

# ***ABLE Consortium Trust***

**BASIC FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION  
June 30, 2020  
(With Independent Auditor's Report Thereon)**

# *ABLE Consortium Trust*

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## INDEPENDENT AUDITOR'S REPORT

Ascensus Investment Advisors, LLC, Administrator  
ABLE Consortium Trust

### **Report on the Basic Financial Statements**

We have audited the accompanying statement of fiduciary net position and statement of changes in fiduciary net position of the **ABLE Consortium Trust** (the Trust), as of and for year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Trust's basic financial statements.

### ***Management's Responsibility for the Basic Financial Statements***

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the basic financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the basic financial statements referred to on the preceding page present fairly, in all material respects, the fiduciary net position of the Trust as of June 30, 2020, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As disclosed in Note 1 to the financial statements, these basic financial statements present only the fiduciary net position and changes in fiduciary net position of the Trust as of June 30, 2020. These basic financial statements do not purport to, and do not, present the fiduciary net position or changes in fiduciary net position of the Member Plans participating in the Trust. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 7 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, as it is considered to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information in management's discussion and analysis because the limited procedures we performed do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the Trust's basic financial statements. The supplementary Trust investment information on pages 22 through 25, the supplementary investment option information on pages 26 through 29 and supplementary Member Plan information on pages 30 through 35 are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements of the Trust. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ascensus Investment Advisors, LLC, Administrator  
ABLE Consortium Trust

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.



Landmark PLC  
Certified Public Accountants

September 25, 2020  
Little Rock, Arkansas

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**Management's Discussion and Analysis**  
**(Unaudited)**

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# ABLE Consortium Trust

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2020

This management's discussion and analysis is intended to provide readers an objective discussion of the financial statements of the ABLE Consortium Trust (the Trust) as of and for the years ended June 30, 2020 and 2019. This discussion and analysis, which is supplementary information required by the Governmental Accounting Standards Board (GASB), is intended to provide a highly summarized overview of the Trust's assets, liabilities, fiduciary net position and changes in the fiduciary net position and should be read in conjunction with the Trust's financial statements and notes thereto, which are included on pages 14 through 20.

\* \* \* \* \*

The Stephen Beck, Jr., *Achieving a Better Life Experience Act of 2014* (the ABLE Act), enacted on December 19, 2014, as part of *The Tax Increase Prevention Act of 2014* (Pub. L. 113-295), added section 529A to the Internal Revenue Code of 1986, as amended (Section 529A). The ABLE Act provides eligible individuals with blindness or qualifying disabilities a means to save for disability-related expenses in a tax-advantaged way. Section 529A allows the creation of a "qualified ABLE program" by a state under which a separate ABLE account may be established for a disabled individual who is the designated beneficiary and owner of that account.

A consortium of states (the Member States) collaborated to facilitate the implementation and maintenance of qualified ABLE programs. Each Member State has adopted enabling legislation to establish a qualified plan under Section 529A (each, a Member Plan or collectively, the Member Plans).

Pursuant to the terms of the ABLE Master Agreement and related implementing agreements executed by the Member States, Ascensus College Savings Recordkeeping Services, LLC (ACSR) serves as the "Program Manager" and is responsible for providing administrative services and investment management services for the Member Plans.

To facilitate the investment of contributions received from account owners participating in the Member Plans in an efficient and cost effective manner, ACSR and the Member States established the Trust, with Ascensus Investment Advisors, LLC serving as the Administrator of the Trust. The Trust is a Delaware Statutory Trust and holds all assets of the Member Plans.

This management's discussion and analysis and the accompanying basic financial statements pertain only to the Trust. Readers may also find useful the supplementary information on pages 22 through 35, which provides more information about the Trust's investments, investment options available to participating Member Plans, and balances and transactions attributable to participating Member Plans.

# *ABLE Consortium Trust*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) June 30, 2020**

### **Financial Highlights**

The following highlight some of the Trust's key financial results:

- Trust operations commenced on December 15, 2016, with the launch of the Rhode Island and Alaska ABLE plans. At June 30, 2020, seventeen Member Plans are participating in the Trust.
- At June 30, 2020 and 2019, the Trust's fiduciary net position totaled \$101.9 million and \$55.4 million, respectively. Fiduciary net position increased \$46.4 million, or 83.7%, from June 30, 2019, to June 30, 2020.
- During the years ended June 30, 2020 and 2019, amounts received from Member Plans exceeded distributions to Member Plans by \$44.9 million and \$31.7 million, respectively. Amounts received from Member Plans during the year ended June 30, 2020, totaled \$60.3 million, an increase of \$17.9 million, or 42.1%, over amounts received from Member Plans during the year ended June 30, 2019. Amounts distributed from the Trust to Member Plans during the year ended June 30, 2020, totaled \$15.4 million, an increase of \$4.7 million, or 43.6%, over amounts distributed from the Trust to Member Plans during the year ended June 30, 2019.
- During the year ended June 30, 2020, the Trust experienced net investment income of \$1.5 million, resulting from the net increase in the fair value of investments of \$259.1 thousand and dividends and interest totaling \$1.3 million. During the year ended June 30, 2019, net investment income totaled \$2.0 million, resulting from the net increase in the fair value of investments of \$1.3 million and dividends and interest totaling \$673.8 thousand.

### **Overview of the Basic Financial Statements**

The Trust's basic financial statements comprise the statement of fiduciary net position, the statement of changes in fiduciary net position and the related notes to the financial statements. The statement of fiduciary net position presents information on the Trust's assets and liabilities, with the difference between them representing net position held in trust for Member Plans. The statement of changes in fiduciary net position shows how the Trust's fiduciary net position changed during the year. The notes to the financial statements provide additional explanatory information about the amounts presented in the financial statements. It is essential that readers of this report consider the information in the notes to obtain a full understanding of the Trust's financial statements.

# ABLE Consortium Trust

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2020

### Overview of the Basic Financial Statements (Continued)

The Trust's basic financial statements are prepared in accordance with accounting and financial reporting standards for governmental entities set forth by the GASB. As required under generally accepted accounting principles applicable to fiduciary fund types, the Trust's basic financial statements are prepared using the accrual basis of accounting. Mutual funds and exchange-traded funds (ETFs) are reported at fair value, and all investment transactions are recorded on a trade-date basis. Realized and unrealized gains and losses are reported as "net increase (decrease) in the fair value of investments" on the statement of changes in fiduciary net position. Dividends and capital gain distributions are recorded on the ex-dividend date rather than when they are received. Amounts received from Member Plans are recognized when they are received, and distributions to Member Plans are recognized when paid. Program management fees are accrued daily by the Member Plans and paid monthly to ACSR. Distributions to Member Plans necessary to pay such fees are recognized in the period when the cash is transferred.

### Financial Analysis

#### Fiduciary Net Position

The following condensed statements of fiduciary net position provide a "snapshot" of the overall financial position of the Trust:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Total assets	\$ 101,997,528	\$ 55,546,925
Total liabilities	<u>145,605</u>	<u>112,734</u>
Net position held in trust	<u>\$ 101,851,923</u>	<u>\$ 55,434,191</u>

The reported balance of net position held in trust represents the cumulative total of amounts received from Member Plans since the Trust's inception, increased (decreased) by net investment income (loss), and decreased by distributions to Member Plans to satisfy withdrawal requests and pay program management fees.

Investments, which totaled \$101.6 million and \$55.3 million at June 30, 2020 and 2019, respectively, represent over 99% of the Trust's total assets. Account owners participating in Member Plans may choose to invest in a Checking Option, which invests in a checking account, or one or more Target Risk Options, each of which invests in a predetermined asset allocation of mutual funds, ETFs and/or an interest-bearing savings account. The Target Risk Options are structured for different levels of risk tolerance.

Other assets, which totaled \$359.7 thousand at June 30, 2020, and \$264.9 thousand at June 30, 2019, comprise an uninvested cash position that is maintained to satisfy liquidity needs and accrued investment income. The Trust's liabilities, which totaled \$145.6 thousand at June 30, 2020, and \$112.7 thousand at June 30, 2019, comprise payables for investment purchase transactions.

# ABLE Consortium Trust

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) June 30, 2020

### Financial Analysis (Continued)

#### Changes in Fiduciary Net Position

The following condensed statements of changes in fiduciary net position summarize how the Trust's net position held in trust changed during the years presented:

	<u>Year Ended</u> <u>June 30, 2020</u>	<u>Year Ended</u> <u>June 30, 2019</u>
Received from Member Plans	\$ 60,332,913	\$ 42,453,407
Net investment income	1,519,274	1,993,573
Distributed to Member Plans	<u>(15,434,455)</u>	<u>(10,748,020)</u>
Net increase	46,417,732	33,698,960
Net position held in trust, beginning of year	<u>55,434,191</u>	<u>21,735,231</u>
Net position held in trust, end of year	<u><u>\$ 101,851,923</u></u>	<u><u>\$ 55,434,191</u></u>

### Investment Commentary

The following section provides a brief description of each of the investment options offered through Member Plans and the underlying investments that compose those investment options. More complete information can be found in the National ABLE Alliance Plan Disclosure Statement and each state's Member Plan Addendum, and related supplements, or in each mutual fund's or ETF's prospectus and annual report.

#### Target Risk Options

Currently, there are six Target Risk Options that are designed to provide varying degrees of volatility in returns. The asset allocations of the Target Risk Options remain static and rebalance on an ongoing basis to stay close to their target allocations. Each Target Risk Option invests in a mix of underlying funds managed by BlackRock Inc. (BlackRock), Charles Schwab Investment Management, Inc. (Schwab), Sallie Mae Bank and The Vanguard Group, Inc. (Vanguard).

The *Aggressive Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds and one BlackRock (iShares) bond ETF, resulting in an asset allocation of 90% stocks and 10% bonds.

The *Moderately Aggressive Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds and one BlackRock (iShares) bond ETF, resulting in an asset allocation of 75% stocks and 25% bonds.

The *Growth Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds and one BlackRock (iShares) bond ETF, resulting in an asset allocation of 60% stocks and 40% bonds.

# ABLE Consortium Trust

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2020

### Investment Commentary (Continued)

#### Target Risk Options (Continued)

The *Moderate Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds and one BlackRock (iShares) bond ETF, resulting in an asset allocation of 45% stocks and 55% bonds.

The *Moderately Conservative Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds, one BlackRock (iShares) bond ETF and the Sallie Mae High Yield Savings Account, resulting in an asset allocation of 30% stocks, 45% bonds and 25% cash equivalents.

The *Conservative Option* invests in two Vanguard stock index funds, two Schwab equity ETFs, one BlackRock (iShares) equity ETF, three Vanguard bond index funds, one BlackRock (iShares) bond ETF and the Sallie Mae High Yield Savings Account, resulting in an asset allocation of 10% stocks, 30% bonds and 60% cash equivalents.

The returns for the Target Risk Options for the years ended June 30, 2020 and 2019 are listed in the following table:

Portfolios	6/30/2020	6/30/2019
Aggressive Option	0.71%	5.36%
Moderately Aggressive Option	2.04%	5.50%
Growth Option	2.92%	5.56%
Moderate Option	3.95%	5.52%
Moderately Conservative Option	3.56%	4.56%
Conservative Option	2.90%	3.29%

The returns for the underlying funds held in the Target Risk Options for the years ended June 30, 2020 and 2019 are listed in the following table:

Underlying Funds	6/30/2020	6/30/2019
Vanguard Institutional Index Fund	7.51%	10.41%
Vanguard Extended Market Index Fund	1.20%	2.06%
iShares Core MSCI EAFE ETF	-4.80%	0.21%
Schwab Emerging Markets Equity ETF	-3.68%	4.01%
Schwab US REIT ETF	-18.36%	9.72%
Vanguard Total Bond Market Index Fund	5.36%	7.87%
Vanguard Short-Term Bond Index Fund	3.47%	5.26%
Vanguard Short-Term Inflation-Protected Securities Index Fund	2.63%	3.15%
iShares Core International Aggregate Bond ETF	5.18%	7.49%
Sallie Mae High Yield Savings Account	1.74%	2.13%

# ABLE Consortium Trust

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) June 30, 2020

### **Investment Commentary (Continued)**

#### Checking Option

The *Checking Option* invests 100% of its assets in checking accounts held at Fifth Third Bank, National Association, for each account owner invested in the Checking Option. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to applicable limits. Account owners who invest in the Checking Option are able to write checks or use a debit card to pay for qualified disability expenses.

### **Recent Developments**

#### COVID-19 Impact

As of the date of the independent auditor's report, the COVID-19 pandemic has had an adverse impact on both domestic and global financial markets. Management of the Trust is unable to accurately predict how the COVID-19 pandemic will impact the Trust, account owner savings behavior or the volume of distributions requested by account owners due to uncertainties surrounding the severity of the disease and the duration of its outbreak.

### **Requests for Information**

This financial report is designed to provide a general overview of the Trust's financial status and changes in financial status. The financial report does not purport to, and does not present the financial position or changes in financial position of the Member Plans. Additional information can be found at <https://savewithable.com>. If you have any questions about the Member Plans, please call a customer service representative at 1-888-627-7519.

## **Basic Financial Statements**

# ABLE Consortium Trust

## STATEMENT OF FIDUCIARY NET POSITION

June 30, 2020

### ASSETS

Investments	\$101,637,835
Cash	359,693
<b>Total Assets</b>	<u>101,997,528</u>

### LIABILITIES

Payables for investments purchased	<u>145,605</u>
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### NET POSITION HELD IN TRUST

\$101,851,923

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended June 30, 2020

### ADDITIONS

Received from Member Plans	<u>\$ 60,332,913</u>
Investment income:	
Dividends and interest	1,260,176
Net increase in the fair value of investments	259,098
Net investment income	<u>1,519,274</u>
<b>Total Additions</b>	<u>61,852,187</u>

### DEDUCTIONS

Distributed to Member Plans	<u>15,434,455</u>
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### NET INCREASE

46,417,732

### NET POSITION HELD IN TRUST, BEGINNING OF YEAR

55,434,191

### NET POSITION HELD IN TRUST, END OF YEAR

\$101,851,923

See accompanying notes to financial statements.



# *ABLE Consortium Trust*

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

### **NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS**

The Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014 (the ABLE Act), enacted on December 19, 2014, as part of The Tax Increase Prevention Act of 2014 (Pub. L. 113–295), added section 529A to the Internal Revenue Code of 1986, as amended (Section 529A). The ABLE Act provides eligible individuals with blindness or qualifying disabilities a means to save for disability-related expenses in a tax-advantaged way. Section 529A allows the creation of a “qualified ABLE program” by a state under which a separate ABLE account may be established for a disabled individual who is the designated beneficiary and owner of that account.

A consortium of states (the Member States) collaborated to facilitate the implementation and maintenance of qualified ABLE programs. Each Member State has adopted enabling legislation to establish a qualified plan under Section 529A (each, a Member Plan or collectively, the Member Plans).

Pursuant to the terms of the ABLE Master Agreement and related implementing agreements executed by the Member States, Ascensus College Savings Recordkeeping Services, LLC (ACSR) serves as the “Program Manager” and is responsible for providing administrative services and investment management services for the Member Plans.

To facilitate the investment of contributions received from account owners participating in the Member Plans in an efficient and cost effective manner, ACSR and the Member States established the ABLE Consortium Trust (the Trust), with Ascensus Investment Advisors, LLC serving as the Administrator of the Trust. The Trust is a Delaware Statutory Trust. All assets of the Member Plans are held in the Trust.

Account owners participating in Member Plans may choose to invest their contributions in a Checking Option, which invests in a checking account, or one or more Target Risk Options, each of which invests in a predetermined asset allocation of mutual funds, exchange-traded funds (ETFs) and/or an interest-bearing savings account. The Target Risk Options are structured for different levels of risk tolerance. In exchange for contributions to a Member Plan, an account owner receives units issued by the Member Plan. These units are municipal securities. The account owner does not own the underlying assets in the investment options.

The Bank of New York Mellon serves as the custodian of all Target Risk Option assets held in the Trust. Fifth Third Bank is the custodian of all assets held in the Checking Option.

The accompanying financial statements present only the financial position and changes in financial position of the Trust. They do not purport to, and do not, present the financial position or changes in financial position of the Member Plans. For more information about the Member Plans, readers should refer to <https://savewithable.com/> or call 1-888-627-7519.

# ABLE Consortium Trust

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### **NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Basis of Accounting**

In accordance with accounting principles generally accepted in the United States of America applicable to fiduciary fund types prescribed by the Governmental Accounting Standards Board (GASB), the Trust's basic financial statements are prepared using the flow of economics resources measurement focus and accrual basis of accounting.

#### **(b) Income Taxes**

The Trust Administrator has determined that the Trust is exempt from taxation.

#### **(c) Estimates**

The preparation of basic financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

#### **(d) Investments**

Investments reported on the statement of fiduciary net position consist of all assets in the Target Risk Options and the Checking Option, except for uninvested cash balances, which are described in Note 2(f).

The Target Risk Option assets are invested in varying allocations of mutual funds, ETFs and an interest-bearing savings account.

The Trust's mutual funds and ETFs are reported at fair value, based on net asset value per share (mutual funds) or market prices (ETFs) as of the close of the New York Stock Exchange (NYSE) on the reporting date. Net realized and unrealized gains and losses on mutual fund and ETF transactions are included in "net increase (decrease) in the fair value of investments" on the statement of changes in fiduciary net position. Purchases and sales are recorded on a trade-date basis. Dividends and capital gain distributions are recorded on the ex-dividend date and are automatically reinvested in additional shares of the respective mutual fund or ETF.

Accounting standards categorize fair value measurements according to a hierarchy that is based on valuation inputs that are used to measure fair value. Level 1 inputs are quoted prices for identical assets in active markets that can be accessed at the measurement date. Level 2 inputs are inputs other than quoted market prices that are observable for an asset, either directly or indirectly. Level 3 inputs are unobservable. The fair values of the mutual funds and ETFs are determined using Level 1 inputs.

The Sallie Mae High Yield Savings Account is an omnibus savings account held in trust at Sallie Mae Bank. Amounts invested in the Sallie Mae High Yield Savings Account are reported at cost. This account earns a variable rate of interest, which is compounded daily and credited to the account monthly. The interest rate earned on this account during the year ended June 30, 2020 varied from 0.99% to 2.27%. Balances in this account are insured by the Federal Deposit Insurance Corporation (FDIC), subject to limitations imposed by the FDIC, and amounts in excess of FDIC insured limits are not collateralized or covered by supplemental insurance.

# ABLE Consortium Trust

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Investment Valuation

The Checking Option allows the account owner to maintain assets in a checking account at Fifth Third Bank, National Association. A separate checking account is established for each account owner that chooses the Checking Option. Amounts in the Checking Option are reported at cost. This account earns a variable rate of interest, which is compounded daily and credited to the account monthly. The interest rate earned on Checking Option accounts during the year ended June 30, 2020 is 0.01%. Balances in Checking Option accounts are insured by the FDIC on a pass-through basis to each account owner, up to the maximum amount allowable under federal law.

The fair value standards are not applicable to the investments in the Sallie Mae High Yield Savings Account and the Checking Option since they are not reported at fair value.

#### (f) Cash

Cash presented on the statement of fiduciary net position includes uninvested cash balances that are maintained in the Trust to meet liquidity needs. These uninvested cash balances are held by BNY Mellon as custodian. Balances in these accounts are insured by the FDIC up to the maximum amount allowable under federal law, and amounts in excess of FDIC insurance limits are not collateralized or covered by supplementary insurance.

### NOTE 3: INVESTMENTS

#### (a) Investments by Type

The Trust's investments at June 30, 2020, are as follows:

	<u>Category</u>	<u>Value</u>
<b>Mutual funds, at fair value:</b>		
Vanguard Institutional Index Fund	Large Blend	\$ 13,231,603
Vanguard Extended Market Index Fund	Mid-Cap Blend	11,509,590
Vanguard Total Bond Market Index Fund	Intermediate-Term Bond	7,183,218
Vanguard Short-Term Bond Index Fund	Short-Term Bond	5,970,374
Vanguard Short-Term Inflation-Protected Securities Index Fund	Inflation-Protected Bond	8,416,765
Total mutual funds		<u>46,311,550</u>
<b>ETFs, at fair value:</b>		
iShares Core MSCI EAFE ETF	Foreign Large Blend	6,577,800
Schwab Emerging Markets Equity ETF	Diversified Emerging Markets	2,525,558
Schwab US REIT ETF	Real Estate	3,653,195
iShares Core International Aggregate Bond ETF	World Bond	2,316,177
Total ETFs		<u>15,072,730</u>
<b>Sallie Mae High Yield Savings Account</b>	Cash Equivalent	<u>10,938,674</u>
<b>FDIC-insured Checking Account</b>	Cash Equivalent	<u>29,314,881</u>
<b>Total Investments</b>		<u><u>\$ 101,637,835</u></u>

# ABLE Consortium Trust

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE 3: INVESTMENTS (Continued)

#### (b) Net Increase in the Fair Value of Investments

The following table calculates the net increase in the fair value of the investments during the year ended June 30, 2020:

Fair value of investments, end of year	\$ 101,637,835
Less cost of investments purchased and dividends reinvested during the year	(68,725,170)
Plus proceeds from investments sold during the year	22,628,416
Less fair value of investments, beginning of year	<u>(55,281,983)</u>
Net increase in the fair value of investments	<u>\$ 259,098</u>

#### (c) Investment Risk

The mutual funds and ETFs in which the Trust invests include various types of investment securities in their asset holdings, such as corporate debt and equity securities, obligations of the US government and government agencies and international debt and equity securities. These securities are exposed to various risks, such as interest rate, market and credit risk, and it is at least reasonably possible that changes in their fair values could occur in the near term, materially affecting the amounts reported in the Trust's basic financial statements.

Generally accepted accounting principles require that certain disclosures be made related to the Trust's investment policy and its exposure to credit risk, interest rate risk and foreign currency risk, which are included in the paragraphs that follow.

#### Investment Policy

The investments that compose the various investment options are specified in the National ABLE Alliance Plan Disclosure Statement and may not be changed without approval of all participating Member States. There is no separate investment policy that specifically addresses credit risk, interest rate risk, concentrations of credit risk or foreign currency risk.

#### Credit Risk

As a result of its investment in the Vanguard Total Bond Market Index Fund, Vanguard Short-Term Bond Index Fund, Vanguard Short-Term Inflation-Protected Securities Index Fund and iShares Core International Aggregate Bond ETF, the Trust is indirectly exposed to credit risk, which is the risk that a bond issuer will fail to pay interest and principal, when due, as a result of adverse market or economic conditions.

None of the mutual funds or ETFs in which the Trust invests are rated as to credit quality by a nationally recognized statistical rating organization, except the iShares Core International Aggregate Bond ETF, which is rated Af by Standard & Poor's.

# ABLE Consortium Trust

## NOTES TO FINANCIAL STATEMENTS June 30, 2020

### NOTE 3: INVESTMENTS (Continued)

#### (c) Investment Risk (Continued)

##### Credit Risk (Continued)

The Trust's mutual funds and ETFs are not exposed to custodial credit risk, which is the risk that the Trust will not recover the value of investments that are in the possession of an outside party.

##### Interest Rate Risk

The Vanguard Total Bond Market Index Fund, Vanguard Short-Term Bond Index Fund, Vanguard Short-Term Inflation-Protected Securities Index Fund and iShares Core International Aggregate Bond ETF, due to their investment primarily in bonds, are exposed to interest rate risk, which is the risk that changes in interest rates will adversely impact the fair value of an investment. Average maturity is the average length of time until fixed-income securities held by a fund reach maturity and will be repaid, taking into consideration the possibility that the issuer may call a bond before its maturity date, and is a measure of interest rate risk. In general, the longer the average maturity, the more a fund's share price will fluctuate in response to changes in interest rates. As of June 30, 2020, the average maturities of bond funds in which the Trust invests are as follows:

	<u>Average Maturity</u>
Vanguard Total Bond Market Index Fund	8.4 years
Vanguard Short-Term Bond Index Fund	2.9 years
Vanguard Short-Term Inflation-Protected Securities Index Fund	2.7 years
iShares Core International Aggregate Bond ETF	9.4 years

##### Foreign Currency Risk

The iShares Core MSCI EAFE ETF, Schwab Emerging Markets Equity ETF and iShares Core International Aggregate Bond ETF include international securities and foreign currency in their underlying asset holdings. There are certain inherent risks involved when investing in international securities and foreign currency that are not present with investments in domestic securities, such as foreign currency exchange rate fluctuations, adverse political and economic developments and the possible prevention or delay of currency exchange due to foreign governmental laws or restrictions.

### NOTE 4: FEES AND EXPENSES

#### (a) Program Management Fees

ACSR is paid a program management fee as compensation for administering and managing the investment options and the Member Plans. This fee, which is 0.32% of the average net position in each Target Risk Option, is accrued daily and reduces the net asset value per unit of each Target Risk Option. Program management fees are reported by the Trust as amounts distributed to Member Plans when underlying investments are liquidated to pay the fees. Program management fees paid to ACSR totaled approximately \$166,700 for the year ended June 30, 2020.

# *ABLE Consortium Trust*

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

### **NOTE 4: FEES AND EXPENSES (Continued)**

#### **(b) Underlying Investment Fees**

Investment advisory fees, administrative fees and other expenses related to management of the mutual funds and ETFs (underlying fund expenses) in which the Trust invests are paid out of the assets of the mutual funds and ETFs and reduce the amount of income available to be distributed to the Trust in the form of dividends or capital gains. These underlying fund expenses are not direct expenses paid from Trust assets, and therefore, are not reported in the Trust's financial statements.

### **NOTE 5: UNCERTAINTIES**

As of the date of the independent auditor's report, the COVID-19 pandemic has had an adverse impact on both domestic and global financial markets. Management of the Trust is unable to accurately predict how the COVID-19 pandemic will impact the Trust, account owner savings behavior or the volume of distributions requested by account owners due to uncertainties surrounding the severity of the disease and the duration of its outbreak.

## **Supplementary Information**

# ABLE Consortium Trust

**SUPPLEMENTARY TRUST INVESTMENT INFORMATION  
STATEMENTS OF FIDUCIARY NET POSITION  
June 30, 2020**

	<u>Vanguard Institutional Index Fund</u>	<u>Vanguard Extended Market Index Fund</u>	<u>Vanguard Total Bond Market Index Fund</u>	<u>Vanguard Short-Term Bond Index Fund</u>	<u>Vanguard Short-Term Inflation-Protected Securities Index Fund</u>	<u>iShares Core MSCI EAFE ETF</u>
<b>Assets</b>						
Investments	\$ 13,231,603	\$ 11,509,590	\$ 7,183,218	\$ 5,970,374	\$ 8,416,765	\$ 6,577,800
Cash	-	-	-	-	-	138,955
<b>Total Assets</b>	<u>13,231,603</u>	<u>11,509,590</u>	<u>7,183,218</u>	<u>5,970,374</u>	<u>8,416,765</u>	<u>6,716,755</u>
<b>Liabilities</b>						
Payables for investments purchased	<u>9,154</u>	<u>-</u>	<u>17,052</u>	<u>9,456</u>	<u>42,080</u>	<u>-</u>
<b>Net Position Held in Trust</b>	<u>\$ 13,222,449</u>	<u>\$ 11,509,590</u>	<u>\$ 7,166,166</u>	<u>\$ 5,960,918</u>	<u>\$ 8,374,685</u>	<u>\$ 6,716,755</u>

See Independent Auditor's Report.



# ABLE Consortium Trust

**SUPPLEMENTARY TRUST INVESTMENT INFORMATION  
STATEMENTS OF FIDUCIARY NET POSITION  
June 30, 2020**

	<b>Schwab Emerging Markets Equity ETF</b>	<b>Schwab US REIT ETF</b>	<b>iShares Core International Aggregate Bond ETF</b>	<b>Sallie Mae High Yield Savings Account</b>	<b>FDIC-insured Checking Account</b>	<b>Total</b>
<b>Assets</b>						
Investments	\$ 2,525,558	\$ 3,653,195	\$ 2,316,177	\$ 10,938,674	\$ 29,314,881	\$ 101,637,835
Cash	63,735	100,855	56,148	-	-	359,693
<b>Total Assets</b>	<u>2,589,293</u>	<u>3,754,050</u>	<u>2,372,325</u>	<u>10,938,674</u>	<u>29,314,881</u>	<u>101,997,528</u>
<b>Liabilities</b>						
Payables for investments purchased	-	-	-	67,863	-	145,605
<b>Net Position Held in Trust</b>	<u>\$ 2,589,293</u>	<u>\$ 3,754,050</u>	<u>\$ 2,372,325</u>	<u>\$ 10,870,811</u>	<u>\$ 29,314,881</u>	<u>\$ 101,851,923</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY TRUST INVESTMENT INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	Vanguard Institutional Index Fund	Vanguard Extended Market Index Fund	Vanguard Total Bond Market Index Fund	Vanguard Short-Term Bond Index Fund	Vanguard Short-Term Inflation-Protected Securities Index Fund	iShares Core MSCI EAFE ETF
<b>Additions</b>						
Received from Member Plans	\$ 5,249,409	\$ 5,003,524	\$ 3,301,333	\$ 2,818,105	\$ 4,042,661	\$ 3,161,062
Investment income (loss):						
Dividends and interest	344,510	122,547	141,949	98,080	90,644	144,654
Net increase (decrease) in the fair value of investments	378,086	316,833	356,170	163,037	131,392	(365,516)
Net investment income (loss)	722,596	439,380	498,119	261,117	222,036	(220,862)
<b>Total Additions</b>	<u>5,972,005</u>	<u>5,442,904</u>	<u>3,799,452</u>	<u>3,079,222</u>	<u>4,264,697</u>	<u>2,940,200</u>
<b>Deductions</b>						
Distributed to Member Plans	222,049	424,857	587,123	423,441	515,906	85,675
<b>Net Increase</b>	5,749,956	5,018,047	3,212,329	2,655,781	3,748,791	2,854,525
<b>Net Position Held in Trust, Beginning of Year</b>	<u>7,472,493</u>	<u>6,491,543</u>	<u>3,953,837</u>	<u>3,305,137</u>	<u>4,625,894</u>	<u>3,862,230</u>
<b>Net Position Held in Trust, End of Year</b>	<u>\$ 13,222,449</u>	<u>\$ 11,509,590</u>	<u>\$ 7,166,166</u>	<u>\$ 5,960,918</u>	<u>\$ 8,374,685</u>	<u>\$ 6,716,755</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY TRUST INVESTMENT INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	Schwab Emerging Markets Equity ETF	Schwab US REIT ETF	iShares Core International Aggregate Bond ETF	Sallie Mae High Yield Savings Account	FDIC-insured Checking Account	Total
<b>Additions</b>						
Received from Member Plans	\$ 1,179,249	\$ 2,245,852	\$ 1,098,842	\$ 5,271,951	\$ 26,960,925	\$ 60,332,913
Investment income (loss):						
Dividends and interest	62,842	79,335	39,804	133,731	2,080	1,260,176
Net increase (decrease) in the fair value of investments	(131,744)	(624,594)	35,434	-	-	259,098
Net investment income (loss)	(68,902)	(545,259)	75,238	133,731	2,080	1,519,274
<b>Total Additions</b>	<u>1,110,347</u>	<u>1,700,593</u>	<u>1,174,080</u>	<u>5,405,682</u>	<u>26,963,005</u>	<u>61,852,187</u>
<b>Deductions</b>						
Distributed to Member Plans	26,588	81,068	108,327	195,884	12,763,537	15,434,455
<b>Net Increase</b>	1,083,759	1,619,525	1,065,753	5,209,798	14,199,468	46,417,732
<b>Net Position Held in Trust, Beginning of Year</b>	<u>1,505,534</u>	<u>2,134,525</u>	<u>1,306,572</u>	<u>5,661,013</u>	<u>15,115,413</u>	<u>55,434,191</u>
<b>Net Position Held in Trust, End of Year</b>	<u>\$ 2,589,293</u>	<u>\$ 3,754,050</u>	<u>\$ 2,372,325</u>	<u>\$ 10,870,811</u>	<u>\$ 29,314,881</u>	<u>\$ 101,851,923</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

**SUPPLEMENTARY INVESTMENT OPTION INFORMATION  
STATEMENTS OF FIDUCIARY NET POSITION  
AND UNIT INFORMATION  
June 30, 2020**

	<u>Aggressive Option</u>	<u>Moderately Aggressive Option</u>	<u>Growth Option</u>	<u>Moderate Option</u>
<b>Assets</b>				
Investments in Trust units	\$ 12,597,653	\$ 11,646,269	\$ 14,375,109	\$ 10,807,285
Net unsettled Member Plan transactions	42,519	21,768	12,694	26,228
Other asset	-	3,314	-	-
<b>Total Assets</b>	<u>12,640,172</u>	<u>11,671,351</u>	<u>14,387,803</u>	<u>10,833,513</u>
<b>Liabilities</b>				
Withdrawals payable	2,034	2,760	3,237	2,999
Accrued program management fees	3,275	3,006	3,718	2,784
Other liability	313	-	5,678	268
<b>Total Liabilities</b>	<u>5,622</u>	<u>5,766</u>	<u>12,633</u>	<u>6,051</u>
<b>Net Position Held in Trust for Member Plans</b>	<u>\$ 12,634,550</u>	<u>\$ 11,665,585</u>	<u>\$ 14,375,170</u>	<u>\$ 10,827,462</u>
<b>Units Outstanding (rounded to the nearest whole unit)</b>	<u>996,416</u>	<u>931,012</u>	<u>1,166,816</u>	<u>893,355</u>
<b>Net Asset Value Per Unit</b>	<u>\$ 12.68</u>	<u>\$ 12.53</u>	<u>\$ 12.32</u>	<u>\$ 12.12</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

**SUPPLEMENTARY INVESTMENT OPTION INFORMATION  
STATEMENTS OF FIDUCIARY NET POSITION  
AND UNIT INFORMATION  
June 30, 2020**

	<u>Moderately Conservative Option</u>	<u>Conservative Option</u>	<u>Checking Option</u>	<u>Total</u>
<b>Assets</b>				
Investments in Trust units	\$ 8,462,236	\$ 14,648,490	\$ 29,314,881	\$ 101,851,923
Net unsettled Member Plan transactions	88,390	73,385	19,906	284,890
Other asset	-	2,348	-	5,662
<b>Total Assets</b>	<u>8,550,626</u>	<u>14,724,223</u>	<u>29,334,787</u>	<u>102,142,475</u>
<b>Liabilities</b>				
Withdrawals payable	3,455	41,153	21,682	77,320
Accrued program management fees	2,171	3,736	-	18,690
Other liability	637	-	1,016	7,912
<b>Total Liabilities</b>	<u>6,263</u>	<u>44,889</u>	<u>22,698</u>	<u>103,922</u>
<b>Net Position Held in Trust for Member Plans</b>	<u>\$ 8,544,363</u>	<u>\$ 14,679,334</u>	<u>\$ 29,312,089</u>	<u>\$ 102,038,553</u>
<b>Units Outstanding (rounded to the nearest whole unit)</b>	<u>734,052</u>	<u>1,334,485</u>	<u>29,312,089</u>	<u>35,368,225</u>
<b>Net Asset Value Per Unit</b>	<u>\$ 11.64</u>	<u>\$ 11.00</u>	<u>\$ 1.00</u>	

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY INVESTMENT OPTION INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	<u>Aggressive Option</u>	<u>Moderately Aggressive Option</u>	<u>Growth Option</u>	<u>Moderate Option</u>
<b>Additions</b>				
Contributions to Member Plans	\$ 6,189,617	\$ 5,324,653	\$ 6,967,355	\$ 5,558,221
Net investment income	56,189	202,848	327,981	339,838
Exchanges and transfers in	1,148,043	1,037,702	1,151,043	938,318
Other income	2,842	4,793	-	2,434
<b>Total Additions</b>	<u>7,396,691</u>	<u>6,569,996</u>	<u>8,446,379</u>	<u>6,838,811</u>
<b>Deductions</b>				
Withdrawals from Member Plans	619,921	536,493	749,018	692,717
Program management fees	30,769	28,221	35,314	26,168
Exchanges and transfers out	1,472,856	1,068,054	1,452,847	1,259,367
Other expense	313	-	8,455	268
<b>Total Deductions</b>	<u>2,123,859</u>	<u>1,632,768</u>	<u>2,245,634</u>	<u>1,978,520</u>
<b>Net Increase</b>	5,272,832	4,937,228	6,200,745	4,860,291
<b>Net Position Held in Trust for Member Plans, Beginning of Year</b>	<u>7,361,718</u>	<u>6,728,357</u>	<u>8,174,425</u>	<u>5,967,171</u>
<b>Net Position Held in Trust for Member Plans, End of Year</b>	<u>\$ 12,634,550</u>	<u>\$ 11,665,585</u>	<u>\$ 14,375,170</u>	<u>\$ 10,827,462</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY INVESTMENT OPTION INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	Moderately Conservative Option	Conservative Option	Checking Option	Total
<b>Additions</b>				
Contributions to Member Plans	\$ 4,485,904	\$ 8,320,972	\$ 25,043,586	\$ 61,890,308
Net investment income	235,396	354,939	2,080	1,519,271
Exchanges and transfers in	864,887	1,477,806	1,901,952	8,519,751
Other income	92	2,754	-	12,915
<b>Total Additions</b>	<u>5,586,279</u>	<u>10,156,471</u>	<u>26,947,618</u>	<u>71,942,245</u>
<b>Deductions</b>				
Withdrawals from Member Plans	652,450	1,608,482	11,855,915	16,714,996
Program management fees	20,169	34,557	-	175,198
Exchanges and transfers out	983,849	1,373,380	909,398	8,519,751
Other expense	637	-	-	9,673
<b>Total Deductions</b>	<u>1,657,105</u>	<u>3,016,419</u>	<u>12,765,313</u>	<u>25,419,618</u>
<b>Net Increase</b>	3,929,174	7,140,052	14,182,305	46,522,627
<b>Net Position Held in Trust for Member Plans, Beginning of Year</b>	<u>4,615,189</u>	<u>7,539,282</u>	<u>15,129,784</u>	<u>55,515,926</u>
<b>Net Position Held in Trust for Member Plans, End of Year</b>	<u>\$ 8,544,363</u>	<u>\$ 14,679,334</u>	<u>\$ 29,312,089</u>	<u>\$ 102,038,553</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF FIDUCIARY NET POSITION AND INVESTMENT DETAIL June 30, 2020

	Alaska ABLE Plan	Arkansas ABLE Plan	Colorado ABLE	DC ABLE Program	DEPENDABLE	Illinois ABLE
<b>Assets</b>						
Investments	\$ 3,078,600	\$ 945,476	\$ 7,686,477	\$ 891,360	\$ 753,543	\$ 11,502,189
Redemption proceeds receivable	562	50	5,741	124	-	15,853
<b>Total Assets</b>	<u>3,079,162</u>	<u>945,526</u>	<u>7,692,218</u>	<u>891,484</u>	<u>753,543</u>	<u>11,518,042</u>
<b>Liabilities</b>						
Withdrawals payable	562	50	5,741	124	-	15,853
<b>Net Position Held in Trust for Account Owners</b>	<u>\$ 3,078,600</u>	<u>\$ 945,476</u>	<u>\$ 7,686,477</u>	<u>\$ 891,360</u>	<u>\$ 753,543</u>	<u>\$ 11,502,189</u>
<b>Investments (Dollars)</b>						
Aggressive Option	\$ 318,779	\$ 85,101	\$ 1,144,887	\$ 189,380	\$ 76,467	\$ 1,881,367
Moderately Aggressive Option	403,610	52,572	645,657	78,225	91,040	1,497,271
Growth Option	421,606	51,130	1,097,242	102,482	150,328	1,626,929
Moderate Option	215,372	269,709	702,637	36,441	87,520	1,094,217
Moderately Conservative Option	268,586	77,568	664,541	48,687	59,419	686,850
Conservative Option	622,553	177,205	1,295,241	137,702	96,531	1,427,379
Checking Option	828,094	232,191	2,136,272	298,443	192,238	3,288,176
<b>Total</b>	<u>\$ 3,078,600</u>	<u>\$ 945,476</u>	<u>\$ 7,686,477</u>	<u>\$ 891,360</u>	<u>\$ 753,543</u>	<u>\$ 11,502,189</u>
<b>Investments (Units)</b>						
Aggressive Option	25,140	6,712	90,291	14,935	6,031	148,373
Moderately Aggressive Option	32,211	4,195	51,529	6,243	7,266	119,495
Growth Option	34,221	4,150	89,062	8,318	12,202	132,056
Moderate Option	17,770	22,253	57,973	3,007	7,221	90,282
Moderately Conservative Option	23,074	6,664	57,091	4,183	5,105	59,008
Conservative Option	56,596	16,109	117,749	12,518	8,776	129,762
Checking Option	828,094	232,191	2,136,272	298,443	192,238	3,288,176
<b>Total</b>	<u>1,017,106</u>	<u>292,274</u>	<u>2,599,967</u>	<u>347,647</u>	<u>238,839</u>	<u>3,967,152</u>

See Independent Auditor's Report.



# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF FIDUCIARY NET POSITION AND INVESTMENT DETAIL June 30, 2020

	<u>INvestABLE Indiana</u>	<u>IABLE</u>	<u>Kansas ABL Savings Plan</u>	<u>The Minnesota ABLE Plan</u>	<u>Mississippi ABLE</u>	<u>Montana ABLE Program</u>
<b>Assets</b>						
Investments	\$ 3,996,869	\$ 5,575,841	\$ 4,412,708	\$ 11,995,399	\$ 356,898	\$ 2,210,193
Redemption proceeds receivable	1,373	17	-	9,312	100	-
<b>Total Assets</b>	<u>3,998,242</u>	<u>5,575,858</u>	<u>4,412,708</u>	<u>12,004,711</u>	<u>356,998</u>	<u>2,210,193</u>
<b>Liabilities</b>						
Withdrawals payable	1,373	17	-	9,312	100	-
<b>Net Position Held in Trust for Account Owners</b>	<u>\$ 3,996,869</u>	<u>\$ 5,575,841</u>	<u>\$ 4,412,708</u>	<u>\$ 11,995,399</u>	<u>\$ 356,898</u>	<u>\$ 2,210,193</u>
<b>Investments (Dollars)</b>						
Aggressive Option	\$ 522,941	\$ 524,238	\$ 395,588	\$ 934,990	\$ 96,040	\$ 159,569
Moderately Aggressive Option	435,301	562,984	635,724	1,093,833	15,149	94,823
Growth Option	597,674	848,650	727,743	1,495,075	27,169	236,910
Moderate Option	414,429	616,831	518,822	1,342,568	7,855	295,732
Moderately Conservative Option	383,542	591,825	394,468	1,366,788	34,620	189,630
Conservative Option	473,581	848,480	583,373	2,108,792	34,646	324,938
Checking Option	1,169,401	1,582,833	1,156,990	3,653,353	141,419	908,591
<b>Total</b>	<u>\$ 3,996,869</u>	<u>\$ 5,575,841</u>	<u>\$ 4,412,708</u>	<u>\$ 11,995,399</u>	<u>\$ 356,898</u>	<u>\$ 2,210,193</u>
<b>Investments (Units)</b>						
Aggressive Option	41,241	41,344	31,198	73,737	7,574	12,584
Moderately Aggressive Option	34,741	44,931	50,736	87,297	1,209	7,568
Growth Option	48,512	68,884	59,070	121,354	2,205	19,230
Moderate Option	34,194	50,894	42,807	110,773	648	24,400
Moderately Conservative Option	32,950	50,844	33,889	117,422	2,974	16,291
Conservative Option	43,053	77,134	53,034	191,708	3,150	29,540
Checking Option	1,169,401	1,582,833	1,156,990	3,653,353	141,419	908,591
<b>Total</b>	<u>1,404,092</u>	<u>1,916,864</u>	<u>1,427,724</u>	<u>4,355,644</u>	<u>159,179</u>	<u>1,018,204</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF FIDUCIARY NET POSITION AND INVESTMENT DETAIL June 30, 2020

	ABLE Nevada	NJ ABL	NC ABL	Pennsylvania ABLE Savings Program	RI's ABL	Total
<b>Assets</b>						
Investments	\$ 4,628,663	\$ 4,300,638	\$ 7,403,599	\$ 31,003,510	\$ 1,296,590	\$ 102,038,553
Redemption proceeds receivable	3,830	1,233	24,632	14,441	52	77,320
<b>Total Assets</b>	<u>4,632,493</u>	<u>4,301,871</u>	<u>7,428,231</u>	<u>31,017,951</u>	<u>1,296,642</u>	<u>102,115,873</u>
<b>Liabilities</b>						
Withdrawals payable	3,830	1,233	24,632	14,441	52	77,320
<b>Net Position Held in Trust for Account Owners</b>	<u>\$ 4,628,663</u>	<u>\$ 4,300,638</u>	<u>\$ 7,403,599</u>	<u>\$ 31,003,510</u>	<u>\$ 1,296,590</u>	<u>\$ 102,038,553</u>
<b>Investments (Dollars)</b>						
Aggressive Option	\$ 340,849	\$ 439,600	\$ 1,047,532	\$ 4,376,566	\$ 100,656	\$ 12,634,550
Moderately Aggressive Option	362,889	379,831	883,210	4,310,908	122,558	11,665,585
Growth Option	368,371	624,596	1,105,544	4,719,196	174,525	14,375,170
Moderate Option	347,343	392,164	926,921	3,407,369	151,532	10,827,462
Moderately Conservative Option	315,348	340,923	673,641	2,295,027	152,900	8,544,363
Conservative Option	1,643,918	698,525	725,610	3,390,459	90,401	14,679,334
Checking Option	1,249,945	1,424,999	2,041,141	8,503,985	504,018	29,312,089
<b>Total</b>	<u>\$ 4,628,663</u>	<u>\$ 4,300,638</u>	<u>\$ 7,403,599</u>	<u>\$ 31,003,510</u>	<u>\$ 1,296,590</u>	<u>\$ 102,038,553</u>
<b>Investments (Units)</b>						
Aggressive Option	26,881	34,669	82,613	345,155	7,938	996,416
Moderately Aggressive Option	28,962	30,314	70,487	344,047	9,781	931,012
Growth Option	29,900	50,698	89,736	383,052	14,166	1,166,816
Moderate Option	28,659	32,357	76,479	281,136	12,502	893,355
Moderately Conservative Option	27,092	29,289	57,873	197,167	13,136	734,052
Conservative Option	149,447	63,502	65,965	308,224	8,218	1,334,485
Checking Option	1,249,945	1,424,999	2,041,141	8,503,985	504,018	29,312,089
<b>Total</b>	<u>1,540,886</u>	<u>1,665,828</u>	<u>2,484,294</u>	<u>10,362,766</u>	<u>569,759</u>	<u>35,368,225</u>

See Independent Auditor's Report.

# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	<u>Alaska ABLE Plan</u>	<u>Arkansas ABLE Plan</u>	<u>Colorado ABLE</u>	<u>DC ABLE Program</u>	<u>DEPENDABLE</u>	<u>Illinois ABLE</u>
<b>Additions</b>						
Contributions	\$ 1,875,455	\$ 1,067,516	\$ 4,963,624	\$ 713,638	\$ 606,905	\$ 7,345,038
Net investment income	43,397	13,574	89,911	12,170	12,867	137,739
<b>Total Additions</b>	<u>1,918,852</u>	<u>1,081,090</u>	<u>5,053,535</u>	<u>725,808</u>	<u>619,772</u>	<u>7,482,777</u>
<b>Deductions</b>						
Withdrawals	492,564	484,697	1,405,671	184,638	161,685	1,813,877
<b>Net Increase</b>	1,426,288	596,393	3,647,864	541,170	458,087	5,668,900
<b>Net Position Held in Trust for Account Owners, Beginning of Year</b>	<u>1,652,312</u>	<u>349,083</u>	<u>4,038,613</u>	<u>350,190</u>	<u>295,456</u>	<u>5,833,289</u>
<b>Net Position Held in Trust for Account Owners, End of Year</b>	<u>\$ 3,078,600</u>	<u>\$ 945,476</u>	<u>\$ 7,686,477</u>	<u>\$ 891,360</u>	<u>\$ 753,543</u>	<u>\$ 11,502,189</u>

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# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	<u>INvestABLE Indiana</u>	<u>IABLE</u>	<u>Kansas ABLE Savings Plan</u>	<u>The Minnesota ABLE Plan</u>	<u>Mississippi ABLE</u>	<u>Montana ABLE Program</u>
<b>Additions</b>						
Contributions	\$ 2,370,995	\$ 3,019,941	\$ 2,603,230	\$ 7,046,885	\$ 418,919	\$ 1,352,939
Net investment income	56,253	88,989	62,859	182,796	601	29,534
<b>Total Additions</b>	<u>2,427,248</u>	<u>3,108,930</u>	<u>2,666,089</u>	<u>7,229,681</u>	<u>419,520</u>	<u>1,382,473</u>
<b>Deductions</b>						
Withdrawals	477,047	696,219	578,340	1,697,755	68,387	437,690
<b>Net Increase</b>	1,950,201	2,412,711	2,087,749	5,531,926	351,133	944,783
<b>Net Position Held in Trust for Account Owners, Beginning of Year</b>	<u>2,046,668</u>	<u>3,163,130</u>	<u>2,324,959</u>	<u>6,463,473</u>	<u>5,765</u>	<u>1,265,410</u>
<b>Net Position Held in Trust for Account Owners, End of Year</b>	<u>\$ 3,996,869</u>	<u>\$ 5,575,841</u>	<u>\$ 4,412,708</u>	<u>\$ 11,995,399</u>	<u>\$ 356,898</u>	<u>\$ 2,210,193</u>

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# ABLE Consortium Trust

## SUPPLEMENTARY MEMBER PLAN INFORMATION STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2020

	<u>ABLE Nevada</u>	<u>NJ ABL</u>	<u>NC ABL</u>	<u>Pennsylvania ABLE Savings Program</u>	<u>RI's ABL</u>	<u>Total</u>
<b>Additions</b>						
Contributions	\$ 3,552,427	\$ 3,193,329	\$ 4,254,965	\$ 16,689,265	\$ 815,237	\$ 61,890,308
Net investment income	66,043	52,685	101,114	380,627	16,156	1,347,315
<b>Total Additions</b>	<u>3,618,470</u>	<u>3,246,014</u>	<u>4,356,079</u>	<u>17,069,892</u>	<u>831,393</u>	<u>63,237,623</u>
<b>Deductions</b>						
Withdrawals	1,824,177	717,831	1,430,467	3,951,909	292,042	16,714,996
<b>Net Increase</b>	1,794,293	2,528,183	2,925,612	13,117,983	539,351	46,522,627
<b>Net Position Held in Trust for Account Owners, Beginning of Year</b>	<u>2,834,370</u>	<u>1,772,455</u>	<u>4,477,987</u>	<u>17,885,527</u>	<u>757,239</u>	<u>55,515,926</u>
<b>Net Position Held in Trust for Account Owners, End of Year</b>	<u>\$ 4,628,663</u>	<u>\$ 4,300,638</u>	<u>\$ 7,403,599</u>	<u>\$ 31,003,510</u>	<u>\$ 1,296,590</u>	<u>\$ 102,038,553</u>

See Independent Auditor's Report.

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Ascensus Investment Advisors, LLC, Administrator  
ABLE Consortium Trust

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the ABLE Consortium Trust (the Trust), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Trust’s basic financial statements, and have issued our report thereon dated September 25, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the basic financial statements, we considered the Trust’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Trust's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Certified Public Accountants

September 25, 2020  
Little Rock, Arkansas