

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

Securities Lending Examination
As of and for the Year Ended June 30, 2022

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, 2022**

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**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2022**

Office of the Treasurer's Officials

Treasurer	Honorable Michael W. Frerichs
Chief of Staff	Mr. G. Allen Mayer
Chief Banking Officer (<i>Acting</i>) (July 1, 2021 to March 31, 2022)	Ms. Elizabeth Turner
Chief Banking Officer (April 1, 2022 to Present)	Ms. Elizabeth Turner
Chief Fiscal Officer (<i>Acting</i>) (July 1, 2021 to March 31, 2022)	Ms. Deborah Miller
Chief Fiscal Officer (April 1, 2022 to Present)	Ms. Deborah Miller
Chief Investment Officer (<i>Acting</i>) (July 1, 2021 to March 31, 2022)	Mr. Joseph Aguilar
Chief Investment Officer (April 1, 2022 to Present)	Mr. Joseph Aguilar
General Counsel & Ethics Officer	Ms. Laura Duque
Executive Inspector General for the Illinois State Treasurer (July 1, 2021 to October 15, 2021) (October 16, 2021 to November 18, 2021) (November 19, 2021 to March 25, 2022) (March 26, 2022 to April 7, 2022) (April 8, 2022 to Present)	Mr. Dennis Rendleman Mr. Chris Flynn Mr. Gary Shadid Vacant Ms. Heather Stone
Chief Internal Auditor	Ms. Leighann Manning
Director of Fiscal Operations	Mr. Wes Howerton
Director of State Investments	Mr. Brenton Siemons
Director of State Banking	Ms. Morgan Nessler

**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2022**

Office of the Treasurer's Offices

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

Executive Office
State Capitol
219 State House
Springfield, Illinois 62706

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

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

Chicago Office Legal/Programmatic
State Treasurer's Office
555 W. Monroe, 14th Floor
Chicago, IL 60661



OFFICE OF THE ILLINOIS STATE TREASURER
MICHAEL W. FRERICHS

November 10, 2022

Crowe LLP
3601 W Wabash Avenue, Suite 103
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 of Illinois, Office of the Treasurer's ("Office") 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, 2022:

- A. The Office 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, 2022.
- B. The Office has determined and accurately recorded, in all material respects, the total of all securities lending balances and activities within its general ledger.
- C. The Office has determined that the methodology for allocating June 2022 interest to individual funds is also appropriate for allocating securities lending balances to individual funds at June 30, 2022.
- D. The Office has accurately allocated June 2022 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, 2022.

State Capitol
Room 219
Springfield, IL 62706
Phone: (866) 458-7327
Fax: (217) 785-2777
TTY: (866) 877-6013

555 West Monroe Street
14th Floor
Chicago, IL 60661
Phone: (866) 458-7327
Fax: (312) 814-5930
TTY: (866) 877-6013

Marine Bank Building
1 East Old State Capitol Plaza
Springfield, IL 62701
Phone: (866) 458-7327
Fax: (217) 524-3822
TTY: (866) 877-6013

State of Illinois, Office of the Treasurer

SIGNED ORIGINAL ON FILE

The Honorable Michael W. Frerichs
Treasurer

SIGNED ORIGINAL ON FILE

Mr. G. Allen Mayer
Chief of Staff

SIGNED ORIGINAL ON FILE

Ms. Deborah Miller
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Ms. Laura Duque
General Counsel & Ethics Officer

**State of Illinois
Office of the Treasurer**

**Fiscal Officer Responsibilities
Securities Lending Examination
For the Year Ended June 30, 2022**

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 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

As Special Assistant Auditors for the Auditor General, we have examined the accompanying Schedule 1 – Securities Lending Entries, Schedule 2 – Allocation of Securities Lending Collateral Based on Distribution of Interest Income Earned During the Month of June 2022, and the related Notes to the Schedules, which collectively comprise the “Securities Lending Schedules,” as of and for the year ended June 30, 2022. Management of the State of Illinois (State), Office of the Treasurer, Fiscal Officer Responsibilities (the Office) 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Securities Lending Schedules, as of and for the year ended June 30, 2022, are presented in accordance with the criteria contained in Note 2 to the Securities Lending Schedules, in all material respects.

As required by the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies*, immaterial findings excluded from this report have been reported in a separate letter.

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

Springfield, Illinois
November 10, 2022

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
For the year ended June 30, 2022**

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	\$ 617	224	Obligations under Securities Lending of State Treasurer	\$ 617
	131	786	107	Securities Lending Collateral Equity with State Treasurer	7	224	Obligations under Securities Lending of State Treasurer	7
Suprem Ct. Hist. Pres.	210	428	107	Securities Lending Collateral Equity with State Treasurer	240	224	Obligations under Securities Lending of State Treasurer	240
Judges Retirement System	275	477	107	Securities Lending Collateral Equity with State Treasurer	2,102	224	Obligations under Securities Lending of State Treasurer	2,102
	275	787	107	Securities Lending Collateral Equity with State Treasurer	186	224	Obligations under Securities Lending of State Treasurer	186
Attorney General	340	929	107	Securities Lending Collateral Equity with State Treasurer	20	224	Obligations under Securities Lending of State Treasurer	20
	340	990	107	Securities Lending Collateral Equity with State Treasurer	50	224	Obligations under Securities Lending of State Treasurer	50
Secretary of State	350	156	107	Securities Lending Collateral Equity with State Treasurer	3,449	224	Obligations under Securities Lending of State Treasurer	3,449
	350	362	107	Securities Lending Collateral Equity with State Treasurer	2,547	224	Obligations under Securities Lending of State Treasurer	2,547
Comptroller	360	096	107	Securities Lending Collateral Equity with State Treasurer	18	224	Obligations under Securities Lending of State Treasurer	18
Treasurer	370	101	107	Securities Lending Collateral Equity with State Treasurer	174,555	224	Obligations under Securities Lending of State Treasurer	174,555
	370	103	107	Securities Lending Collateral Equity with State Treasurer	1,150	224	Obligations under Securities Lending of State Treasurer	1,150
	370	435	107	Securities Lending Collateral Equity with State Treasurer	136	224	Obligations under Securities Lending of State Treasurer	136
	370	634	107	Securities Lending Collateral Equity with State Treasurer	34	224	Obligations under Securities Lending of State Treasurer	34
	370	932	107	Securities Lending Collateral Equity with State Treasurer	96	224	Obligations under Securities Lending of State Treasurer	96
Aging	402	698	107	Securities Lending Collateral Equity with State Treasurer	648	224	Obligations under Securities Lending of State Treasurer	648
Central Management	416	193	107	Securities Lending Collateral Equity with State Treasurer	801	224	Obligations under Securities Lending of State Treasurer	801
	416	203	107	Securities Lending Collateral Equity with State Treasurer	5,612	224	Obligations under Securities Lending of State Treasurer	5,612
	416	314	107	Securities Lending Collateral Equity with State Treasurer	4,233	224	Obligations under Securities Lending of State Treasurer	4,233
	416	317	107	Securities Lending Collateral Equity with State Treasurer	5,134	224	Obligations under Securities Lending of State Treasurer	5,134
	416	332	107	Securities Lending Collateral Equity with State Treasurer	2,930	224	Obligations under Securities Lending of State Treasurer	2,930
	416	457	107	Securities Lending Collateral Equity with State Treasurer	700	224	Obligations under Securities Lending of State Treasurer	700
	416	577	107	Securities Lending Collateral Equity with State Treasurer	377	224	Obligations under Securities Lending of State Treasurer	377
	416	755	107	Securities Lending Collateral Equity with State Treasurer	502	224	Obligations under Securities Lending of State Treasurer	502
	416	907	107	Securities Lending Collateral Equity with State Treasurer	25,861	224	Obligations under Securities Lending of State Treasurer	25,861
Children & Family Services	418	934	107	Securities Lending Collateral Equity with State Treasurer	3	224	Obligations under Securities Lending of State Treasurer	3
Commerce and Economic Opportunity	420	506	107	Securities Lending Collateral Equity with State Treasurer	5,285	224	Obligations under Securities Lending of State Treasurer	5,285
	420	913	107	Securities Lending Collateral Equity with State Treasurer	1,559	224	Obligations under Securities Lending of State Treasurer	1,559
	420	973	107	Securities Lending Collateral Equity with State Treasurer	332	224	Obligations under Securities Lending of State Treasurer	332
	420	974	107	Securities Lending Collateral Equity with State Treasurer	339	224	Obligations under Securities Lending of State Treasurer	339
	420	975	107	Securities Lending Collateral Equity with State Treasurer	65	224	Obligations under Securities Lending of State Treasurer	65
	420	993	107	Securities Lending Collateral Equity with State Treasurer	144	224	Obligations under Securities Lending of State Treasurer	144
Natural Resources	422	041	107	Securities Lending Collateral Equity with State Treasurer	3,806	224	Obligations under Securities Lending of State Treasurer	3,806
	422	042	107	Securities Lending Collateral Equity with State Treasurer	49	224	Obligations under Securities Lending of State Treasurer	49
	422	137	107	Securities Lending Collateral Equity with State Treasurer	398	224	Obligations under Securities Lending of State Treasurer	398
	422	145	107	Securities Lending Collateral Equity with State Treasurer	41	224	Obligations under Securities Lending of State Treasurer	41

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
For the Year Ended June 30, 2022**

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	146	107	Securities Lending Collateral Equity with State Treasurer	\$ 15	224	Obligations under Securities Lending of State Treasurer	\$ 15	
	422	147	107	Securities Lending Collateral Equity with State Treasurer	137	224	Obligations under Securities Lending of State Treasurer	137	
	422	257	107	Securities Lending Collateral Equity with State Treasurer	10,939	224	Obligations under Securities Lending of State Treasurer	10,939	
	422	260	107	Securities Lending Collateral Equity with State Treasurer	479	224	Obligations under Securities Lending of State Treasurer	479	
	422	261	107	Securities Lending Collateral Equity with State Treasurer	337	224	Obligations under Securities Lending of State Treasurer	337	
	422	293	107	Securities Lending Collateral Equity with State Treasurer	124	224	Obligations under Securities Lending of State Treasurer	124	
	422	353	107	Securities Lending Collateral Equity with State Treasurer	738	224	Obligations under Securities Lending of State Treasurer	738	
	422	391	107	Securities Lending Collateral Equity with State Treasurer	951	224	Obligations under Securities Lending of State Treasurer	951	
	422	504	107	Securities Lending Collateral Equity with State Treasurer	2	224	Obligations under Securities Lending of State Treasurer	2	
	422	547	107	Securities Lending Collateral Equity with State Treasurer	389	224	Obligations under Securities Lending of State Treasurer	389	
	422	953	107	Securities Lending Collateral Equity with State Treasurer	809	224	Obligations under Securities Lending of State Treasurer	809	
	422	982	107	Securities Lending Collateral Equity with State Treasurer	155	224	Obligations under Securities Lending of State Treasurer	155	
	Financial and Professional Regulation	440	022	107	Securities Lending Collateral Equity with State Treasurer	2,451	224	Obligations under Securities Lending of State Treasurer	2,451
		440	057	107	Securities Lending Collateral Equity with State Treasurer	664	224	Obligations under Securities Lending of State Treasurer	664
440		093	107	Securities Lending Collateral Equity with State Treasurer	8,170	224	Obligations under Securities Lending of State Treasurer	8,170	
440		151	107	Securities Lending Collateral Equity with State Treasurer	1,373	224	Obligations under Securities Lending of State Treasurer	1,373	
440		218	107	Securities Lending Collateral Equity with State Treasurer	1,025	224	Obligations under Securities Lending of State Treasurer	1,025	
440		241	107	Securities Lending Collateral Equity with State Treasurer	20	224	Obligations under Securities Lending of State Treasurer	20	
440		243	107	Securities Lending Collateral Equity with State Treasurer	475	224	Obligations under Securities Lending of State Treasurer	475	
440		244	107	Securities Lending Collateral Equity with State Treasurer	1,620	224	Obligations under Securities Lending of State Treasurer	1,620	
440		259	107	Securities Lending Collateral Equity with State Treasurer	336	224	Obligations under Securities Lending of State Treasurer	336	
440		386	107	Securities Lending Collateral Equity with State Treasurer	365	224	Obligations under Securities Lending of State Treasurer	365	
440		579	107	Securities Lending Collateral Equity with State Treasurer	291	224	Obligations under Securities Lending of State Treasurer	291	
440		615	107	Securities Lending Collateral Equity with State Treasurer	62	224	Obligations under Securities Lending of State Treasurer	62	
440		746	107	Securities Lending Collateral Equity with State Treasurer	252	224	Obligations under Securities Lending of State Treasurer	252	
440		750	107	Securities Lending Collateral Equity with State Treasurer	34	224	Obligations under Securities Lending of State Treasurer	34	
440		795	107	Securities Lending Collateral Equity with State Treasurer	5,668	224	Obligations under Securities Lending of State Treasurer	5,668	
440		823	107	Securities Lending Collateral Equity with State Treasurer	1,032	224	Obligations under Securities Lending of State Treasurer	1,032	
440		833	107	Securities Lending Collateral Equity with State Treasurer	63	224	Obligations under Securities Lending of State Treasurer	63	
440		849	107	Securities Lending Collateral Equity with State Treasurer	130	224	Obligations under Securities Lending of State Treasurer	130	
Human Services	444	025	107	Securities Lending Collateral Equity with State Treasurer	36	224	Obligations under Securities Lending of State Treasurer	36	
	444	073	107	Securities Lending Collateral Equity with State Treasurer	79	224	Obligations under Securities Lending of State Treasurer	79	
	444	120	107	Securities Lending Collateral Equity with State Treasurer	1,580	224	Obligations under Securities Lending of State Treasurer	1,580	
	444	142	107	Securities Lending Collateral Equity with State Treasurer	5,109	224	Obligations under Securities Lending of State Treasurer	5,109	
	444	148	107	Securities Lending Collateral Equity with State Treasurer	1,211	224	Obligations under Securities Lending of State Treasurer	1,211	
	444	158	107	Securities Lending Collateral Equity with State Treasurer	176	224	Obligations under Securities Lending of State Treasurer	176	
	444	211	107	Securities Lending Collateral Equity with State Treasurer	866	224	Obligations under Securities Lending of State Treasurer	866	
	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	3,324	224	Obligations under Securities Lending of State Treasurer	3,324	
	444	502	107	Securities Lending Collateral Equity with State Treasurer	1,137	224	Obligations under Securities Lending of State Treasurer	1,137	
	444	509	107	Securities Lending Collateral Equity with State Treasurer	14,274	224	Obligations under Securities Lending of State Treasurer	14,274	
	444	706	107	Securities Lending Collateral Equity with State Treasurer	108	224	Obligations under Securities Lending of State Treasurer	108	
	444	718	107	Securities Lending Collateral Equity with State Treasurer	1,737	224	Obligations under Securities Lending of State Treasurer	1,737	

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
For the Year Ended June 30, 2022**

Schedule 1 (Continued)

Agency Name	Agency	Fund	Account #	Debit Account Name	Debit Amount (In Thousands)	Account #	Credit Account Name	Credit Amount (In Thousands)
Illinois Power Agency	445	424	107	Securities Lending Collateral Equity with State Treasurer	\$ 1	224	Obligations under Securities Lending of State Treasurer	\$ 1
Insurance	446	546	107	Securities Lending Collateral Equity with State Treasurer	1,113	224	Obligations under Securities Lending of State Treasurer	1,113
	446	739	107	Securities Lending Collateral Equity with State Treasurer	14	224	Obligations under Securities Lending of State Treasurer	14
Healthcare and Family Services	478	136	107	Securities Lending Collateral Equity with State Treasurer	706	224	Obligations under Securities Lending of State Treasurer	706
	478	329	107	Securities Lending Collateral Equity with State Treasurer	10,136	224	Obligations under Securities Lending of State Treasurer	10,136
	478	345	107	Securities Lending Collateral Equity with State Treasurer	20,002	224	Obligations under Securities Lending of State Treasurer	20,002
	478	346	107	Securities Lending Collateral Equity with State Treasurer	40,581	224	Obligations under Securities Lending of State Treasurer	40,581
	478	522	107	Securities Lending Collateral Equity with State Treasurer	811	224	Obligations under Securities Lending of State Treasurer	811
	478	606	107	Securities Lending Collateral Equity with State Treasurer	50	224	Obligations under Securities Lending of State Treasurer	50
	478	720	107	Securities Lending Collateral Equity with State Treasurer	253	224	Obligations under Securities Lending of State Treasurer	253
	478	728	107	Securities Lending Collateral Equity with State Treasurer	45,645	224	Obligations under Securities Lending of State Treasurer	45,645
	478	740	107	Securities Lending Collateral Equity with State Treasurer	193	224	Obligations under Securities Lending of State Treasurer	193
478	793	107	Securities Lending Collateral Equity with State Treasurer	70,633	224	Obligations under Securities Lending of State Treasurer	70,633	
Public Health	482	014	107	Securities Lending Collateral Equity with State Treasurer	36	224	Obligations under Securities Lending of State Treasurer	36
	482	068	107	Securities Lending Collateral Equity with State Treasurer	1,161	224	Obligations under Securities Lending of State Treasurer	1,161
	482	198	107	Securities Lending Collateral Equity with State Treasurer	49	224	Obligations under Securities Lending of State Treasurer	49
	482	208	107	Securities Lending Collateral Equity with State Treasurer	668	224	Obligations under Securities Lending of State Treasurer	668
	482	340	107	Securities Lending Collateral Equity with State Treasurer	201	224	Obligations under Securities Lending of State Treasurer	201
	482	371	107	Securities Lending Collateral Equity with State Treasurer	2,369	224	Obligations under Securities Lending of State Treasurer	2,369
	482	429	107	Securities Lending Collateral Equity with State Treasurer	478	224	Obligations under Securities Lending of State Treasurer	478
	482	437	107	Securities Lending Collateral Equity with State Treasurer	361	224	Obligations under Securities Lending of State Treasurer	361
	482	469	107	Securities Lending Collateral Equity with State Treasurer	8	224	Obligations under Securities Lending of State Treasurer	8
	482	702	107	Securities Lending Collateral Equity with State Treasurer	163	224	Obligations under Securities Lending of State Treasurer	163
	482	790	107	Securities Lending Collateral Equity with State Treasurer	34	224	Obligations under Securities Lending of State Treasurer	34
	482	938	107	Securities Lending Collateral Equity with State Treasurer	39	224	Obligations under Securities Lending of State Treasurer	39
Revenue	492	088	107	Securities Lending Collateral Equity with State Treasurer	5,866	224	Obligations under Securities Lending of State Treasurer	5,866
	492	138	107	Securities Lending Collateral Equity with State Treasurer	27,080	224	Obligations under Securities Lending of State Treasurer	27,080
	492	139	107	Securities Lending Collateral Equity with State Treasurer	18,286	224	Obligations under Securities Lending of State Treasurer	18,286
	492	190	107	Securities Lending Collateral Equity with State Treasurer	1,479	224	Obligations under Securities Lending of State Treasurer	1,479
	492	286	107	Securities Lending Collateral Equity with State Treasurer	30,822	224	Obligations under Securities Lending of State Treasurer	30,822
	492	337	107	Securities Lending Collateral Equity with State Treasurer	7,404	224	Obligations under Securities Lending of State Treasurer	7,404
	492	384	107	Securities Lending Collateral Equity with State Treasurer	4,650	224	Obligations under Securities Lending of State Treasurer	4,650
	492	802	107	Securities Lending Collateral Equity with State Treasurer	51,337	224	Obligations under Securities Lending of State Treasurer	51,337
	492	812	107	Securities Lending Collateral Equity with State Treasurer	30,931	224	Obligations under Securities Lending of State Treasurer	30,931
	492	841	107	Securities Lending Collateral Equity with State Treasurer	1,219	224	Obligations under Securities Lending of State Treasurer	1,219
	492	868	107	Securities Lending Collateral Equity with State Treasurer	263	224	Obligations under Securities Lending of State Treasurer	263
	492	869	107	Securities Lending Collateral Equity with State Treasurer	7	224	Obligations under Securities Lending of State Treasurer	7
State Police	493	209	107	Securities Lending Collateral Equity with State Treasurer	1,485	224	Obligations under Securities Lending of State Treasurer	1,485
	493	514	107	Securities Lending Collateral Equity with State Treasurer	231	224	Obligations under Securities Lending of State Treasurer	231
	493	520	107	Securities Lending Collateral Equity with State Treasurer	62	224	Obligations under Securities Lending of State Treasurer	62
	493	817	107	Securities Lending Collateral Equity with State Treasurer	1,796	224	Obligations under Securities Lending of State Treasurer	1,796

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
For the Year Ended June 30, 2022**

Schedule 1 (Continued)

Agency Name	Agency	Fund	Account #	Debit Account Name	Debit Amount (In Thousands)	Account #	Credit Account Name	Credit Amount (In Thousands)
State Police	493	887	107	Securities Lending Collateral Equity with State Treasurer	\$ 1,671	224	Obligations under Securities Lending of State Treasurer	\$ 1,671
	493	904	107	Securities Lending Collateral Equity with State Treasurer	14	224	Obligations under Securities Lending of State Treasurer	14
Transportation	494	265	107	Securities Lending Collateral Equity with State Treasurer	1,805	224	Obligations under Securities Lending of State Treasurer	1,805
	494	669	107	Securities Lending Collateral Equity with State Treasurer	16	224	Obligations under Securities Lending of State Treasurer	16
	494	936	107	Securities Lending Collateral Equity with State Treasurer	127	224	Obligations under Securities Lending of State Treasurer	127
Veteran's Affairs	497	236	107	Securities Lending Collateral Equity with State Treasurer	483	224	Obligations under Securities Lending of State Treasurer	483
Management and Budget	507	407	107	Securities Lending Collateral Equity with State Treasurer	99	224	Obligations under Securities Lending of State Treasurer	99
	507	970	107	Securities Lending Collateral Equity with State Treasurer	2,593	224	Obligations under Securities Lending of State Treasurer	2,593
Deaf & HH Comm.	526	449	107	Securities Lending Collateral Equity with State Treasurer	109	224	Obligations under Securities Lending of State Treasurer	109
Environmental Protection Agency	532	091	107	Securities Lending Collateral Equity with State Treasurer	1,111	224	Obligations under Securities Lending of State Treasurer	1,111
	532	154	107	Securities Lending Collateral Equity with State Treasurer	1	224	Obligations under Securities Lending of State Treasurer	1
	532	214	107	Securities Lending Collateral Equity with State Treasurer	321	224	Obligations under Securities Lending of State Treasurer	321
	532	270	107	Securities Lending Collateral Equity with State Treasurer	64,416	224	Obligations under Securities Lending of State Treasurer	64,416
	532	288	107	Securities Lending Collateral Equity with State Treasurer	144	224	Obligations under Securities Lending of State Treasurer	144
	532	336	107	Securities Lending Collateral Equity with State Treasurer	40	224	Obligations under Securities Lending of State Treasurer	40
	532	731	107	Securities Lending Collateral Equity with State Treasurer	1,358	224	Obligations under Securities Lending of State Treasurer	1,358
	532	738	107	Securities Lending Collateral Equity with State Treasurer	16	224	Obligations under Securities Lending of State Treasurer	16
	532	774	107	Securities Lending Collateral Equity with State Treasurer	21	224	Obligations under Securities Lending of State Treasurer	21
Criminal Justice Information Authority	546	488	107	Securities Lending Collateral Equity with State Treasurer	2,540	224	Obligations under Securities Lending of State Treasurer	2,540
	546	665	107	Securities Lending Collateral Equity with State Treasurer	76	224	Obligations under Securities Lending of State Treasurer	76
Ed. Labor Relations Ed.	548	996	107	Securities Lending Collateral Equity with State Treasurer	3	224	Obligations under Securities Lending of State Treasurer	3
Finance Authority	560	205	107	Securities Lending Collateral Equity with State Treasurer	1,327	224	Obligations under Securities Lending of State Treasurer	1,327
	560	994	107	Securities Lending Collateral Equity with State Treasurer	1,693	224	Obligations under Securities Lending of State Treasurer	1,693
Workers' Compensation Authority	563	179	107	Securities Lending Collateral Equity with State Treasurer	155	224	Obligations under Securities Lending of State Treasurer	155
	563	274	107	Securities Lending Collateral Equity with State Treasurer	2	224	Obligations under Securities Lending of State Treasurer	2
	563	431	107	Securities Lending Collateral Equity with State Treasurer	112	224	Obligations under Securities Lending of State Treasurer	112
	563	685	107	Securities Lending Collateral Equity with State Treasurer	1,285	224	Obligations under Securities Lending of State Treasurer	1,285
	563	940	107	Securities Lending Collateral Equity with State Treasurer	2,931	224	Obligations under Securities Lending of State Treasurer	2,931
State Board of Ed.	586	569	107	Securities Lending Collateral Equity with State Treasurer	548	224	Obligations under Securities Lending of State Treasurer	548
State Board of Elections	587	206	107	Securities Lending Collateral Equity with State Treasurer	3,264	224	Obligations under Securities Lending of State Treasurer	3,264

(See accompanying Notes to Schedules)

**State of Illinois
Office of the Treasurer**

**Securities Lending Entries
For the Year Ended June 30, 2022**

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	067	107	Securities Lending Collateral Equity with State Treasurer	\$ 1,356	224	Obligations under Securities Lending of State Treasurer	\$ 1,356
	588	796	107	Securities Lending Collateral Equity with State Treasurer	2,598	224	Obligations under Securities Lending of State Treasurer	2,598
	588	882	107	Securities Lending Collateral Equity with State Treasurer	425	224	Obligations under Securities Lending of State Treasurer	425
	588	942	107	Securities Lending Collateral Equity with State Treasurer	157	224	Obligations under Securities Lending of State Treasurer	157
State Employees' Retirement System	589	479	107	Securities Lending Collateral Equity with State Treasurer	46,245	224	Obligations under Securities Lending of State Treasurer	46,245
	589	788	107	Securities Lending Collateral Equity with State Treasurer	44	224	Obligations under Securities Lending of State Treasurer	44
State Police Merit Bd.	591	166	107	Securities Lending Collateral Equity with State Treasurer	533	224	Obligations under Securities Lending of State Treasurer	533
State Fire Marshal	592	334	107	Securities Lending Collateral Equity with State Treasurer	2	224	Obligations under Securities Lending of State Treasurer	2
	592	572	107	Securities Lending Collateral Equity with State Treasurer	98	224	Obligations under Securities Lending of State Treasurer	98
Teachers' Retirement System	593	473	107	Securities Lending Collateral Equity with State Treasurer	17,814	224	Obligations under Securities Lending of State Treasurer	17,814
	593	789	107	Securities Lending Collateral Equity with State Treasurer	3,688	224	Obligations under Securities Lending of State Treasurer	3,688
Chicago State Univ.	608	223	107	Securities Lending Collateral Equity with State Treasurer	65	224	Obligations under Securities Lending of State Treasurer	65
Student Assistance Commission	691	663	107	Securities Lending Collateral Equity with State Treasurer	6,216	224	Obligations under Securities Lending of State Treasurer	6,216
	691	664	107	Securities Lending Collateral Equity with State Treasurer	10,460	224	Obligations under Securities Lending of State Treasurer	10,460
Nonshared Funds					871,387			
GRF					2,481,947			
Subtotal					3,353,334			
Shared funds under Treasurer's authority, GAAP adjustment made in-house by Comptroller					708,322			
Grand Total					<u>\$ 4,061,656</u>			

(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 2022
For the Year Ended June 30, 2022**

Schedule 2

Fund	Fund Name	June 2022 Interest Income	Allocations of Securities Lending Collateral	Allocations of Securities Lending Collateral for GAAP (In Thousands)
011*	ROAD FUND	\$ 1,248,175	\$ 205,973,028	\$ 205,973
011*	TRANSPORTATION BOND FUND A	368,742	60,849,565	60,850
011*	MULTI-MODAL TRANSPORTATION BOND FUND	262,799	43,366,920	43,367
014	FOOD & DRUG SAFETY FUND	220	36,304	36
022	GENERAL PROFESSIONS DEDICATED FUND	14,851	2,450,702	2,451
025	GROUP HOME LOAN REV FUND	221	36,469	36
041	WILDLIFE & FISH FUND	23,067	3,806,501	3,806
042	SALMON FUND	294	48,516	49
057	IL. STATE PHARMACY DISC. FUND	4,023	663,873	664
067	RADIATION PROTECTION FUND	8,218	1,356,129	1,356
068	HOSPITAL LICENSURE FUND	7,037	1,161,241	1,161
072	UNDERGROUND STORAGE TANK FUND	135,692	22,391,806	22,392
073	SPECIAL OLYMPICS IL AND SPEC CHILD CHAR FUND	481	79,374	79
075	COMPASSIONATE USE OF MEDICAL CANNABIS FUND	71,776	11,844,429	11,844
088	NON- HOME RULE MUNICIPAL R.O.T. FUND	35,544	5,865,448	5,866
091	CLEAN AIR ACT PERMIT FUND	6,733	1,111,075	1,111
093	IL. STATE MEDICAL DISCP. FUND	49,512	8,170,438	8,170
096	CEMETARY CONS. PROTECTION FUND	107	17,657	18
101	G.O. BOND RETIREMENT & INTEREST FUND	1,057,788	174,555,489	174,555
103	STATE TREASURER'S ADMIN FUND	6,971	1,150,350	1,150
120	HOME SERVICES MEDICAID TRUST FUND	9,577	1,580,390	1,580
136	UNIVERSITY OF IL HOSPITAL SERVICES FUND	4,276	705,623	706
137	PLUGGING & RESTORATION FUND	2,409	397,532	398
138	HOME RULE MUNI R.O.T. FUND	164,102	27,080,005	27,080
139	HOME RULE COUNTY R.O.T. FUND	110,814	18,286,454	18,286
142	COMMUNITY DEVEL DISABL FUND	30,962	5,109,329	5,109
145	EXPLOSIVES REGULATROY FUND	247	40,760	41
146	AGGREGATE OPER. REG. FUND	90	14,852	15
147	COAL MINING REG. FUND	831	137,131	137
148	MENTAL HEALTH REPORTING FUND	7,340	1,211,242	1,211
151	REGIST.C.P.A. ADMIN. & DISCP. FUND	8,323	1,373,456	1,373
154	E.P.A. COURT ORDERED TR FUND	7	1,155	1
156	MOTOR VEHICLE THEFT PREV. FUND	20,902	3,449,234	3,449
158	SEXUAL ASSAULT SERVICES & PREVENTION FUND	1,065	175,746	176
166	STATE POLICE MERIT BOARD PUBLIC SAFETY FUND	3,230	533,013	533
179	INJURED WORKERS BENEFIT FUND	937	154,623	155
190	COUNTY OPTION MOTOR FUEL FUND	8,964	1,479,233	1,479
193	LOCAL GOV'T HEALTH INS RESV FUND	4,852	800,674	801
198	DIABETES RESEARCH CHECKOFF FUND	298	49,176	49
203	TEACHER HEALTH INS. SEC. FUND	34,011	5,612,473	5,612
205	IL FARMERS & AGRIBUSINESS LOAN FUND	8,044	1,327,416	1,327
206	HELP ILLINOIS VOTE FUND	19,779	3,263,918	3,264
208	TICKET FOR THE CURE FUND	4,045	667,503	668
209	STATE POLICE FIREARM SERVICES FUND	9,000	1,485,174	1,485
211	DHS TECHNOLOGY INITIATIVE FUND	5,245	865,526	866
214	BROWNSFIELD REDEVELOPMENT FUND	1,943	320,633	321
218	PROFESSIONS INDIRECT COST FUND	6,210	1,024,770	1,025
223	CHI ST UNIV ED IMP FUND	391	64,523	65

(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 2022
For the Year Ended June 30, 2022**

Schedule 2 (Continued)

Fund	Fund Name	June 2022 Interest Income	Allocations of Securitized Lending Collateral	Allocations of Securities Lending Collateral for GAAP (In Thousands)
228	AUTISM RESEARCH CHECKOFF FUND	\$ 4	\$ 660	\$ 1
236	IL VETERANS ASSISTANCE FUND	2,929	483,342	483
241	TOMA CONSUMER PROTECTION FUND	120	19,802	20
243	CREDIT UNION FUND	2,881	475,421	475
244	SAV & RESID. FINANCE REG FUND	9,819	1,620,325	1,620
257	AML RECLAMATION SET ASIDE FUND	66,287	10,938,638	10,939
258	NURSING DEDICATED AND PROF. FUND	24,290	4,008,320	4,008
259	OPTOMETRIC LICSN. & DISC COMM FUND	2,039	336,474	336
260	FISH & WILDLIFE ENDWMNT FUND	2,903	479,051	479
261	UNDRGRND RESOURCE CONS ENF FUND	2,042	336,970	337
265	ST RAIL FREIGHT LOAN REPYMNT FUND	10,938	1,804,982	1,805
270	WATER POLLTN CONT REVL FUND	390,352	64,415,634	64,416
274	SELF-INSURERS ADMIN FUND	14	2,310	2
286	IL. AFF HOUSING TRUST FUND	186,781	30,822,479	30,822
288	COMM WATER SUPPLY FUND	871	143,732	144
293	STATE FURBEARER FUND	754	124,425	124
314	FACILITIES MANAGEMENT REVOLVING FUND	25,654	4,233,406	4,233
317	PROFESSIONAL SERVICES FUND	31,113	5,134,247	5,134
329	COUNTY HOSPITAL SERV FUND	61,423	10,135,984	10,136
332	WORKERS COMP REVOLVING FUND	17,758	2,930,414	2,930
334	AMBULANCE REVOLVING LOAN FUND	10	1,650	2
336	ENVIR. LAB. CERTF. FUND	241	39,770	40
337	METRO PIER AND EXPOSITION FUND	44,867	7,403,923	7,404
340	PUBLIC HEALTH SERV REV FUND	1,218	200,994	201
344	DEV DISAB. HLTH CARE PROV FUND	15,231	2,513,410	2,513
345	LONG TERM CARE PROV FUND	121,208	20,001,665	20,002
346	HOSPITAL PROVIDER FUND	245,915	40,580,734	40,581
353	STATE PHEASANT FUND	4,470	737,636	738
356	LAW ENFORCEMENT CAMERA GRANT FUND	2,216	365,683	366
362	SEC AUDIT & ENFORCEMENT FUND	15,432	2,546,579	2,547
365	HEALTH & HUMAN SVCS MED TRUST FUND	20,145	3,324,315	3,324
371	INNOV. LONGTERM CARE QLTY DEV FUND	14,358	2,369,348	2,369
384	TAX COMPLIANCE & ADMIN FUND	28,181	4,650,410	4,650
386	APPRAISAL ADMINSTRATIVE FUND	2,211	364,858	365
391	ILLINOIS HABITAT FUND	5,765	951,337	951
394	GAINING EARLY AWARENESS FUND	1	165	0
407	GRANT ACCOUNTABILITY & TRANSPARENCY FUND	602	99,342	99
412	COMMON SCHOOL FUND	40,560	6,693,185	6,693
424	ILLINOIS POWER AGENCY TRUST FUND	7	1,155	1
428	SUPREME COURT HISTORIC PRESER FUND	1,455	240,103	240
429	MULTIPLE SCLEROSIS RESEARCH FUND	2,894	477,566	478
431	SECOND INJURY FUND	678	111,883	112
435	CHARITABLE TRUST STABILIZATION FUND	827	136,471	136
437	QUALITY OF LIFE ENDOWMENT FUND	2,186	360,732	361
449	INTERPRETERS FOR THE DEAF FUND	661	109,078	109
457	GROUP INSURANCE PREMIUM FUND	4,244	700,342	700
469	AUTOIMMUNE DISEASE RESEARCH FUND	46	7,591	8
473	TEACHERS RETIREMENT SYSTEM FUND	107,948	17,813,509	17,814

(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 2022
For the Year Ended June 30, 2022**

Schedule 2 (Continued)

Fund	Fund Name	June 2022 Interest Income	Allocations of Securites Lending Collateral	Allocations of Securities Lending Collateral for GAAP (In Thousands)
477	JUDGES RETIREMENT SYSTEM FUND	\$ 12,740	\$ 2,102,347	\$ 2,102
479	STATE EMPL RETIREMENT FUND	280,241	46,245,188	46,245
481	GENERAL ASSEMBLY RETIREMENT FUND	3,740	617,172	617
488	CRIMINAL JUSTICE FUND	15,394	2,540,308	2,540
502	EARLY INTERVENTION SERVICES REV FUND	6,888	1,136,653	1,137
504	WILDLIFE PRAIRIE PARK FUND	11	1,815	2
506	STATE SMALL BUSINESS CREDIT INITIATIVE FUND	32,024	5,284,580	5,285
509	DHS COMMUNITY SERVICES FUND	86,501	14,274,339	14,274
514	STATE ASSET FORFEITURE FUND	1,397	230,532	231
520	FEDERAL ASSET FORFEITURE FUND	376	62,047	62
522	MONEY FOLLOWS THE PERSON FUND	4,914	810,905	811
546	PUBLIC PENSION REGULATION FUND	6,743	1,112,725	1,113
547	CONSERVATION POLICE OPERATIONS ASSIST FUND	2,358	389,116	389
548	DRYCLEANER ENVR RESP TR FUND	1,352	223,106	223
569	SCHOOL TECH REV LOAN FUND	3,318	547,534	548
572	FIRETRUCK REVL LOAN FUND	592	97,691	98
574	OFF HIGHWAY VEHICLE TRAILS FUND	1,051	173,435	173
577	COMM COLLEGE HEALTH INS SEC FUND	2,285	377,069	377
579	SAVINGS INSTITUTION REGULATORY FUND	1,762	290,764	291
606	HEALTH INFORMATION EXCHANGE FUND	303	50,001	50
615	DEBT SETTLEMENT CONSUMER PROTECTION FUND	377	62,212	62
634	STATE TREASURER'S CAPITAL FUND	205	33,829	34
663	FEDERAL STUDENT LOAN FUND	37,666	6,215,619	6,216
664	STUDENT LOAN OPERATING FUND	63,386	10,459,917	10,460
665	PRESCRIPTION PILL AND DRUG DISP FUND	459	75,744	76
669	AIRPORT LANDLOAD REV FUND	95	15,677	16
685	COMP RATE ADJ FUND	7,785	1,284,676	1,285
686	BUDGET STABLIZATION FUND	634,693	104,736,627	104,737
694	CAPITAL PROJECT FUND	353,073	58,263,877	58,264
698	LONG TERM CARE OMBUDSMAN FUND	3,926	647,866	648
702	ASST LIVING & SHARED HOUSING FUND	988	163,039	163
706	HUNGER RELIEF FUND	656	108,253	108
718	COMM MENTAL HEALTH MEDICAID FUND	10,525	1,736,829	1,737
720	FAMILY CARE FUND	1,534	253,140	253
728	DRUG REBATE FUND	276,606	45,645,343	45,645
731	IL CLEAN WATER ACT FUND	8,232	1,358,439	1,358
738	ALTERNATIVE COMPLIANCE MARKET FUND	96	15,842	16
739	GROUP WORKERS COMP POOL INSOLV FUND	82	13,532	14
740	MEDICAID BUY-IN PROG REV FUND	1,167	192,578	193
746	HOME INSPECTOR ADMINISTRATION FUND	1,525	251,655	252
750	REAL ESTATE AUDIT FUND	205	33,829	34
755	STATE EMPLOYEES DEF COMP FUND	3,043	502,154	502
774	OIL SPILL RESPONSE FUND	128	21,122	21
786	GEN ASSEM RETIRE EXCESS BENE FUND	45	7,426	7
787	JUDGES RETIRE EXCESS BENE FUND	1,126	185,812	186
788	ST EMP RETIRE EXCESS BENE FUND	265	43,730	44
789	TEACHERS RETIRE EXCESS BENE FUND	22,347	3,687,687	3,688
790	PRIVATE SEWAGE DISP. PROGRAM FUND	209	34,489	34

(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 2022
For the Year Ended June 30, 2022**

Schedule 2 (Continued)

Fund	Fund Name	June 2022 Interest Income	Allocations of Securities Lending Collateral	Allocations of Securities Lending Collateral for GAAP (In Thousands)
793	HEALTHCARE PROVIDER RELIEF FUND	\$ 428,028	\$ 70,632,903	\$ 70,633
795	BANK AND TRUST COMPANY FUND	34,348	5,668,085	5,668
796	NUCLEAR SAFETY EMER PREP FUND	15,744	2,598,065	2,598
802	PERS PROP TAX REPL FUND	311,094	51,336,530	51,337
812	R.T.A. SALES TAX FUND	187,436	30,930,567	30,931
817	ISP OPERATIONS FUND	10,881	1,795,576	1,796
823	IL STATE DENTAL DISCP FUND	6,252	1,031,701	1,032
833	CEMETARY RELIEF FUND	382	63,037	63
841	METRO EAST MASS TRANSIT DIST FUND	7,389	1,219,328	1,219
849	REAL ESTATE RESCH & ED FUND	789	130,200	130
850*	REAL ESTATE LISC ADMIN FUND	7,254	1,197,050	1,197
850*	REAL ESTATE LISC ADMIN FUND	2,716	448,193	448
868	MUNICIPAL AUTO RENTING TAX FUND	1,595	263,206	263
869	COUNTY AUTO RENTING TAX FUND	42	6,931	7
882	SHEFFIELD 2/82 AGREED ORDER FUND	2,578	425,420	425
887	STATE POLICE LAW ENFORCEMENT ADMIN FUND	10,124	1,670,656	1,671
888	DESIGN PROF ADMIN & INVST FUND	2,226	367,333	367
902	ST. CONSTRUCTION FUND	1,103,592	182,114,035	182,114
904	POLICE FEDERAL PROJECT FUND	86	14,192	14
907	HEALTH INS RESERVE FUND	156,715	25,861,008	25,861
913	FED WORKFORCE TRAINING FUND	9,450	1,559,433	1,559
929	VIOLENT CRIME VICTIMS ASSIST FUND	120	19,802	20
932	ST TREAS COURT ORDER ESCROW FUND	580	95,711	96
934	CHILD ABUSE PREVT FUND	18	2,970	3
936	RAIL FREIGHT LOAN RPYMNT FUND	770	127,065	127
938	HEARING AID DISP EXAM & DISC FUND	237	39,110	39
940	SELF- INSURERS SECURITY FUND	17,763	2,931,239	2,931
942	RADIOACTIVE WASTE FAC DEV FUND	954	157,428	157
953	STATE MIGRATORY WATERFOWL STAMP FUND	4,900	808,595	809
954	IL STATE PODIATRIC DISCIPLINE FUND	809	133,501	134
960	BUILD ILLINOIS FUND	28,304	4,670,708	4,671
970	BUILD IL BR&I FUND	15,711	2,592,619	2,593
973	BUILD IL CDB REVOLVING LOAN FUND	2,014	332,349	332
974	ILLINOIS EQUITY FUND	2,057	339,445	339
975	LARGE BUSINESS ATTRACTION FUND	394	65,018	65
982	IL BEACH MARINA FUND	937	154,623	155
990	CIRCUIT COURT ORDER FUND	301	49,671	50
993	PUBLIC INFRASTRUCT CONST LOAN REV FUND	871	143,732	144
994	IL AGRI LOAN GUARANTEE FUND	10,257	1,692,603	1,693
996	ED LABOR REL BD FAIR SHARE TRUST FUND	21	3,461	3
Total Funds Allocation Except GRF		\$ 9,572,867	\$ 1,579,708,297	\$ 1,579,709
General Revenue Fund		15,040,343	2,481,947,637	2,481,947
Total Income/Securities Lending Allocation		\$ 24,613,210	\$ 4,061,655,934	\$ 4,061,656

Securities Lending at 6/30/2022 4,061,655,934
Distribution Rate 1.16%

(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 2022
For the Year Ended June 30, 2022**

Schedule 2 (Continued)

Note 1: 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 2022 Rate of 1.16%).

Note 2: The June 2022 interest income by fund included in the schedule above is presented gross of the Treasurer's administrative fee, which the Treasurer deducts from interest income for the cost of administrating the State investment portfolio. The Treasurer began collecting the Treasurer's administrative fee during Fiscal Year 2019 pursuant to 15 ILCS 505/20.

* Funds 011 and 850 received multiple allocations of interest income as they are also allocated the interest income for Funds 553 (Transportation Bond Series A Fund), and 959 (Multi-Modal Transportation Bond Fund) for Fund 011 and Fund 629 (Real Estate Recovery Fund) for Fund 850.

**State of Illinois
Office of the Treasurer**

**Notes to the Schedules
For the Year Ended June 30, 2022**

Note 1. Background

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

During fiscal year 2022, 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 Office did not impose any restrictions during fiscal year 2022 on the amount of the loans of available, eligible securities. In the event of borrower default, Deutsche Bank AG provides the Office with counterparty default indemnification. In addition, Deutsche Bank AG is obligated to indemnify the Office if Deutsche Bank AG loses any securities, collateral or investments of the Office in Deutsche Bank AG's custody. There were no losses during fiscal year 2022 resulting from a default of the borrowers or Deutsche Bank AG.

During fiscal year 2022, the Office 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 Office 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 Office as of June 30, 2022 were \$4,061,655,934 and 3,998,567,638.

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 Office allocates securities lending related assets and liabilities to individual funds of State agencies using each participating agency's proportionate share of average equity within the State's investment pool, maintained by the Office, for the month of June 2022. 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 Office, throughout the fiscal year.