

**State of Illinois
Office of the Treasurer
College Savings Program**

Financial Audit
Years Ended June 30, 2016 and 2015

Performed as Special Assistant Auditors
for the Auditor General, State of Illinois



**State of Illinois
Office of the Treasurer
College Savings Program**

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**State of Illinois
Office of the Treasurer
College Savings Program**

Treasurer's Office Officials

Treasurer	Honorable Michael W. Frerichs
Deputy Treasurer	Mr. Jay Rowell
Chief of Staff	Mr. Justin Cajindos
Chief Investment Officer/Chief Financial Officer	Mr. Rodrigo Garcia
General Counsel	Mr. Keith Horton
Chief Policy and Programs Officer	Mr. Julian Federle
Executive Director of College Savings	Mr. Fernando Diaz
Inspector General	Mr. Ray Watson (January 19, 2016 to present) Mr. David Wells (through December 31, 2015)
Chief Internal Auditor	Ms. Leighann Manning (October 16, 2015 to present) Ms. Angela Bartlett (Acting) (April 1, 2015 to September 15, 2015)

The Office of the Treasurer maintains the following four office locations:

Executive Office
State Capitol
219 State House
Springfield, Illinois 62706

Operational Divisions
Illinois Business Center
400 West Monroe, Suite 401
Springfield, Illinois 62704

Unclaimed Property & Other Divisions
Myers Building
1 W. Old State Capitol Plaza, 1st and 4th Floors
Springfield, Illinois 62701

Chicago Office Legal / Programmatic
James R. Thompson Center
100 West Randolph Street
Suite 15-600
Chicago, Illinois 60601

FINANCIAL STATEMENT REPORT

Financial Statement Report

Summary

The audits of the accompanying financial statements of the College Savings Program of the State of Illinois, Office of the Treasurer, were performed by RSM US LLP as of and for the years ended June 30, 2016 and 2015.

Based on their audits, the auditors expressed unmodified opinions on the College Savings Program's financial statements.

Independent Auditor's Report

Independent Auditor's Report

The Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the College Savings Program, a fiduciary (private-purpose trust) fund of the State of Illinois, Office of the Treasurer, as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the College Savings Program's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College Savings Program of the State of Illinois, Office of the Treasurer, as of June 30, 2016 and 2015, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the College Savings Program and do not purport to, and do not, present fairly the financial position of the State of Illinois, or the State of Illinois, Office of the Treasurer as of June 30, 2016 and 2015, or the changes in its financial position, for the years 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.

Other Matters*Required Supplementary Information*

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the College Savings Program of the State of Illinois, Office of the Treasurer. The Supplementary Information (combining statements and statements by portfolio), and the Other Information (key performance measures and investment policies) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information consisting of the combining statements and statements by portfolio (pages 22 - 79) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Other Information, consisting of Key Performance Measures and the Bright Start and Bright Directions Investment Policies have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 29, 2016 and December 21, 2015, on our consideration of the State of Illinois, Office of the Treasurer's internal control over financial reporting of the College Savings Program, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of these reports is 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 internal control over financial reporting or on compliance. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois, Office of the Treasurer's internal control over financial reporting of the College Savings Program and its compliance.

SIGNED ORIGINAL ON FILE

Schaumburg, Illinois
December 29, 2016

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Fiduciary Net Position
June 30, 2016 and 2015**

	2016	2015
Assets		
Cash and cash equivalents	\$ 645,512,167	\$ 571,001,193
Capital shares receivable	9,716,797	9,802,117
Securities sold receivable	908,228	4,073,967
Dividends receivable	4,381,748	2,407,715
Mutual funds	7,467,030,546	7,034,720,978
	<hr/>	<hr/>
Total assets	\$ 8,127,549,486	\$ 7,622,005,970
	<hr/>	<hr/>
Liabilities and Net Position		
Liabilities		
Payable for capital shares	\$ 6,842,362	\$ 6,886,470
Payable for securities purchased	4,126,559	5,730,774
Other liabilities	2,716,952	2,293,891
	<hr/>	<hr/>
Total liabilities	13,685,873	14,911,135
	<hr/>	<hr/>
Net position held in trust for participants	8,113,863,613	7,607,094,835
	<hr/>	<hr/>
Total liabilities and net position	\$ 8,127,549,486	\$ 7,622,005,970
	<hr/>	<hr/>

The accompanying notes are an integral part of these statements.

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2016 and 2015**

	2016	2015
Investment income (expense)		
Investment earnings	\$ 129,137,239	\$ 118,170,181
Net change in fair value of investments	(93,968,858)	103,999,204
State administrative fees	(1,991,891)	(1,906,895)
Other operating expenses	(3,851)	(2,206)
12b-1 fees	(10,534,972)	(10,007,777)
Management and bank custodial fees	(12,732,536)	(13,343,020)
	<u>9,905,131</u>	<u>196,909,487</u>
Net investment earnings		
	<u>9,905,131</u>	<u>196,909,487</u>
Distributions to participants		
Net investment income	(84,756)	(21,546)
	<u>(84,756)</u>	<u>(21,546)</u>
Other participant transactions		
Program contributions	2,808,547,476	2,745,834,183
Program distributions	(2,311,678,207)	(2,212,310,287)
Distributions reinvested	79,134	20,699
	<u>496,948,403</u>	<u>533,544,595</u>
Total increase from participant transactions		
	<u>496,948,403</u>	<u>533,544,595</u>
Change in net position	506,768,778	730,432,536
Net position, beginning of fiscal year	<u>7,607,094,835</u>	<u>6,876,662,299</u>
Net position, end of fiscal year	<u>\$ 8,113,863,613</u>	<u>\$ 7,607,094,835</u>

The accompanying notes are an integral part of these statements.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Background

In May 1999, the General Assembly of the State of Illinois adopted Public Act 91-0607 authorizing the State Treasurer of the State of Illinois (the "Treasurer") to establish and administer a program designed to be a "qualified state tuition program" under Section 529 of the Internal Revenue Code of 1986, as amended. The program is known as the College Savings Program (the "Program"). Participants of the Program have a choice of two Section 529 investment programs, the Bright Start College Savings Program ("Bright Start") and the Bright Directions College Savings Program ("Bright Directions"). Bright Start commenced operations on March 27, 2000. Bright Directions commenced operations on November 18, 2005. Investors may participate in Bright Start directly ("Direct-sold Plan") or through participating financial advisors ("Advisor-sold Plan"). Bright Directions is available through participating financial advisors only.

The Program provides an opportunity for investors residing in Illinois to invest on a tax-favored basis toward the qualified higher education expenses of a designated beneficiary (the "Beneficiary") associated with attending an Institution of Higher Education. If the investor is not an Illinois taxpayer, depending upon the laws of the investor's home state or the home state of the investor's beneficiary, favorable state tax treatment or other benefits offered by such home state for investing in Section 529 college savings plans may be available only if invested in the home state's Section 529 plan. Institutions of Higher Education generally include accredited postsecondary educational institutions offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree, or another recognized postsecondary credential including certain proprietary, postsecondary vocational and foreign institutions. The institution must be eligible to participate in the U.S. Department of Education student aid programs. Qualified higher education expenses generally include tuition, fees, books, supplies, computers, and equipment required for the Beneficiary's enrollment plus, subject to certain limitations, room and board expenses provided the Beneficiary is enrolled on at least a half-time basis.

Under the Program, Program participants (the "Account Owners") select investment portfolios for their accounts established for the purpose of helping Account Owners meet the qualified higher education expenses of the Beneficiaries designated on the Program accounts (the "Accounts"). Amounts contributed to the Program will be invested in the College Savings Trust (the "Trust"). As of June 30, 2016 and 2015, OFI Private Investments, Inc. provided investment advisory, administrative, recordkeeping and marketing services for the Bright Start Program. As of June 30, 2016 and 2015, Union Bank and Trust Company advised the Treasurer on the investment of contributions and provided administrative, recordkeeping and marketing services for the Bright Directions Program. As such, OFI Private Investments, Inc. and Union Bank and Trust Company acted as program managers (the "Managers") of the two investment programs. The Treasurer acts as trustee and is responsible for the overall administration of the programs.

Note 1. Summary of Significant Accounting Policies

Financial Reporting Entity

As described in the Illinois Comprehensive Annual Financial Report, the State of Illinois is the primary government which includes all funds, elected offices, departments and agencies of the State, as well as boards, commissions, authorities, universities and colleges over which the State's executive or legislative branches exercise legal control.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 1. Summary of Significant Accounting Policies (Continued)

The College Savings Program is a separate legal entity from the State of Illinois, with the assets segregated into a Trust, and the Treasurer appointed as Trustee of the Trust, as established in the Declaration of Trust dated March 27, 2000. However, for financial reporting purposes, the College Savings Program is a part of the primary government. The Program is included in the Illinois Comprehensive Annual Financial Report as a private-purpose trust fund. The scope of the College Savings Program financial statements presented herein is limited to the financial position of the College Savings Program private-purpose trust fund.

Fiduciary Fund

The College Savings Fund is classified as a private-purpose trust fund. This trust fund is used to account for assets held by the Treasurer in a trustee capacity. This fund is not held in the State Treasury and is a non-appropriated fund.

Basis of Accounting and Measurement Focus

The accounts of the College Savings Program are maintained and reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Cash and Cash Equivalents

Cash and cash equivalents consist of money market mutual funds and timing differences associated with the purchase of mutual fund shares and short-term, highly liquid investments readily convertible to cash, with a maturity of 90 days or less at the time of purchase.

Investment Earnings

Investment earnings are a combination of dividend income and interest income generated from mutual fund investments. Mutual fund yields are subject to market rate fluctuations.

Fair Value of Investments

Investments in the underlying funds are carried at fair value based on the closing net asset or unit value per share of each underlying fund on the last business day on or prior to June 30.

Management Estimates

To prepare financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make certain estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates may differ from actual results.

Presentation Changes

Certain presentations for the year ended June 30, 2015 have been changed to be consistent with the current (FY2016) presentation.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments

Governmental Accounting Standards Board (“GASB”) Statement No. 72, *Fair Value Measurement and Application*, provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments. The College Savings Program has been designed as a qualified state tuition program under Section 529 of the Internal Revenue Code and reports all investments at fair value based upon quoted market value.

Fair Value Measurements:

The College Savings Program investments are recorded at fair value as of June 30, 2016 and 2015. GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity’s assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- | | |
|---------|---|
| Level 1 | Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date. |
| Level 2 | Investment with inputs – other than quoted prices included within Level 1 – that are observable for an asset, either directly or indirectly. |
| Level 3 | Investment classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment. |

Bright Start College Savings Program

Permitted Investments:

The Treasurer’s Bright Start investment activities are governed by the Treasurer’s published Bright Start investment policy (included in the “other information” section of this report), which was developed in accordance with the State statute. In addition, the Treasurer has adopted its own investment practices, which supplements the statutory requirements.

The Bright Start Investment Policy allows funds (contributions) to be invested in one of several Portfolios, each with a designated mix of investments that is appropriate for the investment objective of the Portfolio.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Each Portfolio allocates assets in a combination of underlying investments, investing among large capitalization U.S. stocks, small capitalization U.S. stocks, international stocks, fixed-income and/or short-term investments. The asset allocation of each Portfolio is established by the Treasurer and managed by the Manager. The Treasurer may adjust the weighting in stocks, bonds and cash in each Portfolio and may change the underlying investments within the Portfolios consistent with its Investment Policy Statement and its agreement with the Manager.

Investment Options:

General Overview

The Bright Start Program offers the following investment portfolios:

Direct-sold Plan:

- Blended Age-Based Portfolios
- Blended Fixed Income Portfolio
- Blended Equity Portfolio
- Blended Balanced Portfolio
- Money Market Portfolio
- Blended Conservative Fixed Income Portfolio
- Index Age-Based Portfolios
- Index Fixed Income Portfolio
- Index Equity Portfolio
- Index Balanced Portfolio

Advisor-sold Plan:

- Advisor Age-Based Portfolios
- Advisor Fixed Income Portfolio
- Advisor Equity Portfolio
- Advisor Balanced Portfolio
- Advisor Money Market Portfolio
- Advisor Conservative Fixed Income Portfolio

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Brief Description of Investment Portfolios:

Age-Based Portfolios:

The goal of a portfolio under the Age-Based Option is to seek an asset allocation strategy consistent with the ages of the Beneficiaries of those Account Owners who have invested in that Portfolio.

Based on the age of the Beneficiary, the following Age-Based Portfolios are available:

Direct-sold Plan:

- Blended Age-Based 0-6 Years Portfolio
- Blended Age-Based 7-9 Years Portfolio
- Blended Age-Based 10-11 Years Portfolio
- Blended Age-Based 12-14 Years Portfolio
- Blended Age-Based 15-17 Years Portfolio
- Blended Age-Based 18 Years Portfolio
- Index Age-Based 0-6 Years Portfolio
- Index Age-Based 7-9 Years Portfolio
- Index Age-Based 10-11 Years Portfolio
- Index Age-Based 12-14 Years Portfolio
- Index Age-Based 15-17 Years Portfolio
- Index Age-Based 18 Years Portfolio

Advisor-sold Plan:

- Advisor Age-Based 0-6 Years Portfolio
- Advisor Age-Based 7-9 Years Portfolio
- Advisor Age-Based 10-11 Years Portfolio
- Advisor Age-Based 12-14 Years Portfolio
- Advisor Age-Based 15-17 Years Portfolio
- Advisor Age-Based 18 Years Portfolio

Account assets generally do not remain in the Age-Based Portfolio in which they are initially invested. Account assets are redeemed by the Manager when the Beneficiary attains an age that is greater than the upper limit of the age range that corresponds to a particular Portfolio, including the Portfolio in which assets were invested initially. The Manager then reinvests these assets in the Portfolio that corresponds to the age of the Beneficiary. This continues until the Beneficiary is 18 years old, or the assets are withdrawn from the Account, whichever occurs first. The asset allocation strategy for the Age-Based Portfolio becomes increasingly conservative with each successive Portfolio.

Fixed Income Portfolios:

- Blended Fixed Income Portfolio
- Advisor Fixed Income Portfolio
- Index Fixed Income Portfolio

The goal of the Fixed Income Portfolios is to seek the relatively more stable returns of a fixed income investment in exchange for giving up the long-term return potential that the stock market may offer.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Equity Portfolios:

- Blended Equity Portfolio
- Advisor Equity Portfolio
- Index Equity Portfolio

The goal of the Equity Portfolios is to seek long-term capital appreciation through investments in equity mutual funds. The Equity Portfolio is only appropriate for investors with longer time horizons, who are comfortable with an increased level of risk while seeking higher longer-term returns, or who use this investment Portfolio as part of an overall college savings strategy that includes less aggressive investments.

Balanced Portfolios:

- Blended Balanced Portfolio
- Advisor Balanced Portfolio
- Index Balanced Portfolio

The goal of the Balanced Portfolios is to seek attractive total return with reasonable safety of principal through investment in equity and fixed income securities.

Money Market Portfolios:

- Money Market Portfolio
- Advisor Money Market Portfolio

The goal of the Money Market Portfolios is to seek current income and preservation of principal.

Conservative Fixed Income Portfolios:

- Blended Conservative Fixed Income Portfolio
- Advisor Conservative Fixed Income Portfolio

The goal of the Conservative Fixed Income Portfolios is to seek total return by investing primarily in short-term government securities.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Additional Program Information:

Additional information concerning the Bright Start College Savings Program may be obtained online at www.brightstartsavings.com, www.brightstartadvisor.com or by calling toll free 1-877-432-7444.

Investment Risk:

Interest Rate and Credit Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In its investment policy, the Treasurer has adopted a long-term total return strategy. A long-term diversified asset allocation strategy based on (1) asset classes (stocks, bonds, cash, etc.), (2) geography/country, (3) industry, and (4) maturity will be the primary method of risk control.

The investments in the Bright Start College Savings Program are not guaranteed or insured by the State of Illinois, Office of the Treasurer, the Program Manager, affiliates of the Program Manager, the FDIC, or any other party.

The fair values, interest rate risk and credit risk of the money market and fixed income funds for the Bright Start Program as of June 30, 2016 are detailed in the table below.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 519,311,777	30 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:					
	1,089,863,465	5.08 yrs	Effective Maturity	NR*	NA**
	646,037,406	1.38 yrs	Duration	NR*	NA**
	<u>234,217,938</u>	5.50 yrs	Effective Duration	NR*	NA**
	<u>\$ 2,489,430,586</u>				

*Credit Risk of NR indicates that while the underlying securities within the funds may be rated, the mutual fund itself is not rated.

**Not applicable

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

The fair values, interest rate risk and credit risk of the money market and fixed income funds for the Bright Start Program as of June 30, 2015 are detailed in the table below.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 460,489,174	45 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:					
	955,754,061	5.10 yrs	Effective Maturity	NR*	NA**
	599,883,615	1.42 yrs	Duration	NR*	NA**
	<u>220,573,327</u>	5.53 yrs	Effective Duration	NR*	NA**
	<u>\$ 2,236,700,177</u>				

*Credit Risk of NR indicates that while the underlying securities within the funds may be rated, the mutual fund itself is not rated.

**Not applicable

Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Bright Start Program is managed by Oppenheimer Funds, which has provided the Treasurer with the fair value measurements, the level of fair value hierarchy, and the valuation techniques as of June 30, 2016.

The Program calculates the net asset value of its units based upon the net asset value of its underlying investments, as of the close of the New York Stock Exchange (the Exchange), normally 3:00 P.M. Central Time, on each day the Exchange is open for trading, except in the case of a scheduled early closing of the Exchange, in which the Program will calculate net asset value of the units as of the scheduled early closing time of the Exchange. The net asset values of the underlying investments are determined as of the close of the Exchange, on each day the Exchange is open for trading.

Each investment of the Plan is assigned a level on the measurement date based on the significance and source of the inputs to its valuation. Various data inputs are used in determining the value of each of the Program's investments as of the reporting period end.

As of June 30, 2016, and without consideration as to the classification level of the specific investments held by the underlying investments, the Program classifies its investments in the underlying investments as \$4,402,534,991 Level 1 and \$1,650,176,344 Level 2.

As it relates to mutual funds, Level 1 mutual funds are listed on active exchanges and quoted prices are available daily. Level 2 mutual funds are not quoted daily on an active exchange.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

The following table summarizes the Program’s investments within the fair value hierarchy at June 30, 2016. Information for June 30, 2015 is not available.

Type	Fair Value	Level 1	Level 2	Level 3
Money Market:*	\$ 519,311,777	\$ 519,311,777	\$ -	\$ -
Mutual Funds:	5,533,399,558	3,883,223,214	1,650,176,344	-
Total:	<u>\$ 6,052,711,335</u>	<u>\$ 4,402,534,991</u>	<u>\$ 1,650,176,344</u>	<u>\$ -</u>

* Included within cash and cash equivalents

Bright Directions College Savings Program

Permitted Investments:

The Treasurer’s Bright Directions investment activities are governed by the Treasurer’s published Bright Directions investment policy (included in the “other information” section of this report), which was developed in accordance with the State statute. In addition, the Treasurer has adopted its own investment practices, which supplements the statutory requirements.

Contributions will be invested in one or more of the available Portfolios, each composed of a designated mix of investments or an individual investment fund, which is appropriate for the age of the participant or the investment objective of the Portfolio. Each Portfolio may allocate assets among domestic equity, international equity, real estate, fixed-income, and/or money market investments. The asset allocation of each Portfolio will be established by the Treasurer and managed by Union Bank. The Treasurer may adjust the weighting in stocks, bonds, real estate, and cash in each Portfolio and may change the mutual funds within the Portfolios consistent with its Investment Policy Statement.

Investment Options:

General Overview

The Bright Directions Program offers the following investment portfolios:

- Three Age-Based Tracks, each with five portfolio options
- Seven Target Portfolios
- Thirty Individual Fund Portfolios
- Fifteen Exchange-Traded Fund Portfolios
- Two Female & Minority Owned Portfolios

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

The three Age-Based portfolios are designed to reduce the account's exposure to principal loss the closer the Beneficiary is to college age; the seven Target Portfolios maintain a constant asset allocation between equity, fixed income, and money market securities; the Individual Fund Portfolios each invest in a single mutual fund; the Exchange-Traded Fund Portfolios invest in Vanguard ETF's; and the Female & Minority Owned Portfolios invest in underlying investment funds which are managed by female or minority-owned investment advisors. The Age-Based, Target, Individual, Exchange-Traded and Female & Minority Owned Fund Portfolios have been designed by the Treasurer, Manager, and Wilshire Funds Management.

Brief Description of Investment Options:

Age-Based Portfolios:

The Age-Based Portfolios generally invest in a mix of equity, fixed income, and money market funds allocated based on the current age of the Beneficiary. The Age-Based Portfolios adjust over time so that as the Beneficiary nears college age each Age-Based Portfolio's allocation between equity, fixed income, and money market funds becomes more conservative relative to the allocation in earlier years.

Program participants may choose from the following three Age-Based Tracks:

- Age-Based Aggressive Portfolio
- Age-Based Growth Portfolio
- Age-Based Balanced Portfolio

The beneficiary age bands within each of the above portfolios include: 0-8 years, 9-12 years, 13-16 years, 17-20 years and 21 years and over.

Target Portfolios:

The Target Portfolios are asset allocation portfolios that invest in a set or "static" mix of equity, fixed income, or money market funds. The allocation between equity, fixed income, and money market investments within the Target Portfolios does not change as the Beneficiary gets older. The seven Target Portfolios, ranging from the most aggressive to conservative, are as follows:

- Fund 100
- Fund 80
- Fund 60
- Fund 40
- Fund 20
- Fund 10
- Fixed Income Fund

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Individual Fund Portfolios:

The Bright Directions Program offers various Individual Fund Portfolios. Each Individual Fund Portfolio is invested solely in shares of a single underlying mutual fund. Account balances may be allocated among one or more Individual Fund Portfolios according to the Account Owners investment objectives, investment time horizon, and risk tolerance.

The Individual Fund Portfolios offered are as follows:

- American Century Equity Growth 529 Portfolio
- American Century Growth 529 Portfolio
- American Century Value 529 Portfolio
- American Century Short Duration Inflation Protection Bond 529 Portfolio
- Baird Short-Term Bond 529 Portfolio
- BlackRock Cash Funds 529 Portfolio
- BlackRock Inflation Protected Bond 529 Portfolio
- Calvert Equity 529 Portfolio
- Causeway Emerging Markets 529 Portfolio
- Delaware Small Cap Core 529 Portfolio
- DFA International Small Company 529 Portfolio
- Dodge & Cox International Stock 529 Portfolio
- Eagle Small Cap Growth 529 Portfolio (Removed on October 1, 2015)
- Harbor Small Cap Growth Opportunities 529 Portfolio (Added October 1, 2015)
- MainStay Total Return Bond 529 Portfolio
- MFS Value 529 Portfolio
- Northern Funds Bond Index 529 Portfolio
- Northern Funds International Equity Index 529 Portfolio
- Northern Funds Small Cap Index 529 Portfolio
- Northern Funds Small Cap Value 529 Portfolio
- Northern Funds Stock Index 529 Portfolio
- Oppenheimer International Growth 529 Portfolio
- PIMCO Short-Term 529 Portfolio
- T. Rowe Price Balanced 529 Portfolio
- T. Rowe Price Equity Income 529 Portfolio
- T. Rowe Price Extended Equity Market Index 529 Portfolio
- T. Rowe Price Institutional Large Cap Growth 529 Portfolio
- T. Rowe Price Real Estate 529 Portfolio
- Templeton International Bond 529 Portfolio
- Voya Global Real Estate 529 Portfolio
- William Blair Mid Cap Growth 529 Portfolio

**State of Illinois
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College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Exchange-Traded Fund Portfolios:

The Bright Directions Program offers Exchange-Traded Fund Portfolios. These portfolios are additional Individual Fund Portfolios that invest in certain exchange-traded funds available under Fee Structure F. Fee Structure F is available only to Account Owners that establish an Account through registered investment advisors or other financial advisors that are not compensated through commissions, but rather through payment of an hourly fee or a percentage of assets under management.

The Exchange-Traded Fund Portfolios offered are as follows:

- Vanguard FTSE Developed Markets ETF 529 Portfolio
- Vanguard FTSE Emerging Markets ETF 529 Portfolio
- Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
- Vanguard Mega Cap Value ETF 529 Portfolio
- Vanguard Mega Cap ETF 529 Portfolio
- Vanguard Mega Cap Growth ETF 529 Portfolio
- Vanguard Mid-Cap Value ETF 529 Portfolio
- Vanguard Mid-Cap ETF 529 Portfolio
- Vanguard Mid-Cap Growth ETF 529 Portfolio
- Vanguard REIT ETF 529 Portfolio
- Vanguard Short-Term Bond ETF 529 Portfolio
- Vanguard Small-Cap Value ETF 529 Portfolio
- Vanguard Small-Cap ETF 529 Portfolio
- Vanguard Small-Cap Growth ETF 529 Portfolio
- Vanguard Total Bond Market ETF 529 Portfolio

Female & Minority Owned Portfolios:

The Bright Directions Program offers Female & Minority Owned Portfolios. Each portfolio is invested in funds which are managed by female and/or minority-owned investment advisors.

The Female & Minority Owned Portfolios are as follows:

- Ariel Fund 529 Portfolio
- SIT Dividend Growth 529 Portfolio

Additional Program Information

Additional information concerning the Bright Directions College Savings Program, including a complete description of investment options, may be obtained online at www.brightdirections.com or by calling 1-866-722-7283.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Investment Risk:

Interest Rate and Credit Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In its investment policy the Treasurer has adopted a long-term total return strategy. A long-term diversified asset allocation strategy based on (1) asset classes (stocks, bonds, cash, etc.), (2) geography/country, (3) industry, and (4) maturity will be the primary method of risk control.

The investments in the Bright Directions College Savings Program are not guaranteed or insured by the State of Illinois, Office of the Treasurer, the Program Manager, affiliates of the Program Manager, the FDIC, or any other party.

The fair values, interest rate risk and credit risk of the money market and fixed income funds for the Bright Directions Program as of June 30, 2016 are detailed in the table below.

<u>Type</u>	<u>Fair Value</u>	<u>Interest Rate Risk</u>	<u>Method</u>	<u>Credit Risk</u>	<u>Rating Service</u>
Money Market:	\$ 114,815,227	24 days	Weighted Average Maturity	NR*	NA**
Fixed Income Funds:					
	96,833,794	7.40 yrs	Average Maturity	NR*	NA**
	454,267,359	3.26 yrs	Effective Maturity	NR*	NA**
	41,457,668	3.71 yrs	Weight Average Maturity	NR*	NA**
	<u>62,906,809</u>	3.18 yrs	Effective Duration	NR*	NA**
	<u>\$ 770,280,857</u>				

*Credit Risk of NR indicates that while the underlying securities within the funds may be rated, the mutual fund itself is not rated.

**Not applicable

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Investment Risk: (Continued)

Interest Rate and Credit Risk: (Continued)

The fair values, interest rate risk and credit risk of the money market and fixed income funds for the Bright Directions Program as of June 30, 2015 are detailed in the table below.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 97,739,604	26 days	Weighted Average Maturity	NR*	NA**
Fixed Income Funds:					
	87,009,857	7.40 yrs	Average Maturity	NR*	NA**
	406,854,375	3.07 yrs	Effective Maturity	NR*	NA**
	38,824,466	2.43 yrs	Weighted Average Maturity	NR*	NA**
	<u>55,769,003</u>	3.10 yrs	Effective Duration	NR*	NA**
	<u>\$ 686,197,305</u>				

*Credit Risk of NR indicates that while the underlying securities within the funds may be rated, the mutual fund itself is not rated.

**Not applicable

Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Bright Directions Program is managed by Union Bank and Trust, which has provided the Treasurer with the fair value measurements, the level of fair value hierarchy, and the valuation techniques as of June 30, 2016.

Investments in the underlying funds are valued at the closing net asset or unit value per share of each underlying fund on the day of valuation. The Program calculates the net asset value of its shares based upon the net asset value of the applicable underlying funds, as of the close of the New York Stock Exchange (the Exchange), normally 3:00 P.M. Central Time, on each day the Exchange is open for business. The net asset values of the underlying funds are determined as of the close of the Exchange, on each day the Exchange is open for trading.

Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

**State of Illinois
Office of the Treasurer
College Savings Program**

**Notes to the Financial Statements
For the Years Ended June 30, 2016 and 2015**

Note 2. Investments (Continued)

Fair Value Measurement: (Continued)

The Program classifies each of its investment in the registered underlying mutual funds as Level 1, totaling \$2,048,446,215, without consideration as to the classification level of the specific investments held by the underlying investments.

The following table summarizes the Program's investments within the fair value hierarchy at June 30, 2016. Information for June 30, 2015 is not available.

Type	Fair Value	Level 1	Level 2	Level 3
Money Market:*	\$ 114,815,227	\$ 114,815,227	\$ -	\$ -
Mutual Funds:	1,933,630,988	1,933,630,988	-	-
Total:	<u>\$ 2,048,446,215</u>	<u>\$ 2,048,446,215</u>	<u>\$ -</u>	<u>\$ -</u>

* Included within cash and cash equivalents

Note 3. Administrative Fees

To administer the College Savings Program, the Treasurer has a division entitled, "The College Savings Program Division." This division had one employee as of June 30, 2016. The revenues and expenses of the division are recorded in an enterprise proprietary fund maintained by the Treasurer entitled College Savings Program Administrative Trust Fund No. 668.

The Managers of the College Savings Program receive fees for their services. The Bright Start Program Manager received an amount equal to a charge against the assets of the Trust at an annual rate of 0.15% on the blended and advisor portfolios and 0.14% on the index portfolios of the average daily balance of the net assets of the Trust. The fee is calculated daily but payable monthly. The Bright Directions Program Management fee was at an annual rate of 0.32% of the average daily net assets of each Portfolio through November 14, 2015. The annual rate was reduced to 0.18% effective November 15, 2015.

The College Savings Program custodial/advisory fees paid from the Trust and the College Savings Program Administrative Trust Fund expenses are as follows:

	<u>2016</u>	<u>2015</u>
Custodial/advisory fees	\$ 12,732,536	\$ 13,343,020
Administrative Trust Fund expenses	1,701,846	1,145,052

SUPPLEMENTARY INFORMATION

State of Illinois
Office of the Treasurer

College Savings Program
Combining Statements of Fiduciary Net Position
June 30, 2016 and 2015

	Bright Start		Bright Directions		Totals	
	2016	2015	2016	2015	2016	2015
Assets						
Cash and cash equivalents	\$ 529,810,292	\$ 472,294,998	\$ 115,701,875	\$ 98,706,195	\$ 645,512,167	\$ 571,001,193
Capital shares receivable	7,805,911	8,256,593	1,910,886	1,545,524	9,716,797	9,802,117
Securities sold receivable	908,228	4,073,967	-	-	908,228	4,073,967
Dividends receivable	2,520,035	1,872,265	1,861,713	535,450	4,381,748	2,407,715
Mutual funds	5,533,399,558	5,236,469,644	1,933,630,988	1,798,251,334	7,467,030,546	7,034,720,978
Total assets	<u>\$ 6,074,444,024</u>	<u>\$ 5,722,967,467</u>	<u>\$ 2,053,105,462</u>	<u>\$ 1,899,038,503</u>	<u>\$ 8,127,549,486</u>	<u>\$ 7,622,005,970</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 5,447,041	\$ 5,508,291	\$ 1,395,321	\$ 1,378,179	\$ 6,842,362	\$ 6,886,470
Payable for securities purchased	4,126,559	5,730,774	-	-	4,126,559	5,730,774
Other liabilities	288,371	51,754	2,428,581	2,242,137	2,716,952	2,293,891
Total liabilities	9,861,971	11,290,819	3,823,902	3,620,316	13,685,873	14,911,135
Net position held in trust for participants	<u>6,064,582,053</u>	<u>5,711,676,648</u>	<u>2,049,281,560</u>	<u>1,895,418,187</u>	<u>8,113,863,613</u>	<u>7,607,094,835</u>
Total liabilities and net position	<u>\$ 6,074,444,024</u>	<u>\$ 5,722,967,467</u>	<u>\$ 2,053,105,462</u>	<u>\$ 1,899,038,503</u>	<u>\$ 8,127,549,486</u>	<u>\$ 7,622,005,970</u>

State of Illinois
Office of the Treasurer
College Savings Program
Combining Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2016 and 2015

	Bright Start		Bright Directions		Totals	
	2016	2015	2016	2015	2016	2015
Investment income (expense)						
Investment earnings	\$ 63,115,697	\$ 53,866,875	\$ 66,021,542	\$ 64,303,306	\$ 129,137,239	\$ 118,170,181
Net change in fair value of investments	(7,011,741)	122,587,941	(86,957,117)	(18,588,737)	(93,968,858)	103,999,204
State administrative fees	(1,060,983)	(1,045,191)	(930,908)	(861,704)	(1,991,891)	(1,906,895)
Other operating expenses	-	-	(3,851)	(2,206)	(3,851)	(2,206)
12b-1 fees	(4,640,447)	(4,508,506)	(5,894,525)	(5,499,271)	(10,534,972)	(10,007,777)
Management and bank custodial fees	(8,356,661)	(7,774,831)	(4,375,875)	(5,568,189)	(12,732,536)	(13,343,020)
Net investment earnings (loss)	42,045,865	163,126,288	(32,140,734)	33,783,199	9,905,131	196,909,487
Distributions to participants						
Net investment income	-	-	(84,756)	(21,546)	(84,756)	(21,546)
Other participant transactions						
Program contributions	2,086,452,777	2,024,636,533	722,094,699	721,197,650	2,808,547,476	2,745,834,183
Program distributions	(1,775,593,237)	(1,684,569,509)	(536,084,970)	(527,740,778)	(2,311,678,207)	(2,212,310,287)
Distributions reinvested	-	-	79,134	20,699	79,134	20,699
Total increase from participant transactions	310,859,540	340,067,024	186,088,863	193,477,571	496,948,403	533,544,595
Change in net position	352,905,405	503,193,312	153,863,373	227,239,224	506,768,778	730,432,536
Net position, beginning of fiscal year	5,711,676,648	5,208,483,336	1,895,418,187	1,668,178,963	7,607,094,835	6,876,662,299
Net position, end of fiscal year	\$ 6,064,582,053	\$ 5,711,676,648	\$ 2,049,281,560	\$ 1,895,418,187	\$ 8,113,863,613	\$ 7,607,094,835

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2016

	Bright Start Advisor Age Based 0-6 years	Bright Start Advisor Age Based 7-9 years	Bright Start Advisor Age Based 10-11 years	Bright Start Advisor Age Based 12-14 years	Bright Start Advisor Age Based 15-17 years	Bright Start Advisor Age Based 18 years
Assets						
Cash and cash equivalents	\$ 587,606	\$ 752,606	\$ 686,536	\$ 1,156,485	\$ 41,708,407	\$ 54,782,134
Capital shares receivable	118,038	174,108	133,681	258,097	237,567	387,942
Securities sold receivable	-	298,939	65,602	94,556	-	-
Dividends receivable	23,572	68,343	65,869	202,472	268,545	180,475
Mutual funds	135,580,759	157,878,858	151,645,443	307,723,834	289,756,517	200,496,713
Total assets	<u>\$ 136,309,975</u>	<u>\$ 159,172,854</u>	<u>\$ 152,597,131</u>	<u>\$ 309,435,444</u>	<u>\$ 331,971,036</u>	<u>\$ 255,847,264</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	85,759	118,927	201,133	167,684	292,993	476,855
Payable for securities purchased	52,652	68,183	65,762	202,211	409,773	313,230
Total liabilities	<u>138,411</u>	<u>187,110</u>	<u>266,895</u>	<u>369,895</u>	<u>702,766</u>	<u>790,085</u>
Net position held in trust for participants	<u>136,171,564</u>	<u>158,985,744</u>	<u>152,330,236</u>	<u>309,065,549</u>	<u>331,268,270</u>	<u>255,057,179</u>
Total liabilities and net position	<u>\$ 136,309,975</u>	<u>\$ 159,172,854</u>	<u>\$ 152,597,131</u>	<u>\$ 309,435,444</u>	<u>\$ 331,971,036</u>	<u>\$ 255,847,264</u>

(Continued)

State of Illinois
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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Advisor Choice Based Conservative Fixed Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Assets						
Cash and cash equivalents	\$ 912,744	\$ 6,291,265	\$ 4,370,958	\$ 84,258	\$ 1,875,708	\$ 13,627,281
Capital shares receivable	240,501	16,954	249,255	231	486,307	410,218
Securities sold receivable	-	19,102	1,625	1,776	-	-
Dividends receivable	157	65,480	22,978	1,464	55,738	118,467
Mutual funds	428,978,762	88,548,384	20,877,747	6,254,243	299,834,831	256,717,552
Total assets	\$ 430,132,164	\$ 94,941,185	\$ 25,522,563	\$ 6,341,972	\$ 302,252,584	\$ 270,873,518
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	394,764	62,505	2,203	2,026	276,178	241,769
Payable for securities purchased	31,426	61,912	21,578	1,448	748,289	90,156
Total liabilities	426,190	124,417	23,781	3,474	1,024,467	331,925
Net position held in trust for participants	429,705,974	94,816,768	25,498,782	6,338,498	301,228,117	270,541,593
Total liabilities and net position	\$ 430,132,164	\$ 94,941,185	\$ 25,522,563	\$ 6,341,972	\$ 302,252,584	\$ 270,873,518

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Bright Start Index Age Based 10-11 years	Bright Start Index Age Based 12-14 years	Bright Start Index Age Based 15-17 years	Bright Start Index Age Based 18 years	Bright Start Index Choice Based Equity	Bright Start Index Choice Based Balanced
Assets						
Cash and cash equivalents	\$ 7,898,688	\$ 21,277,146	\$ 29,186,693	\$ 22,369,747	\$ 805,696	\$ 16,875,027
Capital shares receivable	368,479	825,196	499,433	335,448	528,203	104,219
Securities sold receivable	-	4,516	63,606	124,313	-	99,880
Dividends receivable	85,964	146,617	178,672	171,173	153	115,659
Mutual funds	135,693,303	195,394,321	165,803,307	127,608,877	660,370,496	153,265,604
Total assets	<u>\$ 144,046,434</u>	<u>\$ 217,647,796</u>	<u>\$ 195,731,711</u>	<u>\$ 150,609,558</u>	<u>\$ 661,704,548</u>	<u>\$ 170,460,389</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ -	\$ -	\$ 149,906	\$ -	\$ 138,465	\$ -
Payable for capital shares	557,928	403,232	270,966	40,352	64,271	173,057
Payable for securities purchased	573,911	112,579	-	-	152,921	83,136
Total liabilities	<u>1,131,839</u>	<u>515,811</u>	<u>420,872</u>	<u>40,352</u>	<u>355,657</u>	<u>256,193</u>
Net position held in trust for participants	<u>142,914,595</u>	<u>217,131,985</u>	<u>195,310,839</u>	<u>150,569,206</u>	<u>661,348,891</u>	<u>170,204,196</u>
Total liabilities and net position	<u>\$ 144,046,434</u>	<u>\$ 217,647,796</u>	<u>\$ 195,731,711</u>	<u>\$ 150,609,558</u>	<u>\$ 661,704,548</u>	<u>\$ 170,460,389</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Bright Start Index Choice Based Fixed Income	Bright Start Blended Age Based 0-6 years	Bright Start Blended Age Based 7-9 years	Bright Start Blended Age Based 10-11 years	Bright Start Blended Age Based 12-14 years	Bright Start Blended Age Based 15-17 years
Assets						
Cash and cash equivalents	\$ 13,761,790	\$ 787,843	\$ 874,940	\$ 752,154	\$ 1,349,501	\$ 36,983,175
Capital shares receivable	127,609	138,291	122,997	323,107	345,213	172,994
Securities sold receivable	-	61,463	-	44,040	28,810	-
Dividends receivable	128,489	11,204	36,096	37,779	149,078	152,845
Mutual funds	78,345,711	119,574,704	154,714,106	162,840,412	324,744,353	260,832,468
Total assets	<u>\$ 92,363,599</u>	<u>\$ 120,573,505</u>	<u>\$ 155,748,139</u>	<u>\$ 163,997,492</u>	<u>\$ 326,616,955</u>	<u>\$ 298,141,482</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	5,729	62,803	214,193	287,101	95,825	334,880
Payable for securities purchased	62,091	11,018	54,431	37,646	148,761	249,771
Total liabilities	<u>67,820</u>	<u>73,821</u>	<u>268,624</u>	<u>324,747</u>	<u>244,586</u>	<u>584,651</u>
Net position held in trust for participants	<u>92,295,779</u>	<u>120,499,684</u>	<u>155,479,515</u>	<u>163,672,745</u>	<u>326,372,369</u>	<u>297,556,831</u>
Total liabilities and net position	<u>\$ 92,363,599</u>	<u>\$ 120,573,505</u>	<u>\$ 155,748,139</u>	<u>\$ 163,997,492</u>	<u>\$ 326,616,955</u>	<u>\$ 298,141,482</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Bright Start Blended Age Based 18 years	Bright Start Blended Choice Based Equity	Bright Start Blended Choice Based Fixed Income	Bright Start Blended Choice Based Balanced	Bright Start Blended Choice Based Conservative Fixed Income	Bright Start Advisor Money Market Portfolio	Bright Start Direct Money Market Portfolio	Total
Assets								
Cash and cash equivalents	\$ 40,779,094	\$ 725,426	\$ 1,889,609	\$ 12,235,892	\$ 238,784	\$ 59,837,588	\$ 134,345,511	\$ 529,810,292
Capital shares receivable	467,741	218,735	6,913	63,299	5,551	35,981	403,603	7,805,911
Securities sold receivable	-	-	-	-	-	-	-	908,228
Dividends receivable	105,886	130	14,211	35,030	4,967	22,344	50,178	2,520,035
Mutual funds	148,211,019	395,586,537	25,913,563	58,896,221	21,310,913	-	-	5,533,399,558
Total assets	<u>\$ 189,563,740</u>	<u>\$ 396,530,828</u>	<u>\$ 27,824,296</u>	<u>\$ 71,230,442</u>	<u>\$ 21,560,215</u>	<u>\$ 59,895,913</u>	<u>\$ 134,799,292</u>	<u>\$ 6,074,444,024</u>
Liabilities and Net Position								
Liabilities								
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,371
Payable for capital shares	59,052	498,289	31,624	10,136	14,807	-	-	5,447,041
Payable for securities purchased	188,436	59,187	40,404	49,672	91,636	14,742	129,597	4,126,559
Total liabilities	<u>247,488</u>	<u>557,476</u>	<u>72,028</u>	<u>59,808</u>	<u>106,443</u>	<u>14,742</u>	<u>129,597</u>	<u>9,861,971</u>
Net position held in trust for participants	<u>189,316,252</u>	<u>395,973,352</u>	<u>27,752,268</u>	<u>71,170,634</u>	<u>21,453,772</u>	<u>59,881,171</u>	<u>134,669,695</u>	<u>6,064,582,053</u>
Total liabilities and net position	<u>\$ 189,563,740</u>	<u>\$ 396,530,828</u>	<u>\$ 27,824,296</u>	<u>\$ 71,230,442</u>	<u>\$ 21,560,215</u>	<u>\$ 59,895,913</u>	<u>\$ 134,799,292</u>	<u>\$ 6,074,444,024</u>

State of Illinois
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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2015

	Bright Start Advisor Age Based 0-6 years	Bright Start Advisor Age Based 7-9 years	Bright Start Advisor Age Based 10-11 years	Bright Start Advisor Age Based 12-14 years	Bright Start Advisor Age Based 15-17 years	Bright Start Advisor Age Based 18 years
Assets						
Cash and cash equivalents	\$ 181,044	\$ 861,972	\$ 992,797	\$ 1,136,048	\$ 37,673,122	\$ 49,268,559
Capital shares receivable	144,918	201,720	362,550	186,827	521,042	448,029
Securities sold receivable	399,679	428,396	-	365,501	-	-
Dividends receivable	20,882	60,045	57,158	169,104	190,107	123,044
Mutual funds	147,672,106	169,986,033	164,020,762	312,985,401	260,881,543	178,016,063
Total assets	<u>\$ 148,418,629</u>	<u>\$ 171,538,166</u>	<u>\$ 165,433,267</u>	<u>\$ 314,842,881</u>	<u>\$ 299,265,814</u>	<u>\$ 227,855,695</u>
Liabilities and Net Position						
Liabilities						
Other Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	157,240	273,670	98,339	458,608	511,305	465,113
Payable for securities purchased	20,857	60,013	357,996	169,065	457,244	619,132
Total liabilities	<u>178,097</u>	<u>333,683</u>	<u>456,335</u>	<u>627,673</u>	<u>968,549</u>	<u>1,084,245</u>
Net position held in trust for participants	<u>148,240,532</u>	<u>171,204,483</u>	<u>164,976,932</u>	<u>314,215,208</u>	<u>298,297,265</u>	<u>226,771,450</u>
Total liabilities and net position	<u>\$ 148,418,629</u>	<u>\$ 171,538,166</u>	<u>\$ 165,433,267</u>	<u>\$ 314,842,881</u>	<u>\$ 299,265,814</u>	<u>\$ 227,855,695</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Advisor Choice Based Conservative Fixed Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Assets						
Cash and cash equivalents	\$ 1,165,007	\$ 10,265,405	\$ 3,681,829	\$ 53,359	\$ 231,251	\$ 12,167,000
Capital shares receivable	248,033	57,885	1,903	6	619,287	382,182
Securities sold receivable	4,899	-	-	-	708,511	-
Dividends receivable	25	49,951	17,055	855	53,256	89,749
Mutual funds	470,492,608	82,957,651	20,144,874	4,640,753	293,214,340	208,503,205
Total assets	<u>\$ 471,910,572</u>	<u>\$ 93,330,892</u>	<u>\$ 23,845,661</u>	<u>\$ 4,694,973</u>	<u>\$ 294,826,645</u>	<u>\$ 221,142,136</u>
Liabilities and Net Position						
Liabilities						
Other Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	583,372	250,902	11,090	-	263,899	108,370
Payable for securities purchased	-	53,711	17,271	969	53,216	502,422
Total liabilities	<u>583,372</u>	<u>304,613</u>	<u>28,361</u>	<u>969</u>	<u>317,115</u>	<u>610,792</u>
Net position held in trust for participants	<u>471,327,200</u>	<u>93,026,279</u>	<u>23,817,300</u>	<u>4,694,004</u>	<u>294,509,530</u>	<u>220,531,344</u>
Total liabilities and net position	<u>\$ 471,910,572</u>	<u>\$ 93,330,892</u>	<u>\$ 23,845,661</u>	<u>\$ 4,694,973</u>	<u>\$ 294,826,645</u>	<u>\$ 221,142,136</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Bright Start Index Age Based 10-11 years	Bright Start Index Age Based 12-14 years	Bright Start Index Age Based 15-17 years	Bright Start Index Age Based 18 years	Bright Start Index Choice Based Equity	Bright Start Index Choice Based Balanced
Assets						
Cash and cash equivalents	\$ 6,472,874	\$ 18,582,588	\$ 24,716,705	\$ 18,669,210	\$ 633,619	\$ 15,499,900
Capital shares receivable	196,694	237,256	135,923	238,899	778,350	180,338
Securities sold receivable	73,665	-	-	-	-	112,859
Dividends receivable	68,002	111,826	136,945	124,635	30	96,523
Mutual funds	114,868,902	161,308,761	139,548,670	101,269,982	593,605,322	139,433,587
Total assets	<u>\$ 121,680,137</u>	<u>\$ 180,240,431</u>	<u>\$ 164,538,243</u>	<u>\$ 120,302,726</u>	<u>\$ 595,017,321</u>	<u>\$ 155,323,207</u>
Liabilities and Net Position						
Liabilities						
Other Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	94,379	89,719	211,483	44,645	51,753	11,342
Payable for securities purchased	67,518	238,864	186,914	280,893	127,212	95,322
Total liabilities	<u>161,897</u>	<u>328,583</u>	<u>398,397</u>	<u>325,538</u>	<u>178,965</u>	<u>106,664</u>
Net position held in trust for participants	<u>121,518,240</u>	<u>179,911,848</u>	<u>164,139,846</u>	<u>119,977,188</u>	<u>594,838,356</u>	<u>155,216,543</u>
Total liabilities and net position	<u>\$ 121,680,137</u>	<u>\$ 180,240,431</u>	<u>\$ 164,538,243</u>	<u>\$ 120,302,726</u>	<u>\$ 595,017,321</u>	<u>\$ 155,323,207</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Bright Start Index Choice Based Fixed Income	Bright Start Blended Age Based 0-6 years	Bright Start Blended Age Based 7-9 years	Bright Start Blended Age Based 10-11 years	Bright Start Blended Age Based 12-14 years	Bright Start Blended Age Based 15-17 years
Assets						
Cash and cash equivalents	\$ 11,826,224	\$ 10,705	\$ 720,565	\$ 1,030,808	\$ 595,819	\$ 30,858,235
Capital shares receivable	84,755	176,250	260,829	311,073	716,463	356,411
Securities sold receivable	148,854	592,708	688,802	-	475,537	-
Dividends receivable	103,181	9,523	31,540	33,344	116,231	94,082
Mutual funds	66,972,932	124,554,308	167,153,865	177,141,732	309,989,614	214,925,904
Total assets	<u>\$ 79,135,946</u>	<u>\$ 125,343,494</u>	<u>\$ 168,855,601</u>	<u>\$ 178,516,957</u>	<u>\$ 311,893,664</u>	<u>\$ 246,234,632</u>
Liabilities and Net Position						
Liabilities						
Other Liabilities	\$ -	\$ 42,201	\$ -	\$ -	\$ -	\$ -
Payable for capital shares	16,665	120,208	212,388	596,429	292,517	387,799
Payable for securities purchased	102,251	9,502	31,495	542,240	116,185	993,481
Total liabilities	<u>118,916</u>	<u>171,911</u>	<u>243,883</u>	<u>1,138,669</u>	<u>408,702</u>	<u>1,381,280</u>
Net position held in trust for participants	<u>79,017,030</u>	<u>125,171,583</u>	<u>168,611,718</u>	<u>177,378,288</u>	<u>311,484,962</u>	<u>244,853,352</u>
Total liabilities and net position	<u>\$ 79,135,946</u>	<u>\$ 125,343,494</u>	<u>\$ 168,855,601</u>	<u>\$ 178,516,957</u>	<u>\$ 311,893,664</u>	<u>\$ 246,234,632</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Bright Start Blended Age Based 18 years	Bright Start Blended Choice Based Equity	Bright Start Blended Choice Based Fixed Income	Bright Start Blended Choice Based Balanced	Bright Start Blended Choice Based Conservative Fixed Income	Bright Start Advisor Money Market Portfolio	Bright Start Direct Money Market Portfolio	Total
Assets								
Cash and cash equivalents	\$ 36,230,829	\$ 763,326	\$ 3,884,317	\$ 6,765,579	\$ 109,871	\$ 60,266,768	\$ 116,979,663	\$ 472,294,998
Capital shares receivable	512,478	213,884	9,419	67,674	66,646	154,919	383,950	8,256,593
Securities sold receivable	-	66,978	7,578	-	-	-	-	4,073,967
Dividends receivable	64,248	41	9,884	24,619	2,349	4,798	9,233	1,872,265
Mutual funds	128,849,123	391,225,472	21,585,024	57,974,302	12,546,805	-	-	5,236,469,644
Total assets	\$ 165,656,678	\$ 392,269,701	\$ 25,496,222	\$ 64,832,174	\$ 12,725,671	\$ 60,426,485	\$ 117,372,846	\$ 5,722,967,467
Liabilities and Net Position								
Liabilities								
Other Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 9,553	\$ -	\$ -	\$ 51,754
Payable for capital shares	90,076	77,027	456	3,984	25,513	-	-	5,508,291
Payable for securities purchased	107,597	-	9,582	224,309	12,352	169,247	103,914	5,730,774
Total liabilities	197,673	77,027	10,038	228,293	47,418	169,247	103,914	11,290,819
Net position held in trust for participants	165,459,005	392,192,674	25,486,184	64,603,881	12,678,253	60,257,238	117,268,932	5,711,676,648
Total liabilities and net position	\$ 165,656,678	\$ 392,269,701	\$ 25,496,222	\$ 64,832,174	\$ 12,725,671	\$ 60,426,485	\$ 117,372,846	\$ 5,722,967,467

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2016

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short Term Bond Institutional 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ 16	\$ 6,040	\$ -	\$ 5,956	\$ 16,263
Receivables for contributions	2,529	482	25	6,112	3,613	31,815
Dividends receivable	-	-	-	-	-	-
Mutual funds	11,495,740	7,045,216	1,159,030	11,502,106	7,851,669	17,817,681
Total assets	\$ 11,498,269	\$ 7,045,714	\$ 1,165,095	\$ 11,508,218	\$ 7,861,238	\$ 17,865,759
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ -	\$ -	\$ -	\$ 696	\$ 2,556	\$ 31,884
Other liabilities	21,273	6,892	702	11,218	7,585	14,839
Total liabilities	21,273	6,892	702	11,914	10,141	46,723
Net position held in trust for participants	11,476,996	7,038,822	1,164,393	11,496,304	7,851,097	17,819,036
Total liabilities and net position	\$ 11,498,269	\$ 7,045,714	\$ 1,165,095	\$ 11,508,218	\$ 7,861,238	\$ 17,865,759

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio
Assets								
Cash and cash equivalents	\$ 45,734,957	\$ 15,036	\$ -	\$ 5,700	\$ 10,891	\$ 20,338	\$ 35,777	\$ -
Receivables for contributions	106,853	27,211	1,257	1,610	2,246	252	4,989	1,535
Dividends receivable	19,345	20,174	-	-	-	46,868	-	-
Mutual funds	-	8,283,592	6,703,483	6,251,359	10,904,406	4,092,542	22,103,109	10,284,665
Total assets	\$ 45,861,155	\$ 8,346,013	\$ 6,704,740	\$ 6,258,669	\$ 10,917,543	\$ 4,160,000	\$ 22,143,875	\$ 10,286,200
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ 41,951	\$ 6,108	\$ -	\$ -	\$ 4,481	\$ -	\$ 13,608	\$ 869
Other liabilities	13,666	7,336	6,813	4,888	10,354	2,903	20,692	10,671
Total liabilities	55,617	13,444	6,813	4,888	14,835	2,903	34,300	11,540
Net position held in trust for participants	45,805,538	8,332,569	6,697,927	6,253,781	10,902,708	4,157,097	22,109,575	10,274,660
Total liabilities and net position	\$ 45,861,155	\$ 8,346,013	\$ 6,704,740	\$ 6,258,669	\$ 10,917,543	\$ 4,160,000	\$ 22,143,875	\$ 10,286,200

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Mainstay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio	Northern Funds Bond Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Value 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio
Assets								
Cash and cash equivalents	\$ -	\$ 1,681	\$ 64	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables for contributions	5,539	3,082	1,492	838	1,992	876	2,309	4,450
Dividends receivable	85,197	-	4,425	-	-	-	-	-
Mutual funds	35,201,395	24,052,407	9,406,311	7,186,947	6,462,434	7,262,299	25,232,863	20,206,345
Total assets	<u>\$35,292,131</u>	<u>\$24,057,170</u>	<u>\$ 9,412,292</u>	<u>\$ 7,187,785</u>	<u>\$ 6,464,426</u>	<u>\$ 7,263,175</u>	<u>\$ 25,235,172</u>	<u>\$ 20,210,795</u>
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ 17,046	\$ -	\$ 3,231	\$ 403	\$ -	\$ 1,011	\$ 19,799	\$ 3,582
Other liabilities	36,721	20,834	8,601	6,369	13,540	6,871	34,687	25,471
Total liabilities	<u>53,767</u>	<u>20,834</u>	<u>11,832</u>	<u>6,772</u>	<u>13,540</u>	<u>7,882</u>	<u>54,486</u>	<u>29,053</u>
Net position held in trust for participants	<u>35,238,364</u>	<u>24,036,336</u>	<u>9,400,460</u>	<u>7,181,013</u>	<u>6,450,886</u>	<u>7,255,293</u>	<u>25,180,686</u>	<u>20,181,742</u>
Total liabilities and net position	<u>\$35,292,131</u>	<u>\$24,057,170</u>	<u>\$ 9,412,292</u>	<u>\$ 7,187,785</u>	<u>\$ 6,464,426</u>	<u>\$ 7,263,175</u>	<u>\$ 25,235,172</u>	<u>\$ 20,210,795</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Pimco Short-Term 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Institutional Large Cap Growth 529 Portfolio
Assets						
Cash and cash equivalents	\$ 29,471	\$ 297	\$ -	\$ -	\$ 6,926	\$ 5,910
Receivables for contributions	48,059	1,054	38,239	85,443	1,072	4,873
Dividends receivable	26,284	-	-	-	-	-
Mutual funds	16,514,653	10,295,580	33,000,991	28,497,249	14,287,164	36,583,344
Total assets	<u>\$ 16,618,467</u>	<u>\$ 10,296,931</u>	<u>\$ 33,039,230</u>	<u>\$ 28,582,692</u>	<u>\$ 14,295,162</u>	<u>\$ 36,594,127</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ -	\$ -	\$ 47,029	\$ 1,500	\$ 3,191	\$ 6,410
Other liabilities	13,857	8,205	71,423	34,209	12,529	33,669
Total liabilities	<u>13,857</u>	<u>8,205</u>	<u>118,452</u>	<u>35,709</u>	<u>15,720</u>	<u>40,079</u>
Net position held in trust for participants	<u>16,604,610</u>	<u>10,288,726</u>	<u>32,920,778</u>	<u>28,546,983</u>	<u>14,279,442</u>	<u>36,554,048</u>
Total liabilities and net position	<u>\$ 16,618,467</u>	<u>\$ 10,296,931</u>	<u>\$ 33,039,230</u>	<u>\$ 28,582,692</u>	<u>\$ 14,295,162</u>	<u>\$ 36,594,127</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	T.Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-US Real Estate ETF 529 Portfolio	Vanguard Mega Cap ETF 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ 39,356	\$ -	\$ 29,122	\$ 10,081	\$ 25,816
Receivables for contributions	5,658	1,343	1,248	1,097	3	329
Dividends receivable	-	-	-	-	-	-
Mutual funds	11,259,123	7,927,380	2,265,058	1,807,844	499,936	4,884,138
Total assets	<u>\$ 11,264,781</u>	<u>\$ 7,968,079</u>	<u>\$ 2,266,306</u>	<u>\$ 1,838,063</u>	<u>\$ 510,020</u>	<u>\$ 4,910,283</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 1,421	\$ 1,524	\$ -	\$ -	\$ -	\$ -
Other liabilities	12,021	6,814	401	373	93	830
Total liabilities	<u>13,442</u>	<u>8,338</u>	<u>401</u>	<u>373</u>	<u>93</u>	<u>830</u>
Net position held in trust for participants	<u>11,251,339</u>	<u>7,959,741</u>	<u>2,265,905</u>	<u>1,837,690</u>	<u>509,927</u>	<u>4,909,453</u>
Total liabilities and net position	<u>\$ 11,264,781</u>	<u>\$ 7,968,079</u>	<u>\$ 2,266,306</u>	<u>\$ 1,838,063</u>	<u>\$ 510,020</u>	<u>\$ 4,910,283</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio	Vanguard REIT ETF 529 Portfolio	Vanguard Short-Term Bond ETF 529 Portfolio	Vanguard Small-Cap ETF 529 Portfolio
Assets								
Cash and cash equivalents	\$ -	\$ 17,735	\$ -	\$ -	\$ -	\$ 9,368	\$ 3,641	\$ 20,255
Receivables for contributions	2,026	478	197	2,000	-	2,023	558	226
Dividends receivable	-	-	-	-	-	-	-	-
Mutual funds	1,288,565	2,347,663	2,179,225	511,380	808,519	1,752,428	5,028,469	2,126,037
Total assets	<u>\$ 1,290,591</u>	<u>\$ 2,365,876</u>	<u>\$ 2,179,422</u>	<u>\$ 513,380</u>	<u>\$ 808,519</u>	<u>\$ 1,763,819</u>	<u>\$ 5,032,668</u>	<u>\$ 2,146,518</u>
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other liabilities	215	381	368	88	134	290	893	364
Total liabilities	<u>215</u>	<u>381</u>	<u>368</u>	<u>88</u>	<u>134</u>	<u>290</u>	<u>893</u>	<u>364</u>
Net position held in trust for participants	<u>1,290,376</u>	<u>2,365,495</u>	<u>2,179,054</u>	<u>513,292</u>	<u>808,385</u>	<u>1,763,529</u>	<u>5,031,775</u>	<u>2,146,154</u>
Total liabilities and net position	<u>\$ 1,290,591</u>	<u>\$ 2,365,876</u>	<u>\$ 2,179,422</u>	<u>\$ 513,380</u>	<u>\$ 808,519</u>	<u>\$ 1,763,819</u>	<u>\$ 5,032,668</u>	<u>\$ 2,146,518</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Vanguard Small-Cap Growth ETF 529 Portfolio	Vanguard Small-Cap Value ETF 529 Portfolio	Vanguard Total Bond Market ETF 529 Portfolio	Voya Global Real Estate 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10
Assets							
Cash and cash equivalents	\$ -	\$ 8,867	\$ 21,282	\$ 14	\$ -	\$ 6,728,696	\$ 25,825,643
Receivables for contributions	2,051	5	222	697	2,177	6,666	192,825
Dividends receivable	-	-	-	-	-	8,836	43,293
Mutual funds	376,422	928,210	2,658,960	3,984,468	13,686,449	6,728,697	38,738,465
Total assets	\$ 378,473	\$ 937,082	\$ 2,680,464	\$ 3,985,179	\$ 13,688,626	\$ 13,472,895	\$ 64,800,226
Liabilities and Net Position							
Liabilities							
Withdrawals payable	\$ -	\$ -	\$ -	\$ -	\$ 932	\$ 3,800	\$ 39,389
Other liabilities	65	159	458	3,747	13,777	22,707	114,477
Total liabilities	65	159	458	3,747	14,709	26,507	153,866
Net position held in trust for participants	378,408	936,923	2,680,006	3,981,432	13,673,917	13,446,388	64,646,360
Total liabilities and net position	\$ 378,473	\$ 937,082	\$ 2,680,464	\$ 3,985,179	\$ 13,688,626	\$ 13,472,895	\$ 64,800,226

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2016

	Fund 20	Fund 40	Fund 60	Fund 80	Fund 100	Total
Assets						
Cash and cash equivalents	\$ 36,824,505	\$ -	\$ 37,177	\$ 185,456	\$ 19,538	\$ 115,701,875
Receivables for contributions	233,668	185,837	485,021	336,591	58,093	1,910,886
Dividends receivable	147,002	240,798	373,095	556,826	289,570	1,861,713
Mutual funds	146,103,725	282,428,376	376,055,944	415,001,064	202,569,863	1,933,630,988
Total assets	<u>\$ 183,308,900</u>	<u>\$ 282,855,011</u>	<u>\$ 376,951,237</u>	<u>\$ 416,079,937</u>	<u>\$ 202,937,064</u>	<u>\$ 2,053,105,462</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 189,387	\$ 216,861	\$ 150,806	\$ 398,148	\$ 187,698	\$ 1,395,321
Other liabilities	184,356	663,541	360,863	384,551	189,797	2,428,581
Total liabilities	<u>373,743</u>	<u>880,402</u>	<u>511,669</u>	<u>782,699</u>	<u>377,495</u>	<u>3,823,902</u>
Net position held in trust for participants	<u>182,935,157</u>	<u>281,974,609</u>	<u>376,439,568</u>	<u>415,297,238</u>	<u>202,559,569</u>	<u>2,049,281,560</u>
Total liabilities and net position	<u>\$ 183,308,900</u>	<u>\$ 282,855,011</u>	<u>\$ 376,951,237</u>	<u>\$ 416,079,937</u>	<u>\$ 202,937,064</u>	<u>\$ 2,053,105,462</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2015

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short Term Bond Institutional 529 Portfolio
Assets						
Cash and cash equivalents	\$ 1,221	\$ 1,648	\$ 80	\$ 4,799	\$ 19,539	\$ -
Receivables for contributions	981	441	25	1,344	815	4,281
Dividends receivable	-	-	-	-	-	-
Mutual funds	12,262,568	7,082,554	932,866	11,434,598	9,111,166	16,357,433
Total assets	<u>\$ 12,264,770</u>	<u>\$ 7,084,643</u>	<u>\$ 932,971</u>	<u>\$ 11,440,741</u>	<u>\$ 9,131,520</u>	<u>\$ 16,361,714</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 7,869	\$ 10,055	\$ -	\$ -	\$ 7,705	\$ -
Other liabilities	12,672	7,303	661	11,774	9,595	16,614
Total liabilities	<u>20,541</u>	<u>17,358</u>	<u>661</u>	<u>11,774</u>	<u>17,300</u>	<u>16,614</u>
Net position held in trust for participants	<u>12,244,229</u>	<u>7,067,285</u>	<u>932,310</u>	<u>11,428,967</u>	<u>9,114,220</u>	<u>16,345,100</u>
Total liabilities and net position	<u>\$ 12,264,770</u>	<u>\$ 7,084,643</u>	<u>\$ 932,971</u>	<u>\$ 11,440,741</u>	<u>\$ 9,131,520</u>	<u>\$ 16,361,714</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Eagle Small Cap Growth 529 Portfolio
Assets								
Cash and cash equivalents	\$ 39,176,982	\$ 3,958	\$ 2,508	\$ 2,764	\$ 3,382	\$ 1,758	\$ 8,311	\$ 991
Receivables for contributions	56,745	985	1,095	806	1,663	475	1,492	737
Dividends receivable	4,727	-	-	-	-	-	-	-
Mutual funds	-	8,072,997	6,173,923	6,526,835	10,950,932	3,496,086	25,982,809	11,565,281
Total assets	<u>\$ 39,238,454</u>	<u>\$ 8,077,940</u>	<u>\$ 6,177,526</u>	<u>\$ 6,530,405</u>	<u>\$ 10,955,977</u>	<u>\$ 3,498,319</u>	<u>\$ 25,992,612</u>	<u>\$ 11,567,009</u>
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ 61,191	\$ 6,413	\$ 940	\$ 4,592	\$ 4,235	\$ -	\$ 11,432	\$ 11,886
Other liabilities	3,641	8,403	6,978	6,186	11,941	2,774	27,999	10,869
Total liabilities	<u>64,832</u>	<u>14,816</u>	<u>7,918</u>	<u>10,778</u>	<u>16,176</u>	<u>2,774</u>	<u>39,431</u>	<u>22,755</u>
Net position held in trust for participants	<u>39,173,622</u>	<u>8,063,124</u>	<u>6,169,608</u>	<u>6,519,627</u>	<u>10,939,801</u>	<u>3,495,545</u>	<u>25,953,181</u>	<u>11,544,254</u>
Total liabilities and net position	<u>\$ 39,238,454</u>	<u>\$ 8,077,940</u>	<u>\$ 6,177,526</u>	<u>\$ 6,530,405</u>	<u>\$ 10,955,977</u>	<u>\$ 3,498,319</u>	<u>\$ 25,992,612</u>	<u>\$ 11,567,009</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Mainstay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio	Northern Funds Bond Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Value 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio
Assets								
Cash and cash equivalents	\$ 48,477	\$ -	\$ 4,405	\$ 23,995	\$ 2,991	\$ 935	\$ 99,826	\$ 4,203
Receivables for contributions	3,069	1,767	548	1,272	1,855	882	2,084	2,904
Dividends receivable	87,520	-	2,826	-	-	-	-	-
Mutual funds	35,309,858	21,238,416	6,968,360	7,860,606	6,339,974	7,837,932	22,086,207	19,893,687
Total assets	\$35,448,924	\$21,240,183	\$ 6,976,139	\$ 7,885,873	\$ 6,344,820	\$ 7,839,749	\$ 22,188,117	\$ 19,900,794
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ 15,856	\$ 22,101	\$ 7,299	\$ 117	\$ 160	\$ 2,040	\$ -	\$ -
Other liabilities	38,453	26,505	7,817	7,898	6,635	8,129	22,860	21,164
Total liabilities	54,309	48,606	15,116	8,015	6,795	10,169	22,860	21,164
Net position held in trust for participants	35,394,615	21,191,577	6,961,023	7,877,858	6,338,025	7,829,580	22,165,257	19,879,630
Total liabilities and net position	\$35,448,924	\$21,240,183	\$ 6,976,139	\$ 7,885,873	\$ 6,344,820	\$ 7,839,749	\$ 22,188,117	\$ 19,900,794

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Pimco Short-Term 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Institutional Large Cap Growth 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ 2,189	\$ 21,085	\$ 13,146	\$ -	\$ 1,632
Receivables for contributions	24,421	1,672	3,664	1,961	1,266	4,148
Dividends receivable	17,363	-	-	-	-	-
Mutual funds	16,824,819	9,272,543	30,525,739	27,323,105	14,746,902	32,856,162
Total assets	<u>\$ 16,866,603</u>	<u>\$ 9,276,404</u>	<u>\$ 30,550,488</u>	<u>\$ 27,338,212</u>	<u>\$ 14,748,168</u>	<u>\$ 32,861,942</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 36,565	\$ -	\$ 609	\$ 660	\$ 8,323	\$ 1,110
Other liabilities	18,269	8,613	37,517	29,157	17,101	34,650
Total liabilities	<u>54,834</u>	<u>8,613</u>	<u>38,126</u>	<u>29,817</u>	<u>25,424</u>	<u>35,760</u>
Net position held in trust for participants	<u>16,811,769</u>	<u>9,267,791</u>	<u>30,512,362</u>	<u>27,308,395</u>	<u>14,722,744</u>	<u>32,826,182</u>
Total liabilities and net position	<u>\$ 16,866,603</u>	<u>\$ 9,276,404</u>	<u>\$ 30,550,488</u>	<u>\$ 27,338,212</u>	<u>\$ 14,748,168</u>	<u>\$ 32,861,942</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	T.Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-US Real Estate ETF 529 Portfolio	Vanguard Mega Cap ETF 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ 2,343	\$ 21,659	\$ 21,659	\$ 8,664	\$ 10,830
Receivables for contributions	907	533	660	300	45	41
Dividends receivable	-	-	21,175	16,189	4,206	11,187
Mutual funds	9,667,679	7,694,759	1,636,732	1,715,625	298,094	2,212,714
Total assets	<u>\$ 9,668,586</u>	<u>\$ 7,697,635</u>	<u>\$ 1,680,226</u>	<u>\$ 1,753,773</u>	<u>\$ 311,009</u>	<u>\$ 2,234,772</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 5,595	\$ -	\$ 740	\$ 727	\$ 286	\$ -
Other liabilities	15,622	7,859	486	512	88	647
Total liabilities	<u>21,217</u>	<u>7,859</u>	<u>1,226</u>	<u>1,239</u>	<u>374</u>	<u>647</u>
Net position held in trust for participants	<u>9,647,369</u>	<u>7,689,776</u>	<u>1,679,000</u>	<u>1,752,534</u>	<u>310,635</u>	<u>2,234,125</u>
Total liabilities and net position	<u>\$ 9,668,586</u>	<u>\$ 7,697,635</u>	<u>\$ 1,680,226</u>	<u>\$ 1,753,773</u>	<u>\$ 311,009</u>	<u>\$ 2,234,772</u>

(Continued)

State of Illinois
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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio	Vanguard REIT ETF 529 Portfolio	Vanguard Short-Term Bond ETF 529 Portfolio	Vanguard Small-Cap ETF 529 Portfolio
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ 10,829	\$ -	\$ -	\$ 7,580	\$ -	\$ 21,659
Receivables for contributions	11	521	10	-	90	345	235	12
Dividends receivable	3,208	10,651	-	-	-	9,724	-	-
Mutual funds	878,373	1,773,606	1,472,130	322,487	542,440	953,410	3,039,046	1,504,494
Total assets	\$ 881,592	\$ 1,784,778	\$ 1,482,969	\$ 322,487	\$ 542,530	\$ 971,059	\$ 3,039,281	\$ 1,526,165
Liabilities and Net Position								
Liabilities								
Withdrawals payable	\$ 457	\$ 553	\$ -	\$ 456	\$ 422	\$ 258	\$ 3,462	\$ 11
Other liabilities	256	516	427	94	156	285	872	438
Total liabilities	713	1,069	427	550	578	543	4,334	449
Net position held in trust for participants	880,879	1,783,709	1,482,542	321,937	541,952	970,516	3,034,947	1,525,716
Total liabilities and net position	\$ 881,592	\$ 1,784,778	\$ 1,482,969	\$ 322,487	\$ 542,530	\$ 971,059	\$ 3,039,281	\$ 1,526,165

(Continued)

State of Illinois
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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Vanguard Small-Cap Growth ETF 529 Portfolio	Vanguard Small-Cap Value ETF 529 Portfolio	Vanguard Total Bond Market ETF 529 Portfolio	Voya Global Real Estate 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10
Assets							
Cash and cash equivalents	\$ -	\$ 5,414	\$ -	\$ 1,670	\$ 2,166	\$ 5,700,381	\$ 21,782,838
Receivables for contributions	150	210	369	419	1,513	1,899	107,065
Dividends receivable	-	-	-	-	-	4,008	16,581
Mutual funds	298,222	687,736	850,193	3,564,018	13,559,478	5,698,817	32,450,894
Total assets	<u>\$ 298,372</u>	<u>\$ 693,360</u>	<u>\$ 850,562</u>	<u>\$ 3,566,107</u>	<u>\$ 13,563,157</u>	<u>\$ 11,405,105</u>	<u>\$ 54,357,378</u>
Liabilities and Net Position							
Liabilities							
Withdrawals payable	\$ 444	\$ 431	\$ 1,346	\$ 4,553	\$ 7,788	\$ 12,000	\$ 15,353
Other liabilities	86	200	243	4,055	13,404	13,774	63,727
Total liabilities	<u>530</u>	<u>631</u>	<u>1,589</u>	<u>8,608</u>	<u>21,192</u>	<u>25,774</u>	<u>79,080</u>
Net position held in trust for participants	<u>297,842</u>	<u>692,729</u>	<u>848,973</u>	<u>3,557,499</u>	<u>13,541,965</u>	<u>11,379,331</u>	<u>54,278,298</u>
Total liabilities and net position	<u>\$ 298,372</u>	<u>\$ 693,360</u>	<u>\$ 850,562</u>	<u>\$ 3,566,107</u>	<u>\$ 13,563,157</u>	<u>\$ 11,405,105</u>	<u>\$ 54,357,378</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2015

	Fund 20	Fund 40	Fund 60	Fund 80	Fund 100	Total
Assets						
Cash and cash equivalents	\$ 31,349,579	\$ 28,159	\$ 256,878	\$ 23,062	\$ -	\$ 98,706,195
Receivables for contributions	232,320	405,303	356,112	204,686	108,370	1,545,524
Dividends receivable	68,203	95,261	70,081	92,540	-	535,450
Mutual funds	124,919,506	248,358,661	344,594,580	395,617,418	204,905,864	1,798,251,334
Total assets	<u>\$ 156,569,608</u>	<u>\$ 248,887,384</u>	<u>\$ 345,277,651</u>	<u>\$ 395,937,706</u>	<u>\$ 205,014,234</u>	<u>\$ 1,899,038,503</u>
Liabilities and Net Position						
Liabilities						
Withdrawals payable	\$ 124,318	\$ 199,870	\$ 361,285	\$ 347,357	\$ 69,309	\$ 1,378,179
Other liabilities	178,791	285,415	382,217	424,887	424,902	2,242,137
Total liabilities	<u>303,109</u>	<u>485,285</u>	<u>743,502</u>	<u>772,244</u>	<u>494,211</u>	<u>3,620,316</u>
Net position held in trust for participants	<u>156,266,499</u>	<u>248,402,099</u>	<u>344,534,149</u>	<u>395,165,462</u>	<u>204,520,023</u>	<u>1,895,418,187</u>
Total liabilities and net position	<u>\$ 156,569,608</u>	<u>\$ 248,887,384</u>	<u>\$ 345,277,651</u>	<u>\$ 395,937,706</u>	<u>\$ 205,014,234</u>	<u>\$ 1,899,038,503</u>

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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2016

	Bright Start Advisor Age Based 0-6 years	Bright Start Advisor Age Based 7-9 years	Bright Start Advisor Age Based 10-11 years	Bright Start Advisor Age Based 12-14 years	Bright Start Advisor Age Based 15-17 years	Bright Start Advisor Age Based 18 years
Investment income (expense)						
Investment earnings	\$ 550,818	\$ 1,022,017	\$ 964,929	\$ 2,584,066	\$ 2,949,443	\$ 1,812,230
Net change in fair value of investments	(4,662,792)	(3,858,946)	(2,524,433)	(3,603,801)	236,244	1,623,430
12b-1 fees	(462,072)	(497,776)	(392,052)	(708,696)	(728,353)	(529,692)
State administrative fees	(41,358)	(48,311)	(47,305)	(91,175)	(92,821)	(68,200)
Management fees	(206,790)	(241,551)	(236,526)	(455,887)	(464,110)	(341,008)
Net investment earnings (loss)	(4,822,194)	(3,624,567)	(2,235,387)	(2,275,493)	1,900,403	2,496,760
Participant transactions						
Program contributions	38,413,815	62,600,356	84,298,501	119,248,102	139,482,069	118,150,231
Program distributions	(45,660,589)	(71,194,528)	(94,709,810)	(122,122,268)	(108,411,467)	(92,361,262)
Total increase (decrease) from participant transactions	(7,246,774)	(8,594,172)	(10,411,309)	(2,874,166)	31,070,602	25,788,969
Change in net position	(12,068,968)	(12,218,739)	(12,646,696)	(5,149,659)	32,971,005	28,285,729
Net position, beginning of fiscal year	148,240,532	171,204,483	164,976,932	314,215,208	298,297,265	226,771,450
Net position, end of fiscal year	\$ 136,171,564	\$ 158,985,744	\$ 152,330,236	\$ 309,065,549	\$ 331,268,270	\$ 255,057,179

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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Advisor Choice Based Conservative Fixed Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Investment income (expense)						
Investment earnings	\$ 1,035,602	\$ 804,261	\$ 230,456	\$ 14,333	\$ 6,573,921	\$ 5,260,450
Net change in fair value of investments	(18,871,498)	(1,141,027)	426,260	47,686	(3,220,273)	(131,313)
12b-1 fees	(979,489)	(260,725)	(67,086)	(14,506)	-	-
State administrative fees	(130,448)	(27,453)	(7,116)	(1,626)	-	-
Management fees	(652,225)	(137,265)	(35,577)	(8,136)	(403,744)	(338,840)
Net investment earnings (loss)	(19,598,058)	(762,209)	546,937	37,751	2,949,904	4,790,297
Participant transactions						
Program contributions	39,019,767	17,989,599	5,893,936	2,943,420	88,816,356	116,322,844
Program distributions	(61,042,935)	(15,436,901)	(4,759,391)	(1,336,677)	(85,047,673)	(71,102,892)
Total increase (decrease) from participant transactions	(22,023,168)	2,552,698	1,134,545	1,606,743	3,768,683	45,219,952
Change in net position	(41,621,226)	1,790,489	1,681,482	1,644,494	6,718,587	50,010,249
Net position, beginning of fiscal year	471,327,200	93,026,279	23,817,300	4,694,004	294,509,530	220,531,344
Net position, end of fiscal year	\$ 429,705,974	\$ 94,816,768	\$ 25,498,782	\$ 6,338,498	\$ 301,228,117	\$ 270,541,593

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State of Illinois
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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Bright Start Index Age Based 10-11 years	Bright Start Index Age Based 12-14 years	Bright Start Index Age Based 15-17 years	Bright Start Index Age Based 18 years	Bright Start Index Choice Based Equity	Bright Start Index Choice Based Balanced
Investment income (expense)						
Investment earnings	\$ 2,769,841	\$ 3,867,071	\$ 3,225,327	\$ 2,085,964	\$ 14,100,833	\$ 3,150,568
Net change in fair value of investments	239,432	988,741	1,623,785	1,767,696	(8,211,523)	445,859
12b-1 fees	-	-	-	-	-	-
State administrative fees	-	-	-	-	-	-
Management fees	(181,325)	(271,035)	(247,771)	(175,980)	(856,481)	(222,101)
Net investment earnings (loss)	2,827,948	4,584,777	4,601,341	3,677,680	5,032,829	3,374,326
Participant transactions						
Program contributions	87,223,020	98,872,590	90,017,942	79,860,585	127,197,336	36,760,417
Program distributions	(68,654,613)	(66,237,230)	(63,448,290)	(52,946,247)	(65,719,630)	(25,147,090)
Total increase (decrease) from participant transactions	18,568,407	32,635,360	26,569,652	26,914,338	61,477,706	11,613,327
Change in net position	21,396,355	37,220,137	31,170,993	30,592,018	66,510,535	14,987,653
Net position, beginning of fiscal year	121,518,240	179,911,848	164,139,846	119,977,188	594,838,356	155,216,543
Net position, end of fiscal year	\$142,914,595	\$ 217,131,985	\$ 195,310,839	\$150,569,206	\$ 661,348,891	\$ 170,204,196

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State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Bright Start Index Choice Based Fixed Income	Bright Start Blended Age Based 0-6 years	Bright Start Blended Age Based 7-9 years	Bright Start Blended Age Based 10-11 years	Bright Start Blended Age Based 12-14 years	Bright Start Blended Age Based 15-17 years
Investment income (expense)						
Investment earnings	\$ 1,422,360	\$ 390,906	\$ 705,011	\$ 700,968	\$ 2,045,158	\$ 1,728,496
Net change in fair value of investments	1,605,617	1,888,439	2,832,089	3,432,519	6,038,984	4,680,783
12b-1 fees	-	-	-	-	-	-
State administrative fees	-	(35,761)	(48,003)	(50,518)	(93,899)	(80,216)
Management fees	(114,788)	(178,815)	(240,006)	(252,587)	(469,493)	(401,087)
Net investment earnings (loss)	2,913,189	2,064,769	3,249,091	3,830,382	7,520,750	5,927,976
Participant transactions						
Program contributions	28,703,298	34,443,139	56,287,833	83,960,060	122,985,240	131,028,454
Program distributions	(18,337,738)	(41,179,807)	(72,669,127)	(101,495,985)	(115,618,583)	(84,252,951)
Total increase (decrease) from participant transactions	10,365,560	(6,736,668)	(16,381,294)	(17,535,925)	7,366,657	46,775,503
Change in net position	13,278,749	(4,671,899)	(13,132,203)	(13,705,543)	14,887,407	52,703,479
Net position, beginning of fiscal year	79,017,030	125,171,583	168,611,718	177,378,288	311,484,962	244,853,352
Net position, end of fiscal year	\$ 92,295,779	\$ 120,499,684	\$ 155,479,515	\$ 163,672,745	\$ 326,372,369	\$ 297,556,831

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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Bright Start Blended Age Based 18 years	Bright Start Blended Choice Based Equity	Bright Start Blended Choice Based Fixed Income	Bright Start Blended Choice Based Balanced	Bright Start Blended Choice Based Conservative Fixed Income	Bright Start Advisor Money Market Portfolio	Bright Start Direct Money Market Portfolio	Total
Investment income (expense)								
Investment earnings	\$ 1,038,294	\$ 967,386	\$ 146,039	\$ 442,372	\$ 45,606	\$ 151,601	\$ 329,370	\$ 63,115,697
Net change in fair value of investments	2,291,411	6,879,961	666,334	1,338,351	160,244	-	-	(7,011,741)
12b-1 fees	-	-	-	-	-	-	-	(4,640,447)
State administrative fees	(49,289)	(114,956)	(7,788)	(19,585)	(5,155)	-	-	(1,060,983)
Management fees	(246,454)	(574,784)	(38,935)	(97,932)	(25,773)	(76,090)	(163,565)	(8,356,661)
Net investment earnings (loss)	3,033,962	7,157,607	765,650	1,663,206	174,922	75,511	165,805	42,045,865
Participant transactions								
Program contributions	96,494,315	44,823,133	6,745,755	14,674,447	13,549,371	24,568,100	75,078,746	2,086,452,777
Program distributions	(75,671,030)	(48,200,062)	(5,245,321)	(9,770,900)	(4,948,774)	(25,019,678)	(57,843,788)	(1,775,593,237)
Total increase (decrease) from participant transactions	20,823,285	(3,376,929)	1,500,434	4,903,547	8,600,597	(451,578)	17,234,958	310,859,540
Change in net position	23,857,247	3,780,678	2,266,084	6,566,753	8,775,519	(376,067)	17,400,763	352,905,405
Net position, beginning of fiscal year	165,459,005	392,192,674	25,486,184	64,603,881	12,678,253	60,257,238	117,268,932	5,711,676,648
Net position, end of fiscal year	\$ 189,316,252	\$ 395,973,352	\$ 27,752,268	\$ 71,170,634	\$ 21,453,772	\$ 59,881,171	\$ 134,669,695	\$ 6,064,582,053

State of Illinois
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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2015

	Bright Start Advisor Age Based 0-6 years	Bright Start Advisor Age Based 7-9 years	Bright Start Advisor Age Based 10-11 years	Bright Start Advisor Age Based 12-14 years	Bright Start Advisor Age Based 15-17 years	Bright Start Advisor Age Based 18 years
Investment income (expense)						
Investment earnings	\$ 554,150	\$ 948,846	\$ 890,935	\$ 2,304,163	\$ 2,236,958	\$ 1,359,361
Net change in fair value of investments	6,152,188	4,755,562	4,034,831	5,656,811	2,191,984	243,325
12b-1 fees	(510,848)	(469,006)	(383,021)	(708,091)	(638,687)	(458,651)
State administrative fees	(45,778)	(51,167)	(49,886)	(92,546)	(82,549)	(60,923)
Management fees	(228,889)	(255,822)	(249,434)	(462,729)	(412,752)	(304,621)
Net investment earnings (loss)	5,920,823	4,928,413	4,243,425	6,697,608	3,294,954	778,491
Participant transactions						
Program contributions	41,459,664	72,978,832	91,556,486	129,642,820	139,159,075	111,180,387
Program distributions	(53,113,155)	(77,873,031)	(100,463,921)	(119,524,982)	(101,085,580)	(83,993,199)
Total increase (decrease) from participant transactions	(11,653,491)	(4,894,199)	(8,907,435)	10,117,838	38,073,495	27,187,188
Change in net position	(5,732,668)	34,214	(4,664,010)	16,815,446	41,368,449	27,965,679
Net position, beginning of fiscal year	153,973,200	171,170,269	169,640,942	297,399,762	256,928,816	198,805,771
Net position, end of fiscal year	\$ 148,240,532	\$ 171,204,483	\$ 164,976,932	\$ 314,215,208	\$ 298,297,265	\$ 226,771,450

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State of Illinois
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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Advisor Choice Based Conservative Fixed Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Investment income (expense)						
Investment earnings	\$ 1,047,250	\$ 658,511	\$ 191,502	\$ 7,827	\$ 6,752,554	\$ 4,054,347
Net change in fair value of investments	21,307,175	1,560,432	(126,207)	11,786	6,805,445	3,074,001
12b-1 fees	(1,014,687)	(249,014)	(67,209)	(9,292)	-	-
State administrative fees	(139,103)	(26,244)	(7,055)	(1,012)	-	-
Management fees	(695,513)	(131,226)	(35,270)	(5,057)	(406,651)	(264,523)
Net investment earnings (loss)	20,505,122	1,812,459	(44,239)	4,252	13,151,348	6,863,825
Participant transactions						
Program contributions	44,580,380	21,506,943	4,695,671	3,014,662	87,996,546	115,577,757
Program distributions	(54,153,020)	(13,616,695)	(4,687,973)	(1,079,007)	(88,546,409)	(60,278,463)
Total increase (decrease) from participant transactions	(9,572,640)	7,890,248	7,698	1,935,655	(549,863)	55,299,294
Change in net position	10,932,482	9,702,707	(36,541)	1,939,907	12,601,485	62,163,119
Net position, beginning of fiscal year	460,394,718	83,323,572	23,853,841	2,754,097	281,908,045	158,368,225
Net position, end of fiscal year	\$ 471,327,200	\$ 93,026,279	\$ 23,817,300	\$ 4,694,004	\$ 294,509,530	\$ 220,531,344

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State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Bright Start Index Age Based 10-11 years	Bright Start Index Age Based 12-14 years	Bright Start Index Age Based 15-17 years	Bright Start Index Age Based 18 years	Bright Start Index Choice Based Equity	Bright Start Index Choice Based Balanced
Investment income (expense)						
Investment earnings	\$ 2,275,406	\$ 3,009,175	\$ 2,336,146	\$ 1,289,971	\$ 13,156,415	\$ 2,651,747
Net change in fair value of investments	1,659,315	1,958,020	994,879	128,928	13,949,328	1,723,992
12b-1 fees	-	-	-	-	-	-
State administrative fees	-	-	-	-	-	-
Management fees	(157,439)	(227,571)	(207,298)	(139,877)	(762,824)	(201,376)
Net investment earnings (loss)	3,777,282	4,739,624	3,123,727	1,279,022	26,342,919	4,174,363
Participant transactions						
Program contributions	75,575,554	89,298,002	80,372,112	66,378,644	120,581,611	37,620,309
Program distributions	(63,974,639)	(59,289,313)	(49,796,474)	(41,054,419)	(48,630,622)	(22,358,843)
Total increase (decrease) from participant transactions	11,600,915	30,008,689	30,575,638	25,324,225	71,950,989	15,261,466
Change in net position	15,378,197	34,748,313	33,699,365	26,603,247	98,293,908	19,435,829
Net position, beginning of fiscal year	106,140,043	145,163,535	130,440,481	93,373,941	496,544,448	135,780,714
Net position, end of fiscal year	\$121,518,240	\$ 179,911,848	\$ 164,139,846	\$119,977,188	\$ 594,838,356	\$ 155,216,543

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State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Bright Start Index Choice Based Fixed Income	Bright Start Blended Age Based 0-6 years	Bright Start Blended Age Based 7-9 years	Bright Start Blended Age Based 10-11 years	Bright Start Blended Age Based 12-14 years	Bright Start Blended Age Based 15-17 years
Investment income (expense)						
Investment earnings	\$ 972,955	\$ 426,462	\$ 715,316	\$ 705,431	\$ 1,755,906	\$ 1,233,519
Net change in fair value of investments	(98,445)	5,656,727	5,724,639	5,515,886	6,922,636	3,144,275
12b-1 fees	-	-	-	-	-	-
State administrative fees	-	(39,647)	(52,097)	(54,519)	(88,764)	(67,053)
Management fees	(102,530)	(198,240)	(260,469)	(272,601)	(443,833)	(335,273)
Net investment earnings (loss)	771,980	5,845,302	6,127,389	5,894,197	8,145,945	3,975,468
Participant transactions						
Program contributions	25,252,096	32,637,997	64,532,322	95,986,731	124,899,208	111,476,016
Program distributions	(15,010,117)	(51,051,558)	(85,967,366)	(105,045,590)	(100,256,068)	(76,146,329)
Total increase (decrease) from participant transactions	10,241,979	(18,413,561)	(21,435,044)	(9,058,859)	24,643,140	35,329,687
Change in net position	11,013,959	(12,568,259)	(15,307,655)	(3,164,662)	32,789,085	39,305,155
Net position, beginning of fiscal year	68,003,071	137,739,842	183,919,373	180,542,950	278,695,877	205,548,197
Net position, end of fiscal year	\$ 79,017,030	\$ 125,171,583	\$ 168,611,718	\$ 177,378,288	\$ 311,484,962	\$ 244,853,352

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Office of the Treasurer

Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Bright Start Blended Age Based 18 years	Bright Start Blended Choice Based Equity	Bright Start Blended Choice Based Fixed Income	Bright Start Blended Choice Based Balanced	Bright Start Blended Choice Based Conservative Fixed Income	Bright Start Advisor Money Market Portfolio	Bright Start Direct Money Market Portfolio	Total
Investment income (expense)								
Investment earnings	\$ 742,934	\$ 987,174	\$ 117,531	\$ 364,545	\$ 24,057	\$ 34,280	\$ 61,501	\$ 53,866,875
Net change in fair value of investments	684,065	17,448,273	92,197	1,378,884	37,009	-	-	122,587,941
12b-1 fees	-	-	-	-	-	-	-	(4,508,506)
State administrative fees	(43,754)	(114,327)	(7,401)	(18,264)	(3,102)	-	-	(1,045,191)
Management fees	(218,777)	(571,644)	(37,003)	(91,311)	(15,510)	(28,117)	(50,651)	(7,774,831)
Net investment earnings (loss)	1,164,468	17,749,476	165,324	1,633,854	42,454	6,163	10,850	163,126,288
Participant transactions								
Program contributions	87,614,868	43,221,583	5,827,806	13,701,388	8,196,951	18,983,735	59,130,377	2,024,636,533
Program distributions	(67,129,466)	(48,083,576)	(4,719,006)	(9,007,344)	(3,844,532)	(25,164,140)	(49,624,672)	(1,684,569,509)
Total increase (decrease) from participant transactions	20,485,402	(4,861,993)	1,108,800	4,694,044	4,352,419	(6,180,405)	9,505,705	340,067,024
Change in net position	21,649,870	12,887,483	1,274,124	6,327,898	4,394,873	(6,174,242)	9,516,555	503,193,312
Net position, beginning of fiscal year	143,809,135	379,305,191	24,212,060	58,275,983	8,283,380	66,431,480	107,752,377	5,208,483,336
Net position, end of fiscal year	\$ 165,459,005	\$ 392,192,674	\$ 25,486,184	\$ 64,603,881	\$ 12,678,253	\$ 60,257,238	\$ 117,268,932	\$ 5,711,676,648

State of Illinois
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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2016

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short Term Bond Institutional 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 898,520	\$ 473,760	\$ 100	\$ 905,410	\$ 1,185,262	\$ 268,702
Net change in fair value of investments	(1,214,622)	(463,269)	20,034	(442,565)	(2,086,409)	128,866
Admin fee	(5,686)	(3,468)	(506)	(5,394)	(4,069)	(8,324)
12b-1 fees	(33,557)	(21,705)	(1,807)	(30,067)	(24,871)	(45,576)
Other operating expenses	-	-	-	-	-	-
Management fees	(26,564)	(16,120)	(2,308)	(25,123)	(19,115)	(38,333)
Net investment earnings (loss)	(381,909)	(30,802)	15,513	402,261	(949,202)	305,335
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	1,723,500	1,625,210	397,142	1,601,156	1,159,328	6,116,437
Program distributions	(2,108,824)	(1,622,871)	(180,572)	(1,936,080)	(1,473,249)	(4,947,836)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	(385,324)	2,339	216,570	(334,924)	(313,921)	1,168,601
Change in net position	(767,233)	(28,463)	232,083	67,337	(1,263,123)	1,473,936
Net position, beginning of fiscal year	12,244,229	7,067,285	932,310	11,428,967	9,114,220	16,345,100
Net position, end of fiscal year	\$ 11,476,996	\$ 7,038,822	\$ 1,164,393	\$ 11,496,304	\$ 7,851,097	\$ 17,819,036

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 132,703	\$ 175,133	\$ 1,286,698	\$ 93,465	\$ 312,264	\$ 206,863
Net change in fair value of investments	-	53,384	(1,232,547)	(1,043,401)	(775,801)	(336,653)
Admin fee	-	(3,920)	(3,267)	(2,908)	(5,186)	(1,873)
12b-1 fees	-	(23,360)	(21,824)	(15,199)	(33,321)	(7,904)
Other operating expenses	-	-	-	-	-	-
Management fees	(48,739)	(18,229)	(15,060)	(13,562)	(24,155)	(8,573)
Net investment earnings (loss)	83,964	183,008	14,000	(981,605)	(526,199)	(148,140)
Distributions to participants						
Net investment income	(84,756)	-	-	-	-	-
Other participant transactions						
Program contributions	39,581,396	1,822,135	1,484,117	1,442,814	2,016,199	1,438,882
Program distributions	(33,027,822)	(1,735,698)	(969,798)	(727,055)	(1,527,093)	(629,190)
Distributions reinvested	79,134	-	-	-	-	-
Total increase (decrease) from participant transactions	6,632,708	86,437	514,319	715,759	489,106	809,692
Change in net position	6,631,916	269,445	528,319	(265,846)	(37,093)	661,552
Net position, beginning of fiscal year	39,173,622	8,063,124	6,169,608	6,519,627	10,939,801	3,495,545
Net position, end of fiscal year	\$ 45,805,538	\$ 8,332,569	\$ 6,697,927	\$ 6,253,781	\$ 10,902,708	\$ 4,157,097

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State of Illinois
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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Dodge & Cox International Stock 529 Portfolio	Eagle Small Cap Growth 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio	Mainstay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio	Northern Funds Bond Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio
Investment income (expense)							
Investment earnings	\$ 503,129	\$ -	\$ 358,316	\$ 1,033,161	\$ 1,181,577	\$ 215,066	\$ 191,009
Net change in fair value of investments	(5,421,129)	(1,465,436)	17,870	428,443	(53,413)	250,654	(963,609)
Admin fee	(11,347)	(1,452)	(3,817)	(17,102)	(10,857)	(3,827)	(3,627)
12b-1 fees	(62,266)	(7,631)	(20,421)	(107,722)	(62,113)	(21,324)	(20,494)
Other operating expenses	-	-	-	-	-	-	-
Management fees	(53,505)	(9,291)	(15,517)	(79,692)	(50,126)	(17,389)	(17,014)
Net investment earnings (loss)	(5,045,118)	(1,483,810)	336,431	1,257,088	1,005,068	423,180	(813,735)
Distributions to participants							
Net investment income	-	-	-	-	-	-	-
Other participant transactions							
Program contributions	4,970,707	577,157	10,176,883	6,568,912	5,005,868	3,501,382	1,690,277
Program distributions	(3,769,195)	(10,637,601)	(238,654)	(7,982,251)	(3,166,177)	(1,485,125)	(1,573,387)
Distributions reinvested	-	-	-	-	-	-	-
Total increase (decrease) from participant transactions	1,201,512	(10,060,444)	9,938,229	(1,413,339)	1,839,691	2,016,257	116,890
Change in net position	(3,843,606)	(11,544,254)	10,274,660	(156,251)	2,844,759	2,439,437	(696,845)
Net position, beginning of fiscal year	25,953,181	11,544,254	-	35,394,615	21,191,577	6,961,023	7,877,858
Net position, end of fiscal year	\$ 22,109,575	\$ -	\$ 10,274,660	\$ 35,238,364	\$ 24,036,336	\$ 9,400,460	\$ 7,181,013

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Value 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Short-Term 529 Portfolio
Investment income (expense)					
Investment earnings	\$ 379,558	\$ 291,979	\$ 806,813	\$ 251,756	\$ 321,542
Net change in fair value of investments	(811,005)	(342,664)	135,806	(1,345,017)	(196,015)
Admin fee	(3,048)	(3,483)	(11,420)	(9,864)	(8,137)
12b-1 fees	(19,220)	(19,896)	(69,856)	(58,968)	(44,262)
Other operating expenses	-	-	-	-	-
Management fees	(14,203)	(16,315)	(52,619)	(45,645)	(38,000)
Net investment earnings (loss)	(467,918)	(90,379)	808,724	(1,207,738)	35,128
Distributions to participants					
Net investment income	-	-	-	-	-
Other participant transactions					
Program contributions	1,550,337	1,117,959	6,336,559	4,128,991	6,080,938
Program distributions	(969,558)	(1,601,867)	(4,129,854)	(2,619,141)	(6,323,225)
Distributions reinvested	-	-	-	-	-
Total increase (decrease) from participant transactions	580,779	(483,908)	2,206,705	1,509,850	(242,287)
Change in net position	112,861	(574,287)	3,015,429	302,112	(207,159)
Net position, beginning of fiscal year	6,338,025	7,829,580	22,165,257	19,879,630	16,811,769
Net position, end of fiscal year	\$ 6,450,886	\$ 7,255,293	\$ 25,180,686	\$ 20,181,742	\$ 16,604,610

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	SIT Dividend Growth 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Institutional Large Cap Growth 529 Portfolio
Investment income (expense)					
Investment earnings	\$ 1,161,754	\$ 627,623	\$ 2,069,088	\$ 1,820,272	\$ 1,663,969
Net change in fair value of investments	(783,478)	(1,449,817)	(2,146,928)	(1,431,803)	(2,838,143)
Admin fee	(4,644)	(6,868)	(15,220)	(13,057)	(17,666)
12b-1 fees	(23,798)	(40,014)	(113,246)	(79,030)	(105,323)
Other operating expenses	-	-	-	-	-
Management fees	(21,521)	(32,236)	(70,436)	(60,607)	(81,513)
Net investment earnings (loss)	328,313	(901,312)	(276,742)	235,775	(1,378,676)
Distributions to participants					
Net investment income	-	-	-	-	-
Other participant transactions					
Program contributions	2,281,445	2,672,884	8,133,847	4,620,052	10,089,546
Program distributions	(1,588,823)	(2,214,874)	(5,448,689)	(3,617,239)	(4,983,004)
Distributions reinvested	-	-	-	-	-
Total increase (decrease) from participant transactions	692,622	458,010	2,685,158	1,002,813	5,106,542
Change in net position	1,020,935	(443,302)	2,408,416	1,238,588	3,727,866
Net position, beginning of fiscal year	9,267,791	14,722,744	30,512,362	27,308,395	32,826,182
Net position, end of fiscal year	\$ 10,288,726	\$ 14,279,442	\$ 32,920,778	\$ 28,546,983	\$ 36,554,048

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	T. Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-US Real Estate ETF 529 Portfolio
Investment income (expense)					
Investment earnings	\$ 236,553	\$ 139,038	\$ 57,889	\$ 42,239	\$ 11,837
Net change in fair value of investments	1,630,981	(340,947)	(214,516)	(261,118)	(5,219)
Admin fee	(4,952)	(3,824)	(580)	(489)	(110)
12b-1 fees	(30,550)	(22,142)	-	-	-
Other operating expenses	-	-	(462)	(517)	(83)
Management fees	(22,891)	(17,710)	(4,420)	(3,793)	(829)
Net investment earnings (loss)	1,809,141	(245,585)	(162,089)	(223,678)	5,596
Distributions to participants					
Net investment income	-	-	-	-	-
Other participant transactions					
Program contributions	2,031,615	2,102,709	1,060,289	818,117	273,529
Program distributions	(2,236,786)	(1,587,159)	(311,295)	(509,283)	(79,833)
Distributions reinvested	-	-	-	-	-
Total increase (decrease) from participant transactions	(205,171)	515,550	748,994	308,834	193,696
Change in net position	1,603,970	269,965	586,905	85,156	199,292
Net position, beginning of fiscal year	9,647,369	7,689,776	1,679,000	1,752,534	310,635
Net position, end of fiscal year	\$ 11,251,339	\$ 7,959,741	\$ 2,265,905	\$ 1,837,690	\$ 509,927

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Vanguard Mega Cap ETF 529 Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 77,320	\$ 16,799	\$ 49,375	\$ 34,084	\$ 4,563	\$ 16,582
Net change in fair value of investments	110,403	24,971	77,826	(24,861)	(8,799)	3,147
Admin fee	(968)	(331)	(537)	(506)	(127)	(179)
12b-1 fees	-	-	-	-	-	-
Other operating expenses	(653)	(160)	(352)	(192)	(40)	(75)
Management fees	(7,079)	(2,484)	(4,085)	(3,792)	(958)	(1,357)
Net investment earnings (loss)	179,023	38,795	122,227	4,733	(5,361)	18,118
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	3,018,967	650,265	1,065,960	1,216,889	229,863	368,375
Program distributions	(522,662)	(279,563)	(606,401)	(525,110)	(33,147)	(120,060)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	2,496,305	370,702	459,559	691,779	196,716	248,315
Change in net position	2,675,328	409,497	581,786	696,512	191,355	266,433
Net position, beginning of fiscal year	2,234,125	880,879	1,783,709	1,482,542	321,937	541,952
Net position, end of fiscal year	\$ 4,909,453	\$ 1,290,376	\$ 2,365,495	\$ 2,179,054	\$ 513,292	\$ 808,385

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Vanguard Reit ETF 529 Portfolio	Vanguard Short-Term Bond ETF 529 Portfolio	Vanguard Small-Cap ETF 529 Portfolio	Vanguard Small-Cap Growth ETF 529 Portfolio	Vanguard Small-Cap Value ETF 529 Portfolio	Vanguard Total Bond Market ETF 529 Portfolio	Voya Global Real Estate 529 Portfolio
Investment income (expense)							
Investment earnings	\$ 56,289	\$ 54,103	\$ 32,647	\$ 4,338	\$ 18,312	\$ 40,909	\$ 99,030
Net change in fair value of investments	235,442	55,346	(57,088)	(20,183)	(5,095)	83,726	217,219
Admin fee	(367)	(1,144)	(507)	(95)	(217)	(509)	(1,833)
12b-1 fees	-	-	-	-	-	-	(11,852)
Other operating expenses	(132)	(547)	(151)	(27)	(62)	(398)	-
Management fees	(2,749)	(8,444)	(3,844)	(724)	(1,666)	(3,592)	(8,484)
Net investment earnings (loss)	288,483	99,314	(28,943)	(16,691)	11,272	120,136	294,080
Distributions to participants							
Net investment income	-	-	-	-	-	-	-
Other participant transactions							
Program contributions	687,173	2,784,282	1,054,486	151,801	388,345	2,118,982	688,360
Program distributions	(182,643)	(886,768)	(405,105)	(54,544)	(155,423)	(408,085)	(558,507)
Distributions reinvested	-	-	-	-	-	-	-
Total increase (decrease) from participant transactions	504,530	1,897,514	649,381	97,257	232,922	1,710,897	129,853
Change in net position	793,013	1,996,828	620,438	80,566	244,194	1,831,033	423,933
Net position, beginning of fiscal year	970,516	3,034,947	1,525,716	297,842	692,729	848,973	3,557,499
Net position, end of fiscal year	\$ 1,763,529	\$ 5,031,775	\$ 2,146,154	\$ 378,408	\$ 936,923	\$ 2,680,006	\$ 3,981,432

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 40	Fund 60
Investment income (expense)						
Investment earnings	\$ 2,577,407	\$ 108,344	\$ 725,477	\$ 3,087,456	\$ 6,711,044	\$ 10,885,820
Net change in fair value of investments	(3,261,688)	(5,543)	(271,781)	(1,201,172)	(5,950,317)	(13,106,539)
Admin fee	(6,573)	(5,886)	(28,500)	(81,105)	(129,109)	(176,351)
12b-1 fees	(35,649)	(42,906)	(209,043)	(571,782)	(888,034)	(1,136,396)
Other operating expenses	-	-	-	-	-	-
Management fees	(30,620)	(27,078)	(130,938)	(373,230)	(594,819)	(815,356)
Net investment earnings (loss)	(757,123)	26,931	85,215	860,167	(851,235)	(4,348,822)
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	2,671,456	9,385,746	39,370,825	88,527,704	117,000,366	130,295,721
Program distributions	(1,782,381)	(7,345,620)	(29,087,978)	(62,719,213)	(82,576,621)	(94,041,480)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	889,075	2,040,126	10,282,847	25,808,491	34,423,745	36,254,241
Change in net position	131,952	2,067,057	10,368,062	26,668,658	33,572,510	31,905,419
Net position, beginning of fiscal year	13,541,965	11,379,331	54,278,298	156,266,499	248,402,099	344,534,149
Net position, end of fiscal year	\$ 13,673,917	\$ 13,446,388	\$ 64,646,360	\$ 182,935,157	\$ 281,974,609	\$ 376,439,568

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2016

	Fund 80	Fund 100	Total
Investment income (expense)			
Investment earnings	\$ 14,437,321	\$ 7,681,274	\$ 66,021,542
Net change in fair value of investments	(23,670,991)	(15,181,654)	(86,957,117)
Admin fee	(197,378)	(98,694)	(930,908)
12b-1 fees	(1,208,818)	(602,578)	(5,894,525)
Other operating expenses	-	-	(3,851)
Management fees	(914,418)	(459,005)	(4,375,875)
Net investment earnings (loss)	(11,554,284)	(8,660,657)	(32,140,734)
Distributions to participants			
Net investment income	-	-	(84,756)
Other participant transactions			
Program contributions	120,637,693	53,583,121	722,094,699
Program distributions	(88,951,633)	(46,882,918)	(536,084,970)
Distributions reinvested	-	-	79,134
Total increase (decrease) from participant transactions	31,686,060	6,700,203	186,088,863
Change in net position	20,131,776	(1,960,454)	153,863,373
Net position, beginning of fiscal year	395,165,462	204,520,023	1,895,418,187
Net position, end of fiscal year	\$ 415,297,238	\$ 202,559,569	\$ 2,049,281,560

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2015

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short Term Bond Institutional 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 1,366,940	\$ 1,289,630	\$ 6,336	\$ 815,956	\$ 941,866	\$ 182,156
Net change in fair value of investments	(707,938)	(752,080)	(17,147)	(465,542)	(201,110)	(66,037)
Admin fee	(5,765)	(3,290)	(358)	(5,456)	(3,980)	(4,868)
12b-1 fees	(33,215)	(19,104)	(1,243)	(31,735)	(23,825)	(26,570)
Other operating expenses	-	-	-	-	-	-
Management fees	(36,969)	(21,098)	(2,298)	(34,986)	(25,521)	(31,153)
Net investment earnings (loss)	583,053	494,058	(14,710)	278,237	687,430	53,528
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	2,392,312	1,299,277	482,954	2,467,335	2,219,123	19,084,969
Program distributions	(1,264,877)	(636,695)	(97,005)	(1,469,300)	(968,749)	(2,793,397)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	1,127,435	662,582	385,949	998,035	1,250,374	16,291,572
Change in net position	1,710,488	1,156,640	371,239	1,276,272	1,937,804	16,345,100
Net position, beginning of fiscal year	10,533,741	5,910,645	561,071	10,152,695	7,176,416	-
Net position, end of fiscal year	\$ 12,244,229	\$ 7,067,285	\$ 932,310	\$ 11,428,967	\$ 9,114,220	\$ 16,345,100

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	BlackRock Cash Funds 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 45,553	\$ 119,704	\$ 470,422	\$ 124,274	\$ 506,418	\$ 142,452
Net change in fair value of investments	-	(328,767)	147,098	(267,696)	216,996	(213,917)
Admin fee	-	(3,916)	(2,782)	(2,930)	(4,972)	(1,396)
12b-1 fees	-	(24,017)	(18,506)	(15,117)	(31,995)	(5,761)
Other operating expenses	-	-	-	-	-	-
Management fees	(24,203)	(25,116)	(17,840)	(18,791)	(31,881)	(8,952)
Net investment earnings (loss)	21,350	(262,112)	578,392	(180,260)	654,566	(87,574)
Distributions to participants						
Net investment income	(21,546)	-	-	-	-	-
Other participant transactions						
Program contributions	35,558,048	2,029,005	1,307,468	2,194,670	2,562,086	1,580,982
Program distributions	(29,911,431)	(1,605,493)	(729,780)	(900,616)	(1,493,668)	(404,243)
Distributions reinvested	20,699	-	-	-	-	-
Total increase (decrease) from participant transactions	5,667,316	423,512	577,688	1,294,054	1,068,418	1,176,739
Change in net position	5,667,120	161,400	1,156,080	1,113,794	1,722,984	1,089,165
Net position, beginning of fiscal year	33,506,502	7,901,724	5,013,528	5,405,833	9,216,817	2,406,380
Net position, end of fiscal year	\$ 39,173,622	\$ 8,063,124	\$ 6,169,608	\$ 6,519,627	\$ 10,939,801	\$ 3,495,545

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Dodge & Cox International Stock 529 Portfolio	Eagle Small Cap Growth 529 Portfolio	Mainstay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio	Northern Funds Bond Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 513,726	\$ 1,126,820	\$ 849,995	\$ 957,539	\$ 151,739	\$ 256,117
Net change in fair value of investments	(1,342,773)	250,874	(872,481)	345,368	(68,746)	(587,345)
Admin fee	(12,141)	(5,348)	(10,823)	(10,158)	(2,903)	(3,592)
12b-1 fees	(67,555)	(27,970)	(69,044)	(58,176)	(16,938)	(20,246)
Other operating expenses	-	-	-	-	-	-
Management fees	(77,857)	(34,296)	(69,268)	(65,143)	(18,612)	(23,034)
Net investment earnings (loss)	(986,600)	1,310,080	(171,621)	1,169,430	44,540	(378,100)
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	6,916,730	1,693,501	40,311,682	3,875,826	3,418,714	1,886,455
Program distributions	(3,147,698)	(2,144,056)	(4,745,446)	(3,107,358)	(1,050,349)	(925,391)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	3,769,032	(450,555)	35,566,236	768,468	2,368,365	961,064
Change in net position	2,782,432	859,525	35,394,615	1,937,898	2,412,905	582,964
Net position, beginning of fiscal year	23,170,749	10,684,729	-	19,253,679	4,548,118	7,294,894
Net position, end of fiscal year	\$ 25,953,181	\$ 11,544,254	\$ 35,394,615	\$ 21,191,577	\$ 6,961,023	\$ 7,877,858

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Value 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Low Duration 529 Portfolio	Pimco Short-Term 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 300,404	\$ 392,434	\$ 503,231	\$ 251,332	\$ 102,343	\$ 305,271
Net change in fair value of investments	73,945	(76,565)	718,897	(843,645)	(100,140)	(112,097)
Admin fee	(2,851)	(3,865)	(9,283)	(9,813)	(3,271)	(7,760)
12b-1 fees	(17,798)	(22,409)	(54,952)	(59,035)	(16,955)	(42,064)
Other operating expenses	-	-	-	-	-	-
Management fees	(18,284)	(24,785)	(59,512)	(62,941)	(21,047)	(49,764)
Net investment earnings (loss)	335,416	264,810	1,098,381	(724,102)	(39,070)	93,586
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	1,498,702	1,293,681	8,708,906	3,118,145	1,743,460	6,695,916
Program distributions	(1,045,786)	(1,561,069)	(2,710,859)	(3,515,460)	(18,980,475)	(4,849,935)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	452,916	(267,388)	5,998,047	(397,315)	(17,237,015)	1,845,981
Change in net position	788,332	(2,578)	7,096,428	(1,121,417)	(17,276,085)	1,939,567
Net position, beginning of fiscal year	5,549,693	7,832,158	15,068,829	21,001,047	17,276,085	14,872,202
Net position, end of fiscal year	\$ 6,338,025	\$ 7,829,580	\$ 22,165,257	\$ 19,879,630	\$ -	\$ 16,811,769

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Pimco Total Return 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Institutional Large Cap Growth 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 301,826	\$ 1,042,684	\$ 633,302	\$ 1,890,374	\$ 1,900,518	\$ 1,990,392
Net change in fair value of investments	(99,220)	(548,362)	224,297	(936,666)	(2,000,901)	1,203,233
Admin fee	(7,224)	(4,243)	(6,925)	(13,767)	(13,622)	(14,603)
12b-1 fees	(44,460)	(21,533)	(40,892)	(103,536)	(81,814)	(87,935)
Other operating expenses	-	-	-	-	-	-
Management fees	(46,480)	(27,206)	(44,410)	(88,272)	(87,359)	(93,641)
Net investment earnings (loss)	104,442	441,340	765,372	748,133	(283,178)	2,997,446
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	2,822,985	2,322,499	3,193,588	8,674,339	5,249,082	7,375,061
Program distributions	(40,985,948)	(1,277,724)	(2,513,617)	(3,984,213)	(4,787,569)	(4,413,957)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	(38,162,963)	1,044,775	679,971	4,690,126	461,513	2,961,104
Change in net position	(38,058,521)	1,486,115	1,445,343	5,438,259	178,335	5,958,550
Net position, beginning of fiscal year	38,058,521	7,781,676	13,277,401	25,074,103	27,130,060	26,867,632
Net position, end of fiscal year	\$ -	\$ 9,267,791	\$ 14,722,744	\$ 30,512,362	\$ 27,308,395	\$ 32,826,182

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	T. Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-US Real Estate ETF 529 Portfolio
Investment income (expense)					
Investment earnings	\$ 213,219	\$ 326,452	\$ 41,488	\$ 40,090	\$ 11,827
Net change in fair value of investments	136,124	(919,274)	(80,309)	(80,256)	(9,013)
Admin fee	(4,667)	(3,765)	(397)	(462)	(76)
12b-1 fees	(28,543)	(21,973)	-	-	-
Other operating expenses	-	-	(296)	(243)	(28)
Management fees	(29,917)	(24,141)	(4,230)	(4,930)	(816)
Net investment earnings (loss)	286,216	(642,701)	(43,744)	(45,801)	1,894
Distributions to participants					
Net investment income	-	-	-	-	-
Other participant transactions					
Program contributions	3,074,288	2,373,972	728,395	596,107	106,534
Program distributions	(1,377,173)	(1,321,762)	(102,877)	(192,343)	(12,770)
Distributions reinvested	-	-	-	-	-
Total increase (decrease) from participant transactions	1,697,115	1,052,210	625,518	403,764	93,764
Change in net position	1,983,331	409,509	581,774	357,963	95,658
Net position, beginning of fiscal year	7,664,038	7,280,267	1,097,226	1,394,571	214,977
Net position, end of fiscal year	\$ 9,647,369	\$ 7,689,776	\$ 1,679,000	\$ 1,752,534	\$ 310,635

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Vanguard Mega Cap ETF 529Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 36,304	\$ 9,023	\$ 37,556	\$ 15,467	\$ 1,003	\$ 8,212
Net change in fair value of investments	72,241	39,149	29,766	82,927	17,370	19,658
Admin fee	(528)	(183)	(444)	(353)	(57)	(152)
12b-1 fees	-	-	-	-	-	-
Other operating expenses	(287)	(102)	(230)	(106)	(40)	(38)
Management fees	(5,626)	(1,951)	(4,732)	(3,760)	(607)	(1,621)
Net investment earnings (loss)	102,104	45,936	61,916	94,175	17,669	26,059
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	1,134,434	534,440	824,775	771,686	255,061	132,299
Program distributions	(256,825)	(31,865)	(156,806)	(180,855)	(24,414)	(114,357)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	877,609	502,575	667,969	590,831	230,647	17,942
Change in net position	979,713	548,511	729,885	685,006	248,316	44,001
Net position, beginning of fiscal year	1,254,412	332,368	1,053,824	797,536	73,621	497,951
Net position, end of fiscal year	\$ 2,234,125	\$ 880,879	\$ 1,783,709	\$ 1,482,542	\$ 321,937	\$ 541,952

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Vanguard Reit ETF 529 Portfolio	Vanguard Short-Term Bond ETF 529 Portfolio	Vanguard Small-Cap ETF 529 Portfolio	Vanguard Small-Cap Growth ETF 529 Portfolio	Vanguard Small-Cap Value ETF 529 Portfolio	Vanguard Total Bond Market ETF 529 Portfolio	Voya Global Real Estate 529 Portfolio
Investment income (expense)							
Investment earnings	\$ 32,355	\$ 28,858	\$ 17,486	\$ 1,631	\$ 11,007	\$ 14,208	\$ 94,762
Net change in fair value of investments	(30,929)	(508)	49,695	13,967	15,329	(12,273)	(166,116)
Admin fee	(246)	(625)	(373)	(60)	(177)	(165)	(1,784)
12b-1 fees	-	-	-	-	-	-	(11,698)
Other operating expenses	(83)	(495)	(71)	(26)	(47)	(114)	-
Management fees	(2,629)	(6,661)	(3,978)	(644)	(1,884)	(1,760)	(11,442)
Net investment earnings (loss)	(1,532)	20,569	62,759	14,868	24,228	(104)	(96,278)
Distributions to participants							
Net investment income	-	-	-	-	-	-	-
Other participant transactions							
Program contributions	445,554	2,522,005	526,358	176,063	281,535	615,300	991,344
Program distributions	(70,861)	(207,302)	(140,481)	(52,928)	(65,211)	(65,013)	(1,099,953)
Distributions reinvested	-	-	-	-	-	-	-
Total increase (decrease) from participant transactions	374,693	2,314,703	385,877	123,135	216,324	550,287	(108,609)
Change in net position	373,161	2,335,272	448,636	138,003	240,552	550,183	(204,887)
Net position, beginning of fiscal year	597,355	699,675	1,077,080	159,839	452,177	298,790	3,762,386
Net position, end of fiscal year	\$ 970,516	\$ 3,034,947	\$ 1,525,716	\$ 297,842	\$ 692,729	\$ 848,973	\$ 3,557,499

(Continued)

State of Illinois
Office of the Treasurer

Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 40	Fund 60
Investment income (expense)						
Investment earnings	\$ 1,543,321	\$ 101,408	\$ 651,033	\$ 2,794,184	\$ 6,475,400	\$ 10,444,034
Net change in fair value of investments	(337,712)	(67,794)	(233,746)	(947,267)	(1,856,863)	(3,231,580)
Admin fee	(6,148)	(5,442)	(24,456)	(69,453)	(114,335)	(160,740)
12b-1 fees	(32,747)	(41,120)	(182,006)	(496,364)	(795,883)	(1,054,737)
Other operating expenses	-	-	-	-	-	-
Management fees	(39,421)	(34,903)	(156,826)	(445,347)	(733,167)	(1,030,712)
Net investment earnings (loss)	1,127,293	(47,851)	53,999	835,753	2,975,152	4,966,265
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	2,997,751	7,464,304	33,509,927	78,521,509	104,114,201	127,592,625
Program distributions	(1,608,368)	(6,838,068)	(25,786,573)	(52,238,390)	(74,663,759)	(86,677,159)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	1,389,383	626,236	7,723,354	26,283,119	29,450,442	40,915,466
Change in net position	2,516,676	578,385	7,777,353	27,118,872	32,425,594	45,881,731
Net position, beginning of fiscal year	11,025,289	10,800,946	46,500,945	129,147,627	215,976,505	298,652,418
Net position, end of fiscal year	\$ 13,541,965	\$ 11,379,331	\$ 54,278,298	\$ 156,266,499	\$ 248,402,099	\$ 344,534,149

(Continued)

State of Illinois
Office of the Treasurer

Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2015

	Fund 80	Fund 100	Total
Investment income (expense)			
Investment earnings	\$ 14,097,261	\$ 7,773,963	\$ 64,303,306
Net change in fair value of investments	(3,245,931)	(416,925)	(18,588,737)
Admin fee	(186,453)	(98,258)	(861,704)
12b-1 fees	(1,150,341)	(599,459)	(5,499,271)
Other operating expenses	-	-	(2,206)
Management fees	(1,195,652)	(630,113)	(5,568,189)
Net investment earnings (loss)	8,318,884	6,029,208	33,783,199
Distributions to participants			
Net investment income	-	-	(21,546)
Other participant transactions			
Program contributions	116,356,733	50,572,949	721,197,650
Program distributions	(83,893,825)	(42,538,676)	(527,740,778)
Distributions reinvested	-	-	20,699
Total increase (decrease) from participant transactions	32,462,908	8,034,273	193,477,571
Change in net position	40,781,792	14,063,481	227,239,224
Net position, beginning of fiscal year	354,383,670	190,456,542	1,668,178,963
Net position, end of fiscal year	\$ 395,165,462	\$ 204,520,023	\$ 1,895,418,187

OTHER INFORMATION

**State of Illinois
Office of the Treasurer**

**College Savings Program
Key Performance Measures
As of June 30, 2016 and 2015
(Unaudited)**

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Bright Start						
Number of Participant Accounts	230,681	236,097	86,476	60,928	317,157	297,025
Assets	\$4,229,650,454	\$ 4,474,574,410	\$1,835,412,333	\$1,234,609,415	\$ 6,065,062,787	\$ 5,709,183,825

Notes:

∞ There may be a difference between the assets presented above and the information presented in the statements. Two systems are used to calculate the information and the reports from each system are run at different times.

"Participant Accounts" is defined as the total number of investment portfolios.

**State of Illinois
Office of the Treasurer**

**College Savings Program
Key Performance Measures
As of June 30, 2016 and 2015
(Unaudited)**

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	2016	2015	2016	2015	2016	2015
Bright Directions						
Number of Participant Accounts	95,671	88,265	11,710	10,025	107,381	98,290
Market Value	\$1,796,900,828	\$ 1,672,974,196	\$ 252,394,860	\$ 222,483,269	\$ 2,049,295,688	\$ 1,895,457,465

Notes:

There may be a difference between the Market Value presented above and the information presented in the statements. Two systems are used to calculate the information and each uses a different level of decimal rounding.

"Participant Accounts" is defined as the number of unique relationships between an account owner and a beneficiary.

Investment Policies (Unaudited)

Included in this section are the investment policies of the Bright Start Program and the Bright Directions Program.



State of Illinois
Office of the Treasurer
BRIGHT START COLLEGE SAVINGS PROGRAM
INVESTMENT POLICY STATEMENT
Approved August 2016

1.0 Statement of Purpose of Investment Policy

The purpose of this Investment Policy Statement (the “Policy”) is to assist contractors retained by the Illinois State Treasurer’s Office (“Treasurer”) to provide services related to the management of the assets of the Bright Start College Savings Program (the “Program”) and to assist the Treasurer in evaluating the performance of such contractors by:

- Describing the Treasurer’s investment philosophy for the Program;
- Describing the Treasurer’s investment objectives for the Program;
- Specifying the responsibilities of the Treasurer and any contractors that provide investment management services to the Program to thereby provide a basis to evaluate the performance of contractors that provide services to the Program;
- Providing investment parameters for the investment of assets of the Program; and
- Detailing the investment plan options available through the Program and the applicable performance benchmarks.

This is the official Policy of the Program. Deviation from this Policy is not permitted without prior, explicit, written permission from the Treasurer.

2.0 Establishment and Authority of Entity

The Program has been established as a “qualified tuition program” in accordance with Section 529 of the Internal Revenue Code of 1986, as amended. It was established to provide families with a new opportunity to invest toward future college education expenses.

3.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy regarding the Program and its investments. In order to achieve the Program’s objectives, investments shall be diversified so as to minimize the risk of loss. While some asset classes may experience short-term and intermediate-term volatility, their long-term return assumptions justify their inclusion. A long-term focus on investment results as well as prudent diversification across financial markets will be the primary risk control mechanisms.

In its investment strategy, the Treasurer has relies on prevailing financial theory, which currently utilizes a long-term diversified asset allocation strategy. A prudently allocated investment program possesses a significant level of diversification, which produces risk reduction. In terms of impact, diversification

shall be considered as follows: (1) asset classes (Money Market Instruments, Domestic Fixed Income, International Fixed Income, Domestic Equity, and International Equity); (2) geography/country; (3) sector; (4) maturity; and (5) duration.

Contributions to the Program will be directed to one of several portfolios (the “Portfolios”), each with a designated mix of investments. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for account owners will vary from a few months to over 18 years.

The Treasurer will review the investment performance of each Portfolio at least quarterly and shall review this Policy at least annually.

The holdings of the Program and the Portfolios may be divided into the following broad asset classes:

- A. Money Market Instruments;
- B. Domestic Fixed Income;
- C. International Fixed Income;
- D. Domestic Equity; and
- E. International Equity

The Treasurer will establish reasonable guidelines for each Portfolio, specifying (as applicable) limits on asset and asset class exposures. While the investment parameters offered under the Program are developed by the Treasurer, account owners bear the risk of investment results. Individual account owners who seek investments materially different from those offered may wish to select an investment alternative outside of the Program.

To the greatest extent feasible within the bounds of financial and fiduciary prudence, it is the policy of the Treasurer to endeavor to actively identify and evaluate investment managers that are more than 50% owned and/or managed by minorities, women, military veterans, or disabled persons.

The Treasurer acknowledges that environmental, social, and governance (ESG) factors may have a material financial impact as well as non-financial impacts. Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will seek to integrate ESG factors into investment analysis, portfolio construction, due diligence and investment ownership.

4.0 Investment Objectives

The overall investment program for the Program and, as applicable, the individual Portfolios provided to the account owners shall seek to achieve the following long-term investment objectives:

- A. A long-term competitive rate of return on investments that is equal to or exceeds a return of the applicable benchmarks shown in Section VII hereof, and a long-term rate of return on investments that is competitive with each investment’s peer group.
- B. A long-term competitive rate of return on investments through indexed fund portfolios that approximately equal the applicable benchmarks shown in Section VII hereof.

- C. An investment program flexible enough to meet the needs of account owners based upon their age or investment objective or the age of the beneficiary and which provides each account owner with the ability to invest in a diversified portfolio to meet his or her long-term investment goals.

5.0 Investment Responsibilities

The Treasurer is responsible for the investment policy, the direction of investments and administration of the assets of the Program. In order to properly carry out its responsibilities, the Treasurer may rely on one or more contractors to assist in the administration of the Program. The Treasurer may engage and plan to rely on said contractors (the “Manager”) for various investment management and related administrative services. The Treasurer may also rely on an external investment consultant for investment advisory services.

Among the current responsibilities of the Manager is the implementation of the investment strategy outlined in this Policy and the rebalancing (as described in Section VI) of the Portfolios when market movement and/or cash flows cause an asset class to be outside its policy allocation bands. The Treasurer and the Manager shall meet quarterly to review portfolio performance as compared to the applicable benchmarks and peer group performance.

In managing the investments of the Program and the Portfolios, the Manager agrees that it will act with the skill, prudence and diligence under the circumstances that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like objectives.

In addition, the Treasurer may engage an independent investment consultant that will:

- Measure investment performance results, evaluate the investment program, and advise the Treasurer as to the performance and continuing appropriateness of each investment manager;
- Recommend modifications to the investment policies, objectives, guidelines, or management structure as appropriate; and
- Promptly inform the treasurer regarding significant matters pertaining to the investment program.

6.0 Investment Parameters

Contributions will be invested in one of several Portfolios, each with a designated mix of investments that is appropriate for the investment objective of the Portfolio. Each Portfolio allocates assets in a combination of underlying investments investing among Money Market Instruments, Domestic Fixed Income, International Fixed Income, Domestic Equity, and International Equity. The asset allocation of each Portfolio will be established by the Treasurer and managed by the Manager. The Treasurer may adjust the weighting in these asset classes in each Portfolio and may change the underlying investments within the Portfolios consistent with this Policy and its agreement with the Manager.

The Policy target asset allocations and benchmarks for the underlying investments within the Portfolios are shown below. Under normal market conditions, there is a permissible range of plus or minus a 10% deviation from the target allocation for each asset class. However, during periods of extreme volatility or

market crisis, the actual asset allocations for each underlying investment may exceed plus or minus 10% of the target allocations and any rebalancing will occur quarterly.

7.0 Plan Options

Direct Plan: Blended Age Based Portfolios

Asset Class	Benchmark*	#1	#2	#3	#4	#5	#6
		Portfolio	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
		(0-6 yrs.)	(7-9 yrs.)	(10-11 yrs.)	(12-14 yrs.)	(15-17 yrs.)	(18+ yrs.)
Domestic Equity	S&P 500 Index	63%	49%	42%	35%	21%	7%
	Russell Mid Cap Index	6.5%	5%	4.5%	3.5%	2%	1%
	Russell 2000 Index	2.5%	2%	1.5%	1.5%	1%	0%
International Equity	MSCI AC World (ex-US) Index	18%	14%	12%	10%	6%	2%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	8%	15%	20%	15%	15%	15%
	Bloomberg Barclays 1-5 Yr. Government Index	0%	10%	15%	25%	30%	35%
	JP Morgan Leveraged Loan Index	2%	5%	5%	10%	10%	10%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	0%	0%	0%	0%	15%	30%

Direct Plan: Index Age Based Portfolios

		#1	#2	#3	#4	#5	#6
		Portfolio	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
Asset Class	Benchmark*	(0-6 yrs.)	(7-9 yrs.)	(10-11 yrs.)	(12-14 yrs.)	(15-17 yrs.)	(18+ yrs.)
Domestic Equity	S&P 500 Index	63%	49%	42%	35%	21%	7%
	S&P Completion Index	9%	7%	6%	5%	3%	1%
International Equity	FTSE Developed (ex-North America) Index	18%	14%	12%	10%	6%	2%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	8%	15%	20%	20%	25%	25%
	Bloomberg Barclays 1-5 Yr. Government/Credit Index	2%	10%	15%	20%	30%	50%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	0%	5%	5%	10%	15%	15%

Blended Direct Plan: Fixed Income, Conservative Fixed Income, Equity, Balanced or Money Market Options

Asset Class	Benchmark*	Fixed Income Portfolio	Conservative Fixed Income Portfolio	Equity Portfolio	Balanced Portfolio	Money Market Portfolio
Domestic Equity	S&P 500 Index	0%	0%	70%	35%	0%
	Russell Mid Cap Index	0%	0%	7%	3.5%	0%
	Russell 2000 Index	0%	0%	3%	1.5%	0%
International Equity	MSCI AC World (ex-US) Index	0%	0%	20%	10%	0%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	40%	0%	0%	20%	0%
	Bloomberg Barclays 1-3 Yr. Government Index	0%	95%	0%	0%	0%
	Bloomberg Barclays 1-5 Yr. Government Index	35%	0%	0%	10%	0%
	JP Morgan Leveraged Loan Index	10%	5%	0%	10%	0%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	15%	0%	0%	10%	100%

Index Direct Plan: Fixed Income, Equity or Balanced Options

Asset Class	Benchmark*	Fixed Income Portfolio	Equity Portfolio	Balanced Portfolio
Domestic Equity	S&P 500 Index	0%	70%	35%
	S&P Completion Index	0%	10%	5%
International Equity	FTSE Developed (ex-North America) Index	0%	20%	10%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	40%	0%	20%
	Bloomberg Barclays 1-5 Yr. Government/Credit Index	45%	0%	20%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	15%	0%	10%

Advisor Plan: Active Age Based Portfolios

		#1	#2	#3	#4	#5	#6
		Portfolio	Portfolio	Portfolio	Portfolio	Portfolio	Portfolio
Asset Class	Benchmark*	(0-6 yrs.)	(7-9 yrs.)	(10-11 yrs.)	(12-14 yrs.)	(15-17 yrs.)	(18+ yrs.)
Domestic Equity	Russell 1000 Index	25%	21%	18%	15%	9%	3%
	Russell 1000 Value Index	16%	12%	10%	8.5%	5%	2%
	Russell 1000 Growth Index	16%	12%	10%	8.5%	5%	2%
	Russell Mid Cap Index	10.5%	7.5%	7%	5.5%	3.5%	1%
	Russell 2000 Index	4.5%	3.5%	3%	2.5%	1.5%	0%
International Equity	MSCI AC World (ex-US) Index	13%	10%	8.5%	7%	4.5%	1.5%
	MSCI Emerging Markets Index	5%	4%	3.5%	3%	1.5%	0.5%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	6%	10%	15%	15%	20%	15%
	Bloomberg Barclays 1-3 Yr. Government Index	0%	10%	15%	20%	22%	45%
	JP Morgan Leveraged Loan Index	2%	5%	5%	10%	10%	10%
International Fixed Income	Citi World Government Bond (ex-U.S.) Index	2%	5%	5%	5%	8%	5%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	0%	0%	0%	0%	10%	15%

Advisor Plan: Active Fixed Income, Conservative Fixed Income, Equity, Balanced or Money Market Options

Asset Class	Benchmark*	Fixed Income Portfolio	Conservative Fixed Income Portfolio	Equity Portfolio	Balanced Portfolio	Money Market Portfolio
Domestic Equity	Russell 1000 Index	0%	0%	25%	15%	0%
	Russell 1000 Value Index	0%	0%	19.5%	9%	0%
	Russell 1000 Growth Index	0%	0%	19.5%	9%	0%
	Russell Mid Cap Index	0%	0%	11.5%	5%	0%
	Russell 2000 Index	0%	0%	4.5%	2%	0%
International Equity	MSCI AC World (ex-US) Index	0%	0%	14%	7%	0%
	MSCI EMG Mkts. Index	0%	0%	6%	3%	0%
Domestic Fixed Income	Bloomberg Barclays U.S. Aggregate Bond Index	30%	0%	0%	15%	0%
	Bloomberg Barclays 1-3 Yr. Government Index	35%	95%	0%	10%	0%
	JP Morgan Leveraged Loan Index	10%	5%	0%	10%	0%
International Fixed Income	Citi World Government Bond (ex-U.S.) Index	10%	0%	0%	5%	0%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	15%	0%	0%	10%	100%

*Benchmarks are subject to change as mutually agreed by the Treasurer and Manager in order to ensure that they remain appropriate for each underlying investment and consistent with industry standards.

Each active underlying investment's return objective is to equal or exceed, over a five-year rolling period, the annualized return of the applicable benchmark. Volatility, measured by the standard deviation of returns, is expected to be similar to the benchmark. Each underlying investment is also expected to perform favorably relative to its peer group.

To the extent that the assets of a Portfolio are invested in one or more underlying investments approved by the Treasurer having investment objectives consistent with the above-noted asset allocation categories, the above-noted percentage guidelines shall be deemed satisfied. This shall be the case even if such an underlying investment's assets may not be entirely invested in the asset class in which such underlying investment has been placed.

7.1 Female- and Minority-Owned Portfolios

The Treasurer may also add additional Portfolios – for example, Minority, Woman, Veteran, and Disabled-Managed Portfolios – for participants who would like to have a more diverse set of investment options as new viable options become available.



State of Illinois
Office of the Treasurer
BRIGHT DIRECTIONS COLLEGE SAVINGS PROGRAM
INVESTMENT POLICY STATEMENT
Approved August 2016

1.0 Statement of Purpose of Investment Policy

The purpose of this Investment Policy Statement (the “Policy”) is to assist contractors retained by the Illinois State Treasurer’s Office (“Treasurer”) to provide services related to the management of the assets of the Illinois College Savings Pool that are contributed to the Bright Directions College Savings Program (the “Program”) and to assist the Treasurer in evaluating the performance of such contractors by:

- Describing the Treasurer’s investment philosophy for the Program;
- Describing the Treasurer’s investment objectives for the Program;
- Specifying the responsibilities of the Treasurer and any contractors that provide investment management services to the Program to thereby provide a basis to evaluate the performance of contractors that provide services to the Program;
- Providing investment parameters for the investment of assets of the Program; and
- Detailing the investment plan options available through the Program and the applicable performance benchmarks.

This is the official Policy of the Program. Deviation from this Policy is not permitted without prior, explicit, written permission from the Treasurer.

2.0 Establishment and Authority of Entity

The Bright Directions College Savings Program has been established as part of the Illinois College Savings Pool, and is intended to qualify as a qualified tuition program in accordance with Section 529 of the Internal Revenue Code of 1986, as amended. The Program is sold through financial advisors and was established to complement the existing Bright Start College Savings Program by allowing families to utilize a financial advisor to assist them with investing toward future college education expenses.

3.0 Participating Financial Institution

Accounts in the Program will be distributed through registered broker-dealers and financial institutions that have entered into a Selling Agent Agreement with the designated distributor for the Program. All new accounts in the Program will be processed through the designated participating financial institution.

4.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. In order to achieve the Program’s objectives, investments shall be diversified so as to minimize the risk of loss. While some asset classes may experience short-term and intermediate-term volatility, their long-term return assumptions justify their inclusion. A long-term focus on investment results as well as prudent diversification across public security markets will be the primary risk control mechanisms.

As part of its investment strategy, the Treasurer has relied on prevailing financial theory, which currently utilizes a long-term diversified asset allocation strategy. A prudently allocated investment program possesses a significant level of diversification, which produces risk reduction. In terms of impact, diversification shall be considered along the following lines: (1) asset classes (stocks, bonds, cash, etc.); (2) geography/country; (3) industry; and (4) maturity.

Contributions to the Program will be directed to one or more of the available Age-Based, Target, Individual, or Female- and Minority-Owned Portfolios (“Portfolios”), each composed of a designated mix of investments or an individual investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the

fact that the investment horizon for participants will vary from a few months to over 18 years.

The Treasurer will review the investment performance of each Portfolio at least quarterly and shall review this Policy at least annually.

The holdings of the Program and the Portfolios are divided into the following broad asset categories:

- Short-Term Investments
- Fixed Income Investments
- Real Estate Investments
- Domestic Equity Investments
- International Equity Investments

The Treasurer will establish reasonable guidelines for each Portfolio, specifying (as applicable) limits on asset and asset class exposures, risk constraints and investment return objectives. While the investment parameters offered under the Program are developed by the Treasurer, participants bear the risk of investment results. Individual participants who seek investments materially different from those offered may wish to select an investment alternative outside of the Program.

To the greatest extent feasible within the bounds of financial and fiduciary prudence, it is the policy of the Treasurer to endeavor to actively identify and evaluate investment managers that are more than 50% owned and/or managed by minorities, women, military veterans, or disabled persons.

The Treasurer acknowledges that environmental, social, and governance (ESG) factors may have a material financial impact as well as non-financial impacts. Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will seek to integrate ESG factors into investment analysis, portfolio construction, due diligence and investment ownership.

5.0 Investment Objectives

The overall investment program for the Program and, as applicable, the Portfolios provided to the participants shall seek to achieve the following long-term investment objectives:

- A long-term competitive rate of return on investments that is equal to or exceeds a return of the applicable benchmarks shown in Section 7.0 hereof; and
- An investment program flexible enough to meet the needs of participants based upon their age or investment objective and which provides each individual with the ability to invest in a diversified portfolio to meet his or her long-term investment goals.

6.0 Investment Responsibilities

The Treasurer is responsible for the investment policy statement, the direction of investments and administration of the assets of the Program. In order to properly carry out his responsibilities, the Treasurer may rely on one or more contractors to assist in the administration of the Program. The Treasurer will engage and plan to rely on said contractor (the “Manager”) for administrative services as well as the contractor’s pertinent investment advisor, should they retain one, for certain investment management services. The Treasurer also plans to rely heavily on an external investment consultant for investment advisory services. Among the current responsibilities of the Manager is the implementation of the investment strategy outlined in this Policy and the rebalancing of the Age-Based and Target Portfolios when market movement and/or cash flows cause an asset class to be outside its policy allocation bands. With the Treasurer’s approval, the Manager may retain an investment advisor to provide it with portfolio design, due diligence and ongoing monitoring services with respect to the Portfolios and the implementation of the investment strategy outlined in this policy. The Treasurer and the Manager shall meet quarterly to review portfolio performance as compared to the applicable benchmarks and peer group performance.

In managing the investments of the Program and the Portfolios, the Manager agrees that it will act with the skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like objectives.

In addition, the Treasurer may engage an independent investment consultant that will:

- Measure investment performance results, evaluate the investment program, and advise the Treasurer as to the performance and continuing appropriateness of each investment manager;
- Recommend modifications to the investment policies, objectives, guidelines, or management structure as appropriate; and
- Promptly inform the Treasurer regarding significant matters pertaining to the investment program.

7.0 Investment Parameters

Contributions will be invested in one or more of the available Portfolios, each composed of a designated mix of investments or an individual investment fund, which is appropriate for the age of the participant or the investment objective of the Portfolio. Each Portfolio may allocate assets among domestic equity, international equity, real estate, fixed-income, and/or short-term investments. The asset allocation of each Portfolio will be established by the Treasurer and managed by the Manager. The Treasurer may adjust the weighting in stocks, bonds, real estate, and cash in each Portfolio and may change the underlying investment funds within the Portfolios consistent with this Policy.

The policy target asset allocations and benchmarks for the underlying investments within the Age-Based and Target Portfolios are shown in the following table. There is a permissible range of plus or minus 10% of the target allocation for each underlying investment fund.

Age-Based Portfolios		age of beneficiary										
Aggressive Option		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Fund 100		Fund 80		Fund 60		Fund 40		Fund 20	Fund 10	Fixed Income
Asset Class	Benchmark											
Domestic Equity	Russell 1000 Value	19.0%	17.0%	15.0%	13.0%	11.0%	9.0%	7.0%	5.0%	3.5%	2.0%	0.0%
	S & P 500 Index	16.0%	15.0%	13.0%	12.0%	10.5%	8.0%	7.0%	5.0%	3.5%	2.0%	0.0%
	Russell 1000 Growth	19.0%	17.0%	15.0%	13.0%	11.0%	9.0%	7.0%	5.0%	3.5%	2.0%	0.0%
	Russell 2000 Value	3.0%	3.0%	2.5%	2.0%	1.5%	2.0%	2.0%	1.0%	1.0%	0.5%	0.0%
	Russell 2000	4.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.0%	0.5%	0.0%
	Russell 2000 Growth	3.0%	3.0%	2.5%	2.0%	1.5%	2.0%	2.0%	1.0%	1.0%	0.5%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Global	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%	0.0%	0.0%
International Equity	MSCI EAFE	25.0%	23.0%	21.0%	19.0%	16.5%	13.0%	10.0%	8.0%	5.0%	2.5%	0.0%
	MSCI World ex- U.S. Small Cap	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	MSCI Emerging Markets	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	1.0%	0.0%	0.0%	0.0%
Domestic Fixed Income	3-month T-Bills											
	Bloomberg Barclays U.S. Gov't/Credit 1-3yr	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	20.0%	22.0%	23.0%	25.0%	28.0%
	ML 1-3 yr Treasury	0.0%	0.0%	0.0%	8.0%	20.0%	20.0%	19.0%	18.0%	17.0%	15.0%	12.0%
	Bloomberg Barclays U.S. Aggregate Bond	0.0%	8.0%	16.0%	16.0%	14.0%	14.0%	12.0%	12.0%	12.0%	0.0%	0.0%
	Bloomberg Barclays U.S. TIPS	0.0%	0.0%	0.0%	2.0%	3.0%	5.0%	7.0%	8.0%	8.0%	10.0%	10.0%
Foreign Bonds	CitiGroup Non-U.S. World Gov't Bond	0.0%	2.0%	4.0%	4.0%	3.0%	3.0%	2.0%	0.0%	0.0%	0.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	20.0%	40.0%	50.0%

Each underlying investment fund's return objective is to equal or exceed, over a five-year rolling period, the return of the applicable benchmark. Volatility, measured by the standard deviation of quarterly returns over that period, is expected to be similar to the benchmark. Each underlying investment fund is also expected to perform favorably relative to its peer group.

To the extent that the assets of a Portfolio are invested in one or more underlying investment funds approved by the Treasurer having investment objectives consistent with the above-noted asset allocation categories, the above-noted percentage guidelines shall be deemed satisfied. This shall be the case even if such underlying investment fund's underlying assets may not be entirely invested in the asset class in which such underlying investment fund has been placed.

Individual Fund Portfolios

Participants in the Program open their Accounts through registered broker-dealers and other financial advisors. As a result, the Treasurer deems it appropriate to offer individual funds as separate Portfolios in the Program. The Individual Fund Portfolios and underlying investment funds the Treasurer selects will be described in the Program's current Program Disclosure Statement and may include the following asset classes:

Asset Class	Benchmark
Money Market	3 Month T-Bill
Ultra Short Bond	Bloomberg Barclays U.S. Gov't/Credit 1-3yr Index
Low Duration	ML 1-3 Treasury Index
Corporate Bond	Bloomberg Barclays U.S. Credit Index
Intermediate Bond	Bloomberg Barclays U.S. Aggregate Bond Index
Foreign Bonds	Citigroup Non-U.S. World Government Bond Index
U.S. TIPS	Bloomberg Barclays U.S. TIPS Index
Balanced	Bloomberg Barclays U.S. Aggregate Bond Index; S&P 500; MSCI EAFE
Large Cap Value	Russell 3000 Value Index, Russell 1000 Value Index
Large Cap Growth	Russell 1000 Growth Index
Large Cap Blend	Russell 1000 Index, S&P 500
Mid-Cap Value	Russell 2500 Value Index
Mid-Cap Growth	Russell Mid-Cap Growth Index
Mid-Cap Blend	Wilshire 4500 Index
Small-Cap Value	Russell 2000 Value Index
Small-Cap Growth	Russell 2000 Growth Index
Small-Cap Blend	Russell 2000 Index
Foreign Stock	MSCI EAFE, MSCI World ex U.S. Small Cap, and MSCI Emerging Markets
Socially Responsible	S&P 500
Real Estate	DJ Wilshire Real Estate Securities

8.0 Female- and Minority-Owned Portfolios

The Program has included the Female- and Minority-Owned Portfolios for participants who would like to have a more diverse set of investment options. The female- and minority-owned underlying investment funds utilized in the program were screened on the following initial criteria: (1) firms with at least 50% female and/or racial minority ownership or (2) funds that have a female and/or racial minority investment manager that makes the portfolio management decisions (*i.e.*, a minority-owned subadvisor), and (3) funds that delivered above median returns over a 3-year and/or 5-year time period. The female- and minority-owned options provided in the program include relatively high scoring female- and minority-owned investment managers representing a diverse set of asset classes.

Contributions will be invested in one or more of the available Portfolios, each composed of an individual investment fund, which is appropriate for the investment objective of the Portfolio. The Treasurer may change the underlying investment funds within specially designated portfolios, such as the Female- and Minority-Owned Portfolios, consistent with this Policy.

The Treasurer may also add additional portfolios – for example, a veteran- or disabled-owned and/or managed portfolio – as new viable options become available.

Independent Auditor's Report

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 *Government Auditing Standards*

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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 College Savings Program, a fiduciary (private-purpose trust) fund of the State of Illinois, Office of the Treasurer, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the College Savings Program's basic financial statements, and have issued our report thereon dated December 29, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Illinois, Office of the Treasurer's internal control over financial reporting (internal control) of the College Savings Program to determine the 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 State of Illinois, Office of the Treasurer's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Office of the Treasurer'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 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 of the College Savings Program that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois, Office of the Treasurer, College Savings Program'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 determination of financial statement amounts. 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 State of Illinois, Office of the Treasurer'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 State of Illinois, Office of the Treasurer's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Schaumburg, Illinois
December 29, 2016