

**Annual Report  
of the  
Alabama Prepaid Affordable  
College Tuition (PACT),  
CollegeCounts and ABLE  
(Achieving a Better Life  
Experience) Programs**



**December 17, 2021**

***Submitted by the Office of the State Treasurer in  
accordance with Act 2010-725 & Section 16-33C-12  
of the Code of Alabama***

**Annual Report of the  
Alabama Prepaid Affordable College Tuition (PACT),  
CollegeCounts and ABLE (Achieving a Better Life Experience)  
Programs**

**December 17, 2021**

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**STATE OF ALABAMA**  
**OFFICE OF STATE TREASURER**

State Capitol, 600 Dexter Avenue, S-106  
Montgomery, Alabama 36104

**YOUNG BOOZER**  
TREASURER

December 17, 2021

TO: Governor Kay Ivey  
Lieutenant Governor Will Ainsworth  
Speaker Mac McCutcheon

RE: **FY21 Annual Report of PACT, CollegeCounts & ABLE Programs**

Per the requirements of *Act No. 2010-725* regarding Alabama's Prepaid College Tuition Program (PACT) and Section 16-33C-12 of the Code of Alabama regarding Alabama's CollegeCounts and Achieving a Better Life Experience Program (ABLE) Programs, enclosed is the 2021 Annual Report of the three programs.

Highlights of the PACT Program:

- At its meeting on May 25, 2021, the Board approved a 10% increase in the rate paid for tuition and fees, effective fall semester 2021.
- There have been seven consecutive increases to tuition and fees paid by the Program.
- At fiscal year-end the actuarial funded ratio was 119.4%.
- The current number of active accounts is 9,694.
- PACT remains actuarially sound, and operations continue to run efficiently and cost effectively.

Highlights of the CollegeCounts Program:

- Morningstar Ratings: Direct Plan is Bronze rated and Advisor Plan is Neutral.
- As of September 30, 2021, total assets are \$2.392 billion with 101,476 accounts.
- Of the total assets above, 67,793 are Alabama accounts and hold \$1.53 billion in Alabama assets.

Highlights of the ABLE Program:

- Contracted with Sunday Administration, LLC to be the Program Manager through 2/1/26.
- As of September 30, 2021, there are 158 active accounts and assets of \$669,724.

The full fiscal year 2021 Actuarial Report and annual audit of the PACT Program, as well as end of year reports for the Savings Board (CollegeCounts and ABLE Programs) are available on the State Treasury website at [www.treasury.alabama.gov](http://www.treasury.alabama.gov). Please contact me with any questions at (334) 242-7501.

Respectfully submitted,



Young Boozer  
State Treasurer and Chair, PACT Board of Trustees and Savings Board of Trustees

CC: Rep. Steve Clouse  
Rep. Danny Garrett  
Senate Pres. Pro Tem Del Marsh  
Sen. Arthur Orr  
PACT Board members

# PACT Funded Status As of September 30, 2021

## Appendix A

a. Market Value of Assets	\$90,303,872
b. Actuarial present value of future payments expected to be made to the fund by contract purchasers	1,425,038
c. Actuarial present value of future expenses	(4,466,222)
d. Actuarial present value of future Education Trust Fund payments expected to be made to the fund by the State	<u>192,055,093</u>
e. Subtotal (a + b + c + d)	\$279,317,781
f. Actuarial present value of future payments expected to be made from the trust fund to universities for tuition and mandatory fees, and to purchasers upon contract cancellation	<u>233,164,606</u>
g. Reserve as of September 30, 2021 (e - f)	<u><u>\$46,153,175</u></u>

**PACT Cash Flow, Asset and Liability Projection  
As of September 30, 2021**

**Appendix C**

(amounts are shown in \$1,000s)

<u>Fiscal Year End</u>	<u>Contract Payments</u>	<u>Education Trust Fund</u>	<u>Payments Out of Trust Fund</u>	<u>Administrative Expenses</u>	<u>Assets</u>	<u>Liabilities End of Year</u>
9/30/2021					\$ 90,300	\$ 233,165
9/30/2022	\$ 800	\$ 32,200	\$ -67,700	\$ - 600	55,000	165,462
9/30/2023	400	33,500	-54,300	- 600	34,000	116,937
9/30/2024	200	33,700	-43,200	- 600	24,100	77,813
9/30/2025	100	38,400	-32,900	- 600	29,200	47,676
9/30/2026	0	39,200	-22,800	- 600	45,000	26,565
9/30/2027	0	32,500	-11,900	- 600	65,100	15,493
9/30/2028	0	0	- 7,800	- 500	57,400	8,302
9/30/2029	0	0	- 5,000	- 400	52,600	3,609
9/30/2030	0	0	- 2,600	- 300	50,100	1,121
9/30/2031	0	0	- 1,000	- 200	49,400	147
9/30/2032	0	0	- 100	- 100	49,700	0

**PACT Board Member Demographic Information  
(As of December 2021)**

Race:	15 Caucasian	
Gender:	14 males	1 female
Urban or rural resident:	11 urban	4 rural
Employed:	14 yes	1 no (retired)
Highest education level completed:	High School/Continuing Education:	
	Bachelor's Degree:	5
	Master's Degree:	6
	Juris Doctorate:	1
	Ph.D.:	3
	Other	
2021 combined household income:	0-\$999:	
	\$1,000-\$9,999:	
	\$10,000-\$49,999:	
	\$50,000-\$149,999:	4
	\$150,000-\$249,999:	5
	\$250,000 or more:	6