

EXECUTIVE DIRECTOR'S REPORT

State Legislative Update

All bills affecting student aid that passed both houses have been signed into law by Governor Blagojevich, with the exception of duplicative bills.

House Bill 3877 (Brady, D./Brady, B.)

Public Act 93-738

Limits the tuition rate at public universities for persons on active duty and stationed in Illinois and dependents of those persons to the tuition rate for Illinois residents. Effective July 1, 2004.

House Bill 4491 (Moffitt/Jacobs)

Public Act 93-825

Expands the MIA/POW Scholarships, administered by the Department of Veteran Affairs, to include dependents of Illinois National Guard members who become missing in action or a prisoner of war while serving on active duty. Effective immediately.

House Bill 4914 (Joyce/Clayborne)

Public Act 93-812

Creates an Illinois income tax deduction for moneys paid into *College Illinois!* 529 prepaid tuition plans during the taxable year, except for rollovers, beginning tax year 2005. Caps the new *College Illinois!* deduction and the existing Bright Start Savings deduction at \$10,000 each year. Deletes provisions exempting consideration of Bright Start Savings Accounts, *College Illinois!* contracts, and college savings bonds proceeds in determining financial need, effective January 1, 2005.

House Bill 7029 (Flowers/Trotter)

Vetoed – See SB 2381

Increases the amount of moneys in the Nursing Dedicated and Professional Fund to be appropriated to the Department of Public Health for nursing scholarships, from \$750,000 to \$1,200,000. Effective immediately.

House Bill 7030 (Flowers/Trotter)

Vetoed – See SB 2756

Expands the Nursing Education Scholarship program to provide scholarships to registered nurses pursuing graduate degrees in nursing and allows nurses to fulfill service obligations as nurse educators. Effective January 1, 2005.

House Resolution 721 (Rose)

Adopted/Passed Both Houses

Urges U.S. Congress to limit interest rate increases on Federal Direct Student Loans, allow borrowers to refinance existing consolidation loans, and allow dual or singular payment options.

Senate Bill 1971 (Welch/Madigan)

Public Act 93-1032

Formally HB 4744, which was amended to become the bill. Original language updated the Monetary Award Program (MAP) to limit MAP eligibility to 135 credit hours, rather than to ten semesters. Allowed MAP grants to be used year-round, rather than just during fall and spring college semesters, as long as student does not exceed his/her annual maximum award. Effective July 1, 2004.

Senate Bill 2381 (Munoz/Howard)

Public Act 93-806

Increases the amount of moneys in the Nursing Dedicated and Professional Fund to be appropriated to the Department of Public Health for nursing scholarships, from \$750,000 to \$1,200,000. Effective immediately.

Senate Bill 2755 (Sullivan, J./Chapa LaVia)

Public Act 93-856

Expands eligibility for the Illinois National Guard Grant (ING) so that members of the National Guard who served for at least five years and served in active duty for at least six months can continue their eligibility for the National Guard Grant for up to one year, even after leaving the Guard. Effective immediately.

Senate Bill 2756 (Sullivan, J./Mendoza)

Public Act 93-879

Expands the Nursing Education Scholarship program to provide scholarships to registered nurses pursuing graduate degrees in nursing and allows nurses to fulfill service obligations as nurse educators. Effective January 1, 2005.

Senate Bill 3107 (del Valle/McCarthy)

Public Act 93-862

Changes the title of the Illinois Consortium for Education Opportunity Grant Program to the Diversifying Higher Education Faculty in Illinois Program, to be administered by the Illinois Board of Higher Education. Provides grants to institutions for minority graduate fellowship programs, in addition to helping program participants find employment at Illinois institutions of higher education. Effective July 1, 2004.

Senate Bill 3340 (Trotter/Madigan)

Public Act 83-842

FY2005 Appropriations

House Bill 7320 (Krause)

House Rules Committee

Restores FY2005 funding for the Bonus Incentive Grant program at \$650,000.

Recently introduced – could be considered during Fall Veto Session

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2004 APPROPRIATION SUMMARY REPORT
(July 1, 2003 - August 31, 2004)

	FY2004 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
<u>STATE GENERAL FUNDS</u>				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program*	\$338,699,800	\$332,426,758	140,894	98.1%
Illinois Incentive for Access Grants	7,200,000	6,842,000	17,351	95.0%
Teacher Loan Forgiveness Program	2,700,000	148,886	29	5.5%
Minority Teacher Scholarships	3,100,000	2,959,477	631	95.5%
ITEACH Teacher Shortage Scholarships **	2,900,000	2,157,658	0	74.4%
Illinois Future Teachers Corps Scholarships **	4,100,000	4,099,224	1,053	100.0%
Student to Student Grants	950,000	949,993	2,983	100.0%
Dependents Grants	275,000	270,430	62	98.3%
National Guard Grants	4,500,000	4,497,340	1,972	99.9%
Illinois Veteran Grants	19,250,000	19,211,594	11,943	99.8%
Bonus Incentive Grants	650,000	649,880	1,264	100.0%
Merit Recognition Scholarships	5,400,000	4,426,000	4,587	82.0%
Illinois Scholars Program	3,514,300	3,514,300	N/A	100.0%
TOTAL	\$393,239,100	\$382,153,539	182,769	97.2%
ADMINISTRATION AND OUTREACH				
Administration Expense (see detail on next page)	5,465,800	5,333,757	N/A	97.6%
Adult Learner Outreach	150,000	112,046	N/A	74.7%
Higher EdNet Clearinghouse	10,000	2,068	N/A	20.7%
Federal Cost Allocation Requirement	100,000	99,568	N/A	99.6%
TOTAL	\$5,725,800	\$5,547,438	N/A	96.9%
<u>TOTAL, STATE GENERAL FUNDS</u>	<u>\$398,964,900</u>	<u>\$387,700,978</u>	<u>N/A</u>	<u>97.2%</u>
<u>SPECIAL REVENUE FUNDS</u>				
STUDENT LOAN OPERATING FUND				
Administration Expense (see detail on next page)	58,619,800	30,435,871	N/A	51.9%
Federal Loan System Development & Maintenance	5,000,000	364,877	N/A	7.3%
Working Capital Transfer	13,000,000	11,000,000	N/A	84.6%
Enhance Outreach Awareness	162,500	0	N/A	0.0%
E-Learning Initiative	250,000	0	N/A	0.0%
TOTAL	\$77,032,300	\$41,800,748	N/A	54.3%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	220,000,000	115,703,005	N/A	52.6%
Federal Reserve Recall	4,000,000	2,987,409	N/A	74.7%
Default Aversion Activities	1,300,000	1,225,894	N/A	94.3%
TOTAL	\$225,300,000	\$119,916,308	N/A	53.2%
SCHOLARSHIPS AND GRANTS				
Federal LEAP/SLEAP- Monetary Award Program *	3,700,000	38,152	0	1.0%
Transfer to ED -Paul Douglas Funds Collected	400,000	400,000	N/A	100.0%
Federal Robert C. Byrd Fellowships	1,800,000	1,584,001	1,082	88.0%
TOTAL	\$5,900,000	\$2,022,153	1,082	34.3%
OTHER				
ISAC Accounts Receivables	300,000	61,856	N/A	20.6%
Higher Education License Plate Program	70,000	53,100	N/A	75.9%
Optometric Education Scholarship Program	50,000	50,000	10	100.0%
Illinois Future Teachers Corps Scholarship Fund	50,000	0	0	0.0%
Contracts and Grants Fund	50,000	30,438	N/A	60.9%
<u>TOTAL, SPECIAL REVENUE FUNDS</u>	<u>\$308,752,300</u>	<u>\$163,934,601</u>	<u>N/A</u>	<u>53.1%</u>
<u>GRAND TOTAL</u>	<u>\$707,717,200</u>	<u>\$551,635,579</u>	<u>183,861</u>	<u>77.9%</u>

* Monetary Award Program Total, All Funds \$345,099,800 \$332,464,910 140,894 96.34%

** IFTC Scholarship recipients include those receiving ITEACH funds

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2004 APPROPRIATION REPORT
ADMINISTRATION
(July 1, 2003 - August 31, 2004)

Line Item	STATE GENERAL FUNDS			STUDENT LOAN OPERATING FUND			TOTAL		
	FY2004 Appropriation	Year-to-date Expended	% Expended	FY2004 Appropriation	Year-to-date Expended	% Expended	FY2004 Appropriation	Year-to-date Expended	% Expended
Personal Services	\$2,602,800	\$2,598,782	99.8%	\$13,887,700	\$11,800,096	85.0%	\$16,490,500	\$14,398,879	87.3%
Employee Retirement Paid by State	104,100	103,512	99.4%	555,600	462,811	83.3%	659,700	566,323	85.8%
Retirement	261,600	261,505	100.0%	1,760,300	1,585,506	90.1%	2,021,900	1,847,011	91.4%
Social Security	199,100	191,977	96.4%	1,062,500	859,798	80.9%	1,261,600	1,051,775	83.4%
Group Insurance	N/A	N/A	N/A	2,972,100	2,597,077	87.4%	2,972,100	2,597,077	87.4%
Contractual Services	2,013,000	1,929,693	95.9%	11,092,000	8,291,204	74.7%	13,105,000	10,220,897	78.0%
Contractual - Collection Agency Fees	N/A	N/A	N/A	24,000,000	3,414,683	14.2%	24,000,000	3,414,683	14.2%
Travel	26,400	11,728	44.4%	191,000	97,232	50.9%	217,400	108,959	50.1%
Commodities	32,800	32,711	99.7%	234,700	122,381	52.1%	267,500	155,092	58.0%
Printing	100,000	79,725	79.7%	558,000	134,416	24.1%	658,000	214,140	32.5%
Equipment	10,000	9,355	93.5%	540,000	211,936	39.2%	550,000	221,291	40.2%
Telecommunications	110,500	110,041	99.6%	1,733,500	840,311	48.5%	1,844,000	950,352	51.5%
Operation of Auto Equipment	5,500	4,729	86.0%	32,400	18,420	56.9%	37,900	23,149	61.1%
TOTAL	\$5,465,800	\$5,333,757	97.6%	\$58,619,800	\$30,435,871	51.9%	\$64,085,600	\$35,769,627	55.8%

ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2005 APPROPRIATION SUMMARY REPORT
(July 1, 2004 - August 31, 2004)

	FY2005 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
<u>STATE GENERAL FUNDS</u>				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program	\$338,699,800	\$0	0	0.0%
MAP Reserve Fund	875,000	0	0	0.0%
Illinois Incentive for Access Grants	7,200,000	0	0	0.0%
Teacher Loan Forgiveness Program	500,000	16,355	4	3.3%
Minority Teacher Scholarships	3,100,000	0	0	0.0%
Illinois Future Teachers Corps Scholarships	4,100,000	0	0	0.0%
Student to Student Grants	950,000	0	0	0.0%
Dependents Grants	350,000	0	0	0.0%
National Guard Grants	4,500,000	0	0	0.0%
Illinois Veteran Grants	19,230,000	0	0	0.0%
Merit Recognition Scholarships	5,400,000	0	0	0.0%
Illinois Scholars Program	3,020,000	3,020,000	N/A	100.0%
TOTAL	\$387,924,800	\$3,036,355	4	0.8%
Administration Expense (see detail on next page)	4,551,000	558,525	N/A	12.3%
<u>TOTAL, STATE GENERAL FUNDS</u>	<u>\$392,475,800</u>	<u>\$3,594,880</u>	<u>4</u>	<u>0.9%</u>
<u>SPECIAL REVENUE FUNDS</u>				
STUDENT LOAN OPERATING FUND				
Administration Expense (see detail on next page)	60,146,600	4,418,134	N/A	7.3%
Federal Loan System Development & Maintenance	5,000,000	35,824	N/A	0.7%
TOTAL	\$65,146,600	\$4,453,957	N/A	6.8%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	190,000,000	10,744,203	N/A	5.7%
TOTAL	\$190,000,000	\$10,744,203	N/A	5.7%
SCHOLARSHIPS AND GRANTS				
Transfer to ED -Paul Douglas Funds Collected	400,000	0	N/A	0.0%
Federal Robert C. Byrd Fellowships	1,800,000	0	0	0.0%
TOTAL	\$2,200,000	\$0	0	0.0%
OTHER				
ISAC Accounts Receivables	300,000	0	N/A	0.0%
Higher Education License Plate Program	70,000	42,925	N/A	61.3%
Optometric Education Scholarship Program	50,000	0	0	0.0%
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	70,000	0	N/A	0.0%
<u>TOTAL, SPECIAL REVENUE FUNDS</u>	<u>\$257,916,600</u>	<u>\$15,241,085</u>	<u>4</u>	<u>5.9%</u>
GRAND TOTAL	<u>\$650,392,400</u>	<u>\$18,835,966</u>	<u>4</u>	<u>2.9%</u>

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2005 APPROPRIATION REPORT
ADMINISTRATION
(July 1, 2004 - August 31, 2004)**

Line Item	STATE GENERAL FUNDS			STUDENT LOAN OPERATING FUND			TOTAL		
	FY2005 Appropriation	Year-to-date Expended	% Expended	FY2005 Appropriation	Year-to-date Expended	% Expended	FY2005 Appropriation	Year-to-date Expended	% Expended
Personal Services	\$1,988,000	\$342,846	17.2%	\$15,200,200	\$2,286,669	15.0%	\$17,188,200	\$2,629,515	15.3%
Employee Retirement Paid by State	0	0	N/A	456,000	0	0.0%	456,000	0	0.0%
Retirement	320,200	62,998	19.7%	2,448,100	416,429	17.0%	2,768,300	479,426	17.3%
Social Security	152,000	25,316	16.7%	1,163,000	167,006	14.4%	1,315,000	192,322	14.6%
Group Insurance	N/A	N/A	N/A	3,603,100	592,029	16.4%	3,603,100	592,029	16.4%
Contractual Services	1,802,600	126,974	7.0%	9,864,300	672,079	6.8%	11,666,900	799,053	6.8%
Contractual - Collection Agency Fees	N/A	N/A	N/A	24,000,000	245,189	1.0%	24,000,000	245,189	1.0%
Travel	26,400	0	0.0%	190,000	10,005	5.3%	216,400	10,005	4.6%
Commodities	32,800	362	1.1%	240,000	9,832	4.1%	272,800	10,194	3.7%
Printing	100,000	0	0.0%	627,000	0	0.0%	727,000	0	0.0%
Equipment	10,000	0	0.0%	529,000	470	0.1%	539,000	470	0.1%
Telecommunications	113,500	0	0.0%	1,793,500	14,069	0.8%	1,907,000	14,069	0.7%
Operation of Auto Equipment	5,500	29	0.5%	32,400	4,357	13.4%	37,900	4,385	11.6%
TOTAL	\$4,551,000	\$558,525	12.3%	\$60,146,600	\$4,418,134	7.3%	\$64,697,600	\$4,976,658	7.7%

ILLINOIS STUDENT ASSISTANCE COMMISSION
Federal Student Loan Reserve Fund (FSLRF)
Comparative Sources and Uses Report
Federal Fiscal Year to Date
(October 2003 - July 2004)

	2004	2003
BEGINNING CASH BALANCE, 10/01/03	\$60,692,612	\$44,242,699
Sources of Funds		
Collections	32,594,039	35,650,578
Repurchases, Rehabs & Consolidations	19,592,786	12,393,519
Non- Reinsurable Claims	248,368	1,601,670
Reinsurance	79,321,108	93,231,289
IRS Offsets	2,802,025	2,124,321
Interest on Investment	545,368	599,807
Miscellaneous Income	2,454	5,605
Return of Working Capital from SLOF*	0	13,000,000
Transfer from Federal Reserve Fund	0	2,987,409
Refund to Dept. of Education from SLOF	304,704	66,728
Total Sources	135,410,851	161,660,924
Uses of Funds		
Reimbursements to Lenders	84,092,111	102,490,660
Borrower Refund	661,942	738,562
Funds Remitted to Dept. of Education-Default Collection	23,953,445	25,251,516
Funds Remitted to Dept. of Education-Repurch/Rehabs/Consolidation	13,604,301	8,942,563
Collections on Non-Reinsurable Claims	150,745	87,211
SLOF Retention-Default Collections	6,932,501	7,633,434
SLOF Retention-Repurch/Rehabs/Consolidations	3,686,440	1,740,124
Transfer to SLOF - Account Maintenance Fee:	1,181,461	813,486
IRS Offsets Refunded	2,705,073	2,392,577
Default Aversion Fees	1,635,447	1,805,602
Total Uses	138,603,467	151,895,733
ENDING CASH BALANCE, 07/31/04	\$57,499,995	\$54,007,889
ACCRUAL ADJUSTMENTS		
DUE TO/FROM DEPT. OF EDUCATION		
Due From Dept. of Education		
Reinsurance Claims Filed	8,246,585	17,829,760
Total Due from Dept. of Education	8,246,585	17,829,760
Due To Dept. of Education		
Collections Share	(2,463,465)	(5,432,497)
Reinsurance Repayments	(2,326,410)	(2,713,560)
Other	(950,325)	(950,325)
Total Due to Dept. of Education	(5,740,200)	(9,096,382)
Net Due from Dept. of Education	2,506,385	8,733,378
OTHER ADJUSTMENTS		
SLOF Retention Payables	(1,585,086)	(1,134,116)
Cost of Collection due from SLOF	287,580	239,173
Non-Reinsurable Claims	0	36,217
Collections on Non-Reinsurable Claims	(17,468)	(14,336)
Default Aversion Fee Deferred Charge:	6,440,434	5,574,168
Default Aversion Fee Payable	(135,756)	(134,339)
Other Receivable	131,836	326,541
Vouchers Payable-Lender Reimbursement	(821,352)	(558,552)
Due to Dept of Education Reserve Recall	(6,382,113)	(6,382,113)
Total Other Adjustments	(2,081,925)	(2,047,357)
ADJUSTED FUND BALANCE, 07/31/04	\$57,924,455	\$60,693,911

* SLOF - Student Loan Operating Fund

ILLINOIS STUDENT ASSISTANCE COMMISSION
Student Loan Operating Fund (SLOF)
Comparative Sources and Uses Report
Federal Fiscal Year to Date
(October 2003 - July 2004)

	2004	2003
BEGINNING CASH BALANCE, 10/01/03	\$22,875,059	\$34,107,313
Sources of Funds		
SLOF Retention-Default Collections	6,932,501	7,633,434
Direct Consolidation Cost	8,806,985	8,215,247
Loan Processing & Issuance Fees	5,418,551	4,415,320
Account Maintenance Fees	6,437,379	5,985,654
Default Aversion Fees	1,635,447	1,805,602
Interest on Investment	244,437	437,741
SLOF Retention-Repurch/Rehabs/Consolidation	3,686,440	1,740,124
Collections on Non- Reinsurable Claim:	150,745	87,211
Miscellaneous Income	15,148	38,077
Transfer from Reserve Recall Func	2,410	0
Total Sources	33,330,041	30,358,406
Uses of Funds		
Administrative Expenses	27,815,942	28,519,107
Return of Working Capital to FSLRF [*]	0	13,000,000
Non- Reinsurable Claims	248,368	1,601,670
Refund to Dept. of Education	304,704	66,728
Total Uses	28,369,014	43,187,502
ENDING CASH BALANCE, 07/31/04	\$27,836,091	\$21,278,220
ACCRUAL ADJUSTMENTS		
DUE TO/FROM DEPT. OF EDUCATION		
Due From Dept. of Education		
Loan Processing & Issuance Fee:	739,545	1,342,171
Account Maintenance Fees	510,688	476,342
Total Due from Dept. of Education	1,250,233	1,818,513
Due To Dept. of Education		
Non-Reinsurable Claims	0	(36,217)
Collections on Non-Reinsurable Claim:	17,468	14,336
Total Due to Dept. of Education	17,468	(21,881)
Net Due from Dept. of Education	1,267,701	1,796,632
OTHER ADJUSTMENTS		
Due to Illinois GRF	(299)	(580)
Due to Other State Funds and Agency	0	(386,839)
SLOF Retention Receivable	1,585,086	1,134,116
Due to FSLRF Cost of Collection	(287,580)	(239,173)
Default Aversion Fee Receivable	135,756	134,339
Default Aversion Fee Deferred Revenue	(6,440,434)	(5,574,168)
Interest on Investment	42,240	26,489
Fixed Assets	292,800	398,943
Vouchers Payable-Administrative Expenses	(3,710,604)	(2,239,924)
Other Payables	(43,337)	(62,668)
Total Other Adjustments	(8,426,372)	(6,809,465)
ADJUSTED FUND BALANCE, 07/31/04	\$20,677,419	\$16,265,386

*FSLRF - Federal Student Loan Reserve Fund

ILLINOIS STUDENT ASSISTANCE COMMISSION
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
June 30, 2004

	<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	\$13,097	\$8,155	\$7,406	\$5,551
Number of Borrowers	8,340	4,478	128,317	1,067,980
Total Originations & Purchases	\$109,225,021	\$36,516,609	\$950,266,973	\$5,928,194,858
Operating Expenses	\$4,261,773	\$3,487,035	\$45,503,676	\$315,807,535
<u>Collections:</u>				
Principal - Student	\$31,123,829	\$25,795,815	\$512,272,296	\$2,527,446,357
Interest - Student	4,018,901	3,592,246	46,671,299	547,650,393
Principal - Guarantor	4,622,194	4,415,673	56,859,734	738,021,944
Interest - Guarantor	135,051	131,853	1,938,025	47,129,003
Federal Interest Benefits	688,996	0	17,606,638	196,917,776
Special Allowance	1,055,791	0	9,592,484	116,038,989
<u>Summary:</u>				
Total Principal	\$35,746,023	\$30,211,488	\$569,132,030	\$3,265,468,301
Total Interest	4,842,948	3,724,099	66,215,962	791,697,172
Total Special Allowance	1,055,791	0	9,592,484	116,038,989
	<u>\$41,644,762</u>	<u>\$33,935,587</u>	<u>\$644,940,476</u>	<u>\$4,173,204,462</u>

ILLINOIS STUDENT ASSISTANCE COMMISSION

COLLEGE ILLINOIS!
Sources and Uses Report
August 2004 -- FY 2005

BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 07/01/04

Cash at Custodians and ISAC	\$ 6,917,130
SSgA S&P 500 Index Fund	74,731,176
Banc One Investment Advisors	90,752,710
William Blair & Co.	50,591,291
SSgA Rusell 1000 Growth CTF	13,117,136
Wasatch Advisors	50,226,220
JFL International Equity Fund LLC	25,624,770
SSgA Russell 2000 Fund	26,331,960
LSV Asset Management	42,647,733
SSgA Large Cap Value	42,647,733
Richmond Capital Management	75,379,327

Total Beginning Balance

\$498,855,476

SOURCES OF FUNDS

Contributions received	8,755,824
Application and other fees	196,787
Interest from Treasury and Banks	18,966
Unrealized Interest on Investment	2,037,974

Total Sources

11,009,551

USES OF FUNDS

Administrative Expenses	444,931
Refunds to Purchasers	502,796
Tuition Payments	151,120
Investment Expense	184,517
Realized Loss on Investments	1,510,729
Unrealized Loss on Investments	6,070,431

Total Uses

8,864,523

ENDING MARKET VALUE TOTAL FUNDS BALANCE, 08/31/04

Cash at Custodians and ISAC	\$ 6,605,344
SSgA S&P 500 Index Fund	75,541,548
Banc One Investment Advisors	93,463,287
William Blair & Co.	22,257,012
LSV Asset Management	42,448,580
SSgA Large Cap Value	42,733,445
Nicholas-Applegate	12,482,201
Wasatch Advisors	49,722,444
JFL International Equity Fund LLC	24,435,623
Kenwood Capital	12,519,536
Holland Capital	20,676,315
New Amsterdam	20,850,294
Richmond Capital Management	77,264,874

Total Ending Balance

\$501,000,503

ILLINOIS STUDENT ASSISTANCE COMMISSION

**COLLEGE ILLINOIS!
Total Program Performance
August 2004 -- FY 2005**

APPROXIMATE INVESTMENT RETURN, 08/31/04

	<u>Ending</u> <u>Market Value</u>	<u>Fiscal</u> <u>Year-to-date</u>	<u>Since</u> <u>Inception</u>	<u>Inception</u> <u>Date***</u>
Total Program	\$501,000,503	-1.1%	2.2%	7/6/99
Policy Benchmark*		-1.5%	2.8%	
Actuarial Assumption **		1.3%	7.9%	
Domestic Equity	\$299,231,376	-3.0%	-2.3%	7/6/99
William Blair	22,257,012	-1.2%	-9.7%	7/7/00
<i>Russell 1000 Growth</i>		-6.1%	-14.0%	
New Amsterdam	20,850,294		-0.8%	7/15/04
Holland Capital	20,676,315		-0.3%	7/15/04
<i>Russell 1000 Growth</i>		-6.1%	-6.1%	
LSV Asset Management	42,448,580	-0.4%	3.4%	2/13/04
<i>Russell 1000 Value</i>		0.0%	2.1%	
SSgA	42,733,445	-1.9%	-0.8%	4/21/04
<i>Russell 1000 Value</i>		0.0%	-2.8%	
Kenwood Capital	12,519,536		-1.4%	7/15/04
Nicholas-Applegate	12,482,201		-1.7%	7/15/04
<i>Russell 2000 Value</i>		-3.7%	-3.7%	
SSgA S&P 500 Index Fund	75,541,548	-2.9%	-2.9%	7/6/99
<i>S&P 500 Index</i>		-2.9%	-2.7%	
Wasatch Advisors	49,722,444	-5.0%	10.7%	9/7/01
<i>Russell 2000</i>		-7.2%	6.7%	
International Equity	\$24,435,623	-4.6%	17.9%	
Jarislowsky Fraser	24,435,623	-4.6%	17.9%	10/4/02
<i>MSCI EAFE</i>		-2.8%	24.0%	
Domestic Fixed Income	\$170,728,161	2.7%	7.2%	7/6/99
Banc One Investment Advisors	93,463,287	2.9%	3.5%	7/1/03
<i>Lehman Aggregate Index</i>		2.9%	2.8%	
Richmond Capital Management	77,264,874	2.5%	4.2%	10/7/02
<i>Lehman Intermediate Government/Credit</i>		2.5%	4.9%	
Cash Account	\$6,605,344	0.1%	3.2%	
T-Bills		0.3%	3.0%	

Note: Returns are preliminary and subject to revision pending the September 30, 2004 quarterly report.

* Policy Benchmark is 45% S&P500, 10% Russell 2000, 5% MSCI EAFE, 25% Lehman Aggregate, 13% Lehman Intermediate Government/Credit, and 2% T-bills. Previously, the benchmark was 50% S&P500, 10% Russell 2000, 38% Lehman Aggregate and 2% T-bills (from October, 2001 through October, 2002) and 50% S&P500, 47% Lehman Aggregate and 3% T-bills (prior to October, 2001).

** Actuarial assumption was revised to 7.75% effective 7/01/02. Prior to 7/01/02 the assumption was 8%.

*** Benchmark returns are as of the beginning of the month.

NUMBER AND DOLLAR VALUE OF PLANS, 02/29/04

Number of Plans

Plans Paid in Full	23,794
Active Plans	14,524
Cancelled Plans	4,343
Suspended Plans	42
Total Number of Plans	42,703

Purchased Value of all Plans

\$765,574,565

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.