	(2.17%)	82	9.21%	71	7.06%	64	-	
DFA US Large Cap Value (net mgr)	0.71%	71	(1.91%)	75	9.51%	69	7.33%	58	12.06%	24
Russell 1000 Value Index	1.36%	51	4.00%	32	9.43%	69	7.79%	47	11.30%	43
Callan Lg Cap Value MF	1.39%		0.74%		10.12%		7.66%		11.22%	
Vanguard Value Index (net all)	1.08%	59	3.33%	35	11.19%	33	9.08%	19	12.12%	23
Vanguard Value Index (net mgr)	1.14%	57	3.54%	33	11.45%	21	9.33%	16	12.40%	15
U.S. Large Cap Value Benchmark	1.13%	57	3.57%	33	11.48%	21	9.36%	16	12.45%	14
Russell 1000 Value Index	1.36%	51	4.00%	32	9.43%	69	7.79%	47	11.30%	43
Callan Lg Cap Value MF	1.39%		0.74%		10.12%		7.66%		11.22%	
Vanguard Extended Market Index (net all)	(1.66%)	70	(4.08%)	84	9.73%	59	8.30%	54	11.42%	56
Vanguard Extended Market Index (net mgr)	(1.61%)	69	(3.80%)	81	9.95%	59	8.52%	53	11.71%	49
S&P Completion Index	(1.64%)	69	(3.96%)	83	9.83%	59	8.40%	54	11.60%	50
Callan Mid Cap MFs	(0.67%)		1.49%		11.57%		8.73%		11.59%	
Vanguard Mid Cap Index (net all)	0.52%	32	3.40%	38	10.40%	55	8.93%	46	12.36%	30
Vanguard Mid Cap Index (net mgr)	0.61%	31	3.65%	37	10.67%	53	9.20%	43	12.65%	27
U.S. Mid Cap Benchmark	0.62%	31	3.70%	37	10.70%	53	9.24%	43	12.70%	26
Russell MidCap Index	0.48%	33	3.19%	38	10.69%	53	9.10%	44	12.57%	27
Callan Mid Cap MFs	(0.67%)		1.49%		11.57%		8.73%		11.59%	
Vanguard Explorer (net all)	(2.07%)	13	(3.62%)	38	13.56%	52	10.07%	66	-	
Vanguard Explorer (net mgr)	(2.07%)	13	(3.45%)	34	13.84%	51	10.60%	55	13.34%	29
Russell 2500 Growth Index	(3.18%)	29	(4.11%)	41	12.33%	62	10.22%	60	12.77%	49
Callan Sm Cap Growth MF	(4.36%)		(5.07%)		14.13%		11.10%		12.74%	
Vanguard Small Cap Growth (net all)	(2.27%)	14	(2.27%)	23	12.01%	66	9.50%	73	11.70%	71
Vanguard Small Cap Growth (net mgr)	(2.15%)	13	(2.03%)	23	12.29%	62	9.75%	70	11.98%	68
U.S. Small Cap Growth Benchmark	(2.15%)	13	(2.03%)	23	12.27%	62	9.70%	71	11.98%	68
Russell 2000 Growth Index	(4.17%)	43	(9.63%)	74	9.79%	86	9.08%	78	11.43%	74
Callan Sm Cap Growth MF	(4.36%)		(5.07%)		14.13%		11.10%		12.74%	
Vanguard Small Cap Index (net all)	(1.52%)	38	(3.94%)	33	9.37%	51	8.37%	54	11.31%	48
Vanguard Small Cap Index (net mgr)	(1.45%)	36	(3.81%)	32	9.62%	50	8.62%	53	11.59%	43
U.S. Small Cap Benchmark	(1.47%)	37	(3.80%)	31	9.61%	50	8.60%	53	11.59%	43
Russell 2000 Index	(2.40%)	50	(8.89%)	64	8.23%	59	8.19%	56	10.43%	62
Callan Small Cap MFs	(2.35%)		(6.62%)		9.83%		8.85%		11.15%	
DFA US Small Cap Value (net all)	(2.24%)	82	(14.10%)	96	3.82%	89	3.84%	87	-	
DFA US Small Cap Value (net mgr)	(2.13%)	80	(13.74%)	95	4.24%	84	4.43%	82	8.73%	77
Russell 2000 Value Index	(0.57%)	46	(8.24%)	56	6.54%	45	7.17%	38	9.35%	64
Callan Sm Cap Value MF	(0.88%)		(7.26%)		6.10%		6.57%		9.76%	
Vanguard Small Cap Value Index (net all)	(1.00%)	51	(5.76%)	38	7.00%	42	7.30%	38	10.81%	27
Vanguard Small Cap Value Index (net mgr)	(0.93%)	50	(5.48%)	34	7.33%	37	7.60%	31	11.12%	21
U.S. Small Cap Value Benchmark	(0.93%)	50	(5.47%)	34	7.34%	36	7.62%	31	11.15%	21
Russell 2000 Value Index	(0.57%)	46	(8.24%)	56	6.54%	45	7.17%	38	9.35%	64
Callan Sm Cap Value MF	(0.88%)		(7.26%)		6.10%		6.57%		9.76%	
International Equity										
Dodge & Cox Int'l Stock (net all)	(1.79%)	65	(3.04%)	57	4.90%	67	0.27%	93	-	
Dodge & Cox Int'l Stock (net mgr)	(1.66%)	60	(2.75%)	53	5.26%	60	0.64%	91	5.89%	48
MSCI EAFE Index	(1.07%)	41	(1.34%)	40	6.48%	41	3.27%	49	6.12%	42
MSCI ACWI ex US	(1.80%)	65	(1.23%)	37	6.33%	45	2.90%	54	5.01%	75
Callan Non US Equity MFs	(1.29%)		(2.22%)		5.94%		3.16%		5.85%	
Vanguard Int'l Stock Index (net all)*	(1.74%)	64	(1.94%)	46	5.77%	52	2.85%	58	5.00%	76
Vanguard Int'l Stock Index (net mgr)	(1.61%)	59	(1.53%)	42	6.09%	47	3.17%	49	5.32%	68
Total Int'l Stock Benchmark	(1.65%)	60	(1.66%)	43	6.19%	46	3.19%	49	5.32%	68
Callan Non US Equity MFs	(1.29%)		(2.22%)		5.94%		3.16%		5.85%	
Real Estate										
Vanguard REIT Index (net all)*	7.35%	53	19.57%	30	6.81%	61	9.66%	53	9.51%	50
Vanguard REIT Index (net mgr)	7.42%	50	19.92%	28	7.10%	51	9.96%	44	9.81%	38
MSCI US IMI Real Estate 25/50	7.43%	50	19.94%	28	7.16%	49	10.05%	43	9.88%	35
NAREIT All Equity Index	7.73%	39	20.70%	24	9.03%	19	11.07%	20	10.66%	14
Callan Real Estate MFs	7.48%		18.39%		7.12%		9.80%		9.50%	

(net all) indicates performance is net of all fees, including 529 program management fees (25 bps).

(net mgr) performance figures provided by Union Bank & Trust.

(net mgr) indicates performance is net of manager fees.

* Indicates fund is held in the Age Based and Target Fund Portfolios.

Alabama CollegeCounts Direct Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Money Market Funds									
Vanguard Prime Money Market Callan Money Market Funds	0.6 27	2.4 23	1.7 19	1.1 20	0.8 17			1.6 7	0.2 17
3-Month Treasury Bill	0.6 27	2.4 25	1.5 29	1.0 28	0.7 23				0.0 23
Fixed Income Funds									
PIMCO Short-Term Callan Defensive FI MFs	0.7 66	1.9 99	2.4 25	2.0 38	1.8 39			1.1 32	1.1 22
3 Month T-Bills	0.6 83	2.4 98	1.5 85	1.0 96	0.7 96				-0.1 96
Vanguard Short Infl-Protected (i) Callan TIPS MFs	0.4 78	3.5 87	1.6 84	1.2 89					
Blmbg US TIPS 0-5 Idx	0.3 80	3.4 88	1.6 83	1.3 88	0.8 51				0.0 49
Vanguard Short Term Bond (i) Callan Short Inv Grade MF	1.0 29	6.0 11	2.0 76	2.0 51	1.6 62			-0.7 90	0.6 69
Blmbg Govt/Cred 1-5 Float Adj	0.9 37	6.0 11	2.0 71	2.0 47	1.6 59				0.6 67
Vanguard Infl Prot Securities Callan TIPS MFs	1.4 25	7.0 19	2.0 54	2.4 25	1.0 36			-0.3 62	0.1 35
Blmbg US TIPS Index	1.3 30	7.1 17	2.2 38	2.4 14	1.1 24				0.1 24
Fidelity Investment Grade Bond Callan Core Bond MFs	2.0 93	10.4 25	3.3 31	3.5 28	2.9 37			0.2 39	0.6 52
Blmbg Aggregate Index	2.3 44	10.3 43	2.9 70	3.4 47	2.7 51				0.6 54
Vanguard Total Bond Market Index (i) Callan Core Bond MFs	2.4 5	10.5 24	2.9 70	3.4 49	2.7 57			-0.2 74	0.6 69
Blmbg Aggregate Index	2.3 44	10.3 43	2.9 70	3.4 47	2.7 51				0.6 54
MainStay Total Return Bond Callan Core Plus MFs	2.5 11	9.8 64	3.3 65	3.2 81	2.9 76			0.2 79	0.7 77
Blmbg Aggregate Index	2.3 39	10.3 43	2.9 85	3.4 69	2.7 91				0.6 86
Balanced Funds									

Returns:
■ above median
■ third quartile
■ fourth quartile



Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

Alabama CollegeCounts Direct Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
T. Rowe Price Balanced Callan Dom Balanced MFs Balanced Fund Blended Benchmark	1.1 61	5.3 42	8.7 36	6.9 42	8.4 52			-0.2 74	1.1 60
Domestic Equity									
T. Rowe Large Cap Growth Callan Large Cap Grwth MF Russell 1000 Growth Index	-1.1 68	1.8 65	19.6 8	14.7 8	16.8 3			0.4 8	1.3 12
Vanguard Growth Index (i) Callan Large Cap Grwth MF U.S. Large Cap Growth Benchmark	2.0 7	4.5 28	15.4 65	12.2 59	14.1 53			-1.9 100	1.1 56
Vanguard Total Stock Index (i) Callan Large Cap Core MFs U.S. Total Market Benchmark	1.1 40	2.9 41	12.8 28	10.4 28	13.0 23			-0.3 74	1.2 49
Vanguard 500 Index (i) Callan Large Cap Core MFs S&P 500 Index	1.7 23	4.2 28	13.4 23	10.8 21	13.2 9			-3.2 100	1.2 11
DFA US Large Cap Value Callan Lg Cap Value MF Russell 1000 Value Index	0.7 71	-1.9 75	9.5 69	7.3 58	12.1 24			0.3 21	1.0 46
Vanguard Value Index (i) Callan Lg Cap Value MF U.S. Large Cap Value Benchmark	1.1 57	3.5 33	11.5 21	9.3 16	12.4 15			-1.7 100	1.2 19
Vanguard Extended Market Index (i) Callan Mid Cap MFs S&P Completion Index	-1.6 69	-3.8 81	10.0 59	8.5 53	11.7 49			1.8 1	0.8 54
Vanguard Mid Cap Index (i) Callan Mid Cap MFs U.S. Mid Cap Benchmark	0.6 31	3.6 37	10.7 53	9.2 43	12.7 27			-2.1 100	1.0 24

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:

Return
Risk

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

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Alabama CollegeCounts Direct Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
September 30, 2019

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Vanguard Explorer Callan Sm Cap Growth MF Russell 2500 Growth Index	-2.1 13	-3.4 34	13.8 51	10.6 55	13.3 29			0.3 10	0.9 13
Vanguard Small Cap Growth Index (i) Callan Sm Cap Growth MF U.S. Small Cap Growth Benchmark	-2.1 13	-2.0 23	12.3 62	9.8 70	12.0 68			0.0 78	0.8 51
Vanguard Small Cap Index (i) Callan Small Cap MFs U.S. Small Cap Benchmark	-1.5 36	-3.8 32	9.6 50	8.6 53	11.6 43			0.3 32	0.8 31
DFA US Small Cap Value Callan Sm Cap Value MF Russell 2000 Value Index	-2.1 80	-13.7 95	4.2 84	4.4 82	8.7 77			-0.2 77	0.5 77
Vanguard Small Cap Value Index (i) Callan Sm Cap Value MF U.S. Small Cap Value Benchmark	-0.9 50	-5.5 34	7.3 37	7.6 31	11.1 21			-1.1 96	0.8 30
International Equity									
Dodge & Cox Int'l Stock Callan Non US Equity MFs MSCI EAFE Index	-1.7 60	-2.7 53	5.3 60	0.6 91	5.9 48			-0.0 47	0.4 64
Vanguard Int'l Stock Index (i) Callan Non US Equity MFs Total Int'l Stock Benchmark	-1.6 59	-1.5 42	6.1 47	3.2 49	5.3 68			-0.0 90	0.4 82
Real Estate Funds									
Vanguard REIT Index (i) Callan Real Estate MFs MSCI US IMI Real Estate 25/50	7.4 50	19.9 28	7.1 51	10.0 44	9.8 38			-0.9 100	0.7 88

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:


Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

Morningstar Ratings and Rankings

Plan 2 - Direct - Fund Name	Morningstar Category	Ticker	Morningstar Rating	Market Value*
DFA U.S. Large Cap Value	Large Value	DFLVX	4	\$94,795,373
DFA U.S. Small Cap Value	Small Value	DFSVX	3	\$751,259
Dodge & Cox International Stock	Foreign Blend	DODFX	3	\$1,867,540
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	4	\$3,427,721
Mainstay Total Return Bond	Intermediate-Term Bond	MTMIX	3	\$99,766,232
PIMCO Short-Term	Ultrashort Bond	PTSHX	4	\$150,699,471
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	\$55,699,496
T. Rowe Price Large-Cap Growth	Large Growth	TRLGX	5	\$102,680,188
Vanguard 500 Index	Large Blend	VINIX	5	\$27,126,348
Vanguard Explorer	Small Growth	VEXRX	4	\$1,906,566
Vanguard Extended Market Index	Mid-Cap Blend	VEXAX	4	\$1,942,239
Vanguard Growth Index	Large Growth	VIGAX	4	\$13,295,520
Vanguard Inflation-Protected Securities	Inflation-Protected Bond	VAIPX	4	\$1,542,161
Vanguard Mid-Cap Index	Mid-Cap Blend	VIMAX	5	\$8,703,120
Vanguard Prime Money Market	Taxable Money Market	VMRXX	N/A	\$25,846,253
Vanguard Real Estate Index (REIT Index)	Real Estate	VGSNX	4	\$22,724,869
Vanguard Short Term Bond	Short-Term Bond	VBITX	3	\$47,620,184
Vanguard Short-Term Infl-Protected	Inflation-Protected Bond	VTSPX	2	\$25,779,597
Vanguard Small-Cap Growth Index	Small Growth	VSGAX	3	\$6,942,761
Vanguard Small-Cap Index	Small Blend	VSMAX	5	\$3,772,638
Vanguard Small-Cap Value Index	Small Value	VSIAX	4	\$3,447,988
Vanguard Total Bond Market Index	Intermediate-Term Bond	VBPIX	3	\$110,105,918
Vanguard Total International Stock Index	Foreign Large Blend	VTSNX	3	\$81,796,876
Vanguard Total Stock Market Index	Large Blend	VITSX	4	\$154,630,089
Vanguard Value Index	Large Value	VVIAX	4	\$5,316,138

*Asset totals include age based, target portfolio assets, advisor and direct plans where applicable.

Summary of Fund Performance Status

Plan 2 - Direct - Fund Name	Prior Quarter Status	Current Quarter Status	Market Value*
DFA U.S. Large Cap Value	Positive	Positive	\$94,795,373
DFA U.S. Small Cap Value	Watch	Watch	\$751,259
Dodge & Cox International Stock	Watch	Watch	\$1,867,540
Fidelity Advisor Investment Grade Bond	Positive	Positive	\$3,427,721
Mainstay Total Return Bond	Positive	Positive	\$99,766,232
PIMCO Short-Term	Positive	Positive	\$150,699,471
T. Rowe Price Balanced	Positive	Positive	\$55,699,496
T. Rowe Price Large-Cap Growth	Positive	Positive	\$102,680,188
Vanguard 500 Index	Positive	Positive	\$27,126,348
Vanguard Explorer	Positive	Positive	\$1,906,566
Vanguard Extended Market Index	Positive	Positive	\$1,942,239
Vanguard Growth Index	Positive	Positive	\$13,295,520
Vanguard Inflation-Protected Securities	Positive	Positive	\$1,542,161
Vanguard Mid-Cap Index	Positive	Positive	\$8,703,120
Vanguard Prime Money Market	Positive	Positive	\$25,846,253
Vanguard Real Estate Index(REIT Index)	Positive	Positive	\$22,724,869
Vanguard Short Term Bond	Positive	Positive	\$47,620,184
Vanguard Short-Term Infl-Protected	Positive	Positive	\$25,779,597
Vanguard Small-Cap Growth Index	Positive	Positive	\$6,942,761
Vanguard Small-Cap Index	Positive	Positive	\$3,772,638
Vanguard Small-Cap Value Index	Positive	Positive	\$3,447,988
Vanguard Total Bond Market Index	Positive	Positive	\$110,105,918
Vanguard Total International Stock Index	Positive	Positive	\$81,796,876
Vanguard Total Stock Market Index	Positive	Positive	\$154,630,089
Vanguard Value Index	Positive	Positive	\$5,316,138

*Asset totals include age based, target portfolio assets, advisor and direct plans where applicable.

- Funds identified as “Currently on Watch” are those whose Watch status has been approved by the CollegeCounts Board.
- Watch list status based on Watch List guidelines defined in the Investment Policy Statement.

Manager/Product Updates

Manager/Product Updates

Mainstay (Sub advisor MacKay Shields)

Dan Roberts, Head of Global Fixed Income, will be retiring from MacKay Shields at the end of the year while transitioning to a Senior Advisor role through 2020.

This is an event Callan suspected was imminent given the recent senior hires and past discussions we have had with Roberts and team. With this announcement, all of the senior investment professionals will have moved on starting with Taylor Wagenseil in 2017 followed by Michael Kimble and Lou Cohen in 2018. All have followed a pattern of giving at least six months of lead time to provide for a smooth transition and to remain in an advisory role. Up to this point the previous transitions have gone smoothly.

Roberts is the Head of the team and the one who established the top-down, economic views. He has had considerable influence, but in recent years has really groomed others to increase their responsibilities and their ownership of the process and investment decisions. In 2018, three long-tenured professionals were elevated to roles on the Investment Policy Committee, including: Joe Cantwell, Matthew Jacob, and Shu-Yang Tan.

In early 2018 Steve Cianci and Neil Moriarty joined the firm from Aberdeen Investments. They will have had two years of integration by the time of Roberts' retirement. Both individuals also sit on the Investment Policy Committee. A key recent hire, given Roberts' experience establishing the economic backdrop, was Stephen Friedman who was previously senior economist at BNP Paribas. These senior additions will play an integral part in the process and evolution of the firm going forward.

Watch List

Watch List

The following Fund is recommended to be added to the Watch List:

None at this time.

The following Fund is recommended to be removed from the Watch List:

None at this time.

The following Funds are recommended to remain on the Watch List:

The BlackRock Inflation-protected Bond Fund (Advisor Plan)

Availability:	This fund is an individual option.
Issue:	During the third quarter, the fund posted a return of 1.05% vs. the 1.35% return of the benchmark. Longer term performance lags the benchmark and median peer over the 3 and 5-year periods.
Analysis:	N/A
Recommendation:	Watch list
Date on Watch:	August 2015
Plan Assets:	\$2,065,917

DFA U.S. Small Cap Value (Direct Plan)

Availability:	This fund is an individual option.
Issue:	DFA U.S. Small Cap Value was added to the Watch List due to performance issues.
Analysis:	Over the trailing three-year period the fund ranks in the 84 th percentile of peers and underperformed the Russell 2000 Value index by 2.3%. The one year period lags the Russell 2000 Value index by 5.5%. The fund posted a third quarter return of -2.13% trailing the benchmark return of -0.57%.
Recommendation:	Watch list
Date on Watch:	December 2018
Plan Assets:	\$751,259

Dodge & Cox International Stock Fund (Direct Plan)

Availability:	This fund is an individual option.
Issue:	The Dodge & Cox International Stock Fund was added to the Watch List due to performance issues.
Analysis:	Over the trailing three-year period the fund ranks in the 60 th percentile of peers and lagged the MSCI EAFE index by 1.22%. The one year period lags the MSCI EAFE index by 1.41% and ranks in the 53 rd percentile of peers. This quarter the fund posted a return of -1.66% trailing the -1.07% return of the benchmark.

Recommendation: Watch list
Date on Watch: August 2018
Plan Assets: \$1,867,540

Touchstone High Yield Fund (Advisor Plan)

Availability: This fund is offered as an individual option and an underlying fund.

Issue: Underperformance

Analysis: Over the five year period the fund underperformed the benchmark and ranks in the 71st percentile among peers. The Fund lagged the benchmark by 0.51% for the last 3 years and ranks in the 54th percentile among peers. This quarter, the Fund slightly underperformed the High Yield II Index by 0.01% and ranked in the 69th percentile of Callan High Yield Mutual Fund peer group.

Recommendation: Watch list
Date on Watch: August 10, 2016
Plan Assets: \$44,222,394

American Century Equity Growth Fund (Advisor Plan)

Availability: This fund is offered as an individual option

Issue: Underperformance

Analysis: The Fund lags the S&P 500 Index by 2.04% for the last 5 years and by 1.26% for the last 3 years. The Fund ranks in the 49th percentile among peers for the three-year time-period. The Fund underperformed the S&P 500 for the one year period and ranks in the 58th percentile of peers. This quarter the Fund underperformed the S&P 500 Index by 0.65% and ranked in the 41st percentile of its peer group. The longer-term underperformance is driven by the significant underperformance in 2015 and first half of 2016.

Recommendation: Watch list
Date on Watch: August 10, 2016
Plan Assets: \$6,682,447

William Blair Small Cap Value (Advisor Plan)

Availability: This fund is offered as an individual option

Original Issue: Underperformance

Analysis: During the third quarter the Fund had a return of -1.11% which underperformed the benchmark by 0.54% and ranked in the 54th percentile of Callan's Small Cap Value Mutual Fund peer group. For the three year period, the Fund lags the benchmark by 1.02% and ranks in the 71st percentile of peers. The 5-year return trails the benchmark by 0.56% and ranks in the 48th percentile of peers.

Recommendation: Watch list
Date on Watch: May 16, 2018
Plan Assets: \$10,428,839

Watch List Criteria

Watch List Criteria

Performance Objectives

The Board shall evaluate investment performance on a quarterly basis relative to an assigned benchmark and peer group. Each individual fund portfolio will have an assigned benchmark and peer group and the multi-fund portfolios will have a blended benchmark.

Passive Options:

The objective of an index fund is to match the performance of its benchmark with minimal tracking error. As a result, the evaluation of index funds will focus on their ability to match the return of the benchmark on a gross-of-fee basis and to do so with minimal tracking error.

Active Options:

The objective of an actively managed fund is to outperform its benchmark over longer periods on a net-of-fee basis. Longer periods will be defined as 3 to 5 years or a full market cycle for measuring purposes. The specific objectives are as follows:

- Outperform its benchmark and rank in the top half of its peer group over the trailing 3 to 5 years or a full market cycle.
- Demonstrate percentile risk-adjusted performance above the 75th percentile as measured against its peer group over the trailing 3 to 5 years or a full market cycle.

Multi-Fund Options:

Since it is not feasible to replace the entire suit of multi-fund offerings, performance evaluation will focus on the underlying funds that are causing the under- or outperformance of the overall portfolio.

Watch List Standards

A number of factors may contribute to a portfolio's over- or under-performance at any given time, including market dynamics, investment skill, chance or a combination thereof. Because a portfolio's performance might be attributable to factors that do not reflect deficiencies in skills, strategy or investment philosophy/process, it may be unwise to recommend termination solely because a portfolio performs below expectations for a certain period of time. A "Watch List" will be utilized to identify those portfolios whose performance or other factors are cause for further assessment, possible termination, or other action by the Board.

A portfolio may be placed on Watch and an appropriate review and analysis of the investment manager may be conducted, when one or more of the following events occur:

- The portfolio fails to meet the performance objectives outlined in this Statement;
- There is a change in the investment manager's organization, investment philosophy and/or personnel;
- There is a significant change in the investment manager's assets under management in the product or firm-wide;
- There is an indication that the investment manager is deviating from his/her stated style and/or strategy;

- There is a significant increase in the portfolio's fees or expenses;
- There are legal, SEC and/or other regulatory agency proceedings affecting the manager; and/or
- Any issue or event deemed relevant by the Board.

The Board may decide to take no action or it may vote to place the individual fund portfolio on Watch. In making this decision, the Board may use quantitative or qualitative information or a combination of both. Once on Watch, the individual fund portfolio will be monitored closely. Specifically, the Program Manager will provide a quarterly report explaining causes of underperformance or improvement. Additionally, the Investment Consultant will monitor the individual fund portfolio carefully and provide additional reports as necessary. This increased level of monitoring continues quarter-by-quarter until the Board releases the individual fund portfolio from Watch or takes other corrective actions.