



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

Annual Report

June 30, 2022



ScholarShare529SM
(A Fiduciary Fund of the State of California)

TABLE OF CONTENTS
June 30, 2022

	<u>Page</u>
REPORT OF INDEPENDENT AUDITORS	1 – 3
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)	4 – 8
BASIC FINANCIAL STATEMENTS	
Statement of Fiduciary Net Position	9
Statement of Changes in Fiduciary Net Position	10
Notes to Financial Statements	11 – 19
SUPPLEMENTARY INFORMATION	
Statements of Fiduciary Net Position	21 – 29
Statements of Changes in Fiduciary Net Position	30 – 38
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	39 – 40



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, which comprise the statement of fiduciary net position as of June 30, 2022, and the related statement of changes in fiduciary net position for the year then ended, including the related note, collectively comprise the ScholarShare College Savings Plan's basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of the ScholarShare College Savings Plan as of June 30, 2022, 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 ScholarShare College Savings 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 ScholarShare College Savings 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 ScholarShare College Savings 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 ScholarShare College Savings 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 and, 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 ScholarShare College Savings Plan's basic financial statements. 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. Such 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, 2022 on our consideration of the ScholarShare College Savings 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. 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 ScholarShare College Savings Plan's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Charlotte, NC
August 31, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2022

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, 2022, with comparative information for the year ended June 30, 2021. 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 schedules 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, 2022 and 2021:

	<u>Year Ended</u> <u>June 30, 2022</u>	<u>Year Ended</u> <u>June 30, 2021</u>		<u>Year Ended</u> <u>June 30, 2022</u>	<u>Year Ended</u> <u>June 30, 2021</u>
<u>Active Enrollment Year Investment Portfolios</u>			<u>Passive Enrollment Year Investment Portfolios</u>		
2038/2039 Enrollment Portfolio	(14.39%)	0.10% ⁽¹⁾	2038/2039 Enrollment Portfolio	(13.40%)	0.00% ⁽¹⁾
2036/2037 Enrollment Portfolio	(14.30%)	36.32%	2036/2037 Enrollment Portfolio	(13.37%)	31.90%
2034/2035 Enrollment Portfolio	(14.08%)	35.19%	2034/2035 Enrollment Portfolio	(13.04%)	30.60%
2032/2033 Enrollment Portfolio	(13.80%)	33.40%	2032/2033 Enrollment Portfolio	(12.82%)	29.01%
2030/2031 Enrollment Portfolio	(13.34%)	31.64%	2030/2031 Enrollment Portfolio	(12.47%)	27.41%
2028/2029 Enrollment Portfolio	(12.75%)	28.98%	2028/2029 Enrollment Portfolio	(11.76%)	24.82%
2026/2027 Enrollment Portfolio	(11.48%)	24.40%	2026/2027 Enrollment Portfolio	(10.69%)	20.68%
2024/2025 Enrollment Portfolio	(9.15%)	19.41%	2024/2025 Enrollment Portfolio	(8.52%)	16.16%
2022/2023 Enrollment Portfolio	(6.40%)	14.33%	2022/2023 Enrollment Portfolio	(5.90%)	11.90%
2020/2021 Enrollment Portfolio	N/A	9.77% ⁽²⁾	2020/2021 Enrollment Portfolio	N/A	7.94% ⁽²⁾
Enrollment Year Portfolio	(4.98%)	8.40%	Enrollment Year Portfolio	(4.57%)	6.77%

⁽¹⁾ Effective June 11, 2021, the 2038/2039 Enrollment Portfolio was added to the Plan as an additional Active Enrollment Year Investment Portfolio and Passive Enrollment Year Investment Portfolio. The returns for the 2038/2039 Enrollment Portfolios are for the period from June 11, 2021 through June 30, 2021.

⁽²⁾ Effective June 11, 2021, the 2020/2021 Enrollment Portfolio was discontinued, and existing account owner balances were transferred to the already existing Enrollment Year Portfolio. The returns for the 2020/2021 Enrollment Portfolios are for the period from July 1, 2020 through June 11, 2021.

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



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) June 30, 2022

Financial Highlights (Continued)

	Year Ended June 30, 2022	Year Ended June 30, 2021		Year Ended June 30, 2022	Year Ended June 30, 2021
<u>ESG Enrollment Year Investment Portfolios</u>			<u>Single Fund Investment Portfolios</u>		
2038/2039 Enrollment Portfolio	(13.20%) ⁽⁵⁾	N/A	Social Choice Equity Portfolio	(14.52%)	43.50%
2036/2037 Enrollment Portfolio	(13.10%) ⁽⁵⁾	N/A	ESG International Equity Portfolio	(16.00%) ⁽⁶⁾	N/A
2034/2035 Enrollment Portfolio	(12.80%) ⁽³⁾	N/A	ESG Bond Portfolio	(7.00%) ⁽⁶⁾	N/A
2032/2033 Enrollment Portfolio	(12.40%) ⁽⁵⁾	N/A	Index Bond Portfolio	(10.45%)	(0.53)%
2030/2031 Enrollment Portfolio	(12.00%) ⁽⁵⁾	N/A	Index U.S. Large Cap Equity Portfolio	3.63% ⁽⁵⁾	40.69%
2028/2029 Enrollment Portfolio	(11.30%) ⁽³⁾	N/A	Index U.S. Equity Portfolio	(13.86%)	44.03%
2026/2027 Enrollment Portfolio	(10.20%) ⁽⁵⁾	N/A	Principal Plus Interest Portfolio	1.05%	1.42%
2024/2025 Enrollment Portfolio	(8.20%) ⁽⁵⁾	N/A			
2022/2023 Enrollment Portfolio	(5.90%) ⁽⁵⁾	N/A			
Enrollment Year Portfolio	(4.60%) ⁽³⁾	N/A			
<u>Active Multi-Fund Investment Portfolios</u>			<u>Passive Multi-Fund Investment Portfolios</u>		
Active Diversified Equity Portfolio	(15.93%)	45.20%	Passive Diversified Equity Portfolio	(14.88%)	40.31%
Active Growth Portfolio	(13.60%)	32.01%	Passive Growth Portfolio	(12.82%)	27.78%
Active Moderate Growth Portfolio	(1.46%) ⁽⁴⁾	19.92%	Passive Moderate Growth Portfolio	(1.48%) ⁽⁴⁾	16.21%
Active Conservative Portfolio	(3.99%)	3.08%	Passive Conservative Portfolio	(3.76%)	1.74%
Active Diversified Fixed Income Portfolio	(1.79%) ⁽⁴⁾	4.93%	Passive Diversified Fixed Income Portfolio	(2.42%) ⁽⁴⁾	2.06%
Active International Equity Portfolio	(16.53%)	37.14%	Index International Equity Portfolio	(18.89%)	33.66%

⁽³⁾ 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.

⁽⁴⁾ 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.

⁽⁵⁾ 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.

⁽⁶⁾ 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 \$1.0 billion and \$391.9 million in net subscriptions during the years ended June 30, 2022 and 2021, respectively.

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. During the year ended June 30, 2021, the Plan earned \$2.1 billion in net investment income, resulting from \$247.9 million in interest and dividends and a \$1.9 billion net increase in the fair value of investments.

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2022**

Financial Highlights (Continued)

Plan fees incurred during the years ended June 30, 2022 and 2021 totaled \$3.2 million and \$2.8 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, 2022

Financial Analysis

Fiduciary Net Position

The following are condensed Statements of Fiduciary Net Position as of June 30, 2022 and 2021:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Total Assets	\$ 12,267,092,720	\$ 12,535,465,233
Total Liabilities	6,906,252	7,043,665
Fiduciary Net Position	<u>\$ 12,260,186,468</u>	<u>\$ 12,528,421,568</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 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, 2022 and 2021:

	<u>Year Ended June 30, 2022</u>	<u>Year Ended June 30, 2021</u>
Additions		
Subscriptions ⁽¹⁾	\$ 2,881,760,677	\$ 2,089,276,464
Net investment (loss) income	(1,296,330,314)	2,148,121,826
Total Additions	<u>1,585,430,363</u>	<u>4,237,398,290</u>
Deductions		
Redemptions ⁽²⁾	(1,850,493,615)	(1,697,425,976)
Plan Manager fee	(1,196,335)	(1,062,420)
Board administrative fee	(1,975,513)	(1,757,032)
Total Deductions	<u>(1,853,665,463)</u>	<u>(1,700,245,428)</u>
(Decrease) Increase in Net Position	(268,235,100)	2,537,152,862
Fiduciary Net Position - Beginning of Year	<u>12,528,421,568</u>	<u>9,991,268,706</u>
Fiduciary Net Position - End of Year	<u>\$ 12,260,186,468</u>	<u>\$ 12,528,421,568</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, 2022**

Recent Developments

The market disruptions associated with current 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 assets and performance cannot be reasonably estimated. Management is continuing to monitor these developments and evaluate other impacts they may have on the investment portfolios.

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, 2022

ASSETS

Investments	\$ 12,260,706,432
Cash	4,656,283
Receivables from securities sold	1,730,005
Total Assets	<u>12,267,092,720</u>

LIABILITIES

Accrued Plan Manager fee	91,545
Accrued Board administrative fee	150,490
Payables for securities purchased	2,428,448
Withdrawals payable	4,235,769
Total Liabilities	<u>6,906,252</u>

NET POSITION HELD IN TRUST FOR
ACCOUNT OWNERS AND BENEFICIARIES

\$ 12,260,186,468

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, 2022

ADDITIONS

Subscriptions	\$ 2,881,760,677
Investment income (loss):	
Interest	24,416,054
Dividends	344,927,350
Net decrease in the fair value of investments	(1,665,673,718)
Total net investment loss	<u>(1,296,330,314)</u>
Total Additions	<u>1,585,430,363</u>

DEDUCTIONS

Redemptions	1,850,493,615
Plan Manager fees	1,196,335
Board administrative fees	1,975,513
Total Deductions	<u>1,853,665,463</u>

CHANGES IN NET POSITION

(268,235,100)

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

12,528,421,568

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

\$ 12,260,186,468

See accompanying notes to financial statements.



NOTES TO FINANCIAL STATEMENTS
June 30, 2022

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. Until February 11, 2022, The Plan offered six Active Multi-Fund Investment Portfolios, six Passive Multi-Fund Investment Portfolios, five Single Fund Investment Portfolios, and one of ten Active Enrollment Year Investment Portfolios or one of ten Passive Enrollment Year Investment Portfolios. Effective February 11, 2022, there were substantial changes to the investment portfolios. Two Active Multi-Fund Investment Portfolios and two Passive Multi-Fund Investment Portfolios (Moderate Growth Portfolio and Diversified Fixed Income Portfolio) were liquidated and transferred into already existing Active Multi-Fund Investment Portfolio and Passive Multi-Fund Investment Portfolios (Growth Portfolio and Conservative Portfolio, respectively). In addition, the Index U.S. Large Cap Equity Portfolio, a Single Fund Investment Portfolio, was liquidated and transferred into the already existing Index U.S. Equity Portfolio, and two additional Single Fund Investment Portfolios were added to the Plan (ESG International Equity Portfolio and ESG Bond Portfolio). Lastly, the Plan began to offer ten ESG Enrollment Year Investment Portfolios. At June 30, 2022, the four Active Multi-Fund Investment Portfolios, four Passive Multi-Fund Investment Portfolios, and six Single Fund Investment Portfolios allow account owners to choose their own strategy based on their risk tolerance and time horizon, and the thirty Active Enrollment Year Investment Portfolios, Passive Enrollment Year Investment Portfolios, and ESG Enrollment Year Investment Portfolios seek to match their respective risk levels to investment time horizons with asset allocations becoming increasingly more conservative as the



NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS (Continued)

beneficiary enrollment year approaches, and are 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 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 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.

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investment Valuation (Continued)

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.

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

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



NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Subscriptions (Continued)

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.

(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, 2022

NOTE 3: INVESTMENTS

(a) Investments by Type

At June 30, 2022, the Plan's investments consist of the following:

	<u>Units</u>	<u>Cost</u>	<u>Value</u>
Mutual Funds and ETFs (at fair value):			
T. Rowe Price Large-Cap Growth Fund	5,700,070	\$ 283,120,815	\$ 280,215,492
T. Rowe Price Large-Cap Value Fund	11,633,406	272,524,679	291,067,821
T. Rowe Price Institutional Floating Rate Fund	13,112,165	128,782,494	119,058,457
TIAA-CREF Quant Small-Cap Equity Fund	6,530,741	109,574,110	98,091,727
DFA Large Cap International Portfolio	18,179,016	433,555,606	404,483,096
DFA Emerging Markets Core Equity Portfolio	4,789,825	105,854,231	100,825,810
Metropolitan West Total Return Bond Fund	47,196,260	489,449,367	422,406,523
PIMCO Real Return Fund	22,171,865	256,604,465	237,682,398
PIMCO Income Fund	22,605,177	271,528,694	239,840,933
TIAA-CREF Equity Index Fund	126,130,468	3,354,244,307	3,404,261,320
TIAA-CREF International Equity Index Fund	44,934,292	896,693,759	832,632,430
TIAA-CREF Emerging Markets Equity Index Fund	19,993,384	231,956,588	209,130,796
TIAA-CREF Bond Index Fund	178,838,450	1,975,496,880	1,768,712,273
TIAA-CREF Social Choice Equity Fund	10,724,099	239,720,459	238,825,692
TIAA-CREF S&P 500 Index Fund	7,401,720	282,162,396	308,651,742
Vanguard Real Estate Index Fund	16,207,457	362,777,613	323,662,912
Vanguard High-Yield Corporate Fund	41,465,738	232,819,357	211,060,607
Vanguard Short-Term Inflation-Protected Securities Index Fund	17,197,371	438,146,537	426,666,780
TIAA-CREF Social Choice International Equity Fund	88,271	1,049,184	958,627
Nuveen ESG Emerging Markets Equity ETF	4,319	125,718	117,866
Nuveen ESG U.S. Aggregate Bond ETF	110,959	2,669,690	2,537,633
Nuveen ESG High Yield Corporate Bond ETF	7,903	173,286	161,063
Total Mutual Funds and ETFs		<u>10,369,030,235</u>	<u>9,921,051,998</u>
Funding Agreements (at cost):			
TIAA-CREF Life Funding Agreements	N/A	<u>2,339,654,434</u>	<u>2,339,654,434</u>
Total Investments		<u>\$ 12,708,684,669</u>	<u>\$ 12,260,706,432</u>



NOTES TO FINANCIAL STATEMENTS
June 30, 2022

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, 2021 through December 31, 2021 is 1.10%, and the crediting rate from January 1, 2022 through June 30, 2022 is 1.00%.

(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, 2022

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. 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, 2022.

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, 2022, 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>
T. Rowe Price Institutional Floating Rate Fund	\$ 119,058,457	4.9 years
Metropolitan West Total Return Bond Fund	\$ 422,406,523	9.2 years
PIMCO Real Return Fund	\$ 237,682,398	6.2 years
PIMCO Income Fund	\$ 239,840,933	4.8 years
TIAA-CREF Bond Index Fund	\$ 1,768,712,273	8.7 years
Vanguard High-Yield Corporate Fund	\$ 211,060,607	6.1 years
Vanguard Short-Term Inflation-Protected Securities Index Fund	\$ 426,666,780	2.5 years
Nuveen ESG U.S. Aggregate Bond ETF	\$ 2,537,633	8.4 years
Nuveen ESG High Yield Corporate Bond ETF	\$ 161,063	6.1 years

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

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, 2022, the following investments are exposed to foreign currency risk due to foreign securities in their underlying asset holdings:

	<u>Fair Value</u>
DFA Large Cap International Portfolio	\$ 404,483,096
DFA Emerging Markets Core Equity Portfolio	\$ 100,825,810
PIMCO Income Fund	\$ 239,840,933
TIAA-CREF International Equity Index Fund	\$ 832,632,430
TIAA-CREF Emerging Markets Equity Index Fund	\$ 209,130,796
TIAA-CREF Social Choice International Equity Fund	\$ 958,627
Nuveen ESG Emerging Markets Equity ETF	\$ 117,866

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, 2022 are as follows:

Contributions	\$ 1,936,440,498
Exchanges and transfers in	945,320,179
Total subscriptions	<u>\$ 2,881,760,677</u>
Withdrawals	\$ 905,173,436
Exchanges and transfers out	945,320,179
Total redemptions	<u>\$ 1,850,493,615</u>



NOTES TO FINANCIAL STATEMENTS
June 30, 2022

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

The COVID-19 pandemic continues to impact both domestic and global financial markets. Management of the Plan is unable to accurately predict how the COVID-19 pandemic will impact the Plan, account owner savings behavior, or the volume of withdrawals due to uncertainties surrounding the severity of the disease and the duration of its outbreak.

The market disruptions associated with current 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 assets and performance cannot be reasonably estimated. Management is continuing to monitor these developments and evaluate other impacts they may have on the investment portfolios.

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, 2022

	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	\$ 6,158,051	\$ 31,038,691	\$ 74,183,561	\$ 152,575,780	\$ 211,756,673
Cash (cash overdraft)	45,325	39,763	16,511	60,408	60,323
Receivables from securities sold	-	-	-	-	-
Total Assets	<u>6,203,376</u>	<u>31,078,454</u>	<u>74,200,072</u>	<u>152,636,188</u>	<u>211,816,996</u>
LIABILITIES					
Accrued Plan Manager fee	50	260	623	1,281	1,778
Accrued Board administrative fee	249	1,299	3,117	6,403	8,890
Payables for securities purchased	48,234	24,470	20,196	43,345	34,195
Withdrawals payable	-	3,232	-	30,237	24,606
Total Liabilities	<u>48,533</u>	<u>29,261</u>	<u>23,936</u>	<u>81,266</u>	<u>69,469</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 6,154,843</u>	<u>\$ 31,049,193</u>	<u>\$ 74,176,136</u>	<u>\$ 152,554,922</u>	<u>\$ 211,747,527</u>
UNITS OUTSTANDING ⁽¹⁾	<u>718,185</u>	<u>2,830,373</u>	<u>6,830,215</u>	<u>14,112,389</u>	<u>19,642,628</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 8.57</u>	<u>\$ 10.97</u>	<u>\$ 10.86</u>	<u>\$ 10.81</u>	<u>\$ 10.78</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

(Continued)

See Report of Independent Auditors.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF FIDUCIARY NET POSITION June 30, 2022

	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	\$ 296,088,193	\$ 420,127,787	\$ 527,252,396	\$ 370,636,574	\$ 437,444,539
Cash (cash overdraft)	(69,363)	(58,039)	109,724	(33,529)	213,864
Receivables from securities sold	-	-	-	146,160	178,223
Total Assets	<u>296,018,830</u>	<u>420,069,748</u>	<u>527,362,120</u>	<u>370,749,205</u>	<u>437,836,626</u>
LIABILITIES					
Accrued Plan Manager fee	2,481	3,510	4,389	3,080	3,647
Accrued Board administrative fee	12,403	17,550	21,944	15,399	18,235
Payables for securities purchased	15,548	62,241	33,169	-	-
Withdrawals payable	12,365	10,174	38,779	178,553	398,454
Total Liabilities	<u>42,797</u>	<u>93,475</u>	<u>98,281</u>	<u>197,032</u>	<u>420,336</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<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>
UNITS OUTSTANDING⁽¹⁾	<u>27,713,112</u>	<u>39,770,480</u>	<u>49,648,196</u>	<u>35,190,140</u>	<u>42,467,601</u>
NET ASSET VALUE PER UNIT⁽²⁾	<u>\$ 10.68</u>	<u>\$ 10.56</u>	<u>\$ 10.62</u>	<u>\$ 10.53</u>	<u>\$ 10.30</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, 2022

	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	\$ 45,529,413	\$ 266,505,979	\$ 266,285,905	\$ 544,485,359	\$ 577,637,696
Cash (cash overdraft)	323,651	129,117	172,122	66,415	(381,962)
Receivables from securities sold	-	-	-	-	140,273
Total Assets	<u>45,853,064</u>	<u>266,635,096</u>	<u>266,458,027</u>	<u>544,551,774</u>	<u>577,396,007</u>
LIABILITIES					
Accrued Plan Manager fee	365	2,224	2,229	2,256	2,441
Accrued Board administrative fee	-	-	-	-	-
Payables for securities purchased	342,327	168,894	135,899	268,372	-
Withdrawals payable	-	1,800	12,074	29,234	26,231
Total Liabilities	<u>342,692</u>	<u>172,918</u>	<u>150,202</u>	<u>299,862</u>	<u>28,672</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 45,510,372</u>	<u>\$ 266,462,178</u>	<u>\$ 266,307,825</u>	<u>\$ 544,251,912</u>	<u>\$ 577,367,335</u>
UNITS OUTSTANDING ⁽¹⁾	<u>5,255,239</u>	<u>24,468,520</u>	<u>24,658,132</u>	<u>50,675,225</u>	<u>53,758,597</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 8.66</u>	<u>\$ 10.89</u>	<u>\$ 10.80</u>	<u>\$ 10.74</u>	<u>\$ 10.74</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

(Continued)

See Report of Independent Auditors.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF FIDUCIARY NET POSITION June 30, 2022

	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	\$ 507,337,312	\$ 468,157,057	\$ 595,657,184	\$ 745,319,044	\$ 1,276,427,528
Cash (cash overdraft)	(63,927)	240,278	230,346	494,851	811,672
Receivables from securities sold	-	68,142	-	105,342	653,140
Total Assets	<u>507,273,385</u>	<u>468,465,477</u>	<u>595,887,530</u>	<u>745,919,237</u>	<u>1,277,892,340</u>
LIABILITIES					
Accrued Plan Manager fee	3,024	3,897	4,944	6,180	10,605
Accrued Board administrative fee	-	-	-	-	-
Payables for securities purchased	58,329	-	28,572	-	-
Withdrawals payable	12,683	215,256	117,450	390,822	1,238,449
Total Liabilities	<u>74,036</u>	<u>219,153</u>	<u>150,966</u>	<u>397,002</u>	<u>1,249,054</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<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>
UNITS OUTSTANDING ⁽¹⁾	<u>47,624,352</u>	<u>44,467,837</u>	<u>56,628,951</u>	<u>70,799,832</u>	<u>124,672,196</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 10.65</u>	<u>\$ 10.53</u>	<u>\$ 10.52</u>	<u>\$ 10.53</u>	<u>\$ 10.24</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, 2022

	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	\$ 503,571	\$ 389,909	\$ 178,333	\$ 218,207	\$ 234,069
Cash (cash overdraft)	5,780	4,682	2,458	3,041	4,122
Receivables from securities sold	-	-	-	-	-
Total Assets	509,351	394,591	180,791	221,248	238,191
LIABILITIES					
Accrued Plan Manager fee	4	3	1	2	2
Accrued Board administrative fee	20	13	7	7	8
Payables for securities purchased	3,221	2,528	1,378	1,730	2,134
Withdrawals payable	-	-	-	-	-
Total Liabilities	3,245	2,544	1,386	1,739	2,144
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES					
	\$ 506,106	\$ 392,047	\$ 179,405	\$ 219,509	\$ 236,047
UNITS OUTSTANDING ⁽¹⁾					
	58,307	45,115	20,574	25,058	26,824
NET ASSET VALUE PER UNIT ⁽²⁾					
	\$ 8.68	\$ 8.69	\$ 8.72	\$ 8.76	\$ 8.80

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

(Continued)

See Report of Independent Auditors.



ScholarShare 529SM

(A Fiduciary Fund of the State of California)

STATEMENTS OF FIDUCIARY NET POSITION June 30, 2022

	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
ASSETS					
Investments	\$ 428,087	\$ 333,870	\$ 445,404	\$ 1,301,403	\$ 587,225
Cash (cash overdraft)	9,290	8,181	9,588	21,609	8,598
Receivables from securities sold	-	-	-	-	-
Total Assets	437,377	342,051	454,992	1,323,012	595,823
LIABILITIES					
Accrued Plan Manager fee	3	2	3	10	6
Accrued Board administrative fee	14	10	16	49	30
Payables for securities purchased	4,842	4,267	5,178	11,549	4,789
Withdrawals payable	-	-	-	-	-
Total Liabilities	4,859	4,279	5,197	11,608	4,825
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES					
	\$ 432,518	\$ 337,772	\$ 449,795	\$ 1,311,404	\$ 590,998
UNITS OUTSTANDING⁽¹⁾					
	48,762	37,614	48,997	139,363	61,950
NET ASSET VALUE PER UNIT⁽²⁾					
	\$ 8.87	\$ 8.98	\$ 9.18	\$ 9.41	\$ 9.54

⁽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, 2022

	Active Multi-Fund Investment Portfolios			
	Active Diversified Equity Portfolio	Active Growth Portfolio	Active Conservative Portfolio	Active International Equity Portfolio
ASSETS				
Investments	\$ 369,050,254	\$ 335,853,665	\$ 80,422,274	\$ 36,946,846
Cash (cash overdraft)	167,451	78,740	12,177	24,080
Receivables from securities sold	105,901	19,888	-	-
Total Assets	369,323,606	335,952,293	80,434,451	36,970,926
LIABILITIES				
Accrued Plan Manager fee	3,128	2,827	666	315
Accrued Board administrative fee	15,640	14,133	3,329	1,575
Payables for securities purchased	-	-	13,040	20,397
Withdrawals payable	223,662	64,317	6,425	94
Total Liabilities	242,430	81,277	23,460	22,381
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	\$ 369,081,176	\$ 335,871,016	\$ 80,410,991	\$ 36,948,545
UNITS OUTSTANDING ⁽¹⁾	12,784,246	14,130,039	6,422,603	2,183,720
NET ASSET VALUE PER UNIT ⁽²⁾	\$ 28.87	\$ 23.77	\$ 12.52	\$ 16.92

⁽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, 2022

	Passive Multi-Fund Investment Portfolios			
	Passive Diversified Equity Portfolio	Passive Growth Portfolio	Passive Conservative Portfolio	Index International Equity Portfolio
ASSETS				
Investments	\$ 656,079,994	\$ 276,624,935	\$ 95,103,412	\$ 132,488,040
Cash (cash overdraft)	688,670	168,406	123,979	(151,739)
Receivables from securities sold	-	-	-	143,905
Total Assets	656,768,664	276,793,341	95,227,391	132,480,206
LIABILITIES				
Accrued Plan Manager fee	5,557	2,319	784	1,129
Accrued Board administrative fee	-	-	-	-
Payables for securities purchased	171,400	105,812	112,809	-
Withdrawals payable	410,350	47,676	30,315	13,831
Total Liabilities	587,307	155,807	143,908	14,960
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	\$ 656,181,357	\$ 276,637,534	\$ 95,083,483	\$ 132,465,246
UNITS OUTSTANDING ⁽¹⁾	23,409,966	12,360,926	8,064,757	8,096,898
NET ASSET VALUE PER UNIT ⁽²⁾	\$ 28.03	\$ 22.38	\$ 11.79	\$ 16.36

⁽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, 2022

Single Fund Investment Portfolios

	Social Choice Equity Portfolio	ESG International Equity Portfolio	ESG Bond Portfolio	Index Bond Portfolio	Index U.S. Equity Portfolio	Principal Plus Interest Portfolio	Plan Total
ASSETS							
Investments	\$ 237,434,017	\$ 477,764	\$ 1,041,828	\$ 84,759,193	\$ 1,507,984,833	\$ 621,214,577	\$ 12,260,706,432
Cash (cash overdraft)	112,737	386	47,050	12,723	(111,549)	998,273	4,656,283
Receivables from securities sold	-	-	-	10,489	158,542	-	1,730,005
Total Assets	237,546,754	478,150	1,088,878	84,782,405	1,508,031,826	622,212,850	12,267,092,720
LIABILITIES							
Accrued Plan Manager fee	2,019	4	7	694	12,796	-	91,545
Accrued Board administrative fee	10,097	20	33	-	-	-	150,490
Payables for securities purchased	20,361	369	26,344	-	-	632,509	2,428,448
Withdrawals payable	121,101	-	-	31,183	180,662	365,754	4,235,769
Total Liabilities	153,578	393	26,384	31,877	193,458	998,263	6,906,252
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	\$ 237,393,176	\$ 477,757	\$ 1,062,494	\$ 84,750,528	\$ 1,507,838,368	\$ 621,214,587	\$ 12,260,186,468
UNITS OUTSTANDING ⁽¹⁾	7,109,709	56,876	114,247	7,218,955	42,402,654	53,878,108	
NET ASSET VALUE PER UNIT ⁽²⁾	\$ 33.39	\$ 8.40	\$ 9.30	\$ 11.74	\$ 35.56	\$ 11.53	

⁽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, 2022

	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	\$ 7,115,936	\$ 10,624,887	\$ 14,973,960	\$ 22,649,460	\$ 25,764,419
Net investment income (loss)	(911,939)	(5,081,023)	(12,051,118)	(24,102,868)	(32,359,398)
Total Additions	6,203,997	5,543,864	2,922,842	(1,453,408)	(6,594,979)
DEDUCTIONS					
Redemptions	549,105	2,412,166	3,090,492	6,670,581	7,052,917
Expenses:					
Plan Manager fee	367	3,153	7,942	16,610	23,117
Board administrative fee	1,834	15,762	39,714	83,050	115,579
Total expenses	2,201	18,915	47,656	99,660	138,696
Total Deductions	551,306	2,431,081	3,138,148	6,770,241	7,191,613
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	-	-	-	-
CHANGE IN NET POSITION	5,652,691	3,112,783	(215,306)	(8,223,649)	(13,786,592)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	502,152	27,936,410	74,391,442	160,778,571	225,534,119
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 6,154,843	\$ 31,049,193	\$ 74,176,136	\$ 152,554,922	\$ 211,747,527

(Continued)

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, 2022

	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	\$ 33,310,545	\$ 41,796,888	\$ 49,842,171	\$ 38,438,134	\$ 53,050,609
Net investment income (loss)	(42,651,446)	(53,963,695)	(52,910,022)	(25,219,912)	(22,725,576)
Total Additions	(9,340,901)	(12,166,807)	(3,067,851)	13,218,222	30,325,033
DEDUCTIONS					
Redemptions	10,916,360	16,303,454	26,288,040	28,718,709	177,339,676
Expenses:					
Plan Manager fee	32,287	45,495	56,290	38,991	51,040
Board administrative fee	161,431	227,479	281,440	194,956	255,197
Total expenses	193,718	272,974	337,730	233,947	306,237
Total Deductions	11,110,078	16,576,428	26,625,770	28,952,656	177,645,913
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	-	-	-	-
CHANGE IN NET POSITION	(20,450,979)	(28,743,235)	(29,693,621)	(15,734,434)	(147,320,880)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	316,427,012	448,719,508	556,957,460	386,286,607	584,737,170
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 295,976,033	\$ 419,976,273	\$ 527,263,839	\$ 370,552,173	\$ 437,416,290

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, 2022

	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	\$ 52,887,262	\$ 94,519,336	\$ 66,236,336	\$ 343,430,195	\$ 351,773,366
Net investment income (loss)	(6,723,032)	(40,853,479)	(39,972,847)	(39,850,624)	(41,413,792)
Total Additions	46,164,230	53,665,857	26,263,489	303,579,571	310,359,574
DEDUCTIONS					
Redemptions	1,716,137	11,036,382	9,479,607	9,904,333	11,624,662
Expenses:					
Plan Manager fee	2,387	26,223	27,561	27,302	29,839
Board administrative fee	-	-	-	-	-
Total expenses	2,387	26,223	27,561	27,302	29,839
Total Deductions	1,718,524	11,062,605	9,507,168	9,931,635	11,654,501
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	-	-	-	-
CHANGE IN NET POSITION	44,445,706	42,603,252	16,756,321	293,647,936	298,705,073
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	1,064,666	223,858,926	249,551,504	250,603,976	278,662,262
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 45,510,372	\$ 266,462,178	\$ 266,307,825	\$ 544,251,912	\$ 577,367,335

(Continued)

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, 2022

	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	\$ 211,808,185	\$ 69,351,890	\$ 78,088,165	\$ 72,027,366	\$ 137,298,055
Net investment income (loss)	(47,959,336)	(55,643,354)	(55,486,139)	(46,905,249)	(60,928,512)
Total Additions	<u>163,848,849</u>	<u>13,708,536</u>	<u>22,602,026</u>	<u>25,122,117</u>	<u>76,369,543</u>
DEDUCTIONS					
Redemptions	<u>13,161,861</u>	<u>20,447,651</u>	<u>36,485,818</u>	<u>58,001,797</u>	<u>488,975,112</u>
Expenses:					
Plan Manager fee	37,785	49,436	62,520	78,388	147,540
Board administrative fee	-	-	-	-	-
Total expenses	<u>37,785</u>	<u>49,436</u>	<u>62,520</u>	<u>78,388</u>	<u>147,540</u>
Total Deductions	<u>13,199,646</u>	<u>20,497,087</u>	<u>36,548,338</u>	<u>58,080,185</u>	<u>489,122,652</u>
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	150,649,203	(6,788,551)	(13,946,312)	(32,958,068)	(412,753,109)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>356,550,146</u>	<u>475,034,875</u>	<u>609,682,876</u>	<u>778,480,303</u>	<u>1,689,396,395</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END 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>

See Report of Independent Auditors.



STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2022

	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	\$ 543,177	\$ 418,224	\$ 196,679	\$ 238,138	\$ 252,935
Net investment income (loss)	(37,020)	(26,042)	(17,209)	(9,947)	(10,005)
Total Additions	506,157	392,182	179,470	228,191	242,930
DEDUCTIONS					
Redemptions	-	102	41	8,662	6,864
Expenses:					
Plan Manager fee	9	6	4	3	3
Board administrative fee	42	27	20	17	16
Total expenses	51	33	24	20	19
Total Deductions	51	135	65	8,682	6,883
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	-	-	-	-
CHANGE IN NET POSITION	506,106	392,047	179,405	219,509	236,047
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	-	-	-	-	-
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 506,106	\$ 392,047	\$ 179,405	\$ 219,509	\$ 236,047

(Continued)

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, 2022

	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
ADDITIONS					
Subscriptions	\$ 445,813	\$ 353,185	\$ 488,795	\$ 1,519,485	\$ 1,476,887
Net investment income (loss)	(12,895)	(14,983)	(13,546)	(26,250)	(32,362)
Total Additions	<u>432,918</u>	<u>338,202</u>	<u>475,249</u>	<u>1,493,235</u>	<u>1,444,525</u>
DEDUCTIONS					
Redemptions	<u>371</u>	<u>396</u>	<u>25,415</u>	<u>181,729</u>	<u>853,320</u>
Expenses:					
Plan Manager fee	4	5	8	18	35
Board administrative fee	<u>25</u>	<u>29</u>	<u>31</u>	<u>84</u>	<u>172</u>
Total expenses	<u>29</u>	<u>34</u>	<u>39</u>	<u>102</u>	<u>207</u>
Total Deductions	<u>400</u>	<u>430</u>	<u>25,454</u>	<u>181,831</u>	<u>853,527</u>
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	432,518	337,772	449,795	1,311,404	590,998
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 432,518</u>	<u>\$ 337,772</u>	<u>\$ 449,795</u>	<u>\$ 1,311,404</u>	<u>\$ 590,998</u>

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, 2022

	Active Multi-Fund Investment Portfolios					
	Active Diversified Equity Portfolio	Active Growth Portfolio	Active Moderate Growth Portfolio	Active Conservative Portfolio	Active International Equity Portfolio	Active Diversified Fixed Income Portfolio
ADDITIONS						
Subscriptions	\$ 86,154,419	\$ 73,824,615	\$ 16,191,182	\$ 18,882,975	\$ 11,989,190	\$ 8,382,741
Net investment income (loss)	(69,560,170)	(51,358,512)	(1,345,972)	(3,100,766)	(7,246,289)	(632,105)
Total Additions	16,594,249	22,466,103	14,845,210	15,782,209	4,742,901	7,750,636
DEDUCTIONS						
Redemptions	62,912,478	53,510,509	12,538,985	15,904,085	9,264,468	8,522,710
Expenses:						
Plan Manager fee	42,110	32,641	4,546	6,325	4,159	1,861
Board administrative fee	210,546	163,198	22,727	31,622	20,803	9,305
Total expenses	252,656	195,839	27,273	37,947	24,962	11,166
Total Deductions	63,165,134	53,706,348	12,566,258	15,942,032	9,289,430	8,533,876
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	89,488,122	(89,488,122)	36,188,473	-	(36,188,473)
CHANGE IN NET POSITION	(46,570,885)	58,247,877	(87,209,170)	36,028,650	(4,546,529)	(36,971,713)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	415,652,061	277,623,139	87,209,170	44,382,341	41,495,074	36,971,713
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 369,081,176	\$ 335,871,016	\$ -	\$ 80,410,991	\$ 36,948,545	\$ -

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, 2022

Passive Multi-Fund Investment Portfolios

	Passive Diversified Equity Portfolio	Passive Growth Portfolio	Passive Moderate Growth Portfolio	Passive Conservative Portfolio	Index International Equity Portfolio	Passive Diversified Fixed Income Portfolio
ADDITIONS						
Subscriptions	\$ 122,431,018	\$ 59,336,144	\$ 15,895,331	\$ 24,638,704	\$ 31,192,721	\$ 8,187,922
Net investment income (loss)	(113,684,472)	(39,942,508)	(1,357,139)	(3,374,176)	(30,746,454)	(846,827)
Total Additions	8,746,546	19,393,636	14,538,192	21,264,528	446,267	7,341,095
DEDUCTIONS						
Redemptions	130,101,920	41,711,127	14,688,398	25,268,543	27,674,525	9,205,015
Expenses:						
Plan Manager fee	76,299	25,903	4,632	8,120	15,398	1,785
Board administrative fee	-	-	-	-	-	-
Total expenses	76,299	25,903	4,632	8,120	15,398	1,785
Total Deductions	130,178,219	41,737,030	14,693,030	25,276,663	27,689,923	9,206,800
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	-	89,986,125	(89,986,125)	33,337,221	-	(33,337,221)
CHANGE IN NET POSITION	(121,431,673)	67,642,731	(90,140,963)	29,325,086	(27,243,656)	(35,202,926)
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	777,613,030	208,994,803	90,140,963	65,758,397	159,708,902	35,202,926
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	\$ 656,181,357	\$ 276,637,534	\$ -	\$ 95,083,483	\$ 132,465,246	\$ -

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, 2022

Single Fund Investment Portfolios

	Social Choice Equity Portfolio	ESG International Equity Portfolio	ESG Bond Portfolio	Index Bond Portfolio	Index U.S. Large Cap Equity Portfolio	Index U.S. Equity Portfolio	Principal Plus Interest Portfolio	Plan Total
ADDITIONS								
Subscriptions	\$ 41,776,658	\$ 599,565	\$ 1,194,508	\$ 25,264,584	\$ 138,929,168	\$ 192,437,168	\$ 223,531,581	\$ 2,881,760,677
Net investment income (loss)	(40,299,395)	(58,600)	(27,076)	(9,861,013)	30,109,630	(251,096,978)	6,012,128	(1,296,330,314)
Total Additions	<u>1,477,263</u>	<u>540,965</u>	<u>1,167,432</u>	<u>15,403,571</u>	<u>169,038,798</u>	<u>(58,659,810)</u>	<u>229,543,709</u>	<u>1,585,430,363</u>
DEDUCTIONS								
Redemptions	<u>41,807,502</u>	<u>63,127</u>	<u>104,823</u>	<u>29,230,391</u>	<u>82,480,830</u>	<u>138,599,134</u>	<u>205,653,285</u>	<u>1,850,493,615</u>
Expenses:								
Plan Manager fee	28,048	14	20	9,265	46,380	124,461	-	1,196,335
Board administrative fee	140,245	67	95	-	-	-	-	1,975,513
Total expenses	<u>168,293</u>	<u>81</u>	<u>115</u>	<u>9,265</u>	<u>46,380</u>	<u>124,461</u>	<u>-</u>	<u>3,171,848</u>
Total Deductions	<u>41,975,795</u>	<u>63,208</u>	<u>104,938</u>	<u>29,239,656</u>	<u>82,527,210</u>	<u>138,723,595</u>	<u>205,653,285</u>	<u>1,853,665,463</u>
INVESTMENT PORTFOLIO CONVERSION IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(944,164,605)</u>	<u>944,164,605</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>(40,498,532)</u>	<u>477,757</u>	<u>1,062,494</u>	<u>(13,836,085)</u>	<u>(857,653,017)</u>	<u>746,781,200</u>	<u>23,890,424</u>	<u>(268,235,100)</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>277,891,708</u>	<u>-</u>	<u>-</u>	<u>98,586,613</u>	<u>857,653,017</u>	<u>761,057,168</u>	<u>597,324,163</u>	<u>12,528,421,568</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 237,393,176</u>	<u>\$ 477,757</u>	<u>\$ 1,062,494</u>	<u>\$ 84,750,528</u>	<u>\$ -</u>	<u>\$ 1,507,838,368</u>	<u>\$ 621,214,587</u>	<u>\$ 12,260,186,468</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 Trustees 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, which comprise the statement of fiduciary net position as of June 30, 2022, and the related statement of changes in fiduciary net position for the year then ended, including the related notes (collectively referred to as the “basic financial statements”), and have issued our report thereon dated August 31, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the ScholarShare College Savings 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 ScholarShare College Savings Plan’s internal control. Accordingly, we do not express an opinion on the effectiveness of the ScholarShare College Savings 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ScholarShare College Savings 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 ScholarShare College Savings 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 ScholarShare College Savings Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

Charlotte, NC
August 31, 2022