

**AGENDA ITEM 5.**

**UPDATE ON FUTURE FINANCING**

**Submitted for:** Information

**Summary:** Agenda Item 5 at the September 24, 2004 Commission meeting approved a pre-qualified list of financing professionals who will assist the Commission on future bond financings. Final approval from the State of Illinois Department of Central Management Services (CMS) of the pre-qualified firms is required in order to engage any of the professionals to assist the Commission on a future financing. Staff continues to work with CMS in order to obtain their approval of the pre-qualified list of professionals. Staff anticipates the need to proceed with a financing which should be concluded prior to the end of January 2005. Staff felt that it is 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 on which work will soon begin. It is expected that the financing will be brought to the Commission for final action at the January 14, 2005 meeting.

***FY2005 Financing #1.***

The financing which is estimated to be between \$250,000,000 and \$350,000,000 will provide capital for ongoing originations and purchases, including Federal Family Education Loan Program loans, 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 proposed team for this financing is as follows:

Senior Managing Underwriter:	RBC Dain Rauscher, Inc.
Bond Counsel:	Kutak Rock LLP
Underwriter's Counsel:	Burke Burns & Pinelli, Ltd.

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