

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION

EXECUTIVE DIRECTOR'S REPORT

Marketing and Communications Update

April and May brought a flurry of Marketing and Communications activity:

Outreach and Access put on approximately 168 outreach events, combed through more than 800 resumes submitted for the 78 state-wide ISACorps positions, and made preparations for this summer's college access training boot camp. They also met with Chicago Public Schools' representatives to discuss the launch of the "What's Next Illinois" transcript initiative to serve students all over Illinois, and participated in 9 Money Smart Week in Chicago and Springfield/Bloomington presentations. Outreach/Access representatives also hosted a call-in show on financial aid on Chicago Access Network TV on May 13 from 3:30 to 4:30 pm.

State relations fulfilled over 40 General Assembly constituent inquiries (borrower or applicant), 7 Congressional constituent inquiries (borrower or applicant), 25 Governor constituent inquiries (borrower or applicant), 26 Personal inquiries (borrowers and applicants calling on their own behalf) 7 legislative office requests seeking MAP & Pell information for students applying for General Assembly scholarships and 3 media inquiries (handled or passed on with info. provided to Director of Media Affairs).

Additionally, the department worked with ICCB to arrange for staff from RPPA and Outreach & Access to talk with a group of community college staff to discuss the FAFSA matching arrangement between ISAC and CPS and how their "feeder" high schools could participate. They accomplished Passage of Senate Bill 325 (56-0-0 in the Senate and 114-2-0 in the House), facilitated preparations for the agency's House appropriations hearing and responses to committee members' questions, managed the post-committee response to questions raised during the agency's House appropriations hearing crafted or participated in crafting messages for legislators, their staff, and outside partners regarding the impact of possible budget shortfalls in the Monetary Award Program and other scholarships, grants, and pass-through and expedited the signature of Senate Bill 325.

The **publications** area distributed 32 e-Messages to a total of 13,336 subscribers, revised/added 940 pages to collegezone.com, and distributed 60,950 major program/process brochures. Also they completed posting the past five years of ISAC Data Books to e-Library of collegezone.com, completed building and began populating resource area for professionals who assist Spanish-speaking population, posted the 2009/10 Byrd Honors Scholars posted to the Student Zone.

The **College Illinois!® prepaid tuition plan** sales staff presented to 30 libraries, state agencies, colleges and village halls, and serviced hundreds of last-minute contract purchasers. They also did a concerted outreach to state employees and immediately began an outreach effort to all audiences who are still eligible for newborn enrollment. See marketing report for full general enrollment statistics.

ISAC had a tremendous **media** presence in April and May, with press releases and conferences regarding the \$100 million for student loans from Illinois Credit Unions, ISAC's Rosen "Word of Mouth Marketing" event, the promotion of *College Illinois!® 57 Reasons* promo (with Celtic, Inc.) and presence in Money Smart Week.

There were an average of almost two media contacts per day and activities centered around Senate Bill 325, the bill signing with Governor Quinn May 7, and the completion of the bond sale and purchase of 619 student loans May 28, and the second ICUL press conference which took place at the University of Illinois Credit Union in Champaign May 8, and ISAC garnered a television interview on WICD-TV, radio coverage, and placement in the News-Gazette.

Byrd Scholars were released on May 14, and a new format for the release included listing each recipient on the CollegeZone Web site. During graduation season, many weekly and daily newspapers included the Byrd Scholar reference in their graduation stories.

The month ended with 529 College Savings Day on May 29, in which ISAC's media affairs department issued a statement in support of event, using it to drive newborn enrollment. Coverage included newspapers and blogs, plus a story on Rockford TV, WREX-13.

Additional ISAC coverage included the Daily Herald (IDAPP.com), State Journal-Register, and Crain's in addition to local coverage in the Carmi Times, Lincoln Daily News, Naperville Sun, Shelbyville Daily Union, and LaSalle News-Tribune.

IDAPP and ISAC client services made a combined 30 calls on partner schools, and worked on communicating with schools on the effects of the loss of the FFELP program, arranging for loan disbursements, representing ISAC at the convention of the Illinois Credit Union League, and responding to Requests For Information from schools for academic year 09-10 lenders.

Media Update

Since the last ISAC Commission Meeting in April, media affairs efforts have focused on the major events affecting the commission: the securing of a \$100 million commitment from Illinois Credit Union League members for student loans, ISAC participation in Money Smart Week Chicago, loan rehabilitations and Senate Bill 325, Byrd Scholars, College Illinois! enrollment and the formation of the Illinois Student Assistance Corps.

April's media efforts began with the first of three press events in conjunction with the ICUL announcing \$100 million in student loans available from IDAPP. The press conference immediately followed the Commission Meeting at Harper C.C., and was hosted by Alliant. Press coverage included television outlets throughout the state and several stories on the radio, including an IIS radio network story.

Money Smart Week afforded another opportunity to speak to the topics of financial literacy as relates to college as well as College Illinois. Abel Montoya was interviewed by WGN-TV relative to the event. Additionally, "Money Smart" tips were developed and distributed to media outlets throughout Chicago; now they may be used for a variety of situations or media pitches. In fact, they were used on an April visit to Effingham in which ISAC representatives appeared live in-studio on WCRA-AM.

April was also end of regular enrollment for College Illinois, and media efforts included several press releases, coupled with radio appearances, including Andrew Davis appearance on WGN with Bill Moller.

May began and ended with Senate Bill 325: the bill signing with Governor Quinn May 7, and the completion of the bond sale and purchase of 619 student loans May 28, allowing these Illinoisans to clear their credit record of default. Coverage included television (via satellite), radio and print stories, including articles in the *Chicago Sun-Times*, *Bond Buyer*, *Pantagraph*, *Daily Illini* and more.

The second ICUL press conference took place at the U of I Credit Union in Champaign, and ISAC garnered a television interview on WICD-TV, radio coverage, and placement in the *News-Gazette*.

Byrd Scholars were released in May, and a new format for the release included listing each recipient on the CollegeZone Web site. During graduation season, many weekly and daily newspapers included the Byrd Scholar reference in their graduation stories.

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The ISAC Media Affairs division was actively engaged in the story of how the state budget proposal could negatively affect student financial aid for the state's college students, speaking with WUIS radio, *NY Times* and the *Pantagraph* (Front page, Sunday, June 14 with three stories) and generating statewide coverage via the Associated Press about the ramifications of the budget.

Finally, ISAC was responsive to the many media requests it had—from *Crain's* to CBS2 to *Chicago Tribune* to the *Sterling Daily Gazette* newspaper. ISAC's media affairs office averaged between 6-8 media requests per week since the last Commission meeting.

Legislative Report

A separate agenda item will address the most pressing state legislative issue at hand: the on-going discussions of Illinois' budget for Fiscal Year 2010, the beginning of which is looming just ahead of us on July 1st.

Thus far, the General Assembly approved **Senate Bill 2206** to grant ISAC and other agencies the authority to spend our non-state dollars, including for employee salaries, utilities, and our guaranty and lender functions—but they cut in *half* the state's support for student financial aid programs. One budget bill, **Senate Bill 1197**, would provide ISAC with a lump sum of about \$220 million to be allocated at the Commission's discretion among all of our scholarship and grant programs for FY10. For context, these programs would have been funded at a total of about \$440 million under the Governor's FY10 budget plan, and claims in the Monetary Award Program alone will equal around \$194 million—just for the fall term.

The General Assembly has not yet forwarded these bills to the Governor for consideration, but he has indicated his displeasure with the budget package, which he considers to be a “doomsday” scenario for education and social services, in particular.

Setting aside consideration of the budget for the moment, there were a number of other bills related to affordability that did pass the General Assembly this spring. Two of these were successful ISAC initiatives. **Senate Bill 325 (Maloney/Miller)**, as you know, secured the state's general obligation backing for a \$50 million issue of ISAC bonds to fund IDAPP's purchase of a portfolio of rehabilitated student loans from the U.S. Department of Education. The transaction allowed for ISAC to restore the credit of 619 borrowers on May 28th, with the expectation that 3,500 more rehabilitations will occur through the program over the next 18-24 months. The process also renewed ISAC's access to a stream of federal revenue worth more than \$1 million per month, payments for the labor-intensive, hands-on process of working with borrowers in the rehabilitation program.

Commission staff also worked with the Office of the Treasurer to draft and support **Senate Bill 77 (Clayborne/Verschoore)**, which creates a new tax incentive for employers and their employees to

contribute to the State of Illinois' 529 college savings and prepaid tuition programs. The bill would allow Illinois employers to claim a tax credit, up to a maximum of \$500 per participating employee per year, for one-fourth of the amount they contribute toward their employees' *College Illinois!*® prepaid tuition contracts or Bright Start or Bright Directions college savings plans. In advance of the bill's becoming law, our *College Illinois!* sales team has begun preparations to market the new tax incentive to employers, and our operational staff has begun determining whether any procedural modifications may be required.

Among the other bills that will affect ISAC operations in the future, one of the most momentous changes will be the elimination of the Illinois Future Teacher Corps program (IFTC). IFTC and the private, not-for-profit Golden Apple Scholars of Illinois program have similar goals - primary among them increasing the Illinois supply of qualified teachers. Both programs provide financial assistance to students working towards teacher certification, contingent on the student's pledge to teach after graduation. Broadly speaking, Golden Apple provides less annual financial support to its participants than IFTC does, but the private program accompanies the monetary award with opportunities for mentoring, training, and support that are not available through IFTC and that presumably lead to better retention rates after the participants begin teaching. Golden Apple does already receive state funding passed through ISAC today, but **HB 3999 (Flowers/Martinez)** would allow the Golden Apple Scholars of Illinois Program to gradually subsume the \$4.1 million in funding for IFTC, ultimately eliminating the state program. Fiscal Year 2012 would be the last year that IFTC scholarships would be available.

In addition to ISAC initiatives, a number of other measures regarding college affordability and student financial aid passed both houses or were adopted. Notable bills and resolutions include the following:

- **HB 574 (Turner/Schoenberg) & SB 266 (Schoenberg/Hoffman)** would create the Public Interest Attorney Assistance Act to encourage qualified individuals to enter into and continue in employment in Illinois as assistant state's attorneys, assistant public defenders, civil legal aid attorneys, assistant attorneys general, assistant public guardians, Illinois Guardianship and Advocacy Commission attorneys, and legislative attorneys. ISAC would establish rules, in consultation with an advisory committee of legal professionals, and would administer the program to help these attorneys repay education loans. Subject to appropriation of funds, ISAC would distribute funds in the form of forgivable loans to recipients who owe educational loans.
- **HB 168 (Coulson / Luechtefeld)** directs ISAC to award need-based grants to cover students' fees for participation in the Clinical Center Achieve Program at Southern Illinois University at Carbondale. Achieve provides academic support to students diagnosed with learning disabilities and/or ADD. The grant program is subject to the appropriation of funds, and none were specifically included in the FY10 budget bills that have advanced thus far.
- **SB 1698 (Kotowski/Hamos)** creates the Task Force on Higher Education Private Student Loans, which would be chaired by an appointee of the ISAC executive director with the Treasurer or a designee as co-chair. The task force would investigate questions such as the terms under which private loans are currently available to students in Illinois, how the terms affect accessibility and affordability, and the impact of private student loan debt on students after graduation. The task force would be required to report to the General Assembly with its findings and recommendations by December 31, 2010.
- **HB 174 (Burke/Bond) and SB 81 (Bond/Burke)**, initiatives of the Treasurer's Office that will have a negligible effect on *College Illinois!* participants, allow taxation of the amount previously contributed to a tax-exempt college tuition program administered by the State of Illinois if the money, when taken out of the program, is used for purposes other than qualified educational expenses and if the nonqualified expenses were not due to the death or disability of the beneficiary.

- One bill and one resolution strengthened the state’s explicit emphasis on higher education. **HB 4094 (Hatcher/Maloney)** requires the Board of Higher Education's master plan to include higher education affordability and accessibility measures. With **House Resolution 50 (Miller- J. Gordon – Boland - Pritchard)**, the House resolved that Illinois should make it a priority that up to two years of post-secondary education or training be available to all citizens in this State. (As introduced, HR 50 stated that the state must guarantee up to two years of postsecondary education for all Illinoisans.)
- Additional financial assistance programs to be administered by entities *other* than ISAC include a Veterinary Student Loan Repayment Program for the U of I (HB 364 - Reis / Frerichs), additional grant money for nurse educators through professional fees (HB 382 - Brosnahan / Maloney), and a Mental Health Graduate Scholarship Program (HB 1143 - Coulson/Collins). Each of these programs is contingent on the appropriation of funds.

In addition to the measures that did pass, one significant proposal failed to win the favor of both chambers this spring. **HB 150 (Miller / Maloney)** and **SB 37 (Maloney / Miller)** would have created the 21st Century Scholars Act, a combination of early intervention strategies and the promise of financial aid meant to improve college access and completion among low-income students. Based on Indiana’s program of the same name, the bill would allow 8th grade students to pledge to complete a prescribed curriculum, graduate from high school, file a FAFSA, and meet other requirements in exchange for full tuition and fee scholarships at Illinois postsecondary institutions. The Senate sponsor of the bills expressed a desire to revisit the proposal to better guarantee both that participants will be “college ready” upon graduation and that the promised scholarship funds will indeed be available to the participating students to whom they were pledged. ISAC will continue to work with representatives of the Chicago Public Schools, which spearheaded the proposal this year, the Board of Higher Education, the State Board of Education, and other entities to find ways to meet the goals of the 21st Century Scholars program.

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2009 APPROPRIATION SUMMARY REPORT
(July 1, 2008 - May 31, 2009)

	FY2009 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
<u>STATE GENERAL FUNDS</u>				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program	\$381,099,800	\$379,284,729	143,588	99.5%
Illinois Incentive for Access Grants	8,200,000	\$8,041,750	19,927	98.1%
Teacher Loan Forgiveness Program	500,000	\$496,008	113	99.2%
Minority Teacher Scholarships	3,100,000	\$2,639,835	555	85.2%
Illinois Future Teachers Corps Scholarships	4,100,000	\$3,940,034	518	96.1%
Student to Student Grants	950,000	\$631,319	0	66.5%
Dependents Grants	470,000	\$465,241	70	99.0%
National Guard Grants	4,480,000	\$2,017,630	944	45.0%
Illinois Veteran Grants	19,250,000	\$19,246,629	11,342	100.0%
Bonus Incentive Grants	325,000	\$324,060	367	99.7%
Nurse Educator Scholarships	1,350,000	\$1,294,284	75	95.9%
Nurse Educator Loan Repayment Program	1,000,000	\$286,108	61	28.6%
Veterans' Home Nurse Loan Repayment Program	1,220,000	\$23,843	8	2.0%
Illinois Scholars Program	3,160,000	\$3,160,000	N/A	100.0%
TOTAL	\$429,204,800	\$421,851,470	177,568	98.3%
<u>SPECIAL REVENUE FUNDS</u>				
STUDENT LOAN OPERATING FUND				
Administration Expense (see detail on next page)	61,845,800	30,001,269	N/A	48.5%
Federal Loan System Development & Maintenance	3,500,000	1,358,573	N/A	38.8%
Higher Education Shared Service Center Expense	2,128,100	1,669,726	N/A	78.5%
Default Fees	10,000,000	1,226,175	N/A	12.3%
TOTAL	\$77,473,900	\$34,255,743	0	44.2%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	260,000,000	178,909,122	N/A	68.8%
TOTAL	\$260,000,000	\$178,909,122	N/A	68.8%
SCHOLARSHIPS AND GRANTS				
Federal College Access Challenge Grant Program	5,000,000	0	N/A	0.0%
Federal LEAP/SLEAP - Monetary Award Program	4,200,000	4,022,605	N/A	95.8%
Transfer to ED -Paul Douglas Funds Collected	400,000	0	N/A	0.0%
Federal Robert C. Byrd Fellowships	3,000,000	1,810,715	1,227	60.4%
TOTAL	\$12,600,000	\$5,833,319	\$1,227	46.3%
OTHER				
ISAC Accounts Receivables	300,000	70,522	N/A	23.5%
Higher Education License Plate Program	70,000	53,075	N/A	75.8%
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	0	0	0.0%
Contracts and Grants Fund	1,500,000	58,074	N/A	3.9%
TOTAL, SPECIAL REVENUE FUNDS	\$352,073,900	\$219,229,854	10	62.3%
GRAND TOTAL	\$781,278,700	\$641,081,324	178,805	82.1%

ILLINOIS STUDENT ASSISTANCE COMMISSION

FISCAL YEAR 2009 APPROPRIATION REPORT

ADMINISTRATION

(July 1, 2008 - May 31, 2009)

STUDENT LOAN OPERATING FUND

Line Item	FY2009 Appropriation	Year-to-date Expended	% Expended
Personal Services	\$15,512,900	\$13,775,927	88.8%
Retirement	3,330,700	2,901,051	87.1%
Social Security	1,186,800	1,002,609	84.5%
Group Insurance	4,343,700	3,529,273	81.3%
Contractual Services	12,471,800	6,555,511	52.6%
Contractual - Collection Agency Fees	21,334,400	1,495,063	7.0%
Travel	208,300	83,052	39.9%
Commodities	265,200	84,628	31.9%
Printing	724,200	56,402	7.8%
Equipment	535,000	84,631	15.8%
Telecommunications	1,894,900	399,260	21.1%
Operation of Auto Equipment	37,900	33,861	89.3%
TOTAL	\$61,845,800	\$30,001,269	48.5%

ILLINOIS STUDENT ASSISTANCE COMMISSION
COLLEGE ILLINOIS!
TOTAL PROGRAM PERFORMANCE
May 2009 - FY 2009

APPROXIMATE INVESTMENT RETURN, 05/31/2009

	Ending Market Value	Total Funding Level	Fiscal Year-to- Date	Since Inception ³	Inception Date ⁴	Asset Allocation	One Month
Total Program	\$861,338,850	\$845,511,359	-15.6%	1.8%	7/6/1999	100.0%	3.3%
Policy Benchmark ¹			-15.6%	2.1%			4.0%
Actuarial Assumption ²			7.8%	7.9%			0.7%
Domestic Equity	\$298,752,658	\$371,838,563	-28.2%	-2.0%	7/6/1999	34.4%	4.6%
RhumbLine Advisors	89,998,847	127,937,035	-25.6%	-25.6%	6/10/2008	10.4%	4.9%
<i>Russell 1000 Growth</i>			-25.3%	-25.3%			5.0%
LSV Asset Management	24,866,371	15,702,824	-27.0%	-0.5%	2/13/2004	2.9%	5.7%
<i>Russell 1000 Value</i>			-28.5%	-1.9%			6.2%
SSgA S&P 500 Index Fund	108,249,077	130,000,000	-26.3%	-2.3%	7/6/1999	12.4%	5.6%
<i>S&P 500 Index</i>			-26.4%	-2.3%			5.6%
RhumbLine Advisors	37,410,748	34,524,968	-	1.4%	12/29/2008	4.3%	3.0%
<i>Russell 2000</i>			-26.1%	1.1%			3.0%
RhumbLine Advisors	38,227,617	63,673,736	-24.9%	-19.7%	2/28/2007	4.4%	2.2%
<i>Russell 2000 Value</i>			-25.0%	-19.8%			2.1%
International Equity	87,212,024	108,890,168	-29.6%	7.5%	10/1/2002	10.1%	12.3%
LSV Asset Management Internationa	45,871,943	70,064,167	-26.1%	-0.6%	11/4/2005	5.3%	12.8%
<i>MSCI EAFE (Gross Div)</i>			-30.6%	-2.4%			12.0%
State Street MSCI EAFE Index Fund	41,340,081	38,826,001	-	8.5%	12/17/2008	4.7%	11.8%
<i>MSCI EAFE (Gross Div)</i>			-30.6%	9.0%			12.0%
Domestic Fixed Income	\$386,148,137	\$348,774,359	5.7%	6.0%	7/6/1999	44.7%	1.2%
SSgA LB Aggregate Index	57,609,009	48,500,000	5.8%	4.6%	6/10/2005	6.6%	0.8%
<i>BARCAP Aggregate Index</i>			5.4%	4.5%			0.7%
C.S. Mckee Investment Managers	76,034,457	67,217,462	7.9%	8.9%	7/27/2007	8.8%	0.6%
PUGH Capital Management	32,528,059	28,590,505	9.0%	8.8%	7/25/2007	3.8%	1.3%
<i>BARCAP Aggregate Index</i>			5.4%	6.4%			0.7%
Piedmont Investment Advisors	30,201,207	29,249,852	4.0%	5.3%	8/2/2007	3.5%	1.3%
<i>BARCAP Aggregate Index</i>			5.4%	6.0%			0.7%
Galliard Capital Management	78,526,102	72,470,434	4.8%	5.4%	11/1/2006	9.1%	1.0%
Income Research & Management	80,925,197	73,305,537	4.9%	6.1%	11/1/2006	9.4%	2.1%
<i>BARCAP Intermediate Gov't/Credit</i>			4.8%	5.5%			0.7%
TIPS	30,324,106	29,440,569	-	-4.8%	7/29/2008	3.5%	1.9%
<i>BARCAP TIPS</i>			-1.6%	-1.1%			2.1%
Private Equity	12,712,500	12,712,500	-	0.9%	9/30/2008	1.5%	0.0%
Shorebank	12,712,500	12,712,500	-	0.9%	9/30/2008		0.0%
<i>Wilshire 5000</i>			-26.4%	-19.3%			5.2%
Interest and Dividends Account	3,305,824	3,295,769	-	0.2%	9/17/2008	0.4%	0.0%
<i>T-Bills</i>			0.9%	0.3%			0.0%
Cash Account⁵	\$78,402,358		1.8%	3.7%		9.0%	0.0%
<i>T-Bills</i>			0.9%	3.3%			0.0%

NOTE: Returns are preliminary and subject to revision pending the June 30, 2009 quarterly report.

The total funding level includes initial dollars funded and any monthly contributions as well as withdrawals.

1 The Policy Benchmark is 20% S&P 500 Index, 18% BarCap Aggregate, 16% BarCap Intermediate Government/Credit, 5% Russell 2000, 5% Russell 2000 Value, 10% Russell 1000 Value, 10% Russell 1000 Growth, 10% MSCI EAFE, 5% BarCap TIPS, and 1% T-Bills.

Prior to December 31, 2008, the Policy Benchmark was 40% S&P 500 Index, 18% BarCap Aggregate, 16% BarCap Intermediate Government/Credit, 10% Russell 2000, 5% Russell 2000 Value, 10% MSCI EAFE, and 1% T-Bills.

Prior to December 31, 2007, the Policy Benchmark was 45% S&P 500 Index, 18% LB Aggregate, 16% LB Intermediate Government/Credit, 10% Russell 2000, 5% Russell 2000 Value, 5% MSCI EAFE, and 1% T-Bills.

Prior to December 31, 2005, the Policy Benchmark was 45% S&P 500 Index, 18% Lehman Aggregate, 15% LB Intermediate Government/Credit, 10% Russell 2000, 5% Russell 2000 Value, 5% MSCI EAFE, and 2% T-Bills.

Prior to March 31, 2004, the Policy Benchmark was 45% S&P 500, 10% Russell 2000, 5% MSCI EAFE, 25% Lehman Aggregate, 13% Lehman Intermediate Government/Credit, and 2% T-Bills.

Prior to September 30, 2002, the Policy Benchmark was 50% S&P 500, 10% Russell 2000, 38% Lehman Aggregate and 2% T-Bills.

Prior to September 30, 2001, the Policy Benchmark was 50% S&P 500, 47% LB Aggregate, 3% T-Bills.

2 Actuarial assumption was revised to 8.5% effective 7/1/08. Prior to 7/1/08 actuarial assumption was 8.0%. Prior to 6/1/06 actuarial assumption was 7.75%.

Prior to 7/01/02 actuarial assumption was 8.0%.

3 Annualized if over one year.

4 All returns are as of the beginning of the first full month of performance.

5 Market value includes cash balance in the US Bank securities lending account as well as the balances in the transition accounts.

ILLINOIS STUDENT ASSISTANCE COMMISSION

COLLEGE ILLINOIS!

SOURCES AND USES REPORT

May 2009 - FY 2009

BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 07/01/08

Cash at Custodians	\$5,997,576
ISAC-Securities Lending Income	\$764,547
Securities Lending Collateral Loss	(\$3,247,416)
SSgA S&P 500 Index Fund	146,887,668
LSV Asset Management - International	97,342,509
Denver Investment Advisors	45,504,548
Nicholas-Applegate Small Cap Core	48,658,981
Income Research & Management	81,122,381
LSV Asset Management	36,189,939
SSgA Passive LB Aggregate Index Fund	54,472,113
Galliard Capital	80,793,114
RhumbLine Advisors	52,696,606
Pugh Capital Management	30,938,032
C.S. McKee Investment Manager	76,402,793
Piedmont Advisors	30,960,141
Great Lakes Advisors	39,391,965
Earnest Partners LLC	39,331,329
RhumbLine Advisors Large Cap Growth	126,133,656

TOTAL BEGINNING BALANCE

\$990,340,482

SOURCES OF FUNDS

Contributions received	\$95,595,905
Application and other fees	1,869,064
Interest from Treasury and Banks	121,075

TOTAL SOURCES

\$97,586,044

USES OF FUNDS

Administrative Expenses	\$6,256,924
Unrealized Loss on Investment	93,909,559
Realized Loss on Investments	62,728,289
Securities Lending Collateral Loss	2,253,130
Refunds to Purchasers	7,704,096
Tuition Payments	51,788,553
Investment Expense	1,947,124

TOTAL USES

\$226,587,675

ENDING MARKET VALUE TOTAL FUNDS BALANCE, 05/31/09

Cash at Custodians	\$44,594,257
Securities Lending Income	305,892
Securities Lending Collateral Loss	(5,500,546)
SSgA S&P 500 Index Fund	108,249,077
LSV Asset Management - International	45,871,943
SSgA MSCI EAFE	41,340,081
LSV Asset Management	24,866,371
SSgA Passive LB Aggregate Index Fund	57,609,009
ISAC-TIPS	30,324,106
Income Research & Management	80,925,197
Galliard Capital	78,526,102
RhumbLine Advisors	38,227,617
C.S. Mckee Investment Managers	76,034,457
Pugh Capital Management	32,528,059
Piedmont Investment Advisors	30,201,207
RhumbLine Advisors Small Cap Russell 2000	37,410,748
RhumbLine Advisors Large Cap Growth	89,998,847
Interest and Dividends Account	3,305,824
Shorebank Corp	12,712,500
Transition Account II	33,808,101

TOTAL ENDING BALANCE 861,338,850 **\$861,338,850**

NUMBER AND DOLLAR VALUE OF PLANS, 05/31/2009

Number of Plans:

Plans Paid in Full	44,247
Active Plans	13,882
Cancelled Plans	7,862
Suspended Plans	44

Total Number of Plans 66,035

Purchased Value of all Plans \$1,469,453,211

Active Plan : Plan which has been approved and contract payments are being made.

Cancelled Plan : Plan that has been terminated either at the request of the purchaser or involuntarily due to delinquency, fraud, etc.

Suspended Plan : Plan with an incomplete application or other outstanding omissions; a plan with this status is inactive.

Below is a summary of IDAPP's investments as of April 30, 2009

Summary		Par Value	Market Value	%	Yield	
					YTM	Current
Citi Trust	Federal Prime Cash Obligation #851	\$ 16,845,617	\$ 16,845,617	11.30	0.870	0.815
UBS Trust	Federal Prime Cash Obligation #851	\$ 22,277,881	22,277,880.68	14.95	0.870	0.815
UBS Trust	B of A Corp Medium Term Nts	\$ 5,010,240	5,003,500.00	3.36	1.110	1.110
UBS Trust	Citi Group Fdg Inc Medium Term	\$ 2,012,088	\$ 2,009,960	1.35	0.950	0.950
UBS Trust	Federal Farm Cr Bks Cons	\$ 10,221,350	10,218,750.00	6.86	2.715	2.715
UBS Trust	Federal Home Ln Bks Deb	\$ 10,709,750	10,770,750.00	7.19	1.493	1.493
UBS Trust	Federal National Mtg Assoc	\$ 11,512,670	11,554,687.50	7.72	1.440	1.440
UBS Trust	Federal National Mtg Assoc	\$ 5,229,200	5,196,875.00	3.51	2.390	2.390
UBS Trust	Florida State BRD Ed Pub Ed	\$ 1,568,175	1,546,050.60	1.05	4.920	4.920
UBS Trust	Goldman Sachs Grp Inc FDIC	\$ 4,989,050	5,019,700.00	3.35	1.440	1.440
UBS Trust	King City Wash Sch Dist # 403	\$ 266,075	264,735.00	0.18	4.270	4.270
UBS Trust	Massachusetts St Health & Edl	\$ 1,559,700	1,549,180.00	1.05	4.785	4.785
UBS Trust	Morgan Stanley FDIC Gtd Tlgp	\$ 6,016,542	6,015,590.00	4.04	2.500	2.500
UBS Trust	New Jersey St Edl Facs Auth	\$ 4,006,000	3,910,760.00	2.69	4.490	4.490
UBS Trust	New York NY City Transitional	\$ 302,700	300,657.00	0.20	4.980	4.980
UBS Trust	US Treasury (<10yrs)	\$ 8,425,765	8,354,785.50	5.65	(0.105)	(0.105)
UBS Trust	US Treasury (>10yrs)	\$ 5,236,232	5,104,007.14	3.51	2.010	2.010
UBS Trust	Virginia St Hsg Dev Auth	\$ 246,750	241,650.00	0.17	4.750	4.750
UBS Trust	Columbia Treasury Res-Advisor D Class Shares	\$ 6,359,087	6,359,087.00	4.27	0.988	0.010
IDAPP	Columbia Treasury Res-Advisor D Class Shares	\$ 1,299	1,299.03	0.00	0.988	0.010
UBS Trust	JP Morgan 100% US Treasury MM Fund-Morgan	\$ 4,576,577	4,576,577.00	3.07	0.532	-
Credit Union	JP Morgan 100% US Treasury MM Fund-Morgan	\$ 885,405	885,405.00	0.59	0.532	-
Credit Union	Wells Fargo Advantage Govt	\$ 3,652,260	3,652,260.23	2.45	0.423	0.177
Credit Union	Fed Home Ln Mtg Corp Dic Note	\$ 2,988,865	2,992,800.00	2.01	0.360	0.360
Credit Union	Fed Home Ln Zero Cpn	\$ 7,154,700	7,139,700.00	4.80	2.870	2.870
Credit Union	Federal Nat'l MTG Assn	\$ 2,518,250	2,517,500.00	1.69	1.710	1.710
Credit Union	Stanford University	\$ 3,000,075	2,995,260.00	2.01	4.710	4.710
IDAPP	MM Obligation Trust Gov't Obligations	\$ 1,412,740	1,412,740.17	0.95	1.221	0.259
IDAPP	GNMA	\$ 54,857	54,857.00	0.04	12.00	12.00
		149,039,901	148,772,621	100.00		

		<u>Due < one year</u>	<u>Due > five years & < ten years</u>	<u>Due > ten years</u>
Citi Trust	Federal Prime Cash Obligation #851	\$ 16,845,617		
UBS Trust	Federal Prime Cash Obligation #851	\$ 22,277,881		
UBS Trust	B of A Corp Medium Term Nts		\$ 5,010,240	
UBS Trust	Citi Group Fdg Inc Medium Term		\$ 2,012,088	
UBS Trust	Federal Farm Cr Bks Cons		\$ 10,221,350	
UBS Trust	Federal Home Ln Bks Deb		\$ 10,709,750	
UBS Trust	Federal National Mtg Assoc		\$ 11,512,670	
UBS Trust	Federal National Mtg Assoc			\$ 5,229,200
UBS Trust	Florida State BRD Ed Pub Ed			\$ 1,568,175
UBS Trust	Goldman Sachs Grp Inc FDIC		\$ 4,989,050	
UBS Trust	King City Wash Sch Dist # 403			\$ 266,075
UBS Trust	Massachusetts St Health & Edl		\$ 1,559,700	
UBS Trust	Morgan Stanley FDIC Gtd Tlgp		\$ 6,016,542	
UBS Trust	New Jersey St Edl Facs Auth			\$ 4,006,000
UBS Trust	New York NY City Transitional			\$ 302,700
UBS Trust	US Treasury		\$ 8,425,765	
UBS Trust	US Treasury			\$ 5,236,232
UBS Trust	Virginia St Hsg Dev Auth		\$ 246,750	
UBS Trust	Columbia Treasury Res-Advisor D Class Shares	\$ 6,359,087		
IDAPP	Columbia Treasury Res-Advisor D Class Shares	\$ 1,299		
UBS Trust	JP Morgan 100% US Treasury MM Fund-Morgan	\$ 4,576,577		
Credit Union	JP Morgan 100% US Treasury MM Fund-Morgan	\$ 885,405		
Credit Union	Wells Fargo Advantage Govt	\$ 3,652,260		
Credit Union	Fed Home Ln Mtg Corp Dic Note		\$ 2,988,865	
Credit Union	Fed Home Ln Zero Cpn			\$ 7,154,700
Credit Union	Federal Nat'l MTG Assn		\$ 2,518,250	
Credit Union	Stanford University		\$ 3,000,075	
IDAPP	MM Obligation Trust Gov't Obligations	\$ 1,412,740		
IDAPP	GNMA		\$ 54,857	
		56,010,866	67,706,252	25,322,782
		\$ 149,039,900		

ILLINOIS STUDENT ASSISTANCE COMMISSION
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
April 30, 2009

	<u>CURRENT MONTH</u>	<u>PREV. MONTH</u>	<u>FY TO DATE</u>	<u>CUMULATIVE</u>
<u>Disbursements:</u>				
<i>Student Loan Originations & Purchases</i>				
Average Borrower Indebtedness	\$ 15,566	\$ 15,733	\$ 14,777	\$ 6,082
Number of Borrowers	109	341	6,476	1,517,245
Total Originations & Purchases	\$ 1,692,543	\$ 5,364,988	\$ 95,692,436	\$ 9,227,257,161
<i>Operating Expenses</i>	\$ 1,652,399	\$ 1,348,441	\$ 13,351,148	\$ 508,578,158
<u>Collections:</u>				
Principal - Student	\$ 3,544,077	\$ 7,916,214	\$ 70,377,600	\$ 4,556,078,326
Interest - Student	\$ 2,128,859	\$ 2,329,094	\$ 22,297,018	\$ 766,452,024
Principal - Guarantor	\$ 2,128,230	\$ 1,948,590	\$ 20,169,851	\$ 958,390,955
Interest - Guarantor	\$ 97,730	\$ 100,571	\$ 1,165,739	\$ 61,338,076
Federal Interest Benefits	\$ 507,500	\$ 860,346	\$ 7,116,869	\$ 291,867,686
Special Allowance (Excess Interest)	\$ (1,197,400)	\$ (487,435)	\$ (4,494,182)	\$ 238,213,033
<u>Summary:</u>				
Total Principal	\$ 5,672,307	\$ 9,864,804	\$ 90,547,452	\$ 5,514,469,280
Total Interest	\$ 2,734,089	\$ 3,290,011	\$ 30,579,626	\$ 1,119,657,785
Total Special Allowance	\$ (1,197,400)	\$ (487,435)	\$ (4,494,182)	\$ 238,213,033
 TOTAL COLLECTIONS	 <u>\$ 7,208,996</u>	 <u>\$ 12,667,380</u>	 <u>\$ 116,632,896</u>	 <u>\$ 6,872,340,098</u>