

May 16, 2018



**CollegeCounts, Alabama 529
Savings Program
Executive Summary
First Quarter 2018**

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Market Environment

First Quarter Market Environment

Global Economy

Real gross domestic product (GDP) increased at an annual rate of 2.3% in the first quarter of 2018, according to the "advance" estimate released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 2.9%. The U.S. unemployment rate of 4.1% is the lowest since 2000 while inflation pressures remain modest given the length of the economic expansion and tight labor markets. Several geopolitical issues continue to drive uncertainty about future global economic growth, including President Trump's actions relating to trade negotiations and potential conflict with Russia and North Korea given recent sanctions over their threatening behavior. Outside the U.S., economic activity across the Euro zone remained solid despite high unemployment rate of 8.6%; Japan appears to be on a solid footing, while China's growth is being tempered by calls for economic and trade reforms.

- The Fed raises its target
 - Targeting Fed Fund range of 1.50 % – 1.75%
 - New Fed Chair, Jerome Powell, announced his first rate hike in March
 - Market projecting another two hikes this year, and three to four more in 2019

- Inflation notched higher
 - Headline CPI +2.3% as of February (year-over-year)
 - Core CPI was +1.9%
 - Estimates for Personal and Disposable Personal Income both increased by 0.4% in February

- Unemployment rate sunk further to 4.1%
 - Lowest unemployment rate since 2000

- Strong corporate earnings
 - Supported by recent tax cuts
 - February IBES estimates : anticipating another year of strong EPS growth of nearly 20%

- Existing home sales bounced back in February
 - Current sales 1.1% above a year ago (after two straight months of declines)

- Geopolitical tensions add to uncertainty

- Euro area GDP growth continued to hover above 2%
 - Unemployment still trended lower: 8.6% as of January 2018
 - Inflation remained manageable at just over 1% as of February

- Political risks remain within Eurozone
 - Uncertainty around Italy's ability to manage coalition talks
 - Ongoing Brexit-related negotiations between the U.K. and European Union

- Japan shows strength
 - 4th quarter GDP +2.0%
 - Unemployment rate continued to decline to 2.5% as of February
 - Wage growth ticked up slightly to 0.8% as of January
 - CPI rose by 1.5% y-o-y in February
 - GDP is expected to boost from 2020 Tokyo Olympics-related spending in the coming quarters

- China continues to target healthy growth in challenging economic and geopolitical environment
 - Targeting growth around 6.5%
 - The market remained focused on the country's ability to balance much-needed supply-side reform
 - Growing trade-related tensions between the U.S. and China continue to be an area of concern

Fixed Income

Through the first two months of the first quarter, the 10-year U.S. Treasury yield marched steadily higher on the heels of positive economic data, only to fall through March as equity market weakness and concerns over a looming trade war pushed yields lower. Municipal bonds underperformed Treasuries in the first quarter in spite of shrinking supply and continued inflows to the sector. Conversely, non-U.S. fixed income market returns benefited from U.S. dollar weakness.

- Yields rise
 - The 10-year U.S. Treasury yield climbed up to a peak of nearly 3% before closing at 2.74%, 34 bps higher than at year-end
 - The 2-year U.S. Treasury yield rose nearly 40 bps to their highest level since 2008, closing the quarter at 2.27%

- U.S. Aggregate Bond Index fell 1.5% for the quarter
 - Corporate and securitized sectors underperformed Treasuries for the first time in many quarters

- High yield corporates suffered outflows
 - Bloomberg High Yield Corporate Index: -0.9%

- Short term credits and leveraged loans benefited from higher rates
 - The S&P/LSTA Leveraged Loan 100 Index rose 1.4%

- Currency movements drove global fixed income returns more than interest rate changes
 - Bloomberg Global Aggregate ex-U.S. (hedged): -0.1%
 - Bloomberg Global Aggregate ex-U.S. (unhedged): +1.4%
 - Emerging markets debt delivered muted returns
 - Credit underperformed government bonds
 - Local currency emerging markets debt was a top performing asset class: local currency-denominated JPM GBI-EM Global Diversified Index returned +4.4% in Q1

- Spreads widened in sympathy with the broader risk-off environment: U.S. Dollar-denominated JPM EMBI Global Diversified Index returned -1.7% in Q1

U.S. Equity

Volatility returned to U.S. equity markets in February and March, spurred by an unexpected uptick in wage gains, geopolitical tensions, and a looming threat of a trade war. The S&P 500 Index saw six days of movements greater than 2% during the quarter versus zero 2% swings in all of 2017; ultimately the benchmark fell 0.8% which is its first quarterly loss since 2015. This modest loss belied volatile intra-quarter results where the S&P 500 reached a record high on January 26, then fell about 8% to close the quarter

- Small caps outperformed large caps across style
 - S&P 500: -0.8%
 - Russell 2000: -0.1%
- Growth outperformed value for the quarter
 - Russell Growth: +1.4% vs. Russell 1000 Value: -2.8%
 - Russell Growth: +2.3% vs. Russell 2000 Value: -2.6%
- Volatility Surges
 - Biggest jump ever recorded, albeit from historically low levels
 - VIX spiked 116% on Feb 5 when the market sank 4%
- Consumer Discretionary and Technology lead the S&P
 - Both up by more than 3%
 - Amazon (+24%) and Netflix (+54%) were key drivers
 - High-flying tech stocks - “FAAMG” - experienced volatility and divergence of returns:

	QTD
Facebook	-9.45%
Apple	-0.48%
Amazon	23.76%
Microsoft	7.19%
Google (Alphabet A&C)	-2.94%

- Consumer Staples and Telecommunication were laggards; both fell by more than 7%

International Equity

Most non-U.S. markets also posted negative results in local terms, however a weakening U.S. dollar benefited U.S.-based investors. Emerging Markets were one of the only market segments to generate positive results for the quarter.

- Currency
 - Most major Developed Market currencies rose vs. the U.S. Dollar
 - Emerging Market currencies appreciated vs. the U.S. Dollar, with exceptions to the Indian Rupee and Philippine Peso
 - Growing worries over a trade war with China
 - Signs that rates may be poised to rise in other countries as global economies improve
- Developed markets
 - MSCI EAFE: -1.5% in USD terms; -4.3% in local terms
 - Japan's equity benchmark fell by nearly 6% in local terms, but was up +0.8% in U.S. dollar terms due to the strength of yen
 - U.K. market posted -8% in local terms but -4% in USD terms due to pound's appreciation
 - Utilities (+1.3%) and Technology (+1.1%) were the best performers; Telecommunications (-3.9%) and Materials (-3.8%) were laggards
- Emerging Markets
 - MSCI EM USD: +1.4%
 - BRICs: Brazil (+12.4%); Russia (+9.4%); India (-7%); China (+1.8%)
 - Energy (+7.5%) and Health Care (+7%) were the top contributors; Technology posted a modest gain of just over 2%; Consumer Discretionary fell by 6.1% mostly in India, Mexico and UAE

Liquid Real Assets

Commodities were among the top-performing major asset classes in the first quarter of 2018 as strong grain and crude-oil prices offset weak livestock and base metal performance.

- Brent crude oil prices closed the quarter at \$66.31/barrel, highest since 2014
- Commodities indices mixed
 - The energy-heavy S&P GSCI Commodity Index was up +4.8% while the more diversified Bloomberg Commodity Index was down -0.4%
 - Despite higher crude prices, the S&P Energy sector underperformed (-6%) as the market appears skeptical that the rise in Oil prices can be sustained over the longer term
 - Gold shines, Industrial and Precious Metals Mixed
 - S&P Gold Spot Price Index: +1.4%
 - Wide dispersion within the Industrial Metals sub-sector: Nickel was up +4% while Aluminum was down -12%
 - Outside of Gold, other key Precious Metals underperformed during the quarter: Platinum slightly down -0.75% and Silver down -5%
 - Agriculture was the largest contributor (within the S&P GSCI), led by Corn, Soybeans, and Wheat
- Master Limited Partnerships continued to decline in spite of rising oil prices
 - Alerian MLP Index down -11% on rate hike concerns and the negative ruling by FERC on March 14, which led to a widespread sell-off across the sector
 - Listed Infrastructure and Real Estate posted negative returns
 - DJ-Brookfield Global Infrastructure Index: -5.3%
 - MSCI U.S. REIT Index: -8.4%
 - MSCI World REIT Index: -3.8%
 - TIPS outperformed nominal Treasuries
 - Bloomberg Barclays U.S. TIPS Index: -0.8%
 - 10-yr Breakeven Inflation Rate at 2.05% as of March 29

Capital Markets Preview

U.S. EQUITY

Volatility returned in the 1st quarter of 2018, with the Dow and S&P 500 both ending the quarter down—a first since the 3rd quarter of 2015. After starting strong on the back of solid earnings and tax reform, U.S. equities faltered in the second half over concerns about a more aggressive global trade policy and uncertainty over the pace of interest rate hikes. The S&P 500 (-0.8%) experienced a marked increase in volatility, with six days of movements greater than 2% during the quarter (versus none in 2017). Volatility as measured by the VIX index reached a quarterly high of 116% on Feb. 5 when the market sank 4%.

Small Cap Outperforms Large Cap

(Russell 1000: -0.7%; Russell 2000: -0.1%)

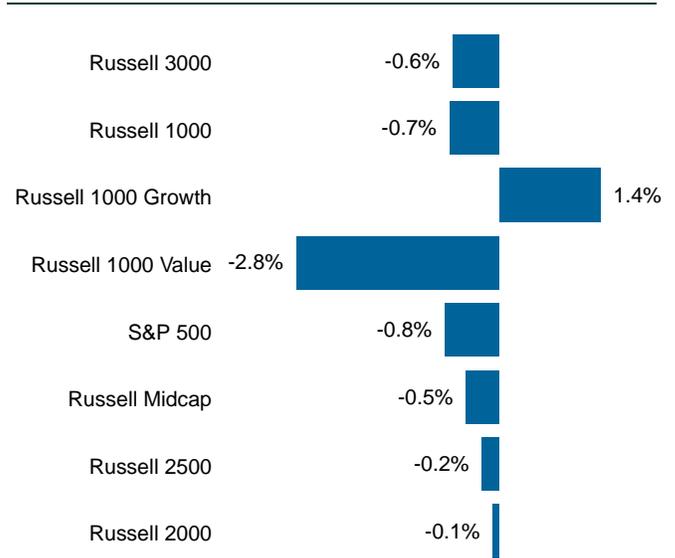
- The prospect of a trade war with China weighed on large caps since many of these companies are exposed to international markets (S&P 500 aggregate is ~40%) while small caps were less impacted as they tend to have a higher proportion of their revenue exposure from domestic markets (~80-90%) and benefit from a more protectionist policy.
- In mid-March, mega-cap Tech firms saw their stock prices drop in the wake of Facebook’s Cambridge Analytica scandal, leading to declining trust for the industry and negative investor sentiment. The market began pricing in the potential for more regulatory oversight for these internet companies. Performance for the “FANGs” split during the quarter, with Facebook and Google down while Netflix and Amazon advanced.

Value Continued to Trail Growth

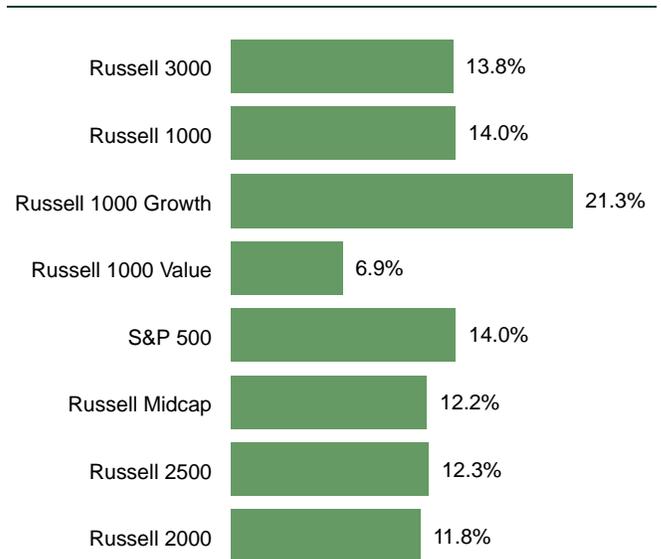
(Russell 1000 Growth: +1.4%; Russell 1000 Value: -2.8%)

- Value trailed as the prospect of increased inflation and accelerating interest rates weighed on interest rate-sensitive sectors (Financials: -1.0%, Real Estate: -5.0%, Utilities: -3.3%).
- Energy (-5.9%) also took a hit despite a more promising outlook for the sector as the Saudis agreed to continued oil production cuts into 2019; performance for 1Q18 was impacted by Exxon Mobil and Chevron missing 4Q17 earnings expectations.

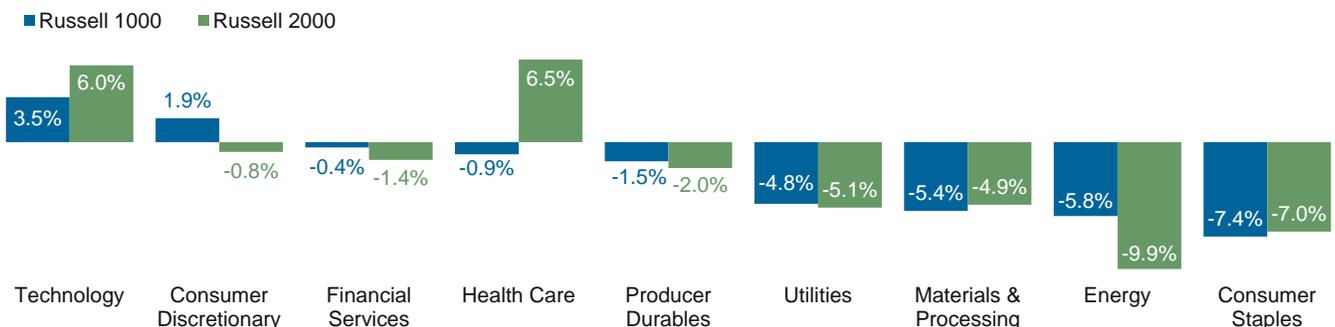
U.S. Equity: Quarterly Returns



U.S. Equity: One-Year Returns



Russell Sector Returns, Quarter ended March 31, 2018



Sources: FTSE Russell, Standard & Poor’s

Defensive Sectors Underperformed Cyclical

- Despite the increased volatility and price drop in the broader index, defensive sectors underperformed cyclicals due in large part to the rising interest rate environment. Technology (+3.5%) and Consumer Discretionary (+3.1%) were the only two sectors that posted positive returns.
- Telecommunications (-7.5%) and Staples (-7.1%) were the two worst-performing sectors.

NON-U.S./GLOBAL EQUITY

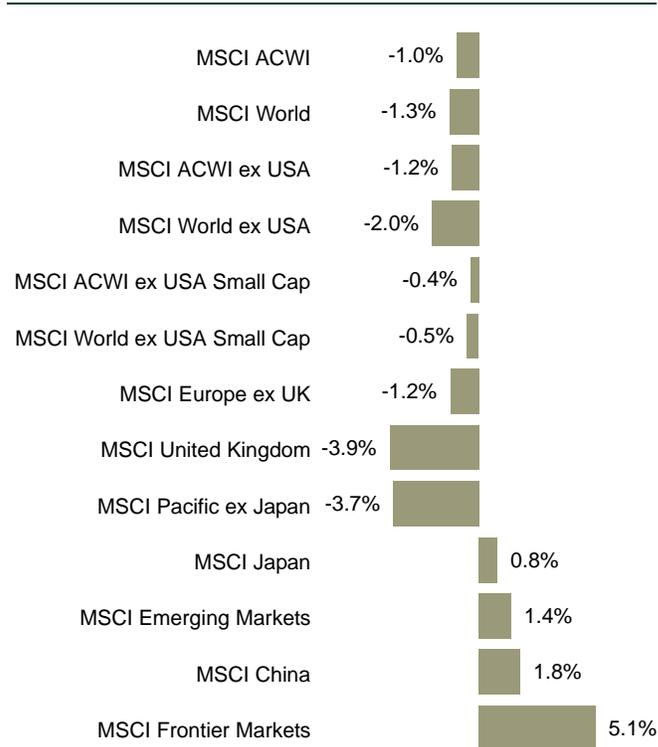
Non-U.S. developed equity underperformed U.S. as non-U.S. equity markets were spooked by geopolitical tension and market volatility along with fears of rising U.S. interest rates and inflation despite positive economic data. Emerging markets continued to outpace developed, fueled by a soft dollar and synchronized global growth; however, fears of inflation and its implication on the trajectory of U.S. monetary policy—as well as a potential trade war with China—weighed on the market. Developed non-U.S. small cap outperformed large cap given the risk-on market environment spurred by synchronized global growth.

Global/Non-U.S. Developed

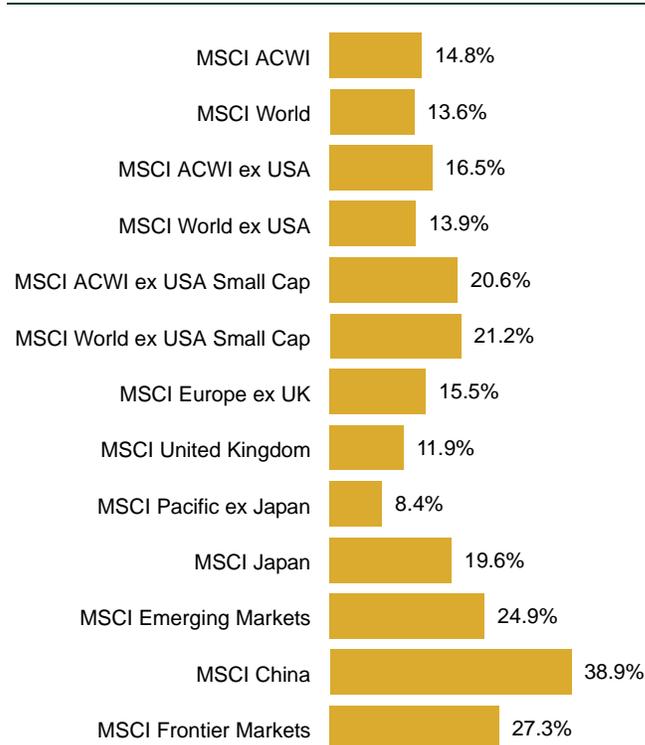
(MSCI EAFE: -1.5%; MSCI Europe: -2.0%; MSCI Japan: +0.8%; MSCI World ex USA: -2.0%)

- The dollar lost ground to the euro and yen, which buoyed returns for their respective regions.
- Euro-zone recovery continued, with GDP growth of 2.7% in the recent quarter year-over-year driving the currency up 2%—and the pound by nearly 4%—relative to the dollar.
- Japan’s economy grew by 1.6% fueled by infrastructure development ahead of the 2020 Olympics, enabling the yen to surge by 6% relative to the dollar.
- The only sectors that posted positive returns were Consumer Discretionary, Tech, and Utilities.
- Positive earnings supported the Tech sector (top performer), and Utilities benefited as investors fled to safety amid market volatility and yield curve flattening in March.
- Telecom struggled as competition for wireless services within the euro-zone eroded profitability, and Staples was notably challenged due to fears of interest rate normalization and the prospect of beleaguered growth.
- Growth outpaced value and earnings growth and quality factors were in favor as markets were jittery in light of the aforementioned looming risks. As such, high beta cyclical sectors and factors struggled.

Global Equity: Quarterly Returns



Global Equity: One-Year Returns



Source: MSCI

Emerging Markets (MSCI EM: +1.4%)

- Brazil and Russia were among the best performers due to climbing oil prices and improving economic conditions.
- China continued to thrive despite U.S.-China trade tension and a slowdown for Chinese Tech companies; China's supply-side reforms are kicking in and economic growth in retail and home sales exceeded expectations, driving up returns for the Financials and Real Estate sectors.
- Although India announced better-than-expected GDP growth of 7.2%, the country notably lagged due to poor market sentiment surrounding asset-quality issues at large state-owned banks and relative valuations of Indian equities.
- Energy was the best performer supported by rising oil prices; conversely, Consumer Discretionary was the worst sector performer, weighed down by India.
- Value and sentiment factors were in favor as the economic recovery story gained traction and momentum; however, quality factors also added value given the mid-cycle of the recovery.

International Small Cap (MSCI World ex USA Small Cap: -0.5%; MSCI EM Small Cap: +0.2%)

- Developed non-U.S. small cap outperformed large cap given the risk-on market environment spurred by synchronized global growth, although within Emerging Markets, small cap lagged large cap.
- Growth was favored in both developed and emerging market small cap as growth-oriented sectors such as Health Care and Consumer Staples outperformed cyclical sectors.

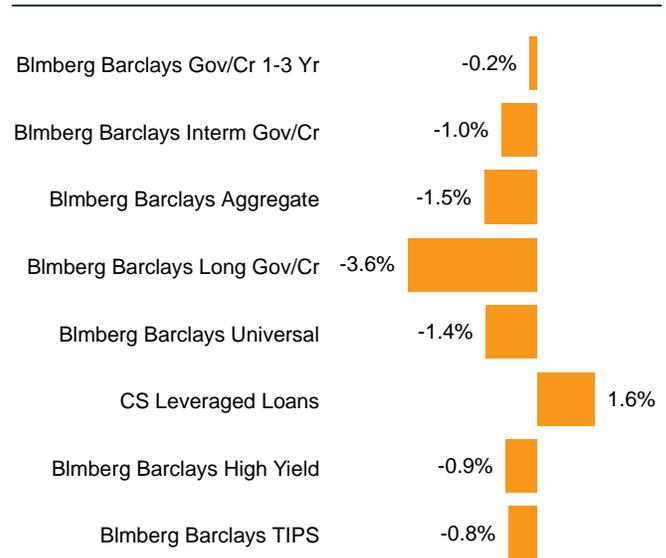
FIXED INCOME

Going into 2018, U.S. markets continued to rally higher due to solid economic data, passage of the U.S. tax reform, and rising expectations for corporate earnings growth. However, optimism quickly vanished as investors turned their focus to rising wage pressures, policy uncertainties surrounding the new incoming Fed Chair Jerome Powell, and escalating trade tensions between the U.S. and China. The 10-year U.S. Treasury yield steadily rose to nearly 3% from a low of 2.41% at the start of the year, before declining to close the quarter at 2.74%. Corporate risk premia similarly tightened then widened for both investment grade and high yield corporates. Strong investor demand and fewer new corporate issuances compared to the same period last year helped offset some of the declines from rising rates and increased spread volatility during the quarter.

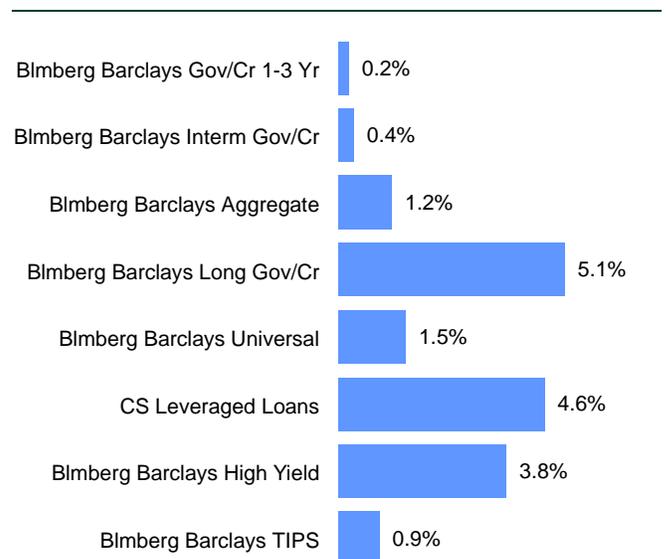
The Bloomberg Barclays US Aggregate Bond Index returned -1.5%

- Volatility picked up across risk assets as geopolitical uncertainties took center stage; market expectations reflect the possibility of four rate hikes, up from three at the end of 2017.
- Interest rates rose ~30bps across the U.S. Treasury yield curve.
- The 10-year U.S. Treasury yield rose from 2.41% to 2.74%.

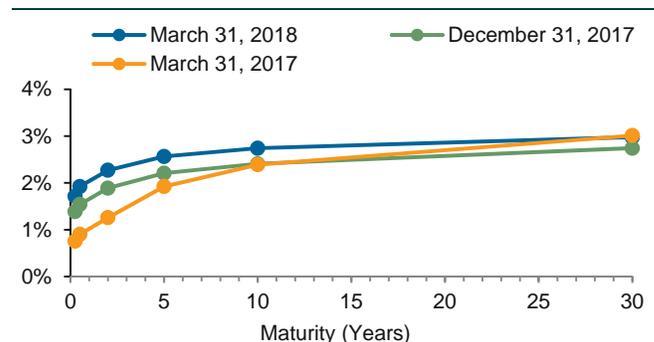
U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



U.S. Treasury Yield Curves



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

Investment grade corporates returned -2.3% and underperformed the Aggregate Index

- Investors were fairly sanguine as they reassessed fairly healthy balance sheets juxtaposed with fair/rich valuations.
- New issuance was down 13% when compared to a similar time period a year ago, yet demand remained strong with 2-3x oversubscriptions.

High yield corporates returned -0.9% and outperformed the US Aggregate Index

- Corporate fundamentals remained healthy as earnings growth supported debt coverage.
- Default rates remained benign because many companies had already reorganized debt in 2016.
- Approx. 75% of new issuance proceeds were used for refinancing.
- Valuations remained near historical highs.

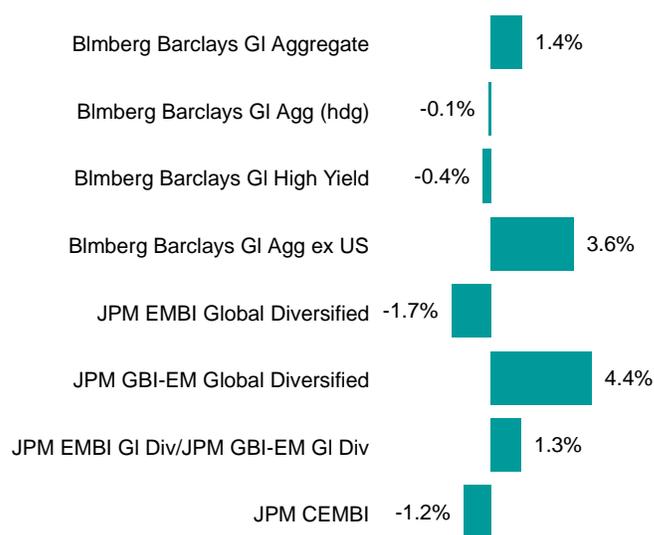
Bank loans returned +1.4% and outperformed the Aggregate.

- Healthy balance sheets, strong demand for CLO formation, and higher short-term interest rates bode well for the sector this quarter.
- Demand from CLO formation continued to lead to interest in bank loans.

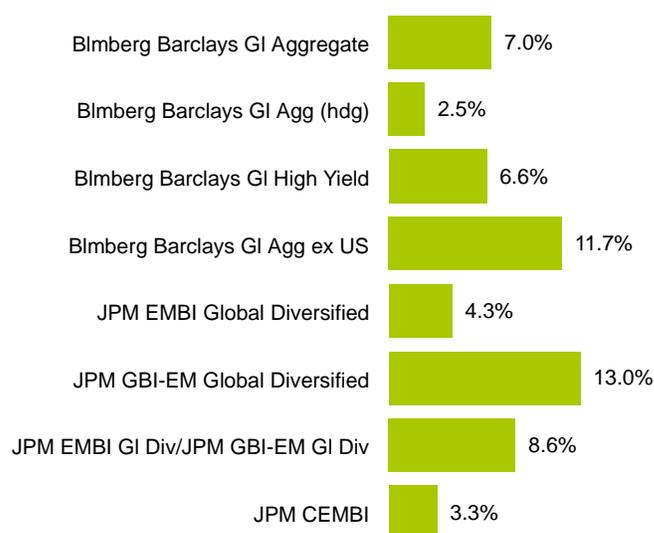
EMD returned +4.4% as returns were positive for most countries in local currency terms.

- Mexico, 10% by weight of the Index, returned 11% due mostly to strong appreciation of the Mexican peso on speculation that an agreement would be reached on NAFTA.
- South Africa, also 10% of the Index, returned 13% from the rand hitting a multi-year high after scandal-ridden President Zuma resigned. Falling rates also supported performance.

Global Fixed Income: Quarterly Returns

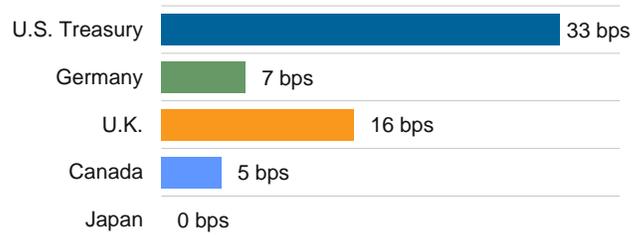


Global Fixed Income: One-Year Returns



Change in 10-Year Global Government Bond Yields

4Q17 to 1Q18



Sources: Bloomberg, Bloomberg Barclays, JP Morgan

Range of Mutual Fund Returns

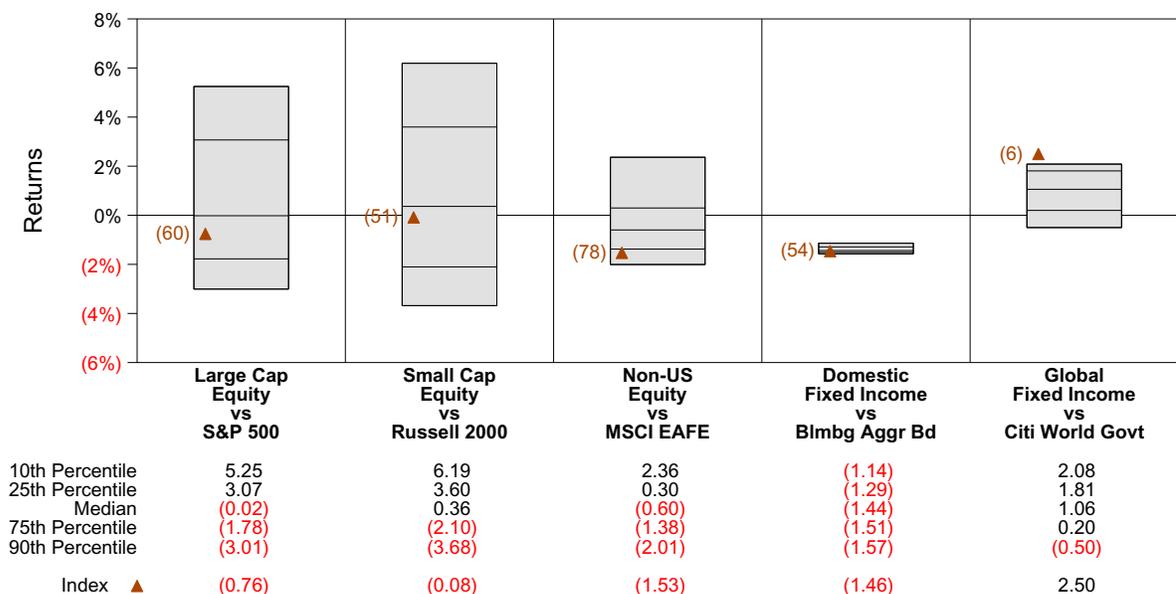
Market Overview

Active Management vs Index Returns

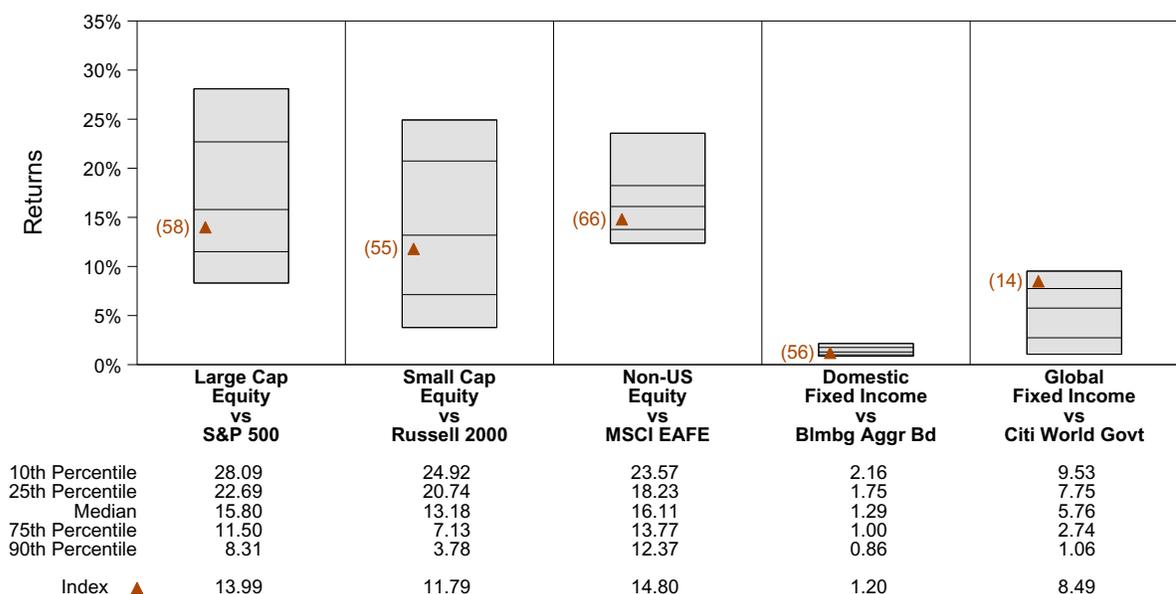
Market Overview

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, 2018



Range of Mutual Fund Returns by Asset Class One Year Ended March 31, 2018

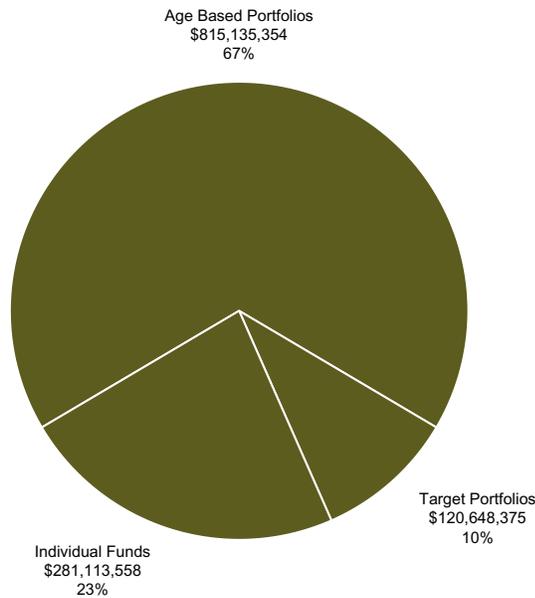


Advisor Plan Performance

Changes in Investment Fund Balances Period Ended March 31, 2018

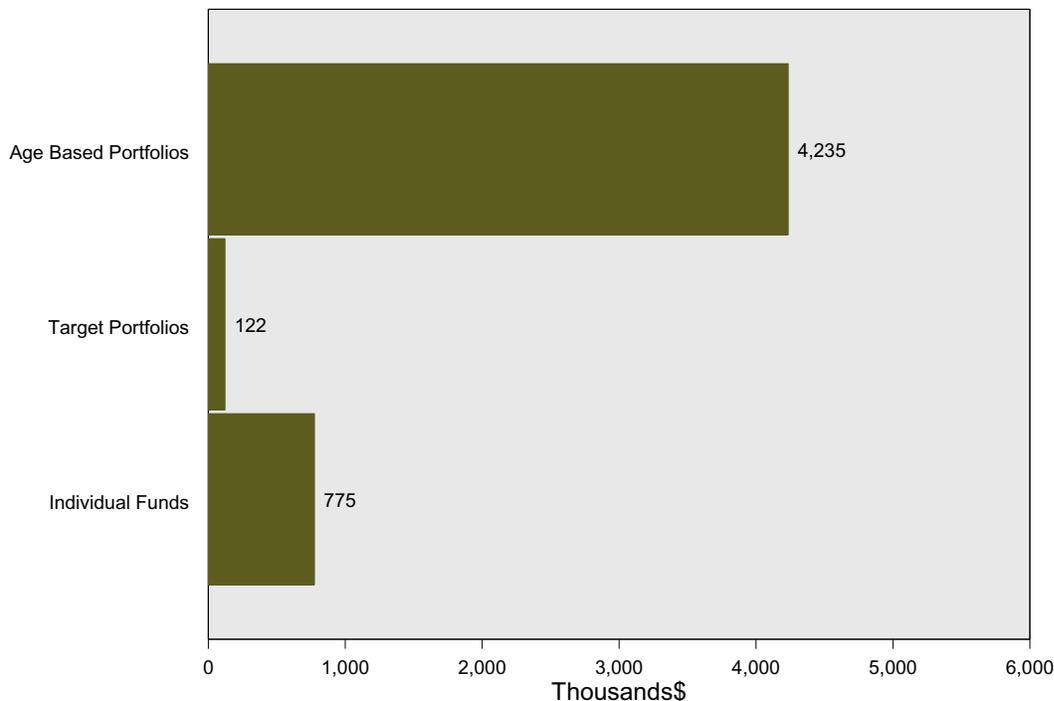
Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options as of March 31, 2018.



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, 2018. 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, 2018 with that of December 31, 2017. 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, 2018				December 31, 2017	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Age Based Portfolios	\$815,135,354	66.98%	\$7,937,496	\$(3,702,439)	\$810,900,297	66.92%
Aggressive	\$432,783,926	35.56%	\$4,443,428	\$(1,952,659)	\$430,293,157	35.51%
0-2 years (Fund 100)	8,710,311	0.72%	220,171	(28,539)	8,518,679	0.70%
3-5 years (Fund 90)	25,841,007	2.12%	1,058,787	(103,098)	24,885,318	2.05%
6-8 years (Fund 80)	35,413,284	2.91%	(614,156)	(109,965)	36,137,405	2.98%
9-10 years (Fund 70)	39,254,106	3.23%	(1,039,675)	(175,189)	40,468,970	3.34%
11-12 years (Fund 60)	55,205,120	4.54%	(405,152)	(233,152)	55,843,424	4.61%
13-14 years (Fund 50)	80,012,426	6.58%	(2,251,963)	(424,832)	82,689,221	6.82%
15-16 years (Fund 40)	77,828,553	6.40%	3,634,576	(343,658)	74,537,635	6.15%
17-18 years (Fund 30)	61,903,444	5.09%	464,634	(313,493)	61,752,303	5.10%
19+ years (Fund 20)	48,615,675	4.00%	3,376,206	(220,733)	45,460,202	3.75%
Moderate	\$349,256,227	28.70%	\$3,788,807	\$(1,629,420)	\$347,096,840	28.64%
0-2 years (Fund 90)	5,998,423	0.49%	290,197	(26,207)	5,734,433	0.47%
3-5 years (Fund 80)	16,915,839	1.39%	(643,682)	(62,355)	17,621,876	1.45%
6-8 years (Fund 70)	29,800,411	2.45%	(248,293)	(147,912)	30,196,616	2.49%
9-10 years (Fund 60)	28,926,135	2.38%	(659,177)	(166,018)	29,751,330	2.46%
11-12 years (Fund 50)	36,561,800	3.00%	604,600	(206,176)	36,163,376	2.98%
13-14 years (Fund 40)	57,491,819	4.72%	(1,874,553)	(314,340)	59,680,712	4.93%
15-16 years (Fund 30)	62,337,475	5.12%	1,923,975	(274,585)	60,688,085	5.01%
17-18 years (Fund 20)	55,943,361	4.60%	2,917,018	(250,996)	53,277,339	4.40%
19+ years (Fund 10)	55,280,964	4.54%	1,478,722	(180,831)	53,983,073	4.45%
Conservative	\$33,095,201	2.72%	\$(294,739)	\$(120,360)	\$33,510,300	2.77%
0-2 years (Fund 80)	215,170	0.02%	(149,607)	6,225	358,552	0.03%
3-5 years (Fund 70)	748,578	0.06%	98,224	(8,393)	658,747	0.05%
6-8 years (Fund 60)	1,427,054	0.12%	57,918	(5,759)	1,374,895	0.11%
9-10 years (Fund 50)	1,494,835	0.12%	(189,555)	(9,550)	1,693,940	0.14%
11-12 years (Fund 40)	3,045,725	0.25%	85,873	(13,459)	2,973,311	0.25%
13-14 years (Fund 30)	3,094,322	0.25%	(366,339)	(13,298)	3,473,959	0.29%
15-16 years (Fund 20)	5,174,052	0.43%	(41,741)	(23,989)	5,239,782	0.43%
17-18 years (Fund 10)	5,516,423	0.45%	380,673	(28,717)	5,164,467	0.43%
19+ years (F.I.)	12,379,042	1.02%	(170,185)	(23,420)	12,572,647	1.04%
Target Portfolios	\$120,648,375	9.91%	\$570,091	\$(448,426)	\$120,526,710	9.95%
Target Fund 100 Portfolio	57,599,215	4.73%	(419,614)	(190,526)	58,209,355	4.80%
Target Fund 80 Portfolio	33,243,354	2.73%	955,123	(137,612)	32,425,843	2.68%
Target Fund 60 Portfolio	18,046,889	1.48%	(356,081)	(65,838)	18,468,808	1.52%
Target Fund 40 Portfolio	6,851,201	0.56%	308,182	(36,448)	6,579,467	0.54%
Target Fund 20 Portfolio	3,352,628	0.28%	85,129	(15,257)	3,282,756	0.27%
Target Fund Fixed Income Portfolio	1,555,088	0.13%	(2,648)	(2,745)	1,560,481	0.13%

Market values provided by Union Bank & Trust.

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Asset Distribution Across Investment Funds

Individual Funds	March 31, 2018			December 31, 2017		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Individual Funds	\$281,113,558	23.10%	\$2,236,856	\$(1,461,780)	\$280,338,483	23.13%
Money Market	\$15,962,421	1.31%	\$105,351	\$299	\$15,856,771	1.31%
State Street US Govt MM	15,962,421	1.31%	105,351	299	15,856,771	1.31%
Fixed Income	\$37,225,319	3.06%	\$541,056	\$(345,261)	\$37,029,524	3.06%
PIMCO Short-Term	11,981,174	0.98%	586,541	4,488	11,390,145	0.94%
Amer Cent Short Dur Infl Prot Bond	1,448,051	0.12%	(38,651)	1,627	1,485,075	0.12%
BlackRock Infl Protected Bond	2,136,125	0.18%	(3,523)	(17,862)	2,157,510	0.18%
Fidelity Investment Grade Bond	1,687,837	0.14%	33,639	(27,329)	1,681,527	0.14%
Northern Funds Bond Index	13,257,704	1.09%	(273,665)	(238,800)	13,770,169	1.14%
MainStay Total Return Bond	2,608,415	0.21%	93,437	(49,693)	2,564,671	0.21%
Touchstone High Yield	2,656,956	0.22%	57,827	(34,171)	2,633,300	0.22%
Templeton International Bond	1,449,057	0.12%	85,451	16,479	1,347,127	0.11%
Balanced	\$50,252,839	4.13%	\$(508,632)	\$(122,680)	\$50,884,151	4.20%
T. Rowe Price Balanced	50,252,839	4.13%	(508,632)	(122,680)	50,884,151	4.20%
Domestic Equity	\$140,729,591	11.56%	\$670,994	\$(673,100)	\$140,731,698	11.61%
T. Rowe Large Cap Growth	28,169,507	2.31%	535,430	1,230,123	26,403,954	2.18%
American Century Equity Growth	5,944,375	0.49%	160,726	8,451	5,775,198	0.48%
Northern Stock Index	23,695,095	1.95%	490,136	(250,922)	23,455,881	1.94%
Cohen & Steers Dividend Value	0	0.00%	(35,387,436)	(89,078)	35,476,514	2.93%
DFA US Large Cap Value	34,088,048	2.80%	34,961,161	(873,112)	-	-
Northern Mid-Cap Index	24,778,720	2.04%	(137,773)	(236,713)	25,153,206	2.08%
T. Rowe Price QM Small Cap Growth	5,576,995	0.46%	228,858	89,651	5,258,486	0.43%
Northern Small Cap Index	6,652,906	0.55%	(32,433)	(17,756)	6,703,095	0.55%
William Blair Small Cap Value	11,823,945	0.97%	(147,675)	(533,744)	12,505,364	1.03%
International Equity	\$32,084,959	2.64%	\$1,243,142	\$(35,362)	\$30,877,179	2.55%
Northern Int'l Equity Index	9,866,463	0.81%	373,215	(119,564)	9,612,812	0.79%
Neuberger Berman Int'l Lrg Cp	11,164,798	0.92%	280,202	(38,388)	10,922,984	0.90%
DFA Int'l Small Company	2,616,045	0.21%	205,618	(19,583)	2,430,010	0.20%
Lazard Emerging Markets	8,437,653	0.69%	384,107	142,173	7,911,373	0.65%
Real Estate	\$3,932,008	0.32%	\$107,029	\$(278,467)	\$4,103,446	0.34%
Voya Global Real Estate	912,660	0.07%	66,128	(44,067)	890,599	0.07%
T. Rowe Price Real Estate	3,019,348	0.25%	40,901	(234,400)	3,212,847	0.27%
Commodities	\$926,421	0.08%	\$77,916	\$(7,209)	\$855,714	0.07%
Credit Suisse Commodities	926,421	0.08%	77,916	(7,209)	855,714	0.07%
Total Plan	\$1,216,897,287	100.0%	\$10,744,443	\$(5,612,645)	\$1,211,765,490	100.0%

Market values provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended March 31, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Portfolios										
Target Fund 100										
Target Fund 100 Portfolio	(0.24%)	17	15.22%	6	8.06%	11	9.88%	13	8.98%	18
Target Fund 100 Blended Benchmark	(0.91%)	64	14.16%	10	8.28%	9	9.81%	15	9.21%	14
MS 529 Static Aggressive	(0.71%)		11.43%		6.89%		8.59%		8.02%	
Aggressive Age Based 0-2 yrs (Fd 100)	(0.24%)	34	15.22%	16	-	-	-	-	-	-
Target Fund 100 Blended Benchmark	(0.91%)	88	14.16%	41	8.28%	34	9.81%	50	9.21%	40
MS 529 Age 0-6 High Equit	(0.56%)		13.48%		7.89%		9.84%		8.96%	
Target Fund 90										
Aggressive Age Based 3-5 yrs (Fd 90)	(0.24%)	35	13.72%	45	-	-	-	-	-	-
Target Fund 90 Blended Benchmark	(0.87%)	82	12.65%	70	7.74%	53	9.17%	73	8.53%	64
MS 529 Age 0-6 High Equit	(0.56%)		13.48%		7.89%		9.84%		8.96%	
Moderate Age Based 0-2 yrs (Fd 90)	(0.24%)	13	13.72%	5	-	-	-	-	-	-
Target Fund 90 Blended Benchmark	(0.87%)	57	12.65%	15	7.74%	9	9.17%	16	8.53%	17
MS 529 Age 0-6 Medium Equ	(0.77%)		10.61%		6.25%		8.08%		7.60%	
Target Fund 80										
Target Fund 80 Portfolio	(0.26%)	17	12.24%	28	6.93%	47	8.12%	62	7.81%	58
Target Fund 80 Blended Benchmark	(0.80%)	56	11.67%	43	7.05%	41	8.08%	63	8.00%	52
MS 529 Static Aggressive	(0.71%)		11.43%		6.89%		8.59%		8.02%	
Aggressive Age Based 6-8 yrs (Fd 80)	(0.26%)	18	12.24%	13	-	-	-	-	-	-
Target Fund 80 Blended Benchmark	(0.80%)	67	11.67%	23	7.05%	22	8.08%	39	8.00%	32
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 3-5 yrs (Fd 80)	(0.26%)	14	12.24%	20	-	-	-	-	-	-
Target Fund 80 Blended Benchmark	(0.80%)	53	11.67%	28	7.05%	28	8.08%	50	8.00%	34
MS 529 Age 0-6 Medium Equ	(0.77%)		10.61%		6.25%		8.08%		7.60%	
Conserv. Age Based 0-2 yrs (Fd 80)	(0.26%)	11	12.24%	5	-	-	-	-	-	-
Target Fund 80 Blended Benchmark	(0.80%)	54	11.67%	7	7.05%	4	8.08%	9	8.00%	6
MS 529 Age 0-6 Low Equity	(0.75%)		7.88%		4.94%		6.02%		6.12%	
Target Fund 70										
Aggressive Age Based 9-10 yrs (Fd 70)	(0.35%)	24	10.48%	47	-	-	-	-	-	-
Target Fund 70 Blended Benchmark	(0.82%)	68	10.23%	49	6.44%	43	7.57%	53	7.40%	47
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 6-8 yrs (Fd 70)	(0.35%)	12	10.48%	11	-	-	-	-	-	-
Target Fund 70 Blended Benchmark	(0.82%)	52	10.23%	12	6.44%	12	7.57%	19	7.40%	21
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 3-5 yrs (Fd 70)	(0.35%)	21	10.48%	16	-	-	-	-	-	-
Target Fund 70 Blended Benchmark	(0.82%)	55	10.23%	18	6.44%	11	7.57%	18	7.40%	15
MS 529 Age 0-6 Low Equity	(0.75%)		7.88%		4.94%		6.02%		6.12%	

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, 2018. 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, 2018

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
Target Fund 60										
Target Fund 60 Portfolio	(0.34%)	15	9.26%	38	5.47%	57	6.31%	73	6.51%	70
Target Fund 60 Blended Benchmark	(0.77%)	42	9.03%	44	5.62%	47	6.35%	71	6.71%	63
MS 529 Static Moderate Al	(0.90%)		8.81%		5.56%		7.17%		6.94%	
Aggressive Age Based 11-12 yrs (Fd 60)	(0.34%)	24	9.26%	68	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(0.77%)	63	9.03%	73	5.62%	66	6.35%	84	6.71%	69
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 9-10 yrs (Fd 60)	(0.34%)	12	9.26%	24	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(0.77%)	49	9.03%	30	5.62%	28	6.35%	51	6.71%	41
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 6-8 yrs (Fd 60)	(0.34%)	12	9.26%	7	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(0.77%)	56	9.03%	7	5.62%	9	6.35%	12	6.71%	6
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 50										
Aggressive Age Based 13-14 yrs (Fd 50)	(0.44%)	37	8.03%	19	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(0.61%)	52	8.07%	18	5.29%	19	6.10%	33	6.21%	31
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 11-12 yrs (Fd 50)	(0.44%)	19	8.03%	48	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(0.61%)	30	8.07%	47	5.29%	38	6.10%	60	6.21%	55
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 9-10 yrs (Fd 50)	(0.44%)	19	8.03%	10	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(0.61%)	33	8.07%	10	5.29%	10	6.10%	14	6.21%	7
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 40										
Target Fund 40 Portfolio	(0.45%)	19	6.44%	34	4.17%	49	4.64%	63	5.29%	47
Target Fund 40 Blended Benchmark	(0.74%)	36	6.23%	40	4.18%	48	4.67%	63	5.43%	42
MS 529 Static Conservativ	(0.89%)		5.82%		4.10%		5.01%		5.24%	
Aggressive Age Based 15-16 yrs (Fd 40)	(0.45%)	38	6.44%	61	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(0.74%)	71	6.23%	71	4.18%	58	4.67%	69	5.43%	54
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 13-14 yrs (Fd 40)	(0.45%)	21	6.44%	22	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(0.74%)	51	6.23%	26	4.18%	24	4.67%	40	5.43%	30
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 11-12 yrs (Fd 40)	(0.45%)	21	6.44%	29	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(0.74%)	50	6.23%	32	4.18%	31	4.67%	38	5.43%	21
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 30										
Aggressive Age Based 17-18 yrs (Fd 30)	(0.37%)	31	5.05%	84	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(0.41%)	34	5.38%	77	3.65%	74	4.01%	80	4.31%	77
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 15-16 yrs (Fd 30)	(0.37%)	17	5.05%	48	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(0.41%)	20	5.38%	41	3.65%	38	4.01%	59	4.31%	60
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 13-14 yrs (Fd 30)	(0.37%)	38	5.05%	8	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(0.41%)	44	5.38%	7	3.65%	7	4.01%	9	4.31%	16
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	

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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, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Fund 20										
Target Fund 20 Portfolio	(0.37%)	14	3.66%	84	2.75%	88	2.80%	91	3.81%	85
Target Fund 20 Blended Benchmark	(0.44%)	18	3.71%	84	2.73%	88	2.82%	91	3.82%	85
MS 529 Static Conservativ	(0.89%)		5.82%		4.10%		5.01%		5.24%	
Aggressive Age Based 19+ yrs (Fd 20)										
Target Fund 20 Blended Benchmark	(0.44%)	66	3.71%	16	2.73%	26	2.82%	37	3.82%	25
MS 529 Age 19+ High Equit	(0.32%)		3.38%		2.32%		2.61%		3.59%	
Moderate Age Based 17-18 yrs (Fd 20)										
Target Fund 20 Blended Benchmark	(0.44%)	21	3.71%	76	2.73%	69	2.82%	83	3.82%	73
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 15-16 yrs (Fd 20)										
Target Fund 20 Blended Benchmark	(0.44%)	45	3.71%	28	2.73%	25	2.82%	31	3.82%	21
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	
Target Fund 10										
Moderate Age Based 19+ yrs (Fd 10)										
Target Fund 10 Blended Benchmark	(0.16%)	18	2.68%	39	1.97%	43	2.00%	47	2.33%	48
MS 529 Age 19+ Medium Equ	(0.48%)		2.28%		1.72%		1.84%		2.29%	
Conserv. Age Based 17-18 yrs (Fd 10)										
Target Fund 10 Blended Benchmark	(0.16%)	13	2.68%	54	1.97%	57	2.00%	63	2.33%	65
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	
Target Fund Fixed Income										
Target Fund Fixed Income Portfolio	(0.10%)	44	0.74%	50	0.53%	70	0.07%	81	0.89%	69
Target Fund F.I. Blended Benchmark	0.19%	31	1.02%	44	0.65%	61	0.21%	74	1.07%	61
MS 529 Static Short-Term	(0.27%)		0.77%		0.94%		0.83%		1.40%	
Conserv. Age Based 19+ yrs (F.I.)										
Target Fund F.I. Blended Benchmark	0.19%	9	1.02%	36	0.65%	43	0.21%	64	1.07%	40
MS 529 Age 19+ Low Equity	(0.23%)		0.83%		0.58%		0.54%		0.99%	

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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, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Individual Funds Portfolios										
Money Market Funds										
State Street US Govt MM (net all)*	0.25%	67	0.71%	73	-	-	-	-	-	-
State Street US Govt MM (net mgr)	0.32%	25	0.99%	31	0.45%	32	0.27%	33	0.20%	33
3 Month Treasury Bill	0.35%	12	1.11%	22	0.53%	24	0.34%	22	0.27%	20
Callan Money Market Funds	0.28%		0.86%		0.36%		0.22%		0.16%	
Fixed Income Funds										
PIMCO Short-Term (net all)*	0.09%	11	1.67%	5	1.60%	12	1.20%	40	1.23%	70
PIMCO Short-Term (net mgr)	0.26%	4	2.11%	3	2.00%	7	1.60%	13	1.65%	37
3 Month T-Bills	0.35%	3	1.07%	25	0.49%	88	0.31%	93	0.24%	97
Blmbg Aggregate 1-3 Index	(0.20%)	49	0.25%	78	0.68%	76	0.78%	71	0.99%	80
Callan Defensive FI MFs	(0.21%)		0.75%		1.04%		1.07%		1.49%	
Amer Cent Short Dur Infl Prot (net all)*	0.20%	5	(0.20%)	99	0.77%	82	-	-	-	-
Amer Cent Short Dur Infl Prot (net mgr)	0.29%	4	0.25%	86	1.21%	46	0.02%	35	1.58%	91
Blmbg US TIPS 0-5 Index	0.21%	5	0.39%	78	1.16%	48	0.14%	18	0.81%	96
Callan TIPS MFs	(0.80%)		0.86%		1.11%		(0.17%)		2.19%	
BlackRock Infl Protected Bond (net all)	(0.68%)	29	0.69%	67	0.55%	90	(0.61%)	87	1.66%	90
BlackRock Infl Protected Bond (net mgr)	(0.52%)	16	1.12%	31	0.99%	71	(0.18%)	51	2.08%	61
Blmbg US TIPS Index	(0.79%)	48	0.92%	40	1.30%	32	0.05%	34	2.50%	22
Callan TIPS MFs	(0.80%)		0.86%		1.11%		(0.17%)		2.19%	
Fidelity Investment Grade Bond (net all)	(1.54%)	81	0.87%	88	1.05%	76	1.58%	82	-	-
Fidelity Investment Grade Bond (net mgr)	(1.48%)	62	1.25%	54	1.44%	41	1.95%	30	3.22%	29
Blmbg Aggregate Index	(1.46%)	54	1.20%	56	1.20%	68	1.82%	44	2.92%	78
Callan Core Bond MFs	(1.44%)		1.29%		1.37%		1.81%		3.08%	
Northern Funds Bond Index (net all)*	(1.61%)	95	0.68%	97	0.61%	98	1.25%	92	2.42%	96
Northern Funds Bond Index (net mgr)	(1.52%)	76	1.12%	58	1.05%	76	1.67%	77	2.78%	80
Blmbg Aggregate Index	(1.46%)	54	1.20%	56	1.20%	68	1.82%	44	2.92%	78
Callan Core Bond MFs	(1.44%)		1.29%		1.37%		1.81%		3.08%	
MainStay Total Return Bond (net all)*	(1.87%)	94	1.26%	72	1.17%	82	-	-	-	-
MainStay Total Return Bond (net mgr)	(1.71%)	88	1.65%	63	1.53%	57	1.94%	80	3.39%	57
Blmbg Aggregate Index	(1.46%)	73	1.20%	74	1.20%	81	1.82%	85	2.92%	93
Callan Core Plus MFs	(1.39%)		1.98%		1.73%		2.16%		3.61%	
Touchstone High Yield (net all)*	(1.22%)	62	3.12%	75	2.74%	99	3.09%	100	-	-
Touchstone High Yield (net mgr)	(1.11%)	51	3.53%	46	3.16%	96	3.51%	91	-	-
High Yield II Index	(0.91%)	36	3.69%	37	5.18%	10	5.01%	17	6.22%	18
Callan High Yield MFs	(1.10%)		3.46%		4.20%		4.30%		5.51%	
Templeton International Bond (net all)*	1.28%	69	(1.16%)	98	1.50%	90	(0.06%)	92	-	-
Templeton International Bond (net mgr)	1.33%	68	(0.78%)	97	1.94%	87	0.37%	89	1.74%	67
Citi WGBI Non-US Index	4.42%	6	12.93%	1	5.02%	14	1.36%	72	1.21%	78
Intl Income MFs	1.56%		7.48%		3.43%		1.81%		2.35%	
Balanced Funds										
T. Rowe Price Balanced (net all)	(0.10%)	19	11.73%	23	6.57%	31	8.19%	42	7.98%	46
T. Rowe Price Balanced (net mgr)	(0.04%)	19	12.00%	21	6.91%	24	8.57%	36	8.38%	40
Balanced Fund Blended Benchmark	(1.11%)	54	9.51%	42	6.78%	25	8.41%	40	8.46%	37
Callan Dom Balanced MFs	(1.00%)		9.04%		5.82%		7.92%		7.86%	
Domestic Equity Funds										
T. Rowe Large Cap Growth (net all)*	4.85%	27	30.17%	7	15.35%	3	18.41%	3	15.44%	8
T. Rowe Large Cap Growth (net mgr)	4.96%	26	30.67%	5	15.79%	2	18.87%	2	15.87%	5
Russell 1000 Growth Index	1.42%	79	21.25%	65	12.90%	30	15.53%	37	14.09%	29
Callan Large Cap Grwth MF	3.85%		23.68%		11.72%		14.90%		13.11%	
American Century Equity Growth (net all)	0.38%	20	14.55%	44	8.65%	72	11.67%	67	11.71%	60
American Century Equity Growth (net mgr)	0.49%	18	15.01%	43	9.16%	53	12.19%	55	12.25%	30
S&P 500	(0.76%)	52	13.99%	47	10.78%	15	13.31%	27	12.71%	14
Callan Large Cap Core MFs	(0.72%)		13.64%		9.26%		12.29%		11.91%	
Northern Stock Index (net all)*	(0.90%)	56	13.43%	52	10.22%	24	12.74%	37	12.14%	35
Northern Stock Index (net mgr)	(0.79%)	54	13.87%	48	10.67%	16	13.19%	29	12.57%	18
S&P 500	(0.76%)	52	13.99%	47	10.78%	15	13.31%	27	12.71%	14
Callan Large Cap Core MFs	(0.72%)		13.64%		9.26%		12.29%		11.91%	

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

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

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

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended March 31, 2018. 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, 2018

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
Northern Mid Cap Index (net all)*	(0.86%)	62	10.37%	58	8.35%	38	11.35%	48	10.71%	40
Northern Mid Cap Index (net mgr)	(0.78%)	62	10.80%	56	8.80%	31	11.80%	35	11.10%	28
S&P Mid Cap 400 Index	(0.77%)	62	10.97%	55	8.96%	26	11.97%	32	11.29%	26
Callan Mid Cap MFs	0.23%		14.72%		7.10%		11.28%		10.42%	
T Rowe Price QM Sm Cap Growth (net all)*	1.91%	38	16.44%	36	-		-		-	
T Rowe Price QM Sm Cap Growth (net mgr)	2.06%	37	16.94%	35	-		-		-	
Russell 2000 Growth Index	2.30%	35	18.63%	30	8.77%	40	12.90%	25	11.29%	23
Callan Small Cap MFs	0.36%		13.18%		8.12%		11.39%		10.31%	
Northern Small Cap Index (net all)	(0.24%)	52	11.29%	57	7.85%	55	10.89%	59	9.84%	57
Northern Small Cap Index (net mgr)	(0.15%)	51	11.68%	55	8.26%	49	11.33%	51	10.23%	52
Russell 2000 Index	(0.08%)	51	11.79%	55	8.39%	47	11.47%	47	10.39%	47
Callan Small Cap MFs	0.36%		13.18%		8.12%		11.39%		10.31%	
William Blair Small Cap Value (net all)	(4.25%)	98	2.50%	91	6.17%	71	9.25%	76	8.46%	72
William Blair Small Cap Value (net mgr)	(4.15%)	97	2.92%	90	6.59%	63	9.69%	72	8.90%	69
Russell 2000 Value Index	(2.64%)	67	5.13%	80	7.87%	45	9.96%	63	9.42%	56
Callan Sm Cap Value MF	(1.60%)		8.45%		7.29%		10.52%		9.48%	
International Equity										
Northern Int'l Equity Index (net all)*	(1.01%)	65	14.57%	67	5.26%	75	6.03%	75	4.81%	75
Northern Int'l Equity Index (net mgr)	(0.93%)	57	15.06%	65	5.67%	64	6.44%	64	5.25%	59
MSCI EAFE Index	(1.53%)	78	14.80%	66	5.55%	67	6.50%	62	5.31%	57
Callan Non US Equity MFs	(0.60%)		16.11%		6.17%		6.91%		5.45%	
Neuberger Berman Int'l Lrg Cp (net all)*	(0.18%)	33	17.87%	27	5.79%	62	6.41%	65	4.63%	78
Neuberger Berman Int'l Lrg Cp (net mgr)	(0.08%)	31	18.32%	24	6.22%	49	6.86%	51	5.05%	67
MSCI EAFE Index	(1.53%)	78	14.80%	66	5.55%	67	6.50%	62	5.31%	57
Callan Non US Equity MFs	(0.60%)		16.11%		6.17%		6.91%		5.45%	
DFA Int'l Small Company (net all)*	(0.49%)	71	19.18%	81	11.38%	39	9.84%	52	-	
DFA Int'l Small Company (net mgr)	(0.38%)	70	19.70%	79	11.86%	30	10.32%	49	7.67%	65
MSCI World Small Cap ex US	(0.50%)	71	21.16%	70	11.30%	41	9.71%	54	7.25%	73
Callan Intl Small Cap MFs	0.77%		23.81%		10.87%		10.14%		8.26%	
Lazard Emerging Markets (net all)*	2.00%	55	17.82%	87	8.17%	84	3.42%	90	2.44%	69
Lazard Emerging Markets (net mgr)	2.05%	52	18.33%	83	8.62%	73	3.86%	86	2.79%	63
MSCI Emerging Markets	1.42%	71	24.93%	53	8.81%	70	4.99%	51	2.47%	69
Callan Emerging Equity MF	2.12%		25.85%		10.28%		5.11%		3.30%	
Real Estate										
Voya Global Real Estate (net all)*	(4.71%)	89	3.74%	70	(0.44%)	99	2.83%	99	-	
Voya Global Real Estate (net mgr)	(4.63%)	84	4.16%	65	0.02%	96	3.30%	98	5.23%	99
FTSE EPRA/NAREIT Dev REIT	(4.53%)	81	3.23%	75	1.52%	72	4.10%	80	6.02%	78
Callan Gbl Real Estate MF	(3.50%)		5.19%		2.43%		4.86%		6.46%	
T. Rowe Price Real Estate (net all)	(7.29%)	64	(2.13%)	49	0.28%	76	5.95%	49	7.45%	72
T. Rowe Price Real Estate (net mgr)	(7.20%)	60	(1.86%)	42	0.66%	61	6.38%	33	7.96%	48
Morgan Stanley REIT Index	(8.09%)	87	(4.38%)	82	0.87%	57	5.86%	53	8.11%	39
Callan Real Estate MFs	(6.98%)		(2.14%)		1.29%		5.92%		7.94%	
Commodities										
Credit Suisse Commodities (net all)*	(0.68%)	73	2.60%	91	(3.54%)	87	(8.64%)	79	-	
Credit Suisse Commodities (net mgr)	(0.60%)	71	2.96%	89	(3.18%)	85	(8.30%)	75	(8.90%)	81
Bloomberg Commodity Total Return	(0.40%)	64	3.71%	78	(3.21%)	85	(8.32%)	75	(8.77%)	78
Callan Cmdties Genl MF	(0.10%)		4.76%		(1.78%)		(6.95%)		(7.38%)	

(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.

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
March 31, 2018

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Money Market Funds									
State Street US Govt MM CAI Money Market Funds 3 Month Treasury Bill	0.3 25	1.0 31	0.5 32	0.3 33	0.2 33			-2.8 98	-0.4 33
	0.4 12	1.1 22	0.5 24	0.3 22	0.3 20				0.0 20
Fixed Income Funds									
PIMCO Short-Term CAI Defensive F-I Mutual Funds 3 Month T-Bills	0.3 4	2.1 3	2.0 7	1.6 13	1.7 37			1.3 30	1.3 35
	0.3 3	1.1 25	0.5 88	0.3 93	0.2 97				-0.1 97
Amer Cent Short Dur Infl Prot Bond MF - TIPS Funds Blmbg US TIPS 0-5 Index	0.3 4	0.2 86	1.2 46	0.0 35	1.6 91			0.6 6	0.5 7
	0.2 5	0.4 78	1.2 48	0.1 18	0.8 96				0.3 94
BlackRock Infl Protected Bond MF - TIPS Funds Blmbg US TIPS Index	-0.5 16	1.1 31	1.0 71	-0.2 51	2.1 61			-0.6 65	0.4 48
	-0.8 48	0.9 40	1.3 32	0.0 34	2.5 22				0.5 22
Fidelity Investment Grade Bond CAI Core Bond Mutual Funds Blmbg Aggregate Index	-1.5 62	1.2 54	1.4 41	1.9 30	3.2 29			0.3 37	0.9 55
	-1.5 54	1.2 56	1.2 68	1.8 44	2.9 78				0.9 78
Northern Funds Bond Index (i) CAI Core Bond Mutual Funds Blmbg Aggregate Index	-1.5 76	1.1 58	1.0 76	1.7 77	2.8 80			-1.3 100	0.8 83
	-1.5 54	1.2 56	1.2 68	1.8 44	2.9 78				0.9 78
MainStay Total Return Bond CAI Core Plus Mutual Funds Blmbg Aggregate Index	-1.7 88	1.6 63	1.5 57	1.9 80	3.4 57			0.3 68	1.0 63
	-1.5 73	1.2 74	1.2 81	1.8 85	2.9 93				0.9 91
Touchstone High Yield CAI High Yield F-I Mutual Fund High Yield II Index	-1.1 51	3.5 46	3.2 96	3.5 91					1.0 33
	-0.9 36	3.7 37	5.2 10	5.0 17	6.2 18				
Templeton International Bond Mutual Fund: Int'l Fixed Income Citi WGBI Non-US Index	1.3 68	-0.8 97	1.9 87	0.4 89	1.7 67			0.1 74	0.2 66
	4.4 6	12.9 1	5.0 14	1.4 72	1.2 78				0.1 78

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:


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

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

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

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

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
March 31, 2018

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Balanced Funds									
T. Rowe Price Balanced CAI Mutual Fund: Domestic Balanced Style	-0.0 19	12.0 21	6.9 24	8.6 36	8.4 40			-0.0 74	1.0 55
Balanced Fund Blended Benchmark	-1.1 54	9.5 42	6.8 25	8.4 40	8.5 37				1.2 31
Domestic Equity Funds									
T. Rowe Large Cap Growth CAI Large Cap Growth Mutual Funds	5.0 26	30.7 5	15.8 2	18.9 2	15.9 5			0.4 9	1.1 19
Russell 1000 Growth Index	1.4 79	21.3 65	12.9 30	15.5 37	14.1 29				1.2 8
American Century Equity Growth CAI Core Equity Mutual Funds	0.5 18	15.0 43	9.2 53	12.2 55	12.2 30			-0.2 40	1.0 35
S&P 500	-0.8 52	14.0 47	10.8 15	13.3 27	12.7 14				1.1 9
Northern Stock Index (i) CAI Core Equity Mutual Funds	-0.8 54	13.9 48	10.7 16	13.2 29	12.6 18			-3.9 100	1.1 10
S&P 500	-0.8 52	14.0 47	10.8 15	13.3 27	12.7 14				1.1 9
Northern Funds Mid Cap Index (i) CAI MF Mid Cap Broad Style	-0.8 62	10.8 56	8.8 31	11.8 35	11.1 28			-2.5 100	0.8 32
S&P Mid Cap 400 Index	-0.8 62	11.0 55	9.0 26	12.0 32	11.3 26				0.8 31
T Rowe Price QM Small Cap Growth CAI Small Cap MFs	2.1 37	16.9 35							
Russell 2000 Growth Index	2.3 35	18.6 30	8.8 40	12.9 25	11.3 23				0.7 32
Northern Small Cap Index (i) CAI Small Cap Broad Mutual Funds	-0.1 51	11.7 55	8.3 49	11.3 51	10.2 52			-1.6 100	0.6 44
Russell 2000 Index	-0.1 51	11.8 55	8.4 47	11.5 47	10.4 47				0.7 42
William Blair Small Cap Value CAI Small Cap Value Mutual Funds	-4.2 97	2.9 90	6.6 63	9.7 72	8.9 69			-0.2 71	0.6 59
Russell 2000 Value Index	-2.6 67	5.1 80	7.9 45	10.0 63	9.4 56				0.6 50
International Equity Funds									

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:


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

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

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

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

Alabama CollegeCounts Advisor Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
March 31, 2018

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
Northern Int'l Equity Index CAI Non-US Equity MF	-0.9 57	15.1 65	5.7 64	6.4 64	5.3 59			-0.0 61	0.4 51
MSCI EAFE Index	-1.5 78	14.8 66	5.6 67	6.5 62	5.3 57				0.4 48
Neuberger Berman Int'l Lrg Cp CAI Non-US Equity MF	-0.1 31	18.3 24	6.2 49	6.9 51	5.0 67			-0.1 67	0.4 53
MSCI EAFE Index	-1.5 78	14.8 66	5.6 67	6.5 62	5.3 57				0.4 48
DFA Int'l Small Company CAI Intl Small Cap MFs	-0.4 70	19.7 79	11.9 30	10.3 49	7.7 65			0.3 50	0.5 62
MSCI World Small Cap ex US	-0.5 71	21.2 70	11.3 41	9.7 54	7.3 73				0.5 68
Lazard Emerging Markets CAI Emerging Markets MFs	2.0 52	18.3 83	8.6 73	3.9 86	2.8 63			0.1 63	0.2 66
MSCI Emerging Markets	1.4 71	24.9 53	8.8 70	5.0 51	2.5 69				0.1 70
Real Estate Funds									
Voya Global Real Estate CAI Gbl Real Estate MFs	-4.6 84	4.2 65	0.0 96	3.3 98	5.2 99			-0.5 99	0.4 94
FTSE EPRA/NAREIT Dev REIT	-4.5 81	3.2 75	1.5 72	4.1 80	6.0 78				0.5 80
T Rowe Price Real Estate Real Estate Mutual Funds	-7.2 60	-1.9 42	0.7 61	6.4 33	8.0 48			-0.1 48	0.6 48
Morgan Stanley REIT Index	-8.1 87	-4.4 82	0.9 57	5.9 53	8.1 39				0.6 49
Commodity Funds									
Credit Suisse Commodites CAI Commodities Genl MFs	-0.6 71	3.0 89	-3.2 85	-8.3 75	-8.9 81			-0.2 95	-0.7 87
Bloomberg Commodity Total Return	-0.4 64	3.7 78	-3.2 85	-8.3 75	-8.8 78				-0.7 84
Underlying Funds									
Northern Small Cap Value CAI Small Cap Value Mutual Funds	-2.9 76	3.8 87	7.2 52	10.4 56	10.0 36			0.3 15	0.7 27
Russell 2000 Value Index	-2.6 67	5.1 80	7.9 45	10.0 63	9.4 56				0.6 50

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

Morningstar Ratings and Rankings

Plan 1 - Advisor - Fund Name	Morningstar Category	Ticker	Morningstar Rating	Market Value*
American Century Equity Growth	Large Blend	AMEIX	3	5,952,430
American Century Short Duration Inflation Protection Bond	Inflation-Protected Bond	APISX	4	69,293,616
BlackRock Inflation-Protected Bond	Inflation-Protected Bond	BPRIX	4	2,126,801
Credit Suisse Commodity Return Strategy	Commodities Broad Basket	CRSOX	4	15,420,347
DFA International Small Company	Foreign Small/Mid Blend	DFISX	4	14,030,502
DFA U.S. Large Cap Value	Large Value	DFLVX	4	96,571,054
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	3	1,974,697
Lazard Emerging Markets	Diversified Emerging Markets	LZEMX	3	26,703,545
MainStay Total Return Bond	Intermediate-Term Bond	MTMIX	4	96,751,273
Neuberger Berman Int'l Large Cap	Foreign Large Blend	NILIX	3	76,119,678
Northern Funds Bond Index	Intermediate-Term Bond	NOBOX	3	94,849,787
Northern International Equity Index	Foreign Large Blend	NOINX	3	58,042,376
Northern Mid-Cap Index	Mid-Cap Blend	NOMIX	4	68,675,021
Northern Small Cap Index	Small Blend	NSIDX	3	6,660,399
Northern Small Cap Value (underlying fund)	Small Value	NOSGX	4	12,802,678
Northern Stock Index	Large Blend	NOSIX	4	108,823,133
PIMCO Short-Term	Ultrashort Bond	PTSHX	5	136,880,822
State Street US Govt. Money Market	Money Market	GVMXX	-	47,027,856
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	55,471,449
T. Rowe Price Large Cap Growth	Large Growth	TRLGX	5	94,713,420
T. Rowe Price Real Estate Fund	Real Estate	TRREX	3	3,023,576
T. Rowe Price QM Small Cap Growth	Small Cap Growth	TQAIX	5	18,383,109
Templeton International Bond	World Bond	FIBZX	3	42,505,978
Touchstone High Yield	High Yield Bond	THIYX	2	43,422,923
Voya Global Real Estate	Global Real Estate	IGLIX	2	21,919,437
William Blair Small Cap Value	Small Blend	BVDIX	3	11,838,177

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

Summary of Fund Performance Status

Plan 1 - Advisor - Fund Name	Prior Quarter Status	Current Quarter Status	Market Value*
American Century Equity Growth	Watch	Watch	5,952,430
American Century Short Duration Inflation Protection Bond	Positive	Positive	69,293,616
BlackRock Inflation-Protected Bond	Watch	Watch	2,126,801
Credit Suisse Commodity Return Strategy	Positive	Positive	15,420,347
DFA International Small Company	Positive	Positive	14,030,502
DFA U.S. Large Cap Value	Positive	Positive	96,571,054
Fidelity Advisor Investment Grade Bond	Positive	Positive	1,974,697
Lazard Emerging Markets	Watch	Watch	26,703,545
MainStay Total Return Bond	Positive	Positive	96,751,273
Neuberger Berman Int'l Large Cap	Positive	Positive	76,119,678
Northern Funds Bond Index	Positive	Positive	94,849,787
Northern International Equity Index	Positive	Positive	58,042,376
Northern Mid-Cap Index	Positive	Positive	68,675,021
Northern Small Cap Index	Positive	Positive	6,660,399
Northern Small Cap Value (underlying fund)	Positive	Positive	12,802,678
Northern Stock Index	Positive	Positive	108,823,133
PIMCO Short-Term	Positive	Positive	136,880,822
State Street US Govt. Money Market	New Fund	New Fund	47,027,856
T. Rowe Price Balanced	Positive	Positive	55,471,449
T. Rowe Price Large Cap Growth	Positive	Positive	94,713,420
T. Rowe Price Real Estate Fund	Watch	Positive	3,023,576
T. Rowe QM Small Cap Growth	New Fund	New Fund	18,383,109
Templeton International Bond	Watch	Watch	42,505,978
Touchstone High Yield	Watch	Watch	43,422,923
Voya Global Real Estate	Watch	Watch	21,919,437
William Blair Small Cap Value	Positive	Watch	11,838,177

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

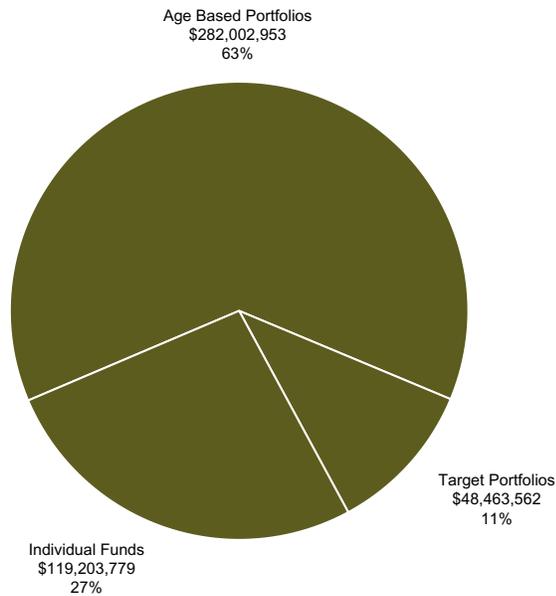
- Funds identified as “Currently on Watch” are those whose Watch status has been approved by the CollegeCounts Board.
- Watch list status based on Watch List guidelines defined in the Investment Policy Statement.

Direct Plan Performance

Changes in Investment Fund Balances Period Ended March 31, 2018

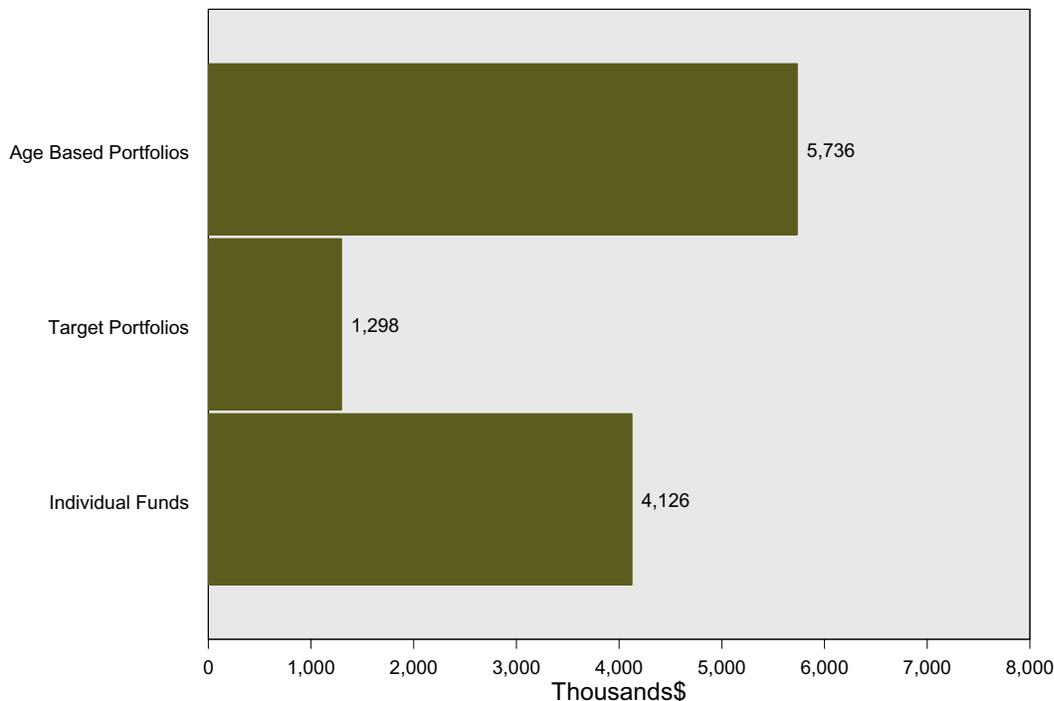
Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options as of March 31, 2018.



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, 2018. 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, 2018 with that of December 31, 2017. 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, 2018			December 31, 2017		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Age Based Portfolios	\$282,002,953	62.71%	\$8,725,285	\$(2,988,874)	\$276,266,542	63.00%
Aggressive	\$155,842,723	34.66%	\$4,872,317	\$(1,692,151)	\$152,662,557	34.81%
0-2 years (Fund 100)	7,763,981	1.73%	92,633	(91,289)	7,762,637	1.77%
3-5 years (Fund 90)	19,748,523	4.39%	656,316	(219,785)	19,311,992	4.40%
6-8 years (Fund 80)	26,990,511	6.00%	165,799	(277,730)	27,102,442	6.18%
9-10 years (Fund 70)	19,245,077	4.28%	319,235	(254,903)	19,180,745	4.37%
11-12 years (Fund 60)	19,246,599	4.28%	1,031,954	(208,814)	18,423,459	4.20%
13-14 years (Fund 50)	20,002,361	4.45%	798,099	(216,870)	19,421,132	4.43%
15-16 years (Fund 40)	18,396,073	4.09%	7,697	(186,794)	18,575,170	4.24%
17-18 years (Fund 30)	15,152,194	3.37%	1,029,894	(150,762)	14,273,062	3.25%
19+ years (Fund 20)	9,297,404	2.07%	770,690	(85,204)	8,611,918	1.96%
Moderate	\$111,713,537	24.84%	\$3,306,618	\$(1,189,213)	\$109,596,132	24.99%
0-2 years (Fund 90)	4,523,421	1.01%	570,149	(58,888)	4,012,160	0.91%
3-5 years (Fund 80)	11,669,348	2.60%	(312,138)	(130,612)	12,112,098	2.76%
6-8 years (Fund 70)	16,057,740	3.57%	834,471	(210,375)	15,433,644	3.52%
9-10 years (Fund 60)	11,629,622	2.59%	482,629	(137,410)	11,284,403	2.57%
11-12 years (Fund 50)	12,917,522	2.87%	(73,860)	(148,917)	13,140,299	3.00%
13-14 years (Fund 40)	13,660,102	3.04%	(584,288)	(133,277)	14,377,667	3.28%
15-16 years (Fund 30)	14,815,003	3.29%	1,467,496	(154,097)	13,501,604	3.08%
17-18 years (Fund 20)	13,830,926	3.08%	197,541	(135,875)	13,769,260	3.14%
19+ years (Fund 10)	12,609,853	2.80%	724,618	(79,762)	11,964,997	2.73%
Conservative	\$14,446,693	3.21%	\$546,350	\$(107,510)	\$14,007,853	3.19%
0-2 years (Fund 80)	185,937	0.04%	23,212	(2,356)	165,081	0.04%
3-5 years (Fund 70)	518,486	0.12%	(39,289)	(7,033)	564,808	0.13%
6-8 years (Fund 60)	1,186,442	0.26%	(3,719)	(12,013)	1,202,174	0.27%
9-10 years (Fund 50)	1,194,902	0.27%	(446,228)	(14,615)	1,655,745	0.38%
11-12 years (Fund 40)	1,425,609	0.32%	448,880	(12,388)	989,117	0.23%
13-14 years (Fund 30)	1,632,715	0.36%	(21,839)	(19,692)	1,674,246	0.38%
15-16 years (Fund 20)	2,200,285	0.49%	79,113	(19,886)	2,141,058	0.49%
17-18 years (Fund 10)	2,823,379	0.63%	496,504	(16,622)	2,343,497	0.53%
19+ years (F.I.)	3,278,938	0.73%	9,716	(2,905)	3,272,127	0.75%
Target Portfolios	\$48,463,562	10.78%	\$1,864,844	\$(567,115)	\$47,165,833	10.76%
Target Fund 100 Portfolio	25,139,078	5.59%	592,283	(311,237)	24,858,032	5.67%
Target Fund 80 Portfolio	11,612,585	2.58%	1,039,942	(141,411)	10,714,054	2.44%
Target Fund 60 Portfolio	5,743,404	1.28%	(204,723)	(60,595)	6,008,722	1.37%
Target Fund 40 Portfolio	3,467,186	0.77%	283,913	(39,083)	3,222,356	0.73%
Target Fund 20 Portfolio	1,513,485	0.34%	70,612	(14,207)	1,457,080	0.33%
Target Fund Fixed Income Portfolio	987,824	0.22%	82,817	(582)	905,589	0.21%

Market values provided by Union Bank & Trust.

Investment Fund Balances

The table below compares the fund's investment fund balances as of March 31, 2018 with that of December 31, 2017. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

Individual Funds	March 31, 2018		Net New Inv.	Inv. Return	December 31, 2017	
	Market Value	Weight			Market Value	Weight
Individual Funds	\$119,203,779	26.51%	\$4,921,784	\$(795,595)	\$115,077,590	26.24%
Money Market	\$9,216,916	2.05%	\$335,055	\$212	\$8,881,649	2.03%
Vanguard Prime Money Market	9,216,916	2.05%	335,055	212	8,881,649	2.03%
Fixed Income	\$15,113,573	3.36%	\$99,485	\$(191,478)	\$15,205,565	3.47%
PIMCO Short-Term	1,504,655	0.33%	115,809	2,444	1,386,401	0.32%
Vanguard Short Infl Protected	305,580	0.07%	7,815	530	297,235	0.07%
Vanguard Short Term Bond	1,486,678	0.33%	(18,415)	(8,733)	1,513,826	0.35%
Vanguard Infl Prot Securities	1,163,679	0.26%	(107,605)	(11,911)	1,283,195	0.29%
Fidelity Investment Grade Bond	290,088	0.06%	1,977	(4,093)	292,204	0.07%
Vanguard Intermediate Bond	0	0.00%	(1,283,620)	(25,674)	1,309,293	0.30%
Vanguard Total Bond Index	10,085,263	2.24%	1,377,908	(138,850)	8,846,205	2.02%
MainStay Total Return Bond	277,631	0.06%	5,616	(5,191)	277,206	0.06%
Balanced	\$5,153,285	1.15%	\$2,504	\$(4,980)	\$5,155,760	1.18%
T. Rowe Price Balanced	5,153,285	1.15%	2,504	(4,980)	5,155,760	1.18%
Domestic Equity	\$74,796,246	16.63%	\$3,829,865	\$(198,272)	\$71,164,653	16.23%
T. Rowe Large Cap Growth	4,737,649	1.05%	927,686	160,537	3,649,427	0.83%
Vanguard Growth Index	9,582,872	2.13%	643,169	77,953	8,861,751	2.02%
Vanguard Total Stock Index	12,511,703	2.78%	441,396	(95,101)	12,165,408	2.77%
Vanguard 500 Index	20,887,938	4.65%	1,169,061	(209,501)	19,928,378	4.54%
DFA US Large Cap Value	904,675	0.20%	(40,288)	(23,145)	968,108	0.22%
Vanguard Value Index	4,582,902	1.02%	94,706	(111,021)	4,599,218	1.05%
Vanguard Extended Market Index	1,535,632	0.34%	75,270	369	1,459,992	0.33%
Vanguard Mid Cap Index	7,417,582	1.65%	120,514	(5,116)	7,302,183	1.67%
Vanguard Explorer	728,989	0.16%	85,210	25,236	618,544	0.14%
Vanguard Small Cap Growth Index	4,835,095	1.08%	213,256	84,881	4,536,958	1.03%
Vanguard Small Cap Index	2,951,206	0.66%	52,175	(11,019)	2,910,050	0.66%
DFA US Small Cap Value	724,808	0.16%	28,128	(17,984)	714,664	0.16%
Vanguard Small Cap Value Index	3,395,196	0.76%	19,581	(74,359)	3,449,973	0.79%
International Equity	\$11,643,489	2.59%	\$582,993	\$(116,301)	\$11,176,797	2.55%
Dodge & Cox Int'l Stock	1,709,783	0.38%	(53,245)	(47,129)	1,810,156	0.41%
Vanguard Int'l Stock Index	9,933,706	2.21%	636,238	(69,172)	9,366,641	2.14%
Real Estate	\$3,280,271	0.73%	\$71,882	\$(284,776)	\$3,493,165	0.80%
Vanguard REIT Index	3,280,271	0.73%	71,882	(284,776)	3,493,165	0.80%
Total Direct Plan	\$449,670,294	100.0%	\$15,511,913	\$(4,351,584)	\$438,509,965	100.0%

Market values provided by Union Bank & Trust.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended March 31, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Portfolios										
Target Fund 100										
Target Fund 100 Portfolio	(1.17%)	75	13.21%	13	8.11%	11	9.93%	12	9.31%	13
Target Fund 100 Blended Benchmark	(1.31%)	78	13.52%	12	8.42%	8	10.34%	10	9.77%	10
MS 529 Static Aggressive	(0.71%)		11.43%		6.89%		8.59%		8.02%	
Aggressive Age Based 0-2 yrs (Fd 100)	(1.17%)	97	13.21%	55	-		-		-	
Target Fund 100 Blended Benchmark	(1.31%)	98	13.52%	50	8.42%	26	10.34%	35	9.77%	25
MS 529 Age 0-6 High Equit	(0.56%)		13.48%		7.89%		9.84%		8.96%	
Target Fund 90										
Aggressive Age Based 3-5 yrs (Fd 90)	(1.09%)	95	12.10%	79	-		-		-	
Target Fund 90 Blended Benchmark	(1.22%)	98	12.33%	76	7.77%	52	9.47%	62	8.86%	52
MS 529 Age 0-6 High Equit	(0.56%)		13.48%		7.89%		9.84%		8.96%	
Moderate Age Based 0-2 yrs (Fd 90)	(1.09%)	74	12.10%	22	-		-		-	
Target Fund 90 Blended Benchmark	(1.22%)	80	12.33%	17	7.77%	8	9.47%	10	8.86%	9
MS 529 Age 0-6 Medium Equ	(0.77%)		10.61%		6.25%		8.08%		7.60%	
Target Fund 80										
Target Fund 80 Portfolio	(1.04%)	70	10.85%	66	6.89%	50	8.26%	56	8.11%	46
Target Fund 80 Blended Benchmark	(1.21%)	77	11.05%	63	7.05%	41	8.55%	51	8.45%	34
MS 529 Static Aggressive	(0.71%)		11.43%		6.89%		8.59%		8.02%	
Aggressive Age Based 6-8 yrs (Fd 80)	(1.04%)	87	10.85%	41	-		-		-	
Target Fund 80 Blended Benchmark	(1.21%)	95	11.05%	40	7.05%	22	8.55%	25	8.45%	20
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 3-5 yrs (Fd 80)	(1.04%)	72	10.85%	47	-		-		-	
Target Fund 80 Blended Benchmark	(1.21%)	80	11.05%	41	7.05%	28	8.55%	36	8.45%	21
MS 529 Age 0-6 Medium Equ	(0.77%)		10.61%		6.25%		8.08%		7.60%	
Conserv. Age Based 0-2 yrs (Fd 80)	(1.04%)	71	10.85%	13	-		-		-	
Target Fund 80 Blended Benchmark	(1.21%)	76	11.05%	11	7.05%	4	8.55%	5	8.45%	1
MS 529 Age 0-6 Low Equity	(0.75%)		7.88%		4.94%		6.02%		6.12%	
Target Fund 70										
Aggressive Age Based 9-10 yrs (Fd 70)	(1.22%)	95	9.00%	74	-		-		-	
Target Fund 70 Blended Benchmark	(1.37%)	98	9.28%	68	6.12%	51	7.56%	54	7.45%	46
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 6-8 yrs (Fd 70)	(1.22%)	87	9.00%	30	-		-		-	
Target Fund 70 Blended Benchmark	(1.37%)	92	9.28%	24	6.12%	17	7.56%	20	7.45%	20
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 3-5 yrs (Fd 70)	(1.22%)	76	9.00%	29	-		-		-	
Target Fund 70 Blended Benchmark	(1.37%)	85	9.28%	26	6.12%	16	7.56%	18	7.45%	11
MS 529 Age 0-6 Low Equity	(0.75%)		7.88%		4.94%		6.02%		6.12%	

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, 2018. 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, 2018

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years					
Target Fund 60										
Target Fund 60 Portfolio	(1.13%)	67	7.96%	71	5.23%	65	6.34%	71	6.70%	63
Target Fund 60 Blended Benchmark	(1.12%)	66	8.60%	57	5.65%	47	6.77%	59	7.10%	45
MS 529 Static Moderate Al	(0.90%)		8.81%		5.56%		7.17%		6.94%	
Aggressive Age Based 11-12 yrs (Fd 60)	(1.13%)	93	7.96%	88	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(1.12%)	93	8.60%	82	5.65%	65	6.77%	75	7.10%	61
MS 529 Age 7-12 High Equi	(0.68%)		10.13%		6.15%		7.63%		7.27%	
Moderate Age Based 9-10 yrs (Fd 60)	(1.13%)	83	7.96%	51	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(1.12%)	82	8.60%	40	5.65%	27	6.77%	41	7.10%	31
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 6-8 yrs (Fd 60)	(1.13%)	97	7.96%	13	-	-	-	-	-	-
Target Fund 60 Blended Benchmark	(1.12%)	96	8.60%	8	5.65%	9	6.77%	9	7.10%	4
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 50										
Aggressive Age Based 13-14 yrs (Fd 50)	(1.08%)	91	6.92%	50	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(1.16%)	96	7.19%	44	4.93%	34	6.07%	33	6.28%	30
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 11-12 yrs (Fd 50)	(1.08%)	78	6.92%	68	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(1.16%)	84	7.19%	65	4.93%	49	6.07%	60	6.28%	54
MS 529 Age 7-12 Medium Eq	(0.78%)		7.98%		4.91%		6.41%		6.41%	
Conserv. Age Based 9-10 yrs (Fd 50)	(1.08%)	95	6.92%	19	-	-	-	-	-	-
Target Fund 50 Blended Benchmark	(1.16%)	97	7.19%	17	4.93%	13	6.07%	14	6.28%	7
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 40										
Target Fund 40 Portfolio	(1.01%)	61	5.52%	55	3.93%	58	4.76%	59	5.46%	40
Target Fund 40 Blended Benchmark	(1.04%)	66	6.00%	46	4.28%	40	5.14%	44	5.83%	30
MS 529 Static Conservativ	(0.89%)		5.82%		4.10%		5.01%		5.24%	
Aggressive Age Based 15-16 yrs (Fd 40)	(1.01%)	88	5.52%	76	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(1.04%)	90	6.00%	72	4.28%	54	5.14%	60	5.83%	39
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 13-14 yrs (Fd 40)	(1.01%)	86	5.52%	38	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(1.04%)	89	6.00%	30	4.28%	19	5.14%	28	5.83%	18
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 11-12 yrs (Fd 40)	(1.01%)	88	5.52%	44	-	-	-	-	-	-
Target Fund 40 Blended Benchmark	(1.04%)	92	6.00%	36	4.28%	24	5.14%	27	5.83%	9
MS 529 Age 7-12 Low Equit	(0.73%)		5.30%		3.37%		4.09%		4.28%	
Target Fund 30										
Aggressive Age Based 17-18 yrs (Fd 30)	(1.03%)	89	4.06%	92	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(1.04%)	90	4.28%	90	3.30%	80	4.04%	80	4.54%	75
MS 529 Age 13-18 High Equi	(0.59%)		6.92%		4.43%		5.47%		5.46%	
Moderate Age Based 15-16 yrs (Fd 30)	(1.03%)	89	4.06%	71	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(1.04%)	89	4.28%	65	3.30%	52	4.04%	57	4.54%	55
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 13-14 yrs (Fd 30)	(1.03%)	94	4.06%	24	-	-	-	-	-	-
Target Fund 30 Blended Benchmark	(1.04%)	94	4.28%	17	3.30%	12	4.04%	8	4.54%	8
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	

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, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Target Fund 20										
Target Fund 20 Portfolio	(0.96%)	57	2.60%	93	2.18%	93	2.62%	93	3.59%	85
Target Fund 20 Blended Benchmark	(0.71%)	31	3.42%	85	2.71%	89	3.06%	90	4.00%	84
MS 529 Static Conservativ	(0.89%)		5.82%		4.10%		5.01%		5.24%	
Aggressive Age Based 19+ yrs (Fd 20)	(0.96%)	93	2.60%	87	-		-		-	
Target Fund 20 Blended Benchmark	(0.71%)	84	3.42%	47	2.71%	27	3.06%	32	4.00%	21
MS 529 Age 19+ High Equit	(0.32%)		3.38%		2.32%		2.61%		3.59%	
Moderate Age Based 17-18 yrs (Fd 20)	(0.96%)	82	2.60%	92	-		-		-	
Target Fund 20 Blended Benchmark	(0.71%)	47	3.42%	81	2.71%	70	3.06%	79	4.00%	70
MS 529 Age 13-18 Medium E	(0.74%)		4.97%		3.35%		4.31%		4.71%	
Conserv. Age Based 15-16 yrs (Fd 20)	(0.96%)	93	2.60%	59	-		-		-	
Target Fund 20 Blended Benchmark	(0.71%)	71	3.42%	35	2.71%	25	3.06%	25	4.00%	19
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	
Target Fund 10										
Moderate Age Based 19+ yrs (Fd 10)	(0.68%)	71	1.72%	65	-		-		-	
Target Fund 10 Blended Benchmark	(0.60%)	60	1.96%	57	1.71%	51	1.97%	48	2.49%	46
MS 529 Age 19+ Medium Equ	(0.48%)		2.28%		1.72%		1.84%		2.29%	
Conserv. Age Based 17-18 yrs (Fd 10)	(0.68%)	70	1.72%	75	-		-		-	
Target Fund 10 Blended Benchmark	(0.60%)	63	1.96%	72	1.71%	65	1.97%	63	2.49%	62
MS 529 Age 13-18 Low Equi	(0.48%)		2.81%		2.18%		2.40%		3.04%	
Target Fund Fixed Income										
Target Fund Fixed Income Portfolio	(0.09%)	43	0.67%	52	0.57%	66	0.17%	76	0.98%	66
Target Fund F.I. Blended Benchmark	(0.06%)	43	0.76%	50	0.73%	57	0.40%	69	1.20%	56
MS 529 Static Short-Term	(0.27%)		0.77%		0.94%		0.83%		1.40%	
Conserv. Age Based 19+ yrs (F.I.)	(0.09%)	23	0.67%	63	-		-		-	
Target Fund F.I. Blended Benchmark	(0.06%)	21	0.76%	54	0.73%	36	0.40%	56	1.20%	36
MS 529 Age 19+ Low Equity	(0.23%)		0.83%		0.58%		0.54%		0.99%	

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, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Individual Funds Portfolios										
Money Market Funds										
Vanguard Prime Money Market (net all)*	0.32%	27	1.01%	30	0.53%	24	0.32%	25	0.24%	25
Vanguard Prime Money Market (net mgr)	0.39%	3	1.26%	10	0.70%	14	0.45%	13	0.35%	13
3-Month Treasury Bill	0.35%	12	1.11%	22	0.53%	24	0.34%	22	0.27%	20
Callan Money Market Funds	0.28%		0.86%		0.36%		0.22%		0.16%	
Fixed Income Funds										
PIMCO Short-Term (net all)	0.18%	4	1.82%	4	1.76%	10	1.36%	21	1.41%	57
PIMCO Short-Term (net mgr)	0.26%	4	2.11%	3	2.00%	7	1.60%	13	1.65%	37
3 Month T-Bills	0.35%	3	1.07%	25	0.49%	88	0.31%	93	0.24%	97
Blmbg Aggregate 1-3 Index	(0.20%)	49	0.25%	78	0.68%	76	0.78%	71	0.99%	80
Callan Defensive FI MFs	(0.21%)		0.75%		1.04%		1.07%		1.49%	
Vanguard Short Infl Protected (net all)*	0.20%	5	0.10%	88	0.83%	74	-	-	-	-
Vanguard Short Infl Protected (net mgr)	0.20%	5	0.34%	82	1.11%	50	0.08%	33	-	-
Blmbg US TIPS 0-5 Index	0.21%	5	0.39%	78	1.16%	48	0.14%	18	0.81%	96
Callan TIPS MFs	(0.80%)		0.86%		1.11%		(0.17%)		2.19%	
Vanguard Short Term Bond (net all)*	(0.58%)	97	0.00%	94	0.46%	93	-	-	-	-
Vanguard Short Term Bond (net mgr)	(0.51%)	94	0.19%	90	0.71%	81	0.88%	66	-	-
Blmbg Govt/Credit 1-5 Float	(0.50%)	93	0.19%	90	0.78%	78	0.95%	63	1.44%	64
Callan Short Inv Grade MF	(0.13%)		0.92%		1.19%		1.15%		1.63%	
Vanguard Infl Prot Securities (net all)	(0.98%)	78	0.26%	85	0.91%	73	(0.29%)	60	2.15%	56
Vanguard Infl Prot Securities (net mgr)	(0.94%)	71	0.54%	73	1.17%	48	(0.07%)	40	2.41%	29
Blmbg US TIPS Index	(0.79%)	48	0.92%	40	1.30%	32	0.05%	34	2.50%	22
Callan TIPS MFs	(0.80%)		0.86%		1.11%		(0.17%)		2.19%	
Fidelity Investment Grade Bond (net all)	(1.53%)	77	0.91%	83	1.15%	71	1.73%	68	-	-
Fidelity Investment Grade Bond (net mgr)	(1.48%)	62	1.25%	54	1.44%	41	1.95%	30	3.22%	29
Blmbg Aggregate Index	(1.46%)	54	1.20%	56	1.20%	68	1.82%	44	2.92%	78
Callan Core Bond MFs	(1.44%)		1.29%		1.37%		1.81%		3.08%	
Vanguard Intermediate Bond (net all)	(1.54%)	92	0.78%	50	1.06%	53	1.58%	50	3.53%	9
Vanguard Intermediate Bond (net mgr)	(1.98%)	98	0.51%	70	1.14%	51	1.76%	38	3.75%	8
Blmbg Govt/Credit 5-10	(1.88%)	97	0.67%	60	1.26%	49	1.86%	35	3.81%	8
Callan Intermediate FI MF	(0.99%)		0.78%		1.21%		1.59%		2.67%	
Vanguard Total Bond Index (net all)*	(1.55%)	85	0.84%	92	0.87%	95	1.50%	85	2.62%	86
Vanguard Total Bond Index (net mgr)	(1.47%)	56	1.13%	57	1.13%	72	1.75%	66	2.88%	79
Blmbg Aggregate Index	(1.46%)	54	1.20%	56	1.20%	68	1.82%	44	2.92%	78
Callan Core Bond MFs	(1.44%)		1.29%		1.37%		1.81%		3.08%	
MainStay Total Return Bond (net all)	(1.76%)	89	1.34%	65	1.39%	78	-	-	-	-
MainStay Total Return Bond (net mgr)	(1.71%)	88	1.65%	63	1.53%	57	1.94%	80	3.39%	57
Blmbg Aggregate Index	(1.46%)	73	1.20%	74	1.20%	81	1.82%	85	2.92%	93
Callan Core Plus MFs	(1.39%)		1.98%		1.73%		2.16%		3.61%	
Balanced Funds										
T. Rowe Price Balanced (net all)	(0.10%)	19	11.90%	22	6.73%	25	8.34%	40	8.12%	44
T. Rowe Price Balanced (net mgr)	(0.04%)	19	12.00%	21	6.91%	24	8.57%	36	8.38%	40
Balanced Fund Blended Benchmark	(1.11%)	54	9.51%	42	6.78%	25	8.41%	40	8.46%	37
Callan Dom Balanced MFs	(1.00%)		9.04%		5.82%		7.92%		7.86%	
Domestic Equity Funds										
T. Rowe Large Cap Growth (net all)	4.77%	28	30.21%	7	15.45%	3	-	-	-	-
T. Rowe Large Cap Growth (net mgr)	4.96%	26	30.67%	5	15.79%	2	18.87%	2	15.87%	5
Russell 1000 Growth Index	1.42%	79	21.25%	65	12.90%	30	15.53%	37	14.09%	29
Callan Large Cap Grwth MF	3.85%		23.68%		11.72%		14.90%		13.11%	
Vanguard Growth Index (net all)	1.12%	86	17.65%	88	10.77%	68	13.99%	70	13.15%	48
Vanguard Growth Index (net mgr)	1.17%	85	17.98%	88	11.07%	63	14.30%	65	13.46%	44
U.S. Large Cap Growth Benchmark	1.20%	84	18.03%	88	11.13%	63	14.38%	64	13.54%	43
Russell 1000 Growth Index	1.42%	79	21.25%	65	12.90%	30	15.53%	37	14.09%	29
Callan Large Cap Grwth MF	3.85%		23.68%		11.72%		14.90%		13.11%	
Vanguard Total Stock Index (net all)*	(0.67%)	46	13.53%	51	9.91%	38	12.72%	38	12.09%	38
Vanguard Total Stock Index (net mgr)	(0.60%)	42	13.85%	48	10.20%	24	13.02%	31	12.39%	26
U.S. Total Market Benchmark	(0.60%)	42	13.87%	48	10.21%	24	13.03%	31	12.40%	26
Russell 3000 Index	(0.64%)	44	13.81%	49	10.22%	24	13.03%	31	12.39%	26
Callan Large Cap Core MFs	(0.72%)		13.64%		9.26%		12.29%		11.91%	

(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, 2018. 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, 2018

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Vanguard 500 Index (net all)	(0.81%)	55	13.68%	50	10.49%	20	12.98%	31	12.38%	26
Vanguard 500 Index (net mgr)	(0.77%)	53	13.96%	48	10.75%	15	13.28%	27	12.68%	15
S&P 500 Index	(0.76%)	52	13.99%	47	10.78%	15	13.31%	27	12.71%	14
Callan Large Cap Core MFs	(0.72%)		13.64%		9.26%		12.29%		11.91%	
DFA US Large Cap Value (net all)	(2.39%)	62	12.00%	35	9.85%	13	-		-	
DFA US Large Cap Value (net mgr)	(2.35%)	60	12.21%	33	10.13%	12	12.65%	12	12.12%	23
Russell 1000 Value Index	(2.83%)	74	6.95%	88	7.88%	50	10.78%	55	11.00%	32
Callan Lg Cap Value MF	(2.16%)		10.05%		7.90%		10.93%		10.72%	
Vanguard Value Index (net all)	(2.36%)	61	10.55%	48	9.81%	14	11.92%	24	11.43%	30
Vanguard Value Index (net mgr)	(2.32%)	60	10.81%	44	10.06%	12	12.21%	21	11.72%	26
U.S. Large Cap Value Benchmark	(2.29%)	59	10.84%	44	10.09%	12	12.27%	20	11.79%	26
Russell 1000 Value Index	(2.83%)	74	6.95%	88	7.88%	50	10.78%	55	11.00%	32
Callan Lg Cap Value MF	(2.16%)		10.05%		7.90%		10.93%		10.72%	
Vanguard Extended Market Index (net all)	0.11%	51	12.91%	53	7.83%	42	11.58%	40	10.68%	41
Vanguard Extended Market Index (net mgr)	0.15%	50	13.13%	53	8.06%	40	11.86%	35	11.04%	28
S&P Completion Index	0.12%	51	13.08%	53	7.97%	40	11.77%	36	10.95%	30
Callan Mid Cap MFs	0.23%		14.72%		7.10%		11.28%		10.42%	
Vanguard Mid Cap Index (net all)	(0.05%)	51	12.03%	54	7.59%	45	11.97%	32	10.91%	31
Vanguard Mid Cap Index (net mgr)	0.01%	51	12.31%	54	7.86%	41	12.26%	28	11.29%	26
U.S. Mid Cap Benchmark	0.03%	51	12.36%	54	7.90%	41	12.31%	27	11.34%	26
Russell MidCap Index	(0.46%)	57	12.20%	54	8.01%	40	12.09%	30	11.51%	24
Callan Mid Cap MFs	0.23%		14.72%		7.10%		11.28%		10.42%	
Vanguard Explorer (net all)	4.12%	41	20.41%	58	8.55%	55	-		-	
Vanguard Explorer (net mgr)	4.17%	40	20.76%	52	9.12%	44	13.04%	43	11.56%	36
Russell 2500 Growth Index	2.38%	76	19.92%	62	9.11%	44	13.37%	32	11.83%	33
Callan Sm Cap Growth MF	3.58%		20.97%		8.76%		12.75%		11.19%	
Vanguard Small Cap Growth (net all)	2.03%	81	17.10%	76	7.86%	64	11.17%	73	10.24%	69
Vanguard Small Cap Growth (net mgr)	2.09%	81	17.39%	72	8.12%	58	11.44%	72	10.60%	63
U.S. Small Cap Growth Benchmark	2.09%	80	17.38%	72	8.06%	60	11.44%	72	10.57%	64
Russell 2000 Growth Index	2.30%	77	18.63%	67	8.77%	50	12.90%	48	11.29%	41
Callan Sm Cap Growth MF	3.58%		20.97%		8.76%		12.75%		11.19%	
Vanguard Small Cap Index (net all)	(0.30%)	53	11.53%	55	7.75%	58	11.36%	50	10.69%	39
Vanguard Small Cap Index (net mgr)	(0.21%)	52	11.82%	55	8.06%	51	11.66%	45	10.96%	36
U.S. Small Cap Benchmark	(0.22%)	52	11.80%	55	8.03%	52	11.65%	45	10.94%	36
Russell 2000 Index	(0.08%)	51	11.79%	55	8.39%	47	11.47%	47	10.39%	47
Callan Small Cap MFs	0.36%		13.18%		8.12%		11.39%		10.31%	
DFA US Small Cap Value (net all)	(2.39%)	64	5.71%	77	6.11%	71	-		-	
DFA US Small Cap Value (net mgr)	(2.34%)	59	6.13%	67	6.51%	67	9.90%	66	9.49%	47
Russell 2000 Value Index	(2.64%)	67	5.13%	80	7.87%	45	9.96%	63	9.42%	56
Callan Sm Cap Value MF	(1.60%)		8.45%		7.29%		10.52%		9.48%	
Vanguard Small Cap Value Index (net all)	(2.14%)	58	7.00%	55	7.65%	47	11.35%	31	10.81%	18
Vanguard Small Cap Value Index (net mgr)	(2.07%)	57	7.35%	54	7.96%	44	11.66%	21	11.15%	8
U.S. Small Cap Value Benchmark	(2.09%)	57	7.37%	54	7.98%	44	11.70%	19	11.18%	5
Russell 2000 Value Index	(2.64%)	67	5.13%	80	7.87%	45	9.96%	63	9.42%	56
Callan Sm Cap Value MF	(1.60%)		8.45%		7.29%		10.52%		9.48%	
International Equity										
Dodge & Cox Int'l Stock (net all)	(2.29%)	92	10.58%	96	3.42%	95	-		-	
Dodge & Cox Int'l Stock (net mgr)	(2.14%)	92	10.96%	95	3.76%	93	7.26%	35	5.55%	47
MSCI EAFE Index	(1.53%)	78	14.80%	66	5.55%	67	6.50%	62	5.31%	57
MSCI ACWI ex US	(1.18%)	66	16.53%	48	6.18%	50	5.89%	77	4.26%	82
Callan Non US Equity MFs	(0.60%)		16.11%		6.17%		6.91%		5.45%	
Vanguard Int'l Stock Index (net all)*	(0.51%)	47	16.82%	44	6.59%	36	6.10%	73	4.45%	79
Vanguard Int'l Stock Index (net mgr)	(0.45%)	44	17.08%	40	6.95%	30	6.43%	64	4.70%	77
Total Int'l Stock Benchmark	(1.14%)	66	16.74%	44	6.79%	31	6.39%	66	4.62%	78
Callan Non US Equity MFs	(0.60%)		16.11%		6.17%		6.91%		5.45%	
Real Estate										
Vanguard REIT Index (net all)*	(8.17%)	88	(4.78%)	87	0.49%	68	5.51%	67	7.73%	61
Vanguard REIT Index (net mgr)	(8.07%)	86	(4.45%)	83	0.79%	58	5.78%	56	8.04%	46
Morgan Stanley REIT Index	(8.09%)	87	(4.38%)	82	0.87%	57	5.86%	53	8.11%	39
NAREIT All Equity Index	(6.66%)	39	(1.09%)	30	2.90%	16	6.66%	24	8.75%	15
Callan Real Estate MFs	(6.98%)		(2.14%)		1.29%		5.92%		7.94%	

(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, 2018

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Money Market Funds									
Vanguard Prime Money Market Money Market Funds	0.4 3	1.3 10	0.7 14	0.4 13	0.3 13			1.4 5	0.4 12
3-Month Treasury Bill	0.4 12	1.1 22	0.5 24	0.3 22	0.3 20				0.0 20
Fixed Income Funds									
PIMCO Short-Term CAI Defensive F-I Mutual Funds	0.3 4	2.1 3	2.0 7	1.6 13	1.7 37			1.3 30	1.3 35
3 Month T-Bills	0.3 3	1.1 25	0.5 88	0.3 93	0.2 97				-0.1 97
Vanguard Short Infl-Protected (i) MF - TIPS Funds	0.2 5	0.3 82	1.1 50	0.1 33					
Blmbg US TIPS 0-5 Idx	0.2 5	0.4 78	1.2 48	0.1 18	0.8 96				0.3 94
Vanguard Short Term Bond (i) Mutal Fund: Short Investment Grade	-0.5 94	0.2 90	0.7 81	0.9 66					
Blmbg Govt/Cred 1-5 Float Adj	-0.5 93	0.2 90	0.8 78	0.9 63	1.4 64				0.9 63
Vanguard Infl Prot Securities MF-TIPS Funds	-0.9 71	0.5 73	1.2 48	-0.1 40	2.4 29			-0.3 40	0.4 30
Blmbg US TIPS Index	-0.8 48	0.9 40	1.3 32	0.0 34	2.5 22				0.5 22
Fidelity Investment Grade Bond CAI Core Bond Mutual Funds	-1.5 62	1.2 54	1.4 41	1.9 30	3.2 29			0.3 37	0.9 55
Blmbg Aggregate Index	-1.5 54	1.2 56	1.2 68	1.8 44	2.9 78				0.9 78
Vanguard Intermediate Bond Index (i) CAI Intermediate F-I Mutual Funds	-2.0 98	0.5 70	1.1 51	1.8 38	3.8 8			-0.3 26	0.8 72
Blmbg Govt/Credit 5-10	-1.9 97	0.7 60	1.3 49	1.9 35	3.8 8				0.8 71
Vanguard Total Bond Market Index (i) CAI Core Bond Mutual Funds	-1.5 56	1.1 57	1.1 72	1.7 66	2.9 79			-0.3 87	0.8 81
Blmbg Aggregate Index	-1.5 54	1.2 56	1.2 68	1.8 44	2.9 78				0.9 78
MainStay Total Return Bond CAI Core Plus Mutual Funds	-1.7 88	1.6 63	1.5 57	1.9 80	3.4 57			0.3 68	1.0 63
Blmbg Aggregate Index	-1.5 73	1.2 74	1.2 81	1.8 85	2.9 93				0.9 91

Returns:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:


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

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

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

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

Alabama CollegeCounts Direct Plan, Executive Summary
Investment Manager Performance Monitoring Summary Report
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Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Balanced Funds									
T. Rowe Price Balanced CAI Mutual Fund: Domestic Balanced Style	-0.0 19	12.0 21	6.9 24	8.6 36	8.4 40			-0.0 74	1.0 55
Balanced Fund Blended Benchmark	-1.1 54	9.5 42	6.8 25	8.4 40	8.5 37				1.2 31
Domestic Equity									
T. Rowe Large Cap Growth CAI Large Cap Growth Mutual Funds	5.0 26	30.7 5	15.8 2	18.9 2	15.9 5			0.4 9	1.1 19
Russell 1000 Growth Index	1.4 79	21.3 65	12.9 30	15.5 37	14.1 29				1.2 8
Vanguard Growth Index (i) CAI Large Cap Growth Mutual Funds	1.2 85	18.0 88	11.1 63	14.3 65	13.5 44			-2.5 100	1.1 32
U.S. Large Cap Growth Benchmark	1.2 84	18.0 88	11.1 63	14.4 64	13.5 43				1.1 27
Vanguard Total Stock Index (i) CAI Core Equity Mutual Funds	-0.6 42	13.9 48	10.2 24	13.0 31	12.4 26			-0.4 85	1.1 52
U.S. Total Market Benchmark	-0.6 42	13.9 48	10.2 24	13.0 31	12.4 26				1.1 52
Vanguard 500 Index (i) CAI Core Equity Mutual Funds	-0.8 53	14.0 48	10.8 15	13.3 27	12.7 15			-3.4 100	1.1 9
S&P 500 Index	-0.8 52	14.0 47	10.8 15	13.3 27	12.7 14				1.1 9
DFA US Large Cap Value CAI Large Cap Value Mutual Funds	-2.4 60	12.2 33	10.1 12	12.6 12	12.1 23			0.3 15	0.8 71
Russell 1000 Value Index	-2.8 74	6.9 88	7.9 50	10.8 55	11.0 32				0.9 27
Vanguard Value Index (i) CAI Large Cap Value Mutual Funds	-2.3 60	10.8 44	10.1 12	12.2 21	11.7 26			-2.1 100	1.0 26
U.S. Large Cap Value Benchmark	-2.3 59	10.8 44	10.1 12	12.3 20	11.8 26				1.0 25
Vanguard Extended Market Index (i) CAI MF Mid Cap Broad Style	0.2 50	13.1 53	8.1 40	11.9 35	11.0 28			1.5 1	0.7 52
S&P Completion Index	0.1 51	13.1 53	8.0 40	11.8 36	11.0 30				0.7 53
Vanguard Mid Cap Index (i) CAI MF Mid Cap Broad Style	0.0 51	12.3 54	7.9 41	12.3 28	11.3 26			-2.5 100	0.9 34
U.S. Mid Cap Benchmark	0.0 51	12.4 54	7.9 41	12.3 27	11.3 26				0.9 33

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.

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Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	7 Year Risk Quadrant	7 Year Return Consistency	7 Year Excess Rtn Ratio	7 Year Sharpe Ratio
Vanguard Explorer CAI Small Cap Growth Mutual Funds Russell 2500 Growth Index	4.2 40	20.8 52	9.1 44	13.0 43	11.6 36			-0.1 48	0.7 26
	2.4 76	19.9 62	9.1 44	13.4 32	11.8 33				0.8 23
Vanguard Small Cap Growth Index (i) CAI Small Cap Growth Mutual Funds U.S. Small Cap Growth Benchmark	2.1 81	17.4 72	8.1 58	11.4 72	10.6 63			0.3 58	0.7 59
	2.1 80	17.4 72	8.1 60	11.4 72	10.6 64				0.7 60
Vanguard Small Cap Index (i) CAI Small Cap Broad Mutual Funds U.S. Small Cap Benchmark	-0.2 52	11.8 55	8.1 51	11.7 45	11.0 36			0.7 2	0.7 36
	-0.2 52	11.8 55	8.0 52	11.7 45	10.9 36				0.7 37
DFA US Small Cap Value CAI Small Cap Value Mutual Funds Russell 2000 Value Index	-2.3 59	6.1 67	6.5 67	9.9 66	9.5 47			0.0 47	0.5 71
	-2.6 67	5.1 80	7.9 45	10.0 63	9.4 56				0.6 50
Vanguard Small Cap Value Index (i) CAI Small Cap Value Mutual Funds U.S. Small Cap Value Benchmark	-2.1 57	7.4 54	8.0 44	11.7 21	11.2 8			-0.7 94	0.8 21
	-2.1 57	7.4 54	8.0 44	11.7 19	11.2 5				0.8 20
International Equity									
Dodge & Cox Int'l Stock CAI Non-U.S. Equity MF MSCI EAFE Index	-2.1 92	11.0 95	3.8 93	7.3 35	5.6 47			0.1 47	0.3 64
	-1.5 78	14.8 66	5.6 67	6.5 62	5.3 57				0.4 48
Vanguard Int'l Stock Index (i) CAI Non-U.S. Equity MF Total Int'l Stock Benchmark	-0.5 44	17.1 40	6.9 30	6.4 64	4.7 77			0.1 91	0.3 90
	-1.1 66	16.7 44	6.8 31	6.4 66	4.6 78				0.3 90
Real Estate Funds									
Vanguard REIT Index (i) Real Estate Mutual Funds Morgan Stanley REIT Index	-8.1 86	-4.5 83	0.8 58	5.8 56	8.0 46			-1.1 98	0.6 55
	-8.1 87	-4.4 82	0.9 57	5.9 53	8.1 39				0.6 49

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

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Morningstar Ratings and Rankings

Plan 2 - Direct - Fund Name	Morningstar Category	Ticker	Morningstar Rating	Market Value*
DFA U.S. Large Cap Value	Large Value	DFLVX	4	96,571,054
DFA U.S. Small Cap Value	Small Value	DFSVX	3	724,916
Dodge & Cox International Stock	Foreign Blend	DODFX	4	1,710,339
Fidelity Advisor Investment Grade Bond	Intermediate-Term Bond	FGBPX	3	1,974,697
Mainstay Total Return Bond	Intermediate-Term Bond	MTMIX	4	96,751,273
PIMCO Short-Term	Ultrashort Bond	PTSHX	5	136,880,822
T. Rowe Price Balanced	Moderate Allocation	RPBAX	4	55,471,449
T. Rowe Price Large-Cap Growth	Large Growth	TRLGX	5	94,713,420
Vanguard 500 Index	Large Blend	VINIX	4	20,891,310
Vanguard Explorer	Small Growth	VEXRX	3	726,360
Vanguard Extended Market Index	Mid-Cap Blend	VEXAX	3	1,535,231
Vanguard Growth Index	Large Growth	VIGAX	4	9,577,415
Vanguard Inflation-Protected Securities	Inflation-Protected Bond	VAIPX	4	1,162,480
Vanguard Mid-Cap Index	Mid-Cap Blend	VIMAX	4	7,417,157
Vanguard Prime Money Market	Taxable Money Market	VMRXX	N/A	17,261,979
Vanguard Real Estate Index(REIT Index)	Real Estate	VGSNX	3	18,638,753
Vanguard Short Term Bond	Short-Term Bond	VBITX	3	36,468,194
Vanguard Short-Term Infl-Protected	Inflation-Protected Bond	VTSPX	5	19,890,885
Vanguard Small-Cap Growth Index	Small Growth	VSGAX	3	4,833,477
Vanguard Small-Cap Index	Small Blend	VSMAX	4	2,951,925
Vanguard Small-Cap Value Index	Small Value	VSIAX	5	3,388,942
Vanguard Total Bond Market Index	Intermediate-Term Bond	VBPIX	3	87,212,571
Vanguard Total International Stock Index	Foreign Large Blend	VTSNX	3	71,181,228
Vanguard Total Stock Market Index	Large Blend	VITSX	4	126,349,275
Vanguard Value Index	Large Value	VVIAX	5	4,579,809

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

Summary of Fund Performance Status

Plan 2 - Direct - Fund Name	Prior Quarter Status	Current Quarter Status	Market Value*
DFA U.S. Large Cap Value	Positive	Positive	96,571,054
DFA U.S. Small Cap Value	Positive	Positive	724,916
Dodge & Cox International Stock	Positive	Positive	1,710,339
Fidelity Advisor Investment Grade Bond	Positive	Positive	1,974,697
Mainstay Total Return Bond	Positive	Positive	96,751,273
PIMCO Short-Term	Positive	Positive	136,880,822
T. Rowe Price Balanced	Positive	Positive	55,471,449
T. Rowe Price Large-Cap Growth	Positive	Positive	94,713,420
Vanguard 500 Index	Positive	Positive	20,891,310
Vanguard Explorer	Positive	Positive	726,360
Vanguard Extended Market Index	Positive	Positive	1,535,231
Vanguard Growth Index	Positive	Positive	9,577,415
Vanguard Inflation-Protected Securities	Positive	Positive	1,162,480
Vanguard Mid-Cap Index	Positive	Positive	7,417,157
Vanguard Prime Money Market	Positive	Positive	17,261,979
Vanguard Real Estate Index(REIT Index)	Positive	Positive	18,638,753
Vanguard Short Term Bond	Positive	Positive	36,468,194
Vanguard Short-Term Infl-Protected	Positive	Positive	19,890,885
Vanguard Small-Cap Growth Index	Positive	Positive	4,833,477
Vanguard Small-Cap Index	Positive	Positive	2,951,925
Vanguard Small-Cap Value Index	Positive	Positive	3,388,942
Vanguard Total Bond Market Index	Positive	Positive	87,212,571
Vanguard Total International Stock Index	Positive	Positive	71,181,228
Vanguard Total Stock Market Index	Positive	Positive	126,349,275
Vanguard Value Index	Positive	Positive	4,579,809

*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

Vanguard Announces Key Appointments in Fixed Income Group

Vanguard announced key leadership appointments within its \$1.4 trillion Fixed Income Group as part of the firm's long-standing practice of periodically rotating investment professionals. The appointments are the result of Kenneth Volpert, Global Head of Fixed Income Indexing and Head of Investments--Europe, retiring in August of this year after more than 25 years of service to Vanguard. These rotations broaden the team's experience and increase the depth of our portfolio management team by offering additional responsibility to more experienced team members.

As part of these rotations, Christopher Wrazen, CFP®, a co-portfolio manager on nine Vanguard fixed income funds, will be moving to London to manage the Bond Index Group in Europe. As a result, Joshua Barrickman, head of Fixed Income Indexing Americas, will become sole portfolio manager on the funds listed below, effective April 2, 2018:

- Vanguard Short-Term Corporate Bond Index Fund
- Vanguard Intermediate-Term Corporate Bond Index Fund
- Vanguard Long-Term Corporate Bond Index Fund
- Vanguard Short-Term Bond Index Fund
- Vanguard Long-Term Bond Index Fund
- Vanguard Total International Bond Index Fund
- Vanguard Emerging Markets Government Bond Index Fund
- Vanguard Total Corporate Bond ETF
- Vanguard Balanced Index Fund (fixed income portion)

Northern Trust Global Head of Equity departs

On March 7, 2018, Matt Peron, Head of Global Equity announced his departure from the firm for personal reasons. His direct role will not be replaced, instead Mike Hunstad, current director of quantitative research, will expand his role to include factor based strategies as well.

Prior to this change, several units were reporting to Peron who reported to CIO Bob Browne. The reporting structure is more streamlined with each head of Northern Trust's equity businesses reporting to Browne. Further details are listed below which describe Northern Trust's equity business and new reporting structure.

Northern Trust Equity has four primary strategy components:

- Index equity
 - Includes passive cap weighted indices and alternative beta (smart beta) indices
- Factor-based equity

- Proprietary “quant active” strategies (factor design & construction)
 - Small cap, large cap, custom & ESG strategies

- Tax-advantaged equity
 - Typically replicating passive cap weighted indices, with tax lot loss harvesting
 - Some clients will incorporate customized factor tilts in their portfolios

- Fundamental equity
 - Small platform that primarily serves Northern’s wealth clients
 - They are not engaging the institutional consultant community on this platform

New Structure:

The following people report directly to Bob Browne, CIO:

- Index: Jake Weaver
- Factor-based: Mike Hunstad, Ph.D.
 - Expanded role now includes the lead small & large cap factor-based PMs reporting to him (in addition to quant research)
- Tax-Advantaged: Jake Weaver
- Fundamental: Chris Shipley

Blackrock Announces Inflation-Linked/TIPS Team Departure

BlackRock has announced that Martin Hegarty, lead portfolio manager for the Inflation-Linked Bond Portfolios within the Global Fixed Income group, will be leaving the firm. Chris Allen **and** Akiva Dickstein will take on Hegarty’s responsibilities as the lead portfolio managers for institutional accounts.

Allen, who has been a member of the Global Inflation-Linked Bond team since 2016, will focus on global exposures. Dickstein, who in addition is Head of Customized Multi-Sector Portfolios in the Global Fixed Income group, will focus on the US and sector exposure for the Inflation-Linked Bond Portfolios.

Watch List

Watch List

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

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 (4.15%) which trailed the benchmark by 1.66% and ranked in the 97 th percentile of Callan's Small Cap Value Mutual Fund peer group. For the three year period, the Fund lags the benchmark by 1.28% and ranked in the 63 rd percentile of peers. The 5-year return trails the benchmark by 0.27% and ranks in the 72 nd percentile of peers.
Recommendation:	Add to watch list
Date on Watch:	May 16, 2018

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

T. Rowe Price Real Estate (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 (7.20%) which beat the benchmark by 0.89% and ranked in the 60 th percentile of Callan's REIT Mutual Fund peer group. For the one year period, the Fund beat the benchmark by 2.52% and ranked in the 42 nd percentile of peers. The 5-year return beats the benchmark by 0.52% and ranks in the 33 rd percentile of peers.
Recommendation:	Remove from watch list
Date on Watch:	May 17, 2017

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

The BlackRock Inflation-protected Bond Fund (Advisor Plan)

Availability:	This fund is an individual option.
Issue:	Short-term performance has been in the Monitor range for more than 9 consecutive months and qualifies for "Watch" status according to the short-term performance criteria. During the first quarter, the fund showed relative improvement posting a return of (0.52%) vs. the (0.79%) return of the benchmark. Longer term performance lags the benchmark and median peer over the 3 and 5-year periods.
Analysis:	N/A
Recommendation:	Watch list
Date on Watch:	August 2015
Plan Assets:	\$2,126,801

Templeton International Bond Fund (Advisor Plan)

Availability:	This fund is offered as an individual option and an underlying fund.
Issue:	Underperformance
Analysis:	The Fund underperformed for the first quarter lagging the benchmark by 3.09% and ranking in the 68 th percentile among peers. The portfolio lags the benchmark by 3.08% for the last 3 years and ranks in the 87 th percentile.
Recommendation:	Watch list
Date on Watch:	August 10, 2016
Plan Assets:	\$42,505,978 Combined Assets

Touchstone High Yield Fund (Advisor Plan)

Availability:	This fund is offered as an individual option and an underlying fund.
Issue:	Underperformance
Analysis:	The Fund lags the benchmark by 2.02% for the last 3 years and ranks in the 96 th percentile among peers. This quarter the Fund lags the High Yield II Index by 0.20% and ranked in the 51 st percentile of Callan High Yield Mutual Fund peer group.
Recommendation:	Watch list
Date on Watch:	August 10, 2016
Plan Assets:	\$43,422,923

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 1.12% for the last 5 years and by 1.62% for the last three years. The Fund ranks in the 53 rd percentile among peers for the three-year time-period. The Fund outperformed the S&P 500 by 1.02% for the one year period and ranks in the 43 rd percentile. This quarter the Fund beat the S&P 500 Index by 1.25% and ranked in the 18 th percentile of its peer group. The longer-term underperformance is driven by the significant underperformance in 2015 and first half of 2016.
Recommendation:	Watch list
Date on Watch:	August 10, 2016
Plan Assets:	\$5,952,430

Voya Global Real Estate Fund (Advisor Plan)

Availability:	This fund is offered as an individual option and an underlying fund.
Issue:	Underperformance
Analysis:	The Fund lags the benchmark by 1.52% for the last 3 years and ranks in the bottom quartile among peers. Over the one year period the fund beat the benchmark by 0.93% and ranked in the 65 th percentile. This quarter the Fund underperformed the benchmark by 0.10% and ranked in the 84 th percentile of the peer group.

Recommendation: Watch list
Date on Watch: August 10, 2016
Plan Assets: \$21,919,437 Combined Assets

Plan Assets: \$3,023,576

Lazard Emerging Markets (Advisor)

Availability: This fund is offered as an individual option

Issue: Underperformance

Analysis: During the first quarter the Fund had a return of 2.05% which beat the benchmark by 0.63% and ranked in the 52nd percentile of Callan's Emerging Markets Mutual Fund peer group. For the trailing one year period, the Fund lagged the benchmark by 6.60% and ranked in the 83rd percentile of peers. The recent underperformance has resulted in 3- and 5- year cumulative returns that are below the benchmark and median manager. The 3-year return trails the benchmark by 0.19% and ranks in the 73rd percentile of peers.

Recommendation: Watch list
Date on Watch: August 16, 2017
Plan Assets: \$26,703,545

Watch List Criteria

Watch List Criteria

Performance Objectives

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

Passive Options:

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

Active Options:

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

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

Multi-Fund Options:

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

Watch List Standards

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

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

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

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

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