

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2002 APPROPRIATION SUMMARY REPORT
(July 1, 2001 - June 30, 2002)

	FY2002 Appropriation	Year-to-date Expended	Number of Recipients	% Expended
STATE GENERAL FUNDS				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program*	\$367,528,300	\$366,645,519	140,072	99.8%
MAP Reserve Fund *	6,500,000	3,434,925	0	52.8%
Illinois Veteran Grants	20,000,000	17,840,975	11,765	89.2%
National Guard Grants	4,500,000	3,378,547	2,021	75.1%
Merit Recognition Scholarships	5,800,000	5,229,500	5,319	90.2%
Minority Teacher Scholarships	3,100,000	2,582,976	552	83.3%
DeBolt Teacher Shortage Scholarships	2,900,000	2,613,483	553	90.1%
Student to Student Grants	1,000,000	496,687	217	49.7%
Bonus Incentive Grants	620,000	572,500	1,422	92.3%
Quern Information Technology Grants	3,000,000	2,873,963	1,175	95.8%
Descendants Program Grants	250,000	194,023	55	77.6%
Illinois Incentive for Access	8,000,000	7,550,300	20,688	94.4%
TOTAL	\$423,198,300	\$413,413,398	183,839	97.7%
ADMINISTRATION AND OUTREACH				
Administration (see detail on next page)	6,504,000	6,063,828	N/A	93.2%
ReEngineer & ReDesign Information System	250,000	0	N/A	0.0%
Adult Learner Outreach	300,000	202,894	N/A	67.6%
Contracts and Grants	20,000	0	N/A	0.0%
Higher EdNet Clearinghouse	65,000	49,636	N/A	76.4%
TOTAL	\$7,139,000	\$6,316,358		88.5%
TOTAL, STATE GENERAL FUNDS	\$430,337,300	\$419,729,756		97.5%
SPECIAL REVENUE FUNDS				
STUDENT LOAN OPERATING FUND				
Refunds	1,600,000	682,277	N/A	42.6%
Loan Based Solutions Project	7,500,000	6,449,460	N/A	86.0%
Working Capital Transfer	13,000,000	0	N/A	0.0%
Default Aversion Activities	1,500,000	351,810	N/A	23.5%
Administration (see detail on next page)	37,125,800	28,052,563	N/A	75.6%
TOTAL	\$60,725,800	\$35,536,109		58.5%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	150,000,000	109,795,704	N/A	73.2%
Transfer to SLOF-Default Prevention Fees	5,000,000	3,268,379	N/A	65.4%
Collection owed to ISAC	71,200,000	9,710,814	N/A	13.6%
Federal Reserve Recall	8,400,000	8,030,665	N/A	95.6%
TOTAL	\$234,600,000	\$130,805,563		55.8%
SCHOLARSHIPS AND GRANTS				
Federal SSIG - Monetary Award Program *	3,100,000	2,970,878	0	95.8%
Federal Robert C. Byrd Fellowships	1,800,000	1,673,188	1,140	93.0%
TOTAL	\$4,900,000	\$4,644,065	1,140	94.8%
OTHER				
ISAC Accounts Receivables	300,000	107,728	N/A	35.9%
Higher Education License Plate Program	70,000	45,725	N/A	65.3%
TOTAL, SPECIAL REVENUE FUNDS	\$300,595,800	\$171,139,190		56.9%
GRAND TOTAL	\$730,933,100	\$590,868,946	184,979	80.8%
* Monetary Award Program Total, All Funds	\$377,128,300	\$373,051,321.34	140,072	98.92%

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2002 APPROPRIATION REPORT
ADMINISTRATION
(July 1, 2001 - June 30, 2002)**

Line Item	STATE GENERAL FUNDS			STUDENT LOAN OPERATING FUND			TOTAL		
	FY2002 Appropriation	Year-to-date Expended	% Expended	FY2002 Appropriation	Year-to-date Expended	% Expended	FY2002 Appropriation	Year-to-date Expended	% Expended
Personal Services	\$2,918,900	\$2,914,189	99.8%	\$12,687,200	\$11,255,757	88.7%	\$15,606,100	\$14,169,946	90.8%
Employee Retirement Paid by State	116,700	114,649	98.2%	507,500	437,391	86.2%	624,200	552,040	88.4%
Retirement	293,000	292,671	99.9%	1,273,800	1,129,311	88.7%	1,566,800	1,421,982	90.8%
Social Security	222,880	216,141	97.0%	970,600	820,917	84.6%	1,193,480	1,037,057	86.9%
Group Insurance	0	0	0	2,400,000	2,217,087	92.4%	2,400,000	2,217,087	92.4%
Contractual Services	2,494,800	2,271,090	91.0%	11,642,500	6,448,797	55.4%	14,137,300	8,719,887	61.7%
Contractual - Collection Agency Fees	0	0	0.0%	5,000,000	4,281,777	85.6%	5,000,000	4,281,777	85.6%
Travel	43,000	31,031	72.2%	185,000	113,296	61.2%	228,000	144,327	63.3%
Commodities	50,600	36,440	72.0%	228,200	119,007	52.2%	278,800	155,447	55.8%
Printing	120,720	37,487	31.1%	301,500	127,422	42.3%	422,220	164,908	39.1%
Equipment	89,200	0	0.0%	500,000	285,265	57.1%	589,200	285,265	48.4%
Telecommunications	147,400	145,793	98.9%	1,399,500	787,799	56.3%	1,546,900	933,591	60.4%
Operation of Auto Equipment	6,800	4,339	63.8%	30,000	28,737	95.8%	36,800	33,075	89.9%
TOTAL	\$6,504,000	\$6,063,828	93.2%	\$37,125,800	\$28,052,563	75.6%	\$43,629,800	\$34,116,391	78.2%

ILLINOIS STUDENT ASSISTANCE COMMISSION
Federal Student Loan Reserve Fund (FSLRF)
Comparative Sources and Uses Report
October 2001 - May 2002 - FFY 2002

	2002	2001
BEGINNING CASH BALANCE, 10/01/01	\$56,760,842	\$64,132,638
Sources of Funds		
Collections***	32,163,425	0
Share of Collections from SLOF*	0	28,920,939
Repurchases, Rehabs & Consolidations	10,017,824	0
Share of Repurchases, Rehabs & Consolidations	0	10,114,098
Non- Reinsurable Claims	498,514	0
Collection Cost Waived	73,433	0
SPA Payments	419,122	0
Reinsurance**	81,068,286	61,757,451
IRS Offsets	552,352	262,572
Risk Sharing	0	257,175
Guarantee Fees	0	752
Interest on Investment	878,179	2,168,755
Miscellaneous Income	3,936	8,650
Total Sources	125,675,071	103,490,392
Uses of Funds		
Reimbursements to Lenders	86,817,819	64,681,629
Borrower Refund	404,022	0
Funds Remitted to ED-Default collections	22,294,163	26,953,781
Funds Remitted to ED-Repurch/Rehabs/Consol**	7,276,179	10,539,710
SLOF Retention-Default collections***	7,104,560	0
SLOF Retention-Repurch/Rehabs/Consol***	1,686,796	0
Transfer to SLOF - AMF	478,205	414,908
IRS Offsets Refunded	817,595	1,102,281
Default Aversion Fee	1,916,638	1,577,336
Transfer to Federal Reserve Recall Fund	8,030,665	4,913,665
Total Uses	136,826,642	110,183,310
ENDING CASH BALANCE, 05/31/02	\$45,609,271	\$57,439,723
ACCRUAL ADJUSTMENTS		
DUE TO/FROM ED		
Due From ED		
Reinsurance Claims Filed	18,510,059	18,126,069
Total Due from ED	18,510,059	18,126,069
Due To ED		
Collections Share	(6,456,023)	(5,847,105)
Reinsurance Repayments	(2,337,192)	(3,420,971)
Other	(950,325)	(950,325)
Total Due to ED	(9,743,540)	(10,218,401)
Net Due from ED	8,766,519	7,907,668
OTHER ADJUSTMENTS		
Due from Agency Operating Fund	13,000,000	13,000,000
ED Share due from SLOF	0	890,535
Due to SLOF(Form 2000)	(1,347,362)	0
Cost of Collection due from SLOF	416,216	0
DAF Deferred Charges	4,579,494	3,236,603
DAF Payable	(157,726)	(2,655,432)
Other Receivable	644,776	782,063
Vouchers Payable-Lender Reimbursements	(2,096,095)	(2,040,128)
Total Other Adjustments	15,039,303	13,213,641
ADJUSTED FUND BALANCE, 05/31/02	\$69,415,093	\$78,561,032

* SLOF - Student Loan Operating Fund

** Beginning FFY 00, Reinsurance received and Repurchases/Rehabs & Consolidations paid are reported at gross amount.

***Beginning July 2001, the default collections, repurchases rehabs and consolidations are deposited into the FSLRF as opposed to the SLOF

ILLINOIS STUDENT ASSISTANCE COMMISSION
Student Loan Operating Fund (SLOF)
Comparative Sources and Uses Report
October 2001 - May 2002 - FFY 2002

	2002	2001
BEGINNING CASH BALANCE, 10/01/01	\$32,172,504	\$30,759,296
Sources of Funds		
Collections	0	34,861,045
SLOF Retention-Default Collections*	7,104,560	0
Direct Consolidation Cost	9,990,136	15,470,219
Prior Year Default Collections-Suspense-	234,709	0
Loan Processing & Issuance Fee	4,122,769	1,711,308
Account Maintenance Fee	4,402,460	3,939,961
Default Aversion Fee	1,916,639	1,577,336
Interest on Investment	711,068	1,443,150
Repurchases, Rehabs & Consolidations	0	11,929,160
SLOF Retention-Repurch/Rehabs/Consolidations*	1,692,089	0
Miscellaneous Income	91,511	7,560
Total Sources	30,265,942	70,939,739
Uses of Funds		
ED's share of Repurchases, Rehabs & Consolidation.	0	10,114,101
ED's share of Collections	0	28,920,941
Collection Cost Waived	73,433	0
Administrative Expenses	25,928,840	31,404,673
Non- Reinsurable Claims	498,514	0
SPA Payments	419,122	0
Borrower Refund	111,405	0
Risk sharing	0	257,173
Total Uses	27,031,314	70,696,887
ENDING CASH BALANCE, 05/31/02	\$35,407,131	\$31,002,147
ACCRUAL ADJUSTMENTS		
DUE TO/FROM ED		
Due From ED		
Loan Processing & Issuance Fees	322,336	1,884,592
Account Maintenance Fees	892,782	807,239
Total Due from ED	1,215,118	2,691,831
Due To ED		
Working Capital borrowed	(13,000,000)	(13,000,000)
Due to ED Form 2000	0	(890,535)
Share of Collections Pending	0	(644,397)
Total Due to ED	(13,000,000)	(14,534,932)
Net Due from ED	(11,784,882)	(11,843,101)
OTHER ADJUSTMENTS		
Due to Illinois GRF	(6,548)	(7,146)
SLOF Share Form 2000	1,347,362	0
Due to FSLRF Cost of Collection	(416,216)	0
DAF Receivable	157,726	2,655,432
DAF Deferred Revenue	(4,579,494)	(3,236,603)
Interest on Investment	78,927	155,769
Fixed Assets	999,921	0
Vouchers Payable-Administrative Expenses	(2,830,268)	(442,816)
Other Payable	(303,068)	(431,928)
Total Other Adjustments	(5,551,658)	(1,307,292)
ADJUSTED FUND BALANCE, 05/31/02	\$18,070,591	\$17,851,752

*Beginning July 2001, the default collections, repurchases rehabs and consolidations are deposited into the FSLRF as opposed to the SLOF. Therefore beginning July 2001, the SLOF will only account for the agency's share of collections.

**ILLINOIS STUDENT ASSISTANCE COMMISSION
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
May 31, 2002**

	<u>CURRENT MONTH</u>	<u>PREV. MONTH</u>	<u>FY TO DATE</u>	<u>CUMULATIVE</u>
<u>Disbursements:</u>				
Student Loan Originations & Purchases				
Average Borrower Indebtedness	\$6,418	\$5,719	\$5,584	\$5,104
Number of Borrowers	4,624	11,395	114,702	800,095
Total Originations & Purchases	\$29,677,532	\$65,162,399	\$640,511,823	\$4,083,470,121
Operating Expenses	\$2,707,196	\$4,117,796	\$28,946,825	\$226,980,157
<u>Collections:</u>				
Principal - Student	\$25,129,931	\$31,540,596	\$296,465,378	\$1,539,220,007
Interest - Student	4,559,883	4,889,953	51,792,953	448,448,833
Principal - Guarantor	6,014,638	4,426,882	44,980,967	621,128,644
Interest - Guarantor	320,502	268,955	2,922,919	42,517,484
Federal Interest Benefits	2,020,809	2,970,410	23,436,954	154,804,432
Special Allowance	1,618,057	266,251	6,011,731	95,070,982
<u>Summary:</u>				
Total Principal	\$31,144,569	\$35,967,478	\$341,446,345	\$2,160,348,651
Total Interest	6,901,194	8,129,318	78,152,826	645,770,749
Total Special Allowance	1,618,057	266,251	6,011,731	95,070,982
	<u>\$39,663,820</u>	<u>\$44,363,047</u>	<u>\$425,610,902</u>	<u>\$2,901,190,382</u>

ILLINOIS STUDENT ASSISTANCE COMMISSION

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Sources and Uses Report

July 2001 – May 2002 - FY 2002

BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 7/01/01

Cash at Custodians and ISAC	\$4,472,174
SSgA S&P 500 Index Fund	42,222,368
Brinson Partners Core Fixed Income	61,209,223
William Blair & Co.	19,888,269
SSgA Russell Value Fund	27,146,139

Total Beginning Balance **\$154,938,173**

Sources of Funds

Contributions received	69,453,692
Application and other fees	1,968,736
Interest from Treasury and Banks	151,434
Unrealized Interest on Investments	4,322,429

Total Sources 75,896,291

Uses of Funds

Administrative Expenses	3,040,671
Interest on Notes	15,066
Refunds to Purchasers	1,438,831
Unrealized Loss on Investments	3,102,790

Total Uses 7,597,358

ENDING MARKET VALUE TOTAL FUNDS BALANCE, 05/31/02

Cash at Custodians and ISAC	\$37,551,469
SSgA S&P 500 Index Fund	31,899,297
UBS/Brinson Partners Core Fixed Income	71,734,104
William Blair & Co.	23,915,893
Osprey Partners	37,754,803
Wasatch Advisors	20,381,540

Total Ending Balance **\$223,237,106**

ILLINOIS STUDENT ASSISTANCE COMMISSION

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**Total Program – Performance
July 2001 – May 2002 - FY 2002**

APPROXIMATE INVESTMENT RETURN, 05/31/02

	<u>Ending</u> <u>Market Value</u>	<u>Fiscal</u> <u>Year-to-Date</u>	<u>Since</u> <u>Inception**</u>
Total Program	\$223,237,106	0.6%	0.5%
Policy Benchmark*		-0.5%	1.1%
Actuarial Assumptions		7.3%	8.0%
Domestic Equity	\$113,951,532	-4.9%	-5.3%
William Blair & Co.	23,915,893	-13.9%	N/A
SSgA S&P 500 Index Fund	31,899,297	-11.7%	-7.4%
Osprey Partners***	37,754,803	1.2%	N/A
Wasatch Advisors***	20,381,540	28.2%	N/A
Russell 1000 Growth		-19.0%	-13.7%
S&P 500 Index		-11.7%	-7.1%
Russell 1000 Value		-3.4%	-1.0%
Russell 2000		-3.8%	3.5%
Domestic Fixed Income	\$71,734,104	7.9%	8.1%
UBS/Brinson Partners Core Fixed Income	71,734,104	7.9%	8.1%
Lehman Aggregate Index		7.7%	8.0%
Cash Account	\$37,551,469	2.3%	4.7%
T-Bills		2.0%	4.3%

Note: Returns are preliminary and subject to revision pending the June 30, 2002 quarterly report.

*As of September 30, 2001 the Policy Benchmark is 50% S&P 500, 10% Russell 2000, 38% Lehman Aggregate and 2% T-Bills. Previously, the benchmark was 50% S&P 500, 47% Lehman Aggregate and 3% T-bills

**Benchmark returns are from 7/1/99. Manager returns are from 7/6/99.

***Initial funding for these two managers occurred September 7, 2001, so the fiscal year-to-date performance reported here is actually from September 7 through February 28, 2002.

NUMBER AND DOLLAR VALUE OF PLANS, 05/31/02

Number of Plans

Plans Paid in Full	12,548
Active Plans	13,162
Cancelled Plans	2,899
Suspended Plans	36

Total Number of Plans 28,645

Purchased Value of all Plans \$454,849,398

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.