



STATE OF ILLINOIS  
OFFICE OF THE  
**AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

**Financial Audit**  
**For the Year Ended June 30, 2021**

**Release Date: December 22, 2021**

<b>FINDINGS THIS AUDIT:</b>	<b>0</b>
<b>FINDINGS LAST AUDIT:</b>	<b>0</b>

**INTRODUCTION**

This digest covers the Financial Audit of the Teachers' Retirement System of the State of Illinois (System) as of and for the year ended June 30, 2021. The System's Compliance Examination covering the year ended June 30, 2021 will be issued in a separate report at a later date.

The System's total pension liability is \$142.2 billion at June 30, 2021, an increase of \$3.7 billion from \$138.5 billion at June 30, 2020. The System's net pension liability at June 30, 2021 is \$78.0 billion, which is the difference between the System's fiduciary net position of \$64.2 billion and the total pension liability. The System's net position as a percentage of the total pension liability is 45.1% at June 30, 2021, as compared to 37.8% at June 30, 2020. The criteria used for computing pension liability information in the financial report in accordance with GASB Statement No. 67 differs from the criteria used to compute the actuarial accrued liability and actuarial unfunded liability used for funding purposes, therefore this information is no longer reported in the financial statements. There were no findings reported under *Government Auditing Standards* in our audit.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the System as of and for the year ended June 30, 2021, are fairly stated in all material respects.

This financial audit was conducted by BKD LLP.

**SIGNED ORIGINAL ON FILE**

JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

FRANK J. MAUTINO  
Auditor General

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**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

**FINANCIAL AUDIT**

**For the Year Ended June 30, 2021**

<b>STATEMENT OF CHANGES IN FIDUCIARY NET POSITION</b>	<b>2021</b>	<b>2020</b>
Additions:		
Contributions - Members.....	\$ 1,023,531,951	\$ 994,400,416
Contributions - State of Illinois.....	5,140,648,356	4,813,451,679
Contributions - School Districts / Employers.....	97,594,081	92,658,238
Total Contributions.....	6,261,774,388	5,900,510,333
Investment Income (Loss), Net of Expenses.....	13,046,153,685	275,669,398
Total Additions.....	19,307,928,073	6,176,179,731
Deductions:		
Benefits.....	7,323,948,701	7,035,307,499
Refunds.....	64,194,011	64,217,456
Administrative Expenses.....	23,758,112	22,966,372
Total Deductions.....	7,411,900,824	7,122,491,327
Net Increase (Decrease) in Net Position.....	\$ 11,896,027,249	\$ (946,311,596)
<b>STATEMENT OF FIDUCIARY NET POSITION</b>	<b>June 30, 2021</b>	<b>June 30, 2020</b>
Cash.....	\$ 16,263,026	\$ 24,329,683
Receivables and Prepaid Expenses.....	4,468,795,311	4,496,792,625
Investments, at fair value.....	63,851,832,280	51,454,158,912
Invested Securities Lending Collateral.....	2,425,695,348	2,023,876,139
Capital Assets, Net of Accumulated Depreciation.....	8,453,925	6,130,809
Total Assets.....	\$ 70,771,039,890	\$ 58,005,288,168
Liabilities.....	6,558,534,870	5,688,810,397
Net Position Restricted for Pensions.....	\$ 64,212,505,020	\$ 52,316,477,771
<b>INVESTMENT PORTFOLIO ANALYSIS - Fair Value</b>	<b>June 30, 2021</b>	<b>June 30, 2020</b>
Fixed Income.....	\$ 10,220,741,948	\$ 9,887,918,930
Public Equities.....	22,407,527,477	16,764,439,384
Alternative Investments.....	29,359,397,945	23,063,736,143
Derivatives.....	(5,405,619)	6,184,038
Short-term Investments.....	1,756,658,884	1,652,527,489
Foreign Currency.....	112,911,645	79,352,928
Total Investment Portfolio.....	\$ 63,851,832,280	\$ 51,454,158,912
<b>ADMINISTRATIVE EXPENSES</b>	<b>2021</b>	<b>2020</b>
Personal Services.....	\$ 17,030,644	\$ 16,760,897
Other Services.....	2,658,738	2,821,806
Professional Services.....	2,017,613	1,808,829
Depreciation.....	1,794,122	1,104,613
Communications.....	256,995	470,227
Total Administrative Expenses.....	\$ 23,758,112	\$ 22,966,372
<b>SUPPLEMENTARY INFORMATION</b>	<b>June 30, 2021</b>	<b>June 30, 2020</b>
Benefit Recipients.....	127,518	125,927
Active Members.....	159,027	163,115
Inactive Members.....	145,769	138,279
Total.....	432,314	427,321
<b>PENSION LIABILITY</b>	<b>June 30, 2021</b>	<b>June 30, 2020</b>
Total Pension Liability.....	\$ 142,223,798,748	\$ 138,531,733,887
Plan Fiduciary Net Position.....	64,212,505,020	52,316,477,771
Net Pension Liability.....	\$ 78,011,293,728	\$ 86,215,256,116
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	45.1%	37.8%
<b>EXECUTIVE DIRECTOR</b>		
During Engagement Period: Richard W. Ingram (7/1/20 - 8/3/20); Stan Rupnik (Acting) (8/4/20 - 6/25/21); Stan Rupnik (6/26/21 - Present)		
Currently: Stan Rupnik		