

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

Securities Lending Examination
As of and for the Year Ended June 30, 2017

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

**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2017**

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**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2017**

Treasurer's Office Officials

| | |
|---|-------------------------------|
| Treasurer | Honorable Michael W. Frerichs |
| Deputy Treasurer | Mr. Jay Rowell |
| Chief of Staff | Mr. Justin Cajindos |
| Chief Investment Officer/Chief Financial Officer | Mr. Rodrigo Garcia |
| General Counsel & Ethics Officer | Mr. Keith Horton |
| Inspector General | Mr. Ray Watson |
| Chief Internal Auditor | Ms. Leighann Manning |
| Director of State Investment and Banking | Ms. Elizabeth Turner |
| Director of Fiscal Operations | Ms. Deborah Miller |

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, 1st & 4th Floors
Springfield, Illinois 62701



OFFICE OF THE ILLINOIS STATE TREASURER
MICHAEL W. FRERICHS

October 16, 2017

Crowe Horwath LLP
3601 Wabash Avenue, Suite 201
Springfield, IL 62711

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, 2017:

- 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 investment pool on June 30, 2017.
- 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 beginning July 1, 2016 and ending June 30, 2017 balances for agency fund types, along with increases and decreases during fiscal year 2017 within those fund types.
- D. The Office of the Treasurer has determined that the methodology for allocating June 2017 interest to individual funds is also appropriate for allocating securities lending balances to individual funds at June 30, 2017.
- E. The Office of the Treasurer has accurately allocated June 2017 interest income to individual funds and this allocation is based on each fund's proportionate share of equity in the State Treasurer's investment pool on June 30, 2017.
- 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 2017.

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

Sincerely,

State of Illinois, Office of the Treasurer

Signature on File

The Honorable Michael W. Frerichs, State Treasurer

Signature on File

Rodrigo Garcia, Chief Fiscal/Investment Office

**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2017**

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 Crowe Horwath 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.

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, SCO-576 Agency Fund Activity, Schedule 3 – Allocation of Securities Lending Collateral Based on Distribution of Interest Income Earned During the Month of June 2017, 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, 2017. 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 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, 2017, 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.

Signature on File

Crowe Horwath LLP

Springfield, Illinois
October 16, 2017

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
June 30, 2017**

Schedule 1

| Agency Name | Agency | Fund | Account # | Debit Account Name | Debit Amount (In Thousands) | Account # | Credit Account Name | Credit Amount (In Thousands) |
|------------------------------------|---------------|-------------|------------------|---|--|------------------|---|---|
| General Assembly Retirement System | 131 | 481 | 107 | Securities Lending Collateral Equity with State Treasurer | \$ 1,939 | 224 | Obligations under Securities Lending of State Treasurer | \$ 1,939 |
| | 131 | 786 | 107 | Securities Lending Collateral Equity with State Treasurer | 26 | 224 | Obligations under Securities Lending of State Treasurer | 26 |
| Supreme Ct. Hist. Pres. | 210 | 428 | 107 | Securities Lending Collateral Equity with State Treasurer | 9 | 224 | Obligations under Securities Lending of State Treasurer | 9 |
| Judges Retirement System | 275 | 477 | 107 | Securities Lending Collateral Equity with State Treasurer | 9,349 | 224 | Obligations under Securities Lending of State Treasurer | 9,349 |
| | 275 | 787 | 107 | Securities Lending Collateral Equity with State Treasurer | 294 | 224 | Obligations under Securities Lending of State Treasurer | 294 |
| Attorney General | 340 | 929 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,117 | 224 | Obligations under Securities Lending of State Treasurer | 2,117 |
| Secretary of State | 350 | 362 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,593 | 224 | Obligations under Securities Lending of State Treasurer | 5,593 |
| | 350 | 899 | 107 | Securities Lending Collateral Equity with State Treasurer | 1 | 224 | Obligations under Securities Lending of State Treasurer | 1 |
| Comptroller | 360 | 441 | 107 | Securities Lending Collateral Equity with State Treasurer | 74 | 224 | Obligations under Securities Lending of State Treasurer | 74 |
| Treasurer | 370 | 101 | 107 | Securities Lending Collateral Equity with State Treasurer | 321,779 | 224 | Obligations under Securities Lending of State Treasurer | 321,779 |
| | 370 | 103 | 107 | Securities Lending Collateral Equity with State Treasurer | 12 | 224 | Obligations under Securities Lending of State Treasurer | 12 |
| | 370 | 932 | 107 | Securities Lending Collateral Equity with State Treasurer | 184 | 224 | Obligations under Securities Lending of State Treasurer | 184 |
| Aging | 402 | 698 | 107 | Securities Lending Collateral Equity with State Treasurer | 668 | 224 | Obligations under Securities Lending of State Treasurer | 668 |
| Central Management | 416 | 193 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,023 | 224 | Obligations under Securities Lending of State Treasurer | 2,023 |
| | 416 | 203 | 107 | Securities Lending Collateral Equity with State Treasurer | 13,250 | 224 | Obligations under Securities Lending of State Treasurer | 13,250 |
| | 416 | 314 | 107 | Securities Lending Collateral Equity with State Treasurer | 11,456 | 224 | Obligations under Securities Lending of State Treasurer | 11,456 |
| | 416 | 317 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,304 | 224 | Obligations under Securities Lending of State Treasurer | 1,304 |
| | 416 | 332 | 107 | Securities Lending Collateral Equity with State Treasurer | 6,269 | 224 | Obligations under Securities Lending of State Treasurer | 6,269 |
| | 416 | 457 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,938 | 224 | Obligations under Securities Lending of State Treasurer | 1,938 |
| | 416 | 577 | 107 | Securities Lending Collateral Equity with State Treasurer | 610 | 224 | Obligations under Securities Lending of State Treasurer | 610 |
| | 416 | 755 | 107 | Securities Lending Collateral Equity with State Treasurer | 946 | 224 | Obligations under Securities Lending of State Treasurer | 946 |
| | 416 | 907 | 107 | Securities Lending Collateral Equity with State Treasurer | 20,910 | 224 | Obligations under Securities Lending of State Treasurer | 20,910 |
| Children and Family Services | 418 | 934 | 107 | Securities Lending Collateral Equity with State Treasurer | 26 | 224 | Obligations under Securities Lending of State Treasurer | 26 |
| Commerce and Economic Opportunity | 420 | 435 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,171 | 224 | Obligations under Securities Lending of State Treasurer | 1,171 |
| | 420 | 506 | 107 | Securities Lending Collateral Equity with State Treasurer | 9,588 | 224 | Obligations under Securities Lending of State Treasurer | 9,588 |
| | 420 | 913 | 107 | Securities Lending Collateral Equity with State Treasurer | 33 | 224 | Obligations under Securities Lending of State Treasurer | 33 |
| | 420 | 973 | 107 | Securities Lending Collateral Equity with State Treasurer | 902 | 224 | Obligations under Securities Lending of State Treasurer | 902 |
| | 420 | 974 | 107 | Securities Lending Collateral Equity with State Treasurer | 259 | 224 | Obligations under Securities Lending of State Treasurer | 259 |
| | 420 | 975 | 107 | Securities Lending Collateral Equity with State Treasurer | 603 | 224 | Obligations under Securities Lending of State Treasurer | 603 |
| | 420 | 993 | 107 | Securities Lending Collateral Equity with State Treasurer | 758 | 224 | Obligations under Securities Lending of State Treasurer | 758 |
| Natural Resources | 422 | 041 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,225 | 224 | Obligations under Securities Lending of State Treasurer | 5,225 |
| | 422 | 042 | 107 | Securities Lending Collateral Equity with State Treasurer | 64 | 224 | Obligations under Securities Lending of State Treasurer | 64 |
| | 422 | 137 | 107 | Securities Lending Collateral Equity with State Treasurer | 826 | 224 | Obligations under Securities Lending of State Treasurer | 826 |
| | 422 | 145 | 107 | Securities Lending Collateral Equity with State Treasurer | 126 | 224 | Obligations under Securities Lending of State Treasurer | 126 |
| | 422 | 146 | 107 | Securities Lending Collateral Equity with State Treasurer | 184 | 224 | Obligations under Securities Lending of State Treasurer | 184 |
| | 422 | 147 | 107 | Securities Lending Collateral Equity with State Treasurer | 42 | 224 | Obligations under Securities Lending of State Treasurer | 42 |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
June 30, 2017**

Schedule 1 (Continued)

| Agency Name | Agency | Fund | Account # | Debit Account Name | Debit Amount (In Thousands) | Account # | Credit Account Name | Credit Amount (In Thousands) |
|--|--------|------|---|---|--------------------------------|---|---|---------------------------------|
| Natural Resources | 422 | 257 | 107 | Securities Lending Collateral Equity with State Treasurer | \$ 12,953 | 224 | Obligations under Securities Lending of State Treasurer | \$ 12,953 |
| | 422 | 260 | 107 | Securities Lending Collateral Equity with State Treasurer | 749 | 224 | Obligations under Securities Lending of State Treasurer | 749 |
| | 422 | 261 | 107 | Securities Lending Collateral Equity with State Treasurer | 664 | 224 | Obligations under Securities Lending of State Treasurer | 664 |
| | 422 | 293 | 107 | Securities Lending Collateral Equity with State Treasurer | 90 | 224 | Obligations under Securities Lending of State Treasurer | 90 |
| | 422 | 353 | 107 | Securities Lending Collateral Equity with State Treasurer | 869 | 224 | Obligations under Securities Lending of State Treasurer | 869 |
| | 422 | 391 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,265 | 224 | Obligations under Securities Lending of State Treasurer | 2,265 |
| | 422 | 504 | 107 | Securities Lending Collateral Equity with State Treasurer | 12 | 224 | Obligations under Securities Lending of State Treasurer | 12 |
| | 422 | 547 | 107 | Securities Lending Collateral Equity with State Treasurer | 728 | 224 | Obligations under Securities Lending of State Treasurer | 728 |
| | 422 | 953 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,724 | 224 | Obligations under Securities Lending of State Treasurer | 1,724 |
| | 422 | 982 | 107 | Securities Lending Collateral Equity with State Treasurer | 9 | 224 | Obligations under Securities Lending of State Treasurer | 9 |
| Financial and Professional Regulation | 440 | 022 | 107 | Securities Lending Collateral Equity with State Treasurer | 3,410 | 224 | Obligations under Securities Lending of State Treasurer | 3,410 |
| | 440 | 057 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,151 | 224 | Obligations under Securities Lending of State Treasurer | 1,151 |
| | 440 | 093 | 107 | Securities Lending Collateral Equity with State Treasurer | 8,340 | 224 | Obligations under Securities Lending of State Treasurer | 8,340 |
| | 440 | 151 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,111 | 224 | Obligations under Securities Lending of State Treasurer | 1,111 |
| | 440 | 218 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,933 | 224 | Obligations under Securities Lending of State Treasurer | 5,933 |
| | 440 | 241 | 107 | Securities Lending Collateral Equity with State Treasurer | 102 | 224 | Obligations under Securities Lending of State Treasurer | 102 |
| | 440 | 243 | 107 | Securities Lending Collateral Equity with State Treasurer | 659 | 224 | Obligations under Securities Lending of State Treasurer | 659 |
| | 440 | 244 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,424 | 224 | Obligations under Securities Lending of State Treasurer | 1,424 |
| | 440 | 259 | 107 | Securities Lending Collateral Equity with State Treasurer | 193 | 224 | Obligations under Securities Lending of State Treasurer | 193 |
| | 440 | 386 | 107 | Securities Lending Collateral Equity with State Treasurer | 332 | 224 | Obligations under Securities Lending of State Treasurer | 332 |
| | 440 | 579 | 107 | Securities Lending Collateral Equity with State Treasurer | 239 | 224 | Obligations under Securities Lending of State Treasurer | 239 |
| | 440 | 615 | 107 | Securities Lending Collateral Equity with State Treasurer | 120 | 224 | Obligations under Securities Lending of State Treasurer | 120 |
| | 440 | 746 | 107 | Securities Lending Collateral Equity with State Treasurer | 367 | 224 | Obligations under Securities Lending of State Treasurer | 367 |
| | 440 | 750 | 107 | Securities Lending Collateral Equity with State Treasurer | 65 | 224 | Obligations under Securities Lending of State Treasurer | 65 |
| | 440 | 795 | 107 | Securities Lending Collateral Equity with State Treasurer | 4,362 | 224 | Obligations under Securities Lending of State Treasurer | 4,362 |
| | 440 | 823 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,068 | 224 | Obligations under Securities Lending of State Treasurer | 1,068 |
| | 440 | 833 | 107 | Securities Lending Collateral Equity with State Treasurer | 64 | 224 | Obligations under Securities Lending of State Treasurer | 64 |
| | 440 | 849 | 107 | Securities Lending Collateral Equity with State Treasurer | 162 | 224 | Obligations under Securities Lending of State Treasurer | 162 |
| 440 | 850 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,480 | 224 | Obligations under Securities Lending of State Treasurer | 2,480 | |
| 440 | 850 | 107 | Securities Lending Collateral Equity with State Treasurer | 483 | 224 | Obligations under Securities Lending of State Treasurer | 483 | |
| 440 | 888 | 107 | Securities Lending Collateral Equity with State Treasurer | 275 | 224 | Obligations under Securities Lending of State Treasurer | 275 | |
| Human Services | 444 | 025 | 107 | Securities Lending Collateral Equity with State Treasurer | 14 | 224 | Obligations under Securities Lending of State Treasurer | 14 |
| | 444 | 073 | 107 | Securities Lending Collateral Equity with State Treasurer | 154 | 224 | Obligations under Securities Lending of State Treasurer | 154 |
| | 444 | 120 | 107 | Securities Lending Collateral Equity with State Treasurer | 12,334 | 224 | Obligations under Securities Lending of State Treasurer | 12,334 |
| | 444 | 123 | 107 | Securities Lending Collateral Equity with State Treasurer | 334 | 224 | Obligations under Securities Lending of State Treasurer | 334 |
| | 444 | 142 | 107 | Securities Lending Collateral Equity with State Treasurer | 14,669 | 224 | Obligations under Securities Lending of State Treasurer | 14,669 |
| | 444 | 148 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,380 | 224 | Obligations under Securities Lending of State Treasurer | 1,380 |
| | 444 | 158 | 107 | Securities Lending Collateral Equity with State Treasurer | 178 | 224 | Obligations under Securities Lending of State Treasurer | 178 |
| | 444 | 211 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,527 | 224 | Obligations under Securities Lending of State Treasurer | 2,527 |
| | 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 | 2,698 | 224 | Obligations under Securities Lending of State Treasurer | 2,698 |
| | 444 | 394 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,046 | 224 | Obligations under Securities Lending of State Treasurer | 1,046 |
| | 444 | 502 | 107 | Securities Lending Collateral Equity with State Treasurer | 833 | 224 | Obligations under Securities Lending of State Treasurer | 833 |
| | 444 | 509 | 107 | Securities Lending Collateral Equity with State Treasurer | 3,559 | 224 | Obligations under Securities Lending of State Treasurer | 3,559 |
| | 444 | 581 | 107 | Securities Lending Collateral Equity with State Treasurer | 32 | 224 | Obligations under Securities Lending of State Treasurer | 32 |
| | 444 | 718 | 107 | Securities Lending Collateral Equity with State Treasurer | 8,108 | 224 | Obligations under Securities Lending of State Treasurer | 8,108 |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
June 30, 2017**

Schedule 1 (Continued)

| Agency Name | Agency | Fund | Account # | Debit Account Name | Debit Amount (In Thousands) | Account # | Credit Account Name | Credit Amount (In Thousands) |
|-----------------------------------|--------|------|---|---|--------------------------------|---|---|---------------------------------|
| Insurance | 446 | 546 | 107 | Securities Lending Collateral Equity with State Treasurer | \$ 1,139 | 224 | Obligations under Securities Lending of State Treasurer | \$ 1,139 |
| | 446 | 739 | 107 | Securities Lending Collateral Equity with State Treasurer | 699 | 224 | Obligations under Securities Lending of State Treasurer | 699 |
| Healthcare and Family Services | 478 | 136 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,202 | 224 | Obligations under Securities Lending of State Treasurer | 5,202 |
| | 478 | 329 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,684 | 224 | Obligations under Securities Lending of State Treasurer | 5,684 |
| | 478 | 345 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,266 | 224 | Obligations under Securities Lending of State Treasurer | 5,266 |
| | 478 | 346 | 107 | Securities Lending Collateral Equity with State Treasurer | 39,821 | 224 | Obligations under Securities Lending of State Treasurer | 39,821 |
| | 478 | 522 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,776 | 224 | Obligations under Securities Lending of State Treasurer | 1,776 |
| | 478 | 720 | 107 | Securities Lending Collateral Equity with State Treasurer | 152 | 224 | Obligations under Securities Lending of State Treasurer | 152 |
| | 478 | 728 | 107 | Securities Lending Collateral Equity with State Treasurer | 4,337 | 224 | Obligations under Securities Lending of State Treasurer | 4,337 |
| | 478 | 740 | 107 | Securities Lending Collateral Equity with State Treasurer | 288 | 224 | Obligations under Securities Lending of State Treasurer | 288 |
| 478 | 793 | 107 | Securities Lending Collateral Equity with State Treasurer | 11,656 | 224 | Obligations under Securities Lending of State Treasurer | 11,656 | |
| Public Health | 482 | 014 | 107 | Securities Lending Collateral Equity with State Treasurer | 465 | 224 | Obligations under Securities Lending of State Treasurer | 465 |
| | 482 | 068 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,297 | 224 | Obligations under Securities Lending of State Treasurer | 1,297 |
| | 482 | 198 | 107 | Securities Lending Collateral Equity with State Treasurer | 30 | 224 | Obligations under Securities Lending of State Treasurer | 30 |
| | 482 | 208 | 107 | Securities Lending Collateral Equity with State Treasurer | 471 | 224 | Obligations under Securities Lending of State Treasurer | 471 |
| | 482 | 340 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,678 | 224 | Obligations under Securities Lending of State Treasurer | 1,678 |
| | 482 | 371 | 107 | Securities Lending Collateral Equity with State Treasurer | 680 | 224 | Obligations under Securities Lending of State Treasurer | 680 |
| | 482 | 429 | 107 | Securities Lending Collateral Equity with State Treasurer | 31 | 224 | Obligations under Securities Lending of State Treasurer | 31 |
| | 482 | 437 | 107 | Securities Lending Collateral Equity with State Treasurer | 293 | 224 | Obligations under Securities Lending of State Treasurer | 293 |
| | 482 | 469 | 107 | Securities Lending Collateral Equity with State Treasurer | 15 | 224 | Obligations under Securities Lending of State Treasurer | 15 |
| | 482 | 702 | 107 | Securities Lending Collateral Equity with State Treasurer | 410 | 224 | Obligations under Securities Lending of State Treasurer | 410 |
| | 482 | 790 | 107 | Securities Lending Collateral Equity with State Treasurer | 60 | 224 | Obligations under Securities Lending of State Treasurer | 60 |
| 482 | 938 | 107 | Securities Lending Collateral Equity with State Treasurer | 10 | 224 | Obligations under Securities Lending of State Treasurer | 10 | |
| Revenue | 492 | 084 | 107 | Securities Lending Collateral Equity with State Treasurer | 103 | 224 | Obligations under Securities Lending of State Treasurer | 103 |
| | 492 | 088 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,604 | 224 | Obligations under Securities Lending of State Treasurer | 5,604 |
| | 492 | 138 | 107 | Securities Lending Collateral Equity with State Treasurer | 23,016 | 224 | Obligations under Securities Lending of State Treasurer | 23,016 |
| | 492 | 139 | 107 | Securities Lending Collateral Equity with State Treasurer | 22,462 | 224 | Obligations under Securities Lending of State Treasurer | 22,462 |
| | 492 | 190 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,381 | 224 | Obligations under Securities Lending of State Treasurer | 1,381 |
| | 492 | 286 | 107 | Securities Lending Collateral Equity with State Treasurer | 21,550 | 224 | Obligations under Securities Lending of State Treasurer | 21,550 |
| | 492 | 337 | 107 | Securities Lending Collateral Equity with State Treasurer | 8,193 | 224 | Obligations under Securities Lending of State Treasurer | 8,193 |
| | 492 | 384 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,152 | 224 | Obligations under Securities Lending of State Treasurer | 2,152 |
| | 492 | 802 | 107 | Securities Lending Collateral Equity with State Treasurer | 34,095 | 224 | Obligations under Securities Lending of State Treasurer | 34,095 |
| | 492 | 812 | 107 | Securities Lending Collateral Equity with State Treasurer | 29,818 | 224 | Obligations under Securities Lending of State Treasurer | 29,818 |
| | 492 | 841 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,160 | 224 | Obligations under Securities Lending of State Treasurer | 1,160 |
| | 492 | 868 | 107 | Securities Lending Collateral Equity with State Treasurer | 241 | 224 | Obligations under Securities Lending of State Treasurer | 241 |
| 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 | 2,835 | 224 | Obligations under Securities Lending of State Treasurer | 2,835 |
| | 493 | 514 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,048 | 224 | Obligations under Securities Lending of State Treasurer | 1,048 |
| | 493 | 520 | 107 | Securities Lending Collateral Equity with State Treasurer | 225 | 224 | Obligations under Securities Lending of State Treasurer | 225 |
| | 493 | 817 | 107 | Securities Lending Collateral Equity with State Treasurer | 6,197 | 224 | Obligations under Securities Lending of State Treasurer | 6,197 |
| | 493 | 904 | 107 | Securities Lending Collateral Equity with State Treasurer | 99 | 224 | Obligations under Securities Lending of State Treasurer | 99 |
| Transportation | 494 | 233 | 107 | Securities Lending Collateral Equity with State Treasurer | 97 | 224 | Obligations under Securities Lending of State Treasurer | 97 |
| | 494 | 265 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,426 | 224 | Obligations under Securities Lending of State Treasurer | 2,426 |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
June 30, 2017**

Schedule 1 (Continued)

| Agency Name | Agency | Fund | Account # | Debit Account Name | Debit Amount (In Thousands) | Account # | Credit Account Name | Credit Amount (In Thousands) |
|--|--------|------|-----------|---|--------------------------------|-----------|---|---------------------------------|
| Transportation | 494 | 307 | 107 | Securities Lending Collateral Equity with State Treasurer | \$ 148 | 224 | Obligations under Securities Lending of State Treasurer | \$ 148 |
| | 494 | 669 | 107 | Securities Lending Collateral Equity with State Treasurer | 30 | 224 | Obligations under Securities Lending of State Treasurer | 30 |
| | 494 | 936 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,238 | 224 | Obligations under Securities Lending of State Treasurer | 1,238 |
| Veteran's Affairs | 497 | 236 | 107 | Securities Lending Collateral Equity with State Treasurer | 236 | 224 | Obligations under Securities Lending of State Treasurer | 236 |
| Management and Budget | 507 | 970 | 107 | Securities Lending Collateral Equity with State Treasurer | 4,040 | 224 | Obligations under Securities Lending of State Treasurer | 4,040 |
| Deaf & HH Comm. | 526 | 449 | 107 | Securities Lending Collateral Equity with State Treasurer | 145 | 224 | Obligations under Securities Lending of State Treasurer | 145 |
| Environmental Protection Agency | 532 | 091 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,037 | 224 | Obligations under Securities Lending of State Treasurer | 2,037 |
| | 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 | 693 | 224 | Obligations under Securities Lending of State Treasurer | 693 |
| | 532 | 270 | 107 | Securities Lending Collateral Equity with State Treasurer | 25,530 | 224 | Obligations under Securities Lending of State Treasurer | 25,530 |
| | 532 | 288 | 107 | Securities Lending Collateral Equity with State Treasurer | 392 | 224 | Obligations under Securities Lending of State Treasurer | 392 |
| | 532 | 336 | 107 | Securities Lending Collateral Equity with State Treasurer | 120 | 224 | Obligations under Securities Lending of State Treasurer | 120 |
| | 532 | 675 | 107 | Securities Lending Collateral Equity with State Treasurer | 255 | 224 | Obligations under Securities Lending of State Treasurer | 255 |
| | 532 | 731 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,847 | 224 | Obligations under Securities Lending of State Treasurer | 2,847 |
| | 532 | 738 | 107 | Securities Lending Collateral Equity with State Treasurer | 136 | 224 | Obligations under Securities Lending of State Treasurer | 136 |
| | 532 | 774 | 107 | Securities Lending Collateral Equity with State Treasurer | 27 | 224 | Obligations under Securities Lending of State Treasurer | 27 |
| Health Info. Exc. Auth. | 534 | 606 | 107 | Securities Lending Collateral Equity with State Treasurer | 106 | 224 | Obligations under Securities Lending of State Treasurer | 106 |
| Criminal Justice Information Authority | 546 | 156 | 107 | Securities Lending Collateral Equity with State Treasurer | 4,930 | 224 | Obligations under Securities Lending of State Treasurer | 4,930 |
| | 546 | 488 | 107 | Securities Lending Collateral Equity with State Treasurer | 5,531 | 224 | Obligations under Securities Lending of State Treasurer | 5,531 |
| | 546 | 665 | 107 | Securities Lending Collateral Equity with State Treasurer | 90 | 224 | Obligations under Securities Lending of State Treasurer | 90 |
| Ed. Labor Relations Ed. | 548 | 996 | 107 | Securities Lending Collateral Equity with State Treasurer | 40 | 224 | Obligations under Securities Lending of State Treasurer | 40 |
| Housing Development Authority | 551 | 338 | 107 | Securities Lending Collateral Equity with State Treasurer | 15 | 224 | Obligations under Securities Lending of State Treasurer | 15 |
| Finance Authority | 560 | 205 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,559 | 224 | Obligations under Securities Lending of State Treasurer | 2,559 |
| | 560 | 994 | 107 | Securities Lending Collateral Equity with State Treasurer | 3,263 | 224 | Obligations under Securities Lending of State Treasurer | 3,263 |
| Workers' Compensation Commission | 563 | 179 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,110 | 224 | Obligations under Securities Lending of State Treasurer | 1,110 |
| | 563 | 274 | 107 | Securities Lending Collateral Equity with State Treasurer | 97 | 224 | Obligations under Securities Lending of State Treasurer | 97 |
| | 563 | 431 | 107 | Securities Lending Collateral Equity with State Treasurer | 259 | 224 | Obligations under Securities Lending of State Treasurer | 259 |
| | 563 | 685 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,822 | 224 | Obligations under Securities Lending of State Treasurer | 1,822 |
| | 563 | 940 | 107 | Securities Lending Collateral Equity with State Treasurer | 6,386 | 224 | Obligations under Securities Lending of State Treasurer | 6,386 |
| State Board of Ed. | 586 | 569 | 107 | Securities Lending Collateral Equity with State Treasurer | 630 | 224 | Obligations under Securities Lending of State Treasurer | 630 |
| State Board of Elections | 587 | 206 | 107 | Securities Lending Collateral Equity with State Treasurer | 655 | 224 | Obligations under Securities Lending of State Treasurer | 655 |
| | 588 | 067 | 107 | Securities Lending Collateral Equity with State Treasurer | 2,235 | 224 | Obligations under Securities Lending of State Treasurer | 2,235 |
| Emergency Management | 588 | 796 | 107 | Securities Lending Collateral Equity with State Treasurer | 3,480 | 224 | Obligations under Securities Lending of State Treasurer | 3,480 |
| | 588 | 882 | 107 | Securities Lending Collateral Equity with State Treasurer | 929 | 224 | Obligations under Securities Lending of State Treasurer | 929 |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
June 30, 2017**

Schedule 1 (Continued)

| Agency Name | Agency | Fund | Account # | Debit Account Name | Debit Amount (In Thousands) | Account # | Credit Account Name | Credit Amount (In Thousands) |
|---------------------------------------|--------|------|-----------|---|--------------------------------|-----------|---|---------------------------------|
| Emergency Management | 588 | 942 | 107 | Securities Lending Collateral Equity with State Treasurer | \$ 476 | 224 | Obligations under Securities Lending of State Treasurer | \$ 476 |
| State Employees' Retirement System | 589 | 479 | 107 | Securities Lending Collateral Equity with State Treasurer | 63,281 | 224 | Obligations under Securities Lending of State Treasurer | 63,281 |
| | 589 | 788 | 107 | Securities Lending Collateral Equity with State Treasurer | 112 | 224 | Obligations under Securities Lending of State Treasurer | 112 |
| State Police Merit Bd. | 591 | 166 | 107 | Securities Lending Collateral Equity with State Treasurer | 1,493 | 224 | Obligations under Securities Lending of State Treasurer | 1,493 |
| State Fire Marshal | 592 | 572 | 107 | Securities Lending Collateral Equity with State Treasurer | 46 | 224 | Obligations under Securities Lending of State Treasurer | 46 |
| Teachers' Retirement System | 593 | 473 | 107 | Securities Lending Collateral Equity with State Treasurer | 31,983 | 224 | Obligations under Securities Lending of State Treasurer | 31,983 |
| | 593 | 789 | 107 | Securities Lending Collateral Equity with State Treasurer | 13,749 | 224 | Obligations under Securities Lending of State Treasurer | 13,749 |
| Chicago State Univ. | 608 | 223 | 107 | Securities Lending Collateral Equity with State Treasurer | 196 | 224 | Obligations under Securities Lending of State Treasurer | 196 |
| Student Assistance Commission | 691 | 663 | 107 | Securities Lending Collateral Equity with State Treasurer | 13,366 | 224 | Obligations under Securities Lending of State Treasurer | 13,366 |
| | 691 | 664 | 107 | Securities Lending Collateral Equity with State Treasurer | 17,806 | 224 | Obligations under Securities Lending of State Treasurer | 17,806 |
| | | | | Nonshared Funds | 979,520 | | | |
| | | | | GRF | <u>1,893,385</u> | | | |
| | | | | Subtotal | 2,872,905 | | | |
| | | | | Shared funds under Treasurer's authority, GAAP adjustment made in-house by Comptroller | <u>650,018</u> | | | |
| | | | | Grand Total | <u>\$ 3,522,923</u> | | | |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Collateral
SCO-576 Agency Fund Activity
For the Year Ended June 30, 2017**

Schedule 2

| Agency Name | Agency | Fund | Account # | Account Name | Amounts in Thousands | | | |
|-------------------------|--------|------|------------|--|-----------------------------------|--------------------|--------------------|---------------------------------|
| | | | | | Beginning Balance at July 1, 2016 | Additions | Deletions | Ending Balance at June 30, 2017 |
| Treasurer | 370 | 932 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | \$ 150 150 | \$ 5,208 5,208 | \$ 5,174 5,174 | \$ 184 184 |
| Central Management | 416 | 457 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 2,508 2,508 | 147,206 147,206 | 147,776 147,776 | 1,938 1,938 |
| Revenue | 492 | 084 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 1,221 1,221 | 9,701 9,701 | 10,819 10,819 | 103 103 |
| | 492 | 088 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 4,597 4,597 | 164,018 164,018 | 163,011 163,011 | 5,604 5,604 |
| | 492 | 138 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 17,116 17,116 | 618,944 618,944 | 613,044 613,044 | 23,016 23,016 |
| | 492 | 139 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 26,234 26,234 | 850,217 850,217 | 853,989 853,989 | 22,462 22,462 |
| | 492 | 190 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 1,097 1,097 | 39,047 39,047 | 38,763 38,763 | 1,381 1,381 |
| | 492 | 337 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 8,304 8,304 | 143,916 143,916 | 144,027 144,027 | 8,193 8,193 |
| | 492 | 812 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 13,045 13,045 | 555,903 555,903 | 539,130 539,130 | 29,818 29,818 |
| | 492 | 841 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 966 966 | 34,168 34,168 | 33,974 33,974 | 1,160 1,160 |
| | 492 | 868 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 207 207 | 7,867 7,867 | 7,833 7,833 | 241 241 |
| | 492 | 869 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 9 9 | 287 287 | 287 287 | 9 9 |
| Ed. Labor Relations Bd. | 548 | 996 | 107 224 | Securities Lending Collateral Equity with State Treasurer Obligations under Securities Lending of State Treasurer | 33 33 | 1,140 1,140 | 1,133 1,133 | 40 40 |

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Allocation of Securities Lending Collateral
Based on Distribution of Interest Income Earned During the Month of June 2017
For the Year Ended June 30, 2017**

Schedule 3

| Fund | Fund Name | June 2017 Interest Income | Allocations of Securities Lending Collateral | Allocations of Securities Lending Collateral for GAAP (Amt. in Thousands) |
|-------------|--|--------------------------------------|---|--|
| 011 | ROAD FUND | \$ 1,157,657 | \$ 378,309,309 | \$ 378,309 * |
| 011 | ROAD FUND | 26,556 | 8,678,203 | 8,678 * |
| 014 | FOOD & DRUG SAFETY FUND | 1,422 | 464,694 | 465 |
| 022 | GENERAL PROFESSIONS DEDICATED FUND | 10,434 | 3,409,714 | 3,410 |
| 025 | GROUP HOME LOAN REV FUND | 44 | 14,379 | 14 |
| 041 | WILDLIFE & FISH FUND | 15,989 | 5,225,026 | 5,225 |
| 042 | SALMON FUND | 197 | 64,377 | 64 |
| 057 | IL. STATE PHARMACY DISC.FUND | 3,522 | 1,150,950 | 1,151 |
| 067 | RADIATION PROTECTION FUND | 6,838 | 2,234,582 | 2,235 |
| 068 | HOSPITAL LICENSURE FUND | 3,969 | 1,297,025 | 1,297 |
| 072 | UNDERGROUND STORAGE TANK FUND | 69,919 | 22,848,744 | 22,849 |
| 073 | SPECIAL OLYMPICS IL & SPEC CHILD CHAR FUND | 472 | 154,244 | 154 |
| 075 | COMPASSIONATE USE OF MED. CANNABIS FUND | 8,733 | 2,853,846 | 2,854 |
| 084 | COUNTY WATER COMM TAX FUND | 315 | 102,938 | 103 |
| 088 | NON- HOME RULE MUNICIPAL R.O.T. | 17,149 | 5,604,101 | 5,604 |
| 091 | CLEAN AIR ACT PERMIT FUND | 6,233 | 2,036,874 | 2,037 |
| 093 | IL. STATE MEDICAL DISCP. FUND | 25,522 | 8,340,303 | 8,340 |
| 096 | CEMETARY CONS. PROTECTION FUND | 1 | 327 | - |
| 101 | G.O. BOND RETIREMENT & INT FUND | 984,671 | 321,779,427 | 321,779 |
| 103 | STATE TREASURER'S ADMIN FUND | 36 | 11,764 | 12 |
| 120 | HOME SERVICES MEDICAID TRUST FUND | 37,744 | 12,334,315 | 12,334 |
| 123 | HANSEN-THERKELSEN MEMORIAL FUND | 1,023 | 334,305 | 334 |
| 136 | UNIVERSITY OF IL HOSPITAL SERVICES FUND | 15,919 | 5,202,150 | 5,202 |
| 137 | PLUGGING & RESTR. FUND | 2,529 | 826,449 | 826 |
| 138 | HOME RULE MUNI R.O.T. | 70,431 | 23,016,060 | 23,016 |
| 139 | HOME RULE COUNTY R.O.T. | 68,736 | 22,462,153 | 22,462 |
| 142 | COMMUNITY DEVEL DISABL FUND | 44,888 | 14,668,894 | 14,669 |
| 145 | EXPLOSIVES REGULATORY FUND | 385 | 125,814 | 126 |
| 146 | AGGREGATE OPER. REG. FUND | 563 | 183,982 | 184 |
| 147 | COAL MINING REG. FUND | 127 | 41,502 | 42 |
| 148 | MENTAL HEALTH REPORTING FUND | 4,223 | 1,380,029 | 1,380 |
| 151 | REGIST.C.P.A. ADMIN. & DISCP. FUND | 3,401 | 1,111,409 | 1,111 |
| 154 | E.P.A. COURT ORDERED TR FUND | 6 | 1,961 | 2 |
| 156 | MOTOR VEHICLE THEFT PREV. FUND | 15,085 | 4,929,609 | 4,930 |
| 158 | SEXUAL ASSAULT SRVS & PREVENTION FUND | 546 | 178,427 | 178 |
| 166 | STATE POLICE MERIT BOARD PUB. SAFETY FUND | 4,569 | 1,493,098 | 1,493 |
| 179 | INJURED WORKERS BENEFIT FUND | 3,398 | 1,110,428 | 1,110 |
| 190 | COUNTY OPTION MOTOR FUEL FUND | 4,225 | 1,380,683 | 1,381 |
| 193 | LOCAL GOVT HEALTH INS RESV FUND | 6,190 | 2,022,822 | 2,023 |
| 198 | DIABETES RESCH CHECKOFF FUND | 91 | 29,738 | 30 |
| 203 | TEACHER HEALTH INS. SEC. FUND | 40,546 | 13,249,978 | 13,250 |
| 205 | IL FARMERS & AGRIBUSINESS LOAN FUND | 7,830 | 2,558,756 | 2,559 |
| 206 | HELP ILLINOIS VOTE FUND | 2,005 | 655,211 | 655 |
| 208 | TICKET FOR THE CURE FUND | 1,441 | 470,903 | 471 |
| 209 | STATE POLICE FIREARM SERVICES FUND | 8,676 | 2,835,219 | 2,835 |
| 211 | DHS TECHNOLOGY INITIATIVE FUND | 7,733 | 2,527,058 | 2,527 |
| 214 | BROWNSFIELD REDEVELOPMENT FUND | 2,122 | 693,446 | 693 |
| 218 | PROFESSIONS INDIRECT COST FUND | 18,155 | 5,932,850 | 5,933 |
| 223 | CHI ST UNIV ED IMP FUND | 600 | 196,073 | 196 |
| 228 | AUTISM RESCH CKECKOFF FUND | 4 | 1,307 | 1 |

* Funds 011 and 850 received two allocations of interest income as they are also allocated the interest income for Funds 553 (Transportation Bond Series A Fund) and 629 (Real Estate Recovery Fund), respectively.

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Allocation of Securities Lending Collateral
Based on Distribution of Interest Income Earned During the Month of June 2017
Year Ended June 30, 2017**

Schedule 3 (Continued)

| Fund | Fund Name | June 2017 Interest Income | Allocations of Securities Lending Collateral | Allocations of Securities Lending Collateral for GAAP (Amt. in Thousands) |
|------|--------------------------------------|------------------------------|--|--|
| 233 | INTERCITY PSGR RAIL FUND | \$ 297 | \$ 97,056 | \$ 97 |
| 236 | IL VETERANS ASSISTANCE FUND | 723 | 236,268 | 236 |
| 241 | TOMA CONSUMER PROTECTION FUND | 313 | 102,285 | 102 |
| 243 | CREDIT UNION FUND | 2,015 | 658,479 | 659 |
| 244 | SAV & RESID. FINANCE REG FUND | 4,356 | 1,423,492 | 1,424 |
| 257 | AML RECLAMATION SET ASIDE FUND | 39,637 | 12,952,927 | 12,953 |
| 258 | NURSING DEDICATED AND PROF. FUND | 11,896 | 3,887,479 | 3,887 |
| 259 | OPTOMETRIC LICSN. & DISC COMM FUND | 590 | 192,805 | 193 |
| 260 | FISH & WILDLIFE ENDWMNT FUND | 2,292 | 749,000 | 749 |
| 261 | UNDRGRND RESOURCE CONS ENF FUND | 2,032 | 664,035 | 664 |
| 265 | ST RAIL FREIGHT LOAN REPYMNT FUND | 7,423 | 2,425,753 | 2,426 |
| 270 | WATER POLLTN CONT REVL FUND | 78,123 | 25,529,719 | 25,530 |
| 274 | SELF-INSURERS ADMIN FUND | 298 | 97,383 | 97 |
| 286 | IL. AFF HOUSING TRUST FUND | 65,945 | 21,550,086 | 21,550 |
| 288 | COMM WATER SUPPLY FUND | 1,200 | 392,147 | 392 |
| 293 | STATE FURBEARER FUND | 274 | 89,540 | 90 |
| 307 | WORKING CAPITAL REVOLVING LOAN FUND | 453 | 148,035 | 148 |
| 314 | FACILITIES MANAGEMENT REVOLVING FUND | 35,055 | 11,455,580 | 11,456 |
| 317 | PROFESSIONAL SERVICES FUND | 3,991 | 1,304,214 | 1,304 |
| 329 | CNTY HOSP SERV FUND | 17,392 | 5,683,510 | 5,684 |
| 332 | WORKERS COMP REVOLVING FUND | 19,185 | 6,269,443 | 6,269 |
| 336 | ENVIR. LAB. CERTF. FUND | 366 | 119,605 | 120 |
| 337 | METRO PIER AND EXPOSITION FUND | 25,070 | 8,192,595 | 8,193 |
| 338 | FEDERAL HOME INVESTMENT FUND | 45 | 14,705 | 15 |
| 340 | P.HEALTH SERV REV FUND | 5,134 | 1,677,734 | 1,678 |
| 344 | DEV DISAB. HLTH CARE PROV FUND | 12,222 | 3,994,012 | 3,994 |
| 345 | LONG TERM CARE PROV FUND | 16,115 | 5,266,201 | 5,266 |
| 346 | HOSPITAL PROVIDER FUND | 121,856 | 39,821,173 | 39,821 |
| 353 | STATE PHEASANT FUND | 2,658 | 868,605 | 869 |
| 356 | LAW ENFORCEMENT CAMERA GRANT FUND | 2,740 | 895,401 | 895 |
| 362 | SEC AUDIT & ENF FUND | 17,114 | 5,592,663 | 5,593 |
| 365 | HEALTH & HUMAN SVCS MED TRUST FUND | 8,257 | 2,698,295 | 2,698 |
| 371 | INNOV. LONGTERM CARE QLTY DEV FUND | 2,080 | 679,721 | 680 |
| 384 | TAX COMPLIANCE & ADMIN FUND | 6,586 | 2,152,231 | 2,152 |
| 386 | APPRAISAL ADMINSTRATIVE FUND | 1,016 | 332,017 | 332 |
| 391 | ILLINOIS HABITAT FUND | 6,930 | 2,264,646 | 2,265 |
| 394 | GAINING EARLY AWARENESS FUND | 3,200 | 1,045,724 | 1,046 |
| 412 | COMMON SCHOOL FUND | 98,902 | 32,320,063 | 32,320 |
| 428 | SUPREME COURT HISTORIC PRESER FUND | 27 | 8,823 | 9 |
| 429 | MULTIPLE SCLEROSIS RESEARCH FUND | 95 | 31,045 | 31 |
| 431 | SECOND INJURY FUND | 793 | 259,143 | 259 |
| 435 | CHARITABLE TRUST STABILIZATION FUND | 3,582 | 1,170,557 | 1,171 |
| 437 | QUALITY OF LIFE ENDOWMENT FUND | 895 | 292,476 | 293 |
| 441 | KASKASKIA COMMONS PERMANENT FUND | 227 | 74,181 | 74 |
| 449 | INTERPRETERS FOR THE DEAF FUND | 444 | 145,094 | 145 |
| 457 | GROUP INSURANCE PREMIUM FUND | 5,930 | 1,937,857 | 1,938 |
| 469 | AUTOIMMUNE DISEASE RESEARCH FUND | 45 | 14,705 | 15 |
| 473 | TEACHERS RETIREMENT SYSTEM FUND | 97,869 | 31,982,490 | 31,983 |
| 474 | HUMAN SVCS PRIORITY CAP PROG FUND | 3 | 980 | 1 |
| 477 | JUDGES RETIREMENT SYSTEM FUND | 28,608 | 9,348,773 | 9,349 |

* Funds 011 and 850 received two allocations of interest income as they are also allocated the interest income for Funds 553 (Transportation Bond Series A Fund) and 629 (Real Estate Recovery Fund), respectively.

(See accompanying Notes to Schedules)

State of Illinois
Office of the Treasurer

**Allocation of Securities Lending Collateral
Based on Distribution of Interest Income Earned During the Month of June 2017
Year Ended June 30, 2017**

Schedule 3 (Continued)

| Fund | Fund Name | June 2017 Interest Income | Allocations of Securities Lending Collateral | Allocations of Securities Lending Collateral for GAAP (Amt. in Thousands) |
|------|---|------------------------------|--|--|
| 479 | STATE EMPL RETIREMENT FUND | \$ 193,646 | \$ 63,281,339 | \$ 63,281 |
| 481 | GENERAL ASSEMBLY RETIREMENT FUND | 5,933 | 1,938,838 | 1,939 |
| 488 | CRIMINAL JUSTICE FUND | 16,924 | 5,530,573 | 5,531 |
| 502 | EARLY INTERVENTION SERVICES REV FUND | 2,549 | 832,985 | 833 |
| 504 | WILDLIFE PRAIRIE PARK FUND | 38 | 12,418 | 12 |
| 506 | STATE SMALL BUSINESS CREDIT INITIATIVE FUND | 29,340 | 9,587,983 | 9,588 |
| 509 | DHS COMMUNITY SERVICES FUND | 10,891 | 3,559,057 | 3,559 |
| 514 | STATE ASSET FORFEITURE FUND | 3,208 | 1,048,338 | 1,048 |
| 520 | FEDERAL ASSET FORFEITURE FUND | 688 | 224,831 | 225 |
| 522 | MONEY FOLLOWS THE PERSON FUND | 5,434 | 1,775,770 | 1,776 |
| 546 | PUBLIC PENSION REGULATION FUND | 3,486 | 1,139,186 | 1,139 |
| 547 | CONSERV. POLICE OPERATIONS ASSIST FUND | 2,228 | 728,085 | 728 |
| 548 | DRYCLEANER ENVR RESP TR FUND | 2,028 | 662,728 | 663 |
| 569 | SCHOOL TECH REV LOAN FUND | 1,928 | 630,049 | 630 |
| 572 | FIRETRUCK REVL LOAN FUND | 141 | 46,077 | 46 |
| 574 | OFF HIGHWAY VEHICLE TRAILS FUND | 1,473 | 481,360 | 481 |
| 577 | COMM COLLEGE HEALTH INS SEC FUND | 1,868 | 610,441 | 610 |
| 579 | SAVINGS INSTITUTION REGULATORY FUND | 730 | 238,556 | 239 |
| 581 | JUVENILE ACCT INC BLK GRANT FUND | 98 | 32,025 | 32 |
| 606 | HEALTH INFORMATION EXCHANGE FUND | 325 | 106,206 | 106 |
| 615 | DEBT SETTLEMENT CONSUMER PROT. FUND | 368 | 120,258 | 120 |
| 663 | FEDERAL STUDENT LOAN FUND | 40,902 | 13,366,315 | 13,366 |
| 664 | STUDENT LOAN OPERATING FUND | 54,488 | 17,806,068 | 17,806 |
| 665 | PRESC PILL AND DRUG DISP FUND | 275 | 89,867 | 90 |
| 669 | AIRPORT LANDLOAD REV FUND | 93 | 30,391 | 30 |
| 675 | ELECTRONICS RECYCLING FUND | 781 | 255,222 | 255 |
| 685 | COMP RATE ADJ FUND | 5,576 | 1,822,174 | 1,822 |
| 686 | BUDGET STABILIZATION FUND | 10,760 | 3,516,247 | 3,516 |
| 694 | CAPITAL PROJECT FUND | 139,652 | 45,636,706 | 45,637 |
| 698 | LONG TERM CARE OMBUDSMAN FUND | 2,045 | 668,283 | 668 |
| 702 | ASST LIVING & SHARED HOUSING FUND | 1,255 | 410,120 | 410 |
| 718 | COMM MENTAL HEALTH MEDICAID FUND | 24,810 | 8,107,629 | 8,108 |
| 720 | FAMILY CARE FUND | 465 | 151,957 | 152 |
| 728 | DRUG REBATE FUND | 13,273 | 4,337,467 | 4,337 |
| 731 | IL CLEAN WATER ACT FUND | 8,713 | 2,847,311 | 2,847 |
| 738 | ALTERNATIVE COMPLIANCE MARKET FUND | 416 | 135,944 | 136 |
| 739 | GROUP WORKERS COMP POOL INSOLV FUND | 2,140 | 699,328 | 699 |
| 740 | MEDICAID BUY-IN PROG REV FUND | 881 | 287,901 | 288 |
| 746 | HOME INSPECTOR ADMINISTRATION FUND | 1,124 | 367,311 | 367 |
| 750 | REAL ESTATE AUDIT FUND | 199 | 65,031 | 65 |
| 755 | STATE EMPLOYEES DEF COMP FUND | 2,894 | 945,727 | 946 |
| 774 | OIL SPILL RESPONSE FUND | 84 | 27,450 | 27 |
| 786 | GEN ASSEM RET EXCESS BENE FUND | 78 | 25,490 | 26 |
| 787 | JUDGES RETIRE EXCESS BENE FUND | 901 | 294,437 | 294 |
| 788 | ST EMP RETIRE EXCESS BENE FUND | 344 | 112,415 | 112 |
| 789 | TEACHERS RET. EXCESS BENE FUND | 42,074 | 13,749,311 | 13,749 |
| 790 | PRIVATE SEWAGE DISP. PROGRAM FUND | 183 | 59,802 | 60 |
| 793 | HEALTHCARE PROVIDER RELIEF FUND | 35,667 | 11,655,575 | 11,656 |
| 795 | BANK AND TRUST COMPANY FUND | 13,347 | 4,361,650 | 4,362 |
| 796 | NUCLEAR SAFETY EMER PREP FUND | 10,649 | 3,479,974 | 3,480 |

* Funds 011 and 850 received two allocations of interest income as they are also allocated the interest income for Funds 553 (Transportation Bond Series A Fund) and 629 (Real Estate Recovery Fund), respectively.

(See accompanying Notes to Schedules)

State of Illinois
Office of the Treasurer

**Allocation of Securities Lending Collateral
Based on Distribution of Interest Income Earned During the Month of June 2017
Year Ended June 30, 2017**

Schedule 3 (Continued)

| Fund | Fund Name | June 2017 Interest Income | Allocations of Securities Lending Collateral | Allocations of Securities Lending Collateral for GAAP (Amt. in Thousands) |
|---|--|------------------------------|--|--|
| 802 | PERS PROP TAX REPL FUND | \$ 104,332 | \$ 34,094,526 | \$ 34,095 |
| 812 | R.T.A. SALES TAX FUND | 91,245 | 29,817,841 | 29,818 |
| 817 | ISP OPERATIONS FUND | 18,964 | 6,197,222 | 6,197 |
| 823 | IL STATE DENTAL DISCP FUND | 3,268 | 1,067,946 | 1,068 |
| 833 | CEMETARY RELIEF FUND | 197 | 64,377 | 64 |
| 841 | METRO EAST MASS TRANSIT DIST FUND | 3,550 | 1,160,100 | 1,160 |
| 849 | REAL ESTATE RESCH & ED FUND | 497 | 162,414 | 162 |
| 850 | REAL ESTATE LISC ADMIN FUND | 7,589 | 2,480,000 | 2,480 * |
| 850 | REAL ESTATE LISC ADMIN FUND | 1,477 | 482,667 | 483 * |
| 868 | MUNICIPAL AUTO RENTING TAX FUND | 738 | 241,170 | 241 |
| 869 | COUNTY AUTO RENTING TAX FUND | 26 | 8,497 | 9 |
| 882 | SHEFFIELD 2/82 AGREED ORDER FUND | 2,844 | 929,387 | 929 |
| 888 | DESIGN PROF ADMIN & INVST FUND | 841 | 274,829 | 275 |
| 899 | ST. JUDE CHILDR RESEARH FUND | 3 | 980 | 1 |
| 902 | ST. CONSTR. FUND | 424,247 | 138,639,156 | 138,640 |
| 904 | POLICE FEDERAL PROJECT FUND | 304 | 99,344 | 99 |
| 907 | HEALTH INS RESERVE FUND | 63,987 | 20,910,233 | 20,910 |
| 913 | FED WORKFORCE TRAINING FUND | 102 | 33,332 | 33 |
| 929 | VIOLENT CRIME VICTIMS ASSIST FUND | 6,477 | 2,116,611 | 2,117 |
| 932 | ST TREAS COURT ORDER ESCROW FUND | 564 | 184,309 | 184 |
| 934 | CHILD ABUSE PREVT FUND | 78 | 25,490 | 26 |
| 936 | RAIL FREIGHT LOAN RPYMNT FUND | 3,788 | 1,237,876 | 1,238 |
| 938 | HEARING AID DISP EXAM & DISC FUND | 31 | 10,130 | 10 |
| 940 | SELF- INSURERS SECURITY FUND | 19,542 | 6,386,106 | 6,386 |
| 942 | RADIOACTIVE WASTE FAC DEV FUND | 1,455 | 475,478 | 476 |
| 953 | STATE MIGR WATERFOWL STAMP FUND | 5,274 | 1,723,484 | 1,724 |
| 954 | IL STATE PODIATRIC DISCP FUND | 774 | 252,935 | 253 |
| 960 | BUILD ILLINOIS FUND | 21,545 | 7,040,664 | 7,041 |
| 970 | BUILD IL BR&I FUND | 12,363 | 4,040,090 | 4,040 |
| 973 | BUILD IL CDB REVOLVING LOAN FUND | 2,759 | 901,610 | 902 |
| 974 | ILLINOIS EQUITY FUND | 792 | 258,817 | 259 |
| 975 | LARGE BUSINESS ATTRACTION FUND | 1,845 | 602,925 | 603 |
| 982 | IL BEACH MARINA FUND | 29 | 9,477 | 9 |
| 993 | PUBLIC INFRASTRUCT CONST LOAN REV FUND | 2,319 | 757,823 | 758 |
| 994 | IL AGRI LOAN GUARANTEE FUND | 9,985 | 3,262,986 | 3,263 |
| 996 | ED LABOR REL BD FAIR SHARE TRUST | 123 | 40,195 | 40 |
| Total Funds Allocation Except GRF | | \$ 4,986,516 | \$ 1,629,537,440 | \$ 1,629,538 |
| General Revenue Fund | | 5,793,911 | 1,893,385,060 | 1,893,385 |
| Total Income/Securities Lending Allocation | | \$ 10,780,427 | \$ 3,522,922,500 | \$ 3,522,923 |

Securities Lending at 6/30/2017 \$3,522,922,500
Distribution Rate 1.20%

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 (e.g., June 2017 Rate of 1.20%).

* Funds 011 and 850 received two allocations of interest income as they are also allocated the interest income for Funds 553 (Transportation Bond Series A Fund) and 629 (Real Estate Recovery Fund), respectively.

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Activity of State Treasurer
Agency Fund Activity
For the Year Ended June 30, 2017**

Schedule 4

| | |
|--------------------------|--------------------------|
| New Loans | \$ 95,991,800,857 |
| Positive Marks | 18,869,639 |
| Total Bought (additions) | <u>\$ 96,010,670,496</u> |
| | |
| Returns | \$ 95,042,930,817 |
| Negative Marks | 47,832,179 |
| Total Sold (deletions) | <u>\$ 95,090,762,996</u> |
| | |
| Beginning balance 7/1/16 | \$ 2,603,015,000 |
| Additions | 96,010,670,496 |
| Deletions | 95,090,762,996 |
| Ending balance 6/30/17 | <u>\$ 3,522,922,500</u> |

New Loans are the total dollar value of new Treasurer owned securities loaned to Deutsche Bank during FY17.

Positive Marks are the total dollar value of credit adjustments (gains) for securities related to market movements during FY17.

Returns are the total dollar value of loaned securities that were returned to the Treasurer from Deutsche Bank during FY17.

Negative Marks are the total dollar value of debit adjustments (losses) for securities related to market movements during FY17.

**State of Illinois
Office of the Treasurer**

**Securities Lending Activity of State Treasurer
Agency Fund Activity
For the Year Ended June 30, 2017**

Schedule 4 (Continued)

| Allocation of Additions | | FY17 Average | | Allocated Based |
|--|------|-------------------|------------|-----------------|
| Agency | Fund | Investment | % of Total | on % of Total |
| | | Balance | (Rounded) | Additions |
| 370 | 932 | \$ 569,969 | 0.0054% | \$ 5,208,070 |
| 416 | 457 | 16,110,202 | 0.1533% | 147,206,307 |
| 492 | 084 | 1,061,669 | 0.0101% | 9,700,953 |
| 492 | 088 | 17,950,038 | 0.1708% | 164,017,732 |
| 492 | 138 | 67,736,975 | 0.6447% | 618,943,831 |
| 492 | 139 | 93,047,430 | 0.8855% | 850,217,080 |
| 492 | 190 | 4,273,255 | 0.0407% | 39,046,693 |
| 492 | 337 | 15,750,120 | 0.1499% | 143,916,072 |
| 492 | 812 | 60,837,855 | 0.5790% | 555,903,406 |
| 492 | 841 | 3,739,301 | 0.0356% | 34,167,708 |
| 492 | 868 | 860,926 | 0.0082% | 7,866,679 |
| 492 | 869 | 31,389 | 0.0003% | 286,819 |
| 548 | 996 | 124,711 | 0.0012% | 1,139,538 |
| Total Avg. Inv. balance for all pooled investments | | \$ 10,507,370,869 | 100.00% | |

Statement of Changes in Assets and Liabilities

Amounts in Thousands

| Agency | Fund | Beginning Balance at | | | Ending Balance at | |
|--------|------|----------------------|-----------|-----------|-------------------|--|
| | | July 1, 2016 | Additions | Deletions | June 30, 2017 | |
| 370 | 932 | \$ 150 | \$ 5,208 | \$ 5,174 | \$ 184 | |
| 416 | 457 | 2,508 | 147,206 | 147,776 | 1,938 | |
| 492 | 084 | 1,221 | 9,701 | 10,819 | 103 | |
| 492 | 088 | 4,597 | 164,018 | 163,011 | 5,604 | |
| 492 | 138 | 17,116 | 618,944 | 613,044 | 23,016 | |
| 492 | 139 | 26,234 | 850,217 | 853,989 | 22,462 | |
| 492 | 190 | 1,097 | 39,047 | 38,763 | 1,381 | |
| 492 | 337 | 8,304 | 143,916 | 144,027 | 8,193 | |
| 492 | 812 | 13,045 | 555,903 | 539,130 | 29,818 | |
| 492 | 841 | 966 | 34,168 | 33,974 | 1,160 | |
| 492 | 868 | 207 | 7,867 | 7,833 | 241 | |
| 492 | 869 | 9 | 287 | 287 | 9 | |
| 548 | 996 | 33 | 1,140 | 1,133 | 40 | |

**State of Illinois
Office of the Treasurer**

**Notes to the Schedules
For the Year Ended June 30, 2017**

Note 1. Background

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 2017, 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 2017 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 2017 resulting from a default of the borrowers or Deutsche Bank AG.

During fiscal year 2017, 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, 2017 were \$3,522,922,500 and \$3,475,790,990, respectively.

Note 2. Criteria for Allocating Securities Lending Amounts

GASB Codification Section 160: *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 2017. 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.