



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS STATE BOARD OF INVESTMENT

**State Compliance Examination
For the Year Ended June 30, 2021**

Release Date: February 16, 2022

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	2

INTRODUCTION

This digest covers our Compliance Examination of the Illinois State Board of Investment (Board) for the year ended June 30, 2021. A separate Financial Audit as of and for the year ending June 30, 2021 was previously released on December 22, 2021.

There were no material findings of noncompliance disclosed during our examination.

AUDITOR'S OPINION

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

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Board for the year ended June 30, 2021, as required by the Illinois State Auditing Act. The accountants stated the Board complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by KPMG 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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**ILLINOIS STATE BOARD OF INVESTMENT
COMPLIANCE EXAMINATION
For the Year Ended June 30, 2021**

SCHEDULE OF OPERATIONS	FY 2021	FY 2020
REVENUE:		
Investment Income - Interest.....	\$ 195,234,104	\$ 156,121,730
Investment Income - Dividends.....	66,006,373	63,503,954
Realized Gain on Investments.....	771,900,436	515,484,853
Unrealized Gain (loss) on Investments.....	4,115,137,516	169,998,698
Total Investment Income.....	5,148,278,429	905,109,235
External Support (Investment Expense).....	(27,361,810)	(23,187,560)
Net Investment Income	5,120,916,619	881,921,675
EXPENSES:		
Operating Expenses.....	(3,647,186)	(3,375,831)
Revenue Over Expenses.....	\$ 5,117,269,433	\$ 878,545,844
INVESTMENT PORTFOLIO ANALYSIS - Fair Value		
	June 30, 2021	June 30, 2020
Total Government and Agency Obligations.....	\$ 521,828,660	\$ 236,027,091
Total Corporate Obligations.....	287,112,902	895,942,130
Commingled Funds - Fixed Income.....	5,767,072,433	4,629,437,148
International Government and Municipal Obligations.....	95,890	115,457,894
Domestic Equities.....	3,337,691,564	2,852,607,404
Commingled Funds - Equity.....	8,784,112,884	6,289,294,561
International Equities.....	307,054,822	235,312,041
Real Estate Funds.....	2,233,918,871	1,960,846,320
Private Equity.....	1,690,845,180	942,875,216
Infrastructure Funds.....	310,090,578	279,399,854
Hedge Funds and Opportunistic Debt.....	1,208,165,915	868,839,602
Money Market Instruments and Deposits (subscription advance).....	285,743,051	252,665,371
Bank Loans.....	146,405,068	251,140,241
Total Investment Portfolio.....	\$ 24,880,137,818	\$ 19,809,844,873
SELECTED INVESTMENT RETURNS ACTUAL (bold) AND BENCHMARK (unaudited)		
	June 30, 2021	June 30, 2020
Total Fund	25.8%	4.6%
Composite Benchmark.....	21.9%	4.9%
Consumer Price Index.....	5.4%	0.7%
Domestic Equities	43.4%	6.4%
Russell 3000 Index.....	44.2%	6.5%
International Equities	39.2%	-2.9%
MSCI-ACWI ex US Index.....	37.2%	-4.7%
Fixed Income	5.0%	7.8%
Barclays Capital U.S. Universal Index.....	1.1%	7.9%
Real Estate	13.7%	2.3%
Real Estate CB.....	1.5%	3.9%
Infrastructure	11.6%	8.0%
Infrastructure Index.....	9.1%	4.2%
Private Equity	54.9%	7.9%
Private Equity CB.....	53.2%	3.3%
BOARD EXECUTIVE DIRECTOR		
During Engagement Period & Current: Johara Farhadieh		