



# FISCAL YEAR 2024 ANNUAL REPORT



Amid ongoing concerns about inflation and economic uncertainty, the District's college savers continued to persevere in 2024.

Plan assets rose by 28%. New account openings increased 29% over last year's openings. Even D.C. students showed unbridled optimism in essays written for a contest sponsored by the Plan and the District. In all, 25 local high schoolers won \$1,000-\$2,500, deposited in D.C. College Savings accounts.





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# EXECUTIVE SUMMARY

Fiscal year 2024 was an up year for investors as both equity and fixed income markets produced positive results. U.S. equities, as measured by the S&P 500 Index had another strong year returning 36.4%. The technology sector remained the key driver of results this year, due to ongoing enthusiasm for artificial intelligence. Within international equity markets, emerging markets (MSCI Emerging Markets Index 26.1%) outpaced developed markets (MSCI EAFE Index 24.8%). During fiscal year 2024, the bond markets rose as rates fell, driven by a continued decline in inflation. This and the weakening labor market led to the Fed cutting interest rates by 0.5% in September. The Bloomberg Aggregate Index increased 11.6%. Non-U.S. fixed income was up 10.2% as measured by the Bloomberg Global Aggregate Ex USD 10% Issuer Capped Index Hedged US Dollar.

The D.C. College Savings Plan ("Plan") assets increased in fiscal year 2024. Assets increased from \$1.1 billion to \$1.4 billion, an increase of 27.6%. The Plan added 4,217 net new accounts. At fiscal year end, the Plan had 41,493 accounts with an average account balance of \$34,130.

Ascensus, the Plan administrator, continued their very effective communication and education campaigns to current and prospective account owners covering a wide range of topics including enrollment information, investment strategies, tax benefits and Ugift® (a program that allows friends and family to contribute to any account). These outreach initiatives were communicated using emails, digital, and newspaper advertisements.

In fiscal year 2024, Ascensus continued to ensure that all Wards of the District were made aware of the Plan by holding a combination of workshops and virtual webinars at a variety of employer and community sites. In addition, Ascensus staffed information tables at different venues to help raise awareness on the importance of saving for education. 2024 brought a slight decrease in new enrollments and an increase in contributions of \$20.1 million or 16.2%.

The Office of Finance and Treasury ("OFT") regularly reviews the performance of the funds with our independent consulting firm, Meketa Investment Group. The operations of the Plan and its assets are examined each year by an independent accounting firm. For the eighteenth consecutive year, the Plan received an unqualified (clean) opinion from the auditor, BCA Watson Rice. The audited financial statements are included in this report as an appendix.

We hope the information in this report helps you gain a better understanding of the Plan, as well as the oversight performed on an ongoing basis by the OFT. We will continue to manage the Plan prudently for our participants.



# Plan Highlights

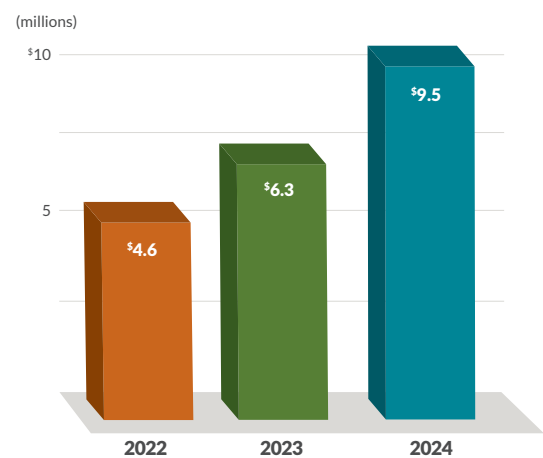
## Innovative Mobile App Makes Saving for Education Easy and Accessible

READYSAVE™ 529, a first-of-its-kind mobile app, helps users track their education savings progress, make contributions, and access account information with ease. It was developed using Ascensus' proprietary technology platform and incorporates behavioral science principles to improve user experiences and drive better savings outcomes. Ascensus will continue making ongoing enhancements based on user feedback and analytics to ensure optimal experiences for all savers.

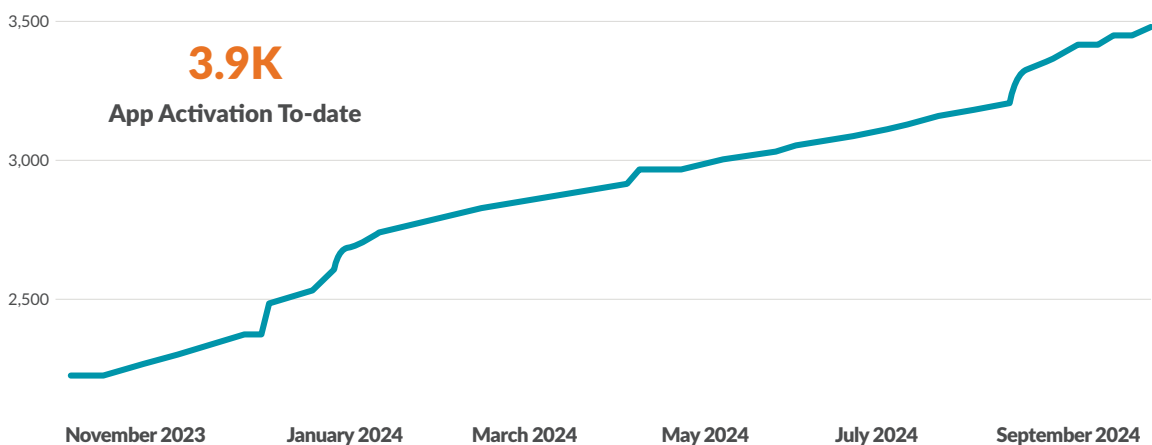
### Key benefits include:

- **Simplified account management:** Quickly view account balances, transaction history, and investment allocations from anywhere.
- **Flexible options:** Make one-time or recurring contributions right from the app.
- **Valuable insights:** Track savings progress and compare it with peers in the same plan.
- **Features to help boost savings:** Effortlessly share Ugift® code with family and friends to invite them to contribute for birthdays, holidays, or just because.

### CONTRIBUTIONS IN APP BY YEAR

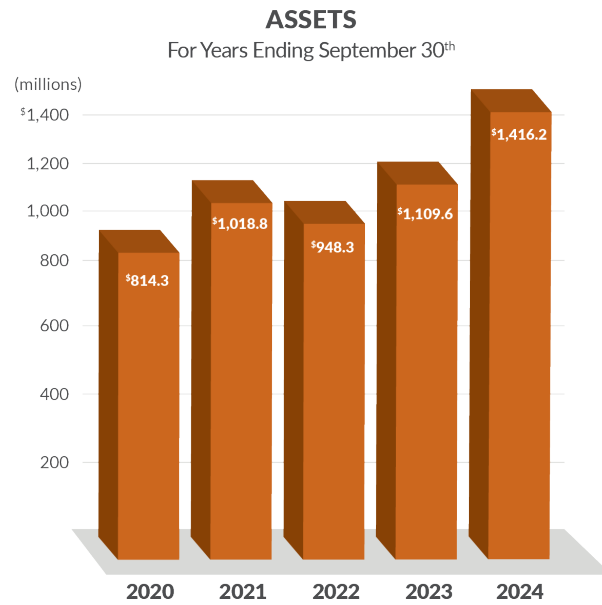


### APP ADOPTION



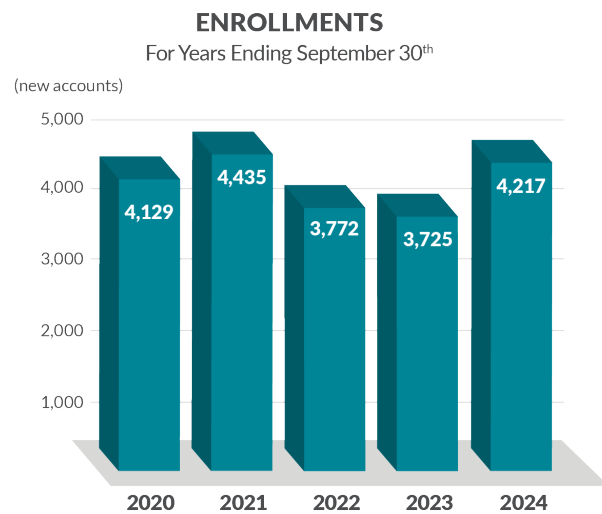
## Assets

The year saw solid, year-over-year (YOY) growth in assets and new account openings. Aided by strong performances in both equities and fixed income, assets grew by 27.6% in 2024, to \$1.4 billion.



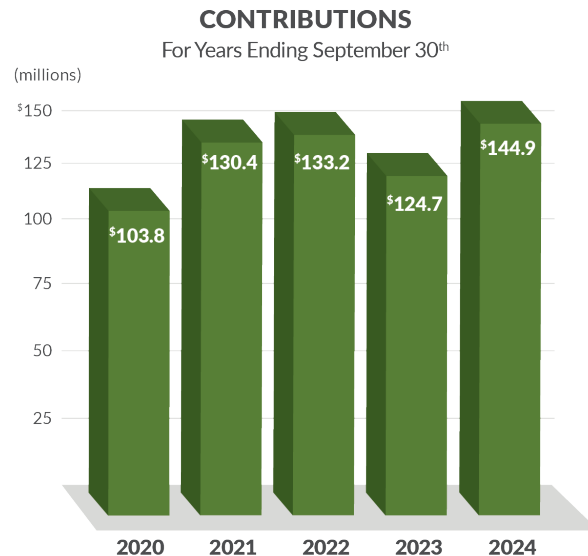
## Enrollment

In fiscal year 2024, we added 4,217 new accounts. Our Community and Employer Outreach efforts helped grow Plan awareness inside the District.



## Contributions

Contributions to current and new participant accounts in fiscal year 2024 totaled \$144.9 million. A strong sales team and consistent broad messaging helped drive brand awareness and sales.



## Access

An important aspect of the Plan is making all District residents, regardless of socioeconomic background, aware of the importance of higher education. Our Community Outreach and Marketing efforts were highlighted by 40 in-person events in Wards 7 and 8 throughout the fiscal year.

We expect to continue offering in-person and virtual events throughout 2025. In the meantime, our focus remains on reaching all District residents and the D.C. College Savings Plan team will continue to pursue every opportunity to ensure all families can learn about the benefits to saving for higher education and K-12 tuition expense at private, public or parochial schools, vocation and trade schools, registered apprenticeship programs and the payments of student loans. Dates of all events and registration for our virtual offerings can be found on the Plan's website: [dccollegesavings.com](https://dccollegesavings.com).

## Ugift®

Ugift® is an easy, free-to-use service that lets family and friends give the meaningful gift of money into a D.C. College Savings Plan account. Saving for college can take a village and Ugift makes it easy for Account Owners to get help from their network of family and friends. Instead of giving toys, clothes, or other traditional gifts that a child will outgrow, gift givers get the satisfaction of knowing that their generosity can make a lasting impression. Total Ugift contributions in fiscal year 2024 totaled over \$8.3 million.

## Upromise®

Upromise® is a free service that helps families save for college. When you open a new Upromise account and link your first D.C. College Savings Plan account, Upromise provides unique opportunities for members to earn cash back rewards for everyday activities such as shopping and dining when paying with the Upromise® Mastercard®. By the end of fiscal year 2024, D.C. College Savings Plan Account Owners added over \$46,940 in Upromise savings to their accounts.





# DESCRIPTION OF INVESTMENT OPTIONS

The D.C. College Savings Plan is designed to offer various alternatives to meet the risk tolerance and investment objective of most investors. Participants have the option to choose one or any combination of the following three tiers of investment options:

1. The **Year of Enrollment Portfolios**, provides a low-cost, diversified investment allocation, which becomes more conservative as the beneficiary approaches their enrollment date.

Within the Year of Enrollment Portfolios, there are eight portfolios, with asset allocations designed to be appropriate for a certain number of years until the beneficiary is enrolled in college. The further the beneficiary is from enrollment, the greater the equity exposure. Every six months, the Year of Enrollment Portfolios will decrease the equity exposure and increase the fixed income or cash preservation exposure. All of the underlying investments are passively managed (track specific indexes) to keep expenses low.

2. The **Individual Portfolios** are a diverse group of investment options, which you can use to create your personal investment allocation mix by investing in one or more of the portfolios.

In the Individual Portfolios, there are eight Investment Options with a diverse range of investment strategies. The portfolio strategies include Passively Managed (index tracking) and Actively Managed (Manager determines allocation mix), Domestic and International Fixed Income Options, Domestic and International Equity Options and even Domestic and International Socially Conscious Options.

3. The **Principal Protected Portfolio** focuses on protecting the principal you invest, by allocating your contributions and earnings to a Funding Agreement issued by Ameritas Life Insurance Corp. to the District of Columbia Section 529 Plan Trust. The current Funding Agreement provides interest credited daily at a minimum annual effective rate of interest of 1% and provides the opportunity for additional interest. The principal and the stated interest rate are insured by the contract provided by Ameritas Life Insurance Corp.<sup>1</sup>

The Principal Protected Portfolio provides an option for those whose primary investment objective is the protection of the principal they invest. This Portfolio can also be used along with the Individual Portfolios in creating a personal diversified investment allocation mix.

Please reference the Program Disclosure Booklet for more details.

<sup>1</sup>Accumulations (including contributions and earnings) under the Funding Agreement for the Principal Protected Portfolio credited to the Plan are subject to the claims-paying ability of Ameritas Life Insurance Corp.

# Performance Summary of Investment Options

Performance as of 9/30/2024

Total Market Value: \$1,416,155,826

Fund Name	Market Value	% of Plan	3 Months	YTD	1 Year	3 Years	5 Years	Inception	Inception Date
<b>Year of College Enrollment Portfolios</b>									
DC College Savings 2043 Portfolio	\$6,223,543	0.44%	6.94%	16.62%	29.27%			20.88%	7/7/23
DC Custom 2043 Benchmark			7.05%	16.93%	29.58%			21.26%	7/7/23
DC College Savings 2040 Portfolio	\$41,176,179	2.91%	6.67%	15.91%	28.17%			5.03%	11/19/21
DC Custom 2040 Benchmark			6.82%	16.26%	28.52%			5.23%	11/19/21
DC College Savings 2037 Portfolio	\$87,439,062	6.17%	6.36%	14.17%	25.10%	5.94%	9.19%	9.10%	9/6/19
DC Custom 2037 Benchmark			6.40%	14.47%	25.48%	6.30%	9.59%	9.49%	9/6/19
DC College Savings 2034 Portfolio	\$157,523,469	11.12%	5.74%	12.10%	21.58%	4.77%	7.75%	7.88%	3/24/17
DC Custom 2034 Benchmark			5.81%	12.36%	22.00%	5.18%	8.10%	8.26%	3/24/17
DC College Savings 2031 Portfolio	\$141,800,310	10.01%	5.13%	9.98%	18.08%	3.69%	6.31%	6.63%	3/24/17
DC Custom 2031 Benchmark			5.17%	10.27%	18.50%	4.11%	6.60%	6.97%	3/24/17
DC College Savings 2028 Portfolio	\$130,198,624	9.19%	4.11%	7.46%	13.87%	2.53%	4.72%	5.26%	3/24/17
DC Custom 2028 Benchmark			4.20%	8.02%	14.62%	3.01%	4.99%	5.59%	3/24/17
DC College Savings 2025 Portfolio	\$108,316,198	7.65%	2.31%	4.73%	8.32%	1.50%	3.23%	3.84%	3/24/17
DC Custom 2025 Benchmark			2.71%	6.05%	10.15%	2.42%	3.60%	4.22%	3/24/17
DC College Savings In College Portfolio	\$101,134,256	7.14%	1.97%	4.01%	6.59%	2.47%	2.98%	2.96%	3/24/17
DC Custom In College Benchmark			2.47%	5.58%	8.85%	3.49%	3.18%	3.03%	3/24/17
<b>Principal Protected Portfolio</b>									
Principal Protected Portfolio	\$49,976,886	3.53%	0.68%	2.07%	2.69%	2.36%	2.28%	2.26%	3/24/17
DC Citi Treasury Bill 3 Mon USD			1.37%	4.17%	5.63%	3.63%	2.38%	2.17%	3/24/17

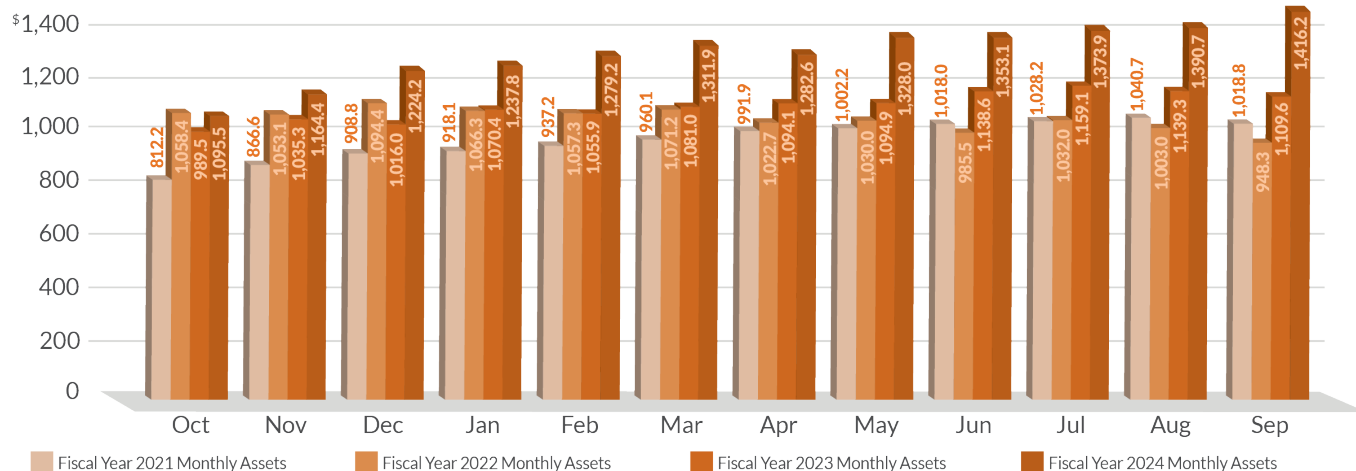


# Performance Summary of Investment Options (Continued)

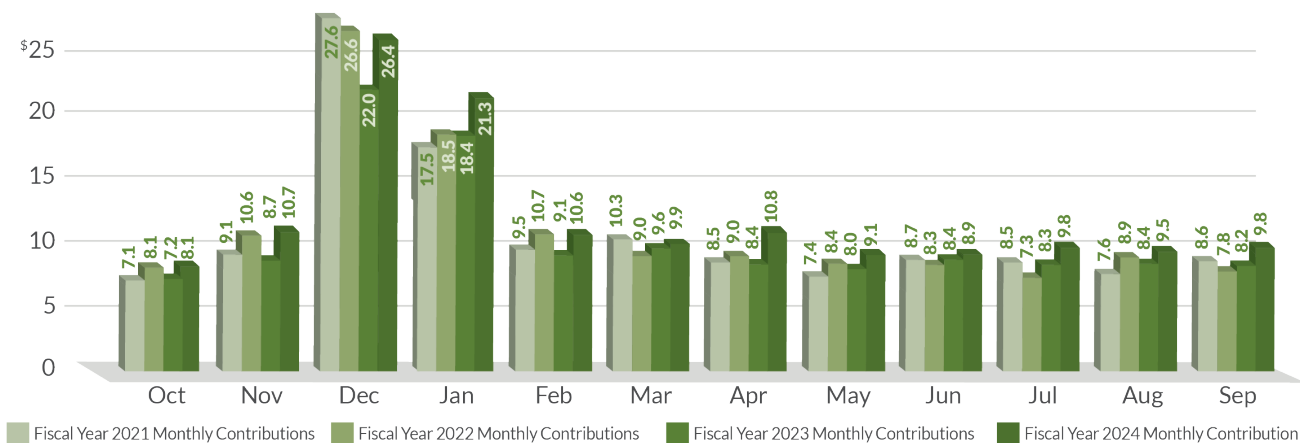
Fund Name	Market Value	% of Plan	3 Months	YTD	1 Year	3 Years	5 Years	Inception	Inception Date
<b>Individual Portfolios</b>									
U.S. Intermediate-Term Bond Index Portfolio	\$14,214,009	1.00%	5.16%	4.36%	11.10%	(1.53%)	0.04%	1.29%	3/24/17
DC Bloomberg US Agg Bond TR USD			5.20%	4.45%	11.57%	(1.39%)	0.33%	1.69%	3/24/17
Intermediate-Term Bond Portfolio	\$13,996,177	0.99%	5.06%	4.31%	11.84%	(1.42%)	0.92%	2.02%	3/24/17
DC Bloomberg US Agg Bond TR USD			5.20%	4.45%	11.57%	(1.39%)	0.33%	1.69%	3/24/17
U.S. Total Stock Market Index Portfolio	\$345,819,398	24.42%	6.09%	20.31%	34.83%	9.58%	14.49%	13.31%	3/24/17
DC US Equity Custom Benchmark			6.18%	20.60%	35.23%	10.11%	15.15%	13.91%	3/24/17
U.S. Large Cap Equity Portfolio	\$113,446,355	8.01%	5.74%	22.48%	37.28%	12.17%	17.68%	15.26%	3/24/17
DC S&P 500 TR USD			5.89%	22.08%	36.35%	11.91%	15.98%	14.68%	3/24/17
U.S. Socially Responsible Equity Portfolio	\$35,396,650	2.50%	7.07%	20.37%	35.26%	10.61%	15.75%	14.19%	3/24/17
DC Russell 3000 TR USD			6.23%	20.63%	35.19%	10.29%	15.26%	14.00%	3/24/17
U.S. Small Cap Equity Portfolio	\$33,847,027	2.39%	10.03%	13.96%	31.68%	8.68%	13.47%	9.95%	3/24/17
DC MSCI US Small Cap 1750 GR USD			8.74%	10.47%	26.60%	3.90%	11.17%	9.62%	3/24/17
Non-U.S. Total Stock Market Index Portfolio	\$23,490,924	1.66%	7.34%	13.11%	24.14%	3.60%	7.21%	6.26%	3/24/17
DC MSCI ACWI Ex USA IMI NR USD			8.18%	13.90%	25.06%	3.74%	7.66%	6.65%	3/24/17
Non-U.S. Socially Responsible Equity Portfolio	\$12,156,760	0.86%	8.61%	13.30%	27.22%	3.99%	8.32%	7.13%	3/24/17
DC MSCI World ex USA NR USD			7.76%	13.10%	24.98%	5.65%	8.36%	7.28%	3/24/17
<b>Total assets ending September 30, 2024</b>	<b>\$1,416,155,826</b>								

# PLAN STATISTICS

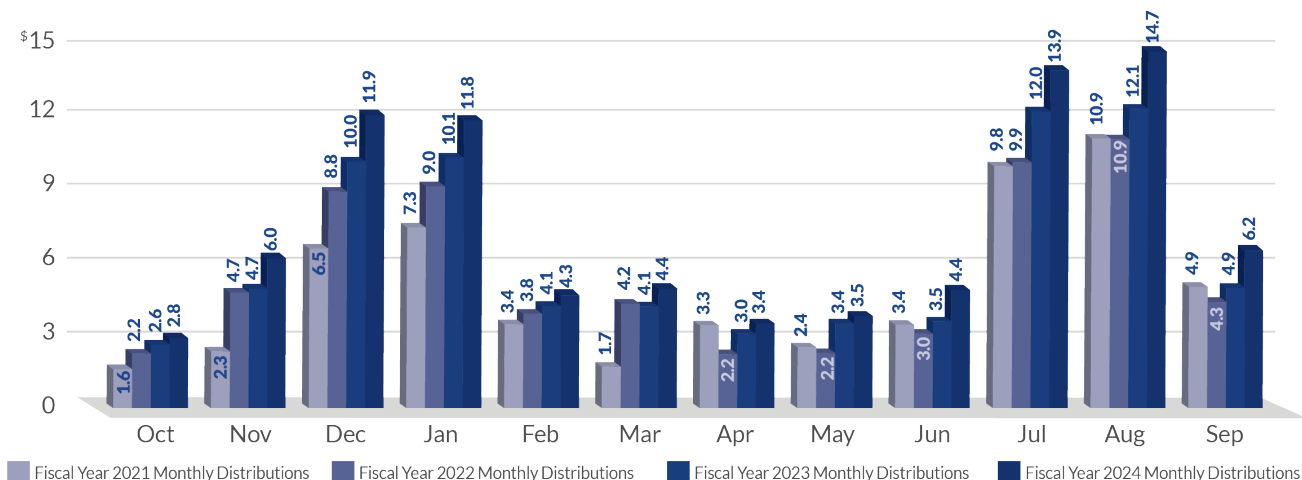
## MONTHLY TOTAL ASSETS YEAR-OVER-YEAR COMPARISON (\$ millions) as of 9/30/2024



## MONTHLY CONTRIBUTIONS YEAR-OVER-YEAR COMPARISON (\$ millions) as of 9/30/2024



## MONTHLY DISTRIBUTIONS YEAR-OVER-YEAR COMPARISON (\$ millions) as of 9/30/2024



## Fostering Community Connections

Ascensus recognizes the importance of maintaining ongoing involvement in both public and private sectors to promote the many benefits of offering or participating in a 529 plan.

The firm is proud to partner with two organizations in the District—Martha’s Table and the Office of the State Superintendent of Education (OSSE)—to spread awareness and educate D.C. residents about the D.C. College Savings Plan.

### MARTHA'S TABLE

Over the last three years, Ascensus has worked closely with Martha’s Table, attending several events each month for their Early Childhood Education (ECE) Program, to help inform families about the importance of saving for education.

- All families enrolled in the ECE Program for one year receive a \$1,000 children’s savings account investment.
- So far, 127 accounts have been funded—and that number will only continue to grow with the newly renamed Dietra L. Ford Children’s Savings Account Program.
- Ascensus Institutional Relationship Manager (IRM), David Rydzeski, is available in person or via webinar to answer questions and encourage families to start saving early with the D.C. College Savings Plan.

Children who have an education savings account are **3x** more likely to enroll in college



and **2.5x** more likely to graduate, than children with no account.\*



\*Source: Elliott, W., III. (2013). Small-dollar children’s savings accounts and college outcomes (CSD Working Paper No. 13-05). St. Louis, MO: Washington University, Center for Social Development. DOI: <https://doi.org/10.7936/K7Z31Z4Q>.





#### **OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION (OSSE)**

Ascensus has also partnered with OSSE for three years to help spotlight the District's commitment to helping its citizens save for education.

- Each year, My School D.C. hosts EdFEST, a public school fair that provides D.C. families with an opportunity to meet with representatives and learn about D.C. public schools and charters.
- Ascensus IRM David Rydzeski attends this fair annually, meeting with families to educate them about the benefits of saving with the state's 529 plan, as well as school officials to discuss how offering a 529 plan option as a voluntary benefit is a meaningful way to attract and retain employees.
- Of the 4,000+ families with school-aged children in the District, at least 1,000 typically attend EdFEST, giving great exposure to the D.C. College Savings Plan.

Ascensus is proud to partner with community organizations to elevate the dialogue around 529 plans, highlighting the numerous benefits the D.C. College Savings Plan can offer to both individual savers and corporations.

Go to [dccollegesavings.com](https://dccollegesavings.com) > Community > Event Request for more information.

Mr. Rydzeski is a registered representative of Ascensus Broker Dealer Services, LLC, 877-529-2980, 95 Wells Avenue, Suite 160, Newton, MA 02459 (member FINRA/SIPC) and is not employed by the District of Columbia.

ABDS is a wholly owned subsidiary of Ascensus, LLC. and serves as Program Manager for the above mentioned plan. Please visit the plan website for more information.

# DC-CAP ESSAY CONTEST AWARDS COLLEGE SAVINGS TO 25 DISTRICT STUDENTS

Sponsored by the District of Columbia College Access Program (DC-CAP) and the D.C. College Savings Plan, the contest challenged local high school students in the District's Public and Public Charter schools to explain, in at least 500 words, what college means to them and how they are preparing for it.

In all, 25 D.C. students chosen from across the city, won a total of \$42,500. The winners included 19-ninth graders who won a combined total of \$32,500 and six-12th graders who won a combined total of \$10,000. First, second and third place prizes were awarded in the amounts of \$2,500, \$1,500 and \$1,000, respectively. The money was deposited into a D.C. College Savings account for each student on their behalf after they claimed the prize money.

First Name	Last Name	High School	Amount
<b>9th Grade</b>			
Symon	Goldblatt	Benjamin Banneker Academic	\$2,500
Isabel	Escobar	BASIS D.C. Public Charter School	\$2,500
Cole	Anderson	Jackson-Reed High School	\$2,500
Victoria	Almendarez Gallo	D.C. International	\$2,500
Saadiq	McCauley	McKinley Technology	\$2,500
Takari	Williams	Maya Angelou Public Charter School	\$2,500
Peace	McFarland	Bard High School Early College	\$2,500
Jonathan	Pierrer	Benjamin Banneker Academic	\$1,500
Noah	Nigri	BASIS D.C. Public Charter School	\$1,500
Alayah	August	Jackson-Reed High School	\$1,500
Justin	Alcantara Amaya	E.L. Haynes Public Charter School	\$1,500
Taylor	Muie	McKinley Technology	\$1,500
Marzaria	Stevenson	Maya Angelou Public Charter School	\$1,500
Da'Shod	Williams	Benjamin Banneker Academic	\$1,000
Sienna	Charles	BASIS D.C. Public Charter School	\$1,000
Avril	Palancia	Jackson-Reed High School	\$1,000
Sabrina	Nguyen	E.L. Haynes Public Charter School	\$1,000
Jadyn	White	McKinley Technology	\$1,000
Taimia	Ivey	Maya Angelou Public Charter School	\$1,000
<b>12th Grade</b>			
Katalina	Valdivieso	Jackson-Reed High School	\$2,500
Decarlos	Desheilds	Ron Brown High School	\$2,500
Ramazzi	White	Cardozo Education Campus	\$1,500
La'Niya	Jones	IDEA Public Charter School	\$1,500
Sydney	Luke	BASIS D.C. Public Charter School	\$1,000
Avani	Bennings	Dunbar High School	\$1,000

## SPONSOR PROFILE:

### District of Columbia Office of the Chief Financial Officer Office of Finance and Treasury

The D.C. Chief Financial Officer (CFO) is responsible for the implementation and administration of the D.C. College Savings Act of 2002, D.C. Law 13-212, approved March 31, 2001, as amended by the College Savings Program Act of 2002, D.C. Law 14-307, approved June 5, 2003.

Pursuant to D.C. Regulations, 49 DCR 9859, November 1, 2002, made final at D.C. Mun. Regs, tit. 9, sec. 155 (2004), the CFO entered into a Declaration of Trust, establishing the D.C. College Savings Program Trust, an instrumentality of the District of Columbia. In addition, pursuant thereto, the CFO or the Treasurer, as designated by the CFO, shall serve as the fiduciary and Trustee of the District of Columbia College Savings Program Trust.

The CFO or the Treasurer, as designee of the CFO, is responsible for selecting a qualified financial institution as the program manager to administer the Program. In addition, the CFO or the Treasurer, as designee of the CFO, is responsible for approving the selection of the underlying investments in the Trust. The CFO or the Treasurer of the District of Columbia, as designee of the CFO, is responsible for the administration of the Program.

## SPONSOR PROFILE:

### Ascensus College Savings Recordkeeping Services, LLC

Ascensus provides the District 529 program management, recordkeeping, investment management, marketing and customer service that makes saving for college easy and intuitive.

#### ABOUT ASCENSUS

Ascensus helps more than 15 million Americans save for the future—retirement, education and ABLE savings account—through technology-enabled solutions. With more than 40 years of experience, the firm offers tailored solutions that meet the needs of asset managers, banks, credit unions, state governments, financial professionals, employers and individuals. Ascensus supports over 259,300 retirement plans, over 688,800 savers with a balance in a state-facilitated retirement program, more than 7.6 million 529 education savings accounts and a growing number of ABLE savings accounts. It also administers more than 1.7 million IRAs. As of September 30, 2024, Ascensus had over \$872 billion in total assets under administration. For more information about Ascensus, visit [ascensus.com](https://ascensus.com).

#### SUB-CONTRACTORS FOR THE PLAN

Ascensus has chosen BNY Mellon and O'Neil Digital Solutions to provide the D.C. College Savings Plan with:

- BNY Mellon – Cash custody and trading
- O'Neil Digital Solutions – Print vendor for statements, confirmations and correspondence

#### TENURE AS PROGRAM MANAGER

In November 2016, Ascensus was selected by the trustee as program manager for a five-year contract through November 2021. Since then, the contract has been extended through November 2024. After that time, the agreement between the trustee and Ascensus may be continued or terminated (in which case a different program manager may be selected).



# Institutional Relationship Manager



**David Rydzeski** is an Institutional Relationship Manager for the D.C. College Savings Plan, the District's own 529 college saving program. He helps educate human resource and benefit professionals, school counselors and community groups on how to promote and encourage college savings.

Prior to Ascensus, David was responsible for the distribution of various investment products, both to institutions and retail investors. He now puts his career-long financial experience to work helping D.C. families save for college.

2024 marks the seventh full year since the conversion to Ascensus and through several new and key contacts, David has been able to showcase the D.C. College Savings Plan at different events throughout the year.

His outreach efforts covered every Ward in the District and included workshops at a variety of employer and community venues. In addition to the workshops, which help explain the nuances of the program to the parents and families in attendance, David also staffed information tables plus hosted virtual events at over 410 different venues to help raise awareness on the importance of saving for college and the benefits of the D.C. College Savings Plan.

To learn more about our outreach efforts, please visit the *Community* tab on our website, **[www.dc529.com](http://www.dc529.com)**.

Mr. Rydzeski is a registered representative of Ascensus Broker Dealer Services LLC, 877-529-2980, 95 Wells Ave, Suite 160, Newton, MA 02459 (member FINRA/SIPC) and is not employed by the District of Columbia.

# District of Columbia Administrative Team



*Pictured from left to right: Merzie Davis, Rodney Dickerson, Ken Alozie, Treasurer Carmen Pigler, Benedict Richardson, and Joseph Nzioki.*

**Carmen Pigler**, D.C. Treasurer and Deputy CFO, manages multiple financial and investment programs for the District government. In addition to overseeing the administration of the D.C. College Savings Plan, she has oversight of the Office of Finance and Treasury which manages the District's cash and liquid assets, all cash disbursements, banking relationships, the 457(b) Deferred Compensation Plan, the 401(a) Retirement Plan, and the Other Post Employment Benefits Fund (OPEB).

**Benedict Richardson, CFA**, Associate Treasurer for Asset Management, Office of Finance and Treasury (OFT), oversees the District's investment programs including the general fund, the District's 401(a) and 457(b) retirement programs, the 529 College Savings program, and the District's OPEB Fund program. Mr. Richardson has oversight of the 529 plan and the staff who manage the program.

**Rodney Dickerson**, Program Director, is responsible for managing the D.C. College Savings Plan, 457(b) Deferred Compensation Plan, 401(a) Retirement Plan, and the OPEB Plan. Mr. Dickerson provides oversight of the investments and operations and he manages the audit of the Plans. He crafts and reviews all Plan communications and facilitates quarterly meetings with the vendors.

**Ken Alozie, CFA, CAIA**, is the Program Manager responsible for managing operations and relationships with investment managers, record keepers, plan administrators, and contractors for the District's 401(a) Defined Contribution Retirement Plan, the 457(b) Deferred Compensation Plan, the D.C. 529 College Savings Plan, and Other Post-Employment Benefits (OPEB) Fund. Mr. Alozie is also responsible for developing goals, objectives and assigning responsibilities among programs, formulating improvement strategies and reporting on performance.

**Merzie Davis**, Financial Manager, is responsible for managing the day-to-day operations of the D.C. College Savings Plan and the 457(b) Deferred Compensation Plan. Mr. Davis also participates in the quarterly 529 investment meetings.

**Joseph Nzioki**, Financial Analyst, works closely with Rodney Dickerson, program director on the 401(a) Retirement Plan and OPEB Fund. He assists with the monthly asset reconciliation for the 401(a) and OPEB Fund. Mr. Nzioki participates in the quarterly 529 investment meetings.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF FINANCE AND TREASURY**

**REPORT ON**

**THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT AND ADMINISTRATIVE FUNDS**

**FINANCIAL STATEMENTS  
AND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT AND ADMINISTRATIVE FUNDS**

**FINANCIAL STATEMENTS  
AND  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Trustee of  
The District of Columbia 529 College Savings Program Trust

### Report on the Financial Statements

#### *Opinion*

We have audited the accompanying statements of fiduciary net position of the Participant Fund and Administrative Fund of the District of Columbia 529 College Savings Program Trust (the "Trust") as of September 30, 2024 and 2023, and the related statements of changes in fiduciary net position of the Participant Fund and Administrative Fund for the years then ended and the related notes to the financial statements, which collectively comprise the Trust's financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Trust, as of September 30, 2024 and 2023, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year from the date of the financial statements, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents 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 who considers it 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 because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024, 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 grant agreements and other matters. The purpose of that report is 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 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 Trust's internal control over financial reporting and compliance.

Washington, D.C. *Watson Rice LLP*  
December 12, 2024

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

The following presents management's discussion and analysis of the financial performance of the Government of the District of Columbia's (the "District") 529 College Savings Program Trust (the "Program") for the fiscal years ended September 30, 2024 and 2023. This discussion and analysis should be read in conjunction with the financial statements and notes disclosures.

**Basic Financial Statements**

The Program is accounted for as a private purpose trust fund of the District. The District has overall fiduciary responsibility to program participants to administer the operations of the Program. The Program's basic financial statements, which are reported on the accrual basis of accounting, are the: (a) Statement of Fiduciary Net Position and (b) Statement of Changes in Fiduciary Net Position. In addition to the basic financial statements are the notes to the financial statements which are an integral part of the financial statements.

- The Statement of Fiduciary Net Position presents the assets, liabilities, and net position of the Program.
- The Statement of Changes in Fiduciary Net Position presents the additions to and deductions from the Program's net position.
- The notes provide additional financial statement disclosures that are required by generally accepted accounting principles.

**2024 Financial Highlights**

- Investments increased by \$307,364,872 or 27.80%
- Total liabilities increased by \$652,005 or 177.01%
- Participant contributions increased by \$20,143,862 or 16.15%
- Net investment income increased by \$138,614,868 or 121.20%
- Distributions to participants increased by \$12,755,744 or 17.12%

**2023 Financial Highlights**

- Investments increased by \$160,730,252 or 17.01%
- Participant contributions decreased by \$8,445,187 or 6.34%
- Net investment income increased by \$249,618,488 or 184.57%
- Distributions to participants increased by \$9,348,224 or 14.35%

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**Financial Analysis – Fiduciary Net Position**

**Table 1 - Condensed Statements of Fiduciary Net Position as of September 30, 2024, 2023 and 2022**

	2024	2023	2022	2024 -2023		2023 -2022	
				Variance (\$)	Variance (%)	Variance (\$)	Variance (%)
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 1,706,508	\$ 1,915,883	\$ 1,575,557	\$ (209,375)	-10.93%	\$ 340,326	21.60%
Investments	1,413,113,422	1,105,748,550	945,018,298	307,364,872	27.80%	160,730,252	17.01%
Receivables	2,356,242	2,261,284	2,207,299	94,958	4.20%	53,985	2.45%
<b>Total Assets</b>	<b>1,417,176,172</b>	<b>1,109,925,717</b>	<b>948,801,154</b>	<b>307,250,455</b>	<b>27.68%</b>	<b>161,124,563</b>	<b>16.98%</b>
<b>LIABILITIES</b>							
Total Liabilities	1,020,346	368,341	458,318	652,005	177.01%	(89,977)	(19.63)%
<b>Net Position Held in Trust for Program Participants</b>	<b>\$ 1,416,155,826</b>	<b>\$ 1,109,557,376</b>	<b>\$ 948,342,836</b>	<b>\$ 306,598,450</b>	<b>27.63%</b>	<b>\$ 161,214,540</b>	<b>17.00%</b>

**Fiscal Year 2024**

The Program's primary asset was investments, which totaled \$1,413,113,422. Investments increased by 27.80% over fiscal year 2023 because of asset growth and the excess of contributions over distributions to participants. Market conditions overall remained favorable in fiscal year 2024, and as a result, all of the seventeen (17) Program funds generated positive rates of return. The Program's funds invest in one or more underlying investments. The underlying investments are primarily held in mutual funds and a Principal Protected Portfolio.

Receivables primarily consist of amounts due for investments sold, as well as interest and dividend income earned, but not yet received by the Program. These receivables increased by \$94,958 or 4.20% over the prior fiscal year primarily because of an increase in unsettled investments sales and accrued interest.

Total liabilities increased by \$652,005 or 177.01% over the prior fiscal year. The increase was primarily a result of the timing of unsettled investment purchases near the end of the year and program management fees associated with the purchases.

As shown in **Table 2a - Investment by Fund with Rates of Returns as of September 30, 2024**, the top four Program investments were held in the U.S. Total Stock Market Index Portfolio (\$345,877,234 or 24.5%); DC College Savings 2034 Portfolio (\$156,816,460 or 11.1%), DC College Savings 2031 Portfolio (\$141,116,935 or 10.0%); and, DC College Savings 2028 Portfolio (\$129,632,005 or 9.2%).

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**Table 2a - Investment by Fund with Rates of Returns as of September 30, 2024**

	<b>Investment Value</b>	<b>Percent of Total Assets</b>	<b>Rate of Return %</b>
DC College Savings 2025 Portfolio	\$ 108,047,003	7.6	8.32
DC College Savings 2028 Portfolio	129,632,005	9.2	13.87
DC College Savings 2031 Portfolio	141,116,935	10.0	18.08
DC College Savings 2034 Portfolio	156,816,460	11.1	21.58
DC College Savings 2037 Portfolio	86,982,774	6.2	25.10
DC College Savings 2040 Portfolio	40,920,118	2.9	28.17
DC College Savings 2043 Portfolio	6,152,131	0.4	29.27
DC College Savings Income College Portfolio	101,059,347	7.2	6.59
Intermediate-Term Bond Portfolio	13,985,314	1.0	11.84
Non-U.S. Socially Responsible Equity Portfolio	12,152,219	0.9	27.22
Non-U.S. Total Stock Market Index Portfolio	23,484,638	1.7	24.14
Principal Protected Portfolio	50,010,495	3.5	2.69
U.S. Intermediate-Term Bond Index Portfolio	14,346,178	1.0	11.10
U.S. Large Cap Equity Portfolio	113,324,856	8.0	37.28
U.S. Small Cap Equity Portfolio	33,828,940	2.4	31.68
U.S. Socially Responsible Equity Portfolio	35,376,775	2.5	35.26
U.S. Total Stock Market Index Portfolio	345,877,234	24.5	34.83
<b>TOTAL</b>	<b>\$ 1,413,113,422</b>	<b>100%</b>	

**Fiscal Year 2023**

The Program's primary asset was investments, which totaled \$1,105,748,550. Investments increased by 17.01% over fiscal year 2022 because of asset growth and the excess of contributions over distributions to participants. Market conditions improved in fiscal year 2023, and as a result, sixteen (16) of the seventeen (17) Program funds generated positive rates of return. The Program's funds invest in one or more underlying investments. The underlying investments are primarily held in mutual funds and a Principal Protected Portfolio.

Receivables increased by \$53,985 or 2.45% over the prior fiscal year primarily because of an increase in investments sold and related receivables which was partially offset by a decrease in accrued interest and dividends at the end of the year.

Total liabilities decreased by \$89,977 or 19.63% over the prior fiscal year primarily because of a decrease in accounts payable for investments purchased at the end of the year.

As shown in **Table 2b - Investment by Fund with Rates of Returns as of September 30, 2023**, the top four Program investments were held in the U.S. Total Stock Market Index Portfolio (\$247,568,943 or 22.4%); DC College Savings Income College Portfolio (\$118,452,043 or 10.7%); DC College Savings 2034 Portfolio (\$117,477,047 or 10.6%) and DC College Savings 2031 Portfolio (\$108,575,631 or 9.8%).

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**Table 2b – Investment by Fund with Rates of Returns as of September 30, 2023**

	<b>Investment Value</b>	<b>Percent of Total Assets</b>	<b>Rate of Return %</b>
DC College Savings 2025 Portfolio	\$ 99,517,566	9.0	5.42
DC College Savings 2028 Portfolio	106,597,965	9.6	7.05
DC College Savings 2031 Portfolio	108,575,631	9.8	9.58
DC College Savings 2034 Portfolio	117,477,047	10.6	12.18
DC College Savings 2037 Portfolio	57,488,494	5.2	14.77
DC College Savings 2040 Portfolio	18,319,816	1.7	17.69
DC College Savings 2043 Portfolio*	898,750	0.1	(2.30)
DC College Savings Income College Portfolio	118,452,043	10.7	4.01
Intermediate-Term Bond Portfolio	12,732,200	1.2	1.07
Non-U.S. Socially Responsible Equity Portfolio	9,373,186	0.8	23.27
Non-U.S. Total Stock Market Index Portfolio	16,219,196	1.5	19.89
Principal Protected Portfolio	56,169,050	5.1	2.40
U.S. Intermediate-Term Bond Index Portfolio	10,372,523	0.9	0.41
U.S. Large Cap Equity Portfolio	77,557,952	7.0	20.26
U.S. Small Cap Equity Portfolio	24,320,644	2.2	16.80
U.S. Socially Responsible Equity Portfolio	24,107,544	2.2	21.66
U.S. Total Stock Market Index Portfolio	247,568,943	22.4	20.05
<b>TOTAL</b>	<b>\$ 1,105,748,550</b>	<b>100%</b>	

\*DC College Savings 2043 Portfolio was added as an investment option on July 7, 2023.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**Financial Analysis – Changes in Fiduciary Net Position**

**Table 3 – Condensed Statements of Changes in Fiduciary Net Position as of September 30, 2024, 2023 and 2022**

	2024	2023	2022	2024-2023		2023-2022	
				Variance (\$)	Variance (%)	Variance (\$)	Variance (%)
<b>ADDITIONS</b>							
Contributions	\$ 144,854,991	\$ 124,711,129	\$ 133,156,316	\$ 20,143,862	16.15%	\$ (8,445,187)	(6.34)%
Net Investment Income	252,986,434	114,371,566	(135,246,922)	138,614,868	121.20%	249,618,488	184.57%
Total Additions	397,841,425	239,082,695	(2,090,606)	158,758,730	66.40%	241,173,301	11,536.05%
<b>DEDUCTIONS</b>							
Distributions to Participants	87,257,023	74,501,279	65,153,055	12,755,744	17.12%	9,348,224	14.35%
Other Expenses	3,985,952	3,366,876	3,234,701	619,076	18.39%	132,175	4.09%
Total Deductions	91,242,975	77,868,155	68,387,756	13,374,820	17.18%	9,480,399	13.86%
Increase in Net Position	\$ 306,598,450	\$ 161,214,540	\$ (70,478,362)	\$ 145,383,910	90.18%	\$ 231,692,902	328.74%

**Fiscal Year 2024**

The Program's contributions increased by \$20,143,862 or 16.15% over the prior fiscal year. The year-over-year changes reflect the savings decisions made by the participants and the actions of the program manager to process these transactions. The Program had an increase in participants from 39,661 in fiscal year 2023 to 43,218 in fiscal year 2024.

The Program had net investment income of \$252,986,434 in fiscal year 2024, compared to a net investment income of \$114,371,566 in fiscal year 2023, which is a 121.20% increase year over year. The net investment income was primarily due to continued favorable market conditions in fiscal 2024 resulting in a substantial increase in the fair value of investments from fiscal year 2023. Interest and dividends also increased from \$8,133,180 in fiscal year 2023 to \$9,527,281 in fiscal year 2024. Overall, each of the seventeen (17) funds of the Program reflected positive rates of return, which contributed to a net appreciation in the fair value of investments for the year. For fiscal year 2024, the Program's investments collectively had a weighted average rate of return of 22.18%, an increase of 1,032 basis points from the weighted average rate of return of 11.86% in fiscal year 2023.

Distributions to participants in 2024 increased by \$12,755,744 or a 17.12% over fiscal year 2023. This increase is due to individual participant tuition funding requirements likely influenced by increases in tuition, college fees and the effects of inflation and the timing of distributions to participants as funds are utilized to pay for college expenses or other purposes.



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
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Other expenses include program management fees, and administrative and maintenance expenses. The overall increase in other expenses is primarily due to an increase in program management fees from \$2,589,585 in fiscal year 2023 to \$3,108,717 in fiscal year 2024. For fiscal year 2024, program management and administrative fees were on average 0.25% and 0.05%, respectively, of the funds average daily net asset value. Underlying investment management fees ranged from 0.00% to 0.44% for the various investment options.

**Fiscal Year 2023**

The Program's contributions decreased by \$8,445,187 or 6.34% over the prior fiscal year. The year-over-year changes reflect the savings decisions made by the participants and the actions of the program manager to process these transactions. The Program had an increase in participants from 37,408 in fiscal year 2022 to 39,661 in fiscal year 2023.

The Program had net investment income of \$114,371,566 in fiscal year 2023, compared to a net investment loss of \$135,246,922 in fiscal year 2022, which is a 184.57% increase year over year. The net investment income was primarily due to favorable market conditions in fiscal 2023 resulting in a substantial increase in the fair value of investments from fiscal year 2022. Interest and dividends also increased from \$7,215,534 in fiscal year 2022 to \$8,133,180 in fiscal year 2023. Overall, sixteen (16) of the seventeen (17) funds of the Program reflected positive rates of return, which contributed to a net appreciation in the fair value of investments for the year. For fiscal year 2023, the Program's investments collectively had a weighted average rate of return of 11.86%, an increase of 2,135 basis points from the weighted average rate of return of (9.49)% in fiscal year 2022.

Distributions to participants in 2023 were \$9,348,224 or a 14.35% increase over fiscal year 2022. This increase is due to individual participant savings behavior likely influenced by increases in tuition, college fees and the effects of inflation and the timing of distributions to participants as funds are utilized to pay for college expenses or other purposes.

Other expenses include program management fees, and administrative and maintenance expenses. The overall increase in other expenses is primarily due to an increase in program management fees from \$2,500,951 in fiscal year 2022 to \$2,589,585 in fiscal year 2023. For fiscal year 2023, program management and administrative fees were on average 0.25% and 0.05%, respectively, of the funds average daily net asset value. Underlying investment management fees ranged from 0.00% to 0.44% for the various investment options.

**Contact Information**

This financial report is designed to provide a general overview of the Program's finances. Questions concerning any information provided in this report, or requests for additional financial information, should be addressed to the Office of the Chief Financial Officer (Office of Finance and Treasury); Government of the District of Columbia; 1101 4th Street SW, 8th Floor, Washington, DC 20024.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
PARTICIPANT FUND**

**STATEMENTS OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,706,508	\$ 1,915,883
Receivables:		
Interest and Dividends	905,199	839,385
Accounts Receivable for Investments Sold	1,451,043	1,421,899
Total Receivables	<u>2,356,242</u>	<u>2,261,284</u>
Investments:		
Equity Mutual Funds	881,567,632	627,671,164
Fixed Income Mutual Funds	290,408,226	271,485,543
Guaranteed Investment Contracts	241,137,564	206,591,843
Total Investments	<u>1,413,113,422</u>	<u>1,105,748,550</u>
<b>Total Assets</b>	<u>1,417,176,172</u>	<u>1,109,925,717</u>
 <b>LIABILITIES</b>		
Accounts Payable for Investments Purchased	541,354	276,680
Program Management Fees Payable	422,001	45,338
Due to D.C. Government Administrative Fund	56,991	46,323
<b>Total Liabilities</b>	<u>1,020,346</u>	<u>368,341</u>
<b>Net Position Held in Trust for Program Participants</b>	<u>\$ 1,416,155,826</u>	<u>\$ 1,109,557,376</u>

The notes to the financial statements are an integral part of this statement.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
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**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ADDITIONS</b>		
Contributions	\$ 144,854,991	\$ 124,711,129
Investment Income:		
Net Appreciation in Fair Value of Investments	244,527,749	107,085,307
Interest and Dividends	9,527,281	8,133,180
Less: Investment Expenses	(1,068,596)	(846,921)
Net Investment Income	252,986,434	114,371,566
<b>Total Additions</b>	397,841,425	239,082,695
<b>DEDUCTIONS</b>		
Distributions to Participants	87,257,023	74,501,279
Program Management Fees	3,108,717	2,589,585
Administrative Expenses	637,531	535,872
Maintenance Expenses and Enrollment Fees	239,704	241,419
<b>Total Deductions</b>	91,242,975	77,868,155
Change in Net Position	306,598,450	161,214,540
<b>Net Position Held in Trust for Program Participants</b>		
Beginning of Year	1,109,557,376	948,342,836
<b>End of Year</b>	<u>\$ 1,416,155,826</u>	<u>\$ 1,109,557,376</u>

The notes to the financial statements are an integral part of this statement.

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**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
ADMINISTRATIVE FUND**

**STATEMENTS OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	<u>\$ 2,003,707</u>	<u>\$ 1,506,246</u>
Receivables:		
Due from Program Manager	1,099	525
Due from Participant Fund	<u>56,991</u>	<u>46,326</u>
Total Receivables	<u>58,090</u>	<u>46,851</u>
<b>Total Assets</b>	<u>2,061,797</u>	<u>1,553,097</u>
 <b>LIABILITIES</b>		
Accrued Expenses	<u>87,909</u>	<u>24,000</u>
<b>Total Liabilities</b>	<u>87,909</u>	<u>24,000</u>
<b>Net Position Held in Trust for Administrative Expenses</b>	<u>\$ 1,973,888</u>	<u>\$ 1,529,097</u>

The notes to the financial statements are an integral part of this statement.



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
ADMINISTRATIVE FUND**

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ADDITIONS</b>		
Program Administrative Fees		
Administrative Fees	\$ 637,531	\$ 535,872
Maintenance and Enrollment Fees	17,424	18,336
Contributions	12,000	-
Net Investment Income	<u>89,275</u>	<u>57,655</u>
<b>Total Additions</b>	<u>756,230</u>	<u>611,863</u>
<b>DEDUCTIONS</b>		
Administrative Salaries	83,266	-
Professional Fees	212,673	265,121
Donations (Scholarships)	<u>15,500</u>	<u>5,000</u>
<b>Total Deductions</b>	<u>311,439</u>	<u>270,121</u>
Change in Net Position	444,791	341,742
<b>Net Position Held in Trust for Administrative Expenses</b>		
Beginning of Year	<u>1,529,097</u>	<u>1,187,355</u>
<b>End of Year</b>	<u>\$ 1,973,888</u>	<u>\$ 1,529,097</u>

The notes to the financial statements are an integral part of this statement.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 ORGANIZATION AND PURPOSE**

The District of Columbia (DC) College Savings Program (the Program) was created by D.C. Law 47- 4501 et seq., as amended and pursuant to D.C. Regulations, 49 DCR 9859, November 1, 2002, made final at D.C. Mun. Regs, title 9 sec. 155 (2004), as a Trust of the District of Columbia Government (the District). The Program enables participants to save for qualified higher education expenses. On December 22, 2017, federal tax bill H.R.1 was signed into law and expanded the definition of “qualified higher education expenses” to include qualified K-12 tuition expenses at a private, public, or parochial school up to specified expense limitations per student. On December 20, 2019, the Setting Every Community Up for Retirement Enhancement Act (SECURE Act), H.R.1865, P.L. 116-94, was signed into law and expanded eligible expenses to include Apprenticeship Programs and Loan Repayments, which will not be subject to federal income tax. The Chief Financial Officer of the District of Columbia or his/her designee is the Trustee of the Plan. The current designee is the D.C. Treasurer. The Trustee is responsible for entering into contracts for program management services, adopting program administration rules and regulations, and establishing investment policies. The Program is managed by Ascensus College Savings Recordkeeping Services, LLC (ACSR) and its affiliates (collectively, Ascensus College Savings) and they have overall responsibility for the day-to-day operation of the Program including recordkeeping, investment management, administrative services, and marketing. The initial term of the management agreement between Ascensus College Savings and the D.C. Treasurer expired on November 15, 2021. However, the District exercised their options to extend the management agreement until January 15, 2025.

The Program is available to both the District of Columbia and non-District of Columbia residents. It is a qualified tuition program that allows participants to make contributions into seventeen (17) different investment options for Program years 2024 and 2023. The account balance limit is \$500,000 per beneficiary. Accounts are subject to market investment risk, except for those that are invested in the Principal Protected Portfolio, which focuses on protecting the invested principal. As of September 30, 2024, and 2023, the Plan had 41,493 and 39,025 funded participant accounts with a net asset value of \$1,416,155,826 and \$1,109,557,376, respectively. Fees and expenses of the program are paid by each account owner and vary according to the Portfolio, in which they are invested.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The Program reports the activity of the District of Columbia College Savings Program as a private-purpose trust fund, which is a type of fiduciary fund. Private-purpose trust funds account for transactions of trust arrangements in which the principal and income benefit individuals, private organizations, or governments. The financial statements of the fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred.

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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**Investment Valuation and Income Recognition**

Portfolio investments in the underlying funds are valued at the closing net asset value per share (unit) of each underlying fund on the day of valuation. The stability of the principal portfolio is valued in accordance with the terms of the funding agreement, inclusive of accrued interest.

Security transactions, normally in shares of the underlying funds, are accounted for on the trading date. Realized gains and losses are reported on the identified cost basis. Income and capital gains distributions, if any, from investments in the underlying funds are recorded on the ex-dividend date. Expenses included in the accompanying financial statements reflect the expenses of each portfolio and do not include any expenses associated with the underlying funds.

Units represent the beneficial interest of each participant in the net assets of a Portfolio. Contributions to and distributions from the portfolios are subject to terms and limitations defined in the Participation Agreement between the participant and the Trust. Contributions and distributions are recorded upon receipt of the participants' instructions in good order, based on the next determined net asset value per unit. Net investment income and realized and unrealized gains and losses accumulate in the net asset value of each Portfolio and are not separately distributed to participants.

**Fair Value Measurements**

Governmental Accounting Standards Board Statement number 72 (GASB 72), *Fair Value Measurement and Application*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. GASB 72 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – observable market inputs that are unadjusted quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 – that are observable for the asset or liability, either directly or indirectly (for example, quoted prices for similar assets or liabilities in active markets).

Level 3 – unobservable inputs (including the District's own assumptions in determining the fair value of investments).

**Cash and Cash Equivalents**

The balance includes cash on deposit and short-term highly liquid investments that are: (a) readily convertible to known amounts of cash and (b) so near their maturities that they present an insignificant risk of changes in value because of changes in interest rates.

**Receivables and Payables for Investments Purchased and Sold**

The receivables and payables represent transactions related to the purchase and sale of investments that have not settled at the end of the fiscal year.

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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**Estimates**

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expense during the reporting period. Actual results could differ from those estimates.

**Income Tax Status**

The Program is exempt from federal taxes in accordance with Section 529 of the Internal Revenue Code. Under District of Columbia code section 47-4502, the Program “shall constitute an instrumentality of the District of Columbia” and as such, is not subject to taxation by the District. District resident participants are exempt from state and local taxes when earnings from the Program are used for qualified expenses. Non-District residents may be subject to state and local taxes in their jurisdiction.

**Impact of New Accounting Standards**

Statement No. 99 of the Governmental Accounting Standards Board, Omnibus 2022, addresses a variety of technical corrections, updates, and implementation issues related to prior GASB statements. The statement addressed cancellable periods in leases being excluded from the maximum lease term, required disclosure of financial guarantees, reclassification and reporting of derivative instruments, required disclosure of nonmonetary transactions, required disclosure of pledges of future revenues and technical changes to terminology in GASB Statements 53 and 63. Management has assessed the impact of the implementation of GASB Statement No. 99 on the financial statements and determined that it does not have a material effect on the amounts reported or disclosures presented. The requirements of this Statement are primarily effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Statement No. 100 of the Governmental Accounting Standards Board, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62. Effective for reporting periods beginning after June 15, 2023. The standard provides enhanced guidance on accounting for and reporting changes in accounting principles, changes in accounting estimates, and corrections of errors. The adoption of GASB 100 requires restatement of prior periods, where practicable, for retroactive adjustments resulting from changes in accounting principles or error corrections. This standard also introduces refined disclosure requirements aimed at increasing transparency regarding the nature and financial impact of such changes. The implementation of GASB 100 did not have a material effect on the current financial statements.



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**NOTE 3 INVESTMENTS**

**Investment Policy and Guidelines**

The Program offers account owners several Investment Portfolios that provide a range of risk and return characteristics, each unique to aid in proper diversification. Three different types of Investment Portfolios are offered to account owners: 1) Year of College Enrollment Portfolios, 2) Individual Portfolios, and 3) Principal Protected Portfolio. Once an account owner's Investment Portfolio(s) is selected for a particular contribution, IRS guidance dictates the rules through which an account owner can move money or transfer from one Investment Portfolio to another; for fiscal year 2024 it is twice per year.

*The Year of College Enrollment Portfolios:* The Year of College Enrollment Portfolios offer account owners pre-diversified Investment Portfolios that become more conservative as the beneficiary nears his/her intended year of high school graduation. The Year of College Enrollment Portfolios represent a weighted allocation among a predetermined number and type of investment strategies, as follows:

Underlying Investments	Year of College Enrollment Portfolios							
	DC College Savings Portfolios							
	In College	2025	2028	2031	2034	2037	2040	2043
Ameritas Principal Plus	70.00%	63.00%	25.38%	8.63%	4.00%	1.30%	0.80%	0.50%
iShares Core International Aggregate Bond ETF	4.00%	5.00%	7.50%	5.63%	4.51%	3.35%	2.34%	1.88%
iShares MSCI EAFE International Index K	2.50%	3.13%	6.88%	10.63%	14.38%	18.13%	21.00%	22.50%
Schwab US REIT ETF	0.50%	0.60%	1.31%	2.03%	2.74%	3.46%	4.05%	4.50%
Vanguard Emerging Markets Stock Index	1.00%	1.25%	2.75%	4.25%	5.75%	7.25%	8.40%	9.00%
Vanguard High-Yield Corporate Admiral	1.00%	2.00%	3.77%	3.91%	3.08%	2.10%	3.04%	1.90%
Vanguard Short-Term Bond Index I	6.00%	6.50%	14.16%	15.76%	12.38%	8.28%	3.79%	2.16%
Vanguard Short-Term Inflation Protected Securities	3.00%	4.50%	7.54%	7.82%	6.16%	4.19%	2.24%	1.40%
Vanguard Total Bond Market II Index I	6.00%	6.50%	14.16%	15.75%	12.38%	8.28%	3.79%	2.16%
Vanguard Total Stock Market Index Plus	6.00%	7.52%	16.55%	25.59%	34.62%	43.66%	50.55%	54.00%

The Program Manager monitors and rebalances the underlying asset allocation of the Year of College Enrollment Portfolios on a quarterly basis. The Program Manager has the discretion to rebalance the Year of College Enrollment Portfolios when the Investment Portfolios fall outside the strategic targets by more than one percentage point.

*Individual Portfolios:* The Individual Portfolios are stand-alone options, which allow account owners to allocate their account into one or more Investment Portfolios. The goal in offering the Individual Portfolios is to provide account owners with the ability to construct diversified portfolios by asset class and investment style that match their risk tolerance, asset class preferences, time horizons and expected returns. Each portfolio invests (100%) in a single underlying mutual fund or exchange-traded fund (ETF), as follows:

Individual Portfolios	Underlying Investments	Asset Class
Intermediate-Term Bond Portfolio	Loomis Sayles Core Plus Bond Fund	Fixed Income
Non-U.S. Socially Responsible Equity Portfolio	DFA International Sustainability Core 1 Portfolio	International Equity
Non-U.S. Total Stock Market Index Portfolio	iShares Core MSCI Total International Stock ETF	International Equity
U.S. Intermediate-Term Bond Index Portfolio	iShares Core U.S. Aggregate Bond ETF	Fixed Income
U.S. Large-Cap Equity Portfolio	JP Morgan U.S. Equity Fund	Domestic Equity
U.S. Small-Cap Equity Portfolio	Vanguard Strategic Small-Cap Equity Fund	Domestic Equity
U.S. Socially Responsible Equity Portfolio	DFA U.S. Sustainability Core 1 Portfolio	Domestic Equity
U.S. Total Stock Market Index Portfolio	iShares Core S&P Total U.S. Stock Market ETF	Domestic Equity

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**NOTE 3 INVESTMENTS (Continued)**

The Trustee reserves the right to add or replace Individual Portfolios based upon market conditions, Program Manager and Investment Consultant input, account owner response, or other factors.

*Principal Protected Portfolio:* The Principal Protected Portfolio focuses on protecting the principal account owners' investment by allocating account owner contributions and earnings to a funding agreement issued by an insurance company that provides a guaranteed return of principal plus a minimum annualized rate of interest to the Trust. As of September 30, 2024, and 2023, this portfolio was maintained in a stable value fund.

**Unrealized Appreciated / (Depreciated) Value of the Program's Investments**

At September 30, 2024, the Program held the following investments, which are stated at fair value based on fair market prices:

	Aggregate Cost	Aggregate Fair Value	Unrealized Appreciation (Depreciation)
<b>Domestic Equity Mutual Funds and ETFs</b>			
DFA U.S. Sustainability Core 1 Portfolio	\$ 22,931,604	\$ 35,376,775	\$ 12,445,171
iShares Core S&P Total U.S. Stock Market ETF	289,491,566	345,876,971	56,385,405
JP Morgan U.S. Equity	77,157,986	113,324,856	36,166,869
Schwab U.S. REIT ETF	12,305,210	14,708,779	2,403,569
Vanguard Strategic Small Cap Equity	27,841,698	33,828,938	5,987,240
Vanguard Total Stock Market Index	154,588,035	190,893,628	36,305,593
<b>International Equity Mutual Funds and ETFs</b>			
DFA International Sustainability Core 1	9,686,508	12,152,219	2,465,711
iShares Core MSCI Total International Stock ETF	19,825,893	22,999,742	3,173,849
iShares MSCI EAFE International Index	70,712,697	79,500,414	8,787,717
Vanguard Emerging Market Stock Index	31,496,951	32,905,310	1,408,359
<b>Fixed Income Mutual Funds and ETFs</b>			
iShares Core International Aggregate Bond	14,925,377	14,346,178	(579,199)
iShares Core U.S. Aggregate Bond Index ETF	39,374,380	38,579,783	(794,597)
Loomis Sayles Core Plus Bond Fund	14,993,851	13,985,314	(1,008,537)
Vanguard High-Yield Corporate Admiral	52,831,075	52,565,503	(265,572)
Vanguard Short-Term Bond Index	47,853,733	47,242,333	(611,400)
Vanguard Short-Term Inflation Protected Securities Index	12,925,940	12,874,067	(51,873)
Vanguard Total Bond Market II Index	116,738,230	110,815,048	(5,923,182)
<b>Guaranteed Investment Contracts</b>			
Ameritas Principal Protected Portfolio	241,137,564	241,137,564	-
Total Investments	<u>\$ 1,256,818,298</u>	<u>\$ 1,413,113,422</u>	<u>\$ 156,295,124</u>

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**NOTE 3 INVESTMENTS (Continued)**

The net unrealized gain on investments as of September 30, 2024, was \$156,295,124. The net appreciation in the fair value of the investments as reflected in the Statement of Changes in Fiduciary Net Position consists of the following for the year ended September 30, 2024:

Unrealized gain as of September 30, 2024	\$ 156,295,124
Less: Unrealized loss as of September 30, 2023	<u>(65,862,203)</u>
Net change in unrealized gain (loss) during the year	222,157,327
Net realized gain during the year	<u>22,370,422</u>
Net appreciation in fair value of investments	<u>\$ 244,527,749</u>

The net appreciation or depreciation in the fair value of investments consists of net realized and net unrealized gains or losses during the period.

At September 30, 2023, the Program held the following investments, which are stated at fair value based on fair market prices:

	Aggregate Cost	Aggregate Fair Value	Unrealized Appreciation (Depreciation)
<b>Domestic Equity Mutual Funds and ETFs</b>			
DFA U.S. Sustainability Core 1 Portfolio	\$ 19,870,221	\$ 24,107,544	\$ 4,237,323
iShares Core S&P Total U.S. Stock Market ETF	275,137,606	247,568,810	(27,568,796)
JP Morgan U.S. Equity	68,876,258	77,557,952	8,681,694
Schwab U.S. REIT ETF	11,311,043	10,297,130	(1,013,913)
Vanguard Strategic Small Cap Equity	25,552,637	24,320,640	(1,231,997)
Vanguard Total Stock Market Index	147,852,685	138,336,884	(9,515,801)
<b>International Equity Mutual Funds and ETFs</b>			
DFA International Sustainability Core 1	9,122,029	9,373,186	251,157
iShares Core MSCI Total International Stock ETF	16,786,370	16,219,193	(567,177)
iShares MSCI EAFE International Index	61,548,705	57,035,006	(4,513,699)
Vanguard Emerging Market Stock Index	27,193,023	22,854,818	(4,338,205)
<b>Fixed Income Mutual Funds and ETFs</b>			
iShares Core International Aggregate Bond	11,658,056	10,128,484	(1,529,572)
iShares Core U.S. Aggregate Bond Index ETF	38,490,019	35,232,087	(3,257,932)
Loomis Sayles Core Plus Bond Fund	14,887,467	12,732,200	(2,155,267)
Vanguard High-Yield Corporate Admiral	21,897,771	19,385,597	(2,512,174)
Vanguard Short-Term Bond Index	82,439,595	77,174,561	(5,265,034)
Vanguard Short-Term Inflation Protected Securities Index	42,697,657	40,549,318	(2,148,339)
Vanguard Total Bond Market II Index	89,697,771	76,283,297	(13,414,474)
<b>Guaranteed Investment Contracts</b>			
Ameritas Principal Protected Portfolio	206,591,843	206,591,843	-
<b>Total Investments</b>	<u>\$ 1,171,610,756</u>	<u>\$ 1,105,748,550</u>	<u>\$ (65,862,206)</u>

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**NOTE 3 INVESTMENTS (Continued)**

The net unrealized loss on investments as of September 30, 2023, was \$65,862,206. The net appreciation in the fair value of the investments as reflected in the Statement of Changes in Fiduciary Net Position consists of the following for the year ended September 30, 2023:

Unrealized loss as of September 30, 2023	\$ (65,862,206)
Less: Unrealized loss as of September 30, 2022	<u>(156,159,493)</u>
Net change in unrealized gain (loss) during the year	90,297,287
Net realized gain during the year	<u>16,788,020</u>
Net appreciation in fair value of investments	<u>\$ 107,085,307</u>

The net appreciation or depreciation in the fair value of investments consists of net realized and net unrealized gains or losses during the period.

**Investment Risks**

The Program's investments are subject to the following risks common to investments:

*Custodial Credit Risk* is the risk that the Program will not be able to recover the value of its investments in the event of a failure by the counterparty to a transaction. Investments are exposed if they are uninsured, are not registered in the name of the Program, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent, but not in the Program's name.

The Program's investments for fiscal Year 2024 and 2023 are uninsured and unregistered, but are held by the counterparty in the Program's name and are generally segregated by the counterparty in a manner to protect them from certain claims by creditors. The Plan also invests in mutual funds and exchange traded funds (ETF), which are not generally exposed to custodial credit risks.

*Credit Risk* is the risk that an issuer to an investment will not fulfill its obligations. The Program does not invest in debt securities that have an overall quality, which is less than the BBB as rated by Moody's Investors Service, Inc. ("Moody's") and S&P Global ("S&P"). The primary credit ratings of the Program's debt securities are as follows:

<b>Fund</b>	<b>Credit Rating (S&amp;P and Moody's)</b>	
	<b>2024</b>	<b>2023</b>
iShares Core International Aggregate Bond ETF	A, AA, AAA, BBB	A, AA, AAA, BBB
iShares Core U.S. Aggregate Bond ETF	AA, BBB, A, AAA	AA, BBB, A, AAA
Loomis Sayles Core Plus Bond Fund	AAA, BBB, A, BB	AAA, BBB, A, BB
Principal Protected Plus	BBB, A, AAA, AA	BBB, A, AAA, AA
Vanguard Short-Term Corp Bond Index I	AAA, BBB, A, AA	AAA, A, BBB, AA
Vanguard Short-Term Inflation - Protected Securities Index	AAA	AAA
Vanguard High-Yield Corporate Fund	BB, B, AAA BBB	BB, B, AAA BBB

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**NOTE 3 INVESTMENTS (Continued)**

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. The Program does not invest in any investment account that has an average maturity exceeding ten years for its Bond Mutual Funds. The interest rate sensitivity, defined as duration, for each fund is as follows:

<b>Fund</b>	<b>Average Duration (in years)</b>	
	<b>2024</b>	<b>2023</b>
iShares Core International Aggregate Bond ETF	6.79	6.66
iShares Core U.S. Aggregate Bond ETF	5.99	6.06
Loomis Sayles Core Plus Bond Fund	6.78	7.51
Principal Protected Plus	7.51	6.82
Vanguard High-Yield Corporate Fund	3.03	3.71
Vanguard Short-Term Corp Bond Index I	2.63	2.64
Vanguard Short-Term Inflation-Protected Securities Index	2.51	2.47
Vanguard Total Bond Market II Index 1	5.97	6.26

*Foreign currency risk* is the risk that changes in exchange rates will adversely affect the fair value of an investment in a foreign financial institution. The Program does not have a formal policy for limiting its exposure to changes in exchange rates.

The investment funds that invest primarily in foreign financial institutions are the DFA International Sustainability Core 1 Portfolio and iShares Core International Aggregate Bond ETF. The Fund has various currency denominations. The primary currency denominations are the Franc, the Yen, and the British Pound.

**Fair Value Measurements**

*Equity Mutual Funds:* Equity Mutual Funds consist of open-ended mutual funds that are registered with the Securities and Exchange Commission (SEC). The mutual funds held in equities are deemed to be actively traded and support classification of the fair value measurement as Level 1 in the fair value hierarchy.

*Fixed Income Mutual Funds:* Mutual funds are a pool of money invested by an investment company in a variety of instruments such as emerging markets sovereigns, government related agencies, and emerging markets corporations. This investment category consists of open-ended mutual funds that are registered with the Securities and Exchange Commission (SEC). The mutual funds are invested in high yield markets bonds that represent fixed income securities issued by corporations with credit ratings of AAA or lower. The mutual funds held in bonds are deemed to be actively traded and support the classification as Level 1 in the fair value hierarchy.



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**NOTE 3 INVESTMENTS (Continued)**

*Guaranteed Investment Contracts:* The Guaranteed Investment Contract (GIC) is valued at the sum of the net cash contributions to the deposit account plus interest credited minus withdrawals (the Contract Value). The GIC is measured at fair value and is a contractual investment rather than a security and is not deemed to be subject to custodial credit risk. The determination of fair value includes certain unobservable inputs as well as the assessment of the projected long-term duration of the Insurance and Annuity Company through review of contract terms and substantiated utilizing available market data. However, there is a risk that an insurance company could fail to fulfil its obligations under a funding agreement for financial or other reasons. These contract values of the GIC are not leveled in the fair value hierarchy table below.

The Program categorizes fair value measurement within a hierarchy established by generally accepted accounting principles. The underlying funds had the following recurring fair value measurements at September 30, 2024:

		<b>Fair Value Measurement Using</b>		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Total			
<b>INVESTMENTS MEASURED AT FAIR VALUE</b>				
<b>Domestic Equity Mutual Fund and ETFs</b>				
DFA U.S. Sustainability Core 1 Portfolio	\$ 35,376,775	\$ 35,376,775	\$ -	\$ -
iShares Core S&P Total U.S. Stock Market ETF	345,876,971	345,876,971	-	-
JP Morgan U.S. Equity Fund	113,324,856	113,324,856	-	-
Schwab U.S. REIT ETF	14,708,779	14,708,779	-	-
Vanguard Strategic Small Cap Equity Fund	33,828,938	33,828,938	-	-
Vanguard Total Stock Market Index	190,893,628	190,893,628	-	-
<b>Total Domestic Equity Mutual Funds and ETFs</b>	<b>734,009,947</b>	<b>734,009,947</b>	<b>-</b>	<b>-</b>
<b>International Equity Mutual Funds and ETFs</b>				
DFA International Sustainability Core 1 Portfolio	12,152,219	12,152,219	-	-
iShares Core MSCI Total International Stock ETF	22,999,742	22,999,742	-	-
iShares MSCI EAFE International Index	79,500,414	79,500,414	-	-
Vanguard Emerging Market Stock Index	32,905,310	32,905,310	-	-
<b>Total International Equity Mutual Funds and ETFs</b>	<b>147,557,685</b>	<b>147,557,685</b>	<b>-</b>	<b>-</b>
<b>Fixed Income Mutual Funds and ETFs</b>				
iShares Core International Aggregate Bond	14,346,178	14,346,178	-	-
iShares Core U.S. Aggregate Bond Index ETF	38,579,783	38,579,783	-	-
Loomis Sayles Core Plus Bond Fund	13,985,314	13,985,314	-	-
Vanguard High-Yield Corporate Admiral	52,565,503	52,565,503	-	-
Vanguard Short-Term Bond Index	47,242,333	47,242,333	-	-
Vanguard Short-Term Inflation Protected Securities Index	12,874,067	12,874,067	-	-
Vanguard Total Bond Market II Index	110,815,048	110,815,048	-	-
<b>Total Fixed Income Mutual Funds and ETFs</b>	<b>290,408,226</b>	<b>290,408,226</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS MEASURED AT FAIR VALUE</b>		<b>\$ 1,171,945,858</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INVESTMENT MEASURED AT CONTRACT VALUE</b>				
<b>Guaranteed Investment Contracts</b>				
Ameritas Principal Protected Portfolio	241,137,564			
<b>TOTAL INVESTMENTS</b>	<b>\$ 1,413,113,422</b>			

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**NOTE 3 INVESTMENTS (Continued)**

The Program categorizes fair value measurement within a hierarchy established by generally accepted accounting principles. The underlying funds had the following recurring fair value measurements at September 30, 2023.

	Fair Value Measurement Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Total				
INVESTMENTS MEASURED AT FAIR VALUE				
Domestic Equity Mutual Fund and ETFs				
DFA U.S. Sustainability Core 1 Portfolio	\$ 24,107,544	\$ 24,107,544	\$ -	\$ -
iShares Core S&P Total U.S. Stock Market ETF	247,568,810	247,568,810	-	-
JP Morgan U.S. Equity Fund	77,557,952	77,557,952	-	-
Schwab U.S. REIT ETF	10,297,130	10,297,130	-	-
Vanguard Strategic Small Cap Equity Fund	24,320,640	24,320,640	-	-
Vanguard Total Stock Market Index	138,336,884	138,336,884	-	-
Total Domestic Equity Mutual Funds and ETFs	522,188,960	522,188,960	-	-
International Equity Mutual Funds and ETFs				
DFA International Sustainability Core 1 Portfolio	9,373,186	9,373,186	-	-
iShares Core MSCI Total International Stock ETF	16,219,193	16,219,193	-	-
iShares MSCI EAFE International Index	57,035,006	57,035,006	-	-
Vanguard Emerging Market Stock Index	22,854,818	22,854,818	-	-
Total International Equity Mutual Funds and ETFs	105,482,203	105,482,203	-	-
Fixed Income Mutual Funds and ETFs				
iShares Core International Aggregate Bond	10,128,484	10,128,484	-	-
iShares Core U.S. Aggregate Bond Index ETF	35,232,087	35,232,087	-	-
Loomis Sayles Core Plus Bond Fund	12,732,200	12,732,200	-	-
Vanguard High-Yield Corporate Admiral	19,385,597	19,385,597	-	-
Vanguard Short-Term Bond Index	77,174,561	77,174,561	-	-
Vanguard Short-Term Inflation Protected Securities Index	40,549,318	40,549,318	-	-
Vanguard Total Bond Market II Index	76,283,297	76,283,297	-	-
Total Fixed Income Mutual Funds and ETFs	271,485,544	271,485,544	-	-
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	899,156,707	\$ 899,156,707	\$ -	\$ -
INVESTMENT MEASURED AT CONTRACT VALUE				
Guaranteed Investment Contracts				
Ameritas Principal Protected Portfolio	206,591,843			
TOTAL INVESTMENTS	\$ 1,105,748,550			

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023**

**NOTE 4 ADMINISTRATIVE AND MAINTENANCE FEES**

The Program assessed underlying investment, program management, state fees and an annual maintenance fee. Program management and state fees (administrative fees) which totaled 0.15% of the Principal Protected Portfolio and 0.25% on all other funds were assessed. The annual maintenance fee is generally charged during the month of the first anniversary in which the account was opened and annually thereafter. Account owners who are residents of the District are charged an annual maintenance fee of \$10.00, and non-District residents are charged an annual maintenance fee of \$15.00. The annual maintenance fees are charged on a pro rata basis upon the closure of an account. The Program Manager receives the \$10.00 annual maintenance fee charged to District residents. Of the \$15.00 annual maintenance fee charged to non-District residents, the Program Manager receives \$10.00, and the District receives \$5.00.

For fiscal year 2024, total program management and administrative fees assessed to account owners were \$3,108,717 and \$637,531, respectively. These fees are reflected in the Participant Fund Statement of Changes in Fiduciary Net Position. The District portion of the fees was \$637,531, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. As of September 30, 2024, the total amount earned during the fiscal year, but not remitted to the District was \$56,991.

For the fiscal year 2024, maintenance and enrollment fees reflected in the Participant Fund Statement of Changes in Fiduciary Net Position totaled \$239,704. The District's portion was \$17,424, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. As of September 30, 2024, the total amount earned during the fiscal year, but not remitted to the District was \$1,099.

The District incurred administrative expenses of \$311,439 in fiscal year 2024, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. The expenses incurred were for administrative salaries, professional fees and scholarship donations. As of September 30, 2024, the net position held in trust for administrative expenses was \$1,973,888.

For fiscal year 2023, total program management and administrative fees assessed to account owners were \$2,589,585 and \$535,872, respectively. These fees are reflected in the Participant Fund Statement of Changes in Fiduciary Net Position. The District portion of the fees was \$535,872, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. As of September 30, 2023, the total amount earned during the fiscal year, but not remitted to the District was \$46,326.

For the fiscal year 2023, maintenance and enrollment fees reflected in the Participant Fund Statement of Changes in Fiduciary Net Position totaled \$241,419. The District's portion was \$18,336, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. As of September 30, 2023, the total amount earned during the fiscal year, but not remitted to the District was \$525.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
529 COLLEGE SAVINGS PROGRAM TRUST  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023**

**NOTE 4 ADMINISTRATIVE AND MAINTENANCE FEES (Continued)**

The District incurred administrative expenses of \$270,121 in fiscal year 2023, which is reflected in the Administrative Fund Statement of Changes in Fiduciary Net Position. The expenses incurred were for professional fees and scholarship donations. As of September 30, 2023, the net position held in trust for administrative expenses was \$1,529,097.

**NOTE 5 INVESTMENT EXPENSES**

Investment expenses represent the operating expenses and load fees paid to the broker dealers. Certain fees charged by the investment funds for operating expenses and load fees are reflected in the net appreciation in fair value of investments amount in the Statement of Changes in Fiduciary Net Position. Underlying investment fees, net of administrative and program management fees (see Note 4), ranged from 0.00% to 0.44% (gross of 0.15% to 0.74%) of the fund's average daily net asset value. Underlying investment management fees, net of administrative and program management fees, totaled \$1,068,596 and \$846,921 for fiscal year 2024 and 2023, respectively. The fees are reflected in the Participant Fund Statement of Changes in Fiduciary Net Position.

**NOTE 6 RELATED PARTY TRANSACTIONS**

All the Program's individual portfolios invest in a single underlying mutual fund or ETF managed by a third-party investment manager. The year of enrollment portfolios have a set target allocation and are invested in multiple underlying mutual funds, ETFs as well as the Ameritas Funding Agreement.

Ascensus College Savings monitors and rebalances the underlying asset allocations of the Year of College Enrollment Portfolios on a quarterly basis. The principal protected portfolio invests in a funding agreement issued by Ameritas Life.

**NOTE 7 RISKS AND UNCERTAINTIES**

The Plan invests in investment securities that are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect participants' account balances, and the amounts reported in the Statement of Fiduciary Net Position.

**NOTE 8 SUBSEQUENT EVENTS**

The Trust has evaluated events subsequent to September 30, 2024, and through December 12, 2024, the date the financial statements were available to be issued and determined there have not been any events that have occurred that would require adjustments to the financial statements.

**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*.**

To the Trustee of  
The District of Columbia 529 College Savings Program 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 District of Columbia 529 College Savings Program Participant and Administrative Funds (the “Trust”), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Trust’s basic financial statements, and have issued our report thereon dated December 12, 2024.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the 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 opinions on the 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 Trust’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 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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.

This report is intended solely for the information and use of the Trustees and management and is not intended to be and should not be used by anyone other than these specified parties.

Washington, D.C.  
December 12, 2024

*Watson Rice LLP*

**Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.**

**For more information about The D.C. College Savings Plan ("The Plan"), call 800.987.4859, or visit [dccollegesavings.com](http://dccollegesavings.com) to obtain a Program Disclosure Booklet, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.**

The Plan is administered by the District of Columbia Office of the Chief Financial Officer, Office of Finance and Treasury. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including recordkeeping and administrative services. Ascensus Investment Advisors, LLC serves as the Investment Manager.

The Plan's Portfolios invest in: (i) exchange-traded funds, (ii) mutual funds and (iii) a funding agreement. Investments in The Plan are municipal securities that will vary with market conditions. Investments are not guaranteed or insured by the Government of the District of Columbia, the District of Columbia College Savings Program Trust, the District of Columbia Chief Financial Officer, the District of Columbia Treasurer, the Trustee for the District of Columbia College Savings Program Trust or any co-fiduciary or instrumentality thereof, the Federal Deposit Insurance Corporation or any instrumentality thereof.

**INVESTMENTS ARE NOT FDIC INSURED, MAY LOSE VALUE AND ARE NOT BANK GUARANTEED.**

Upromise is an optional service offered by Upromise, Inc., is separate from the D.C. College Savings Plan, and is not affiliated with Ascensus College Savings Recordkeeping Services, LLC or the District of Columbia. Terms and conditions apply to the Upromise service. Participating companies, contribution levels, and terms and conditions are subject to change at any time without notice. Transfers from Upromise to a D.C. College Savings Plan account are subject to a \$50 minimum. Upromise and the Upromise logo are registered service marks of Upromise, Inc.

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