

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

Financial Audit
Years Ended June 30, 2013 and 2012

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

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

Treasurer's Office Officials

Treasurer	Honorable Dan Rutherford
Chief of Staff	Mr. Kyle Ham
Executive Director of Finance	Ms. Bridget Byron (March 21, 2012 – present)
Deputy Treasurer/CFO	Mr. Edward Buckles (through December 31, 2011)
General Counsel	Mr. Neil P. Olson (September 16, 2013 - Present) Ms. Maureen Lydon (through September 15, 2013)
Director of College Savings Program	Mr. Randall Welsh (February 1, 2013 to present) Ms. Bridget Byron (through January 31, 2013)
Manager of College Savings Program	Mr. Deon Perryman (February 1, 2013 to present) Mr. Randall Welsh (through January 31, 2013)
Inspector General	Mr. David Wells
Chief Internal Auditor	Ms. Barbara Ringler
Compliance and Reporting Manager - College Savings Program	Mr. Deon Perryman (July 1, 2012 through January 31, 2013)

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
Springfield, Illinois 62704

Unclaimed Property & Other Divisions
Myers Building
1 W. Old State Capitol Plaza
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 McGladrey LLP as of and for the years ended June 30, 2013 and 2012.

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 William G. Holland
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, 2013 and 2012, and the related notes to the 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 as of June 30, 2013 and 2012, and the respective changes in financial position thereof 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, 2013 and 2012, 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. 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 financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the 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 (pages 21 – 75), and the other Information (pages 76 – 87) are presented for purposes of additional analysis and are not a required part of the financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 10, 2013 and December 17, 2012, 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.

McGladrey LLP

Schaumburg, Illinois
December 10, 2013

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Fiduciary Net Position
June 30, 2013 and 2012**

	2013	2012
Assets		
Cash and cash equivalents	\$ 488,703,327	\$ 324,469,353
Capital shares receivable	5,777,905	4,897,740
Securities sold receivable	1,704,963	787,700
Dividends receivable	1,165,047	1,353,454
Mutual funds	5,042,858,790	4,214,035,424
	<hr/>	<hr/>
Total assets	<u>\$ 5,540,210,032</u>	<u>\$ 4,545,543,671</u>
 Liabilities and Net Position		
Liabilities		
Payable for capital shares	\$ 4,637,923	\$ 3,377,245
Payable for securities purchased	2,564,018	1,809,674
Other liabilities	2,307,329	1,274,498
	<hr/>	<hr/>
Total liabilities	9,509,270	6,461,417
Net position held in trust for participants	5,530,700,762	4,539,082,254
	<hr/>	<hr/>
Total liabilities and net position	<u>\$ 5,540,210,032</u>	<u>\$ 4,545,543,671</u>

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, 2013 and 2012**

	2013	2012
Investment income (expense)		
Investment earnings	\$ 57,135,162	\$ 39,715,905
Net change in fair value of investments	496,742,916	40,548,095
Distribution fees	(3,365,834)	(3,049,007)
State administrative fees	(879,579)	(748,048)
Insurance fees	(94,530)	(264,872)
Other operating expenses	(750)	-
12b-1 fees	(3,524,367)	(2,703,176)
Management and bank custodial fees	(10,153,385)	(8,783,468)
	<u>535,859,633</u>	<u>64,715,429</u>
Net investment earnings		
	535,859,633	64,715,429
Distributions to participants		
Net investment income	(23,183)	(24,308)
	<u>(23,183)</u>	<u>(24,308)</u>
Other participant transactions		
Program contributions	2,140,685,699	1,628,541,126
Program distributions	(1,684,927,953)	(1,278,104,640)
Distributions reinvested	24,312	23,155
	<u>455,782,058</u>	<u>350,459,641</u>
Total increase from participant transactions		
	455,782,058	350,459,641
Change in net position	991,618,508	415,150,762
Net position, beginning of fiscal year	<u>4,539,082,254</u>	<u>4,123,931,492</u>
Net position, end of fiscal year	<u>\$ 5,530,700,762</u>	<u>\$ 4,539,082,254</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, 2013 and 2012**

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, 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, 2013, OFI Private Investments, Inc. provided investment advisory, administrative, recordkeeping and marketing services for the Bright Start Program. As of June 30, 2013, 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, as of June 30, 2013, 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, 2013 and 2012**

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.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments

Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, established standards for accounting for investments held by governmental entities. 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.

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. 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
- 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, 2013 and 2012**

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, 2013 and 2012**

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 Portfolio is to seek current income and preservation of principal.

Conservative Fixed Income Portfolio

- Conservative Fixed Income Portfolio
- Advisor Conservative Fixed Income Portfolio

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

Principal Protection Income Portfolio:

- Principal Protection Income Portfolio

The Principal Protection Income Portfolio attempts to significantly reduce fluctuations in the value of its assets, other than money market securities and money market fund securities, by investing in Security Backed Investment Contracts (also called Synthetic Guaranteed Investment Contracts or Synthetic GICs). Security Guaranteed Investment Contracts are comprised of two components: investment contracts (also called wrapper agreements) and an underlying portfolio of marketable fixed income securities which are held and owned by the Portfolio. The fixed income portfolio was actively managed by Galliard Capital Management.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

Wrapper agreements are issued by high quality financial institutions such as an insurance company or a bank (a "Wrapper Provider") whose long-term credit rating at the time the wrapper agreement is entered into is at least a minimum of A1 by Moody's Investors Service ("Moody's"), A by Standard & Poor's ("S&P"), or A by Fitch Ratings. A wrapper agreement enables the Portfolio, regardless of market fluctuations, to value the assets of the Portfolio covered by the wrapper agreement (the "Covered Assets") at their book value. Book value generally means all Contributions allocated to the Portfolio that are invested in Covered Assets, plus all income accrued less fees or expenses at the "Crediting Rate" described below, as in effect from time to time, less the sum of withdrawals from the Covered Assets. Should the amount received from liquidating all of the Covered Assets ever be insufficient to satisfy requested withdrawals from the Portfolio that are covered by the wrapper agreements, under normal circumstances the Wrapper Provider would be obligated to pay the amount of the shortfall to the Portfolio.

It is expected that the Portfolio will value the wrapper agreements at the difference between the book value and the market value of the Covered Assets. If the market value of the Covered Assets exceeded their book value, the difference would not be reflected in the Portfolio's valuation of the Covered Assets. ING Life Insurance and Annuity Company served as the Wrapper Provider.

The "Crediting Rate" is designed to result in the accrual of income over time equal to the cumulative market return on the Covered Assets, but without the fluctuations in value typically associated with fixed-income securities. The formula for setting the Crediting Rate is provided for in the Wrapper Agreement, and is designed to generate a rate of income on the contract value of the Covered Assets that equates the contract value of the Covered Assets to their market value over a period of time approximating the duration of the Covered Assets. The Crediting Rate is generally reset quarterly. The Crediting Rate is intended to reflect movements in market interest rates, but generally lags market interest rate changes. At any time, the Crediting Rate may be more than or less than both current market interest rates and the actual return on the Covered Assets. In no event will the Crediting Rate be less than zero.

In accordance with GASB Statement No. 53, at June 30, 2012, the Advisor and Direct-sold GICs were valued at contract value of approximately \$95.1 million. At June 30, 2012, the Advisor and Direct-sold GICs fair value was approximately \$95.5 million. At June 30, 2012, the fair value of the wrap contracts was zero.

On February 6, 2012, the Principal Protection Income Portfolio was closed and no new contributions into the Portfolio were accepted. Account Owners were permitted to remain invested in the Principal Protection Income Portfolio until the Portfolio was either terminated or merged into a new or existing portfolio in the Program. The Principal Protection Income Portfolio was liquidated and the portfolio was closed on June 7, 2013. All remaining assets within the portfolio were transferred to the applicable Money Market Portfolio.

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.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

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 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 and disclosure method of the money market and fixed income funds for the Bright Start Program as of June 30, 2013 are detailed in the table below. The Bright Start Program's fixed income funds are not rated.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 409,778,247	46 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:					
	699,496,491	6.21 yrs	Average Maturity	NR*	NA**
	<u>575,438,729</u>	3.30 yrs	Duration	NR*	NA**
	<u><u>\$ 1,684,713,467</u></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, 2013 and 2012**

Note 2. Investments (Continued)

The fair values and disclosure method of the money market and fixed income funds for the Bright Start Program as of June 30, 2012 are detailed in the table below. The Bright Start Program's fixed income funds are not rated.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 256,542,762	49 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:					
	1,167,616,829	4.78 yrs	Weighted Average Maturity	NR*	NA**
	<u>44,917,900</u>	5.80 yrs	Duration	NR*	NA**
	<u>\$ 1,469,077,491</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

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 Underlying 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 Underlying Portfolio may allocate assets among domestic equity, international equity, real estate, fixed-income, and/or money market investments. The asset allocation of each Underlying 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 Underlying Portfolio and may change the mutual funds within the Underlying Portfolios consistent with its Investment Policy Statement.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

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
- Twenty-Nine Individual Fund Portfolios
- Fifteen Exchange-Traded Fund Portfolios
- Four Female & Minority Owned Portfolios

The three Age-Based portfolios are designed to reduce the account's exposure to principal loss the closer the Beneficiary reaches 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.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

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

Individual Fund Portfolios:

The Bright Directions Program offers twenty-nine 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
- Artisan Emerging Markets 529 Portfolio
- BlackRock Cash Funds 529 Portfolio
- BlackRock Inflation Protected Bond 529 Portfolio
- Calvert Equity 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
- ING Global Real Estate 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 Low Duration 529 Portfolio
- PIMCO Short-Term 529 Portfolio
- PIMCO Total Return 529 Portfolio

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

Individual Fund Portfolios (Continued)

- 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
- William Blair Mid Cap Growth 529 Portfolio

Exchange-Traded Fund Portfolios:

The Bright Directions Program offers fifteen Exchange-Traded Fund Portfolios. These portfolios are additional Individual Fund Portfolios that invest in certain exchange-traded funds added 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 300 Value ETF 529 Portfolio
- Vanguard Mega Cap 300 ETF 529 Portfolio
- Vanguard Mega Cap 300 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 Four 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
- John Hancock Small Company 529 Portfolio
- SIT Dividend Growth 529 Portfolio
- Touchstone Total Return Bond 529 Portfolio

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

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.

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 and disclosure method of the money market and fixed income funds for the Bright Directions Program as of June 30, 2013 are detailed in the table below. The Bright Direction Program's money market individual fund 529 portfolio and the Target Fixed Income Funds are not rated.

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 68,509,257	59 days	Weighted Average Maturity	NR*	NA**
Fixed Income Funds:					
	56,956,786	6.89 yrs	Average Maturity	NR*	NA**
	290,281,409	3.85 yrs	Effective Maturity	NR*	NA**
	41,510,548	3.80 yrs	Weighted Average Maturity	NR*	NA**
	41,353,802	8.03 yrs	Effective Duration	NR*	NA**
	<u>\$ 498,611,802</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

The fair values and disclosure method of the money market and fixed income funds for the Bright Directions Program as of June 30, 2012 are detailed in the table below. The Bright Directions Program's money market individual fund 529 portfolio and the Target Fixed Income Funds are not rated.

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 2. Investments (Continued)

Type	Fair Value	Interest Rate Risk	Method	Credit Risk	Rating Service
Money Market:	\$ 55,639,360	46 days	Weighted Average Maturity	NR*	NA**
Fixed Income Funds:	<u>332,428,701</u>	5.02 yrs	Weighted Average Maturity	NR*	NA**
	<u>\$ 388,068,061</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

Note 3. Administrative Fees

To administer the College Savings Program, the Treasurer has a division entitled, "The College Savings Program Division." This division had two employees as of June 30, 2013. 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 is at an annual rate of 0.35% of the average daily net assets of each Portfolio with exception to the exchange-traded funds under Fee Structure F which have a program management fee at an annual rate of 0.32% of the average daily net assets of those particular portfolios.

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

	<u>2013</u>		<u>2012</u>	
Custodial/advisory fees	\$	10,153,385	\$	8,783,468
Administrative Trust Fund expenses		876,463		918,593

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

**Notes to the Financial Statements
For the Years Ended June 30, 2013 and 2012**

Note 4. Settlement

In late January 2009, the Treasurer launched an investigation of OppenheimerFunds, Inc. through the Illinois Attorney General's Office. The nature of the investigation related to the investment performance of the OFII Core Plus Fixed Income Strategy and whether mismanagement of the underlying investment led to its underperformance in 2008. A formal settlement agreement was reached on December 18, 2009 and OppenheimerFunds, Inc. agreed to pay \$77.23 million into a settlement account from which 100% of the proceeds would be distributed to eligible participants (i.e., there is no deduction from the settlement proceeds for administrative or other expenses). As of June 30, 2013, in excess of 95% of settlement proceeds had been distributed to eligible participants by way of deposits into a Bright Start account or check disbursement. The settlement distribution process is scheduled for one more disbursement before the remaining unclaimed funds are to be turned over to State of Illinois Unclaimed Property.

SUPPLEMENTARY INFORMATION

State of Illinois
Office of the Treasurer

College Savings Program
Combining Statements of Fiduciary Net Position
June 30, 2013 and 2012

	Bright Start		Bright Directions		Totals	
	2013	2012	2013	2012	2013	2012
Assets						
Cash and cash equivalents	\$ 418,759,298	\$ 267,332,371	\$ 69,944,029	\$ 57,136,982	\$ 488,703,327	\$ 324,469,353
Capital shares receivable	5,777,905	4,897,740	-	-	5,777,905	4,897,740
Securities sold receivable	1,704,963	787,700	-	-	1,704,963	787,700
Dividends receivable	738,597	776,870	426,450	576,584	1,165,047	1,353,454
Mutual funds	3,847,909,818	3,305,454,952	1,194,948,972	908,580,472	5,042,858,790	4,214,035,424
Total assets	<u>\$ 4,274,890,581</u>	<u>\$ 3,579,249,633</u>	<u>\$ 1,265,319,451</u>	<u>\$ 966,294,038</u>	<u>\$ 5,540,210,032</u>	<u>\$ 4,545,543,671</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 4,637,923	\$ 3,377,245	\$ -	\$ -	\$ 4,637,923	\$ 3,377,245
Payable for securities purchased	2,564,018	1,809,674	-	-	2,564,018	1,809,674
Other liabilities	5,279	75,166	2,302,050	1,199,332	2,307,329	1,274,498
Total liabilities	7,207,220	5,262,085	2,302,050	1,199,332	9,509,270	6,461,417
Net position held in trust for participants	4,267,683,361	3,573,987,548	1,263,017,401	965,094,706	5,530,700,762	4,539,082,254
Total liabilities and net position	<u>\$ 4,274,890,581</u>	<u>\$ 3,579,249,633</u>	<u>\$ 1,265,319,451</u>	<u>\$ 966,294,038</u>	<u>\$ 5,540,210,032</u>	<u>\$ 4,545,543,671</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, 2013 and 2012

	Bright Start		Bright Directions		Totals	
	2013	2012	2013	2012	2013	2012
Investment income (expense)						
Investment earnings	\$ 30,859,215	\$ 23,011,063	\$ 26,275,947	\$ 16,704,842	\$ 57,135,162	\$ 39,715,905
Net change in fair value of investments	390,672,375	52,752,430	106,070,541	(12,204,335)	496,742,916	40,548,095
Distribution fees	(3,365,834)	(3,049,007)	-	-	(3,365,834)	(3,049,007)
State administrative fees	(879,579)	(748,048)	-	-	(879,579)	(748,048)
Insurance fees	(94,530)	(264,872)	-	-	(94,530)	(264,872)
Other operating expenses	-	-	(750)	-	(750)	-
12b-1 fees	-	-	(3,524,367)	(2,703,176)	(3,524,367)	(2,703,176)
Management and bank custodial fees	(5,760,625)	(5,279,363)	(4,392,760)	(3,504,105)	(10,153,385)	(8,783,468)
Net investment earnings (loss)	411,431,022	66,422,203	124,428,611	(1,706,774)	535,859,633	64,715,429
Distributions to participants						
Net investment income	-	-	(23,183)	(24,308)	(23,183)	(24,308)
Other participant transactions						
Program contributions	1,675,211,131	1,259,615,771	465,474,568	368,925,355	2,140,685,699	1,628,541,126
Program distributions	(1,392,946,340)	(1,045,031,459)	(291,981,613)	(233,073,181)	(1,684,927,953)	(1,278,104,640)
Distributions reinvested	-	-	24,312	23,155	24,312	23,155
Total increase from participant transactions	282,264,791	214,584,312	173,517,267	135,875,329	455,782,058	350,459,641
Change in net position	693,695,813	281,006,515	297,922,695	134,144,247	991,618,508	415,150,762
Net position, beginning of fiscal year	3,573,987,548	3,292,981,033	965,094,706	830,950,459	4,539,082,254	4,123,931,492
Net position, end of fiscal year	\$ 4,267,683,361	\$ 3,573,987,548	\$ 1,263,017,401	\$ 965,094,706	\$ 5,530,700,762	\$ 4,539,082,254

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2013

	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	\$ 573,823	\$ 457,891	\$ 1,351,988	\$ 1,117,212	\$ 27,322,040	\$ 45,383,954
Capital shares receivable	227,196	210,526	172,166	296,058	466,984	149,085
Securities sold receivable	-	-	2,128	24,990	188,422	-
Dividends receivable	3,911	14,291	18,166	36,842	47,078	21,918
Mutual funds	131,489,685	160,566,749	152,577,213	248,119,921	193,161,064	131,863,202
Total assets	<u>\$ 132,294,615</u>	<u>\$ 161,249,457</u>	<u>\$ 154,121,661</u>	<u>\$ 249,595,023</u>	<u>\$ 221,185,588</u>	<u>\$ 177,418,159</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 123,209	\$ 131,504	\$ 395,533	\$ 203,740	\$ 183,974	\$ 417,235
Payable for securities purchased	44,524	52,366	18,165	36,844	47,102	109,559
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>167,733</u>	<u>183,870</u>	<u>413,698</u>	<u>240,584</u>	<u>231,076</u>	<u>526,794</u>
Net position held in trust for participants	<u>132,126,882</u>	<u>161,065,587</u>	<u>153,707,963</u>	<u>249,354,439</u>	<u>220,954,512</u>	<u>176,891,365</u>
Total liabilities and net position	<u>\$ 132,294,615</u>	<u>\$ 161,249,457</u>	<u>\$ 154,121,661</u>	<u>\$ 249,595,023</u>	<u>\$ 221,185,588</u>	<u>\$ 177,418,159</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	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 Principal Protection Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Assets							
Cash and cash equivalents	\$ 371,293	\$ 8,763,480	\$ 6,380,015	\$ 12,710	\$ 3,541	\$ 764,947	\$ 10,959,339
Capital shares receivable	389,305	122,896	66,802	-	-	296,268	93,483
Securities sold receivable	711,695	102,572	13,719	-	-	-	15,089
Dividends receivable	18	427	8,560	2	-	39,530	39,723
Mutual funds	371,339,973	56,403,915	21,024,339	1,114,768	-	217,896,594	97,630,416
Total assets	\$ 372,812,284	\$ 65,393,290	\$ 27,493,435	\$ 1,127,480	\$ 3,541	\$ 218,997,339	\$ 108,738,050
Liabilities and Net Position							
Liabilities							
Payable for capital shares	\$ 346,723	\$ 257,368	\$ 260,588	\$ -	\$ -	\$ 51,926	\$ 40,989
Payable for securities purchased	17	437	8,568	2,000	-	53,306	42,505
Other liabilities	-	-	1,738	-	3,541	-	-
Total liabilities	346,740	257,805	270,894	2,000	3,541	105,232	83,494
Net position held in trust for participants	372,465,544	65,135,485	27,222,541	1,125,480	-	218,892,107	108,654,556
Total liabilities and net position	\$ 372,812,284	\$ 65,393,290	\$ 27,493,435	\$ 1,127,480	\$ 3,541	\$ 218,997,339	\$ 108,738,050

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	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	\$ 7,688,677	\$ 11,721,615	\$ 21,972,968	\$ 14,584,680	\$ 1,231,381	\$ 10,193,369
Capital shares receivable	57,981	136,546	156,209	379,345	240,050	26,615
Securities sold receivable	-	-	258,941	-	-	-
Dividends receivable	41,292	81,614	98,119	88,649	17	72,331
Mutual funds	67,194,666	99,417,408	84,457,085	54,578,037	331,721,534	88,924,429
Total assets	<u>\$ 74,982,616</u>	<u>\$ 111,357,183</u>	<u>\$ 106,943,322</u>	<u>\$ 69,630,711</u>	<u>\$ 333,192,982</u>	<u>\$ 99,216,744</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 60,194	\$ 43,013	\$ 316,605	\$ 41,506	\$ 9,969	\$ 3,250
Payable for securities purchased	58,751	141,017	104,962	340,631	843,548	113,769
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>118,945</u>	<u>184,030</u>	<u>421,567</u>	<u>382,137</u>	<u>853,517</u>	<u>117,019</u>
Net position held in trust for participants	<u>74,863,671</u>	<u>111,173,153</u>	<u>106,521,755</u>	<u>69,248,574</u>	<u>332,339,465</u>	<u>99,099,725</u>
Total liabilities and net position	<u>\$ 74,982,616</u>	<u>\$ 111,357,183</u>	<u>\$ 106,943,322</u>	<u>\$ 69,630,711</u>	<u>\$ 333,192,982</u>	<u>\$ 99,216,744</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	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	\$ 16,168,396	\$ 910,277	\$ 749,688	\$ 1,261,145	\$ 803,580	\$ 20,932,724
Capital shares receivable	17,614	99,078	380,875	204,129	298,717	296,000
Securities sold receivable	-	72,164	127,119	-	-	188,124
Dividends receivable	115,616	16	20	26	21	1,078
Mutual funds	60,347,033	126,531,437	175,554,438	159,058,680	216,524,493	145,200,678
Total assets	<u>\$ 76,648,659</u>	<u>\$ 127,612,972</u>	<u>\$ 176,812,140</u>	<u>\$ 160,523,980</u>	<u>\$ 217,626,811</u>	<u>\$ 166,618,604</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 5,405	\$ 337,572	\$ 173,388	\$ 262,983	\$ 298,824	\$ 229,272
Payable for securities purchased	217,258	16	20	23,999	120,096	1,102
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>222,663</u>	<u>337,588</u>	<u>173,408</u>	<u>286,982</u>	<u>418,920</u>	<u>230,374</u>
Net position held in trust for participants	<u>76,425,996</u>	<u>127,275,384</u>	<u>176,638,732</u>	<u>160,236,998</u>	<u>217,207,891</u>	<u>166,388,230</u>
Total liabilities and net position	<u>\$ 76,648,659</u>	<u>\$ 127,612,972</u>	<u>\$ 176,812,140</u>	<u>\$ 160,523,980</u>	<u>\$ 217,626,811</u>	<u>\$ 166,618,604</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	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 Money Market	Total
Assets							
Cash and cash equivalents	\$ 30,852,141	\$ 291,892	\$ 5,827,550	\$ 6,081,154	\$ 79,869	\$ 163,945,959	\$ 418,759,298
Capital shares receivable	245,155	136,801	8,475	15,514	807	587,225	5,777,905
Securities sold receivable	-	-	-	-	-	-	1,704,963
Dividends receivable	2,019	10	219	197	2	6,885	738,597
Mutual funds	89,015,014	303,785,713	18,927,076	39,527,603	3,956,655	-	3,847,909,818
Total assets	<u>\$ 120,114,329</u>	<u>\$ 304,214,416</u>	<u>\$ 24,763,320</u>	<u>\$ 45,624,468</u>	<u>\$ 4,037,333</u>	<u>\$ 164,540,069</u>	<u>\$ 4,274,890,581</u>
Liabilities and Net Position							
Liabilities							
Payable for capital shares	\$ 50,471	\$ 17,663	\$ 11,763	\$ 13,135	\$ -	\$ 350,121	\$ 4,637,923
Payable for securities purchased	164,299	9,591	2,354	1,139	24	6,049	2,564,018
Other liabilities	-	-	-	-	-	-	5,279
Total liabilities	<u>214,770</u>	<u>27,254</u>	<u>14,117</u>	<u>14,274</u>	<u>24</u>	<u>356,170</u>	<u>7,207,220</u>
Net position held in trust for participants	<u>119,899,559</u>	<u>304,187,162</u>	<u>24,749,203</u>	<u>45,610,194</u>	<u>4,037,309</u>	<u>164,183,899</u>	<u>4,267,683,361</u>
Total liabilities and net position	<u>\$ 120,114,329</u>	<u>\$ 304,214,416</u>	<u>\$ 24,763,320</u>	<u>\$ 45,624,468</u>	<u>\$ 4,037,333</u>	<u>\$ 164,540,069</u>	<u>\$ 4,274,890,581</u>

State of Illinois
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Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2012

	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	\$ 175,986	\$ 476,047	\$ 219,555	\$ 240,907	\$ 24,242,063	\$ 37,924,980
Capital shares receivable	180,325	237,424	228,045	525,137	203,488	295,392
Securities sold receivable	139,789	-	201,304	92,127	-	-
Dividends receivable	4,554	17,442	20,658	36,974	51,422	24,045
Mutual funds	119,920,741	156,613,679	139,326,706	203,321,297	170,353,485	113,392,839
Total assets	<u>\$ 120,421,395</u>	<u>\$ 157,344,592</u>	<u>\$ 139,996,268</u>	<u>\$ 204,216,442</u>	<u>\$ 194,850,458</u>	<u>\$ 151,637,256</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 87,686	\$ 166,732	\$ 434,314	\$ 161,245	\$ 186,152	\$ 222,751
Payable for securities purchased	4,555	83,235	20,658	36,974	138,278	64,858
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>92,241</u>	<u>249,967</u>	<u>454,972</u>	<u>198,219</u>	<u>324,430</u>	<u>287,609</u>
Net position held in trust for participants	<u>120,329,154</u>	<u>157,094,625</u>	<u>139,541,296</u>	<u>204,018,223</u>	<u>194,526,028</u>	<u>151,349,647</u>
Total liabilities and net position	<u>\$ 120,421,395</u>	<u>\$ 157,344,592</u>	<u>\$ 139,996,268</u>	<u>\$ 204,216,442</u>	<u>\$ 194,850,458</u>	<u>\$ 151,637,256</u>

(Continued)

State of Illinois
Office of the Treasurer

Bright Start College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Principal Protection Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Assets						
Cash and cash equivalents	\$ 462,710	\$ 7,268,358	\$ 5,840,089	\$ 48,595,939	\$ 238,816	\$ 8,685,746
Capital shares receivable	134,883	132,390	52,250	-	311,382	84,831
Securities sold receivable	3,001	-	-	-	-	-
Dividends receivable	-	953	9,863	5,380	40,586	41,377
Mutual funds	327,324,827	46,980,256	19,976,989	95,050,014	163,197,882	74,499,548
Total assets	<u>\$ 327,925,421</u>	<u>\$ 54,381,957</u>	<u>\$ 25,879,191</u>	<u>\$ 143,651,333</u>	<u>\$ 163,788,666</u>	<u>\$ 83,311,502</u>
Liabilities and Net Position						
Liabilities						
Payable for capital shares	\$ 122,204	\$ 31,810	\$ 78,054	\$ 100,285	\$ 32,798	\$ 7,328
Payable for securities purchased	-	5,729	18,296	5,436	150,340	54,295
Other liabilities	-	1,835	-	73,331	-	-
Total liabilities	<u>122,204</u>	<u>39,374</u>	<u>96,350</u>	<u>179,052</u>	<u>183,138</u>	<u>61,623</u>
Net position held in trust for participants	<u>327,803,217</u>	<u>54,342,583</u>	<u>25,782,841</u>	<u>143,472,281</u>	<u>163,605,528</u>	<u>83,249,879</u>
Total liabilities and net position	<u>\$ 327,925,421</u>	<u>\$ 54,381,957</u>	<u>\$ 25,879,191</u>	<u>\$ 143,651,333</u>	<u>\$ 163,788,666</u>	<u>\$ 83,311,502</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Assets by Portfolio (Continued)
June 30, 2012

	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	\$ 5,824,420	\$ 9,013,333	\$ 16,139,394	\$ 9,867,206	\$ 302,139	\$ 7,230,871
Capital shares receivable	38,888	54,025	51,169	21,336	170,870	53,848
Securities sold receivable	-	-	65,059	-	-	41,234
Dividends receivable	40,518	84,505	98,160	80,675	-	69,645
Mutual funds	48,684,149	77,715,805	64,167,129	39,171,676	233,247,231	63,929,044
Total assets	<u>\$ 54,587,975</u>	<u>\$ 86,867,668</u>	<u>\$ 80,520,911</u>	<u>\$ 49,140,893</u>	<u>\$ 233,720,240</u>	<u>\$ 71,324,642</u>
Liabilities and Net Assets						
Liabilities						
Payable for capital shares	\$ 23,751	\$ 14,010	\$ 3,095	\$ 17,900	\$ 190	\$ 7,717
Payable for securities purchased	55,529	190,677	95,066	240,851	50,985	67,426
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>79,280</u>	<u>204,687</u>	<u>98,161</u>	<u>258,751</u>	<u>51,175</u>	<u>75,143</u>
Net assets held in trust for participants	<u>54,508,695</u>	<u>86,662,981</u>	<u>80,422,750</u>	<u>48,882,142</u>	<u>233,669,065</u>	<u>71,249,499</u>
Total liabilities and net assets	<u>\$ 54,587,975</u>	<u>\$ 86,867,668</u>	<u>\$ 80,520,911</u>	<u>\$ 49,140,893</u>	<u>\$ 233,720,240</u>	<u>\$ 71,324,642</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Assets by Portfolio (Continued)
June 30, 2012

	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	\$ 14,549,999	\$ 234,054	\$ 951,589	\$ 227,569	\$ 875,668	\$ 17,572,917
Capital shares receivable	113,114	182,426	276,072	378,287	363,462	267,941
Securities sold receivable	3,433	81,497	-	123,801	-	19,395
Dividends receivable	140,682	-	-	-	-	2,461
Mutual funds	59,439,451	118,706,672	169,410,906	136,451,810	165,469,046	124,817,628
Total assets	<u>\$ 74,246,679</u>	<u>\$ 119,204,649</u>	<u>\$ 170,638,567</u>	<u>\$ 137,181,467</u>	<u>\$ 166,708,176</u>	<u>\$ 142,680,342</u>
Liabilities and Net Assets						
Liabilities						
Payable for capital shares	\$ -	\$ 224,812	\$ 344,358	\$ 341,281	\$ 345,623	\$ 210,816
Payable for securities purchased	136,194	-	47,198	-	302,355	2,485
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>136,194</u>	<u>224,812</u>	<u>391,556</u>	<u>341,281</u>	<u>647,978</u>	<u>213,301</u>
Net assets held in trust for participants	<u>74,110,485</u>	<u>118,979,837</u>	<u>170,247,011</u>	<u>136,840,186</u>	<u>166,060,198</u>	<u>142,467,041</u>
Total liabilities and net assets	<u>\$ 74,246,679</u>	<u>\$ 119,204,649</u>	<u>\$ 170,638,567</u>	<u>\$ 137,181,467</u>	<u>\$ 166,708,176</u>	<u>\$ 142,680,342</u>

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Bright Start College Savings Program
Statement of Fiduciary Net Assets by Portfolio (Continued)
June 30, 2012

	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 Money Market	Total
Assets						
Cash and cash equivalents	\$ 24,934,194	\$ 368,323	\$ 5,169,691	\$ 4,947,787	\$ 14,752,021	\$ 267,332,371
Capital shares receivable	245,392	106,432	18,681	37,361	132,889	4,897,740
Securities sold receivable	12,527	-	4,533	-	-	787,700
Dividends receivable	4,484	-	518	421	1,547	776,870
Mutual funds	74,208,077	250,926,185	17,830,889	31,320,991	-	3,305,454,952
Total assets	<u>\$ 99,404,674</u>	<u>\$ 251,400,940</u>	<u>\$ 23,024,312</u>	<u>\$ 36,306,560</u>	<u>\$ 14,886,457</u>	<u>\$ 3,579,249,633</u>
Liabilities and Net Assets						
Liabilities						
Payable for capital shares	\$ 84,857	\$ 10,133	\$ 5,000	\$ 72,635	\$ 39,708	\$ 3,377,245
Payable for securities purchased	4,530	24,323	523	7,321	1,557	1,809,674
Other liabilities	-	-	-	-	-	75,166
Total liabilities	<u>89,387</u>	<u>34,456</u>	<u>5,523</u>	<u>79,956</u>	<u>41,265</u>	<u>5,262,085</u>
Net assets held in trust for participants	<u>99,315,287</u>	<u>251,366,484</u>	<u>23,018,789</u>	<u>36,226,604</u>	<u>14,845,192</u>	<u>3,573,987,548</u>
Total liabilities and net assets	<u>\$ 99,404,674</u>	<u>\$ 251,400,940</u>	<u>\$ 23,024,312</u>	<u>\$ 36,306,560</u>	<u>\$ 14,886,457</u>	<u>\$ 3,579,249,633</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2013

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Artisan Emerging Markets 529 Portfolio	BlackRock Cash Funds 529 Portfolio
Assets						
Cash and cash equivalents	\$ 6,819	\$ 6,536	\$ 12,548	\$ 2,668	\$ 8,836	\$ 27,794,458
Dividends receivable	-	-	-	-	-	2,771
Mutual funds	8,220,425	4,066,601	7,093,056	4,935,271	3,354,783	-
Total assets	<u>\$ 8,227,244</u>	<u>\$ 4,073,137</u>	<u>\$ 7,105,604</u>	<u>\$ 4,937,939</u>	<u>\$ 3,363,619</u>	<u>\$ 27,797,229</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 8,438	\$ 4,186	\$ 7,208	\$ 5,197	\$ 3,172	\$ 2,579
Total liabilities	<u>8,438</u>	<u>4,186</u>	<u>7,208</u>	<u>5,197</u>	<u>3,172</u>	<u>2,579</u>
Net position held in trust for participants	<u>8,218,806</u>	<u>4,068,951</u>	<u>7,098,396</u>	<u>4,932,742</u>	<u>3,360,447</u>	<u>27,794,650</u>
Total liabilities and net position	<u>\$ 8,227,244</u>	<u>\$ 4,073,137</u>	<u>\$ 7,105,604</u>	<u>\$ 4,937,939</u>	<u>\$ 3,363,619</u>	<u>\$ 27,797,229</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 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	\$ 31,911	\$ 167	\$ 1,526	\$ 38,866	\$ 41,775	\$ 4,169
Dividends receivable	3,035	-	-	-	-	-
Mutual funds	10,059,370	3,553,183	6,418,601	668,675	14,912,602	8,367,205
Total assets	<u>\$ 10,094,316</u>	<u>\$ 3,553,350</u>	<u>\$ 6,420,127</u>	<u>\$ 707,541</u>	<u>\$ 14,954,377</u>	<u>\$ 8,371,374</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 11,595	\$ 4,254	\$ 6,845	\$ 432	\$ 17,096	\$ 7,962
Total liabilities	<u>11,595</u>	<u>4,254</u>	<u>6,845</u>	<u>432</u>	<u>17,096</u>	<u>7,962</u>
Net position held in trust for participants	<u>10,082,721</u>	<u>3,549,096</u>	<u>6,413,282</u>	<u>707,109</u>	<u>14,937,281</u>	<u>8,363,412</u>
Total liabilities and net position	<u>\$ 10,094,316</u>	<u>\$ 3,553,350</u>	<u>\$ 6,420,127</u>	<u>\$ 707,541</u>	<u>\$ 14,954,377</u>	<u>\$ 8,371,374</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	ING Global Real Estate 529 Portfolio	John Hancock Small Company 529 Portfolio	MFS Value 529 Portfolio	Northern Bond Index 529 Portfolio	Northern International Equity Index 529 Portfolio
Assets					
Cash and cash equivalents	\$ 1,543	\$ 196	\$ 3,758	\$ 2,311	\$ 40,099
Dividends receivable	-	-	-	1,205	-
Mutual funds	2,949,105	822,645	14,565,418	4,197,657	5,468,426
Total assets	<u>\$ 2,950,648</u>	<u>\$ 822,841</u>	<u>\$ 14,569,176</u>	<u>\$ 4,201,173</u>	<u>\$ 5,508,525</u>
Liabilities and Net Position					
Liabilities					
Other liabilities	\$ 3,297	\$ 809	\$ 14,448	\$ 5,804	\$ 5,601
Total liabilities	<u>3,297</u>	<u>809</u>	<u>14,448</u>	<u>5,804</u>	<u>5,601</u>
Net position held in trust for participants	<u>2,947,351</u>	<u>822,032</u>	<u>14,554,728</u>	<u>4,195,369</u>	<u>5,502,924</u>
Total liabilities and net position	<u>\$ 2,950,648</u>	<u>\$ 822,841</u>	<u>\$ 14,569,176</u>	<u>\$ 4,201,173</u>	<u>\$ 5,508,525</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	Northern Small Cap Index 529 Portfolio	Northern Small Cap Value 529 Portfolio	Northern Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Low Duration 529 Portfolio	Pimco Short-Term 529 Portfolio	Pimco Total Return 529 Portfolio
Assets							
Cash and cash equivalents	\$ 12,397	\$ 4,884	\$ 251,917	\$ 17,978	\$ 25,948	\$ 119,614	\$ 170,391
Dividends receivable	-	-	-	-	22,902	8,155	72,593
Mutual funds	3,388,924	6,030,190	10,571,704	16,308,407	15,917,086	10,247,966	42,419,402
Total assets	<u>\$ 3,401,321</u>	<u>\$ 6,035,074</u>	<u>\$ 10,823,621</u>	<u>\$ 16,326,385</u>	<u>\$ 15,965,936</u>	<u>\$ 10,375,735</u>	<u>\$ 42,662,386</u>
Liabilities and Net Position							
Liabilities							
Other liabilities	\$ 3,491	\$ 5,918	\$ 10,702	\$ 17,251	\$ 15,803	\$ 9,841	\$ 47,354
Total liabilities	<u>3,491</u>	<u>5,918</u>	<u>10,702</u>	<u>17,251</u>	<u>15,803</u>	<u>9,841</u>	<u>47,354</u>
Net position held in trust for participants	<u>3,397,830</u>	<u>6,029,156</u>	<u>10,812,919</u>	<u>16,309,134</u>	<u>15,950,133</u>	<u>10,365,894</u>	<u>42,615,032</u>
Total liabilities and net position	<u>\$ 3,401,321</u>	<u>\$ 6,035,074</u>	<u>\$ 10,823,621</u>	<u>\$ 16,326,385</u>	<u>\$ 15,965,936</u>	<u>\$ 10,375,735</u>	<u>\$ 42,662,386</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	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	T.Rowe Price Real Estate 529 Portfolio
Assets						
Cash and cash equivalents	\$ 4,554	\$ 7,772	\$ 27,414	\$ 33,508	\$ 10,014	\$ -
Dividends receivable	-	-	-	-	-	-
Mutual funds	6,354,634	9,293,103	14,818,817	19,542,338	17,185,800	6,471,827
Total assets	<u>\$ 6,359,188</u>	<u>\$ 9,300,875</u>	<u>\$ 14,846,231</u>	<u>\$ 19,575,846</u>	<u>\$ 17,195,814</u>	<u>\$ 6,471,827</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 6,066	\$ 8,970	\$ 17,725	\$ 20,831	\$ 17,564	\$ 12,825
Total liabilities	<u>6,066</u>	<u>8,970</u>	<u>17,725</u>	<u>20,831</u>	<u>17,564</u>	<u>12,825</u>
Net position held in trust for participants	<u>6,353,122</u>	<u>9,291,905</u>	<u>14,828,506</u>	<u>19,555,015</u>	<u>17,178,250</u>	<u>6,459,002</u>
Total liabilities and net position	<u>\$ 6,359,188</u>	<u>\$ 9,300,875</u>	<u>\$ 14,846,231</u>	<u>\$ 19,575,846</u>	<u>\$ 17,195,814</u>	<u>\$ 6,471,827</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	Templeton International Bond 529 Portfolio	Touchstone Total Return 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 300 ETF 529 Portfolio
Assets						
Cash and cash equivalents	\$ 52,150	\$ 17	\$ 16,170	\$ 6,050	\$ 2,360	\$ 7,134
Dividends receivable	-	-	-	-	-	-
Mutual funds	5,600,792	724,283	396,238	790,017	104,026	418,781
Total assets	<u>\$ 5,652,942</u>	<u>\$ 724,300</u>	<u>\$ 412,408</u>	<u>\$ 796,067</u>	<u>\$ 106,386</u>	<u>\$ 425,915</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 5,899	\$ 652	\$ 123	\$ 233	\$ 29	\$ 126
Total liabilities	<u>5,899</u>	<u>652</u>	<u>123</u>	<u>233</u>	<u>29</u>	<u>126</u>
Net position held in trust for participants	<u>5,647,043</u>	<u>723,648</u>	<u>412,285</u>	<u>795,834</u>	<u>106,357</u>	<u>425,789</u>
Total liabilities and net position	<u>\$ 5,652,942</u>	<u>\$ 724,300</u>	<u>\$ 412,408</u>	<u>\$ 796,067</u>	<u>\$ 106,386</u>	<u>\$ 425,915</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	Vanguard Mega Cap 300 Growth ETF 529 Portfolio	Vanguard Mega Cap 300 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	\$ 52	\$ 6,311	\$ 6,849	\$ 52	\$ 6,511	\$ 5,245	\$ 2,658	\$ 8,653
Dividends receivable	-	-	-	-	-	-	-	-
Mutual funds	122,300	268,617	452,594	22,756	216,542	201,184	212,522	470,099
Total assets	\$ 122,352	\$ 274,928	\$ 459,443	\$ 22,808	\$ 223,053	\$ 206,429	\$ 215,180	\$ 478,752
Liabilities and Net Position								
Liabilities								
Other liabilities	\$ 35	\$ 76	\$ 120	\$ 7	\$ 56	\$ 52	\$ 53	\$ 122
Total liabilities	35	76	120	7	56	52	53	122
Net position held in trust for participants	122,317	274,852	459,323	22,801	222,997	206,377	215,127	478,630
Total liabilities and net position	\$ 122,352	\$ 274,928	\$ 459,443	\$ 22,808	\$ 223,053	\$ 206,429	\$ 215,180	\$ 478,752

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	Vanguard Small-Cap Growth ETF 529 Portfolio	Vanguard Small-Cap Value ETF 529 Portfolio	Vanguard Total Bond Market ETF 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10
Assets						
Cash and cash equivalents	\$ 40	\$ 8,653	\$ 90	\$ 5,929	\$ 5,131,356	\$ 15,317,962
Dividends receivable	-	-	-	-	4,981	18,589
Mutual funds	64,180	187,169	162,202	7,929,907	5,131,356	22,929,359
Total assets	<u>\$ 64,220</u>	<u>\$ 195,822</u>	<u>\$ 162,292</u>	<u>\$ 7,935,836</u>	<u>\$ 10,267,693</u>	<u>\$ 38,265,910</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 18	\$ 43	\$ 49	\$ 7,902	\$ 37,191	\$ 47,783
Total liabilities	<u>18</u>	<u>43</u>	<u>49</u>	<u>7,902</u>	<u>37,191</u>	<u>47,783</u>
Net position held in trust for participants	<u>64,202</u>	<u>195,779</u>	<u>162,243</u>	<u>7,927,934</u>	<u>10,230,502</u>	<u>38,218,127</u>
Total liabilities and net position	<u>\$ 64,220</u>	<u>\$ 195,822</u>	<u>\$ 162,292</u>	<u>\$ 7,935,836</u>	<u>\$ 10,267,693</u>	<u>\$ 38,265,910</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2013

	Fund 20	Fund 40	Fund 60	Fund 80	Fund 100	Total
Assets						
Cash and cash equivalents	\$ 20,675,210	\$ -	\$ -	\$ -	\$ -	\$ 69,944,029
Dividends receivable	60,072	96,256	94,892	40,999	-	426,450
Mutual funds	81,428,711	167,191,259	220,011,395	260,562,230	141,147,232	1,194,948,972
Total assets	<u>\$ 102,163,993</u>	<u>\$ 167,287,515</u>	<u>\$ 220,106,287</u>	<u>\$ 260,603,229</u>	<u>\$ 141,147,232</u>	<u>\$ 1,265,319,451</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 122,422	\$ 572,268	\$ 312,121	\$ 579,451	\$ 311,955	\$ 2,302,050
Total liabilities	<u>122,422</u>	<u>572,268</u>	<u>312,121</u>	<u>579,451</u>	<u>311,955</u>	<u>2,302,050</u>
Net position held in trust for participants	<u>102,041,571</u>	<u>166,715,247</u>	<u>219,794,166</u>	<u>260,023,778</u>	<u>140,835,277</u>	<u>1,263,017,401</u>
Total liabilities and net position	<u>\$ 102,163,993</u>	<u>\$ 167,287,515</u>	<u>\$ 220,106,287</u>	<u>\$ 260,603,229</u>	<u>\$ 141,147,232</u>	<u>\$ 1,265,319,451</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2012

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Artisan Emerging Markets 529 Portfolio	BlackRock Cash Funds 529 Portfolio
Assets						
Cash and cash equivalents	\$ 19,241	\$ -	\$ 13,675	\$ -	\$ -	\$ 23,738,502
Dividends receivable	-	-	-	-	-	4,410
Mutual funds	6,161,543	3,213,055	5,169,050	3,892,733	2,743,174	-
Total assets	<u>\$ 6,180,784</u>	<u>\$ 3,213,055</u>	<u>\$ 5,182,725</u>	<u>\$ 3,892,733</u>	<u>\$ 2,743,174</u>	<u>\$ 23,742,912</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 6,116	\$ 4,096	\$ 5,226	\$ 5,036	\$ 3,835	\$ 3,436
Total liabilities	<u>6,116</u>	<u>4,096</u>	<u>5,226</u>	<u>5,036</u>	<u>3,835</u>	<u>3,436</u>
Net position held in trust for participants	<u>6,174,668</u>	<u>3,208,959</u>	<u>5,177,499</u>	<u>3,887,697</u>	<u>2,739,339</u>	<u>23,739,476</u>
Total liabilities and net position	<u>\$ 6,180,784</u>	<u>\$ 3,213,055</u>	<u>\$ 5,182,725</u>	<u>\$ 3,892,733</u>	<u>\$ 2,743,174</u>	<u>\$ 23,742,912</u>

(Continued)

State of Illinois
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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio
June 30, 2012

	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Delaware Small Cap Core 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Eagle Small Cap Growth 529 Portfolio	Eaton Vance Large-Cap Value 529 Portfolio
Assets						
Cash and cash equivalents	\$ 11,169	\$ -	\$ 20,188	\$ 15,197	\$ -	\$ 4,468
Dividends receivable	29,082	-	-	-	-	-
Mutual funds	9,396,972	3,187,251	4,925,428	10,479,183	6,475,611	-
Total assets	<u>\$ 9,437,223</u>	<u>\$ 3,187,251</u>	<u>\$ 4,945,616</u>	<u>\$ 10,494,380</u>	<u>\$ 6,475,611</u>	<u>\$ 4,468</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 9,291	\$ 11,086	\$ 5,047	\$ 12,315	\$ 9,706	\$ 4,898
Total liabilities	<u>9,291</u>	<u>11,086</u>	<u>5,047</u>	<u>12,315</u>	<u>9,706</u>	<u>4,898</u>
Net position held in trust for participants	<u>9,427,932</u>	<u>3,176,165</u>	<u>4,940,569</u>	<u>10,482,065</u>	<u>6,465,905</u>	<u>(430)</u>
Total liabilities and net position	<u>\$ 9,437,223</u>	<u>\$ 3,187,251</u>	<u>\$ 4,945,616</u>	<u>\$ 10,494,380</u>	<u>\$ 6,475,611</u>	<u>\$ 4,468</u>

(Continued)

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	ING Global Real Estate 529 Portfolio	John Hancock Small Company 529 Portfolio	MFS Value 529 Portfolio	Northern Bond Index 529 Portfolio	Northern Institutional Equity Index 529 Portfolio	Northern Institutional Equity Index 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,233	\$ 45,811	\$ 814
Dividends receivable	-	-	-	1,317	-	-
Mutual funds	1,966,584	791,884	11,692,053	4,163,607	7,493,552	4,489,281
Total assets	<u>\$ 1,966,584</u>	<u>\$ 791,884</u>	<u>\$ 11,692,053</u>	<u>\$ 4,166,157</u>	<u>\$ 7,539,363</u>	<u>\$ 4,490,095</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 4,842	\$ 982	\$ 11,668	\$ 5,603	\$ 7,374	\$ 4,215
Total liabilities	<u>4,842</u>	<u>982</u>	<u>11,668</u>	<u>5,603</u>	<u>7,374</u>	<u>4,215</u>
Net position held in trust for participants	<u>1,961,742</u>	<u>790,902</u>	<u>11,680,385</u>	<u>4,160,554</u>	<u>7,531,989</u>	<u>4,485,880</u>
Total liabilities and net position	<u>\$ 1,966,584</u>	<u>\$ 791,884</u>	<u>\$ 11,692,053</u>	<u>\$ 4,166,157</u>	<u>\$ 7,539,363</u>	<u>\$ 4,490,095</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	Northern Institutional Small Company Index 529 Portfolio	Northern Small Cap Value 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Low Duration 529 Portfolio	Pimco Short-Term 529 Portfolio	Pimco Total Return 529 Portfolio
Assets						
Cash and cash equivalents	\$ 968	\$ 896	\$ -	\$ 38,475	\$ 2,524	\$ 54,737
Dividends receivable	-	-	-	26,429	6,150	104,216
Mutual funds	2,519,525	4,994,861	12,473,854	12,097,174	7,289,425	37,523,207
Total assets	<u>\$ 2,520,493</u>	<u>\$ 4,995,757</u>	<u>\$ 12,473,854</u>	<u>\$ 12,162,078</u>	<u>\$ 7,298,099</u>	<u>\$ 37,682,160</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 2,511	\$ 4,640	\$ 14,503	\$ 11,767	\$ 8,144	\$ 39,768
Total liabilities	<u>2,511</u>	<u>4,640</u>	<u>14,503</u>	<u>11,767</u>	<u>8,144</u>	<u>39,768</u>
Net position held in trust for participants	<u>2,517,982</u>	<u>4,991,117</u>	<u>12,459,351</u>	<u>12,150,311</u>	<u>7,289,955</u>	<u>37,642,392</u>
Total liabilities and net position	<u>\$ 2,520,493</u>	<u>\$ 4,995,757</u>	<u>\$ 12,473,854</u>	<u>\$ 12,162,078</u>	<u>\$ 7,298,099</u>	<u>\$ 37,682,160</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	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	T.Rowe Price Real Estate 529 Portfolio
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ 35,695	\$ -	\$ 3,832	\$ 2,580
Dividends receivable	-	-	-	-	-	-
Mutual funds	4,090,669	6,212,940	10,797,254	13,310,163	13,041,686	5,139,383
Total assets	<u>\$ 4,090,669</u>	<u>\$ 6,212,940</u>	<u>\$ 10,832,949</u>	<u>\$ 13,310,163</u>	<u>\$ 13,045,518</u>	<u>\$ 5,141,963</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 6,468	\$ 8,130	\$ 12,419	\$ 15,189	\$ 13,335	\$ 5,034
Total liabilities	<u>6,468</u>	<u>8,130</u>	<u>12,419</u>	<u>15,189</u>	<u>13,335</u>	<u>5,034</u>
Net position held in trust for participants	<u>4,084,201</u>	<u>6,204,810</u>	<u>10,820,530</u>	<u>13,294,974</u>	<u>13,032,183</u>	<u>5,136,929</u>
Total liabilities and net position	<u>\$ 4,090,669</u>	<u>\$ 6,212,940</u>	<u>\$ 10,832,949</u>	<u>\$ 13,310,163</u>	<u>\$ 13,045,518</u>	<u>\$ 5,141,963</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	Templeton International Bond 529 Portfolio	Touchstone Total Return Bond 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	William Blair Small Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10
Assets						
Cash and cash equivalents	\$ 1,790	\$ 121	\$ -	\$ 2,930	\$ 4,482,685	\$ 12,423,417
Dividends receivable	-	-	-	-	7,976	28,299
Mutual funds	3,332,452	715,603	5,505,845	-	4,481,688	18,528,026
Total assets	<u>\$ 3,334,242</u>	<u>\$ 715,724</u>	<u>\$ 5,505,845</u>	<u>\$ 2,930</u>	<u>\$ 8,972,349</u>	<u>\$ 30,979,742</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 3,243	\$ 580	\$ 6,892	\$ 2,811	\$ 10,796	\$ 37,358
Total liabilities	<u>3,243</u>	<u>580</u>	<u>6,892</u>	<u>2,811</u>	<u>10,796</u>	<u>37,358</u>
Net position held in trust for participants	<u>3,330,999</u>	<u>715,144</u>	<u>5,498,953</u>	<u>119</u>	<u>8,961,553</u>	<u>30,942,384</u>
Total liabilities and net position	<u>\$ 3,334,242</u>	<u>\$ 715,724</u>	<u>\$ 5,505,845</u>	<u>\$ 2,930</u>	<u>\$ 8,972,349</u>	<u>\$ 30,979,742</u>

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Bright Directions College Savings Program
Statement of Fiduciary Net Position by Portfolio (Continued)
June 30, 2012

	Fund 20	Fund 40	Fund 60	Fund 80	Fund 100	Total
Assets						
Cash and cash equivalents	\$ 15,097,277	\$ 508,923	\$ 181,452	\$ 331,815	\$ 96,567	\$ 57,136,982
Dividends receivable	77,438	124,064	119,755	47,448	-	576,584
Mutual funds	60,389,108	127,715,000	164,162,815	198,026,703	109,992,130	908,580,472
Total assets	<u>\$ 75,563,823</u>	<u>\$ 128,347,987</u>	<u>\$ 164,464,022</u>	<u>\$ 198,405,966</u>	<u>\$ 110,088,697</u>	<u>\$ 966,294,038</u>
Liabilities and Net Position						
Liabilities						
Other liabilities	\$ 218,110	\$ 147,386	\$ 185,387	\$ 212,731	\$ 117,358	\$ 1,199,332
Total liabilities	<u>218,110</u>	<u>147,386</u>	<u>185,387</u>	<u>212,731</u>	<u>117,358</u>	<u>1,199,332</u>
Net position held in trust for participants	<u>75,345,713</u>	<u>128,200,601</u>	<u>164,278,635</u>	<u>198,193,235</u>	<u>109,971,339</u>	<u>965,094,706</u>
Total liabilities and net position	<u>\$ 75,563,823</u>	<u>\$ 128,347,987</u>	<u>\$ 164,464,022</u>	<u>\$ 198,405,966</u>	<u>\$ 110,088,697</u>	<u>\$ 966,294,038</u>

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, 2013

	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	\$ 326,709	\$ 440,387	\$ 415,811	\$ 654,085	\$ 660,580	\$ 263,476
Net change in fair value of investments	19,651,387	19,405,313	15,015,539	18,637,130	10,208,490	2,270,342
Distribution fees	(393,541)	(359,998)	(321,885)	(513,118)	(469,379)	(330,008)
State administrative fees	(38,196)	(48,405)	(44,460)	(68,422)	(63,146)	(46,627)
Insurance fees						
Management fees	(190,980)	(242,017)	(222,293)	(342,112)	(315,780)	(233,169)
Net investment earnings (loss)	19,355,379	19,195,280	14,842,712	18,367,563	10,020,765	1,924,014
Participant transactions						
Program contributions	37,475,012	64,153,143	90,494,100	113,397,484	100,373,242	90,868,044
Program distributions	(45,032,663)	(79,377,461)	(91,170,145)	(86,428,831)	(83,965,523)	(67,250,340)
Total increase (decrease) from participant transactions	(7,557,651)	(15,224,318)	(676,045)	26,968,653	16,407,719	23,617,704
Change in net position	11,797,728	3,970,962	14,166,667	45,336,216	26,428,484	25,541,718
Net position, beginning of fiscal year	120,329,154	157,094,625	139,541,296	204,018,223	194,526,028	151,349,647
Net position, end of fiscal year	\$ 132,126,882	\$ 161,065,587	\$ 153,707,963	\$ 249,354,439	\$ 220,954,512	\$ 176,891,365

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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, 2013

	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 Principal Protection Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Investment income (expense)							
Investment earnings	\$ 867,189	\$ 82,970	\$ 94,612	\$ 2	\$ 823,381	\$ 4,719,448	\$ 2,131,124
Net change in fair value of investments	59,842,701	4,931,635	(134,988)	(1,455)	-	27,445,580	10,262,174
Distribution fees	(740,772)	(165,611)	(70,533)	(989)	-	-	-
State administrative fees	(104,955)	(17,880)	(8,183)	(81)	(65,690)	-	-
Insurance fees	-	-	-	-	(94,530)	-	-
Management fees	(524,771)	(89,421)	(40,931)	(391)	(196,588)	(268,561)	(133,922)
Net investment earnings (loss)	59,339,392	4,741,693	(160,023)	(2,914)	466,573	31,896,467	12,259,376
Participant transactions							
Program contributions	43,095,276	18,976,199	8,600,210	1,301,639	497,203	60,315,993	51,515,931
Program distributions	(57,772,341)	(12,924,990)	(7,000,487)	(173,245)	(144,436,057)	(36,925,881)	(38,370,630)
Total increase (decrease) from participant transactions	(14,677,065)	6,051,209	1,599,723	1,128,394	(143,938,854)	23,390,112	13,145,301
Change in net position	44,662,327	10,792,902	1,439,700	1,125,480	(143,472,281)	55,286,579	25,404,677
Net position, beginning of fiscal year	327,803,217	54,342,583	25,782,841	-	143,472,281	163,605,528	83,249,879
Net position, end of fiscal year	\$ 372,465,544	\$ 65,135,485	\$ 27,222,541	\$ 1,125,480	\$ -	\$ 218,892,107	\$ 108,654,556

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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, 2013

	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	\$ 1,474,850	\$ 2,218,516	\$ 1,865,651	\$ 1,122,124	\$ 6,894,987	\$ 1,863,460
Net change in fair value of investments	5,723,626	6,677,308	2,879,785	(645,021)	44,862,909	5,569,580
Distribution fees	-	-	-	-	-	-
State administrative fees	-	-	-	-	-	-
Insurance fees	-	-	-	-	-	-
Management fees	(92,414)	(138,518)	(131,301)	(79,500)	(390,546)	(117,434)
Net investment earnings (loss)	7,106,062	8,757,306	4,614,135	397,603	51,367,350	7,315,606
Participant transactions						
Program contributions	47,960,171	53,844,872	54,202,804	43,232,613	75,877,716	33,422,859
Program distributions	(34,711,257)	(38,092,006)	(32,717,934)	(23,263,784)	(28,574,666)	(12,888,239)
Total increase (decrease) from participant transactions	13,248,914	15,752,866	21,484,870	19,968,829	47,303,050	20,534,620
Change in net position	20,354,976	24,510,172	26,099,005	20,366,432	98,670,400	27,850,226
Net position, beginning of fiscal year	54,508,695	86,662,981	80,422,750	48,882,142	233,669,065	71,249,499
Net position, end of fiscal year	\$ 74,863,671	\$ 111,173,153	\$ 106,521,755	\$ 69,248,574	\$ 332,339,465	\$ 99,099,725

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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, 2013

	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	\$ 1,539,390	\$ 330,880	\$ 366,234	\$ 269,628	\$ 288,030	\$ 160,810
Net change in fair value of investments	(2,071,827)	20,845,826	22,383,510	16,267,437	16,863,879	7,985,661
Distribution fees	-	-	-	-	-	-
State administrative fees	-	(37,468)	(52,547)	(45,151)	(57,940)	(46,260)
Insurance fees	-	-	-	-	-	-
Management fees	(108,969)	(187,333)	(262,731)	(225,750)	(289,701)	(231,342)
Net investment earnings (loss)	(641,406)	20,951,905	22,434,466	16,266,164	16,804,268	7,868,869
Participant transactions						
Program contributions	27,594,940	33,916,275	62,314,441	88,734,009	96,278,188	72,211,901
Program distributions	(24,638,023)	(46,572,633)	(78,357,186)	(81,603,361)	(61,934,763)	(56,159,581)
Total increase (decrease) from participant transactions	2,956,917	(12,656,358)	(16,042,745)	7,130,648	34,343,425	16,052,320
Change in net position	2,315,511	8,295,547	6,391,721	23,396,812	51,147,693	23,921,189
Net position, beginning of fiscal year	74,110,485	118,979,837	170,247,011	136,840,186	166,060,198	142,467,041
Net position, end of fiscal year	\$ 76,425,996	\$ 127,275,384	\$ 176,638,732	\$ 160,236,998	\$ 217,207,891	\$ 166,388,230

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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, 2013

	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 Money Market	Total
Investment income (expense)							
Investment earnings	\$ 68,768	\$ 815,136	\$ 4,598	\$ 63,034	\$ 2	\$ 33,343	\$ 30,859,215
Net change in fair value of investments	1,481,155	51,033,761	(233,080)	3,518,884	(4,866)	-	390,672,375
Distribution fees	-	-	-	-	-	-	(3,365,834)
State administrative fees	(30,796)	(83,419)	(7,369)	(12,190)	(394)	-	(879,579)
Insurance fees	-	-	-	-	-	-	(94,530)
Management fees	(153,993)	(417,097)	(36,849)	(60,923)	(1,968)	(33,320)	(5,760,625)
Net investment earnings (loss)	1,365,134	51,348,381	(272,700)	3,508,805	(7,226)	23	411,431,022
Participant transactions							
Program contributions	65,038,809	35,979,683	8,434,074	12,450,816	4,639,973	178,013,511	1,675,211,131
Program distributions	(45,819,671)	(34,507,386)	(6,430,960)	(6,576,031)	(595,438)	(28,674,827)	(1,392,946,340)
Total increase (decrease) from participant transactions	19,219,138	1,472,297	2,003,114	5,874,785	4,044,535	149,338,684	282,264,791
Change in net position	20,584,272	52,820,678	1,730,414	9,383,590	4,037,309	149,338,707	693,695,813
Net position, beginning of fiscal year	99,315,287	251,366,484	23,018,789	36,226,604	-	14,845,192	3,573,987,548
Net position, end of fiscal year	\$ 119,899,559	\$ 304,187,162	\$ 24,749,203	\$ 45,610,194	\$ 4,037,309	\$ 164,183,899	\$ 4,267,683,361

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, 2012

	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	\$ 193,921	\$ 394,441	\$ 400,978	\$ 634,791	\$ 788,394	\$ 339,230
Net change in fair value of investments	(1,332,166)	615,529	1,702,418	3,494,531	3,585,816	2,001,359
Distribution fees	(349,329)	(339,373)	(296,653)	(411,194)	(394,807)	(279,142)
State administrative fees	(37,030)	(47,656)	(41,108)	(56,304)	(54,960)	(40,438)
Insurance fees	-	-	-	-	-	-
Management fees	(185,148)	(238,286)	(205,542)	(281,529)	(274,796)	(202,186)
Net investment earnings (loss)	(1,709,752)	384,655	1,560,093	3,380,295	3,649,647	1,818,823
Participant transactions						
Program contributions	32,525,171	59,045,084	77,061,018	91,652,576	83,368,011	72,981,729
Program distributions	(45,588,055)	(70,494,961)	(75,640,424)	(72,420,334)	(67,458,312)	(56,783,651)
Total increase (decrease) from participant transactions	(13,062,884)	(11,449,877)	1,420,594	19,232,242	15,909,699	16,198,078
Change in net position	(14,772,636)	(11,065,222)	2,980,687	22,612,537	19,559,346	18,016,901
Net position, beginning of fiscal year	135,101,790	168,159,847	136,560,609	181,405,686	174,966,682	133,332,746
Net position, end of fiscal year	\$ 120,329,154	\$ 157,094,625	\$ 139,541,296	\$ 204,018,223	\$ 194,526,028	\$ 151,349,647

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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2012

	Bright Start Advisor Choice Based Equity	Bright Start Advisor Choice Based Balanced	Bright Start Advisor Choice Based Fixed Income	Bright Start Principal Protection Income	Bright Start Index Age Based 0-6 years	Bright Start Index Age Based 7-9 years
Investment income (expense)						
Investment earnings	\$ 406,702	\$ 42,018	\$ 134,184	\$ 1,459,651	\$ 3,406,149	\$ 1,623,520
Net change in fair value of investments	(8,116,796)	981,060	436,269	-	334,789	875,852
Distribution fees	(685,238)	(134,486)	(56,219)	(102,566)	-	-
State administrative fees	(98,095)	(15,080)	(6,925)	(28,194)	-	-
Insurance fees	-	-	-	(264,872)	-	-
Management fees	(490,476)	(75,402)	(34,622)	(577,947)	(203,674)	(102,032)
Net investment earnings (loss)	(8,983,903)	798,110	472,687	486,072	3,537,264	2,397,340
Participant transactions						
Program contributions	30,432,731	14,818,211	9,368,101	40,942,963	49,876,833	39,152,060
Program distributions	(48,780,716)	(11,224,568)	(5,702,026)	(58,037,969)	(25,958,584)	(25,167,279)
Total increase (decrease) from participant transactions	(18,347,985)	3,593,643	3,666,075	(17,095,006)	23,918,249	13,984,781
Change in net position	(27,331,888)	4,391,753	4,138,762	(16,608,934)	27,455,513	16,382,121
Net position, beginning of fiscal year	355,135,105	49,950,830	21,644,079	160,081,215	136,150,015	66,867,758
Net position, end of fiscal year	\$ 327,803,217	\$ 54,342,583	\$ 25,782,841	\$ 143,472,281	\$ 163,605,528	\$ 83,249,879

(Continued)

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, 2012

	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	\$ 1,120,878	\$ 1,777,210	\$ 1,548,550	\$ 896,320	\$ 4,722,654	\$ 1,468,409
Net change in fair value of investments	945,715	1,899,264	1,843,815	1,197,598	(1,552,464)	1,426,077
Distribution fees	-	-	-	-	-	-
State administrative fees	-	-	-	-	-	-
Insurance fees	-	-	-	-	-	-
Management fees	(68,544)	(104,535)	(97,049)	(53,113)	(291,661)	(86,667)
Net investment earnings (loss)	1,998,049	3,571,939	3,295,316	2,040,805	2,878,529	2,807,819
Participant transactions						
Program contributions	34,082,238	42,561,856	38,518,718	28,676,866	50,000,375	20,945,155
Program distributions	(26,073,898)	(24,219,026)	(20,623,725)	(14,265,948)	(18,929,989)	(8,516,879)
Total increase (decrease) from participant transactions	8,008,340	18,342,830	17,894,993	14,410,918	31,070,386	12,428,276
Change in net position	10,006,389	21,914,769	21,190,309	16,451,723	33,948,915	15,236,095
Net position, beginning of fiscal year	44,502,306	64,748,212	59,232,441	32,430,419	199,720,150	56,013,404
Net position, end of fiscal year	\$ 54,508,695	\$ 86,662,981	\$ 80,422,750	\$ 48,882,142	\$ 233,669,065	\$ 71,249,499

(Continued)

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, 2012

	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	\$ 1,568,467	\$ 173	\$ 228	\$ 163	\$ 193	\$ 25,256
Net change in fair value of investments	2,076,971	3,411,245	7,588,378	5,858,463	6,991,830	4,939,734
Distribution fees	-	-	-	-	-	-
State administrative fees	-	(36,472)	(50,397)	(37,431)	(45,022)	(39,368)
Insurance fees	-	-	-	-	-	-
Management fees	(90,445)	(182,364)	(251,988)	(187,152)	(225,112)	(196,844)
Net investment earnings (loss)	3,554,993	3,192,582	7,286,221	5,634,043	6,721,889	4,728,778
Participant transactions						
Program contributions	29,104,271	30,190,911	62,745,705	74,459,584	73,853,939	62,318,376
Program distributions	(13,554,821)	(48,183,390)	(67,554,996)	(62,190,126)	(54,484,153)	(47,135,677)
Total increase (decrease) from participant transactions	15,549,450	(17,992,479)	(4,809,291)	12,269,458	19,369,786	15,182,699
Change in net position	19,104,443	(14,799,897)	2,476,930	17,903,501	26,091,675	19,911,477
Net position, beginning of fiscal year	55,006,042	133,779,734	167,770,081	118,936,685	139,968,523	122,555,564
Net position, end of fiscal year	\$ 74,110,485	\$ 118,979,837	\$ 170,247,011	\$ 136,840,186	\$ 166,060,198	\$ 142,467,041

(Continued)

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Bright Start College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2012

	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 Money Market	Total
Investment income (expense)						
Investment earnings	\$ 44,098	\$ 300	\$ 5,295	\$ 4,167	\$ 4,723	\$ 23,011,063
Net change in fair value of investments	1,982,818	6,631,470	1,198,285	1,734,570	-	52,752,430
Distribution fees	-	-	-	-	-	(3,049,007)
State administrative fees	(25,910)	(71,666)	(6,228)	(9,764)	-	(748,048)
Insurance fees	-	-	-	-	-	(264,872)
Management fees	(129,549)	(358,331)	(31,144)	(48,823)	(4,402)	(5,279,363)
Net investment earnings (loss)	1,871,457	6,201,773	1,166,208	1,680,150	321	66,422,203
Participant transactions						
Program contributions	52,066,456	27,718,619	6,127,598	8,531,248	16,489,368	1,259,615,771
Program distributions	(37,695,434)	(28,197,900)	(3,392,593)	(5,111,528)	(1,644,497)	(1,045,031,459)
Total increase (decrease) from participant transactions	14,371,022	(479,281)	2,735,005	3,419,720	14,844,871	214,584,312
Change in net position	16,242,479	5,722,492	3,901,213	5,099,870	14,845,192	281,006,515
Net position, beginning of fiscal year	83,072,808	245,643,992	19,117,576	31,126,734	-	3,292,981,033
Net position, end of fiscal year	\$ 99,315,287	\$ 251,366,484	\$ 23,018,789	\$ 36,226,604	\$ 14,845,192	\$ 3,573,987,548

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2013

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Artisan Emerging Markets 529 Portfolio	BlackRock Cash Funds 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 142,476	\$ 150,165	\$ 114,477	\$ 55,289	\$ 44,229	\$ 46,994
Net change in fair value of investments	1,245,594	324,527	1,201,143	1,114,881	(126,922)	(145)
12b-1 fees	(20,350)	(10,383)	(17,352)	(12,746)	(7,143)	-
Other operating expenses	-	-	-	-	-	-
Management fees	(28,688)	(14,963)	(23,877)	(17,394)	(12,919)	(24,009)
Net investment earnings (loss)	1,339,032	449,346	1,274,391	1,140,030	(102,755)	22,840
Distributions to participants						
Net investment income	-	-	-	-	-	(23,183)
Other participant transactions						
Program contributions	1,744,732	1,148,613	1,589,703	613,224	2,053,635	22,012,049
Program distributions	(1,039,626)	(737,967)	(943,197)	(708,209)	(1,329,772)	(17,980,844)
Distributions reinvested	-	-	-	-	-	24,312
Total increase (decrease) from participant transactions	705,106	410,646	646,506	(94,985)	723,863	4,055,517
Change in net position	2,044,138	859,992	1,920,897	1,045,045	621,108	4,055,174
Net position, beginning of fiscal year	6,174,668	3,208,959	5,177,499	3,887,697	2,739,339	23,739,476
Net position, end of fiscal year	\$ 8,218,806	\$ 4,068,951	\$ 7,098,396	\$ 4,932,742	\$ 3,360,447	\$ 27,794,650

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2013

	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 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	Eaton Vance Large-Cap Value 529 Portfolio
Investment income (expense)							
Investment earnings	\$ 293,845	\$ 7,703	\$ 16,852	\$ 9,063	\$ 272,332	\$ 2,584	\$ -
Net change in fair value of investments	(785,563)	514,971	1,161,696	(9,589)	2,273,988	1,497,274	430
12b-1 fees	(31,352)	(11,259)	(16,842)	(288)	(36,887)	(19,011)	-
Other operating expenses	-	-	-	-	-	-	-
Management fees	(42,310)	(13,475)	(22,381)	(965)	(51,628)	(29,631)	-
Net investment earnings (loss)	(565,380)	497,940	1,139,325	(1,779)	2,457,805	1,451,216	430
Distributions to participants							
Net investment income	-	-	-	-	-	-	-
Other participant transactions							
Program contributions	4,114,583	633,277	1,464,307	728,673	3,919,500	1,559,782	-
Program distributions	(2,894,414)	(758,286)	(1,130,919)	(19,785)	(1,922,089)	(1,113,491)	-
Distributions reinvested	-	-	-	-	-	-	-
Total increase (decrease) from participant transactions	1,220,169	(125,009)	333,388	708,888	1,997,411	446,291	-
Change in net position	654,789	372,931	1,472,713	707,109	4,455,216	1,897,507	430
Net position, beginning of fiscal year	9,427,932	3,176,165	4,940,569	-	10,482,065	6,465,905	(430)
Net position, end of fiscal year	\$ 10,082,721	\$ 3,549,096	\$ 6,413,282	\$ 707,109	\$ 14,937,281	\$ 8,363,412	\$ -

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2013

	ING Global Real Estate 529 Portfolio	John Hancock Small Company 529 Portfolio	MFS Value 529 Portfolio	Northern Bond Index 529 Portfolio	Northern International Equity Index 529 Portfolio
Investment income (expense)					
Investment earnings	\$ 106,411	\$ -	\$ 357,916	\$ 143,632	\$ 284,671
Net change in fair value of investments	148,302	168,415	2,640,796	(184,646)	520,013
12b-1 fees	(7,996)	(1,893)	(34,285)	(13,700)	(13,561)
Other operating expenses	-	-	-	-	-
Management fees	(10,296)	(3,241)	(52,629)	(16,840)	(20,461)
Net investment earnings (loss)	236,421	163,281	2,911,798	(71,554)	770,662
Distributions to participants					
Net investment income	-	-	-	-	-
Other participant transactions					
Program contributions	1,366,108	194,818	2,474,052	1,019,744	1,031,803
Program distributions	(616,920)	(326,969)	(2,511,507)	(913,375)	(785,421)
Distributions reinvested	-	-	-	-	-
Total increase (decrease) from participant transactions	749,188	(132,151)	(37,455)	106,369	246,382
Change in net position	985,609	31,130	2,874,343	34,815	1,017,044
Net position, beginning of fiscal year	1,961,742	790,902	11,680,385	4,160,554	4,485,880
Net position, end of fiscal year	\$ 2,947,351	\$ 822,032	\$ 14,554,728	\$ 4,195,369	\$ 5,502,924

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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, 2013

	Northern Small Cap Index 529 Portfolio	Northern Small Cap Value 529 Portfolio	Northern Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Low Duration 529 Portfolio	Pimco Short-Term 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 94,614	\$ 201,221	\$ 220,291	\$ 227,232	\$ 479,390	\$ 108,132
Net change in fair value of investments	516,077	1,000,739	1,457,500	2,646,195	(373,613)	(9,741)
12b-1 fees	(8,233)	(14,155)	(24,888)	(42,283)	(38,683)	(25,177)
Other operating expenses	-	-	-	-	-	-
Management fees	(11,113)	(22,136)	(35,825)	(58,891)	(55,148)	(32,426)
Net investment earnings (loss)	591,345	1,165,669	1,617,078	2,772,253	11,946	40,788
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	712,832	987,096	3,007,667	3,025,074	7,589,372	5,639,146
Program distributions	(424,329)	(1,114,726)	(1,343,815)	(1,947,544)	(3,801,496)	(2,603,995)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	288,503	(127,630)	1,663,852	1,077,530	3,787,876	3,035,151
Change in net position	879,848	1,038,039	3,280,930	3,849,783	3,799,822	3,075,939
Net position, beginning of fiscal year	2,517,982	4,991,117	7,531,989	12,459,351	12,150,311	7,289,955
Net position, end of fiscal year	\$ 3,397,830	\$ 6,029,156	\$ 10,812,919	\$ 16,309,134	\$ 15,950,133	\$ 10,365,894

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State of Illinois
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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Assets by Portfolio (Continued)
Year Ended June 30, 2013

	Pimco Total Return 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Equity Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Institutional Large Cap Growth 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 2,589,898	\$ 156,252	\$ 100,501	\$ 541,120	\$ 331,471	\$ 52,598
Net change in fair value of investments	(2,208,268)	761,137	1,686,652	968,874	3,126,669	2,607,982
12b-1 fees	(127,525)	(13,115)	(19,612)	(45,299)	(49,790)	(42,319)
Other operating expenses	-	-	-	-	-	-
Management fees	(169,605)	(20,671)	(30,150)	(51,252)	(65,673)	(59,339)
Net investment earnings (loss)	84,500	883,603	1,737,391	1,413,443	3,342,677	2,558,922
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	13,827,818	2,182,024	2,663,640	4,898,537	4,910,354	3,557,993
Program distributions	(8,939,678)	(796,706)	(1,313,936)	(2,304,004)	(1,992,990)	(1,970,848)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	4,888,140	1,385,318	1,349,704	2,594,533	2,917,364	1,587,145
Change in net position	4,972,640	2,268,921	3,087,095	4,007,976	6,260,041	4,146,067
Net position, beginning of fiscal year	37,642,392	4,084,201	6,204,810	10,820,530	13,294,974	13,032,183
Net position, end of fiscal year	\$ 42,615,032	\$ 6,353,122	\$ 9,291,905	\$ 14,828,506	\$ 19,555,015	\$ 17,178,250

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State of Illinois
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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Assets by Portfolio (Continued)
Year Ended June 30, 2013

	T. Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Touchstone Total Return 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	\$ 129,465	\$ 226,899	\$ 22,225	\$ 1,600	\$ 5,138	\$ 753
Net change in fair value of investments	237,426	(85,276)	(16,451)	(5,620)	(107,945)	(3,930)
12b-1 fees	(16,669)	(13,959)	(1,669)	(27)	(107)	(11)
Other operating expenses	-	-	-	(114)	(207)	(20)
Management fees	(23,438)	(18,480)	(2,980)	(288)	(1,136)	(116)
Net investment earnings (loss)	326,784	109,184	1,125	(4,449)	(104,257)	(3,324)
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	1,891,792	3,174,258	234,908	422,372	912,358	114,966
Program distributions	(896,503)	(967,398)	(227,529)	(5,638)	(12,267)	(5,285)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	995,289	2,206,860	7,379	416,734	900,091	109,681
Change in net position	1,322,073	2,316,044	8,504	412,285	795,834	106,357
Net position, beginning of fiscal year	5,136,929	3,330,999	715,144	-	-	-
Net position, end of fiscal year	\$ 6,459,002	\$ 5,647,043	\$ 723,648	\$ 412,285	\$ 795,834	\$ 106,357

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Assets by Portfolio (Continued)
Year Ended June 30, 2013

	Vanguard Mega Cap 300 ETF 529 Portfolio	Vanguard Mega Cap 300 Growth ETF 529 Portfolio	Vanguard Mega Cap 300 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	\$ 799	\$ 262	\$ 833	\$ 1,686	\$ 36	\$ 173
Net change in fair value of investments	5,075	4,708	12,516	41,015	1,354	7,116
12b-1 fees	(24)	(13)	(19)	(50)	(2)	(11)
Other operating expenses	(80)	(23)	(56)	(49)	(4)	(34)
Management fees	(262)	(141)	(206)	(532)	(25)	(119)
Net investment earnings (loss)	5,508	4,793	13,068	42,070	1,359	7,125
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	430,551	129,805	267,057	422,324	27,504	226,062
Program distributions	(10,270)	(12,281)	(5,273)	(5,071)	(6,062)	(10,190)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	420,281	117,524	261,784	417,253	21,442	215,872
Change in net position	425,789	122,317	274,852	459,323	22,801	222,997
Net position, beginning of fiscal year	-	-	-	-	-	-
Net position, end of fiscal year	\$ 425,789	\$ 122,317	\$ 274,852	\$ 459,323	\$ 22,801	\$ 222,997

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Assets by Portfolio (Continued)
Year Ended June 30, 2013

	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
Investment income (expense)						
Investment earnings	\$ 1,507	\$ 825	\$ 1,820	\$ 171	\$ 384	\$ 1,304
Net change in fair value of investments	1,504	(1,781)	37,470	5,408	3,257	(5,895)
12b-1 fees	(19)	(16)	(46)	(7)	(7)	(13)
Other operating expenses	(30)	(27)	(51)	(7)	(23)	(25)
Management fees	(203)	(182)	(493)	(73)	(76)	(145)
Net investment earnings (loss)	2,759	(1,181)	38,700	5,492	3,535	(4,774)
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	212,018	222,577	445,025	64,691	198,172	208,020
Program distributions	(8,400)	(6,269)	(5,095)	(5,981)	(5,928)	(41,003)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	203,618	216,308	439,930	58,710	192,244	167,017
Change in net position	206,377	215,127	478,630	64,202	195,779	162,243
Net position, beginning of fiscal year	-	-	-	-	-	-
Net position, end of fiscal year	\$ 206,377	\$ 215,127	\$ 478,630	\$ 64,202	\$ 195,779	\$ 162,243

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Assets by Portfolio (Continued)
Year Ended June 30, 2013

	William Blair Mid Cap Growth 529 Portfolio	William Blair Small Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 40
Investment income (expense)						
Investment earnings	\$ 140,501	\$ -	\$ 114,764	\$ 453,305	\$ 1,813,808	\$ 3,677,748
Net change in fair value of investments	875,677	(119)	(104,991)	255,150	1,682,595	8,357,470
12b-1 fees	(17,899)	-	(37,813)	(128,764)	(319,493)	(519,156)
Other operating expenses	-	-	-	-	-	-
Management fees	(25,900)	-	(38,645)	(132,867)	(348,059)	(595,066)
Net investment earnings (loss)	972,379	(119)	(66,685)	446,824	2,828,851	10,920,996
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	2,335,411	-	6,585,487	22,817,300	55,044,331	74,052,365
Program distributions	(878,809)	-	(5,249,853)	(15,988,381)	(31,177,324)	(46,458,715)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	1,456,602	-	1,335,634	6,828,919	23,867,007	27,593,650
Change in net position	2,428,981	(119)	1,268,949	7,275,743	26,695,858	38,514,646
Net position, beginning of fiscal year	5,498,953	119	8,961,553	30,942,384	75,345,713	128,200,601
Net position, end of fiscal year	\$ 7,927,934	\$ -	\$ 10,230,502	\$ 38,218,127	\$ 102,041,571	\$ 166,715,247

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Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio (Continued)
Year Ended June 30, 2013

	Fund 60	Fund 80	Fund 100	Total
Investment income (expense)				
Investment earnings	\$ 5,068,520	\$ 5,312,940	\$ 2,147,122	\$ 26,275,947
Net change in fair value of investments	17,706,303	31,027,555	22,255,582	106,070,541
12b-1 fees	(654,494)	(721,940)	(386,012)	(3,524,367)
Other operating expenses	-	-	-	(750)
Management fees	(773,420)	(926,366)	(505,606)	(4,392,760)
Net investment earnings (loss)	21,346,909	34,692,189	23,511,086	124,428,611
Distributions to participants				
Net investment income	-	-	-	(23,183)
Other participant transactions				
Program contributions	86,007,745	77,378,724	30,978,589	465,474,568
Program distributions	(51,839,123)	(50,240,370)	(23,625,737)	(291,981,613)
Distributions reinvested	-	-	-	24,312
Total increase (decrease) from participant transactions	34,168,622	27,138,354	7,352,852	173,517,267
Change in net position	55,515,531	61,830,543	30,863,938	297,922,695
Net position, beginning of fiscal year	164,278,635	198,193,235	109,971,339	965,094,706
Net position, end of fiscal year	\$ 219,794,166	\$ 260,023,778	\$ 140,835,277	\$ 1,263,017,401

State of Illinois
Office of the Treasurer

Bright Directions College Savings Program
Statement of Changes in Fiduciary Net Position by Portfolio
Year Ended June 30, 2012

	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Artisan Emerging Markets 529 Portfolio	BlackRock Cash Funds 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 95,922	\$ 89,773	\$ 85,255	\$ 7,744	\$ 15,378	\$ 41,306
Net change in fair value of investments	253,765	10,782	127,825	(391,886)	(493,279)	-
12b-1 fees	(15,342)	(7,144)	(12,605)	(10,868)	(3,843)	-
Management fees	(22,849)	(10,151)	(18,603)	(15,414)	(8,924)	(17,219)
Net investment earnings (loss)	311,496	83,260	181,872	(410,424)	(490,668)	24,087
Distributions to participants						
Net investment income	-	-	-	-	-	(24,308)
Other participant transactions						
Program contributions	1,422,013	1,449,082	1,723,386	584,269	1,646,268	20,484,848
Program distributions	(1,071,483)	(416,272)	(833,478)	(508,156)	(246,413)	(16,737,753)
Distributions reinvested	-	-	-	-	-	23,155
Total increase (decrease) from participant transactions	350,530	1,032,810	889,908	76,113	1,399,855	3,770,250
Change in net position	662,026	1,116,070	1,071,780	(334,311)	909,187	3,770,029
Net position, beginning of fiscal year	5,512,642	2,092,889	4,105,719	4,222,008	1,830,152	19,969,447
Net position, end of fiscal year	\$ 6,174,668	\$ 3,208,959	\$ 5,177,499	\$ 3,887,697	\$ 2,739,339	\$ 23,739,476

(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, 2012

	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Delaware Small Cap Core 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Eagle Small Cap Growth 529 Portfolio	Eaton Vance Large-Cap Value 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 207,879	\$ 123,438	\$ 1	\$ 232,422	\$ -	\$ 170,647
Net change in fair value of investments	493,134	(136,460)	18,192	(1,953,665)	98,965	(645,867)
12b-1 fees	(20,749)	(9,257)	(12,689)	(27,969)	(1,291)	(26,608)
Management fees	(30,228)	(12,091)	(17,519)	(41,290)	(1,995)	(44,308)
Net investment earnings (loss)	650,036	(34,370)	(12,015)	(1,790,502)	95,679	(546,136)
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	4,451,391	634,054	1,281,897	2,896,360	6,422,338	1,793,751
Program distributions	(1,051,834)	(358,601)	(544,804)	(1,488,438)	(52,112)	(13,860,905)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	3,399,557	275,453	737,093	1,407,922	6,370,226	(12,067,154)
Change in net position	4,049,593	241,083	725,078	(382,580)	6,465,905	(12,613,290)
Net position, beginning of fiscal year	5,378,339	2,935,082	4,215,491	10,864,645	-	12,612,860
Net position, end of fiscal year	\$ 9,427,932	\$ 3,176,165	\$ 4,940,569	\$ 10,482,065	\$ 6,465,905	\$ (430)

(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, 2012

	ING Global Real Estate 529 Portfolio	John Hancock Small Company 529 Portfolio	MFS Value 529 Portfolio	NCM Capital Mid-Cap Growth 529 Portfolio	Northern Bond Index 529 Portfolio	Northern Institutional Equity Index 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 32,800	\$ 1,604	\$ 63,194	\$ 4,980	\$ 145,513	\$ 132,727
Net change in fair value of investments	6,703	(50,592)	374,032	(8,690)	152,103	170,730
12b-1 fees	(3,952)	(1,364)	(2,287)	(485)	(11,915)	(17,560)
Management fees	(5,816)	(3,338)	(3,607)	(782)	(17,307)	(28,175)
Net investment earnings (loss)	29,735	(53,690)	431,332	(4,977)	268,394	257,722
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	828,692	247,912	11,428,340	63,595	1,346,767	2,035,480
Program distributions	(135,402)	(240,763)	(179,287)	(345,939)	(1,392,020)	(2,051,942)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	693,290	7,149	11,249,053	(282,344)	(45,253)	(16,462)
Change in net position	723,025	(46,541)	11,680,385	(287,321)	223,141	241,260
Net position, beginning of fiscal year	1,238,717	837,443	-	287,321	3,937,413	7,290,729
Net position, end of fiscal year	\$ 1,961,742	\$ 790,902	\$ 11,680,385	\$ -	\$ 4,160,554	\$ 7,531,989

(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, 2012

	Northern Institutional International Equity Index 529 Portfolio	Northern Institutional Small Company Index 529 Portfolio	Northern Small Cap Value 529 Portfolio	Oppenheimer International Growth 529 Portfolio	Pimco Low Duration 529 Portfolio	Pimco Short-Term 529 Portfolio
Investment income (expense)						
Investment earnings	\$ 113,978	\$ 21,640	\$ 37,518	\$ 139,077	\$ 307,173	\$ 137,174
Net change in fair value of investments	(891,578)	(75,112)	(26,608)	(1,234,552)	5,402	(56,839)
12b-1 fees	(11,410)	(6,260)	(6,665)	(33,409)	(28,581)	(22,033)
Management fees	(19,400)	(9,745)	(24,531)	(49,345)	(43,424)	(27,770)
Net investment earnings (loss)	(808,410)	(69,477)	(20,286)	(1,178,229)	240,570	30,532
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	945,128	522,246	929,585	2,695,408	4,479,946	2,418,479
Program distributions	(1,260,524)	(503,371)	(684,546)	(1,756,419)	(2,141,375)	(1,964,318)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	(315,396)	18,875	245,039	938,989	2,338,571	454,161
Change in net position	(1,123,806)	(50,602)	224,753	(239,240)	2,579,141	484,693
Net position, beginning of fiscal year	5,609,686	2,568,584	4,766,364	12,698,591	9,571,170	6,805,262
Net position, end of fiscal year	\$ 4,485,880	\$ 2,517,982	\$ 4,991,117	\$ 12,459,351	\$ 12,150,311	\$ 7,289,955

(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, 2012

	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	\$ 1,294,292	\$ 53,382	\$ 37,197	\$ 273,049	\$ 255,944	\$ 19,110
Net change in fair value of investments	993,752	150,041	(161,110)	(28,624)	150,238	503,008
12b-1 fees	(101,895)	(6,413)	(13,878)	(33,544)	(35,174)	(31,752)
Management fees	(136,557)	(11,418)	(23,247)	(39,987)	(47,152)	(47,027)
Net investment earnings (loss)	2,049,592	185,592	(161,038)	170,894	323,856	443,339
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	10,712,896	2,354,995	1,244,784	2,833,064	3,575,091	3,802,019
Program distributions	(6,222,364)	(179,683)	(549,472)	(1,481,660)	(1,432,581)	(1,755,725)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	4,490,532	2,175,312	695,312	1,351,404	2,142,510	2,046,294
Change in net position	6,540,124	2,360,904	534,274	1,522,298	2,466,366	2,489,633
Net position, beginning of fiscal year	31,102,268	1,723,297	5,670,536	9,298,232	10,828,608	10,542,550
Net position, end of fiscal year	\$ 37,642,392	\$ 4,084,201	\$ 6,204,810	\$ 10,820,530	\$ 13,294,974	\$ 13,032,183

(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, 2012

	T.Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Touchstone Total Return Bond 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	William Blair Small Cap Growth 529 Portfolio	Fixed Income Fund
Investment income (expense)						
Investment earnings	\$ 99,406	\$ 100,419	\$ 14,973	\$ 328,544	\$ -	\$ 92,116
Net change in fair value of investments	436,409	(90,314)	15,441	(424,502)	(648,897)	36,905
12b-1 fees	(12,443)	(6,127)	(1,119)	(13,049)	(14,446)	(27,691)
Management fees	(18,069)	(9,118)	(1,733)	(19,096)	(23,980)	(29,081)
Net investment earnings (loss)	505,303	(5,140)	27,562	(128,103)	(687,323)	72,249
Distributions to participants						
Net investment income	-	-	-	-	-	-
Other participant transactions						
Program contributions	1,009,038	2,026,846	504,354	2,290,911	1,144,700	5,928,732
Program distributions	(628,825)	(162,477)	(25,479)	(758,757)	(7,378,073)	(3,180,421)
Distributions reinvested	-	-	-	-	-	-
Total increase (decrease) from participant transactions	380,213	1,864,369	478,875	1,532,154	(6,233,373)	2,748,311
Change in net assets	885,516	1,859,229	506,437	1,404,051	(6,920,696)	2,820,560
Net assets, beginning of fiscal year	4,251,413	1,471,770	208,707	4,094,902	6,920,815	6,140,993
Net assets, end of fiscal year	\$ 5,136,929	\$ 3,330,999	\$ 715,144	\$ 5,498,953	\$ 119	\$ 8,961,553

(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, 2012

	Fund 10	Fund 20	Fund 40	Fund 60	Fund 80	Fund 100	Total
Investment income (expense)							
Investment earnings	\$ 380,971	\$ 1,276,251	\$ 2,500,484	\$ 3,141,244	\$ 3,288,916	\$ 1,341,401	\$ 16,704,842
Net change in fair value of investments	147,510	512,351	37,088	(1,427,112)	(4,105,228)	(4,047,796)	(12,204,335)
12b-1 fees	(99,867)	(242,498)	(393,605)	(495,374)	(561,667)	(318,348)	(2,703,176)
Management fees	(109,127)	(270,301)	(464,674)	(607,915)	(746,139)	(425,653)	(3,504,105)
Net investment earnings (loss)	319,487	1,275,803	1,679,293	610,843	(2,124,118)	(3,450,396)	(1,706,774)
Distributions to participants							
Net investment income	-	-	-	-	-	-	(24,308)
Other participant transactions							
Program contributions	17,816,610	38,207,777	55,672,566	63,484,320	58,770,226	24,815,191	368,925,355
Program distributions	(11,416,410)	(22,586,268)	(32,289,529)	(40,673,240)	(36,046,994)	(16,479,068)	(233,073,181)
Distributions reinvested	-	-	-	-	-	-	23,155
Total increase (decrease) from participant transactions	6,400,200	15,621,509	23,383,037	22,811,080	22,723,232	8,336,123	135,875,329
Change in net position	6,719,687	16,897,312	25,062,330	23,421,923	20,599,114	4,885,727	134,144,247
Net position, beginning of fiscal year	24,222,697	58,448,401	103,138,271	140,856,712	177,594,121	105,085,612	830,950,459
Net position, end of fiscal year	\$ 30,942,384	\$ 75,345,713	\$ 128,200,601	\$ 164,278,635	\$ 198,193,235	\$ 109,971,339	\$ 965,094,706

OTHER INFORMATION

**State of Illinois
Office of the Treasurer**

**College Savings Program
Key Performance Measures
As of June 30, 2013 and 2012
(Unaudited)**

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	2013	2012	2013	2012	2013	2012
Bright Start						
Number of Participant Accounts	198,108	185,233	54,807	52,248	252,915	237,481
Assets	\$3,214,811,524	\$ 2,773,394,993	\$1,051,753,872	\$ 797,398,213	\$ 4,266,565,396	\$ 3,570,793,206

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, 2013 and 2012
(Unaudited)**

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	2013	2012	2013	2012	2013	2012
Bright Directions						
Number of Participant Accounts	70,711	62,445	6,946	5,521	77,657	67,966
Market Value	\$1,132,433,983	\$ 875,905,528	\$ 130,580,694	\$ 89,200,497	\$ 1,263,014,677	\$ 965,106,025

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.

Bright Start College Savings Program Investment Policy Statement

Effective November 12, 2012

I. Statement of Purpose of Investment Policy

The purpose of this Statement is to assist contractors retained by the 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’s Office in evaluating the performance of such contractors by:

- Describing the Treasurer’s investment objectives;
- Providing general guidelines for the investment of assets of the Program;
- Describing the Treasurer’s long-term investment strategy;
- Describing the process of evaluating the performance of contractors that provide investment management services to the Program; and
- Specifying the responsibilities of any contractors that provide investment management services to the Program.

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

II. 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.

III. 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 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 (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 Investment Policy Statement 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
- 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.

The administration and offering of the Program should not be relied upon as a guarantee to Account Owners. Each Account Owner should seek appropriate advice, as he or she deems necessary.

IV. 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 individual with the ability to invest in a diversified portfolio to meet his or her long-term investment goals.

V. 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 his or her responsibilities,

the Treasurer may rely on one or more contractors to assist in the administration of the Program. The Treasurer has engaged, and plans to rely heavily on, OFI Private Investments Inc. (the “*Manager*”) for various investment management and related administrative 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 (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's Office 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.

VI. 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 Investment Policy Statement 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.

VII.

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 2500 Index	9%	7%	6%	5%	3%	1%
International Equity	MSCI EAFE Index	18%	14%	12%	10%	6%	2%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	10%	25%	25%	25%	20%	15%
	Barclays Capital 1-5 Yr. Government Index	0%	5%	15%	25%	35%	35%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	0%	0%	0%	0%	15%	40%

Direct Plan: Index 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%
	S&P Completion Index	9%	7%	6%	5%	3%	1%
International Equity	MSCI EAFE Index	18%	14%	12%	10%	6%	2%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	10%	20%	30%	40%	50%	70%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	0%	10%	10%	10%	20%	20%

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 2500 Index	0%	0%	10%	5%	0%
International Equity	MSCI EAFE Index	0%	0%	20%	10%	0%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	80%	0%	0%	40%	0%
	Barclays Capital 1-3 Yr. Government Index	0%	100%	0%	0%	0%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	20%	0%	0%	10%	100%

Indexed 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	MSCI EAFE Index	0%	20%	10%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	80%	0%	40%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	20%	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%	8.50%	5%	2%
	Russell 1000 Growth Index	16%	12%	10%	8.50%	5%	2%
	Russell 2500 Index	15%	11%	10%	8%	5%	1%
International Equity	MSCI EAFE Index	13%	10%	8.50%	7%	4.50%	1.50%
	MSCI Emerging Markets Index	5%	4%	3.50%	3%	1.50%	0.50%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	9%	15%	20%	22.50%	25%	16%
	Barclays Capital 1-3 Yr. Government Index	0%	12%	16%	22.50%	28%	55%
International Fixed Income	Citi World Government Bond Index (ex-U.S.)	1%	3%	4%	5%	7%	4%
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%	19.50%	9%	0%
	Russell 1000 Growth Index	0%	0%	19.50%	9%	0%
	Russell 2500 Index	0%	0%	16%	7%	0%
International Equity	MSCI EAFE Index	0%	0%	14%	7%	0%
	MSCI EMG Mkts. Index	0%	0%	6%	3%	0%
Domestic Fixed Income	Barclays Capital Aggregate Bond Index	30%	0%	0%	25%	0%
	Barclays Capital 1-3 Yr Government Index	35%	100%	0%	10%	0%
International Fixed Income	Citi World Government Bond Index (ex-U.S.)	10%	0%	0%	0%	0%
Money Market Instruments	iMoney Net First Tier Institutional Money Market Index	25%	0%	0%	15%	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 three-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.

Principal Protection Income Portfolio

The Principal Protection Income Portfolio attempts to reduce significantly under normal circumstances fluctuations in the value of its assets, other than money market securities and money market fund securities, by investing in Security Backed Investment Contracts (also called Synthetic Guaranteed Investment Contracts or Synthetic GICs). Security Backed Investment Contracts are comprised of two components: investment contracts (also called "Wrapper Agreements) and an underlying portfolio of marketable fixed income securities which are held and owned by the Portfolio on behalf of investors.

Wrapper Agreements are issued by high quality financial institutions such as an insurance company or a bank (a "Wrapper Provider") whose long-term credit rating at the time the Wrapper Agreement is entered into must be a minimum of A1 by Moody's, A by S& P, or A by Fitch. A Wrapper Agreement enables the Portfolio, regardless of market fluctuations, to value the assets of the Portfolio covered by the Wrapper Agreement (the "Covered Assets") at their book value. Book value generally means all Contributions allocated to the Portfolio that are invested in Covered Assets, plus all income accrued at the "Crediting Rate", as in effect from time to time, less the sum of withdrawals from the Covered Assets. Should the amount received from liquidating all of the Covered Assets ever be insufficient to satisfy requested withdrawals from the Portfolio that are covered by the Wrapper Agreements, under normal circumstances the Wrapper Provider would be obligated to pay the amount of the shortfall to the Portfolio. It is expected that the Portfolio will value the Wrapper Agreements at the difference between the book value and the market value of the Covered Assets. If the market value of the Covered Assets exceeded their book value, the difference would not be reflected in the Portfolio's valuation of the Covered Assets. The Treasurer has approved Galliard Capital Management, Inc. ("Galliard") to manage the assets of the Portfolio and acknowledges that neither OFI nor any of its affiliates are liable to the Portfolio for impairments to Book Value as described in the Wrapper Agreement.

The Treasurer has elected to terminate the Principal Protection Income Portfolio before June 30, 2013. Effective February 6, 2012, the Principal Protection Income Portfolio was closed to new contributions. Any contributions received for the Principal Protection Income Portfolio on or after February 6, 2012 will be automatically redirected into the appropriate Money Market Portfolio. In connection with the closure of the Principal Protection Income Portfolio, beginning February 6, 2012, the annual asset based sales charge associated with units of that Portfolio was eliminated and ongoing compensation will no longer be paid to financial advisors and brokers for that Portfolio. Galliard, the investment manager of the Portfolio, has been instructed by the Treasurer to oversee the liquidation and/or maturation of all remaining securities in the Principal Protection Income Portfolio. Income and proceeds from the Portfolio are being reinvested in money market funds seeking preservation of principal.

State of Illinois
Office of the Treasurer
BRIGHT DIRECTIONS COLLEGE SAVINGS PROGRAM
INVESTMENT POLICY STATEMENT
Effective November 2012

1.0 Statement of Purpose of Investment Policy: The purpose of this Statement is to assist contractors retained by the 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's Office in evaluating the performance of such contractors by:

- Describing the Treasurer's investment objectives;
- Providing general guidelines for the investment of assets of the Program;
- Describing the Treasurer's long-term investment strategy;
- Describing the process of evaluating the performance of employees or contractors that provide investment management services to the Program; and
- Specifying the responsibilities of any contractors that provide investment management services to the Program.

This is the official Investment Policy Statement 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 compliment 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 Northern Trust Securities, Inc., acting as distributor for the Program. All new accounts in the Program will be processed through Union Bank & Trust Company ("Union Bank") as a participating financial institution. Union Bank has elected not to accept deposits in the Program as provided in Illinois Public Act 91-0607.

4.0 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 public security markets will be the primary risk control mechanisms.

In 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 Investment Policy Statement at least annually.

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

- A. Short Term Investments
- B. Fixed Income Investments
- C. Real Estate Investments
- D. Domestic Equity Investments
- E. 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.

The administration and offering of the Program should not be relied upon as a guarantee to participants. Each participant should seek appropriate advice as he or she deems necessary.

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.
- 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, 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 has engaged, and plans to rely heavily on Union Bank for administrative services and on Union Bank and its investment advisor, Wilshire Funds Management, the investment management business unit of Wilshire Associates Incorporated, for investment management services. The Treasurer also plans to rely heavily on an external investment consultant for investment advisory services. Among the current responsibilities of Union Bank 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, Union Bank has retained Wilshire Funds Management 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's Office and Union Bank 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, Union Bank 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.

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 Union Bank. 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 Investment Policy Statement.

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 - 8 yrs	9 - 12 yrs	13 - 16 yrs	17 - 20 yrs	21+ yrs		
Growth Option			0 - 8 yrs	9 - 12 yrs	13 - 16 yrs	17 - 20 yrs	21+ yrs	
Balanced Option				0 - 8 yrs	9 - 12 yrs	13 - 16 yrs	17 - 20 yrs	21+ yrs
Target Portfolios	Benchmark	Fund 100	Fund 80	Fund 60	Fund 40	Fund 20	Fund 10	Fixed Income
Large Cap Value	Russell 1000 Value	19.00%	15.00%	11.00%	7.00%	3.50%	2.00%	0.00%
Large Cap Blend	S&P 500	16.00%	13.00%	10.50%	7.00%	3.50%	2.00%	0.00%
Large Cap Growth	Russell 1000 Growth	19.00%	15.00%	11.00%	7.00%	3.50%	2.00%	0.00%
Small Cap Value	Russell 2000 Value	3.00%	2.50%	1.50%	2.00%	1.00%	0.50%	0.00%
Small Cap Blend	Russell 2000	4.00%	3.00%	2.00%	2.00%	1.00%	0.50%	0.00%
Small Cap Growth	Russell 2000 Growth	3.00%	2.50%	1.50%	2.00%	1.00%	0.50%	0.00%
Global Real Estate	FTSE EPRA/NAREIT Global	3.00%	2.00%	2.00%	2.00%	1.50%	0.00%	0.00%
Foreign Stock	MSCI EAFE	25.00%	21.00%	16.50%	10.00%	5.00%	2.50%	0.00%
	MSCI World ex U.S. Small Cap	4.00%	3.00%	2.00%	0.00%	0.00%	0.00%	0.00%
	MSCI Emerging Markets	4.00%	3.00%	2.00%	1.00%	0.00%	0.00%	0.00%
Money Market	3-Month T-Bills	0.00%	0.00%	0.00%	0.00%	20.00%	40.00%	50.00%
Ultra-Short Bond	3-Month T-Bills	0.00%	0.00%	0.00%	20.00%	23.00%	25.00%	28.00%
Short Bond	ML 1-3 yr Treasury	0.00%	0.00%	20.00%	19.00%	17.00%	15.00%	12.00%
Intermediate Bond	Barclays U.S. Agg. Bond	0.00%	16.00%	14.00%	12.00%	12.00%	0.00%	0.00%
Foreign Bonds	Citigroup Non-U.S. World Gov't Bond	0.00%	4.00%	3.00%	2.00%	0.00%	0.00%	0.00%
U.S. TIPS	Barclays U.S. TIPS	0.00%	0.00%	3.00%	7.00%	8.00%	10.00%	10.00%

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/Ultra Short Bond	3 Month T-Bill
Low Duration	ML 1-3 Treasury Index
Corporate Bond	Barclays U.S. Credit Index
Intermediate Bond	Barclays U.S. Aggregate Bond Index
Foreign Bonds	Citigroup Non-U.S. World Government Bond Index
U.S. TIPS	Barclays U.S. TIPS Index
Balanced	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
Global Real Estate	FTSE EPRA/NAREIT Global Index

7.0 Investment Parameters – Continued

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.

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 three 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 the Female- and Minority-Owned Portfolios consistent with this Investment Policy Statement.

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 William G. Holland
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, 2013, and the related notes to the financial statements, and have issued our report thereon dated December 10, 2013.

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 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.

The image shows a handwritten signature in black ink that reads "McGladrey LLP". The signature is written in a cursive, flowing style.

Schaumburg, Illinois
December 10, 2013