



Capital Cities

INSTITUTIONAL INVESTING MADE PERSONAL



CollegeBound 529 and CollegeBound Saver Program Review November 17, 2021

Program Review

Summary of Findings

Investment Menus

- CollegeBound 529 (Advisor Plan) and CollegeBound Saver (Direct Plan) offer comprehensive investment menus, including Age-Based, Target Risk and Individual Portfolios.
- No investment menu changes are currently recommended, particularly given recent Program enhancements that occurred on October 25, 2021.

Manager Due Diligence/Ongoing Monitoring

- The 529 Portfolios are evaluated on an ongoing basis, per the Investment Policy Statement guidelines.
- Qualitative and quantitative concerns were addressed as part of the newly implemented Program enhancements.
- The Invesco Diversified Dividend Fund's Watchlist period will be continued given recent personnel and portfolio construction changes.
- The Invesco Stable Value Portfolio remains a competitive offering with favorable portfolio characteristics and reduced wrap fees.
- The CollegeBound 529 Age-Based and Target Risk Portfolios' custom benchmark construction was improved to better align with the Portfolios' underlying construction, including for historical (excluding the high yield component) and future performance comparisons.

Fees

- The majority of the Plans' fees are low relative to peers, making the Plans attractive solutions for account owners and financial professionals.
- Material fee reductions have occurred through contract negotiations and manager construction changes.

Investment Policy Statement

- No Investment Policy Statement amendments were required as part of this year's review; however, updates were made to the Appendices to reflect the recent Program enhancements (see separate attachment).

Investment Menu Review



Investment Menu

Confirming Each Plan's Investment Menu

Are the investment menus:



Providing an investment solution for each type of Account Owner and Financial Professional?



Offering the optimal number of Portfolios that provides sufficient diversification opportunity while minimizing Account Owner confusion?



Appropriate in light of the current industry trends and regulations?



Meeting the Rhode Island State Investment Commission's (SIC) unique objectives and preferences?

Investment Menu Enhancements Overview

Tailored Enhancements to the Distribution Channels

CollegeBound 529

- Built a more comprehensive investment menu for financial professionals
- Incorporated feedback from financial professionals to potentially make the Plan more attractive from a distribution standpoint
- Increased the return potential of the Age-Based Portfolios to better meet Account Owners' college savings needs
- Leveraged new strategies at Invesco

CollegeBound Saver

- Emphasized a straight-forward, easy to understand approach for Account Owners
- Increased the return potential of the Age-Based Portfolios to better meet Account Owners' college savings needs
- Reduced investment management fees

Note: Investment menu enhancements were effective October 25, 2021.

CollegeBound 529 Plan (Advisor Plan)

Investment Menu Overview

Individual Portfolios (18% of Plan assets)		Target Risk Portfolios (22% of Plan assets)	Age-Based Portfolios (60% of Plan assets)
Capital Preservation:	Equity:		
Invesco Stable Value Portfolio	Invesco S&P 500 Low Volatility Portfolio	Invesco Conservative College Portfolio	Invesco CollegeBound Today Portfolio
	Invesco Equally-Weighted S&P 500 Portfolio	Invesco Moderate College Portfolio	Invesco CollegeBound 2021-2022 Portfolio
Fixed Income:	Invesco Diversified Dividend Portfolio	Invesco Growth College Portfolio	Invesco CollegeBound 2023-2024 Portfolio
Invesco Short Duration Inflation Protected Portfolio	Invesco American Franchise Portfolio	Invesco Aggressive College Portfolio	Invesco CollegeBound 2025-2026 Portfolio
Invesco Core Plus Bond Portfolio	Invesco NASDAQ 100 Index Portfolio		Invesco CollegeBound 2027-2028 Portfolio
Invesco Core Bond Portfolio	Invesco MSCI World SRI Index Portfolio		Invesco CollegeBound 2029-2030 Portfolio
Invesco Fundamental High Yield Corp. Bond Portfolio	Invesco Oppenheimer International Growth Portfolio		Invesco CollegeBound 2031-2032 Portfolio
Balanced:	Invesco Discovery Mid Cap Growth Portfolio		Invesco CollegeBound 2033-2034 Portfolio
Invesco Equity and Income Portfolio	Invesco Main Street Small Cap Portfolio		Invesco CollegeBound 2035-2036 Portfolio
Real Estate:	Invesco Small Cap Value Portfolio		Invesco CollegeBound 2037-2038 Portfolio
Invesco Global Real Estate Income Portfolio	Invesco Small Cap Growth Portfolio		Invesco CollegeBound 2039-2040 Portfolio
	Invesco Global Focus Portfolio		
	Invesco Developing Markets Portfolio		

The CollegeBound 529 Plan totals \$4.9 billion in assets and approximately 165,000 funded accounts.

Notes: Data is as of October 31, 2021. New Portfolios are highlighted in yellow.

CollegeBound Saver Plan (Direct Plan)

Investment Menu Overview

Individual Portfolios (33% of Plan assets)	Target Risk Portfolios (14% of Plan assets)	Age-Based Portfolios (53% of Plan assets)
Capital Preservation:		
Stable Value Portfolio <i>(Invesco Custom Stable Value Separate Account)</i>	Conservative Growth Portfolio <i>(Vanguard LifeStrategy Conservative Growth)</i>	CollegeBound Today Portfolio
Fixed Income:		
Inflation Protected Bond Portfolio <i>(Vanguard Short-Term Infl-Protected Securities Index)</i>	Moderate Growth Portfolio <i>(Vanguard LifeStrategy Moderate Growth)</i>	CollegeBound 2021-2022 Portfolio
Bond Portfolio <i>(Vanguard Total Bond Market Index)</i>	Growth Portfolio <i>(Vanguard LifeStrategy Growth)</i>	CollegeBound 2023-2024 Portfolio
Equity:		
U.S. Stock Portfolio <i>(Vanguard Total Stock Market Index)</i>		CollegeBound 2025-2026 Portfolio
S&P 500 Portfolio <i>(Schwab S&P 500 Index)</i>		CollegeBound 2027-2028 Portfolio
Global Responsible Equity Portfolio <i>(Invesco MSCI World SRI Index)</i>		CollegeBound 2029-2030 Portfolio
International Stock Portfolio <i>(Vanguard Total International Stock Index)</i>		CollegeBound 2031-2032 Portfolio
U.S. Small-Mid Cap Portfolio <i>(Vanguard Extended Market Index)</i>		CollegeBound 2033-2034 Portfolio
		CollegeBound 2035-2036 Portfolio
		CollegeBound 2037-2038 Portfolio
		CollegeBound 2039-2040 Portfolio

The CollegeBound Saver Plan totals \$383 million in assets and approximately 20,000 funded accounts.

Notes: Data is as of October 31, 2021. New Portfolio is highlighted in yellow.

Age-Based Portfolios

Age-Based Portfolios' Menu

CollegeBound 529 (Advisor) Age-Based Portfolios

Invesco CollegeBound Today Portfolio

Invesco CollegeBound 2021-2022 Portfolio

Invesco CollegeBound 2023-2024 Portfolio

Invesco CollegeBound 2025-2026 Portfolio

Invesco CollegeBound 2027-2028 Portfolio

Invesco CollegeBound 2029-2030 Portfolio

Invesco CollegeBound 2031-2032 Portfolio

Invesco CollegeBound 2033-2034 Portfolio

Invesco CollegeBound 2035-2036 Portfolio

Invesco CollegeBound 2037-2038 Portfolio

Invesco CollegeBound 2039-2040 Portfolio

CollegeBound Saver (Direct) Age-Based Portfolios

CollegeBound Today Portfolio

CollegeBound 2021-2022 Portfolio

CollegeBound 2023-2024 Portfolio

CollegeBound 2025-2026 Portfolio

CollegeBound 2027-2028 Portfolio

CollegeBound 2029-2030 Portfolio

CollegeBound 2031-2032 Portfolio

CollegeBound 2033-2034 Portfolio

CollegeBound 2035-2036 Portfolio

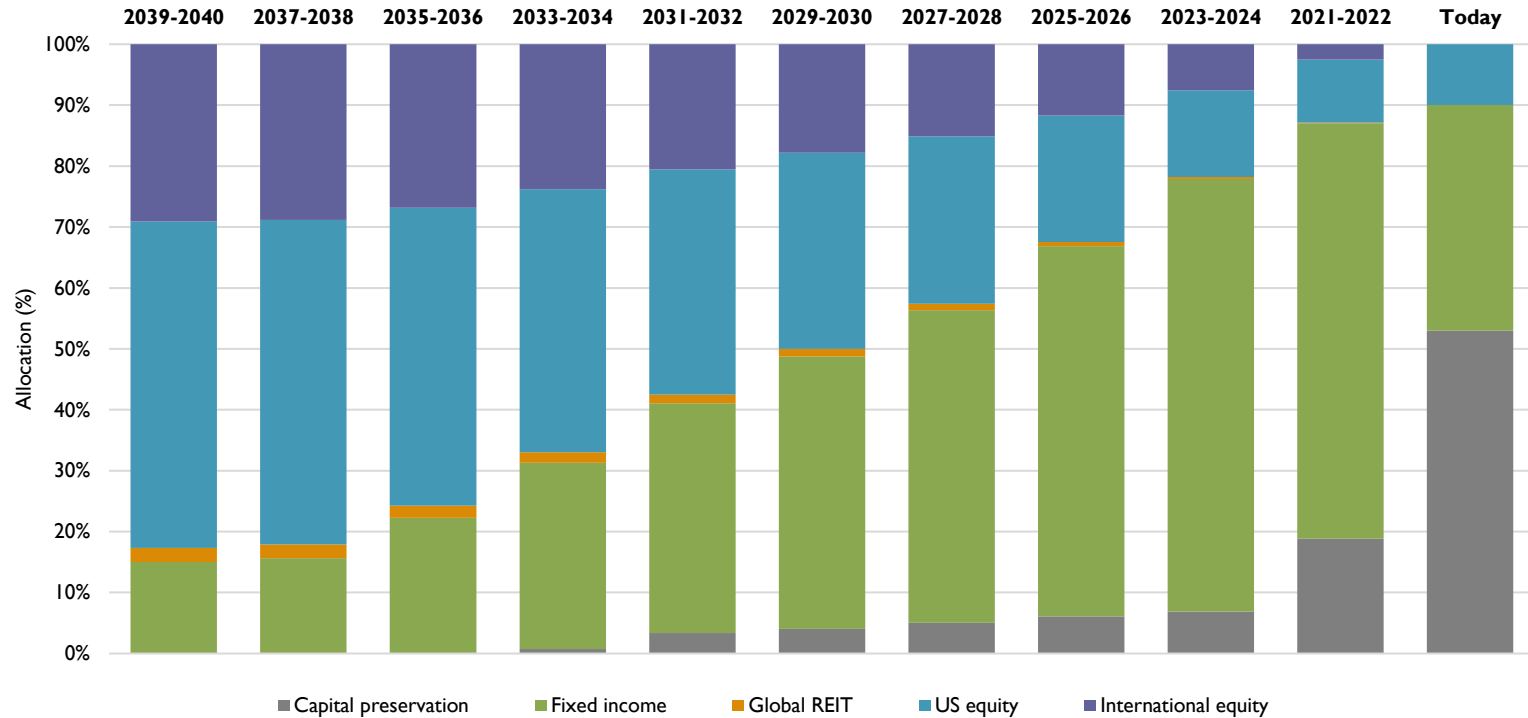
CollegeBound 2037-2038 Portfolio

CollegeBound 2039-2040 Portfolio

- Age-Based Portfolios are offered to provide diversified portfolios based on time horizon.
- CollegeBound uniquely offers Age-Based Portfolios in two-year age bands to best meet designated beneficiaries' demographics, which favorably positions the Program relative to peers.

Age-Based Portfolios' Glide Path

Glide Path Approach

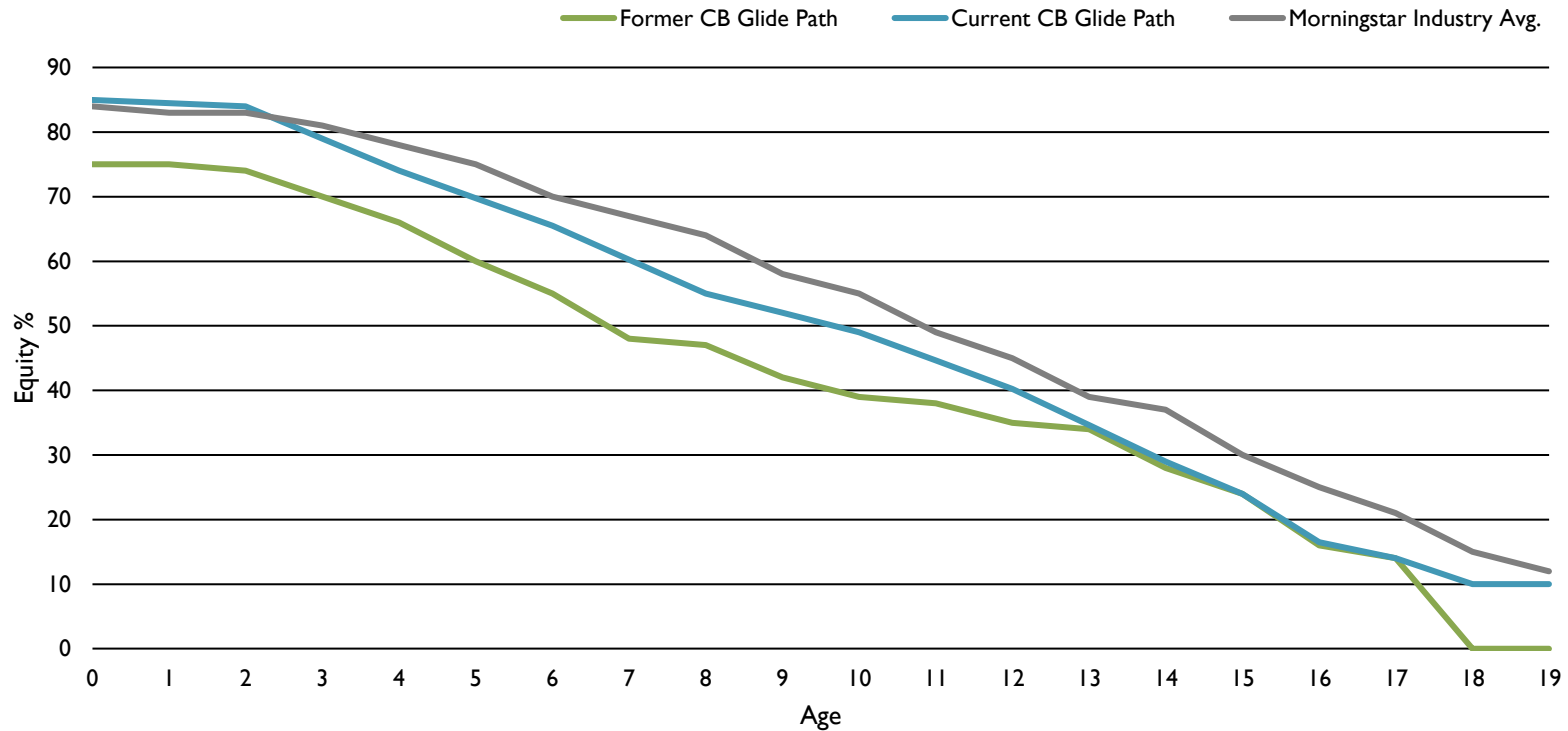


- The CollegeBound's Age-Based Portfolios mitigate market timing risk with a smooth, progressive glide path, including quarterly roll downs and monthly rebalancing.
- The equity exposure across the glide path was increased in October based on changes in Invesco's Shortfall Analysis and Capital Market Assumptions (see following page for further details).
- The increased equity exposure is expected to better meet Account Owners' college savings needs before and after enrollment in college.

Source: Invesco, as of October 25, 2021.

Age-Based Portfolios' Glide Path

Glide Path Peer Comparison



The enhanced CollegeBound Age-Based Portfolios' glide path is more comparable to the industry average peers.

Source: Invesco Investment Solutions as of June 2021. For illustrative purposes only.

Morningstar Industry Average: <https://529.morningstar.com/529p/overview.action?state=RI&planID=5PUSA006AY>. Accessed August 2021.

CollegeBound 529's Age-Based Portfolios

Manager Construction

Portfolio (%)	2039-2040	2037-2038	2035-2036	2033-2034	2031-2032	2029-2030	2027-2028	2025-2026	2023-2024	2021-2022	Today
US Equity	53.6%	53.2%	48.9%	43.2%	37.0%	32.2%	27.5%	20.7%	14.2%	10.4%	10.0%
Invesco S&P 500 Pure Value ETF	7.2%	7.1%	6.5%	5.7%	4.7%	3.9%	3.4%	2.4%	1.6%	1.6%	1.7%
Invesco S&P 500 Pure Growth ETF	11.3%	11.3%	10.4%	9.0%	7.3%	6.0%	5.3%	3.9%	2.4%	2.9%	3.4%
Invesco S&P 500 Low Volatility ETF	9.2%	9.1%	8.4%	7.2%	5.9%	4.8%	4.2%	3.0%	1.9%	1.8%	2.0%
Invesco PureBeta MSCI USA ETF	15.0%	14.9%	13.9%	13.2%	12.4%	11.8%	9.9%	8.0%	6.5%	3.8%	3.0%
Invesco Discovery Mid Cap Growth Fund	6.3%	6.2%	5.6%	4.8%	4.1%	3.5%	2.9%	2.1%	1.2%	0.2%	0.0%
Invesco Main Street Small Cap Fund	4.6%	4.6%	4.1%	3.3%	2.6%	2.1%	1.9%	1.3%	0.7%	0.2%	0.0%
International Equity	29.1%	28.9%	26.9%	23.8%	20.5%	17.8%	15.1%	11.7%	7.6%	2.5%	0.0%
Invesco International Select Equity Fund	4.4%	4.4%	3.9%	3.5%	3.0%	2.5%	2.1%	1.5%	0.9%	0.3%	0.0%
Invesco Oppenheimer International Growth Fund	7.3%	7.3%	6.8%	5.9%	4.9%	4.2%	3.5%	2.5%	1.5%	0.5%	0.0%
Invesco S&P International Dev Low Volatility ETF	4.1%	4.1%	3.8%	3.3%	2.8%	2.4%	2.0%	1.5%	0.9%	0.3%	0.0%
Invesco PureBeta FTSE Dev ex-North America ETF	5.0%	5.0%	4.5%	4.3%	4.1%	4.0%	3.7%	3.3%	2.7%	1.2%	0.0%
Invesco Developing Markets Fund	4.9%	4.9%	4.6%	4.0%	3.3%	2.8%	2.3%	1.7%	1.0%	0.0%	0.0%
Invesco S&P Emerging Markets Low Volatility ETF	3.5%	3.4%	3.2%	2.8%	2.4%	2.0%	1.7%	1.2%	0.7%	0.3%	0.0%
Global REITs	2.4%	2.3%	2.0%	1.7%	1.5%	1.3%	1.1%	0.7%	0.3%	0.1%	0.0%
Invesco Global Real Estate Income Fund	2.4%	2.3%	2.0%	1.7%	1.5%	1.3%	1.1%	0.7%	0.3%	0.1%	0.0%
Fixed Income	15.0%	15.6%	22.3%	30.6%	37.7%	44.7%	51.3%	60.8%	71.0%	68.1%	37.0%
Invesco Core Plus Bond Fund	4.4%	4.6%	6.0%	9.8%	12.7%	15.7%	17.6%	19.2%	20.7%	21.6%	12.5%
Invesco Taxable Municipal Bond ETF	3.4%	3.5%	4.7%	4.8%	5.7%	6.6%	7.5%	8.4%	8.7%	3.7%	0.0%
Invesco Short Term Bond Fund	2.8%	2.9%	4.2%	5.8%	6.6%	7.2%	9.1%	12.1%	15.2%	12.9%	6.3%
Invesco Floating Rate ESG Fund	1.5%	1.6%	2.7%	3.9%	4.8%	5.6%	6.2%	7.1%	8.2%	7.6%	4.0%
Invesco Short Duration Inflation Protected Fund	1.0%	1.1%	1.6%	2.4%	3.2%	4.1%	5.1%	7.5%	10.9%	14.1%	9.2%
Invesco Fundamental High Yield Corp Bond ETF	2.0%	2.1%	3.1%	3.9%	4.8%	5.5%	5.8%	6.4%	7.3%	8.2%	5.0%
Capital Preservation	0.0%	0.0%	0.0%	0.8%	3.4%	4.1%	5.1%	6.1%	6.9%	18.9%	53.0%
Invesco Stable Value Fund	0.0%	0.0%	0.0%	0.5%	2.3%	2.7%	3.4%	4.0%	4.6%	12.6%	35.3%
Invesco Government & Agency Institutional	0.0%	0.0%	0.0%	0.3%	1.1%	1.4%	1.7%	2.0%	2.3%	6.3%	17.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- CollegeBound 529's Age-Based Portfolios are diversified across Invesco's proprietary products, utilizing active and passive strategies.
- The Age-Based Portfolios' manager construction was adjusted in October and further diversified to leverage additional strategies that are now available to the Plan (see Appendix for details).

Source: Invesco, as of October 25, 2021.

CollegeBound Saver's Age-Based Portfolios

Manager Construction

Portfolio (%)	2039-2040	2037-2038	2035-2036	2033-2034	2031-2032	2029-2030	2027-2028	2025-2026	2023-2024	2021-2022	Today
US Equity	53.5%	53.3%	48.8%	43.3%	37.0%	32.3%	27.5%	20.8%	14.3%	10.5%	10.0%
iShares Core S&P Total US Stock Market ETF	53.5%	53.3%	48.8%	43.3%	37.0%	32.3%	27.5%	20.8%	14.3%	10.5%	10.0%
International Equity	29.0%	29.0%	27.0%	23.8%	20.5%	17.8%	15.0%	11.8%	7.5%	2.5%	0.0%
Vanguard Total International Stock Index I Fund	29.0%	29.0%	27.0%	23.8%	20.5%	17.8%	15.0%	11.8%	7.5%	2.5%	0.0%
Global REITs	2.5%	2.3%	2.0%	1.8%	1.5%	1.3%	1.0%	0.8%	0.3%	0.0%	0.0%
Vanguard GI ex-US Real Estate Index Fund	2.5%	2.3%	2.0%	1.8%	1.5%	1.3%	1.0%	0.8%	0.3%	0.0%	0.0%
Fixed Income	15.0%	15.5%	22.3%	30.5%	30.5%	44.8%	51.5%	60.8%	71.0%	68.0%	37.0%
Vanguard Total Bond Market II Index Fund	12.5%	13.0%	18.5%	25.0%	30.3%	35.3%	39.5%	42.0%	42.8%	35.3%	11.8%
Vanguard Short-Term Investment Grade Fund	1.0%	1.0%	1.8%	2.3%	2.8%	3.5%	4.8%	8.0%	13.5%	18.3%	13.5%
Vanguard Short-Term Infl-Protected Sec Index Fund	1.5%	1.5%	2.0%	3.3%	4.5%	6.0%	7.3%	10.8%	14.8%	14.5%	11.8%
Capital Preservation	0.0%	0.0%	0.0%	0.8%	3.5%	4.0%	5.0%	6.0%	7.0%	19.0%	53.0%
Invesco Treasury Collateral ETF	0.0%	0.0%	0.0%	0.8%	3.5%	4.0%	5.0%	6.0%	7.0%	19.0%	53.0%
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

- CollegeBound Saver's Age-Based Portfolios utilize an open architecture approach with passive, low-cost exposure to iShares, Invesco and Vanguard products.
- Most recently, Invesco Equally-Weighted S&P 500 and Invesco FTSE RAFI Developed Markets ex-U.S. were eliminated from the manager construction given fee considerations, and assets were redeployed to the existing allocations to iShares Core S&P Total U.S. Stock Market and Vanguard Total International Stock Index.

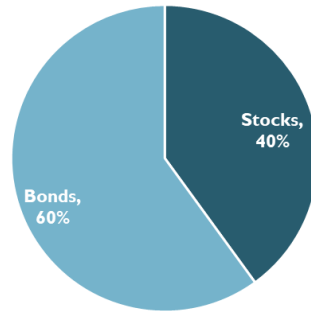
Source: Invesco, as of October 25, 2021.

Target Risk Portfolios

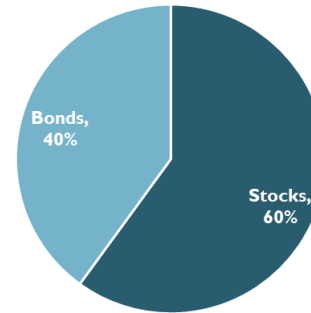
Target Risk Portfolios' Menu

CollegeBound Saver: (Direct)

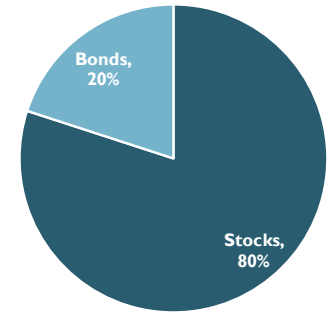
Conservative Growth Portfolio
(Vanguard LifeStrategy Conservative Growth)



Moderate Growth Portfolio
(Vanguard LifeStrategy Moderate Growth)

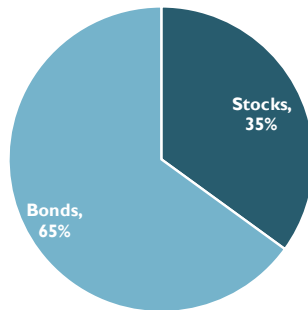


Growth Portfolio
(Vanguard LifeStrategy Growth)

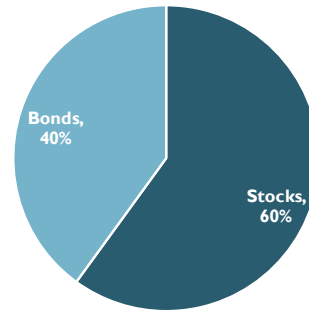


CollegeBound 529: (Advisor)

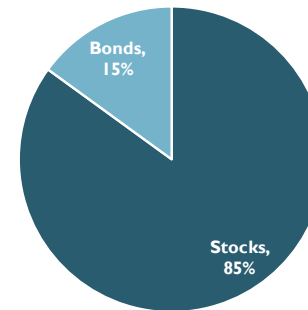
Invesco Conservative College Portfolio



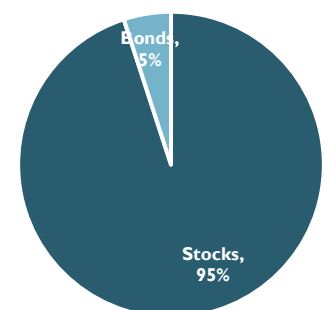
Invesco Moderate College Portfolio



Invesco Growth College Portfolio



Invesco Aggressive College Portfolio



- Target Risk Portfolios are offered to provide diversified portfolios based on risk tolerance.
- The CollegeBound 529 Target Risk Portfolios' manager construction was adjusted in October to follow the same changes to the CollegeBound 529 Age-Based Portfolios (see Appendix for further details).
- A new Invesco Aggressive College Portfolio was also launched to address feedback from financial professionals.

CollegeBound 529's Individual Portfolios

Individual Portfolios' Menu

- A more comprehensive Individual Portfolio menu is now offered to financial professionals within the CollegeBound 529 Plan.
- The Individual Portfolio enhancements leveraged new strategies at Invesco and incorporated feedback from financial professionals to potentially make the Plan more attractive from a distribution standpoint.
- All major asset classes, along with additional opportunities for diversification, are offered with Invesco-branded strategies.

Basic Building Blocks	CollegeBound 529	Asset Class Coverage
Capital Preservation-Stable Value	Invesco Stable Value Portfolio	✓
Core Plus Fixed Income	Invesco Core Plus Bond Portfolio	✓
US Equity	Invesco Equally-Weighted S&P 500 Portfolio	✓
International Equity	Invesco Main Street Small Cap Portfolio	✓
Treasury Inflation-Protected Securities	Invesco Oppenheimer International Growth Portfolio	✓
	Invesco Short Duration Inflation Protected Portfolio	✓
Specialty Styles:		
Core Bond	Invesco Core Bond Portfolio	Not Required
High Yield Bond	Invesco Fundamental High Yield Corp. Bond Portfolio	Not Required
Balanced	Invesco Equity and Income Portfolio	Not Required
Real Estate	Invesco Global Real Estate Income Portfolio	Not Required
US Large Cap Value-Low Volatility	Invesco S&P 500 Low Volatility Portfolio	Not Required
US Large Cap Growth-NASDAQ Index	Invesco NASDAQ 100 Index Portfolio	Not Required
US Large Cap Equity	Invesco Diversified Dividend Portfolio Invesco American Franchise Portfolio	Not Required
SRI Global Large Cap Equity	Invesco MSCI World SRI Index Portfolio	Not Required
Global Large Cap Equity	Invesco Global Focus Portfolio	Not Required
US Small and Mid Cap Equity	Invesco Discovery Mid Cap Growth Portfolio Invesco SCV Portfolio; Invesco SCG Portfolio	Not Required
Emerging Markets	Invesco Developing Markets Portfolio	Not Required

CollegeBound Saver's Individual Portfolios

Individual Portfolios' Menu

- CollegeBound Saver's Individual Portfolio menu emphasizes a straightforward, easy to understand approach, allowing account owners to build their own diversified portfolios.
- Most recently, the Equally-Weighted S&P 500 Portfolio was replaced with a S&P 500 Portfolio to reduce investment management expenses for Account Owners.

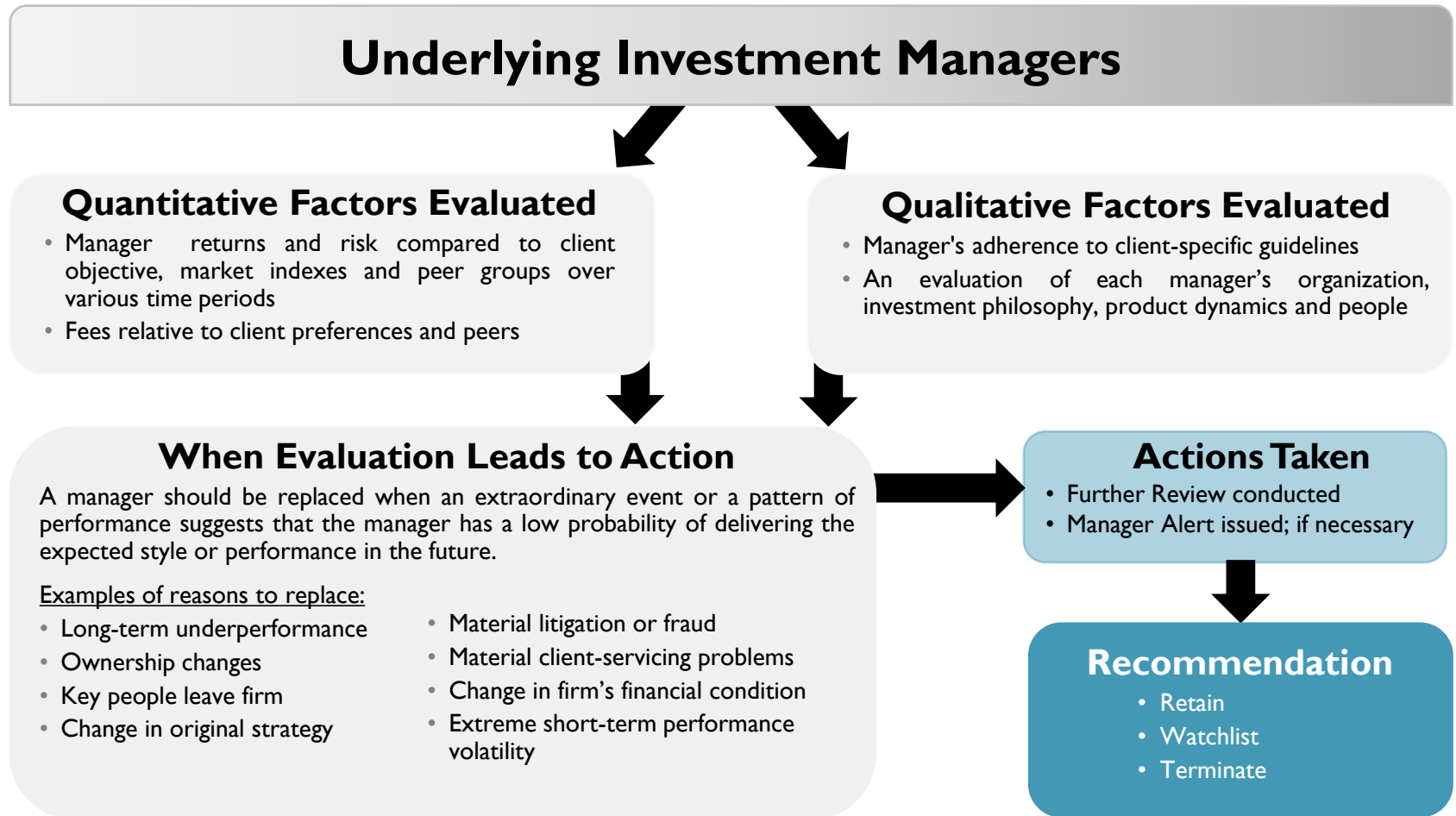
Basic Building Blocks	CollegeBound Saver	Asset Class Coverage
Capital Preservation-Stable Value	Stable Value Portfolio <i>(Invesco Custom Stable Value Separate Account)</i>	✓
Core Bond	Bond Portfolio <i>(Vanguard Total Bond Market Index)</i>	✓
Total Domestic Equity	U.S. Stock Portfolio <i>(Vanguard Total Stock Market Index)</i>	✓
International Core Equity	International Stock Portfolio <i>(Vanguard Total International Stock Index)</i>	✓
Short-Term Infl-Protected Securities	Inflation-Protected Bond Portfolio <i>(Vanguard Short-Term Infl Protected Securities Index)</i>	✓
Specialty Styles:		
Large Cap Core Equity	S&P 500 Portfolio <i>(Schwab S&P 500 Index)</i>	Not Required
SRI Global Equity	Global Responsible Equity Portfolio <i>(Invesco MSCI World SRI Index)</i>	Not Required
Small-Mid Broad Equity	U.S. Small-Mid Cap Portfolio <i>(Vanguard Extended Market Index)</i>	Not Required

Manager Due Diligence/Ongoing Monitoring



Investment Manager Reviews

Comprehensive Ongoing Monitoring per IPS Guidelines



Manager Due Diligence

Stoplight Grid Summary

College Bound Saver (Direct)

Criteria	CollegeBound Age-Based Portfolios	Growth Portfolio	Moderate Growth Portfolio	Conservative Growth Portfolio
Qualitative Review	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

Criteria	U.S. Stock Portfolio	Equally-Weighted S&P 500 Portfolio	U.S. Small-Mid Cap Portfolio	Global Responsible Equity Portfolio	International Stock Portfolio	Bond Portfolio	Inflation-Protected Bond Portfolio	Stable Value Portfolio
Qualitative Review	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●	●	●	●	●

College Bound 529 (Advisor)

Criteria	Invesco CollegeBound Age-Based Portfolios	Invesco Growth College Portfolio	Invesco Moderate College Portfolio	Invesco Conservative College Portfolio
Qualitative Review	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●

Criteria	Invesco Equally-Weighted S&P 500 Portfolio	Invesco Diversified Dividend Portfolio	Invesco FTSE RAFI US 1500 Small-Mid Portfolio	Invesco Small Cap Growth Portfolio	Invesco MSCI World SRI Index Portfolio	Invesco FTSE RAFI Dev Mkts ex-U.S. Portfolio	Invesco International Growth Portfolio	Invesco Equity and Income Portfolio	Invesco Core Plus Bond Portfolio	Invesco Short Duration Infl Protected Portfolio	Invesco Stable Value Portfolio
Qualitative Review	●	WL	●	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	WL	●	●	●	●	●	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●	●	●	WL	●	●	●	●

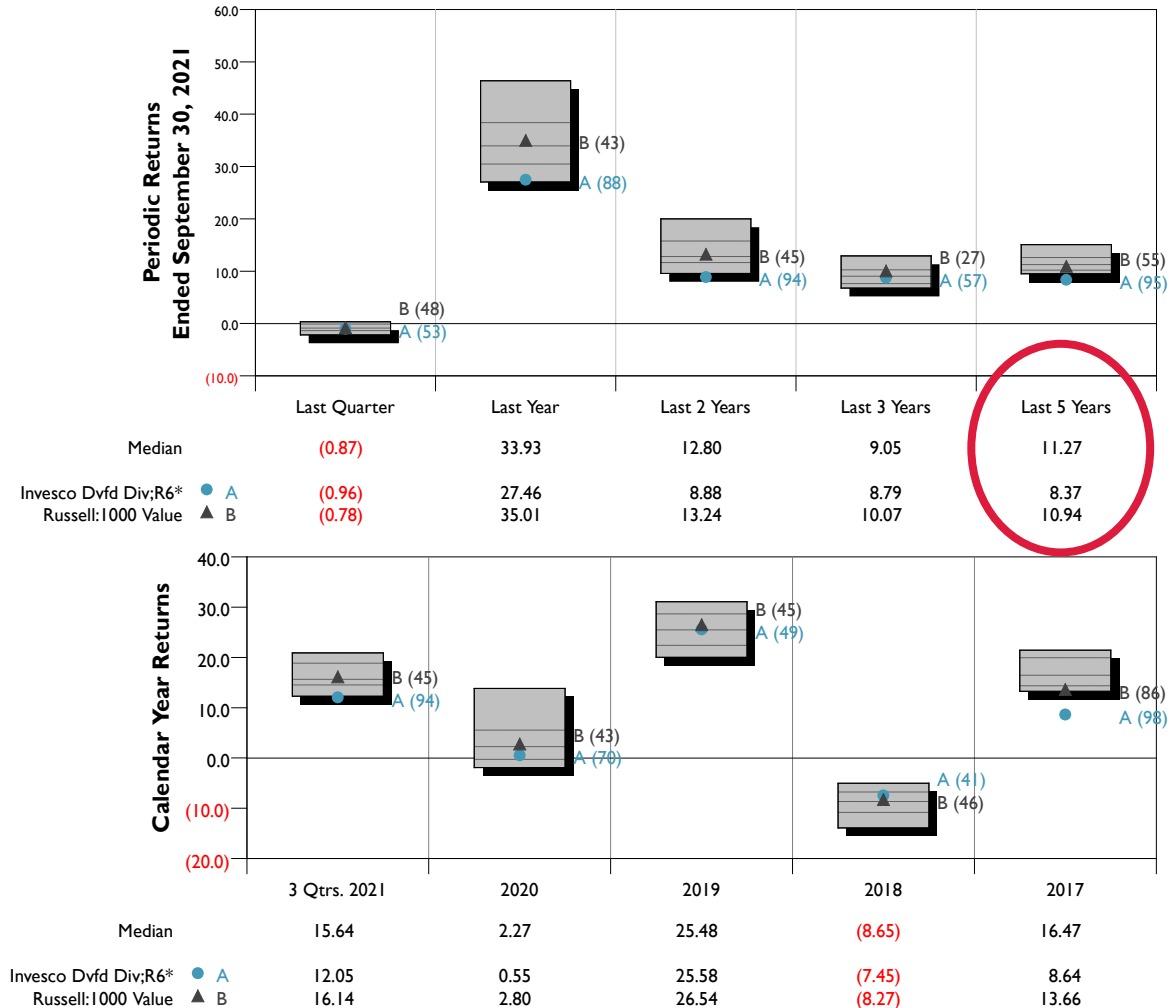
Qualitative and quantitative concerns were addressed as part of the newly implemented Program enhancements.

Notes: Information is as of September 30, 2021 and does not reflect the October 25, 2021 Program enhancements. Many Portfolios now have a five-year track record given a July 2016 Program inception, which prompted new stoplights this quarter.

Invesco Diversified Dividend (CB 529)

Watchlist Summary

- The Invesco Diversified Dividend Fund is currently offered as an Individual Portfolio within CollegeBound 529.
- The Fund was previously placed on Watchlist status in 2018, given short-term underperformance (last three-year time period).
- While the Fund's short-term performance has since improved, long-term performance (last five-year time period) has been impacted by the previously noted underperformance, particularly in 2017.
- The Fund's relative underperformance, over the last five-year time period, is primarily due to an underweight to the Information Technology sector, along with stock selection, most notably within Utilities, Health Care and Communication Services.
- A previous elevated cash position also detracted.



Invesco Diversified Dividend (CB 529)

Watchlist Update

Personnel Update:

- On March 24, 2021, Invesco announced that Meggan Walsh, Senior Portfolio Manager of the Invesco Diversified Dividend Fund, would retire June 30, 2021.
- Effective March 24, 2021, Peter Santoro joined Invesco as Senior Portfolio Manager on the Invesco Diversified Dividend Fund, to work alongside Ms. Walsh until her retirement.
- Mr. Santoro came to Invesco from Columbia Threadneedle Investments where he was a Senior Portfolio Manager on the Columbia Dividend Income, Core Equity and Large Cap Growth strategies (co-managed ~\$50B in assets).
- Portfolio Managers Robert Botard, Chris McMeans and Caroline Le Feuvre remain on the Strategy.

Portfolio Construction Update:

- Capital Cities and Rhode Island have conducted due diligence calls with Mr. Santoro since his hiring.
- Mr. Santoro has enhanced the portfolio construction process to address the Fund's previous underperformance:
 - An emphasis has been placed on free cash flow yields when evaluating stocks.
 - A more diversified portfolio construction has been targeted, particularly reducing the concentration within Utilities and Consumer Staples, while seeking more opportunities within Information Technology.
 - International holdings have been reduced to less than 10% of the portfolio.
 - The cash allocation was reduced and is expected to remain below 5%.

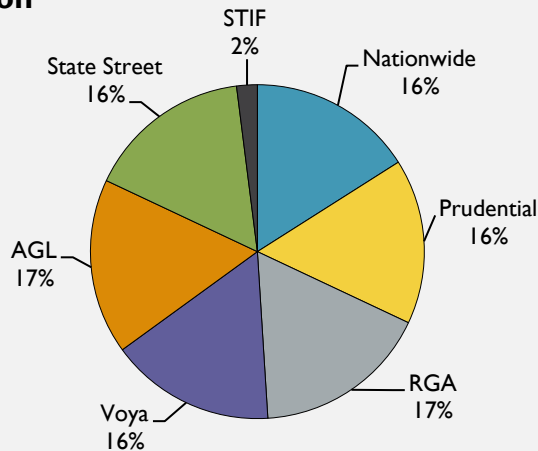
Capital Cities favorably views the changes to the Invesco Diversified Dividend Fund's portfolio construction process. Nonetheless, the personnel change was material. The Fund's Watchlist period will be continued, seeking improved performance under Mr. Santoro's leadership and portfolio construction enhancements.

Invesco Stable Value Fund

Favorable Portfolio Characteristics; Diversified Approach

Strategy	Cash Buffer	Short Duration	Intermediate	Core
Target	1% - 5%	45%	30%	20%
Managers / Subadvisors	STIF 2.2%	Invesco 47.5%	Jennison 15.1% Voya 15.1%	Invesco 20.1%
Market Value	\$22,993,668	\$490,792,498	\$311,138,841	\$207,947,481

Wrap Allocation



Summary

Book Value Balance	\$1,004,511,855
Portfolio Yield	1.00%
Crediting Rate	1.80%
Duration	3.36 years
Average Quality	Aa2/AA
Market-to-Book Ratio	102.82%

Notes: Data provided by Invesco, as of September 30, 2021, during October 29, 2021 due diligence interview. Crediting rate is gross of all fees.

Wrap Contract Management

Wrap Expense Evolution; Ongoing Reductions

Wrap Issuers	9/30/18	9/30/19	9/30/20	9/30/21
AGL	0.20%	0.17%	0.16%	0.15%
Nationwide	0.19%	0.18%	0.16%	0.15%
Prudential	0.18%	0.18%	0.16%	0.15%
RGA	0.18%	0.18%	0.16%	0.15%
State Street	0.20%	0.18%	0.16%	0.15%
Voya	0.18%	0.18%	0.16%	0.15%

Note: Data provided by Invesco, as of September 30, 2021, during October 29, 2021 due diligence interview.

CB 529 Age-Based & Target Risk Portfolios' Benchmarks

Enhanced Benchmark Construction

Asset Class	Former Construction	New Construction
US Equity	Russell 1000 Index	Russell 3000 Index
Global / International Equity	MSCI EAFE Index	MSCI ACWI ex-US IMI Index
Fixed Income	Bloomberg US Aggregate Bond Index	Bloomberg US Aggregate Bond Index
Short Term Fixed Income / Cash	Bloomberg US Treasury Bellwethers (3M) Index	Bloomberg US Treasury TIPS 0-5 Years Index-TR Bloomberg US Corporate High Yield Index Bloomberg US Treasury Bellwethers (3M) Index

- The CollegeBound 529 Age-Based and Target Risk Portfolios' custom benchmark construction was based on broad market indices, which caused meaningful tracking error.
- The benchmark construction was recently enhanced to better align with the Portfolios' underlying construction, including for historical (excluding the high yield component) and future performance comparisons.
- The new benchmark construction will be reflected in Capital Cities' quarterly Performance & Evaluation Reports and on the CollegeBound 529 website.



Fee Review



CollegeBound 529 (Advisor)

Class A Fee Overview

CLASS A UNITS:					
	Program Management Fee	Estimated Underlying Fund Fee	Distribution and Service Fee	Administrative Fee	Total Annual Asset-Based Fee
Age-Based Portfolios					
Invesco CollegeBound Age-Based Portfolios	0.14%	0.35%-0.41%	0.25%	0.02%	0.76%-0.82%
Target Risk Portfolios					
Invesco Conservative College Portfolio	0.14%	0.38%	0.25%	0.02%	0.79%
Invesco Moderate College Portfolio	0.14%	0.40%	0.25%	0.02%	0.81%
Invesco Growth College Portfolio	0.14%	0.41%	0.25%	0.02%	0.82%
Invesco Aggressive College Portfolio	0.14%	0.41%	0.25%	0.02%	0.82%
Individual Portfolios					
Invesco American Franchise Portfolio	0.14%	0.62%	0.25%	0.02%	1.03%
Invesco Short Duration Inflation Protected Portfolio	0.14%	0.26%	0.25%	0.02%	0.67%
Invesco Core Plus Bond Portfolio	0.14%	0.46%	0.25%	0.02%	0.87%
Invesco Core Bond Portfolio	0.14%	0.40%	0.25%	0.02%	0.81%
Invesco Developing Markets Portfolio	0.14%	0.82%	0.25%	0.02%	1.23%
Invesco Diversified Dividend Portfolio	0.14%	0.44%	0.25%	0.02%	0.85%
Invesco Equity and Income Portfolio	0.14%	0.39%	0.25%	0.02%	0.80%
Invesco MSCI World SRI Index Portfolio	0.14%	0.19%	0.25%	0.02%	0.60%
Invesco Equally-Weighted S&P 500 Portfolio	0.14%	0.16%	0.25%	0.02%	0.57%
Invesco Discovery Mid Cap Growth Portfolio	0.14%	0.65%	0.25%	0.02%	1.06%
Invesco Fundamental High Yield Corporate Bond Portfolio	0.14%	0.50%	0.25%	0.02%	0.91%
Invesco Global Focus Portfolio	0.14%	0.85%	0.25%	0.02%	1.26%
Invesco Global Real Estate Income Portfolio	0.14%	0.83%	0.25%	0.02%	1.24%
Invesco Main Street Small Cap Portfolio	0.14%	0.77%	0.25%	0.02%	1.18%
Invesco NASDAQ 100 Index Portfolio	0.14%	0.29%	0.25%	0.02%	0.70%
Invesco Oppenheimer International Growth Portfolio	0.14%	0.69%	0.25%	0.02%	1.10%
Invesco S&P 500 Low Volatility Portfolio	0.14%	0.25%	0.25%	0.02%	0.66%
Invesco Small Cap Growth Portfolio	0.14%	0.71%	0.25%	0.02%	1.12%
Invesco Small Cap Value Portfolio	0.14%	0.73%	0.25%	0.02%	1.14%
Invesco Stable Value Portfolio	0.14%	0.40%	0.25%	0.02%	0.81%

The CollegeBound 529 Program Management fee was recently reduced from 0.15% to 0.14% given contract negotiations.

Note: Data is as of October 25, 2021.

CollegeBound 529 (Advisor)

Other Fees and Share Class Considerations

- CollegeBound 529 charges an annual account fee of \$20; however, Account Owners have many opportunities to have this fee waived (e.g., Rhode Island resident, account > \$25k, recurring contribution, and payroll direct deposit).
- The Plan implements a C share conversion to A shares at NAV after five years, which mitigates risk of Account Owners paying excessive fees.
- On May 24, 2021, the maximum sales charges for the Class A and Class RZ units were reduced, and adjustments were made to their breakpoints. Additionally, enhancements were made to the plan's Rights of Accumulation and Letter of Intent process.
- On June 25, 2021, all outstanding Class B and Class BX Units of the Portfolios were converted into Class A Units. Class RA and Class RZ Units were also closed to new investors.

CollegeBound Saver (Direct)

Rhode Island Residents' Fee Overview

RHODE ISLAND RESIDENT ACCOUNTS:			
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee	Total Annual Asset-Based Fee
CollegeBound Age-Based Portfolios	0.00%	0.04%-0.06%	0.04%-0.06%
Target Risk Portfolios			
Conservative Growth Portfolio	0.00%	0.12%	0.12%
Moderate Growth Portfolio	0.00%	0.13%	0.13%
Growth Portfolio	0.00%	0.14%	0.14%
Individual Portfolios			
Stable Value Portfolio	0.00%	0.31%	0.31%
Global Responsible Equity Portfolio	0.00%	0.19%	0.19%
Bond Portfolio	0.00%	0.035%	0.035%
Inflation Protected Bond Portfolio	0.00%	0.04%	0.04%
U.S. Stock Portfolio	0.00%	0.03%	0.03%
S&P 500 Portfolio	0.00%	0.02%	0.02%
U.S. Small-Mid Cap Portfolio	0.00%	0.05%	0.05%
International Stock Portfolio	0.00%	0.08%	0.08%

- The CollegeBound Saver (Direct) Plan's fees are extremely low for Rhode Island residents, given a primarily passive investment menu is offered and no Program Management fee is charged.
- The Age-Based Portfolios' expenses were reduced from 0.06%-0.09% to 0.04%-0.06% with the recent underlying manager construction changes.

Note: Data is as of October 25, 2021.

CollegeBound Saver (Direct)

Non-Rhode Island Residents' Fee Overview

RHODE ISLAND NON-RESIDENT ACCOUNTS:			
Age-Based Portfolios	Program Management Fee	Estimated Underlying Fund Fee	Total Annual Asset-Based Fee
CollegeBound Age-Based Portfolios	0.10%	0.04%-0.06%	0.14%-0.16%
Target Risk Portfolios			
Conservative Growth Portfolio	0.10%	0.12%	0.22%
Moderate Growth Portfolio	0.10%	0.13%	0.23%
Growth Portfolio	0.10%	0.14%	0.24%
Individual Portfolios			
Stable Value Portfolio	0.10%	0.31%	0.41%
Global Responsible Equity Portfolio	0.10%	0.19%	0.29%
Bond Portfolio	0.10%	0.035%	0.135%
Inflation Protected Bond Portfolio	0.10%	0.04%	0.14%
U.S. Stock Portfolio	0.10%	0.03%	0.13%
S&P 500 Portfolio	0.10%	0.02%	0.12%
U.S. Small-Mid Cap Portfolio	0.10%	0.05%	0.15%
International Stock Portfolio	0.10%	0.08%	0.18%

CollegeBound Saver fees for non-Rhode Island residents were materially reduced through recent contract negotiations, including a 15 basis points decrease to the Program Management fee.

Note: Data is as of October 25, 2021.



Investment Policy Statement Review and 529 Trends

Investment Policy Statement

IPS Review

An Investment Policy Statement fulfills the most important function a Fiduciary performs.



To set investment policy and implementation guidelines.

Sections of a Well-Written IPS

1. Purpose
2. Program Summary
3. Statement of Objectives
4. Responsibilities
5. Guidelines and Investment Policy
6. Securities Guidelines
7. Selection of Investment Managers
8. Control Procedures
9. Monitoring of Investment Managers
10. Signatures
11. Appendix with Key Detail

Additional Benefits of an IPS

- Supports the “Paper Trail” and Provides the Best Defense in Litigation
- Provides Continuity During Personnel Turnover
- Keeps Investment Process Intact During Periods of Market Upheaval
- Reassures Account Owners and Financial Professionals of Investment Stewardship

No Investment Policy Statement amendments were required as part of this year’s review; however, updates were made to the Appendices to reflect the recent Program enhancements (see separate attachment).

529 Trends and Recent News

Continued Enhancements



529 Trends and Recent News

- Pricing pressure
- ESG/SRI implementation
- Capital Preservation examination
- Clean shares / RIA model (Advisor Plans)
- Omnibus recordkeeping (Advisor Plans)
- Nasdaq registration (Advisor Plans)

Appendix



CB 529 Age-Based & Target Risk Portfolios

Manager Construction Changes Effective October 25, 2021

Additions

Invesco S&P 500 Pure Value ETF

Invesco PureBeta MSCI USA ETF

Invesco Discovery Mid Cap Growth Fund

Invesco Main Street Small Cap Fund

Invesco International Select Equity Fund

Invesco Oppenheimer International Growth Fund

Invesco PureBeta FTSE Developed ex-North America ETF

Invesco Developing Markets Fund

Invesco Taxable Municipal Bond ETF

Invesco Fundamental High Yield Corporate Bond ETF

Removals

Invesco Diversified Dividend Fund

Invesco Equally Weighted S&P 500 Fund

Invesco S&P MidCap Low Volatility ETF

Invesco FTSE RAFI US 1500 Sm.-Mid ETF

Invesco Global Growth Fund

Invesco FTSE RAFI Developed Markets ex-U.S. ETF

Invesco FTSE RAFI Emerging Markets ETF

CollegeBound 529 Target Risk Portfolios

Construction

	Aggressive (95%/5%)	Growth (85%/15%)	Moderate (60%/40%)	Conservative (35%/65%)
US Equity	60.0	53.5	37.5	21.0
Invesco S&P 500 Pure Value ETF	8.0	7.0	5.0	3.0
Invesco S&P 500 Pure Growth ETF	13.5	11.5	7.5	5.0
Invesco S&P 500 Low Volatility ETF	11.0	9.0	6.0	3.5
Invesco PureBeta MSCI USA ETF	15.0	15.0	12.5	9.5
Invesco Main Street Small Cap Fund	5.5	4.5	2.5	0.0
Invesco Discovery Mid Cap Growth Fund	7.0	6.5	4.0	0.0
International Equity	32.5	29.0	21.0	11.5
Invesco International Select Equity Fund	5.0	4.5	3.0	2.0
Invesco Oppenheimer International Growth Fund	8.5	7.5	5.0	3.5
Invesco S&P International Dev Low Volatility ETF	4.5	4.0	3.0	2.0
Invesco PureBeta FTSE Dev ex-North America ETF	5.0	5.0	4.0	4.0
Invesco Developing Markets Fund	5.5	4.5	3.5	0.0
Invesco S&P Emerging Markets Low Volatility ETF	4.0	3.5	2.5	0.0
Global REIT	2.5	2.5	1.5	2.5
Invesco Global Real Estate Income Fund	2.5	2.5	1.5	2.5
Fixed Income	5.0	15.0	40.0	59.0
Invesco Core Plus Bond Fund	3.0	4.5	13.5	19.0
Invesco Taxable Municipal Bond ETF	2.0	3.5	6.0	8.5
Invesco Short Term Bond Fund	0.0	2.5	7.0	11.5
Invesco Floating Rate ESG Fund	0.0	1.5	5.0	7.0
Invesco Short Duration Inflation Protected Fund	0.0	1.0	3.5	7.0
Invesco Fundamental High Yield Corporate Bd ETF	0.0	2.0	5.0	6.0
Capital Preservation	0.0	0.0	0.0	6.0
Invesco Stable Value Fund	0.0	0.0	0.0	4.0
Invesco Government & Agency Institutional	0.0	0.0	0.0	2.0
Total	100.0	100.0	100.0	100.0

Source: Invesco, as of October 25, 2021.

CollegeBound Saver Target Risk Portfolios

Construction

	Growth Vanguard LifeStrategy Growth Fund	Moderate Vanguard LifeStrategy Moderate Growth Fund	Conservative Vanguard LifeStrategy Conservative Growth Fund
Equities	80%	60%	40%
Vanguard Total Stock Market Index	48%	36%	24%
Vanguard International Stock Index	32%	24%	16%
Fixed Income	20%	40%	60%
Vanguard Total Bond Market II Index	14%	28%	42%
Vanguard Total International Bond Index	6%	12%	18%

Source: Vanguard, as of September 30, 2021.