



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

STATE UNIVERSITIES RETIREMENT SYSTEM

**Financial Audit
For the Year Ended June 30, 2019**

Release Date: December 19, 2019

FINDINGS THIS AUDIT:	0
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INTRODUCTION

This digest covers the financial statement audit of the State Universities Retirement System (System) as of and for the year ended June 30, 2019. The State Universities Retirement System's Compliance Examination covering the year ended June 30, 2019 will be issued in a separate report at a later date.

The System's total pension liability is \$48.437 billion at June 30, 2019. The net pension liability at June 30, 2019 is \$28.720 billion, which is the difference between the System's fiduciary net position of \$19.717 billion and the total pension liability. The System's funded ratio is 40.71%. The criteria used for computing pension liability information in the financial report in accordance with GASB Statement No. 67 differs from the criteria used to compute the actuarial accrued liability and actuarial unfunded liability under the State's funding plan, therefore this information under the State's funding plan is no longer reported in the financial statements.

There were no material findings of noncompliance disclosed during our examination.

AUDITOR'S OPINION

The auditors stated the financial statements of the State Universities Retirement System as of June 30, 2019, and for the year then ended, are fairly stated in all material respects.

This financial audit was conducted by BKD LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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{Financial Information is summarized on next page

STATE UNIVERSITIES RETIREMENT SYSTEM
FINANCIAL AUDIT
For the Year Ended June 30, 2018

FINANCIAL OPERATIONS	2019	2018
Additions		
Contributions		
Participants.....	\$ 368,588,213	\$ 366,944,715
Employer and Non-employer contributing entity.....	1,713,287,608	1,677,312,471
Total Contributions.....	2,081,875,821	2,044,257,186
Investment Income		
Net appreciation in fair market value.....	958,763,679	1,467,434,542
Interest.....	155,798,932	127,396,974
Dividends.....	237,287,406	232,971,148
Securities lending.....	5,191,144	4,741,875
Less: Investment expense.....	(64,578,560)	(73,708,756)
Net Investment Income.....	1,292,462,601	1,758,835,783
Total Additions.....	3,374,338,422	3,803,092,969
Deductions		
Benefits.....	2,617,196,859	2,497,944,964
Refund of contributions.....	115,051,659	123,842,578
Administrative expense.....	16,662,874	14,848,138
Total Deductions.....	2,748,911,392	2,636,635,680
Net Increase.....	\$ 625,427,030	\$ 1,166,457,289
INVESTMENT PORTFOLIO ANALYSIS		
(Fair Value)	JUNE 30, 2019	JUNE 30, 2018
Equities.....	\$ 10,512,849,950	\$ 10,773,499,828
Fixed income.....	4,880,148,427	4,784,437,115
Real estate and Alternative investments.....	3,646,925,934	3,449,561,022
Mutual funds and variable annuities.....	2,592,580,384	2,370,017,322
Total.....	\$ 21,632,504,695	\$ 21,377,515,287
PENSION LIABILITY (in millions)		
	JUNE 30, 2019	JUNE 30, 2018
Total Pension Liability.....	\$ 48,437.4	\$ 46,815.6
Plan Net Position.....	19,717.3	19,321.1
Net Pension Liability.....	\$ 28,720.1	\$ 27,494.5
Plan Net Position as a Percentage of the Total Pension Liability.....	40.71%	41.27%
SUPPLEMENTARY INFORMATION		
	JUNE 30, 2019	JUNE 30, 2018
Benefit recipients.....	68,713	66,908
Active members.....	75,120	74,950
Inactive members.....	93,077	91,874
Total.....	236,910	233,732
AGENCY DIRECTOR		
During Audit Period and Current: Mr. Martin Noven		