

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION

EXECUTIVE DIRECTOR'S REPORT

STATE LEGISLATIVE UPDATE

In the absence of a budget deal for Fiscal Year 2008 and just in time for the June 30th end of Fiscal Year 2007, the General Assembly passed a one-month budget to ensure the continuation of government services during the month of July. The Governor signed House Bill 3920—now Public Act 95-11—on July 2nd, and it will remain effective through the 31st. This temporary budget should provide adequate spending authority for higher education institutions and agencies to continue operations without interruption through July.

As it became law, this bill authorized state spending at the FY07 level, minus the add-ons or “pork” and with a few exceptions (e.g., payments into the pension systems would be made at the FY08 level). With respect to higher education, the one-month plan authorizes a full year’s spending authority at the FY07 level. Because it largely mirrors the FY07 budget, the language does include contributions to MAP and MAP+ from ISAC’s Student Loan Operating Fund. However, this appropriation from SLOF is most likely a moot point; the agency does not generally spend for those programs during July, and the language has a repeal date of August 1, 2007.

FY2008 MAP AND SILAS PURNELL IIA APPLICATION VOLUME STATUS

As of July 6, 2007 the number of *announced* applicants, or completed applications from undergraduate Illinois residents planning to attend a MAP-approved school, totaled 244,716 compared to 244,061 last year, for a slight 0.3 percent increase. The number of *eligible* applicants is down 0.6 percent at 151,427 from 152,398 at this point in the FY2007 cycle. Staff currently anticipates the Commission will need to suspend MAP award announcements in mid to late August to avoid over committing the appropriation provided in state budget proposals. The table below shows application volume by school and applicant type.

Application volume for the Silas Purnell Illinois Incentive for Access (IIA) Program totaled 26,998, an increase of 6.1 percent over last year. IIA-eligible applicants are freshmen with limited family resources to pay for college. The expected \$8.2 million appropriation only enables the program to provide \$500 awards to students with a zero Expected Family Contribution. Staff expects the Commission will need to suspend IIA award announcements in early to mid-August.

Sector	Announced Applications			MAP-Eligible Applications		
	FY2007	FY2008	Change	FY2007	FY2008	Change
Public Universities	86,187	86,546	0.4%	45,802	45,622	-0.4%
Private Institutions	69,077	69,393	0.5%	40,753	40,970	0.5%
Community Colleges	77,935	78,165	0.3%	57,707	56,829	-1.5%
Proprietary Schools	10,862	10,612	-2.3%	8,136	8,006	-1.6%
Applicant Type						
Dependent Students	148,075	150,531	1.7%	73,234	74,078	1.2%
Independent Students	95,986	94,185	-1.8%	79,164	77,349	-2.3%
with Dependents	56,605	54,212	-4.2%	50,602	48,525	-4.1%
without Dependents	39,381	39,973	1.5%	28,562	28,824	0.9%
Zero-EFC Freshmen	--	--	--	25,452	26,998	6.1%
Total	244,061	244,716	0.3%	152,398	151,427	-0.6%

FY2007 MAP AND SILAS PURNELL IIA STATUS

As of July 6, 145,781 students had claimed \$380.7 million in MAP and late MAP claims totaled over \$3.0 million; together these amounts total 99.7% of the appropriation. The Commission suspended award announcements for applications received after August 25, 2006; 34,798 eligible applications were suspended.

Nearly all of the \$8.2 million IIA appropriation has been claimed as well; 20,464 students claimed \$7.9 million and late claims total nearly \$290,000. IIA award announcements were suspended on August 19, 2006 and 15,285 eligible applications were suspended. The table below shows the number of recipients, dollars paid, and the number of eligible applicants suspended by school and applicant type for both MAP and IIA.

Sector	Monetary Award Program			Silas Purnell IIA		
	# Paid	\$M Paid	Suspended	# Paid	\$M Paid	Suspended
Public Universities	43,290	\$148.7	3,458	2,570	\$1.1	442
Private Institutions	38,978	\$155.8	4,902	2,198	\$0.9	1,206
Community Colleges	56,620	\$55.8	23,158	14,555	\$5.4	12,338
Proprietary Schools	6,893	\$20.4	3,280	1,140	\$0.4	1,299
Applicant Type						
Dependent Students	77,812	\$244.4	8,947	9,678	\$4.0	3,645
Independent Students	67,969	\$136.3	25,851	10,785	\$3.9	11,640
with Dependents	42,869	\$72.6	17,700	--	--	--
w/out Dependents	25,100	\$63.7	8,151	--	--	--
Total	145,781	\$380.7	34,798	20,463	\$7.9	15,285

FY2007 MAP PLUS STATUS

As of July 6, 59,806 students had claimed \$26.6 million in MAP Plus funds. Award announcements were held for the 11,290 eligible applications received after September 18, 2006.

Sector	Monetary Award Program Plus		
	# Paid	\$M Paid	Held
Public Universities	31,343	\$14.1	4,155
Private Institutions	19,190	\$8.8	3,662
Community Colleges	7,904	\$3.1	2,490
Proprietary Schools	1,369	\$0.6	983
Total	59,806	\$26.6	11,290

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2007 APPROPRIATION SUMMARY REPORT
(July 1, 2006 - June 30, 2007)

	FY2007 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
<u>STATE GENERAL FUNDS</u>				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program	\$354,259,800	\$354,254,389	145,796	100.0%
Illinois Incentive for Access Grants	8,200,000	8,070,750	20,473	98.4%
Teacher Loan Forgiveness Program	500,000	399,472	91	79.9%
Minority Teacher Scholarships	3,100,000	2,897,808	601	93.5%
Illinois Future Teachers Corps Scholarships	4,100,000	3,780,842	566	92.2%
Student to Student Grants	950,000	949,975	N/A	100.0%
Dependents Grants	470,000	438,937	66	93.4%
National Guard Grants	4,480,000	4,464,816	1,999	99.7%
Illinois Veteran Grants	19,250,000	19,184,242	10,964	99.7%
Bonus Incentive Grants	650,000	648,920	942	99.8%
Forensic Science Scholarships	500,000	0	0	0.0%
Nurse Educator Scholarships	1,350,000	447,792	28	33.2%
Illinois Scholars Program	3,160,000	3,160,000	N/A	100.0%
TOTAL	\$400,969,800	\$398,697,944	181,526	99.4%
<u>SPECIAL REVENUE FUNDS</u>				
STUDENT LOAN OPERATING FUND				
Administration Expense (see detail on next page)	62,410,100	32,190,520	N/A	51.6%
Federal Loan System Development & Maintenance	5,000,000	681,822	N/A	13.6%
Higher Education Shared Service Center Expense	2,128,100	1,756,788	N/A	82.6%
Default Fees	15,000,000	9,405,171	N/A	62.7%
Monetary Award Program Plus Grants	34,400,000	26,946,500	59,810	78.3%
Monetary Award Program Grants	26,840,000	0	0	0.0%
TOTAL	\$145,778,200	\$70,980,800	59,810	48.7%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	190,000,000	166,154,761	N/A	87.4%
TOTAL	\$190,000,000	\$166,154,761	N/A	87.4%
SCHOLARSHIPS AND GRANTS				
Federal LEAP/SLEAP - Monetary Award Program	3,700,000	3,626,127	N/A	98.0%
Transfer to ED -Paul Douglas Funds Collected	400,000	0	N/A	0.0%
Federal Robert C. Byrd Fellowships	1,800,000	1,538,250	1,044	85.5%
TOTAL	\$5,900,000	\$5,164,377	1,044	87.5%
OTHER				
ISAC Accounts Receivables	300,000	53,532	N/A	17.8%
Higher Education License Plate Program	70,000	52,800	N/A	75.4%
Optometric Education Scholarship Program	50,000	50,000	10	100.0%
IVG- National Guard Grant Fund	20,000	0	0	0.0%
Illinois Future Teachers Corps Scholarship Fund	60,000	52,632	0	87.7%
Contracts and Grants Fund	70,000	17,680	N/A	25.3%
TOTAL, SPECIAL REVENUE FUNDS	\$342,248,200	\$242,526,583	10	70.9%
GRAND TOTAL	\$743,218,000	\$641,224,527	242,390	86.3%

ILLINOIS STUDENT ASSISTANCE COMMISSION

FISCAL YEAR 2007 APPROPRIATION REPORT

ADMINISTRATION

(July 1, 2006 - June 30, 2007)

STUDENT LOAN OPERATING FUND

Line Item	FY2007 Appropriation	Year-to-date Expended	% Expended
Personal Services	\$16,935,700	\$15,053,412	88.9%
Retirement	1,951,900	1,735,875	88.9%
Social Security	1,295,700	1,099,078	84.8%
Group Insurance	4,755,100	3,936,802	82.8%
Contractual Services	12,471,800	6,796,031	54.5%
Contractual - Collection Agency Fees	21,334,400	2,913,815	13.7%
Travel	208,300	87,462	42.0%
Commodities	265,200	71,392	26.9%
Printing	724,200	85,594	11.8%
Equipment	535,000	89,187	16.7%
Telecommunications	1,894,900	302,786	16.0%
Operation of Auto Equipment	37,900	19,086	50.4%
TOTAL	\$62,410,100	\$32,190,520	51.6%