

**AGENDA ITEM 6.**

**UPDATE ON FUTURE FINANCING**

**Submitted for:** Information

**Summary:** Agenda Item 5 at the July 29, 2002 Commission meeting approved a financing that closed on August 20, 2002. Staff anticipates the need to do an additional financing which should be concluded prior to the end of calendar 2002. Staff felt that it was important to inform the Commission about the proposed financing.

**Action requested:** None

**ILLINOIS STUDENT ASSISTANCE COMMISSION**  
**UPDATE ON FUTURE FINANCING**

**Introduction**

Staff wants to inform the Commission of a financing that staff has begun to work on. It is expected the financing will be brought to the Commission for final action at the November 8, 2002 meeting.

***FY2003 Financing #2.***

The financing which is estimated to be between \$150,000,000 and \$250,000,000 will provide capital for ongoing originations and purchases, including Alternative loans and Institution loans. Alternative loans represent non-Title IV loans and are used whenever it is necessary to borrow for educational expenses which exceed the limited amounts which are available under the government guaranteed loan program. Institution loans call for unique financing requirements in order for the Commission to lend money to schools which have chosen to make loans to their own students.

The team working on this financing is as follows:

Sr. Managing Underwriter:	Salomon Smith Barney
Co-Managing Underwriter:	to be determined
Bond Counsel:	Foley & Lardner
Underwriters' Counsel:	Alzheimer & Gray

An agenda item as well as financing documents will be submitted to the Commission for final approval before this financing is consummated.