TEXAS ABLE® PROGRAM

Financial Statements
Year Ended August 31, 2024

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Independent Auditor's Report

To the Members of
Texas Prepaid Higher Education Tuition Board

Opinion

We have audited the accompanying financial statements of Texas Achieving a Better Life Experience (ABLE®) Program (the "Program"), which comprise the statement of fiduciary net position as of August 31, 2024, and the related statement of revenues, expenses and changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Program as of August 31, 2024, and its revenues, expenses and changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Program and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Program's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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800.229.1099 | 866.818.4538 fax | cohencpa.com

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 generally accepted 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 generally accepted 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 Program'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 Program'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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Texas ABLE Program and do not purport to, and do not, present fairly the financial position of the Texas Prepaid Higher Education Tuition Board, as of August 31, 2024, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 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 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 supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Cohen & Company

Hunt Valley, Maryland
October 31, 2024

TEXAS ABLE® PROGRAM

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED AUGUST 31, 2024

(Unaudited)

Management Discussion and Analysis

Management of the Texas ABLE® Program (the "Program") is pleased to offer readers of the Program's basic financial statements this narrative overview and analysis of the financial activities for the year ended August 31, 2024.

- **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Program's basic financial statements. The Program's basic financial statements are comprised of two components: 1) basic financial statements and 2) notes to the basic financial statements.

Basic financial statements: The basic financial statements are designed to provide readers with a broad overview of the Program's finances in a manner similar to a private-sector business. The basic financial statements are prepared using fiduciary fund accounting that uses the similar basis of accounting as private-sector business enterprises. The Program is reported as a fiduciary fund, not an enterprise fund. Under this method of accounting, an economic resources measurement focus and the accrual basis of accounting is used. Revenue is recorded when earned and expenses are recorded when incurred. The basic financial statements include a statement of fiduciary net position and a statement of revenues, expenses and changes in fiduciary net position. These are followed by notes to the basic financial statements.

The statement of fiduciary net position presents information on all of the Program's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Program is improving or deteriorating.

The statement of revenues, expenses and changes in fiduciary net position reports the operating revenues and expenses of the Program for the fiscal year as well as capital contributions and withdrawals to determine the change in net position for the fiscal year.

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

- **Financial Highlights**

The net position of the Texas ABLE® Program was $33,561,590.60 as of August 31, 2024. The Program saw net participant transactions of $7,309,694.42; with the number of Program accounts at 3,572 as of August 31, 2024. The number of Program accounts includes active accounts with investment values greater than zero. The remaining increase in net position was due to net investment income of $3,044,061.34 for the year ended August 31, 2024. Net investment income amount is comprised of revenues from dividend and interest and net realized and unrealized gains on investments of $3,114,630.27 and expenses related to management and state administrative fees of $70,568.93.

- **Fund Performance**

The table below presents the Total Returns for each investment option in the Texas ABLE® Program for the year ended August 31, 2024.

Investment Option	Total return (%)	Benchmark returns (%)
Texas ABLE Aggressive Allocation Option	19.40%	19.54%
Texas ABLE Moderate Allocation Option	16.69%	16.69%
Texas ABLE Moderately Conservative Allocation Option	11.90%	11.49%
Texas ABLE Conservative Allocation Option	9.69%	9.21%
Texas ABLE Bank Savings Account Option	4.52%	5.18%

The benchmarks for the Texas ABLE® Program are based on a blend of benchmarks applicable to each Underlying Investment, as follows:

Underlying Investment	Benchmark
Eaton Vance Floating-Rate Fund Institutional	Credit Suisse Leveraged Loans Index
Baird Core Plus Bond Fund Institutional	Bloomberg Barclays U.S. Aggregate Index
Vanguard Total Stock Market Index Fund Institutional Plus	CRSP U.S. Total Market TR Index
Vanguard Total International Stock Market Fund Index Institutional Plus	FTSE Global ex US All Cap Index (Net)

TEXAS ABLE® PROGRAM
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2024
(Unaudited)

- **Financial Analysis**

Condensed statements of net position as of August 31, 2024 and 2023 were as follows:

	2024	2023
Assets		
Current Assets	$ 33,568,542.95	$ 23,212,708.57
Total assets	33,568,542.95	23,212,708.57
Liabilities		
Current Liabilities	6,952.35	4,873.73
Long term liabilities	0.00	0.00
Total liabilities	6,952.35	4,873.73
Net position	$ 33,561,590.60	$ 23,207,834.84

Condensed statements of changes in net fiduciary position for the year ended August 31, 2024 and the year ended August 31, 2023 were as follows:

	2024	2023
Revenues and gains		
Contributions from participants	$ 14,640,351.17	$ 11,110,986.05
Other revenues and gains	3,114,630.27	1,205,752.27
Total revenues and gains	17,754,981.44	12,316,738.32
Expenses and losses		
Withdrawals to participants	7,330,656.75	5,101,485.50
Other expenses and losses	70,568.93	69,959.87
Total expenses and losses	7,401,225.68	5,171,445.37
Change in net position	10,353,755.76	7,145,292.95
Net position		
Beginning of year	23,207,834.84	16,062,541.89
End of year	$ 33,561,590.60	$ 23,207,834.84

Net participant contributions were $7,309,694.42 for the year ended August 31, 2024 and $6,009,500.55 for the year ended August 31, 2023. Net investment earnings/(losses) were $3,044,061.34 for the year ended August 31, 2024 and $1,135,792.40 for the year ended August 31, 2023.

➢ Texas ABLE® Fund Performance

The following table provides the annual return, as of August 31, 2024, for each underlying investment as well as the Portfolios' relative target allocations to each of the underlying funds.

	Direct-Sold Investment Options:							
					Target Allocation			
Fund	**Investment Return**	**Benchmark**	**Benchmark Return**	**Aggressive Allocation**	**Moderate Allocation**	**Moderately Conservative Allocation**	**Conservative Allocation**	**Bank Savings Account**
Vanguard Total Stock Market Index Fund	26.21%	CRSP U.S. Total Market TR Index	26.17%	45.00%	35.00%	15.00%	6.00%	0.00%
Vanguard Total International Stock Market Index Fund	17.77%	FTSE Global ex US All Cap Index (Net)	17.84%	35.00%	25.00%	10.00%	4.00%	0.00%
Baird Core Plus Bond Fund Institutional	8.58%	Bloomberg U.S. Aggregate Index	7.30%	15.00%	30.00%	60.00%	75.00%	0.00%
Eaton Vance Floating-Rate Fund	8.86%	Credit Suisse Leveraged Loans	9.81%	5.00%	10.00%	15.00%	15.00%	0.00%
Bank Savings Account	4.52%	iMoneyNet Government Institutional Average	5.18%	0.00%	0.00%	0.00%	0.00%	100.00%

The following table provides the annual return, as of August 31, 2023, for each underlying investment as well as the Investment Portfolios' relative target allocations to each of the underlying funds.

	Direct-Sold Investment Options:							
					Target Allocation			
Fund	**Investment Return**	**Benchmark**	**Benchmark Return**	**Aggressive Allocation**	**Moderate Allocation**	**Moderately Conservative Allocation**	**Conservative Allocation**	**Bank Savings Account**
Vanguard Total Stock Market Index Fund	14.72%	CRSP U.S. Total Market TR Index	14.70%	45.00%	35.00%	15.00%	6.00%	0.00%
Vanguard Total International Stock Market Index Fund	12.17%	FTSE Global ex US All Cap Index (Net)	11.73%	35.00%	25.00%	10.00%	4.00%	0.00%
PIMCO Total Return Fund Institutional	-0.70%	Bloomberg U.S. Aggregate Index	-1.19%	15.00%	30.00%	60.00%	75.00%	0.00%
Eaton Vance Floating-Rate Fund	8.48%	Credit Suisse Leveraged Loans	9.08%	5.00%	10.00%	15.00%	15.00%	0.00%
Bank Savings Account	2.84%	iMoneyNet Government Institutional Average	4.10%	0.00%	0.00%	0.00%	0.00%	100.00%

TEXAS ABLE® PROGRAM
STATEMENT OF FIDUCIARY NET POSITION
AS OF AUGUST 31, 2024

Assets:		
Investments, at fair value (cost $17,406,969.98)	$	19,569,175.39
Cash and cash equivalents		13,999,367.56
Total assets	$	33,568,542.95
Liabilities and Net Position:		
Liabilities:		
Accrued expenses	$	6,952.35
Total liabilities		6,952.35
Net position held in trust for participants		33,561,590.60
Total liabilities and net position	$	33,568,542.95

See accompanying notes to the financial statements.

TEXAS ABLE® PROGRAM

STATEMENT OF REVENUES, EXPENSES AND

CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED AUGUST 31, 2024

Investment income (expense):		
Dividends and interest	$	1,125,625.57
Net realized and unrealized gain on investments		1,989,004.70
Management fees		(42,341.36)
State administrative fees		(28,227.57)
Net investment income		3,044,061.34
Participant transactions:		
Contributions from participants		14,640,351.17
Withdrawals to participants		(7,330,656.75)
Net increase from participant transactions		7,309,694.42
Total increase in net position held in trust for participants		10,353,755.76
Net Position:		
Beginning of year		23,207,834.84
End of year	$	33,561,590.60

See accompanying notes to the financial statements.

1. Nature of the Program

The Texas ABLE® Program (the "Program") is established and maintained by the Texas Prepaid Higher Education Tuition Board (the "Board") with assistance from the Texas Comptroller of Public Accounts (the "Comptroller"). The Board is comprised of seven members with the Comptroller serving as the presiding officer of the Board. Two Board members are appointed by the Governor and four members are appointed by the Lieutenant Governor, with two of the Lieutenant Governor's appointees recommended by the Speaker of the Texas House of Representatives. The Program is authorized under Section 529A of the Internal Revenue Code of 1986 as amended ("IRC") which is part of the Federal ABLE Act, which allows the creation of a qualified ABLE program by a state (or agency or instrumentality thereof) under which an ABLE account may be established for an individual with a disability who is the Beneficiary and owner of that account. The Legislature of the State of Texas enacted the Texas ABLE Act (1) to encourage and assist individuals and families in saving funds for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life; and (2) to provide secure funding for Qualified Disability Expenses on behalf of Beneficiaries with disabilities that will supplement, but not supplant, benefits provided through private insurance, the Medicaid program under Title XIX of the Social Security Act, the supplemental security income program under Title XVI of the Social Security Act, the Social Security Disability Insurance program under Title II of the Social Security Act, the Beneficiary's employment, and other sources. As a result, Texas ABLE has established a Program that offers tax-advantaged investment accounts intended to be used for the Qualified Disability Expenses of a particular eligible Beneficiary. Orion Advisor Solutions, Inc. ("Orion" or the "Program Manager"), serves as Program Manager, responsible for the day-to-day operation and marketing of the Program.

The Program offers different asset allocation options to provide for investors that have different needs, time frames, and tolerances to risk. The Texas ABLE® Program is a direct-sold program. The Program currently includes 4 direct-sold portfolios and an FDIC-insured Bank Savings Account option.

The Program includes the following portfolios all of which have identical rights to earnings and assets.

Texas ABLE® Program
Texas ABLE Aggressive Allocation Portfolio
Texas ABLE Moderate Allocation Portfolio
Texas ABLE Moderately Conservative Allocation Portfolio
Texas ABLE Conservative Allocation Portfolio
Texas ABLE Bank Savings Account

2. Summary of Significant Accounting Policies

a) Basis of Presentation

The accompanying basic financial statements have been prepared using the "economic resources" measurement focus and accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as defined by the Governmental Accounting Standards Board ("GASB"). Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The financial statements include the statement of fiduciary net position, the statement of revenues, expenses and changes in fiduciary net position and notes to the financial statements. The statement of fiduciary net position is a measure of the Program's assets and liabilities at the close of the fiscal year. The statement of revenues, expenses and changes in fiduciary net position includes contributions to and withdrawals from the Program, as well as additions and deductions due to administration of the Program during the fiscal year.

The accompanying financial statements include each of the portfolios of the Texas ABLE® Program.

b) Investment Valuation

Investments in mutual funds are valued at Net Asset Value per share (or its equivalent). The difference between the cost basis and the fair value of investments is reflected as unrealized gain/(loss) on investments, and any change in that amount from the previous fiscal year end is reflected in the accompanying statement of revenues, expenses and changes in fiduciary net position as net realized and unrealized gain on investments. See note 4.

c) Investment Earnings

Investment transactions are recorded on trade date. Realized gains and losses on investments sold are recognized as the difference between proceeds received and the original cost basis as determined using the specific identification method. Dividend income is recorded on the ex-dividend date. Noncash dividends included in dividend income, if any, are recorded at fair market value of the noncash dividend as of the date received. Income and capital gain distributions from the underlying investments are recorded on the ex-dividend date. Dividend income and capital gain distributions are included in investment income in the accompanying statement of revenues, expenses and changes in fiduciary net position.

d) Income Taxes

The Program was established under Section 529A of the Internal Revenue Code, which provides that the Program shall be exempt from federal income taxes. Therefore, no income tax provision is required.

e) Contributions and Withdrawals

Contributions and withdrawals are recorded at the unit value determined on the valuation date following receipt of notice of the contribution or withdrawal. Contributions and withdrawals are subject to sufficient advance notification as outlined in the Program Disclosure Statement and Participation Agreement. The Program's unit values (net asset values) are determined daily.

f) Use of Estimates

The preparation of the financial statements, in conformity 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 and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of income and expenses during the reported period. Actual results could differ from those estimates.

3. Related-Party Transactions

Program participants bear ongoing fees, which are charged against the participants' accounts, to provide for the cost associated with the distribution, servicing and administration of the Program. There are also asset-based fees and expenses charged by the underlying investment funds in which the Program invests.

a) Management Fees

From the fees assessed against participants' accounts, the Program pays a management fee based on the average daily net position of the Program, which is paid on a monthly basis to the Program Manager for program administration and investment management services at the annual rate of 0.15%.

The asset management fee was $42,341.36 for the year ended August 31, 2024, of which $4,171.43 was payable at August 31, 2024.

b) State Administrative Fees

From the fees assessed against participants' accounts, an administrative fee at the annual rate of 0.10% of the average daily net position of the Program is paid to the Board on a monthly basis, to offset the Board's costs of administering the Program.

The administrative fee was $28,227.57 for the year ended August 31, 2024, of which $2,780.92 was payable at August 31, 2024.

4. Investments

The Program invests primarily in investments of registered mutual funds which as of August 31, 2024 include: Eaton Vance Floating-Rate Fund Institutional, Vanguard Total International Stock Market Index Fund Institutional Plus, Baird Core Plus Bond Fund Institutional, and Vanguard Total Stock Market Index Fund Institutional Plus.

The fair value of investments held, and the corresponding shares owned as of August 31, 2024 were as follows:

	Shares		Fair Value
Domestic Equity Fund			
Vanguard Total Stock Market Index Fund Institutional Plus	25,124	$	6,387,094.97
			6,387,094.97
International Equity Fund			
Vanguard Total International Stock Market Index Fund Institutional Plus	35,138		4,790,078.27
			4,790,078.27
Fixed Income Funds			
Eaton Vance Floating-Rate Fund Institutional	214,676		1,798,988.91
Baird Core Plus Bond Fund Institutional	640.098		6,593,013.24
			8,392,002.15
Investments, at fair value (cost $17,406,969.98)		$	19,569,175.39

The Program utilizes various methods to measure the fair value of investments on a recurring basis. GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of input are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities that the Program has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Program’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the Program's assets measured at fair value as of August 31, 2024:

Assets	Level 1	Level 2	Level 3
Domestic Equity Fund	$6,387,094.97	-	-
International Equity Fund	4,790,078.27	-	-
Fixed Income Funds	8,392,002.15	-	-
Total	$19,569,175.39	-	-

The Program did not hold any Level 2 or Level 3 securities during the year.

Certain investments are subject to investment risk based on the amount of risk in the underlying investments. GASB Statement No. 40, *Deposit and Investment Risk Disclosures* requires that entities disclose essential risk information about deposits and investments. The Program Disclosure Statement and Participation Agreement provide a greater detail about the investment policies and practices of the Program.

a) Custodial Credit Risk

Constellation Trust & Company, the Custodian, is an affiliate of the Program Manager. Other than cash, all investments are held direct to the Program. Custodial credit risk is the risk that in the event of a failure of the custodian, the Program's deposits and investments may not be returned promptly. The Program does not have a formal policy for limiting its exposure to custodial credit risk. Because the Program's investments are generally in mutual funds, this risk is significantly mitigated. In addition, the FDIC insures cash deposits in the Bank Savings option up to $250,000.

b) Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. In order to monitor credit risk, on a quarterly basis the Board utilizes an investment consultant to review and report to the Board detailed performance reporting and risk assessments on each of the underlying holdings of the Program. The Program invests directly in mutual funds, which are registered under the Investment Company Act of 1940 ("40 Act"). Each mutual fund's prospectus provides greater detail about the investment strategies and practices of the mutual funds, in compliance with federal regulations and specifically, Form N-1A of the 40 Act. Form N-1A discloses information and policies about the mutual fund and its investment objectives, as well as information on the company structure and operations.

The Program's investment pools had the following credit risk structure as of August 31, 2024 based on the Nationally Recognized Statistical Rating Organization (NRSRO):

	Eaton Vance Floating-Rate Fund Institutional	**Baird Core Plus Bond Fund Institutional**
A1/P1	0.00%	0.00%
Below A1/P1	0.00%	0.00%
AAA	0.00%	54.70%
AA	0.00%	2.60%
A	0.00%	12.30%
BAA	0.00%	0.00%
BBB	6.70%	27.60%
BB	23.86%	2.40%
B	56.39%	0.10%
Below B	5.10%	0.00%
Not Rated	7.95%	0.30%
NRSRO Totals:	**100.00%**	**100.00%**

c) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the program's investment in a single issuer. As of August 31, 2024, all investments held by the Program were in pooled investments, therefore the Program did not have any investments subject to the concentration of credit risk.

d) Interest Rate Risk

Interest rate risk refers to the value fluctuations of fixed-income securities resulting from the inverse relationship between price and yield. The market value fluctuations of fixed-income securities that the Program holds will not affect the interest payable on those securities. However, the fluctuations will affect the market value and in turn will affect the Program's net position. In order to monitor interest rate risk, on a quarterly basis the Board utilizes an investment consultant to review and report to the Board detailed performance reporting and risk assessments on each of the underlying holdings of the Program.

The Program's investment pools had the following interest rate risk structure as of August 31, 2024:

Holding	Duration in Years[1]
Eaton Vance Floating-Rate Fund Institutional	0.38
Baird Core Plus Bond Fund Institutional	5.90

e) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment in a foreign issuer. In order to monitor foreign currency risk, on a quarterly basis the Board utilizes an investment consultant to review and report to the Board detailed performance reporting and risk assessments on each of the underlying holdings of the Program.

f) General Geopolitical Unrest

General geopolitical unrest, including terrorist attacks, military conflicts, and related events, such as commodity shortages, supply-chain disruptions, and inflation, have led to increased short-term market volatility and may have long-term effects on U.S. and world economies and markets. The Program does not know the extent to which and how long the securities markets may be affected by such events and cannot predict the effects of such events on the economies of the U.S., or of other countries, or on investment option or underlying investment values.

5. Participant Transactions

Participant unit transactions for each class of shares within the Program, including the corresponding unit activity for the year ended August 31, 2024, and balances outstanding as of August 31, 2023 and 2024 were as follows:

	Units		Value
Balance as of August 31, 2023	10,884,429.823	$	23,207,834.84
Contributions	7,426,915.213	$	14,640,351.17
Withdrawals	(3,912,387.085)	$	(7,330,656.75)
Balance as of August 31, 2024	14,398,957.951	$	33,561,590.60

6. Guarantees and Indemnifications

In the normal course of business, the Program contracts with third-party service providers that contain a variety of representations and warranties that provide general indemnifications; however, such general indemnifications are limited under the Texas Constitution. Additionally, under applicable state law, the officers, employees, and Board members are indemnified against certain liabilities arising out of the performance of their duties to the Program. The Program's maximum exposure under these arrangements is unknown, as it involves possible future claims that may or may not be made against the Program. Management is of the view that the risk of loss to the Program in connection with the Program's indemnification obligations is remote, however, there can be no assurance that such obligations will not result in material liabilities that adversely affect the Program.

[1] The measure of the sensitivity of the price to a change in interest rates, expressed in years.

7. Subsequent Events

Subsequent events after the date of the statement of fiduciary net position have been evaluated through October 31, 2024, the date the financial statements were available to be issued. Management has concluded there are no subsequent events requiring adjustment or disclosure in the financial statements.