

May 20, 2020



**CollegeCounts, Alabama 529  
Savings Program  
Executive Summary  
First Quarter 2020**

---

Prepared by

**Callan LLC**

[www.callan.com](http://www.callan.com)

**Annoesjka West**

Senior Vice President

**Todd Carabasi, CFA, CAIA**

Vice President

## Table of Contents

<b>Market Environment</b>	<b>1</b>
<b>Capital Markets Preview</b>	<b>6</b>
<b>Range of Mutual Fund Returns</b>	<b>11</b>
<b>Advisor Plan Performance</b>	<b>13</b>
<b>Direct Plan Performance</b>	<b>27</b>
<b>Manager/Product Updates</b>	<b>41</b>
<b>Watch List</b>	<b>43</b>
<b>Watch List Criteria</b>	<b>48</b>

# Market Environment

## First Quarter Market Environment

### Global Economy

*New lens required*

#### The world changed in a matter of weeks in March 2020

- Foreshadowed by spread of coronavirus and containment response in China
  - Economy in central China centered on Wuhan ground to a halt in February.
- U.S. GDP growth tracked at ~2% through February 2020; March decline concentrated in the last three weeks.
- Real gross domestic product (GDP) decreased 4.8 percent in the first quarter of 2020, according to the "advance" estimate released by the Bureau of Economic Analysis. In the fourth quarter of 2019, real GDP increased 2.1 percent.
  - Q2 GDP decline estimates range from -20% to -30% (annualized), not seen since the Great Depression
  - Unemployment rate is likely to spike above 10%; consumption could fall by one third in 2Q.
- Growth rates around a natural disaster lose meaning; levels of economic indicators may be more telling.
  - When do we get back to pre-disaster level of GDP, and employment, income, sales, revenue, and earnings?
  - % change is useful when the economy is gliding up or down through a growth cycle, not so useful when confronted with a shock and a recovery likely to feature false starts and sharp growth. A 27% drop in GDP is unprecedented and terrifying, but a 30% increase on the way back up is just as hard to fathom.
- Borrow a lesson from the Global Financial Crisis
  - Name the current situation, outline its boundaries when possible, and separate our analysis to before, during, and after.

### Fixed Income

U.S. Treasury yields fell to record lows in March as investors sought safety and the Fed cut rates to 0%-0.25%. Overseas, developed ex-U.S. market returns were relatively flat in broad terms. Emerging market debt underperformed in the risk-off environment.

#### U.S. Fixed Income

- U.S. Treasury yields fell to record lows in March
  - 2-year U.S. Treasury Note fell from 1.58% to 0.23%
  - 10-year Treasury dropped from 1.92% to 0.70% over the quarter
  - 30-year Treasury yield dropped 104 bps and closed at 1.35%
- Bloomberg Barclays Aggregate rose 3.1%
  - Bloomberg Barclays US Treasury: +8.2%
  - Bloomberg Barclays Corporate: -3.6%
- TIPS sharply underperformed nominal Treasuries as expectations for inflation sank

- 10-year breakeven spread ended the quarter at 87bps, down sharply from 177 bps (12/2019)
- Bloomberg Barclays TIPS Index: +1.7%
- High Yield fell sharply and ended the quarter with a yield-to-worst of 9.4% though it topped 10% in mid-March, the highest level since GFC
  - Bloomberg Barclays High Yield Corp: -12.7%
  - Leveraged loans performed even worse (S&P LSTA: -13.0%) and both high yield and loans experienced heavy outflows
- Municipals underperformed U.S. Treasuries as the sector experienced record outflows and a dramatic decline in liquidity
  - Bloomberg Barclays Municipal Bond Index: -0.6%

### **Non-U.S. Fixed Income**

- Returns were relatively flat across developed markets
  - Bloomberg Barclays Global Agg ex-U.S. (unhedged): -2.7%
  - Bloomberg Barclays Global Agg ex-U.S. (hedged): +0.5%
  - The German 10-year yield fell from -0.19% to -0.49% and France's declined from 0.12% to 0%
  - The Italian 10-year yield rose from 1.41% to 1.57% and Spain's increased from 0.47% to 0.71%
  - The UK 10-year yield fell from 0.82% to 0.32%
- Emerging market debt was hit hard; local currency bonds saw the heaviest falls
  - The U.S. dollar-denominated JPM EMBI Global Diversified Index dropped 13.4%
  - Local currency emerging market debt, as measured by the JPM GBI-EM Global Diversified, also fell 15.2% in Q1
    - Brazil: -21.5%
    - Mexico: -19.3%
    - Colombia: -21.5%
    - South Africa: -28.8%

### **U.S. Equity**

Global equities declined significantly over the quarter as the coronavirus outbreak spread. The S&P 500 plunged 19.6% in the first quarter, its worst quarterly return since the Global Financial Crisis. Shares fell across developed markets as countries went into lockdown to try to contain the outbreak. Emerging markets equities also sold off with currency depreciation being a key driver.

- S&P 500 Index returned -19.6% in Q1
  - All sectors experienced double-digit declines
  - IT (-11.9%), Health Care (-12.7%) and Consumer Staples (-12.7%) felt the least pain
  - Energy (-50.5%) fell the most with the addition of the oil price war weighing heavily
  - Financials (-31.9%) and Industrials (-27.1%) also fell sharply
  - The "FAAMG" stocks had an average return of -7.9% in Q1, led by Amazon (+5.5%) and Microsoft (+0.3%)
- Growth significantly outperformed Value

- R1000 Growth Index (-14.1%) benefited from IT exposure
- R1000 Value (-26.7%) struggled with relatively heavy weights in Energy and Financials
- Defensive stocks outperformed Dynamic stocks by a wide margin in Value, but by a slim margin in Growth
- Large caps outperformed small caps
  - R1000: -20.2%
  - R2000: -30.6%
  - Small cap value (R2000 Value: -35.7%) saw the sharpest decline

## International Equity

- Global ex-U.S. equity indices fell sharply in the first quarter; nearly all countries/sectors posted losses
  - EAFE: -22.8%
  - ACWI ex-U.S.: -23.4%
  - Top sector performers (EAFE) included Health Care, Utility, Consumer Staples and IT
  - Similar to the U.S., Value trailed Growth by 11% for the quarter
  - Canada (-27.5%), the U.K. (-28.8%), and Australia (-33.3%) were among the worst performers while Japan (-17%) fared better
- U.S. Dollar appreciated against most DM currencies in Q1
  - USD posted a sharp gain versus the Australian dollar, the New Zealand dollar, as well as some major EM currencies such as the Brazilian real, the Mexican peso and the Russia ruble
  - USD underperformed modestly against the Japanese yen and the Hong Kong dollar
- Emerging markets also tumbled, slightly underperformed developed markets
  - MSCI EM: -23.6%
  - Brazil (-50.2%) was the weakest market followed by Colombia (-49.7%). Both adversely impacted due to the fall in crude oil prices
  - Greece (-45.2%), South Africa (-40.3%), Russia (-36.4%) and Mexico (-35.5%) all underperformed
  - China (-10.2%) performed relatively well; China A shares (-9.7%) slightly outperformed the offshore market

## Liquid Real Assets

Real asset returns were significantly challenged during the first quarter of 2020, March in particular, as almost the entire space (except gold and TIPS) experienced performance not seen since the Global Financial Crisis.

- TIPS sharply underperformed nominal Treasuries as expectations for inflation sank
  - 10-year breakeven spread ended the quarter at 87bps, down sharply from 177 bps (12/2019)
  - Bloomberg Barclays TIPS Index: +1.7%
- Both listed infrastructure and real estate were hampered by the outlook and immediate impact of the COVID-19 pandemic
  - DJ-Brookfield Global Infrastructure Index: -20.9%
  - FTSE NAREIT: -27.3%
  - FTSE EPRA/NAREIT Global: -28.5%

- Real estate sectors such as Retail and Hospitality are more sensitive to the fallout from the coronavirus while Industrial, Storage, and Office are more insulated
  
- Demand shock caused by the Coronavirus coupled with a surge in supply from the Saudi/Russia price war led to a 67% decline in crude oil prices
  - S&P 1200 Energy: -44.4%
  - Alerian MLP Index: -57.2%
  - Commodities fell sharply while gold rose
  - Bloomberg Commodity TR Index: -23.3%
  - S&P GSCI Commodity Index (-42.3%) fell sharply due to the meltdown in Energy
  - S&P Gold Spot Price Index rose 4.8%, benefitting from the safe-haven role during the market downturn

# Capital Markets Preview

**U.S. EQUITY**

During the 1st quarter of 2020, the COVID-19 pandemic coupled with an oil price war between Saudi Arabia and Russia spurred extreme global market volatility, which was further exacerbated by the realization that a shelter-in-place mandate was required to overcome the spread of the disease, subsequently inducing an all-but-certain global recession.

**Large cap (S&P 500: -19.6%; Russell 1000: -20.2%)**

- Cyclical were punished while Technology, Staples, and Health Care were more resilient.
- Energy (-50.5%) plunged as demand declined and OPEC and Russia refused to cut production, driving down oil prices globally.
- Financials (-31.9%) and Industrials (-27.1%) fell sharply as interest rates were cut by the Fed in an emergency session, and due to expectations of a steep GDP decline because of COVID-19.
- Technology fared the best (-11.9%). The FAAMG stocks had an average return of -7.9% in Q1, led by Amazon (+5.5%) and Microsoft (+0.3%); Health Care (-12.7%) and Consumer Staples (-12.7%) also held up better than the index average.

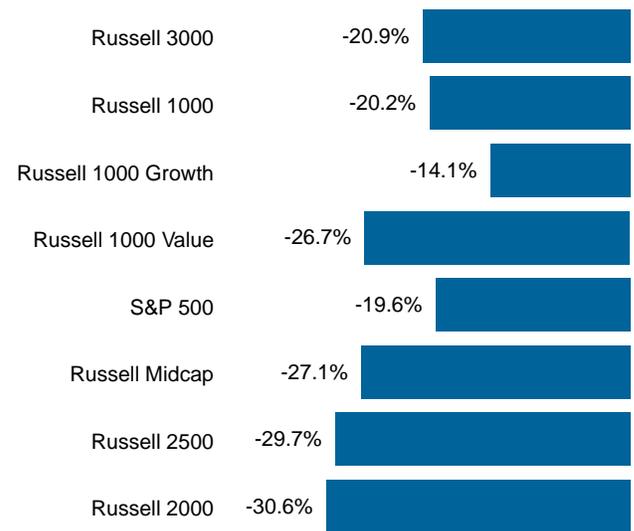
**Large cap outpaced small cap for the quarter**

- The Russell 2000 (-30.6%) experienced its worst quarter on record.
- The perceived safety of larger companies combined with more acute exposure to COVID-19 impact (e.g., restaurants, hotels, airlines, REITs) drove the sell-off.
- The performance of the Russell 2000 Value (-35.7%) was driven by its exposure to Energy (especially exploration and production companies) and Financials (banks).

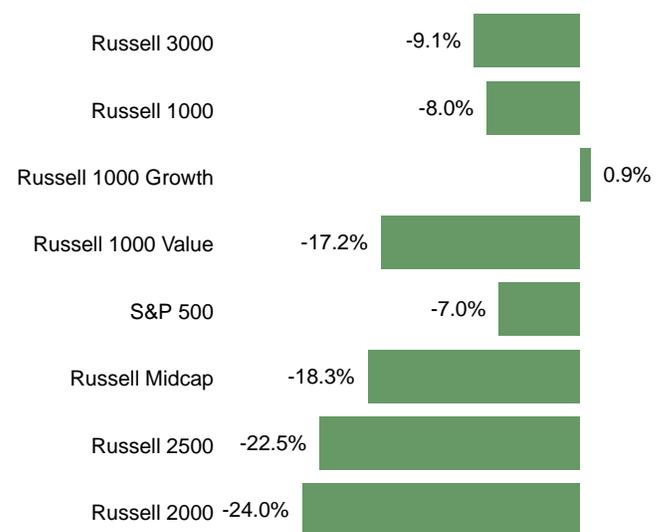
**Growth outpaces value across market capitalizations**

- The spread between Russell 1000 Growth (-14.1%) and Russell 2000 Value (-35.7%) was one of the widest ever.
- Russell MidCap Value (-0.8%) and Russell 2000 Value (-2.4%) now have negative annualized returns over a trailing five-year time period.

**U.S. Equity: Quarterly Returns**

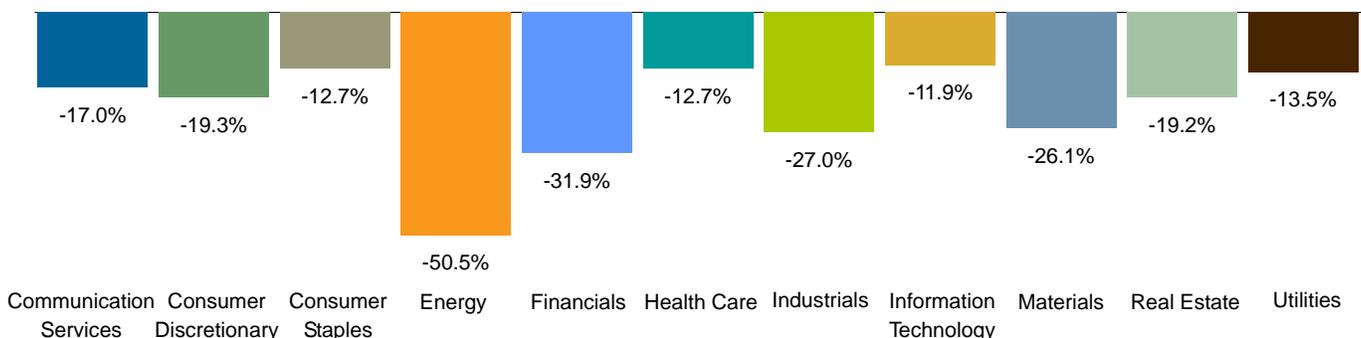


**U.S. Equity: One-Year Returns**



Sources: FTSE Russell, Standard & Poor's

**S&P Sector Returns, Quarter Ended March 31, 2020**



Source: Standard & Poor's

**GLOBAL/GLOBAL EX-U.S. EQUITY**

The COVID-19 pandemic coupled with the oil price war between Saudi Arabia and Russia injected significant volatility into the global equity markets, with most major indices entering bear market territory.

**Global/Developed ex-U.S.** (MSCI EAFE: -22.8%; MSCI World ex USA: -23.3%; MSCI ACWI ex USA: -23.4%; MSCI Japan: -16.8%; MSCI Pacific ex Japan: -27.6%)

- Fears of the pandemic and a global recession stoked the worst quarterly sell off since 2008 as economic activity halted worldwide.
- The oil price war further exacerbated the market meltdown, bidding up safe-haven assets and currencies.
- The U.S. dollar outperformed the euro, the British pound, and other major currencies, while underperforming the Swiss franc and yen.
- Every sector posted negative returns, led by cyclicals like travel-related industries, Energy, and Financials given the state of the economy and oil prices.
- Defensive sectors generally were under less pressure as demand for basic necessities to function (i.e., e-commerce and mobility) and combat the pandemic (i.e., diagnostics and treatment) helped stabilize Health Care, Consumer Staples, and Information Technology.
- Factor performance in developed ex-U.S. markets reflected risk aversion, including beta, size, and volatility.

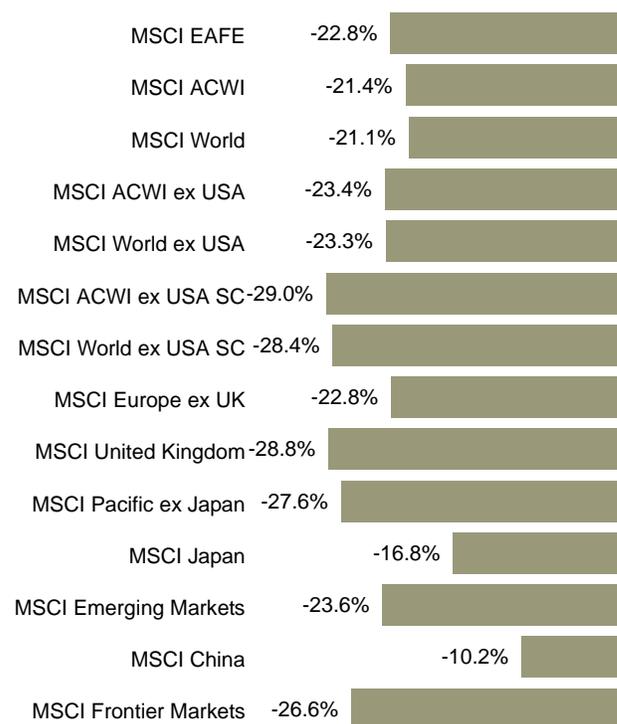
**Emerging Markets** (MSCI Emerging Markets Index: -23.6%)

- Decisive actions to contain the pandemic and stimulate the economy allowed China to outperform every developed and developing country.
- A looming global recession and the collapse in oil prices decimated commodities-levered economies like Brazil, South Africa, and Russia.
- Every sector posted negative returns, led by cyclicals such as travel-related industries, Energy, and Financials.
- Defensive sectors generally were under less pressure as demand for basic necessities and for diagnostics and treatment helped stabilize Health Care, Consumer Staples, and Information Technology.

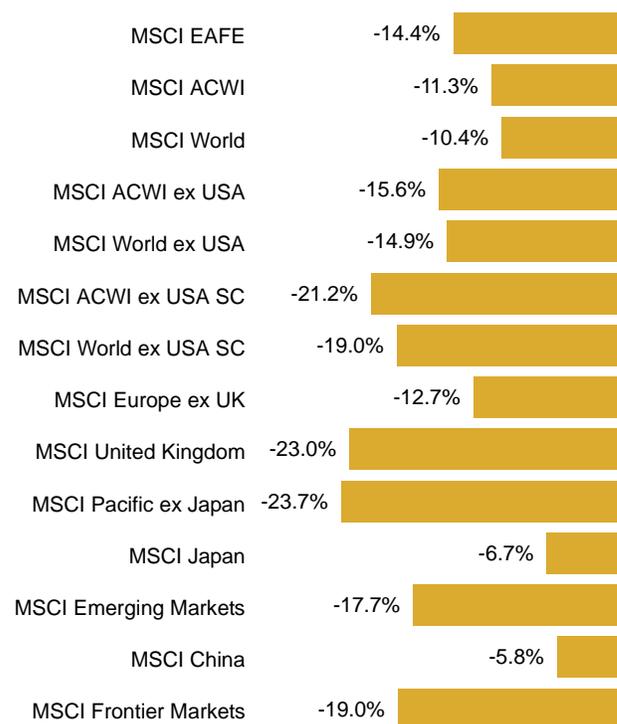
**Global ex-U.S. Small Cap** (MSCI World ex USA Small Cap: -28.4%; MSCI EM Small Cap: -31.4%; MSCI ACWI ex USA Small Cap: -29.0%)

- "Risk-off" market environment challenged small cap relative to large cap in both developed and emerging markets.
- Growth significantly outperformed value both within developed and emerging markets, supported by strong performance in Health Care, Consumer Staples, and Information Technology.

**Global Equity: Quarterly Returns**



**Global Equity: One-Year Returns**



Source: MSCI

**U.S. FIXED INCOME**

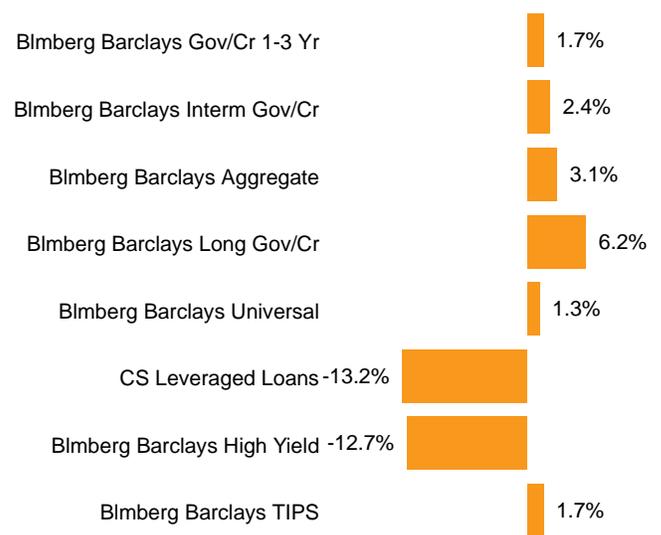
**Treasuries rallied as investors sought safety**

- The 10-year U.S. Treasury yield reached a low in March of 0.31% before closing the quarter at 0.70%, down sharply from the 2019 year-end level of 1.92%.
- The Treasury yield curve steepened as the Fed cut rates to 0%-0.25%.
- TIPS underperformed nominal Treasuries as expectations for inflation sank. The 10-year breakeven spread ended the quarter at 87 bps, down sharply from 177 bps at year-end.

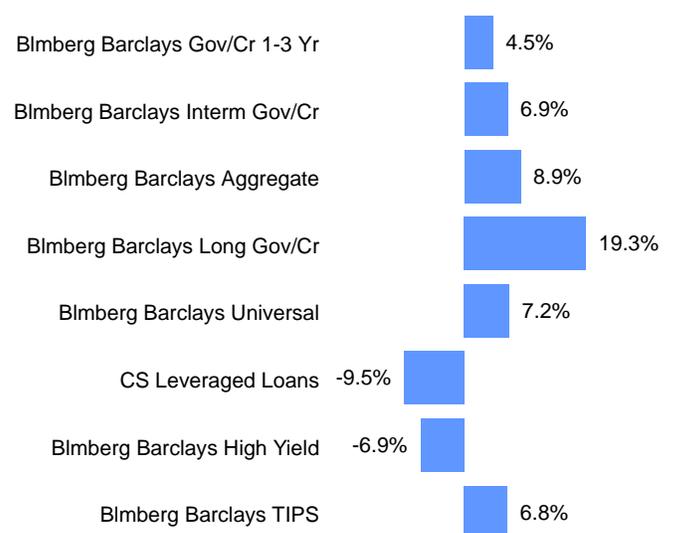
**Investors spurned credit risk**

- Investment grade and high yield bond funds experienced record outflows as investors flocked to cash.
- Investment grade corporate spreads widened by 149 bps to 272 bps, representing the hardest hit sector in the Bloomberg Barclays US Aggregate Bond Index, particularly within Industrials, where several well-known issuers were downgraded to below investment grade, including Occidental Petroleum and Ford.
- The quality bias was evident as BBB-rated credit (-7.4%) underperformed single A or higher (+0.5%).
- CCC-rated high yield corporates (-20.6%) lagged BB-rated corporates (-10.2%).
- Energy (-38.9%) was the lowest-performing high yield bond sub-sector as oil prices collapsed.

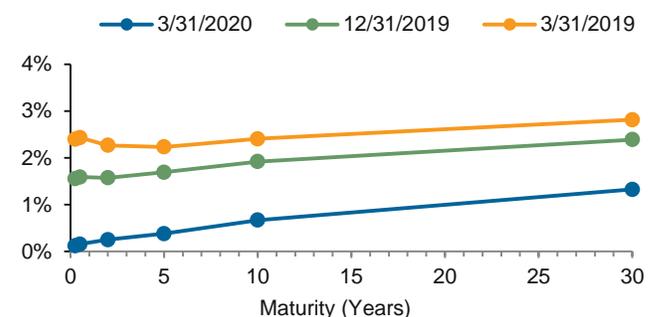
**U.S. Fixed Income: Quarterly Returns**



**U.S. Fixed Income: One-Year Returns**



**U.S. Treasury Yield Curves**



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

**GLOBAL FIXED INCOME**

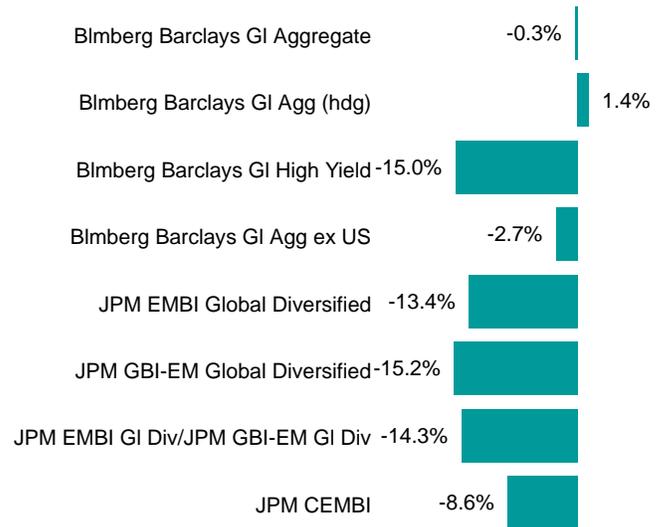
**Global ex-U.S. fixed income ended slightly down**

- Developed market sovereign bond yields ended the quarter slightly higher even as central banks stepped in to provide support to their economies; the European Central Bank launched a €750 billion stimulus program and the Bank of England cut interest rates.
- The U.S. dollar rose against the Australian dollar, British pound, and euro as investors sought safety within the greenback.

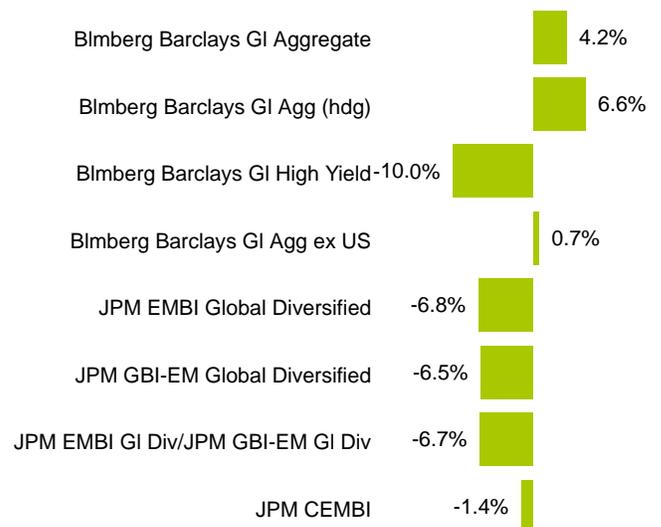
**Emerging market debt plummeted in the risk-off environment**

- Within the dollar-denominated benchmark, returns were mixed amongst its 60+ constituents.
- Within the local currency-denominated benchmark, several local market returns in Latin America dropped about 20% (Brazil, Mexico, and Colombia) and South Africa dropped 29% as oil-sensitive economies suffered from the drop in oil prices.

**Global Fixed Income: Quarterly Returns**

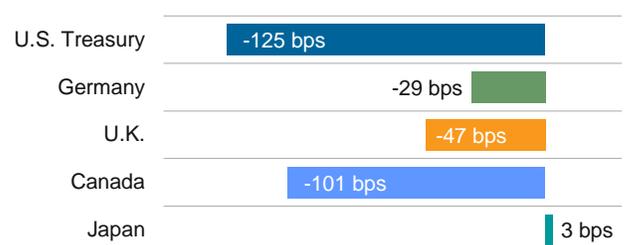


**Global Fixed Income: One-Year Returns**



**Change in 10-Year Global Government Bond Yields**

**4Q19 to 1Q20**



Sources: Bloomberg, Bloomberg Barclays, JP Morgan

## **Range of Mutual Fund Returns**

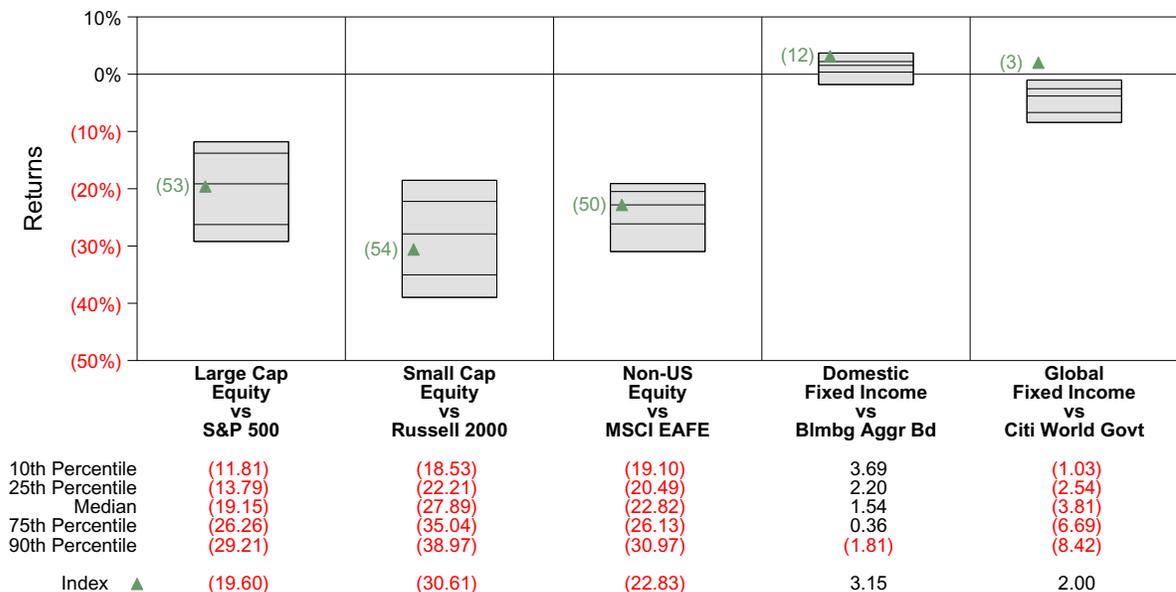
## Market Overview

### Active Management vs Index Returns

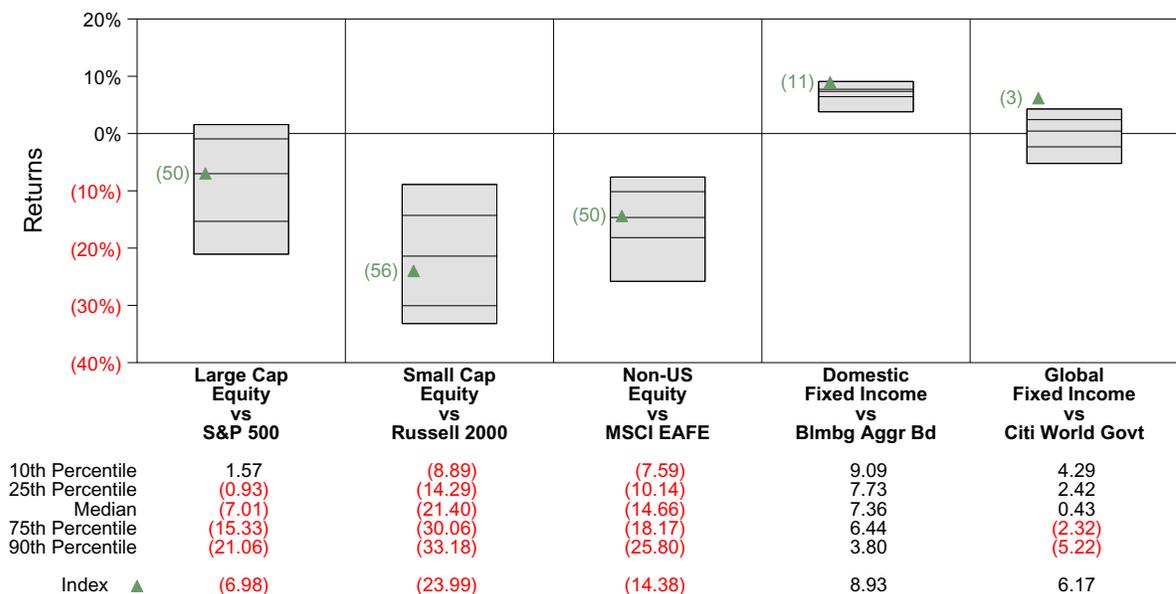
#### Market Overview

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 March 31, 2020



#### Range of Mutual Fund Returns by Asset Class One Year Ended March 31, 2020

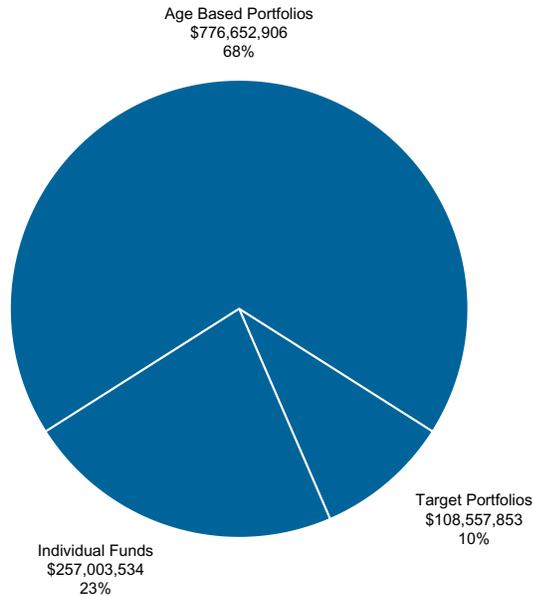


## **Advisor Plan Performance**

## Changes in Investment Fund Balances Period Ended March 31, 2020

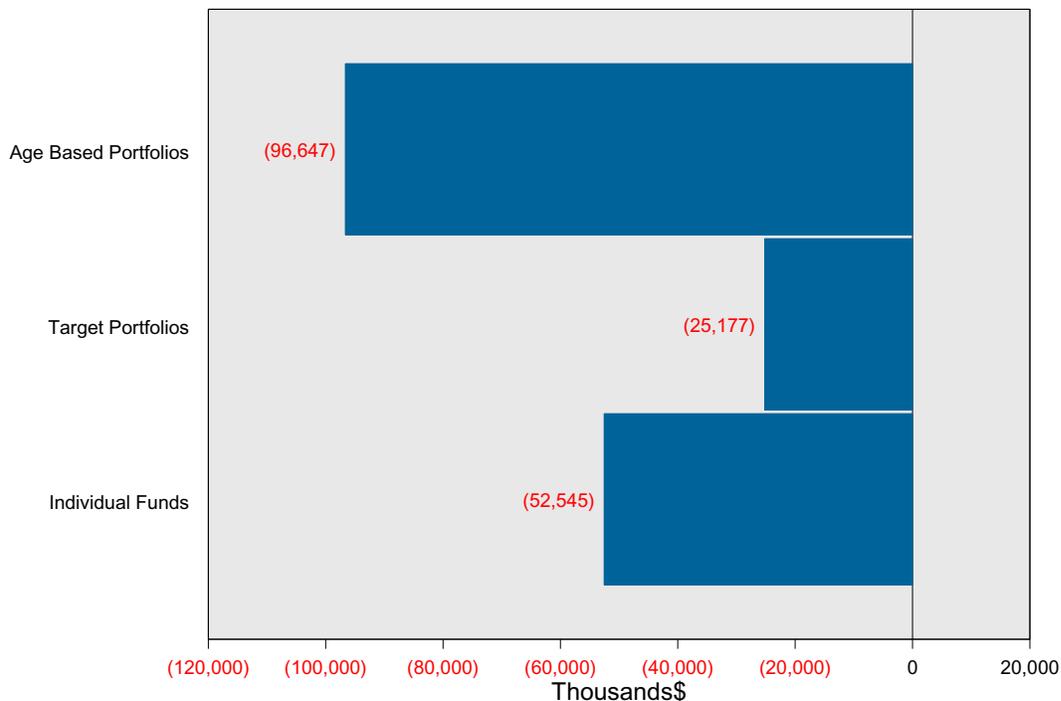
### Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended March 31, 2020.



### Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended March 31, 2020. 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 March 31, 2020 with that of December 31, 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

	March 31, 2020			December 31, 2019		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Age Based Portfolios</b>	<b>\$776,652,906</b>	<b>68.00%</b>	<b>\$(506,303)</b>	<b>\$(96,140,854)</b>	<b>\$873,300,063</b>	<b>66.33%</b>
<b>Aggressive</b>	<b>\$406,722,878</b>	<b>35.61%</b>	<b>\$302,465</b>	<b>\$(58,690,524)</b>	<b>\$465,110,937</b>	<b>35.33%</b>
0-2 years (Fund 100)	8,026,226	0.70%	604,240	(2,532,299)	9,954,286	0.76%
3-5 years (Fund 90)	20,709,239	1.81%	722,276	(5,773,273)	25,760,236	1.96%
6-8 years (Fund 80)	32,732,028	2.87%	1,088,710	(8,152,979)	39,796,297	3.02%
9-10 years (Fund 70)	27,565,791	2.41%	(1,396,506)	(5,917,372)	34,879,668	2.65%
11-12 years (Fund 60)	42,708,214	3.74%	(1,189,064)	(7,764,681)	51,661,959	3.92%
13-14 years (Fund 50)	57,430,291	5.03%	(1,415,982)	(8,658,679)	67,504,951	5.13%
15-16 years (Fund 40)	81,391,377	7.13%	(2,100,367)	(9,677,551)	93,169,295	7.08%
17-18 years (Fund 30)	72,187,654	6.32%	2,393,807	(6,318,490)	76,112,337	5.78%
19+ years (Fund 20)	63,972,059	5.60%	1,595,352	(3,895,201)	66,271,908	5.03%
<b>Moderate</b>	<b>\$337,238,275</b>	<b>29.52%</b>	<b>\$(1,732,385)</b>	<b>\$(35,859,005)</b>	<b>\$374,829,664</b>	<b>28.47%</b>
0-2 years (Fund 90)	4,628,336	0.41%	(262,371)	(1,349,959)	6,240,666	0.47%
3-5 years (Fund 80)	12,130,258	1.06%	282,317	(2,988,456)	14,836,397	1.13%
6-8 years (Fund 70)	25,637,420	2.24%	(403,309)	(5,509,177)	31,549,906	2.40%
9-10 years (Fund 60)	23,504,360	2.06%	(1,155,241)	(4,438,692)	29,098,292	2.21%
11-12 years (Fund 50)	32,195,636	2.82%	(952,995)	(4,823,976)	37,972,607	2.88%
13-14 years (Fund 40)	40,865,904	3.58%	(537,390)	(4,811,471)	46,214,765	3.51%
15-16 years (Fund 30)	63,768,631	5.58%	(1,505,880)	(5,693,810)	70,968,321	5.39%
17-18 years (Fund 20)	64,802,396	5.67%	1,036,938	(3,954,594)	67,720,053	5.14%
19+ years (Fund 10)	69,705,334	6.10%	1,765,546	(2,288,870)	70,228,658	5.33%
<b>Conservative</b>	<b>\$32,691,753</b>	<b>2.86%</b>	<b>\$923,617</b>	<b>\$(1,591,325)</b>	<b>\$33,359,461</b>	<b>2.53%</b>
0-2 years (Fund 80)	182,844	0.02%	(126,959)	(55,411)	365,214	0.03%
3-5 years (Fund 70)	543,507	0.05%	61,231	(101,381)	583,658	0.04%
6-8 years (Fund 60)	1,148,648	0.10%	27,953	(209,214)	1,329,909	0.10%
9-10 years (Fund 50)	1,000,928	0.09%	19,020	(145,561)	1,127,469	0.09%
11-12 years (Fund 40)	1,647,762	0.14%	(283,768)	(220,037)	2,151,567	0.16%
13-14 years (Fund 30)	3,565,563	0.31%	239,923	(282,047)	3,607,687	0.27%
15-16 years (Fund 20)	4,786,304	0.42%	9,217	(281,845)	5,058,932	0.38%
17-18 years (Fund 10)	7,089,908	0.62%	687,645	(226,317)	6,628,580	0.50%
19+ years (F.I.)	12,726,287	1.11%	289,355	(69,512)	12,506,444	0.95%
<b>Target Portfolios</b>	<b>\$108,557,853</b>	<b>9.50%</b>	<b>\$1,430,453</b>	<b>\$(26,607,592)</b>	<b>\$133,734,992</b>	<b>10.16%</b>
Target Fund 100 Portfolio	47,042,584	4.12%	588,749	(14,727,399)	61,181,235	4.65%
Target Fund 80 Portfolio	29,049,792	2.54%	(917,015)	(7,319,357)	37,286,164	2.83%
Target Fund 60 Portfolio	18,095,720	1.58%	908,303	(3,351,214)	20,538,631	1.56%
Target Fund 40 Portfolio	8,039,671	0.70%	87,764	(959,533)	8,911,440	0.68%
Target Fund 20 Portfolio	3,736,484	0.33%	181,847	(225,037)	3,779,674	0.29%
Target Fund Fixed Income Portfolio	2,593,602	0.23%	580,805	(25,051)	2,037,848	0.15%

Market values provided by Union Bank & Trust.

## Investment Fund Balances

The table below compares the fund's investment fund balances as of March 31, 2020 with that of December 31, 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

	March 31, 2020			December 31, 2019		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Individual Funds</b>	<b>\$257,003,534</b>	<b>22.50%</b>	<b>\$3,193,192</b>	<b>\$(55,737,864)</b>	<b>\$309,548,206</b>	<b>23.51%</b>
<b>Money Market</b>	<b>\$25,969,649</b>	<b>2.27%</b>	<b>\$5,958,021</b>	<b>\$54,419</b>	<b>\$19,957,208</b>	<b>1.52%</b>
State Street US Govt MM	25,969,649	2.27%	5,958,021	54,419	19,957,208	1.52%
<b>Fixed Income</b>	<b>\$39,911,202</b>	<b>3.49%</b>	<b>\$(399,372)</b>	<b>\$(408,277)</b>	<b>\$40,718,851</b>	<b>3.09%</b>
PIMCO Short-Term	11,956,331	1.05%	(2,102,145)	(297,432)	14,355,908	1.09%
Amer Cent Short Dur Infl Prot Bond	788,668	0.07%	(1,166,173)	(12,372)	1,967,214	0.15%
BlackRock Infl Protected Bond	2,252,206	0.20%	95,746	9,697	2,146,763	0.16%
Fidelity Investment Grade Bond	3,133,908	0.27%	(107,065)	32,706	3,208,268	0.24%
Northern Funds Bond Index	14,553,917	1.27%	1,619,995	380,763	12,553,158	0.95%
MainStay Total Return Bond	3,781,109	0.33%	1,268,297	(94,421)	2,607,232	0.20%
Touchstone High Yield	2,167,035	0.19%	(137,872)	(367,524)	2,672,431	0.20%
Templeton International Bond	1,278,028	0.11%	129,844	(59,693)	1,207,877	0.09%
<b>Balanced</b>	<b>\$43,299,502</b>	<b>3.79%</b>	<b>\$(1,011,436)</b>	<b>\$(7,551,646)</b>	<b>\$51,862,584</b>	<b>3.94%</b>
T. Rowe Price Balanced	43,299,502	3.79%	(1,011,436)	(7,551,646)	51,862,584	3.94%
<b>Domestic Equity</b>	<b>\$119,841,674</b>	<b>10.49%</b>	<b>\$(343,240)</b>	<b>\$(38,617,648)</b>	<b>\$158,802,562</b>	<b>12.06%</b>
T. Rowe Large Cap Growth	31,419,149	2.75%	309,946	(5,088,233)	36,197,437	2.75%
American Century Equity Growth	5,935,417	0.52%	43,708	(1,412,951)	7,304,660	0.55%
Northern Stock Index	23,417,224	2.05%	(49,186)	(5,813,190)	29,279,599	2.22%
DFA US Large Cap Value	23,396,079	2.05%	(255,608)	(10,837,923)	34,489,610	2.62%
Northern Mid-Cap Index	18,104,341	1.59%	(198,625)	(7,688,660)	25,991,626	1.97%
T. Rowe Price QM Small Cap Growth	5,365,621	0.47%	(124,611)	(1,718,746)	7,208,978	0.55%
Northern Small Cap Index	5,212,852	0.46%	(76,039)	(2,297,438)	7,586,329	0.58%
William Blair Small Cap Value	6,990,992	0.61%	7,175	(3,760,507)	10,744,324	0.82%
<b>International Equity</b>	<b>\$24,089,986</b>	<b>2.11%</b>	<b>\$(641,448)</b>	<b>\$(8,018,553)</b>	<b>\$32,749,987</b>	<b>2.49%</b>
Northern Int'l Equity Index	8,083,474	0.71%	66,449	(2,387,645)	10,404,669	0.79%
Neuberger Berman Int'l Lrg Cp	8,405,603	0.74%	(298,346)	(2,452,899)	11,156,848	0.85%
DFA Int'l Small Company	1,787,660	0.16%	(280,775)	(832,934)	2,901,370	0.22%
Vanguard Emerging Markets Select Stock	5,813,250	0.51%	(128,776)	(2,345,074)	8,287,100	0.63%
<b>Real Estate</b>	<b>\$3,326,301</b>	<b>0.29%</b>	<b>\$(195,663)</b>	<b>\$(1,015,718)</b>	<b>\$4,537,682</b>	<b>0.34%</b>
Principal Global Real Estate	496,003	0.04%	(55,351)	(177,610)	728,963	0.06%
DFA Real Estate	2,830,298	0.25%	(140,312)	(838,108)	3,808,718	0.29%
<b>Commodities</b>	<b>\$565,220</b>	<b>0.05%</b>	<b>\$(173,671)</b>	<b>\$(180,442)</b>	<b>\$919,332</b>	<b>0.07%</b>
Credit Suisse Commodities	565,220	0.05%	(173,671)	(180,442)	919,332	0.07%
<b>Total Plan</b>	<b>\$1,142,214,293</b>	<b>100.0%</b>	<b>\$4,117,342</b>	<b>\$(178,486,309)</b>	<b>\$1,316,583,260</b>	<b>100.0%</b>

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Target Portfolios</b>										
<b>Target Fund 100</b>										
Target Fund 100 Portfolio	(24.10%)	96	(15.12%)	91	(0.32%)	79	1.64%	73	4.68%	55
Target Fund 100 Blended Benchmark	(22.96%)	95	(13.54%)	82	0.74%	55	2.60%	50	5.24%	38
MS 529 Static Alloc 70-85	(18.96%)		(10.26%)		1.09%		2.62%		4.90%	
Aggressive Age Based 0-2 yrs (Fd 100)	(24.10%)	97	(15.12%)	97	(0.32%)	86	-	-	-	-
Target Fund 100 Blended Benchmark	(22.96%)	93	(13.54%)	88	0.74%	60	2.60%	44	5.24%	37
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 90</b>										
Aggressive Age Based 3-5 yrs (Fd 90)	(21.77%)	95	(13.14%)	98	0.19%	85	-	-	-	-
Target Fund 90 Blended Benchmark	(20.99%)	94	(11.90%)	93	0.88%	68	2.65%	52	5.06%	43
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	
Moderate Age Based 0-2 yrs (Fd 90)	(21.77%)	76	(13.14%)	85	0.19%	74	-	-	-	-
Target Fund 90 Blended Benchmark	(20.99%)	64	(11.90%)	62	0.88%	54	2.65%	43	5.06%	43
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 80</b>										
Target Fund 80 Portfolio	(19.80%)	66	(11.71%)	67	0.35%	67	1.94%	63	4.17%	70
Target Fund 80 Blended Benchmark	(18.40%)	42	(9.62%)	42	1.50%	37	2.81%	43	4.72%	54
MS 529 Static Alloc 70-85	(18.96%)		(10.26%)		1.09%		2.62%		4.90%	
Aggressive Age Based 6-8 yrs (Fd 80)	(19.80%)	93	(11.71%)	94	0.35%	82	-	-	-	-
Target Fund 80 Blended Benchmark	(18.40%)	77	(9.62%)	72	1.50%	50	2.81%	49	4.72%	38
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
Moderate Age Based 3-5 yrs (Fd 80)	(19.80%)	85	(11.71%)	93	0.35%	83	-	-	-	-
Target Fund 80 Blended Benchmark	(18.40%)	69	(9.62%)	72	1.50%	54	2.81%	51	4.72%	60
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	
Conserv. Age Based 0-2 yrs (Fd 80)	(19.80%)	53	(11.71%)	61	0.35%	69	-	-	-	-
Target Fund 80 Blended Benchmark	(18.40%)	34	(9.62%)	33	1.50%	33	2.81%	41	4.72%	58
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 70</b>										
Aggressive Age Based 9-10 yrs (Fd 70)	(17.44%)	94	(9.90%)	94	0.56%	83	-	-	-	-
Target Fund 70 Blended Benchmark	(16.80%)	88	(8.60%)	84	1.55%	57	2.76%	42	4.58%	32
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
Moderate Age Based 6-8 yrs (Fd 70)	(17.44%)	60	(9.90%)	76	0.56%	79	-	-	-	-
Target Fund 70 Blended Benchmark	(16.80%)	56	(8.60%)	59	1.55%	49	2.76%	51	4.58%	54
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
Conserv. Age Based 3-5 yrs (Fd 70)	(17.44%)	56	(9.90%)	75	0.56%	79	-	-	-	-
Target Fund 70 Blended Benchmark	(16.80%)	51	(8.60%)	59	1.55%	53	2.76%	51	4.58%	62
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
<b>Target Fund 60</b>										
Target Fund 60 Portfolio	(15.32%)	68	(8.18%)	76	0.91%	67	1.99%	68	3.55%	71
Target Fund 60 Blended Benchmark	(13.49%)	39	(5.52%)	41	2.23%	35	2.92%	41	4.19%	57
MS 529 Static Alloc 50-70	(14.37%)		(6.33%)		1.61%		2.67%		4.39%	
Aggressive Age Based 11-12 yrs (Fd 60)	(15.32%)	93	(8.18%)	93	0.91%	86	-	-	-	-
Target Fund 60 Blended Benchmark	(13.49%)	76	(5.52%)	68	2.23%	41	2.92%	31	4.19%	32
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
Moderate Age Based 9-10 yrs (Fd 60)	(15.32%)	63	(8.18%)	79	0.91%	78	-	-	-	-
Target Fund 60 Blended Benchmark	(13.49%)	48	(5.52%)	45	2.23%	35	2.92%	35	4.19%	45
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
Conserv. Age Based 6-8 yrs (Fd 60)	(15.32%)	44	(8.18%)	52	0.91%	74	-	-	-	-
Target Fund 60 Blended Benchmark	(13.49%)	21	(5.52%)	27	2.23%	29	2.92%	47	4.19%	65
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
<b>Target Fund 50</b>										
Aggressive Age Based 13-14 yrs (Fd 50)	(12.83%)	92	(5.93%)	95	1.51%	72	-	-	-	-
Target Fund 50 Blended Benchmark	(11.67%)	85	(4.16%)	73	2.53%	36	3.09%	21	4.28%	20
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	
Moderate Age Based 11-12 yrs (Fd 50)	(12.83%)	57	(5.93%)	73	1.51%	67	-	-	-	-
Target Fund 50 Blended Benchmark	(11.67%)	45	(4.16%)	42	2.53%	32	3.09%	28	4.28%	27
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
Conserv. Age Based 9-10 yrs (Fd 50)	(12.83%)	42	(5.93%)	46	1.51%	58	-	-	-	-
Target Fund 50 Blended Benchmark	(11.67%)	32	(4.16%)	33	2.53%	27	3.09%	29	4.28%	44
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
<b>Target Fund 40</b>										
Target Fund 40 Portfolio	(10.45%)	48	(4.30%)	60	1.64%	56	2.20%	61	3.09%	67
Target Fund 40 Blended Benchmark	(8.43%)	27	(1.42%)	19	2.91%	18	3.01%	27	3.69%	46
MS 529 Static Alloc 30-50	(10.53%)		(3.65%)		1.87%		2.49%		3.56%	
Aggressive Age Based 15-16 yrs (Fd 40)	(10.45%)	94	(4.30%)	95	1.64%	71	-	-	-	-
Target Fund 40 Blended Benchmark	(8.43%)	81	(1.42%)	64	2.91%	27	3.01%	18	3.69%	19
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
Moderate Age Based 13-14 yrs (Fd 40)	(10.45%)	60	(4.30%)	75	1.64%	68	-	-	-	-
Target Fund 40 Blended Benchmark	(8.43%)	40	(1.42%)	29	2.91%	26	3.01%	27	3.69%	39
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	
Conserv. Age Based 11-12 yrs (Fd 40)	(10.45%)	31	(4.30%)	44	1.64%	60	-	-	-	-
Target Fund 40 Blended Benchmark	(8.43%)	24	(1.42%)	21	2.91%	14	3.01%	30	3.69%	54
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
<b>Target Fund 30</b>										
Aggressive Age Based 17-18 yrs (Fd 30)	(8.06%)	92	(2.69%)	93	1.69%	64	-	-	-	-
Target Fund 30 Blended Benchmark	(6.81%)	82	(0.77%)	75	2.73%	26	2.76%	20	3.27%	19
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
Moderate Age Based 15-16 yrs (Fd 30)	(8.06%)	74	(2.69%)	83	1.69%	69	-	-	-	-
Target Fund 30 Blended Benchmark	(6.81%)	56	(0.77%)	53	2.73%	35	2.76%	29	3.27%	30
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
Conserv. Age Based 13-14 yrs (Fd 30)	(8.06%)	31	(2.69%)	47	1.69%	64	-	-	-	-
Target Fund 30 Blended Benchmark	(6.81%)	22	(0.77%)	25	2.73%	33	2.76%	36	3.27%	53
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Target Fund 20</b>										
Target Fund 20 Portfolio	(5.71%)	67	(1.21%)	74	1.82%	73	2.01%	63	2.26%	65
Target Fund 20 Blended Benchmark	(3.96%)	30	1.35%	46	2.93%	50	2.65%	44	2.74%	52
MS 529 Static Alloc 15-30	(4.67%)		1.08%		2.89%		2.46%		2.79%	
<b>Aggressive Age Based 19+ yrs (Fd 20)</b>										
Target Fund 20 Blended Benchmark	(3.96%)	82	1.35%	58	2.93%	17	2.65%	7	2.74%	11
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	
<b>Moderate Age Based 17-18 yrs (Fd 20)</b>										
Target Fund 20 Blended Benchmark	(3.96%)	46	1.35%	40	2.93%	25	2.65%	23	2.74%	35
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
<b>Conserv. Age Based 15-16 yrs (Fd 20)</b>										
Target Fund 20 Blended Benchmark	(3.96%)	26	1.35%	25	2.93%	27	2.65%	35	2.74%	52
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
<b>Target Fund 10</b>										
<b>Moderate Age Based 19+ yrs (Fd 10)</b>										
Target Fund 10 Blended Benchmark	(1.70%)	51	2.51%	32	2.79%	19	2.32%	20	2.24%	21
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	
<b>Conserv. Age Based 17-18 yrs (Fd 10)</b>										
Target Fund 10 Blended Benchmark	(1.70%)	26	2.51%	27	2.79%	26	2.32%	35	2.24%	59
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
<b>Target Fund Fixed Income</b>										
Target Fund Fixed Income Portfolio	(0.35%)	31	1.74%	43	1.51%	45	1.08%	63	0.59%	74
Target Fund F.I. Blended Benchmark	0.57%	15	2.74%	23	2.02%	29	1.39%	46	0.86%	65
MS 529 Static Short-Term	(1.55%)		1.02%		1.39%		1.31%		1.20%	
<b>Conserv. Age Based 19+ yrs (F.I.)</b>										
Target Fund F.I. Blended Benchmark	0.57%	14	2.74%	29	2.02%	44	1.39%	60	0.86%	74
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Individual Funds Portfolios</b>										
<b>Money Market Funds</b>										
State Street US Govt MM (net all)*	0.28%	41	1.63%	55	1.35%	70	-	-	-	-
State Street US Govt MM (net mgr)	0.32%	14	1.89%	15	1.62%	25	1.05%	30	0.75%	32
3 Month Treasury Bill	0.57%	1	2.25%	1	1.83%	6	1.19%	17	0.86%	18
Callan Money Market Funds	0.27%		1.66%		1.46%		0.94%		0.67%	
<b>Fixed Income Funds</b>										
PIMCO Short-Term (net all)*	(2.11%)	72	(0.79%)	89	0.92%	91	1.18%	89	1.01%	88
PIMCO Short-Term (net mgr)	(2.09%)	72	(0.48%)	86	1.31%	89	1.57%	51	1.41%	53
3 Month T-Bills	0.39%	27	2.04%	52	1.74%	65	1.12%	90	0.81%	93
Blmbg Aggregate 1-3 Index	1.79%	16	4.63%	8	2.63%	7	1.93%	20	1.64%	27
Callan Short Term FI MFs	(0.71%)		2.13%		1.95%		1.57%		1.42%	
Amer Cent Short Dur Infl Prot (net all)*	(1.52%)	71	1.16%	85	0.85%	91	1.02%	92	-	-
Amer Cent Short Dur Infl Prot (net mgr)	(2.04%)	78	0.89%	87	1.03%	88	1.30%	88	0.42%	88
Blmbg US TIPS 0-5 Index	(0.69%)	58	2.43%	66	1.62%	74	1.59%	73	0.74%	54
Callan TIPS MFs	0.06%		4.64%		2.70%		1.94%		0.80%	
BlackRock Infl Protected Bond (net all)	0.64%	35	5.24%	36	2.41%	58	1.63%	71	0.49%	82
BlackRock Infl Protected Bond (net mgr)	0.68%	35	5.59%	33	2.83%	42	2.06%	47	0.91%	46
Blmbg US TIPS Index	1.69%	18	6.85%	16	3.46%	16	2.67%	20	1.37%	15
Callan TIPS MFs	0.06%		4.64%		2.70%		1.94%		0.80%	
Fidelity Investment Grade Bond (net all)	1.69%	47	7.31%	54	4.11%	63	2.91%	63	2.76%	78
Fidelity Investment Grade Bond (net mgr)	1.79%	41	7.70%	27	4.53%	34	3.32%	30	3.15%	31
Blmbg Aggregate Index	3.15%	12	8.93%	11	4.82%	9	3.36%	28	3.19%	28
Callan Core Bond MFs	1.54%		7.36%		4.27%		3.19%		2.98%	
Northern Funds Bond Index (net all)*	3.13%	13	8.59%	16	4.30%	44	2.79%	82	2.63%	81
Northern Funds Bond Index (net mgr)	3.28%	12	9.01%	11	4.77%	14	3.25%	38	3.07%	36
Blmbg Aggregate Index	3.15%	12	8.93%	11	4.82%	9	3.36%	28	3.19%	28
Callan Core Bond MFs	1.54%		7.36%		4.27%		3.19%		2.98%	
MainStay Total Return Bond (net all)*	(0.69%)	56	4.78%	58	3.17%	82	2.35%	86	-	-
MainStay Total Return Bond (net mgr)	(0.56%)	50	5.18%	52	3.57%	66	2.73%	76	2.68%	78
Blmbg Aggregate Index	3.15%	6	8.93%	4	4.82%	3	3.36%	21	3.19%	41
Callan Core Plus MFs	(0.57%)		5.30%		3.80%		3.09%		3.01%	
Touchstone High Yield (net all)*	(13.88%)	68	(8.79%)	78	(0.26%)	73	0.86%	94	1.64%	96
Touchstone High Yield (net mgr)	(13.78%)	67	(8.38%)	72	0.18%	59	1.29%	86	2.07%	89
High Yield II Index	(13.12%)	56	(7.45%)	56	0.55%	43	2.67%	23	3.26%	19
Callan High Yield MFs	(12.68%)		(6.92%)		0.49%		2.05%		2.79%	
Templeton International Bond (net all)*	(4.26%)	48	(4.24%)	64	(1.00%)	80	0.52%	68	(0.31%)	81
Templeton International Bond (net mgr)	(3.97%)	45	(3.76%)	62	(0.56%)	76	0.98%	44	0.14%	62
FTSE WGBI Non-US Index	(1.88%)	24	1.79%	28	3.14%	28	2.39%	27	0.56%	48
Intl Income MFs	(4.36%)		(2.17%)		1.19%		0.94%		0.40%	
<b>Balanced Funds</b>										
T. Rowe Price Balanced (net all)	(14.60%)	53	(6.06%)	56	2.94%	49	3.39%	50	5.42%	59
T. Rowe Price Balanced (net mgr)	(14.51%)	53	(5.77%)	53	3.22%	48	3.71%	43	5.77%	44
Balanced Fund Blended Benchmark	(12.06%)	29	(1.90%)	29	4.57%	29	4.92%	25	6.59%	33
Callan Dom Balanced MFs	(14.11%)		(5.48%)		2.59%		3.41%		5.57%	
<b>Domestic Equity Funds</b>										
T. Rowe Large Cap Growth (net all)*	(14.00%)	60	(3.93%)	82	12.39%	36	10.85%	21	14.23%	9
T. Rowe Large Cap Growth (net mgr)	(13.87%)	59	(3.49%)	73	12.85%	27	11.30%	16	14.69%	3
Russell 1000 Growth Index	(14.10%)	62	0.91%	32	11.32%	50	10.36%	29	12.93%	36
Callan Large Cap Grwth MF	(13.25%)		(0.62%)		11.33%		9.48%		12.33%	
American Century Equity Growth (net all)	(18.98%)	33	(9.12%)	53	3.45%	48	4.39%	60	7.68%	62
American Century Equity Growth (net mgr)	(18.90%)	31	(8.72%)	49	3.87%	46	4.85%	54	8.16%	54
S&P 500	(19.60%)	39	(6.98%)	33	5.10%	28	6.73%	16	9.62%	20
Callan Large Cap Core MFs	(20.02%)		(8.76%)		3.07%		5.05%		8.25%	
Northern Stock Index (net all)*	(19.73%)	41	(7.48%)	40	4.56%	35	6.18%	30	9.07%	29
Northern Stock Index (net mgr)	(19.65%)	40	(7.11%)	36	4.98%	29	6.61%	17	9.50%	21
S&P 500	(19.60%)	39	(6.98%)	33	5.10%	28	6.73%	16	9.62%	20
Callan Large Cap Core MFs	(20.02%)		(8.76%)		3.07%		5.05%		8.25%	

(net all) indicates performance is net of all fees, including 529 program management fees (32 bps) and state administration fees (10 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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
DFA US Large Cap Value (net all)*	(31.64%)	87	(22.80%)	82	-		-		-	
DFA US Large Cap Value (net mgr)	(31.52%)	86	(22.47%)	80	(4.46%)	82	0.75%	62	5.03%	63
Russell 1000 Value Index	(26.73%)	45	(17.17%)	46	(2.18%)	50	1.90%	45	5.56%	45
Callan Lg Cap Value MF	(26.98%)		(18.53%)		(2.23%)		1.83%		5.45%	
Northern Mid Cap Index (net all)*	(29.82%)	71	(22.97%)	75	(4.66%)	69	(0.02%)	66	4.31%	69
Northern Mid Cap Index (net mgr)	(29.69%)	71	(22.61%)	74	(4.25%)	67	0.40%	61	4.75%	64
S&P Mid Cap 400 Index	(29.70%)	71	(22.51%)	73	(4.09%)	66	0.56%	60	4.91%	61
Callan Mid Cap MFs	(23.23%)		(13.42%)		2.90%		3.03%		7.06%	
T Rowe Price QM Sm Cap Growth (net all)*	(23.98%)	35	(14.11%)	24	2.21%	36	-	-	-	
T Rowe Price QM Sm Cap Growth (net mgr)	(23.81%)	33	(13.63%)	24	2.68%	31	-	-	-	
Russell 2000 Growth Index	(25.76%)	41	(18.58%)	41	0.10%	44	1.70%	46	6.47%	43
Callan Small Cap MFs	(27.89%)		(21.40%)		(1.92%)		0.53%		5.02%	
Northern Small Cap Index (net all)	(30.77%)	55	(24.55%)	58	(5.20%)	59	(0.80%)	58	3.64%	60
Northern Small Cap Index (net mgr)	(30.72%)	55	(24.28%)	58	(4.82%)	58	(0.41%)	55	4.05%	58
Russell 2000 Index	(30.61%)	54	(23.99%)	56	(4.64%)	57	(0.25%)	54	4.21%	57
Callan Small Cap MFs	(27.89%)		(21.40%)		(1.92%)		0.53%		5.02%	
William Blair Small Cap Value (net all)	(34.97%)	46	(30.96%)	65	(11.18%)	71	(3.94%)	71	0.89%	65
William Blair Small Cap Value (net mgr)	(34.89%)	45	(30.70%)	62	(10.81%)	66	(3.54%)	64	1.30%	62
Russell 2000 Value Index	(35.66%)	61	(29.64%)	51	(9.51%)	55	(2.42%)	45	1.80%	51
Callan Sm Cap Value MF	(35.06%)		(29.46%)		(8.99%)		(2.79%)		1.89%	
<b>International Equity</b>										
Northern Int'l Equity Index (net all)*	(22.73%)	50	(14.78%)	50	(2.27%)	56	(1.02%)	54	1.26%	57
Northern Int'l Equity Index (net mgr)	(22.62%)	49	(14.37%)	50	(1.85%)	49	(0.62%)	47	1.67%	47
MSCI EAFE Index	(22.83%)	50	(14.38%)	50	(1.82%)	48	(0.62%)	47	1.75%	46
Callan Non US Equity MFs	(22.82%)		(14.66%)		(2.03%)		(0.79%)		1.58%	
Neuberger Berman Int'l Lrg Cp (net all)*	(22.38%)	46	(12.30%)	42	(0.66%)	39	(0.31%)	44	1.82%	45
Neuberger Berman Int'l Lrg Cp (net mgr)	(22.26%)	45	(11.91%)	39	(0.26%)	38	0.10%	36	2.25%	35
MSCI EAFE Index	(22.83%)	50	(14.38%)	50	(1.82%)	48	(0.62%)	47	1.75%	46
Callan Non US Equity MFs	(22.82%)		(14.66%)		(2.03%)		(0.79%)		1.58%	
DFA Int'l Small Company (net all)*	(30.41%)	80	(21.60%)	73	(6.13%)	75	(0.83%)	62	1.50%	68
DFA Int'l Small Company (net mgr)	(30.21%)	75	(21.14%)	67	(5.67%)	71	(0.38%)	56	1.96%	64
MSCI World Small Cap ex US	(28.39%)	61	(19.04%)	54	(3.60%)	51	0.39%	45	2.34%	55
Callan Intl Small Cap MFs	(27.12%)		(17.24%)		(3.36%)		0.07%		2.55%	
Vanguard EM Select Stock (net all)*	(28.75%)	91	-	-	-	-	-	-	-	
Vanguard EM Select Stock (net mgr)	(28.65%)	91	-	-	-	-	-	-	-	
FTSE Emerging Index	(24.19%)	44	(17.25%)	41	(1.50%)	37	(0.11%)	47	0.13%	44
Callan Emerging Equity MF	(24.44%)		(18.37%)		(2.53%)		(0.42%)		(0.35%)	
<b>Real Estate</b>										
Principal Global Real Estate (net all)*	(25.87%)	61	-	-	-	-	-	-	-	
Principal Global Real Estate (net mgr)	(25.63%)	55	-	-	-	-	-	-	-	
FTSE EPRA/NAREIT Dev REIT	(28.53%)	83	(23.97%)	82	(3.85%)	85	(2.06%)	78	0.74%	81
Callan Gbl Real Estate MF	(25.07%)		(19.11%)		(1.46%)		(0.40%)		1.56%	
DFA Real Estate (net all)	(23.09%)	44	-	-	-	-	-	-	-	
DFA Real Estate (net mgr)	(23.06%)	44	-	-	-	-	-	-	-	
Dow Jones U.S. Select REIT Index	(28.52%)	88	(23.96%)	92	(4.28%)	85	(1.42%)	83	2.84%	79
Callan Real Estate MFs	(23.29%)		(16.29%)		(1.13%)		0.54%		4.13%	
<b>Commodities</b>										
Credit Suisse Commodities (net all)*	(22.35%)	28	(22.06%)	45	(9.07%)	67	(8.04%)	66	(10.32%)	70
Credit Suisse Commodities (net mgr)	(22.06%)	24	(21.55%)	30	(8.62%)	48	(7.63%)	58	(9.94%)	56
Bloomberg Commodity Total Return	(23.29%)	43	(22.31%)	52	(8.61%)	47	(7.76%)	61	(10.04%)	59
Callan Cmtdies Genl MF	(23.53%)		(22.27%)		(8.66%)		(7.56%)		(9.70%)	

(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**  
**March 31, 2020**

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
<b>Money Market Funds</b>									
<b>State Street US Govt MM</b> Callan Money Market Funds	0.3 14	1.9 15	1.6 25	1.0 30	0.7 32			-1.2 36	-0.3 33
3 Month Treasury Bill	0.6 1	2.3 1	1.8 6	1.2 17	0.9 18				0.0 18
<b>Fixed Income Funds</b>									
<b>PIMCO Short-Term</b> Callan Defensive FI MFs	-2.1 72	-0.5 86	1.3 89	1.6 51	1.4 53			0.4 61	0.4 52
3 Month T-Bills	0.4 27	2.0 52	1.7 65	1.1 90	0.8 93				-0.1 95
<b>Amer Cent Short Dur Infl Prot Bond</b> Callan TIPS MFs	-2.0 78	0.9 87	1.0 88	1.3 88	0.4 88			-0.5 93	-0.2 88
Blmbg US TIPS 0-5 Index	-0.7 58	2.4 66	1.6 74	1.6 73	0.7 54				-0.1 71
<b>BlackRock Infl Protected Bond</b> Callan TIPS MFs	0.7 35	5.6 33	2.8 42	2.1 47	0.9 46			-0.7 75	0.0 45
Blmbg US TIPS Index	1.7 18	6.8 16	3.5 16	2.7 20	1.4 15				0.1 19
<b>Fidelity Investment Grade Bond</b> Callan Core Bond MFs	1.8 41	7.7 27	4.5 34	3.3 30	3.1 31			-0.0 32	0.7 42
Blmbg Aggregate Index	3.1 12	8.9 11	4.8 9	3.4 28	3.2 28				0.7 26
<b>Northern Funds Bond Index (i)</b> Callan Core Bond MFs	3.3 12	9.0 11	4.8 14	3.3 38	3.1 36			-1.0 100	0.7 48
Blmbg Aggregate Index	3.1 12	8.9 11	4.8 9	3.4 28	3.2 28				0.7 26
<b>MainStay Total Return Bond</b> Callan Core Plus MFs	-0.6 50	5.2 52	3.6 66	2.7 76	2.7 78			-0.3 86	0.6 77
Blmbg Aggregate Index	3.1 6	8.9 4	4.8 3	3.4 21	3.2 41				0.7 31
<b>Touchstone High Yield</b> Callan High Yield MFs	-13.8 67	-8.4 72	0.2 59	1.3 86	2.1 89			-1.1 95	0.2 84
High Yield II Index	-13.1 56	-7.5 56	0.6 43	2.7 23	3.3 19				0.3 35
<b>Templeton International Bond</b> Intl Income MFs	-4.0 45	-3.8 62	-0.6 76	1.0 44	0.1 62			-0.0 54	-0.1 65
FTSE WGBI Non-US Index	-1.9 24	1.8 28	3.1 28	2.4 27	0.6 48				-0.0 46

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

(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**  
**March 31, 2020**

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
<b>Balanced Funds</b>									
<b>T. Rowe Price Balanced</b> Callan Dom Balanced MFs	-14.5 53	-5.8 53	3.2 48	3.7 43	5.8 44			-0.4 77	0.5 62
Balanced Fund Blended Benchmark	-12.1 29	-1.9 29	4.6 29	4.9 25	6.6 33				0.7 41
<b>Domestic Equity Funds</b>									
<b>T. Rowe Large Cap Growth</b> Callan Large Cap Grwth MF	-13.9 59	-3.5 73	12.9 27	11.3 16	14.7 3			0.4 6	1.0 9
Russell 1000 Growth Index	-14.1 62	0.9 32	11.3 50	10.4 29	12.9 36				0.9 21
<b>American Century Equity Growth</b> Callan Large Cap Core MFs	-18.9 31	-8.7 49	3.9 46	4.9 54	8.2 54			-0.8 66	0.5 51
S&P 500	-19.6 39	-7.0 33	5.1 28	6.7 16	9.6 20				0.7 20
<b>Northern Stock Index (i)</b> Callan Large Cap Core MFs	-19.6 40	-7.1 36	5.0 29	6.6 17	9.5 21			-3.9 100	0.7 22
S&P 500	-19.6 39	-7.0 33	5.1 28	6.7 16	9.6 20				0.7 20
<b>DFA US Large Cap Value</b> Callan Lg Cap Value MF	-31.5 86	-22.5 80	-4.5 82	0.8 62	5.0 63			-0.2 60	0.2 70
Russell 1000 Value Index	-26.7 45	-17.2 46	-2.2 50	1.9 45	5.6 45				0.3 42
<b>Northern Funds Mid Cap Index (i)</b> Callan Mid Cap MFs	-29.7 71	-22.6 74	-4.2 67	0.4 61	4.7 64			-2.6 100	0.2 67
S&P Mid Cap 400 Index	-29.7 71	-22.5 73	-4.1 66	0.6 60	4.9 61				0.2 64
<b>T Rowe Price QM Small Cap Growth</b> Callan Small Cap MFs	-23.8 33	-13.6 24	2.7 31						
Russell 2000 Growth Index	-25.8 41	-18.6 41	0.1 44	1.7 46	6.5 43				0.3 43
<b>Northern Small Cap Index (i)</b> Callan Small Cap MFs	-30.7 55	-24.3 58	-4.8 58	-0.4 55	4.1 58			-2.4 100	0.2 59
Russell 2000 Index	-30.6 54	-24.0 56	-4.6 57	-0.2 54	4.2 57				0.2 56
<b>William Blair Small Cap Value</b> Callan Sm Cap Value MF	-34.9 45	-30.7 62	-10.8 66	-3.5 64	1.3 62			-0.2 63	0.0 62
Russell 2000 Value Index	-35.7 61	-29.6 51	-9.5 55	-2.4 45	1.8 51				0.0 52

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**  
**March 31, 2020**

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
<b>International Equity Funds</b>									
<b>Northern Int'l Equity Index</b> Callan Non US Equity MFs	-22.6 49	-14.4 50	-1.9 49	-0.6 47	1.7 47			-0.1 53	0.1 47
MSCI EAFE Index	-22.8 50	-14.4 50	-1.8 48	-0.6 47	1.8 46				0.1 46
<b>Neuberger Berman Int'l Lrg Cp</b> Callan Non US Equity MFs	-22.3 45	-11.9 39	-0.3 38	0.1 36	2.3 35			0.2 31	0.1 35
MSCI EAFE Index	-22.8 50	-14.4 50	-1.8 48	-0.6 47	1.8 46				0.1 46
<b>DFA Int'l Small Company</b> Callan Intl Small Cap MFs	-30.2 75	-21.1 67	-5.7 71	-0.4 56	2.0 64			-0.2 70	0.1 64
MSCI World Small Cap ex US	-28.4 61	-19.0 54	-3.6 51	0.4 45	2.3 55				0.1 56
<b>Vanguard EM Select Stock</b> Callan Emerging Equity MF	-28.6 91	-22.6 91	-3.7 61	-0.5 52	-1.0 57			-0.3 60	-0.1 54
FTSE Emerging Index	-24.2 44	-17.2 41	-1.5 37	-0.1 47	0.1 44				-0.0 45
<b>Real Estate Funds</b>									
<b>Principal Global Real Estate</b> Callan Gbl Real Estate MF	-25.6 55	-19.4 51	0.0 24	0.1 35					
FTSE EPRA/NAREIT Dev REIT	-28.5 83	-24.0 82	-3.8 85	-2.1 78	0.7 81				-0.0 81
<b>DFA Real Estate</b> Callan Real Estate MFs	-23.1 44	-15.8 45	0.1 28	1.5 25	4.9 29			0.9 12	0.3 27
Dow Jones U.S. Select REIT Index	-28.5 88	-24.0 92	-4.3 85	-1.4 83	2.8 79				0.1 83
<b>Commodity Funds</b>									
<b>Credit Suisse Commodities</b> Callan Cmties Genl MF	-22.1 24	-21.6 30	-8.6 48	-7.6 58	-9.9 56			0.1 49	-0.7 78
Bloomberg Commodity Total Return	-23.3 43	-22.3 52	-8.6 47	-7.8 61	-10.0 59				-0.7 75
<b>Underlying Funds</b>									
<b>Northern Small Cap Value</b> Callan Sm Cap Value MF	-34.4 41	-28.4 46	-9.6 56	-2.6 49	2.2 44			0.2 36	0.1 42
Russell 2000 Value Index	-35.7 61	-29.6 51	-9.5 55	-2.4 45	1.8 51				0.0 52

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

## Morningstar Ratings and Rankings

Plan 1 - Advisor - Fund Name	Morningstar Category	Ticker	Morningstar Rating	Market Value*
American Century Equity Growth	Large Blend	AMEIX	3	\$5,999,060
American Century Short Duration Inflation Protection Bond	Inflation-Protected Bond	APISX	2	\$69,945,121
BlackRock Inflation-Protected Bond	Inflation-Protected Bond	BPRIX	3	\$2,253,001
Credit Suisse Commodity Return Strategy	Commodities Broad Basket	CRSOX	4	\$12,972,969
DFA International Small Company	Foreign Small/Mid Blend	DFISX	3	\$10,643,952
DFA U.S. Large Cap Value	Large Value	DFLVX	3	\$76,227,604
DFA Real Estate	Real Estate	DFREX	4	\$2,829,877
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	4	\$3,773,469
MainStay Total Return Bond	Intermediate-Term Bond	MTMIX	3	\$92,590,323
Neuberger Berman Int'l Large Cap	Foreign Large Blend	NILIX	2	\$67,926,116
Northern Funds Bond Index	Intermediate-Term Bond	NOBOX	4	\$94,538,424
Northern International Equity Index	Foreign Large Blend	NOINX	4	\$53,386,757
Northern Mid-Cap Index	Mid-Cap Blend	NOMIX	4	\$57,869,363
Northern Small Cap Index	Small Blend	NSIDX	4	\$5,223,367
Northern Small Cap Value (underlying fund)	Small Value	NOSGX	4	\$11,364,650
Northern Stock Index	Large Blend	NOSIX	4	\$103,326,747
PIMCO Short-Term	Ultrashort Bond	PTSHX	4	\$138,569,959
Principal Global Real Estate	Real Estate	PGRSX	4	\$16,377,100
State Street US Govt. Money Market	Money Market	GVMXX	N/A	\$62,993,743
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	\$48,769,742
T. Rowe Price Large Cap Growth	Large Growth	TRLGX	5	\$97,888,436
T. Rowe Price QM Small Cap Growth	Small Cap Growth	TQAIX	3	\$17,296,768
Templeton Global Bond	World Bond	FIBZX	3	\$38,333,232
Touchstone High Yield	High Yield Bond	THIYX	2	\$39,823,385
Vanguard Emerging Markets Select	Emerging Markets	VMMSX	3	\$21,233,041
William Blair Small Cap Value	Small Blend	BVDIX	2	\$6,997,092

\*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	To be removed	\$5,999,060
American Century Short Duration Inflation Protection Bond	Positive	Watch	\$69,945,121
BlackRock Inflation-Protected Bond	Watch	To be removed	\$2,253,001
Credit Suisse Commodity Return Strategy	Watch	Positive	\$12,972,969
DFA International Small Company	Positive	Positive	\$10,643,952
DFA U.S. Large Cap Value	Positive	Watch	\$76,227,604
DFA Real Estate	Positive	Positive	\$2,829,877
Fidelity Advisor Investment Grade Bond	Positive	Positive	\$3,773,469
MainStay Total Return Bond	Positive	Positive	\$92,590,323
Neuberger Berman Int'l Large Cap	Positive	Positive	\$67,926,116
Northern Funds Bond Index	Positive	Positive	\$94,538,424
Northern International Equity Index	Positive	Positive	\$53,386,757
Northern Mid-Cap Index	Positive	Positive	\$57,869,363
Northern Small Cap Index	Positive	Positive	\$5,223,367
Northern Small Cap Value (underlying fund)	Positive	Positive	\$11,364,650
Northern Stock Index	Positive	Positive	\$103,326,747
PIMCO Short-Term	Positive	Positive	\$138,569,959
Principal Global Real Estate	Positive	Positive	\$16,377,100
State Street US Govt. Money Market	Positive	Positive	\$62,993,743
T. Rowe Price Balanced	Positive	Positive	\$48,769,742
T. Rowe Price Large Cap Growth	Positive	Positive	\$97,888,436
T. Rowe QM Small Cap Growth	Positive	Positive	\$17,296,768
Templeton Global Bond	Recommend Watch	Watch	\$38,333,232
Touchstone High Yield	Watch	Watch	\$39,823,385
Vanguard Emerging Markets Select	Positive	Positive	\$21,233,041
William Blair Small Cap Value	Watch	Watch	\$6,997,092

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

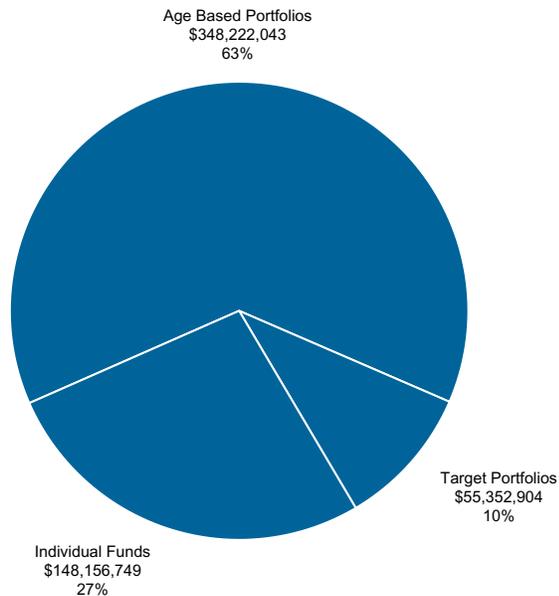
- Funds identified as “Currently on Watch” are those whose Watch status has been approved by the CollegeCounts Board.
- Watch list status based on Watch List guidelines defined in the Investment Policy Statement.

## **Direct Plan Performance**

## Changes in Investment Fund Balances Period Ended March 31, 2020

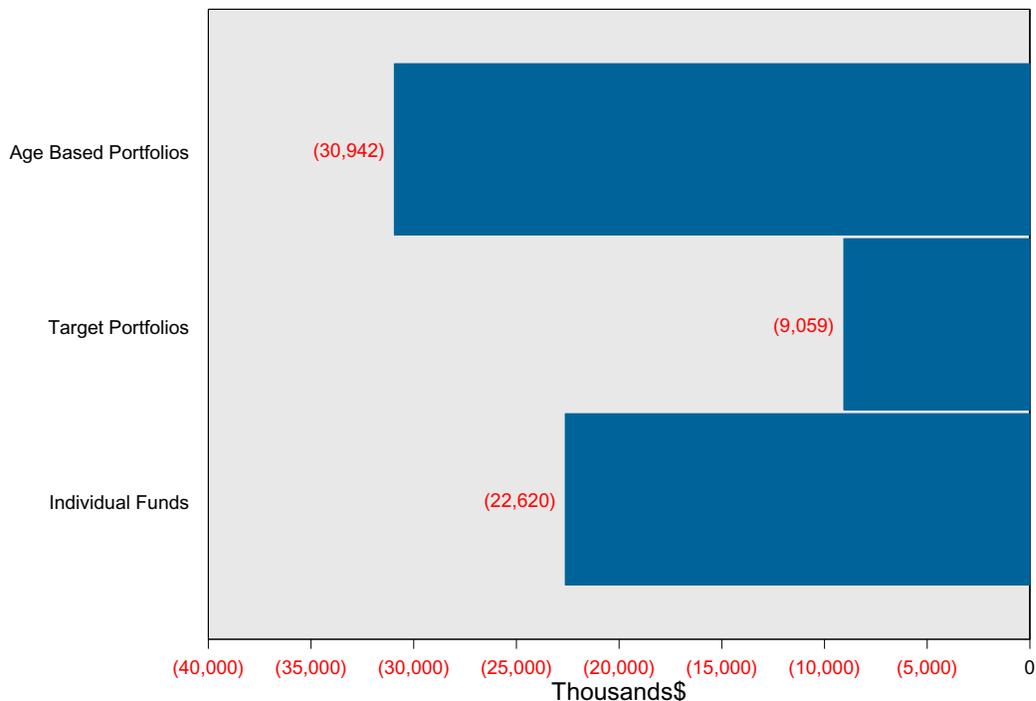
### Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended March 31, 2020.



### Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended March 31, 2020. 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 March 31, 2020 with that of December 31, 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

	March 31, 2020			December 31, 2019		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Age Based Portfolios</b>	<b>\$348,222,043</b>	<b>63.11%</b>	<b>\$10,355,554</b>	<b>\$(41,297,077)</b>	<b>\$379,163,567</b>	<b>61.72%</b>
<b>Aggressive</b>	<b>\$186,607,254</b>	<b>33.82%</b>	<b>\$4,364,290</b>	<b>\$(26,709,577)</b>	<b>\$208,952,541</b>	<b>34.01%</b>
0-2 years (Fund 100)	8,170,216	1.48%	440,398	(2,361,804)	10,091,622	1.64%
3-5 years (Fund 90)	20,079,963	3.64%	(130,671)	(4,883,935)	25,094,569	4.08%
6-8 years (Fund 80)	28,692,094	5.20%	912,381	(6,227,942)	34,007,654	5.54%
9-10 years (Fund 70)	24,130,751	4.37%	432,586	(4,137,592)	27,835,756	4.53%
11-12 years (Fund 60)	22,805,692	4.13%	778,184	(3,224,945)	25,252,453	4.11%
13-14 years (Fund 50)	24,017,561	4.35%	605,753	(2,595,218)	26,007,027	4.23%
15-16 years (Fund 40)	22,945,563	4.16%	574,414	(1,766,345)	24,137,493	3.93%
17-18 years (Fund 30)	18,533,248	3.36%	(434,878)	(994,447)	19,962,573	3.25%
19+ years (Fund 20)	17,232,167	3.12%	1,186,122	(517,348)	16,563,393	2.70%
<b>Moderate</b>	<b>\$141,791,310</b>	<b>25.70%</b>	<b>\$5,905,471</b>	<b>\$(13,807,231)</b>	<b>\$149,693,070</b>	<b>24.37%</b>
0-2 years (Fund 90)	4,490,891	0.81%	423,154	(1,092,150)	5,159,888	0.84%
3-5 years (Fund 80)	11,073,661	2.01%	26,088	(2,333,725)	13,381,299	2.18%
6-8 years (Fund 70)	20,197,900	3.66%	1,411,572	(3,427,172)	22,213,500	3.62%
9-10 years (Fund 60)	13,528,663	2.45%	41,575	(1,880,589)	15,367,677	2.50%
11-12 years (Fund 50)	16,597,025	3.01%	1,019,433	(1,800,004)	17,377,596	2.83%
13-14 years (Fund 40)	17,967,647	3.26%	229,128	(1,472,906)	19,211,425	3.13%
15-16 years (Fund 30)	19,734,724	3.58%	(544,874)	(1,052,058)	21,331,656	3.47%
17-18 years (Fund 20)	19,827,812	3.59%	2,603,092	(608,040)	17,832,760	2.90%
19+ years (Fund 10)	18,372,987	3.33%	696,304	(140,586)	17,817,270	2.90%
<b>Conservative</b>	<b>\$19,823,479</b>	<b>3.59%</b>	<b>\$85,793</b>	<b>\$(780,269)</b>	<b>\$20,517,956</b>	<b>3.34%</b>
0-2 years (Fund 80)	278,028	0.05%	20,611	(59,314)	316,731	0.05%
3-5 years (Fund 70)	621,074	0.11%	(243,255)	(81,653)	945,982	0.15%
6-8 years (Fund 60)	1,301,601	0.24%	487,394	(161,974)	976,181	0.16%
9-10 years (Fund 50)	1,171,202	0.21%	(175,769)	(132,736)	1,479,707	0.24%
11-12 years (Fund 40)	1,397,943	0.25%	(753,016)	(127,567)	2,278,526	0.37%
13-14 years (Fund 30)	1,946,431	0.35%	635,143	(120,088)	1,431,376	0.23%
15-16 years (Fund 20)	2,991,820	0.54%	(311,654)	(103,330)	3,406,803	0.55%
17-18 years (Fund 10)	4,701,717	0.85%	(126,148)	(41,008)	4,868,873	0.79%
19+ years (F.I.)	5,413,664	0.98%	552,487	47,400	4,813,777	0.78%
<b>Target Portfolios</b>	<b>\$55,352,904</b>	<b>10.03%</b>	<b>\$2,233,335</b>	<b>\$(11,292,132)</b>	<b>\$64,411,700</b>	<b>10.48%</b>
Target Fund 100 Portfolio	24,688,426	4.47%	636,951	(7,042,621)	31,094,096	5.06%
Target Fund 80 Portfolio	13,880,972	2.52%	1,273,871	(2,676,935)	15,284,036	2.49%
Target Fund 60 Portfolio	9,098,136	1.65%	441,684	(1,216,754)	9,873,206	1.61%
Target Fund 40 Portfolio	3,145,108	0.57%	(518,086)	(286,936)	3,950,131	0.64%
Target Fund 20 Portfolio	2,443,063	0.44%	(144,814)	(82,517)	2,670,394	0.43%
Target Fund Fixed Income Portfolio	2,097,197	0.38%	543,728	13,631	1,539,838	0.25%

Market values provided by Union Bank & Trust.

## Investment Fund Balances

The table below compares the fund's investment fund balances as of March 31, 2020 with that of December 31, 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

	March 31, 2020		Net New Inv.	Inv. Return	December 31, 2019	
	Market Value	Weight			Market Value	Weight
<b>Individual Funds</b>	<b>\$148,156,749</b>	<b>26.85%</b>	<b>\$6,638,930</b>	<b>\$(29,258,448)</b>	<b>\$170,776,266</b>	<b>27.80%</b>
<b>Money Market</b>	<b>\$16,854,552</b>	<b>3.05%</b>	<b>\$2,465,991</b>	<b>\$(0)</b>	<b>\$14,388,561</b>	<b>2.34%</b>
Vanguard Prime Money Market	16,854,552	3.05%	2,465,991	(0)	14,388,561	2.34%
<b>Fixed Income</b>	<b>\$20,862,736</b>	<b>3.78%</b>	<b>\$(760,053)</b>	<b>\$442,419</b>	<b>\$21,180,369</b>	<b>3.45%</b>
PIMCO Short-Term	1,869,431	0.34%	(266,754)	(43,692)	2,179,878	0.35%
Vanguard Short Infl Protected	648,136	0.12%	(72,447)	(5,123)	725,706	0.12%
Vanguard Short Term Bond	3,001,248	0.54%	(131,124)	65,190	3,067,183	0.50%
Vanguard Infl Prot Securities	1,838,808	0.33%	110,958	11,993	1,715,858	0.28%
Fidelity Investment Grade Bond	636,822	0.12%	(21,824)	6,896	651,751	0.11%
Vanguard Total Bond Index	12,625,564	2.29%	(275,109)	405,794	12,494,879	2.03%
MainStay Total Return Bond	242,726	0.04%	(103,752)	1,362	345,116	0.06%
<b>Balanced</b>	<b>\$5,373,421</b>	<b>0.97%</b>	<b>\$(226,869)</b>	<b>\$(940,552)</b>	<b>\$6,540,842</b>	<b>1.06%</b>
T. Rowe Price Balanced	5,373,421	0.97%	(226,869)	(940,552)	6,540,842	1.06%
<b>Domestic Equity</b>	<b>\$90,843,345</b>	<b>16.47%</b>	<b>\$4,667,709</b>	<b>\$(24,024,752)</b>	<b>\$110,200,388</b>	<b>17.94%</b>
T. Rowe Large Cap Growth	7,333,632	1.33%	218,074	(1,172,296)	8,287,854	1.35%
Vanguard Growth Index	14,237,811	2.58%	1,319,458	(2,306,794)	15,225,148	2.48%
Vanguard Total Stock Index	15,444,530	2.80%	1,149,857	(3,920,004)	18,214,676	2.96%
Vanguard 500 Index	26,002,668	4.71%	1,131,828	(6,170,807)	31,041,647	5.05%
DFA US Large Cap Value	1,132,898	0.21%	113,328	(497,803)	1,517,373	0.25%
Vanguard Value Index	4,573,253	0.83%	222,977	(1,494,660)	5,844,935	0.95%
Vanguard Extended Market Index	1,523,928	0.28%	24,753	(592,633)	2,091,808	0.34%
Vanguard Mid Cap Index	7,295,344	1.32%	278,357	(2,511,229)	9,528,216	1.55%
Vanguard Explorer	1,466,528	0.27%	(5,392)	(533,797)	2,005,717	0.33%
Vanguard Small Cap Growth Index	5,881,275	1.07%	47,385	(1,895,573)	7,729,462	1.26%
Vanguard Small Cap Index	3,072,136	0.56%	249,629	(1,284,097)	4,106,604	0.67%
DFA US Small Cap Value	523,389	0.09%	12,155	(348,519)	859,753	0.14%
Vanguard Small Cap Value Index	2,355,953	0.43%	(94,700)	(1,296,542)	3,747,195	0.61%
<b>International Equity</b>	<b>\$10,589,492</b>	<b>1.92%</b>	<b>\$536,790</b>	<b>\$(3,577,153)</b>	<b>\$13,629,855</b>	<b>2.22%</b>
Dodge & Cox Int'l Stock	1,651,436	0.30%	135,140	(711,448)	2,227,744	0.36%
Vanguard Int'l Stock Index	8,938,056	1.62%	401,650	(2,865,706)	11,402,111	1.86%
<b>Real Estate</b>	<b>\$3,633,204</b>	<b>0.66%</b>	<b>\$(44,638)</b>	<b>\$(1,158,409)</b>	<b>\$4,836,251</b>	<b>0.79%</b>
Vanguard REIT Index	3,633,204	0.66%	(44,638)	(1,158,409)	4,836,251	0.79%
<b>Total Direct Plan</b>	<b>\$551,731,696</b>	<b>100.0%</b>	<b>\$19,227,819</b>	<b>\$(81,847,657)</b>	<b>\$614,351,534</b>	<b>100.0%</b>

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Target Portfolios</b>										
<b>Target Fund 100</b>										
Target Fund 100 Portfolio	(22.34%)	91	(12.54%)	75	1.06%	52	2.87%	43	5.59%	25
Target Fund 100 Blended Benchmark	(22.40%)	92	(12.45%)	75	1.35%	40	3.17%	31	5.97%	16
MS 529 Static Alloc 70-85	(18.96%)		(10.26%)		1.09%		2.62%		4.90%	
Aggressive Age Based 0-2 yrs (Fd 100)	(22.34%)	90	(12.54%)	76	1.06%	49	-	-	-	-
Target Fund 100 Blended Benchmark	(22.40%)	90	(12.45%)	75	1.35%	36	3.17%	27	5.97%	12
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 90</b>										
Aggressive Age Based 3-5 yrs (Fd 90)	(19.77%)	85	(10.26%)	82	1.68%	50	-	-	-	-
Target Fund 90 Blended Benchmark	(19.91%)	85	(10.28%)	83	1.89%	46	3.35%	40	5.76%	14
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	
Moderate Age Based 0-2 yrs (Fd 90)	(19.77%)	52	(10.26%)	42	1.68%	29	-	-	-	-
Target Fund 90 Blended Benchmark	(19.91%)	55	(10.28%)	43	1.89%	25	3.35%	18	5.76%	14
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 80</b>										
Target Fund 80 Portfolio	(17.36%)	29	(8.12%)	25	2.11%	29	3.24%	28	5.22%	39
Target Fund 80 Blended Benchmark	(17.45%)	30	(8.11%)	25	2.26%	23	3.39%	24	5.46%	31
MS 529 Static Alloc 70-85	(18.96%)		(10.26%)		1.09%		2.62%		4.90%	
Aggressive Age Based 6-8 yrs (Fd 80)	(17.36%)	59	(8.12%)	52	2.11%	33	-	-	-	-
Target Fund 80 Blended Benchmark	(17.45%)	60	(8.11%)	52	2.26%	29	3.39%	11	5.46%	9
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
Moderate Age Based 3-5 yrs (Fd 80)	(17.36%)	55	(8.12%)	52	2.11%	43	-	-	-	-
Target Fund 80 Blended Benchmark	(17.45%)	56	(8.11%)	52	2.26%	37	3.39%	38	5.46%	29
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	
Conserv. Age Based 0-2 yrs (Fd 80)	(17.36%)	25	(8.12%)	20	2.11%	19	-	-	-	-
Target Fund 80 Blended Benchmark	(17.45%)	25	(8.11%)	20	2.26%	15	3.39%	16	5.46%	32
MS 529 Age 0-4 Grp	(19.76%)		(10.81%)		0.98%		2.44%		4.99%	
<b>Target Fund 70</b>										
Aggressive Age Based 9-10 yrs (Fd 70)	(14.85%)	59	(6.13%)	47	2.34%	33	-	-	-	-
Target Fund 70 Blended Benchmark	(15.05%)	60	(6.27%)	49	2.56%	26	3.36%	13	5.15%	13
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
Moderate Age Based 6-8 yrs (Fd 70)	(14.85%)	37	(6.13%)	30	2.34%	27	-	-	-	-
Target Fund 70 Blended Benchmark	(15.05%)	39	(6.27%)	31	2.56%	19	3.36%	12	5.15%	19
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
Conserv. Age Based 3-5 yrs (Fd 70)	(14.85%)	35	(6.13%)	32	2.34%	34	-	-	-	-
Target Fund 70 Blended Benchmark	(15.05%)	35	(6.27%)	32	2.56%	29	3.36%	40	5.15%	39
MS 529 Age 5-6 Grp	(16.70%)		(8.01%)		1.67%		2.86%		4.99%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
<b>Target Fund 60</b>										
Target Fund 60 Portfolio	(12.28%)	11	(3.85%)	11	2.81%	22	3.24%	32	4.59%	46
Target Fund 60 Blended Benchmark	(12.43%)	15	(3.90%)	12	3.01%	15	3.49%	18	4.89%	35
MS 529 Static Alloc 50-70	(14.37%)		(6.33%)		1.61%		2.67%		4.39%	
Aggressive Age Based 11-12 yrs (Fd 60)	(12.28%)	52	(3.85%)	39	2.81%	21	-	-	-	-
Target Fund 60 Blended Benchmark	(12.43%)	52	(3.90%)	40	3.01%	14	3.49%	9	4.89%	12
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
Moderate Age Based 9-10 yrs (Fd 60)	(12.28%)	37	(3.85%)	27	2.81%	19	-	-	-	-
Target Fund 60 Blended Benchmark	(12.43%)	38	(3.90%)	30	3.01%	13	3.49%	8	4.89%	19
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
Conserv. Age Based 6-8 yrs (Fd 60)	(12.28%)	18	(3.85%)	13	2.81%	11	-	-	-	-
Target Fund 60 Blended Benchmark	(12.43%)	19	(3.90%)	14	3.01%	8	3.49%	8	4.89%	32
MS 529 Age 7-8 Grp	(16.67%)		(7.83%)		1.50%		2.79%		4.59%	
<b>Target Fund 50</b>										
Aggressive Age Based 13-14 yrs (Fd 50)	(9.68%)	49	(1.67%)	30	3.20%	15	-	-	-	-
Target Fund 50 Blended Benchmark	(9.78%)	51	(1.66%)	30	3.49%	10	3.62%	2	4.80%	5
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	
Moderate Age Based 11-12 yrs (Fd 50)	(9.68%)	29	(1.67%)	21	3.20%	12	-	-	-	-
Target Fund 50 Blended Benchmark	(9.78%)	30	(1.66%)	21	3.49%	6	3.62%	7	4.80%	14
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
Conserv. Age Based 9-10 yrs (Fd 50)	(9.68%)	18	(1.67%)	15	3.20%	10	-	-	-	-
Target Fund 50 Blended Benchmark	(9.78%)	18	(1.66%)	15	3.49%	5	3.62%	6	4.80%	21
MS 529 Age 9-10 Grp	(14.18%)		(6.44%)		1.76%		2.56%		4.08%	
<b>Target Fund 40</b>										
Target Fund 40 Portfolio	(7.30%)	17	0.04%	9	3.32%	10	3.25%	18	4.03%	38
Target Fund 40 Blended Benchmark	(7.34%)	17	0.31%	7	3.74%	2	3.62%	6	4.42%	19
MS 529 Static Alloc 30-50	(10.53%)		(3.65%)		1.87%		2.49%		3.56%	
Aggressive Age Based 15-16 yrs (Fd 40)	(7.30%)	60	0.04%	38	3.32%	13	-	-	-	-
Target Fund 40 Blended Benchmark	(7.34%)	60	0.31%	33	3.74%	4	3.62%	2	4.42%	6
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
Moderate Age Based 13-14 yrs (Fd 40)	(7.30%)	24	0.04%	20	3.32%	13	-	-	-	-
Target Fund 40 Blended Benchmark	(7.34%)	24	0.31%	19	3.74%	6	3.62%	2	4.42%	12
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	
Conserv. Age Based 11-12 yrs (Fd 40)	(7.30%)	15	0.04%	12	3.32%	10	-	-	-	-
Target Fund 40 Blended Benchmark	(7.34%)	15	0.31%	9	3.74%	4	3.62%	7	4.42%	23
MS 529 Age 11-12 Grp	(11.99%)		(4.65%)		1.93%		2.34%		3.84%	
<b>Target Fund 30</b>										
Aggressive Age Based 17-18 yrs (Fd 30)	(5.10%)	56	1.38%	40	3.29%	11	-	-	-	-
Target Fund 30 Blended Benchmark	(5.21%)	59	1.44%	39	3.51%	5	3.23%	1	3.78%	6
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
Moderate Age Based 15-16 yrs (Fd 30)	(5.10%)	34	1.38%	25	3.29%	14	-	-	-	-
Target Fund 30 Blended Benchmark	(5.21%)	36	1.44%	24	3.51%	7	3.23%	8	3.78%	17
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
Conserv. Age Based 13-14 yrs (Fd 30)	(5.10%)	16	1.38%	16	3.29%	14	-	-	-	-
Target Fund 30 Blended Benchmark	(5.21%)	16	1.44%	16	3.51%	10	3.23%	12	3.78%	33
MS 529 Age 13-14 Grp	(9.70%)		(2.85%)		2.06%		2.41%		3.31%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Target Fund 20</b>										
Target Fund 20 Portfolio	(2.84%)	21	2.67%	27	3.22%	39	2.72%	41	2.88%	47
Target Fund 20 Blended Benchmark	(2.70%)	19	3.18%	23	3.66%	21	3.14%	20	3.27%	38
MS 529 Static Alloc 15-30	(4.67%)		1.08%		2.89%		2.46%		2.79%	
Aggressive Age Based 19+ yrs (Fd 20)	(2.84%)	69	2.67%	31	3.22%	7	-		-	
Target Fund 20 Blended Benchmark	(2.70%)	67	3.18%	23	3.66%	3	3.14%	2	3.27%	6
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	
Moderate Age Based 17-18 yrs (Fd 20)	(2.84%)	36	2.67%	25	3.22%	16	-		-	
Target Fund 20 Blended Benchmark	(2.70%)	34	3.18%	20	3.66%	4	3.14%	2	3.27%	19
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
Conserv. Age Based 15-16 yrs (Fd 20)	(2.84%)	22	2.67%	16	3.22%	15	-		-	
Target Fund 20 Blended Benchmark	(2.70%)	21	3.18%	14	3.66%	5	3.14%	13	3.27%	30
MS 529 Age 15-16 Grp	(6.35%)		(0.59%)		2.20%		2.13%		2.79%	
<b>Target Fund 10</b>										
Moderate Age Based 19+ yrs (Fd 10)	(0.73%)	42	3.63%	18	2.96%	15	-		-	
Target Fund 10 Blended Benchmark	(0.72%)	42	3.89%	15	3.22%	7	2.56%	11	2.51%	17
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	
Conserv. Age Based 17-18 yrs (Fd 10)	(0.73%)	25	3.63%	13	2.96%	22	-		-	
Target Fund 10 Blended Benchmark	(0.72%)	24	3.89%	12	3.22%	17	2.56%	26	2.51%	48
MS 529 Age 17-18 Grp	(4.44%)		0.49%		1.93%		2.00%		2.43%	
<b>Target Fund Fixed Income</b>										
Target Fund Fixed Income Portfolio	0.97%	12	3.62%	17	2.26%	23	1.56%	33	0.99%	61
Target Fund F.I. Blended Benchmark	1.11%	12	3.80%	14	2.42%	18	1.74%	26	1.21%	49
MS 529 Static Short-Term	(1.55%)		1.02%		1.39%		1.31%		1.20%	
Conserv. Age Based 19+ yrs (F.I.)	0.97%	11	3.62%	18	2.26%	38	-		-	
Target Fund F.I. Blended Benchmark	1.11%	5	3.80%	16	2.42%	32	1.74%	42	1.21%	62
MS 529 Age 19+ Grp	(1.59%)		1.71%		1.85%		1.61%		1.44%	

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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
<b>Individual Funds Portfolios</b>										
<b>Money Market Funds</b>										
Vanguard Prime Money Market (net all)*	0.36%	5	1.86%	18	1.62%	25	1.08%	26	0.77%	28
Vanguard Prime Money Market (net mgr)	0.40%	2	2.07%	3	1.86%	4	1.28%	13	0.93%	15
3-Month Treasury Bill	0.57%	1	2.25%	1	1.83%	6	1.19%	17	0.86%	18
Callan Money Market Funds	0.27%		1.66%		1.46%		0.94%		0.67%	
<b>Fixed Income Funds</b>										
PIMCO Short-Term (net all)	(2.17%)	73	(0.70%)	89	1.06%	91	1.33%	78	1.17%	80
PIMCO Short-Term (net mgr)	(2.09%)	72	(0.48%)	86	1.31%	89	1.57%	51	1.41%	53
3 Month T-Bills	0.39%	27	2.04%	52	1.74%	65	1.12%	90	0.81%	93
Blmbg Aggregate 1-3 Index	1.79%	16	4.63%	8	2.63%	7	1.93%	20	1.64%	27
Callan Short Term FI MFs	(0.71%)		2.13%		1.95%		1.57%		1.42%	
Vanguard Short Infl Protected (net all)*	(0.75%)	63	2.15%	74	1.34%	82	1.29%	88	-	
Vanguard Short Infl Protected (net mgr)	(0.69%)	58	2.35%	70	1.59%	74	1.55%	75	0.69%	55
Blmbg US TIPS 0-5 Index	(0.69%)	58	2.43%	66	1.62%	74	1.59%	73	0.74%	54
Callan TIPS MFs	0.06%		4.64%		2.70%		1.94%		0.80%	
Vanguard Short Term Bond (net all)*	2.09%	4	5.15%	3	2.79%	6	1.94%	16	-	
Vanguard Short Term Bond (net mgr)	2.24%	3	5.49%	3	3.06%	2	2.22%	8	1.91%	13
Blmbg Govt/Credit 1-3 Float	2.17%	4	5.58%	3	3.08%	2	2.27%	7	1.96%	12
Callan Short Inv Grade MF	(1.50%)		1.33%		1.80%		1.65%		1.53%	
Vanguard Infl Prot Securities (net all)	1.78%	14	6.49%	19	3.01%	32	2.30%	33	1.04%	34
Vanguard Infl Prot Securities (net mgr)	1.78%	14	6.69%	18	3.28%	23	2.56%	28	1.27%	28
Blmbg US TIPS Index	1.69%	18	6.85%	16	3.46%	16	2.67%	20	1.37%	15
Callan TIPS MFs	0.06%		4.64%		2.70%		1.94%		0.80%	
Fidelity Investment Grade Bond (net all)	1.82%	40	7.51%	38	4.26%	51	3.06%	56	2.93%	55
Fidelity Investment Grade Bond (net mgr)	1.79%	41	7.70%	27	4.53%	34	3.32%	30	3.15%	31
Blmbg Aggregate Index	3.15%	12	8.93%	11	4.82%	9	3.36%	28	3.19%	28
Callan Core Bond MFs	1.54%		7.36%		4.27%		3.19%		2.98%	
Vanguard Total Bond Index (net all)*	3.17%	12	8.76%	13	4.56%	33	3.08%	55	2.89%	61
Vanguard Total Bond Index (net mgr)	3.28%	12	9.08%	10	4.84%	9	3.34%	29	3.15%	31
Blmbg Aggregate Index	3.15%	12	8.93%	11	4.82%	9	3.36%	28	3.19%	28
Callan Core Bond MFs	1.54%		7.36%		4.27%		3.19%		2.98%	
MainStay Total Return Bond (net all)	(0.68%)	56	4.91%	57	3.30%	76	2.54%	83	-	
MainStay Total Return Bond (net mgr)	(0.56%)	50	5.18%	52	3.57%	66	2.73%	76	2.68%	78
Blmbg Aggregate Index	3.15%	6	8.93%	4	4.82%	3	3.36%	21	3.19%	41
Callan Core Plus MFs	(0.57%)		5.30%		3.80%		3.09%		3.01%	
<b>Balanced Funds</b>										
T. Rowe Price Balanced (net all)	(14.68%)	54	(6.05%)	55	3.03%	48	3.51%	49	5.55%	51
T. Rowe Price Balanced (net mgr)	(14.51%)	53	(5.77%)	53	3.22%	48	3.71%	43	5.77%	44
Balanced Fund Blended Benchmark	(12.06%)	29	(1.90%)	29	4.57%	29	4.92%	25	6.59%	33
Callan Dom Balanced MFs	(14.11%)		(5.48%)		2.59%		3.41%		5.57%	
<b>Domestic Equity Funds</b>										
T. Rowe Large Cap Growth (net all)	(13.89%)	60	(3.69%)	78	12.53%	35	10.99%	17	-	
T. Rowe Large Cap Growth (net mgr)	(13.87%)	59	(3.49%)	73	12.85%	27	11.30%	16	14.69%	3
Russell 1000 Growth Index	(14.10%)	62	0.91%	32	11.32%	50	10.36%	29	12.93%	36
Callan Large Cap Grwth MF	(13.25%)		(0.62%)		11.33%		9.48%		12.33%	
Vanguard Growth Index (net all)	(13.86%)	59	0.96%	32	9.80%	69	8.87%	57	11.67%	60
Vanguard Growth Index (net mgr)	(13.74%)	58	1.28%	26	10.09%	64	9.16%	53	11.97%	56
U.S. Large Cap Growth Benchmark	(13.72%)	58	1.33%	26	10.13%	62	9.20%	53	12.03%	55
Russell 1000 Growth Index	(14.10%)	62	0.91%	32	11.32%	50	10.36%	29	12.93%	36
Callan Large Cap Grwth MF	(13.25%)		(0.62%)		11.33%		9.48%		12.33%	
Vanguard Total Stock Index (net all)*	(20.85%)	60	(9.41%)	54	3.76%	47	5.49%	42	8.68%	40
Vanguard Total Stock Index (net mgr)	(20.86%)	60	(9.23%)	53	3.99%	45	5.74%	38	8.95%	34
U.S. Total Market Benchmark	(20.88%)	60	(9.24%)	53	3.99%	45	5.74%	38	8.95%	34
Russell 3000 Index	(20.90%)	60	(9.13%)	53	4.00%	45	5.77%	38	8.96%	34
Callan Large Cap Core MFs	(20.02%)		(8.76%)		3.07%		5.05%		8.25%	

(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.

## 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 March 31, 2020. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2020

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Vanguard 500 Index (net all)	(19.60%)	39	(7.19%)	37	4.82%	30	6.44%	23	9.32%	25
Vanguard 500 Index (net mgr)	(19.60%)	39	(7.00%)	34	5.08%	28	6.70%	16	9.59%	20
S&P 500 Index	(19.60%)	39	(6.98%)	33	5.10%	28	6.73%	16	9.62%	20
Callan Large Cap Core MFs	(20.02%)		(8.76%)		3.07%		5.05%		8.25%	
DFA US Large Cap Value (net all)	(31.45%)	86	(22.58%)	81	(4.62%)	82	0.53%	65	-	
DFA US Large Cap Value (net mgr)	(31.52%)	86	(22.47%)	80	(4.46%)	82	0.75%	62	5.03%	63
Russell 1000 Value Index	(26.73%)	45	(17.17%)	46	(2.18%)	50	1.90%	45	5.56%	45
Callan Lg Cap Value MF	(26.98%)		(18.53%)		(2.23%)		1.83%		5.45%	
Vanguard Value Index (net all)	(25.01%)	27	(14.93%)	33	0.20%	25	3.80%	15	6.93%	15
Vanguard Value Index (net mgr)	(24.97%)	26	(14.78%)	31	0.42%	24	4.03%	13	7.19%	14
U.S. Large Cap Value Benchmark	(25.01%)	27	(14.79%)	31	0.42%	24	4.04%	13	7.23%	12
Russell 1000 Value Index	(26.73%)	45	(17.17%)	46	(2.18%)	50	1.90%	45	5.56%	45
Callan Lg Cap Value MF	(26.98%)		(18.53%)		(2.23%)		1.83%		5.45%	
Vanguard Extended Market Index (net all)	(28.01%)	63	(20.69%)	67	(2.11%)	59	0.82%	58	5.32%	58
Vanguard Extended Market Index (net mgr)	(28.00%)	63	(20.51%)	65	(1.91%)	59	1.03%	56	5.57%	57
S&P Completion Index	(28.02%)	63	(20.59%)	66	(2.02%)	59	0.92%	57	5.46%	58
Callan Mid Cap MFs	(23.23%)		(13.42%)		2.90%		3.03%		7.06%	
Vanguard Mid Cap Index (net all)	(25.74%)	58	(16.85%)	57	(0.51%)	57	1.83%	54	6.43%	54
Vanguard Mid Cap Index (net mgr)	(25.72%)	58	(16.65%)	57	(0.26%)	57	2.08%	54	6.70%	51
U.S. Mid Cap Benchmark	(25.74%)	58	(16.65%)	57	(0.25%)	57	2.11%	54	6.74%	51
Russell MidCap Index	(27.07%)	60	(18.31%)	59	(0.81%)	57	1.85%	54	6.35%	54
Callan Mid Cap MFs	(23.23%)		(13.42%)		2.90%		3.03%		7.06%	
Vanguard Explorer (net all)	(26.84%)	88	(18.32%)	72	2.55%	64	2.75%	70	-	
Vanguard Explorer (net mgr)	(26.73%)	88	(18.09%)	72	2.90%	63	3.23%	64	7.56%	63
Russell 2500 Growth Index	(23.22%)	55	(14.40%)	47	3.35%	62	3.64%	55	8.09%	52
Callan Sm Cap Growth MF	(22.22%)		(15.28%)		4.59%		4.24%		8.20%	
Vanguard Small Cap Growth (net all)	(24.24%)	71	(16.00%)	55	2.73%	64	3.04%	67	6.68%	75
Vanguard Small Cap Growth (net mgr)	(24.22%)	71	(15.81%)	54	2.95%	63	3.27%	62	6.92%	74
U.S. Small Cap Growth Benchmark	(24.20%)	71	(15.80%)	54	2.95%	63	3.24%	63	6.92%	74
Russell 2000 Growth Index	(25.76%)	78	(18.58%)	73	0.10%	83	1.70%	82	6.47%	77
Callan Sm Cap Growth MF	(22.22%)		(15.28%)		4.59%		4.24%		8.20%	
Vanguard Small Cap Index (net all)	(30.12%)	54	(23.55%)	54	(3.49%)	54	0.16%	53	4.71%	53
Vanguard Small Cap Index (net mgr)	(30.07%)	54	(23.33%)	54	(3.27%)	54	0.42%	51	4.98%	51
U.S. Small Cap Benchmark	(30.08%)	54	(23.38%)	54	(3.28%)	54	0.40%	51	4.97%	51
Russell 2000 Index	(30.61%)	54	(23.99%)	56	(4.64%)	57	(0.25%)	54	4.21%	57
Callan Small Cap MFs	(27.89%)		(21.40%)		(1.92%)		0.53%		5.02%	
DFA US Small Cap Value (net all)	(38.88%)	77	(35.39%)	89	(12.97%)	88	(5.72%)	91	-	
DFA US Small Cap Value (net mgr)	(39.02%)	80	(35.36%)	89	(12.74%)	85	(5.43%)	87	0.05%	84
Russell 2000 Value Index	(35.66%)	61	(29.64%)	51	(9.51%)	55	(2.42%)	45	1.80%	51
Callan Sm Cap Value MF	(35.06%)		(29.46%)		(8.99%)		(2.79%)		1.89%	
Vanguard Small Cap Value Index (net all)	(35.02%)	48	(29.74%)	51	(8.66%)	48	(2.34%)	44	2.87%	37
Vanguard Small Cap Value Index (net mgr)	(34.87%)	44	(29.46%)	50	(8.37%)	41	(2.05%)	38	3.17%	32
U.S. Small Cap Value Benchmark	(34.88%)	44	(29.49%)	50	(8.38%)	41	(2.04%)	38	3.19%	31
Russell 2000 Value Index	(35.66%)	61	(29.64%)	51	(9.51%)	55	(2.42%)	45	1.80%	51
Callan Sm Cap Value MF	(35.06%)		(29.46%)		(8.99%)		(2.79%)		1.89%	
<b>International Equity</b>										
Dodge & Cox Int'l Stock (net all)	(30.65%)	89	(22.57%)	83	(7.73%)	85	(4.70%)	92	-	
Dodge & Cox Int'l Stock (net mgr)	(30.50%)	88	(22.28%)	83	(7.42%)	85	(4.39%)	90	0.22%	77
MSCI EAFE Index	(22.83%)	50	(14.38%)	50	(1.82%)	48	(0.62%)	47	1.75%	46
MSCI ACWI ex US	(23.36%)	55	(15.57%)	55	(1.96%)	49	(0.64%)	48	1.06%	64
Callan Non US Equity MFs	(22.82%)		(14.66%)		(2.03%)		(0.79%)		1.58%	
Vanguard Int'l Stock Index (net all)*	(24.36%)	60	(16.76%)	66	(2.80%)	61	(0.98%)	53	0.80%	71
Vanguard Int'l Stock Index (net mgr)	(24.31%)	60	(16.55%)	64	(2.52%)	57	(0.65%)	48	1.11%	63
Total Int'l Stock Benchmark	(24.01%)	60	(16.02%)	59	(2.28%)	56	(0.53%)	46	1.23%	59
Callan Non US Equity MFs	(22.82%)		(14.66%)		(2.03%)		(0.79%)		1.58%	
<b>Real Estate</b>										
Vanguard REIT Index (net all)*	(24.15%)	59	(16.77%)	53	(1.72%)	66	0.23%	65	3.86%	65
Vanguard REIT Index (net mgr)	(24.10%)	59	(16.51%)	52	(1.44%)	61	0.51%	55	4.12%	51
MSCI US IMI Real Estate 25/50	(24.07%)	59	(16.47%)	52	(1.37%)	59	0.59%	49	4.20%	48
NAREIT All Equity Index	(23.44%)	52	(15.93%)	47	0.06%	29	1.99%	17	4.90%	29
Callan Real Estate MFs	(23.29%)		(16.29%)		(1.13%)		0.54%		4.13%	

(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**  
**March 31, 2020**

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
<b>Money Market Funds</b>									
<b>Vanguard Prime Money Market</b> Callan Money Market Funds	0.4 2	2.1 3	1.9 4	1.3 13	0.9 15			0.7 2	0.2 13
3-Month Treasury Bill	0.6 1	2.3 1	1.8 6	1.2 17	0.9 18				0.0 18
<b>Fixed Income Funds</b>									
<b>PIMCO Short-Term</b> Callan Defensive FI MFs	-2.1 72	-0.5 86	1.3 89	1.6 51	1.4 53			0.4 61	0.4 52
3 Month T-Bills	0.4 27	2.0 52	1.7 65	1.1 90	0.8 93				-0.1 95
<b>Vanguard Short Infl-Protected (i)</b> Callan TIPS MFs	-0.7 58	2.3 70	1.6 74	1.6 75	0.7 55			-0.5 93	-0.1 77
Blmbg US TIPS 0-5 Idx	-0.7 58	2.4 66	1.6 74	1.6 73	0.7 54				-0.1 71
<b>Vanguard Short Term Bond (i)</b> Callan Short Inv Grade MF	2.2 3	5.5 3	3.1 2	2.2 8	1.9 13			-0.6 84	0.7 17
Blmbg Govt/Cred 1-5 Float Adj	2.2 4	5.6 3	3.1 2	2.3 7	2.0 12				0.7 12
<b>Vanguard Infl Prot Securities</b> Callan TIPS MFs	1.8 14	6.7 18	3.3 23	2.6 28	1.3 28			-0.4 54	0.1 28
Blmbg US TIPS Index	1.7 18	6.8 16	3.5 16	2.7 20	1.4 15				0.1 19
<b>Fidelity Investment Grade Bond</b> Callan Core Bond MFs	1.8 41	7.7 27	4.5 34	3.3 30	3.1 31			-0.0 32	0.7 42
Blmbg Aggregate Index	3.1 12	8.9 11	4.8 9	3.4 28	3.2 28				0.7 26
<b>Vanguard Total Bond Market Index (i)</b> Callan Core Bond MFs	3.3 12	9.1 10	4.8 9	3.3 29	3.1 31			-0.2 47	0.7 43
Blmbg Aggregate Index	3.1 12	8.9 11	4.8 9	3.4 28	3.2 28				0.7 26
<b>MainStay Total Return Bond</b> Callan Core Plus MFs	-0.6 50	5.2 52	3.6 66	2.7 76	2.7 78			-0.3 86	0.6 77
Blmbg Aggregate Index	3.1 6	8.9 4	4.8 3	3.4 21	3.2 41				0.7 31
<b>Balanced Funds</b>									

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**  
**March 31, 2020**

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
<b>T. Rowe Price Balanced</b> Callan Dom Balanced MFs Balanced Fund Blended Benchmark	-14.5 53	-5.8 53	3.2 48	3.7 43	5.8 44			-0.4 77	0.5 62
<b>Domestic Equity</b>									
<b>T. Rowe Large Cap Growth</b> Callan Large Cap Grwth MF Russell 1000 Growth Index	-13.9 59	-3.5 73	12.9 27	11.3 16	14.7 3			0.4 6	1.0 9
<b>Vanguard Growth Index (i)</b> Callan Large Cap Grwth MF U.S. Large Cap Growth Benchmark	-13.7 58	1.3 26	10.1 64	9.2 53	12.0 56			-2.0 99	0.8 69
<b>Vanguard Total Stock Index (i)</b> Callan Large Cap Core MFs U.S. Total Market Benchmark	-20.9 60	-9.2 53	4.0 45	5.7 38	8.9 34			-0.1 62	0.6 55
<b>Vanguard 500 Index (i)</b> Callan Large Cap Core MFs S&P 500 Index	-19.6 39	-7.0 34	5.1 28	6.7 16	9.6 20			-2.9 100	0.7 20
<b>DFA US Large Cap Value</b> Callan Lg Cap Value MF Russell 1000 Value Index	-31.5 86	-22.5 80	-4.5 82	0.8 62	5.0 63			-0.2 60	0.2 70
<b>Vanguard Value Index (i)</b> Callan Lg Cap Value MF U.S. Large Cap Value Benchmark	-25.0 26	-14.8 31	0.4 24	4.0 13	7.2 14			-1.1 95	0.4 24
<b>Vanguard Extended Market Index (i)</b> Callan Mid Cap MFs S&P Completion Index	-28.0 63	-20.5 65	-1.9 59	1.0 56	5.6 57			1.8 1	0.3 60
<b>Vanguard Mid Cap Index (i)</b> Callan Mid Cap MFs U.S. Mid Cap Benchmark	-25.7 58	-16.6 57	-0.3 57	2.1 54	6.7 51			-1.5 100	0.4 56

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**  
**March 31, 2020**

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
<b>Vanguard Explorer</b> Callan Sm Cap Growth MF Russell 2500 Growth Index	-26.7 88	-18.1 72	2.9 63	3.2 64	7.6 63			-0.2 72	0.4 59
<b>Vanguard Small Cap Growth Index (i)</b> Callan Sm Cap Growth MF U.S. Small Cap Growth Benchmark	-24.2 71	-15.8 54	2.9 63	3.3 62	6.9 74			-0.0 88	0.3 80
<b>Vanguard Small Cap Index (i)</b> Callan Small Cap MFs U.S. Small Cap Benchmark	-30.1 54	-23.3 54	-3.3 54	0.4 51	5.0 51			0.4 41	0.2 56
<b>DFA US Small Cap Value</b> Callan Sm Cap Value MF Russell 2000 Value Index	-39.0 80	-35.4 89	-12.7 85	-5.4 87	0.1 84			-0.6 94	-0.0 84
<b>Vanguard Small Cap Value Index (i)</b> Callan Sm Cap Value MF U.S. Small Cap Value Benchmark	-34.9 44	-29.5 50	-8.4 41	-2.0 38	3.2 32			-0.6 93	0.1 43
<b>International Equity</b>									
<b>Dodge &amp; Cox Int'l Stock</b> Callan Non US Equity MFs MSCI EAFE Index	-30.5 88	-22.3 83	-7.4 85	-4.4 90	0.2 77			-0.3 65	-0.0 76
<b>Vanguard Int'l Stock Index (i)</b> Callan Non US Equity MFs Total Int'l Stock Benchmark	-24.3 60	-16.6 64	-2.5 57	-0.6 48	1.1 63			-0.2 84	0.0 79
<b>Real Estate Funds</b>									
<b>Vanguard REIT Index (i)</b> Callan Real Estate MFs MSCI US IMI Real Estate 25/50	-24.1 59	-16.5 52	-1.4 61	0.5 55	4.1 51			-1.0 100	0.2 76

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	3	\$76,227,604
DFA U.S. Small Cap Value	Small Value	DFSVX	2	\$521,806
Dodge & Cox International Stock	Foreign Blend	DODFX	3	\$1,651,120
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	4	\$3,773,469
Mainstay Total Return Bond	Intermediate-Term Bond	MTMIX	3	\$92,590,323
PIMCO Short-Term	Ultrashort Bond	PTSHX	4	\$138,569,959
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	\$48,769,742
T. Rowe Price Large-Cap Growth	Large Growth	TRLGX	5	\$97,888,436
Vanguard 500 Index	Large Blend	VINIX	5	\$26,022,646
Vanguard Explorer	Small Growth	VEXRX	3	\$1,464,318
Vanguard Extended Market Index	Mid-Cap Blend	VEXAX	4	\$1,523,869
Vanguard Growth Index	Large Growth	VIGAX	4	\$14,227,839
Vanguard Inflation-Protected Securities	Inflation-Protected Bond	VAIPX	4	\$1,828,734
Vanguard Mid-Cap Index	Mid-Cap Blend	VIMAX	5	\$7,292,272
Vanguard Prime Money Market	Taxable Money Market	VMRXX	N/A	\$29,617,360
Vanguard Real Estate Index (REIT Index)	Real Estate	VGSNX	3	\$21,705,559
Vanguard Short Term Bond	Short-Term Bond	VBITX	5	\$48,382,670
Vanguard Short-Term Infl-Protected	Inflation-Protected Bond	VTSPX	3	\$25,730,560
Vanguard Small-Cap Growth Index	Small Growth	VSGAX	3	\$5,869,969
Vanguard Small-Cap Index	Small Blend	VSMAX	5	\$3,071,460
Vanguard Small-Cap Value Index	Small Value	VSIAX	4	\$2,354,675
Vanguard Total Bond Market Index	Intermediate-Term Bond	VBPIX	4	\$109,951,484
Vanguard Total International Stock Index	Foreign Large Blend	VTSNX	3	\$79,100,616
Vanguard Total Stock Market Index	Large Blend	VITSX	4	\$148,843,666
Vanguard Value Index	Large Value	VVIAX	4	\$4,576,796

\*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	Watch	\$76,227,604
DFA U.S. Small Cap Value	Watch	Watch	\$521,806
Dodge & Cox International Stock	Watch	Watch	\$1,651,120
Fidelity Advisor Investment Grade Bond	Positive	Positive	\$3,773,469
Mainstay Total Return Bond	Positive	Positive	\$92,590,323
PIMCO Short-Term	Positive	Positive	\$138,569,959
T. Rowe Price Balanced	Positive	Positive	\$48,769,742
T. Rowe Price Large-Cap Growth	Positive	Positive	\$97,888,436
Vanguard 500 Index	Positive	Positive	\$26,022,646
Vanguard Explorer	Positive	Positive	\$1,464,318
Vanguard Extended Market Index	Positive	Positive	\$1,523,869
Vanguard Growth Index	Positive	Positive	\$14,227,839
Vanguard Inflation-Protected Securities	Positive	Positive	\$1,828,734
Vanguard Mid-Cap Index	Positive	Positive	\$7,292,272
Vanguard Prime Money Market	Positive	Positive	\$29,617,360
Vanguard Real Estate Index(REIT Index)	Positive	Positive	\$21,705,559
Vanguard Short Term Bond	Positive	Positive	\$48,382,670
Vanguard Short-Term Infl-Protected	Positive	Positive	\$25,730,560
Vanguard Small-Cap Growth Index	Positive	Positive	\$5,869,969
Vanguard Small-Cap Index	Positive	Positive	\$3,071,460
Vanguard Small-Cap Value Index	Positive	Positive	\$2,354,675
Vanguard Total Bond Market Index	Positive	Positive	\$109,951,484
Vanguard Total International Stock Index	Positive	Positive	\$79,100,616
Vanguard Total Stock Market Index	Positive	Positive	\$148,843,666
Vanguard Value Index	Positive	Positive	\$4,576,796

\*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

### T. Rowe US Large Cap Growth Associate PM Change

T. Rowe Price recently announced that effective April 30, 2020, David Rowlett, associate portfolio manager of the US Large-Cap Growth Equity Strategy, will transition to become associate portfolio manager of the US Large-Cap Core Equity Strategy. TRowe decided to make this strategic resource shift to support the growing US Large-Cap Core franchise and its expanding institutional requirements. David will support Jeff Rottinghaus, the US Large-Cap Core portfolio manager, with a focus on idea generation as well as partnering with the distribution team to meet the needs of external constituents. David will collaborate with the other large-cap core investors to develop a team focus, allowing more robust communication and idea sharing to drive performance across our large-cap core strategies.

Taymour Tamaddon, the US Large-Cap Growth portfolio manager, will continue to be supported by Ron Taylor, a 16-year portfolio specialist on the strategy. Eric DeVilbiss and Paul Greene, who were recently named associate portfolio managers on the large-cap growth investment team, are also resources for Taymour.

Rowlett was mainly responsible for helping Tamaddon vet ideas, particularly in the industrials sector, and participating on retail channel marketing meetings/calls. Going forward, Tamaddon will take vey ideas with the other new associate portfolio managers and portfolio specialist Ron Taylor will likely take over the retail channel marketing meetings. Tamaddon will reassess after 12-18 months to see if he needs to bring on another team member as associate portfolio manager to replace Rowlett.

## Watch List

## Watch List

*The following Funds are recommended to be added to the Watch List:*

### **American Century Short Duration Inflation Protection Bond (Advisor)**

**Availability:** This fund is an individual option.  
**Issue:** American Century Short Duration Inflation Protection Bond is recommended to be added to Watch List due to performance issues.  
**Analysis:** Over the trailing three and five-year periods the fund ranks in the 88<sup>th</sup> percentile of peers and underperformed the Bloomberg US TIPS 0-5 index by 0.59% and 0.29% respectively. The one year period lags the Bloomberg US TIPS 0-5 index by 1.54%. The fund posted a first quarter return of -2.04% lagging the benchmark return of -0.69%.  
**Recommendation:** Watch list  
**Date on Watch:** May 2020  
**Plan Assets:** \$69,945,121

### **DFA Large Cap Value (Advisor and Direct)**

**Availability:** This fund is an individual option.  
**Issue:** DFA U.S. Large Cap Value is recommended to add to Watch List due to performance issues.  
**Analysis:** Over the trailing three and five-year period the fund ranks in the 82<sup>nd</sup> and 62<sup>nd</sup> percentile of peers and underperformed the Russell 1000 Value index by 2.28% and 1.15% respectively. The one year period lags the Russell 1000 Value index by 5.3%. The fund posted a first quarter return of -31.52% lagging the benchmark return of 26.73%.  
**Recommendation:** Watch list  
**Date on Watch:** May 2020  
**Plan Assets:** \$76,227,604

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

### **Credit Suisse Commodities Fund (Advisor Plan)**

**Availability:** This fund is an individual option and an underlying fund.  
**Issue:** Performance  
**Analysis:** During the first quarter the fund outperformed the benchmark by 1.23% and ranked in the 24<sup>th</sup> percentile. Performance also beat the index for the 1-, 5- and 7-year periods. The fund's performance is in line with the benchmark for the 3-year period and ranks in the 48<sup>th</sup> percentile of peers.  
**Recommendation:** Remove from watch list  
**Date on Watch:** February 2020  
**Plan Assets:** \$12,972,969

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

**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 85<sup>th</sup> percentile of peers and underperformed the Russell 2000 Value index by 3.23%. The one year period lags the Russell 2000 Value index by 3.36%. The fund posted a first quarter return of -39.02% lagging the benchmark return of -35.66%.  
**Recommendation:** Watch list  
**Date on Watch:** December 2018  
**Plan Assets:** \$521,805

**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 85<sup>th</sup> percentile of peers and lagged the MSCI EAFE index by 5.6%. The one year lagged the MSCI EAFE index by 7.9% and ranks in the 83<sup>rd</sup> percentile of peers. This quarter the fund posted a return of -30.50% underperforming the -22.83% return of the benchmark.  
**Recommendation:** Watch list  
**Date on Watch:** August 2018  
**Plan Assets:** \$1,651,119

**The BlackRock Inflation-protected Bond Fund (Advisor Plan)**

**Availability:** This fund is an individual option.  
**Issue:** During the first quarter, the fund posted a return of 0.68% vs. the 1.69% return of the benchmark. Longer term performance lags the benchmark and median peer over the 3 and 5-year periods.  
**Analysis:** N/A  
**Recommendation:** This fund was removed as an investment option the last week of April 2020.  
**Date on Watch:** August 2015  
**Plan Assets:** \$2,253,001

**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 86<sup>th</sup> percentile among peers. The Fund lagged the benchmark by 0.37% for the last 3 years and ranks in the 59<sup>th</sup> percentile among peers. This quarter, the Fund underperformed the High Yield II Index by 0.66% and ranked in the 67<sup>th</sup> percentile of Callan High Yield Mutual Fund peer group.  
**Recommendation:** Watch list  
**Date on Watch:** August 10, 2016  
**Plan Assets:** \$39,823,384

#### **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 1.88% for the last 5 years and by 1.23% for the last 3 years. The Fund ranks in the 46<sup>th</sup> 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 49<sup>th</sup> percentile of peers. This quarter the Fund outperformed the S&P 500 Index by 0.7% and ranked in the 31<sup>st</sup> percentile of its peer group. The longer-term underperformance is driven by the significant underperformance in 2015 and first half of 2016.  
**Recommendation:** This fund was removed as an investment option the last week of April 2020.  
**Date on Watch:** August 10, 2016  
**Plan Assets:** \$5,999,060

#### **William Blair Small Cap Value (Advisor Plan)**

**Availability:** This fund is offered as an individual option  
**Original Issue:** Underperformance  
**Analysis:** During the first quarter the Fund had a return of -34.89% which outperformed the benchmark by 0.69% and ranked in the 45<sup>th</sup> percentile of Callan's Small Cap Value Mutual Fund peer group. For the three year period, the Fund lags the benchmark by 1.3% and ranks in the 66<sup>th</sup> percentile of peers. The 5-year return trails the benchmark by 1.12% and ranks in the 64<sup>th</sup> percentile of peers.  
**Recommendation:** Watch list  
**Date on Watch:** May 16, 2018  
**Plan Assets:** \$6,997,092

#### **Templeton Global Bond Fund (Advisor Plan)**

**Availability:** This fund is an individual option and an underlying fund.  
**Issue:** Performance and senior analyst departure

**Analysis:** The fund's performance trails the benchmark by 3.7% for the three-year period and ranks in the 76<sup>th</sup> percentile of the peer group. Senior analyst, Shlomi Kramer, of the Global Macro team left the firm at the end of 2019. This quarter the fund returned -3.97% trailing the benchmark by 2.09% and ranking in the 45<sup>th</sup> percentile of peers.

**Recommendation:** Watch list

**Date on Watch:** February 2020

**Plan Assets:** \$38,333,232

## **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 75<sup>th</sup> 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.