



STATE OF ILLINOIS  
**OFFICE OF THE  
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**OFFICE OF THE TREASURER—  
 COLLEGE SAVINGS PROGRAM**

**Financial Audit  
 For the Years Ended June 30, 2025**

**Release Date: April 7, 2026**

| FINDINGS THIS AUDIT: 1        |            |               |              | AGING SCHEDULE OF REPEATED FINDINGS |                   |                   |                   |
|-------------------------------|------------|---------------|--------------|-------------------------------------|-------------------|-------------------|-------------------|
|                               | <u>New</u> | <u>Repeat</u> | <u>Total</u> | <u>Repeated Since</u>               | <u>Category 1</u> | <u>Category 2</u> | <u>Category 3</u> |
| <b>Category 1:</b>            | <b>1</b>   | <b>0</b>      | <b>1</b>     | <b>No Repeat Findings</b>           |                   |                   |                   |
| <b>Category 2:</b>            | <b>0</b>   | <b>0</b>      | <b>0</b>     |                                     |                   |                   |                   |
| <b>Category 3:</b>            | <b>0</b>   | <b>0</b>      | <b>0</b>     |                                     |                   |                   |                   |
| <b>TOTAL</b>                  | <b>1</b>   | <b>0</b>      | <b>1</b>     |                                     |                   |                   |                   |
| <b>FINDINGS LAST AUDIT: 0</b> |            |               |              |                                     |                   |                   |                   |

**SYNOPSIS**

- **(25-01)** The Office of the Treasurer (Office) had inadequate controls over the College Savings Program financial statement preparation and review process.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**OFFICE OF THE TREASURER - COLLEGE SAVINGS PROGRAM**  
**FINANCIAL AUDIT**  
**For the Year Ended June 30, 2025**

| <b>STATEMENTS OF FIDUCIARY NET POSITION</b>      | <b>2025</b>              | <b>2024</b>              |
|--|--------------------------|--------------------------|
| Assets:  |                          |                          |
| Cash and Cash Equivalents.....                   | \$ 1,959,089,149         | \$ 1,391,915,590         |
| Capital Shares Receivable.....                   | 25,660,499               | 23,361,888               |
| Dividends Receivable.....                        | 9,587,064                | 51,336,073               |
| Mutual Funds.....                                | 20,707,402,162           | 18,485,321,003           |
| Total Assets.....                                | <u>\$ 22,701,738,874</u> | <u>\$ 19,951,934,554</u> |
| Liabilities and Net Position:                    |                          |                          |
| Capital Shares Payable.....                      | \$ 29,373,919            | \$ 18,745,368            |
| Other Liabilities.....                           | 15,417,474               | 15,442,975               |
| Total Liabilities.....                           | <u>44,791,393</u>        | <u>34,188,343</u>        |
| Net Position Held in Trust for Participants..... | 22,656,947,481           | 19,917,746,211           |
| Total Liabilities and Net Position.....          | <u>\$ 22,701,738,874</u> | <u>\$ 19,951,934,554</u> |

| <b>STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION</b> | <b>2025</b>              | <b>2024</b>              |
|--|--------------------------|--------------------------|
| Additions  |                          |                          |
| Investment Income (Expense):                           |                          |                          |
| Investment Earnings.....                               | \$ 1,112,188,497         | \$ 561,389,790           |
| Net Change in Fair Value of Investments .....          | 1,192,082,327            | 1,663,820,974            |
| State Administrative Fees.....                         | (2,162,085)              | (2,541,520)              |
| 12b-1 Fees.....  | (11,440,003)             | (12,026,886)             |
| Other Operating Expenses.....                          | (28,206,392)             | (43,431,718)             |
| Management and Bank Custodial Fees.....                | (19,844,836)             | (17,735,662)             |
| Net Investment Earnings.....                           | <u>2,242,617,508</u>     | <u>2,149,474,978</u>     |
| Other participant transactions:                        |                          |                          |
| Program Contributions.....                             | 2,378,604,944            | 2,037,520,274            |
| Total Increase from Participant Transactions.....      | <u>2,378,604,944</u>     | <u>2,037,520,274</u>     |
| Total Additions.....                                   | 4,621,222,452            | 4,186,995,252            |
| Deductions   |                          |                          |
| Program Distributions.....                             | 1,882,021,182            | 1,542,152,109            |
| Total Deductions.....                                  | <u>1,882,021,182</u>     | <u>1,542,152,109</u>     |
| Change in Net Position.....                            | 2,739,201,270            | 2,644,843,143            |
| Net Position, Beginning of Fiscal Year.....            | 19,917,746,211           | 17,272,903,068           |
| Net Position, End of Fiscal Year.....                  | <u>\$ 22,656,947,481</u> | <u>\$ 19,917,746,211</u> |

| <b>SELECTED ACTIVITY MEASURES (unaudited)</b>                 | <b>2025</b>             | <b>2024</b>             |
|---|-------------------------|-------------------------|
| Number of Illinois Participants (Bright Start).....           | 286,399                 | 276,344                 |
| Balance of Illinois Participants (Bright Start).....          | \$ 11,581,857,857       | \$ 9,969,981,577        |
| Number of Out of State Participants (Bright Start).....       | 53,437                  | 55,152                  |
| Balance of Out of State Participants (Bright Start).....      | \$ 2,497,725,722        | \$ 2,168,836,434        |
| Number of Illinois Participants (Bright Directions).....      | 198,523                 | 196,653                 |
| Balance of Illinois Participants (Bright Directions).....     | \$ 5,805,477,977        | \$ 5,240,137,744        |
| Number of Out of State Participants (Bright Directions).....  | 49,052                  | 48,772                  |
| Balance of Out of State Participants (Bright Directions)..... | <u>\$ 2,771,293,652</u> | <u>\$ 2,539,333,667</u> |

**STATE TREASURER**  
During Audit Period: Honorable Michael Frerichs  
Currently: Honorable Michael Frerichs

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE INTERNAL CONTROLS RELATED TO  
REVIEW OF FINANCIAL STATEMENTS**

The Office of the Treasurer (Office) had inadequate internal controls over the College Savings Program financial statement preparation and review process.

**Office did not have adequate controls to verify completeness of reports obtained from the service provider**

During preparation of the financial statements, the Office did not verify completeness of the reports obtained from the service provider that were used to report the cash and cash equivalents, fixed income assets, or the mutual funds balances in the financial statements. This led to the following variances in the Statement of Net Position and in the Note 2 disclosure:

- Cash and Cash Equivalents were understated by \$98,872,583.
- Fixed Income Assets were understated by \$294,402,432.
- Mutual Fund Assets were overstated by \$110,633,350.

The Office obtained updated financial information while addressing the variances noted above. The following variances remained after the financial statements were first updated:

- Cash and Cash Equivalents were overstated by \$148,894,384.
- Fixed Income Assets were understated by \$241,541,251.
- Mutual Fund Assets were overstated by \$110,633,350.

The Office ultimately corrected the financial statements for all material errors described above. (Finding 1, pages 164-165)

We recommended the Office improve controls over the financial statement preparation and review process by verifying completeness from the service providers used to report asset balances in the financial statements.

**Office accepted the recommendation**

The Office accepted the recommendation and stated it will examine the review and documentation procedures of Program Manager support used in preparation of the financial statements for improvement.

**AUDITOR'S OPINIONS**

The auditors stated the financial statements of the Office of the Treasurer—College Savings Program as of and for the years ended June 30, 2025, and June 30, 2024, are fairly stated in all material respects.

This financial audit was conducted by Crowe LLP.

**SIGNED ORIGINAL ON FILE**

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COURTNEY DZIERWA  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

FJM:SJS