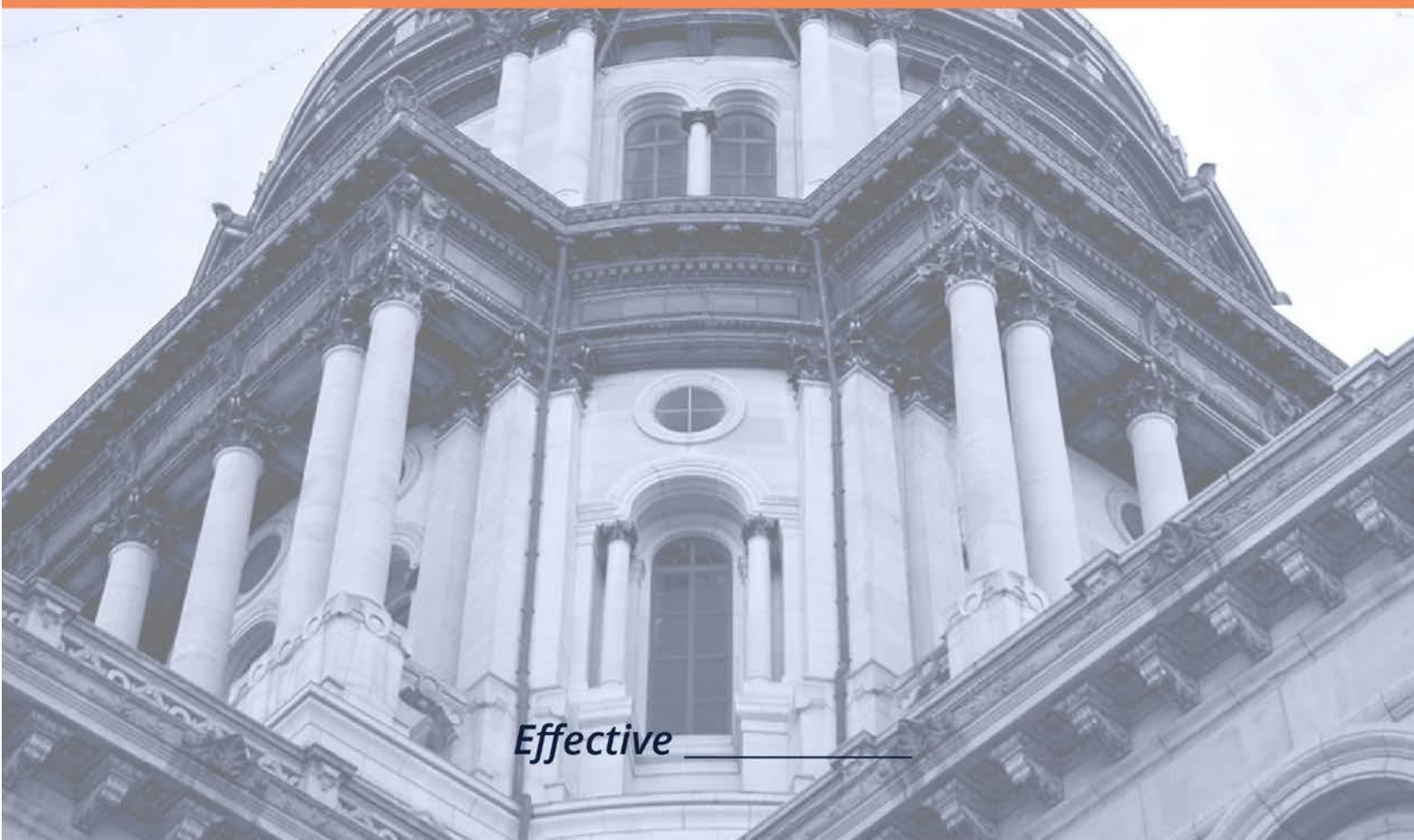
OFFICE OF THE ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

State Agency Investments Portfolio

Investment Policy Statement

(For Investments Not Under the Stewardship of the Illinois State Treasurer)



Effective _____

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State Agency Investments Portfolio
Investment Policy Statement
(For Investments Not Under the Stewardship of the Illinois State Treasurer)

1.0 POLICY:

Under this instrument, State Agency Investment Policy Statement For Investments Not Under the Stewardship of the Illinois State Treasurer's Office ("Policy"), it is the policy of the Illinois State Agency ("Agency(s)") to invest all moneys (collectively, the "State Agency Investment portfolio") in a manner that will provide safety to the principal investment, meet the State Agency daily cash flow demands, and seek the highest risk-adjusted investment return, using authorized instruments and supporting community development efforts, in accordance with all State statutes governing the investment of public funds.

This Policy applies to state agency investments entered into on or after the adoption of this instrument. Investments made prior to the adoption of this Policy will continue to be governed by the policy in effect at the time such investments were made, until the maturity or selling of such investments.

This Policy applies to any Agency investment not under the stewardship of the Illinois State Treasurer's Office for which no other specific investment policy exists.

2.0 OBJECTIVE

The primary objective in the investment of the State Agency Investment portfolio is to ensure the safety of principal. In addition, the Agency's objective to manage liquidity for payment of the Agency's financial obligations and provide the highest return on investment, using authorized instruments, while prudently exercising sustainable stewardship in its investment decision-making.

2.1 SAFETY

The safety of principal is the foremost objective of the State Agency investments. State Agency Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To achieve this objective, diversification, as defined in Section 9.0 of this Policy, and investment stewardship is required to ensure that the State Agency prudently manages market, operational, reputational, financial, legal, sustainability, interest rate, and credit risks.

2.2 LIQUIDITY

The State Agency Investment portfolio shall remain sufficiently liquid to enable the State Agency to meet all operating and cash flow requirements that might be reasonably projected.

2.3 RETURN ON INVESTMENT

The State Agency Investment portfolio shall be designed and constructed to obtain the highest available risk-adjusted return, given the objectives of safety of principal and liquidity. The State Agency's designated investment officer shall seek to obtain the highest available return, using authorized investments during budgetary and economic cycles as mandated by Section 1.0 of this Policy. When the State Agency deposits funds in support of community development efforts, the rate of return may include benefits other than direct investment

earnings, as authorized by Section 7 of the Deposit of State Moneys Act (15 ILCS 520/7).

The rate of return achieved on the State Agency Investment portfolio shall be measured at regular intervals against relevant industry benchmarks to determine investment decision effectiveness in meeting investment goals. The benchmarks shall be reviewed a minimum of every two (2) years to ensure accuracy and relevance.

2.4 SUSTAINABILITY

The Treasurer seeks to invest all funds under its control in a manner that provides the highest risk-adjusted investment return using authorized instruments. Pursuant to the Illinois Sustainable Investing Act (30 ILCS 238/1 et seq.), the Treasurer shall prudently integrate financially material sustainability factors into its investment decision-making to obtain a more complete view of risks and value prospects that may materially impact an investment's long-term value. Therefore, as a complement to traditional financial analysis, the integration of sustainability factors provides an additional layer of decision-useful information and rigor which can assist in better assessing the risk and return prospects of portfolio companies, investment funds, and other investment vehicles. Such sustainability factors are indicative of the overall performance of an investment and can be strong indicators of its long-term value.

Sustainability factors include, but are not limited to, the following:

a) Corporate governance and leadership factors, such as board attendance, the independence of corporate boards and auditors, the expertise and competence of corporate boards and executives, systemic risk management practices, executive compensation structures, transparency and reporting, leadership diversity, regulatory and legal compliance, shareholder rights, and ethical conduct and business practices.

b) Environmental factors such as climate competence, greenhouse gas emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, biodiversity and ecological impacts, and Just Transition considerations.

c) Social capital factors that may have an adverse or positive impact on customers, local communities, the public, and/or government such as human rights, customer welfare, data privacy, cyber security, artificial intelligence, access and affordability, product quality and safety, selling practices and product labeling, community reinvestment, and community relations.

d) Human capital factors such as labor practices, responsible contractor and responsible bidder policies, employee health and safety, employee engagement, equity, diversity and inclusion, and incentives and compensation.

e) Business model and innovation factors such as supply chain management, materials sourcing and efficiency, business model resilience, product design and life cycle management, and physical impacts of climate change.

Sustainability factors shall be implemented within a framework predicated on the following:

Materiality – The Treasurer considers whether and to what extent a sustainability risk or opportunity exists that is reasonably likely to have a material impact on the financial condition or operating performance of a company, investment fund, or other investment vehicle.

Industry-Specific Information – The Treasurer considers whether and to what extent the financially material sustainability risk or opportunity in question is relevant and applicable to individual industries.

Integration of Material Sustainability Factors in Internally Managed Investment Programs – The Treasurer prudently integrates material and relevant sustainability factors, including, but not limited to, (1) corporate governance, financial incentives and quality of leadership, (2) environmental factors, (3) social capital factors, (4) human capital factors, and (5) business model and innovation, as components of portfolio construction, investment decision making, investment analysis and due diligence, prospective value proposition, risk management, and investment ownership in internally managed investment programs.

Active Ownership – The Treasurer attentively oversees investment holdings to address sustainability risks and opportunities through the exercise of proxy voting rights and direct engagement with entities, such as investment funds, portfolio companies, government bodies, and other organizations.

Regular Evaluation of Sustainability Factors – The Treasurer performs a recurring annual evaluation, at a minimum, of sustainability factors to ensure the factors are relevant to the evolving marketplace.

Additional Relevant and Financially Material Factors – The Treasurer considers other relevant factors such as legal, regulatory, and reputational risks that contribute to an optimal risk management framework and are necessary to protect and create long-term investment value.

The Treasurer shall develop policy guidelines for internal and external investment managers to integrate material sustainability risks with respect to their investment decision-making regarding financial products, investment funds, companies, and public agency or governmental units to the extent the Treasurer is responsible for the investment performance of such entities. The policy guidelines for such investment managers for integrating sustainability factors shall be reviewed and updated on an annual basis to ensure responsiveness to changing economic conditions and related factors.

3.0 ETHICS AND CONFLICTS OF INTEREST

Authorized investment officers and employees in policy-making positions shall refrain from personal business activity that could (a) conflict, or give the appearance of a conflict, with proper execution of the investment program or (b) impair their ability to make impartial investment decisions. Such individuals shall disclose to the State Agency any material and relevant financial interests, as determined by the State Agency, in financial institutions that conduct business within the State, and they shall further disclose any personal financial investment positions that could be related to the performance of the State Agency Investment portfolio. In addition, such individuals shall subordinate their personal investment transactions to those of the State Agency Investment portfolio, particularly with regard to the time of purchases and sales.

4.0 AUTHORIZED BROKERS/DEALERS AND FINANCIAL INSTITUTIONS

Authorized investment staff shall utilize the State Agency approved list of broker/dealers and financial institutions when selecting institutions to provide investment services.

The security brokers/dealers shall be selected according to their creditworthiness and their financial significance in the State, which shall be measured in terms of the location of the broker/dealer's corporate office, the number of full-time employees, the size of its payroll, or the extent that the broker/dealer has an economic presence in the State. The list may include "primary" dealers or regional dealers who qualify under Securities and Exchange Commission Rule 17 CFR§ 15Cc3-1 (Net Capital Requirements for Brokers or Dealers).

All broker/dealers interested in becoming qualified parties for the investment transactions must supply the State Agency's authorized investment staff with the following documents or the equivalent acceptable to the State Agency, where applicable:

a) Audited financial statements or a published Statement of Condition;

b) Proof of minority-, woman-, disabled-, and/or veteran-owned or –managed broker/dealer status;

c) A signed copy of the State Agency's account authorization agreement;

d) Proof of National and State of Illinois registration;

e) Completed Counterparty Questionnaire;

f) Certification of notice and acknowledgment of this Policy; and

g) Any other documentation deemed necessary by the State Agency.

If approved, a broker/dealer will be placed on a list of qualified parties for investment transactions. An annual review of the financial condition and registration of qualified parties may be conducted by the State Agency's authorized investment staff. More frequent reviews may be conducted if warranted.

The State Agency shall maintain a list of approved financial institutions, which shall be utilized by authorized investment officers. Pursuant to 15 ILCS 505/30, the State Agency shall review a financial institution's Community Reinvestment Act ("CRA") rating, record, and current level of financial commitment to the community prior to making a decision to utilize or determine the eligibility of such financial institution. No State funds may be deposited in any financial institution unless the institution has a current satisfactory or outstanding rating under the CRA. A State Agency may give preference to financial institutions that have a current rating of outstanding under the federal Community Reinvestment Act of 1977.

State Agency funds may not be deposited in any financial institution unless the State Agency's investment staff have conducted a safety and soundness review of the financial institution by consulting various bank rating services. If the financial institution has not yet been rated by the bank rating services, the institution may be eligible for a deposit that at maturity will not exceed $250,000. The amount and duration of deposits shall be based on the safety and soundness review, in accordance with guidelines established by the State Agency and the

diversification limits set forth in Section 9.0 of this Policy. No public deposit may be made, except in a qualified public depository, as defined by the Deposit of State Moneys Act (15 ILCS 520/*et seq*.).

4.1 EXTERNAL INVESTMENT CONSULTANTS

To the extent that the State Agency deems it advisable to hire external investment consultants, it may do so in accordance with the State Agency's procurement rules at 44 Ill. Admin. Code § 1400.

4.2 PREFERENCE FOR BROKER/DEALERS OWNED BY MINORITIES, WOMEN, MILITARY VETERANS, AND PERSONS WITH DISABILITIES

Pursuant to 15 ILCS 505/30, it shall be the aspirational goal of the State Agency to use businesses owned by or under the control of qualified veterans of the armed forces of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability for not less than 25% of the total dollar of purchases of investment securities, including, but not limited to, the use of broker/dealers. Beginning with fiscal year 2019, and at least annually thereafter, the State Agency shall measure and report its utilization of broker/dealers owned or under the control of qualified veterans of the armed forced of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability. The report shall be published on the State Agency's official website.

The terms "minority person", "woman", "person with a disability", "minority-owned business", "women-owned business", "business owned by a person with a disability", and "control" have the meanings provided in Section 1 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/1 et seq.). The terms "veteran", "qualified veteran-owned small business", "qualified service-disabled veteran-owned small business", "qualified service-disabled veteran", and "armed forces of the United States" have the meanings provided in Article 1 of the Illinois Procurement Code (30 ILCS 500/1 et seq.).

To the greatest extent feasible within the bounds of financial and fiduciary prudence, it is the policy of the State Agency to remove any barriers to the full participation in investment transactions afforded via the investment program by actively identifying and considering for hire brokers/dealers that provide proof of minority-, female-, disabled-, and/or veteran-owned or - managed status. The State Agency shall establish a process by which said specially claimed statuses are verified, and a review shall be conducted at fixed intervals to ensure that special statuses continue to apply.

4.3 PREFERENCE FOR BROKER/DEALERS HEADQUARTERED IN ILLINOIS

The State Agency shall seek to provide preference to qualified brokers/dealers that provide proof that their corporate headquarters is located in the State of Illinois. In doing so, the State Agency shall establish a process to verify the location of broker/dealers' corporate headquarters, and a review shall be conducted at fixed intervals to ensure that the Illinois-based location continues to apply.

Beginning with fiscal year 2019, and at least annually thereafter, the State Agency shall measure and report its utilization of broker/dealers with headquarters located in the State of

Illinois. The report shall be published on the State Agency's official website.

5.0 AUTHORIZED AND SUITABLE INVESTMENTS

The following investments are authorized pursuant, subject to the Deposit of State Moneys Act (15 ILCS 520/22.5).

a. Federally guaranteed obligations that receive the full faith and credit of the United States of America ("United States") as to principal and interest;

b. Obligations of agencies of the United States, as originally issued by the agencies. For purposes of this Section, the term "agencies of the United States" includes the following: federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 as amended, the federal home loan banks and the federal home loan mortgage corporation, and any other agency created or supported through an Act of Congress and issues United States dollar-denominated debt;

c. Obligations of instrumentalities of the United States, as originally issued by the instrumentalities. For the purposes of this section, the term "instrumentalities of the United States" is an instrumentality created or supported through an Act of Congress and issues United States dollar-denominated debt or other obligations that are issued or guaranteed by supranational entities; provided, at the time of investment, the entity has the United States government as a shareholder;

d. Obligations of a foreign government that are guaranteed by the full faith and credit of that government as to principal and interest and rated at one (1) of the three (3) highest classifications established by at least two (2) standard rating services, (i.e., not less than an A- long-term rating or equivalent rating), and only if the foreign government has not defaulted and has met its payment obligations in a timely manner on all similar obligations for at least 25 years prior to the time of acquiring those obligations;

e. Interest-bearing bonds, at a price not to exceed par, issued by counties or municipal corporations of the State of Illinois, whether the interest earned thereon is taxable or tax- exempt under federal law. The bonds shall be registered in the name of the State of Illinois or held under a custodial agreement at a financial institution. The bonds shall be rated at the time of purchase at one (1) of the three (3) highest classifications established by at least one (1) standard rating service with nationally recognized expertise in rating bonds of states and their political subdivisions, (i.e., not less than an A- long-term rating or equivalent). The maturity or pre-refunded date(s) of the bonds authorized by this subsection shall, at the time of purchase, not exceed ten (10) years. Notwithstanding the foregoing, a longer maturity is authorized, if the State of Illinois has a put option to tender the bonds within ten (10) years from the date of purchase;

f. Repurchase agreements of government securities having the meaning set out in the

Government Securities Act of 1986 (15 U.S.C. § 780-5);

g. Short-term obligations of either corporations or limited liability companies organized in the United States with assets exceeding $500,000,000 and rated at the time of purchase at one of the two (2) highest classifications established by at least two (2) standard rating services (short-term rating of A-2 and above or equivalent). At the time of purchase, the maturity or pre-refunded date (s) shall not exceed nine (9) months to maturity;

h. Long-term obligations of either corporations or limited liability companies organized in the United States that have a significant presence in the State of Illinois, with assets exceeding $500,000,000, and rated at the time of purchase at one (1) of the three (3) highest classifications established by at least two (2) standard rating services, (upper medium grade for the long-term rating of A- and above or equivalent). At the time of purchase, the maturity or pre-refunded date(s) shall not exceed ten (10) years;

i. Money market mutual funds registered under the Investment Company Act of 1940 (15 U.S.C. § 80a-1);

j. Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et seq.);

k. Dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered under the laws of the State of Illinois or the United States that maintains its principal office in the State of Illinois;

l. Interest-bearing accounts for the deposit of funds in support of local community development efforts; and

m. The Illinois Funds created under Section 17 of the State Treasurer Act (15 ILCS 505/17).

6.0 INVESTMENT RESTRICTIONS

The following restrictions apply to the State Agency Investment portfolio:

a. Any investments not authorized by this or any other investment policy or applicable law are prohibited;

b. Repurchase agreements may only be executed with approved financial institutions or broker/dealers that meet the State Agency's standards, which include mutual execution of a Master Repurchase Agreement adopted by the State Agency;

c. Investments in derivative products and leveraging of assets through reverse repurchase agreements are prohibited;

d. All qualified repurchase agreement dealers, commercial paper issuers, and corporate bond issuers must have a corporate headquarters, corporate office, or operating location in the State of Illinois and that location must retain full-time staff employed within the State of Illinois or the dealer must have a significant economic presence in the State of Illinois as determined by the State Agency;

e. Commercial paper with a credit rating or evaluation that is derived from any factor other than the full faith and credit of the issuing institution and/or the guarantee of the parent company is prohibited;

f. Obligations may not be purchased from a corporation or limited liability company that has been placed on the list of restricted companies by the Illinois Investment Policy Board under Section 1-110.16 of the Illinois Pension Code 40 ILCS 5/1-110.16;

g. Asset-backed securities and mortgage-backed securities, except as repurchase agreement collateral, are prohibited;

h. Investments may not be made in any savings and loan association unless a commitment by the savings and loan association, executed by the president or chief executive officer of that association, is submitted in the form required by Section 22.5 of the Deposit of State Moneys Act (15 ILCS 520/22.5); and

i. Investments in any sovereign debt or government-backed securities issued by the Russian Federation and/or the Republic of Belarus; any investment instrument that is issued by an entity bank or financial institution that is domiciled in or has its principal place of business located in the Russian Federation or the Republic of Belarus; and/or any investment instrument issued by an entity bank or financial institution that is subject to Russian Harmful Foreign Activities Sanctions as defined under Section 1-110.16 of the Illinois Pension Code are prohibited.

7.0 COLLATERALIZATION

The following shall apply:

All State deposits and repurchase agreements shall be secured as required by the State Agency and provided for by the Deposit of State Moneys Act (15 ILCS520) and the State Agency's Acceptable Collateral Listing, which may change from time to time. The State Agency may take possession of and title to any securities held as collateral and hold such securities until it is prudent to dispose of them.

8.0 CUSTODY AND SAFEKEEPING

The custody and safekeeping of collateral will be processed by Illinois financial institutions selected in compliance with the State Agency's procurement rules at 44 Ill. Adm. Code 1400. Financial institutions selected by the State Agency to perform custody and safekeeping services will be required to enter into a contractual agreement approved by the State Agency's General Counsel.

All security transactions entered into by the State Agency shall be conducted on a delivery-versus- payment ("DVP") or receipt-versus-payment ("RVP") basis. Securities shall be held by a safekeeping agent designated by the State Agency and evidenced by safekeeping receipts or a statement of holdings.

9.0 DIVERSIFICATION

The primary purpose of diversification in general is to control credit and market risk. The State Agency Investment portfolio shall be diversified to mitigate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In order to properly manage any risk attendant to the investment of State Agency assets, the State Agency Investment portfolio will observe the following diversification guidelines, at the time of purchase:

a. The State Agency Investment portfolio shall seek to achieve diversification in the portfolio by distributing investments among authorized investment categories among financial institutions, issuers, and broker/dealers.

b. The State Agency Investment portfolio shall not hold time deposits that constitute more than ten percent (10%) of any single financial institution's total deposits.

c. No financial institution shall at any time hold more than $100,000,000 of time deposits other than community development deposits, described in Section 7 of the Deposit of State Moneys Act (15 ILCS 520/7). Provided, however, that financial institutions that, as a result of a merger or acquisition, hold deposits that exceed $100,000,000.00 may continue to be eligible to hold deposits that do not exceed the amount of deposits held on the date of the merger or acquisition.

d. The State Agency Investment portfolio shall not hold obligations of corporations or limited liability companies that exceed ten percent (10%) of the corporation's or the limited liability company's outstanding obligations.

e. The State Agency Investment portfolio shall not hold obligations of a municipality's bonds that exceed ten percent (10%) of the municipality's outstanding obligations.

f. The State Agency Investment portfolio shall not be invested in more than ten percent (10%) of each prime money market fund's assets (including all share classes) at any given time;

g. The State Agency Investment portfolio shall not invest more than five percent (5%) to support Illinois infrastructure development projects;

h. The State Agency Investment portfolio shall not contain investments that exceed the following diversification limits. These limits will apply to the total assets in the State Agency investment portfolio at the time of the origination or purchase. As maturities and or calls of instruments occur, these limits will be monitored and adjusted

accordingly:

i. With the exception of cash equivalents, treasury securities and time deposits, as defined in Section 5.0 of this Policy, no more than fifty-five (55%) of the State Agency Investment portfolio shall be invested in other investment categories;

ii. No more than one-third (33%) of the State Agency Investment portfolio shall be invested in short-term obligations of corporations or limited liability companies as defined by section 5.0 (g) of this Policy;

iii. No more than five percent (5%) of the State Agency Investment portfolio shall be invested in short-term obligations of any one corporation or limited liability company as defined by Section 5.0(g) of this Policy;

iv. No more than twenty percent (20%) of the State Agency Investment portfolio shall be invested in long-term obligations of corporations or limited liability companies as defined by Section 5.0(h) of this Policy;

v. No more than five percent (5%) of the State Agency Investment portfolio shall be invested in long-term obligations of any one corporation or limited liability company as defined by Section 5.0(h) of this Policy;

vi. No more than ten percent (10%) of the State Agency Investment portfolio shall be invested in municipal securities issued by counties or municipal corporations of the State of Illinois as defined by Section 5.0(e) of this Policy;

vii. No more than three percent (3%) of the State Agency Investment portfolio shall be invested in any single issuer of municipal securities issued by counties or municipal corporations of the State of Illinois as defined by Section 5.0(e) of this Policy;

viii. If invested in more than three (3) prime money market funds, then no more than twenty-five percent (25%) of the portfolio's investments to prime money market funds may be placed with any one prime money market fund option;

ix. No more than three-fourths of one percent (¾ of 1%) of the State Agency Investment portfolio shall be invested in foreign government securities, not to exceed a five (5) year maturity, as defined in Section 5.0(l) of this Policy;

x. No more than fifty-five percent (55%) of the State Agency Investment portfolio shall be allocated to investments greater than two (2) years and less than or equal to three (3) years;

xi. No more than thirty percent (30%) of the State Agency Investment portfolio

shall be allocated to investments greater than three (3) years and less than or equal to four (4) years, not including foreign government securities;

xii. No more than twenty percent (20%) of the State Agency investment portfolio shall be allocated to investments greater than four (4) years and less than or equal to five (5) years;

xiii. No more than fifteen percent (15%) of the State Agency Investment portfolio shall be allocated to investments greater than five (5) years and no less than or equal to ten (10) years; and

xiv. There shall be no limit to the percentage of the State Agency Investment portfolio that may be allocated to investments with a zero to two-year (0- to 2) maturity band.

10.0 INTERNAL CONTROLS

The State Agency shall establish a system of internal controls and written operational procedures that shall be documented and filed with the State Agency's Chief Internal Auditor for review. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by authorized investment officers.

a) Asset Allocation: The allocation of assets within investment categories authorized under Section 5.0 of this Policy shall be approved by the State Agency at least annually.

b) Competitive Bidding: Authorized investment officers shall obtain competitive bids from at least three (3) broker/dealers prior to executing the purchase or sale of any authorized investments. Reverse inquiry investments, investments in a new issue, and investments defined under Sections 5(a)-(b) of this Policy purchased from the agency discount window are exempt from this provision.

c) Certificates of Deposit: Authorized investment officers shall purchase certificates of deposit on the basis of a qualified financial institution's ability to pay a required rate of interest to the State Agency. Such rate is generally determined on the basis of Treasury or other appropriate market rates for a comparable term.

11.0 LIABILITY

The standard of care to be used by authorized investment officers shall be the "prudent person" standard, which shall be applied in the context of managing an overall portfolio. Authorized investment officers, acting in accordance with written procedures and this Policy and exercising due diligence, will be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and necessary action is taken to control adverse developments.

12.0 REPORTING

Monthly reports shall be presented by the designated investment officer to Executive Management for its review. The monthly report shall contain sufficient information to enable

Executive Management to review the investment portfolio, its effectiveness in meeting the needs of the Agency for safety, liquidity, rate of return, and diversification, and the general performance of the State Agency Investment portfolio. The following information shall be included in the monthly reports:

a) The total amount of funds held by the State Agency;

b) The current and historic performance of the portfolio as compared to benchmarks established by the State Agency;

c) The asset allocation for the investments made by the State Agency;

d) Any circumstances resulting in a deviation from the standards established in Section 9.0 of this Policy; and

e) The impact of any material change in investment policy adopted during the month.

The State Agency shall provide performance reports in compliance with established industry reporting standards within six (6) months after the adoption of this Policy. Such reporting standards shall be in accordance with Generally Accepted Accounting Principles ("GAAP").

13.0 EXCEPTIONS

The Executive Management of the State Agency may issue exceptions to this Policy provided that they do not conflict with applicable State statutes governing the use and investment of the State Agency Investment portfolio including, but not limited to, the Deposit of State Moneys Act and the Public Funds Investment Act, and any other applicable statutes and it is reasonably assured that deviating from this Policy is in the best interest of the taxpayers.

14.0 EMERGENCY POWERS

In the event of an emergency, the Executive Management of the State Agency may, subject to the express written approval of the Illinois State Treasurer's Office, invoke emergency powers and suspend any or all of the provisions of this Policy, provided that:

a) The State Agency shall, even in the event that emergency powers are invoked, comply with all State statutes governing the use and investment of the State Agency Investment portfolio including, but not limited to, the Deposit of State Moneys Act, the Public Funds Investment Act and any other applicable statute;

b) The State Agency reasonably believes that deviating from this Policy is in the best interest of the taxpayers; and

c) Within thirty (30) days of invoking emergency powers the State Agency shall provide an explanation in writing to the Chief Internal Auditor of the State Agency, a copy of which shall be posted on the State Agency's website, that includes the following:

i. The date and time that the emergency powers were invoked;

ii. The date and time that emergency powers were repealed;

iii. The Section or Sections of this Policy that were affected by the emergency or use of emergency powers; and

iv. The reason for invoking emergency powers resulting in the deviation from this Policy.

15.0 STATUTORY REFERENCES

Any statutory references in this policy shall include any amendments to or repeals of those statutes.

16.0 AMENDMENTS

The Illinois State Treasurer's Office reserves the right to amend this Policy at any time.