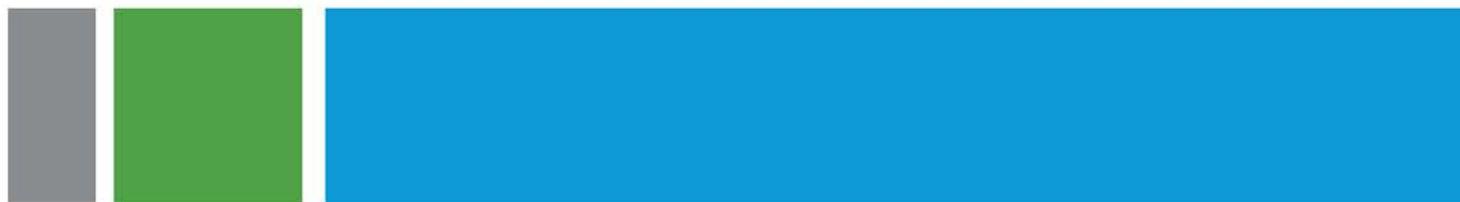


# **State of Illinois Office of the Treasurer Fiscal Officer Responsibilities**

Securities Lending Examination  
As of and For the Year Ended June 30, 2016

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



**State of Illinois  
Office of the Treasurer**

**Securities Lending Examination**

**Year Ended June 30, 2016**

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**State of Illinois  
Office of the Treasurer**

**Fiscal Officer Responsibilities  
June 30, 2016**

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**Treasurer's Office Officials**

Treasurer	Honorable Michael W. Frerichs
Deputy Treasurer	Mr. Jay Rowell
Chief of Staff	Mr. Justin Cajindos
Chief Investment Officer/Chief Fiscal Officer	Mr. Rodrigo Garcia
General Counsel	Mr. Keith Horton
Inspector General	Mr. Ray Watson (January 19, 2016 to present) Mr. David Wells (through December 31, 2015)
Chief Internal Auditor	Ms. Leighann Manning (October 16, 2015 to present) Ms. Angela Bartlett (Acting) (April 1, 2015 to September 15, 2015)
Director of Banking	Ms. Elizabeth Turner
Director of Accounting/Warrant	Deborah Miller (June 27, 2016 to present) Jon Prunty, Acting (April 1, 2016 to June 16, 2016) Anita Patel (November 16, 2015 to March 31, 2016) Jessica Olive (through December 4, 2015)

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

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

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



OFFICE OF THE ILLINOIS STATE TREASURER  
**MICHAEL W. FRERICHS**

October 12, 2016

RSM US LLP  
20. N. Martingale Road  
Suite 500  
Schaumburg, IL 60173

Ladies and Gentlemen:

We are responsible for determining and reporting securities lending amounts (securities lending collateral and obligations under securities lending) and securities lending activities pertaining to individual departments/agencies, and funds of the State who have equity in the State Treasurer's internal investment pool. We are responsible for ensuring that allocations made to individual funds and departments/agencies are determined in accordance with GASB Codification Section 160: *Investments - Securities Lending*, paragraph .107. We are responsible for and we have established and maintained an effective system of internal controls over these requirements. We assert the following as of and for the year ended June 30, 2016:

- A. The Office of the Treasurer has allocated securities lending amounts to individual agencies and funds based on each fund's proportionate share of equity in the State Treasurer's internal investment pool on June 30, 2016.
- B. The Office of the Treasurer has determined and accurately recorded the total of all securities lending balances and activities within its general ledger.
- C. The Office of the Treasurer has determined and reported June 30, 2015 and June 30, 2016 balances for agency fund types, along with increases and decreases during fiscal year 2016 within those fund types.
- D. The Office of the Treasurer has determined that the methodology for allocating June 2016 interest to individual funds is also appropriate for allocating securities lending balances to individual funds at June 30, 2016.
- E. The Office of the Treasurer has accurately allocated June 2016 interest income to individual funds and this allocation is based on each fund's proportionate share of equity in the State Treasurer's internal investment pool on June 30, 2016.
- F. The Office of the Treasurer has accurately maintained records of all securities lending additions and deletions (new loans, returns and other changes) for fiscal year 2016.

State of Illinois, Office of the Treasurer

**SIGNED ORIGINAL ON FILE**

The Honorable Michael W. Frerichs, State Treasurer

**SIGNED ORIGINAL ON FILE**

Rodrigo Garcia, Chief Fiscal/Investment Officer

State Capitol  
Room 219  
Springfield, IL 62706  
Phone: (217) 782-2211  
Fax: (217) 785-2777  
TTY: (866) 877-6013

James R. Thompson Center  
100 West Randolph Street  
Suite 15-600  
Chicago, IL 60601  
Phone: (312) 814-1700  
Fax: (312) 814-5930  
TTY: (866) 877-6013

Illinois Business Center  
400 West Monroe Street  
Suite 401  
Springfield, IL 62704  
Phone: (217) 782-6540  
Fax: (217) 524-3822  
TTY: (866) 877-6013

Myers Building  
One West Old State Capitol Plaza  
Suite 400  
Springfield, IL 62701  
Phone: (217) 785-6998  
Fax: (217) 557-9365  
TTY: (866) 877-6013

**State of Illinois  
Office of the Treasurer**

**Fiscal Officer Responsibilities  
Securities Lending Examination**

**June 30, 2016**

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**Securities Lending Report**

**Summary**

The attestation examination of the accompanying securities lending schedules of the Office of the Treasurer, Fiscal Officer Responsibilities was performed by RSM US LLP.

Based on their examination, the accountants expressed an unmodified opinion on the Office of the Treasurer, Fiscal Officer Responsibilities' securities lending schedules in accordance with the criteria contained in Note 2 to the securities lending schedules.



RSM US LLP

## Independent Accountant's Report

Honorable Frank J. Mautino  
Auditor General, State of Illinois  
Springfield, Illinois

As Special Assistant Auditors for the Auditor General, we have examined the accompanying Schedule 1 - Securities Lending Entries, Schedule 2 - Securities Lending Collateral, Schedule 3 - Allocation of Securities Lending Collateral and Schedule 4 - Securities Lending Activity of State Treasurer, Agency Fund Activity, and the related Notes to the Schedules which collectively comprise the "Securities Lending Schedules", as of and for the year ended June 30, 2016. Management of the State of Illinois (State), Office of the Treasurer, Fiscal Officer Responsibilities (the Treasurer) is responsible for presenting the Securities Lending Schedules in accordance with the criteria contained in Note 2 to the Securities Lending Schedules. Our responsibility is to express an opinion on the Securities Lending Schedules based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Securities Lending Schedules are in accordance with the criteria contained in Note 2 to the Securities Lending Schedules, in all material respects. An examination involves performing procedures to obtain evidence about the Securities Lending Schedules. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Securities Lending Schedules, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Securities Lending Schedules, as of and for the year ended June 30, 2016, are presented in accordance with the criteria contained in Note 2 to the Securities Lending Schedules, in all material respects.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, the State Treasurer and Treasurer management, management of Illinois State agencies in the securities lending pool and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

**SIGNED ORIGINAL ON FILE**

Schaumburg, Illinois  
October 12, 2016

Schedule 1

**Securities Lending Entries**  
**Fiscal Year 2016**  
**(Amounts in thousands)**

AGENCY NAME	ACCOUNT			DEBIT AMOUNT	ACCOUNT #	CREDIT ACCOUNT NAME	CREDIT AMOUNT	
	AGENCY	FUND	#					DEBIT ACCOUNT NAME
GARS	131	481	107	Securities Lending Collateral Equity with State Treasurer	\$ 1,347	224	Obligations under Securities Lending of State Treasurer	\$ 1,347
	131	786	107	Securities Lending Collateral Equity with State Treasurer	12	224	Obligations under Securities Lending of State Treasurer	12
Supreme Ct. Hist. Pres.	210	428	107	Securities Lending Collateral Equity with State Treasurer	145	224	Obligations under Securities Lending of State Treasurer	145
JRS	275	477	107	Securities Lending Collateral Equity with State Treasurer	11,266	224	Obligations under Securities Lending of State Treasurer	11,266
	275	787	107	Securities Lending Collateral Equity with State Treasurer	237	224	Obligations under Securities Lending of State Treasurer	237
Attorney General	340	801	107	Securities Lending Collateral Equity with State Treasurer	-	224	Obligations under Securities Lending of State Treasurer	-
	340	929	107	Securities Lending Collateral Equity with State Treasurer	2,056	224	Obligations under Securities Lending of State Treasurer	2,056
Secretary of State	350	362	107	Securities Lending Collateral Equity with State Treasurer	2,416	224	Obligations under Securities Lending of State Treasurer	2,416
	350	899	107	Securities Lending Collateral Equity with State Treasurer	1	224	Obligations under Securities Lending of State Treasurer	1
Comptroller	360	96	107	Securities Lending Collateral Equity with State Treasurer	26	224	Obligations under Securities Lending of State Treasurer	26
	360	441	107	Securities Lending Collateral Equity with State Treasurer	61	224	Obligations under Securities Lending of State Treasurer	61
Treasurer	370	101	107	Securities Lending Collateral Equity with State Treasurer	281,317	224	Obligations under Securities Lending of State Treasurer	281,317
	370	103	107	Securities Lending Collateral Equity with State Treasurer	4	224	Obligations under Securities Lending of State Treasurer	4
	370	932	107	Securities Lending Collateral Equity with State Treasurer	150	224	Obligations under Securities Lending of State Treasurer	150
Aging	402	698	107	Securities Lending Collateral Equity with State Treasurer	531	224	Obligations under Securities Lending of State Treasurer	531
DCMS	416	193	107	Securities Lending Collateral Equity with State Treasurer	1,277	224	Obligations under Securities Lending of State Treasurer	1,277
	416	203	107	Securities Lending Collateral Equity with State Treasurer	10,904	224	Obligations under Securities Lending of State Treasurer	10,904
	416	314	107	Securities Lending Collateral Equity with State Treasurer	6,494	224	Obligations under Securities Lending of State Treasurer	6,494
	416	317	107	Securities Lending Collateral Equity with State Treasurer	2,401	224	Obligations under Securities Lending of State Treasurer	2,401
	416	332	107	Securities Lending Collateral Equity with State Treasurer	5,931	224	Obligations under Securities Lending of State Treasurer	5,931
	416	457	107	Securities Lending Collateral Equity with State Treasurer	2,508	224	Obligations under Securities Lending of State Treasurer	2,508
	416	577	107	Securities Lending Collateral Equity with State Treasurer	549	224	Obligations under Securities Lending of State Treasurer	549
	416	755	107	Securities Lending Collateral Equity with State Treasurer	816	224	Obligations under Securities Lending of State Treasurer	816
	416	907	107	Securities Lending Collateral Equity with State Treasurer	50,706	224	Obligations under Securities Lending of State Treasurer	50,706
DCFS	418	934	107	Securities Lending Collateral Equity with State Treasurer	43	224	Obligations under Securities Lending of State Treasurer	43
DCEO	420	435	107	Securities Lending Collateral Equity with State Treasurer	910	224	Obligations under Securities Lending of State Treasurer	910
	420	506	107	Securities Lending Collateral Equity with State Treasurer	8,116	224	Obligations under Securities Lending of State Treasurer	8,116
	420	913	107	Securities Lending Collateral Equity with State Treasurer	37	224	Obligations under Securities Lending of State Treasurer	37
	420	973	107	Securities Lending Collateral Equity with State Treasurer	973	224	Obligations under Securities Lending of State Treasurer	973
	420	974	107	Securities Lending Collateral Equity with State Treasurer	209	224	Obligations under Securities Lending of State Treasurer	209
	420	975	107	Securities Lending Collateral Equity with State Treasurer	469	224	Obligations under Securities Lending of State Treasurer	469
	420	993	107	Securities Lending Collateral Equity with State Treasurer	617	224	Obligations under Securities Lending of State Treasurer	617
DNR	422	41	107	Securities Lending Collateral Equity with State Treasurer	5,170	224	Obligations under Securities Lending of State Treasurer	5,170
	422	42	107	Securities Lending Collateral Equity with State Treasurer	53	224	Obligations under Securities Lending of State Treasurer	53
	422	137	107	Securities Lending Collateral Equity with State Treasurer	485	224	Obligations under Securities Lending of State Treasurer	485
	422	145	107	Securities Lending Collateral Equity with State Treasurer	88	224	Obligations under Securities Lending of State Treasurer	88
	422	146	107	Securities Lending Collateral Equity with State Treasurer	132	224	Obligations under Securities Lending of State Treasurer	132
	422	147	107	Securities Lending Collateral Equity with State Treasurer	75	224	Obligations under Securities Lending of State Treasurer	75
	422	257	107	Securities Lending Collateral Equity with State Treasurer	10,556	224	Obligations under Securities Lending of State Treasurer	10,556

Schedule 1 (Cont.)

**Securities Lending Entries**  
**Fiscal Year 2016**  
(Amounts in thousands)

AGENCY NAME	ACCOUNT			DEBIT AMOUNT	ACCOUNT #	CREDIT_ACCOUNT_NAME	CREDIT AMOUNT	
	AGENCY	FUND	#					DEBIT ACCOUNT NAME
	422	260	107	Securities Lending Collateral Equity with State Treasurer	\$ 595	224	Obligations under Securities Lending of State Treasurer	\$ 595
	422	261	107	Securities Lending Collateral Equity with State Treasurer	370	224	Obligations under Securities Lending of State Treasurer	370
	422	293	107	Securities Lending Collateral Equity with State Treasurer	47	224	Obligations under Securities Lending of State Treasurer	47
	422	353	107	Securities Lending Collateral Equity with State Treasurer	585	224	Obligations under Securities Lending of State Treasurer	585
	422	391	107	Securities Lending Collateral Equity with State Treasurer	1,605	224	Obligations under Securities Lending of State Treasurer	1,605
	422	504	107	Securities Lending Collateral Equity with State Treasurer	15	224	Obligations under Securities Lending of State Treasurer	15
	422	547	107	Securities Lending Collateral Equity with State Treasurer	471	224	Obligations under Securities Lending of State Treasurer	471
	422	953	107	Securities Lending Collateral Equity with State Treasurer	1,179	224	Obligations under Securities Lending of State Treasurer	1,179
	422	982	107	Securities Lending Collateral Equity with State Treasurer	111	224	Obligations under Securities Lending of State Treasurer	111
DFPR	440	22	107	Securities Lending Collateral Equity with State Treasurer	2,374	224	Obligations under Securities Lending of State Treasurer	2,374
	440	57	107	Securities Lending Collateral Equity with State Treasurer	1,299	224	Obligations under Securities Lending of State Treasurer	1,299
	440	93	107	Securities Lending Collateral Equity with State Treasurer	3,244	224	Obligations under Securities Lending of State Treasurer	3,244
	440	151	107	Securities Lending Collateral Equity with State Treasurer	1,083	224	Obligations under Securities Lending of State Treasurer	1,083
	440	218	107	Securities Lending Collateral Equity with State Treasurer	4,576	224	Obligations under Securities Lending of State Treasurer	4,576
	440	241	107	Securities Lending Collateral Equity with State Treasurer	82	224	Obligations under Securities Lending of State Treasurer	82
	440	243	107	Securities Lending Collateral Equity with State Treasurer	686	224	Obligations under Securities Lending of State Treasurer	686
	440	244	107	Securities Lending Collateral Equity with State Treasurer	994	224	Obligations under Securities Lending of State Treasurer	994
	440	259	107	Securities Lending Collateral Equity with State Treasurer	252	224	Obligations under Securities Lending of State Treasurer	252
	440	386	107	Securities Lending Collateral Equity with State Treasurer	457	224	Obligations under Securities Lending of State Treasurer	457
	440	579	107	Securities Lending Collateral Equity with State Treasurer	194	224	Obligations under Securities Lending of State Treasurer	194
	440	615	107	Securities Lending Collateral Equity with State Treasurer	97	224	Obligations under Securities Lending of State Treasurer	97
	440	746	107	Securities Lending Collateral Equity with State Treasurer	141	224	Obligations under Securities Lending of State Treasurer	141
	440	750	107	Securities Lending Collateral Equity with State Treasurer	53	224	Obligations under Securities Lending of State Treasurer	53
	440	795	107	Securities Lending Collateral Equity with State Treasurer	3,111	224	Obligations under Securities Lending of State Treasurer	3,111
	440	823	107	Securities Lending Collateral Equity with State Treasurer	1,194	224	Obligations under Securities Lending of State Treasurer	1,194
	440	833	107	Securities Lending Collateral Equity with State Treasurer	35	224	Obligations under Securities Lending of State Treasurer	35
	440	849	107	Securities Lending Collateral Equity with State Treasurer	134	224	Obligations under Securities Lending of State Treasurer	134
	440	850	107	Securities Lending Collateral Equity with State Treasurer	2,253	224	Obligations under Securities Lending of State Treasurer	2,253
	440	850	107	Securities Lending Collateral Equity with State Treasurer	353	224	Obligations under Securities Lending of State Treasurer	353
	440	888	107	Securities Lending Collateral Equity with State Treasurer	190	224	Obligations under Securities Lending of State Treasurer	190
DHS	444	25	107	Securities Lending Collateral Equity with State Treasurer	15	224	Obligations under Securities Lending of State Treasurer	15
	444	73	107	Securities Lending Collateral Equity with State Treasurer	203	224	Obligations under Securities Lending of State Treasurer	203
	444	120	107	Securities Lending Collateral Equity with State Treasurer	3,357	224	Obligations under Securities Lending of State Treasurer	3,357
	444	123	107	Securities Lending Collateral Equity with State Treasurer	272	224	Obligations under Securities Lending of State Treasurer	272
	444	142	107	Securities Lending Collateral Equity with State Treasurer	6,181	224	Obligations under Securities Lending of State Treasurer	6,181
	444	148	107	Securities Lending Collateral Equity with State Treasurer	836	224	Obligations under Securities Lending of State Treasurer	836
	444	158	107	Securities Lending Collateral Equity with State Treasurer	242	224	Obligations under Securities Lending of State Treasurer	242
	444	211	107	Securities Lending Collateral Equity with State Treasurer	2,239	224	Obligations under Securities Lending of State Treasurer	2,239
	444	228	107	Securities Lending Collateral Equity with State Treasurer	1	224	Obligations under Securities Lending of State Treasurer	1
	444	365	107	Securities Lending Collateral Equity with State Treasurer	7,013	224	Obligations under Securities Lending of State Treasurer	7,013
	444	394	107	Securities Lending Collateral Equity with State Treasurer	952	224	Obligations under Securities Lending of State Treasurer	952
	444	502	107	Securities Lending Collateral Equity with State Treasurer	1,473	224	Obligations under Securities Lending of State Treasurer	1,473
	444	509	107	Securities Lending Collateral Equity with State Treasurer	5,596	224	Obligations under Securities Lending of State Treasurer	5,596
	444	581	107	Securities Lending Collateral Equity with State Treasurer	127	224	Obligations under Securities Lending of State Treasurer	127
	444	718	107	Securities Lending Collateral Equity with State Treasurer	7,873	224	Obligations under Securities Lending of State Treasurer	7,873
Illinois Power Agency	445	424	107	Securities Lending Collateral Equity with State Treasurer	-	224	Obligations under Securities Lending of State Treasurer	-
Insurance	446	546	107	Securities Lending Collateral Equity with State Treasurer	875	224	Obligations under Securities Lending of State Treasurer	875

Schedule 1 (Cont.)

**Securities Lending Entries**  
**Fiscal Year 2016**  
(Amounts in thousands)

AGENCY NAME	ACCOUNT			DEBIT AMOUNT	ACCOUNT #	CREDIT ACCOUNT NAME	CREDIT AMOUNT
	AGENCY	FUND	#				
	446	739	107	Securities Lending Collateral Equity with State Treasurer	\$ 553	224 Obligations under Securities Lending of State Treasurer	\$ 553
HFS	478	136	107	Securities Lending Collateral Equity with State Treasurer	5,358	224 Obligations under Securities Lending of State Treasurer	5,358
	478	329	107	Securities Lending Collateral Equity with State Treasurer	3,065	224 Obligations under Securities Lending of State Treasurer	3,065
	478	345	107	Securities Lending Collateral Equity with State Treasurer	7,969	224 Obligations under Securities Lending of State Treasurer	7,969
	478	346	107	Securities Lending Collateral Equity with State Treasurer	46,402	224 Obligations under Securities Lending of State Treasurer	46,402
	478	522	107	Securities Lending Collateral Equity with State Treasurer	1,211	224 Obligations under Securities Lending of State Treasurer	1,211
	478	720	107	Securities Lending Collateral Equity with State Treasurer	837	224 Obligations under Securities Lending of State Treasurer	837
	478	728	107	Securities Lending Collateral Equity with State Treasurer	13,408	224 Obligations under Securities Lending of State Treasurer	13,408
	478	740	107	Securities Lending Collateral Equity with State Treasurer	213	224 Obligations under Securities Lending of State Treasurer	213
	478	793	107	Securities Lending Collateral Equity with State Treasurer	22,459	224 Obligations under Securities Lending of State Treasurer	22,459
Public Health	482	14	107	Securities Lending Collateral Equity with State Treasurer	209	224 Obligations under Securities Lending of State Treasurer	209
	482	68	107	Securities Lending Collateral Equity with State Treasurer	739	224 Obligations under Securities Lending of State Treasurer	739
	482	198	107	Securities Lending Collateral Equity with State Treasurer	10	224 Obligations under Securities Lending of State Treasurer	10
	482	208	107	Securities Lending Collateral Equity with State Treasurer	468	224 Obligations under Securities Lending of State Treasurer	468
	482	340	107	Securities Lending Collateral Equity with State Treasurer	1,299	224 Obligations under Securities Lending of State Treasurer	1,299
	482	371	107	Securities Lending Collateral Equity with State Treasurer	310	224 Obligations under Securities Lending of State Treasurer	310
	482	429	107	Securities Lending Collateral Equity with State Treasurer	271	224 Obligations under Securities Lending of State Treasurer	271
	482	437	107	Securities Lending Collateral Equity with State Treasurer	174	224 Obligations under Securities Lending of State Treasurer	174
	482	469	107	Securities Lending Collateral Equity with State Treasurer	12	224 Obligations under Securities Lending of State Treasurer	12
	482	702	107	Securities Lending Collateral Equity with State Treasurer	184	224 Obligations under Securities Lending of State Treasurer	184
	482	790	107	Securities Lending Collateral Equity with State Treasurer	56	224 Obligations under Securities Lending of State Treasurer	56
Revenue	492	84	107	Securities Lending Collateral Equity with State Treasurer	1,222	224 Obligations under Securities Lending of State Treasurer	1,222
	492	88	107	Securities Lending Collateral Equity with State Treasurer	4,597	224 Obligations under Securities Lending of State Treasurer	4,597
	492	138	107	Securities Lending Collateral Equity with State Treasurer	17,116	224 Obligations under Securities Lending of State Treasurer	17,116
	492	139	107	Securities Lending Collateral Equity with State Treasurer	26,234	224 Obligations under Securities Lending of State Treasurer	26,234
	492	190	107	Securities Lending Collateral Equity with State Treasurer	1,097	224 Obligations under Securities Lending of State Treasurer	1,097
	492	286	107	Securities Lending Collateral Equity with State Treasurer	13,619	224 Obligations under Securities Lending of State Treasurer	13,619
	492	337	107	Securities Lending Collateral Equity with State Treasurer	8,304	224 Obligations under Securities Lending of State Treasurer	8,304
	492	384	107	Securities Lending Collateral Equity with State Treasurer	1,739	224 Obligations under Securities Lending of State Treasurer	1,739
	492	802	107	Securities Lending Collateral Equity with State Treasurer	29,679	224 Obligations under Securities Lending of State Treasurer	29,679
	492	812	107	Securities Lending Collateral Equity with State Treasurer	13,045	224 Obligations under Securities Lending of State Treasurer	13,045
	492	841	107	Securities Lending Collateral Equity with State Treasurer	966	224 Obligations under Securities Lending of State Treasurer	966
	492	868	107	Securities Lending Collateral Equity with State Treasurer	208	224 Obligations under Securities Lending of State Treasurer	208
	492	869	107	Securities Lending Collateral Equity with State Treasurer	9	224 Obligations under Securities Lending of State Treasurer	9
State Police	493	209	107	Securities Lending Collateral Equity with State Treasurer	2,552	224 Obligations under Securities Lending of State Treasurer	2,552
	493	376	107	Securities Lending Collateral Equity with State Treasurer	-	224 Obligations under Securities Lending of State Treasurer	-
	493	514	107	Securities Lending Collateral Equity with State Treasurer	881	224 Obligations under Securities Lending of State Treasurer	881
	493	520	107	Securities Lending Collateral Equity with State Treasurer	372	224 Obligations under Securities Lending of State Treasurer	372
	493	817	107	Securities Lending Collateral Equity with State Treasurer	3,771	224 Obligations under Securities Lending of State Treasurer	3,771
	493	904	107	Securities Lending Collateral Equity with State Treasurer	85	224 Obligations under Securities Lending of State Treasurer	85
IDOT	494	233	107	Securities Lending Collateral Equity with State Treasurer	79	224 Obligations under Securities Lending of State Treasurer	79
	494	265	107	Securities Lending Collateral Equity with State Treasurer	1,284	224 Obligations under Securities Lending of State Treasurer	1,284
	494	307	107	Securities Lending Collateral Equity with State Treasurer	77	224 Obligations under Securities Lending of State Treasurer	77

Schedule 1 (Cont.)

Securities Lending Entries  
Fiscal Year 2016  
(Amounts in thousands)

AGENCY NAME	AGENCY	FUND	ACCOUNT #	DEBIT ACCOUNT NAME	DEBIT AMOUNT	ACCOUNT #	CREDIT ACCOUNT NAME	CREDIT AMOUNT
	494	669	107	Securities Lending Collateral Equity with State Treasurer	\$ 24	224	Obligations under Securities Lending of State Treasurer	\$ 24
	494	936	107	Securities Lending Collateral Equity with State Treasurer	1,010	224	Obligations under Securities Lending of State Treasurer	1,010
Veteran's Affairs	497	236	107	Securities Lending Collateral Equity with State Treasurer	227	224	Obligations under Securities Lending of State Treasurer	227
GOMB	507	970	107	Securities Lending Collateral Equity with State Treasurer	2,385	224	Obligations under Securities Lending of State Treasurer	2,385
Deaf & HH Comm.	526	449	107	Securities Lending Collateral Equity with State Treasurer	99	224	Obligations under Securities Lending of State Treasurer	99
EPA	532	91	107	Securities Lending Collateral Equity with State Treasurer	1,769	224	Obligations under Securities Lending of State Treasurer	1,769
	532	154	107	Securities Lending Collateral Equity with State Treasurer	2	224	Obligations under Securities Lending of State Treasurer	2
	532	214	107	Securities Lending Collateral Equity with State Treasurer	577	224	Obligations under Securities Lending of State Treasurer	577
	532	270	107	Securities Lending Collateral Equity with State Treasurer	10,326	224	Obligations under Securities Lending of State Treasurer	10,326
	532	288	107	Securities Lending Collateral Equity with State Treasurer	324	224	Obligations under Securities Lending of State Treasurer	324
	532	336	107	Securities Lending Collateral Equity with State Treasurer	89	224	Obligations under Securities Lending of State Treasurer	89
	532	675	107	Securities Lending Collateral Equity with State Treasurer	215	224	Obligations under Securities Lending of State Treasurer	215
	532	731	107	Securities Lending Collateral Equity with State Treasurer	2,518	224	Obligations under Securities Lending of State Treasurer	2,518
	532	738	107	Securities Lending Collateral Equity with State Treasurer	22	224	Obligations under Securities Lending of State Treasurer	22
	532	774	107	Securities Lending Collateral Equity with State Treasurer	20	224	Obligations under Securities Lending of State Treasurer	20
Health Info. Exc. Auth.	534	606	107	Securities Lending Collateral Equity with State Treasurer	82	224	Obligations under Securities Lending of State Treasurer	82
CJIA	546	156	107	Securities Lending Collateral Equity with State Treasurer	2,187	224	Obligations under Securities Lending of State Treasurer	2,187
	546	488	107	Securities Lending Collateral Equity with State Treasurer	4,974	224	Obligations under Securities Lending of State Treasurer	4,974
	546	665	107	Securities Lending Collateral Equity with State Treasurer	45	224	Obligations under Securities Lending of State Treasurer	45
Ed. Labor Relations Bd.	548	996	107	Securities Lending Collateral Equity with State Treasurer	33	224	Obligations under Securities Lending of State Treasurer	33
IHDA	551	338	107	Securities Lending Collateral Equity with State Treasurer	1,063	224	Obligations under Securities Lending of State Treasurer	1,063
IFA	560	205	107	Securities Lending Collateral Equity with State Treasurer	2,085	224	Obligations under Securities Lending of State Treasurer	2,085
	560	994	107	Securities Lending Collateral Equity with State Treasurer	2,659	224	Obligations under Securities Lending of State Treasurer	2,659
WCC	563	179	107	Securities Lending Collateral Equity with State Treasurer	620	224	Obligations under Securities Lending of State Treasurer	620
	563	274	107	Securities Lending Collateral Equity with State Treasurer	109	224	Obligations under Securities Lending of State Treasurer	109
	563	431	107	Securities Lending Collateral Equity with State Treasurer	150	224	Obligations under Securities Lending of State Treasurer	150
	563	685	107	Securities Lending Collateral Equity with State Treasurer	937	224	Obligations under Securities Lending of State Treasurer	937
	563	940	107	Securities Lending Collateral Equity with State Treasurer	5,352	224	Obligations under Securities Lending of State Treasurer	5,352
ISBE	586	569	107	Securities Lending Collateral Equity with State Treasurer	485	224	Obligations under Securities Lending of State Treasurer	485
State Board of Elections	587	206	107	Securities Lending Collateral Equity with State Treasurer	779	224	Obligations under Securities Lending of State Treasurer	779
IEMA	588	67	107	Securities Lending Collateral Equity with State Treasurer	1,602	224	Obligations under Securities Lending of State Treasurer	1,602
	588	796	107	Securities Lending Collateral Equity with State Treasurer	2,875	224	Obligations under Securities Lending of State Treasurer	2,875
	588	882	107	Securities Lending Collateral Equity with State Treasurer	801	224	Obligations under Securities Lending of State Treasurer	801
	588	942	107	Securities Lending Collateral Equity with State Treasurer	327	224	Obligations under Securities Lending of State Treasurer	327
SERS	589	479	107	Securities Lending Collateral Equity with State Treasurer	64,174	224	Obligations under Securities Lending of State Treasurer	64,174
	589	788	107	Securities Lending Collateral Equity with State Treasurer	82	224	Obligations under Securities Lending of State Treasurer	82

Schedule 1 (Cont.)

**Securities Lending Entries  
Fiscal Year 2016  
(Amounts in thousands)**

<u>AGENCY NAME</u>	<u>AGENCY</u>	<u>FUND</u>	<u>ACCOUNT #</u>	<u>DEBIT ACCOUNT NAME</u>	<u>DEBIT AMOUNT</u>	<u>ACCOUNT #</u>	<u>CREDIT ACCOUNT NAME</u>	<u>CREDIT AMOUNT</u>
State Police Merit Bd.	591	166	107	Securities Lending Collateral Equity with State Treasurer	\$ 1,045	224	Obligations under Securities Lending of State Treasurer	\$ 1,045
State Fire Marshal	592	334	107	Securities Lending Collateral Equity with State Treasurer	-	224	Obligations under Securities Lending of State Treasurer	-
	592	572	107	Securities Lending Collateral Equity with State Treasurer	21	224	Obligations under Securities Lending of State Treasurer	21
TRS	593	473	107	Securities Lending Collateral Equity with State Treasurer	23,263	224	Obligations under Securities Lending of State Treasurer	23,263
	593	789	107	Securities Lending Collateral Equity with State Treasurer	11,881	224	Obligations under Securities Lending of State Treasurer	11,881
CSU	608	223	107	Securities Lending Collateral Equity with State Treasurer	426	224	Obligations under Securities Lending of State Treasurer	426
ISAC	691	663	107	Securities Lending Collateral Equity with State Treasurer	9,420	224	Obligations under Securities Lending of State Treasurer	9,420
	691	664	107	Securities Lending Collateral Equity with State Treasurer	<u>14,218</u>	224	Obligations under Securities Lending of State Treasurer	14,218
					Nonshared fund			877,568
					GRF			<u>1,186,497</u>
					Subtotal			2,064,065
					Shared funds under Treasurer's authority, GAAP			
					adjustment made in-house by Comptroller			<u>538,950</u>
					Grant Total			<u>\$ 2,603,015</u>

Schedule 2

Securities Lending Collateral  
SCO-576 Agency Fund Activity  
Fiscal Year 2016

Agency	Fund	Account #	Account Name	Balance At June 30, Prior Year	Additions	Deletions	Balance At June 30, Current Year
370	932	a/c107	Securities Lending Collateral Equity with State Treasurer	\$ 253	\$ 2,622	\$ 2,725	\$ 150
		a/c 224	Obligations under Securities Lending of State Treasurer	253	2,622	2,725	150
416	457	a/c107	Securities Lending Collateral Equity with State Treasurer	5,684	71,283	74,458	2,508
		a/c 224	Obligations under Securities Lending of State Treasurer	5,684	71,283	74,458	2,508
492	84	a/c107	Securities Lending Collateral Equity with State Treasurer	2,264	23,234	24,277	1,221
		a/c 224	Obligations under Securities Lending of State Treasurer	2,264	23,234	24,277	1,221
492	88	a/c107	Securities Lending Collateral Equity with State Treasurer	8,524	92,968	96,895	4,597
		a/c 224	Obligations under Securities Lending of State Treasurer	8,524	92,968	96,895	4,597
492	138	a/c107	Securities Lending Collateral Equity with State Treasurer	34,248	343,657	360,789	17,116
		a/c 224	Obligations under Securities Lending of State Treasurer	34,248	343,657	360,789	17,116
492	139	a/c107	Securities Lending Collateral Equity with State Treasurer	19,543	317,824	311,133	26,234
		a/c 224	Obligations under Securities Lending of State Treasurer	19,543	317,824	311,133	26,234
492	190	a/c107	Securities Lending Collateral Equity with State Treasurer	1,883	20,868	21,654	1,097
		a/c 224	Obligations under Securities Lending of State Treasurer	1,883	20,868	21,654	1,097
492	337	a/c107	Securities Lending Collateral Equity with State Treasurer	17,828	93,610	103,134	8,304
		a/c 224	Obligations under Securities Lending of State Treasurer	17,828	93,610	103,134	8,304
492	812	a/c107	Securities Lending Collateral Equity with State Treasurer	27,219	266,895	281,069	13,045
		a/c 224	Obligations under Securities Lending of State Treasurer	27,219	266,895	281,069	13,045
492	841	a/c107	Securities Lending Collateral Equity with State Treasurer	1,886	19,627	20,547	966
		a/c 224	Obligations under Securities Lending of State Treasurer	1,886	19,627	20,547	966
492	868	a/c107	Securities Lending Collateral Equity with State Treasurer	374	4,346	4,513	207
		a/c 224	Obligations under Securities Lending of State Treasurer	374	4,346	4,513	207
492	869	a/c107	Securities Lending Collateral Equity with State Treasurer	20	163	174	9
		a/c 224	Obligations under Securities Lending of State Treasurer	20	163	174	9
548	996	a/c107	Securities Lending Collateral Equity with State Treasurer	56	574	597	33
		a/c 224	Obligations under Securities Lending of State	56	574	597	33

Schedule 3

**Allocation of Securities Lending Collateral**  
**Based on Distribution of Interest Income Earned During the Month of June 2016**  
**As of June 30, 2016**

FUND	FUND NAME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL FOR GAAP		
		JUNE 2016 INTEREST INCOME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL	(amounts in thousands)
011	ROAD FUND	\$ 521,959	\$ 290,564,313	\$ 290,564
011	TRANSPORTATION BND FUND A	10,824	6,025,508	6,026
014	FOOD & DRUG SAFETY FUND	376	209,312	209
022	GENERAL PROFESSIONS DEDICATED	4,265	2,374,242	2,374
025	GROUP HOME LOAN REV FD	27	15,030	15
041	WILDLIFE & FISH FUND	9,288	5,170,447	5,170
042	SALMON FUND	96	53,441	53
057	IL. STATE PHARMACY DISC.FUND	2,333	1,298,735	1,299
067	RADIATION PROTECTION FUND	2,878	1,602,126	1,602
068	HOSPITAL LICENSURE FUND	1,327	738,715	739
072	UNDERGROUND STORAGE TANK FUND	30,953	17,230,927	17,231
073	SPECIAL OLYMPICS IL AND SPEC CHILD CHAR	364	202,632	203
075	COMPASSIONATE USE OF MEDICAL CANNABIS	3,663	2,039,120	2,039
084	CNTY WATER COMM TAX FUND	2,195	1,221,913	1,222
088	NON- HOME RULE MUNICIPAL R.O.T.	8,257	4,596,510	4,597
091	CLEAN AIR ACT PERMIT FUND	3,178	1,769,130	1,769
093	IL. STATE MEDICAL DISCP. FUND	5,828	3,244,333	3,244
096	CEMETARY CONS. PROTECTION	47	26,164	26
101	G.O. BOND RETIREMENT & INT	505,348	281,317,296	281,317
103	STATE TREASURER'S ADMIN FUND	7	3,897	4
120	HOME SERVICES MEDICAID TRUST FUND	6,030	3,356,782	3,357
123	HANSEN-THERKELSEN	488	271,660	272
136	UNIVERSITY OF IL HOSPITAL SERVICES FUND	9,625	5,358,048	5,358
137	PLUGGING & RESTR. FUND	871	484,869	485
138	HOME RULE MUNI R.O.T.	30,747	17,116,250	17,116
139	HOME RULE COUNTY R.O.T.	47,125	26,233,561	26,234
142	COMMUNITY DEVEL DISABL FD	11,103	6,180,822	6,181
145	EXPLOSIVES REGULATORY	158	87,955	88
146	AGGREGATE OPER. REG. FD.	238	132,490	132
147	COAL MINING REG. FUND	135	75,152	75
148	MENTAL HEALTH REPORTING FUND	1,502	836,134	836
151	REGIST.C.P.A. ADMIN. & DISCP.	1,946	1,083,300	1,083
154	E.P.A. COURT ORDERED TR FUND	3	1,670	2
156	MOTOR VEHICLE THEFT PREV.	3,928	2,186,640	2,187
158	SEXUAL ASSAULT SERVICES & PREVENTION	434	241,599	242
166	STATE POLICE MERIT BOARD PUBLIC SAFETY	1,877	1,044,889	1,045
179	INJURED WORKERS BENEFIT FUND	1,113	619,585	620
190	COUNTY OPTION MOTOR FUEL	1,971	1,097,217	1,097
193	LOCAL GOVT HEALTH INS RESV	2,294	1,277,025	1,277
198	DIABETES RESCH CHECKOFF	18	10,020	10
203	TEACHER HEALTH INS. SEC.	19,587	10,903,698	10,904
205	IL FARMERS & AGRIBUSINESS LOAN	3,746	2,085,325	2,085
206	HELP ILLINOIS VOTE FUND	1,400	779,352	779
208	TICKET FOR THE CURE FUND	840	467,611	468
209	STATE POLICE FIREARM SERVICES FUND	4,585	2,552,379	2,552
211	DHS TECHNOLOGY INITIATIVE FUND	4,022	2,238,968	2,239
214	BROWNSFIELD REDEVELOPMENT	1,036	576,721	577

## Schedule 3 (Cont.)

**Allocation of Securities Lending Collateral**  
**Based on Distribution of Interest Income Earned During the Month of June 2016**  
**As of June 30, 2016**

FUND	FUND NAME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL FOR GAAP		
		JUNE 2016 INTEREST INCOME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL	(amounts in thousands)
218	PROFESSIONS INDIRECT COST	\$ 8,220	\$ 4,575,912	\$ 4,576
223	CHI ST UNIV ED IMP FUND	765	425,860	426
228	AUTISM RESCH CKECKOFF FUND	2	1,113	1
233	INTERCITY PSGR RAIL FUND	142	79,049	79
236	IL VETERANS ASSISTANCE FUND	408	227,126	227
241	TOMA CONSUMER PROTECTION	147	81,832	82
243	CREDIT UNION FUND	1,233	686,387	686
244	SA V & RESID. FINANCE REG FD	1,785	993,674	994
257	AML RECLAMATION SET ASIDE	18,963	10,556,329	10,556
258	NURSING DEDICATED AND PROF.	7,781	4,331,530	4,332
259	OPTOMETRIC LICSN. & DISC COMM	452	251,620	252
260	FISH & WILDLIFE ENDWMNT FUND	1,069	595,091	595
261	UNDRGRND RESOURCE CONS ENF	665	370,192	370
265	ST RAIL FREIGHT LOAN REPYMNT	2,306	1,283,705	1,284
270	WATER POLLTN CONT REVL	18,549	10,325,864	10,326
274	SELF-INSURERS ADMIN FUND	196	109,109	109
286	IL AFF HOUSING TRUST FUND	24,465	13,619,185	13,619
288	COMM WATER SUPPLY	582	323,988	324
293	STATE FURBEARER	85	47,318	47
307	WORKING CAPITAL REVOLVING LOAN FUND	138	76,822	77
314	FACILITIES MANAGEMENT REVOLVING	11,666	6,494,233	6,494
317	PROFESSIONAL SERVICES FUND	4,313	2,400,962	2,401
329	CNTY HOSP SERV	5,505	3,064,525	3,065
332	WORKERS COMP REVOLVING	10,654	5,930,872	5,931
334	AMBULANCE REVOLVING LOAN	-	-	-
336	ENVIR. LAB. CERTF. FUND	159	88,512	89
337	METRO PIER AND EXPOSITION	14,917	8,304,001	8,304
338	FEDERAL HOME INVESTMENT	1,910	1,063,259	1,063
340	P.HEALTH SERV REV	2,333	1,298,735	1,299
344	DEV DISAB. HLTH CARE PROV	1,514	842,814	843
345	LONG TERM CARE PROV	14,316	7,969,436	7,969
346	HOSPITAL PROVIDER FUND	83,354	46,401,533	46,402
353	STATE PHEASANT FUND	1,050	584,514	585
356	LAW ENFORCEMENT CAMERA GRANT FD	1,197	666,346	666
362	SEC AUDIT & ENF FUND	4,340	2,415,993	2,416
365	HEALTH & HUMAN SVCS MED TRUST	12,598	7,013,059	7,013
371	INNOV. LONGTERM CARE QLTY DEV	556	309,514	310
376	STATE POLICE MOTOR VEHICLE THFT PREV	-	-	-
384	TAX COMPLIANCE & ADMIN	3,124	1,739,069	1,739
386	APPRAISAL ADMINSTRATIVE FUND	821	457,035	457
391	ILLINOIS HABITAT FUND	2,884	1,605,466	1,605
394	GAINING EARLY AWARENESS	1,710	951,923	952
412	COMMON SCHOOL FUND	88,920	49,500,016	49,500
424	ILLINOIS POWER AGENCY TRUST FUND	-	-	-
428	SUPREME COURT HISTORIC PRESER	260	144,737	145
429	MULTIPLE SCLEROSIS RESEARCH	487	271,103	271
431	SECOND INJURY FUND	269	149,747	150

## Schedule 3 (Cont.)

**Allocation of Securities Lending Collateral**  
**Based on Distribution of Interest Income Earned During the Month of June 2016**  
**As of June 30, 2016**

FUND	FUND NAME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL FOR GAAP (amounts in thousands)		
		JUNE 2016 INTEREST INCOME	ALLOCATIONS OF SECURITIES LENDING COLLATERAL	ALLOCATIONS OF SECURITIES LENDING COLLATERAL FOR GAAP (amounts in thousands)
435	CHARITABLE TRUST STABILIZATION	\$ 1,635	\$ 910,172	\$ 910
437	QUALITY OF LIFE ENDOWMENT	312	173,684	174
441	KASKASKIA COMMONS PERMANENT	109	60,678	61
449	INTERPRETERS FOR THE DEAF	178	99,089	99
457	GROUP INSURANCE PREMIUM	4,506	2,508,402	2,508
469	AUTOIMMUNE DISEASE RESEARCH	22	12,247	12
473	TEACHERS RETIREMENT SYSTEM	41,788	23,262,558	23,263
474	HUMAN SVCS PRIORITY CAP PROG	2	1,113	1
477	JUDGES RETIREMENT SYSTEM	20,238	11,266,097	11,266
479	STATE EMPL RETIREMENT	115,280	64,174,110	64,174
481	GENERAL ASSEMBLY RETIREMENT	2,419	1,346,610	1,347
488	CRIMINAL JUSTICE FUND	8,935	4,973,939	4,974
502	EARLY INTERVENTION SERVICES REV	2,646	1,472,976	1,473
504	WILDLIFE PRAIRIE PARK	27	15,030	15
506	STATE SMALL BUSINESS CREDIT INITIATIVE	14,579	8,115,843	8,116
509	DHS COMMUNITY SERVICES FUND	10,052	5,595,751	5,596
514	STATE ASSET FORFEITURE	1,582	880,668	881
520	FEDERAL ASSET FORFEITURE	668	371,862	372
522	MONEY FOLLOWS THE PERSON	2,175	1,210,780	1,211
546	PUBLIC PENSION REGULATION FD	1,571	874,545	875
547	CONSERVATION POLICE OPERATIONS ASSIST	846	470,952	471
548	DRYCLEANER ENVR RESP TR FD	1,517	844,484	844
569	SCHOOL TECH REV LOAN FUND	871	484,869	485
572	FIRETRUCK REVL LOAN	37	20,597	21
574	OFF HIGHWAY VEHICLE TRAILS	523	291,144	291
577	COMM COLLEGE HEALTH INS SEC	986	548,887	549
579	SAVINGS INSTITUTION REGULATORY FUND	348	193,725	194
581	JUVENILE ACCT INC BLK GRANT	229	127,480	127
606	HEALTH INFORMATION EXCHANGE FUND	147	81,832	82
615	DEBT SETTLEMENT CONSUMER PROTECTION	175	97,419	97
663	FEDERAL STUDENT LOAN FUND	16,921	9,419,588	9,420
664	STUDENT LOAN OPERATING FUND	25,540	14,217,616	14,218
665	PRESC PILL AND DRUG DISP FUND	81	45,091	45
669	AIRPORT LANDLOAD REV FD	44	24,494	24
675	ELECTRONICS RECYCLING	386	214,879	215
685	COMP RATE ADJ FUND	1,683	936,893	937
686	BUDGET STABLIZATION FUND	93,030	51,787,972	51,788
694	CAPITAL PROJECT FUND	17,348	9,657,291	9,657
698	LONG TERM CARE OMBUDSMAN	953	530,516	531
702	ASST LIVING & SHARED HOUSING	331	184,261	184
718	COMM MENTAL HEALTH MEDICAID	14,143	7,873,130	7,873
720	FAMILY CARE FUND	1,504	837,247	837
728	DRUG REBATE	24,085	13,407,646	13,408
731	IL CLEAN WATER ACT	4,524	2,518,422	2,518
738	ALTERNATIVE COMPLIANCE MARKET FUND	40	22,267	22
739	GROUP WORKERS COMP POOL INSOLV FUND	994	553,340	553

## Schedule 3 (Cont.)

**Allocation of Securities Lending Collateral**  
**Based on Distribution of Interest Income Earned During the Month of June 2016**  
**As of June 30, 2016**

FUND	FUND NAME	JUNE 2016 INTEREST INCOME	ALLOCATIONS	
			OF SECURITIES LENDING COLLATERAL	OF SECURITIES LENDING COLLATERAL FOR GAAP (amounts in thousands)
740	MEDICAID BUY-IN PROG REV FD	\$ 383	\$ 213,209	\$ 213
746	HOME INSPECTOR ADMINISTRATION	253	140,840	141
750	REAL ESTATE AUDIT FUND	95	52,885	53
755	STATE EMPLOYEES DEF COMPFUND	1,465	815,537	816
771	DIGITAL DIVIDE ELIMINATION INFRA FD	-	-	-
774	OIL SPILL RESPONSE FUND	36	20,040	20
786	GEN ASSEM RET EXCESS BENE	21	11,690	12
787	JUDGES RETIRE EXCESS BENE	426	237,146	237
788	ST EMP RETIRE EXCESS BENE	148	82,389	82
789	TEACHERS RET. EXCESS BENE	21,343	11,881,228	11,881
790	PRIVATE SEW AGE DISP. PROGRAM	101	56,225	56
793	HEALTHCARE PROVIDER RELIEF FUND	40,345	22,459,268	22,459
795	BANK AND TRUST COMPANY	5,589	3,111,286	3,111
796	NUCLEAR SAFETY EMER PREP FUND	5,165	2,875,254	2,875
801	CIRCUIT COURT ORDER	-	-	-
802	PERS PROP TAX REPL FUND	53,315	29,679,412	29,679
812	R.T.A. SALES TAX FUND	23,434	13,045,247	13,045
817	ISP OPERATIONS FUND	6,774	3,770,953	3,771
823	IL STATE DENTAL DISCP FUND	2,144	1,193,523	1,194
833	CEMETARY RELIEF FUND	62	34,514	35
841	METRO EAST MASS TRANSIT DIST	1,736	966,397	966
849	REAL ESTATE RESCH & ED	241	134,160	134
850	REAL ESTATE LISC ADMIN FUND	4,047	2,252,885	2,253
850	REAL ESTATE LISC ADMIN FUND	634	352,935	353
868	MUNICIPAL AUTO RENTING TAX	373	207,642	208
869	COUNTY AUTO RENTING TAX	17	9,464	9
882	SHEFFIELD 2/82 AGREED ORDER	1,439	801,063	801
888	DESIGN PROF ADMIN & INVST	341	189,828	190
899	ST. JUDE CHILDR RESEARH FUND	2	1,113	1
902	ST. CONSTR. FD	178,039	99,110,811	99,111
904	POLICE FEDERAL PROJECT FUND	153	85,172	85
907	HEALTH INS RESERVE FUND	91,087	50,706,342	50,706
913	FED WORKFORCE TRAINING FD	66	36,741	37
929	VIOLENT CRIME VICTIMS ASSIST	3,693	2,055,820	2,056
932	ST TREAS COURT ORDER ESCROW	270	150,304	150
934	CHILD ABUSE PREVT FUND	77	42,864	43
936	RAIL FREIGHT LOAN RPYMNT FUND	1,815	1,010,375	1,010
938	HEARING AID DISP EXAM & DISC	29	16,144	16
940	SELF- INSURERS SECURITY FUND	9,615	5,352,481	5,352
942	RADIOACTIVE WASTE FAC DEV	588	327,328	327
953	STATE MIGR WATERFOWL STAMP FUND	2,118	1,179,049	1,179
954	IL STATE PODIATRIC DISCP	217	120,800	121
960	BUILD ILLINOIS FUND	10,634	5,919,739	5,920
970	BUILD IL BR&I	4,285	2,385,375	2,385
973	BUILD IL CDB REVOLVING LOAN FUND	1,748	973,077	973
974	ILLINOIS EQUITY FUND	376	209,312	209

Schedule 3 (Cont.)

**Allocation of Securities Lending Collateral  
Based on Distribution of Interest Income Earned During the Month of June 2016  
As of June 30, 2016**

<b>FUND</b>	<b>FUND NAME</b>	<b>JUNE 2016 INTEREST INCOME</b>	<b>ALLOCATIONS OF SECURITIES LENDING COLLATERAL</b>	<b>ALLOCATIONS OF SECURITIES LENDING COLLATERAL FOR GAAP (amounts in thousands)</b>
975	LARGE BUSINESS ATTRACTION	\$ 843	\$ 469,282	\$ 469
982	IL BEACH MARINA FUND	199	110,779	111
993	PUBLIC INFRASTRUCT CONST LOAN REV	1,109	617,358	617
994	IL AGRI LOAN GUARANTEE FUND	4,777	2,659,262	2,659
996	ED LABOR REL BD FAIR SHARE TRUST	59	32,844	33
TOTAL		\$ 2,544,581	\$ 1,416,518,215	\$ 1,416,518
General Revenue Fund		2,131,379	1,186,496,785	1,186,497
Total Income Allocation		<u>\$ 4,675,960</u>	<u>\$ 2,603,015,000</u>	<u>\$ 2,603,015</u>

Securities Lending at 6/30/2016 \$ 2,603,015,000

Distribution Rate 0.58%

The distribution rate is a calculated value based on investments held, earnings applied, individual investment rates, and average balances of investments maintained in the state-wide investment pool throughout any given month (i.e. June 2016 Rate of .58%).

**Schedule 4**  
**Securities Lending Activity of State Treasurer**  
**Agency Fund Activity**  
**For the Year Ended June 30, 2016**

New Loans	\$ 42,945,910,212
Positive Marks	<u>19,321,693</u>
Total Bought (additions)	<u>42,965,231,905</u>
Returns	44,331,787,917
Negative Marks	<u>37,879,613</u>
Total Sold (deletions)	<u>44,369,667,530</u>
Beginning balance 6/30/15	4,007,450,625
Additions	42,965,231,905
Deletions	<u>44,369,667,530</u>
Ending balance 6/30/16	<u>\$ 2,603,015,000</u>

New Loans are the total dollar value of new Treasurer owned securities loaned to Deutsche Bank during FY16.

Returns are the total dollar value of loaned securities that were returned to the Treasurer from Deutsche Bank during FY16.

Positive Marks are the total dollar value of credit adjustments (gains) for securities related to market movements during FY16.

Negative Marks are the total dollar value of debit adjustments (losses) for securities related to market movements during FY16.

**Schedule 4 (Cont.)**  
**Securities Lending Activity of State Treasurer**  
**Agency Fund Activity**  
**For the Year Ended June 30, 2016**

Allocation of Additions Agency Fund	FY16 Avg. Inv bal	% of Total	Allocated Based on % of	
			Total Additions	
370-932	\$ 566,661	0.0061%	\$	2,622,196
416-457	15,404,298	0.1659%		71,282,604
492-84	5,021,009	0.0541%		23,234,464
492-88	20,090,447	0.2164%		92,967,524
492-138	74,264,878	0.7998%		343,656,947
492-139	68,682,311	0.7397%		317,823,904
492-190	4,509,588	0.0486%		20,867,888
492-337	20,229,283	0.2179%		93,609,978
492-812	57,676,518	0.6212%		266,895,153
492-841	4,241,441	0.0457%		19,627,055
492-868	939,251	0.0101%		4,346,338
492-869	35,287	0.0004%		163,288
548-996	123,987	0.0013%		573,744
Total Avg. Inv balance for pooled investments	\$ 9,284,863,095	100.0000%		

Statement of Changes in Assets and Liabilities (in thousands)

	PY	Additions	Deletions	CY
370-932	\$ 253	\$ 2,622	\$ 2,725	\$ 150
416-457	5,684	71,283	74,459	2,508
492-84	2,264	23,234	24,276	1,222
492-88	8,524	92,968	96,895	4,597
492-138	34,248	343,657	360,789	17,116
492-139	19,543	317,824	311,133	26,234
492-190	1,883	20,868	21,654	1,097
492-337	17,828	93,610	103,134	8,304
492-812	27,219	266,895	281,069	13,045
492-841	1,886	19,627	20,547	966
492-868	374	4,346	4,512	208
492-869	20	163	174	9
548-996	56	574	597	33

**State of Illinois  
Office of the Treasurer**

**Note to the Schedules  
Year Ended June 30, 2016**

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**Note 1. Background**

Securities Lending Transactions: The State Treasurer lends securities to broker-dealers and other entities for collateral that will be returned for the same securities in the future. The State Treasurer has, through a Securities Lending Agreement, authorized Deutsche Bank AG to lend the State Treasurer's securities to broker-dealers and banks pursuant to a form of loan agreement.

During fiscal year 2016, Deutsche Bank AG lent U.S. Agency securities and U.S. Treasury securities and received as collateral U.S. dollar denominated cash. Borrowers were required to deliver collateral for each loan equal to at least 100% of the aggregate fair value of the loaned securities. Loans are marked to market daily. If the fair value of collateral falls below 100%, the borrower must provide additional collateral to raise the fair value to 100%.

The State Treasurer did not impose any restrictions during fiscal year 2016 on the amount of the loans of available, eligible securities. In the event of borrower default, Deutsche Bank AG provides the State Treasurer with counterparty default indemnification. In addition, Deutsche Bank AG is obligated to indemnify the State Treasurer if Deutsche Bank AG loses any securities, collateral or investments of the State Treasurer in Deutsche Bank AG's custody. There were no losses during fiscal year 2016 resulting from a default of the borrowers or Deutsche Bank AG.

During fiscal year 2016, the State Treasurer and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested in repurchase agreements with approved counterparties collateralized with securities approved by Deutsche Bank AG and marked to market daily at no less than 102%. Because the loans are terminable at will, their duration did not generally match the duration of the investments made with cash collateral. The State Treasurer had no credit risk as a result of its securities lending program as the collateral held exceeded the fair value of the securities lent. The securities lending collateral received that was invested in repurchase agreements and the fair value of securities on loan for the State Treasurer as of June 30, 2016 were \$2,603,015,000 and \$2,587,869,617, respectively.

**Note 2. Criteria for Allocating Securities Lending Amounts**

GASB Codification Section I60: *Investments - Securities Lending*, paragraph .107 states "If a government pools money from several funds for investment purposes and the pool, rather than the individual funds, has securities lending transactions, the government should report the assets and liabilities arising from the securities lending transactions in the balance sheets of the funds and activities that have the risk of loss on the collateral assets. In many cases, this will involve a pro rata allocation to the various funds and activities based on their equity in the pool."

Based on the guidance cited above, the Treasurer allocates securities lending related assets and liabilities to individual State agency funds using each participating agency's proportionate share of average equity within the State's investment pool, maintained by the Treasurer, for the month of June 2016. The methodology used for allocating securities lending related assets and liabilities is the same methodology used for allocating accrued securities lending income to each agency and fund. This is consistent with the methodology utilized for allocating monthly investment income for each participating agency and fund within the State's investment pool, maintained by the Treasurer, throughout the fiscal year.