



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, 2020**

**Release Date: December 22, 2020**

<b>FINDINGS THIS AUDIT:</b>	<b>0</b>
<b>FINDINGS LAST AUDIT:</b>	<b>0</b>

**INTRODUCTION**

This digest covers the financial statement audit of the State Universities Retirement System (System) as of and for the year ended June 30, 2020. The System's Compliance Examination covering the year ended June 30, 2020 will be issued in a separate report at a later date.

The System's total pension liability was \$50.236 billion at June 30, 2020. The net pension liability at June 30, 2020 was \$30.619 billion, which is the difference between the System's fiduciary net position of \$19.617 billion and the total pension liability. The System's funded ratio was 39.05%. 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 findings reported under *Government Auditing Standards* in our audit.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the State Universities Retirement System as of June 30, 2020, 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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**STATE UNIVERSITIES RETIREMENT SYSTEM**  
**FINANCIAL AUDIT**  
**For the Year Ended June 30, 2020**

<b>FINANCIAL OPERATIONS</b>	<b>2020</b>	<b>2019</b>
<b>Additions</b>		
<b>Contributions</b>		
Participants.....	\$ 378,095,400	\$ 368,588,213
Employer and Non-employer contributing entity.....	1,917,039,188	1,713,287,608
<b>Total Contributions.....</b>	<b>2,295,134,588</b>	<b>2,081,875,821</b>
<b>Investment Income</b>		
Net appreciation in fair market value.....	437,310,669	958,763,679
Interest.....	191,342,519	155,798,932
Dividends.....	200,038,867	237,287,406
Securities lending.....	5,597,401	5,191,144
Less: Investment expense.....	(68,471,370)	(64,578,560)
<b>Net Investment Income.....</b>	<b>765,818,086</b>	<b>1,292,462,601</b>
<b>Total Additions.....</b>	<b>3,060,952,674</b>	<b>3,374,338,422</b>
<b>Deductions</b>		
Benefits.....	2,744,120,674	2,617,196,859
Refund of contributions.....	104,409,976	115,051,659
Administrative expense.....	19,234,313	16,662,874
<b>Total Deductions.....</b>	<b>2,867,764,963</b>	<b>2,748,911,392</b>
<b>Net Increase.....</b>	<b>\$ 193,187,711</b>	<b>\$ 625,427,030</b>
<b>INVESTMENT PORTFOLIO ANALYSIS</b>		
<b>(Fair Value)</b>	<b>JUNE 30, 2020</b>	<b>JUNE 30, 2019</b>
Equities.....	\$ 6,732,741,142	\$ 10,512,849,950
Fixed income.....	5,507,377,416	4,880,148,427
Real estate and Alternative investments.....	6,144,802,742	3,646,925,934
Mutual funds and variable annuities.....	2,884,738,092	2,592,580,384
<b>Total.....</b>	<b>\$ 21,269,659,392</b>	<b>\$ 21,632,504,695</b>
<b>PENSION LIABILITY (in millions)</b>		
	<b>JUNE 30, 2020</b>	<b>JUNE 30, 2019</b>
Total Pension Liability.....	\$ 50,236.5	\$ 48,437.4
Plan Net Position.....	19,617.0	19,717.3
Net Pension Liability.....	<b>\$ 30,619.5</b>	<b>\$ 28,720.1</b>
Plan Net Position as a Percentage of the Total Pension Liability.....	39.05%	40.71%
<b>SUPPLEMENTARY INFORMATION</b>		
	<b>JUNE 30, 2020</b>	<b>JUNE 30, 2019</b>
Benefit recipients.....	70,179	68,713
Active members.....	76,335	75,120
Inactive members.....	94,024	93,077
<b>Total.....</b>	<b>240,538</b>	<b>236,910</b>
<b>AGENCY DIRECTOR</b>		
During Audit Period and Current: Mr. Martin Noven		