

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

Financial Audit
For the Years Ended June 30, 2021 and 2020

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

State of Illinois
Office of the Treasurer
College Savings Program
Financial Audit
For the Years Ended June 30, 2021 and 2020

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**State of Illinois
Office of the Treasurer
College Savings Program
Financial Audit
For the Year Ended June 30, 2021**

Office of the Treasurer's Officials

Treasurer	The Honorable Michael W. Frerichs
Chief of Staff	Mr. G. Allen Mayer
Deputy Treasurer & Chief Investment Officer* (July 1, 2020 to June 30, 2021)	Mr. Rodrigo Garcia
Deputy Treasurer** (July 1, 2021 to Present)	Vacant
Chief Investment Officer (<i>Acting</i>)** (July 1, 2021 to Present)	Mr. Joseph Aguilar
General Counsel & Ethics Officer	Ms. Laura Duque
Executive Inspector General for the Illinois State Treasurer (July 1, 2020 to October 15, 2021) (October 16, 2021 to Present)	Mr. Dennis Rendleman Mr. Chris Flynn
Chief Internal Auditor	Ms. Leighann Manning
Chief Financial Products Officer	Mr. Fernando Diaz
Director of College Savings	Mr. John Mitchell
Director of Investment Analysis & Due Diligence	Mr. Joseph Aguilar
Director of Fiscal Operations (July 1, 2019 to June 30, 2021) (July 1, 2021 to Present)	Ms. Deborah Miller Mr. Wes Howerton
Chief Fiscal Officer (<i>Acting</i>)** (July 1, 2021 to Present)	Ms. Deborah Miller

*Position was eliminated as of July 1, 2021

**New position as of July 1, 2021

**State of Illinois
Office of the Treasurer**

**College Savings Program
Financial Audit
For the Years Ended June 30, 2021 and 2020**

Office of the Treasurer's Offices

The Office of the Treasurer had the following office locations during the year:

Executive Office
State Capitol
219 State House
Springfield, Illinois 62706

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

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

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

Operational Divisions
Marine Bank Building
1 East Old State Capitol Plaza
Springfield, Illinois 62701

FINANCIAL STATEMENT REPORT

**State of Illinois
Office of the Treasurer
College Savings Program
Financial Audit
For the Years Ended June 30, 2021 and 2020**

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 Crowe LLP as of and for the years ended June 30, 2021 and 2020.

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

Summary of Findings

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
PRIOR FINDING NOT REPEATED				
A	142	2020	Inadequate Internal Controls Related to Review of Financial Statements	Significant Deficiency

Exit Conference

The Office waived an exit conference in correspondence from Leighann Manning, Chief Internal Auditor on January 5, 2022.

Independent Auditor's Report

Independent Auditor's Report

The Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the College Savings Program, a fiduciary (investment trust) fund of the State of Illinois, Office of the Treasurer, as of and for the years ended June 30, 2021 and 2020, 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 an opinion 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 financial position of the College Savings Program, of the State of Illinois, Office of the Treasurer, as of June 30, 2021 and 2020, and the 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, 2021 and 2020, the changes in financial position, or, where applicable, cash flows 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 audits were 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 22 - 95), and the Other Information (pages 96 - 139) as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The Supplementary Information, consisting of the combining statements and statements by portfolio, 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 report dated January 11, 2022, 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 that report is solely 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 the effectiveness of the Office of the Treasurer's internal control over financial reporting or on compliance. That 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 over financial reporting of the College Savings Program and its compliance.

Crowe LLP

Springfield, Illinois
January 11, 2022

Financial Statements

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Fiduciary Net Position
June 30, 2021 and 2020**

	2021	2020
Assets		
Cash and Cash Equivalents	\$ 1,057,039,556	\$ 991,409,140
Capital Shares Receivable	20,614,746	15,508,277
Dividends Receivable	14,115,090	9,893,088
Mutual Funds	15,703,568,577	11,969,606,366
	<hr/>	<hr/>
Total Assets	16,795,337,969	12,986,416,871
	<hr/>	<hr/>
Liabilities and Net Position		
Liabilities		
Capital Shares Payable	18,424,757	13,114,997
Other Liabilities	10,419,274	11,805,203
	<hr/>	<hr/>
Total Liabilities	28,844,031	24,920,200
	<hr/>	<hr/>
Net Position Held in Trust for Participants	\$ 16,766,493,938	\$ 12,961,496,671
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these statements.

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2021 and 2020**

	2021	2020
Additions		
Investment Income (Expense)		
Investment Earnings	\$ 332,951,342	\$ 318,751,535
Net Change in Fair Value of Investments	2,721,516,579	87,519,403
State Administrative Fees	(2,771,106)	(2,370,208)
Other Operating Expenses	(85,746)	(3,781)
12b-1 Fees	(17,767,284)	(15,726,929)
Management and Bank Custodial Fees	(14,989,099)	(13,357,502)
	<u>3,018,854,686</u>	<u>374,812,518</u>
Other Participant Transactions		
Program Contributions	<u>1,837,813,910</u>	<u>1,632,971,160</u>
	4,856,668,596	2,007,783,678
Deductions		
Program Distributions	<u>1,051,671,329</u>	<u>999,555,661</u>
	1,051,671,329	999,555,661
Change in Net Position	3,804,997,267	1,008,228,017
Net Position, Beginning of Fiscal Year	<u>12,961,496,671</u>	<u>11,953,268,654</u>
Net Position, End of Fiscal Year	<u>\$ 16,766,493,938</u>	<u>\$ 12,961,496,671</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, 2021 and 2020**

Background

In May 1999, the General Assembly of the State of Illinois adopted Public Act 91-0607 authorizing the Illinois State Treasurer's Office (the "Office") 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. Bright Start is offered as the Direct-sold Plan and Bright Directions is offered as the Advisor-sold Plan.

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

Under the Program, Program participants (the "Account Owners") select investment portfolios for their accounts established for the purpose of helping Account Owners meet the qualified higher education expenses of the Beneficiaries designated on the Program accounts (the "Accounts"). Amounts contributed to the Program will be invested in the College Savings Trust (the "Trust"). Union Bank and Trust Company ("UBT") advises the Office on the investment of contributions and provided administrative, recordkeeping and marketing services for Bright Start and Bright Directions Programs. As such, UBT acts as program manager (the "Manager") of the two investment programs. The Office 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 Annual Comprehensive 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.

The College Savings Program is an instrumentality of the State of Illinois, with the assets segregated into a Trust, and the Office 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 Annual Comprehensive Financial Report as an investment trust fund. The scope of the College Savings Program financial statements presented herein is limited to the financial position of the College Savings Program investment trust fund.

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 1. Summary of Significant Accounting Policies (Continued)

Fiduciary Fund

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying and reporting fiduciary activities. The statement was implemented by the Office for the fiscal year ended June 30, 2021. The Office determined the Program should continue to be reported as a fiduciary fund. The implementation of this statement did result in changing the type of fiduciary fund from a private-purpose trust fund to an investment trust fund. The presentation of the financial statements and notes to the financial statements did not change. This trust fund is used to account for assets held by the Office 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 as determined 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.

Eliminations

Participants move funds between portfolios within a plan (Bright Start or Bright Directions) in addition to moving funds from one plan to another plan within the College Savings Program. Intra-fund activity for transfers between Bright Start portfolios of \$2.962 billion in fiscal year 2021 and \$2.594 billion in fiscal year 2020 reported in the Statement of Changes in Fiduciary Net Position by Portfolio for Bright Start were eliminated from the Combining Statements of Changes in Fiduciary Net Position. Intra-fund activity for transfers between Bright Directions portfolios of \$2.372 billion in fiscal year 2021 and \$2.250 billion in fiscal year 2020 reported in the Statement of Changes in Fiduciary Net Position by Portfolio for Bright Directions were eliminated from the Combining Statements of Changes in Fiduciary Net Position. Intra-fund activity, transfers between the Bright Start and Bright Directions plans and transfers between portfolios within each

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 1. Summary of Significant Accounting Policies (Continued)

plan, related to portfolio exchanges of \$8.589 million and \$19.057 million were eliminated, in fiscal years 2021 and 2020, respectively.

Note 2. Investments

Governmental Accounting Standards Board (GASB) 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.

Fair Value Measurements:

The College Savings Program investments are recorded at fair value as of June 30, 2021 and 2020. GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

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

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

Bright Start College Savings Program

Permitted Investments:

The Office's Bright Start investment activities are governed by the Office'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 Office has adopted its own investment practices, which supplements the statutory requirements.

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

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Each Portfolio allocates assets in a combination of underlying investments, including but not limited to the following broad asset categories: short-term investments, fixed income investments, real estate investments, domestic equity investments, and international equity investments. The asset allocation of each Portfolio is established by the Office and managed by the Manager. The Office 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 offered the following investment portfolios in fiscal year 2021 and 2020:

Index Age Based Portfolios

- Aggressive
- Moderate
- Conservative

The goal of a portfolio under the Index 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 while mirroring the Index or Benchmark of the underlying funds.

Multi-Firm Age Based Portfolios

- Aggressive
- Moderate
- Conservative

The goal of a portfolio under the Multi-Firm 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 while attempting to outperform the Index or Benchmark of the underlying funds.

Index Target Portfolios

- Index Equity
- Index Balanced
- Index Fixed Income

The Index Target Portfolios are asset allocation portfolios that invest in a set or “static” mix of equity, fixed income, or money market funds, with the objective of mirroring the performance of the underlying funds respective benchmark or index. The allocation between equity, fixed income, and money market investments within the Target Portfolios does not change as the Beneficiary gets older.

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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Investment Options (Continued):

General Overview (Continued)

Multi-Firm Target Portfolios

- Multi-Firm Equity
- Multi-Firm Balanced
- Multi-Firm Fixed Income

The Multi-Firm Target Portfolios are asset allocation portfolios that invest in a set or “static” mix of equity, fixed income, or money market funds, with the objective of outperforming the performance of the underlying funds respective benchmark or index. The allocation between equity, fixed income, and money market investments within the Target Portfolios does not change as the Beneficiary gets older.

Individual Portfolios

- Vanguard Federal Money Market 529 Portfolio
- Baird Short-Term Bond 529 Portfolio
- Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio
- Vanguard Total Bond Market Index 529 Portfolio
- Dodge & Cox Income 529 Portfolio
- Vanguard Total International Bond Index 529 Portfolio
- Vanguard 500 Index 529 Portfolio
- T. Rowe Price Large Cap Growth 529 Portfolio
- Ariel 529 Portfolio
- DFA U.S. Targeted Value 529 Portfolio
- Vanguard Explorer 529 Portfolio
- Vanguard Total International Stock Index 529 Portfolio
- DFA International Small Company 529 Portfolio
- Vanguard Real Estate Index 529 Portfolio
- DFA U.S. Large Cap Value 529 Portfolio
- Vanguard Total Stock Market Index 529 Portfolio

The Bright Start Program offered sixteen 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.

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 Office has adopted a long - term total return strategy. A long - term diversified

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Investment Risk (Continued):

Interest Rate and Credit Risk (Continued):

asset allocation strategy based on (1) asset classes (stocks, bonds, cash, etc.), (2) geography/country, (3) industry, (4) maturity will be the primary method of risk control, and (5) duration.

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

The fair values, interest rate risk and credit risk of the money market and fixed income funds, which make up a portion of the total Cash and Cash Equivalents and Mutual Funds, for the Bright Start Program as of June 30, 2021 are detailed in the table below.

Type	Fair Value	Interest Rate Risk Duration	Calculation Method	Credit Risk	Rating Service
Money Market:	\$ 627,394,840	39 days	Average Maturity	NR*	NA**
Fixed Income Funds:	2,907,774,962	5.46 yrs	Effective Maturity	NR*	NA**
	268,407,484	5.20 yrs	Effective Duration	NR*	NA**
	<u>\$ 3,803,577,286</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, interest rate risk and credit risk of the money market and fixed income funds, which make up a portion of the total Cash and Cash Equivalents and Mutual Funds, for the Bright Start Program as of June 30, 2020 are detailed in the table below.

Type	Fair Value	Interest Rate Risk Duration	Calculation Method	Credit Risk	Rating Service
Money Market:	\$ 598,659,631	57 days	Weighted Average Maturity	NR*	NA**
Fixed Income Funds:	2,324,018,303	5.48 yrs	Effective Maturity	NR*	NA**
	222,941,780	5.00 yrs	Effective Duration	NR*	NA**
	<u>\$ 3,145,619,714</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
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Program determines the fair value for investments classified in Level 1 by using quoted prices as of the close of the New York Stock Exchange (the Exchange). The fair value of investments classified in Level 2 are valued using quoted prices for identical assets in markets that are not active.

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

The Bright Start Program is managed by Union Bank and Trust, which has provided the Office with the fair value measurements, the level of fair value hierarchy, and the valuation techniques as of June 30, 2021 and 2020. The Program classified its investments in the underlying mutual funds as Level 1, totaling \$9,500,858,861 and \$7,151,397,307, for June 30, 2021 and 2020, respectively, without consideration as to the classification level of the specific investments held by the underlying investments.

The following table summarizes the Program's investments within the fair value hierarchy at June 30, 2021:

Type	Fair Value		Level 1		Level 2		Level 3	
Money Market:	\$	627,394,840	\$	627,394,840	\$	-	\$	-
Mutual Funds:		8,873,464,021		8,873,464,021		-		-
Total:	\$	9,500,858,861	\$	9,500,858,861	\$	-	\$	-

The following table summarizes the Program's investments within the fair value hierarchy at June 30, 2020:

Type	Fair Value		Level 1		Level 2		Level 3	
Money Market:	\$	598,659,631	\$	598,659,631	\$	-	\$	-
Mutual Funds:		6,552,737,676		6,552,737,676		-		-
Total:	\$	7,151,397,307	\$	7,151,397,307	\$	-	\$	-

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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Bright Directions College Savings Program

Permitted Investments:

The Office's Bright Directions investment activities are governed by the Office'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 Office has adopted its own investment practices, which supplements the statutory requirements.

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

Investment Options:

General Overview

The Bright Directions Program offered the following investment portfolios during fiscal years 2021 and 2020:

Fiscal Year 2021

Eleven Target Portfolios
Thirty Two Individual Fund Portfolios
Fifteen Exchange-Traded Fund Portfolios
Two Female & Minority Owned Portfolios

Fiscal Year 2020

Eleven Target Portfolios
Thirty One Individual Fund Portfolios
Fifteen Exchange-Traded Fund Portfolios
Two Female & Minority Owned Portfolios

Additionally, there are three Age-Based Portfolios, each with nine beneficiary age ranges, which are imbedded within the other fund portfolio options.

The Age-Based portfolios are designed to reduce the account's exposure to equity securities the closer the Beneficiary is to college age; the Target Portfolios maintain a constant asset allocation between equity, fixed income, and money market securities; the Individual Fund Portfolios each invest in a single underlying investment; the Exchange-Traded Fund ("ETF") Portfolios invest in Vanguard ETFs; 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, ETF, and Female & Minority Owned Portfolios have been designed by the Office, Manager, and Wilshire Associates.

Brief Description of Investment Options:

Age-Based Portfolios:

The Age-Based Portfolios generally invest in a mix of equity, fixed income, real estate, 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, real estate, and money market funds becomes more conservative relative to the allocation in earlier years. For each Aged-Based Portfolio, the Program will automatically exchange assets to the next age band during the month the Beneficiary reaches such age band.

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Brief Description of Investment Options (Continued):

Age-Based Portfolios (Continued):

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

- Age-Based Aggressive Portfolio
- Age-Based Moderate Portfolio
- Age-Based Conservative Portfolio

Each Age-Based Option has nine Age-Based Portfolios based on the Beneficiary's age: 0-2 years, 3-5 years, 6-8 years, 9-10 years, 11-12 years, 13-14 years, 15-16 years, 17-18 years, and 19 years and over.

Target Portfolios:

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

- Fund 100
- Fund 90
- Fund 80
- Fund 70
- Fund 60
- Fund 50
- Fund 40
- Fund 30
- Fund 20
- Fund 10
- Fixed Income Fund

Individual Fund Portfolios:

The Bright Directions Program offered thirty-two Individual Fund Portfolios (thirty-five portfolios are listed below due to the addition/removal of portfolios on August 22, 2018, August 29, 2019, May 29, 2019, September 26, 2019, and October 1, 2020). 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 Beacon Garcia Hamilton Quality Bond 529 Portfolio (Added October 1, 2020)
- American Century Equity Growth 529 Portfolio
- American Century Growth 529 Portfolio
- American Century Short Duration Inflation Protection Bond 529 Portfolio
- American Century Value 529 Portfolio
- Baird Short-Term Bond Institutional 529 Portfolio
- BlackRock Inflation Protected Bond 529 Portfolio

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**College Savings Program
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Note 2. Investments (Continued)

Brief Description of Investment Options (Continued):

Individual Fund Portfolios (Continued):

- Calvert Equity 529 Portfolio
- Causeway Emerging Markets 529 Portfolio
- Delaware Small Cap Core 529 Portfolio
- DFA International Small Company 529 Portfolio
- DFA Real Estate Securities 529 Portfolio (Added August 29, 2019)
- Dodge & Cox International Stock 529 Portfolio
- Fidelity US Bond Index 529 Portfolio (Added September 26, 2019)
- Harbor Small Cap Growth Opportunities 529 Portfolio
- Invesco Government & Agency 529 Portfolio
- Invesco Oppenheimer International Growth 529 Portfolio
- MainStay Mackay Total Return Bond 529 Portfolio
- MFS Value 529 Portfolio
- Northern Funds Bond Index 529 Portfolio (Removed September 26, 2019)
- 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
- PGIM Core Bond 529 Portfolio (Added October 1, 2020)
- PIMCO Short-Term 529 Portfolio
- Principal Global Real Estate Securities 529 Portfolio
- T. Rowe Price Balanced 529 Portfolio
- T. Rowe Price Equity Income 529 Portfolio
- T. Rowe Price Extended Equity Market Index 529 Portfolio
- T. Rowe Price Large Cap Growth 529 Portfolio
- T. Rowe Price Real Estate 529 Portfolio (Removed on May 29, 2019)
- Templeton International Bond 529 Portfolio
- Voya Global Real Estate 529 Portfolio (Removed on August 22, 2018)
- 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 available under Fee Structure F. Fee Structure F is available only to Account Owners that establish an Account through registered investment advisors or other financial advisors that are not compensated through commissions, but rather through payment of an hourly fee or a percentage of assets under management.

The Exchange-Traded Fund Portfolios offered are as follows:

- Vanguard FTSE Developed Markets ETF 529 Portfolio
- Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio
- Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
- Vanguard Mega Cap ETF 529 Portfolio
- Vanguard Mega Cap Growth ETF 529 Portfolio
- Vanguard Mega Cap Value ETF 529 Portfolio

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**College Savings Program
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Note 2. Investments (Continued)

Brief Description of Investment Options (Continued):

Exchange-Traded Fund Portfolios (Continued):

- 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
- Vanguard Small-Cap Growth ETF 529 Portfolio
- Vanguard Small-Cap Value ETF 529 Portfolio
- Vanguard Total Bond Market ETF 529 Portfolio

Female & Minority Owned Portfolios:

The Bright Directions Program offers two 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 529 Portfolio
- SIT Dividend Growth 529 Portfolio

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 Office 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 is the primary method of risk control.

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

The fair values, interest rate risk and credit risk of the money market and fixed income funds, which make up a portion of the total Cash and Cash Equivalents and Mutual Funds, for the Bright Directions Program as of June 30, 2021 are detailed in the table below.

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Type	Fair Value	Interest Rate Risk Duration	Calculation Method	Credit Risk	Rating Service
Money Market:	\$ 424,671,215	51 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:	166,167,989	7.600 years	Average Maturity	NR*	NA**
	1,553,668,498	4.030 years	Effective Maturity	NR*	NA**
	651,814,705	5.851 years	Weighted Average Maturity	NR*	NA**
	423,776,543	3.099 years	Effective Duration	NR*	NA**
	<u>\$ 3,220,098,950</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, interest rate risk and credit risk of the money market and fixed income funds, which make up a portion of the total Cash and Cash Equivalents and Mutual Funds, for the Bright Directions Program as of June 30, 2020 are detailed in the table below.

Type	Fair Value	Interest Rate Risk Duration	Calculation Method	Credit Risk	Rating Service
Money Market:	\$ 383,489,990	38 days	Weighted Average Maturity	AAAm	S&P
Fixed Income Funds:	485,956,001	7.967 years	Average Maturity	NR*	NA**
	1,309,550,450	4.127 years	Effective Maturity	NR*	NA**
	198,298,942	2.140 years	Weighted Average Maturity	NR*	NA**
	353,242,723	3.296 years	Effective Duration	NR*	NA**
	<u>\$ 2,730,538,106</u>				

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

**Not applicable

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Program determines the fair value for investments classified in Level 1 by using quoted prices as of the close of the New York Stock Exchange (the Exchange). The fair value of investments classified in Level 2 are valued using quoted prices for identical assets in markets that are not active.

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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 2. Investments (Continued)

Fair Value Measurement (Continued):

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

The Bright Directions Program is managed by Union Bank and Trust, which has provided the Office with the fair value measurements, the level of fair value hierarchy, and the valuation techniques as of June 30, 2021 and 2020. The Program classified each of its investments in the registered underlying mutual funds as Level 1, totaling \$7,254,775,771 and \$5,800,358,680, for June 30, 2021 and 2020, respectively, without consideration as to the classification level of the specific investments held by the underlying investments.

The following table summarizes the Program's investments within the fair value hierarchy at June 30, 2021:

Type	Fair Value	Level 1	Level 2	Level 3
Money Market:	\$ 424,671,215	\$ 424,671,215	\$ -	\$ -
Mutual Funds:	6,830,104,556	6,830,104,556	-	-
Total:	<u>\$ 7,254,775,771</u>	<u>\$ 7,254,775,771</u>	<u>\$ -</u>	<u>\$ -</u>

The following table summarizes the Program's investments within the fair value hierarchy at June 30, 2020:

Type	Fair Value	Level 1	Level 2	Level 3
Money Market:	\$ 383,489,990	\$ 383,489,990	\$ -	\$ -
Mutual Funds:	5,416,868,690	5,416,868,690	-	-
Total:	<u>\$ 5,800,358,680</u>	<u>\$ 5,800,358,680</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3. Administrative Fees

To administer the College Savings Program, the Office has a division titled, "The College Savings Program Division." This division had three employees as of June 30, 2021. The revenues and expenses of the division are recorded in an enterprise proprietary fund maintained by the Office titled College Savings Program Administrative Trust Fund No. 668.

**State of Illinois
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**College Savings Program
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020**

Note 3. Administrative Fees (Continued)

The Manager of the College Savings Program receives fees for their services. The Bright Start Program management fee was at an annual rate of 0.08% through January 13, 2020. The rate has been reduced to 0.075% as of January 13, 2020. The Bright Directions Program management fee was at an annual rate of 0.15% of the average daily net assets of each Portfolio through January 13, 2020. The annual rate was reduced to 0.14% effective January 13, 2020. The fee is calculated daily but payable monthly.

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

	2021	2020
Management & Bank Custodial Fees	\$ 14,989,099	\$ 13,357,502
Administrative Trust Fund expenses	2,177,775	1,907,187

Note 4. Contingencies

The Office was involved in the *Kay v. Frerichs* lawsuit, brought in 2018 and decided in favor of the Office in 2019. While the Office obtained a favorable decision in the lower court, the Plaintiff has appealed the matter. First District Appellate Court affirmed the ruling of the Circuit Court and issued its mandate dated July 28, 2021. Therefore, the case has been dismissed and is now closed.

There is a separate suit the Plaintiff filed against only the Department of Central Management Services, *Kay v. CMS*, 19-CH-12160. This matter is before Judge Meyerson, the same judge who presided over *Kay v. Frerichs*.

In *Kay v. CMS*, Plaintiff seeks payment of the \$10,000,000 bond the Treasurer was required to obtain pursuant to statute, for the conduct alleged in *Kay v. Frerichs*. While the lawsuit is against CMS only, the Treasurer would be responsible for paying up to the \$10,000,000 limit of the bond. Katherine Snitzer is the Assistant Attorney General (AG) Representing the Defendant. The AG filed a Motion to Dismiss.

Note 5. COVID-19 Impact

The COVID-19 pandemic continues to impact domestic and global financial markets. As a result, the Office is unable to accurately predict how the COVID-19 pandemic will impact the Program, account owner savings behavior, or the volume of distributions due to uncertainties surrounding the severity of the disease and the duration of its outbreak.

SUPPLEMENTARY INFORMATION

**State of Illinois
Office of the Treasurer**

**College Savings Program
Combining Statements of Fiduciary Net Position
June 30, 2021 and 2020**

	Bright Start		Bright Directions		Totals	
	2021	2020	2021	2020	2021	2020
Assets						
Cash and Cash Equivalents	\$ 630,287,300	\$ 605,352,642	\$ 426,752,256	\$ 386,056,498	\$ 1,057,039,556	\$ 991,409,140
Capital Shares Receivable	13,010,750	8,603,975	7,603,996	6,904,302	20,614,746	15,508,277
Dividends Receivable	9,407,841	4,882,678	4,707,249	5,010,410	14,115,090	9,893,088
Mutual Funds	8,873,464,021	6,552,737,676	6,830,104,556	5,416,868,690	15,703,568,577	11,969,606,366
Total Assets	9,526,169,912	7,171,576,971	7,269,168,057	5,814,839,900	16,795,337,969	12,986,416,871
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	11,405,162	6,971,913	7,019,595	6,143,084	18,424,757	13,114,997
Other Liabilities	2,660,506	4,418,371	7,758,768	7,386,832	10,419,274	11,805,203
Total Liabilities	14,065,668	11,390,284	14,778,363	13,529,916	28,844,031	24,920,200
Net Position Held in Trust for Participants	\$ 9,512,104,244	\$ 7,160,186,687	\$ 7,254,389,694	\$ 5,801,309,984	\$ 16,766,493,938	\$ 12,961,496,671

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**College Savings Program
Combining Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2021 and 2020**

	Bright Start		Bright Directions		Totals	
	2021	2020	2021	2020	2021	2020
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 193,592,851	\$ 183,509,072	\$ 139,358,491	\$ 135,242,463	\$ 332,951,342	\$ 318,751,535
Net Change in Fair Value of Investments	1,564,756,359	69,843,952	1,156,760,220	17,675,451	2,721,516,579	87,519,403
State Administrative Fees	(865,343)	(730,461)	(1,905,763)	(1,639,747)	(2,771,106)	(2,370,208)
12b-1 Fees	-	-	(17,767,284)	(15,726,929)	(17,767,284)	(15,726,929)
Other Operating Expenses	(49,254)	-	(36,492)	(3,781)	(85,746)	(3,781)
Management and Bank Custodial Fees	(6,070,565)	(5,213,918)	(8,918,534)	(8,143,584)	(14,989,099)	(13,357,502)
Net Investment Earnings	1,751,364,048	247,408,645	1,267,490,638	127,403,873	3,018,854,686	374,812,518
Other Participant Transactions						
Program Contributions	1,112,865,065	983,007,083	733,537,345	669,021,282	1,846,402,410	1,652,028,365
Total Increase from Participant Transactions	1,112,865,065	983,007,083	733,537,345	669,021,282	1,846,402,410	1,652,028,365
Total Additions	2,864,229,113	1,230,415,728	2,001,027,983	796,425,155	4,865,257,096	2,026,840,883
Deductions						
Program Distributions	512,311,556	478,463,193	547,948,273	540,149,673	1,060,259,829	1,018,612,866
Total Deductions	512,311,556	478,463,193	547,948,273	540,149,673	1,060,259,829	1,018,612,866
Change in Net Position	2,351,917,557	751,952,535	1,453,079,710	256,275,482	3,804,997,267	1,008,228,017
Net Position, Beginning of Fiscal Year	7,160,186,687	6,408,234,152	5,801,309,984	5,545,034,502	12,961,496,671	11,953,268,654
Net Position, End of Fiscal Year	\$ 9,512,104,244	\$ 7,160,186,687	\$ 7,254,389,694	\$ 5,801,309,984	\$ 16,766,493,938	\$ 12,961,496,671

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio
Bright Start
June 30, 2021**

	Multi-Firm Fixed Income Portfolio	Multi-Firm Fund 10	Multi-Firm Fund 20	Multi-Firm Fund 30	Multi-Firm Fund 40	Multi-Firm Fund 50
Assets						
Cash and Cash Equivalents	\$ 37,000,496	\$ 79,111,717	\$ 33,345,307	\$ 385,084	\$ -	\$ -
Capital Shares Receivable	130,515	284,485	732,810	610,469	795,644	250,818
Dividends Receivable	110,839	591,692	580,413	620,370	446,836	263,035
Mutual Funds	36,619,302	264,618,939	337,359,412	330,798,870	273,191,590	212,201,908
Total Assets	73,861,152	344,606,833	372,017,942	332,414,793	274,434,070	212,715,761
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	66,280	473,683	194,585	526,181	614,689	811,308
Other Liabilities	6,278	41,204	308,085	28,546	242,924	138,108
Total Liabilities	72,558	514,887	502,670	554,727	857,613	949,416
Net Position Held in Trust for Participants	\$ 73,788,594	\$ 344,091,946	\$ 371,515,272	\$ 331,860,066	\$ 273,576,457	\$ 211,766,345

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	Multi-Firm Balanced Portfolio Fund 60	Multi-Firm Fund 70	Multi-Firm Fund 80	Multi-Firm Fund 90	Multi-Firm Equity Portfolio Fund 100	Index Fixed Income Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ 170,434	\$ 118,278	\$ -	\$ -	70,548,548
Capital Shares Receivable	352,257	292,747	178,285	116,487	178,528	60,168
Dividends Receivable	377,358	258,027	172,527	102,170	506,576	255,892
Mutual Funds	293,462,089	191,730,604	136,480,650	87,638,232	515,580,591	70,382,158
Total Assets	294,191,704	192,451,812	136,949,740	87,856,889	516,265,695	141,246,766
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	252,337	190,890	284,665	144,255	353,776	41,016
Other Liabilities	86,931	16,490	11,882	74,582	82,333	8,674
Total Liabilities	339,268	207,380	296,547	218,837	436,109	49,690
Net Position Held in Trust for Participants	\$ 293,852,436	\$ 192,244,432	\$ 136,653,193	\$ 87,638,052	\$ 515,829,586	\$ 141,197,076

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	Index Fund 10	Index Fund 20	Index Fund 30	Index Fund 40	Index Fund 50	Index Balanced Portfolio Fund 60
Assets						
Cash and Cash Equivalents	\$ 65,080,849	\$ 31,789,856	\$ -	\$ 124,699	\$ 383,323	\$ -
Capital Shares Receivable	717,465	1,118,477	499,283	981,380	787,883	825,488
Dividends Receivable	568,897	642,485	745,000	752,671	504,465	618,986
Mutual Funds	217,527,779	317,062,057	369,393,285	465,476,936	464,897,103	679,106,582
Total Assets	283,894,990	350,612,875	370,637,568	467,335,686	466,572,774	680,551,056
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	89,430	819,890	872,733	724,833	778,638	932,595
Other Liabilities	17,222	21,104	124,787	28,308	28,644	347,461
Total Liabilities	106,652	840,994	997,520	753,141	807,282	1,280,056
Net Position Held in Trust for Participants	\$ 283,788,338	\$ 349,771,881	\$ 369,640,048	\$ 466,582,545	\$ 465,765,492	\$ 679,271,000

(Continued)

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	Index Fund 70	Index Fund 80	Index Fund 90	Index Equity Portfolio Fund 100	Ariel 529 Portfolio	Baird Short-Term Bond 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	41,873	\$ -
Capital Shares Receivable	567,509	224,418	377,248	370,833	89,322	7,610
Dividends Receivable	371,259	170,600	60,099	-	-	-
Mutual Funds	467,205,545	310,069,061	197,840,143	1,185,461,601	19,205,930	21,685,518
Total Assets	468,144,313	310,464,079	198,277,490	1,185,832,434	19,337,125	21,693,128
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	525,446	520,420	227,265	802,001	256,037	-
Other Liabilities	296,885	25,891	75,587	481,690	1,631	5,356
Total Liabilities	822,331	546,311	302,852	1,283,691	257,668	5,356
Net Position Held in Trust for Participants	\$ 467,321,982	\$ 309,917,768	\$ 197,974,638	\$ 1,184,548,743	\$ 19,079,457	\$ 21,687,772

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	DFA International Small Company 529 Portfolio	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Targeted Value 529 Portfolio	Dodge & Cox Income 529 Portfolio	T. Rowe Price Large Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 556	\$ 5,799	\$ -	\$ -	\$ 228,707	\$ 55,333
Capital Shares Receivable	81,816	34,511	142,447	16,105	221,511	42,049
Dividends Receivable	41,241	105,798	82,204	-	-	-
Mutual Funds	20,348,594	25,309,535	29,255,939	23,798,067	226,785,360	73,598,299
Total Assets	20,472,207	25,455,643	29,480,590	23,814,172	227,235,578	73,695,681
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	4,207	12,534	2,074	54,056	262,556	6,221
Other Liabilities	1,782	2,171	16,042	35,859	18,810	6,262
Total Liabilities	5,989	14,705	18,116	89,915	281,366	12,483
Net Position Held in Trust for Participants	\$ 20,466,218	\$ 25,440,938	\$ 29,462,474	\$ 23,724,257	\$ 226,954,212	\$ 73,683,198

(Continued)

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	Vanguard Federal Money Market 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio	Vanguard Total International Bond Index 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 311,401,417	\$ 81,495	\$ 98,825	\$ 13,282	\$ 53,178	\$ -
Capital Shares Receivable	394,075	415,427	92,323	26,645	304,574	51,897
Dividends Receivable	2,559	-	-	330,861	116,431	8,550
Mutual Funds	-	555,661,848	26,858,577	35,615,442	74,330,832	11,617,181
Total Assets	311,798,051	556,158,770	27,049,725	35,986,230	74,805,015	11,677,628
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	154,944	173,227	36,212	6,068	60,098	-
Other Liabilities	5,793	33,582	1,642	2,160	4,594	12,649
Total Liabilities	160,737	206,809	37,854	8,228	64,692	12,649
Net Position Held in Trust for Participants	\$ 311,637,314	\$ 555,951,961	\$ 27,011,871	\$ 35,978,002	\$ 74,740,323	\$ 11,664,979

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2021**

	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Total
Assets			
Cash and Cash Equivalents	\$ 75,538	\$ 172,706	\$ 630,287,300
Capital Shares Receivable	172,451	464,790	13,010,750
Dividends Receivable	-	-	9,407,841
Mutual Funds	103,830,846	201,457,616	8,873,464,021
Total Assets	104,078,835	202,095,112	9,526,169,912
Liabilities and Net Position			
Liabilities			
Capital Shares Payable	47,420	82,592	11,405,162
Other Liabilities	6,418	12,139	2,660,506
Total Liabilities	53,838	94,731	14,065,668
Net Position Held in Trust for Participants	\$ 104,024,997	\$ 202,000,381	\$ 9,512,104,244

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio
Bright Start
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	Multi-Firm Fixed Income Portfolio	Multi-Firm Fund 10	Multi-Firm Fund 20	Multi-Firm Fund 30	Multi-Firm Fund 40	Multi-Firm Fund 50
Assets						
Cash and Cash Equivalents	\$ 36,334,578	\$ 61,680,528	\$ 29,406,969	\$ 88,449	\$ -	\$ -
Capital Shares Receivable	163,796	297,679	1,174,925	561,009	305,678	309,551
Dividends Receivable	14,833	163,102	257,009	283,224	268,530	220,632
Mutual Funds	36,061,670	203,295,499	297,461,827	300,266,871	237,043,467	179,833,032
Total Assets	72,574,877	265,436,808	328,300,730	301,199,553	237,617,675	180,363,215
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	65,390	139,373	230,731	1,002,774	520,979	225,272
Other Liabilities	6,132	22,381	105,524	25,951	539,168	586,059
Total Liabilities	71,522	161,754	336,255	1,028,725	1,060,147	811,331
Net Position Held in Trust for Participants	\$ 72,503,355	\$ 265,275,054	\$ 327,964,475	\$ 300,170,828	\$ 236,557,528	\$ 179,551,884

(Continued)

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	Multi-Firm Balanced Portfolio Fund 60	Multi-Firm Fund 70	Multi-Firm Fund 80	Multi-Firm Fund 90	Multi-Firm Equity Portfolio Fund 100	Index Fixed Income Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 177,699	\$ -	\$ 66,131,231
Capital Shares Receivable	403,093	205,265	111,160	174,397	122,919	197,501
Dividends Receivable	292,045	187,693	134,589	65,561	518,440	84,121
Mutual Funds	228,880,315	139,765,429	99,161,200	48,675,083	392,168,767	66,071,709
Total Assets	229,575,453	140,158,387	99,406,949	49,092,740	392,810,126	132,484,562
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	367,662	329,391	196,914	39,989	151,442	33,978
Other Liabilities	37,177	44,460	90,080	4,197	147,971	8,043
Total Liabilities	404,839	373,851	286,994	44,186	299,413	42,021
Net Position Held in Trust for Participants	\$ 229,170,614	\$ 139,784,536	\$ 99,119,955	\$ 49,048,554	\$ 392,510,713	\$ 132,442,541

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	Index Fund 10	Index Fund 20	Index Fund 30	Index Fund 40	Index Fund 50	Index Balanced Portfolio Fund 60
Assets						
Cash and Cash Equivalents	\$ 53,448,053	\$ 24,083,597	\$ 34,493	\$ 732,652	\$ 443,859	\$ -
Capital Shares Receivable	557,523	231,852	305,757	322,806	645,549	413,349
Dividends Receivable	216,032	293,179	303,557	307,499	329,032	377,504
Mutual Funds	172,953,851	244,395,139	292,411,963	312,542,318	370,523,301	543,311,423
Total Assets	227,175,459	269,003,767	293,055,770	313,905,275	371,941,741	544,102,276
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	68,862	509,061	206,449	181,486	329,942	712,830
Other Liabilities	13,583	470,807	17,834	19,024	22,802	979,851
Total Liabilities	82,445	979,868	224,283	200,510	352,744	1,692,681
Net Position Held in Trust for Participants	\$ 227,093,014	\$ 268,023,899	\$ 292,831,487	\$ 313,704,765	\$ 371,588,997	\$ 542,409,595

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	Index Fund 70	Index Fund 80	Index Fund 90	Index Equity Portfolio Fund 100	Ariel 529 Portfolio	Baird Short-Term Bond 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 183,793	\$ -	\$ 85,610	\$ -	\$ -	\$ 121,737
Capital Shares Receivable	621,217	213,540	211,584	251,176	3,563	3,585
Dividends Receivable	187,531	79,216	16,208	-	-	-
Mutual Funds	356,949,864	237,823,676	107,673,546	874,338,846	5,730,286	16,728,853
Total Assets	357,942,405	238,116,432	107,986,948	874,590,022	5,733,849	16,854,175
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	312,218	508,267	54,935	510,600	13,362	487
Other Liabilities	21,960	576,788	6,545	386,554	23,234	1,392
Total Liabilities	334,178	1,085,055	61,480	897,154	36,596	1,879
Net Position Held in Trust for Participants	\$ 357,608,227	\$ 237,031,377	\$ 107,925,468	\$ 873,692,868	\$ 5,697,253	\$ 16,852,296

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	DFA International Small Company 529 Portfolio	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Targeted Value 529 Portfolio	Dodge & Cox Income 529 Portfolio	T. Rowe Price Large Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ 7,274	\$ 5,188	\$ 39,069	\$ 28,330	\$ 44,638
Capital Shares Receivable	2,842	5,955	4,530	6,310	241,077	26,109
Dividends Receivable	26,724	51,549	31,118	-	-	-
Mutual Funds	10,862,111	8,089,579	8,672,255	18,768,474	113,697,726	38,463,334
Total Assets	10,891,677	8,154,357	8,713,091	18,813,853	113,967,133	38,534,081
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	1,233	-	13,000	-	17,341	48,108
Other Liabilities	183,468	711	762	1,574	9,518	3,276
Total Liabilities	184,701	711	13,762	1,574	26,859	51,384
Net Position Held in Trust for Participants	\$ 10,706,976	\$ 8,153,646	\$ 8,699,329	\$ 18,812,279	\$ 113,940,274	\$ 38,482,697

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	Vanguard Federal Money Market 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio	Vanguard Total International Bond Index 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 331,610,634	\$ 341,478	\$ -	\$ 40,101	\$ 69,571	\$ 111,201
Capital Shares Receivable	93,602	213,756	4,071	30,572	108,765	5,658
Dividends Receivable	37,560	-	-	-	126,932	9,258
Mutual Funds	-	325,439,441	15,229,371	21,618,773	69,995,403	11,190,096
Total Assets	331,741,796	325,994,675	15,233,442	21,689,446	70,300,671	11,316,213
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	113,771	49,280	1,067	1,493	9,855	-
Other Liabilities	20,202	19,946	6,310	1,303	4,135	687
Total Liabilities	133,973	69,226	7,377	2,796	13,990	687
Net Position Held in Trust for Participants	\$ 331,607,823	\$ 325,925,449	\$ 15,226,065	\$ 21,686,650	\$ 70,286,681	\$ 11,315,526

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Start
June 30, 2020**

	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Total
Assets			
Cash and Cash Equivalents	\$ 31,005	\$ 70,905	\$ 605,352,642
Capital Shares Receivable	22,065	30,189	8,603,975
Dividends Receivable	-	-	4,882,678
Mutual Funds	56,802,544	89,840,634	6,552,737,676
Total Assets	56,855,614	89,941,728	7,171,576,971
Liabilities and Net Position			
Liabilities			
Capital Shares Payable	1,631	2,740	6,971,913
Other Liabilities	3,487	5,475	4,418,371
Total Liabilities	5,118	8,215	11,390,284
Net Position Held in Trust for Participants	\$ 56,850,496	\$ 89,933,513	\$ 7,160,186,687

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	American Beacon Garcia Hamilton Quality Bond 529 Portfolio	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ 2,462	\$ 6,659	\$ 2,156	\$ 10,609	\$ 25,414
Capital Shares Receivable	-	3,116	919	179	12,030	7,721
Dividends Receivable	72	-	-	-	-	-
Mutual Funds	51,367	26,552,182	27,199,566	5,616,894	20,361,057	19,517,406
Total Assets	51,439	26,557,760	27,207,144	5,619,229	20,383,696	19,550,541
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	3,083	10,493	-	-	612
Other Liabilities	37	22,676	24,199	3,817	16,560	14,800
Total Liabilities	37	25,759	34,692	3,817	16,560	15,412
Net Position Held in Trust for Participants	\$ 51,402	\$ 26,532,001	\$ 27,172,452	\$ 5,615,412	\$ 20,367,136	\$ 19,535,129

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
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	Baird Short- Term Bond Institutional 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 20,181	\$ -	\$ 9,061	\$ 17,655	\$ 4,780	\$ 17,354
Capital Shares Receivable	3,934	637	2,581	9,277	2,029	7,654
Dividends Receivable	-	97,730	-	-	-	23,368
Mutual Funds	29,386,796	13,883,000	31,518,944	19,323,461	26,414,611	11,533,154
Total Assets	29,410,911	13,981,367	31,530,586	19,350,393	26,421,420	11,581,530
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	461	1,034	-	-	-	-
Other Liabilities	20,865	11,677	27,027	14,998	21,176	7,548
Total Liabilities	21,326	12,711	27,027	14,998	21,176	7,548
Net Position Held in Trust for Participants	\$ 29,389,585	\$ 13,968,656	\$ 31,503,559	\$ 19,335,395	\$ 26,400,244	\$ 11,573,982

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	DFA Real Estate Securities 529 Portfolio	Dodge & Cox International Stock 529 Portfolio	Fidelity US Bond Index 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio	Invesco Government & Agency 529 Portfolio	Invesco Oppenheimer International Growth 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ 5,355	\$ 21,248	\$ 181,996,601	\$ -
Capital Shares Receivable	1,043	11,542	8,451	2,587	120,235	13,967
Dividends Receivable	33,206	-	28,132	-	3,862	-
Mutual Funds	11,717,250	44,525,517	27,012,642	17,968,958	-	35,559,317
Total Assets	11,751,499	44,537,059	27,054,580	17,992,793	182,120,698	35,573,284
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	115	4,310	1,185	92,231	1,856
Other Liabilities	9,952	42,348	18,906	14,499	745	30,995
Total Liabilities	9,952	42,463	23,216	15,684	92,976	32,851
Net Position Held in Trust for Participants	\$ 11,741,547	\$ 44,494,596	\$ 27,031,364	\$ 17,977,109	\$ 182,027,722	\$ 35,540,433

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	MainStay MacKay Total Return Bond 529 Portfolio	MFS Value 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
Assets						
Cash and Cash Equivalents	\$ 20,372	\$ 109	\$ -	\$ 11,063	\$ 10,198	\$ 66,016
Capital Shares Receivable	4,227	13,938	1,138	899	13,204	18,109
Dividends Receivable	95,642	-	-	-	-	-
Mutual Funds	46,460,414	55,410,799	15,925,107	19,114,152	12,104,176	92,898,184
Total Assets	46,580,655	55,424,846	15,926,245	19,126,114	12,127,578	92,982,309
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	13,765	1,111	199	58	-	11,292
Other Liabilities	39,260	44,324	15,191	15,761	9,589	76,586
Total Liabilities	53,025	45,435	15,390	15,819	9,589	87,878
Net Position Held in Trust for Participants	\$ 46,527,630	\$ 55,379,411	\$ 15,910,855	\$ 19,110,295	\$ 12,117,989	\$ 92,894,431

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	PGIM Core Bond 529 Portfolio	PIMCO Short-Term 529 Portfolio	Principal Global Real Estate Securities 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 6,467	\$ 185,553	\$ 4,321	\$ -	\$ 53,270	\$ -
Capital Shares Receivable	388	15,151	474	1,435	48,674	23,913
Dividends Receivable	2,260	18,693	-	-	-	-
Mutual Funds	1,425,871	37,282,629	5,241,705	20,785,310	91,961,760	53,092,493
Total Assets	1,434,986	37,502,026	5,246,500	\$ 20,786,745	92,063,704	53,116,406
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	15,717	-	-	29,115	1,000
Other Liabilities	1,130	26,431	4,237	17,750	84,829	60,700
Total Liabilities	1,130	42,148	4,237	17,750	113,944	61,700
Net Position Held in Trust for Participants	\$ 1,433,856	\$ 37,459,878	\$ 5,242,263	\$ 20,768,995	\$ 91,949,760	\$ 53,054,706

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Large Cap Growth 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ 10,345	\$ 370	\$ -	\$ -
Capital Shares Receivable	2,452	49,218	1,775	1,166	740	423
Dividends Receivable	-	-	-	-	-	-
Mutual Funds	37,103,195	169,281,996	8,106,803	14,407,032	9,755,928	1,106,256
Total Assets	37,105,647	169,331,214	8,118,923	14,408,568	9,756,668	1,106,679
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	953	8,279	-	4,181	1,338	1,114
Other Liabilities	34,932	171,282	6,160	2,240	12,267	185
Total Liabilities	35,885	179,561	6,160	6,421	13,605	1,299
Net Position Held in Trust for Participants	\$ 37,069,762	\$ 169,151,653	\$ 8,112,763	\$ 14,402,147	\$ 9,743,063	\$ 1,105,380

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	Vanguard Mega Cap ETF 529 Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 1,105	\$ 550	\$ 550	\$ 370	\$ -	\$ -
Capital Shares Receivable	723	52,681	6,330	178	995	1,115
Dividends Receivable	100,102	13,845	50,242	37,998	2,459	11,034
Mutual Funds	32,818,278	12,198,542	9,163,817	13,078,403	3,345,259	2,248,803
Total Assets	32,920,208	12,265,618	9,220,939	13,116,949	3,348,713	2,260,952
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	23,668	50,000	-	1,333	-	-
Other Liabilities	4,634	1,728	1,362	1,856	481	346
Total Liabilities	28,302	51,728	1,362	3,189	481	346
Net Position Held in Trust for Participants	\$ 32,891,906	\$ 12,213,890	\$ 9,219,577	\$ 13,113,760	\$ 3,348,232	\$ 2,260,606

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**College Savings Program
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	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
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Shares Receivable	672	20,401	10,951	829	-	637
Dividends Receivable	30,289	-	30,715	2,955	13,621	-
Mutual Funds	4,238,458	14,916,997	12,490,396	2,814,889	3,645,734	11,717,362
Total Assets	4,269,419	14,937,398	12,532,062	2,818,673	3,659,355	11,717,999
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	29,379	-	-	467	5,423
Other Liabilities	629	3,189	6,513	401	4,676	1,831
Total Liabilities	629	32,568	6,513	401	5,143	7,254
Net Position Held in Trust for Participants	\$ 4,268,790	\$ 14,904,830	\$ 12,525,549	\$ 2,818,272	\$ 3,654,212	\$ 11,710,745

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 30	Fund 40
Assets						
Cash and Cash Equivalents	\$ -	\$ 51,973,020	\$ 129,204,388	\$ 62,423,626	\$ 319,239	\$ -
Capital Shares Receivable	14,006	97,096	939,923	1,169,520	846,755	734,322
Dividends Receivable	-	31,097	324,692	456,896	472,501	554,651
Mutual Funds	35,264,631	51,973,020	432,416,791	622,218,945	655,080,945	673,831,149
Total Assets	35,278,637	104,074,233	562,885,794	686,268,987	656,719,440	675,120,122
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	2,638	33,215	541,943	902,687	1,241,535	725,477
Other Liabilities	40,414	123,605	442,430	552,187	543,010	1,840,386
Total Liabilities	43,052	156,820	984,373	1,454,874	1,784,545	2,565,863
Net Position Held in Trust for Participants	\$ 35,235,585	\$ 103,917,413	\$ 561,901,421	\$ 684,814,113	\$ 654,934,895	\$ 672,554,259

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
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	Fund 50	Fund 60	Fund 70	Fund 80	Fund 90
Assets					
Cash and Cash Equivalents	\$ 42,720	\$ 72,748	\$ 184,704	\$ -	\$ -
Capital Shares Receivable	1,132,017	659,156	524,699	667,420	80,522
Dividends Receivable	465,012	523,382	335,072	397,996	127,279
Mutual Funds	554,946,262	680,919,176	463,355,212	575,690,859	190,267,585
Total Assets	556,586,011	682,174,462	464,399,687	576,756,275	190,475,386
Liabilities and Net Position					
Liabilities					
Capital Shares Payable	635,440	1,091,850	549,044	384,833	471,440
Other Liabilities	495,858	607,646	411,824	890,856	298,382
Total Liabilities	1,131,298	1,699,496	960,868	1,275,689	769,822
Net Position Held in Trust for Participants	\$ 555,454,713	\$ 680,474,966	\$ 463,438,819	\$ 575,480,586	\$ 189,705,564

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College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2021

	Fund 100	Total
Assets		
Cash and Cash Equivalents	\$ 21,617	\$ 426,752,256
Capital Shares Receivable	237,822	7,603,996
Dividends Receivable	422,446	4,707,249
Mutual Funds	711,857,111	6,830,104,556
	<hr/>	<hr/>
Total Assets	712,538,996	7,269,168,057
	<hr/>	<hr/>
Liabilities and Net Position		
Liabilities		
Capital Shares Payable	125,721	7,019,595
Other Liabilities	558,845	7,758,768
	<hr/>	<hr/>
Total Liabilities	684,566	14,778,363
	<hr/>	<hr/>
Net Position Held in Trust for Participants	\$ 711,854,430	\$ 7,254,389,694
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**College Savings Program
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Bright Directions
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	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short- Term Bond Institutional 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 6,908	\$ 2,149	\$ -	\$ 1,451	\$ 3,427	\$ 66,906
Capital Shares Receivable	1,666	449	152	1,114	3,426	109,043
Dividends Receivable	-	-	-	-	-	-
Mutual Funds	18,139,197	18,188,606	3,485,371	13,360,289	11,031,024	26,937,386
Total Assets	18,147,771	18,191,204	3,485,523	13,362,854	11,037,877	27,113,335
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	-	288	500	500	30,045
Other Liabilities	15,031	15,233	7,918	10,653	8,095	19,754
Total Liabilities	15,031	15,233	8,206	11,153	8,595	49,799
Net Position Held in Trust for Participants	\$ 18,132,740	\$ 18,175,971	\$ 3,477,317	\$ 13,351,701	\$ 11,029,282	\$ 27,063,536

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio
Bright Directions
June 30, 2020**

	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio	DFA Real Estate Sec 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ 1,366	\$ -	\$ 1,893	\$ 575
Capital Shares Receivable	8,976	2,840	9,026	1,304	434	858
Dividends Receivable	-	-	-	-	18,206	32,748
Mutual Funds	11,380,851	21,380,465	11,657,439	16,241,543	7,395,648	9,542,219
Total Assets	11,389,827	21,383,305	11,667,831	16,242,847	7,416,181	9,576,400
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	-	-	-	-	-
Other Liabilities	11,341	64,954	8,987	13,043	4,674	8,299
Total Liabilities	11,341	64,954	8,987	13,043	4,674	8,299
Net Position Held in Trust for Participants	\$ 11,378,486	\$ 21,318,351	\$ 11,658,844	\$ 16,229,804	\$ 7,411,507	\$ 9,568,101

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio
Bright Directions
June 30, 2020**

	Dodge & Cox International Stock 529 Portfolio	Fidelity US Bond Index 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio	Invesco Government & Agency 529 Portfolio	MainStay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 3,802	\$ -	\$ -	\$ 176,240,559	\$ 4,457	\$ -
Capital Shares Receivable	12,011	7,575	5,333	304,371	10,712	7,124
Dividends Receivable	-	41,067	-	14,188	85,580	-
Mutual Funds	30,894,671	24,487,307	12,330,345	-	43,878,980	38,065,839
Total Assets	30,910,484	24,535,949	12,335,678	176,559,118	43,979,729	38,072,963
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	33,041	56,521	41	174,509	56,770	370
Other Liabilities	23,725	33,600	11,261	7,103	37,635	35,791
Total Liabilities	56,766	90,121	11,302	181,612	94,405	36,161
Net Position Held in Trust for Participants	\$ 30,853,718	\$ 24,445,828	\$ 12,324,376	\$ 176,377,506	\$ 43,885,324	\$ 38,036,802

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**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio
Bright Directions
June 30, 2020**

	Northern Funds Bond Index 529 Portfolio	Northern Funds International Equity Index 529 Portfolio	Northern Funds Small Cap Index 529 Portfolio	Northern Funds Small Cap Value 529 Portfolio	Northern Funds Stock Index 529 Portfolio	Oppenheimer International Growth 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 1,995	\$ -	\$ -
Capital Shares Receivable	-	814	986	540	9,220	4,281
Dividends Receivable	-	-	-	-	-	-
Mutual Funds	-	11,827,064	10,888,988	7,258,904	61,734,567	25,229,789
Total Assets	-	11,827,878	10,889,974	7,261,439	61,743,787	25,234,070
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	20,122	-	36	64,366	-
Other Liabilities	-	13,135	11,547	5,791	59,993	42,980
Total Liabilities	-	33,257	11,547	5,827	124,359	42,980
Net Position Held in Trust for Participants	\$ -	\$ 11,794,621	\$ 10,878,427	\$ 7,255,612	\$ 61,619,428	\$ 25,191,090

(Continued)

State of Illinois
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College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020

	PIMCO Short-Term 529 Portfolio	Principal Global Real Estate Securities 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 7,424	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Shares Receivable	118,273	436	1,686	7,538	1,603	4,115
Dividends Receivable	36,990	-	-	-	-	-
Mutual Funds	34,224,730	3,987,267	14,783,627	67,385,576	36,466,304	23,063,083
Total Assets	34,387,417	3,987,703	14,785,313	67,393,114	36,467,907	23,067,198
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	913	-	-	-	168,721	-
Other Liabilities	24,229	4,559	13,989	68,396	43,064	26,790
Total Liabilities	25,142	4,559	13,989	68,396	211,785	26,790
Net Position Held in Trust for Participants	\$ 34,362,275	\$ 3,983,144	\$ 14,771,324	\$ 67,324,718	\$ 36,256,122	\$ 23,040,408

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	T.Rowe Price Institutional Large Cap Growth 529 Portfolio	T.Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ 408	\$ 336	\$ 8	\$ -
Capital Shares Receivable	54,768	-	894	669	456	21
Dividends Receivable	-	-	-	47,905	26,814	-
Mutual Funds	106,767,582	-	8,194,681	9,384,904	6,257,566	854,251
Total Assets	106,822,350	-	8,195,983	9,433,814	6,284,844	854,272
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	25,062	-	-	131	44	-
Other Liabilities	91,317	-	6,645	1,369	896	124
Total Liabilities	116,379	-	6,645	1,500	940	124
Net Position Held in Trust for Participants	\$ 106,705,971	\$ -	\$ 8,189,338	\$ 9,432,314	\$ 6,283,904	\$ 854,148

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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	Vanguard Mega Cap ETF 529 Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Assets						
Cash and Cash Equivalents	\$ 51,705	\$ -	\$ 35	\$ 379	\$ 10	\$ -
Capital Shares Receivable	1,405	202	174	6,687	414	4
Dividends Receivable	89,459	13,395	40,916	31,370	4,286	8,922
Mutual Funds	21,119,394	7,497,260	5,698,315	7,786,127	2,179,645	1,315,950
Total Assets	21,261,963	7,510,857	5,739,440	7,824,563	2,184,355	1,324,876
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	216	-	-	67	-	-
Other Liabilities	2,982	11,216	830	1,104	300	190
Total Liabilities	3,198	11,216	830	1,171	300	190
Net Position Held in Trust for Participants	\$ 21,258,765	\$ 7,499,641	\$ 5,738,610	\$ 7,823,392	\$ 2,184,055	\$ 1,324,686

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**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	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
Assets						
Cash and Cash Equivalents	\$ 10	\$ 60,083	\$ 309	\$ 189	\$ 1	\$ 29,895
Capital Shares Receivable	84	11,664	6,672	17	89	1,522
Dividends Receivable	29,466	-	16,310	1,032	8,306	-
Mutual Funds	3,049,271	11,866,930	7,429,334	1,618,844	1,803,273	10,882,788
Total Assets	3,078,831	11,938,677	7,452,625	1,620,082	1,811,669	10,914,205
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	105	394	43	-	-	-
Other Liabilities	446	1,674	1,046	219	260	1,534
Total Liabilities	551	2,068	1,089	219	260	1,534
Net Position Held in Trust for Participants	\$ 3,078,280	\$ 11,936,609	\$ 7,451,536	\$ 1,619,863	\$ 1,811,409	\$ 10,912,671

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**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	Voya Global Real Estate 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 30
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ 46,914,004	\$ 108,760,103	\$ 52,751,207	\$ 405,796
Capital Shares Receivable	-	2,522	44,049	282,098	669,819	1,283,383
Dividends Receivable	-	-	41,657	368,026	518,458	536,682
Mutual Funds	-	25,694,856	46,898,025	362,287,418	527,149,687	561,875,738
Total Assets	-	25,697,378	93,897,735	471,697,645	581,089,171	564,101,599
Liabilities and Net Position						
Liabilities						
Capital Shares Payable	-	-	94,681	295,820	286,603	395,738
Other Liabilities	-	27,072	80,156	370,152	471,796	466,956
Total Liabilities	-	27,072	174,837	665,972	758,399	862,694
Net Position Held in Trust for Participants	\$ -	\$ 25,670,306	\$ 93,722,898	\$ 471,031,673	\$ 580,330,772	\$ 563,238,905

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**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	Fund 40	Fund 50	Fund 60	Fund 70	Fund 80
Assets					
Cash and Cash Equivalents	\$ 245,090	\$ -	\$ 430,790	\$ -	\$ -
Capital Shares Receivable	1,024,353	660,437	1,061,452	401,307	423,783
Dividends Receivable	577,139	506,298	560,604	352,475	418,756
Mutual Funds	552,200,640	476,173,948	561,807,297	365,903,635	439,542,880
Total Assets	554,047,222	477,340,683	563,860,143	366,657,417	440,385,419
Liabilities and Net Position					
Liabilities					
Capital Shares Payable	1,101,154	941,879	728,595	869,131	303,800
Other Liabilities	467,569	1,848,254	493,786	1,195,272	415,192
Total Liabilities	1,568,723	2,790,133	1,222,381	2,064,403	718,992
Net Position Held in Trust for Participants	\$ 552,478,499	\$ 474,550,550	\$ 562,637,762	\$ 364,593,014	\$ 439,666,427

(Continued)

**State of Illinois
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**College Savings Program
Statements of Fiduciary Net Position by Portfolio (Continued)
Bright Directions
June 30, 2020**

	Fund 90	Fund 100	Total
Assets			
Cash and Cash Equivalents	\$ -	\$ 63,228	\$ 386,056,498
Capital Shares Receivable	208,730	120,721	6,904,302
Dividends Receivable	122,852	460,503	5,010,410
Mutual Funds	131,583,904	536,797,468	5,416,868,690
	<hr/>		
Total Assets	131,915,486	537,441,920	5,814,839,900
	<hr/>		
Liabilities and Net Position			
Liabilities			
Capital Shares Payable	175,719	317,159	6,143,084
Other Liabilities	371,773	405,132	7,386,832
	<hr/>		
Total Liabilities	547,492	722,291	13,529,916
	<hr/>		
Net Position Held in Trust for Participants	\$ 131,367,994	\$ 536,719,629	\$ 5,801,309,984
	<hr/> <hr/>		

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio
Bright Start
For the Year Ended June 30, 2021**

	Multi-Firm Fixed Income Portfolio	Multi-Firm Fund 10	Multi-Firm Fund 20	Multi-Firm Fund 30	Multi-Firm Fund 40	Multi-Firm Fund 50
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 947,257	\$ 6,274,596	\$ 9,189,721	\$ 9,717,398	\$ 8,162,862	\$ 6,782,498
Net Change in Fair Value of Investments	41,246	11,173,619	24,269,502	33,702,086	35,426,037	34,538,716
State Administrative Fees	(21,823)	(88,389)	(103,607)	(95,754)	(76,285)	(60,258)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(54,558)	(220,974)	(259,019)	(239,389)	(190,718)	(150,648)
Net Investment Earnings (Loss)	912,122	17,138,852	33,096,597	43,084,341	43,321,896	41,110,308
Other Participant Transactions						
Program Contributions	30,120,626	192,519,454	215,842,679	182,360,950	152,456,315	119,617,670
Total Increase from Participant Transactions	30,120,626	192,519,454	215,842,679	182,360,950	152,456,315	119,617,670
Total Additions	31,032,748	209,658,306	248,939,276	225,445,291	195,778,211	160,727,978
Deductions						
Program Distributions	29,747,509	130,841,414	205,388,479	193,756,053	158,759,282	128,513,517
Total Deductions	29,747,509	130,841,414	205,388,479	193,756,053	158,759,282	128,513,517
Change in Net Position	1,285,239	78,816,892	43,550,797	31,689,238	37,018,929	32,214,461
Net Position, Beginning of Fiscal Year	72,503,355	265,275,054	327,964,475	300,170,828	236,557,528	179,551,884
Net Position, End of Fiscal Year	\$ 73,788,594	\$ 344,091,946	\$ 371,515,272	\$ 331,860,066	\$ 273,576,457	\$ 211,766,345

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**State of Illinois
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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	Multi-Firm Balanced Portfolio Fund 60	Multi-Firm Fund 70	Multi-Firm Fund 80	Multi-Firm Fund 90	Multi-Firm Equity Portfolio Fund 100	Index Fixed Income Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 8,486,051	\$ 5,506,013	\$ 4,006,286	\$ 2,263,203	\$ 15,701,475	\$ 1,375,460
Net Change in Fair Value of Investments	52,920,417	39,390,727	32,111,240	19,876,255	149,470,879	(140,994)
State Administrative Fees	(78,019)	(49,901)	(36,036)	(20,362)	(136,465)	-
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(195,050)	(124,755)	(90,093)	(50,907)	(341,172)	(104,419)
Net Investment Earnings (Loss)	61,133,399	44,722,084	35,991,397	22,068,189	164,694,717	1,130,047
Other Participant Transactions						
Program Contributions	118,791,623	85,580,752	62,079,120	47,916,093	58,888,562	64,202,733
Total Increase from Participant Transactions	118,791,623	85,580,752	62,079,120	47,916,093	58,888,562	64,202,733
Total Additions	179,925,022	130,302,836	98,070,517	69,984,282	223,583,279	65,332,780
Deductions						
Program Distributions	115,243,200	77,842,940	60,537,279	31,394,784	100,264,406	56,578,245
Total Deductions	115,243,200	77,842,940	60,537,279	31,394,784	100,264,406	56,578,245
Change in Net Position	64,681,822	52,459,896	37,533,238	38,589,498	123,318,873	8,754,535
Net Position, Beginning of Fiscal Year	229,170,614	139,784,536	99,119,955	49,048,554	392,510,713	132,442,541
Net Position, End of Fiscal Year	\$ 293,852,436	\$ 192,244,432	\$ 136,653,193	\$ 87,638,052	\$ 515,829,586	\$ 141,197,076

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**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	Index Fund 10	Index Fund 20	Index Fund 30	Index Fund 40	Index Fund 50	Index Balanced Portfolio Fund 60
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 3,906,255	\$ 5,641,039	\$ 6,790,777	\$ 8,301,303	\$ 8,742,442	\$ 12,870,355
Net Change in Fair Value of Investments	7,879,089	19,652,530	32,053,950	49,847,942	67,847,722	118,866,302
State Administrative Fees	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(186,420)	(229,370)	(249,057)	(292,165)	(316,682)	(462,079)
Net Investment Earnings (Loss)	11,598,924	25,064,199	38,595,670	57,857,080	76,273,482	131,274,578
Other Participant Transactions						
Program Contributions	165,099,917	222,670,273	233,714,129	293,146,984	271,528,594	277,356,450
Total Increase from Participant Transactions	165,099,917	222,670,273	233,714,129	293,146,984	271,528,594	277,356,450
Total Additions	176,698,841	247,734,472	272,309,799	351,004,064	347,802,076	408,631,028
Deductions						
Program Distributions	120,003,517	165,986,490	195,501,238	198,126,284	253,625,581	271,769,623
Total Deductions	120,003,517	165,986,490	195,501,238	198,126,284	253,625,581	271,769,623
Change in Net Position	56,695,324	81,747,982	76,808,561	152,877,780	94,176,495	136,861,405
Net Position, Beginning of Fiscal Year	227,093,014	268,023,899	292,831,487	313,704,765	371,588,997	542,409,595
Net Position, End of Fiscal Year	\$ 283,788,338	\$ 349,771,881	\$ 369,640,048	\$ 466,582,545	\$ 465,765,492	\$ 679,271,000

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**State of Illinois
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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	Index Fund 70	Index Fund 80	Index Fund 90	Index Equity Portfolio Fund 100	Ariel 529 Portfolio	Baird Short-Term Bond 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 8,707,047	\$ 5,625,199	\$ 3,126,035	\$ 21,244,145	\$ 437,183	\$ 417,015
Net Change in Fair Value of Investments	93,680,741	70,793,589	42,237,672	326,096,333	4,486,234	(170,356)
State Administrative Fees	-	-	-	-	(3,168)	(5,907)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(311,418)	(206,680)	(113,679)	(774,014)	(7,919)	(14,768)
Net Investment Earnings (Loss)	102,076,370	76,212,108	45,250,028	346,566,464	4,912,330	225,984
Other Participant Transactions						
Program Contributions	197,030,995	134,630,177	113,461,182	153,006,151	10,532,921	12,680,632
Total Increase from Participant Transactions	197,030,995	134,630,177	113,461,182	153,006,151	10,532,921	12,680,632
Total Additions	299,107,365	210,842,285	158,711,210	499,572,615	15,445,251	12,906,616
Deductions						
Program Distributions	189,393,610	137,955,894	68,662,040	188,716,740	2,063,047	8,071,140
Total Deductions	189,393,610	137,955,894	68,662,040	188,716,740	2,063,047	8,071,140
Change in Net Position	109,713,755	72,886,391	90,049,170	310,855,875	13,382,204	4,835,476
Net Position, Beginning of Fiscal Year	357,608,227	237,031,377	107,925,468	873,692,868	5,697,253	16,852,296
Net Position, End of Fiscal Year	\$ 467,321,982	\$ 309,917,768	\$ 197,974,638	\$ 1,184,548,743	\$ 19,079,457	\$ 21,687,772

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**State of Illinois
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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	DFA International Small Company 529 Portfolio	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Targeted Value 529 Portfolio	Dodge & Cox Income 529 Portfolio	T. Rowe Price Large Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 275,247	\$ 288,215	\$ 280,270	\$ 1,087,054	\$ -	\$ 3,466,643
Net Change in Fair Value of Investments	4,956,402	5,202,430	7,847,921	(412,423)	63,217,012	18,033,381
State Administrative Fees	(4,610)	(4,493)	(4,886)	(6,820)	(51,931)	(16,629)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(11,526)	(11,234)	(12,216)	(17,050)	(129,828)	(41,574)
Net Investment Earnings (Loss)	5,215,513	5,474,918	8,111,089	650,761	63,035,253	21,441,821
Other Participant Transactions						
Program Contributions	7,816,804	15,864,836	16,849,346	11,329,480	85,240,480	25,443,180
Total Increase from Participant Transactions	7,816,804	15,864,836	16,849,346	11,329,480	85,240,480	25,443,180
Total Additions	13,032,317	21,339,754	24,960,435	11,980,241	148,275,733	46,885,001
Deductions						
Program Distributions	3,273,075	4,052,462	4,197,290	7,068,263	35,261,795	11,684,500
Total Deductions	3,273,075	4,052,462	4,197,290	7,068,263	35,261,795	11,684,500
Change in Net Position	9,759,242	17,287,292	20,763,145	4,911,978	113,013,938	35,200,501
Net Position, Beginning of Fiscal Year	10,706,976	8,153,646	8,699,329	18,812,279	113,940,274	38,482,697
Net Position, End of Fiscal Year	\$ 20,466,218	\$ 25,440,938	\$ 29,462,474	\$ 23,724,257	\$ 226,954,212	\$ 73,683,198

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	Vanguard Federal Money Market 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio	Vanguard Total International Bond Index 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 114,996	\$ 16,313,221	\$ 698,496	\$ 697,871	\$ 1,708,719	\$ 129,580
Net Change in Fair Value of Investments	-	128,301,920	5,222,753	876,988	(2,201,694)	(123,864)
State Administrative Fees	-	-	-	-	-	-
Other Operating Expenses	(49,254)	-	-	-	-	-
Management and Bank Custodial Fees	(68,208)	(325,403)	(14,148)	(20,815)	(57,805)	(8,989)
Net Investment Earnings (Loss)	(2,466)	144,289,738	5,907,101	1,554,044	(550,780)	(3,273)
Other Participant Transactions						
Program Contributions	139,723,389	155,046,049	11,343,868	21,215,662	38,787,693	5,611,381
Total Increase from Participant Transactions	139,723,389	155,046,049	11,343,868	21,215,662	38,787,693	5,611,381
Total Additions	139,720,923	299,335,787	17,250,969	22,769,706	38,236,913	5,608,108
Deductions						
Program Distributions	159,691,432	69,309,275	5,465,163	8,478,354	33,783,271	5,258,655
Total Deductions	159,691,432	69,309,275	5,465,163	8,478,354	33,783,271	5,258,655
Change in Net Position	(19,970,509)	230,026,512	11,785,806	14,291,352	4,453,642	349,453
Net Position, Beginning of Fiscal Year	331,607,823	325,925,449	15,226,065	21,686,650	70,286,681	11,315,526
Net Position, End of Fiscal Year	\$ 311,637,314	\$ 555,951,961	\$ 27,011,871	\$ 35,978,002	\$ 74,740,323	\$ 11,664,979

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2021**

	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Total
Additions			
Investment Income (Expense)			
Investment Earnings	\$ 2,183,117	\$ 2,127,807	\$ 193,592,851
Net Change in Fair Value of Investments	20,729,700	47,054,355	1,564,756,359
State Administrative Fees	-	-	(865,343)
Other Operating Expenses	-	-	(49,254)
Management and Bank Custodial Fees	(59,745)	(106,071)	(6,070,565)
Net Investment Earnings (Loss)	22,853,072	49,076,091	1,751,364,048
Other Participant Transactions			
Program Contributions	38,300,162	87,012,934	4,074,820,246
Total Increase from Participant Transactions	38,300,162	87,012,934	4,074,820,246
Total Additions	61,153,234	136,089,025	5,826,184,294
Deductions			
Program Distributions	13,978,733	24,022,157	3,474,266,737
Total Deductions	13,978,733	24,022,157	3,474,266,737
Change in Net Position	47,174,501	112,066,868	2,351,917,557
Net Position, Beginning of Fiscal Year	56,850,496	89,933,513	7,160,186,687
Net Position, End of Fiscal Year	\$ 104,024,997	\$ 202,000,381	\$ 9,512,104,244

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Statements of Changes in Fiduciary Net Position by Portfolio
Bright Start
For the Year Ended June 30, 2020**

	Multi-Firm Fixed Income Portfolio	Multi-Firm Fund 10	Multi-Firm Fund 20	Multi-Firm Fund 30	Multi-Firm Fund 40	Multi-Firm Fund 50
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 1,161,379	\$ 5,703,016	\$ 9,014,888	\$ 9,527,797	\$ 8,243,454	\$ 6,612,297
Net Change in Fair Value of Investments	975,770	4,445,838	5,452,244	3,071,147	1,305,125	149,720
State Administrative Fees	(19,084)	(68,409)	(91,233)	(91,275)	(71,552)	(56,139)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(49,352)	(176,937)	(236,106)	(236,415)	(185,449)	(145,456)
Net Investment Earnings (Loss)	2,068,713	9,903,508	14,139,793	12,271,254	9,291,578	6,560,422
Other Participant Transactions						
Program Contributions	38,102,947	165,150,130	205,384,057	177,220,081	139,289,329	103,636,047
Total Increase from Participant Transactions	38,102,947	165,150,130	205,384,057	177,220,081	139,289,329	103,636,047
Total Additions	40,171,660	175,053,638	219,523,850	189,491,335	148,580,907	110,196,469
Deductions						
Program Distributions	28,474,801	123,670,501	183,347,235	187,606,159	157,627,582	120,424,981
Total Deductions	28,474,801	123,670,501	183,347,235	187,606,159	157,627,582	120,424,981
Change in Net Position	11,696,859	51,383,137	36,176,615	1,885,176	(9,046,675)	(10,228,512)
Net Position, Beginning of Fiscal Year	60,806,496	213,891,917	291,787,860	298,285,652	245,604,203	189,780,396
Net Position, End of Fiscal Year	\$ 72,503,355	\$ 265,275,054	\$ 327,964,475	\$ 300,170,828	\$ 236,557,528	\$ 179,551,884

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	Multi-Firm Balanced Portfolio Fund 60	Multi-Firm Fund 70	Multi-Firm Fund 80	Multi-Firm Fund 90	Multi-Firm Equity Portfolio Fund 100	Index Fixed Income Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 8,982,708	\$ 5,593,335	\$ 3,929,732	\$ 1,804,890	\$ 18,554,439	\$ 1,882,823
Net Change in Fair Value of Investments	(2,553,554)	(2,767,416)	(2,758,398)	(1,523,835)	(21,852,217)	2,116,809
State Administrative Fees	(68,349)	(42,033)	(29,559)	(12,869)	(125,827)	-
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(177,076)	(108,911)	(76,547)	(33,282)	(326,429)	(86,154)
Net Investment Earnings (Loss)	6,183,729	2,674,975	1,065,228	234,904	(3,750,034)	3,913,478
Other Participant Transactions						
Program Contributions	103,206,212	68,095,289	51,244,312	33,866,245	55,521,660	71,098,188
Total Increase from Participant Transactions	103,206,212	68,095,289	51,244,312	33,866,245	55,521,660	71,098,188
Total Additions	109,389,941	70,770,264	52,309,540	34,101,149	51,771,626	75,011,666
Deductions						
Program Distributions	108,347,628	72,293,713	48,222,700	25,167,798	106,812,574	43,033,703
Total Deductions	108,347,628	72,293,713	48,222,700	25,167,798	106,812,574	43,033,703
Change in Net Position	1,042,313	(1,523,449)	4,086,840	8,933,351	(55,040,948)	31,977,963
Net Position, Beginning of Fiscal Year	228,128,301	141,307,985	95,033,115	40,115,203	447,551,661	100,464,578
Net Position, End of Fiscal Year	\$ 229,170,614	\$ 139,784,536	\$ 99,119,955	\$ 49,048,554	\$ 392,510,713	\$ 132,442,541

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	Index Fund 10	Index Fund 20	Index Fund 30	Index Fund 40	Index Fund 50	Index Balanced Portfolio Fund 60
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 4,049,384	\$ 5,592,134	\$ 6,499,356	\$ 7,087,467	\$ 8,764,065	\$ 13,072,752
Net Change in Fair Value of Investments	5,869,478	8,138,676	9,181,955	9,478,130	11,395,515	11,472,143
State Administrative Fees	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(149,136)	(186,055)	(210,193)	(219,039)	(272,409)	(413,344)
Net Investment Earnings (Loss)	9,769,726	13,544,755	15,471,118	16,346,558	19,887,171	24,131,551
Other Participant Transactions						
Program Contributions	144,406,983	192,141,511	191,029,241	207,340,407	217,125,809	238,387,546
Total Increase from Participant Transactions	144,406,983	192,141,511	191,029,241	207,340,407	217,125,809	238,387,546
Total Additions	154,176,709	205,686,266	206,500,359	223,686,965	237,012,980	262,519,097
Deductions						
Program Distributions	105,078,602	150,436,361	167,373,740	163,443,027	181,141,674	241,590,308
Total Deductions	105,078,602	150,436,361	167,373,740	163,443,027	181,141,674	241,590,308
Change in Net Position	49,098,107	55,249,905	39,126,619	60,243,938	55,871,306	20,928,789
Net Position, Beginning of Fiscal Year	177,994,907	212,773,994	253,704,868	253,460,827	315,717,691	521,480,806
Net Position, End of Fiscal Year	\$ 227,093,014	\$ 268,023,899	\$ 292,831,487	\$ 313,704,765	\$ 371,588,997	\$ 542,409,595

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	Index Fund 70	Index Fund 80	Index Fund 90	Index Equity Portfolio Fund 100	Ariel 529 Portfolio	Baird Short-Term Bond 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 8,391,955	\$ 5,484,741	\$ 2,117,229	\$ 19,849,139	\$ 388,981	\$ 317,828
Net Change in Fair Value of Investments	5,025,779	2,329,338	4,376	(5,016,034)	(1,305,571)	282,966
State Administrative Fees	-	-	-	-	(1,814)	(4,087)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(268,022)	(183,239)	(72,298)	(694,711)	(4,704)	(10,544)
Net Investment Earnings (Loss)	13,149,712	7,630,840	2,049,307	14,138,394	(923,108)	586,163
Other Participant Transactions						
Program Contributions	172,915,645	118,714,824	76,605,532	145,837,004	2,571,921	12,251,351
Total Increase from Participant Transactions	172,915,645	118,714,824	76,605,532	145,837,004	2,571,921	12,251,351
Total Additions	186,065,357	126,345,664	78,654,839	159,975,398	1,648,813	12,837,514
Deductions						
Program Distributions	162,186,319	119,947,001	55,806,821	196,719,106	2,098,477	7,021,185
Total Deductions	162,186,319	119,947,001	55,806,821	196,719,106	2,098,477	7,021,185
Change in Net Position	23,879,038	6,398,663	22,848,018	(36,743,708)	(449,664)	5,816,329
Net Position, Beginning of Fiscal Year	333,729,189	230,632,714	85,077,450	910,436,576	6,146,917	11,035,967
Net Position, End of Fiscal Year	\$ 357,608,227	\$ 237,031,377	\$ 107,925,468	\$ 873,692,868	\$ 5,697,253	\$ 16,852,296

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	DFA International Small Company 529 Portfolio	DFA U.S. Large Cap Value 529 Portfolio	DFA U.S. Targeted Value 529 Portfolio	Dodge & Cox Income 529 Portfolio	T. Rowe Price Large Cap Growth 529 Portfolio	Vanguard Explorer 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 488,434	\$ 249,539	\$ 365,828	\$ 574,125	\$ -	\$ 1,803,661
Net Change in Fair Value of Investments	(1,238,367)	(932,237)	(2,162,575)	613,296	18,752,317	(58,862)
State Administrative Fees	(3,201)	(1,620)	(2,595)	(4,678)	(25,747)	(10,390)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(8,292)	(4,162)	(6,727)	(12,077)	(66,481)	(26,900)
Net Investment Earnings (Loss)	(761,426)	(688,480)	(1,806,069)	1,170,666	18,660,089	1,707,509
Other Participant Transactions						
Program Contributions	4,631,324	8,134,407	5,102,681	12,376,612	45,799,316	14,781,683
Total Increase from Participant Transactions	4,631,324	8,134,407	5,102,681	12,376,612	45,799,316	14,781,683
Total Additions	3,869,898	7,445,927	3,296,612	13,547,278	64,459,405	16,489,192
Deductions						
Program Distributions	3,467,564	2,301,652	3,413,065	6,576,713	25,771,003	10,418,425
Total Deductions	3,467,564	2,301,652	3,413,065	6,576,713	25,771,003	10,418,425
Change in Net Position	402,334	5,144,275	(116,453)	6,970,565	38,688,402	6,070,767
Net Position, Beginning of Fiscal Year	10,304,642	3,009,371	8,815,782	11,841,714	75,251,872	32,411,930
Net Position, End of Fiscal Year	\$ 10,706,976	\$ 8,153,646	\$ 8,699,329	\$ 18,812,279	\$ 113,940,274	\$ 38,482,697

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	Vanguard Federal Money Market 529 Portfolio	Vanguard 500 Index 529 Portfolio	Vanguard REIT Index 529 Portfolio	Vanguard Short-Term Inflation-Protected Securities Index 529 Portfolio	Vanguard Total Bond Market Index 529 Portfolio	Vanguard Total International Bond Index 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 3,397,509	\$ 9,200,634	\$ 545,697	\$ 207,960	\$ 1,161,547	\$ 304,949
Net Change in Fair Value of Investments	-	11,104,631	(2,313,505)	330,199	2,840,921	52,592
State Administrative Fees	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(203,841)	(208,899)	(11,495)	(11,601)	(35,376)	(7,424)
Net Investment Earnings (Loss)	3,193,668	20,096,366	(1,779,303)	526,558	3,967,092	350,117
Other Participant Transactions						
Program Contributions	228,126,906	145,090,556	11,818,324	15,205,559	58,168,278	7,523,319
Total Increase from Participant Transactions	228,126,906	145,090,556	11,818,324	15,205,559	58,168,278	7,523,319
Total Additions	231,320,574	165,186,922	10,039,021	15,732,117	62,135,370	7,873,436
Deductions						
Program Distributions	132,585,565	62,302,184	5,599,034	6,200,482	19,938,660	4,334,649
Total Deductions	132,585,565	62,302,184	5,599,034	6,200,482	19,938,660	4,334,649
Change in Net Position	98,735,009	102,884,738	4,439,987	9,531,635	42,196,710	3,538,787
Net Position, Beginning of Fiscal Year	232,872,814	223,040,711	10,786,078	12,155,015	28,089,971	7,776,739
Net Position, End of Fiscal Year	\$ 331,607,823	\$ 325,925,449	\$ 15,226,065	\$ 21,686,650	\$ 70,286,681	\$ 11,315,526

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Start
For the Year Ended June 30, 2020**

	Vanguard Total International Stock Index 529 Portfolio	Vanguard Total Stock Market Index 529 Portfolio	Total
Additions			
Investment Income (Expense)			
Investment Earnings	\$ 1,314,762	\$ 1,268,638	\$ 183,509,072
Net Change in Fair Value of Investments	(3,888,081)	3,825,639	69,843,952
State Administrative Fees	-	-	(730,461)
Other Operating Expenses	-	-	-
Management and Bank Custodial Fees	(40,470)	(48,365)	(5,213,918)
Net Investment Earnings (Loss)	(2,613,789)	5,045,912	247,408,645
Other Participant Transactions			
Program Contributions	28,699,483	60,808,725	3,577,409,444
Total Increase from Participant Transactions	28,699,483	60,808,725	3,577,409,444
Total Additions	26,085,694	65,854,637	3,824,818,089
Deductions			
Program Distributions	16,468,742	15,615,820	3,072,865,554
Total Deductions	16,468,742	15,615,820	3,072,865,554
Change in Net Position	9,616,952	50,238,817	751,952,535
Net Position, Beginning of Fiscal Year	47,233,544	39,694,696	6,408,234,152
Net Position, End of Fiscal Year	\$ 56,850,496	\$ 89,933,513	\$ 7,160,186,687

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Statements of Changes in Fiduciary Net Position by Portfolio
Bright Directions
For the Year Ended June 30, 2021**

	American Beacon Garcia Hamilton Quality Bond 529 Portfolio	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 566	\$ 2,559,905	\$ 741,847	\$ 53,899	\$ 599,262	\$ 777,802
Net Change in Fair Value of Investments	(894)	4,210,938	6,821,582	284,053	5,570,383	7,064,760
State Administrative Fees	(5)	(6,761)	(6,885)	(1,482)	(4,943)	(4,471)
12b-1 Fees	(58)	(65,820)	(72,947)	(10,587)	(44,857)	(37,333)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(24)	(31,552)	(32,132)	(6,912)	(23,069)	(20,868)
Net Investment Earnings (Loss)	(415)	6,666,710	7,451,465	318,971	6,096,776	7,779,890
Other Participant Transactions						
Program Contributions	87,238	6,148,699	6,839,247	3,339,660	3,903,707	3,595,031
Total Increase from Participant Transactions	87,238	6,148,699	6,839,247	3,339,660	3,903,707	3,595,031
Total Additions	86,823	12,815,409	14,290,712	3,658,631	10,000,483	11,374,921
Deductions						
Program Distributions	35,421	4,416,148	5,294,231	1,520,536	2,985,048	2,869,074
Total Deductions	35,421	4,416,148	5,294,231	1,520,536	2,985,048	2,869,074
Change in Net Position	51,402	8,399,261	8,996,481	2,138,095	7,015,435	8,505,847
Net Position, Beginning of Fiscal Year	-	18,132,740	18,175,971	3,477,317	13,351,701	11,029,282
Net Position, End of Fiscal Year	\$ 51,402	\$ 26,532,001	\$ 27,172,452	\$ 5,615,412	\$ 20,367,136	\$ 19,535,129

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	Baird Short- Term Bond Institutional 529 Portfolio	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 593,924	\$ 406,212	\$ 625,041	\$ 210,536	\$ 187,725	\$ 174,825
Net Change in Fair Value of Investments	(228,845)	487,042	7,039,776	4,797,231	8,669,158	3,174,094
State Administrative Fees	(8,373)	(3,821)	(7,842)	(4,663)	(6,372)	(2,841)
12b-1 Fees	(66,123)	(35,339)	(79,931)	(41,848)	(57,626)	(19,958)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(39,073)	(17,832)	(36,596)	(21,762)	(29,736)	(13,261)
Net Investment Earnings (Loss)	251,510	836,262	7,540,448	4,939,494	8,763,149	3,312,859
Other Participant Transactions						
Program Contributions	10,559,516	5,949,283	7,235,312	5,143,279	4,519,283	2,272,945
Total Increase from Participant Transactions	10,559,516	5,949,283	7,235,312	5,143,279	4,519,283	2,272,945
Total Additions	10,811,026	6,785,545	14,775,760	10,082,773	13,282,432	5,585,804
Deductions						
Program Distributions	8,484,977	4,195,375	4,590,552	2,406,222	3,111,992	1,423,329
Total Deductions	8,484,977	4,195,375	4,590,552	2,406,222	3,111,992	1,423,329
Change in Net Position	2,326,049	2,590,170	10,185,208	7,676,551	10,170,440	4,162,475
Net Position, Beginning of Fiscal Year	27,063,536	11,378,486	21,318,351	11,658,844	16,229,804	7,411,507
Net Position, End of Fiscal Year	\$ 29,389,585	\$ 13,968,656	\$ 31,503,559	\$ 19,335,395	\$ 26,400,244	\$ 11,573,982

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	DFA Real Estate Securities 529 Port	Dodge & Cox International Stock 529 Portfolio	Fidelity US Bond Index 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio	Invesco Government & Agency 529 Portfolio	Invesco Oppenheimer International Growth 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 318,879	\$ 694,535	\$ 732,382	\$ 1,125,444	\$ 56,881	\$ 4,191,068
Net Change in Fair Value of Investments	2,633,529	11,622,877	(910,955)	4,353,246	-	4,837,914
State Administrative Fees	(3,045)	(11,280)	(7,983)	(4,730)	-	(9,275)
12b-1 Fees	(29,622)	(102,974)	(61,094)	(43,020)	-	(87,254)
Other Operating Expenses	-	-	-	-	(31,868)	-
Management and Bank Custodial Fees	(14,215)	(52,640)	(37,259)	(22,074)	(24,954)	(43,281)
Net Investment Earnings (Loss)	2,905,526	12,150,518	(284,909)	5,408,866	59	8,889,172
Other Participant Transactions						
Program Contributions	2,069,786	9,104,826	11,936,690	3,348,637	103,317,540	7,053,174
Total Increase from Participant Transactions	2,069,786	9,104,826	11,936,690	3,348,637	103,317,540	7,053,174
Total Additions	4,975,312	21,255,344	11,651,781	8,757,503	103,317,599	15,942,346
Deductions						
Program Distributions	2,801,866	7,614,466	9,066,245	3,104,770	97,667,383	5,593,003
Total Deductions	2,801,866	7,614,466	9,066,245	3,104,770	97,667,383	5,593,003
Change in Net Position	2,173,446	13,640,878	2,585,536	5,652,733	5,650,216	10,349,343
Net Position, Beginning of Fiscal Year	9,568,101	30,853,719	24,445,827	12,324,377	176,377,506	25,191,090
Net Position, End of Fiscal Year	\$ 11,741,547	\$ 44,494,597	\$ 27,031,363	\$ 17,977,110	\$ 182,027,722	\$ 35,540,433

(Continued)

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	MainStay Total Return Bond 529 Portfolio	MFS Value 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
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 1,623,747	\$ 1,198,793	\$ 281,059	\$ 501,130	\$ -	\$ -
Net Change in Fair Value of Investments	(52,802)	13,016,088	3,476,926	6,145,169	4,132,826	25,555,003
State Administrative Fees	(13,561)	(13,844)	(4,169)	(4,430)	(2,887)	(22,854)
12b-1 Fees	(129,891)	(125,268)	(37,818)	(42,959)	(25,306)	(219,281)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(63,288)	(64,602)	(19,456)	(20,673)	(13,473)	(106,653)
Net Investment Earnings (Loss)	1,364,205	14,011,167	3,696,542	6,578,237	4,091,160	25,206,215
Other Participant Transactions						
Program Contributions	12,568,590	11,631,855	2,828,723	4,291,894	2,833,242	19,041,549
Total Increase from Participant Transactions	12,568,590	11,631,855	2,828,723	4,291,894	2,833,242	19,041,549
Total Additions	13,932,795	25,643,022	6,525,265	10,870,131	6,924,402	44,247,764
Deductions						
Program Distributions	11,290,489	8,300,413	2,409,031	2,638,263	2,062,025	12,972,761
Total Deductions	11,290,489	8,300,413	2,409,031	2,638,263	2,062,025	12,972,761
Change in Net Position	2,642,306	17,342,609	4,116,234	8,231,868	4,862,377	31,275,003
Net Position, Beginning of Fiscal Year	43,885,325	38,036,802	11,794,621	10,878,428	7,255,611	61,619,426
Net Position, End of Fiscal Year	\$ 46,527,631	\$ 55,379,411	\$ 15,910,855	\$ 19,110,296	\$ 12,117,988	\$ 92,894,429

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	PGIM Core Bond 529 Portfolio	PIMCO Short-Term 529 Portfolio	Principal Global Real Estate Securities 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 11,667	\$ 431,159	\$ 44,633	\$ 1,148,611	\$ 3,610,154	\$ 1,535,979
Net Change in Fair Value of Investments	(7,681)	(4,076)	1,209,849	4,410,542	14,801,463	15,491,031
State Administrative Fees	(125)	(10,579)	(1,342)	(5,243)	(23,834)	(13,364)
12b-1 Fees	(1,703)	(82,122)	(12,602)	(46,060)	(258,059)	(126,601)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(587)	(49,370)	(6,264)	(24,466)	(111,224)	(62,364)
Net Investment Earnings (Loss)	1,571	285,012	1,234,274	5,483,384	18,018,500	16,824,681
Other Participant Transactions						
Program Contributions	1,484,538	14,445,888	1,031,441	3,835,544	23,662,279	9,021,993
Total Increase from Participant Transactions	1,484,538	14,445,888	1,031,441	3,835,544	23,662,279	9,021,993
Total Additions	1,486,109	14,730,900	2,265,715	9,318,928	41,680,779	25,846,674
Deductions						
Program Distributions	52,253	11,633,297	1,006,596	3,321,257	17,055,737	9,048,090
Total Deductions	52,253	11,633,297	1,006,596	3,321,257	17,055,737	9,048,090
Change in Net Position	1,433,856	3,097,603	1,259,119	5,997,671	24,625,042	16,798,584
Net Position, Beginning of Fiscal Year	-	34,362,275	3,983,144	14,771,324	67,324,718	36,256,122
Net Position, End of Fiscal Year	\$ 1,433,856	\$ 37,459,878	\$ 5,242,263	\$ 20,768,995	\$ 91,949,760	\$ 53,054,706

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	T.Rowe Price Extended Equity Market Index 529 Portfolio	T.Rowe Price Large Cap Growth 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 913,768	\$ -	\$ 212,962	\$ 336,865	\$ 179,509	\$ 8,864
Net Change in Fair Value of Investments	12,717,377	51,094,907	(476,830)	3,247,516	2,439,729	207,076
State Administrative Fees	(9,107)	(41,184)	(2,366)	(3,601)	(2,484)	(284)
12b-1 Fees	(89,714)	(389,334)	(20,426)	-	-	-
Other Operating Expenses	-	-	-	(819)	(469)	(72)
Management and Bank Custodial Fees	(42,499)	(192,194)	(11,039)	(16,806)	(11,593)	(1,328)
Net Investment Earnings (Loss)	13,489,825	50,472,195	(297,699)	3,563,155	2,604,692	214,256
Other Participant Transactions						
Program Contributions	6,094,627	37,214,196	2,238,124	3,321,073	2,144,083	238,037
Total Increase from Participant Transactions	6,094,627	37,214,196	2,238,124	3,321,073	2,144,083	238,037
Total Additions	19,584,452	87,686,391	1,940,425	6,884,228	4,748,775	452,293
Deductions						
Program Distributions	5,555,098	25,240,709	2,017,000	1,914,395	1,289,616	201,061
Total Deductions	5,555,098	25,240,709	2,017,000	1,914,395	1,289,616	201,061
Change in Net Position	14,029,354	62,445,682	(76,575)	4,969,833	3,459,159	251,232
Net Position, Beginning of Fiscal Year	23,040,408	106,705,971	8,189,338	9,432,314	6,283,904	854,148
Net Position, End of Fiscal Year	\$ 37,069,762	\$ 169,151,653	\$ 8,112,763	\$ 14,402,147	\$ 9,743,063	\$ 1,105,380

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	Vanguard Mega Cap ETF 529 Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 393,835	\$ 65,454	\$ 187,093	\$ 152,285	\$ 13,103	\$ 39,100
Net Change in Fair Value of Investments	8,798,102	3,522,179	2,240,805	3,766,675	989,269	643,000
State Administrative Fees	(8,133)	(3,100)	(2,247)	(3,156)	(859)	(529)
12b-1 Fees	-	-	-	-	-	-
Other Operating Expenses	(528)	(272)	(315)	(167)	(62)	(65)
Management and Bank Custodial Fees	(37,952)	(14,467)	(10,485)	(14,730)	(4,009)	(2,468)
Net Investment Earnings (Loss)	9,145,324	3,569,794	2,414,851	3,900,907	997,442	679,038
Other Participant Transactions						
Program Contributions	5,832,269	3,939,563	2,263,698	2,962,503	911,173	577,303
Total Increase from Participant Transactions	5,832,269	3,939,563	2,263,698	2,962,503	911,173	577,303
Total Additions	14,977,593	7,509,357	4,678,549	6,863,410	1,908,615	1,256,341
Deductions						
Program Distributions	3,344,452	2,795,108	1,197,582	1,573,042	744,438	320,421
Total Deductions	3,344,452	2,795,108	1,197,582	1,573,042	744,438	320,421
Change in Net Position	11,633,141	4,714,249	3,480,967	5,290,368	1,164,177	935,920
Net Position, Beginning of Fiscal Year	21,258,765	7,499,641	5,738,610	7,823,392	2,184,055	1,324,686
Net Position, End of Fiscal Year	\$ 32,891,906	\$ 12,213,890	\$ 9,219,577	\$ 13,113,760	\$ 3,348,232	\$ 2,260,606

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	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
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 124,608	\$ 185,581	\$ 135,503	\$ 11,489	\$ 51,514	\$ 252,333
Net Change in Fair Value of Investments	932,545	(149,514)	4,205,371	768,654	1,169,793	(326,160)
State Administrative Fees	(1,041)	(3,850)	(3,022)	(674)	(776)	(3,420)
12b-1 Fees	-	-	-	-	-	-
Other Operating Expenses	(129)	(845)	(155)	(57)	(83)	(586)
Management and Bank Custodial Fees	(4,858)	(17,967)	(14,102)	(3,146)	(3,620)	(15,961)
Net Investment Earnings (Loss)	1,051,125	13,405	4,323,595	776,266	1,216,828	(93,794)
Other Participant Transactions						
Program Contributions	794,601	5,887,249	2,307,996	1,024,438	1,058,497	3,503,838
Total Increase from Participant Transactions	794,601	5,887,249	2,307,996	1,024,438	1,058,497	3,503,838
Total Additions	1,845,726	5,900,654	6,631,591	1,800,704	2,275,325	3,410,044
Deductions						
Program Distributions	655,216	2,932,433	1,557,578	602,295	432,522	2,611,970
Total Deductions	655,216	2,932,433	1,557,578	602,295	432,522	2,611,970
Change in Net Position	1,190,510	2,968,221	5,074,013	1,198,409	1,842,803	798,074
Net Position, Beginning of Fiscal Year	3,078,280	11,936,609	7,451,536	1,619,863	1,811,409	10,912,671
Net Position, End of Fiscal Year	\$ 4,268,790	\$ 14,904,830	\$ 12,525,549	\$ 2,818,272	\$ 3,654,212	\$ 11,710,745

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 30	Fund 40
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 2,248,396	\$ 942,099	\$ 7,882,464	\$ 11,845,648	\$ 12,988,490	\$ 13,842,604
Net Change in Fair Value of Investments	6,281,633	477,033	18,271,065	41,191,112	61,785,465	80,630,578
State Administrative Fees	(9,326)	(29,419)	(151,449)	(185,510)	(183,245)	(184,903)
12b-1 Fees	(93,520)	(287,128)	(1,371,804)	(1,714,588)	(1,712,509)	(1,791,260)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(43,520)	(137,286)	(706,761)	(865,713)	(855,141)	(862,881)
Net Investment Earnings (Loss)	8,383,663	965,299	23,923,515	50,270,949	72,023,060	91,634,138
Other Participant Transactions						
Program Contributions	7,150,016	55,650,443	303,020,035	409,970,413	386,527,182	385,801,253
Total Increase from Participant Transactions	7,150,016	55,650,443	303,020,035	409,970,413	386,527,182	385,801,253
Total Additions	15,533,679	56,615,742	326,943,550	460,241,362	458,550,242	477,435,391
Deductions						
Program Distributions	5,968,400	46,421,227	236,073,802	355,758,021	366,854,252	357,359,631
Total Deductions	5,968,400	46,421,227	236,073,802	355,758,021	366,854,252	357,359,631
Change in Net Position	9,565,279	10,194,515	90,869,748	104,483,341	91,695,990	120,075,760
Net Position, Beginning of Fiscal Year	25,670,306	93,722,898	471,031,673	580,330,772	563,238,905	552,478,499
Net Position, End of Fiscal Year	\$ 35,235,585	\$ 103,917,413	\$ 561,901,421	\$ 684,814,113	\$ 654,934,895	\$ 672,554,259

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	Fund 50	Fund 60	Fund 70	Fund 80	Fund 90
Additions					
Investment Income (Expense)					
Investment Earnings	\$ 12,295,449	\$ 13,666,876	\$ 8,887,648	\$ 10,539,246	\$ 3,350,484
Net Change in Fair Value of Investments	85,955,042	124,142,044	96,909,172	135,514,984	47,747,176
State Administrative Fees	(157,091)	(188,393)	(125,311)	(153,715)	(48,698)
12b-1 Fees	(1,582,380)	(1,917,066)	(1,273,092)	(1,481,733)	(435,152)
Other Operating Expenses	-	-	-	-	-
Management and Bank Custodial Fees	(733,090)	(879,169)	(584,786)	(717,337)	(227,257)
Net Investment Earnings (Loss)	95,777,930	134,824,292	103,813,631	143,701,445	50,386,553
Other Participant Transactions					
Program Contributions	311,908,638	291,593,282	198,926,423	181,814,323	89,282,586
Total Increase from Participant Transactions	311,908,638	291,593,282	198,926,423	181,814,323	89,282,586
Total Additions	407,686,568	426,417,574	302,740,054	325,515,768	139,669,139
Deductions					
Program Distributions	326,782,405	308,580,370	203,894,249	189,701,609	81,331,569
Total Deductions	326,782,405	308,580,370	203,894,249	189,701,609	81,331,569
Change in Net Position	80,904,163	117,837,204	98,845,805	135,814,159	58,337,570
Net Position, Beginning of Fiscal Year	474,550,550	562,637,762	364,593,014	439,666,427	131,367,994
Net Position, End of Fiscal Year	\$ 555,454,713	\$ 680,474,966	\$ 463,438,819	\$ 575,480,586	\$ 189,705,564

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2021**

	Fund 100	Total
Additions		
Investment Income (Expense)		
Investment Earnings	\$ 13,167,556	\$ 139,358,491
Net Change in Fair Value of Investments	203,464,195	1,156,760,220
State Administrative Fees	(187,866)	(1,905,763)
12b-1 Fees	(1,643,517)	(17,767,284)
Other Operating Expenses	-	(36,492)
Management and Bank Custodial Fees	(876,709)	(8,918,534)
	<u>213,923,659</u>	<u>1,267,490,638</u>
Net Investment Earnings (Loss)		
Other Participant Transactions		
Program Contributions	98,607,927	3,105,667,178
Total Increase		
from Participant Transactions	98,607,927	3,105,667,178
	<u>312,531,586</u>	<u>4,373,157,816</u>
Total Additions		
Deductions		
Program Distributions	137,396,785	2,920,078,106
Total Deductions	137,396,785	2,920,078,106
Change in Net Position	175,134,801	1,453,079,710
Net Position, Beginning of Fiscal Year	536,719,629	5,801,309,984
Net Position, End of Fiscal Year	<u>\$ 711,854,430</u>	<u>\$ 7,254,389,694</u>

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Statements of Changes in Fiduciary Net Position by Portfolio
Bright Directions
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	American Century Equity Growth 529 Portfolio	American Century Growth 529 Portfolio	American Century Short Duration Inflation Protection Bond 529 Portfolio	American Century Value 529 Portfolio	Ariel 529 Portfolio	Baird Short- Term Bond Institutional 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 1,698,023	\$ 1,179,369	\$ 68,560	\$ 1,406,090	\$ 803,203	\$ 562,928
Net Change in Fair Value of Investments	(590,791)	2,022,615	19,062	(2,921,432)	(2,888,888)	511,480
State Administrative Fees	(5,076)	(4,397)	(920)	(4,491)	(3,689)	(7,252)
12b-1 Fees	(50,594)	(46,893)	(5,507)	(41,058)	(32,164)	(60,728)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(24,596)	(21,263)	(4,448)	(21,813)	(17,931)	(35,073)
Net Investment Earnings (Loss)	1,026,966	3,129,431	76,747	(1,582,704)	(2,139,469)	971,355
Other Participant Transactions						
Program Contributions	5,439,516	5,639,109	1,420,255	3,008,920	2,808,182	13,410,809
Total Increase from Participant Transactions	5,439,516	5,639,109	1,420,255	3,008,920	2,808,182	13,410,809
Total Additions	6,466,482	8,768,540	1,497,002	1,426,216	668,713	14,382,164
Deductions						
Program Distributions	4,854,951	3,747,585	981,185	3,835,518	2,902,584	8,758,416
Total Deductions	4,854,951	3,747,585	981,185	3,835,518	2,902,584	8,758,416
Change in Net Position	1,611,531	5,020,955	515,817	(2,409,302)	(2,233,871)	5,623,748
Net Position, Beginning of Fiscal Year	16,521,209	13,155,016	2,961,500	15,761,003	13,263,153	21,439,788
Net Position, End of Fiscal Year	\$ 18,132,740	\$ 18,175,971	\$ 3,477,317	\$ 13,351,701	\$ 11,029,282	\$ 27,063,536

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio
Bright Directions
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	BlackRock Inflation Protected Bond 529 Portfolio	Calvert Equity 529 Portfolio	Causeway Emerging Markets 529 Portfolio	Delaware Small Cap Core 529 Portfolio	DFA International Small Company 529 Portfolio	DFA Real Estate Sec 529 Port
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 100,725	\$ 497,409	\$ 259,502	\$ 369,860	\$ 368,854	\$ 230,411
Net Change in Fair Value of Investments	743,898	1,870,210	(829,707)	(1,488,040)	(912,701)	(1,761,824)
State Administrative Fees	(3,047)	(5,682)	(3,568)	(5,100)	(2,388)	(2,345)
12b-1 Fees	(28,503)	(59,461)	(31,938)	(47,523)	(16,667)	(24,212)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(14,753)	(27,474)	(17,305)	(24,760)	(11,590)	(11,263)
Net Investment Earnings (Loss)	798,320	2,275,002	(623,016)	(1,195,563)	(574,492)	(1,569,233)
Other Participant Transactions						
Program Contributions	3,754,952	7,754,847	3,074,067	4,112,819	1,823,739	13,420,765
Total Increase from Participant Transactions	3,754,952	7,754,847	3,074,067	4,112,819	1,823,739	13,420,765
Total Additions	4,553,272	10,029,849	2,451,051	2,917,256	1,249,247	11,851,532
Deductions						
Program Distributions	3,255,837	4,826,481	3,128,783	4,510,508	2,028,855	2,283,431
Total Deductions	3,255,837	4,826,481	3,128,783	4,510,508	2,028,855	2,283,431
Change in Net Position	1,297,435	5,203,368	(677,732)	(1,593,252)	(779,608)	9,568,101
Net Position, Beginning of Fiscal Year	10,081,051	16,114,983	12,336,576	17,823,056	8,191,115	-
Net Position, End of Fiscal Year	\$ 11,378,486	\$ 21,318,351	\$ 11,658,844	\$ 16,229,804	\$ 7,411,507	\$ 9,568,101

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**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	Dodge & Cox International Stock 529 Portfolio	Fidelity US Bond Index 529 Portfolio	Harbor Small Cap Growth Opportunities 529 Portfolio	Invesco Government & Agency 529 Portfolio	MainStay Total Return Bond 529 Portfolio	MFS Value 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 1,409,425	\$ 372,919	\$ 421,754	\$ 1,816,019	\$ 1,114,463	\$ 1,246,712
Net Change in Fair Value of Investments	(5,428,986)	1,006,679	(1,337,635)	-	2,113,955	(3,101,737)
State Administrative Fees	(9,978)	(4,598)	(3,794)	-	(12,424)	(11,874)
12b-1 Fees	(90,604)	(39,143)	(35,657)	-	(125,783)	(111,445)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(48,454)	(21,984)	(18,410)	(196,704)	(60,188)	(57,592)
Net Investment Earnings (Loss)	(4,168,597)	1,313,873	(973,742)	1,619,315	3,030,023	(2,035,936)
Other Participant Transactions						
Program Contributions	7,328,058	27,365,189	2,824,679	119,780,463	15,618,088	11,006,954
Total Increase from Participant Transactions	7,328,058	27,365,189	2,824,679	119,780,463	15,618,088	11,006,954
Total Additions	3,159,461	28,679,062	1,850,937	121,399,778	18,648,111	8,971,018
Deductions						
Program Distributions	7,496,986	4,233,234	3,492,062	83,802,978	11,913,629	9,356,518
Total Deductions	7,496,986	4,233,234	3,492,062	83,802,978	11,913,629	9,356,518
Change in Net Position	(4,337,525)	24,445,828	(1,641,125)	37,596,800	6,734,482	(385,500)
Net Position, Beginning of Fiscal Year	35,191,243	-	13,965,501	138,780,706	37,150,842	38,422,302
Net Position, End of Fiscal Year	\$ 30,853,718	\$ 24,445,828	\$ 12,324,376	\$ 176,377,506	\$ 43,885,324	\$ 38,036,802

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	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
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 111,284	\$ 383,920	\$ 211,271	\$ -	\$ -	\$ 319,041
Net Change in Fair Value of Investments	227,213	(1,041,979)	(1,033,147)	(1,736,443)	4,356,593	930,769
State Administrative Fees	(1,230)	(3,532)	(3,332)	(2,501)	(16,454)	(7,350)
12b-1 Fees	(10,684)	(32,883)	(33,133)	(23,658)	(162,080)	(71,983)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(6,220)	(17,122)	(16,174)	(12,154)	(79,609)	(35,631)
Net Investment Earnings (Loss)	320,363	(711,596)	(874,515)	(1,774,756)	4,098,450	1,134,846
Other Participant Transactions						
Program Contributions	2,947,118	3,664,441	2,952,283	2,266,999	20,366,126	5,841,193
Total Increase from Participant Transactions	2,947,118	3,664,441	2,952,283	2,266,999	20,366,126	5,841,193
Total Additions	3,267,481	2,952,845	2,077,768	492,243	24,464,576	6,976,039
Deductions						
Program Distributions	19,126,209	2,777,129	2,869,975	2,319,296	12,493,620	6,972,060
Total Deductions	19,126,209	2,777,129	2,869,975	2,319,296	12,493,620	6,972,060
Change in Net Position	(15,858,728)	175,716	(792,207)	(1,827,053)	11,970,956	3,979
Net Position, Beginning of Fiscal Year	15,858,728	11,618,905	11,670,634	9,082,665	49,648,472	25,187,111
Net Position, End of Fiscal Year	\$ -	\$ 11,794,621	\$ 10,878,427	\$ 7,255,612	\$ 61,619,428	\$ 25,191,090

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	PIMCO Short-Term 529 Portfolio	Principal Global Real Estate Securities 529 Portfolio	SIT Dividend Growth 529 Portfolio	T.Rowe Price Balanced 529 Portfolio	T.Rowe Price Equity Income 529 Portfolio	T.Rowe Price Extended Equity Market Index 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 764,207	\$ 251,187	\$ 1,754,174	\$ 2,137,373	\$ 3,246,856	\$ 1,041,336
Net Change in Fair Value of Investments	156,342	(803,190)	(978,259)	980,175	(7,882,692)	(693,924)
State Administrative Fees	(9,564)	(1,317)	(4,276)	(18,938)	(12,233)	(6,595)
12b-1 Fees	(77,212)	(13,171)	(37,892)	(212,091)	(117,414)	(66,359)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	(46,310)	(6,385)	(20,718)	(91,716)	(59,408)	(31,981)
Net Investment Earnings (Loss)	787,463	(572,876)	713,029	2,794,803	(4,824,891)	242,477
Other Participant Transactions						
Program Contributions	14,125,956	1,445,994	4,064,054	19,591,417	9,488,878	6,870,171
Total Increase from Participant Transactions	14,125,956	1,445,994	4,064,054	19,591,417	9,488,878	6,870,171
Total Additions	14,913,419	873,118	4,777,083	22,386,220	4,663,987	7,112,648
Deductions						
Program Distributions	11,844,975	1,226,372	3,400,719	14,735,211	10,834,857	6,031,944
Total Deductions	11,844,975	1,226,372	3,400,719	14,735,211	10,834,857	6,031,944
Change in Net Position	3,068,444	(353,254)	1,376,364	7,651,009	(6,170,870)	1,080,704
Net Position, Beginning of Fiscal Year	31,293,831	4,336,398	13,394,960	59,673,709	42,426,992	21,959,704
Net Position, End of Fiscal Year	\$ 34,362,275	\$ 3,983,144	\$ 14,771,324	\$ 67,324,718	\$ 36,256,122	\$ 23,040,408

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	T.Rowe Price Institutional Large Cap Growth 529 Portfolio	T.Rowe Price Real Estate 529 Portfolio	Templeton International Bond 529 Portfolio	Vanguard FTSE Developed Markets ETF 529 Portfolio	Vanguard FTSE Emerging Markets Stock ETF 529 Portfolio	Vanguard Global Ex-U.S. Real Estate ETF 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ -	\$ 73,894	\$ 434,321	\$ 238,506	\$ 193,450	\$ 68,613
Net Change in Fair Value of Investments	18,421,633	535,879	(1,074,416)	(703,158)	(463,152)	(221,171)
State Administrative Fees	(27,031)	(797)	(2,806)	(2,769)	(1,834)	(286)
12b-1 Fees	(260,431)	(8,116)	(24,768)	-	-	-
Other Operating Expenses	-	-	-	(665)	(383)	(49)
Management and Bank Custodial Fees	(130,795)	(4,027)	(13,616)	(13,422)	(8,891)	(1,387)
Net Investment Earnings (Loss)	18,003,376	596,833	(681,285)	(481,508)	(280,810)	(154,280)
Other Participant Transactions						
Program Contributions	25,574,763	534,612	1,955,334	2,165,648	1,346,410	186,784
Total Increase from Participant Transactions	25,574,763	534,612	1,955,334	2,165,648	1,346,410	186,784
Total Additions	43,578,139	1,131,445	1,274,049	1,684,140	1,065,600	32,504
Deductions						
Program Distributions	21,255,403	11,745,422	3,601,239	1,339,312	912,017	167,075
Total Deductions	21,255,403	11,745,422	3,601,239	1,339,312	912,017	167,075
Change in Net Position	22,322,736	(10,613,977)	(2,327,190)	344,828	153,583	(134,571)
Net Position, Beginning of Fiscal Year	84,383,235	10,613,977	10,516,528	9,087,486	6,130,321	988,719
Net Position, End of Fiscal Year	\$ 106,705,971	\$ -	\$ 8,189,338	\$ 9,432,314	\$ 6,283,904	\$ 854,148

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	Vanguard Mega Cap ETF 529Portfolio	Vanguard Mega Cap Growth ETF 529 Portfolio	Vanguard Mega Cap Value ETF 529 Portfolio	Vanguard Mid-Cap ETF 529 Portfolio	Vanguard Mid-Cap Growth ETF 529 Portfolio	Vanguard Mid-Cap Value ETF 529 Portfolio
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 352,489	\$ 54,798	\$ 170,574	\$ 132,901	\$ 17,658	\$ 35,701
Net Change in Fair Value of Investments	1,506,012	1,393,369	(617,809)	(211,060)	201,163	(209,375)
State Administrative Fees	(5,647)	(1,721)	(1,842)	(2,225)	(602)	(411)
12b-1 Fees	-	-	-	-	-	-
Other Operating Expenses	(552)	(197)	(274)	(160)	(84)	(50)
Management and Bank Custodial Fees	(27,327)	(8,314)	(8,927)	(10,775)	(2,917)	(1,994)
Net Investment Earnings (Loss)	1,824,975	1,437,935	(458,278)	(91,319)	215,218	(176,129)
Other Participant Transactions						
Program Contributions	4,842,603	2,202,119	1,478,236	2,042,985	473,330	366,590
Total Increase from Participant Transactions	4,842,603	2,202,119	1,478,236	2,042,985	473,330	366,590
Total Additions	6,667,578	3,640,054	1,019,958	1,951,666	688,548	190,461
Deductions						
Program Distributions	2,290,497	1,170,484	1,243,671	1,209,474	519,234	287,912
Total Deductions	2,290,497	1,170,484	1,243,671	1,209,474	519,234	287,912
Change in Net Position	4,377,081	2,469,570	(223,713)	742,192	169,314	(97,451)
Net Position, Beginning of Fiscal Year	16,881,684	5,030,071	5,962,323	7,081,200	2,014,741	1,422,137
Net Position, End of Fiscal Year	\$ 21,258,765	\$ 7,499,641	\$ 5,738,610	\$ 7,823,392	\$ 2,184,055	\$ 1,324,686

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	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
Additions						
Investment Income (Expense)						
Investment Earnings	\$ 121,821	\$ 239,210	\$ 99,589	\$ 7,847	\$ 38,845	\$ 251,336
Net Change in Fair Value of Investments	(376,242)	358,901	(519,507)	96,474	(411,574)	622,855
State Administrative Fees	(1,028)	(3,322)	(2,100)	(421)	(585)	(2,961)
12b-1 Fees	-	-	-	-	-	-
Other Operating Expenses	(128)	(556)	(148)	(35)	(62)	(438)
Management and Bank Custodial Fees	(4,990)	(16,082)	(10,177)	(2,041)	(2,841)	(14,316)
Net Investment Earnings (Loss)	(260,567)	578,151	(432,343)	101,824	(376,217)	856,476
Other Participant Transactions						
Program Contributions	701,905	3,135,412	2,020,800	504,345	601,915	2,924,494
Total Increase from Participant Transactions	701,905	3,135,412	2,020,800	504,345	601,915	2,924,494
Total Additions	441,338	3,713,563	1,588,457	606,169	225,698	3,780,970
Deductions						
Program Distributions	683,172	2,648,608	886,111	258,967	326,110	1,681,849
Total Deductions	683,172	2,648,608	886,111	258,967	326,110	1,681,849
Change in Net Position	(241,834)	1,064,955	702,346	347,202	(100,412)	2,099,121
Net Position, Beginning of Fiscal Year	3,320,114	10,871,654	6,749,190	1,272,661	1,911,821	8,813,550
Net Position, End of Fiscal Year	\$ 3,078,280	\$ 11,936,609	\$ 7,451,536	\$ 1,619,863	\$ 1,811,409	\$ 10,912,671

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	Voya Global Real Estate 529 Portfolio	William Blair Mid Cap Growth 529 Portfolio	Fixed Income Fund	Fund 10	Fund 20	Fund 30
Additions						
Investment Income (Expense)						
Investment Earnings	\$ -	\$ 2,050,441	\$ 1,495,628	\$ 9,125,290	\$ 12,506,821	\$ 13,018,821
Net Change in Fair Value of Investments	-	(686,181)	897,494	6,538,790	9,787,701	9,679,359
State Administrative Fees	-	(7,290)	(24,680)	(124,655)	(162,109)	(163,263)
12b-1 Fees	-	(74,736)	(260,431)	(1,167,714)	(1,565,857)	(1,572,032)
Other Operating Expenses	-	-	-	-	-	-
Management and Bank Custodial Fees	-	(35,320)	(119,449)	(603,365)	(785,158)	(790,944)
Net Investment Earnings (Loss)	-	1,246,914	1,988,562	13,768,346	19,781,398	20,171,941
Other Participant Transactions						
Program Contributions	-	6,549,695	56,314,447	280,445,185	385,587,759	362,812,800
Total Increase from Participant Transactions	-	6,549,695	56,314,447	280,445,185	385,587,759	362,812,800
Total Additions	-	7,796,609	58,303,009	294,213,531	405,369,157	382,984,741
Deductions						
Program Distributions	7,135	5,470,525	44,122,604	219,225,841	354,491,782	352,035,915
Total Deductions	7,135	5,470,525	44,122,604	219,225,841	354,491,782	352,035,915
Change in Net Position	(7,135)	2,326,084	14,180,405	74,987,690	50,877,375	30,948,826
Net Position, Beginning of Fiscal Year	7,135	23,344,222	79,542,493	396,043,983	529,453,397	532,290,079
Net Position, End of Fiscal Year	\$ -	\$ 25,670,306	\$ 93,722,898	\$ 471,031,673	\$ 580,330,772	\$ 563,238,905

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	Fund 40	Fund 50	Fund 60	Fund 70	Fund 80
Additions					
Investment Income (Expense)					
Investment Earnings	\$ 13,107,315	\$ 10,953,408	\$ 13,267,715	\$ 8,528,133	\$ 9,698,169
Net Change in Fair Value of Investments	7,369,648	5,937,676	1,909,075	(1,294,388)	(2,719,322)
State Administrative Fees	(162,406)	(139,887)	(169,049)	(110,420)	(132,711)
12b-1 Fees	(1,601,694)	(1,445,118)	(1,762,022)	(1,144,960)	(1,315,369)
Other Operating Expenses	-	-	-	-	-
Management and Bank Custodial Fees	(786,845)	(677,931)	(819,667)	(535,414)	(643,480)
Net Investment Earnings (Loss)	17,926,018	14,628,148	12,426,052	5,442,951	4,887,287
Other Participant Transactions					
Program Contributions	349,965,816	298,338,588	271,869,483	180,284,209	163,781,520
Total Increase from Participant Transactions	349,965,816	298,338,588	271,869,483	180,284,209	163,781,520
Total Additions	367,891,834	312,966,736	284,295,535	185,727,160	168,668,807
Deductions					
Program Distributions	339,774,013	295,435,656	293,484,895	190,828,244	170,706,216
Total Deductions	339,774,013	295,435,656	293,484,895	190,828,244	170,706,216
Change in Net Position	28,117,821	17,531,080	(9,189,360)	(5,101,084)	(2,037,409)
Net Position, Beginning of Fiscal Year	524,360,678	457,019,470	571,827,122	369,694,098	441,703,836
Net Position, End of Fiscal Year	\$ 552,478,499	\$ 474,550,550	\$ 562,637,762	\$ 364,593,014	\$ 439,666,427

(Continued)

**State of Illinois
Office of the Treasurer**

**College Savings Program
Statements of Changes in Fiduciary Net Position by Portfolio (Continued)
Bright Directions
For the Year Ended June 30, 2020**

	Fund 90	Fund 100	Total
Additions			
Investment Income (Expense)			
Investment Earnings	\$ 2,827,017	\$ 11,985,277	\$ 135,242,463
Net Change in Fair Value of Investments	(2,335,401)	(15,245,438)	17,675,451
State Administrative Fees	(39,536)	(167,408)	(1,639,747)
12b-1 Fees	(356,127)	(1,461,114)	(15,726,929)
Other Operating Expenses	-	-	(3,781)
Management and Bank Custodial Fees	(191,680)	(812,463)	(8,143,584)
	<u>(95,727)</u>	<u>(5,701,146)</u>	<u>127,403,873</u>
Net Investment Earnings (Loss)			
Other Participant Transactions			
Program Contributions	72,664,045	93,682,681	2,918,570,554
Total Increase	<u>72,664,045</u>	<u>93,682,681</u>	<u>2,918,570,554</u>
from Participant Transactions			
Total Additions	72,568,318	87,981,535	3,045,974,427
Deductions			
Program Distributions	74,134,393	137,713,261	2,789,698,945
Total Deductions	74,134,393	137,713,261	2,789,698,945
Change in Net Position	(1,566,075)	(49,731,726)	256,275,482
Net Position, Beginning of Fiscal Year	132,934,069	586,451,355	5,545,034,502
Net Position, End of Fiscal Year	<u>\$ 131,367,994</u>	<u>\$ 536,719,629</u>	<u>\$ 5,801,309,984</u>

OTHER INFORMATION

**State of Illinois
Office of the Treasurer**

**College Savings Program
Key Performance Measures
June 30, 2021 and 2020
(Unaudited)**

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	2021	2020	2021	2020	2021	2020
Bright Start						
Number of Participant Accounts	235,389	218,276	43,681	37,256	279,070	255,532
Market Value	\$7,964,038,505	\$ 6,065,849,150	\$1,548,563,267	\$1,094,649,565	\$ 9,512,601,772	\$ 7,160,498,715

	<u>Illinois</u>		<u>Out of State</u>		<u>Total</u>	
	2021	2020	2021	2020	2021	2020
Bright Directions						
Number of Participant Accounts	185,062	172,389	43,498	41,324	228,560	213,713
Market Value	\$4,831,575,627	\$ 3,848,792,616	\$2,422,797,962	\$1,952,436,672	\$ 7,254,373,589	\$ 5,801,229,288

Notes:

The difference between the Market Value presented above and the information presented in the statements is because 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 beneficiary.

**College Savings Program
Investment Policy Statement
Bright Start
(Effective August 2020)
(Unaudited)**

**State of Illinois
Office of the Treasurer**

**College Savings Program
Investment Policy Statement
Bright Start
(Effective August 2020)
(Unaudited)**

1.0 Statement of Purpose of Investment Policy

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

- Describing the Treasurer’s investment 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;
- Describing the Treasurer’s objective to include sustainability factors within the investment decision process; and
- Specifying the responsibilities of any contractors that provide investment management services to the Program.

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

2.0 Establishment and Authority of Entity

The Program has been established as 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 was established to provide families with an opportunity to invest toward future college education expenses.

3.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. 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 relies on prevailing financial theory, which currently utilizes a long-term diversified asset allocation strategy. A prudently allocated investment program possesses a significant level of diversification, which produces risk reduction. In terms of impact, diversification shall be considered along the following lines: (1) asset classes (stocks, bonds, cash, etc.); (2) geography/country; (3) industry; (4) maturity; and (5) duration.

Contributions to the Program will be directed to one or more of the available Portfolios, Age-Based, Target, or Individual, (the “Portfolios”), each composed of a designated mix of investments or an individual

**State of Illinois
Office of the Treasurer**

**College Savings Program
Investment Policy Statement
Bright Start
(Effective August 2020)
(Unaudited)**

investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for participants will vary from a few months to over 18 years.

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

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

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

Section 30 of the State Treasurer Act (15 ILCS 505/30) declares that it is the policy of the Treasurer to promote and encourage the use of businesses owned by or under the control of qualified veterans of the armed forces of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability ("MWVD Persons") and sets forth the aspirational goal of directing 25% of the total dollar amount of funds under management, purchases of investment securities, and other contracts to businesses owned by or under the control of MWVD Persons. As such, consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will endeavor to identify and evaluate investment managers that are more than 50% owned and/or managed by MWVD Persons.

Pursuant to the Illinois Sustainable Investing Act (30 ILCS 238/1 et seq.), the Treasurer shall prudently integrate sustainability factors into its investment decision-making, investment analysis, portfolio construction, risk management, due diligence, and investment ownership in order to maximize anticipated financial returns, minimize projected risk, and more effectively execute its fiduciary duty. As such, consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship and integrate sustainability factors within such a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to (1) corporate governance and leadership factors, (2) environmental factors, (3) social capital factors, (4) human capital factors, and (5) business model and innovation factors, as components of portfolio construction, investment decision-making, investment analysis and due diligence, prospective

**State of Illinois
Office of the Treasurer**

**College Savings Program
Investment Policy Statement
Bright Start
(Effective August 2020)
(Unaudited)**

value proposition, risk management, and investment ownership, given that these tangible and intangible factors may have material and relevant financial impacts;

- B. Recurring evaluation of sustainability factors to ensure the factors are relevant and decision-useful to the Program and the evolving marketplace;
- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through the exercise of proxy voting rights and engagement with entities – such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations – and move the marketplace toward more prudent, sustainable business practices; and
- D. Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value.

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

5.0 Investment Responsibilities

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

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

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

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

6.0 Investment Parameters

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

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

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7.0 Plan Options

Direct Plan: Index Age-Based and Target Portfolios

Age-Based Portfolios		<i>Age of Beneficiary</i>										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option												
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Equity Portfolio				Balanced Portfolio						Fixed Income
Asset Class	Benchmark											
Domestic Equity	CRSP U.S. Total Market Index	57.0%	54.0%	49.0%	42.0%	36.0%	32.0%	25.0%	19.0%	14.0%	7.0%	0.0%
Real Estate	MSCI US REIT Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	FTSE Global All Cap ex US Index	36.0%	30.0%	26.0%	23.0%	19.0%	15.0%	12.0%	9.0%	4.0%	2.0%	0.0%
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	3.0%	5.0%	5.0%	6.0%	7.0%	5.0%	5.0%	3.0%	0.0%
	Bloomberg Barclays U.S. 1-5 Year Government / Credit Float Adjusted Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
	Bloomberg Barclays U.S. Aggregate Float Adjusted Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%
	Bloomberg Barclays U.S. 0-5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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Direct Plan: Multi-Firm Age-Based and Target Portfolios

Age-Based Portfolios		Age of Beneficiary											
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +			
Aggressive Option													
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Target Portfolios		Equity Portfolio											Fixed Income
Asset Class	Benchmark												
Domestic Equity	Russell 1000 Value	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%	
	S & P 500 Index	23.0%	20.0%	19.0%	16.0%	14.0%	12.0%	9.0%	7.0%	6.0%	2.0%	0.0%	
	Russell 1000 Growth	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%	
	Russell 2500 Value	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	1.0%	0.0%	
	Russell 2500 Growth	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%	
Global Real Estate	FTSE EPRA/NAREIT Developed Real Estate Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	
International Equity	MSCI ACWI ex-U.S. Index	26.0%	22.0%	19.0%	17.0%	14.0%	12.0%	10.0%	7.0%	4.0%	2.0%	0.0%	
	MSCI World ex-U.S. Small Cap Index	5.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%	
	MSCI Emerging Markets Index	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	0.0%	0.0%	0.0%	
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	2.0%	3.0%	3.0%	3.0%	4.0%	3.0%	3.0%	2.0%	0.0%	
	Bloomberg Barclays 1-3 Year U.S. Government / Credit Bond Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%	
	Bloomberg Barclays U.S. Aggregate Bond Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%	
	Bloomberg Barclays U.S. 0–5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%	
	Credit Suisse Leveraged Loan Index	0.0%	0.0%	1.0%	2.0%	2.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%	
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%	

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

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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 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.

Individual Fund Portfolios:

To provide additional diversity and flexibility to participants the Individual Fund Portfolios and underlying investment funds the Treasurer selects will be described in the Program's current Program Disclosure Statement and may include the following asset classes:

Asset Class	Benchmark
Money Market	3 Month T-Bills
Short Term Fixed Income	Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index Bloomberg Barclays U.S. 1-5 Year Government/Credit Float Adjusted Index
Core Bond	Bloomberg Barclays U.S. Aggregate Float Adjusted Index Bloomberg Barclays U.S. Aggregate Bond Index
High Yield Bonds	BofA/Merrill Lynch – High Yield Master II Index
Short Term U.S. TIPS	Bloomberg Barclays U.S. 0–5 Year TIPS Index
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)
Bank Loans	Credit Suisse Leveraged Loan Index
Balanced	60% S&P 500 Index / 40% Bloomberg Barclays U.S. Aggregate Bond Index
All Cap US Equity	CRSP U.S. Total Market Index
Large Cap Value	Russell 1000 Value
Large Cap Blend	S&P 500 Index
Large Cap Growth	Russell 1000 Growth
Small-Cap Value	Russell 2500 Value
Small-Cap Growth	Russell 2500 Growth
All-Country Non-US	FTSE Global All Cap ex US Index
Emerging Market	MSCI Emerging Markets Index
Non-U.S. Small Cap	MSCI World ex-U.S. Small Cap Index
Real Estate	MSCI U.S. REIT Index FTSE EPRA/NAREIT Developed Real Estate Index

8.0 Minority- and Woman-Owned Portfolios

The Treasurer may also add additional Individual Fund Portfolios – for example, Minority, Woman, Veteran, and Disabled-Managed Portfolios – for participants who would like to have a more diverse set of investment options as new viable options become available. The woman- and minority-owned underlying investment funds utilized in the program shall be screened on the following initial criteria: (1) firms with at least 50% woman and/or racial minority ownership or (2) funds that have a woman and/or racial minority investment manager that makes the portfolio management decisions (i.e., a minority-owned subadvisor), and (3) funds that deliver above median returns over a 3-year and/or 5-year time period. The woman- and minority-owned options provided in the program shall include relatively high scoring female- and minority-owned investment managers representing a diverse set of asset classes.

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

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

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1.0 Statement of Purpose of Investment Policy

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

- Describing the Treasurer’s investment 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 Policy of the Program. Deviation from this Policy is not permitted without prior, explicit, written permission from the Treasurer.

2.0 Establishment and Authority of Entity

The Program has been established as 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 was established to provide families with an opportunity to invest toward future college education expenses.

3.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. 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 relies on prevailing financial theory, which currently utilizes a long-term diversified asset allocation strategy. A prudently allocated investment program possesses a significant level of diversification, which produces risk reduction. In terms of impact, diversification shall be considered along the following lines: (1) asset classes (stocks, bonds, cash, etc.); (2) geography/country; (3) industry; (4) maturity; and (5) duration.

Contributions to the Program will be directed to one or more of the available Portfolios (the “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

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

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

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

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

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will endeavor to identify and evaluate investment managers that are more than 50% owned and/or managed by minorities, women, military veterans, or disabled persons.

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship to maximize anticipated financial returns, minimize projected risk, and more effectively execute its fiduciary duty. Sustainability factors shall be implemented within such a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to (1) corporate governance and leadership factors, (2) environmental factors, (3) social capital factors, (4) human capital factors, and (5) business model and innovation factors, as components of portfolio construction, investment decision-making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership, given that these tangible and intangible factors may have material and relevant financial impacts;
- B. Recurring evaluation of sustainability factors to ensure the factors are relevant and decision-useful to the Program and the evolving marketplace;

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- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through the exercise of proxy voting rights and engagement with entities – such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations – and move the marketplace toward more prudent, sustainable business practices; and
- D. Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value.

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

5.0 Investment Responsibilities

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

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

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

- Measure investment performance results, evaluate the investment program, and advise the Treasurer as to the performance and continuing appropriateness of each investment manager;

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- Recommend modifications to the investment policies, objectives, guidelines, or management structure as appropriate; and
- Promptly inform the Treasurer regarding significant matters pertaining to the investment program.

6.0 Investment Parameters

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

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

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7.0 Plan Options

Direct Plan: Index Age-Based and Target Portfolios

Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Equity Portfolio				Balanced Portfolio						Fixed Income
Asset Class	Benchmark											
Domestic Equity	CRSP U.S. Total Market Index	57.0%	54.0%	49.0%	42.0%	36.0%	32.0%	25.0%	19.0%	14.0%	7.0%	0.0%
Real Estate	MSCI US REIT Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	FTSE Global All Cap ex US Index	36.0%	30.0%	26.0%	23.0%	19.0%	15.0%	12.0%	9.0%	4.0%	2.0%	0.0%
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	3.0%	5.0%	5.0%	6.0%	7.0%	5.0%	5.0%	3.0%	0.0%
	Bloomberg Barclays U.S. 1-5 Year Government / Credit Float Adjusted Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
	Bloomberg Barclays U.S. Aggregate Float Adjusted Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%
	Bloomberg Barclays U.S. 0–5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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Direct Plan: Multi-Firm Age-Based and Target Portfolios

Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option												
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Equity Portfolio										Fixed Income
Asset Class	Benchmark											
Domestic Equity	Russell 1000 Value	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	S & P 500 Index	23.0%	20.0%	19.0%	16.0%	14.0%	12.0%	9.0%	7.0%	6.0%	2.0%	0.0%
	Russell 1000 Growth	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	Russell 2500 Value	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	1.0%	0.0%
	Russell 2500 Growth	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Developed Real Estate Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	MSCI ACWI ex-U.S. Index	26.0%	22.0%	19.0%	17.0%	14.0%	12.0%	10.0%	7.0%	4.0%	2.0%	0.0%
	MSCI World ex-U.S. Small Cap Index	5.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%
	MSCI Emerging Markets Index	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	0.0%	0.0%	0.0%
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	2.0%	3.0%	3.0%	3.0%	4.0%	3.0%	3.0%	2.0%	0.0%
	Bloomberg Barclays 1-3 Year U.S. Government / Credit Bond Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
	Bloomberg Barclays U.S. Aggregate Bond Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%
	Bloomberg Barclays U.S. 0–5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
	Credit Suisse Leveraged Loan Index	0.0%	0.0%	1.0%	2.0%	2.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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

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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 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.

Individual Fund Portfolios:

To provide additional diversity and flexibility to participants the Individual Fund Portfolios and underlying investment funds the Treasurer selects will be described in the Program's current Program Disclosure Statement and may include the following asset classes:

Asset Class	Benchmark
Money Market	3 Month T-Bills
Short Term Fixed Income	Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index Bloomberg Barclays U.S. 1-5 Year Government/Credit Float Adjusted Index
Core Bond	Bloomberg Barclays U.S. Aggregate Float Adjusted Index Bloomberg Barclays U.S. Aggregate Bond Index
High Yield Bonds	BofA/Merrill Lynch – High Yield Master II Index
Short Term U.S. TIPS	Bloomberg Barclays U.S. 0–5 Year TIPS Index
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)
Bank Loans	Credit Suisse Leveraged Loan Index
Balanced	60% S&P 500 Index / 40% Bloomberg Barclays U.S. Aggregate Bond Index
All Cap US Equity	CRSP U.S. Total Market Index
Large Cap Value	Russell 1000 Value
Large Cap Blend	S&P 500 Index
Large Cap Growth	Russell 1000 Growth
Small-Cap Value	Russell 2500 Value
Small-Cap Growth	Russell 2500 Growth
All-Country Non-US	FTSE Global All Cap ex US Index
Emerging Market	MSCI Emerging Markets Index
Non-U.S. Small Cap	MSCI World ex-U.S. Small Cap Index
Real Estate	MSCI U.S. REIT Index FTSE EPRA/NAREIT Developed Real Estate Index

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8.0 Minority- and Woman-Owned Portfolios

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

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1.0 Statement of Purpose of Investment Policy

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

- Describing the Treasurer’s investment 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 Policy of the Program. Deviation from this Policy is not permitted without prior, explicit, written permission from the Treasurer.

2.0 Establishment and Authority of Entity

The Program has been established as 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 was established to provide families with an opportunity to invest toward future college education expenses.

3.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. In order to achieve the Program’s objectives, investments shall be diversified so as to minimize the risk of loss.

While some asset classes may experience short-term and intermediate-term volatility, their long-term return assumptions justify their inclusion. A long-term focus on investment results as well as prudent diversification across 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 (stocks, bonds, cash, etc.); (2) geography/country; (3) industry; (4) maturity; and (5) duration.

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Contributions to the Program will be directed to one or more of the available Portfolios (the "Portfolios"), each composed of a designated mix of investments or an individual investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for participants will vary from a few months to over 18 years.

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

The holdings of the Program and the Portfolios may be 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.

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will endeavor to identify and evaluate investment managers that are more than 50% owned and/or managed by minorities, women, military veterans, or disabled persons.

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship to fulfill its fiduciary duty, increase expected financial returns, minimize projected risk, and contribute to a more just, accountable and sustainable State of Illinois. Sustainability factors shall be implemented within a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to environmental, social capital, human capital, business model and innovation, and leadership and governance factors, as components of portfolio construction, investment decision-making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership given that these tangible and intangible factors may have a material and relevant financial impacts;
- B. Recurring evaluation of sustainability factors to ensure the factors are relevant to the Program and the evolving marketplace;

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- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through engagement with entities, such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations, and move the marketplace toward more prudent sustainability investment practices; and
- D. Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value.

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

5.0 Investment Philosophy

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

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

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

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

6.0 Investment Parameters

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

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

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7.0 Plan Options

Direct Plan: Index Age-Based and Target Portfolios

Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option												
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Equity Portfolio				Balanced Portfolio						Fixed Income
Asset Class	Benchmark											
Domestic Equity	CRSP U.S. Total Market Index	57.0%	54.0%	49.0%	42.0%	36.0%	32.0%	25.0%	19.0%	14.0%	7.0%	0.0%
Real Estate	MSCI US REIT Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	FTSE Global All Cap ex US Index	36.0%	30.0%	26.0%	23.0%	19.0%	15.0%	12.0%	9.0%	4.0%	2.0%	0.0%
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	3.0%	5.0%	5.0%	6.0%	7.0%	5.0%	5.0%	3.0%	0.0%
	Bloomberg Barclays U.S. 1-5 Year Government / Credit Float Adjusted Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
	Bloomberg Barclays U.S. Aggregate Float Adjusted Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%
	Bloomberg Barclays U.S. 0-5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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Direct Plan: Multi-Firm Age-Based and Target Portfolios

Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Equity Portfolio				Balanced Portfolio						Fixed Income
Asset Class	Benchmark											
Domestic Equity	Russell 1000 Value	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	S & P 500 Index	23.0%	20.0%	19.0%	16.0%	14.0%	12.0%	9.0%	7.0%	6.0%	2.0%	0.0%
	Russell 1000 Growth	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	Russell 2500 Value	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	1.0%	0.0%
	Russell 2500 Growth	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Developed Real Estate Index	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	MSCI ACWI ex-U.S. Index	26.0%	22.0%	19.0%	17.0%	14.0%	12.0%	10.0%	7.0%	4.0%	2.0%	0.0%
	MSCI World ex-U.S. Small Cap Index	5.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%
	MSCI Emerging Markets Index	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	0.0%	0.0%	0.0%
Domestic Fixed Income	BofA/Merrill Lynch – High Yield Master II Index	0.0%	1.0%	2.0%	3.0%	3.0%	3.0%	4.0%	3.0%	3.0%	2.0%	0.0%
	Bloomberg Barclays 1-3 Year U.S. Government / Credit Bond Index	0.0%	2.0%	4.0%	6.0%	9.0%	11.0%	14.0%	22.0%	25.0%	22.0%	20.0%
	Bloomberg Barclays U.S. Aggregate Bond Index	0.0%	4.0%	7.0%	11.0%	17.0%	23.0%	24.0%	25.0%	25.0%	25.0%	15.0%
	Bloomberg Barclays U.S. 0-5 Year TIPS Index	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
	Credit Suisse Leveraged Loan Index	0.0%	0.0%	1.0%	2.0%	2.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

*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 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 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

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underlying investment's assets may not be entirely invested in the asset class in which such underlying investment has been placed.

Individual Fund Portfolios:

To provide additional diversity and flexibility to participants the Individual Fund Portfolios and underlying investment funds the Treasurer selects will be described in the Program's current Program Disclosure Statement and may include the following asset classes:

Asset Class	Benchmark
Money Market	3 Month T-Bills
Short Term Fixed Income	Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index Bloomberg Barclays U.S. 1-5 Year Government/Credit Float Adjusted Index
Core Bond	Bloomberg Barclays U.S. Aggregate Float Adjusted Index Bloomberg Barclays U.S. Aggregate Bond Index
High Yield Bonds	BofA/Merrill Lynch – High Yield Master II Index
Short Term U.S. TIPS	Bloomberg Barclays U.S. 0–5 Year TIPS Index
Foreign Bonds	Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged)
Global Bonds	Bloomberg Barclays Global Aggregate Index (Hedged)
Bank Loans	Credit Suisse Leveraged Loan Index
Balanced	60% S&P 500 Index / 40% Bloomberg Barclays U.S. Aggregate Bond Index
All Cap US Equity	CRSP U.S. Total Market Index
Large Cap Value	Russell 1000 Value
Large Cap Blend	S&P 500 Index
Large Cap Growth	Russell 1000 Growth
Small-Cap Value	Russell 2500 Value
Small-Cap Growth	Russell 2500 Growth
All-Country Non-US	FTSE Global All Cap ex US Index
Emerging Market	MSCI Emerging Markets Index
Non-U.S. Small Cap	MSCI World ex-U.S. Small Cap Index
Real Estate	MSCI U.S. REIT Index FTSE EPRA/NAREIT Developed Real Estate Index

8.0 Minority- and Woman-Owned Portfolios

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

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1.0 Statement of Purpose of Investment Policy

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

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

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

2.0 Establishment and Authority of Entity

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

3.0 Participating Financial Institution

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

4.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. 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

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their inclusion. A long-term focus on investment results as well as prudent diversification across public security markets will be the primary risk control mechanisms.

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

Contributions to the Program will be directed to one or more of the available Age-Based, Target, Individual, each composed of a designated mix of investments or an individual investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for participants will vary from a few months to over 18 years.

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

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

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

Section 30 of the State Treasurer Act (15 ILCS 505/30) declares that it is the policy of the Treasurer to promote and encourage the use of businesses owned by or under the control of qualified veterans of the armed forces of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability ("MWVD Persons") and sets forth the aspirational goal of directing 25% of the total dollar amount of funds under management, purchases of investment securities, and other contracts to businesses owned by or under the control of MWVD Persons. As such, consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will endeavor to identify and evaluate investment managers that are more than 50% owned and/or managed by MWVD Persons.

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Pursuant to the Illinois Sustainable Investing Act (30 ILCS 238/1 et seq.), the Treasurer shall prudently integrate sustainability factors into its investment decision-making, investment analysis, portfolio construction, risk management, due diligence and investment ownership in order to maximize anticipated financial returns, minimize projected risk, and more effectively execute its fiduciary duty. As such, consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship and integrate sustainability factors within such a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to (1) corporate governance and leadership factors, (2) environmental factors, (3) social capital factors, (4) human capital factors, and (5) business model and innovation factors, as components of portfolio construction, investment decision-making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership, given that these tangible and intangible factors may have material and relevant financial impacts;
- B. Recurring evaluation of sustainability factors to ensure the factors are relevant and decision-useful to the Program and the evolving marketplace;
- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through the exercise of proxy voting rights and engagement with entities – such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations – and move the marketplace toward more prudent, sustainable business practices; and
- D. Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value..

5.0 Investment Objectives

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

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

6.0 Investment Responsibilities

The Treasurer is responsible for the investment policy statement, the direction of investments and administration of the assets of the Program. In order to properly carry out his responsibilities, the Treasurer may rely on one or more contractors to assist in the administration of the Program. The Treasurer will engage and plan to rely on said contractor (the “Manager”) for administrative services as well as the contractor’s pertinent investment advisor, should they retain one, for certain investment management services. The Treasurer also plans to rely heavily on an external investment consultant for

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investment advisory services. Among the current responsibilities of the Manager is the implementation of the investment strategy outlined in this Policy and the rebalancing of the Age-Based and Target Portfolios when market movement and/or cash flows cause an asset class to be outside its policy allocation bands. With the Treasurer's approval, the Manager may retain an investment advisor to provide it with portfolio design, due diligence and ongoing monitoring services with respect to the Portfolios and the implementation of the investment strategy outlined in this policy. The Treasurer and the Manager shall meet quarterly to review portfolio performance as compared to the applicable benchmarks and peer group performance.

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

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

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

7.0 Investment Parameters

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

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

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8.0 Plan Options

Age-Based Portfolios		Age of Beneficiary										
Aggressive Option		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Fund 100		Fund 80		Fund 60		Fund 40		Fund 20	Fund 10	Fixed Income
Asset Class	Benchmark											
Domestic Equity	Russell 1000 Value	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	S & P 500 Index	25.0%	22.0%	21.0%	17.0%	15.0%	13.0%	10.0%	8.0%	6.0%	2.0%	0.0%
	Russell 1000 Growth	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	Russell 2000 Value	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%
	Russell 2000	2.0%	2.0%	2.0%	3.0%	1.0%	1.0%	1.0%	1.0%	0.0%	1.0%	0.0%
	Russell 2000 Growth	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Global	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	MSCI EAFE	25.0%	21.0%	18.0%	16.0%	13.0%	11.0%	9.0%	6.0%	3.0%	2.0%	0.0%
	MSCI World ex- U.S. Small Cap	5.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%
	MSCI Emerging Markets	6.0%	5.0%	5.0%	4.0%	4.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%
Domestic Fixed Income	3-month T-Bills											
	Bloomberg Barclays U.S. Govt/Credit 1-3yr	0.0%	1.0%	2.0%	4.0%	5.0%	7.0%	8.0%	13.0%	15.0%	13.0%	12.0%
	ML 1-3 yr Treasury	0.0%	1.0%	2.0%	2.0%	4.0%	4.0%	6.0%	9.0%	10.0%	9.0%	8.0%
	Bloomberg Barclays U.S. Aggregate Bond	0.0%	5.0%	10.0%	16.0%	22.0%	29.0%	31.0%	30.0%	30.0%	28.0%	15.0%
	Bloomberg Barclays U.S. TIPS	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
Foreign Bonds	CitiGroup Non-U.S. World Govt Bond	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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

To the extent that the assets of a Portfolio are invested in one or more underlying investment funds approved by the Treasurer having investment objectives consistent with the above-noted asset allocation categories, the above-noted percentage guidelines shall be deemed satisfied. This shall be the case even

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if such underlying investment fund's underlying assets may not be entirely invested in the asset class in which such underlying investment fund has been placed.

Individual Fund Portfolios

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

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

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8.0 Minority- and Woman-Owned Portfolios

The Program has included the Woman- and Minority-Owned Portfolios for participants who would like to have a more diverse set of investment options. The woman- and minority-owned underlying investment funds utilized in the program were screened on the following initial criteria: (1) firms with at least 50% female and/or racial minority ownership or (2) funds that have a woman 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 woman- and minority-owned options provided in the program include relatively high scoring woman- and minority-owned investment managers representing a diverse set of asset classes.

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

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

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1.0 Statement of Purpose of Investment Policy

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

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

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

2.0 Establishment and Authority of Entity

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

3.0 Participating Financial Institution

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

4.0 Investment Philosophy

The Treasurer has adopted a long-term total return strategy for the Program and its investments. 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.

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

Contributions to the Program will be directed to one or more of the available Age-Based, Target, Individual, or Female- and Minority-Owned Portfolios (“Portfolios”), each composed of a designated mix of investments or an individual investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for participants will vary from a few months to over 18 years.

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

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

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

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

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship to maximize anticipated financial returns, minimize projected risk, and more effectively execute its fiduciary duty. Sustainability factors shall be implemented within such a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to (1) corporate governance and leadership factors, (2) environmental factors, (3) social capital factors, (4) human capital factors, and (5) business model and innovation factors, as components of portfolio

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construction, investment decision-making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership, given that these tangible and intangible factors may have material and relevant financial impacts;

- B. Recurring evaluation of sustainability factors to ensure the factors are relevant and decision-useful to the Program and the evolving marketplace;
- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through the exercise of proxy voting rights and engagement with entities – such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations – and move the marketplace toward more prudent, sustainable business practices; and
- D. Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value.

5.0 Investment Objectives

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

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

6.0 Investment Responsibilities

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

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

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

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

7.0 Investment Parameters

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

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

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Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option												
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Fund 100		Fund 80		Fund 60		Fund 40		Fund 20	Fund 10	Fixed Income
Asset Class	Benchmark											
Domestic Equity	Russell 1000 Value	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	S & P 500 Index	25.0%	22.0%	21.0%	17.0%	15.0%	13.0%	10.0%	8.0%	6.0%	2.0%	0.0%
	Russell 1000 Growth	12.0%	12.0%	11.0%	9.0%	8.0%	7.0%	6.0%	4.0%	3.0%	2.0%	0.0%
	Russell 2000 Value	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%
	Russell 2000	2.0%	2.0%	2.0%	3.0%	1.0%	1.0%	1.0%	1.0%	0.0%	1.0%	0.0%
	Russell 2000 Growth	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Global	7.0%	6.0%	5.0%	5.0%	5.0%	3.0%	3.0%	2.0%	2.0%	1.0%	0.0%
International Equity	MSCI EAFE	25.0%	21.0%	18.0%	16.0%	13.0%	11.0%	9.0%	6.0%	3.0%	2.0%	0.0%
	MSCI World ex- U.S. Small Cap	5.0%	4.0%	3.0%	3.0%	2.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%
	MSCI Emerging Markets	6.0%	5.0%	5.0%	4.0%	4.0%	3.0%	2.0%	2.0%	1.0%	0.0%	0.0%
Domestic Fixed Income	3-month T-Bills											
	Bloomberg Barclays U.S. Govt/Credit 1-3yr	0.0%	1.0%	2.0%	4.0%	5.0%	7.0%	8.0%	13.0%	15.0%	13.0%	12.0%
	ML 1-3 yr Treasury	0.0%	1.0%	2.0%	2.0%	4.0%	4.0%	6.0%	9.0%	10.0%	9.0%	8.0%
	Bloomberg Barclays U.S. Aggregate Bond	0.0%	5.0%	10.0%	16.0%	22.0%	29.0%	31.0%	30.0%	30.0%	28.0%	15.0%
	Bloomberg Barclays U.S. TIPS	0.0%	2.0%	3.0%	4.0%	4.0%	4.0%	9.0%	13.0%	11.0%	14.0%	15.0%
Foreign Bonds	CitiGroup Non-U.S. World Govt Bond	0.0%	1.0%	3.0%	4.0%	5.0%	6.0%	6.0%	5.0%	5.0%	3.0%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	23.0%	50.0%

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

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

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Individual Fund Portfolios

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

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

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8.0 Female- and Minority-Owned Portfolios

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

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

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

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1.0 Statement of Purpose of Investment Policy

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

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

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

2.0 Establishment and Authority of Entity

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

3.0 Participating Financial Institution

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

4.0 Investment Philosophy

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

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

Contributions to the Program will be directed to one or more of the available Age-Based, Target, Individual, or Female- and Minority-Owned Portfolios (“Portfolios”), each composed of a designated mix of investments or an individual investment fund. The determination of the investment parameters of each Portfolio shall be made by the Treasurer and shall take into account the financial characteristics of the investments in the Program. The investment parameters will also give due consideration to the fact that the investment horizon for participants will vary from a few months to over 18 years.

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

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

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

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

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

Consistent with achieving the foremost investment objectives of the Treasurer set forth herein, the Treasurer will prudently exercise investment stewardship to fulfill its fiduciary duty, increase expected financial returns, minimize projected risk, and contribute to a more just, accountable and sustainable State of Illinois. Sustainability factors shall be implemented within a framework predicated on the following:

- A. Prudent integration of material sustainability factors, including, but not limited to environmental, social capital, human capital, business model and innovation, and leadership and governance factors, as components of portfolio construction, investment decision-making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership given that these tangible and intangible factors may have a material and relevant financial impacts;

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- B. Recurring evaluation of sustainability factors to ensure the factors are relevant to the Program and the evolving marketplace; and
- C. Attentive oversight of investment holdings to encourage the advancement of sustainability accounting and disclosure through engagement with entities, such as investment funds, investment holdings, portfolio companies, government bodies, and other organizations, and move the marketplace toward more prudent sustainability investment practices.

Consideration of other relevant factors such as legal, regulatory, and reputational risks that enable an optimal risk management framework and supports long-term investment value.

5.0 Investment Objectives

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

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

6.0 Investment Objectives

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

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

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

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

7.0 Investment Parameters

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

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

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Age-Based Portfolios		Age of Beneficiary										
		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Aggressive Option		0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +		
Moderate Option			0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +	
Conservative Option				0 - 2	3 - 5	6 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 +
Target Portfolios		Fund 100		Fund 80		Fund 60		Fund 40		Fund 20	Fund 10	Fixed Income
Asset Class		Benchmark										
Domestic Equity	Russell 1000 Value	15.5%	14.5%	13.0%	11.0%	9.5%	8.0%	6.5%	4.5%	3.3%	2.0%	0.0%
	S & P 500 Index	20.5%	18.5%	17.0%	14.5%	12.8%	10.5%	8.5%	6.5%	4.8%	2.0%	0.0%
	Russell 1000 Growth	15.5%	14.5%	13.0%	11.0%	9.5%	8.0%	6.5%	4.5%	3.3%	2.0%	0.0%
	Russell 2000 Value	3.0%	3.0%	2.3%	2.0%	1.8%	2.0%	1.5%	1.0%	1.0%	0.3%	0.0%
	Russell 2000	3.0%	2.5%	2.5%	2.5%	1.5%	1.5%	1.5%	1.5%	0.5%	0.8%	0.0%
	Russell 2000 Growth	3.0%	3.0%	2.3%	2.0%	1.8%	2.0%	1.5%	1.0%	1.0%	0.3%	0.0%
Global Real Estate	FTSE EPRA/NAREIT Global	5.0%	4.0%	3.5%	3.5%	3.5%	2.5%	2.5%	2.0%	1.8%	0.5%	0.0%
International Equity	MSCI EAFE	25.0%	22.0%	19.5%	17.5%	14.8%	12.0%	9.6%	7.0%	4.0%	2.4%	0.0%
	MSCI World ex- U.S. Small Cap	4.5%	3.5%	3.0%	2.5%	2.0%	1.0%	0.5%	0.5%	0.0%	0.0%	0.0%
	MSCI Emerging Markets	5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	1.5%	1.5%	0.5%	0.0%	0.0%
Domestic Fixed Income	3-month T-Bills											
	Bloomberg Barclays U.S. Gov't/Credit 1-3yr	0.0%	0.5%	1.0%	2.0%	2.5%	7.5%	14.0%	17.5%	19.0%	19.0%	20.0%
	ML 1-3 yr Treasury	0.0%	0.5%	1.0%	5.0%	12.0%	12.0%	12.5%	13.5%	13.5%	12.0%	10.0%
	Bloomberg Barclays U.S. Aggregate Bond	0.0%	6.5%	13.0%	16.0%	18.0%	21.5%	21.5%	21.0%	21.0%	14.0%	7.5%
	Bloomberg Barclays U.S. TIPS	0.0%	1.0%	1.5%	3.0%	3.5%	4.5%	8.0%	10.5%	9.5%	12.0%	12.5%
Foreign Bonds	CitiGroup Non-U.S. World Gov't Bond	0.0%	1.5%	3.5%	4.0%	4.0%	4.5%	4.0%	2.5%	2.5%	1.5%	0.0%
Money Market	3-month T-Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	14.5%	31.5%	50.0%

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

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

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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
Balanced	Bloomberg Barclays U.S. Aggregate Bond Index; S&P 500; MSCI EAFE
Large Cap Value	Russell 3000 Value Index, Russell 1000 Value Index
Large Cap Growth	Russell 1000 Growth Index
Large Cap Blend	Russell 1000 Index, S&P 500
Mid-Cap Value	Russell 2500 Value Index
Mid-Cap Growth	Russell Mid-Cap Growth Index
Mid-Cap Blend	Wilshire 4500 Index
Small-Cap Value	Russell 2000 Value Index
Small-Cap Growth	Russell 2000 Growth Index
Small-Cap Blend	Russell 2000 Index
Foreign Stock	MSCI EAFE, MSCI World ex U.S. Small Cap, and MSCI Emerging Markets
Socially Responsible	S&P 500
Real Estate	DJ Wilshire Real Estate Securities

8.0 Female- and Minority-Owned Portfolios

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

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

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

**Independent Auditor's Report 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***



**Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance
with Government Auditing Standards**

The Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited, 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 (investment trust) fund of the State of Illinois, Office of the Treasurer, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College Savings Program's financial statements, and we have issued our report thereon dated January 11, 2022.

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 financial statements. 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*.

Internal Control Over Financial Reporting

Management of the State of Illinois, Office of the Treasurer is responsible for establishing and maintaining effective internal control over financial reporting (internal control).

In planning and performing our audit of the financial statements, we considered the State of Illinois, Office of the Treasurer's internal control of the College Savings Program as a basis for designing 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 a 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.

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.

Crowe LLP

Springfield, Illinois
January 11, 2022

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**College Savings Program
Schedule of Findings – Prior Finding Not Repeated
For the Years Ended June 30, 2021 and 2020**

A. Finding (Inadequate Internal Controls Related to Review of Financial Statements)

During the prior audit, the Office of the Treasurer (Office) did not maintain adequate controls over the College Savings Program financial statement preparation and review process.

During the current audit, we noted the Office had proper preparation and review processes over the financial statements in place. (Finding Code No. 2020-001)