



Michael W. Frerichs
ILLINOIS STATE TREASURER

AUGUST 2018 E-NEWSLETTER



Treasurer's Note

College Savings Exceeds Expectations

We hit an important milestone this month with our college savings programs.

For the first time ever, we now have more than 600,000 active college savers in our Bright Start and Bright Directions programs with a total value of nearly \$11 billion. The growth is outstanding.

No doubt, this milestone reflects the positive changes we made to both plans. The changes earned top honors from Morningstar, which rates college savings plans. The independent advisor said Bright Start and Bright Directions are among the best in the nation.

Morningstar considers five key pillars in its ratings: Process, Performance, People, Parent, and Price.

Cutting fees and expanding investment options were key to Morningstar's ratings.

Saving for college is important. A child who knows they have a college savings account is seven times more likely to attend. Letting a child know about college savings sets the expectation of attending and reassures the child that they can be successful at that level.

Bright Start is a savings program that can be opened by an individual. Bright Directions can be opened through an investment advisor. Each can be used at eligible public and private educational institutions. These can be either two-year or four-year programs. Certain technical and vocational schools also are eligible.

For more information about our 529 college savings programs, please visit www.illinoistreasurer.gov.

Sincerely,
Michael W. Frerichs
Illinois State Treasurer



Unclaimed Property

Your Money

A record-breaking \$180 million in forgotten cash and stock was returned to individuals, employers and non-profits by the state treasurer's office this past fiscal year. It is the largest amount in the program's 57-year history.

More than 116,000 claims were fulfilled with an average value of \$1,552 during Fiscal Year 2018, which is July 1, 2017 to June 30, 2018. Approximately 58,000 claims were fulfilled in Fiscal Year 2017.

The new Fast Track and EClaiming processes unveiled earlier this year made claiming property faster and easier and directly led to this record-breaking number of fulfilled claims. More than 49,000 of the 116,000 claims were online and paperless using the new Fast Track process.

The numbers might even go higher. The Legislature this year authorized the treasurer's office to work with the Department of Revenue to return cash to some Illinois taxpayers without filing a claim.

In Illinois, the state treasurer is tasked with safeguarding unclaimed property, such as unpaid life insurance benefits, forgotten bank accounts and unused rebate cards. Illinois holds more than \$2 billion in unclaimed property. The state treasurer is legally required to get the property to the rightful owners no matter how long it takes for them to come forward. Individuals can search the state treasurer's database for their name or the name of their business or non-profit at www.illinoistreasurer.gov/ICASH.

Frerichs' office never charges money to search the database or return unclaimed property.



ABLE

"When the Bus Stops Coming"

"When the bus stops coming" is a common phrase to some families with a child who has a disability.

It refers to the day when their child reaches the age of 18 or 22 and all school, educational support and intervention screeches to halt.

"The bus stops coming" and the child and family are on their own.

Planning for that day is imperative and Illinois ABLE savings accounts are an important tool when it is time to take the wheel. Achieving a **Better Life Experience** provides savings and investment options without jeopardizing federal benefits.

Families can deposit up to \$15,000 a year into a child's Illinois ABLE account. The money can come from parents, grandparents, family and friends. Earnings accrue tax-deferred and withdrawals from the account are tax-free as long as the funds are used for disability-related expenses. Funds can be used for qualified expenses at any time – even before the bus stops coming.

To learn more about how Illinois ABLE can help provide a more secure financial future for your child, visit www.illinoistreasurer.gov and click on the ABLE button.



Illinois State Fair

Treasurer's Tent

The Illinois Treasurer's Office is highlighting its office programs, pictures from the 2018 Cream of the Crop Photo Contest, and will host a live unclaimed property auction at this year's Illinois State Fair.

Hosted each year in Springfield since 1853, this year's fair runs from August 9-19. Fairgoers can find the Illinois Treasurer's Tent on Brian Raney Avenue, just off of Main Street on the Illinois State Fairgrounds. Visitors are encouraged to stop by to check the I-Cash database to see if they have unclaimed property. The treasurer's office is safeguarding more than \$2 billion in unclaimed property belonging to millions of Illinois residents. One-in-four Illinoisans discovers property to claim.

For the third year in a row, the treasurer's office will host a live unclaimed property auction at 11 a.m. on August 18 on the Lincoln Stage at the Illinois State Fair. An auction preview will take place in advance of the live event from 9 a.m. to 11 a.m. to give bidders a sneak peek at the items. A 1962 Lou Brock rookie card, an 1834 half cent coin, 1946 and 1947 Cubs Game Day programs, and rare coins and jewelry are among the unclaimed property items worth \$151,000.

The live auction will include 250 lots. Auction items have been appraised by an outside vendor. Luke Lee Gaule will serve as auctioneer for the live auction.



Quarterly Earnings Report

Fourth Quarter FY 2018

The Office of the Illinois State Treasurer is dedicated to protecting all funds under its control, ensuring the liquidity of all investments, and consistently producing earnings at or above industry standards.

The issuance of Quarterly Earnings Reports is integral in meeting the Treasurer's underlying objectives to maintain transparency, efficiency, and the preservation of public trust.

The following tables summarize investment earnings activities and balances for the fourth quarter of fiscal year 2018 (March 31, 2018 thru June 30, 2018)

**Table 1 – Asset Totals
(Numbers rounded)**

Program Area	Asset Total (as of June 30, 2018)	Asset Total (as of March 31, 2018)
State Investments	\$14.8 billion	\$13.7 billion
IPTIP Investments	\$5.6 billion	\$5.4 billion
College Savings Program	\$10.8 billion	\$10.5 billion
TOTAL	\$31.2 billion	\$29.6 billion

**Table 2 – Quarterly Investment Earnings
(Numbers rounded)**

Program Area	Gross Earnings (Q4 FY 2018)	Gross Earnings (Q3 FY 2018)
State Investments	\$64.1 million	\$56.5 million
IPTIP Investments	\$26.7 million	\$19.2 million
TOTAL	\$90.8 million	\$75.7 million

Additional Revenue Earnings

- **\$366.5 million** was earned through additional revenue channels for the quarter (i.e. Estate Tax, Circuit Court, Unclaimed Property, fees, etc.).

Utilization of Minority, Women, Veteran, and Disabled-Owned Firms

- **\$8.4 billion in assets** were brokered through MWVD firms during the quarter, which constitutes **80.8% of total assets available** to MWVD firms.
- At the close of the quarter, **\$224 million** was under the management of MWVD firms.

Utilization of Illinois-Based Firms

- **\$23.9 billion in assets** were brokered through Illinois-headquartered firms during the quarter, which constitutes **11.0% of the total brokerage space** for the quarter.
- At the close of the quarter, **\$1.2 billion** was under the management of Illinois-headquartered firms.

If you would like to contact the Office of the Illinois State Treasurer, please visit our [contact us](#) page.

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