Illinois State Board of Investment

Deferred Compensation Plan

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Deferred Compensation Plan

Executive Summary

August 31, 2015

Market Values

As of August 31, 2015

		Ending August 31, 2015	
	Asset Class	Market Value	% of Portfolio
DC Plan		**$3,938,507,960**	**100.0%**
Money Market		**$33,581,706**	**0.9%**
Vanguard Money Market	Cash & Equivalents	$33,581,706	0.9%
Stable Value		**$493,328,565**	**12.5%**
INVESCO Stable Value	Stable Value	$493,328,565	12.5%
Fixed Income		**$101,087,624**	**2.6%**
Vanguard Total Bond Market Idx	Core Fixed Income	$68,593,082	1.7%
T. Rowe Price Bond Trust	Core Fixed Income	$32,494,542	0.8%
Balanced		**$206,779,157**	**5.3%**
Fidelity Puritan	U.S. Balanced	$206,779,157	5.3%
U.S. Equity		**$855,502,500**	**21.7%**
LSV Value Equity	Large-Cap Value	$60,017,998	1.5%
Vanguard Inst'l. Index	Large-Cap Core	$324,015,908	8.2%
Wellington Diversified Growth	Large-Cap Growth	$43,193,884	1.1%
Ariel Investments	Mid-Cap Value	$133,044,311	3.4%
Northern Trust S&P 400	Mid-Cap Core	$37,914,286	1.0%
Northern Trust Russell 2000	Small-Cap Core	$26,040,117	0.7%
Franklin Templeton	Small-Cap Growth	$231,275,996	5.9%
Non-U.S. Equity		**$70,615,429**	**1.8%**
Northern Trust MSCI ACWI ex-US	Non-U.S. Large-Cap Core	$13,974,969	0.4%
INVESCO Int'l. Growth	Non-U.S. Large-Cap Growth	$49,645,865	1.3%
William Blair	Non-U.S. Small-Cap Growth	$6,994,595	0.2%
Lifestyle Funds		**$2,139,037,988**	**54.3%**
T. Rowe Retirement Balanced Active Trust	Balanced Lifestyle	$9,931,016	0.3%
T. Rowe 2005 Retirement Active Trust	Balanced Lifestyle	$160,313,957	4.1%
T. Rowe 2010 Retirement Active Trust	Balanced Lifestyle	$218,410,910	5.5%
T. Rowe 2015 Retirement Active Trust	Balanced Lifestyle	$348,917,938	8.9%
T. Rowe 2020 Retirement Active Trust	Balanced Lifestyle	$415,057,750	10.5%
T. Rowe 2025 Retirement Active Trust	Balanced Lifestyle	$368,182,886	9.3%
T. Rowe 2030 Retirement Active Trust	Balanced Lifestyle	$269,535,140	6.8%
T. Rowe 2035 Retirement Active Trust	Balanced Lifestyle	$175,737,461	4.5%
T. Rowe 2040 Retirement Active Trust	Balanced Lifestyle	$106,896,469	2.7%
T. Rowe 2045 Retirement Active Trust	Balanced Lifestyle	$41,136,374	1.0%
T. Rowe 2050 Retirement Active Trust	Balanced Lifestyle	$15,375,948	0.4%
T. Rowe 2055 Retirement Active Trust	Balanced Lifestyle	$6,652,794	0.2%
T. Rowe 2060 Retirement Active Trust	Balanced Lifestyle	$2,889,347	0.1%
Other		**$38,574,990**	**1.0%**
Loans	Cash & Equivalents	$38,574,990	1.0%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: $3,938.5 Million and 100.0% of Fund

Ending August 31, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
DC Plan										
Money Market										
Vanguard Money Market	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.3%	1.6%
91 Day T-Bills	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*1.2%*
Stable Value										
INVESCO Stable Value	0.2%	0.6%	1.4%	2.0%	1.9%	1.9%	2.1%	2.4%	2.8%	3.4%
91 Day T-Bills	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*1.2%*
Fixed Income										
Vanguard Total Bond Market Idx	-0.3%	-0.6%	0.3%	1.3%	3.4%	1.4%	2.5%	2.9%	4.5%	4.4%
Barclays Aggregate	*-0.1%*	*-0.5%*	*0.4%*	*1.6%*	*3.6%*	*1.5%*	*2.6%*	*3.0%*	*4.5%*	*4.5%*
T. Rowe Price Bond Trust	-0.4%	-0.8%	0.3%	1.0%	3.8%	1.7%	2.9%	3.1%	--	--
Barclays Aggregate	*-0.1%*	*-0.5%*	*0.4%*	*1.6%*	*3.6%*	*1.5%*	*2.6%*	*3.0%*	*4.5%*	*4.5%*
Balanced										
Fidelity Puritan	-4.7%	-4.3%	-0.9%	0.9%	10.1%	10.5%	11.0%	11.6%	7.9%	6.8%
60/40 S&P 500/Barclays Aggregate	*-3.7%*	*-3.8%*	*-1.4%*	*1.1%*	*8.8%*	*9.2%*	*10.2%*	*10.8%*	*7.4%*	*6.4%*
U.S. Equity										
LSV Value Equity	-6.8%	-7.5%	-4.4%	-1.9%	12.2%	18.6%	18.2%	16.9%	8.9%	6.7%
Russell 1000 Value	*-6.0%*	*-7.4%*	*-6.1%*	*-3.5%*	*9.6%*	*13.9%*	*14.8%*	*14.7%*	*7.5%*	*6.2%*
Vanguard Inst'l. Index	-6.0%	-5.9%	-2.9%	0.5%	12.2%	14.3%	15.2%	15.8%	8.7%	7.2%
S&P 500	*-6.0%*	*-5.9%*	*-2.9%*	*0.5%*	*12.2%*	*14.3%*	*15.2%*	*15.9%*	*8.7%*	*7.2%*
Wellington Diversified Growth	-5.6%	-3.8%	0.7%	4.5%	13.5%	13.7%	14.2%	15.7%	9.2%	--
Russell 1000 Growth	*-6.1%*	*-4.6%*	*1.0%*	*4.3%*	*14.7%*	*15.3%*	*15.8%*	*17.4%*	*10.2%*	*8.4%*
Ariel Investments	-6.8%	-8.4%	-2.5%	3.1%	13.9%	18.7%	16.6%	16.0%	10.8%	6.2%
Russell MidCap Value	*-4.7%*	*-7.3%*	*-4.5%*	*-2.5%*	*11.3%*	*15.8%*	*15.6%*	*16.0%*	*9.6%*	*7.9%*
Northern Trust S&P 400	-5.6%	-6.7%	-1.5%	0.0%	10.9%	15.0%	14.5%	16.1%	9.9%	8.7%
S&P 400 MidCap	*-5.6%*	*-6.7%*	*-1.5%*	*0.0%*	*11.0%*	*15.1%*	*14.5%*	*16.1%*	*9.9%*	*8.7%*
Northern Trust Russell 2000	-6.3%	-6.7%	-3.0%	0.0%	8.4%	14.1%	13.9%	15.5%	8.1%	7.1%
Russell 2000	*-6.3%*	*-6.7%*	*-3.0%*	*0.0%*	*8.5%*	*14.1%*	*13.9%*	*15.5%*	*8.1%*	*7.1%*
Franklin Templeton	-6.8%	-5.6%	-0.8%	1.2%	9.9%	18.2%	16.2%	18.5%	12.3%	8.8%
Russell 2000 Growth	*-7.6%*	*-6.0%*	*0.9%*	*5.1%*	*11.0%*	*16.5%*	*15.5%*	*17.8%*	*9.6%*	*8.5%*
Non-U.S. Equity										
Northern Trust MSCI ACWI ex-US	-7.6%	-10.5%	-4.1%	-12.3%	1.7%	5.4%	3.5%	4.8%	1.6%	--
MSCI ACWI ex USA	*-7.6%*	*-10.5%*	*-4.2%*	*-12.4%*	*1.6%*	*5.3%*	*3.4%*	*4.8%*	*1.5%*	*4.0%*
INVESCO Int'l. Growth	-7.9%	-10.8%	-4.6%	-9.4%	4.1%	7.1%	6.5%	8.1%	4.7%	--
MSCI EAFE	*-7.4%*	*-8.1%*	*-0.2%*	*-7.5%*	*3.8%*	*8.5%*	*6.3%*	*7.0%*	*2.2%*	*4.0%*
William Blair	-3.9%	-3.5%	4.6%	-3.6%	4.1%	9.8%	7.1%	9.6%	6.1%	--
S&P Global ex US < $2B	*-5.9%*	*-7.9%*	*2.1%*	*-9.0%*	*4.9%*	*8.1%*	*4.2%*	*6.1%*	*5.0%*	*6.0%*
Lifestyle Funds										
T. Rowe Retirement Balanced Active Trust	-2.9%	-3.6%	-1.0%	-2.2%	4.4%	4.8%	5.5%	6.4%	5.3%	5.1%
Morningstar Lifetime Moderate Income	*-2.0%*	*-2.9%*	*-1.0%*	*-2.3%*	*3.6%*	*3.6%*	*4.6%*	*6.0%*	*4.8%*	*5.2%*
26% R3000 / 46% Barclays Aggregate / 15% Barclays 1-5 Yr TIPS / 13% MSCI ACWI ex USA	*-2.7%*	*-3.3%*	*-0.6%*	*-0.4%*	*6.1%*	*6.3%*	*7.5%*	*8.1%*	*6.5%*	*5.8%*

Investment Manager

Annualized Performance (Net of Fees)

Market Value: $3,938.5 Million and 100.0% of Fund

Ending August 31, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
T. Rowe 2005 Retirement Active Trust	-3.0%	-3.7%	-1.1%	-2.1%	5.0%	5.4%	6.2%	7.2%	5.6%	5.4%
Morningstar Lifetime Moderate Income	-2.0%	-2.9%	-1.0%	-2.3%	3.6%	3.6%	4.6%	6.0%	4.8%	5.2%
25% R3000 / 45% Barclays Aggregate / 20% Barclays 1-5 Yr TIPS / 11% MSCI ACWI ex USA	-2.5%	-3.1%	-0.4%	-0.3%	6.2%	6.5%	7.8%	8.7%	6.5%	5.8%
T. Rowe 2010 Retirement Active Trust	-3.2%	-4.1%	-1.2%	-2.2%	5.5%	6.3%	7.0%	8.0%	5.9%	5.6%
Morningstar Lifetime Moderate 2010	-2.5%	-3.4%	-1.5%	-2.6%	4.5%	4.7%	5.8%	7.3%	5.5%	5.8%
26% R3000 / 43% Barclays Aggregate / 20% Barclays 1-5 Yr TIPS / 11% MSCI ACWI ex USA	-2.5%	-3.1%	-0.4%	-0.4%	6.7%	7.3%	8.5%	9.2%	6.8%	6.0%
T. Rowe 2015 Retirement Active Trust	-3.8%	-4.6%	-1.2%	-2.2%	6.4%	7.6%	8.1%	9.2%	6.4%	5.9%
Morningstar Lifetime Moderate 2015	-2.8%	-3.8%	-1.7%	-2.9%	4.9%	5.5%	6.4%	8.0%	5.7%	6.0%
30% R3000 / 38% Barclays Aggregate / 20% Barclays 1-5 Yr TIPS / 13% MSCI ACWI ex USA	-2.9%	-3.5%	-0.6%	-0.9%	7.1%	8.2%	9.6%	10.7%	6.9%	6.0%
T. Rowe 2020 Retirement Active Trust	-4.3%	-5.1%	-1.1%	-2.1%	7.2%	8.7%	9.1%	10.3%	6.7%	6.2%
Morningstar Lifetime Moderate 2020	-3.2%	-4.4%	-2.0%	-3.2%	5.5%	6.4%	7.2%	8.8%	5.9%	6.2%
41% R3000 / 30% Barclays Aggregate / 13% Barclays 1-5 Yr TIPS / 17% MSCI ACWI ex USA	-3.9%	-4.5%	-1.2%	-1.4%	7.3%	8.7%	10.2%	11.4%	6.8%	6.0%
T. Rowe 2025 Retirement Active Trust	-4.8%	-5.6%	-1.0%	-2.0%	8.0%	9.8%	9.9%	11.1%	7.0%	6.4%
Morningstar Lifetime Moderate 2025	-3.8%	-5.1%	-2.3%	-3.6%	6.1%	7.6%	8.2%	9.8%	6.1%	6.4%
41% R3000 / 30% Barclays Aggregate / 13% Barclays 1-5 Yr TIPS / 17% MSCI ACWI ex USA	-3.9%	-4.5%	-1.1%	-1.7%	7.8%	9.7%	11.0%	12.1%	7.3%	6.3%
T. Rowe 2030 Retirement Active Trust	-5.1%	-5.9%	-1.0%	-2.0%	8.5%	10.7%	10.7%	11.9%	7.2%	6.6%
Morningstar Lifetime Moderate 2030	-4.5%	-5.9%	-2.6%	-4.1%	6.5%	8.7%	9.0%	10.6%	6.3%	6.5%
46% R3000 / 29% Barclays Aggregate / 6% Barclays 1-5 Yr TIPS / 20% MSCI ACWI ex USA	-4.4%	-5.1%	-1.6%	-2.0%	8.1%	10.2%	11.6%	12.9%	7.3%	6.3%
T. Rowe 2035 Retirement Active Trust	-5.5%	-6.3%	-1.0%	-2.0%	8.9%	11.3%	11.2%	12.4%	7.4%	6.7%
Morningstar Lifetime Moderate 2035	-5.1%	-6.7%	-3.0%	-4.7%	6.7%	9.4%	9.4%	11.0%	6.4%	6.6%
50% R3000 / 27% Barclays Aggregate / 1% Barclays 1-5 Yr TIPS / 22% MSCI ACWI ex USA	-4.7%	-5.5%	-1.8%	-2.6%	8.1%	10.5%	11.9%	13.1%	7.4%	6.4%
T. Rowe 2040 Retirement Active Trust	-5.8%	-6.5%	-1.0%	-2.0%	9.2%	11.7%	11.5%	12.6%	7.5%	6.8%
Morningstar Lifetime Moderate 2040	-5.5%	-7.2%	-3.2%	-5.2%	6.7%	9.6%	9.5%	11.1%	6.4%	6.6%
54% R3000 / 23% Barclays Aggregate / 23% MSCI ACWI ex USA	-5.1%	-5.8%	-2.0%	-2.8%	8.3%	11.0%	12.3%	13.4%	7.6%	6.5%
T. Rowe 2045 Retirement Active Trust	-5.8%	-6.5%	-1.0%	-2.0%	9.2%	11.7%	11.5%	12.6%	7.5%	6.8%
Morningstar Lifetime Moderate 2045	-5.7%	-7.4%	-3.4%	-5.6%	6.5%	9.5%	9.4%	11.0%	6.3%	6.6%
58% R3000 / 18% Barclays Aggregate / 25% MSCI ACWI ex USA	-5.4%	-6.2%	-2.3%	-3.1%	8.2%	10.9%	12.2%	13.3%	7.6%	6.5%
T. Rowe 2050 Retirement Active Trust	-5.8%	-6.5%	-1.1%	-2.0%	9.2%	11.7%	11.5%	12.6%	7.5%	--
Morningstar Lifetime Moderate 2050	-5.7%	-7.6%	-3.5%	-5.9%	6.3%	9.4%	9.2%	10.8%	6.2%	6.6%
61% R3000 / 14% Barclays Aggregate / 26% MSCI ACWI ex USA	-5.7%	-6.5%	-2.5%	-3.2%	8.1%	10.9%	12.2%	13.3%	7.5%	6.5%
T. Rowe 2055 Retirement Active Trust	-5.8%	-6.5%	-1.1%	-2.0%	9.2%	11.7%	11.4%	12.6%	7.5%	--
Morningstar Lifetime Moderate 2050	-5.7%	-7.6%	-3.5%	-5.9%	6.3%	9.4%	9.2%	10.8%	6.2%	6.6%
63% R3000 / 10% Barclays Aggregate / 27% MSCI ACWI ex USA	-5.9%	-6.7%	-2.6%	-3.3%	8.0%	10.8%	12.1%	13.3%	7.5%	6.5%
T. Rowe 2060 Retirement Active Trust	-5.8%	-6.5%	--	--	--	--	--	--	--	--
Morningstar Lifetime Moderate 2050	-5.7%	-7.6%	-3.5%	-5.9%	6.3%	9.4%	9.2%	10.8%	6.2%	6.6%
63% R3000 / 10% Barclays Aggregate / 27% MSCI ACWI ex USA	-5.9%	-6.7%	-2.6%	-3.3%	8.0%	10.8%	12.1%	13.3%	7.5%	6.5%

Market Value: $3,938.5 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee [1]	Industry Average [2]
Cash & Equivalents	Vanguard Money Market	0.10% on the Balance (Mutual Fund)	0.10% $33,582	0.20%
Stable Value	INVESCO Stable Value	0.35% on the Balance (Separate Account)	0.35% $1,726,650	0.40%
Core Fixed Income	Vanguard Total Bond Market Idx	0.06% on the Balance (Mutual Fund)	0.06% $41,156	0.12%
Core Fixed Income	T. Rowe Price Bond Trust	0.50% on the Balance (Commingled Fund)	0.50% $162,473	0.30%
U.S. Balanced	Fidelity Puritan	0.56% on the Balance (Mutual Fund) 0.25% Revenue Sharing	0.56% $1,157,963	0.97%
Large-Cap Value	LSV Value Equity	0.30% on the Balance (Separate Account)	0.30% $180,054	0.51%
Large-Cap Core	Vanguard Inst'l. Index	0.04% on the Balance (Mutual Fund)	0.04% $129,606	0.07%
Large-Cap Growth	Wellington Diversified Growth	0.55% on the Balance (Commingled Fund)	0.55% $237,566	0.65%
Mid-Cap Value	Ariel Investments	1.00% on the first $10 million 0.75% on the next $10 million 0.50% on the Balance (Separate Account)	0.56% $740,222	0.65%
Mid-Cap Core	Northern Trust S&P 400	0.02% on the Balance (Collective Trust)	0.02% $7,583	0.08%
Small-Cap Growth	Franklin Templeton	0.73% on the Balance (Mutual Fund)	0.73% $1,688,315	1.11%
Small-Cap Core	Northern Trust Russell 2000	0.03% on the Balance (Collective Trust)	0.03% $7,812	0.08%
Non-U.S. Large-Cap Core	Northern Trust MSCI ACWI ex-US	0.06% on the Balance (Collective Trust)	0.06% $8,385	0.10%
Non-U.S. Large-Cap Growth	INVESCO Int'l. Growth	0.80% on the first $25 million 0.60% on the next $50 million 0.40% on the Balance (Commingled Fund)	0.70% $347,875	0.75%
Non-U.S. Small-Cap Growth	William Blair	1.28% on the Balance (Mutual Fund) 0.15% Revenue Sharing	1.28% $89,531	1.17%
Balanced Lifestyle	T. Rowe Retirement Balanced Active Trust	0.38% on the Balance (Collective Trust)	0.38% $37,738	0.56%
Balanced Lifestyle	T. Rowe 2005 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $609,193	0.54%
Balanced Lifestyle	T. Rowe 2010 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $829,961	0.54%
Balanced Lifestyle	T. Rowe 2015 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $1,325,888	0.51%
Balanced Lifestyle	T. Rowe 2020 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $1,577,219	0.58%

Market Value: $3,938.5 Million and 100.0% of Fund

Balanced Lifestyle	T. Rowe 2025 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $1,399,095	0.52%
Balanced Lifestyle	T. Rowe 2030 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $1,024,234	0.60%
Balanced Lifestyle	T. Rowe 2035 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $667,802	0.52%
Balanced Lifestyle	T. Rowe 2040 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $406,207	0.60%
Balanced Lifestyle	T. Rowe 2045 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $156,318	0.53%
Balanced Lifestyle	T. Rowe 2050 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $58,429	0.60%
Balanced Lifestyle	T. Rowe 2055 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $25,281	0.60%
Balanced Lifestyle	T. Rowe 2060 Retirement Active Trust	0.38% on the Balance (Collective Trust)	0.38% $10,980	0.60%
Total Investment Management Fees			**0.37%** **$14,687,117**	**0.53%**
Investment Consultant	Marquette Associates, Inc.	$50,000 Flat Annual Fee	0.00% $50,000	
Recordkeeper	T. Rowe Price	Explicit Fees $27 Per Participant Fees Excluding Revenue Sharing[3]	0.04% $1,415,529	
Total Fund			**0.41%** **$16,152,646**	

[1] Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.
[2] Source: Marquette Associates Investment Management Fee Study.