

Oklahoma 529SM

Annual Report

June 30, 2024



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Report of Independent Auditors

To the Board of Trustees of the Oklahoma College Savings Plan

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oklahoma 529 (the “Plan”), which comprise the statement of fiduciary net position as of June 30, 2024, 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, 2024, 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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Plan and do not purport to, and do not, present fairly the financial position of the Oklahoma College Savings Plan, as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 7 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, 2024 (the “supplemental information”) on pages 18 through 23 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 30, 2024 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, 2024. 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

August 30, 2024



MANAGEMENT’S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2024

As Plan Manager of Oklahoma 529 (the Plan), offered by the state of Oklahoma, TIAA-CREF Tuition Financing, Inc. (TFI) offers this discussion and analysis of the Plan’s financial performance for the year ended June 30, 2024, with comparative information for the year ended June 30, 2023. 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 18 through 23, which provides information about the activities and balances attributable to each investment option 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 option. 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 option during the years ended June 30, 2024 and 2023:

	<u>Year Ended</u> <u>June 30, 2024</u>	<u>Year Ended</u> <u>June 30, 2023</u>		<u>Year Ended</u> <u>June 30, 2024</u>	<u>Year Ended</u> <u>June 30, 2023</u>
<u>Enrollment Year Investment Options</u>			<u>Risk-Based Investment Options</u>		
2040/2041 Enrollment Option	13.40%	(1) N/A	U.S. Equity Index Option	22.90%	18.69%
2038/2039 Enrollment Option	14.94%	12.75%	Global Equity Index Option	17.65%	16.13%
2036/2037 Enrollment Option	14.18%	11.99%	Diversified Equity Option	19.11%	17.88%
2034/2035 Enrollment Option	13.16%	11.05%	Balanced Option	13.28%	11.05%
2032/2033 Enrollment Option	12.06%	9.78%	Fixed Income Option	3.71%	(0.19%)
2030/2031 Enrollment Option	11.23%	8.78%	Guaranteed Option	2.73%	1.50%
2028/2029 Enrollment Option	10.27%	7.82%			
2026/2027 Enrollment Option	9.02%	6.68%			
2024/2025 Enrollment Option	7.59%	5.68%			
2022/2023 Enrollment Option	0.63%	(2) 4.15%			
In School Option	6.15%	3.91%			

(1) Effective July 14, 2023, the 2040/2041 Enrollment Option was added to the Plan as an additional Enrollment Year Investment Option. The return for the 2040/2041 Enrollment Option is for the period from July 14, 2023 through June 30, 2024.

(2) Effective July 14, 2023, the 2022/2023 Enrollment Option was discontinued, and existing account owner balances were transferred to the already existing In School Option. The return for the 2022/2023 Enrollment Option is for the period from July 1, 2023 through July 13, 2023.

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



MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024

Financial Highlights (Continued)

The Plan received \$6.9 million and \$6.4 million in net subscriptions during the years ended June 30, 2024 and 2023, respectively.

During the year ended June 30, 2024, the Plan earned \$146.6 million in net investment income, resulting from \$40.0 million in interest, dividends, and capital gain distributions and a \$106.6 million net increase in the fair value of investments. During the year ended June 30, 2023, the Plan earned \$103.0 million in net investment income, resulting from \$29.5 million in interest, dividends, and capital gain distributions and a \$73.5 million net increase in the fair value of investments.

Plan fees totaled \$1.5 million and \$2.1 million during the years ended June 30, 2024 and 2023, respectively. These fees are calculated on the average net position in each investment option and are paid to the Plan Manager for performing administrative, marketing, and other services with respect to the Plan.

Overview of the Basic Financial Statements

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 and funding agreements issued by TIAA-CREF Life Insurance Company. Mutual funds 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 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, 2024

Financial Analysis

Fiduciary Net Position

The following are condensed Statements of Fiduciary Net Position as of June 30, 2024 and 2023:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Total Assets	\$ 1,364,082,198	\$ 1,212,143,244
Total Liabilities	883,850	906,406
Fiduciary Net Position	<u>\$ 1,363,198,348</u>	<u>\$ 1,211,236,838</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.

Changes in Fiduciary Net Position

The following are condensed Statements of Changes in Fiduciary Net Position for the years ended June 30, 2024 and 2023:

	<u>Year Ended June 30, 2024</u>	<u>Year Ended June 30, 2023</u>
Additions		
Subscriptions ⁽¹⁾	\$ 228,959,401	\$ 188,804,915
Net investment income	146,592,973	102,950,993
Total Additions	<u>375,552,374</u>	<u>291,755,908</u>
Deductions		
Redemptions ⁽²⁾	(222,047,389)	(182,383,665)
Plan Manager fee	(1,543,475)	(2,090,612)
Total Deductions	<u>(223,590,864)</u>	<u>(184,474,277)</u>
Increase in Net Position	151,961,510	107,281,631
Fiduciary Net Position - Beginning of Year	1,211,236,838	1,103,955,207
Fiduciary Net Position - End of Year	<u>\$ 1,363,198,348</u>	<u>\$ 1,211,236,838</u>

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



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2024

Financial Analysis *(Continued)*

Changes in Fiduciary Net Position *(Continued)*

- ⁽¹⁾ Subscriptions include contributions, exchanges between investment options, and transfers of account balances from one account to another (see previous page).
- ⁽²⁾ Redemptions include withdrawals, exchanges between investment options, and transfers of account balances from one account to another (see previous page).

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



STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

ASSETS

Investments	\$ 1,363,303,828
Cash	592,139
Receivables from securities sold	186,231
Total Assets	<u>1,364,082,198</u>

LIABILITIES

Accrued Plan Manager fee	104,701
Payables for securities purchased	224,251
Withdrawals payable	554,898
Total Liabilities	<u>883,850</u>

NET POSITION HELD IN TRUST FOR

ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 1,363,198,348</u>
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See accompanying notes to financial statements.



STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2024

ADDITIONS

Subscriptions	\$ 228,959,401
Investment income:	
Interest	6,496,825
Dividends and capital gain distributions	33,483,328
Net increase in the fair value of investments	<u>106,612,820</u>
Total net investment income	<u>146,592,973</u>
Total Additions	<u><u>375,552,374</u></u>

DEDUCTIONS

Redemptions	222,047,389
Plan Manager fee	<u>1,543,475</u>
Total Deductions	<u><u>223,590,864</u></u>

CHANGES IN NET POSITION

151,961,510

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

1,211,236,838

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

\$ 1,363,198,348

See accompanying notes to financial statements.



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS

Oklahoma 529 (the Plan) is one of two education savings plans offered under the Oklahoma College Savings Plan (the Program), which was created by the state of Oklahoma (the State) to provide a tax-advantaged way to encourage individuals to save for postsecondary education. The Plan was implemented by and is administered as part of the Program by the Board of Trustees of the Program (the Board). The Board authorizes the types of investment options offered by the Plan. Assets of the Plan are held in trust, and the Board serves as Trustee. 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 options. The Plan offers six Risk-Based Investment Options which allow account owners to choose their own strategy based on their risk tolerance and time horizon. The Plan also offers ten Enrollment Year Investment Options based on the anticipated year of enrollment of the beneficiary in an eligible educational institution. The Enrollment Year Investment Options 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 options, along with underlying asset allocations and fees, as approved by the Board, are described in the current Oklahoma College Savings Plan – Plan Description and Participation Agreement (the Plan Description).

Each investment option invests in one or more open-end mutual funds 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 and the funding agreements are referred to as "the Underlying Funds."

These basic financial statements present only the balances and transactions attributable to the Plan, and do not include any balances or transactions attributable to the other education savings plan offered under the Program. As such, these basic financial statements are not intended to, and do not, present fairly the financial position or changes in financial position of the Program.



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

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 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.

The mutual funds in which the Plan invests are reported at fair value, based on the net asset value per share at the close of the New York Stock Exchange (NYSE). These mutual funds 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 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."



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 options 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 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.

(f) Redemptions

Redemptions include withdrawals from the Plan directed by account owners, as well as exchanges between investment options 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 options 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 option are determined at the close of business of the NYSE. The Unit Value of each investment option is computed by dividing the investment option's assets minus its liabilities by the number of outstanding units of such investment option. There are no distributions of interest, dividends, and capital gain distributions, or net investment income or losses directly to account owners or beneficiaries. Interest, dividends, and capital gain distributions, and net investment income (losses) resulting from the Underlying Funds are reflected as increases (decreases) in the Unit Value.



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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.

NOTE 3: INVESTMENTS

(a) Investments by Type

At June 30, 2024, the Plan's investments consist of the following:

	<u>Units</u>	<u>Cost</u>	<u>Value</u>
Mutual Funds (at fair value):			
Nuveen Bond Index Fund	22,864,618	\$ 243,782,933	\$ 216,527,931
Nuveen Emerging Markets Equity Fund	2,192,412	22,572,608	24,335,777
Nuveen Emerging Markets Equity Index Fund	2,258,057	22,185,258	18,470,906
Nuveen Equity Index Fund	12,964,538	304,425,436	495,504,651
Nuveen Core Equity Fund	3,176,622	43,707,502	49,269,403
Nuveen High Yield Fund	5,692,760	49,694,703	49,299,301
Nuveen Inflation-Linked Bond Fund	3,392,734	38,985,373	35,352,287
Nuveen International Equity Index Fund	5,549,654	100,045,169	128,030,515
Nuveen Quant Small Cap Equity Fund	680,351	11,330,728	12,770,195
Nuveen Real Estate Securities Select Fund	1,912,702	30,818,396	32,171,641
Nuveen Short-Term Bond Index Fund	4,768,937	47,676,874	45,495,660
Total Mutual Funds		<u>915,224,980</u>	<u>1,107,228,267</u>
Funding Agreements (at cost):			
TIAA-CREF Life Funding Agreements	N/A	256,075,561	256,075,561
Total Investments		<u>\$ 1,171,300,541</u>	<u>\$ 1,363,303,828</u>



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: INVESTMENTS (Continued)

(b) Funding Agreements

Assets of certain investment options are invested in funding agreements issued by TIAA Life. While account owners may withdraw their funds from the investment options 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. 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.

The credit rate on the funding agreements from July 1, 2023 through March 31, 2024 is 2.70%, and the credit rate from April 1, 2024 through June 30, 2024 is 2.95%.

(c) Investment Risk

The mutual funds 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.

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 options 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 are not exposed to custodial credit risk.



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: INVESTMENTS (Continued)

Credit Risk

Credit risk refers to the ability of the issuer to make timely payments of interest and principal. The mutual funds investing primarily in fixed income securities are subject to credit risk. The mutual funds 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, 2024.

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 that invest in fixed income securities indirectly expose the Plan to interest rate risk.

As of June 30, 2024, the fair values and the weighted average maturities for the bond funds in which the Plan invests are as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Nuveen Bond Index Fund	\$ 216,527,931	8.6 years
Nuveen High Yield Fund	\$ 49,299,301	5.3 Years
Nuveen Inflation-Linked Bond Fund	\$ 35,352,287	4.8 years
Nuveen Short-Term Bond Index Fund	\$ 45,495,660	2.0 years

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 options invest in mutual funds that are exposed to foreign currency risk.

At June 30, 2024, the fair values of investments in mutual funds that invest significantly in foreign securities are as follows:

	<u>Fair Value</u>
Nuveen Emerging Markets Equity Fund	\$ 24,335,777
Nuveen Emerging Markets Equity Index Fund	\$ 18,470,906
Nuveen International Equity Index Fund	\$ 128,030,515



NOTES TO FINANCIAL STATEMENTS

June 30, 2024

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 options 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, 2024 are as follows:

Contributions	\$ 143,072,487
Exchanges and transfers in	<u>85,886,914</u>
Total subscriptions	<u>\$ 228,959,401</u>
Withdrawals	\$ 136,160,475
Exchanges and transfers out	<u>85,886,914</u>
Total redemptions	<u>\$ 222,047,389</u>

NOTE 5: PLAN FEES AND UNDERLYING FUND EXPENSES

(a) Plan Fees

Each investment option (with the exception of the Guaranteed Option, which is not charged a fee) pays to the Plan Manager as compensation for performing duties specified in the management agreement. Through October 31, 2023, the Plan Manager Fee was 0.20% of the average daily net position held in each investment option. Effective November 1, 2023, the Plan Manager fee was reduced to 0.10%.

The Plan Manager fee is reflected as an expense 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 Fund 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.

Supplementary Information

The following supplementary information, which summarizes balances and transactions related to each investment option, is presented for purposes of additional analysis and is not a required part of the basic financial statements of Oklahoma 529.



STATEMENTS OF FIDUCIARY NET POSITION
June 30, 2024

	Enrollment Year Investment Options				
	2040/2041 Enrollment Option	2038/2039 Enrollment Option	2036/2037 Enrollment Option	2034/2035 Enrollment Option	2032/2033 Enrollment Option
ASSETS					
Investments	\$ 6,420,257	\$ 23,277,291	\$ 52,095,115	\$ 54,779,127	\$ 66,926,367
Cash (cash overdraft)	5,328	4,565	15,787	10,824	(6,317)
Receivables from securities sold	-	-	3,194	11,562	3,222
Total Assets	<u>6,425,585</u>	<u>23,281,856</u>	<u>52,114,096</u>	<u>54,801,513</u>	<u>66,923,272</u>
LIABILITIES					
Accrued Plan Manager fee	496	1,881	4,240	4,471	5,457
Payables for securities purchased	7,624	11,458	-	-	-
Withdrawals payable	-	1,025	19,858	23,690	12,796
Total Liabilities	<u>8,120</u>	<u>14,364</u>	<u>24,098</u>	<u>28,161</u>	<u>18,253</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 6,417,465</u>	<u>\$ 23,267,492</u>	<u>\$ 52,089,998</u>	<u>\$ 54,773,352</u>	<u>\$ 66,905,019</u>
UNITS OUTSTANDING ⁽¹⁾	<u>565,914</u>	<u>2,099,954</u>	<u>3,369,340</u>	<u>3,620,182</u>	<u>4,585,676</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 11.34</u>	<u>\$ 11.08</u>	<u>\$ 15.46</u>	<u>\$ 15.13</u>	<u>\$ 14.59</u>

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

(Continued)

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STATEMENTS OF FIDUCIARY NET POSITION
June 30, 2024

	Enrollment Year Investment Options				
	2030/2031 Enrollment Option	2028/2029 Enrollment Option	2026/2027 Enrollment Option	2024/2025 Enrollment Option	In School Option
ASSETS					
Investments	\$ 80,770,738	\$ 95,714,576	\$ 96,509,320	\$ 105,623,159	\$ 214,997,816
Cash (cash overdraft)	21,923	17,368	(7,469)	53,144	186,708
Receivables from securities sold	-	-	-	-	66,780
Total Assets	<u>80,792,661</u>	<u>95,731,944</u>	<u>96,501,851</u>	<u>105,676,303</u>	<u>215,251,304</u>
LIABILITIES					
Accrued Plan Manager fee	6,602	7,815	7,881	8,641	17,665
Payables for securities purchased	17,051	48,032	10,551	10,333	-
Withdrawals payable	2,069	987	18,231	22,517	183,026
Total Liabilities	<u>25,722</u>	<u>56,834</u>	<u>36,663</u>	<u>41,491</u>	<u>200,691</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	<u>\$ 80,766,939</u>	<u>\$ 95,675,110</u>	<u>\$ 96,465,188</u>	<u>\$ 105,634,812</u>	<u>\$ 215,050,613</u>
UNITS OUTSTANDING ⁽¹⁾	<u>5,744,448</u>	<u>7,071,331</u>	<u>7,391,968</u>	<u>8,370,429</u>	<u>18,602,994</u>
NET ASSET VALUE PER UNIT ⁽²⁾	<u>\$ 14.06</u>	<u>\$ 13.53</u>	<u>\$ 13.05</u>	<u>\$ 12.62</u>	<u>\$ 11.56</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, 2024

	Risk-Based Investment Options						
	U.S. Equity Index Option	Global Equity Index Option	Diversified Equity Option	Balanced Option	Fixed Income Option	Guaranteed Option	Plan Total
ASSETS							
Investments	\$ 190,844,042	\$ 138,350,313	\$ 76,176,802	\$ 67,198,097	\$ 12,991,408	\$ 80,629,400	\$ 1,363,303,828
Cash (cash overdraft)	38,323	136,677	6,176	13,680	1,209	94,213	592,139
Receivables from securities sold	43,906	-	35,959	21,608	-	-	186,231
Total Assets	190,926,271	138,486,990	76,218,937	67,233,385	12,992,617	80,723,613	1,364,082,198
LIABILITIES							
Accrued Plan Manager fee	15,470	11,304	6,198	5,513	1,067	-	104,701
Payables for securities purchased	-	83,861	-	-	1,025	34,316	224,251
Withdrawals payable	93,433	47,292	35,602	25,552	793	68,027	554,898
Total Liabilities	108,903	142,457	41,800	31,065	2,885	102,343	883,850
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES	\$ 190,817,368	\$ 138,344,533	\$ 76,177,137	\$ 67,202,320	\$ 12,989,732	\$ 80,621,270	\$ 1,363,198,348
UNITS OUTSTANDING ⁽¹⁾	3,399,561	3,116,570	2,013,138	2,296,730	787,256	4,649,439	
NET ASSET VALUE PER UNIT ⁽²⁾	\$ 56.13	\$ 44.39	\$ 37.84	\$ 29.26	\$ 16.50	\$ 17.34	

⁽¹⁾ Rounded to the nearest whole unit.

⁽²⁾ Rounded to the nearest hundredth.

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STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2024

	Enrollment Year Investment Options					
	2040/2041 Enrollment Option	2038/2039 Enrollment Option	2036/2037 Enrollment Option	2034/2035 Enrollment Option	2032/2033 Enrollment Option	2030/2031 Enrollment Option
ADDITIONS						
Subscriptions	\$ 6,234,805	\$ 9,051,630	\$ 10,535,276	\$ 9,029,417	\$ 9,066,510	\$ 9,968,450
Net investment income	489,339	2,667,172	6,168,991	6,113,994	7,034,252	8,026,998
Total Additions	<u>6,724,144</u>	<u>11,718,802</u>	<u>16,704,267</u>	<u>15,143,411</u>	<u>16,100,762</u>	<u>17,995,448</u>
DEDUCTIONS						
Redemptions	303,875	1,129,209	2,578,083	2,195,425	3,471,902	4,096,116
Plan Manager fee	2,804	22,146	57,119	61,458	77,454	95,002
Total Deductions	<u>306,679</u>	<u>1,151,355</u>	<u>2,635,202</u>	<u>2,256,883</u>	<u>3,549,356</u>	<u>4,191,118</u>
INVESTMENT OPTION CONVERSION IN (OUT)	-	-	-	-	-	-
CHANGE IN NET POSITION	6,417,465	10,567,447	14,069,065	12,886,528	12,551,406	13,804,330
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	-	<u>12,700,045</u>	<u>38,020,933</u>	<u>41,886,824</u>	<u>54,353,613</u>	<u>66,962,609</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 6,417,465</u>	<u>\$ 23,267,492</u>	<u>\$ 52,089,998</u>	<u>\$ 54,773,352</u>	<u>\$ 66,905,019</u>	<u>\$ 80,766,939</u>

(Continued)

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STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2024

	Enrollment Year Investment Options				
	2028/2029 Enrollment Option	2026/2027 Enrollment Option	2024/2025 Enrollment Option	2022/2023 Enrollment Option	In School Option
ADDITIONS					
Subscriptions	\$ 12,435,740	\$ 12,514,393	\$ 12,613,120	\$ 513,514	\$ 31,831,121
Net investment income	8,765,340	7,854,852	7,466,162	591,842	13,095,420
Total Additions	<u>21,201,080</u>	<u>20,369,245</u>	<u>20,079,282</u>	<u>1,105,356</u>	<u>44,926,541</u>
DEDUCTIONS					
Redemptions	5,333,945	5,620,167	7,938,045	828,776	83,513,260
Plan Manager fee	113,095	115,028	130,000	-	308,170
Total Deductions	<u>5,447,040</u>	<u>5,735,195</u>	<u>8,068,045</u>	<u>828,776</u>	<u>83,821,430</u>
INVESTMENT OPTION CONVERSION IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(99,611,609)</u>	<u>99,611,609</u>
CHANGE IN NET POSITION	15,754,040	14,634,050	12,011,237	(99,335,029)	60,716,720
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>79,921,070</u>	<u>81,831,138</u>	<u>93,623,575</u>	<u>99,335,029</u>	<u>154,333,893</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 95,675,110</u>	<u>\$ 96,465,188</u>	<u>\$ 105,634,812</u>	<u>\$ -</u>	<u>\$ 215,050,613</u>

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STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2024

	Risk-Based Investment Options						
	U.S. Equity Index Option	Global Equity Index Option	Diversified Equity Option	Balanced Option	Fixed Income Option	Guaranteed Option	Plan Total
ADDITIONS							
Subscriptions	\$ 38,736,571	\$ 13,654,386	\$ 13,616,853	\$ 11,113,255	\$ 4,156,240	\$ 23,888,120	\$ 228,959,401
Net investment income	34,352,193	21,428,630	11,949,668	7,925,651	472,284	2,190,185	146,592,973
Total Additions	<u>73,088,764</u>	<u>35,083,016</u>	<u>25,566,521</u>	<u>19,038,906</u>	<u>4,628,524</u>	<u>26,078,305</u>	<u>375,552,374</u>
DEDUCTIONS							
Redemptions	22,030,349	25,189,133	10,877,359	10,584,059	4,260,397	32,097,289	222,047,389
Plan Manager fee	206,327	170,853	86,281	80,912	16,826	-	1,543,475
Total Deductions	<u>22,236,676</u>	<u>25,359,986</u>	<u>10,963,640</u>	<u>10,664,971</u>	<u>4,277,223</u>	<u>32,097,289</u>	<u>223,590,864</u>
INVESTMENT OPTION CONVERSION IN (OUT)	-	-	-	-	-	-	-
CHANGE IN NET POSITION	50,852,088	9,723,030	14,602,881	8,373,935	351,301	(6,018,984)	151,961,510
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, BEGINNING OF YEAR	<u>139,965,280</u>	<u>128,621,503</u>	<u>61,574,256</u>	<u>58,828,385</u>	<u>12,638,431</u>	<u>86,640,254</u>	<u>1,211,236,838</u>
NET POSITION HELD IN TRUST FOR ACCOUNT OWNERS AND BENEFICIARIES, END OF YEAR	<u>\$ 190,817,368</u>	<u>\$ 138,344,533</u>	<u>\$ 76,177,137</u>	<u>\$ 67,202,320</u>	<u>\$ 12,989,732</u>	<u>\$ 80,621,270</u>	<u>1,363,198,348</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 Board of Trustees of the Oklahoma College Savings Plan

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 Oklahoma 529 (the "Plan"), which comprise the statement of fiduciary net position as of June 30, 2024, 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 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the basic 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 basic 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 basic 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

August 30, 2024