

Statement of Assets and Liabilities

JUNE 30, 2020

Assets	
Investment securities, at cost	\$ 110,735,080
Investment securities, at value	\$ 114,930,171
Receivable for investments sold	35,244
Receivable for capital units sold	195,549
	115,160,964
Liabilities	
Disbursements in excess of demand deposit cash	33,705
Payable for capital units redeemed	42,321
Distribution fees payable	1,593
	77,619
Net Assets	\$ 115,083,345
Primary Units	
Net assets	\$ 108,808,243
Units outstanding	10,294,007
Net asset value per unit	\$10.57
A Units	
Net assets	\$ 5,483,170
Units outstanding	522,610
Net asset value per unit	\$10.49
C Units	
Net assets	\$ 791,932
Units outstanding	76,609
Net asset value per unit	\$10.34

See Notes to Financial Statements.

Statement of Operations

YEAR ENDED JUNE 30, 2020

Investment Income (Loss)

Income:

Income distributions from underlying funds —

Expenses:

Distribution fees:

A Units \$ 12,126

C Units 6,296

18,422

Net investment income (loss) (18,422)

Realized and Unrealized Gain (Loss)

Net realized gain (loss) on:

Sale of investments in underlying funds 9,299

Change in net unrealized appreciation (depreciation) on investments in underlying funds 1,448,196

Net realized and unrealized gain (loss) 1,457,495

Net Increase (Decrease) in Net Assets Resulting from Operations \$ 1,439,073

See Notes to Financial Statements.

Statement of Changes in Net Assets

YEAR ENDED JUNE 30, 2020

Increase (Decrease) in Net Assets

Operations

Net investment income (loss)	\$	(18,422)
Net realized gain (loss)		9,299
Change in net unrealized appreciation (depreciation)		1,448,196
Net increase (decrease) in net assets resulting from operations		1,439,073

Capital Unit Transactions

Net increase (decrease) in net assets from capital unit transactions (Note 5)		29,380,636
---	--	------------

Net increase (decrease) in net assets		30,819,709
--	--	-------------------

Net Assets

Beginning of period		84,263,636
End of period	\$	115,083,345

See Notes to Financial Statements.

Notes to Financial Statements

JUNE 30, 2020

1. Organization

The Kansas Postsecondary Education Savings Program was created to authorize the establishment of family postsecondary education savings accounts — the Learning Quest 529 Education Savings Program (Learning Quest) — and to provide guidelines for the maintenance of such accounts. The objective of Learning Quest is to enable residents of the state of Kansas and other states to benefit from the tax incentive provided for qualified state tuition programs as defined in Section 529 of the Internal Revenue Code of 1986, as amended. The Kansas State Treasurer is the Administrator of Learning Quest. Learning Quest is managed by American Century Investment Management, Inc. (ACIM) (the program manager) and distributed by American Century Investment Services, Inc. (ACIS). Cash and Cash Equivalents Portfolio (the portfolio) is one portfolio in a series issued by Learning Quest. The portfolio invests in the Cash and Cash Equivalents Account, a separately managed account (the underlying fund). The underlying fund is managed by American Century Investments®.

Each account owner's beneficial interest in the net assets of the portfolio is represented by units. Purchases into and withdrawals from the portfolio are subject to the terms and limitations defined by Learning Quest and the Administrator. Purchases and withdrawals are recorded upon receipt of the account owner's instructions at the next determined daily net asset value per unit.

The portfolio offers Primary Units, A Units and C Units. Primary Units are available for sale directly through Learning Quest. A Units and C Units are available for sale through a financial advisor or other third-party intermediaries (dealers) under the Advisor version of Learning Quest. ACIS arranges for the sale of Learning Quest units to dealers or the public, or both. The units differ principally in their respective sales charges and account owner distribution expenses and arrangements. All units of the portfolio represent an equal pro rata interest in the net assets of the unit class to which they belong, and have identical liquidation and other rights and the same terms and conditions, except for unit specific expenses. C Units may be subject to a contingent deferred sales charge paid by the redeeming account owner.

2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the portfolio in preparation of its financial statements. The portfolio is an investment company and follows accounting and reporting guidance in accordance with accounting principles generally accepted in the United States of America. This may require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from these estimates.

Investment Valuations — The portfolio determines the fair value of its investments and computes its net asset value per unit as of the close of regular trading (usually 4 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open. Investments in the underlying fund are valued at their net asset value per unit based on the valuation policies and procedures adopted by the program manager.

Security Transactions — Security transactions are accounted for as of the trade date. Net realized gains and losses are determined on the identified cost basis.

Investment Income — Income and capital gain distributions, if any, from the underlying fund are recorded as of the ex-dividend date. The portfolio does not expect to receive any investment income as the underlying fund does not elect to distribute its net investment income or net realized gains.

Expenses — Expenses of the program can be directly attributed to a portfolio. The expenses included in the accompanying financial statements reflect the expenses of the portfolio and do not include any expenses associated with the underlying fund. See Note 3 for more information on fees and expenses of the portfolio.

Distributions — There are no distributions from net investment income or net realized gains to the account owners or beneficiaries of the portfolio in accordance with Section 529 of the Internal Revenue Code of 1986, as amended.

Withdrawals — The earnings portions of nonqualified and penalty-free withdrawals are taxable to the account owner or the beneficiary. Earnings portions of nonqualified withdrawals also may be subject to a federal penalty tax. For Kansas taxpayers, the earnings portion of a nonqualified withdrawal as well as the contribution portion that was previously deducted will be subject to Kansas state taxes.

Indemnifications — Under the program's organizational documents, the Kansas State Treasurer, the State of Kansas, the program manager, their officers, employees or other agents of the program are indemnified against certain liabilities arising out of the performance of their duties to the portfolio. In addition, in the normal course of business, the portfolio enters into contracts that provide general indemnifications. The maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the portfolio. The risk of material loss from such claims is considered by management to be remote.

3. Fees

Program Management Fee — The program manager does not receive a program management fee for providing administrative, record keeping, marketing, consulting, and investment management services to the portfolio.

Distribution Fees — Account owners who invest in A Units or C Units will pay the dealers an annual distribution fee equal to 0.25% and 0.75% of their average account balance, respectively. The fees are computed and accrued daily based on each unit's daily net assets and paid monthly in arrears. Distribution fees incurred during the period ended June 30, 2020 are detailed in the Statement of Operations.

Underlying Fund Expenses — The portfolio will indirectly realize its pro rata share of the fees and expenses of the underlying fund in which it invests. These fees and expenses are already reflected in the valuation of the underlying fund. The portfolio's pro rata fee is the annual operating expense of its one underlying fund.

4. Investment Transactions

Purchases and sales of investment securities for the period ended June 30, 2020 were \$38,935,508 and \$9,576,903, respectively.

5. Capital Unit Transactions

Transactions in units of the portfolio were as follows (unlimited number of units authorized):

	Year ended June 30, 2020	
	Units	Amount
Primary Units		
Sold	6,205,658	\$ 65,276,261
Redeemed	(3,427,203)	(35,996,510)
	2,778,455	29,279,751
A Units		
Sold	279,451	2,918,022
Redeemed	(207,477)	(2,163,764)
	71,974	754,258
C Units		
Sold	46,114	474,803
Redeemed	(109,799)	(1,128,176)
	(63,685)	(653,373)
Net increase (decrease)	2,786,744	\$ 29,380,636

6. Fair Value Measurements

The portfolio's investments valuation process is based on several considerations and may use multiple inputs to determine the fair value of the investments held by the portfolio. In conformity with accounting principles generally accepted in the United States of America, the inputs used to determine a valuation are classified into three broad levels.

- Level 1 valuation inputs consist of unadjusted quoted prices in an active market for identical investments.
- Level 2 valuation inputs consist of direct or indirect observable market data (including quoted prices for comparable investments, evaluations of subsequent market events, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 valuation inputs consist of unobservable data (including a portfolio's own assumptions).

The level classification is based on the lowest level input that is significant to the fair valuation measurement. The valuation inputs are not necessarily an indication of the risks associated with investing in these securities or other financial instruments.

As of period end, the portfolio's investment securities were classified as Level 2. The Schedule of Investments provides additional information on the portfolio's holdings.

7. Other Information

The portfolio does not invest in the underlying fund for the purpose of exercising management or control; however, investments by the portfolio within its investment strategy may represent a significant portion of the underlying fund's net assets.

8. Subsequent Events

Management has evaluated events or transactions that may have occurred since June 30, 2020, that would merit recognition or disclosure in the financial statements. This evaluation was completed through August 26, 2020, the date the financial statements were available to be issued.

Financial Highlights

For a Unit Outstanding Throughout the Year Ended June 30, 2020

	Per-Unit Data				Ratios and Supplemental Data				
	Net Asset Value, Beginning of Period	Income From Investment Operations:			Net Asset Value, End of Period	Total Return ⁽²⁾	Ratio to Average Net Assets of:		
		Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total From Investment Operations			Operating Expenses ⁽³⁾	Net Investment Income (Loss)	Net Assets, End of Period (in thousands)
Cash and Cash Equivalents									
Primary Units	\$10.40	—	0.17	0.17	\$10.57	1.63%	—	—	\$108,808
A Units	\$10.35	(0.03)	0.17	0.14	\$10.49	1.35%	0.25%	(0.25)%	\$5,483
C Units	\$10.25	(0.08)	0.17	0.09	\$10.34	0.88%	0.75%	(0.75)%	\$792

Notes to Financial Highlights

- (1) Computed using average units outstanding throughout the period.
- (2) Total returns are calculated based on the net asset value of the last business day.
- (3) Ratio of operating expenses to average net assets does not include any expenses of the underlying fund.

See Notes to Financial Statements.

Report of Independent Auditors

To the Program Manager of the Kansas Postsecondary Education Savings Program:

We have audited the accompanying financial statements of the Cash and Cash Equivalents Portfolio (one of the portfolios constituting the Learning Quest 529 Education Savings Program, hereafter referred to as the "Portfolio"), which comprise the statement of assets and liabilities, including the schedule of investments, as of June 30, 2020 and the related statements of operations and of changes in net assets and the financial highlights for the year then ended. These financial statements and financial highlights are hereafter collectively referred to as "financial statements."

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cash and Cash Equivalents Portfolio as of June 30, 2020, and the results of its operations and changes in its net assets and the financial highlights for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri
August 26, 2020



P.O. Box 29202
Shawnee Mission, KS 66201-9202
1-800-579-2203
learningquest.com

For Existing Schwab Investors:
P.O. Box 2905
Shawnee Mission, KS 66201-2905
1-888-903-3863
www.schwab.com/learningquest

Administered by Kansas State Treasurer Jake LaTurner
Managed by American Century Investment Management, Inc.

American Century Investment Services, Inc., Distributor
©2020 American Century Proprietary Holdings, Inc. All rights reserved.

LQ-ANN-93003 2008
Printed in the USA