



ScholarShare 529SM
(A Fiduciary Fund of the State of California)

Annual Report

June 30, 2023



ScholarShare529SM
(A Fiduciary Fund of the State of California)

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Report of Independent Auditors

To the Trustee of the Golden State ScholarShare College Savings Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the ScholarShare College Savings Plan (the “Plan”), which comprise the statement of fiduciary net position as of June 30, 2023, and the related statement of changes in fiduciary net position for the year then ended, including the related notes, which collectively comprise the Plan’s basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2023, and the 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 (US 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan 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 Plan’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors’ 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 auditors’ 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 US 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 US 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 Plan'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 Plan'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information is the responsibility of management, 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 supplemental 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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plan's basic financial statements. The supplemental statements of fiduciary net position and changes in fiduciary net position as of and for the year ended June 30, 2023 (the "supplemental information") on pages 21 through 38 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2023 on our consideration of the Plan'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 for the year ended June 30, 2023. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
August 31, 2023

**MANAGEMENT’S DISCUSSION AND ANALYSIS
 (Unaudited)
 June 30, 2023**

As Plan Manager of the ScholarShare College Savings Plan (the Plan) offered by the state of California (the State), TIAA-CREF Tuition Financing, Inc. (TFI) offers this discussion and analysis of the Plan’s financial performance for the year ended June 30, 2023, with comparative information for the year ended June 30, 2022. Readers should consider the information presented in this section in conjunction with the Plan’s financial statements and notes to the financial statements (collectively, “the basic financial statements”). Readers may also find useful the supplementary information on pages 21 through 38, which provide information about the activities and balances attributable to each investment portfolio offered to account owners.

This report consists of three parts: Management’s Discussion and Analysis (this section), the basic financial statements, and supplementary information detailing balances and transactions attributable to each investment portfolio. The basic financial statements consist of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position, and Notes to Financial Statements that explain some of the information in the financial statements and provide more detailed information.

Financial Highlights

The following table summarizes returns (net of fees) posted by each investment portfolio during the years ended June 30, 2023 and 2022:

	<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>		<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>
<u>Active Enrollment Year Investment Portfolios</u>			<u>Passive Enrollment Year Investment Portfolios</u>		
2038/2039 Enrollment Portfolio	12.72%	(14.39%)	2038/2039 Enrollment Portfolio	13.05%	(13.40%)
2036/2037 Enrollment Portfolio	12.12%	(14.30%)	2036/2037 Enrollment Portfolio	12.49%	(13.37%)
2034/2035 Enrollment Portfolio	11.60%	(14.08%)	2034/2035 Enrollment Portfolio	11.76%	(13.04%)
2032/2033 Enrollment Portfolio	11.01%	(13.80%)	2032/2033 Enrollment Portfolio	11.17%	(12.82%)
2030/2031 Enrollment Portfolio	9.93%	(13.34%)	2030/2031 Enrollment Portfolio	10.06%	(12.47%)
2028/2029 Enrollment Portfolio	8.33%	(12.75%)	2028/2029 Enrollment Portfolio	8.17%	(11.76%)
2026/2027 Enrollment Portfolio	6.63%	(11.48%)	2026/2027 Enrollment Portfolio	6.36%	(10.69%)
2024/2025 Enrollment Portfolio	5.18%	(9.15%)	2024/2025 Enrollment Portfolio	4.94%	(8.52%)
2022/2023 Enrollment Portfolio	3.89%	(6.40%)	2022/2023 Enrollment Portfolio	3.61%	(5.90%)
Enrollment Year Portfolio	3.69%	(4.98%)	Enrollment Year Portfolio	3.52%	(4.57%)

No assurance is provided on the information in management’s discussion and analysis.



(A Fiduciary Fund of the State of California)

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2023**

Financial Highlights (Continued)

	<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>		<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>
<u>ESG Enrollment Year Investment Portfolios</u>			<u>Single Fund Investment Portfolios</u>		
2038/2039 Enrollment Portfolio	13.48%	(13.20%) ⁽¹⁾	Social Choice Equity Portfolio	17.91%	(14.52%)
2036/2037 Enrollment Portfolio	12.89%	(13.10%) ⁽¹⁾	ESG International Equity Portfolio	18.33%	(16.00%) ⁽⁴⁾
2034/2035 Enrollment Portfolio	12.27%	(12.80%) ⁽¹⁾	ESG Bond Portfolio	(1.72%)	(7.00%) ⁽⁴⁾
2032/2033 Enrollment Portfolio	11.42%	(12.40%) ⁽¹⁾	Index Bond Portfolio	(0.94%)	(10.45%)
2030/2031 Enrollment Portfolio	10.23%	(12.00%) ⁽¹⁾	Index U.S. Large Cap Equity Portfolio	N/A	3.63% ⁽⁵⁾
2028/2029 Enrollment Portfolio	8.23%	(11.30%) ⁽¹⁾	Index U.S. Equity Portfolio	18.90%	(13.86%)
2026/2027 Enrollment Portfolio	6.24%	(10.20%) ⁽¹⁾	Principal Plus Interest Portfolio	1.91%	1.05%
2024/2025 Enrollment Portfolio	4.79%	(8.20%) ⁽¹⁾			
2022/2023 Enrollment Portfolio	3.51%	(5.90%) ⁽¹⁾			
Enrollment Year Portfolio	3.35%	(4.60%) ⁽¹⁾			
<u>Active Multi-Fund Investment Portfolios</u>			<u>Passive Multi-Fund Investment Portfolios</u>		
Active Diversified Equity Portfolio	15.59%	(15.93%)	Passive Diversified Equity Portfolio	16.16%	(14.88%)
Active Growth Portfolio	10.85%	(13.60%)	Passive Growth Portfolio	11.22%	(12.82%)
Active Moderate Growth Portfolio	N/A	(1.46%) ⁽²⁾	Passive Moderate Growth Portfolio	N/A	(1.48%) ⁽²⁾
Active Conservative Portfolio	1.60%	(3.99%)	Passive Conservative Portfolio	1.10%	(3.76%)
Active Diversified Fixed Income Portfolio	N/A	(1.79%) ⁽²⁾	Passive Diversified Fixed Income Portfolio	N/A	(2.42%) ⁽²⁾
Active International Equity Portfolio	15.07%	(16.53%)	Index International Equity Portfolio	15.04%	(18.89%)

⁽¹⁾ Effective February 11, 2022, ESG Enrollment Year Investment Portfolios were added to the Plan. The returns for the ESG Enrollment Year Investment Portfolios are for the period from February 11, 2022 through June 30, 2022.

⁽²⁾ Effective February 11, 2022, the Moderate Growth Portfolios and Diversified Fixed Income Portfolios were discontinued, and existing account owner balances were transferred into the appropriate Growth Portfolios and Conservative Portfolios, respectively. The returns for the Moderate Growth Portfolios and the Diversified Fixed Income Portfolios are for the period from July 1, 2021 through February 11, 2022.

⁽³⁾ Effective February 11, 2022, the Index U.S. Large Cap Equity Portfolio was discontinued, and existing account owner balances were transferred to the already existing Index U.S. Equity Portfolio. The returns for the Index U.S. Large Cap Equity Portfolio are for the period from July 1, 2021 through February 11, 2022.

⁽⁴⁾ Effective February 11, 2022, the ESG International Equity Portfolio and the ESG Bond Portfolio were added to the Plan as additional Single Fund Investment Portfolios. The returns for the ESG International Equity Portfolio and the ESG Bond Portfolio are for the period from February 11, 2022 through June 30, 2022.

The Plan received \$259.0 million and \$1.0 billion in net subscriptions during the years ended June 30, 2023 and 2022, respectively.

No assurance is provided on the information in management's discussion and analysis.



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2023

Financial Highlights (Continued)

During the year ended June 30, 2023, the Plan earned \$1.2 billion in net investment income, resulting from \$387.9 million in interest and dividends and a \$770.9 million net increase in the fair value of investments. During the year ended June 30, 2022, the Plan experienced a net investment loss of \$1.3 billion, resulting from a \$1.7 billion net decrease in the fair value of investments, which was somewhat offset by \$369.3 million in interest and dividends.

Plan fees incurred during the years ended June 30, 2023 and 2022 totaled \$3.0 million and \$3.2 million, respectively. These fees are calculated on the average net position in each investment portfolio and are paid to the Plan Manager and the ScholarShare Investment Board (the Board) for performing administrative, marketing, and other services with respect to the Plan.

Overview of the Basic Financial Statements

The Plan is included in the financial reporting entity of the State as a fiduciary fund. Fiduciary fund reporting is used to account for resources held for the benefit of parties outside the governmental entity.

The Plan's basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) prescribed by the Governmental Accounting Standards Board (GASB), as applicable to fiduciary funds. Accordingly, the Plan's basic financial statements are prepared using the economic resources measurement focus and accrual basis of accounting.

The Statement of Fiduciary Net Position presents information on the Plan's assets and liabilities, with the difference between the two reported as fiduciary net position. The Statement of Changes in Fiduciary Net Position presents information showing how the Plan's fiduciary net position changed during the period presented. Changes in fiduciary net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

The Plan's assets are invested in mutual funds, exchange-traded funds (ETFs), and funding agreements issued by TIAA-CREF Life Insurance Company. Mutual funds and ETFs are reported at fair value, and the funding agreements are reported at cost. All investment transactions are reported on a trade-date basis. Changes in the reported fair value of mutual funds and ETFs resulting from realized and unrealized gains and losses are reported as "net increase (decrease) in the fair value of investments." Dividends and capital gain distributions are reported on the ex-dividend date. Contributions are recognized when received, provided enrollment in the Plan has been successfully completed, and withdrawals are recognized when the withdrawal request has been received and approved for payment. Plan fees accrue daily.

No assurance is provided on the information in management's discussion and analysis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
 (Unaudited)
 June 30, 2023**

Financial Analysis

Fiduciary Net Position

The following are condensed Statements of Fiduciary Net Position as of June 30, 2023 and 2022:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Total Assets	\$ 13,681,892,497	\$ 12,267,092,720
Total Liabilities	<u>6,959,391</u>	<u>6,906,252</u>
Fiduciary Net Position	<u>\$ 13,674,933,106</u>	<u>\$ 12,260,186,468</u>

Fiduciary net position represents cumulative contributions since the Plan's inception, increased or decreased by net investment income or losses, and decreased by withdrawals and expenses.

The Plan's investments comprise over 99% of the Plan's total assets. Other assets typically consist of receivables from securities sold and cash resulting from contributions that have not yet been invested in accordance with account owners' instructions or redemption proceeds from underlying funds for withdrawal requests that have not yet been distributed as directed by account owners. Liabilities typically consist of payables for securities purchased, payables for withdrawals, and accrued Plan Manager fees and Board administrative fees.

Changes in Fiduciary Net Position

The following are condensed Statements of Changes in Fiduciary Net Position for the years ended June 30, 2023 and 2022:

	<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>
Additions		
Subscriptions ⁽¹⁾	\$ 1,925,966,134	\$ 2,881,760,677
Net investment income (loss)	1,158,760,577	(1,296,330,314)
Total Additions	<u>3,084,726,711</u>	<u>1,585,430,363</u>
Deductions		
Redemptions ⁽²⁾	(1,666,934,384)	(1,850,493,615)
Plan Manager fee	(1,203,694)	(1,196,335)
Board administrative fee	<u>(1,841,995)</u>	<u>(1,975,513)</u>
Total Deductions	<u>(1,669,980,073)</u>	<u>(1,853,665,463)</u>
Increase (Decrease) in Net Position	1,414,746,638	(268,235,100)
Fiduciary Net Position - Beginning of Year	12,260,186,468	12,528,421,568
Fiduciary Net Position - End of Year	<u>\$ 13,674,933,106</u>	<u>\$ 12,260,186,468</u>

⁽¹⁾ Subscriptions include contributions, exchanges between investment portfolios, and transfers of account balances from one account to another.

⁽²⁾ Redemptions include withdrawals, exchanges between investment portfolios, and transfers of account balances from one account to another.

No assurance is provided on the information in management's discussion and analysis.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2023**

Market Uncertainties

Market disruptions associated with recent geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets and thus performance of the investment portfolios of the Plan. At this time, an aggregate effect on the Plan's assets and performance cannot be reasonably estimated. Management is continuing to monitor these developments and evaluate other impacts they may have on the Plan.

Recent Developments

Effective July 14, 2023, the 2022/2023 Enrollment Portfolio was discontinued, and existing account owner balances were transferred into the Enrollment Year Portfolio. On the same date, the 2040/2041 Enrollment Portfolio was added to the Plan as an additional Enrollment Year Investment Portfolio.

No assurance is provided on the information in management's discussion and analysis.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENT OF FIDUCIARY NET POSITION June 30, 2023

ASSETS

Investments	\$ 13,675,246,116
Cash	4,812,736
Receivables from securities sold	1,833,645
Total Assets	<u>13,681,892,497</u>

LIABILITIES

Accrued Plan Manager fee	105,678
Accrued Board administrative fee	158,745
Payables for securities purchased	2,757,018
Withdrawals payable	3,937,950
Total Liabilities	<u>6,959,391</u>

NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES

\$ 13,674,933,106

See accompanying notes to financial statements.



ScholarShare 529SM
 (A Fiduciary Fund of the State of California)

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2023

ADDITIONS

Subscriptions	\$ 1,925,966,134
Investment income:	
Interest	44,347,960
Dividends	343,558,702
Net increase in the fair value of investments	770,853,915
Total net investment income	1,158,760,577
Total Additions	3,084,726,711

DEDUCTIONS

Redemptions	1,666,934,384
Plan Manager fees	1,203,694
Board administrative fees	1,841,995
Total Deductions	1,669,980,073

CHANGES IN NET POSITION

1,414,746,638

NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR

12,260,186,468

NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR

\$ 13,674,933,106

See accompanying notes to financial statements.



NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS

The ScholarShare College Savings Plan (the Plan) was created by the State of California (the State) to encourage individuals to save for postsecondary education. Assets of the Plan are held in the Golden State ScholarShare College Savings Trust (the Trust). The ScholarShare Investment Board (the Board) who serves as trustee of the Trust, implemented and administers the Plan. The responsibilities of the Board with respect to the Plan include making and entering into contracts necessary for the administration of the Trust and the Plan, approving the investment portfolios offered by the Plan, managing and operating the Plan, and adopting regulations for the administration of the Plan. The Plan is intended to meet the requirements of a qualified tuition program under Section 529 of the Internal Revenue Code (the Code).

TIAA-CREF Tuition Financing, Inc. (TFI), a wholly owned, direct subsidiary of Teachers Insurance and Annuity Association of America (TIAA), and the Board entered into a management agreement under which TFI serves as the Plan Manager (Plan Manager), providing certain services to the Plan. TIAA-CREF Individual & Institutional Services, LLC (Services), a wholly owned, direct subsidiary of TIAA, serves as the primary distributor and underwriter for the Plan and provides certain services in furtherance of TFI's marketing efforts for the Plan. Services is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority.

Account owners may invest their contributions in one or more investment portfolios. The Plan offers four Active Multi-Fund Investment Portfolios, four Passive Multi-Fund Investment Portfolios, and six Single Fund Investment Portfolios, which allow account owners to choose their own strategy based on their risk tolerance and time horizon. The Plan also offers ten Active, ten Passive or ten ESG Enrollment Year Investment Portfolios, based on the anticipated year of enrollment of the beneficiary in an eligible educational institution and the investment strategy selected by the account owner (active, passive or ESG). The Enrollment Year Investment Portfolios seek to match their respective risk levels to investment time horizons with asset allocations becoming increasingly more conservative as the beneficiary enrollment year approaches. The investment portfolios, along with underlying asset allocations and fees, as approved by the Board, are described in the current ScholarShare College Savings Plan - Plan Description and Participation Agreement (the Plan Description).

Each investment portfolio invests in one or more open-end mutual funds, exchange-traded funds (ETFs), and funding agreements based on an asset allocation strategy approved by the Board. The funding agreements are issued by TIAA-CREF Life Insurance Company (TIAA Life), which is an affiliate of TFI, to the Board as policyholder on behalf of the Plan. The funding agreements provide a minimum guaranteed rate of return and allow for the possibility that additional interest may be



NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS (Continued)

credited periodically by TIAA Life. Together, the mutual funds, ETFs, and the funding agreements are referred to as “the Underlying Funds.”

The Plan is included in the reporting entity of the State as a fiduciary fund. Assets are held in the Trust for account owners and beneficiaries and cannot be used to support other governmental programs. These basic financial statements present only the balances and transactions attributable to the Plan, and are not intended to, and do not, present fairly the financial position or changes in financial position of the Trust or any other fiduciary funds of the State.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to fiduciary fund types prescribed by the Governmental Accounting Standards Board (GASB), the Plan’s basic financial statements are prepared using the flow of economic resources measurement focus and accrual basis of accounting. U.S. GAAP requires the use of estimates made by management and the evaluation of subsequent events. Actual results may differ from those estimates.

(b) Investment Valuation

Accounting standards categorize fair value measurements according to a hierarchy that is based on valuation inputs used to measure fair value. Level 1 inputs are quoted prices for identical assets in active markets that can be accessed at the measurement date. Level 2 inputs are inputs other than quoted prices that are observable for an asset, either directly or indirectly. Level 3 inputs are unobservable and may include subjective assumptions in determining the fair value of investments.

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

NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investment Valuation (Continued)

The mutual funds and ETFs in which the Plan invests are reported at fair value, based on the net asset value per share (mutual funds) or closing prices (ETFs) at the close of the New York Stock Exchange (NYSE). These mutual funds and ETFs are categorized in Level 1 of the fair value hierarchy.

The funding agreements are non-participating, interest-earning investment contracts and are accounted for at cost. Because the funding agreements are valued at cost, they are not categorized according to the fair value hierarchy.

(c) Investment Transactions and Income

Investment transactions are accounted for as of the trade date for financial reporting purposes. Interest income is recorded as earned. Dividend income and capital gain distributions from the mutual funds and ETFs are recorded on the ex-dividend date. Net realized and unrealized gains (losses) are included in “net increase (decrease) in the fair value of investments.”

(d) Cash

Cash includes contributions received that have not yet been invested in Underlying Funds and/or redemption proceeds from Underlying Funds for withdrawals that have not yet been distributed in accordance with account owners’ instructions. Cash deposits are covered up to applicable limits of insurance available through the Federal Deposit Insurance Corporation (FDIC). Deposits in excess of FDIC limits are not collateralized or subject to supplemental insurance.

(e) Subscriptions

Subscriptions include contributions to the Plan, as well as exchanges between investment portfolios and transfers between one beneficiary to another or from one account owner to another that result in a reinvestment of assets. Subscriptions result in the issuance of units to account owners. These units are municipal fund securities and are not a direct investment in any mutual fund, ETF, or the funding agreements. In addition, these units are not insured by the FDIC, the State, or the Board, nor have they been registered with the Securities and Exchange Commission or any commission of the State.

NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Redemptions

Redemptions include withdrawals from the Plan directed by account owners, as well as exchanges between investment portfolios and transfers between one beneficiary to another or from one account owner to another that result in a redemption and subsequent reinvestment of assets.

(g) Income Taxes

The Plan is designed to constitute a qualified tuition program under Section 529 of the Code and is exempt from federal and state income tax. The Plan has not engaged in any activities that would subject the Plan to unrelated business income tax.

(h) Unit Value

The beneficial interests attributable to each account owner in the investment portfolios are represented by Plan units. Subscriptions and redemptions are recorded upon receipt of account owners' instructions in good order, based on the next determined net asset value per unit (Unit Value), as defined in the current Plan Description. Unit Values for each investment portfolio are determined at the close of business of the NYSE. The Unit Value of each investment portfolio is computed by dividing the investment portfolio's assets minus its liabilities by the number of outstanding units of such investment portfolio. There are no distributions of interest, dividends, or net investment income or losses directly to account owners or beneficiaries. Interest, dividends, and net investment income (losses) resulting from the Underlying Funds are reflected as increases (decreases) in the Unit Value.

(i) Guarantees and Indemnifications

Under the Plan's organizational documents, each officer, employee, or other agent of the Plan (including TFI) is indemnified against certain liabilities that may arise out of performance of their duties to the Plan. Additionally, in the normal course of business, the Plan enters into contracts that contain a variety of indemnification clauses. The Plan's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Plan that have not yet occurred. However, the Plan has not had prior claims or losses pursuant to these contracts, and management of the Plan expects the risk of loss to be remote.



(A Fiduciary Fund of the State of California)

NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3: INVESTMENTS

(a) Investments by Type

At June 30, 2023, the Plan's investments consist of the following:

	<u>Units</u>	<u>Cost</u>	<u>Value</u>
Mutual Funds and ETFs (at fair value):			
DFA Emerging Markets Core Equity Portfolio	4,985,470	\$ 109,189,697	\$ 107,885,580
DFA Large Cap International Portfolio	17,349,944	412,525,776	438,953,581
Dreyfus Government Cash Management Institutional Fund	132,762	132,762	132,762
Metropolitan West Total Return Bond Fund	51,158,594	518,177,922	434,848,046
Nuveen ESG Emerging Markets Equity ETF	14,225	380,696	388,480
Nuveen ESG High Yield Corporate Bond ETF	25,282	525,516	519,796
Nuveen ESG U.S. Aggregate Bond ETF	333,872	7,530,446	7,340,176
PIMCO Income Fund	23,860,245	283,115,043	248,385,148
PIMCO Real Return Fund	24,655,188	281,141,635	246,058,777
T. Rowe Price Institutional Floating Rate Fund	13,461,318	131,510,772	125,459,481
T. Rowe Price Large-Cap Growth Fund	5,602,217	276,809,537	335,908,943
T. Rowe Price Large-Cap Value Fund	13,810,770	319,347,099	312,261,516
TIAA-CREF Bond Index Fund	198,460,699	2,149,576,301	1,891,330,459
TIAA-CREF Emerging Markets Equity Index Fund	23,022,681	261,108,915	237,824,293
TIAA-CREF Equity Index Fund	132,500,044	3,548,526,447	4,177,726,534
TIAA-CREF International Equity Index Fund	45,347,367	902,988,863	970,433,659
TIAA-CREF Quant Small-Cap Equity Fund	6,566,992	109,329,881	108,683,722
TIAA-CREF S&P 500 Index Fund	7,207,517	276,058,526	352,663,821
TIAA-CREF Social Choice Equity Fund	10,907,449	244,206,877	273,231,585
TIAA-CREF Social Choice International Equity Fund	304,917	3,584,523	3,832,801
Vanguard High-Yield Corporate Fund	43,720,034	243,438,979	228,218,575
Vanguard Real Estate Index Fund	20,190,424	432,486,511	369,888,563
Vanguard Short-Term Inflation-Protected Securities Index Fund	19,135,686	483,335,769	451,984,892
Total Mutual Funds and ETFs		<u>10,995,028,493</u>	<u>11,323,961,190</u>
Funding Agreements (at cost):			
TIAA-CREF Life Funding Agreements	N/A	<u>2,351,284,926</u>	<u>2,351,284,926</u>
Total Investments		<u>\$ 13,346,313,419</u>	<u>\$ 13,675,246,116</u>



NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3: INVESTMENTS (Continued)

(b) Funding Agreements

Assets of certain investment portfolios are invested in funding agreements issued by TIAA Life. While account owners may withdraw their funds from the investment portfolios at any time, there are certain restrictions on withdrawals that may be made from the funding agreements.

As policyholder, the Board may withdraw interest quarterly, provided that notice of intent to withdraw is given not more than 10 days nor less than 5 days prior to the end of the quarter.

In the event that the funding agreements are terminated, the Board is limited on the amount of withdrawals that may be requested at any one point in time. For the funding agreement attributable to the Principal Plus Interest Portfolio, withdrawal requests initiated by the Board totaling more than \$1 million over a 30-day period that are not intended to satisfy account owner withdrawal requests will be paid out over a five-year period, as follows: 20% of the remaining balance will be paid 30 days after the written request is received by TIAA Life, and 25%, 33%, 50%, and 100% of the remaining balance, including accumulated interest, will be paid on each of the four anniversaries of the date the request was received. For the funding agreement attributable to the Enrollment Year Investment Portfolios, withdrawal requests initiated by the Board totaling more than \$1 million over a 30-day period that are not intended to satisfy account owner withdrawal requests will be paid out on the second anniversary of the date the request was received and accepted by TIAA Life.

The crediting rate on the funding agreements from July 1, 2022 through December 31, 2022 is 1.00%, and the crediting rate from January 1, 2023 through June 30, 2023 is 2.80%.

(c) Investment Risk

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

U.S. GAAP requires that certain disclosures be made related to the Plan's investment policy and exposure to credit risk, interest rate risk, and foreign currency risk, which are included in the paragraphs that follow.

NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3: INVESTMENTS (Continued)

(c) Investment Risk (Continued)

Investment Policy

The Plan does not have specific investment policies that address credit, interest rate, foreign currency, or custodial credit risk. The Plan's investment portfolios are managed based on specific investment objectives and strategies, which are disclosed in the current Plan Description and related supplements.

Custodial Credit Risk

Custodial credit risk represents the potential inability of a custodian to return Plan investments in the event of a failure. Mutual funds and ETFs are not exposed to custodial credit risk.

Credit Risk

Credit risk refers to the ability of the issuer to make timely payments of interest and principal. The mutual funds and ETFs investing primarily in fixed income securities are subject to credit risk. The mutual funds and ETFs in which the Plan invests are not rated as to credit quality by a nationally recognized statistical rating organization, except for the Dreyfus Government Cash Management Institutional Fund, which is rated AAAM by Standard & Poor's at June 30, 2023. The funding agreements are a guaranteed insurance product issued by TIAA Life. While the funding agreements themselves are not rated by a nationally recognized statistical rating organization, TIAA Life has a Standard & Poor's credit rating of AA+ at June 30, 2023.

Interest Rate Risk

Interest rate risk represents the risk that changes in interest rates will adversely affect the fair value of an investment. Mutual funds and ETFs that invest in fixed income securities indirectly expose the Plan to interest rate risk. As of June 30, 2023, the fair values and the weighted average maturities for the bond mutual funds and ETFs in which the Plan invests are as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Dreyfus Government Cash Management Institutional Fund	\$ 132,762	27 days
Metropolitan West Total Return Bond Fund	\$ 434,848,046	7.8 years
Nuveen ESG High Yield Corporate Bond ETF	\$ 519,796	5.2 years
Nuveen ESG U.S. Aggregate Bond ETF	\$ 7,340,176	8.6 years
PIMCO Income Fund	\$ 248,385,148	5.8 years
PIMCO Real Return Fund	\$ 246,058,777	5.5 years
T. Rowe Price Institutional Floating Rate Fund	\$ 125,459,481	4.4 years
TIAA-CREF Bond Index Fund	\$ 1,891,330,459	8.9 years
Vanguard High-Yield Corporate Fund	\$ 228,218,575	4.9 years
Vanguard Short-Term Inflation-Protected Securities Index Fund	\$ 451,984,892	2.6 years

NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3: INVESTMENTS (Continued)

(c) Investment Risk (Continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan does not have any direct investment in foreign securities; however, certain investment portfolios invest in mutual funds and ETFs that are exposed to foreign currency risk.

At June 30, 2023, the following investments are exposed to foreign currency risk due to foreign securities in their underlying asset holdings:

	<u>Fair Value</u>
DFA Emerging Markets Core Equity Portfolio	\$ 107,885,580
DFA Large Cap International Portfolio	\$ 438,953,581
Nuveen ESG Emerging Markets Equity ETF	\$ 388,480
PIMCO Income Fund	\$ 248,385,148
TIAA-CREF Emerging Markets Equity Index Fund	\$ 237,824,293
TIAA-CREF International Equity Index Fund	\$ 970,433,659
TIAA-CREF Social Choice International Equity Fund	\$ 3,832,801

NOTE 4: SUBSCRIPTIONS AND REDEMPTIONS

As explained in Note 2(e) and Note 2(f), subscriptions and redemptions include contributions to the Plan and withdrawals from the Plan as directed by account owners, respectively, as well as exchanges between investment portfolios and transfers between one beneficiary to another or from one account owner to another that result in a reinvestment of assets. Total subscriptions and redemptions during the year ended June 30, 2023 are as follows:

Contributions	\$ 1,214,376,223
Exchanges and transfers in	711,589,911
Total subscriptions	<u>\$ 1,925,966,134</u>
Withdrawals	\$ 955,344,473
Exchanges and transfers out	711,589,911
Total redemptions	<u>\$ 1,666,934,384</u>



NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 5: PLAN FEES AND UNDERLYING FUND EXPENSES

(a) Plan Fees

Each investment portfolio (with the exception of the Principal Plus Interest Portfolio, which is not charged a fee) pays to the Plan Manager a fee equal to 0.01% of the average daily net position held in each respective investment portfolio for performing duties specified in the management agreement.

The Active Enrollment Year Investment Portfolios, ESG Enrollment Year Investment Portfolios, Active Multi-Fund Investment Portfolios, Social Choice Equity Portfolio, ESG International Equity Portfolio, and ESG Bond Portfolio pay a fee equal to 0.05% of the average daily net position held in each respective investment portfolio to the Board to cover expenses related to the administration of the Plan. None of the other investment portfolios are charged the Board administrative fee.

These amounts are reflected in expenses on the Statement of Changes in Fiduciary Net Position.

The Board reserves the right to change the fees and/or to impose additional fees in the future.

(b) Underlying Fund Expenses

Expenses related to management of the Underlying Funds reduce the amount of income available for distribution to the Plan. These Underlying Funds expenses are not direct expenses paid from the Plan's assets, and therefore, are not reflected in expenses on the Statement of Changes in Fiduciary Net Position.

NOTE 6: MARKET UNCERTAINTIES

Market disruptions associated with recent geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets and thus performance of the investment portfolios; at this time, an aggregate effect on the Plan's assets and performance cannot be reasonably estimated. Management of the Plan is continuing to monitor these developments and evaluate other impacts they may have on the investment portfolios.

NOTE 7: SUBSEQUENT EVENTS

Effective July 14, 2023, the 2022/2023 Enrollment Portfolio was discontinued, and existing account owner balances were transferred into the Enrollment Year Portfolio. On the same date, the 2040/2041 Enrollment Portfolio was added to the Plan as an additional Enrollment Year Investment Portfolio.

Supplementary Information

The following supplementary information, which summarizes balances and transactions related to each investment portfolio, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the ScholarShare College Savings Plan.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Active Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ASSETS					
Investments	\$ 14,063,038	\$ 41,015,213	\$ 93,546,106	\$ 186,446,215	\$ 250,872,455
Cash (cash overdraft)	55,053	152,158	90,587	24,592	(29,630)
Receivables from securities sold	-	-	-	-	-
Total Assets	<u>14,118,091</u>	<u>41,167,371</u>	<u>93,636,693</u>	<u>186,470,807</u>	<u>250,842,825</u>
LIABILITIES					
Accrued Plan Manager fee	109	329	754	1,507	2,030
Accrued Board administrative fee	543	1,645	3,768	7,534	10,149
Payables for securities purchased	54,531	160,267	70,038	44,548	39,635
Withdrawals payable	510	2,459	12,595	26,464	27,605
Total Liabilities	<u>55,693</u>	<u>164,700</u>	<u>87,155</u>	<u>80,053</u>	<u>79,419</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES					
	<u>\$ 14,062,398</u>	<u>\$ 41,002,671</u>	<u>\$ 93,549,538</u>	<u>\$ 186,390,754</u>	<u>\$ 250,763,406</u>
UNITS OUTSTANDING ⁽¹⁾					
	<u>1,455,735</u>	<u>3,333,550</u>	<u>7,718,609</u>	<u>15,532,563</u>	<u>21,161,469</u>
NET ASSET VALUE PER UNIT ⁽²⁾					
	<u>\$ 9.66</u>	<u>\$ 12.30</u>	<u>\$ 12.12</u>	<u>\$ 12.00</u>	<u>\$ 11.85</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Active Enrollment Year Investment Portfolios				
	2028/2029	2026/2027	2024/2025	2022/2023	Enrollment
	Enrollment	Enrollment	Enrollment	Enrollment	Year Portfolio
	Portfolio	Portfolio	Portfolio	Portfolio	Active
ASSETS					
Investments	\$ 342,405,830	\$ 470,355,844	\$ 570,227,943	\$ 357,011,851	\$ 349,930,589
Cash (cash overdraft)	(120,501)	(120,627)	193,934	86,431	(50,084)
Receivables from securities sold	100,438	-	-	138,460	249,633
Total Assets	<u>342,385,767</u>	<u>470,235,217</u>	<u>570,421,877</u>	<u>357,236,742</u>	<u>350,130,138</u>
LIABILITIES					
Accrued Plan Manager fee	2,778	3,833	4,659	2,936	2,886
Accrued Board administrative fee	13,891	19,166	23,297	14,681	14,428
Payables for securities purchased	-	61,653	64,701	-	-
Withdrawals payable	38,181	1,751	24,737	324,948	318,118
Total Liabilities	<u>54,850</u>	<u>86,403</u>	<u>117,394</u>	<u>342,565</u>	<u>335,432</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 342,330,917</u>	<u>\$ 470,148,814</u>	<u>\$ 570,304,483</u>	<u>\$ 356,894,177</u>	<u>\$ 349,794,706</u>
UNITS OUTSTANDING ⁽¹⁾	<u>29,587,806</u>	<u>41,753,891</u>	<u>51,056,802</u>	<u>32,622,868</u>	<u>32,752,313</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 11.57</u>	<u>\$ 11.26</u>	<u>\$ 11.17</u>	<u>\$ 10.94</u>	<u>\$ 10.68</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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ScholarShare 529SM

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Passive Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ASSETS					
Investments	\$ 151,609,852	\$ 376,261,653	\$ 495,488,914	\$ 650,905,316	\$ 678,038,307
Cash (cash overdraft)	432,031	251,595	82,216	191,579	418,664
Receivables from securities sold	-	-	-	-	-
Total Assets	<u>152,041,883</u>	<u>376,513,248</u>	<u>495,571,130</u>	<u>651,096,895</u>	<u>678,456,971</u>
LIABILITIES					
Accrued Plan Manager fee	1,181	3,021	3,726	5,261	5,486
Accrued Board administrative fee	-	-	-	-	-
Payables for securities purchased	470,987	202,516	118,657	189,333	127,207
Withdrawals payable	2,604	11,082	48,391	29,666	24,481
Total Liabilities	<u>474,772</u>	<u>216,619</u>	<u>170,774</u>	<u>224,260</u>	<u>157,174</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 151,567,111</u>	<u>\$ 376,296,629</u>	<u>\$ 495,400,356</u>	<u>\$ 650,872,635</u>	<u>\$ 678,299,797</u>
UNITS OUTSTANDING ⁽¹⁾	<u>15,481,830</u>	<u>30,718,092</u>	<u>41,043,940</u>	<u>54,511,946</u>	<u>57,385,770</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 9.79</u>	<u>\$ 12.25</u>	<u>\$ 12.07</u>	<u>\$ 11.94</u>	<u>\$ 11.82</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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ScholarShare 529SM

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Passive Enrollment Year Investment Portfolios				
	2028/2029	2026/2027	2024/2025	2022/2023	Enrollment
	Enrollment	Enrollment	Enrollment	Enrollment	Year Portfolio
	Portfolio	Portfolio	Portfolio	Portfolio	Passive
ASSETS					
Investments	\$ 594,905,525	\$ 542,374,902	\$ 656,288,376	\$ 706,054,435	\$ 1,019,267,426
Cash (cash overdraft)	213,574	387,109	452,210	11,245	1,014,781
Receivables from securities sold	-	-	-	103,737	287,764
Total Assets	595,119,099	542,762,011	656,740,586	706,169,417	1,020,569,971
LIABILITIES					
Accrued Plan Manager fee	4,816	4,404	5,352	5,801	8,403
Accrued Board administrative fee	-	-	-	-	-
Payables for securities purchased	265,550	235,526	110,925	-	-
Withdrawals payable	300	12,634	47,561	393,197	959,754
Total Liabilities	270,666	252,564	163,838	398,998	968,157
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES					
	\$ 594,848,433	\$ 542,509,447	\$ 656,576,748	\$ 705,770,419	\$ 1,019,601,814
UNITS OUTSTANDING ⁽¹⁾					
	51,636,149	48,438,343	59,472,532	64,690,231	96,188,850
NET ASSET VALUE PER UNIT ⁽²⁾					
	\$ 11.52	\$ 11.20	\$ 11.04	\$ 10.91	\$ 10.60

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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ScholarShare 529SM

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	ESG Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ASSETS					
Investments	\$ 2,019,996	\$ 1,096,259	\$ 662,108	\$ 854,243	\$ 945,609
Cash (cash overdraft)	8,368	10,943	5,537	400	781
Receivables from securities sold	-	-	-	-	-
Total Assets	<u>2,028,364</u>	<u>1,107,202</u>	<u>667,645</u>	<u>854,643</u>	<u>946,390</u>
LIABILITIES					
Accrued Plan Manager fee	16	8	5	7	7
Accrued Board administrative fee	80	42	26	33	37
Payables for securities purchased	2,532	314	630	452	-
Withdrawals payable	-	10,943	-	-	-
Total Liabilities	<u>2,628</u>	<u>11,307</u>	<u>661</u>	<u>492</u>	<u>44</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 2,025,736</u>	<u>\$ 1,095,895</u>	<u>\$ 666,984</u>	<u>\$ 854,151</u>	<u>\$ 946,346</u>
UNITS OUTSTANDING ⁽¹⁾	<u>205,658</u>	<u>111,712</u>	<u>68,129</u>	<u>87,516</u>	<u>97,561</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 9.85</u>	<u>\$ 9.81</u>	<u>\$ 9.79</u>	<u>\$ 9.76</u>	<u>\$ 9.70</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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	ESG Enrollment Year Investment Portfolios				
	2028/2029 Enrollment Portfolio	2026/2027 Enrollment Portfolio	2024/2025 Enrollment Portfolio	2022/2023 Enrollment Portfolio	Enrollment Year Portfolio ESG
ASSETS					
Investments	\$ 1,474,349	\$ 2,232,394	\$ 2,519,538	\$ 1,577,688	\$ 727,947
Cash (cash overdraft)	(35)	(687)	(250)	(219)	231
Receivables from securities sold	-	-	-	2,196	-
Total Assets	<u>1,474,314</u>	<u>2,231,707</u>	<u>2,519,288</u>	<u>1,579,665</u>	<u>728,178</u>
LIABILITIES					
Accrued Plan Manager fee	11	16	20	12	6
Accrued Board administrative fee	57	81	102	60	30
Payables for securities purchased	-	-	-	-	191
Withdrawals payable	-	-	-	2,411	-
Total Liabilities	<u>68</u>	<u>97</u>	<u>122</u>	<u>2,483</u>	<u>227</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 1,474,246</u>	<u>\$ 2,231,610</u>	<u>\$ 2,519,166</u>	<u>\$ 1,577,182</u>	<u>\$ 727,951</u>
UNITS OUTSTANDING⁽¹⁾	<u>153,567</u>	<u>233,921</u>	<u>261,868</u>	<u>161,928</u>	<u>73,829</u>
NET ASSET VALUE PER UNIT⁽²⁾	<u>\$ 9.60</u>	<u>\$ 9.54</u>	<u>\$ 9.62</u>	<u>\$ 9.74</u>	<u>\$ 9.86</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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ScholarShare 529SM

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Active Multi-Fund Investment Portfolios			
	Active Diversified Equity Portfolio	Active Growth Portfolio	Active Conservative Portfolio	Active International Equity Portfolio
ASSETS				
Investments	\$ 437,796,888	\$ 380,627,692	\$ 80,521,642	\$ 44,877,963
Cash (cash overdraft)	52,151	(236,303)	41,862	3,087
Receivables from securities sold	150,138	358,697	-	-
Total Assets	<u>437,999,177</u>	<u>380,750,086</u>	<u>80,563,504</u>	<u>44,881,050</u>
LIABILITIES				
Accrued Plan Manager fee	3,521	3,081	663	363
Accrued Board administrative fee	17,605	15,406	3,313	1,816
Payables for securities purchased	-	-	19,337	1,731
Withdrawals payable	180,119	187,765	13,948	7,894
Total Liabilities	<u>201,245</u>	<u>206,252</u>	<u>37,261</u>	<u>11,804</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 437,797,932</u>	<u>\$ 380,543,834</u>	<u>\$ 80,526,243</u>	<u>\$ 44,869,246</u>
UNITS OUTSTANDING ⁽¹⁾	<u>13,119,506</u>	<u>14,441,891</u>	<u>6,330,679</u>	<u>2,304,532</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 33.37</u>	<u>\$ 26.35</u>	<u>\$ 12.72</u>	<u>\$ 19.47</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Passive Multi-Fund Investment Portfolios			
	Passive Diversified Equity Portfolio	Passive Growth Portfolio	Passive Conservative Portfolio	Index International Equity Portfolio
ASSETS				
Investments	\$ 761,191,289	\$ 315,952,143	\$ 94,523,615	\$ 156,117,505
Cash (cash overdraft)	217,593	201,954	135,265	(89,774)
Receivables from securities sold	-	-	-	63,850
Total Assets	<u>761,408,882</u>	<u>316,154,097</u>	<u>94,658,880</u>	<u>156,091,581</u>
LIABILITIES				
Accrued Plan Manager fee	6,117	2,553	777	1,275
Accrued Board administrative fee	-	-	-	-
Payables for securities purchased	37,569	115,280	31,292	-
Withdrawals payable	180,886	76,076	134,474	8,306
Total Liabilities	<u>224,572</u>	<u>193,909</u>	<u>166,543</u>	<u>9,581</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 761,184,310</u>	<u>\$ 315,960,188</u>	<u>\$ 94,492,337</u>	<u>\$ 156,082,000</u>
UNITS OUTSTANDING ⁽¹⁾	<u>23,377,897</u>	<u>12,694,262</u>	<u>7,927,210</u>	<u>8,293,411</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 32.56</u>	<u>\$ 24.89</u>	<u>\$ 11.92</u>	<u>\$ 18.82</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

See Report of Independent Auditors.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF FIDUCIARY NET POSITION June 30, 2023

	Single Fund Investment Portfolios						Plan Total
	Social Choice Equity Portfolio	ESG International Equity Portfolio	ESG Bond Portfolio	Index Bond Portfolio	Index U.S. Equity Portfolio	Principal Plus Interest Portfolio	
ASSETS							
Investments	\$ 268,506,066	\$ 2,229,148	\$ 2,721,136	\$ 97,370,229	\$ 1,875,710,903	\$ 595,919,976	\$ 13,675,246,116
Cash (cash overdraft)	19,850	7,105	155,342	187,715	(115,227)	470,130	4,812,736
Receivables from securities sold	91,692	-	-	-	287,040	-	1,833,645
Total Assets	<u>268,617,608</u>	<u>2,236,253</u>	<u>2,876,478</u>	<u>97,557,944</u>	<u>1,875,882,716</u>	<u>596,390,106</u>	<u>13,681,892,497</u>
LIABILITIES							
Accrued Plan Manager fee	2,151	17	22	790	14,968	-	105,678
Accrued Board administrative fee	10,756	87	112	-	-	-	158,745
Payables for securities purchased	-	6,723	-	172,286	-	152,607	2,757,018
Withdrawals payable	128,798	377	195	10,987	370,226	317,507	3,937,950
Total Liabilities	<u>141,705</u>	<u>7,204</u>	<u>329</u>	<u>184,063</u>	<u>385,194</u>	<u>470,114</u>	<u>6,959,391</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 268,475,903</u>	<u>\$ 2,229,049</u>	<u>\$ 2,876,149</u>	<u>\$ 97,373,881</u>	<u>\$ 1,875,497,522</u>	<u>\$ 595,919,992</u>	<u>\$ 13,674,933,106</u>
UNITS OUTSTANDING ⁽¹⁾	<u>6,819,302</u>	<u>224,250</u>	<u>314,677</u>	<u>8,372,647</u>	<u>44,358,976</u>	<u>50,716,595</u>	
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 39.37</u>	<u>\$ 9.94</u>	<u>\$ 9.14</u>	<u>\$ 11.63</u>	<u>\$ 42.28</u>	<u>\$ 11.75</u>	

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

See Report of Independent Auditors.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Active Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ADDITIONS					
Subscriptions	\$ 7,944,253	\$ 8,142,265	\$ 12,718,240	\$ 21,130,532	\$ 24,565,066
Net investment income (loss)	1,223,678	4,268,313	9,375,466	18,020,595	22,277,848
Total Additions	9,167,931	12,410,578	22,093,706	39,151,127	46,842,914
DEDUCTIONS					
Redemptions	1,254,973	2,435,944	2,670,961	5,215,600	7,690,625
Expenses:					
Plan Manager fee	901	3,526	8,225	16,616	22,735
Board administrative fee	4,502	17,630	41,118	83,079	113,675
Total expenses	5,403	21,156	49,343	99,695	136,410
Total Deductions	1,260,376	2,457,100	2,720,304	5,315,295	7,827,035
CHANGE IN NET POSITION	7,907,555	9,953,478	19,373,402	33,835,832	39,015,879
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	6,154,843	31,049,193	74,176,136	152,554,922	211,747,527
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 14,062,398	\$ 41,002,671	\$ 93,549,538	\$ 186,390,754	\$ 250,763,406

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Active Enrollment Year Investment Portfolios				
	2028/2029	2026/2027	2024/2025	2022/2023	Enrollment
	Enrollment	Enrollment	Enrollment	Enrollment	Year Portfolio
	Portfolio	Portfolio	Portfolio	Portfolio	Active
ADDITIONS					
Subscriptions	\$ 29,910,046	\$ 37,116,280	\$ 40,392,534	\$ 31,900,988	\$ 33,241,360
Net investment income (loss)	25,913,297	29,093,015	28,160,944	14,020,175	13,957,448
Total Additions	<u>55,823,343</u>	<u>66,209,295</u>	<u>68,553,478</u>	<u>45,921,163</u>	<u>47,198,808</u>
DEDUCTIONS					
Redemptions	<u>9,279,750</u>	<u>15,772,323</u>	<u>25,186,044</u>	<u>59,363,402</u>	<u>134,591,742</u>
Expenses:					
Plan Manager fee	31,453	44,072	54,464	35,959	38,108
Board administrative fee	<u>157,256</u>	<u>220,359</u>	<u>272,326</u>	<u>179,798</u>	<u>190,542</u>
Total expenses	<u>188,709</u>	<u>264,431</u>	<u>326,790</u>	<u>215,757</u>	<u>228,650</u>
Total Deductions	<u>9,468,459</u>	<u>16,036,754</u>	<u>25,512,834</u>	<u>59,579,159</u>	<u>134,820,392</u>
CHANGE IN NET POSITION	46,354,884	50,172,541	43,040,644	(13,657,996)	(87,621,584)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>295,976,033</u>	<u>419,976,273</u>	<u>527,263,839</u>	<u>370,552,173</u>	<u>437,416,290</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 342,330,917</u>	<u>\$ 470,148,814</u>	<u>\$ 570,304,483</u>	<u>\$ 356,894,177</u>	<u>\$ 349,794,706</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Passive Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ADDITIONS					
Subscriptions	\$ 96,529,429	\$ 81,452,856	\$ 198,661,570	\$ 51,218,830	\$ 49,733,197
Net investment income (loss)	13,392,156	38,880,444	38,146,805	63,747,343	60,110,412
Total Additions	109,921,585	120,333,300	236,808,375	114,966,173	109,843,609
DEDUCTIONS					
Redemptions	3,855,720	10,467,479	7,684,739	8,286,780	8,849,487
Expenses:					
Plan Manager fee	9,126	31,370	31,105	58,670	61,660
Board administrative fee	-	-	-	-	-
Total expenses	9,126	31,370	31,105	58,670	61,660
Total Deductions	3,864,846	10,498,849	7,715,844	8,345,450	8,911,147
CHANGE IN NET POSITION	106,056,739	109,834,451	229,092,531	106,620,723	100,932,462
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	45,510,372	266,462,178	266,307,825	544,251,912	577,367,335
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 151,567,111	\$ 376,296,629	\$ 495,400,356	\$ 650,872,635	\$ 678,299,797

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Passive Enrollment Year Investment Portfolios				
	2028/2029	2026/2027	2024/2025	2022/2023	Enrollment
	Enrollment	Enrollment	Enrollment	Enrollment	Year Portfolio
	Portfolio	Portfolio	Portfolio	Portfolio	Passive
ADDITIONS					
Subscriptions	\$ 55,556,399	\$ 63,201,377	\$ 65,929,491	\$ 61,998,524	\$ 96,305,753
Net investment income (loss)	43,665,288	31,664,593	30,442,221	25,926,552	37,499,497
Total Additions	<u>99,221,687</u>	<u>94,865,970</u>	<u>96,371,712</u>	<u>87,925,076</u>	<u>133,805,250</u>
DEDUCTIONS					
Redemptions	<u>11,518,391</u>	<u>20,552,981</u>	<u>35,469,448</u>	<u>127,605,381</u>	<u>390,735,512</u>
Expenses:					
Plan Manager fee	54,212	49,866	62,080	71,511	111,210
Board administrative fee	-	-	-	-	-
Total expenses	<u>54,212</u>	<u>49,866</u>	<u>62,080</u>	<u>71,511</u>	<u>111,210</u>
Total Deductions	<u>11,572,603</u>	<u>20,602,847</u>	<u>35,531,528</u>	<u>127,676,892</u>	<u>390,846,722</u>
CHANGE IN NET POSITION	87,649,084	74,263,123	60,840,184	(39,751,816)	(257,041,472)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>507,199,349</u>	<u>468,246,324</u>	<u>595,736,564</u>	<u>745,522,235</u>	<u>1,276,643,286</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 594,848,433</u>	<u>\$ 542,509,447</u>	<u>\$ 656,576,748</u>	<u>\$ 705,770,419</u>	<u>\$ 1,019,601,814</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	ESG Enrollment Year Investment Portfolios				
	2038/2039	2036/2037	2034/2035	2032/2033	2030/2031
	Enrollment	Enrollment	Enrollment	Enrollment	Enrollment
	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
ADDITIONS					
Subscriptions	\$ 1,342,775	\$ 659,077	\$ 505,441	\$ 584,312	\$ 713,944
Net investment income (loss)	183,852	94,682	54,620	61,978	67,163
Total Additions	<u>1,526,627</u>	<u>753,759</u>	<u>560,061</u>	<u>646,290</u>	<u>781,107</u>
DEDUCTIONS					
Redemptions	<u>6,250</u>	<u>49,489</u>	<u>72,220</u>	<u>11,377</u>	<u>70,470</u>
Expenses:					
Plan Manager fee	125	70	43	46	56
Board administrative fee	<u>622</u>	<u>352</u>	<u>219</u>	<u>225</u>	<u>282</u>
Total expenses	<u>747</u>	<u>422</u>	<u>262</u>	<u>271</u>	<u>338</u>
Total Deductions	<u>6,997</u>	<u>49,911</u>	<u>72,482</u>	<u>11,648</u>	<u>70,808</u>
CHANGE IN NET POSITION	1,519,630	703,848	487,579	634,642	710,299
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>506,106</u>	<u>392,047</u>	<u>179,405</u>	<u>219,509</u>	<u>236,047</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 2,025,736</u>	<u>\$ 1,095,895</u>	<u>\$ 666,984</u>	<u>\$ 854,151</u>	<u>\$ 946,346</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	ESG Enrollment Year Investment Portfolios				
	2028/2029	2026/2027	2024/2025	2022/2023	Enrollment
	Enrollment	Enrollment	Enrollment	Enrollment	Year Portfolio
	Portfolio	Portfolio	Portfolio	Portfolio	ESG
ADDITIONS					
Subscriptions	\$ 1,000,359	\$ 1,863,916	\$ 2,434,034	\$ 1,283,472	\$ 726,640
Net investment income (loss)	80,315	79,763	60,509	36,242	23,717
Total Additions	<u>1,080,674</u>	<u>1,943,679</u>	<u>2,494,543</u>	<u>1,319,714</u>	<u>750,357</u>
DEDUCTIONS					
Redemptions	<u>38,429</u>	<u>49,186</u>	<u>424,476</u>	<u>1,053,154</u>	<u>612,999</u>
Expenses:					
Plan Manager fee	85	109	115	130	67
Board administrative fee	<u>432</u>	<u>546</u>	<u>581</u>	<u>652</u>	<u>338</u>
Total expenses	<u>517</u>	<u>655</u>	<u>696</u>	<u>782</u>	<u>405</u>
Total Deductions	<u>38,946</u>	<u>49,841</u>	<u>425,172</u>	<u>1,053,936</u>	<u>613,404</u>
CHANGE IN NET POSITION	1,041,728	1,893,838	2,069,371	265,778	136,953
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>432,518</u>	<u>337,772</u>	<u>449,795</u>	<u>1,311,404</u>	<u>590,998</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 1,474,246</u>	<u>\$ 2,231,610</u>	<u>\$ 2,519,166</u>	<u>\$ 1,577,182</u>	<u>\$ 727,951</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Active Multi-Fund Investment Portfolios			
	Active Diversified Equity Portfolio	Active Growth Portfolio	Active Conservative Portfolio	Active International Equity Portfolio
ADDITIONS				
Subscriptions	\$ 65,491,334	\$ 63,334,970	\$ 17,672,076	\$ 9,865,832
Net investment income (loss)	58,964,988	37,216,499	1,294,311	5,641,958
Total Additions	<u>124,456,322</u>	<u>100,551,469</u>	<u>18,966,387</u>	<u>15,507,790</u>
DEDUCTIONS				
Redemptions	<u>55,503,181</u>	<u>55,668,611</u>	<u>18,803,342</u>	<u>7,563,485</u>
Expenses:				
Plan Manager fee	39,398	35,005	7,966	3,934
Board administrative fee	<u>196,987</u>	<u>175,035</u>	<u>39,827</u>	<u>19,670</u>
Total expenses	<u>236,385</u>	<u>210,040</u>	<u>47,793</u>	<u>23,604</u>
Total Deductions	<u>55,739,566</u>	<u>55,878,651</u>	<u>18,851,135</u>	<u>7,587,089</u>
CHANGE IN NET POSITION	68,716,756	44,672,818	115,252	7,920,701
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>369,081,176</u>	<u>335,871,016</u>	<u>80,410,991</u>	<u>36,948,545</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 437,797,932</u>	<u>\$ 380,543,834</u>	<u>\$ 80,526,243</u>	<u>\$ 44,869,246</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Passive Multi-Fund Investment Portfolios			
	Passive Diversified Equity Portfolio	Passive Growth Portfolio	Passive Conservative Portfolio	Index International Equity Portfolio
ADDITIONS				
Subscriptions	\$ 96,700,109	\$ 48,697,886	\$ 27,282,123	\$ 23,427,548
Net investment income (loss)	105,996,389	31,701,027	1,078,726	20,222,080
Total Additions	<u>202,696,498</u>	<u>80,398,913</u>	<u>28,360,849</u>	<u>43,649,628</u>
DEDUCTIONS				
Redemptions	<u>97,624,637</u>	<u>41,047,257</u>	<u>28,942,580</u>	<u>20,018,745</u>
Expenses:				
Plan Manager fee	68,908	29,002	9,415	14,129
Board administrative fee	-	-	-	-
Total expenses	<u>68,908</u>	<u>29,002</u>	<u>9,415</u>	<u>14,129</u>
Total Deductions	<u>97,693,545</u>	<u>41,076,259</u>	<u>28,951,995</u>	<u>20,032,874</u>
CHANGE IN NET POSITION	105,002,953	39,322,654	(591,146)	23,616,754
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>656,181,357</u>	<u>276,637,534</u>	<u>95,083,483</u>	<u>132,465,246</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 761,184,310</u>	<u>\$ 315,960,188</u>	<u>\$ 94,492,337</u>	<u>\$ 156,082,000</u>

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ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Single Fund Investment Portfolios						
	Social Choice	ESG			Index		
	Equity Portfolio	International Equity Portfolio	ESG Bond Portfolio	Index Bond Portfolio	U.S. Equity Portfolio	Principal Plus Interest Portfolio	Plan Total
ADDITIONS							
Subscriptions	\$ 26,054,594	\$ 2,093,286	\$ 2,501,704	\$ 34,837,660	\$ 243,708,083	\$ 185,535,969	\$ 1,925,966,134
Net investment income (loss)	41,645,511	198,155	(9,658)	(761,780)	293,667,672	11,375,768	1,158,760,577
Total Additions	<u>67,700,105</u>	<u>2,291,441</u>	<u>2,492,046</u>	<u>34,075,880</u>	<u>537,375,755</u>	<u>196,911,737</u>	<u>3,084,726,711</u>
DEDUCTIONS							
Redemptions	36,468,014	539,504	677,269	21,443,916	169,552,179	222,206,332	1,666,934,384
Expenses:							
Plan Manager fee	24,895	107	187	8,611	164,422	-	1,203,694
Board administrative fee	124,469	538	935	-	-	-	1,841,995
Total expenses	<u>149,364</u>	<u>645</u>	<u>1,122</u>	<u>8,611</u>	<u>164,422</u>	<u>-</u>	<u>3,045,689</u>
Total Deductions	<u>36,617,378</u>	<u>540,149</u>	<u>678,391</u>	<u>21,452,527</u>	<u>169,716,601</u>	<u>222,206,332</u>	<u>1,669,980,073</u>
CHANGE IN NET POSITION	31,082,727	1,751,292	1,813,655	12,623,353	367,659,154	(25,294,595)	1,414,746,638
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>237,393,176</u>	<u>477,757</u>	<u>1,062,494</u>	<u>84,750,528</u>	<u>1,507,838,368</u>	<u>621,214,587</u>	<u>12,260,186,468</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 268,475,903</u>	<u>\$ 2,229,049</u>	<u>\$ 2,876,149</u>	<u>\$ 97,373,881</u>	<u>\$ 1,875,497,522</u>	<u>\$ 595,919,992</u>	<u>\$ 13,674,933,106</u>

See Report of Independent Auditors.



Report of Independent Auditors 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 Golden State ScholarShare College Savings Trust

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the ScholarShare College Savings Plan (the "Plan"), which comprise the statement of fiduciary net position as of June 30, 2023, and the related statement of changes in fiduciary net position for the year then ended, including the related notes (collectively referred to as the "financial statements"), and have issued our report thereon dated August 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from 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 financial statements. 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 Plan'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 Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
August 31, 2023